

**TOWN OF PLAISTOW,
NEW HAMPSHIRE**

ANNUAL FINANCIAL REPORT

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

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PLODZIK & SANDERSON

Professional Association/Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Town of Plaistow 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, each major fund, and aggregate remaining fund information of the Town of Plaistow, as of December 31, 2022, the respective changes in financial position, and the respective budgetary comparison for the general and water funds 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 Plaistow 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 Plaistow'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 Plaistow'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 Plaistow
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 Plaistow'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 Plaistow'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:

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

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

Supplementary Information – Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Plaistow'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 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.

July 12, 2023
Concord, New Hampshire

*Plodzick & Sanderson
Professional Association*

Town of Plaistow, New Hampshire Management's Discussion and Analysis

Presented herewith please find the Management Discussion & Analysis for the Town of Plaistow, New Hampshire for the year ending December 31, 2022. The responsibility for accuracy of the data, the completeness and fairness of this document (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material respects. This report and its content have been designed to fairly present the Town's financial position, including the result of operations of all the funds of the Town. All the disclosures necessary to enable and to assist the reader in acquiring an accurate understanding of the Town's financial activities have been included.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all the activities of the Town of Plaistow, New Hampshire using the integrated approach as prescribed by GASB Statement 34.

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components:

1. Government-wide financial statements;
2. Fund financial statements, and
3. Notes to basic financial statements

This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

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

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

The statement of activities presents information showing how the Town's net position changed during the most recent year. All the current year's revenue and expenses are considered regardless of when cash is received or paid.

The government-wide financial statements can be found on pages 10-11 of this report.

Town of Plaistow, New Hampshire Management's Discussion and Analysis

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements, focus on the individual parts of the Town government, and report the Town's operations in more detail than the government-wide statements. The Town's funds are divided into two categories: governmental funds and fiduciary funds.

Governmental Funds: Most of the basic services provided by the Town are financed through governmental funds. Unlike the government-wide financial statements, the governmental fund financial statements are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted into cash. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The basic governmental fund financial statements can be found on pages 12-15.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented here with similar information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental activities statement of net position and statement of activities.

The Town of Plaistow maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Water Fund which are considered to be the Town's only major funds. Data from the other governmental funds are combined into a single, aggregate presentation.

Fiduciary Funds: These funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. The Town's fiduciary funds on pages 18-19 which include the private-purpose trust funds and agency funds.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. These notes to the basic financial statements begin on page 20.

Town of Plaistow, New Hampshire Management's Discussion and Analysis

Required Supplementary Information

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

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

These schedules are Exhibits F, G, H, I and J after the note section in the report. These Schedules are also accompanied by Notes to the Required Supplementary Information.

Other Supplementary Information

Other supplementary information includes combining and individual fund financial schedules for the governmental funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position of the Town of Plaistow as of December 31, 2022 and 2021 are as follows:

	2022	2021	Increase (Decrease)
Current assets	\$ 19,962,041	\$ 16,361,039	\$ 3,601,002
Capital assets, net	33,286,752	29,621,657	3,665,095
Total assets	53,248,793	45,982,696	7,266,097
Total deferred outflows of resources	1,884,187	1,747,240	136,947
Long-term liabilities outstanding	17,301,738	14,593,948	2,707,790
Other liabilities	9,038,081	10,125,665	(1,087,584)
Total liabilities	26,339,819	24,719,613	1,620,206
Total deferred inflows of resources	4,893,967	2,549,089	2,344,878
Net Position:			
Net investment in capital assets	24,750,027	22,279,822	2,470,205
Restricted	760,565	561,693	198,872
Unrestricted	(1,611,398)	(2,380,281)	768,883
Total net position	\$ 23,899,194	\$ 20,461,234	\$ 3,437,960

Town of Plaistow, New Hampshire Management's Discussion and Analysis

Statement of Activities

Changes in net position for the years ending December 31, 2022 and 2021 are as follows:

	2022	2021	Increase (Decrease)
Revenues:			
Program Revenues			
Charges for services	\$ 943,946	\$ 482,654	\$ 461,292
Operating grants and contributions	653,512	424,246	229,266
Capital grants and contributions	2,690,703	2,905,861	(215,158)
General revenues:			
Property taxes	6,856,717	6,081,353	775,364
Other taxes	245,478	77,232	168,246
Motor vehicle permit fees	1,952,747	1,976,329	(23,582)
Licenses and other fees	277,934	202,387	75,547
Grants and contributions not restricted to specific programs	985,497	572,969	412,528
Miscellaneous	867,455	1,066,890	(199,435)
Total revenues	<u>15,473,989</u>	<u>13,789,921</u>	<u>1,684,068</u>
Expenses:			
General government	4,108,620	3,389,151	719,469
Public safety	3,991,307	3,924,180	67,127
Highways and streets	984,522	912,769	71,753
Sanitation	965,966	899,446	66,520
Water	619,974	247,603	372,371
Health and welfare	155,708	156,663	(955)
Culture and recreation	939,425	889,529	49,896
Conservation	7,723	39,893	(32,170)
Interest on long-term debt	262,784	179,978	82,806
Total expenses	<u>12,036,029</u>	<u>10,639,212</u>	<u>1,396,817</u>
Change in net position	3,437,960	3,150,709	287,251
Net position, beginning	<u>20,461,234</u>	<u>17,310,525</u>	<u>3,150,709</u>
Net position, ending	<u>\$ 23,899,194</u>	<u>\$ 20,461,234</u>	<u>\$ 3,437,960</u>

The Town's net position increased by \$3,587,960.

The Town's expenses cover a range of services. The largest expenses were for general government and public safety, which accounted for 67.3% of total expenses.

Town of Plaistow, New Hampshire Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town's uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the calendar year.

General Fund

The general fund is the main operating fund of the Town. At the end of the current year, the general fund fund balances totaled \$4,596,541. This includes an unassigned amount of \$2,622,042. The total General Fund fund balance increased \$339,474 from the December 31, 2021 amount.

Water Fund

The Water fund accounts for all activity related to the Water Department. At the end of the current year, the Water fund fund balances totaled \$1,022,434. The fund balance increased \$576,156 from the December 31, 2021 amount, primarily due to the issuance of long-term debt that is unspent at year end.

Other Governmental Funds

The total fund balance of \$1,299,970 in the other governmental funds is restricted for the purposes of the individually established fund. The largest portion of this total represents the balance in the Conservation Fund (\$531,408), Impact Fees Fund (\$209,551), Outside Details Fund (\$246,926), and Permanent Fund (\$138,848).

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgetary information for the major governmental fund (the General Fund) can be found in the report at Exhibit D-1 on page 16.

The actual budgetary revenues exceeded the budget for estimated revenues by \$409,579. The Town received \$67,578 more in taxes, \$13,181 more in licenses and permits, \$245,447 more in intergovernmental and \$94,518 more from miscellaneous sources.

The actual budgetary expenditures were less than the budgeted appropriations by \$292,706.

Town of Plaistow, New Hampshire Management's Discussion and Analysis

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town considers a capital asset to be an asset whose cost exceeds \$10,000 and has a useful life of greater than one year. Assets are depreciated using the straight-line method over the course of their useful life.

The Town's capital assets for its governmental activities as of December 31, 2022 is \$44,059,878. Accumulated depreciation amounts to \$10,773,126, leaving a net book value of \$33,286,752. The capital assets include equipment, real property, infrastructure, and land. Infrastructure assets are items that are normally immovable and of value only to the Town. Additional information on the Town's capital assets can be found in Note 9 of the Notes to the Basic Financial Statements.

A summary of the Town's capital assets is as follows:

Capital Assets (net of depreciation)	2022	2021	Increase (Decrease)
Land	\$ 3,804,365	\$ 3,804,365	\$ -
Buildings and building improvements	10,293,024	10,804,655	(511,631)
Vehicles and equipment	2,860,995	2,514,124	346,871
Infrastructure	6,141,706	6,263,875	(122,169)
Construction in progress	10,186,662	6,234,638	3,952,024
Total	<u>\$ 33,286,752</u>	<u>\$ 29,621,657</u>	<u>\$ 3,665,095</u>

Long-Term Obligations

A summary of all long-term obligations outstanding is as follows:

	2022	2021	Increase (Decrease)
General obligation bonds	\$ 7,849,185	\$ 6,720,000	\$ 1,129,185
Premium on bonds	389,862	250,488	139,374
Note payable	297,678	371,347	(73,669)
Compensated absences	244,819	258,339	(13,520)
Net other postemployment benefits	1,405,793	1,695,783	(289,990)
Net pension liability	7,114,401	5,297,991	1,816,410
Total	<u>\$ 17,301,738</u>	<u>\$ 14,593,948</u>	<u>\$ 2,707,790</u>

Town of Plaistow, New Hampshire Management's Discussion and Analysis

Additional information on the Town's long-term obligations can be found in Note 13 of the Notes to the Basic Financial Statements.

ECONOMIC FACTORS

The Town of Plaistow continues to review and update our capital investment plan (CIP) to accommodate and anticipate the needs of the community and its continued operation based on continued growth. We are continuing to experience significant residential growth and commercial property development. In addition, the Town is moving forward with significant progress to bring potable water to Town which will lead to future development of commercial properties.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all of Plaistow citizens, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Plaistow, New Hampshire, 145 Main Street, Plaistow, New Hampshire 03865.

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 7,266,245
Investments	6,685,716
Taxes receivable (net)	1,391,265
Accounts receivable	371,705
Lease receivables	3,613,600
Intergovernmental receivables	562,807
Prepaid items	70,703
Capital assets:	
Land and construction in progress	13,991,027
Other capital assets, net of depreciation	19,295,725
Total assets	<u>53,248,793</u>
DEFERRED OUTFLOWS OF RESOURCES	
Amounts related to pensions	1,521,515
Amounts related to other postemployment benefits	362,672
Total deferred outflows of resources	<u>1,884,187</u>
LIABILITIES	
Accounts payable	887,946
Accrued salaries and benefits	59,877
Retainage payable	179,744
Contracts payable	193,910
Accrued interest payable	936
Intergovernmental payable	7,715,668
Long-term liabilities:	
Due within one year	448,225
Due in more than one year	16,853,513
Total liabilities	<u>26,339,819</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - SB 401	282,924
Unavailable revenue - ARPA	312,535
Amounts related to leases	3,544,858
Amounts related to pensions	338,732
Amounts related to other postemployment benefits	414,918
Total deferred inflows of resources	<u>4,893,967</u>
NET POSITION	
Net investment in capital assets	24,750,027
Restricted	760,565
Unrestricted	(1,611,398)
Total net position	<u>\$ 23,899,194</u>

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

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

		Program Revenues			Net (Expense)
		Charges	Operating	Capital	Revenue and
		for	Grants and	Grants and	Change In
	Expenses	Services	Contributions	Contributions	Net Position
General government	\$ 4,108,620	\$ 14,204	\$ -	\$ -	\$ (4,094,416)
Public safety	3,991,307	199,417	246,266	-	(3,545,624)
Highways and streets	984,522	-	153,917	-	(830,605)
Sanitation	965,966	-	-	-	(965,966)
Water	619,974	636,765	-	2,690,703	2,707,494
Health	119,673	-	-	-	(119,673)
Welfare	36,035	-	-	-	(36,035)
Culture and recreation	939,425	93,560	8,047	-	(837,818)
Conservation	7,723	-	245,282	-	237,559
Interest on long-term debt	262,784	-	-	-	(262,784)
Total governmental activities	<u>\$ 12,036,029</u>	<u>\$ 943,946</u>	<u>\$ 653,512</u>	<u>\$ 2,690,703</u>	<u>(7,747,868)</u>
General revenues:					
Taxes:					
Property					6,856,717
Other					245,478
Motor vehicle permit fees					1,952,747
Licenses and other fees					277,934
Grants and contributions not restricted to specific programs					985,497
Unrestricted investment earnings					61,003
Miscellaneous					963,024
Unrealized loss on investments					(156,572)
Total general revenues					<u>11,185,828</u>
Change in net position					3,437,960
Net position, beginning					20,461,234
Net position, ending					<u>\$ 23,899,194</u>

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

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

	General	Water	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,662,367	\$ 388,938	\$ 1,214,940	\$ 7,266,245
Investments	5,530,654	454,930	700,132	6,685,716
Taxes receivable (net)	1,391,265	-	-	1,391,265
Accounts receivable	160,816	26,146	184,743	371,705
Lease receivables	3,613,600	-	-	3,613,600
Intergovernmental receivables	-	543,670	19,137	562,807
Interfund receivable	451,620	-	-	451,620
Prepaid items	203,461	11,933	-	215,394
Total assets	<u>\$ 17,013,783</u>	<u>\$ 1,425,617</u>	<u>\$ 2,118,952</u>	<u>\$ 20,558,352</u>
LIABILITIES				
Accounts payable	\$ 817,686	\$ 29,529	\$ 40,731	\$ 887,946
Accrued salaries and benefits	59,877	-	-	59,877
Retainage payable	-	179,744	-	179,744
Contracts payable	-	193,910	-	193,910
Intergovernmental payable	7,701,572	-	14,096	7,715,668
Interfund payable	-	-	451,620	451,620
Total liabilities	<u>8,579,135</u>	<u>403,183</u>	<u>506,447</u>	<u>9,488,765</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - Property taxes	160,325	-	-	160,325
Unavailable revenue - SB 401	282,924	-	-	282,924
Unavailable revenue - ARPA	-	-	312,535	312,535
Amounts related to leases	3,544,858	-	-	3,544,858
Total deferred inflows of resources	<u>3,988,107</u>	<u>-</u>	<u>312,535</u>	<u>4,300,642</u>
FUND BALANCES				
Nonspendable	203,461	11,933	119,647	335,041
Restricted	499,482	-	141,436	640,918
Committed	1,260,041	1,010,501	1,037,247	3,307,789
Assigned	11,515	-	1,640	13,155
Unassigned	2,472,042	-	-	2,472,042
Total fund balances	<u>4,446,541</u>	<u>1,022,434</u>	<u>1,299,970</u>	<u>6,768,945</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,013,783</u>	<u>\$ 1,425,617</u>	<u>\$ 2,118,952</u>	<u>\$ 20,558,352</u>

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

EXHIBIT C-2
TOWN OF PLAISTOW, 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)		\$ 6,768,945
Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the governmental funds.		
Cost	\$ 44,059,878	
Less accumulated depreciation	<u>(10,773,126)</u>	
		33,286,752
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the post-retirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows of resources related to pensions	\$ 1,521,515	
Deferred inflows of resources related to pensions	(338,732)	
Deferred outflows of resources related to OPEB	362,672	
Deferred inflows of resources related to OPEB	<u>(414,918)</u>	
		1,130,537
Interfund receivables and payables between governmental funds are eliminated on the Statement of Net Position.		
Receivables	\$ (451,620)	
Payables	<u>451,620</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 inflows of resources - property taxes		160,325
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(936)
Repayment of long-term liabilities and related interest not due until subsequent year as recorded in the governmental funds as prepaid items, but reduce the liability on the government-wide financial statements.		
Prepaid bond interest		(144,691)
Long-term liabilities that are not due and payable in the current period, therefore, are not reported in the governmental funds.		
Bonds	\$ 7,849,185	
Note	297,678	
Unamortized bond premium	389,862	
Compensated absences	244,819	
Net pension liability	7,114,401	
Other postemployment benefits	<u>1,405,793</u>	
		(17,301,738)
Net position of governmental activities (Exhibit A)		<u>\$ 23,899,194</u>

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

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

	General	Water	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 7,013,778	\$ -	\$ 175,100	\$ 7,188,878
Licenses and permits	2,230,681	-	-	2,230,681
Intergovernmental	1,295,603	2,690,703	343,406	4,329,712
Charges for services	113,855	636,765	193,326	943,946
Miscellaneous	920,529	4,930	29,826	955,285
Unrealized loss on investments	(135,725)	-	(20,847)	(156,572)
Total revenues	<u>11,438,721</u>	<u>3,332,398</u>	<u>720,811</u>	<u>15,491,930</u>
EXPENDITURES				
Current:				
General government	3,962,950	-	110,297	4,073,247
Public safety	3,299,591	-	392,030	3,691,621
Highways and streets	1,022,696	-	-	1,022,696
Water	-	3,206,242	-	3,206,242
Sanitation	964,759	-	-	964,759
Health	124,797	-	-	124,797
Welfare	36,035	-	-	36,035
Culture and recreation	855,370	-	2,529	857,899
Conservation	1,875	-	5,848	7,723
Debt service:				
Principal	280,000	-	-	280,000
Interest	222,894	-	-	222,894
Capital outlay	1,500,000	-	42,552	1,542,552
Total expenditures	<u>12,270,967</u>	<u>3,206,242</u>	<u>553,256</u>	<u>16,030,465</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(832,246)</u>	<u>126,156</u>	<u>167,555</u>	<u>(538,535)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	51,720	-	-	51,720
Transfers out	-	-	(51,720)	(51,720)
Bond proceeds	1,120,000	450,000	-	1,570,000
Total other financing sources (uses)	<u>1,171,720</u>	<u>450,000</u>	<u>(51,720)</u>	<u>1,570,000</u>
Net change in fund balances	339,474	576,156	115,835	1,031,465
Fund balances, beginning	4,107,067	446,278	1,184,135	5,737,480
Fund balances, ending	<u>\$ 4,446,541</u>	<u>\$ 1,022,434</u>	<u>\$ 1,299,970</u>	<u>\$ 6,768,945</u>

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

EXHIBIT C-4
TOWN OF PLAISTOW, 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

Net change in fund balances of governmental funds (Exhibit C-3)		\$ 1,031,465
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Capitalized capital outlay expenditures exceeded depreciation expense in the current year, as follows:		
Capitalized capital outlay	\$ 4,890,295	
Depreciation expense	<u>(1,225,200)</u>	
		3,665,095
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (51,720)	
Transfers out	<u>51,720</u>	
		-
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		(17,941)
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Proceeds of debt	\$ (1,409,185)	
Bond premium on new issuance	(160,815)	
Repayment of bond principal	280,000	
Repayment of note payable	73,669	
Amortization of bond premium	<u>21,441</u>	
		(1,194,890)
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	\$ 83,360	
Increase in prepaid bond interest	(144,691)	
Decrease in compensated absences payable	13,520	
Net change in net pension liability, and deferred outflows and inflows of resources related to pensions	86,721	
Net change in net other postemployment benefits liability and deferred outflows and inflows of resources related to other postemployment benefits	<u>(84,679)</u>	
		(45,769)
Change in net position of governmental activities (Exhibit B)		<u>\$ 3,437,960</u>

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

EXHIBIT D-1
TOWN OF PLAISTOW, 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

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 6,859,517	\$ 6,927,095	\$ 67,578
Licenses and permits	2,217,500	2,230,681	13,181
Intergovernmental	1,042,109	1,287,556	245,447
Charges for services	125,000	113,855	(11,145)
Miscellaneous	535,000	629,518	94,518
Total revenues	<u>10,779,126</u>	<u>11,188,705</u>	<u>409,579</u>
EXPENDITURES			
Current:			
General government	3,971,931	3,894,773	77,158
Public safety	3,329,745	3,230,871	98,874
Highways and streets	953,959	941,279	12,680
Sanitation	1,039,228	964,759	74,469
Health	132,158	124,797	7,361
Welfare	47,612	36,035	11,577
Culture and recreation	202,944	197,683	5,261
Conservation	7,200	1,875	5,325
Debt service:			
Principal	280,000	280,000	-
Interest	222,895	222,894	1
Capital outlay	1,500,000	1,500,000	-
Total expenditures	<u>11,687,672</u>	<u>11,394,966</u>	<u>292,706</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(908,546)</u>	<u>(206,261)</u>	<u>702,285</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	21,720	167,494	145,774
Transfers out	(1,043,294)	(1,043,294)	-
Bond proceeds	1,500,000	1,120,000	(380,000)
Total other financing sources (uses)	<u>478,426</u>	<u>244,200</u>	<u>(234,226)</u>
Net change in fund balances	<u>\$ (430,120)</u>	37,939	<u>\$ 468,059</u>
Increase in nonspendable fund balance		(208,475)	
Unassigned fund balance, beginning		2,585,356	
Unassigned fund balance, ending		<u>\$ 2,414,820</u>	

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

EXHIBIT D-2
TOWN OF PLAISTOW, NEW HAMPSHIRE
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Water Fund
For the Fiscal Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 2,690,703	\$ 2,690,703	\$ -
Charges for services	431,300	431,300	636,765	205,465
Miscellaneous	-	-	4,930	4,930
Total revenues	431,300	3,122,003	3,332,398	210,395
EXPENDITURES				
Current:				
Water	431,300	3,572,003	3,206,242	365,761
Excess (deficiency) of revenues over (under) expenditures	-	(450,000)	126,156	576,156
OTHER FINANCING SOURCES				
Transfers in	-	450,000	450,000	-
Net change in fund balances	\$ -	\$ -	576,156	\$ 576,156
Committed fund balance, beginning			446,278	
Committed fund balance, ending			\$ 1,022,434	

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

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

	Private Purpose Trust Funds	All Custodial Funds	Total
ASSETS			
Cash and cash equivalents	\$ 8,839	\$ 340,139	\$ 348,978
Investments	297,504	998,278	1,295,782
Intergovernmental receivable	-	7,647,219	7,647,219
Total assets	<u>306,343</u>	<u>8,985,636</u>	<u>9,291,979</u>
LIABILITIES			
Accounts payable	-	36,749	36,749
Intergovernmental payables:			
School	-	7,604,410	7,604,410
Total liabilities	<u>-</u>	<u>7,641,159</u>	<u>7,641,159</u>
NET POSITION			
Restricted	<u>\$ 306,343</u>	<u>\$ 1,344,477</u>	<u>\$ 1,650,820</u>

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

EXHIBIT E-2
TOWN OF PLAISTOW, 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	Total
ADDITIONS			
Contributions	\$ 11,015	\$ 99,823	\$ 110,838
Investment earnings	9,288	11,733	21,021
Change in fair market value	(45,791)	(98,579)	(144,370)
Tax collections for other governments	-	18,872,850	18,872,850
Collection of motor vehicle fees for State	-	650,795	650,795
Total additions	(25,488)	19,536,622	19,511,134
DEDUCTIONS			
Scholarships	19,745	-	19,745
Payments of taxes to other governments	-	18,872,850	18,872,850
Payments of motor vehicle fees to State	-	650,795	650,795
Total deductions	19,745	19,523,645	19,543,390
Net increase in fiduciary net position	(45,233)	12,977	(32,256)
Net position, beginning	351,576	1,331,500	1,683,076
Net position, ending	\$ 306,343	\$ 1,344,477	\$ 1,650,820

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

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

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

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TOWN OF PLAISTOW, 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 Plaistow, 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 Plaistow is a municipal corporation governed by an elected 5-member Board of Selectmen and Town Manager. In evaluating how to define the Town for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB. The Town has no component units to include in its reporting entity.

1-B Basis of Accounting and Measurement Focus

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

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

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the Town are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital 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 PLAISTOW, 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 funds:

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

Water Fund – accounts for the activities related to the operation of the water treatment plant, wells, and water system.

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.

Capital Projects Funds – are used to account for the financial resources and activities relating to specific construction projects.

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 13 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. A cash pool is maintained that is available for use by all funds. Each fund’s portion of this pool is reflected on the combined financial statements under the caption “cash and cash equivalents.”

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

1-D Investments

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

New Hampshire law authorizes the Town to invest in the following type of obligations:

- Obligations of the United States government,
- The public deposit investment pool established pursuant to RSA 383:22,
- 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 PLAISTOW, 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.

Investments in Certain External Investment Pools – In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the Town held investments with the New Hampshire Public Deposit Investment Pool (NHPDIP). The NHPDIP measures all of its investments at amortized cost. There are no redemption restrictions and shares may be redeemed by the Town in accordance with the NHPDIP's Information Statement.

1-E Receivables

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

1-F Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

1-G Capital Assets

Capital assets are reported in the 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 \$10,000 or more and an estimate useful life in excess of one year for capitalization of depreciable assets.

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

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>
Capital Asset Classes:	
Buildings and building improvements	15 - 40
Vehicles and equipment	5 - 20
Infrastructure	20 - 60

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). 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 18, 2022 and November 16, 2022, and due on July 1, 2022 and December 28, 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, Timberlane Regional School District, and Rockingham 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:

For the New Hampshire education tax	\$ 1,327,511,802
For all other taxes	\$ 1,367,573,146

TOWN OF PLAISTOW, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
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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	\$ 5.18	\$ 7,076,241
School portion:		
State of New Hampshire	1.21	1,607,023
Local	11.91	16,292,419
County portion	0.71	973,408
Total	<u>\$ 19.01</u>	<u>\$ 25,949,091</u>

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 four types of items which qualify for reporting in this category. Deferred inflows of resources related to pensions and OPEB are reported in the government-wide Statement of Net Position for various estimate differences that will be amortized and recognized over future years. In addition, unavailable revenues from grants arises when the related eligible expenditures will not be made until the subsequent period. The value of leases are discounted to the present value and amortized on a straight-line basis.

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 Leases

The Town is a lessor for noncancellable leases of cell towers. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

1-N Long-term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums during the current period. The face amount of debt issued is reported as other financing sources.

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 transactions:

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

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

1-O 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.

1-P 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.

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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-Q Net Position/Fund Balances

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

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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.

Minimum Balance – The Town shall maintain a minimum unassigned fund balance of 7% of the Town’s annual budget as defined by policy.

Target Balance – The Town shall strive to achieve and maintain an unassigned fund balance of at least 7% of the Town’s annual budget as defined by policy.

Plan for Target Balance - The unassigned fund balance target shall be maintained by conservatively estimating revenues and giving consideration when analyzing the use of fund balance to mitigating variations related to larger one-time revenues anticipated that are related to general operations (such as unusually high receipts for land use change tax, income from sale of Town assets or some other similar source) which is not anticipated to be maintained at the same level in future years. In addition, assets made available by reductions in liabilities related to resolution of legal matters, abatement litigation, or other similar circumstances shall be directed toward efforts to reach or maintain the target balance of capital purposes.

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Unassigned Fund Balance Uses - When preparing initial revenue estimates for the upcoming budget year (early winter near close of current fiscal year), the Board of Selectmen shall make estimates of unassigned fund balance available to reduce property taxes conservatively based on preliminary assessment of the Town's financial condition. When preparing for the setting of the tax rate in the fall, use of unassigned fund balance shall be reassessed by the Town Manager, to determine conformance with this policy. This review shall consider financial statements and reports issued for the previous fiscal cycle, the Town's annual budget based on budgets and appropriations (operations) of the Town, State and local education, and county purposes for that tax year to confirm and if necessary, modify, the Selectmen's initial estimates.

Emergency Use of Unassigned Funds - Unassigned fund balance may be appropriated for emergency purposes, as deemed necessary by the Board of Selectmen, even if such use decreases the fund balance below the targeted percentage. Emergency purposes do not include the offsetting of properly taxes related to increasing continuing appropriations (operations) of the Town, school, or county or mismanagement of funds. The Budget Committee must be informed and concur in the usage for emergency purposes.

Use of additional unassigned fund balance may be considered by the Board of Selectmen and/or the Budget Committee during the budget setting process, when an annual budget includes an unusually large capital expenditure not financed from other reserves, long-term borrowing or leasing if deemed prudent by the governing body to mitigate the capital expenditures impact of tax rate stability. A warrant article will be written and then voted on by the Town in March in order to approve the usage of unassigned fund monies for these purposes.

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.

1-R 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 and impairment of capital assets, net pension liability, other postemployment benefit liability, deferred outflows and inflows of resources related to both pension and other postemployment benefits, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

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

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

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

State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2022, \$300,000 of the beginning general fund unassigned fund balance was applied for this purpose and \$130,120 was voted from unassigned fund balance to fund current year appropriations.

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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. There are no differences between the budgetary basis of accounting for the major water fund. Differences between the budgetary basis and GAAP basis of accounting for the general fund are as follows:

Revenues and other financing sources:	
Per Exhibit D-1 (budgetary basis)	\$ 11,356,199
Adjustment:	
Basis difference:	
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	163,333
To eliminate and recognize transfers between blended funds	(115,774)
Change in deferred tax revenue relating to 60-day revenue recognition recognized as revenue on the GAAP basis, but not on the budgetary basis	17,941
Change in miscellaneous revenue relating to lease revenue recognition recognized as revenue on the GAAP basis, but not on the budgetary basis	68,742
Per Exhibit C-3 (GAAP basis)	<u><u>\$ 11,490,441</u></u>
Expenditures and other financing uses:	
Per Exhibit D-1 (budgetary basis)	\$ 12,438,260
Adjustment:	
Basis differences:	
Encumbrances, beginning	6,493
Encumbrances, ending	(11,515)
GASB Statement No. 54:	
To record expenditures of the blended funds during the year	881,023
To eliminate and recognize transfers between blended funds	(1,043,294)
Per Exhibit C-3 (GAAP basis)	<u><u>\$ 12,270,967</u></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. As a result of implementation of this Statement, prior year capital leases payable were reclassified as notes payable. Lessor agreements were evaluated and recognized in the financial statements, see Note 7 for more information.

DETAILED NOTES ON ALL FUNDS

NOTE 3 – CASH AND CASH EQUIVALENTS

The Town's deposits are entirely covered by Federal Depository Insurance Corporation (FDIC) or by collateral held by the Town's agent in the Town's name. The FDIC currently insures the first \$250,000 of the Town's deposits at each financial institution, per case custodian. Deposit balances over \$250,000 are insured by the collateral. As of year-end, the carrying amount of the Town's deposits was \$7,615,223 and the bank balances totaled \$9,386,672. Petty cash totaled \$100.

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Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 7,266,245
Cash per Statement of Fiduciary Net Position - Fiduciary Funds (Exhibit E-1)	348,978
Total cash and cash equivalents	<u>\$ 7,615,223</u>

NOTE 4 – INVESTMENTS

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

	Valuation Measurement Method	Reported Balance	Exempt from Disclosure
Investments type:			
Equity exchange traded funds	Level 1	\$ 332,457	\$ 332,457
Equity mutual funds	Level 1	155,527	155,527
Fixed income exchange traded funds	Level 2	554,544	554,544
Fixed income mutual funds	Level 2	1,906,243	1,906,243
Total fair value		<u>2,948,771</u>	<u>2,948,771</u>
Investments carried at amortized cost:			
New Hampshire Public Deposit Investment Pool		5,032,727	5,032,727
Total investments		<u>\$ 7,981,498</u>	<u>\$ 7,981,498</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 Board of Selectmen seeks to attain market rate of return on its investments, consistent with constraints imposed by its safety objectives, cash flow considerations, and state laws that restrict the placement of public funds. Capital reserve and expendable trust funds, which may be expensed in the near-term, have shorter time horizon and therefore, higher safety requirements, calling for a heavier allocation to income producing investments. Trust funds have a long or perpetual-time horizon and the portfolio investment objective is to provide a total return (income plus capital appreciation) consistent with the purpose of that fund that exceeds the long-term rate of inflation.

Credit Risk - In selecting the most appropriate depositories, the Board of Selectmen analyze the credit worthiness of institutions, and the Treasurer shall conduct a comprehensive review of the prospective depositories' credit characteristics and financial history. For capital reserves and expendable trusts, investments in corporate bonds shall be limited to those with a rating of investment grade. A mutual fund or exchange-traded fund with an investment objective consistent with holding investment grade bonds may be used. Trust fund investments are not restricted by any specified bond rating. The Town's investment pool had the following credit risk structure:

Investments Type	Reported Balance	Exempt from Disclosure
Equity exchange traded funds	\$ 332,457	\$ 332,457
Equity mutual funds	155,527	155,527
Fixed income exchange traded funds	554,544	554,544
Fixed income mutual funds	1,906,243	1,906,243
New Hampshire Public Deposit Investment Pool	5,032,727	5,032,727
Total	<u>\$ 7,981,498</u>	<u>\$ 7,981,498</u>

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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 Treasurer shall insure that prior to acceptance of any money for deposit or investment including repurchase agreements, the federally insured bank shall, at the time of such deposit or investment, have such funds secured by collateral having a value at least equal to the amount of such funds in excess of the applicable Federal Deposit Insurance limits for such deposit or investment. The Trustee of Trust Funds investment policies do not directly address the risk.

Concentration of Credit Risk - The Board of Selectmen places no limit on the amount it may invest in any one issuer while the Trustees of Trust Funds require that no single company comprise more than 5% of the portfolio at the time of purchase. When a portfolio position has grown up to 10% of the target balance, the position will be reduced to prevent it from growing further, unless the Trustees have specifically authorized the continued holding of the position. Investment reconciliation:

Investments per Statement of Net Position (Exhibit A)	\$ 6,685,716
Investments per Statement of Fiduciary Net Position - Fiduciary Funds (Exhibit E-1)	1,295,782
Total investments	<u>\$ 7,981,498</u>

NOTE 5 – TAXES RECEIVABLE

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2022. The amount has been reduced by an allowance for an estimated uncollectible amount of \$476,453. Taxes receivable by year are as follows:

Property:	
Levy of 2022	\$ 1,206,500
Unredeemed (under tax lien):	
Levy of 2021	90,344
Levy of 2020	60,367
Levies of 2019 and prior	510,507
Less: allowance for estimated uncollectible taxes	(476,453)
Net taxes receivable	<u>\$ 1,391,265</u>

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

NOTE 6 – OTHER RECEIVABLES

Receivables at December 31, 2022, consisted of accounts (billings for police details, water, and other user charges), leases, 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.

NOTE 7 – LEASE RECEIVABLES

The Town had the following lease receivables as of December 31, 2022:

	Original Amount	Issue Date	Maturity Date	Interest Rate	Receivable at December 31, 2022
Lease Receivables:					
Verizon	\$ 934,278	2022	2052	3.00%	\$ 901,578
AT&T	\$ 1,414,434	2020	2050	3.00%	1,342,577
T-Mobile	\$ 1,426,866	2021	2051	3.00%	1,369,445
Total lease receivables					<u>\$ 3,613,600</u>

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NOTE 8 – PREPAID ITEMS

Prepaid items at December 31, 2022 consisted of the following:

	Government-wide (Exhibit A)	Governmental Funds (Exhibit C-1)
Annual dues and licenses	\$ 19,195	\$ 19,195
Insurance	44,490	44,490
Interest on bond	- *	144,691
Miscellaneous	7,018	7,018
Total	<u>\$ 70,703</u>	<u>\$ 215,394</u>

*Not recognized on the accrual basis of accounting.

NOTE 9 – CAPITAL ASSETS

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

	Balance, beginning	Additions	Deletions	Balance, ending
At cost:				
Not being depreciated:				
Land	\$ 3,804,365	\$ -	\$ -	\$ 3,804,365
Construction in progress	6,234,638	4,186,813	(234,789)	10,186,662
Total capital assets not being depreciated	<u>10,039,003</u>	<u>4,186,813</u>	<u>(234,789)</u>	<u>13,991,027</u>
Being depreciated:				
Buildings and building improvements	15,632,247	-	-	15,632,247
Vehicles and equipment	5,775,686	783,322	(189,191)	6,369,817
Infrastructure	7,911,838	154,949	-	8,066,787
Total capital assets being depreciated	<u>29,319,771</u>	<u>938,271</u>	<u>(189,191)</u>	<u>30,068,851</u>
Total all capital assets	<u>39,358,774</u>	<u>5,125,084</u>	<u>(423,980)</u>	<u>44,059,878</u>
Less accumulated depreciation:				
Buildings and building improvements	(4,827,592)	(511,631)	-	(5,339,223)
Vehicles and equipment	(3,261,562)	(436,451)	189,191	(3,508,822)
Infrastructure	(1,647,963)	(277,118)	-	(1,925,081)
Total accumulated depreciation	<u>(9,737,117)</u>	<u>(1,225,200)</u>	<u>189,191</u>	<u>(10,773,126)</u>
Net book value, capital assets being depreciated	<u>19,582,654</u>	<u>(286,929)</u>	<u>-</u>	<u>19,295,725</u>
Net book value, all capital assets	<u>\$ 29,621,657</u>	<u>\$ 3,899,884</u>	<u>\$ (234,789)</u>	<u>\$ 33,286,752</u>

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	\$ 44,347
Public safety	658,956
Highways and streets	316,257
Sanitation	74,876
Water treatment and distribution	49,533
Culture and recreation	81,231
Total depreciation expense	<u>\$ 1,225,200</u>

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NOTE 10 – 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	
		\$ 451,620

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.

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

	Transfers In:
	General
	Fund
Transfers out:	
Nonmajor fund	\$ 51,720

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 11 – INTERGOVERNMENTAL PAYABLES

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

	Governmental Funds	Fiduciary Funds
Property taxes due to the custodial funds	\$ 7,561,873 ¹	\$ -
Property taxes due to the Timberlane Regional School District	-	7,561,873 ²
Due to the New Hampshire Retirement System	110,186	-
Other	43,609	42,537
Total intergovernmental payables due	\$ 7,715,668	\$ 7,604,410

¹ Property taxes due to the custodial fund represent amounts collected by the Town on behalf of Timberlane Regional School District and are reported as a component of general fund cash at year-end.

² Property taxes due to the Timberlane Regional 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 12 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources of at December 31, 2022 consist of amounts related to pensions totaling \$1,521,515 and amounts related to OPEB totaling \$362,672. For further discussion on these amounts, see Note 14 and 15, respectively.

Deferred inflows of resources are as follows:

	Government- wide	General Fund	Nonmajor Governmental Funds
Property taxes not collected within 60 days of the fiscal year-end	\$ -	\$ 160,325	\$ -
ARPA funds received in advance of eligible expenditures	312,535	-	312,535
SB 401 funds received in advance of eligible expenditures	282,924	282,924	-
Amounts related to pensions, see Note 14	338,732	-	-
Amounts related to OPEB, see Note 15	414,918	-	-
Amounts related to leases	3,544,858	3,544,858	-
Total deferred inflows of resources	\$ 4,893,967	\$ 3,988,107	\$ 312,535

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NOTE 13 – 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 in Less Than One Year	Due in More Than One Year
Bonds payable:						
Direct placement	\$ 6,720,000	\$ 1,409,185	\$ (280,000)	\$ 7,849,185	\$ 336,985	\$ 7,512,200
Premium	250,488	160,815	(21,441)	389,862	35,235	354,627
Total bonds payable	6,970,488	1,570,000	(301,441)	8,239,047	372,220	7,866,827
Note payable - direct borrowing	371,347	-	(73,669)	297,678	76,005	221,673
Compensated absences	258,339	-	(13,520)	244,819	-	244,819
Net pension liability	5,297,991	1,816,410	-	7,114,401	-	7,114,401
Net other postemployment benefits	1,695,783	-	(289,990)	1,405,793	-	1,405,793
Total long-term liabilities	<u>\$ 14,593,948</u>	<u>\$ 3,386,410</u>	<u>\$ (678,620)</u>	<u>\$ 17,301,738</u>	<u>\$ 448,225</u>	<u>\$ 16,853,513</u>

Long-term bonds/note are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at December 31, 2022
Bonds payable:					
Direct placement:					
Public safety complex	\$ 8,119,600	2016	2045	2.86	\$ 6,440,000
Fire truck	\$ 1,011,860	2022	2042	3.49	1,011,860
Potable water	\$ 397,325	2022	2032	2.66	397,325
					<u>7,849,185</u>
Bond premium					<u>389,862</u>
Total					<u>\$ 8,239,047</u>
Note payable:					
Direct borrowing:					
Public safety complex	\$ 387,387	2021	2026	3.13	<u>\$ 297,678</u>

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

Fiscal Year Ending December 31,	Bonds - Direct Placement		
	Principal	Interest	Total
2023	\$ 336,985	\$ 283,302	\$ 620,287
2024	345,800	263,060	608,860
2025	349,100	248,448	597,548
2026	352,500	230,869	583,369
2027	356,200	213,115	569,315
2028-2032	1,841,900	900,574	2,742,474
2033-2037	1,678,400	580,452	2,258,852
2038-4042	1,748,300	297,636	2,045,936
2043-2045	840,000	50,736	890,736
Totals	<u>\$ 7,849,185</u>	<u>\$ 3,068,192</u>	<u>\$ 10,917,377</u>

(Continued)

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Annual requirements to amortize all general obligation bonds/note outstanding continued:

Fiscal Year Ending December 31,	Note - Direct Borrowing		
	Principal	Interest	Total
2023	\$ 76,005	\$ 8,222	\$ 84,227
2024	78,415	5,812	84,227
2025	80,902	3,325	84,227
2026	62,356	815	63,171
Totals	<u>\$ 297,678</u>	<u>\$ 18,174</u>	<u>\$ 315,852</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.

Bonds/Notes Authorized and Unissued – Bonds and notes authorized and unissued as of December 31, 2022 were as follows:

Per Town Meeting Vote of	Purpose	Unissued Amount
March 12, 2019	Asset management study	\$ 30,000
March 08, 2022	Tower 3 Fire Truck	300,000
		<u>\$ 330,000</u>

NOTE 14 – DEFINED BENEFIT PENSION PLAN

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

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

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

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

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

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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 \$574,025, 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 \$7,114,401 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 0.12% which was the same as its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Town recognized pension expense of \$619,134. 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	\$ 385,703	\$ 311,421
Changes in assumptions	378,429	-
Net difference between projected and actual investment earnings on pension plan investments	269,627	-
Differences between expected and actual experience	133,525	27,311
Contributions subsequent to the measurement date	354,231	-
Total	<u>\$ 1,521,515</u>	<u>\$ 338,732</u>

The \$354,231 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	\$ 209,170
2024	230,940
2025	(23,110)
2026	411,552
Totals	<u>\$ 828,552</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.

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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.

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	\$ 9,545,733	\$ 7,114,401	\$ 5,092,974

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.

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NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

15-A New Hampshire Retirement System (NHRS)

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

Benefits Provided - Benefit amounts and eligibility requirements for the OPEB Plan are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and Group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being 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 \$29,067, 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 \$514,598 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 0.14% which was an increase of 0.02% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Town recognized OPEB expense of \$68,271. 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	\$ 1,406	-
Contributions subsequent to the measurement date	32,760	-
Total	<u>\$ 34,166</u>	<u>\$ -</u>

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The \$32,760 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. 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	\$ 234
2024	61
2025	(553)
2026	1,664
Totals	<u>\$ 1,406</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	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%	
Inflation	0.00%	2.25%
Total	100.00%	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.

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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	\$ 558,683	\$ 514,598	\$ 476,203

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.

15-B Town of Plaistow Retiree Health Benefit Program

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

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

Employees Covered by Benefit Terms – At January 1, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Active employees	34
Total participants covered by OPEB plan	<u>38</u>

Total OPEB Liability – The Town's total OPEB liability of \$891,195 was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2022.

Actuarial Assumptions and Other Inputs – The total OPEB liability of \$891,195 in the January 1, 2022, 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:	3.72%
Healthcare Cost Trend Rates:	
Current Year Trend	6.04%
Second Year Trend	7.50%
Decrement	0.50%
Ultimate Trend	4.54%
Year Ultimate Trend is Reached	2090
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 January 1, 2022.

Mortality rates were based on the Pub-2010 General Employees Headcount-Weighted Mortality fully generational using Scale MP-2021, Pub-2010 General Retirees Headcount-Weighted Mortality fully generational using Scale MP-2021, and Pub-2010 Safety Employees Headcount-Weighted Mortality fully generational using Scale MP-2021.

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Changes in the Total OPEB Liability

	December 31,	
	2021	2022
OPEB liability beginning of year	\$ 1,153,298	\$ 1,199,503
Changes for the year:		
Service cost	50,055	43,044
Interest	24,153	32,411
Assumption changes and difference between actual and expected experience	-	(358,791)
Benefit payments	(28,003)	(24,972)
OPEB liability end of year	<u>\$ 1,199,503</u>	<u>\$ 891,195</u>

Sensitivity of the Town's OPEB Liability to Changes in the Discount Rate – The January 1, 2022, actuarial valuation was prepared using a discount rate of 3.72%. If the discount rate were 1% higher than what was used the OPEB liability would decrease to \$805,272 or by 9.64%. If the discount rate were 1% lower than what was used the OPEB liability would increase to \$989,265 or by 11.00%.

	Discount Rate		
	1% Decrease	Baseline 3.72%	1% Increase
Total OPEB Liability	<u>\$ 989,265</u>	<u>\$ 891,195</u>	<u>\$ 805,272</u>

Sensitivity of the Town's OPEB Liability to Changes in the Healthcare Cost Trend Rates – The January 1, 2022, actuarial valuation was prepared using an initial trend rate of 6.04%. If the trend rate were 1% higher than what was used the OPEB liability would increase to \$1,021,490 or by 14.62%. If the trend rate were 1% lower than what was used the OPEB liability would decrease to \$782,924 or by 12.15%.

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 6.04%	1% Increase
Total OPEB Liability	<u>\$ 782,924</u>	<u>\$ 891,195</u>	<u>\$ 1,021,490</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 \$98,442. 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	\$ 271,092	\$ 353,049
Differences between expected and actual experience	57,414	61,869
Total	<u>\$ 328,506</u>	<u>\$ 414,918</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	\$ 22,987
2024	22,987
2025	20,610
2026	(9,304)
2027	(43,019)
Thereafter	(100,673)
Totals	<u>\$ (86,412)</u>

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NOTE 16 – COMMITMENTS

The Town has active construction projects as of December 31, 2022. At year-end, the Town commitments with contractors for specific projects are as follows:

Capital Project Program	Spent to Date	Remaining Commitment
Water Service Connections	\$ 1,559,709	\$ 1,304,422

NOTE 17 – 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:	
Highways and streets	\$ 11,515

NOTE 18 – 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	\$ 33,286,752	\$ -
Less:		
General obligation bonds payable	(7,849,185)	-
Unamortized bond premiums	(389,862)	-
Note payable	(297,678)	-
Total net investment in capital assets	24,750,027	-
Restricted net position:		
Permanent fund principal	119,647	-
Permanent fund income	19,201	-
Library	499,482	-
Capital Projects	43,116	-
Special revenue funds	79,119	-
Private purpose trust funds	-	306,343
Individuals, organizations, and other governments	-	1,344,477
Total restricted net position	760,565	1,650,820
Unrestricted	(1,611,398)	-
Total net position	\$ 23,899,194	\$ 1,650,820

NOTE 19 – GOVERNMENTAL FUND BALANCES

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

	General Fund	Water Fund	Nonmajor Funds	Total Governmental Funds
Nonspendable:				
Prepaid items	\$ 203,461	\$ -	\$ -	\$ 203,461
Permanent fund - principal balance	-	11,933	119,647	131,580
Total nonspendable fund balance	203,461	11,933	119,647	335,041

(Continued)

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Governmental fund balances continued:

	General Fund	Water Fund	Nonmajor Funds	Total Governmental Funds
Restricted:				
Library	499,482	-	-	499,482
Capital projects	-	-	43,116	43,116
Police	-	-	47,920	47,920
Grants	-	-	7,938	7,938
Cable TV	-	-	23,261	23,261
Permanent fund - income balance	-	-	19,201	19,201
Total restricted fund balance	499,482	-	141,436	640,918
Committed:				
Expendable trust	1,260,041	-	-	1,260,041
Water	-	1,010,501	-	1,010,501
Conservation commission	-	-	531,408	531,408
Impact fees	-	-	209,551	209,551
Outside details	-	-	246,926	246,926
Recreation revolving	-	-	32,452	32,452
Cemetery maintenance	-	-	16,910	16,910
Total committed fund balance	1,260,041	1,010,501	1,037,247	3,307,789
Assigned:				
Encumbrances	11,515	-	-	11,515
Other special revenue	-	-	1,640	1,640
Total assigned fund balance	11,515	-	1,640	13,155
Unassigned	2,472,042	-	-	2,472,042
Total governmental fund balances	\$ 4,446,541	\$ 1,022,434	\$ 1,299,970	\$ 6,768,945

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 (Primex³) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from January 1, 2022 to December 31, 2022 by Primex³, which retained \$2,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and for each property loss it is based upon the Town's property schedule on file with Primex³. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The workers' compensation section of the self-insurance membership agreement permits Primex³ to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In fiscal year 2022 the Town paid \$181,096 and \$78,412 respectively, to Primex for property, liability, and worker's compensation. At this time, Primex³ foresees no likelihood of any additional assessment for this or any prior year.

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.

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

NOTE 21 – CAFETERIA BENEFIT PLAN

Effective March 1, 2007, 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. Out of Pocket Medical Spending Account; or
2. 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 Dependent Care Spending Account, and \$2,500 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 1 and 2 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 had no such tax abatement agreements as of 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 \$807,785 in federal funding from the American Rescue Plan Act (ARPA) in 2021. The Town has received 100% of these funds as of December 31, 2022. Eligible uses of these funds include pandemic response or its negative impacts, workforce/personnel, including payroll and hazard/premium pay, provision of government services to the extent of reduced revenue and necessary water, sewer, and broadband investment. For the year ended December 31, 2022, the Town spent \$495,250 of the funds received. The remaining funds are included in deferred inflows of resources until eligible expenditures have been made, also see Note 11 for additional information regarding the deferred inflow of resources balance.

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.

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

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 July 12, 2023, the date the December 31, 2022 financial statements were available to be issued, and the following events occurred that requires recognition or disclosure:

Warrant Article P-23-07: Authorized the use of \$80,000 General Fund unassigned fund balance for unanticipated expenditures.

Warrant Article P-23-08: Authorized the use of \$100,000 General Fund unassigned fund balance to establish a Police Vehicle Capital Reserve Fund.

Warrant Article P-23-10: Authorized the use of \$100,000 General Fund unassigned fund balance to establish a Police and Fire Detail Revolving Fund.

Warrant Article P-23-12: Authorized the use of \$40,000 General Fund unassigned fund balance to be deposited into the Building Expendable Trust Fund

Warrant Article P-23-17: Authorized the use of \$140,000 General Fund unassigned fund balance to be deposited into the Fire Department Apparatus Capital Reserve Fund.

Warrant Article P-23-18: Authorized the use of \$20,000 General Fund unassigned fund balance to be deposited into the Cemetery Special Maintenance Expendable Trust Fund.

Warrant Article P-23-19: Authorized the use of \$2,892 General Fund unassigned fund balance to be deposited into the Old Home Day Expendable Trust Fund.

Legal Settlement: As of December 31, 2022, the Town had accrued \$150,000 in anticipation of a legal settlement. The Town settled in 2023 and this amount was paid.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT F
TOWN OF PLAISTOW, 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	0.14%	0.14%	0.13%	0.13%	0.14%	0.13%	0.13%	0.11%	0.12%	0.12%
Proportionate share of the net pension liability	\$ 6,093,361	\$ 5,087,146	\$ 5,078,269	\$ 7,176,738	\$ 6,693,102	\$ 6,387,327	\$ 6,114,322	\$ 7,259,304	\$ 5,297,991	\$ 7,114,401
Covered payroll (as of the measurement date)	\$ 2,686,031	\$ 2,649,750	\$ 2,578,181	\$ 2,590,231	\$ 2,852,730	\$ 2,925,358	\$ 2,840,419	\$ 2,789,520	\$ 3,055,644	\$ 2,996,755
Proportionate share of the net pension liability as a percentage of its covered payroll	226.85%	191.99%	196.97%	277.07%	234.62%	218.34%	215.26%	260.23%	173.38%	237.40%
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 PLAISTOW, 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	\$ 352,048	\$ 439,683	\$ 430,061	\$ 483,271	\$ 498,572	\$ 560,652	\$ 552,999	\$ 504,192	\$ 640,382	\$ 574,025
Contributions in relation to the contractually required contributions	(352,048)	(439,683)	(430,061)	(483,271)	(498,572)	(560,652)	(552,999)	(504,192)	(640,382)	(574,025)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (as of the fiscal year-end)	\$ 2,686,031	\$ 2,649,750	\$ 2,578,181	\$ 2,590,231	\$ 2,852,730	\$ 2,925,358	\$ 2,840,419	\$ 2,789,520	\$ 3,185,473	\$ 3,207,870
Contributions as a percentage of covered pay	13.11%	16.59%	16.68%	18.66%	17.48%	19.17%	19.47%	18.07%	20.10%	17.89%

TOWN OF PLAISTOW, 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.

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 PLAISTOW, NEW HAMPSHIRE
Schedule of the Town's Proportionate Share of the Net Other Postemployment Benefit Plan Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended December 31, 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	0.10%	0.10%	0.15%	0.14%	0.12%	0.12%	0.14%
Town's proportionate share of the net OPEB liability (asset)	\$ 492,161	\$ 470,494	\$ 700,189	\$ 635,868	\$ 504,291	\$ 496,280	\$ 514,598
Town's covered payroll (as of the measurement date)	\$ 2,590,231	\$ 2,852,730	\$ 2,925,358	\$ 2,840,419	\$ 2,789,520	\$ 3,055,644	\$ 2,996,755
Town's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	19.00%	16.49%	23.94%	22.39%	18.08%	16.24%	17.17%
Plan fiduciary net position as a percentage of the total OPEB liability	5.21%	7.91%	7.53%	7.75%	7.74%	11.06%	10.67%

EXHIBIT I
TOWN OF PLAISTOW, 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	\$ 59,073	\$ 60,989	\$ 67,646	\$ 66,190	\$ 53,478	\$ 59,492	\$ 29,067
Contributions in relation to the contractually required contribution	(59,073)	(60,989)	(67,646)	(66,190)	(53,478)	(59,492)	(29,067)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (as of the fiscal year-end)	\$ 2,590,231	\$ 2,852,730	\$ 2,925,358	\$ 2,840,419	\$ 2,789,520	\$ 3,185,473	\$ 3,207,870
Contributions as a percentage of covered payroll	2.28%	2.14%	2.31%	2.33%	1.92%	1.87%	0.91%

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

EXHIBIT J
TOWN OF PLAISTOW, 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,				
	2018	2019	2020	2021	2022
OPEB liability, beginning of year	\$ 677,543	\$ 731,213	\$ 753,714	\$ 1,153,298	\$ 1,199,503
Changes for the year:					
Service cost	27,593	31,269	49,016	50,055	43,044
Interest	27,110	25,001	23,209	24,153	32,411
Assumption changes and difference between actual and expected experience	31,594	-	354,781	-	(358,791)
Benefit payments	(32,627)	(33,769)	(27,422)	(28,003)	(24,972)
OPEB liability, end of year	<u>\$ 731,213</u>	<u>\$ 753,714</u>	<u>\$ 1,153,298</u>	<u>\$ 1,199,503</u>	<u>\$ 891,195</u>
Covered payroll	<u>\$ 3,649,307</u>	<u>\$ 3,800,602</u>	<u>\$ 2,652,873</u>	<u>\$ 2,732,459</u>	<u>\$ 2,275,377</u>
Total OPEB liability as a percentage of covered payroll	20.04%	19.83%	43.47%	43.90%	39.17%

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

TOWN OF PLAISTOW, 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.

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 – The Town had the following changes in assumptions for the current period:

- Increased discount rate from 2.12% to 3.72%
- Initial trend rates were advanced, the model for trends in subsequent years is based on the Getzen Model as updated through September 2022.
- Mortality assumptions changed from SOA RP-2014 Total Dataset Mortality with Scale MP-2020 (Base Year 2006) to Pub-2010 General Employees Headcount-Weighted Mortality fully generational using Scale MP-2021, Pub-2010 General Retirees Headcount-Weighted Mortality fully generational using Scale MP-2021, and Pub-2010 Safety Employees Headcount-Weighted Mortality fully generational using Scale MP-2021.
- The morbidity assumptions were updated to use the Dale Yamamoto model published by the Society of Actuaries to give a better projection of anticipated costs as adjusted for age.

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 PLAISTOW, 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	\$ 6,789,517	\$ 6,856,717	\$ 67,200
Interest and penalties on taxes	70,000	70,378	378
Total from taxes	6,859,517	6,927,095	67,578
Licenses, permits, and fees:			
Business licenses, permits, and fees	2,500	3,120	620
Motor vehicle permit fees	2,000,000	1,952,747	(47,253)
Building permits	144,000	198,460	54,460
Other	71,000	76,354	5,354
Total from licenses, permits, and fees	2,217,500	2,230,681	13,181
Intergovernmental:			
State:			
Meals and rooms distribution	689,559	689,559	-
Highway block grant	154,515	153,917	(598)
Other	38,035	46,018	7,983
Federal:			
Other	10,000	250,000	240,000
Other	150,000	148,062	(1,938)
Total from intergovernmental	1,042,109	1,287,556	245,447
Charges for services:			
Income from departments	125,000	113,855	(11,145)
Miscellaneous:			
Sale of municipal property	-	70,879	70,879
Interest on investments	35,000	45,251	10,251
Other	500,000	513,388	13,388
Total from miscellaneous	535,000	629,518	94,518
Other financing sources:			
Transfers in	21,720	167,494	145,774
Bond proceeds	1,500,000	1,120,000	(380,000)
Total other financing sources	1,521,720	1,287,494	(234,226)
Total revenues and other financing sources	12,300,846	\$ 12,476,199	\$ 175,353
Unassigned fund balance used to reduce tax rate	300,000		
Amounts voted from fund balance	130,120		
Total revenues, other financing sources, and use of fund balance	\$ 12,730,966		

See Independent Auditor's Report.

SCHEDULE 2
TOWN OF PLAISTOW, 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	\$ -	\$ 291,490	\$ 341,948	\$ -	\$ (50,458)
Election and registration	-	151,714	110,471	-	41,243
Financial administration	-	348,822	282,329	-	66,493
Legal	-	90,000	269,409	-	(179,409)
Personnel administration	-	2,127,545	1,950,893	-	176,652
Planning and zoning	-	111,544	99,117	-	12,427
General government buildings	-	338,126	333,601	-	4,525
Cemeteries	-	10,500	11,801	-	(1,301)
Insurance, not otherwise allocated	-	164,237	164,238	-	(1)
Advertising and regional associations	-	25,500	23,771	-	1,729
Other	-	312,453	307,195	-	5,258
Total general government	-	3,971,931	3,894,773	-	77,158
Public safety:					
Police	-	2,271,538	2,068,184	-	203,354
Fire	-	918,285	1,018,398	-	(100,113)
Building inspection	-	119,822	116,411	-	3,411
Emergency management	-	20,100	27,878	-	(7,778)
Total public safety	-	3,329,745	3,230,871	-	98,874
Highways and streets:					
Administration	-	294,959	297,022	-	(2,063)
Highways and streets	6,493	554,000	546,633	11,515	2,345
Street lighting	-	105,000	92,602	-	12,398
Total highways and streets	6,493	953,959	936,257	11,515	12,680
Sanitation:					
Solid waste collection	-	994,728	914,766	-	79,962
Solid waste disposal	-	44,500	49,993	-	(5,493)
Total sanitation	-	1,039,228	964,759	-	74,469
Administration	-	90,075	84,004	-	6,071
Pest control	-	950	910	-	40
Health agencies	-	41,133	39,883	-	1,250
Total health	-	132,158	124,797	-	7,361
Welfare:					
Administration and direct assistance	-	40,612	29,035	-	11,577
Vendor payments and other	-	7,000	7,000	-	-
Total welfare	-	47,612	36,035	-	11,577
Culture and recreation:					
Parks and recreation	-	187,344	166,770	-	20,574
Patriotic purposes	-	600	588	-	12
Other	-	15,000	30,325	-	(15,325)
Total culture and recreation	-	202,944	197,683	-	5,261
Conservation	-	7,200	1,875	-	5,325

(Continued)

SCHEDULE 2 (Continued)
TOWN OF PLAISTOW, 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)
Debt service:					
Principal of long-term debt	-	280,000	280,000	-	-
Interest on long-term debt	-	222,894	222,894	-	-
Interest on tax anticipation notes	-	1	-	-	1
Total debt service	-	502,895	502,894	-	1
Capital outlay	-	1,500,000	1,500,000	-	-
Other financing uses:					
Transfers out	-	1,043,294	1,043,294	-	-
Total appropriations, expenditures, other financing uses, and encumbrances	\$ 6,493	\$ 12,730,966	\$ 12,433,238	\$ 11,515	\$ 292,706

See Independent Auditor's Report.

SCHEDULE 3
TOWN OF PLAISTOW, 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)		\$ 2,585,356
Changes:		
Unassigned fund balance used to reduce 2022 tax rate		(300,000)
Amounts voted from fund balance		(130,120)
2022 Budget summary:		
Revenue surplus (Schedule 1)	\$ 175,353	
Unexpended balance of appropriations (Schedule 2)	292,706	
2022 Budget surplus		468,059
Increase in nonspendable fund balance		(208,475)
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)		2,414,820
Reconciliation on Non-GAAP Budgetary Basis to GAAP Basis		
To record deferred property taxes not collected within 60 days of the fiscal year-end, not recognized on a budgetary basis		(160,325)
To record difference between lease receivable and amortization of deferred inflows, not recognized on a budgetary basis		68,742
Decrease in nonspendable fund balance for prepaid item, not recognized on a budgetary basis		148,805
Unassigned fund balance, ending, GAAP basis (Exhibit C-1)		\$ 2,472,042

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

	Special Revenue Funds					
	Conservation Commission	Police	Impact Fees	Outside Details	Recreation Revolving	Grants
ASSETS						
Cash and cash equivalents	\$ 385,608	\$ 47,920	\$ 430,490	\$ 224,458	\$ 33,530	\$ -
Investments	-	-	-	-	-	565,579
Accounts receivable	145,800	-	-	38,943	-	-
Intergovernmental receivable	-	-	8,037	-	-	11,100
Total assets	<u>\$ 531,408</u>	<u>\$ 47,920</u>	<u>\$ 438,527</u>	<u>\$ 263,401</u>	<u>\$ 33,530</u>	<u>\$ 576,679</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ 16,475	\$ 1,078	\$ 23,178
Due to other governments	-	-	14,096	-	-	-
Interfund payable	-	-	214,880	-	-	233,028
Total liabilities	<u>-</u>	<u>-</u>	<u>228,976</u>	<u>16,475</u>	<u>1,078</u>	<u>256,206</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - grants	-	-	-	-	-	312,535
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	47,920	-	-	-	7,938
Committed	531,408	-	209,551	246,926	32,452	-
Assigned	-	-	-	-	-	-
Total fund balances	<u>531,408</u>	<u>47,920</u>	<u>209,551</u>	<u>246,926</u>	<u>32,452</u>	<u>7,938</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 531,408</u>	<u>\$ 47,920</u>	<u>\$ 438,527</u>	<u>\$ 263,401</u>	<u>\$ 33,530</u>	<u>\$ 576,679</u>

Special Revenue Funds			Capital Project Funds			Total
Cable	Other Special Revenue	Cemetery Maintenance	Public Safety Complex	Highway Garage	Permanent Fund	
\$ 23,261	\$ 1,640	\$ 16,910	\$ 26,511	\$ 20,317	\$ 4,295	\$ 1,214,940
-	-	-	-	-	134,553	700,132
-	-	-	-	-	-	184,743
-	-	-	-	-	-	19,137
<u>\$ 23,261</u>	<u>\$ 1,640</u>	<u>\$ 16,910</u>	<u>\$ 26,511</u>	<u>\$ 20,317</u>	<u>\$ 138,848</u>	<u>\$ 2,118,952</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,731
-	-	-	-	-	-	14,096
-	-	-	3,712	-	-	451,620
-	-	-	3,712	-	-	506,447
-	-	-	-	-	-	312,535
-	-	-	-	-	119,647	119,647
23,261	-	-	22,799	20,317	19,201	141,436
-	-	16,910	-	-	-	1,037,247
-	1,640	-	-	-	-	1,640
<u>23,261</u>	<u>1,640</u>	<u>16,910</u>	<u>22,799</u>	<u>20,317</u>	<u>138,848</u>	<u>1,299,970</u>
<u>\$ 23,261</u>	<u>\$ 1,640</u>	<u>\$ 16,910</u>	<u>\$ 26,511</u>	<u>\$ 20,317</u>	<u>\$ 138,848</u>	<u>\$ 2,118,952</u>

See Independent Auditor's Report.

SCHEDULE 5
TOWN OF PLAISTOW, 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 Fund					
	Conservation Commission	Police	Impact Fees	Outside Details	Recreation Revolving	Grants
REVENUES						
Taxes	\$ 175,100	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivable	-	-	-	-	-	343,406
Charges for services	-	-	-	191,407	1,919	-
Miscellaneous	201	19	14,452	-	-	7,763
Unrealized loss on investments	-	-	-	-	-	-
Total revenues	<u>175,301</u>	<u>19</u>	<u>14,452</u>	<u>191,407</u>	<u>1,919</u>	<u>351,169</u>
EXPENDITURES						
Current:						
General government	-	-	-	-	-	110,297
Public safety	-	14,660	-	149,359	-	228,011
Culture and recreation	-	-	-	-	2,529	-
Conservation	5,848	-	-	-	-	-
Capital outlay	-	-	-	-	-	5,100
Total expenditures	<u>5,848</u>	<u>14,660</u>	<u>-</u>	<u>149,359</u>	<u>2,529</u>	<u>343,408</u>
Excess (deficiency) of revenues over (under) expenditures	<u>169,453</u>	<u>(14,641)</u>	<u>14,452</u>	<u>42,048</u>	<u>(610)</u>	<u>7,761</u>
OTHER FINANCING USES						
Transfers out	-	-	(51,720)	-	-	-
Net change in fund balances	169,453	(14,641)	(37,268)	42,048	(610)	7,761
Fund balances, beginning	361,955	62,561	246,819	204,878	33,062	177
Fund balances, ending	<u>\$ 531,408</u>	<u>\$ 47,920</u>	<u>\$ 209,551</u>	<u>\$ 246,926</u>	<u>\$ 32,452</u>	<u>\$ 7,938</u>

Special Revenue Funds			Capital Project Funds			Total
Cable	Other Special Revenue	Cemetery Maintenance	Public Safety Complex	Highway Garage	Permanent Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,100
-	-	-	-	-	-	343,406
-	-	-	-	-	-	193,326
-	1	2,295	96	817	4,182	29,826
-	-	-	-	-	(20,847)	(20,847)
-	1	2,295	96	817	(16,665)	720,811
-	-	-	-	-	-	110,297
-	-	-	-	-	-	392,030
-	-	-	-	-	-	2,529
-	-	-	-	-	-	5,848
-	-	-	-	37,452	-	42,552
-	-	-	-	37,452	-	553,256
-	1	2,295	96	(36,635)	(16,665)	167,555
-	-	-	-	-	-	(51,720)
-	1	2,295	96	(36,635)	(16,665)	115,835
23,261	1,639	14,615	22,703	56,952	155,513	1,184,135
\$ 23,261	\$ 1,640	\$ 16,910	\$ 22,799	\$ 20,317	\$ 138,848	\$ 1,299,970

See Independent Auditor's Report.

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

	Custodial Funds					Total
	Taxes	Trust Funds	Impact Fees	Escrows	Town Clerk Fees - State Portion	
ASSETS						
Cash and cash equivalents	\$ -	\$ 13,631	\$ 33,874	\$ 292,634	\$ -	\$ 340,139
Investments	-	998,278	-	-	-	998,278
Intergovernmental receivables	7,561,873	-	34,500	50,846	-	7,647,219
Total assets	7,561,873	1,011,909	68,374	343,480	-	8,985,636
LIABILITIES						
Accounts payable	-	-	-	36,749	-	36,749
Intergovernmental payables:						
School	7,561,873	-	42,537	-	-	7,604,410
Total liabilities	7,561,873	-	42,537	36,749	-	7,641,159
NET POSITION						
Restricted	\$ -	\$ 1,011,909	\$ 25,837	\$ 306,731	\$ -	\$ 1,344,477

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SCHEDULE 7
TOWN OF PLAISTOW, NEW HAMPSHIRE
Custodial Funds
Combining Schedule of Custodial Funds Changes in Fiduciary Net Position
December 31, 2022

	Custodial Funds					Total
	Taxes	Trust Funds	Impact Fees	Escrows	Town Clerk Fees - State Portion	
ADDITIONS						
Contributions	\$ -	\$ -	\$ 3,187	\$ 96,636	\$ -	\$ 99,823
Investment earnings	-	11,600	35	98	-	11,733
Change in fair market value	-	(98,579)	-	-	-	(98,579)
Collections for other governments	18,872,850	-	-	-	-	18,872,850
Collection of motor vehicle fees for State	-	-	-	-	650,795	650,795
Total additions	18,872,850	(86,979)	3,222	96,734	650,795	19,536,622
DEDUCTIONS						
Payments of taxes to other governments	18,872,850	-	-	-	-	18,872,850
Payments of motor vehicle fees to State	-	-	-	-	650,795	650,795
Total deductions	18,872,850	-	-	-	650,795	19,523,645
Net increase (decrease)						
in fiduciary net position	-	(86,979)	3,222	96,734	-	12,977
Net position, beginning	-	1,098,888	22,615	209,997	-	1,331,500
Net position, ending	\$ -	\$ 1,011,909	\$ 25,837	\$ 306,731	\$ -	\$ 1,344,477

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