

**TOWN OF GILSUM,  
NEW HAMPSHIRE**

**ANNUAL FINANCIAL REPORT**

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

**TOWN OF GILSUM, NEW HAMPSHIRE**  
**ANNUAL FINANCIAL REPORT**  
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**DECEMBER 31, 2021**

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## PLODZIK & SANDERSON

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### *INDEPENDENT AUDITOR'S REPORT*

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

#### **Report on the Financial Statements**

##### ***Adverse and Unmodified Opinions***

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

##### **Summary of Opinions**

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

##### ***Adverse Opinion on Governmental Activities***

In our opinion, because of the significance of the matters described in the "Basis for Adverse Opinion on Governmental Activities" paragraphs, the accompanying financial statements do not present fairly the financial position of the governmental activities of the Town of Gilsum, as of December 31, 2021, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

##### ***Unmodified Opinions***

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the major fund and aggregate remaining fund information of the Town of Gilsum as of December 31, 2021, and the respective changes in financial position, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

##### ***Basis for Opinions***

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

##### ***Basis for Adverse Opinion on Governmental Activities,***

As discussed in Note 1-B to the financial statements, management has not recorded the capital assets and related accumulated depreciation in the governmental activities, and accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that capital assets, be capitalized and depreciated, which would increase the assets, net position, and expenses of the governmental activities. The amount by which this departure would affect the assets, net position, and expenses of the governmental activities is not reasonably determinable.

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

As discussed in Note 1-B to the financial statements, management has not recorded the long-term costs of landfill post-closure care in the governmental activities. Accounting principles generally accepted in the United States of America require that those costs be recorded, which would increase the liabilities, decrease the net position, and increase the expenses of the governmental activities. The amount by which this departure would affect the liabilities, net position, and expenses on the governmental activities is not readily determinable.

As discussed in Note 9 to the financial statements, management has not recorded the long-term costs of retirement health care costs and obligations for other postemployment benefits for the single employer plan in the governmental activities. Accounting principles generally accepted in the United States of America require that those costs be recorded, which would increase the liabilities, decrease the net position, and increase the expenses of the governmental activities. The amount by which this departure would affect the liabilities, net position, and expenses on the governmental activities is not readily determinable.

***Responsibilities of Management for the Financial Statements***

The Town of Gilsum's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Gilsum's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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

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

**Supplementary Information** – Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Gilsum's basic financial statements. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

December 2, 2022

Concord, New Hampshire

*Plodzik & Sanderson  
Professional Association*

## ***BASIC FINANCIAL STATEMENTS***

**EXHIBIT A**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
*Statement of Net Position*  
*December 31, 2021*

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,610,355
Taxes receivables (net)	548,433
Tax deeded property, subject to resale	32,324
Total assets	<u>2,191,112</u>
<b>LIABILITIES</b>	
Accounts payable	25,423
Intergovernmental payable	460,433
Other	3,772
Total liabilities	<u>489,628</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - grants	<u>50,753</u>
<b>NET POSITION</b>	
Restricted	52,016
Unrestricted	<u>1,598,715</u>
Total net position	<u><u>\$ 1,650,731</u></u>

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

**EXHIBIT B**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
*Statement of Activities*  
For the Fiscal Year Ended December 31, 2021

		Program Revenues		Net (Expense)
		Charges	Operating	Revenue and
		for	Grants and	Change In
	Expenses	Services	Contributions	Net Position
General government	\$ 179,835	\$ 1,119	\$ -	\$ (178,716)
Public safety	81,911	-	-	(81,911)
Highways and streets	202,877	-	31,757	(171,120)
Sanitation	21,378	-	-	(21,378)
Health	6,639	-	-	(6,639)
Welfare	338	-	-	(338)
Culture and recreation	27,670	-	-	(27,670)
Conservation	435	-	-	(435)
Total governmental activities	<u>\$ 521,083</u>	<u>\$ 1,119</u>	<u>\$ 31,757</u>	<u>(488,207)</u>
General revenues:				
Taxes:				
Property				532,120
Other				19,085
Motor vehicle permit fees				154,297
Licenses and other fees				3,908
Grants and contributions not restricted to specific programs				61,139
Unrestricted investment earnings				1,728
Miscellaneous				23,276
Total general revenues				<u>795,553</u>
Change in net position				307,346
Net position, beginning				1,343,385
Net position, ending				<u>\$ 1,650,731</u>

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



**EXHIBIT C-1**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
**Governmental Funds**  
**Balance Sheet**  
**December 31, 2021**

	General	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 607,002	\$ 62,682	\$ 669,684
Receivables, net of allowance for uncollectible:			
Taxes	578,433	-	578,433
Tax deeded property, subject to resale	32,324	-	32,324
Restricted assets:			
Cash and cash equivalents	940,671	-	940,671
Total assets	<u>\$ 2,158,430</u>	<u>\$ 62,682</u>	<u>\$ 2,221,112</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 25,423	\$ -	\$ 25,423
Intergovernmental payable	460,433	-	460,433
Other	3,772	-	3,772
Total liabilities	<u>489,628</u>	<u>-</u>	<u>489,628</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - Property taxes	73,815	-	73,815
Unavailable revenue - grants	50,753	-	50,753
Total deferred inflows of resources	<u>124,568</u>	<u>-</u>	<u>124,568</u>
<b>FUND BALANCES</b>			
Nonspendable	32,324	30,327	62,651
Restricted	22,001	21,689	43,690
Committed	918,670	10,666	929,336
Unassigned	571,239	-	571,239
Total fund balances	<u>1,544,234</u>	<u>62,682</u>	<u>1,606,916</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,158,430</u>	<u>\$ 62,682</u>	<u>\$ 2,221,112</u>

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

*EXHIBIT C-2*  
*TOWN OF GILSUM, NEW HAMPSHIRE*  
*Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position*  
*December 31, 2021*

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

Total fund balances of governmental funds (Exhibit C-1)		\$ 1,606,916
Property taxes not collected within 60 days of fiscal year-end are not available to pay for current period expenditures, and therefore are deferred in the governmental funds.		
Deferred property taxes	\$ 73,815	
Allowance for uncollectible taxes	<u>(30,000)</u>	
		<u>43,815</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 1,650,731</u></u>

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

**EXHIBIT C-3**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended December 31, 2021**

	General	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Taxes	\$ 489,740	\$ -	\$ 489,740
Licenses and permits	158,205	-	158,205
Intergovernmental	92,896	-	92,896
Charges for services	1,119	-	1,119
Miscellaneous	21,048	3,956	25,004
Total revenues	763,008	3,956	766,964
<b>EXPENDITURES</b>			
Current:			
General government	179,835	-	179,835
Public safety	81,911	-	81,911
Highways and streets	202,877	-	202,877
Sanitation	21,378	-	21,378
Health	6,639	-	6,639
Welfare	338	-	338
Culture and recreation	27,670	-	27,670
Conservation	435	-	435
Total expenditures	521,083	-	521,083
Excess of revenues over expenditures	241,925	3,956	245,881
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	3,907	-	3,907
Transfers out	-	(3,907)	(3,907)
Total other financing sources (uses)	3,907	(3,907)	-
Net change in fund balances	245,832	49	245,881
Fund balances, beginning	1,298,402	62,633	1,361,035
Fund balances, ending	\$ 1,544,234	\$ 62,682	\$ 1,606,916

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

**EXHIBIT C-4**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
*Reconciliation of the Statement of Revenues, Expenditures, and*  
*Changes in Fund Balances - Governmental Funds to the Statement of Activities*  
*For the Fiscal Year Ended December 31, 2021*

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances of governmental funds (Exhibit C-3)		\$ 245,881
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (3,907)	
Transfers out	<u>3,907</u>	
Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the governmental funds.		
Change in deferred tax revenue	\$30,961	
Change in allowance for uncollectible taxes	<u>30,504</u>	
		<u>61,465</u>
Changes in net position of governmental activities (Exhibit B)		<u><u>\$ 307,346</u></u>

**EXHIBIT D**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
*Statement of Revenues, Expenditures, and Changes in Fund Balance*  
*Budget and Actual (Non-GAAP Budgetary Basis)*  
**General Fund**  
*For the Fiscal Year Ended December 31, 2021*

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 468,469	\$ 468,469	\$ 551,205	\$ 82,736
Licenses and permits	158,750	158,750	158,205	(545)
Intergovernmental	92,904	92,904	92,896	(8)
Charges for services	1,300	1,300	1,119	(181)
Miscellaneous	16,521	16,521	20,193	3,672
Total revenues	<u>737,944</u>	<u>737,944</u>	<u>823,618</u>	<u>85,674</u>
<b>EXPENDITURES</b>				
Current:				
General government	180,475	183,275	179,835	3,440
Public safety	93,572	102,972	81,911	21,061
Highways and streets	228,180	230,680	202,877	27,803
Sanitation	26,599	26,599	21,378	5,221
Health	6,639	6,639	6,639	-
Welfare	4,000	4,000	338	3,662
Culture and recreation	45,269	45,269	27,670	17,599
Conservation	650	650	435	215
Debt service:				
Interest	1,000	1,000	-	1,000
Total expenditures	<u>586,384</u>	<u>601,084</u>	<u>521,083</u>	<u>80,001</u>
Excess of revenues over expenditures	<u>151,560</u>	<u>136,860</u>	<u>302,535</u>	<u>165,675</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	14,700	18,607	3,907
Transfers out	(211,560)	(211,560)	(211,560)	-
Total other financing sources (uses)	<u>(211,560)</u>	<u>(196,860)</u>	<u>(192,953)</u>	<u>3,907</u>
Net change in fund balances	<u>\$ (60,000)</u>	<u>\$ (60,000)</u>	109,582	<u>\$ 169,582</u>
Increase in nonspendable fund balance			(25,216)	
Unassigned fund balance, beginning			530,688	
Unassigned fund balance, ending			<u>\$ 615,054</u>	

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

**EXHIBIT E-1**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**December 31, 2021**

	Private Purpose Trust Funds	All Custodial Funds	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 83,434	\$ -	\$ 83,434
Taxes receivable	-	460,433	460,433
Total assets	83,434	460,433	543,867
<b>LIABILITIES</b>			
Intergovernmental payables:			
School	-	460,433	460,433
<b>NET POSITION</b>			
Restricted	\$ 83,434	\$ -	\$ 83,434

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

**EXHIBIT E-2**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended December 31, 2021**

	Private Purpose Trust Funds	All Custodial Funds	Total
<b>ADDITIONS</b>			
Investment earnings	\$ 94	-	\$ 94
Tax collections for other governments	-	1,176,994	1,176,994
Collection of motor vehicle fees for State	-	42,620	42,620
Total additions	94	1,219,614	1,219,708
<b>DEDUCTIONS</b>			
Payments of taxes to other governments	-	1,176,994	1,176,994
Payments of motor vehicle fees to State	-	42,620	42,620
Total deductions	-	1,219,614	1,219,614
Net increase (decrease) in fiduciary net position	94	-	94
Net position, beginning	83,340	-	83,340
Net position, ending	\$ 83,434	\$ -	\$ 83,434

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

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

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

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

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

***1-B Basis of Accounting and Measurement Focus***

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

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

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position, with the exception of the capital assets and related accumulated depreciation, which have been omitted because they have not been inventoried at historical cost. In addition, long-term costs of retirement healthcare and obligations for other postemployment benefits of the Town's single employer plan have also been omitted because the liability and expense have not been determined, and landfill post-closure care costs have also been omitted because the liability and expense have not been determined. 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. As in the Statement of Net Position the Town has not recorded depreciation expense, landfill post-closure care costs nor other postemployment benefit expense of the Town's single employer plan in this statement. The types of transactions reported as program revenues for the Town are reported in two categories: 1) charges for services and 2) operating grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

***Governmental Fund Financial Statements*** – Include a balance sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying statement is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The Town has presented all major funds that met those qualifications.

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of reimbursement-based grants, which use a period of one year. Property

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

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.

The Town reports the following major governmental fund:

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

Additionally, the Town reports the following fund types:

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

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

All the governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements. The Town reports two 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 which are custodial in nature. These funds are accounted for on a spending, or “economic resources” measurement focus and the accrual basis of accounting.

The Town reports the following fiduciary funds:

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

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

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

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

***1-D Restricted Assets***

Certain Town assets are classified as restricted assets because their use is restricted by statutory limitation, or they are earmarked for a specific purpose.

***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.

**TOWN OF GILSUM, NEW HAMPSHIRE**  
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***1-F Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The nonspendable fund balance at the governmental fund level is equal to the amount of prepaid items at year-end to indicate that portion of the governmental fund balance that is nonspendable.

***1-G Interfund Transfers***

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making the transfers and other financing sources in the funds receiving the transfers. In the government-wide financial statements, all interfund transfers between individual governmental funds have been eliminated.

***1-H Property Taxes***

Property tax billings occur semi-annually and are based on the assessed inventory values as of April 1 of each year in accordance with RSA 76:15-a, *Semi-Annual Collection of Taxes in certain Towns and Cities*. Warrants for the year were issued on June 9, 2021 and December 8, 2021, and due on July 15, 2021 and January 10, 2022. Interest accrues at a rate of 8% on bills outstanding after the due date and 14% on tax liens outstanding. The Town placed a lien on all outstanding taxes from 2020 on September 22, 2021.

In connection with the setting of the tax rate, Town officials with the approval of the Department of Revenue Administration, establish and raise through taxation an amount for tax abatement and refunds, known as overlay. This amount is reported as a reduction in tax revenue and is adjusted by management for any reserve for uncollectable at year-end. The property taxes collected by the Town include taxes levied for the State of New Hampshire, Monadnock Regional School District, and Cheshire County, which are remitted to these entities as required by law.

The Town net assessed valuation as of April 1, 2021 utilized in the setting of the tax rate was as follows:

For the New Hampshire education tax	\$69,795,304
For all other taxes	\$72,722,304

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

	Per \$1,000 of Assessed Valuation	Property Taxes Assessed
Municipal portion	\$6.95	\$ 505,012
School portion:		
State of New Hampshire	\$1.76	122,889
Local	\$10.98	798,544
County portion	\$3.51	255,561
Total	\$23.20	\$1,682,006

***1-I Accounts Payable***

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of December 31, 2021.

**TOWN OF GILSUM, NEW HAMPSHIRE**  
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***1-J Deferred Outflows/Inflows of Resources***

*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. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of property tax receivable and other receivables not collected within 60 days after year-end.

***1-K Postemployment Benefits Other Than Pensions***

**Single Employer Plan** – The Town maintains a single employer plan but has not obtained an actuarial report calculating the other postemployment benefit liability, deferred outflows of resources, and deferred inflows of resources in accordance with Government Accounting Standards Board Statement No. 75.

***1-L Net Position/Fund Balances***

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

**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

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.

**TOWN OF GILSUM, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**1-M Use of Estimates**

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. These estimates include assessing the collectability of accounts and taxes receivables. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**2-A Budgetary Information**

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

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

State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2021, \$60,000 of the beginning general fund unassigned fund balance was applied for this purpose.

**2-B Budgetary Reconciliation to GAAP Basis**

While the Town reports financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual is presented for the major governmental fund which had a budget. Differences between the budgetary basis and GAAP basis of accounting for the general fund are as follows:

Revenues and other financing sources:	
Per Exhibit D (budgetary basis)	\$842,225
Adjustment:	
Basis differences:	
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	855
To eliminate transfers between blended funds	(14,700)
Change in deferred tax revenue relating to 60-day revenue recognition	(61,465)
Per Exhibit C-3 (GAAP basis)	<u>\$766,915</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$732,643
Adjustment:	
Basis differences:	
GASB Statement No. 54:	
To eliminate transfers between general and blended funds	(211,560)
Per Exhibit C-3 (GAAP basis)	<u>\$521,083</u>

**TOWN OF GILSUM, NEW HAMPSHIRE**  
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**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 \$1,693,789 and the bank balances totaled \$1,693,292.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$1,610,355
Cash per Statement of Fiduciary Net Position (Exhibit E-1)	83,434
Total cash and cash equivalents	<u>\$1,693,789</u>

**NOTE 4 – RESTRICTED ASSETS**

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

Cash and cash equivalents:

General fund:

Capital reserve funds	\$ 918,670
Conservation	22,001
Total restricted assets	<u>\$ 940,671</u>

**NOTE 5 – TAXES RECEIVABLE**

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2021. The amount has been reduced by an allowance for an estimated uncollectible amount of \$30,000. Taxes receivable by year are as follows:

	<u>Exhibit A</u>	<u>Exhibit C-1</u>
Property:		
Levy of 2021	\$ 519,225	\$ 519,225
Levy of 2020	2,211	2,211
Unredeemed (under tax lien):		
Levy of 2020	33,281	33,281
Levy of 2019	23,716	23,716
Less: allowance for estimated uncollectible taxes	(30,000)	-
Net taxes receivable	<u>\$ 548,433</u>	<u>\$ 578,433</u>

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

**NOTE 6 – INTERFUND TRANSFERS**

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

	<u>Transfers In:</u>
	General
	Fund
Transfers out:	
Nonmajor fund	<u>\$ 3,907</u>

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

**TOWN OF GILSUM, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**NOTE 7 – INTERGOVERNMENTAL PAYABLES**

	Governmental Funds	Fiduciary Funds
	General	
Property taxes due to the custodial funds	\$ 460,433 <sup>1</sup>	\$ -
Taxes due to the Monadnock Regional School District	-	460,433 <sup>2</sup>
Total intergovernmental payables due	<u>\$ 460,433</u>	<u>\$ 460,433</u>

1. Property taxes due to the custodial funds represent amounts collected by the Town on behalf of the Monadnock Regional School District are reported as a component of the general fund cash at year-end.  
2. Property taxes due to the Monadnock 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 8 – DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources are as follows:

	Government- wide	General Fund
Deferred property taxes not collected within 60 days of fiscal year-end	\$ -	\$ 73,815
Federal grant revenue collected in advance of eligible expenditures being made	50,753	50,753
Total deferred inflows of resources	<u>\$ 50,753</u>	<u>\$ 124,568</u>

**NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Town of Gilsum Retiree Health Benefit Program** - The Town provides postemployment benefit options for health care to eligible retirees, terminated employees, and their dependents in accordance with the provisions of various employment contracts. The benefit levels, employee contributions, and employer contributions are governed by the Town's contractual agreements. Expenses for the cost of providing health insurance for currently enrolled retirees are recognized in the general fund of the funds financial statements as payments are made.

The Governmental Accounting Standards Board (GASB) issued Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* in 2015. GASB Statement No. 75 requires state and local government employers to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. The Town has not fully implemented GASB Statement No. 75 at December 31, 2021 or contracted with an actuarial firm to assist in evaluating the impact of this standard on the Town's single employer plan. The amounts that should be recorded as the net OPEB liability and the OPEB expense for the Town's single employer plan are unknown.

**NOTE 10 – GOVERNMENTAL ACTIVITIES AND FIDUCIARY FUNDS NET POSITION**

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

	Government-wide Financial Statements	
	Governmental Activities	Fiduciary Funds
Restricted net position:		
Perpetual care - nonexpendable	\$ 30,327	\$ -
Perpetual care - expendable	21,689	-
Individuals, organizations, and other governments	-	83,434
Total restricted net position	<u>52,016</u>	<u>83,434</u>
Unrestricted	1,598,715	-
Total net position	<u>\$ 1,650,731</u>	<u>\$ 83,434</u>

**TOWN OF GILSUM, NEW HAMPSHIRE**  
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**NOTE 11 – GOVERNMENTAL FUND BALANCES**

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

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Nonspendable:</b>			
Tax deeded property	\$ 32,324	\$ -	\$ 32,324
Permanent fund - principal balance	-	30,327	30,327
Total nonspendable fund balance	32,324	30,327	62,651
<b>Restricted:</b>			
Conservation	22,001	-	22,001
Permanent - income balance	-	21,689	21,689
Total restricted fund balance	22,001	21,689	43,690
<b>Committed:</b>			
Expendable trusts	918,670	-	918,670
Recreation	-	10,666	10,666
Total committed fund balance	918,670	10,666	929,336
<b>Unassigned</b>	571,239	-	571,239
Total governmental fund balances	\$ 1,544,234	\$ 62,682	\$ 1,606,916

**NOTE 12 – RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2021, the Town was a member of the New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from January 1, 2021 to December 31, 2021 by Primex<sup>3</sup>, which retained \$1,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The workers' compensation section of the self-insurance membership agreement permits Primex<sup>3</sup> to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In 2021 the Town paid \$15,009 and \$4,241 respectively, to Primex for property, liability, and worker's compensation. At this time, Primex<sup>3</sup> foresees no likelihood of any additional assessment for this or any prior year.

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

**NOTE 13 – 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 \$84,170 in federal funding from the American Rescue Plan Act (ARPA) in 2021. A total of \$50,753 of the funding was received in 2021. The remainder is expected to be received in 2022. Eligible uses of these funds include pandemic response or its negative impacts, workforce/personnel, including payroll and hazard/premium pay, provision of government services to the extent of reduced revenue and necessary water, sewer, and broadband investment. For the year ended December 31, 2021 the Town spent none of the funds received. The remaining funds are included in deferred inflows of resources until eligible expenditures have been made.

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



**TOWN OF GILSUM, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**NOTE 14 – TAX ABATEMENTS**

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

The Town has no such agreements.

**NOTE 15 – 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 December 2, 2022, the date the December 31, 2021 financial statements were available to be issued, and the following occurred that requires recognition or disclosure:

At the 2021 Annual Meeting the voters of the Town of Gilsum approved the issuance of bonds or notes for a total of \$567,127 for constructing and installing facilities and equipment to make available throughout the Town a I Gigabit "Fiber to the Premises." Fiber Optic Broadband Network by Consolidated Communications Enterprise Services. Additionally, the use of 2020 unassigned fund balance of \$60,000 was approved to be added to an existing capital reserve fund. The bond was issued on January 31, 2022, in the amount of \$567,125.

During the annual Town Meeting on March 8, 2022, the Town voted to use fiscal year 2021 unassigned fund balance to fund several warrant articles.

- \$175,000 will be placed in the Fire Department Vehicle capital reserve fund,
- \$2,800 will be placed in the Office Equipment Replacement capital reserve fund,
- \$7,000 will be placed in the Highway Department Heavy Equipment capital reserve fund,
- \$5,320 will be placed in the Highway equipment Capital reserve fund.

***COMBINING AND INDIVIDUAL FUND SCHEDULES***

**SCHEDULE 1**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended December 31, 2021*

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 450,869	\$ 532,120	\$ 81,251
Yield	4,300	4,320	20
Interest and penalties on taxes	13,300	14,765	1,465
Total from taxes	<u>468,469</u>	<u>551,205</u>	<u>82,736</u>
Licenses, permits, and fees:			
Business licenses, permits, and fees	350	240	(110)
Motor vehicle permit fees	156,000	154,297	(1,703)
Building permits	600	619	19
Other	1,800	3,049	1,249
Total from licenses, permits, and fees	<u>158,750</u>	<u>158,205</u>	<u>(545)</u>
Intergovernmental:			
State:			
Meals and rooms distribution	61,139	61,139	-
Highway block grant	31,765	31,757	(8)
Total from intergovernmental	<u>92,904</u>	<u>92,896</u>	<u>(8)</u>
Charges for services:			
Income from departments	<u>1,300</u>	<u>1,119</u>	<u>(181)</u>
Miscellaneous:			
Sale of municipal property	12,321	12,322	1
Interest on investments	1,200	801	(399)
Other	3,000	7,070	4,070
Total from miscellaneous	<u>16,521</u>	<u>20,193</u>	<u>3,672</u>
Other financing sources:			
Transfers in	<u>14,700</u>	<u>18,607</u>	<u>3,907</u>
Total revenues and other financing sources	752,644	<u>\$ 842,225</u>	<u>\$ 89,581</u>
Unassigned fund balance used to reduce tax rate	60,000		
Total revenues, other financing sources, and use of fund balance	<u>\$ 812,644</u>		

See Independent Auditor's Report.

**SCHEDULE 2**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Appropriations and Expenditures (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended December 31, 2021*

	Appropriations	Expenditures	Variance Positive (Negative)
Current:			
General government:			
Executive	\$ 54,145	\$ 42,089	\$ 12,056
Election and registration	19,078	21,074	(1,996)
Financial administration	15,680	30,983	(15,303)
Revaluation of property	8,364	8,364	-
Legal	5,000	6,795	(1,795)
Personnel administration	31,316	24,967	6,349
Planning and zoning	1,742	1,007	735
General government buildings	19,100	15,428	3,672
Cemeteries	9,600	8,535	1,065
Insurance, not otherwise allocated	19,250	20,593	(1,343)
Total general government	183,275	179,835	3,440
Public safety:			
Police	45,045	29,100	15,945
Ambulance	11,000	10,407	593
Fire	32,400	29,120	3,280
Building inspection	2,000	757	1,243
Other	12,527	12,527	-
Total public safety	102,972	81,911	21,061
Highways and streets:			
Highways and streets	228,180	201,172	27,008
Street lighting	2,500	1,705	795
Total highways and streets	230,680	202,877	27,803
Sanitation:			
Solid waste disposal	26,599	21,378	5,221
Health:			
Health agencies	6,639	6,639	-
Welfare:			
Administration and direct assistance	4,000	338	3,662
Culture and recreation:			
Parks and recreation	10,000	5,853	4,147
Library	16,719	16,661	58
Patriotic purposes	550	82	468
Other	18,000	5,074	12,926
Total culture and recreation	45,269	27,670	17,599
Conservation	650	435	215
Debt service:			
Interest on tax anticipation notes	1,000	-	1,000
Other financing uses:			
Transfers out	211,560	211,560	-
Total appropriations, expenditures, and other financing uses	\$ 812,644	\$ 732,643	\$ 80,001

See Independent Auditor's Report.

**SCHEDULE 3**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
**Major General Fund**  
**Schedule of Changes in Unassigned Fund Balance**  
**For the Fiscal Year Ended December 31, 2021**

Unassigned fund balance, beginning (Non-GAAP Budgetary Basis)		\$ 530,688
Changes:		
Unassigned fund balance used to reduce 2021 tax rate		(60,000)
2021 Budget summary:		
Revenue surplus (Schedule 1)	\$ 89,581	
Unexpended balance of appropriations (Schedule 2)	80,001	
2021 Budget surplus		169,582
Increase in nonspendable fund balance		(25,216)
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)		615,054
<b>Reconciliation on Non-GAAP Budgetary Basis to GAAP Basis</b>		
To record deferred property taxes not collected within 60 days of the fiscal year-end, not recognized on a budgetary basis		(73,815)
Elimination of the allowance for uncollectible taxes		30,000
Unassigned fund balance, ending, GAAP basis (Exhibit C-1)		<u>\$ 571,239</u>

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

	Special Revenue Fund		
	Recreation Revolving	Permanent Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,666	\$ 52,016	\$ 62,682
<b>FUND BALANCES</b>			
Nonspendable	\$ -	\$ 30,327	\$ 30,327
Restricted	-	21,689	21,689
Committed	10,666	-	10,666
Total fund balances	\$ 10,666	\$ 52,016	\$ 62,682

See Independent Auditor's Report.

**SCHEDULE 5**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
*Nonmajor Governmental Funds*  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended December 31, 2021**

	Special Revenue Fund		
	Recreation Revolving	Permanent Fund	Total
<b>Revenues:</b>			
Miscellaneous	\$ 3,897	\$ 59	\$ 3,956
<b>Other financing uses:</b>			
Transfers out	(3,907)	-	(3,907)
Net change in fund balances	(10)	59	49
Fund balances, beginning	10,676	51,957	62,633
Fund balances, ending	<u>\$ 10,666</u>	<u>\$ 52,016</u>	<u>\$ 62,682</u>

See Independent Auditor's Report.

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

	Custodial Funds		
	Taxes	State MV Fees	Total
<b>ASSETS</b>			
Intergovernmental receivables	\$ 460,433	\$ -	\$ 460,433
<b>LIABILITIES</b>			
Intergovernmental payables:			
School	460,433	-	460,433
<b>NET POSITION</b>			
Restricted	\$ -	\$ -	\$ -

See Independent Auditor's Report.



**SCHEDULE 7**  
**TOWN OF GILSUM, NEW HAMPSHIRE**  
*Custodial Funds*  
**Combining Schedule of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended December 31, 2021**

	Custodial Funds	
	Taxes	State MV Fees
		Total
<b>Additions:</b>		
Tax collections for other governments	\$ 1,176,994	\$ - \$ 1,176,994
Other	-	42,620 42,620
Total additions	1,176,994	42,620 1,219,614
<b>Deductions</b>		
Payments of taxes to other governments	1,176,994	- 1,176,994
Payments of motor vehicle fees to State	-	42,620 42,620
Total deductions	1,176,994	42,620 1,219,614
Net change in fiduciary net position	-	- -
Net position, ending	\$ -	\$ - \$ -

See Independent Auditor's Report.