

**TOWN OF FREMONT,
NEW HAMPSHIRE**

ANNUAL FINANCIAL REPORT

**AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013**

TOWN OF FREMONT, NEW HAMPSHIRE
ANNUAL FINANCIAL REPORT
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TABLE OF CONTENTS

	<u>PAGES</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	3 - 9

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements	
A Statement of Net Position	10
B Statement of Activities	11
Fund Financial Statements	
<i>Governmental Funds</i>	
C-1 Balance Sheet	12
C-2 Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Position	13
C-3 Statement of Revenues, Expenditures, and Changes in Fund Balances.....	14
C-4 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
<i>Budgetary Comparison Information</i>	
D Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	16
<i>Fiduciary Funds</i>	
E-1 Statement of Fiduciary Net Position	17
E-2 Statement of Changes in Fiduciary Net Position	18
NOTES TO THE BASIC FINANCIAL STATEMENTS.....	19 - 32

COMBINING AND INDIVIDUAL FUND SCHEDULES

Governmental Funds	
<i>Major General Fund</i>	
1 Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis).....	33
2 Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis).....	34 - 35
3 Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis).....	36
<i>Nonmajor Governmental Funds</i>	
4 Combining Balance Sheet	37
5 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances.....	38



PLODZIK & SANDERSON

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, major fund, and aggregate remaining fund information of the Town of Fremont as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund, and aggregate remaining fund information of the Town of Fremont as of December 31, 2013, 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.

Other Matters

Management's Discussion and Analysis - Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 3 through 9) be presented to supplement the basic financial statements. Such 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. 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

Town of Fremont
Independent Auditor's Report

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.

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

The combining and individual fund financial 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 financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

January 28, 2015

Plodzik & Sanderson
Professional Association



The Town of Fremont

Management's Discussion and Analysis

For the Year Ending December 31, 2013

1. Brief discussion of the Basic Financial Statements
2. Condensed Government – Wide Financial Information
3. Financial Results
4. Fund Balances
5. Budgets
6. Capital Assets and Long Term Debt

As management of the Town of Fremont NH, we offer readers of the Town of Fremont, NH financial statements this narrative overview and analysis of the financial activities of the Town of Fremont, NH for the fiscal year ended December 31, 2013.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Fremont's basic financial statements. The Town of Fremont's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to 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 of Fremont's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (ie: uncollected taxes).

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2013

The governmental activities of the Town of Fremont, NH include general government, public safety, highways and streets, cemetery, library, trust and capital reserve funds, grants, general assistance, conservation, sanitation, culture and recreation.

Fund financial statements - A *fund* is a set of reports that is used to segregate specific activities. The Town of Fremont NH, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Fremont, NH can be divided into two categories: governmental or fiduciary funds.

Governmental Funds. *Governmental funds* are used to report on the general operations of the Town. They are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus only on current expenditures and revenue (*inflows and outflows of spendable resources this year*), as well as on balances (of *spendable resources*) available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* 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 governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The voters of the Town of Fremont NH adopt an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary Funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the Fremont Town Government, such as developer's performance bonds, Capital Reserve and Expendable School Trust Funds, and trust funds for which the income is used for purposes that are not normally funded by the Town. Fiduciary funds are *not* reflected in the government-wide financial statement because these funds are not available to support the Town of Fremont's own programs. The accounting used for the fiduciary funds is much like that used for businesses.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* consisting of this management's discussion and analysis.

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2013

Government-wide Financial Analysis

As noted earlier, net position may, over time serve as a useful indicator of a government's financial position. In the case of the Town of Fremont NH, assets exceeded liabilities by \$7,804,678 at the close of the most recent fiscal year.

By far the largest portion of the Town of Fremont's net position \$6,397,556 reflects its investment in capital assets (ie: land, buildings, vehicles, etc.). The Town of Fremont NH uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Fremont's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Fremont, NH
Statement of Net Position

	Governmental Activities	Governmental Activities
	2012	2013
Current & other assets	5,885,090	5,991,951
Capital assets	8,155,873	7,473,376
Total assets	14,040,963	13,465,327
Long-term liabilities outstanding	1,249,555	1,075,820
Other liabilities	4,676,248	4,584,829
Total liabilities	5,925,803	5,660,649
Net position:		
Net investment in capital assets	6,928,873	6,297,556
Restricted position	151,110	147,858
Unrestricted position	1,035,177	1,259,264
Total net position	8,115,160	7,804,678

At the end of the current fiscal year, the Town of Fremont NH is able to report positive balances in net position, for the government as a whole. The same situation held true for the prior fiscal year. The changes noted in net position are primarily due to a change in the method for which fixed assets (capital assets) were accounted for in the two periods. In 2012, the Town adopted a Capital Asset Policy and defined and properly accounted for all fixed assets. This Policy is reviewed annually by the Board of Selectmen. The Capital Asset information is updated annually for depreciation and other changes to town buildings and infrastructure.

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2013

Town of Fremont, NH

Statement of Activities

	2012 AMOUNT	2013 AMOUNT	DIFFERENCE
Revenues:			
Program revenues:			
Charges for Services	110,728	158,860	48,132
Taxes	1,234,595	1,504,851	270,256
Licenses and permits	706,849	788,664	81,815
Intergovernmental	310,489	306,770	(3,719)
Unrestricted investment earnings	1,010	727	(283)
Miscellaneous	5,366	34,508	29,142
Total revenues	2,369,037	2,794,380	425,343
Expenses:			
General Government	629,304	659,187	29,883
Public Safety	764,881	684,238	(80,643)
Highways and Streets	518,266	602,516	84,250
Sanitation	364,608	356,109	(8,499)
Health	58,159	58,994	835
Welfare	34,768	38,563	3,795
Culture & Recreation	193,502	125,465	(68,037)
Conservation	16,013	7,254	(8,759)
Interest on long-term debt	59,472	51,072	(8,400)
Total governmental activities	2,638,973	2,583,398	(55,575)
Change in net position	(269,936)	210,982	58,954
Beginning net position, as restated	8,385,096	7,593,696	791,400
Ending net position	8,115,160	7,804,678	310,482

General fund budgetary highlights

As shown in the above chart, revenues received during 2013 increased by \$425,343 from 2012. In 2013, the actual budgetary revenues were more than the budget for estimated revenues by \$142,225. Licenses and Permits (including Motor Vehicle Registrations and Building & Trade permits) were \$34,764 over the amount projected. General income from department services was \$18,560 over projected. Miscellaneous income (rent and sale of town property, interest income on deposits and other miscellaneous items) increased by \$22,903 over the estimated revenue, adjusted at the time of the fall tax rate setting.

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2013

The overall, total governmental expenditures decreased by \$55,575 (-.027%) from the prior year. The Town realized a savings of \$6,432 in actual expenditures over the 2013 budgeted appropriation. The net addition to the Town's unassigned fund balance was \$98,331.

The Town's total property valuation increased by \$7,935,663 to \$373,723,497 in 2013. The total property tax commitment increased by \$482,352 over the prior year. Of that amount, \$297,324 was due to an increase in the School District portion of the appropriations. In setting the 2013 tax rate, the Board of Selectmen did not use any of the Town's beginning general fund balance. The tax rate was set by the NH Department of Revenue at \$28.51.

Capital Asset and Debt Administration

Capital Assets - The Town of Fremont's investment in capital assets includes land and improvements, buildings, vehicles and equipment, and roadways with a value in excess of \$10,000 and a useful life of over five (5) years.

Assets are depreciated on a straight-line basis, with the original cost divided evenly by the useful life of the asset.

Major capital asset events during the current fiscal year included the following:

- Acquisitions:
 - Fire Department SCBA units (8)
 - Police Department weapons
 - New computers and a server in the Police and Fire Departments
 - Conservation land
- Additions:
 - Highway Shed (initial stages of construction)
 - Highway Sand & Salt Building
 - Paint 1800 Meetinghouse
 - New air conditioning system and heat pump at the Safety Complex
 - New roof at the Town Hall

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2013
Town of Fremont, NH Capital Assets

Governmental Activities
(at original cost)

	2012	Additions	Deletions	2013
AT COST:				
Not being Depreciated:				
Land	1,955,550	15,238	0	1,970,788
Construction in Progress	46,833	39,000	(46,833)	39,000
Total Capital Assets not being depreciated	2,002,383	54,238	(46,833)	2,009,788
Being Depreciated:				
Land Improvements	470,956	0	0	470,956
Buildings & Building Improvements	2,802,443	145,605	(15,000)	2,933,048
Machinery, Vehicles & Equipment	1,815,004	73,055	(15,000)	1,873,092
Infrastructure	5,995,075	111,750	0	6,106,825
Total Capital Assets being depreciated	11,083,478	330,443	(30,000)	11,383,921
TOTAL ALL CAPITAL ASSETS	13,085,861	384,681	(76,833)	13,393,709
LESS:				
Accumulated Depreciation				
Land Improvements	(257,401)	(23,548)	0	(280,949)
Buildings & Building Improvements	(859,144)	(72,639)	15,000	(916,783)
Machinery, Vehicles & Equipment	(1,009,120)	(109,474)	15,000	(1,103,594)
Infrastructure	(3,373,755)	(245,252)	0	(3,619,007)
Total Accumulated Depreciation	(5,499,420)	(450,913)	30,000	(5,920,333)
Net Book Value Capital Assets being depreciated	5,584,058	(120,470)	0	5,463,588
NET BOOK VALUE All government activities capital assets	7,586,441	(66,232)	(46,833)	7,473,376

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2013

Additional information on the Town of Fremont's net capital assets, depreciation, and debt may be found in the notes to the financial statements.

Long-term Debt. At the end of the current fiscal year, the Town of Fremont NH had total bonded debt outstanding of \$1,055,000 which is approximately an 12% decrease from the \$1,227,000 owed at the end of 2012. These bonds are a general obligation of the taxpayers of Fremont NH.

One short-term note to fund the purchase of the 76 acres of "Smith Land" addition to the Glen Oakes Town forest was paid off in 2013 as well. This was not considered long-term as it was a two year process with one (final) loan payment made in 2013.

NH RSA 33:4-A establishes a debt limit. Towns may not incur outstanding indebtedness exceeding 3% of the town valuation. The NH Department of Revenue Administration currently computes Fremont's base valuation for debt limits at \$361,487,287. Our debt limit would be \$10,844,619. Fremont's debt is less than 1% of the valuation, so it is well within the debt limit. Fremont has an allowed debt margin of \$9,789,619.

The Town of Fremont generally issues bonds through the NH Municipal Bond Bank, and uses the bond bank credit rating of Aa2 with Moody's Investment Service.

Requests for Information

The Financial Report is designed to provide a general overview of the Town's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Board of Selectmen of the Town of Fremont, PO Box 120, Fremont, New Hampshire 03044-0120; by calling 603 895 2226 x 10; or emailing FremontTA@comcast.net.

Additional information is also available on the Town's website at www.Fremont.nh.gov.

BASIC FINANCIAL STATEMENTS

EXHIBIT A
TOWN OF FREMONT, NEW HAMPSHIRE
Statement of Net Position
December 31, 2013

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 4,447,735
Investments	314,027
Taxes receivables (net)	575,156
Tax deeded property, subject to resale	47,968
Restricted assets:	
Cash and cash equivalents	347
Investments	606,718
Capital assets:	
Land and construction in progress	2,009,788
Other capital assets, net of depreciation	5,463,588
Total assets	<u>13,465,327</u>
LIABILITIES	
Accounts payable	20,233
Accrued interest payable	19,339
Intergovernmental payable	4,545,257
Long-term liabilities:	
Due within one year	136,735
Due in more than one year	939,085
Total liabilities	<u>5,660,649</u>
NET POSITION	
Net investment in capital assets	6,397,556
Restricted for permanent funds:	
Nonexpendable (principal)	96,074
Expendable (Interest)	51,784
Unrestricted	1,259,264
Total net position	<u>\$ 7,804,678</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT B
TOWN OF FREMONT, NEW HAMPSHIRE
Statement of Activities
For the Fiscal Year Ended December 31, 2013

		Program Revenues		Net (Expense)
		Charges	Operating	Revenue and
		for	Grants and	Change In
	Expenses	Services	Contributions	Net Position
General government	\$ 659,187	\$ 14,171	\$ -	\$ (645,016)
Public safety	684,238	77,477	18,420	(588,341)
Highways and streets	602,516	19,421	94,116	(488,979)
Sanitation	356,109	4,032	-	(352,077)
Health	58,994	-	-	(58,994)
Welfare	38,563	-	-	(38,563)
Culture and recreation	125,465	24,759	-	(100,706)
Conservation	7,254	19,000	-	11,746
Interest on long-term debt	51,072	-	-	(51,072)
Total governmental activities	<u>\$ 2,583,398</u>	<u>\$ 158,860</u>	<u>\$ 112,536</u>	<u>(2,312,002)</u>

General revenues:

Taxes:	
Property	1,375,739
Other	129,112
Motor vehicle permit fees	703,406
Licenses and other fees	85,258
Grants and contributions not restricted to specific programs	194,234
Unrestricted investment earnings	727
Miscellaneous	34,508
Total general revenues	<u>2,522,984</u>
Change in net position	210,982
Net position, beginning, as restated (see Note 15)	7,593,696
Net position, ending	<u>\$ 7,804,678</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-1
TOWN OF FREMONT, NEW HAMPSHIRE
Governmental Funds
Balance Sheet
December 31, 2013

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 4,437,598	\$ 10,137	\$ 4,447,735
Investments	-	314,027	314,027
Taxes	611,156	-	611,156
Tax deeded property, subject to resale	47,968	-	47,968
Restricted assets:			
Cash and cash equivalents	347	-	347
Investments	606,718	-	606,718
Total assets	<u>\$ 5,703,787</u>	<u>\$ 324,164</u>	<u>\$ 6,027,951</u>
LIABILITIES			
Accounts payable	\$ 20,233	\$ -	\$ 20,233
Due to other governments	4,545,257	-	4,545,257
Total liabilities	<u>4,565,490</u>	<u>-</u>	<u>4,565,490</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - Property taxes	<u>480,551</u>	<u>-</u>	<u>480,551</u>
FUND BALANCES (DEFICIT)			
Nonspendable	47,968	96,074	144,042
Restricted	347	51,784	52,131
Committed	606,718	176,306	783,024
Assigned	22,078	-	22,078
Unassigned	(19,365)	-	(19,365)
Total fund balances	<u>657,746</u>	<u>324,164</u>	<u>981,910</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,703,787</u>	<u>\$ 324,164</u>	<u>\$ 6,027,951</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-2
TOWN OF FREMONT, NEW HAMPSHIRE
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2013

Total fund balances of governmental funds (Exhibit C-1)		\$ 981,910
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources, therefore, are not reported in the funds.		
Cost	\$ 13,393,709	
Less accumulated depreciation	<u>(5,920,333)</u>	
		7,473,376
Long term revenue (taxes) is not available to pay current-period expenditures and therefore, is deferred in the governmental funds.		480,551
Allowance for uncollectible property taxes that is recognized on a full accrual basis, but not on the modified accrual basis.		(36,000)
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(19,339)
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.		
Bonds	\$ 1,055,000	
Unamortized bond premium	<u>20,820</u>	
		<u>(1,075,820)</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 7,804,678</u></u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-3
TOWN OF FREMONT, NEW HAMPSHIRE
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2013

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 1,629,841	\$ 17,714	\$ 1,647,555
Licenses and permits	788,664	-	788,664
Intergovernmental	306,529	241	306,770
Charges for services	158,860	-	158,860
Investment earnings	613	114	727
Miscellaneous	33,439	1,069	34,508
Total revenues	<u>2,917,946</u>	<u>19,138</u>	<u>2,937,084</u>
EXPENDITURES			
Current:			
General government	653,473	806	654,279
Public safety	685,068	-	685,068
Highways and streets	425,041	-	425,041
Sanitation	356,109	-	356,109
Health	58,994	-	58,994
Welfare	38,563	-	38,563
Culture and recreation	142,565	-	142,565
Conservation	368	6,886	7,254
Debt service:			
Principal	172,000	-	172,000
Interest	55,175	-	55,175
Capital outlay	36,150	15,238	51,388
Total expenditures	<u>2,623,506</u>	<u>22,930</u>	<u>2,646,436</u>
Excess (deficiency) of revenues over (under) expenditures	<u>294,440</u>	<u>(3,792)</u>	<u>290,648</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,500	556	3,056
Transfers out	(556)	(2,500)	(3,056)
Total other financing sources (uses)	<u>1,944</u>	<u>(1,944)</u>	<u>-</u>
Net change in fund balances	296,384	(5,736)	290,648
Fund balances, beginning, as restated (see Note 15)	361,362	329,900	691,262
Fund balances, ending	<u>\$ 657,746</u>	<u>\$ 324,164</u>	<u>\$ 981,910</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-4
TOWN OF FREMONT, NEW HAMPSHIRE
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2013

Net change in fund balances of governmental funds (Exhibit C-3)		\$ 290,648
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.		
Capitalized capital outlay	\$ 307,848	
Depreciation expense	(420,913)	
		(113,065)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (3,056)	
Transfers out	3,056	
		-
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	\$ (106,704)	
Change in allowance for uncollectible property taxes	(36,000)	
		(142,704)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and when debt is first issued, whichever these amounts are deferred and amortized in the Statement of Activities.		
Repayment of bond principal	\$ 172,000	
Amortization of bond premium	1,735	
		173,735
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense		2,368
Changes in net position of governmental activities (Exhibit B)		<u>\$ 210,982</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT D
TOWN OF FREMONT, 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, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,420,914	\$ 1,420,914	\$ 1,487,137	\$ 66,223
Licenses and permits	753,900	753,900	788,664	34,764
Intergovernmental	288,350	306,459	306,529	70
Charges for services	140,300	140,300	158,860	18,560
Investment earnings	700	700	405	(295)
Miscellaneous	10,500	10,500	33,403	22,903
Total revenues	<u>2,614,664</u>	<u>2,632,773</u>	<u>2,774,998</u>	<u>142,225</u>
EXPENDITURES				
Current:				
General government	655,223	655,223	639,798	15,425
Public safety	704,821	704,821	693,836	10,985
Highways and streets	396,971	415,080	425,041	(9,961)
Sanitation	371,740	371,740	356,109	15,631
Health	61,311	61,311	58,994	2,317
Welfare	36,813	36,813	38,563	(1,750)
Culture and recreation	147,846	148,346	144,520	3,826
Conservation	923	923	368	555
Debt service:				
Principal	172,000	172,000	172,000	-
Interest	58,579	58,579	55,175	3,404
Capital outlay	-	2,150	36,150	(34,000)
Total expenditures	<u>2,606,227</u>	<u>2,626,986</u>	<u>2,620,554</u>	<u>6,432</u>
Excess of revenues over expenditures	<u>8,437</u>	<u>5,787</u>	<u>154,444</u>	<u>148,657</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,564	9,214	7,064	(2,150)
Transfers out	(15,001)	(15,001)	(15,556)	(555)
Total other financing sources (uses)	<u>(8,437)</u>	<u>(5,787)</u>	<u>(8,492)</u>	<u>(2,705)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	145,952	<u>\$ 145,952</u>
Increase in nonspendable fund balance			(47,968)	
Unassigned fund balance, beginning, as restated (see Note 15)			327,202	
Unassigned fund balance, ending			<u>\$ 425,186</u>	

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT E-1
TOWN OF FREMONT, NEW HAMPSHIRE
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2013

	Private Purpose Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 13,849	\$ 25,379
Investments	45,321	534,889
Total assets	<u>59,170</u>	<u>560,268</u>
LIABILITIES		
Due to other governmental units	-	110,652
Due to others	-	449,616
Total liabilities	<u>-</u>	<u>560,268</u>
NET POSITION		
Held in trust for specific purposes	<u>\$ 59,170</u>	<u>\$ -</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT E-2
TOWN OF FREMONT, NEW HAMPSHIRE
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2013

	Private Purpose Trust
ADDITIONS	
Interest	\$ 217
DEDUCTIONS	
Scholarships	(500)
Change in net position	(283)
Net position, beginning	59,453
Net position, ending	<u>\$ 59,170</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

	<u>NOTE</u>
Summary of Significant Accounting Policies	1
Reporting Entity	1-A
Government-wide and Fund Financial Statements	1-B
Measurement Focus, Basis of Accounting, and Financial Statement Presentation.....	1-C
Cash and Cash Equivalents.....	1-D
Restricted Assets.....	1-E
Investments.....	1-F
Receivables.....	1-G
Capital Assets	1-H
Deferred Outflows/Inflows of Resources	1-I
Property Taxes.....	1-J
Long-Term Obligations	1-K
Claims and Judgments	1-L
Interfund Transfers	1-M
Net Position/Fund Balance Reporting	1-N
Stewardship, Compliance, and Accountability	2
Budgetary Information.....	2-A
Budgetary Reconciliation to GAAP Basis	2-B

DETAILED NOTES ON ALL FUNDS

Cash and Cash Equivalents	3
Investments	4
Restricted Cash and Investments	5
Taxes Receivable	6
Capital Assets.....	7
Interfund Transfers.....	8
Intergovernmental Payables.....	9
Deferred Inflows of Resources	10
Long-Term Liabilities	11
Encumbrances	12
Governmental Activities Net Position.....	13
Governmental Fund Balances	14
Prior Period Adjustments.....	15
Employee Retirement Plan	16
Risk Management.....	17
Contingencies.....	18
Related Party Transactions	19
Implementation of New GASB Pronouncements.....	20
Subsequent Events.....	21

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Fremont, New Hampshire (the Town), have been prepared in conformity with accounting principles generally accepted in the United States of America 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 Fremont is a municipal corporation governed by an elected 3-member Board of Selectmen. The reporting entity is comprised of the primary government and any other organizations (*component units*) that are included to ensure that the financial statements are not misleading.

Component units are legally separate organizations for which the Town is financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board, and (1) the Town is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Town is legally entitled to or can otherwise access the organization's resources; (3) the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Town is obligated for the debt of the organization. Based on the foregoing criteria, no other organizations are included in the Town's financial reporting entity.

1-B Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Net Position presents the financial position of the governmental activities of the Town at year-end. This statement includes all of the Town's assets, liabilities, and net position.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Government 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.

1-C Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements, except for agency funds which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for State shared revenue, reimbursement-based grants and interest which use one year.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

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. 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

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

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

The Town reports the following major governmental fund:

General Fund – all general revenues and other receipts that are not allocated by law or contracted agreement to another fund are accounted for in this fund. This fund accounts for general operating expenditures, fixed charges, and the capital improvement costs that are not reported in other funds.

All the governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

Additionally, the Town reports the following fund types:

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

Permanent Fund - is used to record activity of legal trusts for which the interest on the corpus provides funds for the Town's cemetery operations.

Fiduciary Funds – The Town also reports the following fiduciary fund types:

Private Purpose Trust – used to account for assets held for specific private purposes usually for the benefit of students in the form of scholarship funds.

Agency Fund - used to account for assets held in a trustee or agency capacity on behalf of outside parties, including other governments.

1-D 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, certificates of 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.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

1-E Restricted Assets

Certain cash and investments are classified as restricted assets on the balance sheet because their use is designated for a specific purpose and therefore not available for immediate and general use by the Town.

1-F 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.

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.

Investments for the Town are reported at fair value generally based on quoted market prices.

1-G 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-H Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental column in the government-wide financial statements.

Capital assets are defined by the Town as assets with an initial, individual cost of more than \$10,000 and an estimated minimum useful life in excess of five years. As the Town constructs or acquires additional capital assets each year, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Capital Asset Classes:	
Land improvements	15-20
Buildings and building improvements	15-50
Machinery, equipment, and vehicles	6-20
Infrastructure	15-20

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

1-I Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, this item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

1-J Property Taxes

Property tax billings occur semi-annually and are based on the assessed inventory values as of April 1 of each year. Billings for the year were on May 17, 2013 and November 4, 2013. Interest accrues at a rate of 12% on bills outstanding after the due date and 18% on tax liens outstanding.

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

The Town net assessed valuation as of April 1, 2013 utilized in the setting of the tax rate was as follows:

For the New Hampshire education tax	\$ 366,149,697
For all other taxes	\$ 373,723,497

The tax rates and amounts assessed for the year ended December 31, 2013 were as follows:

	Per \$1,000 of Assessed Valuation	Property Taxes Assessed
Municipal portion	\$3.86	\$ 1,443,273
School portion:		
State of New Hampshire	\$2.39	874,301
Local	\$21.26	7,946,081
County portion	\$1.00	373,101
Total		<u>\$ 10,636,756</u>

1-K Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of fund net position. Bond premiums are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the bond premium.

In the fund financial statements, governmental fund types recognize bond premiums, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

1-L Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. Claims and judgments are recorded in the government-wide financial statements as expense when the related liabilities are incurred. There were no significant claims or judgments at year-end.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

1-M 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-N Net Position/Fund Balance Reporting

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

- a) *Net investment in capital assets* – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.
- b) *Restricted net position* – Consists of net position with constraints placed on use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) *Unrestricted net position* – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balance Classifications - The fund balance of governmental funds is reported in five categories based on the nature of any limitations requiring the use of resources for specific programs. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The classifications used in the Town’s governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form; or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes 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 – This classification includes 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 – This classification includes 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 – This classification includes the residual fund balance for 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.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

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

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

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. In the fiscal year 2013, none of the beginning general fund unassigned fund balance was applied for this purpose.

2-B Budgetary Reconciliation to GAAP Basis

The Town employs certain accounting principles for budgetary reporting purposes that differ from a GAAP basis. The Statement of Revenues, Expenditures, and Changes in Fund Balance –Budgetary Basis presents the actual results to provide a comparison with the budget. The major difference between the budgetary basis and GAAP basis is as follows:

Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities, but represent budgetary accounting controls. Governmental fund budgets are maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and commitments (encumbrances) for goods or services not received at year-end. Encumbrances are recorded to reserve a portion of fund balance in the governmental fund types for commitments for which no liability exists.

The following reconciles the general fund budgetary basis to the GAAP basis:

Revenues and other financing sources:

Per Exhibit D (budgetary basis)	\$ 2,782,062
Adjustment:	
Basis difference:	
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	244
To eliminate transfers between blended funds	(4,564)
Change in deferred tax revenue relating to 60-day revenue recognition	106,704
Change in allowance for uncollectible property taxes	36,000
Per Exhibit C-3 (GAAP basis)	<u><u>\$ 2,920,446</u></u>

Expenditures and other financing uses:

Per Exhibit D (budgetary basis)	\$ 2,636,110
Adjustment:	
Basis differences:	
Encumbrances, beginning	25,030
Encumbrances, ending	(22,078)
GASB Statement No. 54:	
To eliminate transfers between general and expendable trust funds	(15,000)
Per Exhibit C-3 (GAAP basis)	<u><u>\$ 2,624,062</u></u>

DETAILED NOTES ON ALL FUNDS

NOTE 3 – CASH AND CASH EQUIVALENTS

The Town's deposits are entirely covered by federal depository insurance (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 \$4,487,310 and the bank balances totaled \$4,590,518.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 4,448,082
Cash per Statement of Fiduciary Net Position (Exhibit E-1)	<u>39,228</u>
Total cash and cash equivalents	<u><u>\$ 4,487,310</u></u>

NOTE 4 – INVESTMENTS

Note 1-F describes statutory requirements covering the investment of the Town funds. The Town also maintains a portfolio of short-term maturity investments that are reported at fair value, based on quoted market prices. The Town's fiscal agent or custodian provides the fair value of all investments.

At December 31, 2013, this Town had the following investments:

	<u>Fair Value</u>
Investments type:	
New Hampshire PDIP	\$ 1,459,036
Certificates of deposit	<u>41,919</u>
Total fair value	<u><u>\$ 1,500,955</u></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.

Investment reconciliation:

Investments per Statement of Net Position (Exhibit A)	\$ 920,745
Investments per Statement of Fiduciary Net Position (Exhibit E-1)	<u>580,210</u>
Total investments	<u><u>\$ 1,500,955</u></u>

NOTE 5 – RESTRICTED CASH AND INVESTMENTS

Certain cash and investment accounts in the general fund belong to funds which have been blended with the general fund in accordance with the requirements of GASB Statement No. 54, as follows:

Cash and cash equivalents:	
General fund:	
Library	\$ 347
Investments:	
General fund:	
Expendable trusts	<u>606,718</u>
Total restricted assets	<u><u>\$ 607,065</u></u>

NOTE 6 – TAXES RECEIVABLE

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2013. Taxes receivable by year are as follows:

	<u>As reported on:</u>	
	<u>Exhibit A</u>	<u>Exhibit C-1</u>
Property:		
Levy of 2013	\$ 419,121	\$ 419,121
Unredeemed (under tax lien):		
Levy of 2012	126,447	126,447
Levy of 2011	63,445	63,445
Land use change	2,143	2,143
Less: allowance for estimated uncollectible taxes	<u>(36,000)</u>	<u>-</u>
Net taxes receivable	<u><u>\$ 575,156</u></u>	<u><u>\$ 611,156</u></u>

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 consisted of the following:

	Balance, beginning	Additions	Disposals	Balance, ending
At cost:				
Not being depreciated:				
Land	\$ 1,955,550	\$ 15,238	\$ -	\$ 1,970,788
Construction in progress	46,833	39,000	(46,833)	39,000
Total capital assets not being depreciated	<u>2,002,383</u>	<u>54,238</u>	<u>(46,833)</u>	<u>2,009,788</u>
Being depreciated:				
Land improvements	470,956	-	-	470,956
Buildings and building improvements	2,802,443	145,605	(15,000)	2,933,048
Machinery, equipment, and vehicles	1,815,004	73,088	(15,000)	1,873,092
Infrastructure	5,995,075	111,750	-	6,106,825
Total capital assets being depreciated	<u>11,083,478</u>	<u>330,443</u>	<u>(30,000)</u>	<u>11,383,921</u>
Total all capital assets	<u>13,085,861</u>	<u>384,681</u>	<u>(76,833)</u>	<u>13,393,709</u>
Less accumulated depreciation:				
Land improvements	(257,401)	(23,548)	-	(280,949)
Buildings and building improvements	(859,144)	(72,639)	15,000	(916,783)
Machinery, equipment, and vehicles	(1,009,120)	(109,474)	15,000	(1,103,594)
Infrastructure	(3,373,755)	(245,252)	-	(3,619,007)
Total accumulated depreciation	<u>(5,499,420)</u>	<u>(450,913)</u>	<u>30,000</u>	<u>(5,920,333)</u>
Net book value, capital assets being depreciated	<u>5,584,058</u>	<u>(120,470)</u>	<u>-</u>	<u>5,463,588</u>
Net book value, all capital assets	<u>\$ 7,586,441</u>	<u>\$ (66,232)</u>	<u>\$ (46,833)</u>	<u>\$ 7,473,376</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	\$ 17,372
Public safety	113,497
Highways and streets	263,574
Culture and recreation	56,470
Total depreciation expense	<u>\$ 450,913</u>

NOTE 8 – INTERFUND TRANSFERS

The composition of interfund transfers for the year ended December 31, 2013 is as follows:

	Transfers In:		
	General Fund	Nonmajor Fund	Total
Transfers out:			
General fund	\$ -	\$ 556	\$ 556
Nonmajor fund	2,500	-	2,500
Total	<u>\$ 2,500</u>	<u>\$ 556</u>	<u>\$ 3,056</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 FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

NOTE 9 – INTERGOVERNMENTAL PAYABLES

Amounts due to other governments at December 31, 2013 consist of the following:

General fund:	
Balance of the FY 2013-14 district assessment due to the Fremont School District	<u>\$ 4,545,257</u>
Agency funds:	
Balance of capital reserve funds due to the Fremont School District	<u>\$ 110,652</u>

NOTE 10 – DEFERRED INFLOW OF RESOURCES

Deferred inflows of resources of \$480,551 in the general fund at December 31, 2013 consist of property taxes not collected within 60 days of the fiscal year-end.

NOTE 11 – LONG-TERM LIABILITIES

Changes in the Town's long-term liabilities consisted of the following for the year ended December 31, 2013:

	Balance January 1, 2013	Reductions	Balance December 31, 2013	Due Within One Year
General obligation bonds	\$ 1,227,000	\$ (172,000)	\$ 1,055,000	\$ 135,000
Premium	22,555	(1,735)	20,820	1,735
Total long-term liabilities	<u>\$ 1,249,555</u>	<u>\$ (173,735)</u>	<u>\$ 1,075,820</u>	<u>\$ 136,735</u>

Long term bonds are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at December 31, 2013	Current Portion
General obligation bonds payable:						
Public safety building	\$ 940,000	1997	2017	4.7-5.3	\$ 180,000	\$ 45,000
Library building	\$ 995,500	2001	2021	4.13-5.0	395,000	50,000
Glen Oaks land purchase	\$ 795,300	2005	2025	4.04	480,000	40,000
					<u>1,055,000</u>	<u>135,000</u>
Bond premium					20,820	1,735
Total					<u>\$ 1,075,820</u>	<u>\$ 136,735</u>

The annual requirements to amortize all general obligation bonds outstanding as of December 31, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2014	\$ 135,000	\$ 46,239	\$ 181,239
2015	135,000	39,587	174,587
2016	135,000	34,976	169,976
2017	135,000	28,191	163,191
2018	90,000	21,740	111,740
2019-2023	345,000	49,240	394,240
2024-2025	80,000	3,460	83,460
Totals	<u>\$ 1,055,000</u>	<u>\$ 223,433</u>	<u>\$ 1,278,433</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.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

Bonds/Notes Authorized and Unissued – Bonds and notes authorized and unissued as of December 31, 2013 were as follows:

Per District Meeting Vote of	Purpose	Unissued Amount
March 18, 2006 - Article No. 5	Purchase of conservation land	<u>\$ 935,000</u>

NOTE 12 – ENCUMBRANCES

Encumbrances outstanding at December 31, 2013 are as follows:

General fund:	
General government	\$ 10,560
Public safety	8,768
Culture and recreation	2,750
Total encumbrances	<u>\$ 22,078</u>

NOTE 13 – GOVERNMENTAL ACTIVITIES NET POSITION

Governmental activities net position reported on the government-wide Statement of Net Position at December 31, 2013 include the following:

Net investment in capital assets:	
Net property, buildings, and equipment	\$ 7,473,376
Less:	
General obligation bonds payable	(1,055,000)
Unamortized bond premiums	(20,820)
Total net investment in capital assets	6,397,556
Restricted for perpetual care	147,858
Unrestricted	1,259,264
Total net position	<u>\$ 7,804,678</u>

NOTE 14 – GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2013 include the following:

	General Fund	Nonmajor Funds	Total Governmental Funds
Nonspendable:			
Tax deeded property	\$ 47,968	\$ -	\$ 47,968
Permanent fund - principal balance	-	96,074	96,074
Total nonspendable fund balance	<u>47,968</u>	<u>96,074</u>	<u>144,042</u>
Restricted:			
Library fund	347	-	347
Permanent fund - income balance	-	51,784	51,784
Total restricted fund balance	<u>347</u>	<u>51,784</u>	<u>52,131</u>

(continued)

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

Governmental fund balances continued:

	General Fund	Nonmajor Funds	Total Governmental Funds
Committed:			
Expendable trust	606,718	-	606,718
Conservation commission	-	70,982	70,982
Police OHRV	-	25,294	25,294
Cable franchise fees	-	76,285	76,285
Playground	-	3,742	3,742
Energy Commission	-	3	3
Total committed fund balance	606,718	176,306	783,024
Assigned:			
Encumbrances	22,078	-	22,078
Unassigned	(19,365)	-	(19,365)
Total fund balances	<u>\$ 657,746</u>	<u>\$ 324,164</u>	<u>\$ 981,910</u>

NOTE 15 – PRIOR PERIOD ADJUSTMENTS

Net position/fund balance at January 1, 2013 was restated to give retroactive effect to the following prior period adjustments:

	Government-wide Statements	GAAP Basis General Fund	Budgetary General Fund
To adjust for tax deeded property previously not recorded	\$ 47,968	\$ 47,968	\$ 47,968
To record deferred inflows of resources for property taxes not collected within 60 days of the fiscal year-end	-	(587,255)	-
To adjust for capital assets incorrectly included in prior year figures	(569,432)	-	-
Net position/fund balance, as previously reported	8,115,160	900,649	279,234
Net position/fund balance, as restated	<u>\$ 7,593,696</u>	<u>\$ 361,362</u>	<u>\$ 327,202</u>

NOTE 16 – EMPLOYEE RETIREMENT PLAN

The Town participates in the New Hampshire Retirement System (the System) which is the administrator of a cost-sharing multiple-employer contributory pension plan and trust 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 plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Provision for benefits and contributions are established and can be amended by the New Hampshire Legislature. 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.

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. For fiscal year December 31, 2013, all employees except police officers and firefighters were required to contribute 7% of earnable compensation. The contribution rates were 11.55% for police officers and 11.80% for firefighters. The Town's contribution rates for 2013 for pension and medical subsidy were as follows:

Period	Police	Fire	All Other Employees
January 1, 2013 thru June 30, 2013	19.95%	22.89%	8.80%
July 1, 2013 thru December 31, 2013	25.30%	27.74%	10.77%

The contribution requirements for the Town of Fremont for the fiscal years 2011, 2012, and 2013 were \$27,130, \$34,412, and \$36,818, respectively, which were paid in full in each year.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

NOTE 17 – 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 2013, the Town was a member of the Local Government Center Property-Liability Trust, LLC, and the New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs. These entities are considered a public entity risk pools, currently operating as common risk management and insurance programs for member Towns and cities.

The Local Government Center Property-Liability Trust, LLC, is a Trust organized to provide certain property and liability insurance coverages to member Towns, cities and other qualified political subdivisions of New Hampshire. As a member of the Local Government Center Property-Liability Trust, LLC, the Town shares in contributing to the cost of, and receiving benefits from, a self-insured pooled risk management program. The membership and coverage run from July 1 to June 30. The program maintains a self-insured retention above which it purchases reinsurance and excess insurance. This policy covers property, auto physical damage, crime, general liability, and public officials' liability subject to a \$1,000 deductible.

Contributions paid in fiscal year ending December 31, 2013, to be recorded as an insurance expenditure totaled \$31,757 for property liability. There were no unpaid contributions for the year ended December 31, 2013.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation Programs is a pooled risk management program under RSAs 5-B and 281-A. Coverage was provided from January 1, 2013 to December 31, 2013 by Primex³, 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 estimated contribution from the Town of Fremont billed and paid for the year ended December 31, 2013 was \$30,508 for workers' compensation. The Town received a premium holiday of \$11,188 in the current year which will be taken as a credit against the 2014 invoices.

NOTE 18 – CONTINGENCIES

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

NOTE 19 – RELATED PARTY TRANSACTIONS

Financial reporting standards require disclosure of significant related-party transactions, including the nature of the relationship, a description of the transactions, dollar amounts of the transaction. The Town's Road Agent contracts some road work to Pitkin Construction, a company owned by the Road Agent. Invoices for 2013 equaled \$35,790.54 all of which were subject to the Town's disbursement procedures.

NOTE 20 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

The following GASB pronouncements were implemented by the Town for the fiscal year ended December 31, 2013. Only GASB Statement No. 65 impacted these financial statements:

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus and Amendments of GASB Statements No. 14 and No. 34*, issued November 2010. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, issued March 2012. This Statement is intended to improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

GASB Statement No. 66, *Technical Corrections – 2012 – An Amendment of GASB Statements No. 10 and No. 62*, issued March 2012. This Statement is intended to resolve conflicting accounting and financial report and guidance that emerged from two recent standards, Statement No. 54 and Statement No. 62. These standards conflicted with existing guidance in Statements No. 10, 13, and 48.

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

GASB Statement No. 67, *Financial Reporting for Pension Plans*, issued in June 2012, will be effective for the Town beginning with its fiscal year ending December 31, 2014. The guidance contained in this Statement will change how governments calculate and report the costs and obligations associated with pensions in important ways. They replace the requirements of Statements No. 27 and 50.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, issued in June 2012, will be effective for the Town beginning with its fiscal year ending December 31, 2015. The guidance contained in this Statement will change how governments calculate and report the costs and obligations associated with pensions in important ways. This replaces the requirements of Statements No. 27 and 50.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, issued in January 2013, will be effective for the Town beginning with its fiscal year ending December 31, 2014. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations that have been transferred or sold.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, issued in April 2013, will be effective for the Town beginning with the fiscal year ending December 31, 2014. The objective of this Statement is to improve accounting and financial reporting by governments that extend and receive nonexchange financial guarantees.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, issued in November 2013, will be effective for the Town beginning with its fiscal year ending December 31, 2015. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*, and is required to be applied simultaneously with the provisions of that Statement.

NOTE 21 – 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 January 28, 2015, the date the December 31, 2013 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

COMBINING AND INDIVIDUAL FUND SCHEDULES

SCHEDULE 1
TOWN OF FREMONT, NEW HAMPSHIRE
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2013

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 1,325,513	\$ 1,375,739	\$ 50,226
Land use change	30,000	29,857	(143)
Yield	3,100	1,166	(1,934)
Excavation	301	301	-
Interest and penalties on taxes	62,000	80,074	18,074
Total from taxes	<u>1,420,914</u>	<u>1,487,137</u>	<u>66,223</u>
Licenses, permits, and fees:			
Motor vehicle permit fees	665,000	702,864	37,864
Building permits	72,000	73,730	1,730
Other	16,900	12,070	(4,830)
Total from licenses, permits, and fees	<u>753,900</u>	<u>788,664</u>	<u>34,764</u>
Intergovernmental:			
State:			
Meals and rooms distribution	194,234	194,234	-
Highway block grant	94,116	94,116	-
Federal:			
FEMA	18,109	18,179	70
Total from intergovernmental	<u>306,459</u>	<u>306,529</u>	<u>70</u>
Charges for services:			
Income from departments	<u>140,300</u>	<u>158,860</u>	<u>18,560</u>
Miscellaneous:			
Sale of municipal property	1,000	-	(1,000)
Interest on investments	700	405	(295)
Rent of property	500	300	(200)
Insurance dividends and reimbursements	-	1,252	1,252
Other	9,000	31,851	22,851
Total from miscellaneous	<u>11,200</u>	<u>33,808</u>	<u>22,608</u>
Other financing sources:			
Transfers in	<u>9,214</u>	<u>7,064</u>	<u>(2,150)</u>
Total revenues and other financing sources	<u>\$ 2,641,987</u>	<u>\$ 2,782,062</u>	<u>\$ 140,075</u>

SCHEDULE 2
TOWN OF FREMONT, NEW HAMPSHIRE
Major General Fund
Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2013

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 106,617	\$ 101,736	\$ 500	\$ 4,381
Election and registration	-	47,992	45,564	-	2,428
Financial administration	-	44,285	41,382	-	2,903
Revaluation of property	-	40,720	33,030	-	7,690
Legal	-	20,000	10,884	-	9,116
Personnel administration	-	226,505	219,724	-	6,781
Planning and zoning	-	38,466	36,224	-	2,242
General government buildings	24,235	75,785	112,268	10,060	(22,308)
Cemeteries	-	9,900	10,238	-	(338)
Insurance, not otherwise allocated	-	35,519	33,276	-	2,243
Advertising and regional associations	-	7,034	7,034	-	-
Other	-	2,400	2,113	-	287
Total general government	24,235	655,223	653,473	10,560	15,425
Public safety:					
Police	-	446,851	438,435	8,768	(352)
Ambulance	-	7,000	7,000	-	-
Fire	-	216,537	208,387	-	8,150
Building inspection	-	30,303	28,261	-	2,042
Emergency management	-	4,130	2,985	-	1,145
Total public safety	-	704,821	685,068	8,768	10,985
Highways and streets:					
Highways and streets	-	410,400	420,102	-	(9,702)
Street lighting	-	4,680	4,939	-	(259)
Total highways and streets	-	415,080	425,041	-	(9,961)
Sanitation:					
Solid waste collection	-	255,180	253,254	-	1,926
Solid waste disposal	-	116,560	102,855	-	13,705
Total sanitation	-	371,740	356,109	-	15,631
Health:					
Administration	-	626	626	-	-
Pest control	-	60,685	58,368	-	2,317
Total health	-	61,311	58,994	-	2,317
Welfare:					
Direct assistance	-	11,000	13,350	-	(2,350)
Vendor payments	-	25,813	25,213	-	600
Total welfare	-	36,813	38,563	-	(1,750)
Culture and recreation:					
Parks and recreation	-	40,386	38,695	-	1,691
Library	795	105,125	101,181	2,750	1,989
Patriotic purposes	-	2,335	2,189	-	146
Other	-	500	500	-	-
Total culture and recreation	795	148,346	142,565	2,750	3,826
Conservation	-	923	368	-	555

(Continued)

SCHEDULE 2 (Continued)
TOWN OF FREMONT, NEW HAMPSHIRE
Major General Fund
Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2013

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Debt service:					
Principal of long-term debt	-	172,000	172,000	-	-
Interest on long-term debt	-	55,579	55,175	-	404
Interest on tax anticipation notes	-	3,000	-	-	3,000
Total debt service	-	230,579	227,175	-	3,404
Capital outlay	-	2,150	36,150	-	(34,000)
Other financing uses:					
Transfers out	-	15,001	15,556	-	(555)
Total appropriations, expenditures, other financing uses, and encumbrances	\$ 25,030	\$ 2,641,987	\$ 2,639,062	\$ 22,078	\$ 5,877

SCHEDULE 3
TOWN OF FREMONT, NEW HAMPSHIRE
Major General Fund
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2013

Unassigned fund balance, beginning, as restated (see Note 15)		\$ 327,202
Changes:		
Unassigned fund balance used to reduce 2013 tax rate		-
2013 Budget summary:		
Revenue surplus (Schedule 1)	\$ 140,075	
Unexpended balance of appropriations (Schedule 2)	<u>5,877</u>	
2013 Budget surplus		145,952
Increase in nonspendable fund balance		<u>(47,968)</u>
Unassigned fund balance, ending budgetary basis (Exhibit D)		425,186
<i>Reconciliation of Non-GAAP Basis to GAAP Basis</i>		
To comply with generally accepted accounting principles by deferring property taxes not collected within 60 days of December 31, 2013		(480,551)
Eliminated allowance for doubtful property taxes receivable		<u>36,000</u>
Unassigned fund balance, ending GAAP basis (Exhibit C-1)		<u><u>\$ (19,365)</u></u>

SCHEDULE 4
TOWN OF FREMONT, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2013

	Special Revenue Funds						Total
	Conservation Commission	Police OHRV	Cable Franchise Fee	Playground	Energy Commission	Permanent Fund	
ASSETS							
Cash and cash equivalents	\$ 155	\$ -	\$ -	\$ -	\$ -	\$ 9,982	\$ 10,137
Investments	70,827	25,294	76,285	3,742	3	137,876	314,027
Total assets	<u>\$ 70,982</u>	<u>\$ 25,294</u>	<u>\$ 76,285</u>	<u>\$ 3,742</u>	<u>\$ 3</u>	<u>\$ 147,858</u>	<u>\$ 324,164</u>
FUND BALANCES							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,074	\$ 96,074
Restricted	-	-	-	-	-	51,784	51,784
Committed	70,982	25,294	76,285	3,742	3	-	176,306
Total fund balances	<u>\$ 70,982</u>	<u>\$ 25,294</u>	<u>\$ 76,285</u>	<u>\$ 3,742</u>	<u>\$ 3</u>	<u>\$ 147,858</u>	<u>\$ 324,164</u>

SCHEDULE 5
TOWN OF FREMONT, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2013

	Special Revenue Funds						
	Conservation	Police	Cable	Franchise	Energy	Permanent	
	Commission	OHRV	Fee	Playground	Commission	Fund	Total
Revenues:							
Taxes	\$ 17,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,714
Intergovernmental	-	241	-	-	-	-	241
Investment earnings	24	8	27	1	-	54	114
Miscellaneous	1,069	-	-	-	-	-	1,069
Total revenues	18,807	249	27	1	-	54	19,138
Expenditures:							
Current:							
General government	-	-	-	-	-	806	806
Conservation	6,886	-	-	-	-	-	6,886
Capital outlay	15,238	-	-	-	-	-	15,238
Total expenditures	22,124	-	-	-	-	806	22,930
Excess (deficiency) of revenues over (under) expenditures	(3,317)	249	27	1	-	(752)	(3,792)
Other financing sources (uses):							
Transfers in	556	-	-	-	-	-	556
Transfers out	-	-	-	-	-	(2,500)	(2,500)
Total other financing sources (uses)	556	-	-	-	-	(2,500)	(1,944)
Net change in fund balances	(2,761)	249	27	1	-	(3,252)	(5,736)
Fund balances, beginning	73,743	25,045	76,258	3,741	3	151,110	329,900
Fund balances, ending	\$ 70,982	\$ 25,294	\$ 76,285	\$ 3,742	\$ 3	\$ 147,858	\$ 324,164