

**TOWN OF FREMONT,
NEW HAMPSHIRE**

ANNUAL FINANCIAL REPORT

**AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2014**

TOWN OF FREMONT, NEW HAMPSHIRE
ANNUAL FINANCIAL REPORT
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PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Selectmen
Town of 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, 2014, 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, 2014, 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

Required Supplementary Information - 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 them to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with

Town of Fremont
Independent Auditor's Report

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.

September 25, 2015

Plodzik & Sanderson
Professional Association



The Town of Fremont

Management's Discussion and Analysis

For the Year Ending December 31, 2014

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, 2014.

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, 2014

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 Town 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, 2014

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 \$7,628,520 at the close of the most recent fiscal year.

By far the largest portion of the Town of Fremont's net position \$6,243,754 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
	2013	2014
Assets:		
Current & other assets	5,991,951	5,969,359
Capital assets	7,473,376	7,182,839
Total assets	13,465,327	13,152,198
Liabilities:		
Long-term liabilities outstanding	1,075,820	939,085
Other liabilities	4,584,829	4,584,593
Total liabilities	5,660,649	5,523,678
Net position:		
Net investment in capital assets	6,397,556	6,243,754
Restricted net position	147,858	147,214
Unrestricted net position	1,259,264	1,237,552
Total net position	7,804,678	7,628,520

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

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2014

reviewed annually by the Board of Selectmen. The Capital Asset information is updated annually for depreciation and other changes to town buildings and infrastructure.

Town of Fremont, NH

Statement of Activities

	2013	2014	
	AMOUNT	AMOUNT	DIFFERENCE
Revenues:			
Program revenues:			
Charges for Services	158,860	123,742	(35,118)
Taxes	1,504,851	1,334,161	(170,690)
Licenses and permits	788,664	840,492	51,828
Intergovernmental	306,770	309,818	3,048
Unrestricted investment earnings	727	3,089	2,362
Miscellaneous	34,508	81,316	46,808
Total revenues	2,794,380	2,692,618	(101,762)
Expenses:			
General Government	659,187	785,698	126,511
Public Safety	684,238	708,687	24,449
Highways and Streets	602,516	715,087	112,571
Sanitation	356,109	317,450	(38,659)
Health	58,994	9,160	(49,834)
Welfare	38,563	44,908	6,345
Culture & Recreation	125,465	241,287	115,822
Conservation	7,254	4,545	(2,709)
Interest on long-term debt	51,072	41,954	(9,118)
Total expenses	2,583,398	2,868,776	285,378
Change in net position	210,982	(176,158)	(387,140)
Beginning net position	7,593,696	7,804,678	210,982
Ending net position	7,804,678	7,628,520	(176,158)

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2014

General fund budgetary highlights

As shown in the above chart, revenues received during 2014 decreased by \$101,762 from 2013. In 2014, the actual budgetary revenues were more than the budget for estimated revenues by \$58,384. Licenses and Permits (including Motor Vehicle Registrations and Building & Trade permits) were \$73,507 over the amount projected. General income from department services was \$16,591 under projected. Miscellaneous income (rent and sale of town property, interest income on deposits and other miscellaneous items) increased by \$4,574 over the estimated revenue, adjusted at the time of the fall tax rate setting.

The overall, total governmental expenditures increased by \$285,378 (11.05%) from the prior year. The Town realized a savings of \$8,908 in actual expenditures over the 2014 budgeted appropriation. The net addition to the Town's unassigned fund balance was \$456,568.

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 2014 tax rate, the Board of Selectmen used \$35,000 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
- 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, 2014

Town of Fremont, NH

Capital Assets

Governmental Activities
(at original cost)

	2013	Additions	Deletions	2014
AT COST:				
Not being				
Depreciated:				
Land	\$ 1,970,788	\$ -	\$ (15,238)	\$ 1,955,550
Construction in Progress	39,000	-	(39,000)	-
Total Capital Assets not being depreciated	2,009,788	-	(54,238)	1,955,550
Being Depreciated:				
Land Improvements	470,956	4,000	-	474,956
Buildings & Building Improvements	2,933,048	151,426	-	3,084,474
Machinery, Vehicles & Equipment	1,873,092	55,531	(98,449)	1,830,174
Infrastructure	6,106,825	-	-	6,106,825
Total Capital Assets being depreciated	11,383,921	210,957	(98,449)	11,496,429
TOTAL ALL CAPITAL ASSETS	13,393,709	210,957	(152,687)	13,451,979
LESS:				
Accumulated Depreciation				
Land Improvements	(280,949)	(23,747)	-	(304,696)
Buildings & Building Improvements	(916,783)	(75,644)	-	(992,427)
Machinery, Vehicles & Equipment	(1,103,594)	(109,057)	94,248	(1,118,403)
Infrastructure	(3,619,007)	(234,607)	-	(3,853,614)
Total Accumulated Depreciation	(5,920,333)	(443,055)	94,248	(6,269,140)
Net Book Value	5,463,588	(232,098)	(4,201)	5,227,289
Capital Assets being depreciated				
NET BOOK VALUE	\$ 7,473,376	\$ (232,098)	\$ (58,439)	\$ 7,182,839

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 \$920,000 which is approximately an 12.8% decrease from the \$1,055,000 owed at the end of 2013. These bonds are a general obligation of the taxpayers of Fremont NH.

The Town of Fremont
Management's Discussion and Analysis
For the Year Ending December 31, 2014

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, 2014

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 4,741,828
Investments	240,141
Taxes receivable (net)	452,991
Accounts receivable	10,908
Restricted assets:	
Cash and cash equivalents	344
Investments	523,147
Capital assets:	
Land and construction in progress	1,955,550
Other capital assets, net of depreciation	5,227,289
Total assets	<u>13,152,198</u>
LIABILITIES	
Accounts payable	42,426
Accrued interest payable	16,789
Intergovernmental payable	4,525,378
Long-term liabilities:	
Due within one year	136,735
Due in more than one year	802,350
Total liabilities	<u>5,523,678</u>
NET POSITION	
Net investment in capital assets	6,243,754
Restricted	147,214
Unrestricted	1,237,552
Total net position	<u>\$ 7,628,520</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, 2014

		Program Revenues		Net (Expense)
		Charges	Operating	Revenue and
		for	Grants and	Change In
	Expenses	Services	Contributions	Net Position
General government	\$ 785,698	\$ 12,621	\$ -	\$ (773,077)
Public safety	708,687	62,798	-	(645,889)
Highways and streets	715,087	14,428	96,148	(604,511)
Sanitation	317,450	4,760	-	(312,690)
Health	9,160	-	-	(9,160)
Welfare	44,908	-	-	(44,908)
Culture and recreation	241,287	29,135	-	(212,152)
Conservation	4,545	-	-	(4,545)
Interest on long-term debt	41,954	-	-	(41,954)
Total governmental activities	<u>\$ 2,868,776</u>	<u>\$ 123,742</u>	<u>\$ 96,148</u>	<u>(2,648,886)</u>

General revenues:

Taxes:	
Property	1,245,760
Other	88,401
Motor vehicle permit fees	761,599
Licenses and other fees	78,893
Grants and contributions not restricted to specific programs	213,670
Unrestricted investment earnings	3,089
Miscellaneous	81,316
Total general revenues	<u>2,472,728</u>
Change in net position	(176,158)
Net position, beginning	7,804,678
Net position, ending	<u>\$ 7,628,520</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, 2014

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 4,635,212	\$ 106,616	\$ 4,741,828
Investments	-	240,141	240,141
Accounts receivable	10,908	-	10,908
Taxes	482,991	-	482,991
Restricted assets:			
Cash and cash equivalents	344	-	344
Investments	523,147	-	523,147
Total assets	<u>\$ 5,652,602</u>	<u>\$ 346,757</u>	<u>\$ 5,999,359</u>
LIABILITIES			
Accounts payable	\$ 42,426	\$ -	\$ 42,426
Due to other governments	4,525,378	-	4,525,378
Total liabilities	<u>4,567,804</u>	<u>-</u>	<u>4,567,804</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - Property taxes	54,175	-	54,175
FUND BALANCES			
Nonspendable	-	98,714	98,714
Restricted	344	48,500	48,844
Committed	523,147	199,543	722,690
Assigned	50,564	-	50,564
Unassigned	456,568	-	456,568
Total fund balances	<u>1,030,623</u>	<u>346,757</u>	<u>1,377,380</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,652,602</u>	<u>\$ 346,757</u>	<u>\$ 5,999,359</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, 2014

Total fund balances of governmental funds (Exhibit C-1)		\$ 1,377,380
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	\$ 13,451,979	
Less accumulated depreciation	<u>(6,269,140)</u>	
		7,182,839
Long term revenue (taxes) is not available to pay current-period expenditures and therefore, is deferred in the governmental funds.		54,175
Allowance for uncollectible property taxes that is recognized on a full accrual basis, but not on the modified accrual basis.		(30,000)
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(16,789)
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.		
Bonds	\$ 920,000	
Unamortized bond premium	<u>19,085</u>	
		<u>(939,085)</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 7,628,520</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, 2014

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 1,328,119	\$ 11,071	\$ 1,339,190
Licenses and permits	840,492	-	840,492
Intergovernmental	309,818	-	309,818
Charges for services	77,194	46,548	123,742
Investment earnings	390	2,699	3,089
Miscellaneous	72,381	24,173	96,554
Total revenues	<u>2,628,394</u>	<u>84,491</u>	<u>2,712,885</u>
EXPENDITURES			
Current:			
General government	648,646	4,575	653,221
Public safety	687,204	51,504	738,708
Highways and streets	400,342	-	400,342
Sanitation	317,450	-	317,450
Health	9,160	-	9,160
Welfare	44,908	-	44,908
Culture and recreation	179,830	-	179,830
Conservation	1,523	3,022	4,545
Debt service:			
Principal	135,000	-	135,000
Interest	46,239	-	46,239
Capital outlay	233,380	-	233,380
Total expenditures	<u>2,703,682</u>	<u>59,101</u>	<u>2,762,783</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,288)</u>	<u>25,390</u>	<u>(49,898)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,797	-	2,797
Transfers out	-	(2,797)	(2,797)
Capital lease inception	30,021	-	30,021
Total other financing sources (uses)	<u>32,818</u>	<u>(2,797)</u>	<u>30,021</u>
Net change in fund balances	(42,470)	22,593	(19,877)
Fund balances, beginning, as restated (see Note 15)	1,073,093	324,164	1,397,257
Fund balances, ending	<u>\$ 1,030,623</u>	<u>\$ 346,757</u>	<u>\$ 1,377,380</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, 2014

Net change in fund balances of governmental funds (Exhibit C-3)		\$ (19,877)
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	\$ 58,270
	Depreciation expense	<u>(348,807)</u>
		(290,537)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
	Transfers in	\$ (2,797)
	Transfers out	<u>2,797</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	(5,029)
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.		
	Inception of capital lease	\$ (30,021)
	Repayment of bond principal	135,000
	Repayment of capital lease	30,021
	Amortization of bond premium	<u>1,735</u>
		136,735
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	<u>2,550</u>
Changes in net position of governmental activities (Exhibit B)		<u>\$ (176,158)</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, 2014

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,347,124	\$ 1,347,124	\$ 1,323,090	\$ (24,034)
Licenses and permits	766,985	766,985	840,492	73,507
Intergovernmental	288,776	288,776	309,818	21,042
Charges for services	93,785	93,785	77,194	(16,591)
Investment earnings	400	400	286	(114)
Miscellaneous	67,433	67,433	72,007	4,574
Total revenues	<u>2,564,503</u>	<u>2,564,503</u>	<u>2,622,887</u>	<u>58,384</u>
EXPENDITURES				
Current:				
General government	681,719	681,719	647,620	34,099
Public safety	713,047	713,047	663,415	49,632
Highways and streets	402,943	402,943	402,072	871
Sanitation	323,066	323,066	317,450	5,616
Health	10,456	10,456	9,160	1,296
Welfare	42,444	42,444	44,908	(2,464)
Culture and recreation	148,450	160,954	201,003	(40,049)
Conservation	-	-	1,523	(1,523)
Debt service:				
Principal	135,000	135,000	135,000	-
Interest	48,239	48,239	46,239	2,000
Capital outlay	96,638	167,809	233,380	(65,571)
Total expenditures	<u>2,602,002</u>	<u>2,685,677</u>	<u>2,701,770</u>	<u>(16,093)</u>
Excess of revenues over expenditures	<u>(37,499)</u>	<u>(121,174)</u>	<u>(78,883)</u>	<u>42,291</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	67,500	151,175	126,472	(24,703)
Transfers out	(65,001)	(65,001)	(40,000)	25,001
Total other financing sources (uses)	<u>2,499</u>	<u>86,174</u>	<u>86,472</u>	<u>298</u>
Net change in fund balances	<u>\$ (35,000)</u>	<u>\$ (35,000)</u>	7,589	<u>\$ 42,589</u>
Decrease in nonspendable fund balance			47,968	
Unassigned fund balance, beginning			425,186	
Unassigned fund balance, ending			<u>\$ 480,743</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, 2014

	Private Purpose Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 13,930	\$ 25,382
Investments	45,372	540,270
Total assets	<u>59,302</u>	<u>565,652</u>
LIABILITIES		
Due to other governmental units	-	119,107
Due to others	-	446,544
Total liabilities	<u>-</u>	<u>565,652</u>
NET POSITION		
Held in trust for specific purposes	<u>\$ 59,302</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, 2014

	Private Purpose Trust
ADDITIONS	
Interest	\$ 132
Net position, beginning	59,170
Net position, ending	<u>\$ 59,302</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, 2014

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TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2014

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 expenses of a given function are 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
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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, 2014

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, 2014

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 22, 2014 and November 11, 2014. 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, 2014 utilized in the setting of the tax rate was as follows:

For the New Hampshire education tax	\$ 374,835,539
For all other taxes	\$ 382,722,639

The tax rates and amounts assessed for the year ended December 31, 2014 were as follows:

	Per \$1,000 of Assessed Valuation	Property Taxes Assessed
Municipal portion	\$3.58	\$ 1,371,391
School portion:		
State of New Hampshire	\$2.25	841,615
Local	\$21.38	8,183,763
County portion	\$1.01	385,918
Total		<u>\$ 10,782,687</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 applicable 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, 2014

I-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.

I-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.

In accordance with the Town’s fund balance policy, the Board will maintain an appropriate level of unassigned fund balance following the guidelines established by the New Hampshire Government Finance Officers Association (GFOA), which are as follows:

- 1) 5% to 15% of regular general fund operating revenues, or
- 2) 8% to 17% of regular general fund operating expenditures.

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2014

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the Town's operations. At its annual meeting, the Town adopts a budget for the current year for the general fund. Except as reconciled below, the budget was adopted on a basis consistent with US generally accepted accounting principles. Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

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

State statutes require balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. In the fiscal year 2014, \$35,000 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)	\$ 2,749,359
Adjustment:	
Basis difference:	
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	478
To eliminate transfers between blended funds	(123,675)
Change in deferred tax revenue relating to 60-day revenue recognition	11,029
Change in allowance for uncollectible property taxes	(6,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 2,661,212</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$ 2,741,770
Adjustment:	
Basis differences:	
Encumbrances, beginning	22,078
Encumbrances, ending	(50,564)
GASB Statement No. 54:	
To record expendable trust expenditures during the year	377
To eliminate transfers between general and expendable trust funds	(40,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 2,703,682</u>

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2014

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 \$4,781,484 and the bank balances totaled \$4,887,819.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 4,742,172
Cash per Statement of Fiduciary Net Position (Exhibit E-1)	39,312
Total cash and cash equivalents	<u>\$ 4,781,484</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, 2014, this Town had the following investments:

Investments type:	<u>Fair Value</u>
New Hampshire Public Deposit Investment Pool	\$ 1,306,960
Certificates of deposit	41,970
Total fair value	<u>\$ 1,348,930</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)	\$ 763,288
Investments per Statement of Fiduciary Net Position (Exhibit E-1)	585,642
Total investments	<u>\$ 1,348,930</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:	
Library	\$ 344
Investments:	
Expendable trusts	523,147
Total restricted assets	<u>\$ 523,491</u>

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2014

NOTE 6 – TAXES RECEIVABLE

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2014. Taxes receivable by year are as follows:

	As reported on:	
	Exhibit A	Exhibit C-1
Property:		
Levy of 2014	\$ 339,247	\$ 339,247
Unredeemed (under tax lien):		
Levy of 2013	93,182	93,182
Levy of 2012	42,062	42,062
Land use change	8,500	8,500
Less: allowance for estimated uncollectible taxes	(30,000)	-
Net taxes receivable	<u>\$ 452,991</u>	<u>\$ 482,991</u>

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 consisted of the following:

	Balance, beginning	Additions	Disposals	Balance, ending
At cost:				
Not being depreciated:				
Land	\$ 1,970,788	\$ -	\$ (15,238)	\$ 1,955,550
Construction in progress	39,000	-	(39,000)	-
Total capital assets not being depreciated	<u>2,009,788</u>	<u>-</u>	<u>(54,238)</u>	<u>1,955,550</u>
Being depreciated:				
Land improvements	470,956	4,000	-	474,956
Buildings and building improvements	2,933,048	151,426	-	3,084,474
Machinery, equipment, and vehicles	1,873,092	55,531	(98,449)	1,830,174
Infrastructure	6,106,825	-	-	6,106,825
Total capital assets being depreciated	<u>11,383,921</u>	<u>210,957</u>	<u>(98,449)</u>	<u>11,496,429</u>
Total all capital assets	<u>13,393,709</u>	<u>210,957</u>	<u>(152,687)</u>	<u>13,451,979</u>
Less accumulated depreciation:				
Land improvements	(280,949)	(23,747)	-	(304,696)
Buildings and building improvements	(916,783)	(75,644)	-	(992,427)
Machinery, equipment, and vehicles	(1,103,594)	(109,057)	94,248	(1,118,403)
Infrastructure	(3,619,007)	(234,607)	-	(3,853,614)
Total accumulated depreciation	<u>(5,920,333)</u>	<u>(443,055)</u>	<u>94,248</u>	<u>(6,269,140)</u>
Net book value, capital assets being depreciated	<u>5,463,588</u>	<u>(232,098)</u>	<u>(4,201)</u>	<u>5,227,289</u>
Net book value, all capital assets	<u>\$ 7,473,376</u>	<u>\$ (232,098)</u>	<u>\$ (58,439)</u>	<u>\$ 7,182,839</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	\$ 12,783
Public safety	113,993
Highways and streets	254,823
Culture and recreation	61,456
Total depreciation expense	<u>\$ 443,055</u>

TOWN OF FREMONT, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2014

NOTE 8 – INTERFUND TRANSFERS

The composition of interfund transfers for the year ended December 31, 2014 is as follows:

	<u>Transfers In:</u>
	General
	<u>Fund</u>
Transfers out:	
Nonmajor funds	<u>\$ 2,797</u>

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

NOTE 9 – INTERGOVERNMENTAL PAYABLES

Amounts due to other governments at December 31, 2014 consist of the following:

General fund:	
Balance of the FY 2013-14 district assessment due to the Fremont School District	<u>\$ 4,525,378</u>
Agency funds:	
Balance of capital reserve funds due to the Fremont School District	<u>\$ 119,107</u>

NOTE 10 – DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources of \$54,175 in the general fund at December 31, 2014 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, 2014:

	Balance January 1, 2014	Additions	Reductions	Balance December 31, 2014	Due Within One Year
General obligation bonds	\$ 1,055,000	\$ -	\$ (135,000)	\$ 920,000	\$ 135,000
Premium	20,820	-	(1,735)	19,085	1,735
Total bonds payable	1,075,820	-	(136,735)	939,085	136,735
Capital leases	-	30,021	(30,021)	-	-
Total long-term liabilities	<u>\$ 1,075,820</u>	<u>\$ 30,021</u>	<u>\$ (166,756)</u>	<u>\$ 939,085</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, 2014	Current Portion
General obligation bonds payable:						
Public safety building	\$ 940,000	1997	2017	4.70-5.30	\$ 135,000	\$ 45,000
Library building	\$ 995,500	2001	2021	4.13-5.00	345,000	50,000
Glen Oaks land purchase	\$ 795,300	2005	2025	4.04	440,000	40,000
					<u>920,000</u>	<u>135,000</u>
Bond premium					19,085	1,735
Total					<u>\$ 939,085</u>	<u>\$ 136,735</u>

The bond premium is amortized over the life of the bond on a straight-line basis.

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The annual requirements to amortize all general obligation bonds outstanding as of December 31, 2014, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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	90,000	17,600	107,600
2020-2024	295,000	33,900	328,900
2025	40,000	1,200	41,200
Totals	<u>\$ 920,000</u>	<u>\$ 177,194</u>	<u>\$ 1,097,194</u>

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

Bonds/Notes Authorized and Unissued – Bonds and notes authorized and unissued as of December 31, 2014 were as follows:

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

NOTE 12 – ENCUMBRANCES

Encumbrances outstanding at December 31, 2014 are as follows:

General fund:	
General government	\$ 9,534
Public safety	15,000
Highways and streets	1,730
Culture and recreation	24,300
Total encumbrances	<u>\$ 50,564</u>

NOTE 13 – GOVERNMENTAL ACTIVITIES NET POSITION

Governmental activities net position reported on the government-wide Statement of Net Position at December 31, 2014 include the following:

Net investment in capital assets:	
Net property, buildings, and equipment	\$ 7,182,839
Less:	
General obligation bonds payable	(920,000)
Unamortized bond premiums	(19,085)
Total net investment in capital assets	6,243,754
Restricted for perpetual care	147,214
Unrestricted	1,237,552
Total net position	<u>\$ 7,628,520</u>

TOWN OF FREMONT, NEW HAMPSHIRE
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NOTE 14 – GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2014 include the following:

	General Fund	Nonmajor Funds	Total Governmental Funds
Nonspendable:			
Permanent fund - principal balance	\$ -	\$ 98,714	\$ 98,714
Restricted:			
Permanent fund - income balance	-	48,500	48,500
Library	344	-	344
Total restricted fund balance	344	48,500	48,844
Committed:			
Expendable trust	523,147	-	523,147
Conservation commission	-	101,154	101,154
Police OHRV	-	22,111	22,111
Cable franchise fees	-	72,532	72,532
Playground	-	3,743	3,743
Energy Commission	-	3	3
Total committed fund balance	523,147	199,543	722,690
Assigned:			
Encumbrances	50,564	-	50,564
Unassigned	456,568	-	456,568
Total fund balances	\$ 1,030,623	\$ 346,757	\$ 1,377,380

NOTE 15 – PRIOR PERIOD ADJUSTMENT

Fund balance at January 1, 2014 was restated to give retroactive effect to the following prior period adjustments:

	General Fund
To record change in the method of calculating deferred inflows of resources for property taxes not collected within 60 days of the fiscal year-end	\$ 415,347
Fund balance, as previously reported	657,746
Fund balance, as restated	\$ 1,073,093

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 2014, all employees except police officers were required to contribute 7% of earnable compensation. The contribution rate was 11.55% for police officers. The Town's contribution rates for 2014 for pension and medical subsidy were 25.30% for police officers and 10.77% for all other employees.

The contribution requirements for the Town of Fremont for the fiscal years 2012, 2013, and 2014 were \$34,412, \$36,818, and \$43,923 respectively, which were paid in full in each year.

TOWN OF FREMONT, NEW HAMPSHIRE
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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 2014, 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, 2014, to be recorded as an insurance expenditure totaled \$32,824 for property liability. There were no unpaid contributions for the year ended December 31, 2014.

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, 2014 to December 31, 2014 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 net contribution from the Town of Fremont billed and paid for the year ended December 31, 2014 was \$31,738 for workers' compensation.

NOTE 18 – CONTINGENCIES

There are various legal claims and suits pending against the Town which arose in the normal course of the governments activities. In the opinion of management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the Town.

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 all highway and street work to Pitkin Construction, a company owned by the Road Agent. Invoices for 2014 totaled \$35,310, all of which were subject to and complied with the Town's purchasing policies and procedures. Further, it should be noted that contracts with contractors are subject to the same authorization process with the Board of Selectmen approving all contracts and subsequent payments to the contractors.

NOTE 20 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

The following GASB pronouncements were implemented by the Town for the fiscal year ended December 31, 2014, none of which impacted these financial statements:

GASB Statement No. 67, *Financial Reporting for Pension Plans*, issued in June 2012. 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. 69, *Government Combinations and Disposals of Government Operations*, issued in January 2013. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations that have been transferred or sold.

TOWN OF FREMONT, NEW HAMPSHIRE
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GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, issued in April 2013. The objective of this Statement is to improve accounting and financial reporting by governments that extend and receive nonexchange financial guarantees.

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. 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. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, issued in November 2013, should be implemented simultaneously with the provision of Statement No. 68, beginning with the fiscal year ending December 31, 2015. This statement addresses an issue in Statement No. 68 concerning transition provisions related to certain pension contributions made to defend benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

GASB Statement No. 72, *Fair Value Measurement and Application*, issued in February 2015, will be effective for the Town beginning with the fiscal year ending December 31, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements.

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 September 25, 2015, the date the December 31, 2014 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, 2014

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 1,254,024	\$ 1,245,760	\$ (8,264)
Land use change	25,000	29,571	4,571
Yield	3,000	7,106	4,106
Excavation	300	252	(48)
Interest and penalties on taxes	64,800	40,401	(24,399)
Total from taxes	<u>1,347,124</u>	<u>1,323,090</u>	<u>(24,034)</u>
Licenses, permits, and fees:			
Motor vehicle permit fees	700,000	761,520	61,520
Building permits	52,500	66,315	13,815
Other	14,485	12,657	(1,828)
Total from licenses, permits, and fees	<u>766,985</u>	<u>840,492</u>	<u>73,507</u>
Intergovernmental:			
State:			
Meals and rooms distribution	194,000	213,670	19,670
Highway block grant	94,776	96,148	1,372
Total from intergovernmental	<u>288,776</u>	<u>309,818</u>	<u>21,042</u>
Charges for services:			
Income from departments	<u>93,785</u>	<u>77,194</u>	<u>(16,591)</u>
Miscellaneous:			
Sale of municipal property	64,733	70,805	6,072
Interest on investments	400	286	(114)
Rent of property	300	250	(50)
Other	2,400	952	(1,448)
Total from miscellaneous	<u>67,833</u>	<u>72,293</u>	<u>4,460</u>
Other financing sources:			
Transfers in	<u>151,175</u>	<u>126,472</u>	<u>(24,703)</u>
Total revenues and other financing sources	<u>2,715,678</u>	<u>\$ 2,749,359</u>	<u>\$ 33,681</u>
Unassigned fund balance used to reduce tax rate	35,000		
Total revenues, other financing sources, and use of fund balance	<u>\$ 2,750,678</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, 2014

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ 500	\$ 100,456	\$ 94,691	\$ -	\$ 6,265
Election and registration	-	71,541	68,444	-	3,097
Financial administration	-	20,060	19,592	-	468
Revaluation of property	-	38,370	33,642	-	4,728
Legal	-	20,000	13,735	-	6,265
Personnel administration	-	252,014	238,504	-	13,510
Planning and zoning	-	37,264	36,021	-	1,243
General government buildings	10,060	86,931	91,705	9,534	(4,248)
Cemeteries	-	10,050	9,525	-	525
Insurance, not otherwise allocated	-	35,519	33,343	-	2,176
Advertising and regional associations	-	7,114	7,528	-	(414)
Other	-	2,400	1,916	-	484
Total general government	10,560	681,719	648,646	9,534	34,099
Public safety:					
Police	8,768	480,937	454,874	-	34,831
Ambulance	-	7,000	7,000	-	-
Fire	-	187,398	156,492	15,000	15,906
Building inspection	-	33,582	31,431	-	2,151
Emergency management	-	4,130	7,386	-	(3,256)
Total public safety	8,768	713,047	657,183	15,000	49,632
Highways and streets:					
Highways and streets	-	398,095	395,379	1,730	986
Street lighting	-	4,848	4,963	-	(115)
Total highways and streets	-	402,943	400,342	1,730	871
Sanitation:					
Solid waste collection	-	206,951	206,951	-	-
Solid waste disposal	-	116,115	110,499	-	5,616
Total sanitation	-	323,066	317,450	-	5,616
Health:					
Administration	-	660	456	-	204
Pest control	-	9,796	8,704	-	1,092
Total health	-	10,456	9,160	-	1,296
Welfare:					
Direct assistance	-	14,850	17,314	-	(2,464)
Vendor payments	-	27,594	27,594	-	-
Total welfare	-	42,444	44,908	-	(2,464)
Culture and recreation:					
Parks and recreation	-	40,386	40,068	-	318
Library	2,750	105,879	125,043	24,300	(40,714)
Patriotic purposes	-	2,185	1,838	-	347
Other	-	12,504	12,504	-	-
Total culture and recreation	2,750	160,954	179,453	24,300	(40,049)
Conservation	-	-	1,523	-	(1,523)

(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, 2014

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Debt service:					
Principal of long-term debt	-	135,000	135,000	-	-
Interest on long-term debt	-	46,239	46,239	-	-
Interest on tax anticipation notes	-	2,000	-	-	2,000
Total debt service	-	183,239	181,239	-	2,000
Capital outlay	-	167,809	233,380	-	(65,571)
Other financing uses:					
Transfers out	-	65,001	40,000	-	25,001
Total appropriations, expenditures, other financing uses, and encumbrances	\$ 22,078	\$ 2,750,678	\$ 2,713,284	\$ 50,564	\$ 8,908

SCHEDULE 3
TOWN OF FREMONT, NEW HAMPSHIRE
Major General Fund
Schedule of Changes in Unassigned Fund Balance
For the Fiscal Year Ended December 31, 2014

Unassigned fund balance, beginning (Non-GAAP Budgetary Basis)		\$ 425,186
Changes:		
Unassigned fund balance used to reduce 2014 tax rate		(35,000)
2014 Budget summary:		
Revenue surplus (Schedule 1)	\$ 33,681	
Unexpended balance of appropriations (Schedule 2)	<u>8,908</u>	
2014 Budget surplus		42,589
Decrease in nonspendable fund balance		<u>47,968</u>
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)		480,743
Reconciliation of Non-GAAP Basis to GAAP Basis		
To comply with generally accepted accounting principles by deferring property taxes not collected with in 60 days of December 31, 2014		(54,175)
Eliminated allowance for doubtful property taxes receivable		<u>30,000</u>
Unassigned fund balance, ending GAAP basis (Exhibit C-1)		<u><u>\$ 456,568</u></u>

SCHEDULE 4
TOWN OF FREMONT, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2014

	Special Revenue Funds							Total
	Conservation Commission	Police OHRV	Cable Franchise Fee	Playground	Energy Commission	Police Detail	Permanent Fund	
ASSETS								
Cash and cash equivalents	\$ 156	\$ 22,111	\$ 72,532	\$ -	\$ -	\$ -	\$ 11,817	\$ 106,616
Investments	100,998	-	-	3,743	3	-	135,397	240,141
Total assets	<u>\$ 101,154</u>	<u>\$ 22,111</u>	<u>\$ 72,532</u>	<u>\$ 3,743</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 147,214</u>	<u>\$ 346,757</u>
FUND BALANCES								
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,714	\$ 98,714
Restricted	-	-	-	-	-	-	48,500	48,500
Committed	101,154	22,111	72,532	3,743	3	-	-	199,543
Total fund balances	<u>\$ 101,154</u>	<u>\$ 22,111</u>	<u>\$ 72,532</u>	<u>\$ 3,743</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 147,214</u>	<u>\$ 346,757</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, 2014

	Special Revenue Funds							Total
	Conservation Commission	Police OHRV	Cable Franchise Fee	Playground	Energy Commission	Police Detail	Permanent Fund	
Revenues:								
Taxes	\$ 11,071	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,071
Charges for services	-	-	-	-	-	46,548	-	46,548
Investment earnings	16	4	11	-	-	-	2,668	2,699
Miscellaneous	22,107	2,066	-	-	-	-	-	24,173
Total revenues	<u>33,194</u>	<u>2,070</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>46,548</u>	<u>2,668</u>	<u>84,491</u>
Expenditures:								
Current:								
General government	-	-	3,764	-	-	-	811	4,575
Public safety	-	4,956	-	-	-	46,548	-	51,504
Conservation	3,022	-	-	-	-	-	-	3,022
Total expenditures	<u>3,022</u>	<u>4,956</u>	<u>3,764</u>	<u>-</u>	<u>-</u>	<u>46,548</u>	<u>811</u>	<u>59,101</u>
Excess (deficiency) of revenues over (under) expenditures	30,172	(2,886)	(3,753)	-	-	-	1,857	25,390
Other financing uses:								
Transfers out	-	(297)	-	-	-	-	(2,500)	(2,797)
Net change in fund balances	30,172	(3,183)	(3,753)	-	-	-	(643)	22,593
Fund balances, beginning	70,982	25,294	76,285	3,743	3	-	147,857	324,164
Fund balances, ending	<u>\$ 101,154</u>	<u>\$ 22,111</u>	<u>\$ 72,532</u>	<u>\$ 3,743</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 147,214</u>	<u>\$ 346,757</u>