



## **PLODZIK & SANDERSON**

*Professional Association/Accountants & Auditors*

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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, 2015, 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 from 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.

#### ***Opinion***

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, 2015, and the respective changes in financial position and the budgetary comparison of the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Emphasis of Matter***

As discussed in Notes 1-N and 2-C to the financial statements, in 2015 the Town changed its method of accounting for pension reporting with the adoption of Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Report for Pensions – an amendment of GASB Statement No. 27*, and as amended by Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to these matters.

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**Other Matters**

**Required Supplementary Information** - Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 3-10), the Schedule of the Town's Proportionate Share of Net Pension Liability (page 36), and the Schedule of Town Contributions (page 37) 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 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 schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

September 15, 2016

*Plodzik & Sanderson*  
*Professional Association*



*EXHIBIT A*  
**TOWN OF FREMONT, NEW HAMPSHIRE**  
*Statement of Net Position*  
*December 31, 2015*

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 4,803,087
Investments	647,116
Taxes receivable (net)	472,932
Capital assets:	
Land and construction in progress	2,147,865
Other capital assets, net of depreciation	5,550,514
Total assets	<u>13,621,514</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Related to pensions	<u>49,191</u>
<b>LIABILITIES</b>	
Accounts payable	40,683
Accrued interest payable	14,206
Intergovernmental payable	4,461,025
Long-term liabilities:	
Due within one year	136,735
Due in more than one year	665,615
Net pension liability	440,091
Total liabilities	<u>5,758,355</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - Property taxes	17,331
Related to pensions	47,940
Total deferred inflows of resources	<u>65,271</u>
<b>NET POSITION</b>	
Net investment in capital assets	6,896,029
Restricted	147,249
Unrestricted	803,801
Total net position	<u><u>\$ 7,847,079</u></u>

The complete Town of Fremont Audit Report is available on the Town website at [www.Fremont.nh.gov](http://www.Fremont.nh.gov) or by contacting the Selectmen's Office at 895 2226 x 10 or [FremontTA@comcast.net](mailto:FremontTA@comcast.net).