

**TOWN OF WEARE,  
NEW HAMPSHIRE**

**ANNUAL FINANCIAL REPORT**

**AS OF AND FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2020**

**TOWN OF WEARE, NEW HAMPSHIRE**  
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## PLODZIK & SANDERSON

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### ***INDEPENDENT AUDITOR'S REPORT***

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Town of Weare, New Hampshire (the Town) as of and for the year ended December 31, 2020, 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 unmodified and adverse audit opinions.

#### **Summary of Opinions**

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Adverse
General Fund	Unmodified
Eastman Expendable Trust Fund	Unmodified
Road Bond Capital Project Fund	Unmodified
Permanent Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

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

As discussed in Note 13-B to the financial statements, management has not recorded the long-term costs of retirement health care costs and obligations for other postemployment benefits for the single employer plan in the governmental activities. Accounting principles generally accepted in the United States of America require that those costs be recorded, which would increase the liabilities, decrease the net position, and increase the expenses of the governmental activities. The amount by which this departure would affect the liabilities, net position, and expenses on the governmental activities is not readily determinable.

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

***Adverse Opinion***

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Governmental Activities" paragraph, the financial statements referred to above do not present fairly the financial position of the government-wide financial statements of the Town of Weare, New Hampshire, as of December 31, 2020, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Unmodified Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and aggregate remaining fund information of the Town of Weare, New Hampshire, as of December 31, 2020, 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** – Management has omitted a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

**Required Supplementary Information** – Accounting principles generally accepted in the United States of America require that the following be presented to supplement the basic financial statements:

- Schedule of the Town's Proportionate Share of Net Pension Liability,
- Schedule of Town Contributions – Pensions,
- Schedule of the Town's Proportionate Share of the Net Other Postemployment Benefits Liability,
- Schedule of Town Contributions – Other Postemployment Benefits, and
- Notes to the Required Supplementary Information

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 Weare'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.

November 2, 2021

*Plodzik & Sanderson  
Professional Association*

***BASIC FINANCIAL STATEMENTS***

**EXHIBIT A**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Statement of Net Position**  
**December 31, 2020**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 4,336,854
Investments	3,627,494
Taxes receivable (net)	1,004,911
Account receivable (net)	91,167
Tax deeded property, subject to resale	69,906
Capital assets:	
Land and construction in progress	6,034,120
Other capital assets, net of depreciation	7,187,507
Total assets	<u>22,351,959</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Amounts related to pensions	996,397
Amounts related to other postemployment benefits	21,860
Total deferred outflows of resources	<u>1,018,257</u>
<b>LIABILITIES</b>	
Accounts payable	304,601
Accrued salaries and benefits	44,467
Accrued interest payable	51,392
Intergovernmental payable	10,620
Other	269,816
Long-term liabilities:	
Due within one year	401,024
Due in more than one year	7,749,004
Total liabilities	<u>8,830,924</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property taxes	52,996
Unavailable revenue - land use change taxes	12,238
Amounts related to pensions	113,417
Amounts related to other postemployment benefits	2,727
Total deferred inflows of resources	<u>181,378</u>
<b>NET POSITION</b>	
Net investment in capital assets	10,158,677
Restricted	3,962,214
Unrestricted	237,023
Total net position	<u>\$ 14,357,914</u>

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

**EXHIBIT B**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Statement of Activities**  
**For the Fiscal Year Ended December 31, 2020**

		Program Revenues		Net (Expense)
		Charges	Operating	Revenue and
		for	Grants and	Change In
	Expenses	Services	Contributions	Net Position
General government	\$ 1,651,190	\$ 105,938	\$ -	\$ (1,545,252)
Public safety	2,665,997	274,779	295,165	(2,096,053)
Highways and streets	3,955,977	-	282,260	(3,673,717)
Sanitation	596,093	148,788	-	(447,305)
Water distribution and treatment	1,188	-	-	(1,188)
Health	13,619	1,777	-	(11,842)
Welfare	12,895	-	-	(12,895)
Culture and recreation	362,573	22,142	-	(340,431)
Conservation	9,143	-	-	(9,143)
Interest on long-term debt	78,293	-	-	(78,293)
Total governmental activities	<u>\$ 9,346,968</u>	<u>\$ 553,424</u>	<u>\$ 577,425</u>	<u>(8,216,119)</u>
General revenues:				
Taxes:				
Property				3,911,033
Other				213,501
Motor vehicle permit fees				2,121,174
Licenses and other fees				91,198
Grants and contributions not restricted to specific programs				603,054
Unrestricted investment earnings				140,093
Miscellaneous				<u>484,604</u>
Total general revenues				<u>7,564,657</u>
Change in net position				<u>(651,462)</u>
Net position, beginning, as restated (see Note 17)				<u>15,009,376</u>
Net position, ending				<u>\$ 14,357,914</u>

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

**EXHIBIT C-1**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Governmental Funds**  
**Balance Sheet**  
**December 31, 2020**

	General	Special Revenue Fund Eastman Expendable Trust	Capital Project Fund Road Bond	Permanent Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 3,097,498	\$ 22,510	\$ 285,781	\$ 38,010	\$ 893,055	\$ 4,336,854
Investments	135,620	1,254,480	-	2,118,243	119,151	3,627,494
Taxes receivable	1,104,911	-	-	-	-	1,104,911
Accounts receivable (net)	11,953	-	-	-	79,214	91,167
Interfund receivable	38,988	-	-	-	232,072	271,060
Tax deeded property, subject to resale	69,906	-	-	-	-	69,906
Total assets	<u>\$ 4,458,876</u>	<u>\$ 1,276,990</u>	<u>\$ 285,781</u>	<u>\$ 2,156,253</u>	<u>\$ 1,323,492</u>	<u>\$ 9,501,392</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 255,493	\$ -	\$ 44,291	\$ -	\$ 4,817	\$ 304,601
Accrued salaries and benefits	44,467	-	-	-	-	44,467
Intergovernmental payable	10,620	-	-	-	-	10,620
Interfund payable	230,572	-	368	16,778	23,342	271,060
Other	269,816	-	-	-	-	269,816
Total liabilities	<u>810,968</u>	<u>-</u>	<u>44,659</u>	<u>16,778</u>	<u>28,159</u>	<u>900,564</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	204,554	-	-	-	-	204,554
Unavailable revenue - land use change taxes	12,238	-	-	-	-	12,238
Total deferred inflows of resources	<u>216,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>216,792</u>
<b>FUND BALANCES (DEFICIT)</b>						
Nonspendable	69,906	-	-	1,892,522	-	1,962,428
Restricted	183,179	1,276,990	241,122	246,953	121,448	2,069,692
Committed	794,851	-	-	-	1,184,008	1,978,859
Assigned	199,883	-	-	-	-	199,883
Unassigned (deficit)	2,183,297	-	-	-	(10,123)	2,173,174
Total fund balances	<u>3,431,116</u>	<u>1,276,990</u>	<u>241,122</u>	<u>2,139,475</u>	<u>1,295,333</u>	<u>8,384,036</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,458,876</u>	<u>\$ 1,276,990</u>	<u>\$ 285,781</u>	<u>\$ 2,156,253</u>	<u>\$ 1,323,492</u>	<u>\$ 9,501,392</u>

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

**EXHIBIT C-2**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position**  
**December 31, 2020**

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

Total fund balances of governmental funds (Exhibit C-1)		\$ 8,384,036
Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the governmental funds.		
Cost	\$ 22,397,146	
Less accumulated depreciation	<u>(9,175,519)</u>	
		13,221,627
Pension and other postemployment benefit (OPEB) related deferred outflows of current year, and therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources related to pensions	\$ 996,397	
Deferred inflows of resources related to pensions	(113,417)	
Deferred outflows of resources related to OPEB	21,860	
Deferred inflows of resources related to OPEB	<u>(2,727)</u>	
		902,113
Interfund receivables and payables between governmental funds are eliminated on the Statement of Net Position.		
Receivables	\$ (271,060)	
Payables	<u>271,060</u>	
		-
Long-term revenue (taxes) is not available to pay current-period expenditures, and therefore, is deferred in the governmental funds.		151,558
Allowance for uncollectible property taxes that is recognized on a full accrual basis, but not on the modified accrual basis.		(100,000)
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(51,392)
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the governmental funds.		
Bonds	\$ 2,716,000	
Unamortized bond premium	346,950	
Compensated absences	259,090	
Accrued landfill postclosure care costs	242,000	
Net pension liability	4,309,391	
Other postemployment benefits	<u>276,597</u>	
		(8,150,028)
Net position of governmental activities (Exhibit A)		<u>\$ 14,357,914</u>

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

**EXHIBIT C-3**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended December 31, 2020**

	General	Special Revenue Fund Eastman Expendable Trust	Capital Project Fund Road Bond	Permanent Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 4,137,174	\$ -	\$ -	\$ -	\$ 57,316	\$ 4,194,490
Licenses and permits	2,212,372	-	-	-	-	2,212,372
Intergovernmental receivable	1,176,200	-	-	-	4,279	1,180,479
Charges for services	204,312	-	-	-	349,112	553,424
Miscellaneous	149,809	173,409	6,363	271,674	23,442	624,697
Total revenues	7,879,867	173,409	6,363	271,674	434,149	8,765,462
<b>EXPENDITURES</b>						
Current:						
General government	1,530,623	30,085	-	24,571	902	1,586,181
Public safety	2,316,644	-	-	-	27,439	2,344,083
Highways and streets	2,114,430	-	1,679,320	-	-	3,793,750
Water distribution and treatment	1,188	-	-	-	-	1,188
Sanitation	448,825	-	-	-	95,197	544,022
Health	13,619	-	-	-	-	13,619
Welfare	12,895	-	-	-	-	12,895
Culture and recreation	334,744	-	-	-	-	334,744
Conservation	425	-	-	-	8,718	9,143
Debt service:						
Principal	350,500	-	-	-	-	350,500
Interest	135,936	-	-	-	-	135,936
Capital outlay	10,599	-	-	-	-	10,599
Total expenditures	7,270,428	30,085	1,679,320	24,571	132,256	9,136,660
Excess (deficiency) of revenues over (under) expenditures	609,439	143,324	(1,672,957)	247,103	301,893	(371,198)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	8,090	-	-	-	-	8,090
Transfers out	-	-	-	(5,095)	(2,995)	(8,090)
Total other financing sources (uses)	8,090	-	-	(5,095)	(2,995)	-
Net change in fund balances	617,529	143,324	(1,672,957)	242,008	298,898	(371,198)
Fund balances, beginning, as restated (see Note 17)	2,813,587	1,133,666	1,914,079	1,897,467	996,435	8,755,234
Fund balances, ending	\$ 3,431,116	\$ 1,276,990	\$ 241,122	\$ 2,139,475	\$ 1,295,333	\$ 8,384,036

**EXHIBIT C-4**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
*Reconciliation of the Statement of Revenues, Expenditures, and*  
*Changes in Fund Balances - Governmental Funds to the Statement of Activities*  
*For the Fiscal Year Ended December 31, 2020*

Net change in fund balances of governmental funds (Exhibit C-3)		\$(371,198)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Depreciation expense exceeded capital outlay expenditures in the current year, as follows:		
Capitalized capital outlay	\$ 227,882	
Depreciation expense	<u>(546,167)</u>	
		(318,285)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (8,090)	
Transfers out	<u>8,090</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		(69,956)
Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Repayment of bond principal	\$ 350,500	
Amortization of bond premium	<u>38,550</u>	
		389,050
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	\$ 19,093	
Increase in compensated absences	(84,228)	
Net change in net pension liability and deferred outflows and inflows of resources related to pensions	(237,586)	
Net change in net other postemployment benefits liability and deferred outflows and inflows of resources related to other postemployment benefits	<u>21,648</u>	
		(281,073)
Changes in net position of governmental activities (Exhibit B)		<u><u>\$ (651,462)</u></u>

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

**EXHIBIT D**  
**TOWN OF WEARE, 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, 2020**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 4,183,603	\$ 4,183,603	\$ 4,067,218	\$ (116,385)
Licenses and permits	2,077,151	2,077,151	2,212,372	135,221
Intergovernmental receivable	887,349	1,176,466	1,176,200	(266)
Charges for services	194,440	194,440	202,893	8,453
Miscellaneous	51,314	51,314	55,343	4,029
Total revenues	<u>7,393,857</u>	<u>7,682,974</u>	<u>7,714,026</u>	<u>31,052</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,528,597	1,528,597	1,555,205	(26,608)
Public safety	2,540,300	2,829,417	2,349,045	480,372
Highways and streets	1,501,012	1,501,012	1,419,341	81,671
Water distribution and treatment	3,550	3,550	1,188	2,362
Sanitation	425,967	425,967	449,775	(23,808)
Health	34,622	34,622	13,619	21,003
Welfare	27,109	27,109	12,895	14,214
Culture and recreation	283,174	283,174	281,344	1,830
Conservation	176,590	176,590	425	176,165
Debt service:				
Principal	350,500	350,500	350,500	-
Interest	135,936	135,936	135,936	-
Capital outlay	20,000	20,000	11,861	8,139
Total expenditures	<u>7,027,357</u>	<u>7,316,474</u>	<u>6,581,134</u>	<u>735,340</u>
Excess of revenues over expenditures	<u>366,500</u>	<u>366,500</u>	<u>1,132,892</u>	<u>766,392</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	195,000	195,000	6,942	(188,058)
Transfers out	(911,500)	(911,500)	(911,500)	-
Total other financing sources (uses)	<u>(716,500)</u>	<u>(716,500)</u>	<u>(904,558)</u>	<u>(188,058)</u>
Net change in fund balances	<u>\$ (350,000)</u>	<u>\$ (350,000)</u>	228,334	<u>\$ 578,334</u>
Decrease in nonspendable fund balance			129,361	
Decrease in assigned fund balance			178,522	
Unassigned fund balance, beginning, as restated (see Note 17)			1,698,638	
Unassigned fund balance, ending			<u>\$ 2,234,855</u>	

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

**EXHIBIT E-1**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**December 31, 2020**

	Private Purpose Trust Funds	Custodial Funds	Total Fiduciary Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,683	\$ 7,423,908	\$ 7,434,591
Investments	595,348	-	595,348
Total assets	606,031	7,423,908	8,029,939
<b>LIABILITIES</b>			
Accounts payable	3,151	-	3,151
Due to school district	-	6,583,785	6,583,785
Escrow payable	-	6,844	6,844
Total liabilities	3,151	6,590,629	6,593,780
<b>NET POSITION</b>			
Restricted	\$ 602,880	\$ 833,279	\$ 1,436,159

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

**EXHIBIT E-2**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended December 31, 2020**

	Private Purpose Trust Funds	Custodial Funds	Total Fiduciary Funds
<b>ADDITIONS</b>			
Contributions	\$ -	\$ 43,320	\$ 43,320
Investment earnings	12,172	2,863	15,035
Change in fair market value	61,791	-	61,791
Tax collections for other governments	-	16,967,534	16,967,534
Total additions	73,963	17,013,717	17,087,680
<b>DEDUCTIONS</b>			
Payments from trust funds	5,947	428,770	434,717
Payments of taxes to other governments	-	16,967,534	16,967,534
Payments for escrow purposes	-	44,789	44,789
Total deductions	5,947	17,441,093	17,447,040
Change in net position	68,016	(427,376)	(359,360)
Net position, beginning, as restated (see Note 17)	534,864	1,260,655	1,795,519
Net position, ending	\$ 602,880	\$ 833,279	\$ 1,436,159

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

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

The financial statements of the Town of Weare, New Hampshire (the Town), have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The more significant of the Town's accounting policies are described below.

***1-A Reporting Entity***

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

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

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

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

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position, with the exception of the long-term costs of retirement healthcare and obligations for other postemployment benefits of the Town's single employer plan have also been omitted because the liability and expense have not been determined. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. As in the Statement of Net Position the Town has not recorded other postemployment benefit expense of the Town's single employer plan in this statement. The types of transactions reported as program revenues for the Town are reported in two categories: 1) charges for services and 2) operating grants and contributions.

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

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

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of reimbursement-based grants, which use a period of one year. Property taxes, licenses, and permits, intergovernmental revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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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.

The Town reports the following major governmental funds:

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

**Eastman Expendable Trust Fund** – Accounts for the activity of the Charles and Ethel Eastman trust.

**Road Bond Capital Project Fund** – the Road Bond capital project fund accounts for the activity pertaining to the construction/renovation of the Town’s roads.

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

Additionally, the Town reports the following fund types:

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

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

All the governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements. The Town reports 10 nonmajor governmental funds.

**Fiduciary Fund Financial Statements** – Include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The Town’s fiduciary funds are private purpose trust and custodial funds, which are custodial in nature. These funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting.

The Town reports the following fiduciary funds:

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

**Custodial Fund** – are custodial in nature and do not belong to the primary government. A custodial fund is used to account for assets held on behalf of outside parties, including other governments.

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

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

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

***1-D Investments***

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

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

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

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- 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.

**Fair Value Measurements of Investments** – In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, except for investments measured using net asset value (NAV) as a practical expedient to estimate fair value, the Town categorizes the fair value measurements of its investments within the fair value hierarchy established by US GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows:

**Level 1** – Inputs reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the Town has the ability to access at the measurement date. Directly held marketable equity securities would be examples of Level 1 investments.

**Level 2** – Inputs are other than quoted prices that are observable for the assets or liabilities, either directly or indirectly, including inputs in markets that are not considered to be active. Because they most often are priced on the basis of transactions involving similar but not identical securities or do not trade with sufficient frequency, certain directly held fixed income securities are categorized in Level 2. The Town held no Level 2 investments as of December 31, 2020.

**Level 3** – Inputs are significant unobservable inputs. The Town held no Level 3 investments as of December 31, 2020.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In certain instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, is the level in the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. Investments are reported at fair value. If an investment is held directly by the Town and an active market with quoted prices exists, such as for domestic equity securities, the market price of an identical security is used to report fair value and is classified in Level 1. Corporate fixed income securities and certain governmental securities utilize pricing that may involve estimation using similar securities or trade dates and are classified in Level 2. Fair values for shares in registered mutual funds and exchange-traded funds are based on published share prices and classified in Level 1.

In determining fair value, the Town utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

#### ***1-E Receivables***

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

#### ***1-F Capital Assets***

Capital assets include property, plant, and equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (i.e., easements) which are reported in the governmental activities column in the government-wide financial statements. The accounting and reporting treatment applied to capital assets associated with a fund are determined by the fund's measurement focus. General capital assets are assets of the Town as a whole. When purchased, such assets are recorded as expenditures in a governmental fund and capitalized as assets in the government-wide Statement of Net Position.

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Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are carried at historical cost or estimated historical cost. When the cost of the capital assets cannot be determined from available records, estimated historical cost is used. Donated capital assets received on or prior to June 15, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015, are recorded at acquisition value.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital assets of the Town are depreciated or amortized using the straight-line method over the following estimated useful lives:

<b>Capital Asset Classes:</b>	<u><b>Years</b></u>
Infrastructure	40
Land improvements	15 - 20
Buildings and improvements	5 -50
Vehicles and equipment	3 - 20

***1-G Interfund Activities***

Interfund activities are reported as follows:

***Interfund Receivables and Payables*** – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e., the current portion of interfund loans). Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

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

***1-H Property Taxes***

Property tax billings occur semi-annually and are based on the assessed inventory values as of April 1 of each year in accordance with RSA 76:15-a, *Semi-Annual Collection of Taxes in certain Towns and Cities*. Warrants for the year were issued on May 11, 2020, and November 19, 2020, and due on July 1, 2020, and December 28, 2020. Interest accrues at a rate of 8% on bills outstanding after the due date and 14% on tax liens outstanding. The Town placed a lien on all outstanding taxes from 2019 on April 13, 2020.

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

The Town net assessed valuation as of April 1, 2020, utilized in the setting of the tax rate was as follows:

For the New Hampshire education tax	\$ 854,990,508
For all other taxes	\$ 889,309,808

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The tax rates and amounts assessed for the year ended December 31, 2020, were as follows:

	Per \$1,000 of Assessed Valuation	Property Taxes Assessed
Municipal portion	\$4.79	\$ 4,258,679
School portion:		
State of New Hampshire	\$2.12	1,811,652
Local	\$15.88	14,122,133
County portion	\$1.16	1,033,749
Total	<u>\$23.95</u>	<u>\$21,226,213</u>

***1-I Accounts Payable***

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of December 31, 2020.

***1-J Deferred Outflows/Inflows of Resources***

*Deferred outflows of resources*, a separate financial statement element, represents a consumption of net position or fund balance that applies to a future period(s) and thus will not be recognized as an outflow of resources (expenses) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the Town after the measurement date but before the end of the Town's reporting period.

*Deferred inflows of resources*, a separate financial statement element, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of property tax receivable and other receivables not collected within 60 days after year-end.

***1-K Long-term Obligations***

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

***1-L Compensated Absences***

***Vacation*** - The Town's policy allows certain employees to earn varying amounts of vacation based on the employee's length of employment. Upon separation from service, employees are paid in full for any accrued leave earned as set forth by the Town's personnel policy. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

***Sick Leave*** - Town's policy allows certain employees to earn varying amounts of sick time as set forth by the Town's personnel policy. A liability for those amounts is recorded in the government-wide financial statements.

***1-M Defined Benefit Pension Plan***

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* and GASB Statement No. 82 *Pension Issues – an amendment of GASB Statement No. 67, No. 68 and No. 73* requires participating employers to recognize their proportionate share of collective net pension liability, deferred outflows of resources, deferred

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inflows of resources, and pension expense, and schedules have been prepared to provide employers with their calculated proportionate share of these amounts. The collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions from employers are recognized when legally due, based on statutory requirements.

The schedules prepared by New Hampshire Retirement System, and audited by the plan's independent auditors, require management to make a number of estimates and assumptions related to the reported amounts. Due to the inherent nature and uncertainty of these estimates, actual results could differ, and the differences may be material.

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

The Town maintains two separate other postemployment benefit plans (OPEB), as follows:

***New Hampshire Retirement System Plan*** – For the purposes of measuring the total other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System OPEB Plan (the plan) and additions to/deductions from the plan's fiduciary net position has been determined on the same basis as they are reported by the New Hampshire Retirement System. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

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

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

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

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

**Restricted net position** – Results when constraints placed on net position use are either externally imposed by a third party (statutory, bond covenant, or granting agency) or are imposed by law through constitutional provisions or enabling legislation. The Town typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a further project.

**Unrestricted net position** – Consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

***Fund Balance Classifications*** – GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more clearly defined fund balance categories to make sure the nature and extent of the constraints placed on a government's fund balances are more transparent. The following classifications describe the relative strength of the spending constraints:

**Nonspendable** – Amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items, inventory, or tax deeded property subject to resale); or (b) are legally or contractually required to be maintained intact.

**Restricted** – Amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the legislative body (Town Meeting). These amounts cannot be used for any other purpose unless the legislative body removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

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**Assigned** – Amounts that are constrained by the Town’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Selectmen through the budgetary process.

**Unassigned** – Amounts that are available for any purpose. Positive amounts are reported only in the general fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

When multiple net position/fund balance classifications are available for use, it is the government’s policy to utilize the most restricted balances first, then the next most restricted balance as needed. When components of unrestricted fund balance are used, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

***1-P Use of Estimates***

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. These estimates include assessing the collectability of taxes and ambulance receivables, and the useful lives and impairment of tangible and intangible capital assets, net pension liability, other postemployment benefit liability, deferred outflows and inflows of resources related to both pension and other postemployment benefits, and accrued landfill postclosure care costs, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

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

***2-A Budgetary Information***

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

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

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

State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2020, \$350,000 of the beginning general fund unassigned fund balance was applied for this purpose.

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

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

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Differences between the budgetary basis and GAAP basis of accounting for the general fund are as follows:

Revenues and other financing sources:	
Per Exhibit D (budgetary basis)	\$7,720,968
Adjustment:	
Basis difference:	
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	97,033
Change in deferred tax revenue relating to 60-day revenue recognition recognized as revenue on the GAAP basis, but not on the budgetary basis	69,956
Per Exhibit C-3 (GAAP basis)	<u>\$7,887,957</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$7,492,634
Adjustment:	
Basis differences:	
Encumbrances, beginning	93,527
Encumbrances, ending	(199,883)
GASB Statement No. 54:	
To record expenditures of the blended funds during the year	795,650
To eliminate transfers between general and blended expendable trust funds	(911,500)
Per Exhibit C-3 (GAAP basis)	<u>\$7,270,428</u>

**2-C Deficit Fund Balances**

The Transfer Station special revenue fund had a deficit fund balance of \$(10,123) at December 31, 2020. This deficit will be financed through future revenues of the fund.

**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 \$11,771,445 and the bank balances totaled \$12,278,350.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 4,336,854
Cash per Statement of Net Position - Fiduciary Fund (Exhibit E-1)	7,434,591
Total cash and cash equivalents	<u>\$ 11,771,445</u>

**NOTE 4 – INVESTMENTS**

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

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The Town has the following recurring fair value measurements and maturities as of December 31, 2020:

	Valuation Measurement Method	Fair Value
Investments type:		
Common stock	Level 1	\$ 1,998,426
Equity mutual funds	Level 1	864,070
Fixed income mutual funds	Level 1	1,360,346
Total fair value		<u>\$ 4,222,842</u>

Investment reconciliation:

Investments per Statement of Net Position (Exhibit A)	\$3,627,494
Investments per Statement of Net Position - Fiduciary Fund (Exhibit E-1)	595,348
Total investments	<u>\$4,222,842</u>

**NOTE 5 – TAXES RECEIVABLE**

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2020. The amount has been reduced by an allowance for an estimated uncollectible amount of \$100,000. Taxes receivable by year are as follows:

	As reported on:	
	Exhibit A	Exhibit C-1
Property:		
Levy of 2020	\$ 848,279	\$ 848,279
Unredeemed (under tax lien):		
Levy of 2019	153,368	153,368
Levy of 2018	73,149	73,149
Levies of 2017 and prior	12,876	12,876
Yield	1,089	1,089
Land use change	16,150	16,150
Less: allowance for estimated uncollectible taxes	(100,000) *	-
Net taxes receivable	<u>\$1,004,911</u>	<u>\$1,104,911</u>

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

**NOTE 6 – OTHER RECEIVABLES**

Receivables at December 31, 2020, consisted of accounts (billings for police details, sewer, ambulance, and other user charges) and intergovernmental amounts arising from grants. Receivables are recorded on the Town's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

Receivables as of December 31, 2020 for the Town's individual major funds and nonmajor funds in the aggregate including applicable allowances for uncollectible accounts are as follows:

	General Fund	Nonmajor Funds	Total
Receivables:			
Accounts	\$ 11,953	\$ 162,335	\$ 174,288
Less: allowance for uncollectibles	-	(83,121)	(83,121)
Net total receivables	<u>\$ 11,953</u>	<u>\$ 79,214</u>	<u>\$ 91,167</u>

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**NOTE 7 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020 is as follows:

	Balance, beginning	Additions	Deletions	Balance, ending
At cost:				
Not being depreciated:				
Land and easements	\$ 5,802,207	\$ -	\$ -	\$ 5,802,207
Construction in progress	231,913	-	-	231,913
Total capital assets not being depreciated	6,034,120	-	-	6,034,120
Being depreciated:				
Land improvements	94,074	-	-	94,074
Buildings and building improvements	4,503,330	18,624	-	4,521,954
Machinery, equipment, and vehicles	7,333,170	209,258	(247,530)	7,294,898
Infrastructure	4,452,100	-	-	4,452,100
Total capital assets being depreciated	16,382,674	227,882	(247,530)	16,363,026
Total all capital assets	22,416,794	227,882	(247,530)	22,397,146
Less accumulated depreciation:				
Land improvements	(45,651)	(4,703)	-	(50,354)
Buildings and building improvements	(1,938,266)	(102,416)	-	(2,040,682)
Machinery, equipment, and vehicles	(5,313,399)	(311,416)	247,530	(5,377,285)
Infrastructure	(1,579,566)	(127,632)	-	(1,707,198)
Total accumulated depreciation	(8,876,882)	(546,167)	247,530	(9,175,519)
Net book value, capital assets being depreciated	7,505,792	(318,285)	-	7,187,507
Net book value, all capital assets	\$13,539,912	\$(318,285)	\$ -	\$ 13,221,627

Depreciation/amortization 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	\$ 18,157
Public safety	174,004
Highways and streets	296,122
Sanitation	40,616
Culture and recreation	17,268
Total depreciation expense	<u>\$ 546,167</u>

**NOTE 8 – INTERFUND BALANCES AND TRANSFERS**

**Interfund Balances** - The composition of interfund balances as of December 31, 2020 is as follows:

Receivable Fund	Payable Fund	Amount
General	Road bonds capital project	\$ 368
General	Permanent fund	16,778
General	Nonmajor	23,342
Nonmajor	General	230,572
		<u>\$ 271,060</u>

The outstanding balances among funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

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**Interfund Transfers** - The composition of interfund transfers for the year ended December 31, 2020 is as follows:

	Transfers In:
	General
	Fund
Transfers out:	
Permanent fund	\$ 5,095
Nonmajor fund	2,995
Total	<u>\$ 8,090</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 of \$6,594,405 at December 31, 2020, consist of the following:

Governmental fund:	
General fund:	
Fees due to other governments	\$ 10,620
Fiduciary fund:	
Taxes:	
Balance of the 2020-2021 district assessment due to the Weare School District	6,583,785
Total intergovernmental payables due	<u>\$6,594,405</u>

**NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

Deferred outflows of resources of at December 31, 2020 consist of amounts related to pensions totaling \$996,397 and amounts related to OPEB totaling \$21,860. For further discussion on these amounts, see Note 12 and 13, respectively.

Deferred inflows of resources are as follows:

	Exhibit A	Exhibit C-1
Property taxes levied prior to their due date	\$ 52,996	\$ 204,554
Land use change taxes	12,238	12,238
Amounts related to pensions (see Note 12)	113,417	-
Amounts related to other postemployment benefits (see Note 13)	2,727	-
Total governmental activities	<u>\$ 181,378</u>	<u>\$ 216,792</u>

**NOTE 11 – LONG-TERM LIABILITIES**

Changes in the Town's long-term liabilities consisted of the following for the year ended December 31, 2020:

	Balance			Balance	Due Within
	January 1, 2020			December 31, 2020	One Year
	(as restated)	Additions	Reductions		
Bonds payable:					
General obligation bonds	\$ 3,066,500	\$ -	\$ (350,500)	\$ 2,716,000	\$ 351,000
Premium	385,500	-	(38,550)	346,950	38,550
Total bonds payable	<u>3,452,000</u>	<u>-</u>	<u>(389,050)</u>	<u>3,062,950</u>	<u>389,550</u>

*(Continued)*

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*Long-term liabilities continued:*

	Balance January 1, 2020 (as restated)	Additions	Reductions	Balance December 31, 2020	Due Within One Year
Compensated absences	174,862	84,228	-	259,090	1,474
Accrued landfill postclosure care costs	242,000	-	-	242,000	10,000
Net pension liability	3,258,430	1,050,961	-	4,309,391	-
Net other postemployment benefits	292,515	-	(15,918)	276,597	-
Total long-term liabilities	<u>\$ 7,463,638</u>	<u>\$ 1,135,189</u>	<u>\$ (404,968)</u>	<u>\$ 8,150,028</u>	<u>\$ 401,024</u>

Long-term bonds are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at December 31, 2020	Current Portion
General obligation bonds payable:						
DPW garage bond	\$ 1,360,000	2016	2026	1.85%	\$ 816,000	\$ 136,000
Road preservation bond	\$ 2,500,000	2019	2029	1.62%	1,900,000	215,000
Total bonds payable					2,716,000	351,000
Bond premium					346,950	38,550
Total governmental activities					<u>\$ 3,062,950</u>	<u>\$ 389,550</u>

The annual requirements to amortize all general obligation bonds outstanding as of December 31, 2020, including interest payments, are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2021	\$ 351,000	\$ 53,646	\$ 404,646
2022	351,000	51,130	402,130
2023	346,000	48,614	394,614
2024	346,000	46,098	392,098
2025	346,000	43,582	389,582
2026-2029	976,000	156,716	1,132,716
Totals	<u>\$ 2,716,000</u>	<u>\$ 399,786</u>	<u>\$ 3,115,786</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.

**Accrued Landfill Postclosure Care Costs** – The Town ceased operating its landfill in 1988. Federal and State laws and regulations require that the Town place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site after closure. A liability is being recognized based on the future postclosure care costs that will be incurred after the landfill no longer accepts waste. The recognition of these landfill postclosure care costs is based on the amount of the landfill used through the end of the year. The estimated total current cost of the landfill postclosure care (\$242,000) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2020. However, the actual cost of postclosure care may be higher or lower due to inflation, changes in technology, or changes in landfill laws and regulations.

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**NOTE 12 – DEFINED BENEFIT PENSION PLAN**

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

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

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

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

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

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances, subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation and/or service.

**Contributions** - The System is financed by contributions from both the employees and the Town. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. Group I (employee and teacher) members are required to contribute 7% of earnable compensation and Group II (police and fire) members contribute 11.55% and 11.80% respectively. For fiscal year 2020, the Town contributed 24.77% for police, 26.43% for fire and 10.88% for other employees. The contribution requirement for the fiscal year 2020 was \$185,944, which was paid in full.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At December 31, 2020 the Town reported a liability of \$4,309,391 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2020, the Town's proportion was 0.07% which was the same as its proportion measured as of June 30, 2019.

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For the year ended December 31, 2020, the Town recognized pension expense of \$573,638. At December 31, 2020 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 1,254	\$ 67,146
Changes in assumptions	426,284	-
Net difference between projected and actual investment earnings on pension plan investments	266,541	-
Differences between expected and actual experience	116,374	46,271
Contributions subsequent to the measurement date	185,944	-
Total	<u>\$ 996,397</u>	<u>\$ 113,417</u>

The \$185,944 reported as deferred outflows of resources related to pensions results from the Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31,	
2021	\$ 91,824
2022	195,868
2023	212,787
2024	196,557
Thereafter	-
Totals	<u>\$ 697,036</u>

**Actuarial Assumptions** – The collective total pension liability was based on the following assumptions:

Inflation:	2.0%
Salary increases:	5.6% average, including inflation
Wage inflation:	2.75% (2.25% for teachers)
Investment rate of return:	6.75% net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Health Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2016 – June 30, 2019.

**Long-term Rates of Return** – The long-term expected rate of return on pension plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

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Following is a table presenting target allocations and geometric real rates of return for each asset class:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return
		2020
Large Cap Equities	22.50%	3.71%
Small/Mid Cap Equities	7.50%	4.15%
Total domestic equity	30.00%	
Int'l Equities (unhedged)	13.00%	3.96%
Emerging Int'l Equities	7.00%	6.20%
Total international equity	20.00%	
Core Bonds	9.00%	0.42%
Global Multi-Sector Fixed Income	10.00%	1.66%
Absolute Return Fixed Income	6.00%	0.92%
Total fixed income	25.00%	
Private equity	10.00%	7.71%
Private debt	5.00%	4.81%
Total alternative investments	15.00%	
Real estate	10.00%	2.95%
Total	100.00%	

**Discount Rate** – The discount rate used to measure the collective total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan's actuarial funding policy as required by RSA 100-A:16. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investment was applied to all periods of projected benefit payments to determine the collective total pension liability.

**Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – The following table presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.75% as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

Actuarial Valuation Date	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
June 30, 2020	\$ 5,578,908	\$ 4,309,391	\$ 3,272,028

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan's fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan financial report.

**NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**13-A New Hampshire Retirement System (NHRS)**

**Plan Description** – The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system which administers a cost-sharing multiple-employer other postemployment benefit (OPEB) plan. For additional system information, please refer to the 2019 Comprehensive Annual Financial Report, which can be found on the system's website at [www.nhrs.org](http://www.nhrs.org).

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**Benefits Provided** - Benefit amounts and eligibility requirements for the OPEB Plan are set by State law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and Group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age, and retirement date. Group II benefits are based on hire date, age, and creditable service. The OPEB plan is closed to new entrants.

Maximum medical subsidy rates paid during fiscal year 2020 were as follows:

For qualified retirees not eligible for Medicare, the amounts were \$375.56 for a single-person plan and \$751.12 for a two-person plan.

For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan.

**Contributions** – The OPEB Plan is funded by allocating to the 401(h) subtrust the lesser of: 25% of all employer contributions made in accordance with RSA 100-A:16 or the percentage of employer contributions determined by the actuary to be the minimum rate necessary to maintain the benefits provided under RSA 100-A:53-b, RSA 100-A:53-c, and RSA 100-A:53-d. For fiscal year 2018, the minimum rates determined by the actuary to maintain benefits were the lesser of the two options and were used to determine the employer contributions due to the 401(h) subtrust. The State Legislature has the authority to establish, amend and discontinue the contribution requirements of the OPEB Plan. Administrative costs are allocated to the OPEB Plan based on fund balances. For fiscal year 2020, the Town contributed 3.66% for police and fire, and 0.29% for other employees. The contribution requirement for the fiscal year 2020 was \$19,047, which was paid in full.

**OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB** – At December 31, 2020, the Town reported a liability of \$276,597 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Town's proportion of the net OPEB liability was based on a projection of the Town's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2020, the Town's proportion was 0.06% which was a decrease of 0.01% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Town recognized OPEB expense of \$12,463. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ -	\$ 1,926
Net difference between projected and actual investment earnings on OPEB plan investments	1,035	-
Differences between expected and actual experience	-	801
Changes in assumptions or other inputs	1,778	-
Contributions subsequent to the measurement date	19,047	-
Total	<u>\$ 21,860</u>	<u>\$ 2,727</u>

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The \$19,047 reported as deferred outflows of resources related to OPEB results from the Town contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending December 31,	
2021	\$ (871)
2022	306
2023	365
2024	286
Thereafter	-
Totals	<u>\$ 86</u>

**Actuarial Assumptions** – The collective total OPEB liability was based on the following actuarial assumptions:

Inflation:	2.0%
Salary increases:	5.6 % average, including inflation
Wage inflation:	2.75 % (2.25%) for teachers
Investment rate of return:	6.75 % net of OPEB plan investment expense, including inflation for determining solvency contributions

Mortality rates were based on the Pub-2010 Health Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2016 – June 30, 2019.

**Long-term Rates of Return** – The long-term expected rate of return on OPEB plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and geometric real rates of return for each asset class:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return
		2020
Large Cap Equities	22.50%	3.71%
Small/Mid Cap Equities	7.50%	4.15%
Total domestic equity	30.00%	
Int'l Equities (unhedged)	13.00%	3.96%
Emerging Int'l Equities	7.00%	6.20%
Total international equity	20.00%	
Core Bonds	9.00%	0.42%
Global Multi-Sector Fixed Income	10.00%	1.66%
Absolute Return Fixed Income	6.00%	0.92%
Total fixed income	25.00%	
Private equity	10.00%	7.71%
Private debt	5.00%	4.81%
Total alternative investments	15.00%	
Real estate	10.00%	2.95%
Total	100.00%	

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**Discount Rate** – The discount rate used to measure the total OPEB liability as of June 30, 2020, was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statutes RSA 100-A:16 and 100-A:53. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

**Sensitivity of the Town’s Proportionate Share of the OPEB Liability to Changes in the Discount Rate** – The following table presents the Town’s proportionate share of the OPEB liability calculated using the discount rate of 6.75% as well as what the Town’s proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

Actuarial Valuation Date	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
June 30, 2020	\$ 300,356	\$ 276,597	\$ 255,970

**Sensitivity of the Town’s Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Assumption** – GASB No. 75 requires the sensitivity of the OPEB liability to the healthcare cost trend assumption. Since the medical subsidy benefits are fixed stipends, there is no sensitivity to changes in the healthcare cost trend assumption.

**OPEB Plan Fiduciary Net Position** – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit OPEB Plan financial report.

**13-B Town of Weare Retiree Health Benefit Program**

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

The Governmental Accounting Standards Board (GASB) issued Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* in 2015. GASB Statement No. 75 requires state and local government employers to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. The Town has not fully implemented GASB Statement No. 75 at December 31, 2020, or contracted with an actuarial firm to assist in evaluating the impact of this standard on the Town’s single employer plan. The amounts that should be recorded as the net OPEB liability and the OPEB expense for the Town’s single employer plan are unknown.

**NOTE 14 – ENCUMBRANCES**

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at December 31, 2020 and are as follows:

General fund:	
General government	\$ 75,433
Public safety	72,999
Highways and streets	48,334
Sanitation	950
Culture and recreation	905
Capital outlay	1,262
Total encumbrances	<u>\$ 199,883</u>

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**NOTE 15 – GOVERNMENTAL ACTIVITIES AND FIDUCIARY FUNDS NET POSITION**

Net position reported on the government wide and fiduciary funds Statements of Net Position at December 31, 2020 include the following:

	Governmental Activities	Fiduciary Funds
Net investment in capital assets:		
Net book value, all capital assets	\$ 13,221,627	\$ -
Less:		
General obligation bonds payable	(2,716,000)	-
Unamortized bond premiums	(346,950)	-
Total net investment in capital assets	<u>10,158,677</u>	<u>-</u>
Restricted net position:		
Capital projects	241,281	-
Library	183,179	-
Perpetual care - nonexpendable	1,892,522	-
Perpetual care - expendable	246,953	-
Special revenue funds	1,398,279	-
Private purpose trust funds	-	602,880
School trust funds	-	563,091
Escrows	-	270,188
Total restricted net position	<u>3,962,214</u>	<u>1,436,159</u>
Unrestricted	<u>237,023</u>	<u>-</u>
Total net position	<u>\$ 14,357,914</u>	<u>\$ 1,436,159</u>

**NOTE 16 – GOVERNMENTAL FUND BALANCES**

Governmental fund balances reported on the fund financial statements at December 31, 2020 include the following:

	General Fund	Special Revenue Fund Eastman Expendable Trust	Capital Project Fund Road Bond	Permanent Fund	Nonmajor Funds	Total Governmental Funds
<b>Nonspendable:</b>						
Tax deeded property	\$ 69,906	\$ -	\$ -	\$ -	\$ -	\$ 69,906
Permanent fund - principal balance	-	-	-	1,892,522	-	1,892,522
Total nonspendable fund balance	<u>69,906</u>	<u>-</u>	<u>-</u>	<u>1,892,522</u>	<u>-</u>	<u>1,962,428</u>
<b>Restricted:</b>						
Library	183,179	-	-	-	-	183,179
Capital projects	-	-	241,122	-	159	241,281
Special revenue trust funds	-	1,276,990	-	-	121,289	1,398,279
Permanent - income balance	-	-	-	246,953	-	246,953
Total restricted fund balance	<u>183,179</u>	<u>1,276,990</u>	<u>241,122</u>	<u>246,953</u>	<u>121,448</u>	<u>2,069,692</u>
<b>Committed:</b>						
Expendable trust	794,851	-	-	-	-	794,851
Nonmajor special revenue funds	-	-	-	-	1,184,008	1,184,008
Total committed fund balance	<u>794,851</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,184,008</u>	<u>1,978,859</u>
<b>Assigned:</b>						
Encumbrances	199,883	-	-	-	-	199,883
<b>Unassigned (deficit)</b>	<u>2,183,297</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,123)</u>	<u>2,173,174</u>
Total governmental fund balances	<u>\$ 3,431,116</u>	<u>\$ 1,276,990</u>	<u>\$ 241,122</u>	<u>\$ 2,139,475</u>	<u>\$ 1,295,333</u>	<u>\$ 8,384,036</u>

**TOWN OF WEARE, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2020**

**NOTE 17 – PRIOR PERIOD ADJUSTMENTS**

Net position/fund balance at January 1, 2020, was restated to give retroactive effect to the following prior period adjustments:

	Governmental Activities	General Fund	General Fund (Budgetary Basis)	Permanent Fund	Fiduciary Funds
To restate for the cumulative changes related to implementation of GASB Statement No. 84	\$ -	\$ -	\$ -	\$ -	\$ 1,260,655
To reclassify trust funds previously reported as private purpose trusts to permanent trusts	375,685	-	-	375,685	(375,685)
To restate for change in 60-day property tax deferred inflows of resources	-	616,393	-	-	-
To remove accrued vacation liability from the general fund and record in the governmental activities	-	130,052	130,052	-	-
To remove old deferred revenue account	(18,699)	(18,699)	(18,699)	-	-
To create an allowance for elderly liens	(7,686)	(7,686)	(7,686)	-	-
To remove Local OPEB liability calculated using the Alternative Minimum Valuation Method (AMM)	898,175	-	-	-	-
Net position/fund balance, as previously reported	13,761,901	2,093,527	2,066,287	1,521,782	910,549
Net position/fund balance, as restated	<u>\$ 15,009,376</u>	<u>\$ 2,813,587</u>	<u>\$ 2,169,954</u>	<u>\$ 1,897,467</u>	<u>\$ 1,795,519</u>

**NOTE 18 – 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 2020, the Town was a member of the New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from January 1, 2020, to December 31, 2020, by Primex<sup>3</sup>, which retained \$1,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The workers' compensation section of the self-insurance membership agreement permits Primex<sup>3</sup> to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In 2020 the Town paid \$339,819 and \$154,734 respectively, to Primex for property, liability, and worker's compensation. At this time, Primex<sup>3</sup> foresees no likelihood of any additional assessment for this or any prior year.

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

**NOTE 19 – COVID-19**

As a result of the spread of COVID-19, Coronavirus, economic uncertainties continue. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

On March 27, 2020, the United States Federal Government established the Coronavirus Aid, Relief and Economic Security (CARES) Act in response to the economic downfall caused by the COVID-19 pandemic. This Act requires that the payment from these funds be used only to cover expenses that; are necessary expenditures incurred due to the public health emergency with respect to COVID-19; were not accounted for in the budget approved for 2020; and were incurred during the period that begins on March 1, 2020, and ends on December 31, 2020. The Town was awarded a portion of this federal funding totaling \$289,117. In addition to funding from the CARES Act, there are several other federal and state grants available.

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

**TOWN OF WEARE, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2020**

**NOTE 20 – TAX ABATEMENTS**

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

The Town had no material tax abatements or programs for the year ended December 31, 2020.

**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 November 2, 2021, the date the December 31, 2020 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

***REQUIRED SUPPLEMENTARY INFORMATION***

**EXHIBIT F**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
*Schedule of the Town's Proportionate Share of Net Pension Liability*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended December 31, 2020*

	December 31,					
	2015	2016	2017	2018	2019	2020
Town's proportion of the net pension liability	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
Town's proportionate share of the net pension liability	\$ 2,949,906	\$ 3,916,777	\$ 3,338,228	\$ 3,258,579	\$ 3,258,430	\$ 4,309,391
Town's covered payroll	\$ 1,706,357	\$ 1,754,504	\$ 1,705,993	\$ 1,762,360	\$ 1,809,081	\$ 2,034,260
Town's proportionate share of the net pension liability as a percentage of its covered payroll	172.88%	223.24%	195.68%	184.90%	180.12%	211.84%
Plan fiduciary net position as a percentage of the total pension liability	65.47%	58.30%	62.66%	64.73%	65.59%	58.72%

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.

**EXHIBIT G**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Schedule of Town Contributions - Pensions**  
**New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan**  
**For the Fiscal Year Ended December 31, 2020**

	December 31,					
	2015	2016	2017	2018	2019	2020
Contractually required contribution	\$ 253,579	\$ 258,085	\$ 257,919	\$ 297,295	\$ 294,703	\$ 299,307
Contributions in relation to the contractually required contributions	(253,579)	(258,085)	(257,919)	(297,295)	(294,703)	(299,307)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$1,706,357	\$1,754,504	\$1,705,993	\$1,762,360	\$1,809,081	\$2,034,260
Contributions as a percentage of covered payroll	14.86%	14.71%	15.12%	16.87%	16.29%	14.71%

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.

**TOWN OF WEARE, NEW HAMPSHIRE**  
**NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –**  
**PENSION LIABILITY**  
**FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2020**

***Schedule of the Town's Proportionate Share of Net Pension Liability and  
Schedule of Town Contributions - Pensions***

As required by GASB Statement No. 68, and as amended by GASB Statement No. 71, Exhibits F and G represent the actuarial determined costs associated with the Town's pension plan at December 31, 2020. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year 2020:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	20 years beginning July 1, 2019 (30 years beginning July 1, 2009)
Asset Valuation Method	5-year smooth market for funding purposes: 20% corridor
Price Inflation	2.5% per year
Wage Inflation	3.25% per year (3.00% for teachers) in the 2017 valuation
Salary Increases	5.6% Average, including inflation
Municipal Bond Rate	2.45% per year
Investment Rate of Return	7.25% per year, net of investment expenses, including inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Based on the 2010-215 experience study.
Mortality	RP-2014 Healthy Annuitant and Employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on the 2010-2015 experience study.

**Other Information:**

Notes	The board has adopted new assumptions based on the 2015-2019 experience study effective for employer contributions in the 2022-23 biennium.
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**EXHIBIT H**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
*Schedule of the Town's Proportionate Share of the Net Other Postemployment Benefits Liability*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended December 31, 2020*

	December 31,			
	2017	2018	2019	2020
Town's proportion of the net OPEB liability	0.04%	0.07%	0.07%	0.06%
Town's proportionate share of the net OPEB liability (asset)	\$ 197,188	\$ 305,741	\$ 292,515	\$ 276,597
Town's covered payroll	\$ 1,705,993	\$ 1,762,360	\$ 1,809,081	\$ 2,034,260
Town's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	11.56%	17.35%	16.17%	13.60%
Plan fiduciary net position as a percentage of the total OPEB liability	7.91%	7.53%	7.75%	7.74%

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

**EXHIBIT I**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
*Schedule of Town Contributions - Other Postemployment Benefits*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended December 31, 2020*

	December 31,			
	2017	2018	2019	2020
Contractually required contribution	\$ 25,561	\$ 29,538	\$ 30,449	\$ 29,332
Contributions in relation to the contractually required contribution	(25,561)	(29,538)	(30,449)	(29,332)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 1,705,993	\$ 1,762,360	\$ 1,809,081	\$ 2,034,260
Contributions as a percentage of covered payroll	1.50%	1.68%	1.68%	1.44%

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

**TOWN OF WEARE, NEW HAMPSHIRE**  
**NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –**  
**OTHER POSTEMPLOYMENT BENEFIT LIABILITY**  
**FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2020**

***Schedule of the Town's Proportionate Share of Net Other Postemployment Benefits Liability and  
Schedule of Town Contributions – Other Postemployment Benefits***

As required by GASB Statement No. 75, Exhibits H and I represent the actuarial determined costs associated with the Town's other postemployment benefits at December 31, 2020. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

The following assumptions were changed in the current year:

- Reduced the assumed rate of investment return from 7.25% to 6.75%
- Reduced the wage inflation from 3.25% to 2.75% (2.25% for teachers)
- Reduced price inflation from 2.5% to 2/0%
- Updated economic assumptions, including merit and longevity salary increases, disability rates, retirement rates, and mortality tables (specifically the new public pension plan mortality tables).

**Methods and Assumptions:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	Not applicable under statutory funding
Asset Valuation Method	5-year smooth market: 20% corridor
Price Inflation	2.5% per year
Wage Inflation	3.25% per year (3.00% for teachers) in the 2017 valuation
Salary Increases	5.6% Average, including inflation
Municipal Bond Rate	2.45% per year
Investment Rate of Return	7.25% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions
Funding Discount Rate	3.25% per year
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Based on the 2010-2015 experience study.
Mortality	RP-2014 Healthy Annuitant and Employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on the 2010-2015 experience study.

***COMBINING AND INDIVIDUAL FUND SCHEDULES***

**SCHEDULE 1**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended December 31, 2020*

	Estimated	Actual	Variance Positive (Negative)
<b>Taxes:</b>			
Property	\$ 4,039,923	\$ 3,911,033	\$ (128,890)
Land use change	15,000	16,114	1,114
Yield	25,000	25,537	537
Excavation	3,680	3,681	1
Interest and penalties on taxes	100,000	110,853	10,853
Total from taxes	<u>4,183,603</u>	<u>4,067,218</u>	<u>(116,385)</u>
<b>Licenses, permits, and fees:</b>			
Motor vehicle permit fees	1,996,371	2,121,174	124,803
Building permits	65,000	74,271	9,271
Other	15,780	16,927	1,147
Total from licenses, permits, and fees	<u>2,077,151</u>	<u>2,212,372</u>	<u>135,221</u>
<b>Intergovernmental:</b>			
State:			
Shared revenues	106,773	106,773	-
Meals and rooms distribution	452,945	452,945	-
Highway block grant	282,291	282,260	(31)
State and federal forest land reimbursement	5,062	5,062	-
Flood control reimbursement	38,274	38,274	-
Federal:			
Other	291,121	290,886	(235)
Total from intergovernmental	<u>1,176,466</u>	<u>1,176,200</u>	<u>(266)</u>
<b>Charges for services:</b>			
Income from departments	<u>194,440</u>	<u>202,893</u>	<u>8,453</u>
<b>Miscellaneous:</b>			
Sale of municipal property	11,426	15,981	4,555
Interest on investments	18,000	16,625	(1,375)
Other	<u>21,888</u>	<u>22,737</u>	<u>849</u>
Total from miscellaneous	<u>51,314</u>	<u>55,343</u>	<u>4,029</u>
<b>Other financing sources:</b>			
Transfers in	<u>195,000</u>	<u>6,942</u>	<u>(188,058)</u>
Total revenues and other financing sources	<u>7,877,974</u>	<u>\$ 7,720,968</u>	<u>\$ (157,006)</u>
Unassigned fund balance used to reduce tax rate	<u>350,000</u>		
Total revenues, other financing sources, and use of fund balance	<u>\$ 8,227,974</u>		

**SCHEDULE 2**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended December 31, 2020*

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ 405	\$ 61,649	\$ 67,718	\$ -	\$ (5,664)
Election and registration	152	147,145	151,282	-	(3,985)
Financial administration	-	173,025	171,154	-	1,871
Revaluation of property	47,121	159,755	138,963	67,513	400
Legal	-	62,000	55,298	-	6,702
Personnel administration	-	197,516	194,452	-	3,064
Planning and zoning	-	62,295	69,671	-	(7,376)
General government buildings	2,145	143,421	142,440	7,920	(4,794)
Cemeteries	-	36,310	35,693	-	617
Insurance, not otherwise allocated	-	476,812	494,553	-	(17,741)
Advertising and regional associations	-	8,669	8,371	-	298
Total general government	49,823	1,528,597	1,529,595	75,433	(26,608)
Public safety:					
Police	12,028	1,928,386	1,510,696	12,308	417,410
Ambulance	-	9,000	13,536	-	(4,536)
Fire	28,416	836,868	766,008	57,191	42,085
Building inspection	-	45,614	20,279	-	25,335
Emergency management	-	4,722	3,673	-	1,049
Other	-	4,827	2,298	3,500	(971)
Total public safety	40,444	2,829,417	2,316,490	72,999	480,372
Highways and streets:					
Highways and streets	3,260	1,495,612	1,369,327	48,334	81,211
Street lighting	-	5,400	4,940	-	460
Total highways and streets	3,260	1,501,012	1,374,267	48,334	81,671
Sanitation:					
Solid waste disposal	-	425,967	448,825	950	(23,808)
Water distribution and treatment	-	3,550	1,188	-	2,362
Health:					
Pest control	-	29,198	8,560	-	20,638
Health agencies	-	5,424	5,059	-	365
Total health	-	34,622	13,619	-	21,003
Welfare:					
Administration and direct assistance	-	27,109	12,895	-	14,214
Culture and recreation:					
Parks and recreation	-	52,471	49,721	905	1,845
Library	-	230,203	230,718	-	(515)
Patriotic purposes	-	500	-	-	500
Total culture and recreation	-	283,174	280,439	905	1,830
Conservation	-	176,590	425	-	176,165
Debt service:					
Principal of long-term debt	-	350,500	350,500	-	-
Interest on long-term debt	-	135,936	135,936	-	-
Total debt service	-	486,436	486,436	-	-
Capital outlay	-	20,000	10,599	1,262	8,139
Other financing uses:					
Transfers out	-	911,500	911,500	-	-
Total appropriations, expenditures, other financing uses, and encumbrances	\$ 93,527	\$ 8,227,974	\$ 7,386,278	\$ 199,883	\$ 735,340

**SCHEDULE 3**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Changes in Unassigned Fund Balance*  
*For the Fiscal Year Ended December 31, 2020*

Unassigned fund balance, beginning, as restated (Non-GAAP Budgetary Basis)		\$ 1,698,638
Changes:		
Unassigned fund balance used to reduce 2020 tax rate		(350,000)
2020 Budget summary:		
Revenue shortfall (Schedule 1)	\$ (157,006)	
Unexpended balance of appropriations (Schedule 2)	735,340	
2020 Budget surplus		578,334
Decrease in nonspendable fund balance		129,361
Decrease in assigned fund balance		178,522
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)		2,234,855
<b><i>Reconciliation on Non-GAAP Budgetary Basis to GAAP Basis</i></b>		
To record deferred property taxes not collected within 60 days of the fiscal year-end, not recognized on a budgetary basis		(151,558)
Elimination of the allowance for uncollectible taxes		100,000
Unassigned fund balance, ending, GAAP basis (Exhibit C-1)		\$ 2,183,297

**SCHEDULE 4**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2020**

	Special Revenue Funds				
	Town Forest	Conservation Commission	Sewer	Ambulance	Police Details
<b>ASSETS</b>					
Cash and cash equivalents	\$ 320,609	\$ 273,812	\$ -	\$ 275,255	\$ 18,835
Investments	-	-	-	-	-
Accounts receivable	-	-	1,269	77,945	-
Interfund receivable	-	1,500	9,596	218,524	2,452
Total assets	<u>\$ 320,609</u>	<u>\$ 275,312</u>	<u>\$ 10,865</u>	<u>\$ 571,724</u>	<u>\$ 21,287</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ 528	\$ 1,279	\$ -
Interfund payable	14,117	-	-	-	-
Total liabilities	<u>14,117</u>	<u>-</u>	<u>528</u>	<u>1,279</u>	<u>-</u>
<b>FUND BALANCES (DEFICIT)</b>					
Restricted	-	-	-	-	-
Committed	306,492	275,312	10,337	570,445	21,287
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	<u>306,492</u>	<u>275,312</u>	<u>10,337</u>	<u>570,445</u>	<u>21,287</u>
Total liabilities and fund balances	<u>\$ 320,609</u>	<u>\$ 275,312</u>	<u>\$ 10,865</u>	<u>\$ 571,724</u>	<u>\$ 21,287</u>

Special Revenue Fund				Capital Project Fund	Total
Drug Forfeiture	Transfer Station	Mildred Hall Expendable Trust	Buxton Expendable Trust	DPV Garage	
\$ 135	\$ 457	\$ 496	\$ 1,642	\$ 1,814	\$ 893,055
-	-	27,650	91,501	-	119,151
-	-	-	-	-	79,214
-	-	-	-	-	232,072
<u>\$ 135</u>	<u>\$ 457</u>	<u>\$ 28,146</u>	<u>\$ 93,143</u>	<u>\$ 1,814</u>	<u>\$ 1,323,492</u>
\$ -	\$ 3,010	\$ -	\$ -	\$ -	\$ 4,817
-	7,570	-	-	1,655	23,342
-	10,580	-	-	1,655	28,159
-	-	28,146	93,143	159	121,448
135	-	-	-	-	1,184,008
-	(10,123)	-	-	-	(10,123)
<u>135</u>	<u>(10,123)</u>	<u>28,146</u>	<u>93,143</u>	<u>159</u>	<u>1,295,333</u>
<u>\$ 135</u>	<u>\$ 457</u>	<u>\$ 28,146</u>	<u>\$ 93,143</u>	<u>\$ 1,814</u>	<u>\$ 1,323,492</u>

**SCHEDULE 5**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
*Nonmajor Governmental Funds*  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended December 31, 2020**

	Special Revenue Funds				
	Town Forest	Conservation Commission	Sewer	Ambulance	Police Details
<b>REVENUES</b>					
Taxes	\$ -	\$ 57,316	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	4,279	-
Charges for services	-	-	23,760	244,074	461
Miscellaneous	4,053	815	-	983	71
Total revenues	4,053	58,131	23,760	249,336	532
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	27,141	298
Sanitation	-	-	11,791	-	-
Conservation	4,714	4,004	-	-	-
Total expenditures	4,714	4,004	11,791	27,141	298
Excess (deficiency) of revenues over (under) expenditures	(661)	54,127	11,969	222,195	234
<b>OTHER FINANCING USES:</b>					
Transfers out	-	-	-	-	-
Net change in fund balances	(661)	54,127	11,969	222,195	234
Fund balances, beginning	307,153	221,185	(1,632)	348,250	21,053
Fund balances, ending	\$ 306,492	\$ 275,312	\$ 10,337	\$ 570,445	\$ 21,287

Drug Forfeiture	Special Revenue Funds			Capital Project Fund	Total
	Transfer Station	Mildred Hall Expendable Trust	Buxton Expendable Trust	DPW Garage	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,316
-	-	-	-	-	4,279
-	80,817	-	-	-	349,112
-	2	3,367	14,144	7	23,442
-	80,819	3,367	14,144	7	434,149
-	-	208	694	-	902
-	-	-	-	-	27,439
-	83,406	-	-	-	95,197
-	-	-	-	-	8,718
-	83,406	208	694	-	132,256
-	(2,587)	3,159	13,450	7	301,893
-	-	-	(2,995)	-	(2,995)
-	(2,587)	3,159	10,455	7	298,898
135	(7,536)	24,987	82,688	152	996,435
\$ 135	\$ (10,123)	\$ 28,146	\$ 93,143	\$ 159	\$ 1,295,333

**SCHEDULE 6**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Custodial Funds**  
**Combining Schedule of Fiduciary Net Position**  
**December 31, 2020**

	Custodial Funds			Total
	Taxes	Escrows	Trust Funds	
			School	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 6,583,785	\$ 277,032	\$ 563,091	\$ 7,423,908
<b>LIABILITIES</b>				
Due to school district	6,583,785	-	-	6,583,785
Escrow payable	-	6,844	-	6,844
Total liabilities	6,583,785	6,844	-	6,590,629
<b>NET POSITION</b>				
Restricted	\$ -	\$ 270,188	\$ 563,091	\$ 833,279

**SCHEDULE 7**  
**TOWN OF WEARE, NEW HAMPSHIRE**  
**Custodial Funds**  
**Combining Schedule of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended December 31, 2020**

	Custodial Funds			Total
	Taxes	Escrows	Trust Funds School	
<b>Additions:</b>				
Contributions	\$ -	\$ 43,320	\$ -	\$ 43,320
Investment earnings	-	1,058	1,805	2,863
Tax collections for other governments	16,967,534	-	-	16,967,534
Total additions	16,967,534	44,378	1,805	17,013,717
<b>Deductions:</b>				
Payments from trust funds	-	-	428,770	428,770
Payments of taxes to other governments	16,967,534	-	-	16,967,534
Payments for escrow purposes	-	44,789	-	44,789
Total deductions	16,967,534	44,789	428,770	17,441,093
Change in net position	-	(411)	(426,965)	(427,376)
Net position, beginning, as restated (see Note 17)	-	270,599	990,056	1,260,655
Net position, ending	\$ -	\$ 270,188	\$ 563,091	\$ 833,279