

# TOWN OF WILTON, NEW HAMPSHIRE

## FINANCIAL REPORT

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

**TOWN OF WILTON  
FINANCIAL REPORT  
AS OF AND FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2014**

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# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Selectmen  
Town of Wilton  
Wilton, New Hampshire 03086

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Wilton, New Hampshire, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As discussed in Note I.C.2. to the financial statements, management has not recorded certain capital assets, primarily infrastructure, in governmental activities and, accordingly, has not recorded depreciation expense on those assets. As well, there was no detailed listing available to support the other capital assets acquired prior to 2008 and the accumulated depreciation thereon, and therefore, we were not able to verify that the amounts reported for capital assets, depreciation expense and accumulated depreciation were correct. Accounting principles generally accepted in the United States of America require that general capital assets, including infrastructure, be capitalized and depreciated, which would increase the assets, net position, and expenses of the governmental activities. The amount by which this departure would affect the assets, net position, and expenses of the governmental activities is not reasonably determinable.

**Adverse Opinion**

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities of the Town of Wilton, as of December 31, 2014, or the changes in financial position thereof for the year then ended.

**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 the aggregate remaining fund information of the Town of Wilton, New Hampshire, as of December 31, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

The Town of Wilton has not presented a management's discussion and analysis. Accounting principles generally accepted in the United States of America have determined that the management's discussion and analysis is necessary to supplement, but is not required to be part of, the basic financial statements.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Wilton's basic financial statements. The combining nonmajor and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. They 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 nonmajor and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

August 24, 2015

*Roberts & Greene, PLLC*

## **BASIC FINANCIAL STATEMENTS**

**EXHIBIT 1**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Statement of Net Position**  
**December 31, 2014**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 5,496,904
Investments	3,548,264
Intergovernmental receivable	47,165
Other receivables, net of allowances for uncollectible amounts	922,060
Prepaid items	11,675
Capital assets, not being depreciated:	
Land	210,644
Intangible assets	282,000
Construction in progress	212,228
Capital assets, net of accumulated depreciation:	
Land improvements	455,288
Buildings and building improvements	4,476,102
Machinery, vehicles and equipment	1,617,333
Infrastructure	947,518
Total assets	18,227,181
<b>LIABILITIES</b>	
Accounts payable	109,166
Accrued payroll and benefits	26,443
Accrued interest payable	19,834
Intergovernmental payable	3,192,798
Performance and escrow deposits	1,360
Noncurrent obligations:	
Due within one year:	
Bonds payable	40,000
Unamortized bond premium	7,940
Due in more than one year:	
Bonds payable	945,000
Unamortized bond premium	114,120
Total liabilities	4,456,661
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unearned revenue	104,380
<b>NET POSITION</b>	
Net investment in capital assets	7,092,613
Restricted for:	
Perpetual care:	
Nonexpendable	738,675
Expendable	79,880
Other purposes	1,314,152
Unrestricted	4,440,820
Total net position	\$ 13,666,140

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

**EXHIBIT 2**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Statement of Activities**  
**For the Year Ended December 31, 2014**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 915,368	\$ 28,106	\$ -	\$ -	\$ (887,262)
Public safety	1,348,461	169,115	86,728	-	(1,092,618)
Highways and streets	917,910	10,650	-	108,451	(798,809)
Sanitation	742,525	547,276	-	-	(195,249)
Water distribution and treatment	216,324	232,659	-	-	16,335
Health	17,196	-	-	-	(17,196)
Welfare	41,761	700	-	-	(41,061)
Culture and recreation	325,472	3,868	11,092	-	(310,512)
Conservation	3,711	800	148	-	(2,763)
Interest on long-term debt	47,700	-	-	-	(47,700)
Capital outlay	43,144	-	-	56,783	13,639
Total governmental activities	<u>\$ 4,619,572</u>	<u>\$ 993,174</u>	<u>\$ 97,968</u>	<u>\$ 165,234</u>	<u>(3,363,196)</u>
General revenues:					
Property taxes					2,308,001
Other taxes					122,541
Licenses and permits					609,607
Grants and contributions not restricted to specific programs					177,078
Miscellaneous					373,225
Total general revenues					<u>3,590,452</u>
Change in net position					227,256
Net position, beginning, as restated, see Note III.D.1.					<u>13,438,884</u>
Net position, ending					<u>\$ 13,666,140</u>

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

**EXHIBIT 3**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2014**

	General	Permanent	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,215,783	\$ 54,664	\$ 226,457	\$ 5,496,904
Investments	623	2,102,644	1,444,997	3,548,264
Receivables, net of allowances for uncollectible:				
Taxes	659,157	-	-	659,157
Accounts	17,454	-	209,457	226,911
Intergovernmental	47,165	-	-	47,165
Interfund receivable	381,646	-	25,275	406,921
Prepaid items	10,065	-	1,610	11,675
Total assets	<u>\$ 6,331,893</u>	<u>\$ 2,157,308</u>	<u>\$ 1,907,796</u>	<u>\$ 10,396,997</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 79,204	\$ -	\$ 29,962	\$ 109,166
Accrued salaries and benefits	21,920	-	4,523	26,443
Intergovernmental payable	3,192,798	-	-	3,192,798
Interfund payable	25,275	24,600	357,046	406,921
Escrow and performance deposits	1,360	-	-	1,360
Total liabilities	<u>3,320,557</u>	<u>24,600</u>	<u>391,531</u>	<u>3,736,688</u>
Deferred inflows of resources:				
Deferred revenue	<u>667,518</u>	<u>-</u>	<u>91,517</u>	<u>759,035</u>
Fund balances:				
Nonspendable	10,065	1,863,123	-	1,873,188
Restricted	-	269,585	141,990	411,575
Committed	229,715	-	1,375,177	1,604,892
Assigned	47,008	-	-	47,008
Unassigned	2,057,030	-	(92,419)	1,964,611
Total fund balances	<u>2,343,818</u>	<u>2,132,708</u>	<u>1,424,748</u>	<u>5,901,274</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,331,893</u>	<u>\$ 2,157,308</u>	<u>\$ 1,907,796</u>	<u>\$ 10,396,997</u>

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



**EXHIBIT 4**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position**  
**December 31, 2014**

Total fund balances of governmental funds (Exhibit 3)		\$ 5,901,274
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost	\$ 9,716,517	
Less accumulated depreciation	<u>(1,515,404)</u>	8,201,113
Long-term receivables are not recognized in governmental funds as they are unavailable.		
Elderly and welfare liens		35,992
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$ (406,921)	
Payables	<u>406,921</u>	-
Long-term revenues are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
Deferred tax revenue	\$ 507,314	
Deferred ambulance revenue	34,798	
Deferred intergovernmental settlement	47,165	
Deferred police detail revenue	8,659	
Deferred water charges	22,312	
Deferred sewer charges	<u>34,407</u>	654,655
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(19,834)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds outstanding	\$ 985,000	
Unamortized bond premium	<u>122,060</u>	<u>(1,107,060)</u>
Total net position of governmental activities (Exhibit 1)		<u>\$ 13,666,140</u>

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

**EXHIBIT 5**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2014**

	General	Permanent	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 2,545,603	\$ -	\$ -	\$ 2,545,603
Licenses, permits and fees	609,607	-	-	609,607
Intergovernmental	342,460	-	97,820	440,280
Charges for services	381,316	-	587,649	968,965
Miscellaneous	173,174	118,416	34,470	326,060
Total revenues	<u>4,052,160</u>	<u>118,416</u>	<u>719,939</u>	<u>4,890,515</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	902,682	336	-	903,018
Public safety	893,817	-	337,303	1,231,120
Highways and streets	842,096	-	-	842,096
Sanitation	475,976	-	245,064	721,040
Water distribution and treatment	-	-	207,813	207,813
Health	17,196	-	-	17,196
Welfare	43,728	-	-	43,728
Culture and recreation	281,094	-	35,657	316,751
Conservation	3,711	-	-	3,711
<b>Debt service:</b>				
Principal	25,000	-	15,000	40,000
Interest	45,653	-	13,880	59,533
Capital outlay	1,204,158	-	93,653	1,297,811
Total expenditures	<u>4,735,111</u>	<u>336</u>	<u>948,370</u>	<u>5,683,817</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(682,951)</u>	<u>118,080</u>	<u>(228,431)</u>	<u>(793,302)</u>
<b>Other financing sources (uses):</b>				
Transfers in	1,144,596	-	145,304	1,289,900
Transfers out	(120,899)	(49,005)	(1,119,996)	(1,289,900)
Total other financing sources and uses	<u>1,023,697</u>	<u>(49,005)</u>	<u>(974,692)</u>	<u>-</u>
Net change in fund balances	340,746	69,075	(1,203,123)	(793,302)
Fund balances, beginning	2,003,072	2,063,633	2,627,871	6,694,576
Fund balances, ending	<u>\$ 2,343,818</u>	<u>\$ 2,132,708</u>	<u>\$ 1,424,748</u>	<u>\$ 5,901,274</u>

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

**EXHIBIT 6**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2014**

Net change in fund balances of governmental funds (Exhibit 5)		\$ (793,302)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.		
Capitalized capital outlay	\$ 1,254,667	
Depreciation expense	<u>(244,222)</u>	
		1,010,445
Transfers in and out between governmental funds are eliminated on the operating statement.		
Transfers in	\$ (1,289,900)	
Transfers out	<u>1,289,900</u>	
		-
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in governmental funds.		
Change in deferred tax revenue	\$ (115,061)	
Change in deferred ambulance revenue	(6,079)	
Change in deferred water and sewer charges	21,629	
Change in allowance for elderly and welfare liens	1,967	
Change in deferred intergovernmental settlement	47,165	
Change in deferred police detail revenue	<u>8,659</u>	
		(41,720)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position.		
Repayment of bond principal	\$ 40,000	
Amortization of bond premium	<u>7,940</u>	
		47,940
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense		<u>3,893</u>
Change in net position of governmental activities (Exhibit 2)		<u><u>\$ 227,256</u></u>

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

**EXHIBIT 7**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Unassigned Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2014**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 2,564,226	\$ 2,430,542	\$ (133,684)
Licenses, permits and fees	550,000	609,607	59,607
Intergovernmental	285,388	342,460	57,072
Charges for services	411,188	381,316	(29,872)
Miscellaneous	65,643	173,174	107,531
Total revenues	<u>3,876,445</u>	<u>3,937,099</u>	<u>60,654</u>
<b>EXPENDITURES</b>			
Current:			
General government	955,199	908,541	46,658
Public safety	944,974	894,498	50,476
Highways and streets	926,427	846,296	80,131
Sanitation	534,492	475,976	58,516
Health	17,196	17,196	-
Welfare	45,000	43,728	1,272
Culture and recreation	284,217	281,094	3,123
Conservation	4,001	3,711	290
Debt service:			
Principal	25,000	25,000	-
Interest	45,653	45,653	-
Capital outlay	1,068,597	1,014,622	53,975
Total expenditures	<u>4,850,756</u>	<u>4,556,315</u>	<u>294,441</u>
Deficiency of revenues under expenditures	<u>(974,311)</u>	<u>(619,216)</u>	<u>355,095</u>
Other financing sources (uses):			
Transfers in	728,690	1,144,596	415,906
Transfers out	(120,879)	(120,899)	(20)
Total other financing sources and uses	<u>607,811</u>	<u>1,023,697</u>	<u>415,886</u>
Net change in fund balance	<u>\$ (366,500)</u>	404,481	<u>\$ 770,981</u>
Decrease in nonspendable fund balance		11,112	
Unassigned fund balance, beginning		2,148,751	
Unassigned fund balance, ending		<u>\$ 2,564,344</u>	

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

**EXHIBIT 8**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2014**

	Private Purpose Trust	Agency
Assets:		
Cash and cash equivalents	\$ 6,580	\$ 1,703
Investments	<u>120,511</u>	<u>484,007</u>
Total assets	<u>127,091</u>	<u>485,710</u>
Liabilities:		
Due to other governmental units	<u>-</u>	<u>485,710</u>
Net position:		
Held in trust for specific purposes	<u>\$ 127,091</u>	<u>\$ -</u>

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

**EXHIBIT 9**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2014**

	<u>Private Purpose Trust</u>
Additions:	
Investment earnings:	
Interest and dividends	\$ 6,960
Net change in fair value of investments	<u>(892)</u>
Total additions	6,068
Deductions:	
Trust distributions	<u>4,342</u>
Change in net position	1,726
Net position, beginning	<u>125,365</u>
Net position, ending	<u><u>\$ 127,091</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

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

**I. Summary of Significant Accounting Principles**

**I.A. Introduction**

The accounting and reporting framework and the more significant accounting principles and practices of the Town of Wilton (the Town) are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the Town's financial activities for the fiscal year ended December 31, 2014.

**I.B. Financial Reporting Entity – Basis of Presentation**

**I.B.1. Entity Defined**

The Town of Wilton is a municipal corporation governed by a board of selectmen consisting of three members elected by the voters. These financial statements present the financial position and activity of the primary government. Component units are organizations for which the primary government is financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete. Based on the stated criteria, the Town's financial statements do not include any component units.

**I.B.2. Government-Wide and Fund Financial Statements**

*Government-Wide Financial Statements*

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the Town as a whole, excluding fiduciary activities. Individual funds are not displayed.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges for the Town's services; (2) operating grants and contributions, which finance annual operating activities including restricted investment income; and (3) capital grants and contributions, which fund the acquisition, construction or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Taxes and revenue from other sources not properly included with program revenues are reported as general revenues.



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

*Fund Financial Statements*

Fund financial statements are provided for governmental and fiduciary funds. Major individual, governmental funds are reported in separate columns with composite columns for nonmajor funds.

**I.B.3. *Measurement Focus, Basis of Accounting and Financial Statement Presentation***

The financial statements of the Town are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Town's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Reimbursements are reported as reductions to expenses. Fiduciary fund financial statements also report using this same basis of accounting, although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property tax revenues are recognized in the year for which they are levied, while grants are recognized when grantor eligibility requirements are met.

The agency fund is custodial in nature and does not measure results of operations.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Town considers revenues to be available if they are collected within sixty days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenues susceptible to accrual are property taxes, intergovernmental amounts and investment income. In general, other revenues are recognized when cash is received.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed. Restricted assets and liabilities payable from restricted assets current in nature are reported with current assets and current liabilities in the financial statements.

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

**I.B.4. Fund Types and Major Funds**

*Governmental Funds*

The Town reports the following major governmental funds:

*General Fund* – Reports as the primary fund of the Town. This fund is used to account for all financial resources not reported in other funds.

*Permanent Fund* – Used to account for the financial resources held by the trustees of trust funds, from which only income, and not principal, is used for supporting Town purposes.

In addition, the Town reports seven nonmajor governmental funds.

*Fiduciary Funds*

The Town also reports the following fiduciary funds:

*Private Purpose Trust Funds* – Account for financial resources of the Town used only for the benefit of other entities or individuals.

*Agency Funds* – Account for fiduciary assets held by the Town in a custodial capacity as an agent on behalf of others. The Town's agency fund is used to account for the various capital reserve accounts held by the trustees of trust funds on behalf of the local school district.

**I.C. Assets, Liabilities, and Net Position or Fund Equity**

**I.C.1. Cash and Investments**

The laws of the State of New Hampshire require that the Town's treasurer have custody of all monies belonging to the Town, other than those held by the trustees of trust funds and library trustees, and pay out the same only upon orders of the Board of Selectmen. The treasurer shall deposit all monies in participation units in the public deposit investment pool established pursuant to N.H. RSA 383:22 or in solvent banks in the state. Funds may be deposited in banks outside the state if such banks pledge or 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 of the State of New Hampshire in value at least equal to the amount of the deposit in each case.

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Investments are stated at fair value based on quoted market prices.

New Hampshire law authorizes the Town to invest in obligations of the United States government; the public deposit investment pool established pursuant to RSA 383:22; savings bank deposits; prime bankers' acceptances; or certificates of deposit and repurchase agreements of bank 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 monies 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.

**I.C.2. Capital Assets and Depreciation**

Generally, the Town's property, plant and equipment with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements. Donated assets are stated at fair value on the date donated. The Town normally capitalizes assets with cost of \$5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. The Town has not yet inventoried and recorded certain capital assets, primarily infrastructure; therefore, these assets have been omitted from the financial statements. As well, the Town does not have a detailed listing of the amounts reported as of December 31, 2007 and therefore, is not able to verify the accuracy of these amounts.

Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follow:

	<u>Years</u>
Land improvements	50
Buildings and building improvements	150
Machinery, vehicles and equipment	5-15
Infrastructure	20

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**I.C.3. Equity**

The governmental activities report net position in the following components: net investment in capital assets, which is computed as the capital assets less accumulated depreciation less any outstanding debt related to capital acquisitions; restricted for perpetual care representing the permanent funds for which income earned is used for cemetery care; restricted for other purposes which represents permanent fund balances used for purposes other than cemetery care; and unrestricted which represents the balance of the net position.

The governmental fund financial statements report fund balances as nonspendable, representing the principal of permanent funds that must be invested and cannot be spent and prepaid items which are not in a spendable form; restricted, representing the income portion of permanent funds and the balance of the library fund that can only be used for specific purposes per endowment instruction or State law; committed, representing the balance of expendable trust funds, the unrestricted balances of special revenue funds, and the encumbered balances of special warrant articles; assigned, representing other encumbrances in the General Fund; and unassigned, representing the remainder of the General Fund fund balance, and the deficit fund balance of the Sewer Fund.

**I.C.4. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**II. Stewardship, Compliance and Accountability**

**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the Expendable Trust Fund, the Drug Forfeiture and Conservation Commission Special Revenue Funds and the Permanent Fund. Unless encumbered, all appropriations lapse at year-end. The Town is allowed to use beginning fund balance to balance the budget. In 2014, \$366,500 of the unassigned fund balance from 2013 was used to reduce taxes.

Encumbrance accounting is employed by the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as commitments or assignments of fund balances and do not constitute expenditures or liabilities because they will be added to the appropriations voted in the subsequent year.

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Revenues are budgeted by source. Expenditures are budgeted by functions as follow: general government, public safety, highways and streets, sanitation, water distribution and treatment, health, welfare, culture and recreation, conservation, debt service and capital outlay. Management can transfer appropriations among budget line items as necessary, but the total expenditures cannot legally exceed the total appropriations unless permission is received from the Commissioner of Revenue Administration.

**Reconciliation of General Fund Budgetary Basis to GAAP**

Revenues and other financing sources:	
Per Exhibit 7 (budgetary basis)	\$ 5,081,695
Adjustments:	
Basis difference:	
Tax revenue deferred in the prior year	622,375
Tax revenue deferred in the current year	<u>(507,314)</u>
Per Exhibit 5 (GAAP basis)	<u><u>\$ 5,196,756</u></u>
Expenditures and other financing uses:	
Per Exhibit 7 (budgetary basis)	\$ 4,677,214
Adjustments:	
Basis difference:	
Encumbrances, beginning	455,519
Encumbrances, ending	<u>(276,723)</u>
Per Exhibit 5 (GAAP basis)	<u><u>\$ 4,856,010</u></u>
Unassigned fund balance:	
Per Exhibit 7 (budgetary basis)	\$ 2,564,344
Adjustment:	
Basis difference:	
Deferred tax revenue, GAAP basis	<u>(507,314)</u>
Per Exhibit 3 (GAAP basis)	<u><u>\$ 2,057,030</u></u>

**III. Detailed Notes on Funds and Government-Wide Statements**

**III.A. Assets**

**III.A.1. Cash and Equivalents**

The Town reported total cash and equivalents in all funds of \$5,505,187 as of December 31, 2014. The bank balances for all of these funds totaled \$5,641,184, of which \$116,260 was uninsured and uncollateralized as of that date.

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**III.A.2. Investments**

As of December 31, 2014, the Town’s reporting entity had the following investments:

Certificates of Deposit	\$ 1,740,492
U.S. Government Agencies	10,888
ETF and Mutual Funds	1,121,923
Preferred Stocks	16,870
Common Stocks	810,610
Corporate Bonds	337,729
New Hampshire Public Deposit Investment Pool	114,270
	<u>\$ 4,152,782</u>

The investments appear in the fund financial statements as follow:

Fund reporting level:	
Governmental funds - balance sheet (Exhibit 3)	\$ 3,548,264
Fiduciary funds - statement of fiduciary net position (Exhibit 8)	<u>604,518</u>
Total	<u>\$ 4,152,782</u>

*Investment Policies*

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. New Hampshire law limits investments to those described in Note I.C.1. The Town’s investment policy does not place any further restrictions on its investment choices.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Town does not have an investment policy that addresses limiting interest rate risk.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the Town’s investment in a single issuer. The Town does not have an investment policy that addresses concentration of credit risk. As of December 31, 2014, the Town had \$240,084 invested in Discover Bank of Greenwood, Delaware and \$211,007 in Mizuho Bank USA, which represent 5.78% and 5.11% respectively, of the total investments.

**Custodial Credit Risk** is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Of the Town’s \$4,152,782 of investments, \$1,298,020 has exposure to custodial credit risk because the related securities are uninsured and uncollateralized and are held by a brokerage firm.

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**III.A.3. Receivables, Uncollectible Accounts and Deferred Revenue**

*Property Taxes Receivable and Property Tax Calendar*

Property taxes are levied and collected by the Town on a semi-annual basis. Tax bills are due on or around July 1 and December 1, with interest of 12% per annum on all taxes not received by the due date. The first billing is an estimate only based on half of the previous year’s billing. The final billing is levied based on an inventory taken in April of each year (the tax year runs from April 1 to March 31), and is assessed after the tax rate has been calculated and set by the New Hampshire Department of Revenue Administration. A lien is executed on any unpaid property taxes in the following year and this lien takes priority over any others. Interest of 18% per annum is charged upon redemption of lien taxes. Properties not redeemed within two years of the date of the tax lien are deeded to the Town. During 2014, the tax collector executed a lien for uncollected 2013 property taxes on June 10.

The property taxes levied and collected by the Town include amounts for the State of New Hampshire, the Wilton-Lyndeborough Cooperative School District and Hillsborough County. The Town is responsible for the collection of all these taxes. During the annual tax rate setting process, the Town sets an amount for potential abatements and tax deedings, known as overlay. Overlay is raised through taxation and is reported as a reduction in tax revenue.

The net assessed valuation as of April 1, 2014, upon which the 2014 property tax levy was based was:

For the New Hampshire education tax	\$364,963,189
For all other taxes	\$369,750,689

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

	Per \$1,000 of Assessed Valuation	
Municipal portion	\$6.79	\$2,514,660
School portion:		
State of New Hampshire	\$2.28	830,793
Local	\$15.53	5,740,424
County portion	\$1.20	442,775
Total property taxes assessed		\$9,528,652

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The following details the taxes receivable at year-end:

Property:	
Levy of 2014	\$498,226
Levy of 2013	3,208
Levy of 2012	6,226
Unredeemed (under tax lien):	
Levy of 2013	162,628
Levy of 2012	102,279
Levy of 2011	43,038
Levy of 2010	15,330
Levy of 2009	7,646
Levy of 2008	9,105
Levy of 2007	3,505
Land use change	5,800
Timber	1,014
Excavation	1,152
Less: allowance for estimated uncollectible taxes	<u>(200,000)</u>
Net taxes receivable	<u><u>\$659,157</u></u>

*Other Receivables and Uncollectible Accounts*

Significant receivables include amounts due from customers for utility and other services (sewer, water, ambulance). These funds report accounts receivable and revenues, net of any allowance for uncollectible and unavailable accounts. The allowance amounts consist of all of the elderly and welfare liens, and ambulance charges and other amounts with questionable collectability.

Related amounts are as follow:

Accounts	\$ 341,911
Intergovernmental	47,165
Liens	35,992
Less: allowances for uncollectible amounts	<u>(150,992)</u>
Net total receivables	<u><u>\$ 274,076</u></u>

*Deferred Revenue*

Deferred revenue in the governmental funds consists of \$507,314 of taxes, \$34,798 of ambulance fees, \$22,312 of water charges, \$34,407 of sewer charges, \$47,165 of a settlement due from the Town of Lyndeborough, and \$8,659 of police detail revenue not collected within sixty days of year-end; and \$104,380 of amounts collected from other towns for the recycling center in excess of actual costs, which will be applied to the next year.



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**III.A.4. Capital Assets**

*Changes in Capital Assets*

The following table provides a summary of changes in capital assets:

	Balance, beginning, as restated	Additions	Balance, ending
Governmental activities:			
At cost:			
Not being depreciated:			
Land	\$ 210,644	\$ -	\$ 210,644
Intangible assets	202,000	80,000	282,000
Construction in progress	1,330,666	(1,118,438)	212,228
Total capital assets not being depreciated	1,743,310	(1,038,438)	704,872
Being depreciated:			
Land improvements	530,285	-	530,285
Buildings and building improvements	3,296,901	1,730,750	5,027,651
Machinery, vehicles and equipment	1,945,703	441,620	2,387,323
Infrastructure	945,651	120,735	1,066,386
Total capital assets being depreciated	6,718,540	2,293,105	9,011,645
Total all capital assets	8,461,850	1,254,667	9,716,517
Less accumulated depreciation:			
Land improvements	(64,391)	(10,606)	(74,997)
Buildings and building improvements	(505,827)	(45,722)	(551,549)
Machinery, vehicles and equipment	(622,646)	(147,344)	(769,990)
Infrastructure	(78,318)	(40,550)	(118,868)
Total accumulated depreciation	(1,271,182)	(244,222)	(1,515,404)
Net book value, capital assets being depreciated	5,447,358	2,048,883	7,496,241
Net book value, all capital assets	\$ 7,190,668	\$ 1,010,445	\$ 8,201,113

*Depreciation Expense*

Depreciation expense was charged to functions of the Town as follows:

Governmental activities:	
General government	\$ 12,350
Public safety	117,341
Highways and streets	75,814
Sanitation	21,485
Water distribution and treatment	8,511
Culture and recreation	8,721
Total	\$ 244,222

**TOWN OF WILTON, NEW HAMPSHIRE  
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**III.A.5. Restricted Net Position**

The governmental activities' statement of net position includes restricted net position of \$2,132,707 for public trusts reported as restricted to reflect purpose restrictions contained in trust indentures.

**III.B. Liabilities**

**III.B.1. Intergovernmental Payable**

The amount due to other governments at December 31, 2014 consists of the balance of the 2014-2015 district assessment due to the Wilton-Lyndeborough Cooperative School District in the amount of \$3,192,798.

**III.B.2. Long-Term Debt**

General obligation debt is approved by the voters and repaid with general revenue (property taxes). These liabilities are backed by the full faith and credit of the Town.

Debt currently outstanding is as follows:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 12/31/2014	Current Portion
General obligation bonds payable:						
Fire station bond	\$ 833,800	2013	2033	4.1-5.6	\$ 808,800	\$ 25,000
Sewer project bond	\$ 191,200	2013	2023	5.1-5.6	176,200	15,000
					<u>985,000</u>	<u>40,000</u>
Unamortized bond premiums					122,060	7,940
					<u>\$ 1,107,060</u>	<u>\$ 47,940</u>

*Changes in Long-Term Liabilities*

	General Obligation Bonds Payable	Unamortized Bond Premium	Total
Balance, beginning	\$ 1,025,000	\$ 130,000	\$ 1,155,000
Reductions	(40,000)	(7,940)	(47,940)
Balance, ending	<u>\$ 985,000</u>	<u>\$ 122,060</u>	<u>\$ 1,107,060</u>

**TOWN OF WILTON, NEW HAMPSHIRE  
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*Debt Service Requirements to Maturity*

The annual service requirements to maturity for the bonds outstanding are as follow:

<u>Fiscal Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 40,000	\$ 50,660	\$ 90,660
2016	40,000	48,620	88,620
2017	45,000	46,380	91,380
2018	50,000	43,860	93,860
2019	50,000	41,060	91,060
2020-2024	280,000	161,520	441,520
2025-2029	240,000	98,235	338,235
2030-2033	240,000	31,365	271,365
Totals	<u>\$ 985,000</u>	<u>\$ 521,700</u>	<u>\$ 1,506,700</u>

**III.C. Balances and Transfers – Payments Within the Reporting Entity**

**III.C.1. *Receivables and Payables***

Generally, outstanding balances between funds reported as “interfund receivables/payables” include outstanding charges by one fund to another for goods or services, subsidy commitments outstanding at year-end, or other miscellaneous amounts. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is also reported as “interfund receivables/payables.”

The following reports receivables and payables within the entity at the end of the year:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Permanent	\$ 24,600
General	Nonmajor	357,046
Nonmajor	General	25,275
		<u>\$ 406,921</u>

The amount due to the General Fund from the Permanent Fund represents cemetery trust income. The amount due from the nonmajor funds to the General Fund represents an amount from the Fire Station Renovation Capital Reserve Fund to cover expenditures made, and overdrafts in pooled cash from the Water and Sewer Funds. The amount due to the Nonmajor Funds from the General Fund represents ambulance receipts due to the Ambulance Fund.

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**III.C.2. Transfers**

Transfers within the reporting entity are substantially for the purposes of distributing taxes to the fund for which the appropriation was made, funding capital reserve accounts and reimbursing for approved expenditures from the same, and distributing trust income to the applicable fund. The government-wide statement of activities eliminates transfers reported within the governmental activities columns.

The following schedule reports transfers within the reporting entity:

	Transfers In:		
	General Fund	Nonmajor Funds	Total
Transfers out:			
General fund	\$ -	\$ 120,899	\$ 120,899
Permanent fund	24,600	24,405	49,005
Nonmajor funds	1,119,996	-	1,119,996
	<u>\$ 1,144,596</u>	<u>\$ 145,304</u>	<u>\$ 1,289,900</u>

The amounts transferred to the nonmajor funds from the General Fund and to the General Fund from the nonmajor funds represent additions to and expenditures from the Expendable Trust Fund. The amounts transferred from the Permanent Fund represent income on endowments transferred and used for cemetery and library expenditures.

**III.D. Equity Balances**

**III.D.1. Restatement of Beginning Equity**

The equity balance of the Governmental Activities at December 31, 2013, was restated as follows:

To record additional construction in progress	\$ 331,229
To remove accumulated depreciation on conservation easements	3,335
Net position, as previously reported	<u>13,104,320</u>
Net position, as restated	<u>\$ 13,438,884</u>

**TOWN OF WILTON, NEW HAMPSHIRE**  
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**III.D.2. Components of Fund Balance**

Fund balance of the governmental funds is categorized in the following components as described in Note I.C.3:

	General Fund	Permanent Fund	Nonmajor Funds
Nonspendable:			
Endowments	\$ -	\$ 1,863,123	\$ -
Prepaid items	10,065	-	-
Total nonspendable	<u>10,065</u>	<u>1,863,123</u>	<u>-</u>
Restricted:			
Sanitation	-	-	37,576
Culture and recreation	-	181,961	104,414
Total restricted	<u>-</u>	<u>269,585</u>	<u>141,990</u>
Committed:			
Public safety	-	-	92,554
Water distribution and treatment	-	-	830,957
Conservation	-	-	42,157
Capital outlay	229,715	-	409,509
Total committed	<u>229,715</u>	<u>-</u>	<u>1,375,177</u>
Assigned:			
General government	11,342	-	-
Public safety	681	-	-
Highways and streets	25,000	-	-
Capital outlay	9,985	-	-
Total assigned	<u>47,008</u>	<u>-</u>	<u>-</u>
Unassigned	2,057,030	-	(92,419)
Total fund balance	<u>\$ 2,343,818</u>	<u>\$ 2,132,708</u>	<u>\$ 1,424,748</u>

**IV. Other Information**

**IV.A. Risk Management**

The Town's risk management activities are reported with governmental activities and recorded in the General Fund. During the fiscal year, the Town was a member of the Local Government Center Property-Liability Trust, Inc., and the Primex Workers' Compensation Program, which are considered public entity risk pools, currently operating as common risk management and insurance programs for member governmental entities.

**Local Government Center Property-Liability Trust, Inc. (the Trust)** – This trust is organized to provide certain property and liability protection to member towns, cities, and other qualified political subdivisions of New Hampshire. As a member of the Trust, the Town shares in contributing to the cost of, and receiving benefits from, a self-insured pooled risk management program. The membership and coverage run from July 1 to June 30.

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Contributions paid in 2014 for fiscal year 2014 ending June 30, 2015, to be recorded as an insurance expenditure/expense totaled \$43,760. There were no unpaid contributions for the year ending June 30, 2015 and due in 2014. The trust agreement permits the Trust to make additional assessments to members should there be a deficiency in trust assets to meet its liabilities. At this time, the Trust foresees no likelihood of any additional assessments for past years.

**Primex Workers' Compensation Program** – This program provides statutory workers' compensation coverage and retained \$1,000,000 of workers' compensation loss. Primex self-insures the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The coverage runs for the calendar year.

Contributions for workers' compensation coverage for 2014 totaled \$40,135. However, as part of the return of surplus from prior years, the Town only paid out \$11,644 during the year, and still has a credit of \$10,065, which is recorded as a prepaid expense/expenditure to be applied against the 2015 contribution. The Town also paid \$7,971 for unemployment compensation insurance. The membership agreement permits Primex 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. At this time, Primex foresees no likelihood of an assessment for this or any prior year.

**IV.B. Retirement Pensions**

The New Hampshire Retirement System (NHRS) is a multiple-employer, cost-sharing, contributory public employee defined benefit plan qualified under section 401(a) of the Internal Revenue Code, and funded through a trust which is exempt from tax under Internal Revenue Code section 501(a). The Town's police officers are members of the NHRS. The NHRS provides service, disability, death and vested retirement benefits for the police officers and their beneficiaries. The New Hampshire Legislature establishes the provisions for benefits and contributions. The NHRS issues a separate financial report that is available by contacting the NHRS at 54 Regional Drive, Concord, NH 03301.

Both the members and the Town make contributions to the NHRS. Member rates of contribution are set by the Legislature. Employer rates are determined by the NHRS trustees based on an actuarial valuation. The rate of contribution for police officers was 11.55% of gross earnings for the year, and the rate of contribution from the Town for pension and the medical subsidy was 25.30%. Employer contributions from the Town during the years 2012, 2013 and 2014 were \$78,407, \$97,868, and \$114,826, respectively. The amounts are paid on a monthly basis as due.

**COMBINING NONMAJOR AND INDIVIDUAL FUND STATEMENTS**

**EXHIBIT 10**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2014**

	Special Revenue Funds							Total
	Wilton Public and Gregg Free Library	Ambulance	Drug Forfeiture	Conservation Commission	Water	Sewer	Capital Project Fund Expendable Trust	
<b>ASSETS</b>								
Cash and cash equivalents	\$ 108,810	\$ 43,222	\$ 1,916	\$ -	\$ 7,246	\$ 1,263	\$ 64,000	\$ 226,457
Investments	-	-	-	42,157	833,030	-	569,810	1,444,997
Accounts receivable, net of allowances for uncollectible amounts	-	64,920	-	-	64,240	80,297	-	209,457
Interfund receivable	-	25,275	-	-	-	-	-	25,275
Prepaid items	1,610	-	-	-	-	-	-	1,610
Total assets	<u>\$ 110,420</u>	<u>\$ 133,417</u>	<u>\$ 1,916</u>	<u>\$ 42,157</u>	<u>\$ 904,516</u>	<u>\$ 81,560</u>	<u>\$ 633,810</u>	<u>\$ 1,907,796</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 6,006	\$ 4,887	\$ -	\$ -	\$ 3,685	\$ 15,384	\$ -	29,962
Accrued salaries and benefits	-	3,094	-	-	1,067	362	-	4,523
Interfund payable	-	-	-	-	46,495	86,250	224,301	357,046
Total liabilities	<u>6,006</u>	<u>7,981</u>	<u>-</u>	<u>-</u>	<u>51,247</u>	<u>101,996</u>	<u>224,301</u>	<u>391,531</u>
Deferred inflows of resources:								
Deferred revenue	-	34,798	-	-	22,312	34,407	-	91,517
Fund balances:								
Restricted	104,414	-	-	-	-	37,576	-	141,990
Committed	-	90,638	1,916	42,157	830,957	-	409,509	1,375,177
Unassigned	-	-	-	-	-	(92,419)	-	(92,419)
Total fund balances	<u>104,414</u>	<u>90,638</u>	<u>1,916</u>	<u>42,157</u>	<u>830,957</u>	<u>(54,843)</u>	<u>409,509</u>	<u>1,424,748</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 110,420</u>	<u>\$ 133,417</u>	<u>\$ 1,916</u>	<u>\$ 42,157</u>	<u>\$ 904,516</u>	<u>\$ 81,560</u>	<u>\$ 633,810</u>	<u>\$ 1,907,796</u>



**EXHIBIT 11**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2014**

	Special Revenue Funds							Capital Project Fund Expendable Trust	Total
	Wilton Public and Greg Free Library	Ambulance	Drug Forfeiture	Conservation Commission	Water	Sewer			
<b>REVENUES</b>									
Intergovernmental	\$ 11,092	\$ 86,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,820	
Charges for services	3,868	146,547	-	-	228,306	208,928	-	587,649	
Miscellaneous	9,120	895	-	8	4,064	-	20,383	34,470	
Total revenues	<u>24,080</u>	<u>234,170</u>	<u>-</u>	<u>8</u>	<u>232,370</u>	<u>208,928</u>	<u>20,383</u>	<u>719,939</u>	
<b>EXPENDITURES</b>									
Current:									
Public safety	-	330,379	6,924	-	-	-	-	337,303	
Sanitation	-	-	-	-	-	245,064	-	245,064	
Water distribution and treatment	-	-	-	-	207,813	-	-	207,813	
Culture and recreation	35,657	-	-	-	-	-	-	35,657	
Debt service:									
Principal	-	-	-	-	-	15,000	-	15,000	
Interest	-	-	-	-	-	13,880	-	13,880	
Capital outlay	-	-	-	-	74,143	19,510	-	93,653	
Total expenditures	<u>35,657</u>	<u>330,379</u>	<u>6,924</u>	<u>-</u>	<u>281,956</u>	<u>293,454</u>	<u>-</u>	<u>948,370</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(11,577)</u>	<u>(96,209)</u>	<u>(6,924)</u>	<u>8</u>	<u>(49,586)</u>	<u>(84,526)</u>	<u>20,383</u>	<u>(228,431)</u>	
Other financing sources (uses):									
Transfers in	26,405	91,899	-	-	-	-	27,000	145,304	
Transfers out	-	-	-	-	-	-	(1,119,996)	(1,119,996)	
Total other financing sources and uses	<u>26,405</u>	<u>91,899</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,092,996)</u>	<u>(974,692)</u>	
Net change in fund balances	14,828	(4,310)	(6,924)	8	(49,586)	(84,526)	(1,072,613)	(1,203,123)	
Fund balances, beginning	89,586	94,948	8,840	42,149	880,543	29,683	1,482,122	2,627,871	
Fund balances, ending	<u>\$ 104,414</u>	<u>\$ 90,638</u>	<u>\$ 1,916</u>	<u>\$ 42,157</u>	<u>\$ 830,957</u>	<u>\$ (54,843)</u>	<u>\$ 409,509</u>	<u>\$ 1,424,748</u>	

**EXHIBIT 12**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2014**

	Estimated	Actual	Variance Positive (Negative)
<b>Taxes:</b>			
Property	\$ 2,450,312	\$ 2,308,001	\$ (142,311)
Land use change	38,000	43,800	5,800
Timber	4,670	7,112	2,442
Excavation	5,166	5,042	(124)
Payments in lieu of taxes	6,078	6,026	(52)
Interest and penalties on delinquent taxes	60,000	60,561	561
<b>Total taxes</b>	<u>2,564,226</u>	<u>2,430,542</u>	<u>(133,684)</u>
<b>Licenses, permits and fees:</b>			
Motor vehicle permits	541,000	593,260	52,260
Building permits	9,000	10,659	1,659
Other	-	5,688	5,688
<b>Total licenses, permits and fees</b>	<u>550,000</u>	<u>609,607</u>	<u>59,607</u>
<b>Intergovernmental:</b>			
State sources:			
Meals and rooms distributions	177,078	177,078	-
Highway block grant	108,062	108,451	389
State and federal forest land	148	148	-
Other	100	-	(100)
Other government sources:			
Contributions from other towns for ambulance purchase	-	56,783	56,783
<b>Total intergovernmental</b>	<u>285,388</u>	<u>342,460</u>	<u>57,072</u>
<b>Charges for services:</b>			
Income from departments	411,188	381,316	(29,872)
<b>Miscellaneous:</b>			
Sale of property	1,000	4,500	3,500
Interest on investments	1,500	1,571	71
Insurance dividends and reimbursements	50,000	50,290	290
Contributions and donations	-	1,000	1,000
Other	13,143	115,813	102,670
<b>Total miscellaneous</b>	<u>65,643</u>	<u>173,174</u>	<u>107,531</u>
<b>Other financing sources:</b>			
Transfers in:			
Nonmajor funds	728,690	1,144,596	415,906
<b>Total revenues and other financing sources</b>	4,605,135	<u>\$ 5,081,695</u>	<u>\$ 476,560</u>
Use of fund balance to reduce taxes	366,500		
<b>Total revenues, other financing sources and use of fund balance</b>	<u>\$ 4,971,635</u>		

**EXHIBIT 13**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2014**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
<b>Current:</b>					
<b>General government:</b>					
Executive	\$ -	\$ 333,868	\$ 318,603	\$ -	\$ 15,265
Election and registration	-	1,780	2,263	-	(483)
Revaluation of property	5,483	-	7,132	-	(1,649)
Legal	-	20,000	6,461	-	13,539
Planning and zoning	-	50,981	27,124	10,142	13,715
General government buildings	-	48,168	31,662	-	16,506
Cemeteries	-	27,016	24,600	1,200	1,216
Insurance, not otherwise allocated	-	42,225	40,460	-	1,765
Other	-	431,161	444,377	-	(13,216)
Total general government	<u>5,483</u>	<u>955,199</u>	<u>902,682</u>	<u>11,342</u>	<u>46,658</u>
<b>Public safety:</b>					
Police	-	664,704	626,652	-	38,052
Fire	-	126,993	135,081	681	(8,769)
Building inspection	-	19,853	19,049	-	804
Emergency management	-	900	575	-	325
Communications	-	132,524	112,460	-	20,064
Total public safety	<u>-</u>	<u>944,974</u>	<u>893,817</u>	<u>681</u>	<u>50,476</u>
<b>Highways and streets:</b>					
Highways and streets	20,800	893,775	812,298	25,000	77,277
Street lighting	-	32,652	29,798	-	2,854
Total highways and streets	<u>20,800</u>	<u>926,427</u>	<u>842,096</u>	<u>25,000</u>	<u>80,131</u>
<b>Sanitation:</b>					
Transfer station	-	534,492	475,976	-	58,516
<b>Health and welfare agencies</b>					
	-	17,196	17,196	-	-
<b>Welfare</b>					
	-	45,000	43,728	-	1,272
<b>Culture and recreation:</b>					
Parks and recreation	-	36,790	33,667	-	3,123
Public library	-	239,477	239,527	-	(50)
Patriotic purposes	-	750	750	-	-
Other	-	7,200	7,150	-	50
Total culture and recreation	<u>-</u>	<u>284,217</u>	<u>281,094</u>	<u>-</u>	<u>3,123</u>
<b>Conservation</b>					
	-	4,001	3,711	-	290

*(continued)*

**EXHIBIT 13 (continued)**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2014**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Debt service:					
Principal	-	25,000	25,000	-	-
Interest	-	45,653	45,653	-	-
Total debt service	-	70,653	70,653	-	-
Capital outlay:					
Machinery, vehicles and equipment	-	845,347	622,358	212,228	10,761
Buildings	412,636	63,250	422,000	12,320	41,566
Improvements other than buildings	16,600	160,000	159,800	15,152	1,648
Total capital outlay	429,236	1,068,597	1,204,158	239,700	53,975
Other financing uses:					
Transfers out:					
Nonmajor funds	-	120,879	120,899	-	(20)
Total encumbrances, appropriations, expenditures and other financing uses	\$ 455,519	\$ 4,971,635	\$ 4,856,010	\$ 276,723	\$ 294,421

**EXHIBIT 14**  
**TOWN OF WILTON, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2014**

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Unassigned fund balance, beginning		\$ 2,148,751
Changes:		
Unassigned fund balance used to reduce tax rate		(366,500)
Budget summary:		
Revenue surplus (Exhibit 12)	\$ 476,560	
Unexpended balance of appropriations (Exhibit 13)	<u>294,421</u>	
Budget surplus		770,981
Decrease in nonspendable fund balance		<u>11,112</u>
Unassigned fund balance, ending		<u><u>\$ 2,564,344</u></u>