

TOWN OF NEW DURHAM, NEW HAMPSHIRE

FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2024

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Roberts & Greene, PLLC

INDEPENDENT AUDITOR'S REPORT

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

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of New Durham, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Adverse Opinion on Governmental Activities

In our opinion, because of the effects of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the governmental activities of the Town of New Durham, as of December 31, 2024, 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 Opinion on Each Major Fund and the Aggregate Remaining Fund Information

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 New Durham as of December 31, 2024, and the respective changes in financial position thereof and the budget to actual comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on Governmental Activities

As discussed in Note I.B.3. to the financial statements, management has not determined its liability or annual cost for postemployment benefits other than pensions (OPEB) in governmental activities. Accounting principles generally accepted in the United States of America require that management recognize OPEB expense for the required contributions and a liability for unpaid required contributions, which would increase the liabilities, decrease net position, and increase expenses of the governmental activities. The amount by which this departure would affect the liabilities, net position, and expenses of the governmental activities is not reasonably determinable.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, any significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the pension related information on pages 29-30 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board. 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.

The Town of New Durham 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of New Durham's basic financial statements. The combining nonmajor and individual general fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 general fund schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

October 24, 2025

Roberts & Greene, PLLC

BASIC FINANCIAL STATEMENTS

EXHIBIT 1
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Statement of Net Position
December 31, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 8,755,627
Intergovernmental receivable	10,635
Other receivables, net of allowance for uncollectibles	779,880
Inventory	15,107
Prepaid items	79,469
Tax deeded property held for resale	56,734
Capital assets, not being depreciated:	
Land	312,650
Capital assets, net of accumulated depreciation:	
Land improvements	4,044,495
Buildings and building improvements	707,067
Machinery, vehicles and equipment	1,491,606
Total assets	16,253,270
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pensions	202,333
LIABILITIES	
Accounts payable	182,472
Accrued payroll and benefits	27,314
Intergovernmental payable	3,655,428
Performance and escrow deposits	37,108
Noncurrent obligations:	
Due within one year:	
Accrued landfill postclosure care costs	20,000
Due in more than one year:	
Compensated absences payable	13,619
Accrued landfill postclosure care costs	580,000
Net pension liability	1,385,609
Total liabilities	5,901,550
DEFERRED INFLOWS OF RESOURCES	
Unearned revenue	21,433
Deferred amounts related to pensions	313,318
Total deferred inflows of resources	334,751
NET POSITION	
Net investment in capital assets	6,555,818
Restricted for:	
Endowments:	
Nonexpendable	35,552
Expendable	33,530
Other purposes	24,893
Unrestricted	3,569,509
Total net position	\$ 10,219,302

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

EXHIBIT 2
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Statement of Activities
For the Year Ended December 31, 2024

	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	\$ 773,347	\$ 854,121	\$ -	\$ 3,687	\$ 84,461
Public safety	1,117,558	46,593	-	-	(1,070,965)
Highways and streets	1,513,681	-	-	116,254	(1,397,427)
Sanitation	584,476	63,668	-	-	(520,808)
Health	8,087	-	-	-	(8,087)
Welfare	11,085	-	-	-	(11,085)
Culture and recreation	274,737	29,676	4,593	-	(240,468)
Conservation	1,345	-	-	12,660	11,315
Interest on long-term debt	2,073	-	-	-	(2,073)
Capital outlay	62,135	-	-	348,403	286,268
Total primary government	<u>\$ 4,348,524</u>	<u>\$ 994,058</u>	<u>\$ 4,593</u>	<u>\$ 481,004</u>	<u>(2,868,869)</u>
General revenues:					
Property taxes					3,312,604
Other taxes					53,013
Grants and contributions not restricted to specific programs					271,058
Miscellaneous					274,501
Total general revenues					<u>3,911,176</u>
Change in net position					1,042,307
Net position, beginning					9,176,995
Net position, ending					<u>\$ 10,219,302</u>

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

EXHIBIT 3
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Balance Sheet
Governmental Funds
December 31, 2024

	General	Expendable Trust	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,749,687	\$ 2,335,156	\$ 670,784	\$ 8,755,627
Receivables, net of allowance for uncollectibles:				
Taxes	774,612	-	-	774,612
Accounts	-	-	5,268	5,268
Intergovernmental	10,635	-	-	10,635
Interfund receivable	14,197	-	-	14,197
Inventory	15,107	-	-	15,107
Prepaid items	79,469	-	-	79,469
Tax deeded property held for resale	56,734	-	-	56,734
Total assets	<u>\$ 6,700,441</u>	<u>\$ 2,335,156</u>	<u>\$ 676,052</u>	<u>\$ 9,711,649</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 182,472	\$ -	\$ -	\$ 182,472
Accrued salaries and benefits	27,314	-	-	27,314
Intergovernmental payable	3,655,428	-	-	3,655,428
Interfund payable	-	7,188	7,009	14,197
Escrow and performance deposits	37,108	-	-	37,108
Total liabilities	<u>3,902,322</u>	<u>7,188</u>	<u>7,009</u>	<u>3,916,519</u>
Deferred inflows of resources:				
Deferred revenue	472,650	-	-	472,650
Fund balances:				
Nonspendable	151,310	-	35,552	186,862
Restricted	24,893	-	33,530	58,423
Committed	-	2,327,968	599,961	2,927,929
Assigned	11,034	-	-	11,034
Unassigned	2,138,232	-	-	2,138,232
Total fund balances	<u>2,325,469</u>	<u>2,327,968</u>	<u>669,043</u>	<u>5,322,480</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,700,441</u>	<u>\$ 2,335,156</u>	<u>\$ 676,052</u>	<u>\$ 9,711,649</u>

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

EXHIBIT 4
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position
December 31, 2024

Total fund balances of governmental funds (Exhibit 3)		\$ 5,322,480
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	\$ 11,986,631	
Less accumulated depreciation	<u>(5,430,813)</u>	6,555,818
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$ (14,197)	
Payables	<u>14,197</u>	-
Revenues that are not available to pay for current period expenditures are deferred in the funds.		
Unavailable tax revenue		451,217
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated absences payable	\$ 13,619	
Accrued landfill postclosure care costs	600,000	
Net pension liability	<u>1,385,609</u>	(1,999,228)
Deferred outflows and inflows of resources are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	\$ 202,333	
Deferred inflows of resources related to pensions	<u>(313,318)</u>	(110,985)
Total net position of governmental activities (Exhibit 1)		<u><u>\$ 10,219,302</u></u>

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

EXHIBIT 5
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General	Expendable Trust	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 3,355,192	\$ -	\$ -	\$ 3,355,192
Licenses, permits and fees	841,735	-	-	841,735
Intergovernmental	756,655	-	-	756,655
Charges for services	76,336	-	82,703	159,039
Miscellaneous	147,110	108,670	19,024	274,804
Total revenues	<u>5,177,028</u>	<u>108,670</u>	<u>101,727</u>	<u>5,387,425</u>
Expenditures:				
Current:				
General government	784,539	-	-	784,539
Public safety	1,039,985	-	5,439	1,045,424
Highways and streets	1,071,736	-	-	1,071,736
Sanitation	410,482	-	-	410,482
Health	8,087	-	-	8,087
Welfare	11,085	-	-	11,085
Culture and recreation	250,598	-	18,709	269,307
Conservation	1,345	-	-	1,345
Debt service:				
Principal	10,000	-	-	10,000
Interest on long-term debt	273	-	-	273
Interest on tax anticipation note	1,988	-	-	1,988
Capital outlay	933,875	541,449	-	1,475,324
Total expenditures	<u>4,523,993</u>	<u>541,449</u>	<u>24,148</u>	<u>5,089,590</u>
Excess (deficiency) of revenues over (under) expenditures	<u>653,035</u>	<u>(432,779)</u>	<u>77,579</u>	<u>297,835</u>
Other financing sources (uses):				
Transfers in	7,100	434,000	-	441,100
Transfers out	(434,000)	(7,100)	-	(441,100)
Total other financing sources and uses	<u>(426,900)</u>	<u>426,900</u>	<u>-</u>	<u>-</u>
Net change in fund balances	226,135	(5,879)	77,579	297,835
Fund balances, beginning	2,099,334	2,333,847	591,464	5,024,645
Fund balances, ending	<u>\$ 2,325,469</u>	<u>\$ 2,327,968</u>	<u>\$ 669,043</u>	<u>\$ 5,322,480</u>

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

EXHIBIT 6
TOWN OF NEW DURHAM, 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, 2024

Net change in fund balances of governmental funds (Exhibit 5)		\$ 297,835
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	\$ 1,429,207	
Depreciation expense	<u>(552,009)</u>	877,198
The net effect of the disposal of capital assets decreased net position.		
		(303)
Transfers in and out between governmental funds are eliminated on the operating statement.		
Transfers in	\$ (441,100)	
Transfers out	<u>441,100</u>	-
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in governmental funds.		
Change in unavailable tax revenue	\$ 10,425	
Change in unavailable ambulance revenue	<u>(6,716)</u>	3,709
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		10,000
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	\$ 188	
Decrease in compensated absences payable	33,105	
Increase in accrued landfill postclosure care costs	<u>(166,620)</u>	(133,327)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions, is reported as pension expense.		
Town pension contributions	\$ 138,774	
Cost of benefits earned, net of employee contributions	<u>(151,579)</u>	(12,805)
Change in net position of governmental activities (Exhibit 2)		<u><u>\$ 1,042,307</u></u>

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

EXHIBIT 7
TOWN OF NEW DURHAM, 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, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 3,324,652	\$ 3,324,652	\$ 3,365,617	\$ 40,965
Licenses, permits and fees	822,000	822,000	841,735	19,735
Intergovernmental	386,271	734,674	752,062	17,388
Charges for services	61,500	61,500	76,336	14,836
Miscellaneous	117,000	117,000	146,067	29,067
Total revenues	<u>4,711,423</u>	<u>5,059,826</u>	<u>5,181,817</u>	<u>121,991</u>
EXPENDITURES				
Current:				
General government	951,219	951,219	784,539	166,680
Public safety	1,230,668	1,230,668	1,038,766	191,902
Highways and streets	1,140,641	1,140,641	1,043,266	97,375
Sanitation	412,218	412,218	410,482	1,736
Health	17,584	17,584	8,087	9,497
Welfare	22,246	22,246	11,085	11,161
Culture and recreation	271,095	271,095	260,125	10,970
Conservation	1,477	1,477	1,345	132
Debt service:				
Principal	10,000	10,000	10,000	-
Interest on long-term debt	273	273	273	-
Interest on tax anticipation note	2,001	2,001	1,988	13
Capital lease	1	1	-	1
Capital outlay	400,000	748,403	906,060	(157,657)
Total expenditures	<u>4,459,423</u>	<u>4,807,826</u>	<u>4,476,016</u>	<u>331,810</u>
Excess of revenues over expenditures	<u>252,000</u>	<u>252,000</u>	<u>705,801</u>	<u>453,801</u>
Other financing sources (uses):				
Transfers in	7,000	7,000	7,100	100
Transfers out	(434,000)	(434,000)	(434,000)	-
Total other financing sources and uses	<u>(427,000)</u>	<u>(427,000)</u>	<u>(426,900)</u>	<u>100</u>
Net change in fund balance	<u>\$ (175,000)</u>	<u>\$ (175,000)</u>	278,901	<u>\$ 453,901</u>
Increase in nonspendable fund balance			(14,041)	
Decrease in restricted fund balance			217	
Unassigned fund balance, beginning			<u>2,324,372</u>	
Unassigned fund balance, ending			<u>\$ 2,589,449</u>	

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

EXHIBIT 8
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024

	Private Purpose Trust	Custodial
Assets:		
Cash and cash equivalents	\$ 178,407	\$ 80,540
Liabilities	-	-
Net position:		
Held in trust for specific purposes	178,407	-
Held for other entities	-	80,540
Total net position	<u>\$ 178,407</u>	<u>\$ 80,540</u>

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

EXHIBIT 9
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2024

	Private Purpose Trust	Custodial
Additions:		
Investment earnings - interest and dividends	\$ 5,428	\$ 405
Impact fees	-	108,071
Total additions	<u>5,428</u>	<u>108,476</u>
Deductions:		
Payments to other governments	-	190,964
Change in net position	5,428	(82,488)
Net position, beginning	172,979	163,028
Net position, ending	<u>\$ 178,407</u>	<u>\$ 80,540</u>

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

NOTES TO THE FINANCIAL STATEMENTS

TOWN OF NEW DURHAM, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2024

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 New Durham (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, 2024.

I.B. Financial Reporting Entity – Basis of Presentation

I.B.1. *Entity Defined*

The Town of New Durham 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 NEW DURHAM, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2024

Fund Financial Statements

Fund financial statements are provided for governmental and fiduciary funds. The major governmental funds are reported in separate columns with a composite column 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, except that the Town has not reported its annual cost for postemployment benefits other than pension (OPEB) or its total OPEB obligation liability, if any, as required.

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.

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 60 days of the end of the fiscal year. When calculating fund balance used to set the tax rate annually, such tax revenues are not deferred in accordance with the directions of the New Hampshire Department of Revenue Administration.

Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest which are reported as expenditures in the year due.

Major revenues susceptible to accrual are property taxes, intergovernmental amounts, charges for services, 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.

**TOWN OF NEW DURHAM, NEW HAMPSHIRE
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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.

Expendable Trust Fund – Reports as a capital projects fund, and used to account for capital reserve and other funds established by Town Meeting for future capital outlay expenditures.

The Town also reports five nonmajor governmental funds.

Fiduciary Funds

The Town reports the following fiduciary funds:

Private Purpose Trust Fund – Accounts for bequests that benefit other entities or individuals.

Custodial Fund – Accounts for amounts held by the Town on behalf of individuals or other governments. These assets are therefore not available to support the Town’s own programs. The Town’s custodial fund is used to account for performance bonds held in escrow; for school impact fees belonging to the Governor Wentworth Regional School District; and for amounts held by the trustees of trust funds that belong to the Copple Crown Village 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.

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

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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 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 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 acquisition cost on the date donated. The Town generally 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. 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:

	Years
Land improvements	5-40
Buildings and building improvements	20-125
Machinery, vehicles, and equipment	5-25

I.C.3. Compensated Absences

Full-time, permanent employees are granted earned leave time and vacation benefits in varying amounts based on the number of years in employment. Employees are entitled to their full accrued vacation leave upon termination up to a maximum of 240 hours.

Compensated absences are reported as accrued in the government-wide financial statements. Governmental funds report only matured compensated absences payable to currently terminated employees which are included in wages and benefits expenditures.

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I.C.4. Equity

The government-wide statement of net position reports net position in the following components:

- Net investment in capital assets, which is computed as the total capital assets less accumulated depreciation, net any outstanding debt used to acquire those assets.
- Restricted for endowments, which consists of the Permanent Fund where the principal must be permanently invested, and the income is allowed to be used only for the purpose of the fund.
- Restricted for other purposes, which consists of the Library Fund whose use is restricted by State law for the support of the library, the Drug Forfeiture Fund, and donations received for specific purposes, but not yet spent.
- Unrestricted, which consists of the remaining balance of net position.

The governmental funds report the following components of fund balance:

- Nonspendable, which consists of tax deeded property held for resale, postage and fuel inventory, and prepaid items in the General Fund; and endowments in the Permanent Fund.
- Restricted, which represents the expendable income from the Permanent Fund, the Library Fund, whose use is limited by law, and the Drug Forfeiture Fund.
- Committed, which consists of balances for which the intended use has been established by Town Meeting vote, or by the Board of Selectmen through the creation of a special revenue fund, and would require an equally formal action to remove those commitments.
- Assigned, which consists of balances for which the intended use is established by the Board of Selectmen in the form of an encumbrance.
- Unassigned, which represents the remaining fund balance in the General Fund in excess of the nonspendable, restricted, committed and assigned balances.

I.D. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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II. Stewardship, Compliance and Accountability

II.A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. Unless encumbered, all appropriations lapse at year-end. The Town is allowed to use beginning fund balance to balance the budget. In 2024, \$175,000 of the General Fund fund balance from 2023 was so used.

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

Revenues are budgeted by source. Expenditures are budgeted by functions as follow: general government, public safety, highways and streets, sanitation, 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.

II.B. Reconciliation of General Fund Budgetary Basis to GAAP

Revenues and other financing sources:	
Per Exhibit 7 (budgetary basis)	\$ 5,188,917
Adjustments:	
Basis difference:	
Tax revenue deferred in the prior year	440,792
Tax revenue deferred in the current year	(451,217)
Perspective difference:	
Library fund revenue	5,636
Per Exhibit 5 (GAAP basis)	<u>\$ 5,184,128</u>
Expenditures and other financing uses:	
Per Exhibit 7 (budgetary basis)	\$ 4,910,016
Adjustments:	
Basis difference:	
Encumbrances, beginning	57,504
Encumbrances, ending	(11,034)
Perspective difference:	
Library expenditures	1,507
Per Exhibit 5 (GAAP basis)	<u>\$ 4,957,993</u>

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Unassigned fund balance:	
Per Exhibit 7 (budgetary basis)	\$ 2,589,449
Adjustment:	
Basis difference:	
Deferred tax revenue, GAAP basis	(451,217)
Per Exhibit 3 (GAAP basis)	<u>\$ 2,138,232</u>

The other major fund, the Expendable Trust Fund, is not formally budgeted.

III. Detailed Notes on Funds and Government-Wide Statements

III.A. Assets

III.A.1. 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 8% 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 14% per annum is charged upon redemption of liened taxes. Properties not redeemed within two years of the date of the tax lien should be deeded to the Town. During the current year, the tax collector executed a lien for uncollected 2023 property taxes on May 13th.

The property taxes levied and collected by the Town include amounts for the State of New Hampshire, the Governor Wentworth Regional School District, Strafford County, and the Copple Crown Village District. 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, 2024, upon which the 2024 property tax levy was based was:

For the New Hampshire education tax	\$632,836,660
For all other taxes	\$638,724,760

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The tax rates and amounts assessed for the year ended December 31, 2024 were as follow:

	Per \$1,000 of Assessed Valuation	
Municipal portion	\$5.43	\$ 3,468,036
School portion:		
State of New Hampshire	\$1.63	1,029,160
Local	\$10.25	6,548,094
County portion	\$2.12	1,355,534
Precinct portion:		
Coppie Crown Village District	\$3.86	85,928
Total property taxes assessed		\$ 12,486,752

The following details the taxes receivable at year-end:

Property:	
Levy of 2024	\$ 668,457
Unredeemed (under tax lien):	
Levy of 2023	1,399
Levy of 2022	112,700
Levy of 2021	24,923
Timber	1,133
Less: allowance for estimated uncollectible taxes	(34,000)
Net taxes receivable	\$ 774,612

Other Receivables

Other significant receivables include amounts due from customers primarily for ambulance services, grant reimbursements, and welfare liens. The receivables are as follow:

Accounts	\$ 64,969
Intergovernmental	10,635
Liens	40,452
Less: allowance for uncollectible amounts	(100,153)
Net total receivables	\$ 15,903

Deferred Revenue

Deferred revenue in the governmental funds of \$472,650 at December 31, 2024 represents \$451,217 of property taxes that were not collected within 60 days of year-end; \$18,433 for prepayments of 2025 taxes; and \$3,000 in grant revenue. In the Governmental Activities, only the prepaid taxes and grant revenue are reported as unearned revenue.

**TOWN OF NEW DURHAM, NEW HAMPSHIRE
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III.A.2. Capital Assets

Changes in Capital Assets

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

	Balance, beginning	Additions	Deletions	Balance, ending
Governmental activities:				
At cost:				
Not being depreciated:				
Land	\$ 312,650	\$ -	\$ -	\$ 312,650
Being depreciated:				
Land improvements	5,717,478	906,535	-	6,624,013
Buildings and building improvements	1,183,399	11,770	-	1,195,169
Machinery, vehicles and equipment	3,366,961	510,902	(23,064)	3,854,799
Total capital assets being depreciated	10,267,838	1,429,207	(23,064)	11,673,981
Total all capital assets	10,580,488	1,429,207	(23,064)	11,986,631
Less accumulated depreciation:				
Land improvements	(2,285,239)	(294,279)	-	(2,579,518)
Buildings and building improvements	(462,345)	(25,757)	-	(488,102)
Machinery, vehicles and equipment	(2,153,981)	(231,973)	22,761	(2,363,193)
Total accumulated depreciation	(4,901,565)	(552,009)	22,761	(5,430,813)
Net book value, capital assets being depreciated	5,366,273	877,198	(303)	6,243,168
Net book value, all capital assets	\$ 5,678,923	\$ 877,198	\$ (303)	\$ 6,555,818

Depreciation Expense

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

General government	\$ 8,711
Public safety	96,312
Highways and streets	435,449
Sanitation	6,713
Culture and recreation	4,824
Total depreciation expense	\$ 552,009

III.B. Liabilities

III.B.1. Intergovernmental Payable

The amount due to other governments at December 31, 2024 consists of \$3,654,434 due to the Governor Wentworth Regional School District for the balance of the 2024-2025 district assessment and \$994 in fees collected on behalf of the State of New Hampshire.

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III.B.2. Long-Term Liabilities

Long-term liabilities include compensated absences, accrued landfill postclosure care costs, and the net pension liability.

Long-term liabilities currently outstanding are as follow:

	Outstanding at 12/31/2024	Current Portion
Compensated absences payable:		
Accrued vacation leave	\$ 13,619	\$ -
Accrued landfill postclosure care costs	600,000	20,000
Net pension liability	1,385,609	-
	\$ 1,999,228	\$ 20,000

The following is a summary of changes in the long-term liabilities for the year ended December 31, 2024:

	General Obligation Bond Payable	Compensated Absences Payable	Accrued Landfill Postclosure Care Costs	Net Pension Liability	Total
Balance, beginning	\$ 10,000	\$ 46,724	\$ 433,380	\$ 1,855,464	\$ 2,345,568
Additions	-	-	166,620	-	166,620
Reductions	(10,000)	(33,105)	-	(469,855)	(512,960)
Balance, ending	\$ -	\$ 13,619	\$ 600,000	\$ 1,385,609	\$ 1,999,228

Accrued Landfill Postclosure Care Costs

Federal and State laws and regulations require that the Town continue to perform certain maintenance and monitoring functions at the landfill site. A liability is being recognized based on the postclosure care costs that will be incurred. The estimated liability for landfill postclosure care costs has a balance of \$600,000 as of December 31, 2024 which is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of December 31, 2024. 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. The Town annually appropriates an amount for postclosure care costs.

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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 schedule reports receivables and payables within the reporting entity at year-end:

Receivable Fund	Payable Fund	Amount
General	Expendable trust	\$ 7,188
General	Nonmajor	7,009
		\$ 14,197

The amount due to the General Fund from the Expendable Trust Fund represents reimbursements for capital outlay expenditures. The amount due to the General Fund from the Nonmajor Funds represents reimbursements for operating costs from the Recreation Fund.

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. The government-wide statement of activities eliminates transfers reported within the governmental activities column.

The following schedule reports transfers within the reporting entity:

	Transfers In:		
	General Fund	Expendable Trust Fund	Total
Transfers out:			
General fund	\$ -	\$ 434,000	\$ 434,000
Expendable trust fund	7,100	-	7,100
	\$ 7,100	\$ 434,000	\$ 441,100

The amount transferred from the General Fund represents voted appropriations. The amount transferred from the Expendable Trust Fund represents reimbursement of expenditures.

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III.D. Components of Fund Balance

The components of fund balance, as described in Note I.C.4., are classified for the following purposes:

	General Fund	Expendable Trust Fund	Nonmajor Funds
	<u> </u>	<u> </u>	<u> </u>
Nonspendable:			
Endowments	\$ -	\$ -	\$ 35,552
Inventory	15,849	-	-
Prepaid items	78,727	-	-
Tax deeded property	56,734	-	-
Total nonspendable	<u>151,310</u>	<u>-</u>	<u>35,552</u>
Restricted:			
General government	12,410	-	-
Culture and recreation	12,483	-	33,530
Total restricted	<u>24,893</u>	<u>-</u>	<u>33,530</u>
Committed:			
Public safety	-	-	317,004
Culture and recreation	-	-	47,243
Conservation	-	-	235,714
Capital outlay	-	2,327,968	-
Total committed	<u>-</u>	<u>2,327,968</u>	<u>599,961</u>
Assigned for culture and recreation	<u>11,034</u>	<u>-</u>	<u>-</u>
Unassigned	2,138,232	-	-
Total fund balance	<u>\$ 2,325,469</u>	<u>\$ 2,327,968</u>	<u>\$ 669,043</u>

III.E. Restricted Net Position

The government-wide statement of net position includes restricted net position made up of the following:

Restricted:		
Endowments:		
Nonexpendable	\$ 35,552	
Expendable	33,530	
Merry Meeting Road account	12,410	
Library purposes	12,483	
Total	<u>\$ 93,975</u>	

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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 NH Public Risk Management Exchange (Primex), which is considered a public entity risk pool, currently operating as a common risk management and insurance program for member governmental entities. Primex's Worker's Compensation and Property and Liability Programs are pooled risk management programs under RSA 5-B and RSA 281-A. The membership and coverage run from July 1 to June 30. Primex provided statutory workers' compensation coverage, \$2,000,000 of coverage for each liability loss, and various amounts of coverage for property losses, as well as statutory coverage for unemployment compensation.

Contributions paid in 2024 to be recorded as an insurance expenditure/expense totaled \$71,818 for property/liability and \$33,731 for worker's compensation. There were no unpaid contributions for the year. The member agreement permits Primex to make additional assessments to members should there be a deficiency in assets to meet its liabilities. At this time, Primex foresees no likelihood of any additional assessments for past years.

IV.B. Retirement Pensions

General Information about the Pension Plan

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 NHRS provides service, disability, death and vested retirement benefits for employees and their beneficiaries. The New Hampshire Legislature establishes the provisions for benefits and contributions. The NHRS issues a separate financial report that is available at www.nhrs.org or 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 rates of contribution for police officers and other employees were 11.55% and 7.00%, respectively, of gross earnings. The rates of contribution from the Town were 31.28% for police and 13.53% for other employees. The rates are actuarially determined to generate an amount, that when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions from the Town during the years 2022, 2023, and 2024 were \$204,928, \$188,029, and \$138,773, respectively. The amounts were paid on a monthly basis as due.

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Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At December 31, 2024, the Town reported a liability of \$1,385,609 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, rolled forward. 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 municipalities and school districts, actuarially determined. As of June 30, 2024, the Town’s proportion was 0.0267%, which was a decrease of 0.0064% from its proportion measured as of June 30, 2023.

For 2024, the Town recognized pension expense of \$151,579. At year-end, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ 109,924	\$ 277,480
Net differences between projected and actual earnings on pension plan investments	-	19,342
Changes in assumptions	-	16,217
Differences between expected and actual experience	30,846	279
Town contributions subsequent to the measurement date	61,563	-
	<u>\$ 202,333</u>	<u>\$ 313,318</u>

The Town reported \$61,563 as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the following year.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follow:

Year Ending December 31,	
2025	\$ (56,239)
2026	41,381
2027	(89,148)
2028	(68,542)
	<u>\$ (172,548)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2024 actuarial valuation was determined using the actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	Multiple periods of 16-20 years
Asset Valuation Method	5-year smoothed market for funding purposes; 20% corridor
Price Inflation	2.0% per year
Wage Inflation	2.75% per year
Salary Increases	5.4% average, including inflation
Municipal Bond Rate	3.97% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation
Retirement Age	Experience-based tables of rates that are specific to the type of eligibility condition. Based on the 2015-2019 experience study
Mortality	Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each member classification (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of the most recent actuarial study, which was for the period July 1, 2015 to June 30, 2019.

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Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following 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 one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate.

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Town's proportionate share of net pension liability	\$ 1,937,239	\$ 1,385,609	\$ 926,085

Other actuarial assumptions, as well as detailed information about the pension plan’s fiduciary net position, are available in the separately issued NHRS report.

IV.C. Contingent Liabilities

The Town has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement from the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the Town believes such disallowances, if any, will be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT 10
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Schedule of the Town's Proportionate Share of the Net Pension Liability
New Hampshire Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of net pension liability	0.0267%	0.0331%	0.0335%	0.0280%	0.0278%	0.0265%	0.0265%	0.0248%	0.0297%	0.0330%
Town's proportionate share of the net pension liability	\$1,385,609	\$1,855,464	\$1,923,823	\$1,239,005	\$1,782,950	\$1,279,322	\$1,274,157	\$1,218,089	\$1,580,640	\$1,307,357
Town's covered-employee payroll	\$724,949	\$965,332	\$969,422	\$819,284	\$778,531	\$681,545	\$721,194	\$635,834	\$642,395	\$717,548
Town's proportionate share of the net pension liability as a percentage of covered-employee payroll	191.13%	192.21%	198.45%	151.23%	229.01%	187.71%	176.67%	191.57%	246.05%	182.23%
Plan fiduciary position as a percentage of the total pension liability	70.33%	67.18%	65.12%	72.22%	58.72%	65.59%	64.77%	62.66%	58.30%	65.47%

EXHIBIT 11
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Schedule of the Town's Pension Contributions
New Hampshire Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 138,773	\$ 188,029	\$ 204,928	\$ 169,706	\$ 144,044	\$ 128,808	\$ 133,208	\$ 113,960	\$ 104,651	\$ 110,734
Contribution in relation to the contractually required contribution	<u>(138,773)</u>	<u>(188,029)</u>	<u>(204,928)</u>	<u>(169,706)</u>	<u>(144,044)</u>	<u>(128,808)</u>	<u>(133,208)</u>	<u>(113,960)</u>	<u>(104,651)</u>	<u>(110,734)</u>
Contribution deficiency	<u>\$ -</u>									
Town's covered-employee payroll	\$ 724,949	\$ 965,332	\$ 969,422	\$ 819,284	\$ 778,531	\$ 681,545	\$ 721,194	\$ 635,834	\$ 642,395	\$ 717,548
Contributions as a percentage of covered-employee payroll	19.14%	19.48%	21.14%	20.71%	18.50%	18.90%	18.47%	17.92%	16.29%	15.43%

COMBINING NONMAJOR AND INDIVIDUAL GENERAL FUND SCHEDULES

EXHIBIT 12
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2024

	Special Revenue Funds					Total
	Recreation	Ambulance	Police Detail	Conservation Commission	Permanent Fund	
ASSETS						
Cash and cash equivalents	\$ 54,252	\$ 296,991	\$ 14,745	\$ 235,714	\$ 69,082	\$ 670,784
Receivables, net of allowance for uncollectibles	-	5,268	-	-	-	5,268
Total assets	<u>\$ 54,252</u>	<u>\$ 302,259</u>	<u>\$ 14,745</u>	<u>\$ 235,714</u>	<u>\$ 69,082</u>	<u>\$ 676,052</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Interfund payable	\$ 7,009	\$ -	\$ -	\$ -	\$ -	\$ 7,009
Fund balances:						
Nonspendable	-	-	-	-	35,552	35,552
Restricted	-	-	-	-	33,530	33,530
Committed	47,243	302,259	14,745	235,714	-	599,961
Total fund balances	<u>47,243</u>	<u>302,259</u>	<u>14,745</u>	<u>235,714</u>	<u>69,082</u>	<u>669,043</u>
Total liabilities and fund balances	<u>\$ 54,252</u>	<u>\$ 302,259</u>	<u>\$ 14,745</u>	<u>\$ 235,714</u>	<u>\$ 69,082</u>	<u>\$ 676,052</u>

EXHIBIT 13
TOWN OF NEW DURHAM, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2024

	Special Revenue Funds					Total
	Recreation	Ambulance	Police Detail	Conservation Commission	Permanent Fund	
REVENUES						
Charges for services	\$ 29,676	\$ 48,467	\$ 4,560	\$ -	\$ -	\$ 82,703
Miscellaneous	1,431	2,063	-	13,418	2,112	19,024
Total revenues	<u>31,107</u>	<u>50,530</u>	<u>4,560</u>	<u>13,418</u>	<u>2,112</u>	<u>101,727</u>
EXPENDITURES						
Current:						
Public safety	-	5,439	-	-	-	5,439
Culture and recreation	18,709	-	-	-	-	18,709
Total expenditures	<u>18,709</u>	<u>5,439</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,148</u>
Net change in fund balances	12,398	45,091	4,560	13,418	2,112	77,579
Fund balances, beginning	34,845	257,168	10,185	222,296	66,970	591,464
Fund balances, ending	<u>\$ 47,243</u>	<u>\$ 302,259</u>	<u>\$ 14,745</u>	<u>\$ 235,714</u>	<u>\$ 69,082</u>	<u>\$ 669,043</u>

EXHIBIT 14
TOWN OF NEW DURHAM, NEW HAMPSHIRE
General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2024

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 3,279,402	\$ 3,312,604	\$ 33,202
Timber	8,100	14,098	5,998
Excavation	2,400	2,636	236
Interest and penalties on delinquent taxes	34,750	36,279	1,529
Total taxes	3,324,652	3,365,617	40,965
Licenses, permits and fees:			
Business licenses and permits	30,000	30,041	41
Motor vehicle permits	740,000	750,914	10,914
Building permits	40,000	48,453	8,453
Other	12,000	12,327	327
Total licenses, permits and fees	822,000	841,735	19,735
Intergovernmental:			
State sources:			
Meals and rooms distributions	270,017	271,058	1,041
Highway block grant	116,254	116,254	-
Unanticipated highway block grant	128,928	128,928	-
Unanticipated bridge aid	52,655	52,655	-
Exotic aquatic plant control	-	12,660	12,660
Federal sources:			
DES	-	3,687	3,687
ARPA	166,820	166,820	-
Total intergovernmental	734,674	752,062	17,388
Charges for services:			
Income from departments	60,000	73,986	13,986
Other	1,500	2,350	850
Total charges for services	61,500	76,336	14,836
Miscellaneous:			
Sale of property	12,000	12,451	451
Interest on investments	100,000	113,577	13,577
Fines and forfeits	100	-	(100)
Insurance dividends and reimbursements	-	4,045	4,045
Contributions and donations	-	50	50
Other	4,900	15,944	11,044
Total miscellaneous	117,000	146,067	29,067
Other financing sources:			
Transfers in:			
Expendable trust fund	7,000	7,100	100
Total revenues and other financing sources	5,066,826	\$ 5,188,917	\$ 122,091
Use of fund balance	175,000		
Total revenues, other financing sources and use of fund balance	\$ 5,241,826		

EXHIBIT 15
TOWN OF NEW DURHAM, NEW HAMPSHIRE
General Fund

Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2024

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 235,789	\$ 236,924	\$ -	\$ (1,135)
Election and registration	-	149,574	108,188	-	41,386
Financial administration	-	188,535	172,568	-	15,967
Revaluation of property	-	101,697	92,826	-	8,871
Legal	-	30,000	34,504	-	(4,504)
Personnel administration	-	93,081	13,426	-	79,655
Planning and zoning	-	19,407	8,761	-	10,646
General government buildings	-	39,468	30,806	-	8,662
Cemeteries	-	5,066	5,502	-	(436)
Insurance, not otherwise allocated	-	77,000	72,819	-	4,181
Other	-	11,602	8,215	-	3,387
Total general government	-	951,219	784,539	-	166,680
Public safety:					
Police	1,219	757,990	737,808	-	21,401
Fire	-	352,096	234,195	-	117,901
Building inspection	-	99,563	60,647	-	38,916
Emergency management	-	21,019	7,335	-	13,684
Total public safety	1,219	1,230,668	1,039,985	-	191,902
Highways and streets	28,470	1,140,641	1,071,736	-	97,375
Sanitation:					
Solid waste disposal	-	412,218	410,482	-	1,736
Health:					
Administration	-	3,584	1,087	-	2,497
Health agencies and hospitals	-	14,000	7,000	-	7,000
Total health	-	17,584	8,087	-	9,497
Welfare:					
Administration & direct assistance	-	22,246	11,085	-	11,161
Culture and recreation:					
Parks and recreation	-	90,724	79,895	11,034	(205)
Public library	-	168,470	157,950	-	10,520
Patriotic purposes	-	630	621	-	9
Other	-	11,271	10,625	-	646
Total culture and recreation	-	271,095	249,091	11,034	10,970
Conservation	-	1,477	1,345	-	132

(continued)

EXHIBIT 15 (continued)
TOWN OF NEW DURHAM, NEW HAMPSHIRE
General Fund
Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2024

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Debt service:					
Principal	-	10,000	10,000	-	-
Interest on long-term debt	-	273	273	-	-
Interest on tax anticipation note	-	2,001	1,988	-	13
Capital lease	-	1	-	-	1
Total debt service	-	12,275	12,261	-	14
Capital outlay:					
Improvements other than buildings	27,815	748,403	933,875	-	(157,657)
Other financing uses:					
Transfers out:					
Expendable trust fund	-	434,000	434,000	-	-
Total encumbrances, appropriations, expenditures and other financing uses	\$ 57,504	\$ 5,241,826	\$ 4,956,486	\$ 11,034	\$ 331,810

EXHIBIT 16
TOWN OF NEW DURHAM, NEW HAMPSHIRE
General Fund
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2024

Unassigned fund balance, beginning		\$ 2,324,372
Changes:		
Unassigned fund balance used to reduce tax rate		(175,000)
Budget summary:		
Revenue surplus (Exhibit 14)	\$ 122,091	
Unexpended balance of appropriations (Exhibit 15)	<u>331,810</u>	
Budget surplus		453,901
Increase in nonspendable fund balance		(14,041)
Decrease in restricted fund balance		<u>217</u>
Unassigned fund balance, ending		<u><u>\$ 2,589,449</u></u>



Roberts & Greene, PLLC

INDEPENDENT AUDITOR'S COMMUNICATION TO MANAGEMENT

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

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of New Durham as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph above, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

Other Postemployment Benefits (OPEB) – Material Weakness

The Town does not report its total liability or annual cost for postemployment benefits other than pensions in its governmental activities, and receives an adverse opinion on the financial statements of its governmental activities because the amount by which this departure affects the liabilities, net position, and expenses of the governmental activities is not known. If management wishes to get an unmodified opinion on the financial statements of the governmental activities, the Town will have to obtain a measurement valuation to determine its liability. This can be done by an actuary or by using an alternative measurement method.

This communication is intended solely for the information and use of the Board of Selectmen and others within the Town of New Durham, and is not intended to be, and should not be, used by anyone other than these specified parties.

October 24, 2025

Roberts & Greene, PLLC