

Wolfeboro Board of Selectmen  
Public Meeting Minutes-APPROVED  
In-Person at the Great Hall, 9 Union St. Wolfeboro  
August 4, 2021

**Board Members present:** Chairman Linda Murray, Brad Harriman, Dave Senecal, Linda Murray, Luke Freudenberg, and Brian Deshaies

**Staff present:** Town Manager Jim Pineo, Director of Public Works Dave Ford, Finance Director Kathryn Carpentier, and Recording Secretary Christine Doherty

Chairman Murray opened the meeting at 6:30 PM.

**Non-Public Session RSA 91-A:3, II a**

Mr. Pineo stated a non-public session is not needed.

**1. Consideration of Minutes**

- i. July 21, 2021

**It was moved by Brad Harriman and seconded by Dave Senecal to table the minutes of July 21, 2021. Roll call vote Brad Harriman—yes, Linda Murray—yes, Luke Freudenberg—yes, Dave Senecal—yes, and Brian Deshaies—yes. Being none opposed, the motion passed.**

**2. Public Hearings**

*Temporary Event Permit(s)*

- i. The Wolfeboro Board of Selectmen to consider a Temporary Event Permit for End 68 Hours of Hunger & Benson Music to host musical fundraiser at Cate Park & Community Bandstand on August 19, 2021, from 11:30 AM to 1:30 PM and 4:30 PM to 6:30 PM. Permit #2021-42

Chairman Murray opened up for public hearing

No comments

Public hearing closed

**It was moved by Dave Senecal and seconded by Brian Deshaies to approve a Temporary Event Permit for End 68 Hours of Hunger & Benson Music to host musical fundraiser at Cate Park & Community Bandstand on August 19, 2021, from 11:30 AM to 1:30 PM and 4:30 PM to 6:30 PM. Permit #2021-42. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

- ii. The Wolfeboro Board of Selectmen to consider a Temporary Event Permit for Kingswood Regional High School Athletics to host the NHIAA High School Cross Country Race on September 18, 2021, from 2:00 PM to 6:00 PM at 390 Pine Hill Road (Abenaki). Permit# 2021-43.

Chairman Murray opened up the public hearing

No other comments

Closed public hearing

Chairman Murray: The site has erosion issues and we want to make sure it is safe for the race. If we approve it we should send out a letter to have them look at the site so they make sure it is ok.

Brad Harriman: It states on the application the approval comes with conditions attached and I don't see any conditions attached.

Murray: Do we want to table this until we get all of the information?

**It was moved by Dave Senecal seconded by Brian Deshaies to table a Temporary Event Permit for Kingswood Regional High School Athletics to host the NHIAA High School Cross Country Race on September 18, 2021 from 2:00 PM to 6:00 PM at 390 Pine Hill Road (Abenaki). Permit# 2021-43. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

- iii. The Wolfeboro Board of Selectmen to consider a Temporary Event Permit for Kingswood High School Athletics to host a High School XC race on October 14, 2021, from 2:00 PM to 6:00 PM at 390 Pine Hill Road (Abenaki). Permit #2021-44.

**It was moved by Dave Senecal and seconded by Brian Deshaies to table a Temporary Event Permit for Kingswood High School Athletics to host a High School XC race on October 14, 2021, from 2:00 PM to 6:00 PM at 390 Pine Hill Road (Abenaki). Permit #2021-44. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

- iv. The Wolfeboro Board of Selectmen to consider a Temporary Event Permit for the NH Boat Museum to host a R/C Footy Sailboat Regatta on the Bridge Falls Path (95 Glendon St) on August 14, 2021, from 8:00 AM to 4:00 PM. Permit# 2021-45.

Chairman Murray: The board needs to decide to host this without a public hearing.

Chairman Murray opened up the public hearing

Board of Director Member from the Boat Museum: We appreciate the accommodations.

No other comments

Closed public hearing

**It was moved by Brian Deshaies and seconded by Luke Freudenberg to approve a Temporary Event Permit for the NH Boat Museum to host a R/C Footy Sailboat Regatta on the Bridge Falls Path (95 Glendon St) on August 14, 2021 from 8:00 AM to 4:00 PM. Permit# 2021-45. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

**3. Public Input** (Limited to 3 Minutes per resident, not to exceed 15 minutes in total)

Suzanne Ryan, a resident of Wolfeboro: When you get to your Bulk Vote there is an item on there, 4.C. the Dept of Revenue for PA-16. Can you explain what that is to the public?  
The board says they will.

Jim Pineo: Further information will need to be gathered for 4C.

**It was moved by Linda Murray and seconded by Luke Freudenberg to remove Bulk Vote C. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

**4. Bulk Vote**

**A. Weekly Manifests**

- i. July 23, 2021 \$416,060.03
- ii. July 30, 2021 \$161,543.44

**B. Property Tax Abatement/Refund**

- i. 339 College Rd 2021#3 Tax Map 118 Lot 7
- ii. 21 Abenaki Dr 2021#4 Tax Map 260 Lot 20

**C. NH Department of Revenue for PA-16**

*Application for reimbursement to towns and cities in which federal and state forest land is situated.*

- i. Governor Wentworth Historic Site
- ii. Wentworth State Park

**It was moved by Brad Harriman and seconded by Dave Senecal to approve the Bulk Vote items A through B, with the removal of C. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

**5. Board/Committee Appointments**

*Nomination of Health Officer and Deputy Health Officer*

- i. Schelly Rondeau – Health Officer
- ii. Dave Senecal – Deputy Health Officer

**It was moved by Brad Harriman and seconded by Brian Deshaies to appoint Schelly Rondeau as Health Officer and Dave Senecal as Deputy Health Officer. Roll call vote Brad**

**Harriman—yes, Linda Murray—yes, Luke Freudenberg—yes, Dave Senecal—abstain and Brian Deshaies—yes. With one abstention, the motion passed.**

## **6. New Business**

### **A. Discussion: 2020 Audit – Tim Greene (see attached)**

### **B. Approval: 88 Lehner St Parking Lot Boundary Line Adjustment**

Jim Pineo: There was a discussion about property boundaries in the Lehner Street parking lot. Contracted a company to adjust the boundary lines to put the sewer lines on town property. Dave Ford is wondering if we could open up the entrance from Lehner Street a little bit and make that more of a rectangular shape. (see attached)

Linda Murray: I definitely support the squaring up of that lot. And once that is done we will have an idea what the lot will have as far as parking spaces.

Dave Senecal: I have no problem squaring it up.

Linda Murray: I would like to have a layout of what we think the parking lot will be as far as how many spaces and what it will look like. And I believe we will need a public hearing on this.

Jim Pineo: We are working on that.

Brian Deshaies: I would like to have a layout of what your expansion would look like.

Ryan Crowder of Mill Street Investment: We aren't looking at expansion as of yet. It was more important to do a fair land swap.

### **C. Discussion: Acceptance of Private Roads (see attached)**

Jim Pineo: We have had a number of requests for us to consider taking on additional private roads. The Department of Public Works with winter road maintenance, they are looking at three hours plus for a route right now which may put some safety issues and burden on the department. Dave Ford has discussed what it would look like to take on an additional person and an additional truck. We need to decide on how we want to handle all of these requests.

Dave Ford: We did add 2 subdivision roads which put us to the max. To do any more would affect services.

Linda Murray: Until we get another person and another truck we need to come up with a policy for acceptance of roads.

Jim Pineo: Mr. Ford and I have discussed this and we can't take on any more roads at this point.

Brian Deshaies: There is a lot more that goes into private roads. Electricity, water, private roads pay their own repairs on these. There are a lot of private associations that have paid a lot of money over the years and not gotten any services and they are taxed similarly.

Linda Murray: Do we want to add this amount of money to the operating budget for the future?

Dave Ford: I feel we need to let the petitioners know one way or another.

Linda Murray: Does the Board want to put this money in the budget?

Brad Harriman: I think we should be prepared.

Dave Senecal: I agree that this money should be put in the budget.

Board agrees.

**D. Appointment: Wendy Schribner UNH Cooperative Ext. Emerald Ash**  
(see attached)

**E. Appointment: Taylor Community President/CEO Michael Flaherty**  
(see attached)

Brian Deshaies: The employment that will be coming to the town, will that be full -time year-round positions?

Michael Flaherty: Yes, there are many full-time, benefit positions.

**F. Discussion: Beach Forum Update**

Linda Murray: Do we want to form a committee as was stated in the warrant article, or do we as a board want to take all the information we got from the forum and try to draft it ourselves? How would the Board like to move forward?

Luke Freudenberg: I feel we need to form a committee after what a lot of people said at the meeting.

Dave Senecal: I agree. At the forum we had a lot of people and input. With the interest in this matter I believe we should form a committee and not have the Board do the whole thing. We definitely have enough information.

Linda Murray: Some additional e-mail input has come in which should be include with the packet of information. My concern is how many people and how do we pick them? And what direction should they go? Should they just address Brewster Beach or all the warrant articles? We had two petition warrant articles in 2019 that went out to vote. The Albee Beach petition warrant article passed by 65% and the Carry Beach passed by 61%. Are we talking about all the warrant articles and beaches or just trying to address the Brewster Beach? What are we going to ask the committee to do or what is its mission?

Brian Deshaies: I must have been in a different meeting. I heard that people liked the way things are and that they had voted and already decided. The one point of contention was having all beaches the same across the board.

Linda Murray: It seemed to me. It was about a 50/50 split. What are we going to tell this committee? Are they working on just Brewster Beach? Are we opening all the beaches up again after the vote?

Dave Senecal: I think Brian brings up a point that the warrant articles specifically stated that Albee and Carry Beach would be for residents only. I don't think further discussion there is necessary. I think it was more about Brewster Beach. We only own the parking lot not the Brewster Beach. The number of parking spaces controls Brewster Beach. A committee would only be dealing with Brewster Beach unless they set up certain hours for the other beaches.

Brad Harriman: I took from the meeting that the consensus was all three beaches treated equally. All beaches should then be included for the committee. But how we monitor the beaches is what we need to discuss.

Luke Freudenberg: There definitely needs to be a discussion with regards to the enforcement of the regulations across all three beaches. All these good intension are for nothing if we cannot enforce it fairly across all the beaches that so the residents on Clark Road do not feel like they are the only beach who have all the day trippers. The Albee Beach and Carry Beach votes make it clear that the voters wanted residents, guest and people coming to stay in motel. There needs to be consistency across all the beaches.

Linda Murray: That is why I am bringing it up. I heard and believe the voters have voted on the other two beaches and they are done. They passed by a large enough number. The other discussion is how we manage the beaches. I think we need the committee to focus on how to manage Brewster Beach. I do not think we should include the other two beaches because it may snowball and become an issue. I did go out and visit the beaches before the beach forum. I do not think the Town does enough about advertising Wentworth State Park for day trippers so they can access a beach and water. I also have a very strong feeling about us being part of the GWRSD community and I do not know if there is a way to have some day passes. There are a lot of kids who play with kids from other towns.

Luke Freudenberg: I have been thinking after the forum that day trippers not only should be able to use the businesses and town resources but also be able to get into the water. Maybe there could be a number of day-passes. They could come to Town Hall and get a day pass to use Brewster Beach. This would give us a way to regulate how many are at the beach and it gives more accountability. We need to come off as friendly because people come to enjoy the entire community.

Brian Deshaies: I haven't seen any problems on the beaches and I have been to them many times this summer. I don't think we need more enforcement or police. And Brewster is a partner with us on that beach so how much do we need to involve them in the decisions? I think between Brewster and the Town we can figure it out without a committee. I agree with Luke about looking forward at how many out-of-town beach passes we give out. I think the other towns should pay tuition to the town for beach passes.

Linda Murray: Brewster did send us a letter. I had a conversation with the headmaster and that is why we put cameras at Brewster Beach. They asked the Town to do 4 or 5 things such as add cameras; trash cans and have the police patrol the beach on a regular basis. We have made the suggested changes to Brewster Beach brought up by Brewster. We have a relationship with Brewster.

Linda Murray: I believe we do have an issue with Albee and Carry Beaches with the number of people on good days who wanted to use those beaches. In a normal summer those beaches are packed. This is the reason those warrant articles were place on the warrant. So those beaches have been decided by the voters. Brewster Beach is the one we need to figure out or it sounded like some member wanted to open up all beaches for discussion. We need agreement on a. whether we have a committee b. what is the mission of a committee.

Brian Deshaies: The only thing the committee is going to work on is whether Brewster Beach is going to be private or public.

Linda Murray: I heard different people saying different things. We all still need to decide if we want to open up Albee and Carry beach. I thought I heard Brad say he wanted to address those two beaches.

Brad Harriman: No. I said I wanted to address how those beaches are monitored but not to change the usage from residents.

Linda Murray: This committee would look at how we monitor the beaches and whether Brewster Beach is open to everyone or closed. Are we all in agreement?

Dave Senecal: The one thing we are not discussing here is who is in charge of the beaches? It's Parks and Recreation and we have no feedback from them. I think that Christine Collins should be the point person on this whole thing and whether or not a committee is needed. We do not own that beach.

Linda Murray: We lease that beach. We have control over that beach while we lease it. We will have the same control as in the past. We have swim teams down there. We have sheds. We maintain it based on the lease.

Brian Deshaies: I think we have a great police department and a great Parks and Recreation Department. We already know what the voters want with the two warrant articles.

Linda Murray: I know you feel that way but I am just trying to get us to some point where we agree. So I think we have agreement that we are not going change that uses Albee and Carry Beaches. Am I correct? A consensus was taken and all members agreed.  
Ok that is done. Now do we want them to look at how we monitor the beaches?

**Linda Murray made a motion and Brad Harriman seconded to form a Beach Committee to look at how the Town monitors the beaches. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - no. One opposed, and five approved, the motion passed.**

**Linda Murray made a motion and it was seconded by Luke Freudenberg to form a Beach Committee. Roll call vote Brad Harriman – no, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – no, and Brian Deshaies - no. The motion did not pass.**

So, the rest is up to the Board.

Dave Senecal: We need to include Parks and Recreation. They are the one that monitor the beaches and if they need more money we should put it in the budget.

Linda Murray: The Board will need to decide whether Brewster Beach should be the same as the other two beaches or leave as is. We need a report from Parks and Recreation on how many people use the beaches and what kind of passes. How many from hotels and motels.

Brad Harriman: Should we send out an invitation to Brewster for the next meeting on this?

Linda Murray: I agree that Brewster should be invited and that is a very good idea.

Linda Murray: I like a motion to recess the Board meeting to hold a Libby Museum Trustees meeting and then the Board will come back into public session to take any votes.

**It was moved by Brad Harriman and seconded by Dave Senecal to recess the Board meeting to hold a Libby Museum Trustee Meeting and come back into public session to take any votes. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

*Libby Museum Trustees Meeting*

**G. Discussion: Friends of Libby Letter 7/24/2021 (see attached)**

Linda Murray: The Board needs to address the letter of July 24, 2021 from the Friends of the Libby Museum (FOLM) stating that the Board needs to commit to placing \$100,000 on the warrant in 2021 and warrant articles in 2023 and 2024 with a reply date of August 23, 2021. What is the Board's pleasure?

Brad Harriman: as written in the minutes

Brian Deshaies: as written in the minutes

Linda Murray: As I have said many times I support Wolfeboro becoming a museum town. I supported the creation of the Libby Museum Capital Reserve Account for \$300,000 when it became clear that there was zero support from the Budget Committee for \$2.9 million expansion to the Libby Museum. I supported changing the size of the renovation and expansion of the Libby Museum to save taxpayer \$633,000. I supported placing an additional payment to the Libby Museum Capital Reserve Account on the 2021 CIP list. This allowed the Libby Museum project to compete with all the other projects on the CIP list. I voted not to fund the increase to the Libby Museum Capital Reserve Account based on the other Town warrant articles to keep the Town cash payments for projects in 2021 at the \$2 million mark per prior years. I supported the vote to change the Libby Museum project back to the larger renovation with the contingency that the FOLM fundraise 70% of that project. I will vote against signing the revised Friends of the Libby Museum MoU sent to the BOS on July 24 which includes payments to the Libby Museum Capital Reserve account in 2022, 2023 and 2024 with a committed amount each year. The FOLM want the BOS to decide its payments for 2023 and 2024 before signing the July 24 MoU. I cannot commit to placing a warrant article on the 2022 Warrant for \$100,000 to increase the funding in the Libby Museum Capital Reserve Account or to add a set amount for additional funds in 2023 and 2024. I am not going to sign a document that I am not sure if I can honor. I would support placing on the 2022 CIP list \$100,000 for an additional payment to the Libby Museum Capital Reserve Account in order to have the Libby Museum project be considered with all other 2022 projects. The residents in the Town expect the Board of Selectmen to sort out which projects should be present to the voter based on urgency and need. This process starts with CIP committee, then go to the BOS to write WA for those project it feels are urgent or necessary ( which does not include all project on the CIP) and then Board's proposed warrant articles are sent to the Budget Committee for discussion and a vote of support or no support. I would support signing a MoU to place a warrant article on the Town warrant once the FOLM fundraised 70% of larger project for the voters to weigh in. If not signing the FOLM MOU stops the FOLM from fundraising, the Town can go back to the process it had started which included tie rods, fans and a report on how to control moisture in an unheated building. The Town will



need to do some repairs to the Libby Museum building and to re-evaluate the best way to move forward.

#### **H. Discussion: MOU with Friends of the Libby Museum**

*The Board left the Libby Museum Trustees Meeting at 8:11.*

**It was moved by Luke Freudenberg and seconded by Brian Deshaies not to sign the new MOU from the Friends of Libby. Roll call vote Brad Harriman – no, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – no, and Brian Deshaies - yes. Two opposed, three approved, the motion passed.**

#### **7. Other Business**

Brian Deshaies: I have a big problem with the bathroom at the transfer station. They have to go across the parking lot to eat their lunch and there isn't any hot water in that facility to wash their hands.

Jim Pineo: I will look into this. Also, regarding the American Rescue Act for 2021, we received our final guidance. We will be receiving \$671,000 over the next two years. I need the board to authorize me to be able to fill out the acceptance forms as required for the grant program and then we have to hold a public hearing on the 18<sup>th</sup> to be able to accept those funds. On the 18<sup>th</sup> I will give you a presentation on what criteria those funds can be used for.

**Linda Murray made a motion to authorize the Town Manager to fill out the acceptance forms for the grant program American Rescue Act of 2021 and it was seconded by Dave Senecal. Roll call vote Brad Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, Dave Senecal – yes, and Brian Deshaies - yes. Being none opposed, the motion passed.**

#### **8. Committee Reports**

Mr. Harriman: Planning Board, Beach Forum

Mr. Senecal: ZBA, Beach Forum

Ms. Murray: Last Night Wolfeboro, Dock Committee, CIP, Milfoil Joint Committee, Friends of Pop Whalen

Mr. Freudenberg: ZBA, Beach Forum

Mr. Deshaies: CIP, Energy Committee

#### **9. Town Manager's Report**

Jim Pineo: Walked around town with Congressman Chris Pappas this morning and we talked specifically about the South Main Street project and some of the challenges we see forth coming.

#### **10. Questions From the Press**

Alyssa Paquette: So I understand this correctly, the Board agreed not to sign the MOU from the FOL but you agreed to put \$100k in a warrant article as a show of support?

Linda Murray: No, we did not vote to put any money in a warrant article. We only decided not to sign the MOU and no other decisions were made at this time.

Alyssa Paquette: What happened to the previous agreement for the 70/30 split which is \$900k in a warrant article, is that support gone?

Linda Murray: We only had the letter and the revised MOU in front of us.

**11. Public Input** (Limited to 3 minutes per resident, not to exceed 15 minutes in total)  
N/A

**It was moved by Dave Senecal and seconded by Brad Harriman to adjourn at 8:25 PM. Roll call vote Brad Harriman—yes, Linda Murray—yes, Luke Freudenberg—yes, Dave Senecal—yes, and Brian Deshaies—yes. Being none opposed, the motion passed.**

Respectfully Submitted,  
Christine Metcalfe Doherty

# TOWN OF WOLFEBORO, NEW HAMPSHIRE

## FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2020

**TOWN OF WOLFEBORO, NEW HAMPSHIRE  
FINANCIAL REPORT  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2020**

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# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S REPORT

To the Town Manager and Members of the Board of Selectmen  
Town of Wolfeboro  
Wolfeboro, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wolfeboro, New Hampshire, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wolfeboro, New Hampshire, as of December 31, 2020, and the respective changes in financial position thereof, and where applicable, cash flows, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

### *Change in Accounting Principle*

As discussed in Note I.B.5. to the financial statements, in the year ended December 31, 2020, the Town adopted new accounting guidance regarding the accounting and reporting for Fiduciary Activities. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and pension and OPEB information on pages 3-11 and 53-57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Wolfeboro'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.

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

*Roberts & Heene, PLLC*

Concord, New Hampshire  
July 19, 2021

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

Presented herewith please find the Management Discussion & Analysis Report for the Town of Wolfeboro for the year ended December 31, 2020. The responsibility for accuracy of the data, the completeness and fairness of this documentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material aspects. This report and its content have been designed to fairly present the Town's financial position, including the results of operations of all the funds of the Town. All the disclosures necessary to enable and to assist the reader in acquiring an accurate understanding of the Town's financial activities have been included.

The Town's management is responsible for establishing accounting and internal control structures designed to ensure that the physical, data, informational, intellectual, and human resource assets of the Town are protected from loss, theft, and misuse, and to ensure that adequate accounting information is maintained and reported in conformity with generally accepted accounting principles (GAAP). Management also strives to ensure that these assets are put to good and effective use. The internal control structure is designed to provide reasonable assurances that these objectives are attained. Toward this end, management strives to maintain up-to-date information technology systems and software applications.

**Overview of the Financial Statements**

The financial statements presented herein include all the activities of the Town of Wolfeboro using the integrated approach as prescribed by GASB Statement 34.

This discussion and analysis is intended to serve as an introduction to the Town of Wolfeboro's financial statements. The basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains supplementary information in addition to the basic financial statements.

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner like most private-sector companies.

The statement of net position presents information on all the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All the current year's revenue and expenses are considered regardless of when cash is received or paid.

The government-wide financial statements have separate columns for the following two types of activities:

Governmental activities – represent most of the Town's basic services.

Business-type activities – account for the Town's water, electric, sewer and ice rink operations and receive most of their revenue from user fees.

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and to demonstrate compliance with finance-related legal requirements. The Town maintains three fund types: governmental, proprietary, and fiduciary funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, our readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental activities statement of net position and statement of activities.

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances for the General Fund, which is the Town's only major governmental fund. All other non-major governmental funds are aggregated and presented as other governmental funds.

The Town adopts an annual appropriation budget for its governmental funds. A budgetary comparison has been provided for the General Fund to demonstrate compliance with this budget.

The proprietary funds provide municipal electric, water, and sewer services to customers, and charge a user fee for these services. The Town of Wolfeboro also provides the Pop Whalen Ice Arena's facility for use by the public. This facility is partially subsidized by the General Fund; however, other organizations and users are charged a fee. These funds are presented on the accrual basis of accounting.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information**

The basic financial statements and accompanying notes are followed by a section of required supplementary information. This section contains a schedule of funding progress for other post-employment benefits.

**Combining Non-major Governmental and Individual General Fund Schedules**

Other supplementary information includes the combining of non-major and fiduciary fund financial



**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

statements. This section includes a budgetary comparison schedule for the Town's major governmental fund which includes a reconciliation between the reported activity of the revenues, expenditures, and transfers for budgetary purposes (Exhibit 17) (Page 58). The Town's only major governmental fund with an adopted budget is the General Fund.

**Government-Wide Financial Analysis**

**Governmental Activities**

According to Exhibit 1 – Statement of Net Position in the Financial Statements, the net position of the Town of Wolfeboro governmental activities as of December 31, 2020, and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Current and other assets:		
Capital assets, net	\$ 45,158,553	\$ 44,002,868
Other assets	<u>19,425,464</u>	<u>18,793,924</u>
Total assets	<u>64,584,017</u>	<u>62,796,792</u>
 Deferred Outflows of Resources	 <u>3,977,477</u>	 <u>1,681,328</u>
 Long-term liabilities	 25,060,018	 18,343,806
Other liabilities	<u>8,851,345</u>	<u>13,439,120</u>
Total liabilities	<u>33,911,363</u>	<u>31,782,926</u>
 Deferred Inflows of Resources	 <u>1,065,250</u>	 <u>714,415</u>
 Net position:		
Net investment in capital assets	35,632,501	37,964,074
Restricted	2,341,646	1,543,009
Unrestricted	<u>(4,389,266)</u>	<u>(7,526,304)</u>
Total net position	<u>\$ 33,584,881</u>	<u>\$ 31,980,779</u>

The Town's net position totaled \$33,584,881 at the end of year 2020, an increase of \$1,604,102 when compared to the end of the previous year. This total includes a decrease in the Town's net investment in capital assets of \$2,331,573, an increase in restricted net position of \$798,637, as well as an increase in unrestricted net position of \$3,137,038.

A large portion of the Town's net position reflects its investment in capital assets such as land, buildings, and equipment less any related outstanding debt used to acquire those assets. Another significant portion of the Town's net position is restricted regarding how they may be used. For the Town of Wolfeboro, those restrictions include those related to non-expendable trust funds, capital reserve funds, and conservation funds. The remaining unrestricted portion represents the part of net position of the Town of Wolfeboro that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

According to Exhibit 2 – Statement of Activities in the Financial Statements, changes in net position for governmental activities for the years ended December 31, 2020, and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Program revenues:		
Charges for services	\$ 428,456	\$ 678,584
Operating grants and contributions	336,923	232,921
Capital grants and contributions	<u>804,775</u>	<u>885,622</u>
Total program revenues	<u>1,570,154</u>	<u>1,797,127</u>
General revenues:		
Property and other taxes	12,447,553	12,035,880
Licenses and permits	1,998,964	1,851,552
Grants and Contributions	405,411	396,556
Miscellaneous	2,007,804	2,523,929
Transfers	<u>(696,010)</u>	<u>(672,163)</u>
Total general revenues and transfers	<u>16,163,722</u>	<u>16,135,754</u>
Total revenues	<u>17,733,876</u>	<u>17,932,881</u>
Program expenses:		
General government	3,068,231	2,535,280
Public safety	6,166,749	5,553,133
Highways and streets	3,541,822	3,310,279
Sanitation	984,811	881,049
Health and welfare	183,153	206,353
Culture and recreation	1,589,408	1,873,909
Conservation	35,947	215,744
Economic development	10,311	10,614
Interest and fiscal charges	389,682	198,815
Capital Outlay	<u>159,660</u>	<u>259,454</u>
Total expenses	<u>16,129,774</u>	<u>15,044,630</u>
Change in position	1,604,102	2,888,251
Net Position - beginning of year	<u>31,980,779</u>	<u>29,092,528</u>
Net Position - ending of year	<u>\$ 33,584,881</u>	<u>\$ 31,980,779</u>

During the year ended December 31, 2020, program revenues covered only 10% of program expenses, while the remaining 90% was funded by general revenues (e.g., taxes, grants and contributions).

The Town's governmental activities expenses covered a range of services. The largest expenses were for general government (19%), public safety (38%), highways and streets (22%) culture and recreation (10%), and which accounted for 89% of total expenses.

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

**Business-type Activities**

According to Exhibit 1 – Statement of Net Position in the Financial Statements, net position of the business type activities as of December 31, 2020, and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Current and other assets:		
Capital assets, net	\$ 32,333,603	\$ 32,067,328
Other assets	<u>14,994,638</u>	<u>12,357,544</u>
Total assets	<u>47,328,241</u>	<u>44,424,872</u>
 Deferred Outflows of Resources	 <u>664,726</u>	 <u>297,397</u>
 Long-term liabilities	 14,943,631	 12,457,817
Other liabilities	<u>854,046</u>	<u>652,341</u>
Total liabilities	<u>15,797,677</u>	<u>13,110,158</u>
 Deferred Inflows of Resources	 <u>246,423</u>	 <u>171,166</u>
 Net position:		
Net investment in capital assets	20,380,618	21,748,054
Unrestricted	<u>11,568,249</u>	<u>9,692,891</u>
Total net position	<u>\$ 31,948,867</u>	<u>\$ 31,440,945</u>

The Town's business-type activities net position totaled \$31,948,867 at the end of year 2020, an increase of \$507,922 when compared to the end of the previous fiscal year, as restated. This increase includes a decrease in the Town's net investment in capital assets of \$1,367,436 in addition to an increase in unrestricted net position of \$1,875,358.

The largest portion of the Town's net position for its business-type activities reflects its investment in capital assets such as land, buildings, and equipment less any related outstanding debt used to acquire those assets. These assets are utilized by the Town of Wolfeboro to provide services to its citizenry; therefore, they are not available for future spending.

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

According to Exhibit 2 – Statement of Activities in the Financial Statements, changes in net position for the business-type activities for the years ended December 31, 2020, and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Program revenues:		
Charges for services	\$ 13,048,388	\$ 13,372,741
Operating grants and contributions	<u>64,290</u>	<u>79,030</u>
Total program revenues	<u>13,112,678</u>	<u>13,451,771</u>
General revenues:		
Miscellaneous	-	-
Transfers	<u>696,010</u>	<u>672,163</u>
Total general revenues and transfers	<u>696,010</u>	<u>672,163</u>
Total revenues	<u>13,808,688</u>	<u>14,123,934</u>
Program expenses:		
Electric	9,958,160	9,840,302
Water	1,554,288	1,682,187
Sewer	1,563,754	1,551,843
Pop Whalen	<u>224,564</u>	<u>279,932</u>
Total expenses	<u>13,300,766</u>	<u>13,354,264</u>
Change in position	507,922	769,670
Net Position - beginning of year	<u>31,440,945</u>	<u>30,710,180</u>
Restatement	-	<u>(38,905)</u>
Net Position - ending of year	<u>\$ 31,948,867</u>	<u>\$ 31,440,945</u>

The primary funding source for business-type activities is charges for services, which comprises 94% of all funding sources. Program revenues provided funding for 99% of total program expenses. Net position increased a total of \$507,922 primarily due to Total Revenues exceeding Program Expenses for the year.

**Financial Analysis of the Town's Funds**

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the Towns' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's near-term financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

**General Fund**

The General Fund is the main operating fund of the Town. At the end of the current year, the general fund had an unassigned fund balance on the budgetary basis of \$4,717,611, while total fund equity was \$5,312,224. The total fund equity also includes a non-spendable fund balance of \$108,765, no restricted fund balance, a committed fund balance of \$321,365, and an assigned fund balance of \$164,483. The General Fund total fund balance increased \$710,341 from December 31, 2019.

During the tax setting process the Finance Director and Town Manager review the calculation outlined in the vote of the 2002 Town Meeting under Article 18 as one method of determining the appropriate amount of fund balance to retain for the following year. In December 2011, the Board of Selectmen adopted a formal fund balance policy in accordance with the Governmental Accounting Standards Board Pronouncement 54 (GASB 54). In 2020 \$0.00 was used to offset the tax rate. Please see (Exhibit 21) (Page 63) of the financial statements for a reconciliation of changes in fund balance from the prior year.

**Other Governmental Funds**

According to Exhibit 17 Combining Balance Sheet – Non-major Governmental Funds, the total fund balance in Other Governmental Funds is \$1,286,024 at year end, a reduction of \$59,208 from the previous year. The various non-major governmental funds within this category are: Special Revenue Funds and Permanent Funds. The Special Revenue Funds consist of the following funds: Conservation Commission \$118,589 in committed fund balance; Police Detail Fund \$1,964 in committed fund balance; Recreation Revolving Account has an unassigned fund balance deficit of \$17,231; Miscellaneous Grant Funds with an unassigned deficit of \$1,371 and a restricted fund balance of \$5,000, as well as the CDBG Fund with an unassigned fund balance deficit of \$101. The Permanent Fund totals \$1,200,993 of which \$830,117 is non-spendable fund balance with the remaining \$349,057 in restricted fund balance.

**Proprietary Funds**

The focus of the Town's proprietary funds is on total economic resources, and changes to net position, much as it might be for a private-sector business.

The Town of Wolfeboro's proprietary funds consist of the Water Department, Sewer Department, Electric Department and Pop Whalen Ice Arena. According to Exhibit 9 the Statement of Revenues, Expenditures and Changes in Net Position, total net position increased \$507,922 from December 31, 2019, to December 31, 2020, to a total of \$31,948,867. The Income (Loss) before capital contributions and transfers was as follows: Electric Department \$99,421; Water Department \$453,151; Sewer Department (\$394,454) and Pop Whalen Ice Arena (\$23,056). Please note that after applying the effect of capital contributions and transfers in from the general fund changes in net position were as follows: Electric Department (\$51,218); Water Department \$355,618; Sewer Department \$230,886 and Pop Whalen Fund (\$27,364).

Rates for the Municipal Electric Fund and the Pop Whalen Fund remained the same. Water and Sewer Funds were increased in June 2020.

**General Fund Budgetary Highlights**

According to Exhibit 19 actual revenues for the year exceeded those anticipated by \$824,885. Revenues exceeded estimations in most categories, except for Land Use Change Tax (\$1,800); Payments In Lieu of Taxes (\$33); Highway Block Grant (\$20); Water Pollution Grant (\$134,610); Net totals are as follows: Taxes \$89,914; Licenses and permits \$178,864; Intergovernmental Revenues \$127,357; Charges for services \$8,931; Miscellaneous

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

Revenue \$418,347 and Transfers In from Non-major Funds \$1,472.

Expenditures for the year remained within appropriated amounts overall which resulted in an unexpended balance of appropriations in the amount of \$70,351 (see Exhibit 20).

The revenue surplus, the unexpended balance of appropriations and a decrease in nonspendable fund balance (\$15,105) resulted in a budget surplus of \$710,341.

**Capital Assets and Long-Term Obligations**

**Capital Assets**

The Town considers a capital asset to be an asset whose cost exceeds \$5,000 to \$50,000 depending on the type of asset and has a useful life of greater than one year. Assets are depreciated using the straight-line method over the course of their estimated useful life.

According to Exhibit 1 Statement of Net Position, the Town's investment in capital assets net of accumulated depreciation for its governmental activities and business-type activities as of December 31, 2020, amounts to \$45,158,553 and \$32,333,603, respectively. Investment in capital assets includes land, infrastructure, buildings and improvements, vehicles and equipment, and other capital improvements.

**Long-Term Obligations**

On January 1, 2020, the Town of Wolfeboro had total outstanding bonded debt and other long-term obligations of \$5,890,857 and \$9,606,387 in the governmental activities and business-type activities, respectively. Principal payments and bond retirements during the year reduced debt of the Town however, new bond items for the Library Construction and Renovation (\$3,710,000); Carry Beach Reconstruction (\$450,000); and Voltage Conversion Phase 5 (\$3,675,000) were issued, leaving a balance at year-end of \$8,999,291 and \$11,424,413, respectively. The combined total outstanding balance at year-end was \$20,423,704. For a summary of long-term debt transactions and all other long-term obligations in the governmental and business type activities fund please see pages 38 through 41 of the Notes to the Financial Statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which is required to be disclosed by the Governmental Accounting Standards Board (GASB).

In 2015, GASB Statement No. 68 went into effect. GASB's stated intent is to increase transparency, consistency, and comparability of pension information across governments. GASB 68 impacts financial reporting for participating employers of the New Hampshire Retirement System (NHRS). The change in standard will revise the way that pension plan financial information is reported, however it does not change the funding mechanism of the town's contribution to NHRS, which is set by statute.

GASB 68 is a change in financial reporting for accounting purposes, there is no change to the way that the town pays its retirement benefit contributions, or the town's requirements to NHRS as an enrolled employer. Adherence to GASB standards is an important consideration for bond rating agencies. Accordingly, the Town of Wolfeboro adopted GASB 68, on schedule, for the year ending 2015. The result is a significant change in how the net position of the town is reflected.

**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ending December 31, 2020

The following highlights are important to note,

- Under GASB 68 employers must report a proportionate share of Net Pension Liability and pension expenses on their financial statements. Previously employers only reported the annual contributions.
- Reporting the proportionate share will not impact NHRS employer contributions or local property tax rates.
- NHRS explains GASB 68: "The presence of a large number representing unfunded pension costs on local government balance sheets could give the incorrect impression that employers have a debt that must be paid immediately, which is not the case...the proportionate share is not a bill. Employers will continue to pay down unfunded liability through 2039 the same as before GASB 68." \*
- Some States show a very large pension liability under previously published GASB 67, but not New Hampshire. "In NHRS' case... [the annual calculation to show whether there will be sufficient assets to pay benefits as they are due] ...showed that the retirement system is in a position to meet its obligations, allowing the retirement system to use its assumed rate of investment return.....because there is no crossover point where benefits paid out exceed plan assets". \*
- GASB's new standard reflects the position that pension costs and obligations should be recorded on financial statements as employees earn them, not when the government contributes them.
- According to GASB: "While this information will, in some cases, give the appearance that a government is financially weaker than it was previously, the financial reality of the government's situation will not have changed." \*

\*How to Read the NHRS GASB 68 Reports by NHRS February 2016

### **Economic Conditions**

Assessed real estate value increased from \$1,998,172,625 to \$2,372,868,648 or an increase of \$374,696,023. because of fluctuations in the housing market, as reflected in the Town's revaluation of property by the Assessing Department and the full revaluation of property which was done in April 2020.

The overall tax rate decreased by \$2.83 at \$ 13.01 compared with the 2019 rate of \$15.84 per thousand.

Total voted appropriation for 2020 was \$31,436,799. The town maintains a Capital Improvement Plan through the CIP Committee, which makes recommendations to the Board of Selectmen via the Planning Board. Several recommendations forwarded by the CIP Committee were not included in the budget by the Board of Selectmen due to budget constraints, or subsequent action of the Town Budget Committee.

Economic conditions for Carroll County remained stable while not robust for the year ended December 31, 2020. The average unemployment rate for the year was 6.1% for Wolfeboro, NH; lower than the national average of 8.1%. The yearly Northeast Consumer Price Index increase was 1.3%.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all of Wolfeboro's citizens, taxpayers, and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Kathryn Carpentier, Finance Director, Town of Wolfeboro Finance Office, 84 South Main Street, Wolfeboro, NH 03894, or call (603) 569-8168.

## **BASIC FINANCIAL STATEMENTS**



**EXHIBIT 1**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Net Position**  
**December 31, 2020**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 159,135	\$ 12,072,912	\$ 12,232,047
Investments	7,074,082	-	7,074,082
Intergovernmental receivable	1,781,908	1,290,224	3,072,132
Other receivables, net of allowance for uncollectibles	10,299,452	1,241,942	11,541,394
Inventory	-	361,251	361,251
Prepaid items	70,813	28,309	99,122
Tax deeded property held for resale	40,074	-	40,074
Capital assets, not being depreciated:			
Land	6,739,466	1,115,005	7,854,471
Construction in progress	743,691	1,428,504	2,172,195
Capital assets, net of accumulated depreciation:			
Land improvements	78,431	-	78,431
Buildings and building improvements	10,633,997	3,018,011	13,652,008
Machinery, vehicles and equipment	2,510,168	7,005,971	9,516,139
Infrastructure	23,330,017	19,766,112	43,096,129
Improvements other than buildings	1,122,783	-	1,122,783
Total assets	64,584,017	47,328,241	111,912,258
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amounts related to pensions	2,618,800	412,218	3,031,018
Deferred amounts related to OPEB	1,358,677	252,508	1,611,185
Total deferred outflows of resources	3,977,477	664,726	4,642,203
<b>LIABILITIES</b>			
Accounts payable	807,609	493,706	1,301,315
Accrued payroll and benefits	83,124	22,333	105,457
Accrued interest payable	134,938	209,063	344,001
Intergovernmental payable	7,869,833	631	7,870,464
Retainage payable	5,171	16,788	21,959
Performance and escrow deposits	12,835	49,360	62,195
Internal balances	(62,165)	62,165	-
Noncurrent obligations:			
Due within one year:			
Bonds and notes payable	778,658	1,326,788	2,105,446
Unamortized bond premium	41,958	97,885	139,843
Capital leases payable	5,583	-	5,583
Compensated absences payable	18,488	5,753	24,241
Accrued landfill postclosure care costs	8,000	-	8,000
Due in more than one year:			
Bonds and notes payable	8,220,633	10,097,625	18,318,258
Unamortized bond premium	479,220	884,567	1,363,787
Compensated absences payable	473,535	54,864	528,399
Accrued landfill postclosure care costs	72,000	-	72,000
Net pension liability	10,706,636	1,685,303	12,391,939
Other postemployment benefits liability	4,255,307	790,846	5,046,153
Total liabilities	33,911,363	15,797,677	49,709,040

(continued)

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

**EXHIBIT 1 (continued)**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Net Position**  
**December 31, 2020**

	Governmental Activities	Business-type Activities	Total
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned revenue	39,196	67,447	106,643
Deferred amounts related to pensions	411,942	64,843	476,785
Deferred amounts related to OPEB	614,112	114,133	728,245
Total deferred inflows of resources	<u>1,065,250</u>	<u>246,423</u>	<u>1,311,673</u>
<b>NET POSITION</b>			
Net investment in capital assets	35,632,501	20,380,618	56,013,119
Restricted for:			
Endowments:			
Nonexpendable	830,117	-	830,117
Expendable	349,057	-	349,057
Other purposes	1,162,472	-	1,162,472
Unrestricted	<u>(4,389,266)</u>	<u>11,568,249</u>	<u>7,178,983</u>
Total net position	<u>\$ 33,584,881</u>	<u>\$ 31,948,867</u>	<u>\$ 65,533,748</u>

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

**EXHIBIT 2**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Activities**  
**For the Year Ended December 31, 2020**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 3,068,231	\$ 5,200	\$ 55,392	\$ -	\$ (3,007,639)	\$ -	\$ (3,007,639)
Public safety	6,166,749	54,784	281,531	-	(5,830,434)	-	(5,830,434)
Highways and streets	3,541,822	-	-	179,764	(3,362,058)	-	(3,362,058)
Sanitation	984,811	276,962	-	-	(707,849)	-	(707,849)
Health	139,103	-	-	-	(139,103)	-	(139,103)
Welfare	44,050	-	-	-	(44,050)	-	(44,050)
Culture and recreation	1,589,408	90,495	-	-	(1,498,913)	-	(1,498,913)
Conservation	35,947	1,015	-	-	(34,932)	-	(34,932)
Economic development	10,311	-	-	-	(10,311)	-	(10,311)
Interest on long-term debt	389,682	-	-	-	(389,682)	-	(389,682)
Capital outlay	159,660	-	-	625,011	465,351	-	465,351
Total governmental activities	16,129,774	428,456	336,923	804,775	(14,559,620)	-	(14,559,620)
Business-type activities:							
Water department	1,554,288	1,892,921	16,985	-	-	355,618	355,618
Electric department	9,958,160	9,906,942	-	-	-	(51,218)	(51,218)
Sewer department	1,563,754	1,051,325	47,305	-	-	(465,124)	(465,124)
Pop Whalen ice arena	224,564	197,200	-	-	-	(27,364)	(27,364)
Total business-type activities	13,300,766	13,048,388	64,290	-	-	(188,088)	(188,088)
Total primary government	\$ 29,430,540	\$ 13,476,844	\$ 401,213	\$ 804,775	(14,559,620)	(188,088)	(14,747,708)
General revenues:							
Property taxes					12,265,372	-	12,265,372
Other taxes					182,181	-	182,181
Licenses and permits					1,998,964	-	1,998,964
Grants and contributions not restricted to specific programs					405,411	-	405,411
Miscellaneous					2,007,804	-	2,007,804
Transfers					(696,010)	696,010	-
Total general revenues and transfers					16,163,722	696,010	16,859,732
Change in net position					1,604,102	507,922	2,112,024
Net position, beginning					31,980,779	31,440,945	63,421,724
Net position, ending					\$ 33,584,881	\$ 31,948,867	\$ 65,533,748

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

**EXHIBIT 3**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2020**

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 22,468	\$ -	\$ 136,667	\$ 159,135
Investments	5,890,532	-	1,183,550	7,074,082
Receivables, net of allowance for uncollectibles:				
Taxes	10,298,108	-	-	10,298,108
Accounts	131	-	1,213	1,344
Intergovernmental	11,043	1,770,865	-	1,781,908
Interfund receivable	1,318,008	18,294	1,623	1,337,925
Prepaid items	68,691	-	2,122	70,813
Tax deeded property held for resale	40,074	-	-	40,074
Total assets	<u>\$ 17,649,055</u>	<u>\$ 1,789,159</u>	<u>\$ 1,325,175</u>	<u>\$ 20,763,389</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 807,609	\$ -	\$ -	\$ 807,609
Accrued salaries and benefits	83,124	-	-	83,124
Intergovernmental payable	7,869,833	-	-	7,869,833
Retainage payable	-	5,171	-	5,171
Interfund payable	19,917	1,216,692	39,151	1,275,760
Escrow and performance deposits	12,835	-	-	12,835
Total liabilities	<u>8,793,318</u>	<u>1,221,863</u>	<u>39,151</u>	<u>10,054,332</u>
Deferred inflows of resources:				
Deferred revenue	<u>1,025,473</u>	<u>-</u>	<u>-</u>	<u>1,025,473</u>
Fund balances:				
Nonspendable	108,765	-	830,117	938,882
Restricted	595,176	567,296	354,057	1,516,529
Committed	2,987,670	-	120,553	3,108,223
Assigned	164,483	-	-	164,483
Unassigned	3,974,170	-	(18,703)	3,955,467
Total fund balances	<u>7,830,264</u>	<u>567,296</u>	<u>1,286,024</u>	<u>9,683,584</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,649,055</u>	<u>\$ 1,789,159</u>	<u>\$ 1,325,175</u>	<u>\$ 20,763,389</u>

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

**EXHIBIT 4**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position**  
**December 31, 2020**

Total fund balances of governmental funds (Exhibit 3)		\$ 9,683,584
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	\$ 66,930,446	
Less accumulated depreciation	<u>(21,771,893)</u>	
		45,158,553
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$ (1,275,760)	
Payables	<u>1,275,760</u>	
		-
Revenues that are not available to pay for current period expenditures are deferred in the funds.		
Unavailable tax revenue	\$ 743,441	
Unavailable betterment assessments	<u>242,836</u>	
		986,277
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(134,938)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes outstanding	\$ 8,999,291	
Unamortized bond premium	521,178	
Capital leases outstanding	5,583	
Compensated absences payable	492,023	
Accrued landfill postclosure care costs	80,000	
Net pension liability	10,706,636	
Other postemployment benefits liability	<u>4,255,307</u>	
		(25,060,018)
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	\$ 2,618,800	
Deferred outflows of resources related to OPEB	1,358,677	
Deferred inflows of resources related to pensions	(411,942)	
Deferred inflows of resources related to OPEB	<u>(614,112)</u>	
		2,951,423
Total net position of governmental activities (Exhibit 1)		<u><u>\$ 33,584,881</u></u>

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

**EXHIBIT 5**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2020**

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 12,171,801	\$ -	\$ -	\$ 12,171,801
Licenses, permits and fees	1,998,964	-	-	1,998,964
Intergovernmental	866,706	605,820	19,191	1,491,717
Charges for services	460,250	-	33,349	493,599
Miscellaneous	2,047,148	-	57,031	2,104,179
Total revenues	<u>17,544,869</u>	<u>605,820</u>	<u>109,571</u>	<u>18,260,260</u>
Expenditures:				
Current:				
General government	2,502,191	-	6,384	2,508,575
Public safety	5,086,382	-	14,369	5,100,751
Highways and streets	3,257,199	-	22,500	3,279,699
Sanitation	882,008	-	-	882,008
Health	146,525	-	-	146,525
Welfare	41,805	-	-	41,805
Culture and recreation	1,551,689	-	44,003	1,595,692
Conservation	46,162	-	7,507	53,669
Economic development	10,311	-	-	10,311
Debt service:				
Principal	631,517	-	-	631,517
Interest	362,260	-	-	362,260
Capital outlay	675,399	1,223,394	17,835	1,916,628
Total expenditures	<u>15,193,448</u>	<u>1,223,394</u>	<u>112,598</u>	<u>16,529,440</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,351,421</u>	<u>(617,574)</u>	<u>(3,027)</u>	<u>1,730,820</u>
Other financing sources (uses):				
Transfers in	16,181	188,294	-	204,475
Transfers out	(884,304)	-	(16,181)	(900,485)
Long-term debt issued	-	4,160,000	-	4,160,000
Total other financing sources and uses	<u>(868,123)</u>	<u>4,348,294</u>	<u>(16,181)</u>	<u>3,463,990</u>
Net change in fund balances	1,483,298	3,730,720	(19,208)	5,194,810
Fund balances, beginning	6,346,966	(3,163,424)	1,305,232	4,488,774
Fund balances, ending	<u>\$ 7,830,264</u>	<u>\$ 567,296</u>	<u>\$ 1,286,024</u>	<u>\$ 9,683,584</u>

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

**EXHIBIT 6**  
**TOWN OF WOLFEBORO, 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, 2020**

Net change in fund balances of governmental funds (Exhibit 5)		\$ 5,194,810
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	\$ 2,954,173	
Depreciation expense	(1,798,488)	
		1,155,685
Transfers in and out between governmental funds are eliminated on the operating statement.		
Transfers in	\$ (204,475)	
Transfers out	204,475	
		-
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	\$ 210,609	
Change in unavailable betterment assessments	(37,914)	
		172,695
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Issuance of bonds	\$ (3,739,950)	
Premium on bonds issued	(420,050)	
Repayment of bonds and notes principal	631,516	
Amortization of bond premium	26,602	
Repayment of capital lease principal	14,624	
		(3,487,258)
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.		
Increase in accrued interest expense	\$ (54,023)	
Increase in compensated absences payable	(14,725)	
Increase in accrued landfill postclosure care costs	(30,000)	
Change in OPEB related balances	(405,245)	
		(503,993)
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	\$ 834,767	
Cost of benefits earned, net of employee contributions	(1,762,604)	
		(927,837)
Change in net position of governmental activities (Exhibit 2)		<u>\$ 1,604,102</u>

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

**EXHIBIT 7**  
**TOWN OF WOLFEBORO, 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, 2020**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 12,292,495	\$ 12,382,409	\$ 89,914
Licenses, permits and fees	1,820,100	1,998,964	178,864
Intergovernmental	739,349	866,706	127,357
Charges for services	451,319	460,250	8,931
Miscellaneous	1,099,000	1,517,347	418,347
Total revenues	16,402,263	17,225,676	823,413
<b>EXPENDITURES</b>			
Current:			
General government	2,686,520	2,568,653	117,867
Public safety	5,167,543	5,174,015	(6,472)
Highways and streets	3,167,171	3,292,007	(124,836)
Sanitation	893,270	901,688	(8,418)
Health	150,689	146,525	4,164
Welfare	63,200	41,118	22,082
Culture and recreation	1,645,951	1,490,748	155,203
Conservation	66,142	72,146	(6,004)
Economic development	13,375	10,311	3,064
Debt service:			
Principal	612,881	631,517	(18,636)
Interest	247,381	362,260	(114,879)
Capital outlay	127,380	80,164	47,216
Total expenditures	14,841,503	14,771,152	70,351
Excess of revenues over expenditures	1,560,760	2,454,524	893,764
Other financing sources (uses):			
Transfers in	13,000	14,472	1,472
Transfers out	(1,773,760)	(1,773,760)	-
Total other financing sources and uses	(1,760,760)	(1,759,288)	1,472
Net change in fund balance	\$ (200,000)	695,236	\$ 895,236
Decrease in nonspendable fund balance		15,105	
Unassigned fund balance, beginning		4,007,270	
Unassigned fund balance, ending		\$ 4,717,611	

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



**EXHIBIT 8**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2020**

	Business-type Activities - Enterprise Funds				
	Water Department	Electric Department	Sewer Department	Pop Whalen Ice Arena	Total
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 1,172,095	\$ 8,143,029	\$ 2,757,788	\$ -	\$ 12,072,912
Accounts receivable	239,663	823,831	163,761	14,687	1,241,942
Intergovernmental receivable	155,250	-	1,134,974	-	1,290,224
Interfund receivable	36,368	-	-	-	36,368
Prepaid items	7,629	12,165	6,827	1,688	28,309
Inventory	-	361,251	-	-	361,251
Noncurrent assets:					
Land	12,772	46,733	1,055,500	-	1,115,005
Construction in progress	27,463	1,401,041	-	-	1,428,504
Capital assets, net of accumulated depreciation:					
Buildings and building improvements	1,946,274	147,959	475,789	447,989	3,018,011
Machinery, vehicles and equipment	301,418	6,065,704	237,675	401,174	7,005,971
Infrastructure	9,648,497	30,103	10,087,512	-	19,766,112
Total assets	<u>13,547,429</u>	<u>17,031,816</u>	<u>15,919,826</u>	<u>865,538</u>	<u>47,364,609</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred amounts related to pensions	130,334	248,544	33,340	-	412,218
Deferred amounts related to OPEB	99,088	151,068	2,352	-	252,508
Total deferred outflows of resources	<u>229,422</u>	<u>399,612</u>	<u>35,692</u>	<u>-</u>	<u>664,726</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	7,990	429,387	56,329	-	493,706
Accrued payroll and benefits	5,914	13,788	1,735	896	22,333
Accrued interest payable	56,643	51,310	99,049	2,061	209,063
Intergovernmental payable	-	631	-	-	631
Retainage payable	-	16,788	-	-	16,788
Performance and escrow deposits	200	49,160	-	-	49,360
Interfund payable	-	-	36,368	62,165	98,533
Noncurrent obligations:					
Due within one year:					
Bonds and notes payable	444,717	430,000	436,361	15,710	1,326,788
Unamortized bond premium	39,789	23,880	32,448	1,768	97,885
Compensated absences payable	5,753	-	-	-	5,753
Due in more than one year:					
Bonds and notes payable	2,709,298	3,725,000	3,534,777	128,550	10,097,625
Unamortized bond premium	186,943	335,940	359,916	1,768	884,567
Compensated absences payable	14,868	39,246	750	-	54,864
Net pension liability	532,853	1,016,139	136,311	-	1,685,303
Other postemployment benefits liability	310,343	473,136	7,367	-	790,846
Total liabilities	<u>4,315,311</u>	<u>6,604,405</u>	<u>4,701,411</u>	<u>212,918</u>	<u>15,834,045</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned revenue	12,011	51,749	3,687	-	67,447
Deferred amounts related to pensions	20,502	39,096	5,245	-	64,843
Deferred amounts related to OPEB	44,788	68,282	1,063	-	114,133
Total deferred inflows of resources	<u>77,301</u>	<u>159,127</u>	<u>9,995</u>	<u>-</u>	<u>246,423</u>
<b>NET POSITION</b>					
Net investment in capital assets	8,555,677	3,630,600	7,492,975	701,366	20,380,618
Unrestricted	828,562	7,037,296	3,751,137	(48,746)	11,568,249
Total net position	<u>\$ 9,384,239</u>	<u>\$ 10,667,896</u>	<u>\$ 11,244,112</u>	<u>\$ 652,620</u>	<u>\$ 31,948,867</u>

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

**EXHIBIT 9**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Revenues, Expenditures and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Business-type Activities - Enterprise Funds				
	Water Department	Electric Department	Sewer Department	Pop Whalen Ice Arena	Total
Operating revenues:					
Charges for services	\$ 1,892,921	\$ 9,906,942	\$ 1,051,325	\$ 197,200	\$ 13,048,388
Operating expenses:					
Cost of operations	952,317	2,538,100	987,801	162,866	4,641,084
Cost of power	-	6,860,461	-	-	6,860,461
Depreciation expense	487,453	408,960	457,978	57,390	1,411,781
Total operating expenses	1,439,770	9,807,521	1,445,779	220,256	12,913,326
Operating income (loss)	453,151	99,421	(394,454)	(23,056)	135,062
Nonoperating revenue (expense):					
Intergovernmental	16,985	-	47,305	-	64,290
Interest expense	(114,518)	(150,639)	(117,975)	(4,308)	(387,440)
Transfer from other funds	-	-	696,010	-	696,010
Total nonoperating revenue (expense)	(97,533)	(150,639)	625,340	(4,308)	372,860
Net change in fund balances	355,618	(51,218)	230,886	(27,364)	507,922
Net position, beginning	9,028,621	10,719,114	11,013,226	679,984	31,440,945
Net position, ending	\$ 9,384,239	\$ 10,667,896	\$ 11,244,112	\$ 652,620	\$ 31,948,867

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

**EXHIBIT 10**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Business -type Activities - Enterprise Funds				
	Water Department	Electric Department	Sewer Department	Pop Whalen Ice Arena	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ 1,938,474	\$ 9,954,332	\$ 1,047,904	\$ 241,732	\$ 13,182,442
Payments to suppliers and employees	(922,980)	(9,139,870)	(966,326)	(163,044)	(11,192,220)
Net cash provided by operating activities	1,015,494	814,462	81,578	78,688	1,990,222
Cash flows from non-capital financing activities:					
Transfer to other funds	(35,133)	-	-	-	(35,133)
Transfers from other funds	-	-	731,143	-	731,143
Net cash provided (used) in non-capital financing activities	(35,133)	-	731,143	-	696,010
Cash flows from capital and related financing activities:					
Purchase of capital assets	(194,541)	(1,242,291)	(231,225)	(9,999)	(1,678,056)
Proceeds from bond	-	3,675,000	-	-	3,675,000
Proceeds from state grants	52,118	-	134,610	-	186,728
Principal paid on bonds and notes	(518,475)	(380,000)	(537,789)	(60,710)	(1,496,974)
Interest paid on bonds and notes	(166,665)	(112,021)	(167,955)	(7,979)	(454,620)
Net cash provided (used) in capital and related financing activities	(827,563)	1,940,688	(802,359)	(78,688)	232,078
Increase in cash	152,798	2,755,150	10,362	-	2,918,310
Cash and cash equivalents, beginning	1,019,297	5,387,879	2,747,426	-	9,154,602
Cash and cash equivalents, ending	\$ 1,172,095	\$ 8,143,029	\$ 2,757,788	\$ -	\$ 12,072,912
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 453,151	\$ 99,421	\$ (394,454)	\$ (23,056)	\$ 135,062
Adjustments to reconcile operating (income) loss to net cash provided by operating activities:					
Depreciation expense	487,453	408,960	457,978	57,390	1,411,781
(Increase) decrease in accounts receivable	45,619	50,999	(3,260)	44,532	137,890
Decrease in inventory	-	26,651	-	-	26,651
Increase in prepaid items	(1,599)	(1,554)	(2,124)	(486)	(5,763)
Increase in accounts payable	10,387	112,791	45,769	-	168,947
Increase (decrease) in payroll related liabilities	20,549	120,803	(22,170)	308	119,490
Decrease in customer deposits	-	(257)	-	-	(257)
Decrease in deferred revenue	(66)	(3,352)	(161)	-	(3,579)
Total adjustments	562,343	715,041	476,032	101,744	1,855,160
Net cash provided by operating activities	\$ 1,015,494	\$ 814,462	\$ 81,578	\$ 78,688	\$ 1,990,222

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

**EXHIBIT 11**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2020**

	Private Purpose Trust	Custodial
Assets:		
Cash and cash equivalents	\$ 5,852	\$ 143,442
Investments	452,017	1,706,313
Total assets	457,869	1,849,755
Liabilities	-	-
Net position:		
Held in trust for specific purposes	457,869	-
Held for other governments	-	1,723,209
Held for developers	-	126,546
Total net position	\$ 457,869	\$ 1,849,755

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

**EXHIBIT 12**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2020**

	Private Purpose Trust	Custodial
Additions:		
Deposits from school district	\$ -	\$ 152,048
Deposits from developers	-	41,055
Contributions and donations	850	-
Investment earnings:		
Interest and dividends	12,494	96,104
Net change in fair value of investments	10,364	-
Total additions	<u>23,708</u>	<u>289,207</u>
Deductions:		
Disbursements to school district	-	65,107
Payments to developers	-	92,094
Trust distributions	4,312	-
Total deductions	<u>4,312</u>	<u>157,201</u>
Change in net position	19,396	132,006
Net position, beginning	438,473	1,717,749
Net position, ending	<u>\$ 457,869</u>	<u>\$ 1,849,755</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

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

**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 Wolfeboro (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 year ended December 31, 2020.

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

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

The Town of Wolfeboro is a municipal corporation governed by a board of selectmen consisting of five members elected by the voters, and a Town Manager appointed by the board of selectmen. 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 finance 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.

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Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to users for sales and services. Operating expenses for enterprise funds include the cost of providing sales and services and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*Fund Financial Statements*

Fund financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The major individual, governmental funds and the major, individual enterprise funds are reported in separate columns in the basic fund financial statements 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. As well, the proprietary funds apply all Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued in or before 1989, unless those pronouncements conflict with or contradict the GASB.

The government-wide, proprietary, and fiduciary fund financial 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. 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, and defers any not received by that date. When calculating fund balance used to set the tax rate, unavailable tax revenues are not deferred in accordance with directives from 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. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.



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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.

**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. On the generally accepted accounting principles (GAAP) basis, the Library, Josiah Brown and Expendable Trust Funds are included in the General Fund.

*Capital Projects Fund* – Accounts for the Town’s ongoing capital projects that are funded in part or entirely by the issuance of bonds or notes.

The Town also reports six nonmajor governmental funds.

*Proprietary Funds*

The Town reports the following major enterprise funds:

*Water Department* – Accounts for all revenues and expenses related to the Town’s water treatment and distribution operations.

*Electric Department* – Accounts for all revenues and expenses related to the Town’s provision of electricity.

*Sewer Department* – Accounts for all revenues and expenses related to the Town’s sewage disposal operations.

*Pop Whalen Ice Arena Fund* – Reports as a nonmajor fund and accounts for all revenues and expenses related to the Town’s ice arena.

*Fiduciary Funds*

The Town 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.

*Custodial Funds* – Account for amounts held by the Town on behalf of other individuals or governments. These assets are therefore not available to support the Town’s own programs. The

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Town's custodial funds are used to account for performance bonds held in escrow, and amounts belonging to the Governor Wentworth Regional School District.

**I.B.5. *Change in Accounting Principle***

During the year, the Town adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*. This results in a change in the measurement and presentation of the former agency fund, which is now reported as a custodial fund, and additions and deductions are now reported on the Statement of Changes in Fiduciary Net Position. The prior year's equity was restated as shown in Note III.D. to reflect this change.

**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 and/or Town Manager. 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.

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.

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**I.C.2. *Inventory and Prepaid Items***

Inventory is valued at cost using the first-in/first out (FIFO) method. The costs of proprietary fund-type inventories are recorded as expenses when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**I.C.3. *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 value. The Town generally capitalizes assets with cost of \$10,000 or more as purchase and construction outlays occur; however, the Town capitalizes police weapon inventory and assets purchased with grant funds with costs over \$5,000. 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:

	<u>Years</u>
Land improvements	5-20
Buildings and building improvements	5-75
Machinery, vehicles and equipment	5-50
Infrastructure	5-75
Improvements other than buildings	3-50

**I.C.4. *Long-Term Debt***

In the government-wide financial statements, outstanding debt is reported as liabilities. The balance of long-term debt is not reported in the governmental funds.

**I.C.5. *Compensated Absences***

Some full-time, permanent employees are granted accrued leave benefits in varying amounts to specified maximums based on the number of years in employment. Employees are entitled to a portion of their accrued leave upon termination. Employees hired on January 1, 2011 or later are not eligible for leave time payout upon termination of employment.

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.6. *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 of outstanding debt used to acquire those assets.
- Restricted for endowments, nonexpendable, which consists of the principal balance of the permanent funds that must be permanently invested and cannot be expended.
- Restricted for endowments, expendable, which consists of the balance of the permanent funds' income that is allowed to be expended for Town purposes.
- Restricted for other purposes, which consists of the balance of the library fund's resources, whose use is restricted by law, the balance of unspent bond proceeds, and grants whose use is restricted by the grantor.
- Unrestricted, which consists of the remaining balance of net position.

The governmental funds report the following components of fund balance:

- Nonspendable, which consists of endowments in the permanent funds; and prepaid items and tax deeded property held for resale in the general fund, whose resources are in a nonspendable form.
- Restricted, which represents the expendable income from permanent funds and the library fund, all whose use is limited by law, and grants whose use is restricted by the grantor.
- Committed, which consists of balances for which the intended use has been established by Town Meeting vote, or by the Board of Selectmen, and would require an equally formal action to remove those commitments. Committed balances represent continuing appropriations, the expendable trust funds, Josiah Brown fund, and special revenue funds.
- 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, and the deficit balances in the nonmajor (Recreation Revolving, CDBG, and miscellaneous grants) funds.

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**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.

**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 and Enterprise Funds. A project length budget was adopted for the Capital Projects Fund. Unless encumbered, all appropriations lapse at year-end. The Town is allowed to use beginning fund balance to balance the budget. In 2020, none of the fund balance from 2019 was so used, but \$200,000 was appropriated from fund balance.

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.

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, economic development, 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.

*Minimum Fund Balance*

In order to maintain a reasonable cash reserve, as well as plan for fiscal emergencies, the Town strives to maintain an unassigned fund balance in its General Fund equal to 10% of the current year's voted operating budget. Consistent with Article 16 of the 2002 Town Warrant, which established a Town Surplus Policy, the Town Manager shall have the authority to reduce the surplus (General Fund Unassigned Fund Balance) carried over from the prior year to an amount no greater than 10% of the operating budget voted for the current year by applying it as fund balance to reduce taxes.

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

Revenues and other financing sources:	
Per Exhibit 7 (budgetary basis)	\$ 17,240,148
Adjustments:	
Basis difference:	
Tax revenue deferred in the prior year	532,832
Tax revenue deferred in the current year	(743,441)
Perspective difference:	
Revenue from library fund	310,518
Revenue from Josiah Brown fund	31,401
Revenue from expendable trust fund	187,883
Transfer from permanent fund to library fund	1,709
Per Exhibit 5 (GAAP basis)	<u>\$ 17,561,050</u>
Expenditures and other financing uses:	
Per Exhibit 7 (budgetary basis)	\$ 16,544,912
Adjustments:	
Basis difference:	
Encumbrances, beginning	390,457
Encumbrances, ending	(485,848)
Perspective difference:	
Expenditures from Josiah Brown fund	29,500
Expenditures from library fund	55,316
Expenditures from expendable trust fund	432,871
Transfer to capital projects fund from expendable trust fund	18,294
Transfers to expendable trust fund	(907,750)
Per Exhibit 5 (GAAP basis)	<u>\$ 16,077,752</u>
Unassigned fund balance:	
Per Exhibit 7 (budgetary basis)	\$ 4,717,611
Adjustment:	
Basis difference:	
Deferred tax revenue, GAAP basis	(743,441)
Per Exhibit 3 (GAAP basis)	<u>\$ 3,974,170</u>

**II.C. Deficit Fund Balances**

The Recreation Revolving Fund reports an unassigned fund deficit at year-end of \$17,231 that can be attributed to expenditures made for supplies for programs that did not occur due to the COVID-19 pandemic and therefore the resulting revenue was not realized.

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

**III.A. Assets**

**III.A.1. Investments**

As of December 31, 2020, the Town's reporting entity had the following investments:

Certificates of Deposit	\$ 3,554,308
Mutual Funds	4,514,219
Exchange Traded Funds	1,163,885
	<u>\$ 9,232,412</u>

The investments appear in the financial statements as follow:

Fund reporting level:	
Governmental funds - balance sheet (Exhibit 3)	\$ 7,074,082
Fiduciary funds - statement of fiduciary net position (Exhibit 11)	2,158,330
Total	<u>\$ 9,232,412</u>

*Investment Risks*

**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 does not have an investment policy that places any further restrictions on its investment choices. The Town does not have any investments with credit ratings.

**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. The Town does not have any investments subject to interest rate risks.

**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, 2020, the Town had \$1,212,227 invested in the Vanguard Short-Term Investment-Grade Fund, \$1,059,424 invested in the Fidelity Short-Term Treasury Bond Index Fund, \$698,297 invested in the Baird Aggregate Bond Fund, and \$569,728 invested in the Fidelity 500 Index Fund representing 13.13%, 11.48%, 7.56% and 6.17% respectively, of its 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 \$9,232.412 of investments, all are held in the Town's name and therefore have no exposure to custodial credit risk.

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**III.A.2. 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 18% per annum is charged upon redemption of lien taxes levied prior to 2019, and 14% per annum for the redemption of taxes levied thereafter. 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 2019 property taxes on May 15<sup>th</sup>.

The property taxes levied and collected by the Town include amounts for the State of New Hampshire, the Governor Wentworth Regional School District, and Carroll 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, 2020, upon which the 2020 property tax levy was based was:

For the New Hampshire education tax	\$ 2,372,649,048
For all other taxes	\$ 2,372,868,648

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

	<u>Per \$1,000 of Assessed Valuation</u>	
Municipal portion	\$5.26	\$ 12,490,410
School portion:		
State of New Hampshire	\$1.82	4,310,937
Local	\$4.82	11,426,671
County portion	\$1.11	2,642,603
Total property taxes assessed		<u><u>\$ 30,870,621</u></u>



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The following details the taxes receivable at year-end:

Property:	
Levy of 2020	\$ 9,907,824
Unredeemed (under tax lien):	
Levy of 2019	123,493
Levy of 2018	68,234
Levy of 2017	30,004
Levies of 2016 and prior	147,853
Timber	410
Betterment assessments	250,290
Less: allowance for estimated uncollectible taxes	(230,000)
Net taxes receivable	<u><u>\$ 10,298,108</u></u>

*Other Receivables*

Other significant receivables include grant reimbursements for the Town's various grant programs, long-term state aid grants, utility charges, and ice arena rental fees. Allowances exist for future utility charge write-offs or abatements. The receivables are as follow:

Accounts	\$ 1,570,286
Intergovernmental	3,072,132
Less: allowance for uncollectible amounts	(327,000)
Net total receivables	<u><u>\$ 4,315,418</u></u>

*Deferred Revenue*

Deferred revenue in the General Fund of \$1,025,473 at December 31, 2020 represents \$743,441 of 2020 property taxes that were not collected within 60 days of year-end, and therefore, are deferred in accordance with generally accepted accounting principles, \$242,836 in betterment assessments that will be invoiced in future years, \$25,763 held for future milfoil eradication as part of the joint board project, \$7,820 in taxes prepaid for the 2021 tax levy, \$2,122 received in advance of the Middleton Road Cemetery project activity, \$467 in donations for the Libby 100<sup>th</sup> celebration, and \$3,024 in miscellaneous items. In the governmental activities, only \$39,196 is reported as unearned revenue, representing the milfoil eradication balance, prepaid taxes, advance payments, donations, prepaid program fees, and miscellaneous items. Unearned revenue in the Enterprise Funds represents prepayments of utility charges.

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**III.A.3. Capital Assets**

*Changes in Capital Assets*

The following tables provide a summary of changes in capital assets:

	Balance, beginning	Additions	Deletions	Balance, ending
Governmental activities:				
At cost:				
Not being depreciated:				
Land	\$ 6,739,466	\$ -	\$ -	\$ 6,739,466
Construction in progress	592,235	584,445	(432,989)	743,691
Total capital assets not being depreciated	<u>7,331,701</u>	<u>584,445</u>	<u>(432,989)</u>	<u>7,483,157</u>
Being depreciated:				
Land improvements	87,458	-	-	87,458
Buildings and building improvements	14,106,312	123,460	-	14,229,772
Machinery, vehicles and equipment	7,221,260	343,327	(1,568)	7,563,019
Infrastructure	32,910,380	1,950,194	-	34,860,574
Other improvements	2,319,162	387,304	-	2,706,466
Total capital assets being depreciated	<u>56,644,572</u>	<u>2,804,285</u>	<u>(1,568)</u>	<u>59,447,289</u>
Total all capital assets	<u>63,976,273</u>	<u>3,388,730</u>	<u>(434,557)</u>	<u>66,930,446</u>
Less accumulated depreciation:				
Land improvements	(6,924)	(2,103)	-	(9,027)
Buildings and building improvements	(3,061,375)	(534,400)	-	(3,595,775)
Machinery, vehicles and equipment	(4,678,599)	(374,252)	-	(5,052,851)
Infrastructure	(10,727,147)	(803,410)	-	(11,530,557)
Other improvements	(1,499,360)	(84,323)	-	(1,583,683)
Total accumulated depreciation	<u>(19,973,405)</u>	<u>(1,798,488)</u>	<u>-</u>	<u>(21,771,893)</u>
Net book value, capital assets being depreciated	<u>36,671,167</u>	<u>1,005,797</u>	<u>(1,568)</u>	<u>37,675,396</u>
Net book value, all capital assets	<u>\$ 44,002,868</u>	<u>\$ 1,590,242</u>	<u>\$ (434,557)</u>	<u>\$ 45,158,553</u>

*This note continues on the following page.*

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	Balance, beginning	Additions	Deletions	Balance, ending
Business-type activities:				
At cost:				
Not being depreciated:				
Land	\$ 1,115,005	\$ -	\$ -	\$ 1,115,005
Construction in progress	1,230,602	1,274,379	(1,076,477)	1,428,504
Total capital assets not being depreciated	<u>2,345,607</u>	<u>1,274,379</u>	<u>(1,076,477)</u>	<u>2,543,509</u>
Being depreciated:				
Buildings and building improvements	5,690,974	6,300	-	5,697,274
Machinery, vehicles and equipment	17,384,175	131,291	(13,300)	17,502,166
Infrastructure	29,385,601	1,355,863	-	30,741,464
Total capital assets being depreciated	<u>52,460,750</u>	<u>1,493,454</u>	<u>(13,300)</u>	<u>53,940,904</u>
Total all capital assets	<u>54,806,357</u>	<u>2,767,833</u>	<u>(1,089,777)</u>	<u>56,484,413</u>
Less accumulated depreciation:				
Buildings and building improvements	(2,532,922)	(146,341)	-	(2,679,263)
Machinery, vehicles and equipment	(9,970,560)	(525,635)	-	(10,496,195)
Infrastructure	(10,235,547)	(739,805)	-	(10,975,352)
Total accumulated depreciation	<u>(22,739,029)</u>	<u>(1,411,781)</u>	<u>-</u>	<u>(24,150,810)</u>
Net book value, capital assets being depreciated	<u>29,721,721</u>	<u>81,673</u>	<u>(13,300)</u>	<u>29,790,094</u>
Net book value, all capital assets	<u>\$ 32,067,328</u>	<u>\$ 1,356,052</u>	<u>\$ (1,089,777)</u>	<u>\$ 32,333,603</u>

*Depreciation Expense*

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

Governmental activities:	
General government	\$ 402,706
Public safety	199,997
Highways and streets	1,037,552
Sanitation	19,939
Culture and recreation	137,424
Conservation	870
Total depreciation expense	<u>\$ 1,798,488</u>
Business-type activities:	
Sanitation	\$ 457,978
Water distribution and treatment	487,453
Electric distribution	408,960
Culture and recreation	57,390
Total depreciation expense	<u>\$ 1,411,781</u>

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**III.B. Liabilities**

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

The amount due to other governments at December 31, 2020 consists of \$7,869,027 due to the Governor Wentworth Regional School District for the balance of the 2020-2021 district assessment and \$1,437 in fees collected on behalf of the State of New Hampshire.

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

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

Long-term liabilities currently outstanding are as follow:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 12/31/2020	Current Portion
Governmental activities:						
General obligation bonds/notes payable:						
Sewall/Friend Street water systems	\$ 396,514	2006	2026	4.0-4.3	\$ 98,813	\$ 16,469
General projects	\$ 1,292,315	2007	2027	4.0-5.0	490,000	70,000
Town hall renovations	\$ 485,920	2008	2028	4.0-5.25	194,260	25,710
ADA compliant restrooms	\$ 301,800	2008	2028	4.0-5.25	124,260	15,710
Land purchase	\$ 131,500	2008	2028	4.0-5.25	44,260	5,710
Sidewalks	\$ 97,530	2008	2028	4.0-5.25	44,260	5,710
Public safety building repair	\$ 121,000	2012	2023	2.1-5.1	26,000	10,000
255 Main Street parking lot	\$ 144,000	2012	2023	2.1-5.1	39,000	15,000
Downtown street upgrades	\$ 717,500	2012	2033	2.1-5.1	452,500	35,000
Glendon Street parking lot	\$ 256,600	2012	2033	2.1-5.1	160,600	15,000
Public works garage updates	\$ 277,000	2014	2034	3.1-5.1	190,000	15,000
Construct parks maintenance building	\$ 176,000	2014	2024	5.1	60,000	15,000
Middleton Road construction	\$ 417,000	2014	2034	3.1-5.1	280,000	20,000
Center Street reconstruction	\$ 700,000	2015	2033	2.1-4.1	500,000	40,000
Renovation of Brewster Hall	\$ 3,130,000	2015	2033	2.1-4.1	2,255,000	175,000
Libby Museum	\$ 194,000	2015	2025	2.1-4.1	94,000	20,000
Stonehenge Road reconstruction	\$ 77,000	2015	2025	2.1-4.1	27,000	10,000
Westwood Drive reconstruction	\$ 224,500	2019	2028	4.1	179,388	19,399
Library construction & renovation	\$ 3,710,000	2020	2040	2.14	3,343,700	173,700
Carry Beach reconstruction	\$ 450,000	2020	2025	0.57	396,250	76,250
					<u>8,999,291</u>	<u>778,658</u>
Unamortized bond premium					521,178	41,958
Capital lease payable:						
Van	\$ 21,849	2018	2021	4.17	5,583	5,583

*(continued)*

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Compensated absences payable:		
Accrued vacation leave	492,023	18,488
Accrued landfill postclosure care costs	80,000	8,000
Net pension liability	10,706,636	-
Other postemployment benefits payable	4,255,307	-
	<u>\$ 25,060,018</u>	<u>\$ 852,687</u>

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 12/31/2020	Current Portion
Business-type activities:						
General obligation bonds/notes payable:						
Water system improvements	\$ 450,000	1996	2021	4.5	\$ 12,000	\$ 12,000
Water treatment facility	\$ 3,000,000	1996	2026	4.5	450,000	90,000
Water system improvements	\$ 550,000	1997	2025	4.5	85,000	17,000
Electric distribution upgrade	\$ 5,281,000	2003	2023	2.25-4.25	780,000	260,000
Water system improvements	\$ 1,183,080	2004	2033	4.25	462,000	36,000
Sewall/Friend Streets water system	\$ 1,650,011	2006	2026	4.0-4.30	411,188	68,531
Water projects	\$ 2,816,295	2007	2027	4.0-5.0	945,000	135,000
Sewer infiltration/inflow project	\$ 592,990	2007	2027	4.0-5.0	210,000	30,000
Water system improvements	\$ 640,735	2008	2028	4.0-5.25	244,260	30,710
Sewer infiltration/inflow project	\$ 797,605	2008	2028	4.0-5.25	324,440	40,740
Pop Whalen rink	\$ 321,755	2008	2028	4.0-5.25	124,260	15,710
Wastewater treatment facility upgrade	\$ 5,820,364	2009	2029	2.352	2,619,164	291,018
Pop Whalen fire protection project	\$ 206,800	2011	2022	3.0-5.0	20,000	-
Pleasant Valley Road MED upgrade	\$ 616,200	2011	2022	3.0-5.0	60,000	-
Wastewater treatment facility upgrade	\$ 592,063	2012	2031	1.104	325,634	29,603
Wastewater facility upgrades	\$ 170,400	2012	2033	2.1-5.1	100,400	10,000
Wastewater facility upgrades	\$ 246,500	2012	2033	2.1-5.1	141,500	15,000
Water meter project	\$ 436,764	2014	2024	1.94	129,567	30,476
Sewer collection system upgrades	\$ 370,000	2014	2034	3.1-5.1	250,000	20,000
Whiten Neck Road water line upgrades	\$ 489,750	2017	2037	2.66	415,000	25,000
Voltage Conversion Phase	\$ 3,675,000	2020	2040	2.15	3,315,000	170,000
					<u>11,424,413</u>	<u>1,326,788</u>
Unamortized bond premium					982,452	97,885
Compensated absences payable:						
Accrued vacation leave					60,617	5,753
Net pension liability					1,685,303	-
Other postemployment benefits payable					790,846	-
					<u>\$ 14,943,631</u>	<u>\$ 1,430,426</u>

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*Changes in Long-Term Liabilities*

The following is a summary of changes in long-term liabilities of the governmental activities for the year ended December 31, 2020:

	General Obligation Bonds and Notes Payable	Unamortized Bond Premium	Capital Leases Payable	Compensated Absences Payable	Accrued Landfill Postclosure Care Costs	Net Pension Liability	OPEB Liability	Total
Balance, beginning	\$ 5,890,857	\$ 127,730	\$ 20,207	\$ 477,298	\$ 50,000	\$ 8,229,004	\$ 3,548,710	\$ 18,343,806
Additions	3,739,950	420,050	-	14,725	30,000	2,477,632	706,597	7,388,954
Reductions	(631,516)	(26,602)	(14,624)	-	-	-	-	(672,742)
Balance, ending	<u>\$ 8,999,291</u>	<u>\$ 521,178</u>	<u>\$ 5,583</u>	<u>\$ 492,023</u>	<u>\$ 80,000</u>	<u>\$ 10,706,636</u>	<u>\$ 4,255,307</u>	<u>\$ 25,060,018</u>

The following is a summary of changes in long-term liabilities of the business-type activities for the year ended December 31, 2020:

	General Obligation Bonds and Notes Payable	Unamortized Bond Premium	Compensated Absences Payable	Net Pension Liability	OPEB Liability	Total
Balance, beginning	\$ 9,606,387	\$ 712,884	\$ 75,972	\$ 1,339,605	\$ 722,969	\$ 12,457,817
Additions	3,315,000	360,000	-	345,698	67,877	4,088,575
Reductions	(1,496,974)	(90,432)	(15,355)	-	-	(1,602,761)
Balance, ending	<u>\$ 11,424,413</u>	<u>\$ 982,452</u>	<u>\$ 60,617</u>	<u>\$ 1,685,303</u>	<u>\$ 790,846</u>	<u>\$ 14,943,631</u>

*Debt Service Requirements to Maturity*

The annual debt service requirements to maturity for the bonds and notes outstanding as of year-end are as follow:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 778,658	\$ 321,148	\$ 1,099,806
2022	774,504	287,864	1,062,368
2023	765,331	253,212	1,018,543
2024	751,193	224,642	975,835
2025	725,251	195,412	920,663
2026-2030	2,691,254	633,395	3,324,649
2031-2035	1,688,100	215,126	1,903,226
2036-2040	825,000	50,944	875,944
Totals	<u>\$ 8,999,291</u>	<u>\$ 2,181,743</u>	<u>\$ 11,181,034</u>

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Year Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2021	\$ 1,326,788	\$ 422,377	\$ 1,749,165
2022	1,396,052	359,092	1,755,144
2023	1,317,336	298,271	1,615,607
2024	1,048,642	251,756	1,300,398
2025	1,012,153	211,694	1,223,847
2026-2030	3,276,940	601,129	3,878,069
2031-2035	1,181,502	191,024	1,372,526
2036-2040	865,000	52,804	917,804
Totals	<u>\$ 11,424,413</u>	<u>\$ 2,388,147</u>	<u>\$ 13,812,560</u>

Bonds and notes authorized and unissued as of December 31, 2020 were as follow:

Per Town Meeting Vote of	Purpose	Unissued Amount
March 13, 2018	Library renovations	\$ 1,145,000
March 13, 2018	Construction of Westwood Drive	\$ 38,500
March 13, 2018	Asset Management	\$ 30,000

The final payment on the capital lease is due in 2021 and consists of \$5,583 principal and \$233 interest for a total of \$5,816.

*Accrued Landfill Postclosure Care Costs*

State and federal laws and regulations require that the Town continue to perform certain maintenance and monitoring functions at the landfill site for thirty years after the 1997 closure. An estimated liability has been recorded based on the future postclosure care costs that will be incurred. The estimated liability for landfill postclosure care costs has a balance of \$80,000 as of December 31, 2020, 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, 2020. However, the actual costs of postclosure care may be higher or lower due to inflation, changes in technology, or changes in landfill laws and regulations.

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**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 the interfund receivables and payables at year-end:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Capital projects	\$ 1,216,692
General	Nonmajor governmental	39,151
General	Pop Whalen Ice Arena	62,165
Capital projects	General	18,294
Nonmajor governmental	General	1,623
Water department	Sewer department	36,368
		<u><u>\$ 1,374,293</u></u>

The amount due to the General Fund from the Capital Projects, Nonmajor, and Pop Whalen Ice Arena Funds represents overdrafts of pooled cash. The amount due to the Capital Project Fund from the General Fund represents voted appropriations. The amount owed to the Nonmajor Fund from the General Fund and the amount owed to the Water Department Fund from the Sewer Department Fund represent collections deposited into the other 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, and distributing trust income and certain voted amounts to the applicable fund. The government-wide statement of activities eliminates transfers reported within the governmental activities columns.



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The following schedule reports transfers within the reporting entity:

	Transfers In:			
	General Fund	Capital Projects Fund	Sewer Department Fund	Total
Transfers out:				
General fund	\$ -	\$ 188,294	\$ 696,010	\$ 884,304
Nonmajor funds	16,181	-	-	16,181
	<u>\$ 16,181</u>	<u>\$ 188,294</u>	<u>\$ 696,010</u>	<u>\$ 900,485</u>

The amounts transferred to the Capital Projects and Sewer Department Funds from the General Fund represent voted appropriations. The amount transferred to the General Fund from the Nonmajor Funds represents income earned on permanent funds for cemetery maintenance and culture and recreation.

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

The beginning equity was restated as follows:

	General Fund	Water Department Fund	Pop Whalen Ice Arena Fund	Custodial Funds
To correct interfund balance	\$ 40,000	\$ -	\$ -	\$ -
To correct grant receivable	-	(71,785)	-	-
To correct capital assets	-	-	32,880	-
Implementation of GASB Statement No. 84	-	-	-	1,717,749
Net position, as previously reported	6,306,966	9,100,406	647,104	-
Net position, as restated	<u>\$ 6,346,966</u>	<u>\$ 9,028,621</u>	<u>\$ 679,984</u>	<u>\$ 1,717,749</u>

*The notes continue on the following page.*

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**III.E. Fund Equity**

The components of fund balance, as described in Note I.C.6., are classified for the following purposes:

	General Fund	Capital Projects Fund	Nonmajor Funds
Nonspendable:			
Endowments	\$ -	\$ -	\$ 830,117
Prepaid items	68,691	-	-
Tax deeded property	40,074	-	-
Total nonspendable	<u>108,765</u>	<u>-</u>	<u>830,117</u>
Restricted:			
General government	-	-	354,057
Culture and recreation	595,176	-	-
Capital outlay	-	567,296	-
Total restricted	<u>595,176</u>	<u>567,296</u>	<u>354,057</u>
Committed:			
Public safety	-	-	1,964
Conservation	-	-	118,589
Capital outlay	2,987,670	-	-
Total committed	<u>2,987,670</u>	<u>-</u>	<u>120,553</u>
Assigned:			
General government	28,779	-	-
Public safety	10,930	-	-
Highways and streets	60,077	-	-
Sanitation	28,100	-	-
Culture and recreation	36,597	-	-
Total assigned	<u>164,483</u>	<u>-</u>	<u>-</u>
Unassigned	3,974,170	-	(18,703)
Total fund balance	<u><u>\$ 7,830,264</u></u>	<u><u>\$ 567,296</u></u>	<u><u>\$ 1,286,024</u></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 New Hampshire Public Risk Management Exchange (Primex) Workers' Compensation and Property/Liability Programs, which are considered public entity risk pools, currently operating as common risk management and insurance programs for member governmental entities.

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The Primex Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSA 5-B and RSA 281-A. Workers' compensation coverage is provided from January 1 through December 31, and property/liability coverage runs July 1 to June 30. Primex provided statutory workers' compensation coverage, and various amounts of coverage for liability and property losses.

Contributions paid in 2020 to be recorded as an insurance expenditure/expense totaled \$165,847 for property/liability and \$129,982 for workers' compensation. There were no unpaid contributions for the year ended December 31, 2020. The member agreement permits Primex to make additional assessments to members should there be a deficiency in trust 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](http://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, firefighters and other employees were 11.55%, 11.8% and 7% of gross earnings, respectively. The rates of contribution from the Town were 28.43% for police officers, 30.09% for firefighters, and 11.17% 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 for pension and medical subsidy from the Town during the years 2018, 2019 and 2020 were \$925,545, \$937,393 and \$984,334, respectively. The amounts were paid on a monthly basis as due.

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

At December 31, 2020, the Town reported a liability of \$12,391,939 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, 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

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contributions of all participating municipalities and school districts, actuarially determined. As of June 30, 2020, the Town's proportion was 0.1937%, which was a decrease of 0.0052% from its proportion measured as of June 30, 2019.

For 2020, the Town recognized pension expense of \$1,935,792, split between governmental activities (\$1,762,604) and business-type activities (\$173,188). At year-end, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ 236,889	\$ 343,731
Net differences between projected and actual earnings on pension plan investments	766,465	-
Changes in assumptions	1,225,809	-
Differences between expected and actual experience	334,642	133,054
Town contributions subsequent to the measurement date	467,213	-
	<u>\$ 3,031,018</u>	<u>\$ 476,785</u>

The Town reported \$467,213 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.

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,	
2021	\$ 468,061
2022	493,919
2023	597,008
2024	528,032
	<u>\$ 2,087,020</u>

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*Actuarial Assumptions*

The total pension liability in the June 30, 2019 actuarial valuation was determined using the actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019, 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	19 years beginning July 1, 2020
Asset Valuation Method	5-year smoothed market for funding purposes; 20% corridor
Price Inflation	2.5% per year
Wage Inflation	3.25% per year
Salary Increases	5.6% average, including inflation
Municipal Bond Rate	2.45% per year
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Based on the 2010-2015 experience study
Mortality	RP-2014 Healthy Annuitant and Employee Generational Mortality Table for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015 based on the 2010-2015 experience study

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of the most recent actuarial experience study, which was for the period of July 1, 2010 – June 30, 2015.

*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	\$ 9,408,933	\$ 12,391,939	\$ 16,042,518

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

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**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.

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

**IV.D. Other Postemployment Benefits**

*Plan Description*

In addition to providing pension benefits, the Town provides implicit postretirement medical benefits to its retired employees and their spouses, as required by NH RSA 100-A:50, *New Hampshire Retirement System: Medical Benefits*. The pre-65 benefits are the only benefits included in this valuation. Retirees under the age of 65 have a medical insurance plan with NH School Health Care Coalition. Both Group I and Group II retirees, as categorized by the New Hampshire Retirement System, qualify for this benefit. Group I employees, hired prior to 7/1/11, may retire at age 60, or once their age plus years of service equals 70. Group I employees hired after 7/1/11 may retire at age 65. Group II employees vested prior to 1/1/12 may retire at age 60, or at age 45 with 20 years of service.

Group II employees not vested prior to 1/1/12, but hired prior to 7/1/11, may retire at age 60, or upon attainment of minimum age and service requirements as follow:

<u>Years of Creditable Service as of January 1, 2012</u>	<u>Minimum Age</u>	<u>Minimum Service</u>
At least 8 but less than 10 years	46	21
At least 6 but less than 8 years	47	22
At least 4 but less than 6 years	48	23
Less than 4 years	49	24

Group II employees hired on or after 7/1/11 may retire at age 60, or at age 52.5 with 25 years of service. Retirees contribute 100% of premiums for individual, two-person or family medical coverage. Surviving beneficiaries continue to receive access to the Town's medical coverage after the death of the retired employee as long as they pay the required premium. As of January 1, 2020, the actuarial valuation date, there is only one participant of the postretirement plan that meets eligibility requirements. The plan does not issue a separate financial report.

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*Implicit Rate Subsidy*

Same benefit options are available to retirees as active employees. Health insurance is purchased through NH School Health Care Coalition. The Town is a member of the under-100 employees' pool and their rates are determined based on the experience of the entire under-100 employees' pool. The claims experience for active employees and retirees are combined to determine the final premium rate. This single premium rate is called a blended premium because it blends the expected claims of both active and retired participants. Retirees are generally older than the average participant in a non-Medicare plan, which means they are expected to generate higher claims than the average participant of the plan; therefore, they are receiving a subsidy even if they pay 100% of the blended premium rate because they would be paying less in premiums than their claims cost.

*Medical Insurance Subsidy*

The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the Medical Subsidy amount, then only the health insurance premium will be paid. If the health insurance premium amount exceeds the Medical Subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

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

*Total OPEB Liability*

The Town's total OPEB liability of \$5,046,153 consists of \$4,315,195 for the implicit rate subsidy determined by an actuarial valuation as of December 31, 2020 and \$730,958 for the medical insurance subsidy, determined by an actuarial valuation as of June 30, 2019 with roll-forward procedures used to determine the liability as of June 30, 2020. The roll-forward of the total OPEB liability from June 30, 2019 to June 30, 2020 reflects expected service cost and interest reduced by actual benefit payments and refunds for the plan year.

*This note continues on the following page.*

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*Methods and Assumptions*

The collective total OPEB liability was based on the following actuarial assumptions:

Implicit Rate Subsidy	
Payroll Growth	2.00%
Discount Rate	2.12%
Investment Rate of Return	N/A
Mortality	SOA RP-2014 Total Dataset Mortality with Scale MP-2020
Healthcare Cost Trend Rates	2020 7.19%
	2021 9.50%
	2022 9.00%
	2023-2030 Decrease by .50% until reaching 5.00%
Medical Insurance Subsidy	
Payroll Growth	3.25%
Discount Rate	6.75%
Inflation	2.50%
Municipal Bond Rate	2.45%
Investment Rate of Return	7.25% per year, net of OPEB plan investment expense, including inflation
Mortality	RP-2014 Health Annuitant and Employee Generational Mortality Table for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015 based on the last experience study

*Sensitivity of Total OPEB Liability*

Assumptions and methods used to determine the total OPEB liability are sensitive to changes in the discount rate and healthcare cost trend rates. The following presents the total OPEB liability calculated using the current discount rates, as well as what the total OPEB liability would be if it were calculated using a discount rate 1-percentage point lower or 1-percentage point higher:

Implicit Rate Subsidy:

	1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
Town's total OPEB liability	\$ 4,774,696	\$ 4,315,195	\$ 3,890,755

Medical Insurance Subsidy:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Town's total OPEB liability	\$ 793,744	\$ 730,958	\$ 676,447



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

The following presents the total OPEB liability for the implicit rate subsidy calculated using the current healthcare cost trend rate as well as what the total OPEB liability would be if it were calculated using a healthcare cost trend rate 1-percentage point lower of 1-percentage point higher:

	1% Decrease (6.19%)	Current Healthcare Cost Trend Rate (7.19%)	1% Increase (8.19%)
Town's total OPEB liability	\$ 3,723,283	\$ 4,315,195	\$ 5,015,217

*OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB*

For the year ended December 31, 2020, the Town recognized OPEB expense of \$536,237. At year-end, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ -	\$ 7,617
Changes in assumptions	1,170,141	133,969
Net differences between projected and actual earnings on OPEB plan investments	2,735	-
Differences between expected and actual experience	395,783	586,659
Town contributions subsequent to the measurement date	42,526	-
	<u>\$ 1,611,185</u>	<u>\$ 728,245</u>

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

The Town reported \$42,526 as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date, which will be recognized as a reduction of the OPEB liability in the year 2021. Other amounts reported as deferred inflows and outflows of resources will be recognized in OPEB expense as follow:

Year Ending <u>December 31,</u>	
2021	\$ 146,244
2022	151,882
2023	152,037
2024	151,825
2025	148,590
Thereafter	<u>89,836</u>
	<u><u>\$ 840,414</u></u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**EXHIBIT 13**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
*Schedule of the Town's Proportionate Share of the Net Pension Liability*  
**New Hampshire Retirement System**

	2020	2019	2018	2017	2016	2015
Town's proportion of net pension liability	0.1937%	0.1989%	0.1955%	0.2044%	0.1879%	0.1824%
Town's proportionate share of the net pension liability	\$12,391,939	\$ 9,568,609	\$ 9,412,528	\$ 10,050,420	\$ 9,992,155	\$ 7,226,287
Town's covered-employee payroll	\$5,717,796	\$ 5,385,830	\$ 5,321,978	\$ 5,022,891	\$ 4,745,564	\$ 4,320,142
Town's proportionate share of the net pension liability as a percentage of covered-employee payroll	216.73%	177.66%	176.86%	200.09%	210.56%	167.27%
Plan fiduciary position as a percentage of the total pension liability	58.72%	65.59%	64.73%	62.66%	58.30%	65.47%

**EXHIBIT 14**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
*Schedule of the Town's Pension Contributions*  
**New Hampshire Retirement System**

	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 984,334	\$ 937,393	\$ 925,545	\$ 863,859	\$ 792,455	\$ 734,301
Contribution in relation to the contractually required contribution	(984,334)	(937,393)	(925,545)	(863,859)	(792,455)	(734,301)
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 5,717,796	\$ 5,385,830	\$ 5,321,978	\$ 5,022,891	\$ 4,745,564	\$ 4,320,142
Contributions as a percentage of covered-employee payroll	17.22%	17.40%	17.39%	17.20%	16.70%	17.00%

**EXHIBIT 15**  
**TOWN OF WOLFEBORO**

***Schedule of Changes in the Town's Total OPEB Liability and Related Ratios***

	2020	2019	2018
Total OPEB liability:			
Service cost	\$ 286,421	\$ 211,970	\$ 183,565
Interest	138,698	179,037	170,694
OPEB plan net investment income	(663)	(3,585)	(5,576)
OPEB plan administrative and other costs	217	515	135
Changes of assumptions			
and differences between expected and actual experience	458,447	(12,953)	492,673
Benefit payments	(108,646)	(88,070)	(104,909)
Net change in total OPEB liability	774,474	286,914	736,582
Total OPEB liability, beginning	4,271,679	3,984,765	3,248,183
Total OPEB liability, ending	<u>\$ 5,046,153</u>	<u>\$ 4,271,679</u>	<u>\$ 3,984,765</u>
Covered-employee payroll	\$ 5,717,796	\$ 5,385,830	\$ 4,585,136
Total OPEB liability as a percentage of covered-employee payroll	88.25%	79.31%	86.91%
Town's proportion of the NHRS net OPEB liability for medical subsidy	0.1669%	0.1810%	0.1782%

**EXHIBIT 16**  
**TOWN OF WOLFEBORO**  
*Schedule of the Town's OPEB Contributions*

	2020	2019	2018
Actuarially determined contribution	\$ 543,196	\$ 486,593	\$ 419,306
Contributions in relation to the actuarially determined contribution	(108,025)	(100,397)	(92,285)
Contribution deficiency	<u>\$ 435,171</u>	<u>\$ 386,196</u>	<u>\$ 327,021</u>
 Covered-employee payroll	 \$ 5,717,796	 \$ 5,385,830	 \$ 4,585,136
 Contributions as a percentage of covered-employee payroll	 9.50%	 9.03%	 9.14%

The note to the required supplementary information is an integral part of this statement.

**TOWN OF WOLFEBORO, NEW HAMPSHIRE  
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

The pension and other postemployment benefits schedules are meant to present related information for ten years. Because this is the sixth year that the Town has reported the pension schedules, and third year that the Town has presented the OPEB schedules under current standards, only six and three years, respectively, are presented. An additional year's information will be added each year until there are ten years shown.



**COMBINING NONMAJOR GOVERNMENTAL AND INDIVIDUAL GENERAL FUND SCHEDULES**

**EXHIBIT 17**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2020**

	Special Revenue Funds						
	Recreation Revolving	Police Detail	Conservation Commission	CDBG	Miscellaneous Grants	Permanent Fund	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	\$ -	\$ 118,589	\$ -	\$ 2,757	\$ 15,321	\$ 136,667
Investments	-	-	-	-	-	1,183,550	1,183,550
Accounts receivable	-	341	-	-	872	-	1,213
Interfund receivable	-	1,623	-	-	-	-	1,623
Prepaid items	-	-	-	-	-	2,122	2,122
Total assets	<u>\$ -</u>	<u>\$ 1,964</u>	<u>\$ 118,589</u>	<u>\$ -</u>	<u>\$ 3,629</u>	<u>\$ 1,200,993</u>	<u>\$ 1,325,175</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Interfund payable	<u>\$ 17,231</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101</u>	<u>\$ -</u>	<u>\$ 21,819</u>	<u>\$ 39,151</u>
Fund balances:							
Nonspendable	-	-	-	-	-	830,117	830,117
Restricted	-	-	-	-	5,000	349,057	354,057
Committed	-	1,964	118,589	-	-	-	120,553
Unassigned	(17,231)	-	-	(101)	(1,371)	-	(18,703)
Total fund balances	<u>(17,231)</u>	<u>1,964</u>	<u>118,589</u>	<u>(101)</u>	<u>3,629</u>	<u>1,179,174</u>	<u>1,286,024</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 1,964</u>	<u>\$ 118,589</u>	<u>\$ -</u>	<u>\$ 3,629</u>	<u>\$ 1,200,993</u>	<u>\$ 1,325,175</u>

**EXHIBIT 18**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2020**

	Special Revenue Funds						
	Recreation Revolving	Police Detail	Conservation Commission	CDBG	Miscellaneous Grants	Permanent Fund	Total
<b>REVENUES</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ 18,026	\$ 1,165	\$ -	\$ 19,191
Charges for services	11,875	16,494	980	-	-	4,000	33,349
Miscellaneous	-	-	1,639	-	-	55,392	57,031
Total revenues	<u>11,875</u>	<u>16,494</u>	<u>2,619</u>	<u>18,026</u>	<u>1,165</u>	<u>59,392</u>	<u>109,571</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	-	6,384	6,384
Public safety	-	14,369	-	-	-	-	14,369
Highways and streets	-	-	-	-	-	22,500	22,500
Culture and recreation	31,106	-	-	-	-	12,897	44,003
Conservation	-	-	6,342	-	1,165	-	7,507
Capital outlay	-	-	-	17,835	-	-	17,835
Total expenditures	<u>31,106</u>	<u>14,369</u>	<u>6,342</u>	<u>17,835</u>	<u>1,165</u>	<u>41,781</u>	<u>112,598</u>
Excess (deficiency) of revenues over (under) expenditures	(19,231)	2,125	(3,723)	191	-	17,611	(3,027)
Other financing uses:							
Transfers out	-	(13,000)	-	-	-	(3,181)	(16,181)
Net change in fund balances	(19,231)	(10,875)	(3,723)	191	-	14,430	(19,208)
Fund balances, beginning	2,000	12,839	122,312	(292)	3,629	1,164,744	1,305,232
Fund balances, ending	<u>\$ (17,231)</u>	<u>\$ 1,964</u>	<u>\$ 118,589</u>	<u>\$ (101)</u>	<u>\$ 3,629</u>	<u>\$ 1,179,174</u>	<u>\$ 1,286,024</u>

**EXHIBIT 19**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2020**

	Estimated	Actual	Variance Positive (Negative)
<b>Taxes:</b>			
Property	\$ 12,176,148	\$ 12,265,371	\$ 89,223
Land use change	1,800	-	(1,800)
Timber	16,000	16,095	95
Payments in lieu of taxes	29,797	29,764	(33)
Interest and penalties on delinquent taxes	68,750	71,179	2,429
Total taxes	<u>12,292,495</u>	<u>12,382,409</u>	<u>89,914</u>
<b>Licenses, permits and fees:</b>			
Business licenses and permits	3,300	17,418	14,118
Motor vehicle permits	1,600,000	1,671,405	71,405
Building permits	81,800	113,675	31,875
Other	135,000	196,466	61,466
Total licenses, permits and fees	<u>1,820,100</u>	<u>1,998,964</u>	<u>178,864</u>
<b>Intergovernmental:</b>			
State sources:			
Municipal aid	85,502	85,502	-
Meals and rooms distributions	319,404	319,404	-
Highway block grant	179,784	179,764	(20)
Water pollution grant	134,610	-	(134,610)
State and federal forest land	49	49	-
Railroad tax	88	456	368
Federal sources:			
1st Responders	-	61,221	61,221
CARES	-	10,867	10,867
GOFERR	-	148,786	148,786
Police grants	19,912	60,657	40,745
Total intergovernmental	<u>739,349</u>	<u>866,706</u>	<u>127,357</u>
<b>Charges for services:</b>			
Income from departments	391,000	395,107	4,107
Other	60,319	65,143	4,824
Total charges for services	<u>451,319</u>	<u>460,250</u>	<u>8,931</u>
<b>Miscellaneous:</b>			
Special assessments	-	37,914	37,914
Sale of property	-	200	200
Interest on investments	50,000	108,133	58,133
Rent of property	215,200	227,773	12,573
Insurance dividends and reimbursements	67,700	100,897	33,197
Contributions and donations	212,000	201,156	(10,844)
Other	554,100	841,274	287,174
Total miscellaneous	<u>1,099,000</u>	<u>1,517,347</u>	<u>418,347</u>
<b>Other financing sources:</b>			
Transfers in:			
Nonmajor funds	13,000	14,472	1,472
Total revenues and other financing sources	<u>16,415,263</u>	<u>\$ 17,240,148</u>	<u>\$ 824,885</u>
Use of fund balance	200,000		
Total revenues, other financing sources and use of fund balance	<u>\$ 16,615,263</u>		

**EXHIBIT 20**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**General Fund**

**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2020**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ 1,500	\$ 647,896	\$ 576,234	\$ -	\$ 73,162
Election and registration	-	292,112	292,788	-	(676)
Financial administration	9,199	942,147	887,045	-	64,301
Revaluation of property	-	200,000	143,300	56,700	-
Planning and zoning	-	168,449	151,402	6,000	11,047
General government buildings	5,500	180,817	208,308	9,249	(31,240)
Cemeteries	-	31,329	15,223	-	16,106
Other	2,819	223,770	227,891	13,531	(14,833)
Total general government	19,018	2,686,520	2,502,191	85,480	117,867
Public safety:					
Police	-	2,194,664	2,196,426	4,955	(6,717)
Fire	12,703	2,117,000	2,159,711	-	(30,008)
Building inspection	-	162,160	153,453	-	8,707
Emergency management	-	1,800	8,771	-	(6,971)
Other	10,594	691,919	568,021	105,975	28,517
Total public safety	23,297	5,167,543	5,086,382	110,930	(6,472)
Highways and streets:					
Administration	2,000	248,339	248,277	-	2,062
Highways and streets	110,957	2,374,860	2,364,974	125,959	(5,116)
Other	24,491	543,972	643,948	46,297	(121,782)
Total highways and streets	137,448	3,167,171	3,257,199	172,256	(124,836)
Sanitation:					
Solid waste disposal	8,420	893,270	882,008	28,100	(8,418)
Health:					
Administration	-	6,309	5,851	-	458
Pest control	-	25,723	21,517	-	4,206
Health agencies and hospitals	-	118,657	119,157	-	(500)
Total health	-	150,689	146,525	-	4,164
Welfare:					
Administration & direct assistance	-	63,200	41,118	-	22,082
Culture and recreation:					
Parks and recreation	12,723	1,003,581	846,542	36,598	133,164
Public library	-	563,503	559,539	-	3,964
Patriotic purposes	-	19,830	5,277	-	14,553
Other	-	59,037	55,515	-	3,522
Total culture and recreation	12,723	1,645,951	1,466,873	36,598	155,203
Conservation:					
Administration	-	11,142	11,453	-	(311)
Other	-	55,000	34,709	25,984	(5,693)
Total conservation	-	66,142	46,162	25,984	(6,004)
Economic development	-	13,375	10,311	-	3,064

(continued)

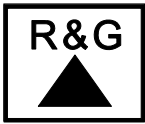
**EXHIBIT 20 (continued)**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**General Fund**

**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2020**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Debt service:					
Principal	-	612,881	631,517	-	(18,636)
Interest	-	247,381	362,260	-	(114,879)
Total debt service	-	860,262	993,777	-	(133,515)
Capital outlay:					
Machinery, vehicles and equipment	-	59,255	53,482	-	5,773
Buildings	-	25,000	-	25,000	-
Improvements other than buildings	189,551	43,125	189,733	1,500	41,443
Total capital outlay	189,551	127,380	243,215	26,500	47,216
Other financing uses:					
Transfers out:					
Expendable trust fund	-	907,750	907,750	-	-
Capital projects fund	-	170,000	170,000	-	-
Proprietary funds	-	696,010	696,010	-	-
Total other financing uses	-	1,773,760	1,773,760	-	-
Total encumbrances, appropriations, expenditures and other financing uses	\$ 390,457	\$ 16,615,263	\$ 16,449,521	\$ 485,848	\$ 70,351

**EXHIBIT 21**  
**TOWN OF WOLFEBORO, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2020**

Unassigned fund balance, beginning		\$ 4,007,270
Changes:		
Unassigned fund balance appropriated		(200,000)
Budget summary:		
Revenue surplus (Exhibit 19)	\$ 824,885	
Unexpended balance of appropriations (Exhibit 20)	<u>70,351</u>	
Budget surplus		895,236
Decrease in nonspendable fund balance		<u>15,105</u>
Unassigned fund balance, ending		<u><u>\$ 4,717,611</u></u>



# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S COMMUNICATION TO MANAGEMENT

To the Town Manager and Members of the Board of Selectmen  
Town of Wolfeboro  
Wolfeboro, New Hampshire

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wolfeboro as of and for the year ended December 31, 2020, 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We do want to discuss the following matter:

### ***Settle Old Uncollected Accounts***

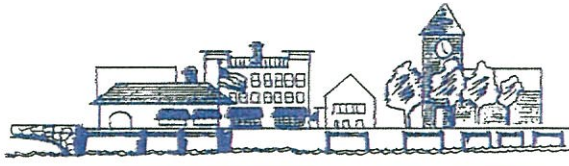
Of the total accounts receivable in the Electric Department of \$1,135,572, approximately \$308,000 is represented by inactive accounts that are many years old, and therefore unlikely to be collected. Continuing to maintain account balances when collection is in doubt results in excess time and resources being used to maintain the receivable listing. We recommend that the Town consider writing off old balances and developing a policy to allow for timely evaluation and adjustment of balances when collection is in doubt.

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

July 19, 2021

*Roberts & Greene, PLLC*





*Town of  
Wolfeboro*

BOARD OF SELECTMEN

Linda Murray, Chair


David Senecal, Vice

Brian Deshaies

Luke Freudenberg

Brad Harriman

James S. Pineo, Town Manager

TO: Board of Selectmen  
FROM: James S. Pineo, Town Manager   
CC: Tavis Austin – Town Planner  
DATE: July 30, 2021  
RE: Lehner Street Parking Lot

Attached you will find a preliminary site plan for the Lehner Street Parking Lot. The document outlines Boundary Line Adjustment between the Town of Wolfeboro NH and Mill Street Investment LLC. In this boundary line adjustment the town will receive property which will place town owned sewer line and a portion of the parking lot used by vehicular traffic on town owned property (Outlined in Yellow).

In return Mr. Ryan Crowder of Mill Street Investments will receive the section of town owned property which is currently municipal parking.

Should the Board of Selectmen approve this boundary line adjustment it will then be brought to the Planning Board for final approval. Upon approval the appropriate legal documents will be created, signed and registered with the Carroll County Registry of Deeds.

**Abstract**

- [illegible]

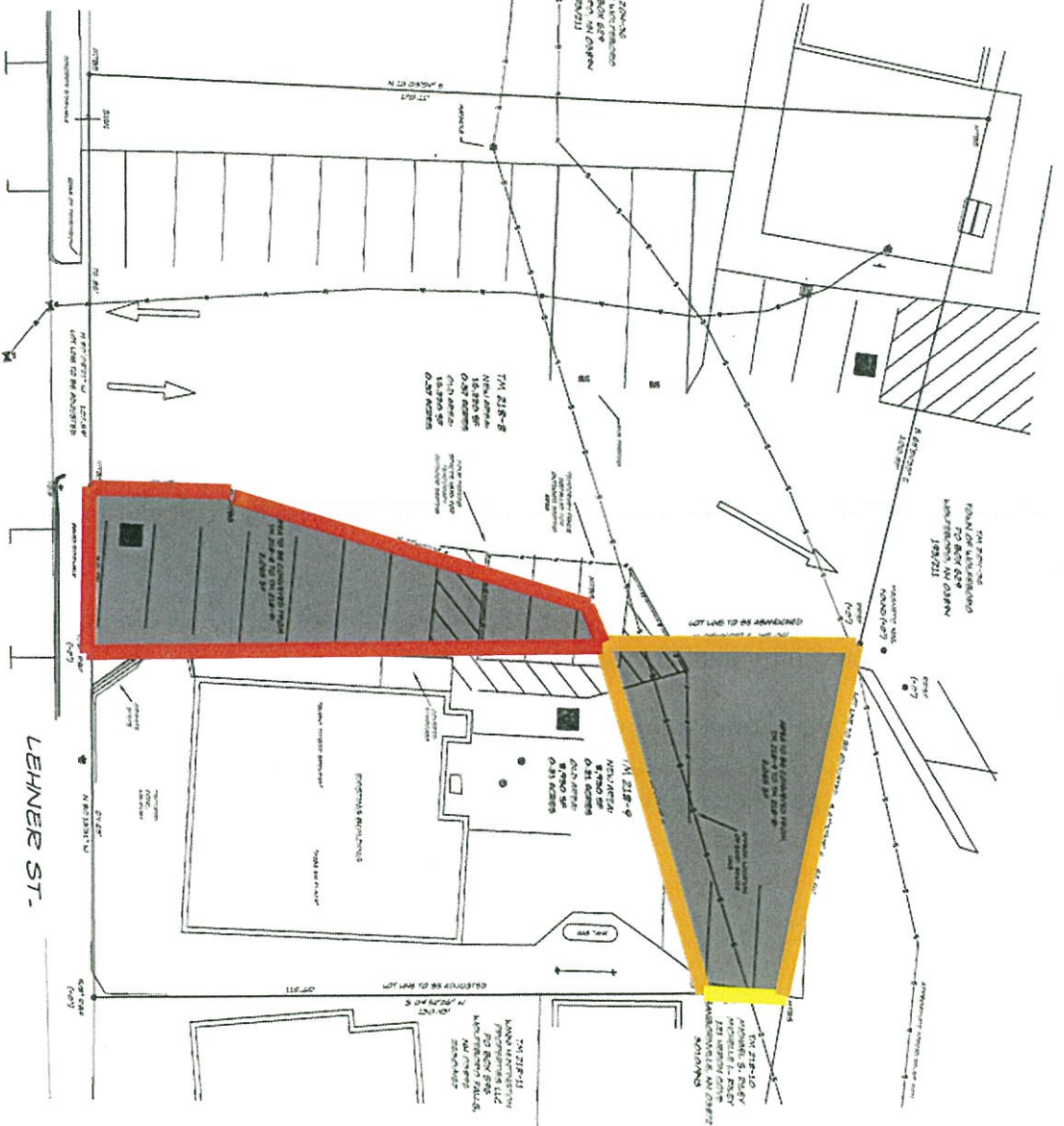
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Figure 1

1. The *Journal of the Royal Society of Medicine* is a peer-reviewed journal of medicine and health care.
2. The *Journal of the Royal Society of Medicine* is a peer-reviewed journal of medicine and health care.
3. The *Journal of the Royal Society of Medicine* is a peer-reviewed journal of medicine and health care.
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8. The *Journal of the Royal Society of Medicine* is a peer-reviewed journal of medicine and health care.
9. The *Journal of the Royal Society of Medicine* is a peer-reviewed journal of medicine and health care.
10. The *Journal of the Royal Society of Medicine* is a peer-reviewed journal of medicine and health care.

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1. THE MAIN PURPOSE OF THE FOLLOWING REPORT IS TO  
REPORT ON THE RESULTS OF THE RESEARCH  
CONDUCTED BY THE RESEARCHER
2. THE RESEARCH WAS CONDUCTED BY THE RESEARCHER  
ON THE BASIS OF THE RESEARCH DESIGN  
AND THE RESEARCH DESIGN WAS  
CONDUCTED BY THE RESEARCHER
3. THE RESEARCH WAS CONDUCTED BY THE RESEARCHER  
ON THE BASIS OF THE RESEARCH DESIGN  
AND THE RESEARCH DESIGN WAS  
CONDUCTED BY THE RESEARCHER
4. THE RESEARCH WAS CONDUCTED BY THE RESEARCHER  
ON THE BASIS OF THE RESEARCH DESIGN  
AND THE RESEARCH DESIGN WAS  
CONDUCTED BY THE RESEARCHER

# PRIMARY

**DATE**      **ATTESTED**

APPLIED POLYMER SYMPOSIA

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CHANGING OF PROPERTY

WOLFELOWAN ADV COMPANY

BOUNDARY LINE ADJUSTMENT

WYFF 10

CHIEF OF POLICE

1999

MILL STREET INVESTMENT

JUNE 20 07-7

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2 CONTINENTAL BLDG., ROCHESTER, N. Y.

FILE NO. 392
PLAN NO.
DWG. NO. 21122 CO-3
21 M

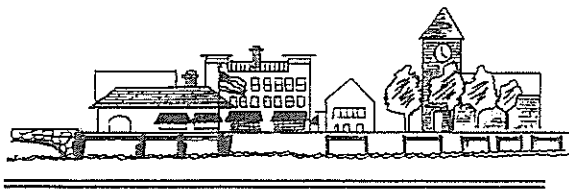
21 MOONEY STREET, ALTON, MD 603-872-8048

NORWAY PLAINS ASSOCIATES, INC.

2 CONTINENTAL BLDG., BOSTON, MA 603-335-3040

SHEET 1 OF 2


305-3040



*Town of  
Wolfeboro*

BOARD OF SELECTMEN  
Linda Murray, Chair  
David Senecal, Vice  
Brian Deshaies  
Luke Freudenberg  
Brad Harriman

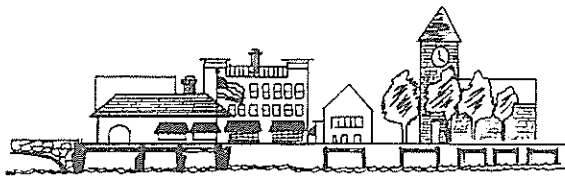
James S. Pineo, Town Manager

TO: Board of Selectmen  
FROM: James S. Pineo, Town Manager   
DATE: July 30, 2021  
RE: Private Roads

Attached you will find a memo regarding private roads. Currently, the Highway Division of Public Works is operating at maximum capacity for winter road maintenance and 3+/- hours per route.

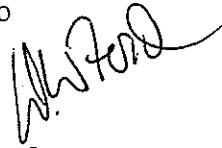
In order for the town to responsibly take on additional mileage of road will requires increased staffing and the addition of a plow vehicle, which Dave Ford has provided the back-up. I am also aware of roads in addition to those which Dave has outline regarding possible petition for the town to take over.

We as the Town of Wolfeboro need to create a process for which once a petition has been received how the road is evaluated to meeting town standards and the process of approval or denial.



*Town of  
Wolfeboro*

**Memorandum**

**Date:** July 30, 2021  
**To:** James Pineo  
**From:** David Ford   
**Subject:** Acceptance of Private Roads  
Required Resources

Currently the Town has had request /petitions from property owners/interested parties on the following private roads:

- a. Winny Drive
- b. Orchards
- c. Ronald Road
- d. Jason's Way
- e. Ambrose

The Town currently has 9 full time employees (FTE) in Highway Division and winter Operations is supplemented by 2 FTE from PW Garage and we use Water Crew for back up. The Town cannot take over additional roads without reduced service to the entire Town during winter emergencies. If the Town hired one FTE Equipment Operator and added 1 new plow truck we could Accept (with Betterments) the equivalent of the 5 roads listed above.

The cost for an entry level Equipment Operator and truck is shown on the attached worksheet. First year cost would be about \$150,000, then continue with a yearly cost of about \$80,000 going forward.

<b>Highway</b>									
SW 100 & 200 series									
<b>Name</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Total</b>	<b>Soc. Sec</b>	<b>Retireme</b>	<b>Unemp</b>	<b>Wo. Comp</b>	<b>TOTAL</b>	<b>Comments</b>
Highway 01-43120-114									
New Equipment Operator	\$ 17.35	\$ 40	\$ 36,088	\$ 2,761	\$ 4,031	\$ 34	\$ 881	\$ 43,794.61	
Health Insurance - 2 Family								\$ 25,000	Range:14k to 34k
Clothing								\$ 1,000	
Approximate Labor Cost								\$ 69,795	
New 1 Ton Truck with V-Plow and sander, no wing, similar to WS-5 will cost \$80,000 and assume it will last 10 years								\$ 8,000	Need to increase CRF contributions by this amount
Approximate Fuel & Truck Maintenances cost per year								\$ 2,400	Increase O & M budget by this amount
Approximate Yearly Cost								\$ 80,195	

First year cost would include purchase of New Truck at \$80,000 plus the cost for a FTE at \$70,000 for a total of \$150,000. After first year the annual cost going forward would be closer to \$80,000.

**Emerald Ash Borer Insecticide Treatments for Professionals**  
**Tuesday, 7/20/2021**

**Session 1:** 9:00 – 11:00 am

**Session 2:** 2:00 - 4:00 pm

**Location:** Wolfeboro Historical Society

Clark Museum Complex

233 South Main Street

Wolfeboro, NH

(Across the street from Huggins Hospital).

**Registration:** Email [wendy.scribner@unh.edu](mailto:wendy.scribner@unh.edu) or call 603-447-3834

This workshop is designed for licensed pesticide applicators interested in learning more about insecticide treatments for emerald ash borer. These two-hour long sessions will be held outside and will include a review of emerald ash borer biology, best management practices and treatment options. In addition, Bill Davidson, NH Forest Health Specialist, will demonstrate a variety of equipment that can be used for tree injections and will discuss insecticides recommended for emerald ash borer treatments.

Registration is required. Each two-hour session will be identical, please register for only one. Each session is limited to 20 participants. Participants will be required to complete a simple online health screening before leaving home. Additional information will be sent upon registration.

Commercial and private licensed applicators will receive two credits for attendance.

This workshop will be held rain or shine.

This program is co-sponsored by [NH Division of Forests and Lands](#) and UNH Cooperative Extension



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/31/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Fred C. Church Insurance 41 Wellman Street Lowell MA 01851	<b>CONTACT NAME:</b> Danielle Ballou <b>PHONE (A/C, No, Ext):</b> 978-322-7168 <b>FAX (A/C, No):</b> 978-454-1865 <b>E-MAIL ADDRESS:</b> dballou@fredcchurch.com
<b>INSURED</b> University System of New Hampshire 5 Chenell Drive, Suite 301 Concord NH 03301	<b>UNIVSYS-01</b> <b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> United Educators Insurance <b>INSURER B:</b> Acadia Insurance Company <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>

**COVERAGES****CERTIFICATE NUMBER:** 1237445845**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		E0195B	11/1/2020	11/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ \$
B	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		CAA5267641	11/1/2020	11/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 1,000,000		E0195B	11/1/2020	11/1/2021	EACH OCCURRENCE \$ 40,000,000 AGGREGATE \$ 40,000,000 \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N / A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability Educators Legal Liability		E0195B	11/1/2020	11/1/2021	Each Occurrence \$1,000,000 Aggregate \$3,000,000 Ea. Occ. / Aggregate \$30,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**\*\*Additional Insured Status is Provided Where Required by Contract\*\***

Evidence of insurance University of New Hampshire at Durham, University of New Hampshire at Manchester, Keene State College, Plymouth State University, NHPB, New Hampshire Public Television (NHPTV), University of New Hampshire Foundation, Inc., UNH Alumni Association, Center for Public Responsibility, and Corporate Citizenship, Granite State College, New Hampshire Fiber Network, Inc. (NHFN, Inc.)

**CERTIFICATE HOLDER****CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

University System of New Hampshire  
5 Chenell Drive  
Suite 301  
Concord NH 03301

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Granite State News ▶

## Cooperative Extension Service advises homeowners on Emerald Ash Borer threat

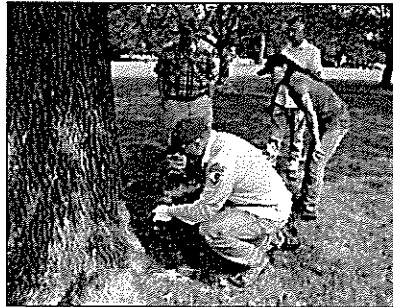
by Elissa Paquette

July 29, 2021

REGION — The Emerald Ash Borer (EAB), first spotted in New Hampshire in 2013, has been devastating acres of New Hampshire ash trees. That may be a present boon to the woodpecker population, but the larvae they thrive on can kill an ash tree in three to five years.

EAB were identified in Alton in 2016 and have been moving north. Wolfeboro and Tuftonboro infestations appeared in 2018, followed by Ossipee and Brookfield in 2020.

Forester Wendy Scribner's beat for the University of New Hampshire's Cooperative Extension Service, so to speak, is Carroll County. That brought her to Wolfeboro on July 20, specifically to Clark Park, to host two sessions for forestry professionals on the latest treatment techniques. The Extension Service can help develop plans for municipalities in assessing, predicting and slowing down infestations with treatment, but the Tuesday sessions were aimed at aiding professionals in responding to homeowners' needs.



Kyle Lombard, Forest Entomologist and Pathologist for the NH Div. of Forests and Lands drills into the base of an Ash tree infested with the Emerald Ash Borer in Clark Park on Tuesday, July 20. Watching the treatment application demonstration are Erik Grove of Southern Maine Forestry Services, Crystal Franciosi, a Consulting Utility Forester contracted to Eversource, and Dode Gladders, Field Specialist, Natural Resources, with the University of New Hampshire Cooperative Extension. (Photo by Elissa Paquette) (click for larger version)

Kyle Lombard, Forest Entomologist and Pathologist for the New Hampshire Division of Forests and Lands, demonstrated the treatment process on a declining 60 - 70 year old tree in Clark Park. The tree, Scribner pointed out, was probably not previously treated as some evidently were at the Clark Museum Complex, due to the progress of the infestation (50 percent of the crown is dead), but the team decided to give it a chance for educational purposes. Scribner said homeowners would do well to consult with a professional to assess the ash trees on their property and evaluate when treatment is warranted.

Trees may have to be removed and possibly replaced or treated with insecticides. The effectiveness of the treatment is diminished in trees that are already in decline. Safety is a factor in making a decision to take down a tree - ash trees are brittle, and dead limbs can drop and splinter, and if a failing tree is in a public place, it can be a hazard. The decision to attempt to treat and save a tree must factor in its shade, which affects heating and cooling costs, and its esthetic properties that increase property value.

Treatment may cost several hundred dollars, pointed out UNH Extension Forester Dode Gladders (Sullivan County) but spread out over time, that may be less expensive than the costs associated with removing a tree, such as the tree under examination in Clark Park, which could be around \$2,000.

Lombard demonstrated the drilling of holes four to eight inches apart around the circumference of the tree to attendees, followed by the insertion of narrow, yellow plugs and a tube for chemical application. Since pollination is by wind, he said, untreated ash trees near a treated tree can benefit when the EABs consume treated material and cross over to another tree and lay eggs.

Homeowners are encouraged to report any suspect trees at [NHbugs.org](http://NHbugs.org) for review by a forestry professional. Scribner may be reached at [wendy.scribner@unh.edu](mailto:wendy.scribner@unh.edu).

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**Saturday August 14, 2021 9:00 am**



Scenic 5K on the Ammonoosuc River

Sponsored by:



Hosted By:



Beer Tent & Live Music by Adam Reczek

Lunch Included



Littleton NH



Phume Media







### ***Who We Are – A Nonprofit Since 1907***

Over a century ago, inspired by his parents' interest in broadening the good work already begun by the Laconia Home for the Aged, Edward Taylor made a generous gift of land and resources that allowed for the construction of the Taylor Home building. That original gift has grown into the Taylor Community, an exceptional nonprofit Continuing Care Retirement Community in both Laconia and Wolfeboro, with dedicated trustees, staff, and volunteers who remain faithful to doing the good work that inspired Mr. Taylor's gift so many years ago.

#### ***Laconia Campus***

Situated on 104 acres, this campus includes 129 independent living cottages and the Woodside Apartment Building, the hub of campus life. Woodside features 57 independent living apartments, covered parking, a warm water pool, fitness center, a Bistro dining area, movie theater, and community meeting rooms where on-campus lectures, concerts and activities are hosted. Adjacent to the Woodside Building is the Woodside Pavilion and Recreation Area where we host a variety of outdoor concerts, gatherings, and al fresco dining. This area also features bocce and shuffle board courts, a putting green, and raised garden beds. The Laconia campus also includes the original Taylor Home Building which is home to 30 Assisted Living residents, and the Ledgeview Building which is home to 20 Assisted Living residents, 10 Memory Care residents, and 34 Nursing residents.

#### ***Wolfeboro Campuses***

Our Back Bay campus currently includes 24 Independent Living Cottages. Sugar Hill includes 29 Independent Living Cottages/Townhomes and the Sugar House which has 42 Independent Living Apartments and 15 Assisted Living units. With the acquisition of Sugar Hill, we now look ahead to the future to replicate the successful model on the other side of the lake, allowing us to offer our Taylor Community - Wolfeboro residents the peace of mind and security that comes with the full continuum of a continuing care retirement community.

### ***The Nonprofit Advantage***

As a nonprofit organization, Taylor Community's sole objective is to provide the highest quality and most compassionate care to those we serve. Since 1907 we have been a mission-driven, resident centered organization setting the standard for excellence in senior living. We annually provide over \$1.6-\$1.8 million in charitable care.

#### ***Mission-Driven Values:***

Taylor Community is not driven by a daily pressure to increase our bottom line for owners, investors or shareholders. Quality of care and services provided to our residents is the barometer of our success.

#### ***Accountability:***

As a nonprofit organization, we are accountable to a voluntary board of directors, who donate their time and talent to ensure that ethical management, financial integrity, and the highest quality of care and services are maintained.

#### ***Board of Trustees:***

President/CEO: Michael Flaherty, Laconia  
Chair: David Pearlman, Meredith  
Vice Chair: Mitch Jean, Laconia  
Treasurer: Ronald Baker, III, Laconia  
Secretary: Bradford Cook, Manchester  
Patricia Anderson, Laconia  
David Booth, Exeter  
Travis Cole, Gilford

Russell Cooper, Laconia  
Nancy Crutcher, Laconia  
Matt Krause, Wolfeboro  
Sarah Laffey, Laconia  
David Lynch, Laconia  
Robert MacArthur, Center Sandwich  
Peter Millham, Laconia  
Chris Volpe, Gilford  
Barbara Wood, Wolfeboro



### ***What is a Continuing Care Retirement Community (CCRC)?***

Continuing care retirement communities, also known as CCRCs or life plan communities, are a long-term care option for people who want to stay in the same place through different phases of the aging process.

Continuing care retirement communities offer different types of housing and care levels based on a person's needs and how they change. A resident can start out living independently in a cottage or apartment and later transition to assisted living, memory care or nursing to receive higher levels of care while remaining in the same community. A CCRC empowers folks to secure a long-term plan for the future, and gain the freedom and independence to more fully embrace every day.

As a CCRC, our contracts are overseen by the Department of Insurance and our Assisted Living, Memory Care and Nursing buildings are overseen by the Department of Health & Human Services. We annually provide over \$1.6-\$1.8 million in charitable care.

### ***Contract Options at Taylor***

Taylor Community offers multiple contract options to best meet individual needs. A Continuing Care Agreement is the "gold standard" and our most popular contract, though we also offer other agreement options including Lifecare, Lifestyle, and Taylor Connection. Entrance fees and monthly fees for each of these contract types vary, depending upon the cottage, townhome, or apartment you choose. Each contract type has different benefits and it is important to find the right contract for you.

#### *Continuing Care Agreement*

Provides future access to all levels of care, including nursing care as well as charitable care if needed. Residents who live here with a continuing care contract in place have priority access to assisted living and guaranteed access to nursing care if needed in the future. A charitable care component provides peace of mind knowing that even if you exhaust your resources over time, Taylor will continue to care for you for the rest of your life. Residents with Continuing Care contracts may also access temporary nursing care as needed if they face health challenges, or need help recovering from illness or surgery. An entrance fee is required, and monthly fees vary based on accommodation and level of care.

#### *Lifecare Agreement*

Provides the same benefits as a Continuing Care Agreement, listed above. The difference is in the financial structure—Residents who purchase a Lifecare Agreement will pay a higher entrance fee up front, though it is 90% refundable. They also pay a consistent monthly fee, whether they are in independent living, assisted living, memory care or nursing. While initially more expensive than Continuing Care, this contract works well for people who wish to ensure that their healthcare costs will remain consistent and predictable over time.

#### *Lifestyle Agreement*

Provides access to independent living and may provide access to assisted living, but does not provide access to nursing or charitable care. It is available for a lower entrance fee up front, which makes it an attractive option for some.

#### *Taylor Connection*

This agreement is for those who plan to move into Taylor Community in the future, but who are not yet ready. Taylor Connection residents pay a non-refundable deposit toward the Continuing Care Entrance Fee and at that point become residents of Taylor, living in their own homes. There is no time restriction in terms of when to move in, though entrance fees are locked in for three years from the date of signing the agreement. Having a Taylor Connection contract means there's a plan in place in the event higher levels of care are needed.



### ***Future Plans:***

In February 2021, we completed the acquisition of Sugar Hill, which included the purchase of the Sugar Hill assisted living operation and land from Huggins Hospital. We also assumed the management of the Sugar Hill Retirement Care Association (the resident-owned independent living cooperative), with the intent to purchase shares of the cooperative over time as interest in the Taylor Community continuing care retirement model at Sugar Hill grows.

Since February, we have seen a significant uptick in interest. Already, Taylor Community owns 18 shares of the Sugar Hill Retirement Cooperative inventory—representing a little over 25%. Our expectations are that this level of sales activity will subside to a degree, but it is clear that the demand for the Taylor Community continuing care retirement model is strong in Wolfeboro. It is for this reason that we are working diligently to implement the full continuum of services for those who would like to retire in Wolfeboro. These plans include:

#### *New Healthcare Building at Back Bay*

Tentatively, this new building will include 30 assisted living apartments, a 14 bed memory care neighborhood, and 14 nursing beds.

#### *New Back Bay Clubhouse*

This building will include space for Wellness Classes/Fitness Center, indoor lap pool, community meeting spaces, and a small kitchen/café.

We have contracted with JSA Architects of Portsmouth and Conneston Construction, Inc. of Laconia for these projects. CCI is currently working with JSA and our management team as well as with the Town of Wolfeboro to plan for both of these projects.

### ***Economic Development***

- Taylor's presence in Wolfeboro will be a strong economic driver. Our acquisition of Sugar Hill has already added an additional 13 well-paying year-round positions to the community, including nursing, maintenance, dining services and sales professionals. With the addition of the Back Bay Clubhouse and Health Care Building, we anticipate adding an additional 75-80 new year-round positions.
- We are working with a Lakes Region based construction manager for our planned construction projects. Conneston Construction, Inc. has a proven track record of working with local subcontractors and vendors. The new Back Bay Clubhouse and Health Care Building will bring an estimated \$20-\$25 million in new construction activity to the community.

### ***Workforce Development***

- Taylor Community is an employee focused organization and has built a reputation of being an employer of choice in the Lakes Region. We believe wholeheartedly that if we prioritize taking great care of our employees, everything else falls into place. Employees who feel valued, supported and well-cared for will take exceptional care of our residents.
- Our efforts to train and develop future staff are well-known. We have an established partnership with Laconia's Huot Technical School and are now working with Principal Farr and Jennifer French to create a similar partnership with the Kingswood School District and Lakes Region Technology Center.
- Overall, our goal is to be a one stop shop for both Huot and LRTC. We work cooperatively to provide Extended Learning Opportunities, Work Based Learning opportunities, and staff at both facilities know and trust that Taylor's Leadership Team will be involved every step of the way, providing the best possible learning and working environment for students.



### ***A History of Community Outreach***

For more than a century, we have served well over 1,500 residents who have called Taylor Community home. Throughout this time we have remain dedicated to our mission of providing the highest quality retirement living options and elder services, in order to support the independence, health and dignity of each resident. We work every day to be the premier source for social, educational and cultural opportunities for seniors throughout the Lakes Region, promoting wellness, partnership and participation in the community. Taylor Community's Laconia campus is known for its full calendar of community concerts, lectures and meetings that are open to the public and well-attended by residents and the general public alike. Additionally, our residents are among the City's most enthusiastic and supportive volunteers.

### ***Arts & Culture***

We annually share our meeting rooms with more than 40 local organizations who host upwards of 400 events and meetings on our campuses, and we partner with over 20 local nonprofit organizations, theaters, and music festivals, including an especially meaningful partnership Wolfeboro's Wright Museum of WWII.

Thanks to the generosity of our corporate and resident donors, we annually host the Bank of New Hampshire Classical Music Series and a Monday Blues Music series—exceptional, free and open-to-the public concert series' held in our Woodside Building in Laconia. We also hosted more than 250 public lectures, programs, opera & ballet screenings in our theater on our Laconia campus. With the acquisition of Sugar Hill, we have already added an additional Activities Director position, exclusively to grow our programming offerings for the greater Wolfeboro community.

### ***Volunteerism & Intergenerational Programming in Local Schools***

We are committed to making a difference in the greater Lakes Region. Annually, our residents volunteer more than 5,500 hours of time in service to others, both on campus and with a variety of nonprofit organizations and schools in the greater Lakes Region. Taylor Residents and staff are consistently one of the largest and most enthusiastic fundraising teams for the Greater Lakes Region Children's Auction. Many of our residents serve as supervisors of the voting checklist in Laconia, and we help Laconia citizens get to know the candidates by hosting the Laconia Mayoral Candidates Forum. We also partner with local artist Larry Frates to bring some fun and spirit to the City of Laconia's Holiday Parade, with our own Taylor Community Snow Shovel Brigade of Residents & Staff.

### ***Wolfeboro—The premiere community in the Lakes Region to live, work, play...and retire.***

For over 100 years Taylor Community has been providing exceptional services and care to seniors, all while being a vibrant part of the community and the employer of choice in the Lakes Region. With our feet now firmly planted in the Wolfeboro community, there simply will be no better place to live, work, play and retire, than at Taylor Community in New Hampshire's Lakes Region.



July 24, 2021

Trustees of The Libby Museum  
(Town of Wolfeboro Selectmen)  
PO Box 629  
Wolfeboro, NH 03894

Dear Madam/Sirs,

Re: Strategic Partnership with FoLM for Restoration/expansion of The Libby Museum

Further to our suggested Strategic Partnership MoU on the above, we are writing to suggest revisions we hope meet with your approval.

The Friends of The Libby Museum are offering their support to restore/expand the Libby Museum in accordance with the Alba 2019 Plan by raising 70% of the costs (estimated at \$2million). We were pleased your vote of November 2020 for a smaller plan was rescinded at the July 14, 2021 public meeting, and you have endorsed the Alba 2019 Plan as the best way forward.

We heard your suggestion for benchmarking funding and enclose our suggested steps in this approach. We discussed internally what we consider realistic benchmarks for our portion; and, we have inserted your verbalized intention to submit a Warrant Article for \$100k to voters in March 2022. The timing of the remainder of the Town's portion (30%) has been left open for your completion before signing the MoU. We would suggest regular annual meetings between you, The Trustees, and The Friends each year, starting in January 2023 (or more frequently, if you wish).

The FoLM aspire to play a more significant role in the operating of the Museum, once restored. Our vision is for a community and regional teaching center for natural history including the surrounding ecosystem and lake environment from which natural history has evolved.

Please know we were fundraising but paused efforts when you previously endorsed a smaller initiative (late 2020). We hope to resume fundraising if we come to a successful agreement.

Time, for all of us, is of the essence. We appreciate you are entering your key budgeting period which involves consultations with the CIP and Budget Committee. Equally, we expect our Annual Meeting in September to seek clarity on this partnership, and potentially enable concerted fundraising to begin prior to the end of the year. Therefore, we suggest together we aim to complete this MoU by August 23, 2021, at the latest. Should it prove impossible to agree by August 23rd, The Friends of The Libby will not be proceeding with any further fundraising to support this project.

We sincerely hope the attached contributes to a way forward. Meanwhile, if you have questions of us or wish to discuss please contact us at (603)520-9648 or (603)515-0027.

Best regards,

Tom Goodwin

Board President, Friends of The Libby Museum, Inc.

## PROPOSED STRATEGIC PARTNERSHIP-MEMORANDUM OF UNDERSTANDING

Version: July 2021

### Goals of Partnership

The Friends of the Libby Museum (FOLM) and Museum Trustees (Town) seek to work together to restore The Libby to an up to date facility to sustain and advance the vision of Dr. Libby when he established the Museum in 1912. The Libby is considered a jewel to the Town which welcomes visitors coming from the North with the first expansive view of Lake Winnepesaukee. In 2019, Alba Architects presented a project estimated to cost \$2.9 million for the restoration and a modest expansion of the Libby Museum. This project will preserve the current collection and enable additional natural history items to be added to enrich the experience for current and future generations. This Memorandum of Understanding is not a contract and creates no binding rights or obligations on the part of either the Selectmen as Trustees of the Libby Museum or the Friends of the Libby Museum. Consideration to cost escalation from the 2019 estimated price of \$2.9 million have not been considered for this MOU.

### Responsibilities and goals of The Town.

The Town, which since 1956, has provided the principal funding for the annual operating costs of The Libby will continue in that role in the near/intermediate term while welcoming the FOLM as a financial partner for the planned restoration and expansion. The Town, contingent on FOLM raising 70% of the total project cost, intend to produce warrant articles asking the voters to consider appropriating 30% of the project cost. The Town welcomes FOLM as a contributing partner to the long-term sustainability and enhancement of the Libby, and approves of FOLM aspiring to raise a permanent endowment of some \$1,000,000 over the next five years which will generate income for enhanced activities. The Town has many financial obligations on a long-term basis and welcomes the growing support it will be receiving from FOLM to sustain and enhance the Libby. Benchmarking progress (Annex 1) provides a means of monitoring progress.

### Responsibilities and goals of FOLM

The FOLM are committed to the long-term success of the Libby and in that regard join in a financial partnership with The Town as noted above. The FOLM will engage in a fund-raising campaign to raise and contribute 70% to the planned restoration and expansion, utilizing the benchmarking framework outlined above. While the near-term goal is the restoration/expansion project, FOLM also envisions a Libby which will be a broad-based community and regional teaching center for natural history including the surrounding ecosystem and lake environment from which natural history has evolved. The FOLM will aspire to build a growing endowment over the years (aiming for \$1 million in five years) to fund expanding activities and costs. As the role of the FOLM increases in this Strategic Partnership, thereby enabling the Libby to become more of a self-sustaining entity,

## ANNEX 1: Benchmarking

In the process of negotiating this Strategic Partnership, benchmarking has been suggested as a way of monitoring progress towards the funding goal of this project (estimated \$2.9m, at 2019 prices).

The following outlines timeframes and funding goals for both The Town and the FoLM.

	30% (Town)	70% (FoLM)	
August 2021	\$300,000	\$150,000	
By Dec 2022	+ 100,000 (warrant 2022)	+ 650,000	
By Dec 2023	+ to be determined prior to signatures	+ 500,000	
By Dec 2024	+ to be determined prior to signatures	+ 700,000	
Total	\$900,000	\$2,000,000	\$2,900,000

representation by the FOLM on the Libby governing board in an appropriate time frame and manner is envisioned.

**Approved by the Libby Board of Trustee**

\_\_\_\_\_, Chairperson

Date\_\_\_\_\_

\_\_\_\_\_

Date\_\_\_\_\_

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Date\_\_\_\_\_

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Date\_\_\_\_\_

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Date\_\_\_\_\_

**Approved by President and Board Chair, Friends of the Libby Museum**

\_\_\_\_\_

Date\_\_\_\_\_