

# TOWN OF ATKINSON, NEW HAMPSHIRE

## FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022

**TOWN OF ATKINSON, NEW HAMPSHIRE  
FINANCIAL REPORT  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**TABLE OF CONTENTS**

	<b><u>PAGES</u></b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements:	
Statement of Net Position (Exhibit 1)	3
Statement of Activities (Exhibit 2)	4
Fund Financial Statements:	
Balance Sheet – Governmental Funds (Exhibit 3)	5
Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position (Exhibit 4)	6
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Exhibit 5)	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Exhibit 6)	8
General Fund - Statement of Revenues, Expenditures and Changes in Unassigned Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) (Exhibit 7)	9
Statement of Fiduciary Net Position – Fiduciary Funds (Exhibit 8)	10
Statement of Changes in Fiduciary Net Position – Fiduciary Funds (Exhibit 9)	11
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	12
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of the Town's Proportionate Share of the Net Pension Liability (Exhibit 10)	33
Schedule of the Town's Pension Contributions (Exhibit 11)	34
Schedule of Changes in the Town's Total OPEB Liability and Related Ratios (Exhibit 12)	35
Schedule of the Town's OPEB Contributions (Exhibit 13)	36
<b>NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION</b>	37
<b>COMBINING NONMAJOR AND INDIVIDUAL GENERAL FUND SCHEDULES</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet (Exhibit 14)	38
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit 15)	39
Major General Fund	
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis) (Exhibit 16)	40
Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis) (Exhibit 17)	41
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis) (Exhibit 18)	43
<b>INDEPENDENT AUDITOR'S COMMUNICATION TO MANAGEMENT</b>	44



# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S REPORT

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

### Opinions

We have audited the accompanying financial statements of the governmental activities, major fund, and the aggregate remaining fund information of the Town of Atkinson as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund, and the aggregate remaining fund information of the Town of Atkinson as of December 31, 2022, and the respective changes in financial position thereof and the budget to actual comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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

### Responsibilities of Management 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.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

#### **Other Matters**

##### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the pension and OPEB schedules on pages 33 - 36 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 and economic 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.

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

##### *Supplementary Information*

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

July 26, 2023

*Roberts & Heune, PLLC*

## **BASIC FINANCIAL STATEMENTS**

**EXHIBIT 1**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Statement of Net Position**  
**December 31, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 10,412,396
Investments	2,392,548
Receivables, net of allowance for uncollectibles	649,372
Prepaid items	20,230
Tax deeded property held for resale	81,078
Capital assets, not being depreciated:	
Land	4,511,917
Construction in progress	110,019
Capital assets, net of accumulated depreciation:	
Land improvements	130,850
Buildings and building improvements	3,068,304
Machinery, vehicles and equipment	2,007,747
Infrastructure	2,360,313
Total assets	<u>25,744,774</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	1,075,150
Deferred amounts related to OPEB	35,899
Total deferred outflows of resources	<u>1,111,049</u>
<b>LIABILITIES</b>	
Accounts payable	159,121
Accrued payroll and benefits	165,317
Accrued interest payable	7,570
Intergovernmental payable	6,276,547
Performance and escrow deposits	164,056
Noncurrent obligations:	
Due within one year:	
Bond payable	85,000
Unamortized bond premium	975
Compensated absences payable	1,217
Due in more than one year:	
Bond payable	340,000
Unamortized bond premium	3,900
Compensated absences payable	47,678
Net pension liability	3,438,023
OPEB liability	292,099
Total liabilities	<u>10,981,503</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unearned revenue	508,455
Deferred amounts related to pensions	13,198
Deferred amounts related to OPEB	10,384
Total deferred inflows of resources	<u>532,037</u>
<b>NET POSITION</b>	
Net investment in capital assets	11,759,275
Restricted for:	
Endowments:	
Nonexpendable	881,185
Expendable	109,086
Other purposes	106,769
Unrestricted	2,485,968
Total net position	<u>\$ 15,342,283</u>

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

**EXHIBIT 2**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Statement of Activities**  
**For the Year Ended December 31, 2022**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 1,408,064	\$ 2,287,815	\$ 39,251	\$ -	\$ 919,002
Public safety	2,821,418	122,574	-	-	(2,698,844)
Highways and streets	847,458	-	-	162,697	(684,761)
Sanitation	620,675	-	-	-	(620,675)
Health	28,172	-	-	-	(28,172)
Welfare	2,038	-	-	-	(2,038)
Culture and recreation	957,020	65,977	204	-	(890,839)
Conservation	35,778	-	3,948	-	(31,830)
Interest on long-term debt	10,606	-	-	-	(10,606)
Capital outlay	497,167	-	-	544,846	47,679
Total primary government	<u>\$ 7,228,396</u>	<u>\$ 2,476,366</u>	<u>\$ 43,403</u>	<u>\$ 707,543</u>	<u>(4,001,084)</u>
General revenues:					
Property taxes					3,239,862
Other taxes					19,410
Grants and contributions not restricted to specific programs					633,533
Miscellaneous					107,873
Total general revenues					<u>4,000,678</u>
Change in net position					(406)
Net position, beginning, as restated, see Note III.D.1.					15,342,689
Net position, ending					<u>\$ 15,342,283</u>

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

**EXHIBIT 3**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2022**

	General	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,757,749	\$ 654,647	\$ 10,412,396
Investments	130,829	2,261,719	2,392,548
Receivables, net of allowance for uncollectibles:			
Taxes	640,885	-	640,885
Accounts	1,100	7,387	8,487
Interfund receivable	-	1,076	1,076
Prepaid items	20,230	-	20,230
Tax deeded property held for resale	81,078	-	81,078
Total assets	<u>\$ 10,631,871</u>	<u>\$ 2,924,829</u>	<u>\$ 13,556,700</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 159,121	\$ -	\$ 159,121
Accrued salaries and benefits	162,176	3,141	165,317
Intergovernmental payable	6,276,547	-	6,276,547
Interfund payable	-	1,076	1,076
Escrow and performance deposits	164,056	-	164,056
Total liabilities	<u>6,761,900</u>	<u>4,217</u>	<u>6,766,117</u>
Deferred inflows of resources:			
Deferred revenue	<u>835,225</u>	<u>-</u>	<u>835,225</u>
Fund balances:			
Nonspendable	101,308	881,185	982,493
Restricted	-	215,855	215,855
Committed	398,404	1,823,572	2,221,976
Assigned	69,030	-	69,030
Unassigned	2,466,004	-	2,466,004
Total fund balances	<u>3,034,746</u>	<u>2,920,612</u>	<u>5,955,358</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,631,871</u>	<u>\$ 2,924,829</u>	<u>\$ 13,556,700</u>

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



**EXHIBIT 4**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position**  
**December 31, 2022**

Total fund balances of governmental funds (Exhibit 3)		\$ 5,955,358
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	\$ 20,509,111	
Less accumulated depreciation	<u>(8,319,961)</u>	
		12,189,150
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$ (1,076)	
Payables	<u>1,076</u>	
		-
Revenues that are not available to pay for current period expenditures are deferred in the funds.		
Unavailable tax revenue		326,770
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(7,570)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bond outstanding	\$ 425,000	
Unamortized bond premium	4,875	
Compensated absences payable	48,895	
Net pension liability	3,438,023	
OPEB liability	<u>292,099</u>	
		(4,208,892)
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	\$ 1,075,150	
Deferred outflows of resources related to OPEB	35,899	
Deferred inflows of resources related to pensions	(13,198)	
Deferred inflows of resources related to OPEB	<u>(10,384)</u>	
		1,087,467
Total net position of governmental activities (Exhibit 1)		<u>\$ 15,342,283</u>

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

**EXHIBIT 5**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2022**

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ 3,210,437	\$ -	\$ 3,210,437
Licenses, permits and fees	2,106,037	-	2,106,037
Intergovernmental	1,364,906	3,948	1,368,854
Charges for services	224,508	145,821	370,329
Miscellaneous	70,870	60,147	131,017
Total revenues	<u>6,976,758</u>	<u>209,916</u>	<u>7,186,674</u>
Expenditures:			
Current:			
General government	1,338,954	355	1,339,309
Public safety	2,295,014	176,309	2,471,323
Highways and streets	561,319	-	561,319
Sanitation	662,101	-	662,101
Health	28,172	-	28,172
Welfare	2,038	-	2,038
Culture and recreation	813,386	30,580	843,966
Conservation	9,930	25,848	35,778
Debt service:			
Principal	85,000	-	85,000
Interest	14,225	-	14,225
Capital outlay	1,118,933	16,618	1,135,551
Total expenditures	<u>6,929,072</u>	<u>249,710</u>	<u>7,178,782</u>
Excess (deficiency) of revenues over (under) expenditures	<u>47,686</u>	<u>(39,794)</u>	<u>7,892</u>
Other financing sources (uses):			
Transfers in	8,667	140,204	148,871
Transfers out	(140,000)	(8,871)	(148,871)
Total other financing sources and uses	<u>(131,333)</u>	<u>131,333</u>	<u>-</u>
Net change in fund balances	(83,647)	91,539	7,892
Fund balances, beginning	3,118,393	2,829,073	5,947,466
Fund balances, ending	<u>\$ 3,034,746</u>	<u>\$ 2,920,612</u>	<u>\$ 5,955,358</u>

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

**EXHIBIT 6**  
**TOWN OF ATKINSON, 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, 2022**

Net change in fund balances of governmental funds (Exhibit 5)		\$ 7,892
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 in the current period.		
Capitalized capital outlay	\$ 726,491	
Depreciation expense	<u>(628,975)</u>	97,516
The effect of the disposal of capital assets is to decrease net position.		(46,669)
Transfers in and out between governmental funds are eliminated on the operating statement.		
Transfers in	\$ (148,871)	
Transfers out	<u>148,871</u>	-
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in governmental funds.		
Change in unavailable tax revenue		48,835
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position.		
Repayment of bond principal	\$ 85,000	
Amortization of bond premium	975	
Repayment of capital lease principal	<u>43,955</u>	129,930
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense	\$ 2,644	
Increase in compensated absences payable	(11,466)	
Change in OPEB related balances	<u>(34,225)</u>	(43,047)
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	\$ 364,628	
Cost of benefits earned, net of employee contributions	<u>(559,491)</u>	(194,863)
Change in net position of governmental activities (Exhibit 2)		<u>\$ (406)</u>

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

**EXHIBIT 7**  
**TOWN OF ATKINSON, 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, 2022**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 3,224,825	\$ 3,224,825	\$ 3,259,272	\$ 34,447
Licenses, permits and fees	1,999,807	1,999,807	2,106,037	106,230
Intergovernmental	825,507	1,370,353	1,364,906	(5,447)
Charges for services	178,539	178,539	224,508	45,969
Miscellaneous	32,053	32,053	38,231	6,178
Total revenues	<u>6,260,731</u>	<u>6,805,577</u>	<u>6,992,954</u>	<u>187,377</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,411,869	1,419,941	1,406,392	13,549
Public safety	2,401,405	2,441,148	2,377,441	63,707
Highways and streets	581,367	581,367	561,318	20,049
Sanitation	630,752	630,752	662,101	(31,349)
Health	30,974	30,974	28,172	2,802
Welfare	7,000	7,000	2,038	4,962
Culture and recreation	795,685	795,685	817,841	(22,156)
Conservation	9,934	9,934	9,930	4
Debt service:				
Principal	85,000	85,000	85,000	-
Interest	14,225	14,225	14,225	-
Capital outlay	627,520	1,172,366	1,169,753	2,613
Total expenditures	<u>6,595,731</u>	<u>7,188,392</u>	<u>7,134,211</u>	<u>54,181</u>
Deficiency of revenues under expenditures	(335,000)	(382,815)	(141,257)	241,558
Other financing uses:				
Transfers out	<u>(140,000)</u>	<u>(140,000)</u>	<u>(140,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (475,000)</u>	<u>\$ (522,815)</u>	<u>(281,257)</u>	<u>\$ 241,558</u>
Decrease in nonspendable fund balance			18,702	
Unassigned fund balance, beginning			3,055,329	
Unassigned fund balance, ending			<u>\$ 2,792,774</u>	

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

**EXHIBIT 8**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2022**

	Private Purpose Trust
Assets:	
Investments	\$ 2,839
Liabilities:	
Accounts payable	500
Net position:	
Held for specific purposes	\$ 2,339

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

**EXHIBIT 9**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2022**

	Private Purpose Trust
Additions:	
Investment earnings:	
Interest	\$     46
Deductions:	
Trust distributions	500
Change in net position	(454)
Net position, beginning	2,793
Net position, ending	\$ 2,339

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**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 Atkinson (the Town) are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the Town's financial activities for the fiscal year ended December 31, 2022.

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

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

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

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

*Government-Wide Financial Statements*

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

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



**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

*Fund Financial Statements*

Fund financial statements are provided for governmental and fiduciary funds. The major governmental fund is reported in a separate column with a composite column for the nonmajor funds.

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

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

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

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, these taxes are not deferred in accordance with the requirements of the New Hampshire Department of Revenue Administration.

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed.

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

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

*Governmental Funds*

The Town reports the following major governmental fund:

*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.

The Town also reports seven nonmajor governmental funds.

*Fiduciary Funds*

The Town reports the following fiduciary fund:

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

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

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

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

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.

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

Investments are stated at fair value based on quoted market prices. Investments include amounts held by the New Hampshire Public Deposit Investment Pool, which is an external investment pool regulated by the New Hampshire Bank Commissioner and the Commissioner's Advisory Committee. Participation in the Pool is voluntary and the fair value of its investments is the same as the value of pool shares. The Town library also has an investment in a 21-month certificate of deposit held at Pentucket Bank, a mutually chartered bank of New Hampshire and Massachusetts.

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

Generally, the Town's property, plant and equipment with useful lives of more than one year are stated at historical cost and reported in the governmental activities. Donated assets are stated at the acquisition cost on the date donated. The Town generally capitalizes assets with cost of \$5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follow:

	<u>Years</u>
Land improvements	10-40
Buildings and building improvements	5-40
Machinery, equipment and vehicles	3-50
Infrastructure	15-50

**I.C.3. *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.4. *Compensated Absences***

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums based on the number of years in employment. Employees are only permitted to accrue an amount equal to ten days over their annual entitlement. Employees are entitled to their vacation leave upon termination.

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

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**I.C.5. *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, which consists of the balance of the permanent funds whose principal balance is required to be retained in perpetuity and whose income balance is to be used for Town purposes in accordance with trust specifications.
- Restricted for other purposes, which consists of the balance of the library and drug forfeiture funds.
- 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 in the general fund.
- Restricted, which represents the expendable income from permanent funds; and the library fund and drug forfeiture fund, whose uses are limited by law.
- Committed, which consists of balances for which the intended use has been established by Town Meeting, or by the Board of Selectmen, and would require an equally formal action to remove those commitments.
- Assigned, which consists of balances for which the intended use is established by the Board of Selectmen in the form of encumbrances.
- Unassigned, which represents the remaining fund balance in the General Fund in excess of the nonspendable, restricted, committed, and assigned balances.

**I.D. *Estimates***

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

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

**II. Stewardship, Compliance and Accountability**

**II.A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. Unless encumbered, all appropriations lapse at year-end. The Town is allowed to use beginning fund balance to balance the budget. In 2022, \$250,000 of the fund balance from 2021 was so used, while \$272,815 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 restrictions, 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, health, welfare, culture and recreation, conservation, debt service and capital outlay. Management can transfer appropriations among budget line items as necessary, but the total expenditures cannot legally exceed the total appropriations unless permission is received from the Commissioner of Revenue Administration.

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

Revenues and other financing sources:	
Per Exhibit 7 (budgetary basis)	\$ 6,992,954
Adjustments:	
Basis difference:	
Tax revenue deferred in the prior year	277,935
Tax revenue deferred in the current year	(326,770)
Perspective difference:	
Revenue from Expendable Trust Fund	32,639
Transfers to Expendable Trust Fund	8,667
Per Exhibit 5 (GAAP basis)	<u>\$ 6,985,425</u>
Expenditures and other financing uses:	
Per Exhibit 7 (budgetary basis)	\$ 7,274,211
Adjustments:	
Basis difference:	
Encumbrances, beginning	85,143
Encumbrances, ending	(336,604)
Perspective difference:	
Expenditures of Expendable Trust Fund	46,322
Per Exhibit 5 (GAAP basis)	<u>\$ 7,069,072</u>

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

Unassigned fund balance:	
Per Exhibit 7 (budgetary basis)	\$ 2,792,774
Adjustment:	
Basis difference:	
Deferred tax revenue, GAAP basis	(326,770)
Per Exhibit 3 (GAAP basis)	<u>\$ 2,466,004</u>

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

#### III.A. Assets

##### III.A.1. Investments

As of December 31, 2022, the Town's reporting entity had the following investments:

Certificates of Deposit	\$ 51,076
New Hampshire Public Deposit Investment Pool	<u>2,344,311</u>
	<u>\$ 2,395,387</u>

The investments appear in the financial statements as follow:

Governmental funds - balance sheet (Exhibit 3)	\$ 2,392,548
Fiduciary funds - statement of fiduciary net position (Exhibit 7)	<u>2,839</u>
Total	<u>\$ 2,395,387</u>

#### *Fair Value Measurement*

The town categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as of December 31, 2022:

<u>Investment</u>	<u>Level 2</u>
Certificates of deposit	\$ 51,076
New Hampshire Public Deposit Investment Pool	<u>2,344,311</u>
	<u>\$ 2,395,387</u>

The Town classifies its investments into Level 2, which refers to investments not traded on an active market but for which observable market inputs are readily available. The levels relate to valuation only and do not necessarily indicate a measure of risk.

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**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 2021 property taxes on June 22<sup>nd</sup>.

The property taxes levied and collected by the Town include amounts for the State of New Hampshire, the Timberlane Regional School District, and Rockingham 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, 2022, upon which the 2022 property tax levy was based was:

For the New Hampshire education tax	\$1,549,296,836
For all other taxes	\$1,568,243,436

The tax rates and amounts assessed for the year ended December 31, 2022 were as follow:

	Per \$1,000 of Assessed Valuation	
Municipal portion	\$2.24	\$ 3,503,820
School portion:		
State of New Hampshire	\$1.01	1,559,609
Local	\$8.35	13,101,809
County portion	\$0.67	1,057,973
Total property taxes assessed		<u>\$ 19,223,211</u>

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

The following details the taxes receivable at year-end:

Property:	
Levy of 2022	\$ 667,693
Unredeemed (under tax lien):	
Levy of 2021	59,018
Levy of 2020	10,800
Levy of 2019	9,187
Levy of 2018	6,888
Levy of 2017 and prior	9,209
Yield	290
Land use change	2,800
Less: allowance for estimated uncollectible taxes	(125,000)
Net taxes receivable	<u><u>\$ 640,885</u></u>

*Deferred Revenue*

Deferred revenue of \$835,225 at December 31, 2022 represents \$326,770 of property taxes that were not collected within 60 days of year-end, and therefore, are deferred in accordance with generally accepted accounting principles, \$27,034 in prepayments collected in advance of the 2023 property tax levy, \$342,538 of unspent American Rescue Plan Act Funds, \$40,085 of unspent Locality Equipment Grant Funds, and \$98,798 of unspent State Bridge Aid Funds. In the governmental activities, only the prepayments, the unspent ARPA, Locality Equipment Grant, and State Bridge Aid funds are recorded as unearned revenue.

*The notes continue on the following page.*



**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

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

*Changes in Capital Assets*

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

	Balance, beginning	Additions	Deletions	Balance, ending
At cost:				
Not being depreciated:				
Land	\$ 4,511,917	\$ -	\$ -	\$ 4,511,917
Construction in progress	-	110,019	-	110,019
Total capital assets not being depreciated	<u>4,511,917</u>	<u>110,019</u>	<u>-</u>	<u>4,621,936</u>
Being depreciated:				
Land improvements	229,295	-	-	229,295
Buildings and building improvements	6,221,281	45,760	-	6,267,041
Machinery, vehicles and equipment	3,754,891	570,712	(101,231)	4,224,372
Infrastructure	5,166,467	-	-	5,166,467
Total capital assets being depreciated	<u>15,371,934</u>	<u>616,472</u>	<u>(101,231)</u>	<u>15,887,175</u>
Total all capital assets	<u>19,883,851</u>	<u>726,491</u>	<u>(101,231)</u>	<u>20,509,111</u>
Less accumulated depreciation:				
Land improvements	(89,852)	(8,593)	-	(98,445)
Buildings and building improvements	(3,037,753)	(160,984)	-	(3,198,737)
Machinery, vehicles and equipment	(2,013,846)	(257,341)	54,562	(2,216,625)
Infrastructure	(2,604,097)	(202,057)	-	(2,806,154)
Total accumulated depreciation	<u>(7,745,548)</u>	<u>(628,975)</u>	<u>54,562</u>	<u>(8,319,961)</u>
Net book value, capital assets being depreciated	<u>7,626,386</u>	<u>(12,503)</u>	<u>(46,669)</u>	<u>7,567,214</u>
Net book value, all capital assets	<u><u>\$ 12,138,303</u></u>	<u><u>\$ 97,516</u></u>	<u><u>\$ (46,669)</u></u>	<u><u>\$ 12,189,150</u></u>

*Depreciation Expense*

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

General government	\$ 47,727
Public safety	227,073
Highways and streets	266,711
Culture and recreation	87,464
Total depreciation expense	<u><u>\$ 628,975</u></u>

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

**III.B. Liabilities**

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

The amount due to other governments at December 31, 2022 consists of \$6,276,547 due to the Timberlane Regional School District for the balance of the 2022-2023 school district assessment.

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

General obligation bonds are approved by the voters and repaid with general revenues (property taxes). These bonds 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 12/31/2022	Current Portion
General obligation bond payable:						
Library project	\$ 1,714,500	2007	2027	4.0-5.0	\$ 425,000	\$ 85,000
Unamortized bond premium					4,875	975
Compensated absences payable:						
Accrued vacation leave					48,895	1,217
Net pension liability					3,438,023	-
Other postemployment benefits liability					292,099	-
					<u>\$ 4,208,892</u>	<u>\$ 87,192</u>

*Changes in Long-Term Liabilities*

The following is a summary of changes in long-term liabilities for the year ended December 31, 2022:

	General Obligation Bond Payable	Unamortized Bond Premium	Capital Lease Payable	Compensated Absences Payable	Net Pension Liability	OPEB Liability	Total
Balance, beginning	\$ 510,000	\$ 5,850	\$ 43,955	\$ 37,429	\$ 2,339,174	\$ 262,907	\$ 3,199,315
Additions	-	-	-	11,466	1,098,849	29,192	1,139,507
Reductions	(85,000)	(975)	(43,955)	-	-	-	(129,930)
Balance, ending	<u>\$ 425,000</u>	<u>\$ 4,875</u>	<u>\$ -</u>	<u>\$ 48,895</u>	<u>\$ 3,438,023</u>	<u>\$ 292,099</u>	<u>\$ 4,208,892</u>

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

*Debt Service Requirements to Maturity*

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

Year Ending December 31,	Principal	Interest	Total
2023	\$ 85,000	\$ 11,339	\$ 96,339
2024	85,000	8,650	93,650
2025	85,000	6,612	91,612
2026	85,000	7,675	92,675
2027	85,000	2,538	87,538
Totals	<u>\$ 425,000</u>	<u>\$ 36,814</u>	<u>\$ 461,814</u>

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

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

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

The \$1,076 due from the Permanent Fund to the Kimball Library Fund represents interest owed when the underlying investment matures.

**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. The following schedule reports transfers within the reporting entity:

	Transfers In:		
	General Fund	Nonmajor Funds	Total
Transfers out:			
General fund	\$ -	\$ 140,000	\$ 140,000
Nonmajor funds	8,667	204	8,871
	<u>\$ 8,667</u>	<u>\$ 140,204</u>	<u>\$ 148,871</u>

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

The amount transferred to the Nonmajor Funds from the General Fund represents appropriations to the Capital Reserves Fund. The amount transferred from the Nonmajor Funds to other Nonmajor Funds represents interest earned on endowments transferred from the Permanent Fund to the Kimball Library Fund. The amount transferred to the General Fund from the Nonmajor Funds represents the closure of accounts.

**III.D. Net Position and Fund Balance**

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

The beginning equity balance in the governmental activities was restated as follows:

To correct capital asset balances	\$ (31,891)
Net position, as previously reported	15,374,580
Net position, as restated	<u><u>\$ 15,342,689</u></u>

**III.D.2. Components of Fund Balance**

The components of fund balance, as described in note I.C.5., are classified for the following purposes:

	General Fund	Nonmajor Funds
Nonspendable:		
Endowments	\$ -	\$ 881,185
Prepaid items	20,230	-
Tax deeded property	81,078	-
Total nonspendable	<u>101,308</u>	<u>881,185</u>
Restricted:		
General government	-	109,086
Public safety	-	70,323
Culture and recreation	-	36,446
Total restricted	<u>-</u>	<u>215,855</u>
Committed:		
General government	53,197	-
Public safety	32,238	75,195
Highways and streets	85,142	-
Culture and recreation	-	44,678
Conservation	-	677,407
Capital outlay	227,827	1,026,292
Total committed	<u>398,404</u>	<u>1,823,572</u>
Assigned for general government		
General government	14,386	-
Public safety	50,189	-
Culture and recreation	4,455	-
Total assigned	<u>69,030</u>	<u>-</u>
Unassigned	2,466,004	-
Total fund balance	<u><u>\$ 3,034,746</u></u>	<u><u>\$ 2,920,612</u></u>

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**III.E. Restricted Net Position**

The government-wide statement of net position includes restricted net position totaling \$1,097,040 which represents \$990,271 for public trust funds reported as restricted to reflect purpose restrictions contained in trust indentures; and \$36,446 for library and \$70,323 for drug forfeiture funds whose uses are restricted by law.

**IV. Other Information**

**IV.A. Risk Management**

The Town's risk management activities are reported with governmental activities and recorded in the general fund. During the fiscal year, the Town was a member of the NH Public Risk Management Exchange (Primex), which is considered a public entity risk pool, currently operating as a common risk management and insurance program for member governmental entities. Primex's Workers' Compensation and Property and Liability Programs are pooled risk management programs under RSA 5-B and RSA 281-A. The membership and coverage run from January 1 to December 31.

Contributions paid in 2022 to be recorded as an insurance expenditure/expense totaled \$57,898 for property/liability and \$28,289 for workers' compensation. The Town also paid \$999 for unemployment compensation. There were no unpaid contributions for the year ended December 31, 2022. The member agreement permits Primex to make additional assessments to members should there be a deficiency in assets to meet its liabilities. At this time, Primex foresees no likelihood of any additional assessments for past years.

**IV.B. Retirement Pensions**

*General Information about the Pension Plan*

The New Hampshire Retirement System (NHRS) is a multiple-employer, cost-sharing, contributory public employee defined benefit plan qualified under section 401(a) of the Internal Revenue Code, and funded through a trust which is exempt from tax under Internal Revenue Code section 501(a). The NHRS provides service, disability, death and vested retirement benefits for employees and their beneficiaries. The New Hampshire Legislature establishes the provisions for benefits and contributions. The NHRS issues a separate financial report that is available at [www.nhrs.org](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 for the year

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

were 33.88% for police, 32.99% for firefighters, and 14.06% for other employees. The rates are actuarially determined to generate an amount, that when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions from the Town during the years 2020, 2021, and 2022 were \$232,617, \$290,539, and \$364,628, 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, 2022, the Town reported a liability of \$3,438,023 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities and school districts, actuarially determined. As of June 30, 2022, the Town's proportion was 0.0599%, which was an increase of 0.0071% from its proportion measured as of June 30, 2021.

For 2022, the Town recognized pension expense of \$559,491. 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	\$ 513,532	\$ -
Net differences between projected and actual earnings on pension plan investments	130,297	-
Changes in assumptions	182,875	-
Differences between expected and actual experience	64,526	13,198
Town contributions subsequent to the measurement date	183,920	-
	<u>\$ 1,075,150</u>	<u>\$ 13,198</u>

The Town reported \$183,920 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.

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

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,	
2023	\$ 339,418
2024	262,180
2025	32,802
2026	243,632
	<u>\$ 878,032</u>

*Actuarial Assumptions*

The total pension liability in the June 30, 2022 actuarial valuation was determined using the actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	Multiple periods of 18-20 years
Asset Valuation Method	5-year smoothed market for funding purposes; 20% corridor
Price Inflation	2.00% per year
Wage Inflation	2.75% per year
Salary Increases	5.4% average, including inflation
Municipal Bond Rate	3.69% per year
Investment Rate of Return	6.75%, 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, 2021 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 to June 30, 2019.

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

*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	\$ 4,612,960	\$ 3,438,023	\$ 2,461,171

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

**IV.C. 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 either Anthem Access Blue or CIGNA. 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:

Years of Creditable Service as of January 1, 2012	Minimum Age	Minimum Service
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 June 30, 2021, the actuarial



**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

valuation date, there are three participants of the postretirement plan that meet eligibility requirements. The plan does not issue a separate financial report.

*Implicit Rate Subsidy*

Same benefit options are available to retirees as active employees. Health insurance is purchased through HealthTrust and Allegiant. 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 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 \$292,099 consists of \$35,935 for the implicit rate subsidy determined by an actuarial valuation as of January 1, 2021 and \$256,164 for the medical insurance subsidy, determined by an actuarial valuation as of June 30, 2021 with roll-forward procedures used to determine the liability as of June 30, 2022. The roll-forward of the total OPEB liability from June 30, 2021 to June 30, 2022 reflects expected service cost and interest reduced by actual benefit payments and refunds for the plan year.

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

*Methods and Assumptions*

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

Implicit Rate Subsidy		
Payroll Growth	2.50%	
Participant Salary Increases	3.50%	
Discount Rate	3.72%	
Mortality	RPH-2014 Total Dataset headcount-weighted fully generational mortality table with projection scale MP-2019	
Healthcare Cost Trend Rates	2022	7.00%
	2023	6.50%
	Ultimate Trend Rate	4.50%
	Year Ultimate Trend Rates Reached	2027
Medical Insurance Subsidy		
Payroll Growth	2.75%	
Discount Rate	6.75%	
Inflation	2.00%	
Investment Rate of Return	6.75% per year, net of OPEB plan investment expense, including inflation	
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	
Healthcare Cost Trend Rates	N/A, given that the benefits are fixed stipends	

*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 (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
Town's total OPEB liability	\$ 38,256	\$ 35,935	\$ 33,796

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

Medical Insurance Subsidy:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Town's total OPEB liability	<u>\$ 278,109</u>	<u>\$ 256,164</u>	<u>\$ 237,051</u>

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 (5.50%)	Current Healthcare Cost Trend Rate (6.50%)	1% Increase (7.50%)
Town's total OPEB liability	<u>\$ 32,477</u>	<u>\$ 35,935</u>	<u>\$ 40,028</u>

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

For the year ended December 31, 2022, the Town recognized OPEB expense of \$64,477. 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	\$ -	\$ 5,183
Net differences between projected and actual earnings on pension plan investments	700	-
Changes in assumptions	672	5,201
Differences between expected and actual experience	20,017	-
Town contributions subsequent to the measurement date	<u>14,510</u>	<u>-</u>
	<u>\$ 35,899</u>	<u>\$ 10,384</u>

The Town reported \$14,510 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 total OPEB liability in the following year.

**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

Other amounts reported as deferred inflows and outflows of resources will be recognized in OPEB expense as follow:

Year Ending December 31,	
2023	\$ 865
2024	779
2025	474
2026	1,583
2027	794
Thereafter	6,510
	<u>\$ 11,005</u>

**IV.D. Contingent Liabilities**

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Town's proportion of net pension liability	0.0599%	0.0528%	0.0508%	0.0454%	0.0376%	0.0389%	0.0394%	0.0333%	0.0289%
Town's proportionate share of the net pension liability	\$ 3,438,023	\$ 2,339,174	\$ 3,249,375	\$ 2,182,806	\$ 1,810,900	\$ 1,917,052	\$ 2,093,021	\$ 1,317,983	\$ 1,086,285
Town's covered-employee payroll	\$ 1,644,552	\$ 1,397,412	\$ 1,274,047	\$ 1,153,258	\$ 1,017,627	\$ 937,348	\$ 1,274,718	\$ 806,891	\$ 634,599
Town's proportionate share of the net pension liability as a percentage of covered-employee payroll	209.06%	167.39%	255.04%	189.27%	177.95%	204.52%	164.19%	163.34%	171.18%
Plan fiduciary position as a percentage of the total pension liability	65.12%	72.22%	58.72%	65.59%	64.73%	62.66%	58.30%	65.47%	66.32%

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 364,628	\$ 290,539	\$ 232,617	\$ 233,868	\$ 199,299	\$ 169,321	\$ 140,941	\$ 111,615	\$ 93,888
Contribution in relation to the contractually required contribution	(364,628)	(290,539)	(232,617)	(233,868)	(199,299)	(169,321)	(140,941)	(111,615)	(93,888)
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 1,644,552	\$ 1,397,412	\$ 1,274,047	\$ 1,153,258	\$ 1,017,627	\$ 937,348	\$ 1,274,718	\$ 806,891	\$ 634,599
Contributions as a percentage of covered-employee payroll	22.17%	20.79%	18.26%	20.28%	19.58%	18.06%	11.06%	13.83%	14.79%

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

**EXHIBIT 12**  
**TOWN OF ATKINSON**  
**Schedule of Changes in the Town's Total OPEB Liability and Related Ratios**

	2022	2021	2020	2019	2018
Total OPEB liability:					
Service cost	\$ 6,122	\$ 6,827	\$ 6,361	\$ 2,178	\$ 3,190
Interest	20,415	17,889	19,024	18,188	48,751
Projected earnings on plan investments	1,911	(5,983)	(218)	(1,019)	(3,741)
Changes in assumptions and other inputs	(2,748)	(781)	(3,586)	921	(400)
OPEB plan administrative expense and other non-contribution items	192	98	71	146	107
Difference between expected and actual experience	(14,935)	(5,541)	21,211	(3,683)	(638)
Difference from changes in proportion	48,618	4,893	27,622	60,784	14,022
Benefit payments	(30,383)	(28,910)	(36,608)	(31,315)	(12,863)
Net change in total OPEB liability	29,192	(11,508)	33,877	46,200	48,428
Total OPEB liability, beginning	262,907	274,415	240,538	194,338	145,910
Total OPEB liability, ending	<u>\$ 292,099</u>	<u>\$ 262,907</u>	<u>\$ 274,415</u>	<u>\$ 240,538</u>	<u>\$ 194,338</u>
Covered-employee payroll	\$ 1,540,180	\$ 1,397,412	\$ 1,274,047	\$ 1,153,258	\$ 1,017,627
Total OPEB liability as a percentage of covered-employee payroll	18.97%	18.81%	21.54%	20.86%	19.10%

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



**EXHIBIT 13**  
**TOWN OF ATKINSON**  
**Schedule of the Town's OPEB Contributions**

	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 36,089	\$ 26,393	\$ 34,693	\$ 25,862	\$ 19,856
Contributions in relation to the actuarially determined contribution	(29,153)	(27,223)	(36,068)	(23,484)	(19,856)
Contribution surplus (deficiency)	<u>\$ 6,936</u>	<u>\$ (830)</u>	<u>\$ (1,375)</u>	<u>\$ 2,378</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,540,180	\$ 1,397,412	\$ 1,274,047	\$ 1,153,285	\$ 1,017,627
Contributions as a percentage of covered-employee payroll	2.34%	1.89%	2.72%	2.24%	1.95%

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

**TOWN OF ATKINSON, NEW HAMPSHIRE  
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2022**

The Pension and OPEB Schedules are meant to present related information for ten years. Because this is the eighth year that the Town has reported pension schedules, and the fifth year for the OPEB information under the current measurement standard, only nine and five years, respectively, are presented. An additional year's information will be added each year until there are ten years shown.

**COMBINING NONMAJOR AND INDIVIDUAL GENERAL FUND SCHEDULES**

**EXHIBIT 14**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2022**

	Special Revenue Funds					Capital Projects Fund		
	Kimball Library	Conservation Commission	Police Special Detail	Recreation Revolving	Drug Forfeiture	Capital Reserves	Permanent Fund	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 35,370	\$ 433,327	\$ 70,949	\$ 44,678	\$ 70,323	\$ -	\$ -	\$ 654,647
Investments	-	244,080	-	-	-	1,026,292	991,347	2,261,719
Accounts receivable	-	-	7,387	-	-	-	-	7,387
Interfund receivable	1,076	-	-	-	-	-	-	1,076
Total assets	<u>\$ 36,446</u>	<u>\$ 677,407</u>	<u>\$ 78,336</u>	<u>\$ 44,678</u>	<u>\$ 70,323</u>	<u>\$ 1,026,292</u>	<u>\$ 991,347</u>	<u>\$ 2,924,829</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accrued salaries and benefits	\$ -	\$ -	\$ 3,141	\$ -	\$ -	\$ -	\$ -	\$ 3,141
Interfund payable	-	-	-	-	-	-	1,076	1,076
Total liabilities	<u>-</u>	<u>-</u>	<u>3,141</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,076</u>	<u>4,217</u>
Fund balances:								
Nonspendable	-	-	-	-	-	-	881,185	881,185
Restricted	36,446	-	-	-	70,323	-	109,086	215,855
Committed	-	677,407	75,195	44,678	-	1,026,292	-	1,823,572
Total fund balances	<u>36,446</u>	<u>677,407</u>	<u>75,195</u>	<u>44,678</u>	<u>70,323</u>	<u>1,026,292</u>	<u>990,271</u>	<u>2,920,612</u>
Total liabilities and fund balances	<u>\$ 36,446</u>	<u>\$ 677,407</u>	<u>\$ 78,336</u>	<u>\$ 44,678</u>	<u>\$ 70,323</u>	<u>\$ 1,026,292</u>	<u>\$ 991,347</u>	<u>\$ 2,924,829</u>

**EXHIBIT 15**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2022**

	Special Revenue Funds					Capital Projects Fund		
	Kimball Library	Conservation Commission	Police Special Detail	Recreation Revolving	Drug Forfeiture	Capital Reserves	Permanent Fund	Total
<b>REVENUES</b>								
Intergovernmental	\$ -	\$ 3,948	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,948
Charges for services	-	-	122,574	23,247	-	-	-	145,821
Miscellaneous	16,538	9,058	1	1,870	355	16,700	15,625	60,147
Total revenues	16,538	13,006	122,575	25,117	355	16,700	15,625	209,916
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	355	355
Public safety	-	-	100,098	-	76,211	-	-	176,309
Culture and recreation	12,190	-	-	18,390	-	-	-	30,580
Conservation	-	25,848	-	-	-	-	-	25,848
Capital outlay	-	-	1,011	-	-	15,607	-	16,618
Total expenditures	12,190	25,848	101,109	18,390	76,211	15,607	355	249,710
Excess (deficiency) of revenues over (under) expenditures	4,348	(12,842)	21,466	6,727	(75,856)	1,093	15,270	(39,794)
Other financing sources (uses):								
Transfers in	204	-	-	-	-	140,000	-	140,204
Transfers out	-	-	-	-	-	-	(8,871)	(8,871)
Total other financing sources and uses	204	-	-	-	-	140,000	(8,871)	131,333
Net change in fund balances	4,552	(12,842)	21,466	6,727	(75,856)	141,093	6,399	91,539
Fund balances, beginning	31,894	690,249	53,729	37,951	146,179	885,199	983,872	2,829,073
Fund balances, ending	\$ 36,446	\$ 677,407	\$ 75,195	\$ 44,678	\$ 70,323	\$ 1,026,292	\$ 990,271	\$ 2,920,612

**EXHIBIT 16**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2022**

	Estimated	Actual	Variance Positive (Negative)
<b>Taxes:</b>			
Property	\$ 3,173,815	\$ 3,223,632	\$ 49,817
Land use change	10	2,800	2,790
Timber	-	290	290
Interest and penalties on delinquent taxes	51,000	32,550	(18,450)
Total taxes	<u>3,224,825</u>	<u>3,259,272</u>	<u>34,447</u>
<b>Licenses, permits and fees:</b>			
Business licenses and permits	-	10,313	10,313
Motor vehicle permits	1,852,885	1,928,486	75,601
Building permits	115,165	140,632	25,467
Other	31,757	26,606	(5,151)
Total licenses, permits and fees	<u>1,999,807</u>	<u>2,106,037</u>	<u>106,230</u>
<b>Intergovernmental:</b>			
State sources:			
SB 401 highway block aid	139,377	139,377	-
Meals and rooms distributions	633,533	633,533	-
Highway block grant	163,331	162,697	(634)
Other	28,643	23,830	(4,813)
Federal sources:			
ARPA	405,469	405,469	-
Total intergovernmental	<u>1,370,353</u>	<u>1,364,906</u>	<u>(5,447)</u>
<b>Charges for services:</b>			
Income from departments	175,583	181,778	6,195
Recreational	2,956	42,730	39,774
Total charges for services	<u>178,539</u>	<u>224,508</u>	<u>45,969</u>
<b>Miscellaneous:</b>			
Sale of property	14,844	12,200	(2,644)
Interest on investments	7,991	16,518	8,527
Other	9,218	9,513	295
Total miscellaneous	<u>32,053</u>	<u>38,231</u>	<u>6,178</u>
Total revenues	6,805,577	<u>\$ 6,992,954</u>	<u>\$ 187,377</u>
Use of fund balance	522,815		
Total revenues and use of fund balance	<u>\$ 7,328,392</u>		

**EXHIBIT 17**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**General Fund**

**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Adjusted Budgetary Basis)**  
**For the Year Ended December 31, 2022**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 294,597	\$ 316,886	\$ 5,420	\$ (27,709)
Election and registration	-	181,346	178,468	-	2,878
Financial administration	-	345,608	322,779	-	22,829
Legal	-	156,217	156,093	-	124
Personnel administration	-	32,087	29,288	-	2,799
Planning and zoning	-	97,142	41,106	53,197	2,839
General government buildings	-	175,514	158,447	8,966	8,101
Cemeteries	-	71,265	70,101	-	1,164
Insurance, not otherwise allocated	-	58,965	58,554	-	411
Advertising and regional associations	-	7,200	7,087	-	113
Total general government	-	1,419,941	1,338,809	67,583	13,549
Public safety:					
Police	-	1,359,866	1,301,621	32,238	26,007
Ambulance	-	94,676	94,266	-	410
Fire	-	842,422	765,039	50,189	27,194
Building inspection	-	95,578	85,435	-	10,143
Emergency management	-	1	-	-	1
Other	-	48,605	48,653	-	(48)
Total public safety	-	2,441,148	2,295,014	82,427	63,707
Highways and streets:					
Administration	-	197,417	192,938	-	4,479
Highways and streets	28,615	332,950	323,950	85,142	(47,527)
Street lighting	56,528	51,000	44,431	-	63,097
Total highways and streets	85,143	581,367	561,319	85,142	20,049
Sanitation:					
Solid waste disposal	-	55,751	64,412	-	(8,661)
Solid waste clean-up	-	575,001	597,689	-	(22,688)
Total sanitation	-	630,752	662,101	-	(31,349)
Health:					
Administration	-	7,836	4,306	-	3,530
Pest control	-	9,902	10,640	-	(738)
Health agencies and hospitals	-	13,235	13,226	-	9
Other	-	1	-	-	1
Total health	-	30,974	28,172	-	2,802
Welfare:					
Administration and direct assistance	-	7,000	2,038	-	4,962

(continued)

**EXHIBIT 17 (continued)**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**General Fund**

**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2022**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Culture and recreation:					
Parks and recreation	-	222,326	236,381	4,455	(18,510)
Public library	-	529,528	541,796	-	(12,268)
Patriotic purposes	-	3,975	2,899	-	1,076
Other	-	39,856	32,310	-	7,546
Total culture and recreation	-	795,685	813,386	4,455	(22,156)
Conservation:					
Administration	-	9,934	9,930	-	4
Debt service:					
Principal	-	85,000	85,000	-	-
Interest	-	14,225	14,225	-	-
Total debt service	-	99,225	99,225	-	-
Capital outlay:					
Machinery, vehicles and equipment	-	396,357	368,215	26,392	1,750
Buildings	-	150,001	111,479	38,521	1
Improvements other than buildings	-	626,008	593,062	32,084	862
Total capital outlay	-	1,172,366	1,072,756	96,997	2,613
Other financing uses:					
Transfers out:					
Nonmajor funds	-	140,000	140,000	-	-
Total encumbrances, appropriations, expenditures and other financing uses	\$ 85,143	\$ 7,328,392	\$ 7,022,750	\$ 336,604	\$ 54,181



**EXHIBIT 18**  
**TOWN OF ATKINSON, NEW HAMPSHIRE**  
**General Fund**  
*Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)*  
**For the Year Ended December 31, 2022**

Unassigned fund balance, beginning		\$ 3,055,329
Changes:		
Unassigned fund balance used to reduce tax rate		(250,000)
Unassigned fund balance appropriated		(272,815)
Budget summary:		
Revenue surplus (Exhibit 16)	\$ 187,377	
Unexpended balance of appropriations (Exhibit 17)	54,181	
Budget surplus		241,558
Decrease in nonspendable fund balance		18,702
Unassigned fund balance, ending		\$ 2,792,774



# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S COMMUNICATION TO MANAGEMENT

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

In planning and performing our audit of the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Atkinson as of and for the year ended December 31, 2022, 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.

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

July 26, 2023

*Roberts & Greene, PLLC*