

# TOWN OF GREENFIELD, NEW HAMPSHIRE

FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
FINANCIAL REPORT  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

**TABLE OF CONTENTS**

	<u>PAGES</u>
<b>INDEPENDENT AUDITOR’S REPORT</b>	1
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b>	3
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements:	
Statement of Net Position (Exhibit 1)	10
Statement of Activities (Exhibit 2)	11
Fund Financial Statements:	
Balance Sheet – Governmental Funds (Exhibit 3)	12
Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position (Exhibit 4)	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Exhibit 5)	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Exhibit 6)	15
General Fund - Statement of Revenues, Expenditures and Changes in Unassigned Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) (Exhibit 7)	16
Fiduciary Funds – Statement of Fiduciary Net Position (Exhibit 8)	17
Fiduciary Funds – Statement of Changes in Fiduciary Net Position (Exhibit 9)	18
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	19
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of the Town’s Proportionate Share of the Net Pension Liability (Exhibit 10)	38
Schedule of the Town’s Pension Contributions (Exhibit 11)	39
Schedule of Changes in the Town’s Total OPEB Liability and Related Ratios (Exhibit 12)	40
Schedule of the Town’s OPEB Contributions (Exhibit 13)	41
Note to the Required Supplementary Information	42
<b>COMBINING NONMAJOR AND INDIVIDUAL GENERAL FUND SCHEDULES</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet (Exhibit 14)	43
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit 15)	44
Major General Fund	
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis) (Exhibit 16)	45
Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis) (Exhibit 17)	46
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis) (Exhibit 18)	48
<b>INDEPENDENT AUDITOR’S COMMUNICATION TO MANAGEMENT</b>	49



# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Greenfield as of and for the year ended December 31, 2019, 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, each major fund, and the aggregate remaining fund information of the Town of Greenfield, as of December 31, 2019, and the respective changes in financial position thereof, 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.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 9 and pension and OPEB schedules on pages 38 – 41 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.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Greenfield'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 & Heune, PLLC*

Concord, New Hampshire  
January 11, 2021

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## MANAGEMENTS DISCUSSION AND ANALYSIS

As management of the Town of Greenfield, we offer readers this narrative overview and analysis of the financial activities of the Town of Greenfield, New Hampshire for the year ended December 31, 2019.

### A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**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 similar to a private-sector business. The statement of net position presents information on all assets and liabilities, with the difference between the two reported as net position. This is a change in terms from "net assets" to "net position" as outlined in GASB 54. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs; regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities include general government, public safety, highways and streets, sanitation, welfare, culture and recreation, and economic development.

**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. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

**Governmental 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 spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government'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, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. 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 programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to 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.

**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 2018 GASB 75 took effect and resulted in a restatement of the town's net position at the beginning of the year. The goal of GASB 75 is to improve the reporting of other post-employment benefits (OPEB) other than pensions. Greenfield's OPEB includes health benefits after retirement for a small number of employees.

## **B. FINANCIAL HIGHLIGHTS**

- The town's net position for the end of 2019 was \$3,382,436.
- Budget for the 2019 year totaled \$2,468,400.
- During the year, the Town had net expenses of \$2,390,112 for governmental activities.
- The Board of Selectmen used \$150,000 (approximately 89 cents on the local tax rate) of fund balance to offset taxes.
- The Town contributed a combination of revenues higher than conservatively forecast, and savings generated from the operating budget to fund balance during 2019.
- The Town's unassigned fund balance increased from the previous year. Unassigned fund balance for the general fund on a non-GAAP, budgetary basis increased from \$702,932 to \$704,528 at year end, a change of \$1,596 in comparison with the prior year.

## C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	<u>2019</u>	<u>2018</u>
Current and other assets:		
Capital assets, net	\$ 3,284,868	\$ 3,350,900
Other assets	<u>2,993,049</u>	<u>2,795,788</u>
Total assets	<u>6,277,917</u>	<u>6,146,688</u>
Deferred Outflows of Resources	<u>148,259</u>	<u>224,025</u>
Long-term liabilities	1,374,785	1,498,159
Other liabilities	<u>1,539,617</u>	<u>1,433,513</u>
Total liabilities	<u>2,914,402</u>	<u>2,931,672</u>
Deferred Inflows of Resources	<u>129,338</u>	<u>149,469</u>
Net position:		
Net investment in capital assets	2,968,991	2,926,975
Restricted	177,084	151,851
Unrestricted	<u>236,361</u>	<u>210,746</u>
Total net position	<u>\$ 3,382,436</u>	<u>\$ 3,289,572</u>

### Governmental Activities

The Town's combined net position increased to \$3,382,436 from \$3,289,572 or an increase of 2.7%.

## Changes in Net Position for fiscal year ended Dec. 31, 2018

	<u>2019</u>	<u>2018</u>
Program revenues:		
Charges for services	\$ 64,943	\$ 50,981
Operating grants and contributions	85,474	34,645
Capital grants and contributions	<u>84,034</u>	<u>77,796</u>
Total program revenues	<u>234,451</u>	<u>163,422</u>
General revenues:		
Property and other taxes	1,681,218	1,678,995
Licenses and permits	364,883	357,330
Grants and Contributions	108,578	92,693
Miscellaneous	<u>82,879</u>	<u>60,418</u>
Total general revenues and transfers	<u>2,237,558</u>	<u>2,189,436</u>
Total revenues	<u>2,472,009</u>	<u>2,352,858</u>
Program expenses:		
General government	834,415	764,024
Public safety	591,692	534,780
Highways and streets	605,094	466,423
Sanitation	122,765	123,565
Health and welfare	20,388	39,502
Culture and recreation	173,590	168,870
Conservation	4,685	6,302
Interest and fiscal charges	15,749	17,167
Capital Outlay	<u>10,767</u>	<u>117,040</u>
Total expenses	<u>2,379,145</u>	<u>2,237,673</u>
Change in position	92,864	115,185
Net Position - beginning of year	<u>3,289,572</u>	<u>3,174,387</u>
Net Position - ending of year	<u>\$ 3,382,436</u>	<u>\$ 3,289,572</u>

### Governmental Type Funds

As of year-end, the governmental funds reported an unassigned fund balance of \$ 704,528. The following chart shows the schedule of changes in the unassigned Fund Balance on a budgetary basis. In 2011, GASB Statement #54 implementation was required in order to show the difference in categories of the fund balance within the General Fund. Governmental Fund Type definitions were upgraded to include the following classifications: Nonspendable fund balance, Restricted fund balance, Committed fund balance, Assigned fund balance, and Unassigned fund balance. Unassigned fund balance are amounts that can be used for any purpose. For reporting purposes this report will confine itself to a discussion of Unassigned fund balance.

Schedule of changes in unassigned fund balance  
 (Non-GAAP budgetary basis)  
 as of December 31, 2019

Unassigned Fund Balance, Beginning		\$702,932
Changes:		
Unreserved fund balance used to reduce tax rate		(150,000)
Budget Summary:		
Revenue Surplus		\$78,702
Unexpended balance of appropriations		<u>72,894</u>
Budget Surplus		151,596
Unassigned fund balance ending		<u>\$704,528</u>

Because the timing of revenues and expenditures may be categorized differently under the Generally Accepted Accounting Principles (GAAP) basis of accounting than under the budgetary basis of accounting, a comparison of the two reports can provide information that can help with the interpretation of the budget. In GAAP accounting, revenues are recognized in governmental funds as soon as they are both "measurable" and "available". The Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Under the budgetary basis of accounting, the Town considers property tax revenue available when committed. In this outline it's important to note that deferred tax revenue may be collected at a much later date. Both the budgetary unassigned fund balance and GAAP Basis were greater than the previous year. GAAP Basis in 2019 was \$12,768 higher than for 2018. GAAP Basis is measured by the Town as an indicator supportive of cash-flow. In general the more support for cash flow, the less likely it is the municipality will have to borrow Tax Anticipation Notes (TAN).

Reconciliation of General Fund Budgetary Basis to GAAP

Fund Balances:	\$704,528
Adjustments	
Basis difference:	
Deferred tax revenue, 60-day rule	<u>(419,919)</u>
GAAP Basis	<u>\$284,609</u>

**General Fund Budgetary Highlights**

Amendments to the General Fund include appropriations that were approved at the March 2019 Town Meeting. Those appropriations included:

- \$ 5,000 to be placed in an Assessment Capital Reserve Fund.
- \$ 40,000 to be placed in the Fire/Rescue Apparatus Capital Reserve Fund for the Fire Department.
- \$40,000 to be placed in the Highway Equipment Capital Reserve Fund

- \$10,000 to be placed in the Police Vehicle Capital Reserve Fund
- \$10,000 to be placed in the Library Buildings & Grounds Maint. Fund
- \$ 7,500 to be placed in the Fire Department Non-Apparatus Capital Reserve Fund
- \$ 1,000 to be placed in the Recycling Center Facilities & Equipment Fund
- \$ 5,000 to be placed in the Town Buildings Maintenance Capital Reserve Fund
- \$ 6,000 to be placed in the newly created Master Plan Capital Reserve Fund
- \$25,000 to be placed in the newly created Meeting House Improvements Capital Reserve Fund
- \$ 26,033.48 for the payment of the next loan installment associated with a 10 Wheel Dump Truck for the Department of Public Works. Total over the life of the lease purchase equals \$176,194.00.
- \$125,000 for the purpose of providing road reconstruction on Town roads.
- \$10,068.61 for the 2017 SUV Police Cruiser

## **D: CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

At the end of 2019 the Town had invested in a broad range of capital assets, including public works equipment/supplies, roads, and storm water drainage structures. This amount represents a net increase (including additions and deductions) over last year.

### **Debt**

At the end of 2019, the Town of Greenfield had outstanding debt, not including net pension liability under GASB 68, in the amount of \$1,374,785. The total amounts of lease and loan repayments were \$108,048.

### **Highway Department:**

The Department of Public Works is a significant portion of the overall budget. 2019 was the third year that the department included a separate accounting for a separate Buildings and Grounds budget within the overall DPW budget. During the year a payment was made on the 2014 Mack truck lease. This was the sixth of seven payments due.

### **Police Department:**

The Police Department is another significant portion of the general budget. The department generated \$4,568 in revenue and \$1,648 through State grants. Other revenue sources include criminal and motor vehicle reports and parking violations. The Town provided cash flow coverage for \$22,924 in police detail payments. These payments are reimbursed by the detail providers.

### **Other Obligations:**

Other obligations of the Town include payments to ConVal Regional High school and Hillsborough County.

## **E: ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Town has a three person elected Selectboard. They are responsible for the financial well being of the town. This job considers many factors when approving budgets, tax rates and revenues. Greenfield does not have an abundance of industry, nor does it have much commercial property, thus the majority of taxes raised are from the property tax. The town includes 30% + of tax-exempt properties, which places an additional disproportionate burden on the residents.

The Town issued 82 building permits in 2019 primarily for work on existing homes. One of the permits was for a new home.

Wage adjustments and some wage increases were taken into consideration for town employees when setting the budget. The economy has had a direct and long term impact on revenues the town collects. However, revenues last year in the form of vehicle registrations were higher overall from the previous year. Because vehicle registrations can be a measure of a strong economy due to the purchase of higher-value and new vehicles, higher revenues in 2019 are a good sign. The amount of increase year over year was 1.5%, which is a clear indicator of continued strength in the economy. Changes to risk pool surplus retention guidelines mandated by the courts required the Town's insurance carriers to refund monies in previous years. In 2019 a payment holiday was provided by the health insurance carrier. In the future the Town may receive payment holidays, from time to time, as the insurance carriers manage their surplus. This will cause unexpended appropriations that will ultimately contribute to fund balance when they occur. As with previous years, it's important to note that the Town will need to continue its conservative approach to building its budget and forecasting revenues.

## **CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to further show the Town's accountability for the money it receives. If you have any questions about this report or need additional information, please contact any of the Selectmen or the Town Administrator, Aaron Patt, at the Town Office, PO BOX 256, Greenfield, NH 03047.

## **BASIC FINANCIAL STATEMENTS**

**EXHIBIT 1**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Statement of Net Position**  
**December 31, 2019**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,094,315
Investments	453,255
Intergovernmental receivable	3,422
Other receivables, net of allowance for uncollectibles	430,563
Tax deeded property held for resale	11,494
Capital assets, not being depreciated:	
Land	1,065,610
Capital assets, net of accumulated depreciation:	
Buildings and building improvements	482,107
Machinery, vehicles and equipment	507,981
Infrastructure	1,229,170
Total assets	6,277,917
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	144,177
Deferred amounts related to OPEB	4,082
Total deferred outflows of resources	148,259
<b>LIABILITIES</b>	
Accounts payable	43,596
Accrued payroll and benefits	23,498
Accrued interest payable	5,323
Intergovernmental payable	1,467,200
Noncurrent obligations:	
Due within one year:	
Bonds and notes payable	73,686
Capital lease payable	9,696
Compensated absences payable	13,601
Due in more than one year:	
Bonds and notes payable	232,495
Net pension liability	965,821
Other postemployment benefits liability	79,486
Total liabilities	2,914,402
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unearned revenue	8,420
Deferred amounts related to pensions	120,455
Deferred amounts related to OPEB	463
Total deferred inflows of resources	129,338
<b>NET POSITION</b>	
Net investment in capital assets	2,968,991
Restricted for:	
Endowments:	
Nonexpendable	149,260
Expendable	25,077
Other purposes	2,747
Unrestricted	236,361
Total net position	\$ 3,382,436

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

**EXHIBIT 2**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Statement of Activities**  
**For the Year Ended December 31, 2019**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 834,415	\$ 21,598	\$ 29,540	\$ -	\$ (783,277)
Public safety	591,692	3,256	53,452	5,688	(529,296)
Highways and streets	605,094	-	-	78,346	(526,748)
Sanitation	122,765	39,576	2,038	-	(81,151)
Health	2,825	-	-	-	(2,825)
Welfare	17,563	-	-	-	(17,563)
Culture and recreation	173,590	513	-	-	(173,077)
Conservation	4,685	-	444	-	(4,241)
Interest on long-term debt	15,749	-	-	-	(15,749)
Capital outlay	10,767	-	-	-	(10,767)
Total primary government	<u>\$ 2,379,145</u>	<u>\$ 64,943</u>	<u>\$ 85,474</u>	<u>\$ 84,034</u>	<u>(2,144,694)</u>
General revenues:					
Property taxes					1,339,369
Other taxes					341,849
Licenses and permits					364,883
Grants and contributions not restricted to specific programs					108,578
Miscellaneous					82,879
Total general revenues					<u>2,237,558</u>
Change in net position					92,864
Net position, beginning					3,289,572
Net position, ending					<u>\$ 3,382,436</u>

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

**EXHIBIT 3**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2019**

	General	Expendable Trust	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,815,206	\$ 151,260	\$ 127,849	\$ 2,094,315
Investments	-	286,211	167,044	453,255
Receivables, net of allowance for uncollectibles:				
Taxes	428,377	-	-	428,377
Accounts	237	-	1,949	2,186
Intergovernmental	3,422	-	-	3,422
Tax dedeed property held for resale	11,494	-	-	11,494
Total assets	<u>\$ 2,258,736</u>	<u>\$ 437,471</u>	<u>\$ 296,842</u>	<u>\$ 2,993,049</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 43,596	\$ -	\$ -	\$ 43,596
Accrued salaries and benefits	23,498	-	-	23,498
Intergovernmental payable	1,467,200	-	-	1,467,200
Total liabilities	<u>1,534,294</u>	<u>-</u>	<u>-</u>	<u>1,534,294</u>
Deferred inflows of resources:				
Deferred revenue	428,339	-	1,949	430,288
Fund balances:				
Nonspendable	11,494	-	140,088	151,582
Restricted	-	-	36,996	36,996
Committed	-	437,471	117,809	555,280
Unassigned	284,609	-	-	284,609
Total fund balances	<u>296,103</u>	<u>437,471</u>	<u>294,893</u>	<u>1,028,467</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,258,736</u>	<u>\$ 437,471</u>	<u>\$ 296,842</u>	<u>\$ 2,993,049</u>

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

**EXHIBIT 4**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position**  
**December 31, 2019**

Total fund balances of governmental funds (Exhibit 3)		\$ 1,028,467
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	\$ 6,538,550	
Less accumulated depreciation	<u>(3,253,682)</u>	3,284,868
Revenues that are not available to pay for current period expenditures are deferred in the funds.		
Unavailable tax revenue	\$ 419,919	
Unavailable sewer charges	<u>1,949</u>	421,868
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(5,323)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes outstanding	\$ 306,181	
Capital lease outstanding	9,696	
Compensated absences payable	13,601	
Net pension liability	965,821	
Other postemployment benefits liability	<u>79,486</u>	(1,374,785)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	\$ 144,177	
Deferred outflows of resources related to OPEB	4,082	
Deferred inflows of resources related to pensions	(120,455)	
Deferred inflows of resources related to OPEB	<u>(463)</u>	27,341
Total net position of governmental activities (Exhibit 1)		<u><u>\$ 3,382,436</u></u>

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

**EXHIBIT 5**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2019**

	General	Expendable Trust	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 1,688,054	\$ -	\$ 1,300	\$ 1,689,354
Licenses, permits and fees	364,883	-	-	364,883
Intergovernmental	246,508	-	2,038	248,546
Charges for services	40,665	-	23,846	64,511
Miscellaneous	56,508	21,009	34,902	112,419
Total revenues	<u>2,396,618</u>	<u>21,009</u>	<u>62,086</u>	<u>2,479,713</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	736,570	33,048	3,295	772,913
Public safety	526,045	-	-	526,045
Highways and streets	606,909	-	-	606,909
Sanitation	107,045	-	15,477	122,522
Health	2,825	-	-	2,825
Welfare	17,563	-	-	17,563
Culture and recreation	131,516	-	4,578	136,094
Conservation	3,385	-	1,300	4,685
<b>Debt service:</b>				
Principal	65,000	-	12,035	77,035
Interest	12,750	-	1,429	14,179
Capital outlay	51,363	50,723	-	102,086
Total expenditures	<u>2,260,971</u>	<u>83,771</u>	<u>38,114</u>	<u>2,382,856</u>
Excess (deficiency) of revenues over (under) expenditures	<u>135,647</u>	<u>(62,762)</u>	<u>23,972</u>	<u>96,857</u>
<b>Other financing sources (uses):</b>				
Transfers in	1,585	150,000	230	151,815
Transfers out	(150,000)	-	(1,815)	(151,815)
Total other financing sources and uses	<u>(148,415)</u>	<u>150,000</u>	<u>(1,585)</u>	<u>-</u>
Net change in fund balances	(12,768)	87,238	22,387	96,857
Fund balances, beginning	308,871	350,233	272,506	931,610
Fund balances, ending	<u>\$ 296,103</u>	<u>\$ 437,471</u>	<u>\$ 294,893</u>	<u>\$ 1,028,467</u>

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

**EXHIBIT 6**  
**TOWN OF GREENFIELD, 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, 2019**

Net change in fund balances of governmental funds (Exhibit 5)		\$ 96,857
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 depreciation expense exceeded capitalized capital outlay in the current period.		
Capitalized capital outlay	\$ 261,862	
Depreciation expense	<u>(327,894)</u>	(66,032)
Transfers in and out between governmental funds are eliminated on the operating statement.		
Transfers in	\$ (151,815)	
Transfers out	<u>151,815</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	\$ (8,136)	
Change in unavailable sewer charges	<u>432</u>	(7,704)
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 and note principal	\$ 73,540	
Repayment of capital lease principal	<u>34,508</u>	108,048
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	\$ 1,925	
Increase in compensated absences payable	(5,470)	
Decrease in OPEB related balances	<u>5,349</u>	1,804
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	\$ 90,886	
Cost of benefits earned, net of employee contributions	<u>(130,995)</u>	(40,109)
Change in net position of governmental activities (Exhibit 2)		<u><u>\$ 92,864</u></u>

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

**EXHIBIT 7**  
**TOWN OF GREENFIELD, 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, 2019**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 1,662,346	\$ 1,679,918	\$ 17,572
Licenses, permits and fees	303,490	364,883	61,393
Intergovernmental	277,354	246,508	(30,846)
Charges for services	21,000	40,665	19,665
Miscellaneous	45,590	56,508	10,918
Total revenues	<u>2,309,780</u>	<u>2,388,482</u>	<u>78,702</u>
<b>EXPENDITURES</b>			
Current:			
General government	780,416	726,570	53,846
Public safety	548,069	526,045	22,024
Highways and streets	572,299	606,909	(34,610)
Sanitation	119,107	107,045	12,062
Health	2,825	2,825	-
Welfare	36,950	17,563	19,387
Culture and recreation	132,336	131,516	820
Conservation	10,335	3,385	6,950
Debt service:			
Principal	65,000	65,000	-
Interest on long-term debt	12,750	12,750	-
Interest on tax anticipation note	1	-	1
Capital outlay	31,277	38,863	(7,586)
Total expenditures	<u>2,311,365</u>	<u>2,238,471</u>	<u>72,894</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,585)</u>	<u>150,011</u>	<u>151,596</u>
Other financing sources (uses):			
Transfers in	1,585	1,585	-
Transfers out	(150,000)	(150,000)	-
Total other financing sources and uses	<u>(148,415)</u>	<u>(148,415)</u>	<u>-</u>
Net change in fund balance	<u>\$ (150,000)</u>	1,596	<u>\$ 151,596</u>
Unassigned fund balance, beginning		702,932	
Unassigned fund balance, ending		<u>\$ 704,528</u>	

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

**EXHIBIT 8**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2019**

---

---

	Private Purpose Trust
Assets:	
Cash and cash equivalents	\$ 3,850
Investments	<u>100,697</u>
Total assets	<u>104,547</u>
Liabilities	<u>-</u>
Net position:	
Held in trust for specific purposes	<u>\$ 104,547</u>

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

**EXHIBIT 9**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2019**

	Private Purpose Trust
Additions:	
Investment earnings:	
Interest and dividends	\$ 1,637
Net change in fair value of investments	15,135
Total additions	16,772
 Deductions:	
Trust distributions	1,500
 Change in net position	15,272
Net position, beginning	89,275
Net position, ending	\$ 104,547

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

**NOTES TO THE FINANCIAL STATEMENTS**

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

**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 Greenfield (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, 2019.

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

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

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

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

*Government-Wide Financial Statements*

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

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

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

*Fund Financial Statements*

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

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

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

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

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 the directions of the New Hampshire Department of Revenue Administration. Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest which are reported as expenditures in the year due.

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

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

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

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

*Governmental Funds*

The Town reports the following major governmental funds:

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

*Expendable Trust Fund* – Reports as a Capital Projects Fund and is used to account for the financial resources of funds in the custody of the trustees of trust funds, which were established by Town Meeting for future capital outlay purposes.

The Town also reports six 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.

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.

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

Any person who directly or indirectly receives any such funds or monies for deposit or for investment in securities of any kind shall, prior to acceptance of such funds, make available at the time of such deposit or investment an option to have such funds secured by collateral having a value at least equal to the amount of such funds. Such collateral shall be segregated for the exclusive benefit of the Town. Only securities defined by the bank commissioner as provided by rules adopted pursuant to RSA 386:57 shall be eligible to be pledged as collateral.

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

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

	Years
Building and improvements	20-40
Machinery	15
Vehicles	4-15
Infrastructure	20-40

**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. 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 fund that must be permanently invested for cemetery care and other Town purposes.
- Restricted for endowments, expendable, which consists of the balance of the permanent fund’s income that must be used for specific Town purposes.

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

- Restricted for other purposes, which consists of the library fund whose use is restricted by State law for the support of the Library.
- 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 fund, and the tax deeded property held for resale in the general fund.
- Restricted, which represents the expendable income from permanent funds, and the library fund, whose use is 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.
- Unassigned, which represents the remaining fund balance in the General Fund in excess of the nonspendable, restricted, and committed balances.

*Fund Balance Policy*

The Town's policy is that it should maintain a minimum unassigned fund balance of 8% of the annual total budgeted expenditures, including town, county, school, and state amounts. Further, the policy states that the Town should plan to maintain a targeted unassigned fund balance level between 8% and 11% of that amount. The target level of the unassigned fund balance may be achieved by conservatively estimating revenues and by refraining from using any portion of the unassigned target balance to reduce the tax rate. Furthermore, attaining a target fund balance of 8% may also be achieved by adding a line item to the budget for the sole purpose of building the fund balance.

**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 GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

**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 2019, \$150,000 of the fund balance of the General Fund from 2018 was so used.

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

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

Revenues and other financing sources:	
Per Exhibit 7 (budgetary basis)	\$ 2,390,067
Adjustments:	
Basis difference:	
Tax revenue deferred in the prior year	428,055
Tax revenue deferred in the current year	(419,919)
Per Exhibit 5 (GAAP basis)	<u>\$ 2,398,203</u>
Expenditures and other financing uses:	
Per Exhibit 7 (budgetary basis)	\$ 2,388,471
Adjustment:	
Basis difference:	
Encumbrances, beginning	22,500
Per Exhibit 5 (GAAP basis)	<u>\$ 2,410,971</u>
Unassigned fund balance:	
Per Exhibit 7 (budgetary basis)	\$ 704,528
Adjustment:	
Basis difference:	
Deferred tax revenue, GAAP basis	(419,919)
Per Exhibit 3 (GAAP basis)	<u>\$ 284,609</u>

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

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

**III.A. Assets**

**III.A.1. Investments**

As of December 31, 2019, the Town’s reporting entity had the following investments:

US Treasury Obligations	\$ 212,894
US Government Agencies	98,587
Fixed Income	27,949
Common Stock	155,297
Corporate Bonds	51,535
Preferred Equity	7,690
	<u>\$ 553,952</u>

The investments appear in the financial statements as follow:

Fund reporting level:	
Governmental funds - balance sheet (Exhibit 3)	\$ 453,255
Fiduciary funds - statement of fiduciary net position (Exhibit 7)	100,697
Total	<u>\$ 553,952</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’s credit rating quality of investments as of December 31, 2019 is as follows:

	Fair Value
Aaa	\$ 311,481
Aa	10,218
A	30,907
Baa	10,410
Not rated	7,690
Exempt from disclosure	183,246
	<u>\$ 553,952</u>

**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 OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

Town's sensitivity of the fair value of the Town's investments to market interest rate fluctuations is as follows:

	Fair Value	Investment maturities (in years)		
		Less than 1	1 to 5	5 to 10
US Treasury obligations	\$ 212,894	\$ 15,008	\$ 111,508	\$ 86,378
US Government agencies	98,587	-	30,969	67,618
Corporate bonds	51,535	-	41,125	10,410
	<u>\$ 363,016</u>	<u>\$ 15,008</u>	<u>\$ 183,602</u>	<u>\$ 164,406</u>

**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, 2019, the Town had \$48,486 invested in the iShares Core S&P 500 ETF Fund representing 8.75% of its total investments.

**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 12% per annum on all taxes not received by the due date. The first billing is an estimate only based on half of the previous year's billing. The final billing is levied based on an inventory taken in April of each year (the tax year runs from April 1 to March 31), and is assessed after the tax rate has been calculated and set by the New Hampshire Department of Revenue Administration. A lien is executed on any unpaid property taxes in the following year and this lien takes priority over any others. Interest of 18% per annum is charged upon redemption of lien taxes. Properties not redeemed within two years of the date of the tax lien should be deeded to the Town. During the current year, the tax collector executed a lien for uncollected 2018 property taxes on June 24<sup>th</sup>.

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

The net assessed valuation as of April 1, 2019, upon which the 2019 property tax levy was based was:

For the New Hampshire education tax	\$ 165,109,327
For all other taxes	\$ 168,431,827

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

The tax rates and amounts assessed for the year ended December 31, 2019 were as follow:

	<u>Per \$1,000 of Assessed Valuation</u>	
Municipal portion	\$8.11	\$ 1,366,059
School portion:		
State of New Hampshire	\$1.96	323,069
Local	\$16.11	2,713,545
County portion	\$1.09	183,951
Total property taxes assessed		<u>\$ 4,586,624</u>

The following details the taxes receivable at year-end:

Property:		
Levy of 2019		\$ 256,954
Unredeemed (under tax lien):		
Levy of 2018		85,448
Levy of 2017		61,473
Levy of 2016		36,360
Levies of 2015 and prior		31,527
Land use change		4,760
Timber		55
Less: allowance for estimated uncollectible taxes		<u>(48,200)</u>
Net taxes receivable		<u>\$ 428,377</u>

*Deferred Revenue*

Deferred revenue at December 31, 2019 represents \$419,919 for property taxes and \$1,949 for sewer rents that were not collected within sixty days of the year-end, and \$8,420 for prepayments of 2020 property taxes. In the Governmental Activities, only the prepayments are reported as unearned.

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

**III.A.2. Capital Assets**

*Changes in Capital Assets*

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

	Balance, beginning	Additions	Deletions	Balance, ending
At cost:				
Not being depreciated:				
Land	\$ 1,065,610	\$ -	\$ -	\$ 1,065,610
Construction in progress	23,000	-	(23,000)	-
Total capital assets not being depreciated	<u>1,088,610</u>	<u>-</u>	<u>(23,000)</u>	<u>1,065,610</u>
Being depreciated:				
Buildings and building improvements	1,698,517	44,863	-	1,743,380
Machinery, vehicles and equipment	1,689,381	91,499	-	1,780,880
Infrastructure	1,800,180	148,500	-	1,948,680
Total capital assets being depreciated	<u>5,188,078</u>	<u>284,862</u>	<u>-</u>	<u>5,472,940</u>
Total all capital assets	<u>6,276,688</u>	<u>284,862</u>	<u>(23,000)</u>	<u>6,538,550</u>
Less accumulated depreciation:				
Buildings and building improvements	(1,184,807)	(76,466)	-	(1,261,273)
Machinery, vehicles and equipment	(1,097,235)	(175,664)	-	(1,272,899)
Infrastructure	(643,746)	(75,764)	-	(719,510)
Total accumulated depreciation	<u>(2,925,788)</u>	<u>(327,894)</u>	<u>-</u>	<u>(3,253,682)</u>
Net book value, capital assets being depreciated	<u>2,262,290</u>	<u>(43,032)</u>	<u>-</u>	<u>2,219,258</u>
Net book value, all capital assets	<u>\$ 3,350,900</u>	<u>\$ (43,032)</u>	<u>\$ (23,000)</u>	<u>\$ 3,284,868</u>

*Depreciation Expense*

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

General government	\$ 25,036
Public safety	115,904
Highways and streets	146,130
Culture and recreation	40,824
Total depreciation expense	<u>\$ 327,894</u>

**III.B. Liabilities**

**III.B.1 Intergovernmental Payable**

The amount due to other governments at December 31, 2019 consists of \$1,467,200 due to the Contoocook Valley Regional School District for the balance of the 2019-2020 district assessment.

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

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

General obligation debt is approved by the voters and repaid with general revenues (property taxes). Long-term liabilities currently outstanding are as follow:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 12/31/2019	Current Portion
General obligation bonds/notes payable:						
Revitalization	\$ 1,306,000	2003	2022	4.50-5.00	\$ 190,000	\$ 65,000
Rural Development loan	\$ 119,800	2005	2035	4.125	35,000	5,000
Wastewater project	\$ 118,582	2007	2026	3.00-5.00	81,181	3,686
					<u>306,181</u>	<u>73,686</u>
Capital lease payable:						
Cruiser	\$ 38,095	2017	2020	3.84	9,696	9,696
Compensated absences payable:						
Accrued vacation leave					13,601	13,601
Net pension liability					965,821	-
Other postemployment benefits liability					79,486	-
					<u>\$ 1,374,785</u>	<u>\$ 96,983</u>

*Changes in Long-Term Liabilities*

The following is a summary of changes in long-term liabilities for the year ended December 31, 2019:

	General Obligation Bonds/Notes Payable	Capital Lease Payable	Compensated Absences Payable	Net Pension Liability	OPEB Liability	Total
Balance, beginning	\$ 379,721	\$ 44,204	\$ 8,131	\$ 980,875	\$ 85,228	\$ 1,498,159
Additions	-	-	5,470	-	-	5,470
Reductions	(73,540)	(34,508)	-	(15,054)	(5,742)	(128,844)
Balance, ending	<u>\$ 306,181</u>	<u>\$ 9,696</u>	<u>\$ 13,601</u>	<u>\$ 965,821</u>	<u>\$ 79,486</u>	<u>\$ 1,374,785</u>

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

*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,	Principal	Interest	Total
2020	\$ 73,686	\$ 14,496	\$ 88,182
2021	73,838	10,863	84,701
2022	68,997	7,217	76,214
2023	9,162	3,814	12,976
2024	9,333	3,412	12,745
2025-2029	34,500	11,387	45,887
2030-2034	29,987	5,187	35,174
2035	6,678	275	6,953
Totals	<u>\$ 306,181</u>	<u>\$ 56,651</u>	<u>\$ 362,832</u>

The final lease payment of \$10,068 will be made in 2020 and consists of \$9,696 in principal and \$372 of interest.

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

Transfers within the reporting entity are substantially for the purposes of moving or distributing voted amounts, and distributing trust income to the applicable funds. 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:			Total
	General Fund	Expendable Trust Fund	Nonmajor Funds	
Transfers out:				
General fund	\$ -	\$ 150,000	\$ -	\$ 150,000
Nonmajor funds	1,585	-	230	1,815
	<u>\$ 1,585</u>	<u>\$ 150,000</u>	<u>\$ 230</u>	<u>\$ 151,815</u>

The amount transferred from the General Fund to the Expendable Trust Fund represents voted appropriations. The amount transferred from the Nonmajor Funds to the General Fund and Nonmajor Funds represents voted appropriations and the distribution of income earned on Permanent Funds.

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

**III.D. Fund Equity**

**III.D.1. Restricted Net Position**

The government-wide statement of net position includes restricted net position of \$177,084, which represents public trust funds reported as restricted to reflect perpetual care restrictions contained in trust indentures, and the library fund.

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

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

	General Fund	Expendable Trust Fund	Nonmajor Funds
Nonspendable:			
Endowments	\$ -	\$ -	\$ 140,088
Tax deeded property	11,494	-	-
Total nonspendable	<u>11,494</u>	<u>-</u>	<u>140,088</u>
Restricted:			
General government	-	-	34,249
Culture and recreation	-	-	2,747
Total restricted	<u>-</u>	<u>-</u>	<u>36,996</u>
Committed:			
Sanitation	-	-	72,932
Culture and recreation	-	-	10,140
Conservation	-	-	34,737
Capital outlay	-	437,471	-
Total committed	<u>-</u>	<u>437,471</u>	<u>117,809</u>
Unassigned	284,609	-	-
Total fund balance	<u>\$ 296,103</u>	<u>\$ 437,471</u>	<u>\$ 294,893</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.

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

The Primex Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSA 5-B and RSA 281-A. Workers' compensation and property/liability coverage were provided from January 1 through December 31. Contributions for 2019 recorded as an insurance expenditure/expense totaled \$16,713 for workers' compensation and \$26,533 for property/liability. The member agreements permit 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 and other employees were 11.55% and 7%, respectively, of gross earnings. The rates of contribution from the Town were 29.43% for police officers and 11.38% for other employees through June 30<sup>th</sup>, decreasing on July 1<sup>st</sup> to 28.43% and 11.17%, respectively.

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 2017, 2018, and 2019 were \$95,468, \$91,401, and \$99,766 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, 2019, the Town reported a liability of \$965,821 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, 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, 2019, the Town's proportion was 0.0201%, which was decrease of 0.0002% from its proportion measured as of June 30, 2018. For 2019, the Town recognized pension expense of \$130,995.

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

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	\$ 59,419	\$ 91,798
Net differences between projected and actual earnings on pension plan investments	-	7,889
Changes in assumptions	34,653	-
Differences between expected and actual experience	5,340	20,768
Town contributions subsequent to the measurement date	44,765	-
	\$ 144,177	\$ 120,455

The Town reported \$44,765 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,	
2020	\$ 30,969
2021	(24,132)
2022	(27,764)
2023	(116)
	\$ (21,043)

*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 Period	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	21 years beginning July 1, 2018
Asset Valuation Method	5-year smoothed market for funding purposes, 20% corridor

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

Price Inflation	2.5% per year
Wage Inflation	3.25% per year
Salary Increases	5.6% average, including inflation
Municipal Bond Rate	3.13% per year
Investment Rate of Return	7.25% net of pension plan investment expense, including inflation

The actuarial assumptions used in the June 30, 2018 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.

Mortality rates were based on the RP-2014 Healthy Annuitant and Employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on the last experience study.

*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 7.25%, 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 (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Town's proportionate share of net pension liability	\$ 1,293,275	\$ 965,821	\$ 695,184

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

**IV.C. Contingent Liabilities**

The Town has received grants for specific purposes that are subject to review and possible audit by the grantor or pass-through agency. Any such audit may result in a requirement to reimburse the grantor agency for costs disallowed. The Town does not feel the chance of disallowance is likely, and that if it should occur, the amount would not be material.

**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

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

age of 65 have a medical insurance plan with New Hampshire 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, 2019, 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.

*Implicit Rate Subsidy*

Same benefit options are available to retirees as active employees. Health insurance is purchased through New Hampshire 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. The Town of Greenfield has ten active employees eligible for health insurance, and has not determined its implicit rate subsidy because the amount would not be material.

*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

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

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 \$79,486 for the medical insurance subsidy was determined by an actuarial valuation as of June 30, 2018 with roll-forward procedures used to determine the liability as of June 30, 2019. The roll-forward of the total OPEB liability from June 30, 2018 to June 30, 2019 reflects expected service cost and interest reduced by actual benefit payments and refunds for the plan year.

*Methods and Assumptions*

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

Medical Insurance Subsidy	
Payroll Growth	3.25%
Discount Rate	7.25%
Inflation	2.5%
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
Healthcare Cost Trend Rates	N/A, given that the benefits are fixed stipends

*Sensitivity of Total OPEB Liability to Changes in the Discount Rate*

Assumptions and methods used to determine the total OPEB liability are sensitive to changes in the discount. The following presents the total OPEB liability calculated using the current discount rate, 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:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Town's total OPEB liability	\$ 86,215	\$ 79,486	\$ 73,639

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2019**

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

For the year ended December 31, 2019, the Town recognized a credit to healthcare expense of (\$1,267) for the OPEB expense amortization. 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
	<u>                    </u>	<u>                    </u>
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ -	\$ 236
Net differences between projected and actual earnings on OPEB plan investments	-	89
Differences between expected and actual experience	-	138
Town contributions subsequent to the measurement date	4,082	-
	<u>\$ 4,082</u>	<u>\$ 463</u>

The Town reported \$4,082 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.

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

Year Ending December 31,	
2020	\$ (434)
2021	(59)
2022	6
2023	24
	<u>\$ (463)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

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

	2019	2018	2017	2016	2015	2014
Town's proportion of net pension liability	0.0201%	0.0203%	0.0234%	0.0204%	0.0201%	0.0188%
Town's proportionate share of the net pension liability	\$ 965,821	\$ 980,875	\$ 1,152,954	\$ 1,087,431	\$ 795,163	\$ 707,175
Town's covered-employee payroll	\$ 584,491	\$ 549,543	\$ 563,926	\$ 538,182	\$ 474,924	\$ 462,202
Town's proportionate share of the net pension liability as a percentage of covered-employee payroll	165.24%	178.49%	204.45%	202.06%	167.43%	153.00%
Plan fiduciary position as a percentage of the total pension liability	65.59%	64.77%	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 GREENFIELD, NEW HAMPSHIRE**  
*Schedule of the Town's Pension Contributions*  
**New Hampshire Retirement System**

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 90,886	\$ 91,401	\$ 95,468	\$ 86,968	\$ 78,665	\$ 71,924
Contribution in relation to the contractually required contribution	(90,886)	(91,401)	(95,468)	(86,968)	(78,665)	(71,924)
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 584,491	\$ 549,543	\$ 563,926	\$ 538,182	\$ 474,924	\$ 462,202
Contributions as a percentage of covered-employee payroll	15.5%	16.6%	16.9%	16.2%	16.6%	15.6%

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

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

	2019	2018
Total OPEB liability:		
Service cost	\$ 155	\$ 183
Interest	6,200	6,375
OPEB plan net investment income	(359)	(580)
OPEB plan administrative expenses	52	14
Changes of assumptions and differences between expected and actual experience	(1,297)	1,858
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	1,806	16,403
Benefit payments	(12,299)	(6,364)
Net change in total OPEB liability	(5,742)	17,889
Total OPEB liability, beginning	85,228	67,339
Total OPEB liability, ending	<u>\$ 79,486</u>	<u>\$ 85,228</u>
Covered-employee payroll	\$ 584,491	\$ 549,543
Total OPEB liability as a percentage of covered-employee payroll	13.60%	15.51%

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

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

	2019	2018
Actuarially determined contribution	\$ 8,274	\$ 8,234
Contributions in relation to the actuarially determined contribution	(8,274)	(8,234)
Contribution deficiency	\$ -	\$ -
Covered-employee payroll	\$ 584,491	\$ 549,543
Contributions as a percentage of covered-employee payroll	1.42%	1.50%

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

**TOWN OF GREENFIELD, NEW HAMPSHIRE  
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019**

The Pension and OPEB Schedules are meant to present related information for ten years. Because this is the fifth year that the Town has presented the pension schedules, and the second year for the OPEB information under the current measurement standard, only six years and two 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 GREENFIELD, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2019**

	Special Revenue Funds					Permanent Fund	Total
	Library	Oak Park	Recreation Revolving	Conservation Commission	Sewer		
<b>ASSETS</b>							
Cash and cash equivalents	\$ 2,747	\$ 5,296	\$ 4,844	\$ 34,737	\$ 72,932	\$ 7,293	\$ 127,849
Investments	-	-	-	-	-	167,044	167,044
Accounts receivable	-	-	-	-	1,949	-	1,949
Total assets	<u>\$ 2,747</u>	<u>\$ 5,296</u>	<u>\$ 4,844</u>	<u>\$ 34,737</u>	<u>\$ 74,881</u>	<u>\$ 174,337</u>	<u>\$ 296,842</u>
<b>DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
Deferred inflows of resources:							
Deferred revenue	\$ -	\$ -	\$ -	\$ -	\$ 1,949	\$ -	\$ 1,949
Fund balances:							
Nonspendable	-	-	-	-	-	140,088	140,088
Restricted	2,747	-	-	-	-	34,249	36,996
Committed	-	5,296	4,844	34,737	72,932	-	117,809
Total fund balances	<u>2,747</u>	<u>5,296</u>	<u>4,844</u>	<u>34,737</u>	<u>72,932</u>	<u>174,337</u>	<u>294,893</u>
Total deferred inflows of resources, and fund balances	<u>\$ 2,747</u>	<u>\$ 5,296</u>	<u>\$ 4,844</u>	<u>\$ 34,737</u>	<u>\$ 74,881</u>	<u>\$ 174,337</u>	<u>\$ 296,842</u>

**EXHIBIT 15**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2019**

	Special Revenue Funds					Permanent Fund	Total
	Library	Oak Park	Recreation Revolving	Conservation Commission	Sewer		
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ 1,300	\$ -	\$ -	\$ 1,300
Intergovernmental	-	-	-	-	2,038	-	2,038
Charges for services	-	213	-	-	23,633	-	23,846
Miscellaneous	2,056	59	2,002	397	848	29,540	34,902
Total revenues	<u>2,056</u>	<u>272</u>	<u>2,002</u>	<u>1,697</u>	<u>26,519</u>	<u>29,540</u>	<u>62,086</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	-	3,295	3,295
Sanitation	-	-	-	-	15,477	-	15,477
Culture and recreation	1,483	-	3,095	-	-	-	4,578
Conservation	-	-	-	1,300	-	-	1,300
Debt service:							
Principal	-	-	-	-	12,035	-	12,035
Interest	-	-	-	-	1,429	-	1,429
Total expenditures	<u>1,483</u>	<u>-</u>	<u>3,095</u>	<u>1,300</u>	<u>28,941</u>	<u>3,295</u>	<u>38,114</u>
Excess (deficiency) of revenues over (under) expenditures	<u>573</u>	<u>272</u>	<u>(1,093)</u>	<u>397</u>	<u>(2,422)</u>	<u>26,245</u>	<u>23,972</u>
Other financing sources (uses):							
Transfers in	230	-	-	-	-	-	230
Transfers out	-	-	-	-	-	(1,815)	(1,815)
Total other financing sources and uses	<u>230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,815)</u>	<u>(1,585)</u>
Net change in fund balances	803	272	(1,093)	397	(2,422)	24,430	22,387
Fund balances, beginning	1,944	5,024	5,937	34,340	75,354	149,907	272,506
Fund balances, ending	<u>\$ 2,747</u>	<u>\$ 5,296</u>	<u>\$ 4,844</u>	<u>\$ 34,737</u>	<u>\$ 72,932</u>	<u>\$ 174,337</u>	<u>\$ 294,893</u>

**EXHIBIT 16**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2019**

	Estimated	Actual	Variance Positive (Negative)
<b>Taxes:</b>			
Property	\$ 1,323,855	\$ 1,339,369	\$ 15,514
Land use change	3,500	4,010	510
Timber	20,000	20,939	939
Excavation	32	32	-
Payments in lieu of taxes	264,959	262,075	(2,884)
Interest and penalties on delinquent taxes	50,000	53,493	3,493
<b>Total taxes</b>	<b>1,662,346</b>	<b>1,679,918</b>	<b>17,572</b>
<b>Licenses, permits and fees:</b>			
Business licenses and permits	25	25	-
Motor vehicle permits	280,000	342,061	62,061
Building permits	7,500	9,208	1,708
Other	15,965	13,589	(2,376)
<b>Total licenses, permits and fees</b>	<b>303,490</b>	<b>364,883</b>	<b>61,393</b>
<b>Intergovernmental:</b>			
State sources:			
Municipal aid	18,238	18,238	-
Meals and rooms distributions	90,340	90,340	-
Highway block grant	78,465	78,346	(119)
Water pollution grant	2,038	-	(2,038)
State and federal forest land	444	444	-
LCHIP	16,400	5,688	(10,712)
Federal sources:			
FEMA	71,429	48,382	(23,047)
DOJ	-	5,070	5,070
<b>Total intergovernmental</b>	<b>277,354</b>	<b>246,508</b>	<b>(30,846)</b>
<b>Charges for services:</b>			
Income from departments	21,000	40,665	19,665
<b>Miscellaneous:</b>			
Sale of property	500	2,200	1,700
Interest on investments	8,000	9,434	1,434
Rent of property	16,500	24,245	7,745
Fines and forfeits	2,100	300	(1,800)
Insurance dividends and reimbursements	100	824	724
Contributions and donations	-	18,000	18,000
Other	18,390	1,505	(16,885)
<b>Total miscellaneous</b>	<b>45,590</b>	<b>56,508</b>	<b>10,918</b>
<b>Other financing sources:</b>			
Transfers in:			
Expendable trust fund	1,585	1,585	-
<b>Total revenues and other financing sources</b>	<b>2,311,365</b>	<b>\$ 2,390,067</b>	<b>\$ 78,702</b>
Use of fund balance to reduce taxes	150,000		
<b>Total revenues, other financing sources and use of fund balance</b>	<b>\$ 2,461,365</b>		

**EXHIBIT 17**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2019**

	Encumbered from Prior Year	Appropriations	Expenditures	Variance Positive (Negative)
Current:				
General government:				
Executive	\$ -	\$ 125,770	\$ 126,772	\$ (1,002)
Election and registration	-	44,145	40,265	3,880
Financial administration	-	45,000	41,725	3,275
Legal	10,000	15,000	30,305	(5,305)
Personnel administration	-	342,930	312,436	30,494
Planning and zoning	-	13,731	7,052	6,679
General government buildings	-	84,190	83,294	896
Cemeteries	-	3,175	890	2,285
Insurance, not otherwise allocated	-	45,736	36,235	9,501
Advertising and regional associations	-	3,489	3,489	-
Other	-	57,250	54,107	3,143
Total general government	<u>10,000</u>	<u>780,416</u>	<u>736,570</u>	<u>53,846</u>
Public safety:				
Police	-	258,120	267,405	(9,285)
Ambulance	-	61,335	61,534	(199)
Fire	-	213,629	181,610	32,019
Building inspection	-	14,985	15,496	(511)
Total public safety	<u>-</u>	<u>548,069</u>	<u>526,045</u>	<u>22,024</u>
Highways and streets:				
Administration	-	439,799	450,094	(10,295)
Highways and streets	-	125,000	125,237	(237)
Street lighting	-	7,500	31,578	(24,078)
Total highways and streets	<u>-</u>	<u>572,299</u>	<u>606,909</u>	<u>(34,610)</u>
Sanitation:				
Administration	-	116,707	107,826	8,881
Solid waste disposal	-	2,400	(781)	3,181
Total sanitation	<u>-</u>	<u>119,107</u>	<u>107,045</u>	<u>12,062</u>
Health:				
Health agencies	-	2,825	2,825	-
Welfare:				
Administration	-	36,950	17,563	19,387

(continued)

**EXHIBIT 17 (continued)**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2019**

	Encumbered from Prior Year	Appropriations	Expenditures	Variance Positive (Negative)
<b>Culture and recreation:</b>				
Parks and recreation	-	14,440	8,243	6,197
Public library	-	116,896	122,192	(5,296)
Patriotic purposes	-	1,000	1,081	(81)
Total culture and recreation	-	<u>132,336</u>	<u>131,516</u>	<u>820</u>
<b>Conservation:</b>				
Administration	-	4,335	3,385	950
Other	-	6,000	-	6,000
Total conservation	-	<u>10,335</u>	<u>3,385</u>	<u>6,950</u>
<b>Debt service:</b>				
Principal	-	65,000	65,000	-
Interest on long-term debt	-	12,750	12,750	-
Interest on tax anticipation note	-	1	-	1
Total debt service	-	<u>77,751</u>	<u>77,750</u>	<u>1</u>
<b>Capital outlay:</b>				
Machinery, vehicles and equipment	-	26,077	26,033	44
Improvements other than buildings	12,500	5,200	25,330	(7,630)
Total capital outlay	<u>12,500</u>	<u>31,277</u>	<u>51,363</u>	<u>(7,586)</u>
<b>Other financing uses:</b>				
Transfers out:				
Expendable trust fund	-	150,000	150,000	-
<b>Total encumbrances, appropriations, expenditures and other financing uses</b>	<u>\$ 22,500</u>	<u>\$ 2,461,365</u>	<u>\$ 2,410,971</u>	<u>\$ 72,894</u>

**EXHIBIT 18**  
**TOWN OF GREENFIELD, NEW HAMPSHIRE**  
**General Fund**  
*Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)*  
*For the Year Ended December 31, 2019*

Unassigned fund balance, beginning		\$ 702,932
Changes:		
Unassigned fund balance used to reduce tax rate		(150,000)
Budget summary:		
Revenue surplus (Exhibit 16)	\$ 78,702	
Unexpended balance of appropriations (Exhibit 17)	72,894	
Budget surplus	151,596	151,596
Unassigned fund balance, ending		\$ 704,528



# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S COMMUNICATION TO MANAGEMENT

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

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Greenfield as of and for the year ended December 31, 2019, 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 management, the board of selectmen, and others within the Town of Greenfield, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Roberts & Greene, PLLC*

January 11, 2021