

TOWN OF HOOKSETT, NEW HAMPSHIRE

Financial Statements

June 30, 2022

and

Independent Auditor's Report

TOWN OF HOOKSETT, NEW HAMPSHIRE
FINANCIAL STATEMENTS
June 30, 2022

TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR'S REPORT	
MANAGEMENT'S DISCUSSION AND ANALYSIS	i-viii
BASIC FINANCIAL STATEMENTS	
EXHIBITS:	
A Statement of Net Position	1
B Statement of Activities	2
C Balance Sheet – Governmental Funds	3
C-1 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
D Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	5
D-1 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
E Statement of Net Position – Proprietary Funds	7
F Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	8
G Statement of Cash Flows – Proprietary Funds	9
H Statement of Fiduciary Net Position – Fiduciary Funds	10
I Statement of Changes in Fiduciary Net Position – Fiduciary Funds	11
NOTES TO BASIC FINANCIAL STATEMENTS	12-42
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULES:	
1 Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund	43
2 Schedule of Changes in the Town's Proportionate Share of the Net OPEB Liability	44
3 Schedule of Town OPEB Contributions	45
4 Schedule of Changes in the Town's Total OPEB Liability and Related Ratios	46
5 Schedule of Changes in the Town's Proportionate Share of the Net Pension Liability	47
6 Schedule of Town Pension Contributions	48
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	49

**TOWN OF HOOKSETT, NEW HAMPSHIRE
FINANCIAL STATEMENTS
June 30, 2022**

TABLE OF CONTENTS (CONTINUED)

	<u>Page(s)</u>
SUPPLEMENTAL SCHEDULES	
SCHEDULES:	
A Combining Balance Sheet – Governmental Funds – All Nonmajor Funds	50
A-1 Combining Balance Sheet – Governmental Funds – All Nonmajor Special Revenue Funds	51-52
B Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – All Nonmajor Funds	53
B-1 Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds – All Nonmajor Special Revenue Funds	54-55

INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Hooksett, New Hampshire

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Hooksett, New Hampshire, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Hooksett, New Hampshire'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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Hooksett, New Hampshire, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof 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 of Hooksett, New Hampshire, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Hooksett, New Hampshire'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 Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Hooksett, New Hampshire'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 of Hooksett, New Hampshire'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, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in the Town's proportionate share of the net OPEB liability, schedule of Town OPEB contributions, schedule of changes in the Town's total OPEB liability and related ratios, schedule of changes in the Town's proportionate share of the net pension liability, and schedule of Town pension contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the

information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Hooksett, New Hampshire's basic financial statements. The combining nonmajor governmental fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor governmental fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Vachon Clukay & Company PC

Manchester, New Hampshire
March 6, 2023

Management’s Discussion and Analysis

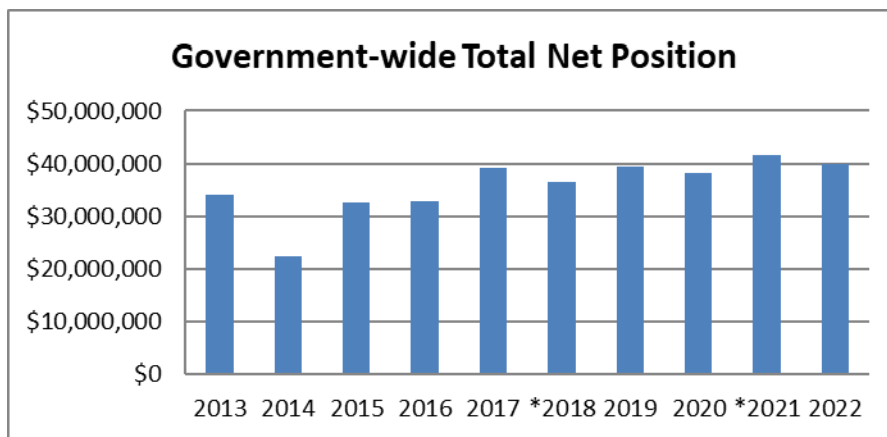
As management of the Town of Hooksett (Town), we offer readers this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022.

This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Town’s financial activity, (3) identify changes in the Town’s financial position (its ability to address the next and subsequent year’s challenges), and (4) identify any material deviations from the financial plan (the approved budget).

Financial Highlights

Government – wide highlights

- The Town’s government-wide total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of the most recent year by \$39,934,127 (*total net position*), a decrease of \$1,750,453 in comparison to the prior year.



*2018 and 2021 net position were restated.

- At year end, the Town reported a combined net pension liability of \$15,398,792 for all of its governmental and business-type activities.

Fund highlights

- At the close of the current year, the Town’s governmental funds reported a combined balance of all funds of \$12,618,860, a decrease of \$4,006,284 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,780,939, a decrease of \$1,647,147 in comparison to the prior year.
- Total bonds and notes payable at the close of the current fiscal year were \$7,557,922, a decrease of \$1,838,438 in comparison to the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Hooksett’s 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 financial statements. The basic financial statements present two different views of the Town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader’s understanding of the financial condition of the Town.

Government-wide financial statements

The government-wide financial statements provide a broad overview of the Town's finances. These statements (*Statement of Net Position* and the *Statement of Activities*) provide both short-term and long-term information about the Town's overall financial position. They are prepared using the accrual basis of accounting, which recognizes all revenues and expenses connected with the year even if cash has not been received or paid.

The *Statement of Net Position* presents information on all of the Town's non-fiduciary assets, deferred outflows of resources, liabilities and deferred inflow of resources, with the difference reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future periods (such as uncollected taxes and earned but not used vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the Town.

The *Statement of Net Position* and the *Statement of Activities* divide the Town into two types of activities:

- **Governmental Activities** – Most of the Town's basic functions are reported here which include the general government, public safety, highways and streets, sanitation, health and welfare, culture and recreation, conservation, and economic development. Property taxes, intergovernmental revenues, permits and fees, and state and federal grants finance most of these activities.
- **Business-type Activities** – The Town charges a fee to customers with the intention of recovering all or a significant portion of the costs through user fees and charges. The Town's Wastewater Department is reported here.

The government-wide financial statements can be found on pages 1 and 2 of this report.

Fund financial statements

Unlike government-wide financial statements, the focus of the fund financial statements is directed to specific activities of the Town rather than the Town as a whole. Except for the General Fund, a specific fund is established to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements, focus on the individual parts of the Town government, and report the Town's operations in more detail than the government-wide statements. The Town's funds are divided into three categories: 1) governmental, 2) proprietary, and 3) fiduciary.

Governmental funds: Most of the basic services provided by the Town are financed through governmental funds. Unlike the government-wide financial statements, the 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 year. Such information may be useful in evaluating a government's near-term 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 here with similar information presented 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. Reconciliations found on page 4 and 6 are provided for both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* to the government-wide statements in order to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 13 individual governmental funds. Information is presented in the *Governmental Funds Balance Sheet* and in the *Statement of Revenues, Expenditures and Changes in Fund Balances* for these funds. They can be found on page 3 and 5.

The General Fund is considered to be a major fund. The General Fund accounts for governmental services provided to the Town's residents. As of June 30, 2011, to comply with GASB Statement 54, the Town moved the Library,

Heritage Commission, Head's Chapel Preservation, and the Expendable Trust funds into the General Fund from the Other Governmental Funds.

The Route 3A Infrastructure Tax Increment Financing Fund is also considered to be a major fund. This fund is used to account for financial resources related to the development of infrastructure improvements along the Route 3A corridor section between exit 10 and exit 11.

Data from the other eleven governmental funds are combined into a single, aggregated presentation termed Nonmajor Governmental Funds. More information can be found on pages 50-55 regarding these other governmental funds.

Proprietary funds: The Town charges sewer customers for the services it provides; they are reported in the proprietary fund, which can be found, on pages 7-9. Proprietary funds are reported in the same way that all business-type activities are reported in the governmental-wide financial statements, but provide more detail and a statement of cash flows.

Fiduciary funds: These funds are used to account for resources held for the benefit of parties outside the government. While these funds represent trust responsibilities of the Town, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements. The Town's fiduciary funds statements can be found on page 10 and 11.

Notes to the 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 accounting principles generally accepted in the United States of America.

Government-wide Financial Analysis

The following is a summary of the condensed government-wide financial data for the current and prior years. The Town's combined net position (government and business-type activities) totaled \$39,934,127 at the end of 2022, which decreased by \$1,750,453.

Net position of the Governmental Activities as of July 1, 2021 has been restated. See Note 15 - *Restatement of Net Position and Fund Balances* for more information.

Town of Hooksett Condensed Statement of Net Position						
	Governmental Activities		Business-Type Activities		Combined Totals	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 20,432,091	\$ 23,417,093	\$ 9,268,740	\$ 9,441,951	\$ 29,700,831	\$ 32,859,044
Capital assets	29,873,587	30,251,569	15,175,279	14,241,290	45,048,866	44,492,859
Total assets	50,305,678	53,668,662	24,444,019	23,683,241	74,749,697	77,351,903
Deferred Outflows of Resources	5,290,026	5,757,277	144,934	204,087	5,434,960	5,961,364
Current Liabilities	2,236,436	3,988,229	1,714,040	973,240	3,950,476	4,961,469
Noncurrent Liabilities	21,241,376	26,911,032	4,837,173	4,257,833	26,078,549	31,168,865
Total liabilities	23,477,812	30,899,261	6,551,213	5,231,073	30,029,025	36,130,334
Deferred Inflows of Resources	10,073,680	5,483,984	147,825	14,369	10,221,505	5,498,353
Net position:						
Net investment in capital assets	28,351,305	28,801,525	9,610,806	10,172,452	37,962,111	38,973,977
Restricted	2,939,307	3,202,160	-	-	2,939,307	3,202,160
Unrestricted (deficit)	(9,246,400)	(8,960,991)	8,279,109	8,469,434	(967,291)	(491,557)
Total net position as restated	<u>\$ 22,044,212</u>	<u>\$ 23,042,694</u>	<u>\$ 17,889,915</u>	<u>\$ 18,641,886</u>	<u>\$ 39,934,127</u>	<u>\$ 41,684,580</u>

By far, the largest portion of the government's net position, \$37,962,111 (95%), reflects investment in assets such as land, buildings, equipment, and infrastructure (roads and bridges), less any outstanding related debt used to acquire those assets. These assets are used to provide services to citizens; consequently, they are not available for future spending.

An additional portion of net position, \$2,939,307 (7%) represents resources that are subject to external restrictions on how they may be used.

The remaining balance of unrestricted net position a deficit of \$967,291 (-2%). This deficit consists of a positive balance of \$8,279,109 for business-type activities and a deficit of \$9,246,400 for governmental activities. The largest component of the deficit is due to the cumulative effect of the implementation of GASB Statements 68 & 75, specifically the net pension liability recorded as of June 30, 2022 of \$14,969,671.

The following is a summary of the information presented in the Statement of Activities for the current and prior years.

Town of Hooksett Changes in Net Position						
	Governmental Activities		Business-Type Activities		Combined Totals	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues						
Charges for services	\$ 968,817	\$ 1,193,594	\$ 2,095,485	\$ 2,250,766	\$ 3,064,302	\$ 3,444,360
Operating grants and contributions	426,658	1,375,573	-	-	426,658	1,375,573
Capital grants and contributions	145,127	3,588,664	-	-	145,127	3,588,664
General revenues	<u>17,595,267</u>	<u>18,501,350</u>	<u>(445,153)</u>	<u>154,360</u>	<u>17,150,114</u>	<u>18,655,710</u>
Total revenues	19,135,869	24,659,181	1,650,332	2,405,126	20,786,201	27,064,307
Expenses:						
General government	2,859,886	2,995,941	-	-	2,859,886	2,995,941
Public safety	10,371,989	11,487,315	-	-	10,371,989	11,487,315
Highway and streets	3,642,150	3,517,700	-	-	3,642,150	3,517,700
Sanitation	1,305,584	1,197,034	-	-	1,305,584	1,197,034
Health and welfare	128,881	72,134	-	-	128,881	72,134
Culture and recreation	1,724,551	1,686,395	-	-	1,724,551	1,686,395
Conservation	34,773	41,948	-	-	34,773	41,948
Economic development	11,150	563	-	-	11,150	563
Interest and fiscal charges	55,387	84,393	-	-	55,387	84,393
Wastewater	-	-	2,402,303	2,585,579	2,402,303	2,585,579
Total expenses	<u>20,134,351</u>	<u>21,083,423</u>	<u>2,402,303</u>	<u>2,585,579</u>	<u>22,536,654</u>	<u>23,669,002</u>
Change in net position	(998,482)	3,575,758	(751,971)	(180,453)	(1,750,453)	3,395,305
Net position - beginning as restated	23,042,694	19,466,936	18,641,886	18,822,339	41,684,580	38,289,275
Net position - ending	<u>\$ 22,044,212</u>	<u>\$ 23,042,694</u>	<u>\$ 17,889,915</u>	<u>\$ 18,641,886</u>	<u>\$ 39,934,127</u>	<u>\$ 41,684,580</u>

Financial results

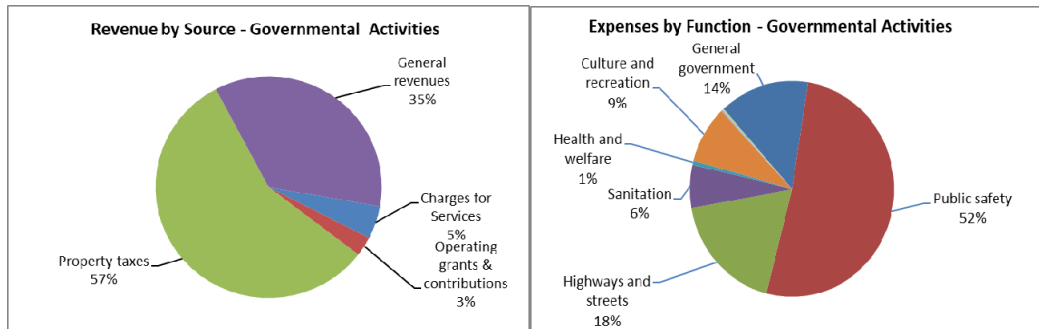
The *governmental activities* decrease in net position was \$998,482. Key elements of this increase are as follows:

Governmental Activities	
General fund	\$ (1,288,583)
Route 3A Infrastructure Tax Increment Financing fund	(2,915,403)
Special revenue funds	213,713
Permanent funds	(16,011)
Revenues that do not provide current financial resources	92,821
Depreciation expense in excess of capital outlays	(390,306)
Leased debt repayment	5,552
Loss on disposal of capital assets	(140,740)
Repayment of bonds and amortization of premiums	2,641,019
Change in compensated absences, accrued interest expense and accrued landfill postclosure care costs	959
Change in net pension and OPEB obligations	<u>798,497</u>
Decrease in governmental activities net position	<u>\$ (998,482)</u>

The total cost of governmental activities this year was \$20,134,351. However, as shown in the Statement of Activities, the amount that our taxpayers ultimately financed for these activities through Town property and other taxes was only \$11,443,214 (57%) because those who directly benefited from the programs paid \$968,817 (5%) and other governments and organizations subsidized certain programs in the amount of \$571,785 (3%).

The Town paid for the remaining governmental activities with revenue not specifically targeted for specific programs. 35% of all revenues are known as general revenues, which include: interest, miscellaneous, motor vehicle permit fees, and other licenses and permits.

The Town's expenses cover a range of services. The largest expenses were for Public Safety, which accounts for 52% of total expenses. Program revenue consisting of grants and charges for services in the amount of \$962,759 was collected to offset these expenses. Public safety is made up of police, fire, ambulance, building inspections and emergency services.



The Wastewater fund reported in the *business-type activities* resulted in a decrease in net position of \$751,971 for the year. Key elements of this increase are as follows:

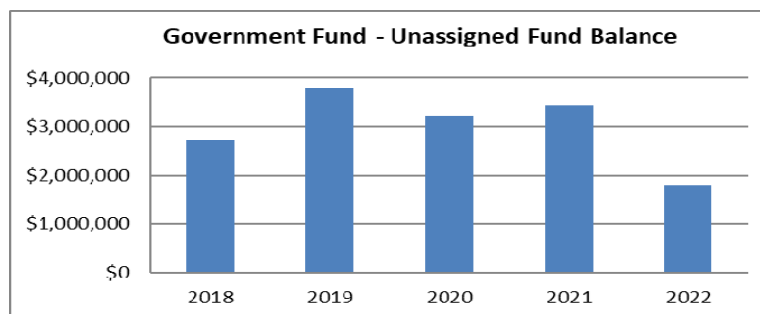
Operating expenses in excess of revenues	\$ (306,818)
Interest and investment loss	(522,889)
Miscellaneous	<u>77,736</u>
Decrease in business-type activities net position	<u>\$ (751,971)</u>

Financial Analysis of the Town's Funds

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

Governmental funds

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



At the end of the current year, the governmental funds reported a combined ending fund balance of \$12,618,860, a decrease of \$4,006,284, in comparison with the prior year. The general fund decreased \$1,288,583, the Route 3A

Infrastructure Tax Increment Financing fund decreased \$2,915,403, and the Nonmajor governmental funds increased by \$197,702. Key elements of these changes are as follows:

<u>General Fund</u>	
Revenues and transfers in collected less than budgeted	\$ (301,145)
Excess appropriations unspent by departments	324,652
Fund balance used to reduce tax rate and projects	(1,415,000)
Net change in Encumbrances	145,537
Earned tax revenue not collected within 60 days	91,345
Other items	(123,046)
Net change in Library	(3,317)
Net change in Capital Reserves	(8,730)
Net change in Heritage Commission	1,121
Total General Fund	<u>\$(1,288,583)</u>
<u>Route 3A Infrastructure Tax Increment Financing Fund</u>	
Revenues from tax increment district	\$ 49,642
Expenditures and transfer out of district	(2,965,045)
Total Route 3A Infrastructure Tax Increment Financing Fund	<u>\$(2,915,403)</u>
<u>Nonmajor Governmental Funds</u>	
Conservation revenues	\$ 114,617
Conservation land improvements	(33,554)
Impact Fee revenues	280,735
Impact Fees highway and streets	(624)
Impact Fees recreation equipment	(169,553)
Solid Waste Disposal revenues	152,124
Solid Waste Disposal vehicles and equipment	(274,500)
Net change in Recreation Revolving fund	(17,351)
Net change in Ambulance Service fund	149,047
Net change in Drug Forfeiture fund	(5,950)
Net change in Police Special Details fund	44,040
Net change in Fire Special Details fund	(550)
Net change in Private Trust fund	(25,175)
Net change in Grants fund	407
Net change in Permanent fund	(16,011)
Total Nonmajor Governmental Funds	<u>\$ 197,702</u>

The general fund is the chief operating fund of the Town. As of June 30, 2022, the total fund balance was \$6,463,896, of that amount unassigned fund balance was \$1,780,939. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to the total fund expenditures. Unassigned fund balance represents 9% of total general fund expenditures, while total fund balance represents 33% of that same amount.

The Town's Fund Balance policy states that the Town will maintain a minimum unassigned fund balance in its general fund of 5% with a target balance of 8% of the annual appropriations of the community. At year-end, the Town's unassigned fund balance was 5.43%.

General Fund Budgetary Highlights

Significant budget to actual variances for the general fund revenues and expenditures include the following:

- License and permitting revenues were under budget by \$255,044 due to the timing change in motor vehicle registrations. The Town had one fleet registration change from a June to September renewal.
- Intergovernmental revenues exceeded the budget by \$123,922, due to the Town receiving additional federal grants.
- Miscellaneous revenues were over budget by \$346,753 due to medical insurance refund from a prior year.
- Public safety expenditures surpassed the budget by \$204,993, most notably in the areas of employee benefits due to changes in medical insurances.

- Actuals for Highway & Streets was lower than appropriations by \$116,782, primarily from staff turnover.
- Expenditures for capital outlay were lower than the budget by \$143,773. Two projects finished under budget: 1) visionary plan for the west side and 2) the purchase of a garbage truck.

Capital Assets and Debt Administration

Capital assets

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounts to \$45,035,754 (net of accumulated depreciation). This investment in capital assets includes land, easements, construction in process, intangible assets, land improvements, infrastructure, buildings and improvements, vehicles and equipment and leased land.

Town of Hooksett						
Capital Assets						
	Governmental Activities		Business-type Activities		Combined Totals	
	2022	2021	2022	2021	2022	2021
Land	\$ 2,434,929	\$ 2,434,929	\$ 300,000	\$ 300,000	\$ 2,734,929	\$ 2,734,929
Easements	254,269	254,269	-	-	254,269	254,269
Construction in process	1,310,137	829,878	3,057,191	1,501,092	4,367,328	2,330,970
Intangible assets	269,505	269,505	-	-	269,505	269,505
Land improvements	1,049,974	1,049,974	17,750	17,750	1,067,724	1,067,724
Infrastructure	114,781,223	114,781,223	25,346,923	24,372,720	140,128,146	139,153,943
Buildings and improvements	10,520,566	10,213,370	5,190,289	6,144,056	15,710,855	16,357,426
Vehicles and equipment	10,224,843	10,063,855	1,168,026	996,159	11,392,869	11,060,014
Leased land	139,952	139,952	-	-	139,952	139,952
Total	140,985,398	140,036,955	35,080,179	33,331,777	176,065,577	173,368,732
Accumulated depreciation	(111,124,923)	(109,645,434)	(19,904,900)	(19,090,487)	(131,029,823)	(128,735,921)
Total capital assets	\$ 29,860,475	\$ 30,391,521	\$ 15,175,279	\$ 14,241,290	\$ 45,035,754	\$ 44,632,811

Major capital asset activity for the governmental activities during the current year included the following:

- Construction in process
 - Added engineering cost for infrastructure on Route 3A \$322,091.
 - Added construction cost of \$158,168 for the Merrimack River Front Trail Phase III
- Building and improvements
 - Town added a pavilion at Lamber Park for a cost of \$93,390.
 - Town added restrooms at Donati Park for a cost of \$213,806.
- Vehicles and equipment
 - Purchased a 2020 sidewalk tractor for highway for a cost of \$112,700.
 - Purchased a 2023 plow truck for highway for a cost of \$181,079.
 - Purchased a 2022 pickup truck for highway for a cost of \$54,654.
 - Purchased three cruisers for police for a total of \$112,835.
 - Purchased a loader for recycling and transfer at a cost of \$157,500.
 - Purchased a garbage truck for recycling and transfer at a cost of \$294,682.
 - Sold or traded nine vehicles reducing \$752,462.

Major capital asset activity for the business-type activities during the current year included the following:

- Construction in process
 - Added \$1,489,689 for Phase 3A of plant improvements.
 - Added \$62,405 for pump station improvements.
 - Added \$4,006 for asset management project.
- Building and improvements
 - Replaced office building ramp for a cost of \$20,435.
- Vehicles and equipment
 - Purchased 2019 Ford F-350 truck \$85,215.
 - Purchased radios for pump stations \$74,322.
 - Purchased fire alarm system \$12,330.

Debt administration

At the end of the current fiscal year, the Town's governmental activities had total outstanding bonds of \$2,722,870. Of which, \$723,712 is general obligation bonds and \$1,999,158 is tax increment bonds paid for by the Route 3A Infrastructure Tax Increment Financing District.

The Wastewater fund had outstanding notes payable of \$3,511,791 as of June 30, 2022, which are related to the upgrades of the wastewater treatment facility. Additionally, the Wastewater fund has \$1,323,261 of State Revolving Loans which upon completion of associated projects will be converted to notes. These notes are repaid by the users of the sewer system.

Additional information on the debt can be found in Note 5 of the Notes to the Basic Financial Statements.

Economic Factors and the Future:

As of December 2022, unemployment was 2.2% for the Merrimack County area, which compares to the state of 2.5% and the national averages 3.3%. according to New Hampshire Employment Securities. Hooksett continues to see growth in its commercial and residential tax base. The US Census bureau reported the 2020 population for Hooksett was 14,874 up from 13,451 in 2010. The town believes it is well positioned in terms of its capital reserves and low outstanding debt obligations to be able to meet its needs of our residents for the foreseeable future.

The budget, tax levies and tax rates for the General fund for the subsequent fiscal year has been formalized. The following table reflects the budget amounts, at the time of the tax rate setting, for each year.

Town's General Fund Budget				
	<u>FY 2022</u>	<u>FY 2023</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Total Appropriation	\$ 22,818,295	\$ 31,030,167	\$ 8,211,872	35.99%
Less:				
Revenues	(10,085,140)	(16,731,860)	(6,646,720)	65.91%
Fund balance to reduce taxes	(1,415,000)	(332,490)		
Overlay, War service credits	445,988	404,304	(41,684)	-9.35%
Total tax effort	<u>\$ 11,764,143</u>	<u>\$ 14,370,121</u>	<u>\$ 1,523,468</u>	<u>12.95%</u>
The following table reflects the property tax levy amounts for each year.				
Property Tax Levies				
	<u>FY 2022</u>	<u>FY 2022</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Town	\$ 11,764,143	\$ 14,370,121	\$ 2,605,978	22.15%
County	5,448,480	5,442,104	(6,376)	-0.12%
School - local	23,957,117	27,337,055	3,379,938	14.11%
School - state	4,241,650	2,758,167	(1,483,483)	-34.97%
Total Tax Levies	<u>\$ 45,411,390</u>	<u>\$ 49,907,447</u>	<u>\$ 4,496,057</u>	<u>9.90%</u>
The following table reflects the property tax rates for each year. The tax rate is stated per \$1,000 of assessed value.				
Property Tax Rates				
	<u>FY 2022</u>	<u>FY 2022</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Town	\$ 5.73	\$ 6.90	\$ 1.17	20.42%
County	2.65	2.62	(0.03)	-1.13%
School - local	11.66	13.14	1.48	12.69%
School - state	2.18	1.39	(0.79)	-36.24%
Total Tax Rate	<u>\$ 22.22</u>	<u>\$ 24.05</u>	<u>\$ 1.83</u>	<u>8.24%</u>

Requests for information:

This financial report is designed to provide a general overview of the Town of Hooksett's finances for all of the citizens, taxpayers, customers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Hooksett, Finance Department, 35 Main Street, Hooksett, NH 03106. The Finance Director can also be reached at (603) 485-2017 or at ctewksbury@hooksett.org.

EXHIBIT A
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Net Position
June 30, 2022

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 15,045,697	\$ 788,405	\$ 15,834,102
Investments	3,500,810	7,392,369	10,893,179
Taxes receivable, net	975,682		975,682
Accounts receivable, net	154,535	95,056	249,591
Unbilled charges		992,943	992,943
Due from other governments	8,023		8,023
Internal balances	33	(33)	-
Prepaid items	84,719		84,719
Tax deeded property	585,270		585,270
Current portion of lease receivable	77,322		77,322
Total Current Assets	<u>20,432,091</u>	<u>9,268,740</u>	<u>29,700,831</u>
Noncurrent Assets:			
Lease receivable	13,112		13,112
Capital assets:			
Non-depreciable capital assets	3,999,335	3,357,191	7,356,526
Depreciable capital assets, net	25,861,140	11,818,088	37,679,228
Total Noncurrent Assets	<u>29,873,587</u>	<u>15,175,279</u>	<u>45,048,866</u>
Total Assets	<u>50,305,678</u>	<u>24,444,019</u>	<u>74,749,697</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	291,019	3,069	294,088
Deferred outflows related to pension	4,999,007	141,865	5,140,872
Total Deferred Outflows of Resources	<u>5,290,026</u>	<u>144,934</u>	<u>5,434,960</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	603,674	663,861	1,267,535
Accrued liabilities	469,556	103,054	572,610
Retainage payable		133,181	133,181
Due to other governments	907		907
Deposits payable	148,690	7,742	156,432
Advances from grantors	703,356		703,356
Unearned connection fees		296,000	296,000
Current portion of bonds payable	100,000		100,000
Current portion of tax increment financing bond payable	200,000		200,000
Current portion of notes payable		510,202	510,202
Current portion of lease liability	5,862		5,862
Current portion of accrued landfill postclosure care costs	4,391		4,391
Total Current Liabilities	<u>2,236,436</u>	<u>1,714,040</u>	<u>3,950,476</u>
Noncurrent Liabilities:			
Bonds payable	623,712		623,712
Tax increment financing bond payable	1,799,158		1,799,158
Notes payable		3,001,589	3,001,589
Lease liability	128,538		128,538
State of New Hampshire revolving loan		1,323,261	1,323,261
Compensated absences payable	564,082	51,524	615,606
Accrued landfill postclosure care costs	26,346		26,346
OPEB liability	3,129,869	31,678	3,161,547
Net pension liability	14,969,671	429,121	15,398,792
Total Noncurrent Liabilities	<u>21,241,376</u>	<u>4,837,173</u>	<u>26,078,549</u>
Total Liabilities	<u>23,477,812</u>	<u>6,551,213</u>	<u>30,029,025</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes collected in advance	4,916,118		4,916,118
Deferred inflows related to OPEB	332,804	4,535	337,339
Deferred inflows related to pension	4,735,800	143,290	4,879,090
Deferred inflows related to lease receivable	88,958		88,958
Total Deferred Inflows of Resources	<u>10,073,680</u>	<u>147,825</u>	<u>10,221,505</u>
NET POSITION			
Net investment in capital assets	28,351,305	9,610,806	37,962,111
Restricted	2,939,307		2,939,307
Unrestricted (deficit)	(9,246,400)	8,279,109	(967,291)
Total Net Position	<u>\$ 22,044,212</u>	<u>\$ 17,889,915</u>	<u>\$ 39,934,127</u>

See accompanying notes to the basic financial statements

EXHIBIT B
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	
Governmental Activities:							
General government	\$ 2,859,886	\$ 20,315	\$ 4,000		\$ (2,835,571)		\$ (2,835,571)
Public safety	10,371,989	773,973	123,659	\$ 65,127	(9,409,230)		(9,409,230)
Highways and streets	3,642,150	18,255	298,999		(3,324,896)		(3,324,896)
Sanitation	1,305,584	151,774			(1,153,810)		(1,153,810)
Health and welfare	128,881				(128,881)		(128,881)
Culture and recreation	1,724,551	4,500			(1,720,051)		(1,720,051)
Conservation	34,773			80,000	45,227		45,227
Economic development	11,150				(11,150)		(11,150)
Interest and fiscal charges	55,387				(55,387)		(55,387)
Total governmental activities	<u>20,134,351</u>	<u>968,817</u>	<u>426,658</u>	<u>145,127</u>	<u>(18,593,749)</u>	<u>\$ -</u>	<u>(18,593,749)</u>
Business-type activities:							
Wastewater	<u>2,402,303</u>	<u>2,095,485</u>				<u>(306,818)</u>	<u>(306,818)</u>
Total business-type activities	<u>2,402,303</u>	<u>2,095,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(306,818)</u>	<u>(306,818)</u>
Total primary government	<u>\$ 22,536,654</u>	<u>\$ 3,064,302</u>	<u>\$ 426,658</u>	<u>\$ 145,127</u>	<u>(18,593,749)</u>	<u>(306,818)</u>	<u>(18,900,567)</u>
General revenues:							
Property and other taxes					11,443,214		11,443,214
Licenses and permits					4,467,298		4,467,298
Grants and contributions:							
Rooms and meals tax distribution					1,082,548		1,082,548
State railroad tax					1,931		1,931
State and federal forest land reimbursement					552		552
Interest and investment earnings (losses)					(120,906)	(522,889)	(643,795)
Miscellaneous					785,635	77,736	863,371
Loss on disposal of capital assets					(65,005)		(65,005)
Total general revenues and loss on disposal of capital assets					<u>17,595,267</u>	<u>(445,153)</u>	<u>17,150,114</u>
Change in net position					(998,482)	(751,971)	(1,750,453)
Net Position at beginning of year, as restated					<u>23,042,694</u>	<u>18,641,886</u>	<u>41,684,580</u>
Net Position at end of year					<u>\$ 22,044,212</u>	<u>\$ 17,889,915</u>	<u>\$ 39,934,127</u>

See accompanying notes to the basic financial statements

EXHIBIT C
TOWN OF HOOKSETT, NEW HAMPSHIRE
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Route 3A Infrastructure Tax Increment Financing Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 12,545,498	\$ 1,501,920	\$ 998,279	\$ 15,045,697
Investments	3,183,526		317,284	3,500,810
Taxes receivable, net	975,682			975,682
Accounts receivable, net	150		154,385	154,535
Due from other governments	8,023			8,023
Due from other funds	100,357	571,707	3,480,591	4,152,655
Prepaid items	84,719			84,719
Tax dedeed property	585,270			585,270
Total Assets	<u>17,483,225</u>	<u>2,073,627</u>	<u>4,950,539</u>	<u>24,507,391</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 17,483,225</u>	<u>\$ 2,073,627</u>	<u>\$ 4,950,539</u>	<u>\$ 24,507,391</u>
LIABILITIES				
Accounts payable	\$ 542,907	\$ 53,364	\$ 7,403	\$ 603,674
Accrued liabilities	420,059		5,075	425,134
Due to other governments	907			907
Due to other funds	4,051,079		101,543	4,152,622
Deposits	148,690			148,690
Advances from grantors	1,539		701,817	703,356
Total Liabilities	<u>5,165,181</u>	<u>53,364</u>	<u>815,838</u>	<u>6,034,383</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes collected in advance	4,916,118			4,916,118
Uncollected property taxes	938,030			938,030
Total Deferred Inflows of Resources	<u>5,854,148</u>	<u>-</u>	<u>-</u>	<u>5,854,148</u>
FUND BALANCES				
Nonspendable	669,989		122,472	792,461
Restricted	189,783	2,020,263	1,954,889	4,164,935
Committed	2,925,866		2,057,340	4,983,206
Assigned	897,319			897,319
Unassigned	1,780,939			1,780,939
Total Fund Balances	<u>6,463,896</u>	<u>2,020,263</u>	<u>4,134,701</u>	<u>12,618,860</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,483,225</u>	<u>\$ 2,073,627</u>	<u>\$ 4,950,539</u>	<u>\$ 24,507,391</u>

See accompanying notes to the basic financial statements

EXHIBIT C-1
TOWN OF HOOKSETT, NEW HAMPSHIRE
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 12,618,860
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.	29,860,475
Long-term assets are not available to pay current period expenditures, and therefore, are not reported in governmental funds. Long-term assets at year end consist of:	
Lease receivable	90,434
Property taxes are recognized on an accrual basis in the statement of net position, not the modified accrual basis.	938,030
Deferred outflows of resources and deferred inflows of resources that do not require or provide the use of current financial resources are not reported within the funds.	
Deferred outflows of resources related to OPEB liability	291,019
Deferred outflows of resources related to net pension liability	4,999,007
Deferred inflows of resources related to OPEB liability	(332,804)
Deferred inflows of resources related to net pension liability	(4,735,800)
Deferred inflows of resources related to lease receivable	(88,958)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities at year end consist of:	
Bonds payable	(723,712)
Tax increment financing bond payable	(1,999,158)
Lease liability	(134,400)
Accrued interest on long-term obligations	(44,422)
Compensated absences payable	(564,082)
Accrued landfill postclosure care costs	(30,737)
OPEB liability	(3,129,869)
Net pension liability	<u>(14,969,671)</u>
Net Position of Governmental Activities (Exhibit A)	<u>\$ 22,044,212</u>

See accompanying notes to the basic financial statements

EXHIBIT D
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Route 3A Infrastructure Tax Increment Financing Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 11,190,797	\$ 47,072	\$ 114,000	\$ 11,351,869
Licenses and permits	4,467,297		1	4,467,298
Intergovernmental	1,589,161		67,655	1,656,816
Charges for services	61,711		907,106	968,817
Interest and investment income (loss)	(96,818)	2,570	(26,658)	(120,906)
Miscellaneous	574,097		285,797	859,894
Total Revenues	<u>17,786,245</u>	<u>49,642</u>	<u>1,347,901</u>	<u>19,183,788</u>
Expenditures:				
Current operations:				
General government	2,877,520			2,877,520
Public safety	10,042,154		646,002	10,688,156
Highways and streets	2,752,575		624	2,753,199
Sanitation	1,203,699			1,203,699
Health and welfare	128,881			128,881
Culture and recreation	1,696,093		141,847	1,837,940
Conservation	1,219		33,554	34,773
Economic development	11,150			11,150
Capital outlay	633,842	322,092		955,934
Debt service:				
Principal retirement	319,000	2,250,000		2,569,000
Interest and fiscal charges	106,311	23,509		129,820
Total Expenditures	<u>19,772,444</u>	<u>2,595,601</u>	<u>822,027</u>	<u>23,190,072</u>
Excess revenues over (under) expenditures	<u>(1,986,199)</u>	<u>(2,545,959)</u>	<u>525,874</u>	<u>(4,006,284)</u>
Other financing sources (uses):				
Transfers in	697,616			697,616
Transfers out		(369,444)	(328,172)	(697,616)
Total Other financing sources (uses)	<u>697,616</u>	<u>(369,444)</u>	<u>(328,172)</u>	<u>-</u>
Net change in fund balances	(1,288,583)	(2,915,403)	197,702	(4,006,284)
Fund Balances at beginning of year, as restated	<u>7,752,479</u>	<u>4,935,666</u>	<u>3,936,999</u>	<u>16,625,144</u>
Fund Balances at end of year	<u>\$ 6,463,896</u>	<u>\$ 2,020,263</u>	<u>\$ 4,134,701</u>	<u>\$ 12,618,860</u>

See accompanying notes to the basic financial statements

EXHIBIT D-1

TOWN OF HOOKSETT, 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 June 30, 2022

Net Change in Fund Balances - Governmental Funds (Exhibit D) \$ (4,006,284)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. Capital outlays and depreciation and amortization expense in the current period are as follows:

Capital outlays	1,622,405
Depreciation expense	(2,004,229)
Amortization expense	(8,482)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the net loss of disposed capital assets reduced by the actual proceeds received from the sale of capital assets.

Net loss on disposal	(65,005)
Proceeds received	(75,735)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	91,345
Lease income	1,476

Repayment of principal on long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Repayments are as follows:

Bond principal paid	2,569,000
Lease principal paid	5,552

Governmental funds report the effect of bond issuance premiums when debt is first issued, whereas these amounts are amortized in the statement of activities over the life of the related debt.

Amortization of premiums	72,019
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In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds, an interest expenditure is reported when due.

2,414

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 the governmental funds. These expenses are as follows:

Compensated absences	(15,678)
Landfill postclosure	14,223

Governmental funds report OPEB and pension contributions as expenditures. However, in the statement of activities, OPEB and pension expense reflects the change in the OPEB liability and net pension liability and related deferred outflows and inflows of resources, and does not require the use of current financial resources. This is the amount by which OPEB and pension expense differed from OPEB and pension contributions in the current period.

Net changes in OPEB	14,533
Net changes in pension	783,964

Change in Net Position of Governmental Activities (Exhibit B) \$ (998,482)

See accompanying notes to the basic financial statements

EXHIBIT E
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities
	<u>Wastewater Fund</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 788,405
Investments	7,392,369
Accounts receivable, net	95,056
Unbilled charges	992,943
Total Current Assets	<u>9,268,773</u>
Noncurrent Assets:	
Capital assets:	
Non-depreciable capital assets	3,357,191
Depreciable capital assets, net	11,818,088
Total Noncurrent Assets	<u>15,175,279</u>
Total Assets	<u>24,444,052</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	3,069
Deferred outflows related to pension	141,865
Total Deferred Outflows of Resources	<u>144,934</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	663,861
Accrued liabilities	103,054
Retainage payable	133,181
Deposits payable	7,742
Due to other funds	33
Unearned connection fees	296,000
Current portion of notes payable	510,202
Total Current Liabilities	<u>1,714,073</u>
Noncurrent Liabilities:	
Notes payable	3,001,589
State of New Hampshire revolving loan	1,323,261
Compensated absences payable	51,524
OPEB liability	31,678
Net pension liability	429,121
Total Noncurrent Liabilities	<u>4,837,173</u>
Total Liabilities	<u>6,551,246</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	4,535
Deferred inflows related to pension	143,290
Total Deferred Inflows of Resources	<u>147,825</u>
NET POSITION	
Net investment in capital assets	9,610,806
Unrestricted	8,279,109
Total Net Position	<u>\$ 17,889,915</u>

See accompanying notes to the basic financial statements

EXHIBIT F
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities
	<u>Wastewater Fund</u>
Operating revenues:	
Charges for services	\$ 2,095,485
Miscellaneous	77,736
Total Operating revenues	<u>2,173,221</u>
Operating expenses:	
Personnel services	803,840
Contractual services	56,487
Materials and supplies	82,163
Repairs and maintenance	228,041
Utilities	165,555
Depreciation	814,413
Miscellaneous	120,963
Total Operating expenses	<u>2,271,462</u>
Operating loss	<u>(98,241)</u>
Non-operating revenue (expenses):	
Interest and investment income (loss)	(522,889)
Interest expense	<u>(130,841)</u>
Total Non-operating revenue (expenses)	<u>(653,730)</u>
Change in net position	(751,971)
Net Position at beginning of year	<u>18,641,886</u>
Net Position at end of year	<u>\$ 17,889,915</u>

See accompanying notes to the basic financial statements

EXHIBIT G
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities
	<u>Wastewater Fund</u>
Cash flows from operating activities:	
Cash received from customers	\$ 2,090,102
Cash paid to suppliers	(922,207)
Cash paid to employees	(542,348)
Net cash provided by operating activities	<u>625,547</u>
Cash flows from capital financing activities:	
Purchases of capital assets	(1,054,352)
Proceeds received from state revolving loans	1,302,799
Principal paid on notes payable	(500,218)
Interest paid on long-term debt	(131,085)
Net cash used for capital financing activities	<u>(382,856)</u>
Cash flows from investing activities:	
Interest on investments	803,669
Redemptions of investments	282,045
Purchases of investments	(1,192,483)
Net cash used for investing activities	<u>(106,769)</u>
Net increase in cash and cash equivalents	135,922
Cash and cash equivalents at beginning of year	<u>652,483</u>
Cash and cash equivalents at end of year	<u>\$ 788,405</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (98,241)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	814,413
Change in deferred outflows related to OPEB	348
Change in deferred outflows related to pension	58,805
Change in deferred inflows related to OPEB	4,097
Change in deferred inflows related to pension	129,359
Changes in assets and liabilities:	
Accounts receivable, net	(65,558)
Accounts payable	12,011
Accrued liabilities	42,559
Deposits payable	(17,561)
Due to other funds	(41,429)
Compensated absences payable	8,223
OPEB liability	(7,230)
Net pension liability	(214,249)
Net cash provided by operating activities	<u>\$ 625,547</u>

See accompanying notes to the basic financial statements

EXHIBIT H
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Custodial <u>Funds</u>
ASSETS	
Cash and cash equivalents	\$ 13,778,018
Investments	3,217,459
Accounts receivable	<u>237,801</u>
Total Assets	<u>17,233,278</u>
LIABILITIES	
Property taxes collected in advance	<u>13,778,018</u>
Total Liabilities	<u>13,778,018</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	<u>3,455,260</u>
Total Net Position	<u><u>\$ 3,455,260</u></u>

See accompanying notes to the basic financial statements

EXHIBIT I
TOWN OF HOOKSETT, NEW HAMPSHIRE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	Custodial <u>Funds</u>
ADDITIONS:	
Investment earnings:	
Interest income	\$ 19,581
Realized gain on investments	156,150
Net decrease in the fair value of investments	<u>(304,635)</u>
Total Investment earnings (losses)	<u>(128,904)</u>
Property tax collections for other governments	33,647,247
Motor vehicle fee collections for other governments	1,128,050
Miscellaneous	<u>1,519,271</u>
Total Additions	<u>36,165,664</u>
DEDUCTIONS:	
Beneficiary payments to individuals	331,849
Beneficiary payments to other governments	366,083
Payments of property tax to other governments	33,647,247
Payments of motor vehicle fees to other governments	<u>1,128,050</u>
Total Deductions	<u>35,473,229</u>
Change in net position	692,435
Net Position at beginning of year	<u>2,762,825</u>
Net Position at end of year	<u><u>\$ 3,455,260</u></u>

See accompanying notes to the basic financial statements

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Hooksett, New Hampshire conform to accounting policies generally accepted in the United States of America for local governmental units, except as indicated hereinafter. The following is a summary of significant accounting policies.

Financial Reporting Entity

The Town of Hooksett, New Hampshire (the Town) was incorporated in 1822. The Town operates under the Town Meeting/Town Council form of government and performs local governmental functions as authorized by State law.

The financial statements include those of the various departments governed by the Town Council and other officials with financial responsibility. The Town has no other separate organizational units, which meet criteria for inclusion in the financial statements as defined by the Governmental Accounting Standards Board (GASB).

Basis of Presentation

The Town's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

1. Government-Wide Financial Statements:

The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statement of net position presents the financial condition of the governmental and business-type activities of the Town at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Town's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Town. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Town.

2. Fund Financial Statements:

During the year, the Town segregates transactions related to certain Town functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Town at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

Fund Accounting

The Town uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Town reports three categories of funds: governmental, proprietary, and fiduciary.

1. Governmental Funds:

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is reported as fund balance. The following are the Town's major governmental funds:

The *General Fund* is the main operating fund of the Town and is used to account for all financial resources except those required to be accounted for in another fund.

The *Route 3A Infrastructure Tax Increment Financing Fund* is used to account for financial resources related to the development of infrastructure improvements along the Route 3A corridor section between exit 10 and exit 11.

2. Proprietary Funds:

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service. The Town has no internal service funds. The following is the Town's major proprietary fund:

The *Wastewater Fund* accounts for all revenues and expenses pertaining to the Town's wastewater treatment operations.

The Wastewater Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation) of providing goods or services to the residents on a continuing basis are financed or recovered primarily through user charges.

3. Fiduciary Funds:

Fiduciary fund reporting focuses on net position and changes in net position. The Town's fiduciary fund category is comprised solely of custodial funds. Custodial funds are used to account for amounts collected by the Town and remitted to other individuals or governments. These assets are therefore not available to support the Town's own programs.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Measurement Focus

1. Government-Wide Financial Statements:

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the Town are included on the Statement of Net Position.

2. Fund Financial Statements:

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the proprietary fund type is accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Town finances and meets the cash flow needs of its proprietary activities.

The fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

1. Revenues – Exchange and Non-exchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Town, available means expected to be received within sixty days of fiscal year end.

Non-exchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

property taxes is recognized in the fiscal year for which the taxes are levied (see Note 12). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Town must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, charges for services and interest on investments.

Licenses and permits and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Grants received before the eligibility requirements are met are recorded as advances from grantors. On governmental fund financial statements, taxes receivable that will not be collected within the available period have been reported as deferred inflows of resources.

2. Expenses/Expenditures:

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization are not recognized in governmental funds.

Budgetary Data

The Town's budget represents functional appropriations as authorized by annual or special Town meetings. Town Council may transfer funds between operating categories as they deem necessary. The Town adopts its budget under State regulations, which differ somewhat from accounting principles generally accepted in the United States of America in that the focus is on the entire governmental unit rather than on the basis of fund types.

State law requires balanced budgets but permits the use of beginning fund balance to reduce the property tax rate. For the year ended June 30, 2022, the Town applied \$1,200,000 of its unappropriated fund balance to reduce taxes.

Cash and Cash Equivalents

The Town maintains separate cash accounts for its governmental and proprietary funds. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of the following:

	Wastewater <u>Fund</u>
Cash and cash equivalents	<u>\$ 788,405</u>

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Investments

Investments are stated at their fair value in all funds. Certificates of deposit and repurchase agreements with a maturity of greater than ninety days from the date of issuance are included in investments.

Taxes Receivable

Taxes levied during the current fiscal year and prior and uncollected at June 30, 2022 are recorded as receivables net of reserves for estimated uncollectibles of \$995,469 in the General Fund.

Accounts Receivable

Charges for services billed during the current fiscal year and prior and uncollected at June 30, 2022 are recorded as receivables net of reserves for estimated uncollectibles of \$799,999 in the Nonmajor Governmental Funds.

Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net position, but are not reported in the governmental fund financial statements. In the government-wide financial statements, capital assets are reported in the applicable governmental or business-type activities column.

All capital assets including infrastructure and intangible assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The Town maintains a capitalization threshold of \$10,000. The Town’s infrastructure consists of roads, bridges, sidewalks, wastewater collection and treatment system, and similar items. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

All reported capital assets except for land, easements with an indefinite life, and construction in process are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Town’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

	<u>Description</u>	<u>Years</u>
	Intangibles	7
	Land improvements	10-20
	Infrastructure	10-99
	Buildings and improvements	10-40
	Vehicles and equipment	5-21

Lease Liabilities and Leased Assets

Lease liabilities are measured at the present value of payments expected to be made during the lease term. Leased assets are measured at the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs and are amortized on a straight-line basis over the life of the related lease.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Compensated Absences and Retirement Benefits

Employees earn vacation and sick leave as they provide services. Provision is made in the annual budget for vacation and sick leave. Pursuant to Town personnel policy and collective bargaining agreements, employees may accumulate (subject to certain limitations) unused vacation and sick leave earned and, upon retirement, resignation or death will be compensated for such amounts at current rates of pay.

For governmental fund financial statements, compensated absences are reported as liabilities and expenditures as payments come due each period upon the occurrence of employee death or retirement. The entire compensated absence liability is reported on the government-wide and proprietary fund financial statements.

Bond Premiums

Bond premiums are amortized as a component of interest expense over the life of the related bond using the effective interest rate method. Bonds payable are reported in the accompanying financial statements gross of any applicable unamortized bond premiums.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as liabilities in the fund financial statements only to the extent that they are due for payment during the current fiscal year. General obligation bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System (NHRS) OPEB Plan and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, NHRS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for non-registered commingled funds valued at net asset value (NAV) as a practical expedient to estimate fair value.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Hampshire Retirement System (NHRS) and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances on any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

The Town's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance Policy

The Town has segregated fund balance into five classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned. These components of fund balance are defined as follows:

- *Nonspendable Fund Balance*: Amounts that are not in a spendable form or are required to be maintained intact.
- *Restricted Fund Balance*: Amounts that can only be spent for specific purposes stipulated by external resource providers or by enabling legislation. Restrictions may be changed or lifted only with the consent of the external resource providers or the enabling legislation.
- *Committed Fund Balance*: Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- *Assigned Fund Balance*: Amounts the Town intends to use for a specific purpose; intent can be expressed by Town Council or by an official or body to which Town Council delegates the authority. For all governmental funds other than the General Fund, any remaining positive balances are to be classified as 'Assigned'.
- *Unassigned Fund Balance*: Amounts that are available for any purpose; these amounts are reported only in the General Fund.

The Town Council delegates to the Town Administrator the authority to assign amounts to be used for specific purposes.

Spending Prioritizations

The Town's policy is to first apply restricted resources when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications may be applied, committed resources are to be applied first, followed by assigned and unassigned.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Minimum Fund Balance

The Town will strive to maintain an unassigned fund balance in its General Fund equal to 8-17% of total annual appropriations of the Town (includes Town, County, School District and Precincts). The Town Council has the authority to apply the Town’s beginning unassigned fund balance in order to balance the budget and to reduce the subsequent fiscal year property tax rate.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the wastewater fund, these revenues are charges to customers for sales and services. Operating expenses, which include depreciation on capital assets, are necessary costs incurred to provide the service that is the primary activity of the proprietary fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2—DEPOSITS AND INVESTMENTS

Deposits and investments as of June 30, 2022 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and cash equivalents	\$ 15,834,102
Investments	10,893,179
Statement of fiduciary net position:	
Cash and cash equivalents	13,778,018
Investments	<u>3,217,459</u>
Total deposits and investments	<u>\$ 43,722,758</u>

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Deposits and investments as of June 30, 2022 consist of the following:

Cash on hand	\$ 2,185
Deposits with financial institutions	29,609,935
Investments	<u>14,110,638</u>
Total deposits and investments	<u>\$ 43,722,758</u>

The Town's investment policy for governmental and proprietary fund types requires that deposits and investments be made in New Hampshire based financial institutions that are participants in one of the federal depository insurance programs. The Town limits its investments to demand deposits, short-term governmental securities or obligations, certificates of deposit, and repurchase agreements in accordance with New Hampshire State law (RSA 41:29) or the New Hampshire Public Deposit Investment Pool (NHPDIP), an external investment pool. Responsibility for the investments of the Trust Funds and Library Funds is with the Trustees of Trust Funds and Library Trustees, respectively.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the more its fair value becomes sensitive to changes in market interest rates. The Town's investment policy regarding interest rate risk indicates that safety and liquidity are the primary objectives. Investments shall be limited to those with maturity dates which meet projected cash flow needs, 180 days or under.

Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of investments by maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Remaining Maturity</u> (In Years)		
		<u>0-1 Years</u>	<u>1-5 Years</u>	<u>> 5 Years</u>
Bond mutual funds	<u>\$ 6,245,862</u>	<u>\$ -</u>	<u>\$ 6,158,094</u>	<u>\$ 87,768</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The Town's investment policy addresses credit risk by limiting investments to the safest types of securities and diversifying the investment portfolio. The Town limits its investments to U.S. Treasury securities, U.S. Government agencies, Certificates of Deposit, Overnight Investments, and the New Hampshire Public Deposit Investment Pool.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

The following is the actual rating as of year-end for each investment type:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Ratings as of Year End</u>	
		<u>AAAm</u>	<u>Not Rated</u>
State investment pool	\$ 1,765,063	\$ 1,765,063	
Exchange traded funds	5,933,268		\$ 5,933,268
Bond mutual funds	6,245,862		6,245,862
Equity mutual funds	141,111		141,111
Money market funds	25,334		25,334
	<u>\$ 14,110,638</u>	<u>\$ 1,765,063</u>	<u>\$ 12,345,575</u>

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

In accordance with the Town’s investment policy, all security transactions must be secured by collateral having a value at least 102% of the cash deposit in each case. The collateral shall only consist of securities in which Towns may invest, as provided in New Hampshire State law (RSA 368:57).

Of the Town’s deposits with financial institutions at year end, \$27,685,136 was collateralized by securities held by the bank in the bank’s name. As of June 30, 2022, Town investments in the following investment types were held by the same counterparty that was used to buy the securities:

<u>Investment Type</u>	<u>Reported Amount</u>
Exchange traded funds	\$ 5,933,268
Bond mutual funds	6,245,862
Equity mutual funds	141,111
Money market funds	25,334
	<u>\$ 12,345,575</u>

Investment in NHPDIP

The Town is a voluntary participant in the New Hampshire Public Deposit Investment Pool (NHPDIP), an external investment pool. The NHPDIP is not registered with the United States Securities and Exchange Commission as an investment company. The NHPDIP was created by State law and is administered by a public body of state, local and banking officials. Financial statements for the NHPDIP can be accessed through the NHPDIP’s website at www.NHPDIP.com.

Investments in the NHPDIP are not investment securities and, as such, are not categorized by risk. The Town’s exposure to derivatives is indirect through its participation in the NHPDIP. The Town’s proportional share of these derivatives is not available. The fair value of the position in the investment pool is equal to the value of the pool shares.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Fair Value Measurement of Investments

The Town categorizes the fair value measurements of its investments within the fair value hierarchy established by accounting principles generally accepted in the United States. The fair value hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows (in order of priority):

- Level 1 Inputs - Inputs that reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the Town has the ability to access at the measurement date.
- Level 2 Inputs - Inputs other than quoted prices that are observable for assets or liabilities either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 Inputs - Significant unobservable inputs.

As of June 30, 2022, the Town’s investments measured at fair value, by type, were as follows:

Investment Type	Fair Value Measurements Using:			Total
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
Exchange traded funds	\$ 5,933,268			\$ 5,933,268
Bond mutual funds	6,245,862			6,245,862
Equity mutual funds	141,111			141,111
	<u>\$ 12,320,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,320,241</u>

Exchange traded, bond, and equity mutual funds classified as Level 1 are valued using unadjusted quoted prices in active markets for those securities.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

NOTE 3—LEASE RECEIVABLE

The Town entered into an arrangement for the use of Town office space to provide courtroom services. The lease commenced on September 1, 2018, with a term of 5 years and does not include options to extend. Terms of the agreement include monthly payments of \$6,384 in the first year, which increase 1.50% every other year. The lease receivable was discounted to a net present value at July 1, 2021, using an interest rate of 2.55%. For the year ended June 30, 2022, the Town recognized lease revenue of \$76,248 and lease interest revenue of \$1,476. The balance of the lease receivable at June 30, 2022 is \$90,434.

NOTE 4—CAPITAL ASSETS

The following is a summary of changes in capital assets in the governmental activities:

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

	(As Restated)			
	Balance			Balance
	<u>7/1/2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/2022</u>
Governmental activities:				
Capital assets not depreciated:				
Land	\$ 2,434,929			\$ 2,434,929
Easements	254,269			254,269
Construction in process	829,878	\$ 480,259		1,310,137
Total capital assets not being depreciated	<u>3,519,076</u>	<u>480,259</u>	<u>\$ -</u>	<u>3,999,335</u>
Capital assets being depreciated:				
Intangibles	269,505			269,505
Land improvements	1,049,974			1,049,974
Infrastructure	114,781,223			114,781,223
Buildings and improvements	10,213,370	307,196		10,520,566
Vehicles and equipment	10,063,855	913,450	(752,462)	10,224,843
Leased land	139,952			139,952
Total capital assets being depreciated	<u>136,517,879</u>	<u>1,220,646</u>	<u>(752,462)</u>	<u>136,986,063</u>
Less accumulated depreciation for:				
Intangibles	(214,934)	(9,082)		(224,016)
Land improvements	(430,818)	(77,690)		(508,508)
Infrastructure	(97,522,018)	(964,648)		(98,486,666)
Buildings and improvements	(5,805,290)	(243,798)		(6,049,088)
Vehicles and equipment	(5,672,374)	(709,011)	533,222	(5,848,163)
Less accumulated amortization for:				
Leased land		(8,482)		(8,482)
Total accumulated depreciation and amortization	<u>(109,645,434)</u>	<u>(2,012,711)</u>	<u>533,222</u>	<u>(111,124,923)</u>
Total capital assets being depreciated, net	<u>26,872,445</u>	<u>(792,065)</u>	<u>(219,240)</u>	<u>25,861,140</u>
Total capital assets, net	<u>\$ 30,391,521</u>	<u>\$ (311,806)</u>	<u>\$ (219,240)</u>	<u>\$ 29,860,475</u>

Depreciation and amortization expense was charged to governmental functions as follows:

General government	\$ 64,870
Public safety	458,285
Highways and streets	1,248,142
Sanitation	113,657
Culture and recreation	127,757
Total governmental activities depreciation expense	<u>\$ 2,012,711</u>

The following is a summary of changes in capital assets in the proprietary funds:

	Balance			Balance
	<u>7/1/2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/2022</u>
Business-type activities:				
Capital assets not depreciated:				
Land	\$ 300,000			\$ 300,000
Construction in process	1,501,091	\$ 1,556,100		3,057,191
Total capital assets not being depreciated	<u>1,801,091</u>	<u>1,556,100</u>	<u>\$ -</u>	<u>3,357,191</u>

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Capital assets being depreciated:

Land improvements	17,750			17,750
Infrastructure	25,346,923			25,346,923
Buildings and improvements	5,169,854	20,435		5,190,289
Vehicles and equipment	996,159	171,867		1,168,026
Total capital assets being depreciated	<u>31,530,686</u>	<u>192,302</u>	<u>-</u>	<u>31,722,988</u>

Less accumulated depreciation for:

Land improvements	(710)	(710)		(1,420)
Infrastructure	(14,392,989)	(703,458)		(15,096,447)
Buildings and improvements	(3,814,541)	(61,854)		(3,876,395)
Vehicles and equipment	(882,247)	(48,391)		(930,638)
Total accumulated depreciation	<u>(19,090,487)</u>	<u>(814,413)</u>	<u>-</u>	<u>(19,904,900)</u>
Total capital assets being depreciated, net	<u>12,440,199</u>	<u>(622,111)</u>	<u>-</u>	<u>11,818,088</u>
Total capital assets, net	<u>\$ 14,241,290</u>	<u>\$ 933,989</u>	<u>\$ -</u>	<u>\$ 15,175,279</u>

Depreciation was charged to proprietary funds as follows:

Wastewater fund	<u>\$ 814,413</u>
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NOTE 5—LONG-TERM OBLIGATIONS

General Long-term Obligations

The changes in the Town's long-term obligations for the year ended June 30, 2022 are as follows:

	(As Restated)			Balance	Due Within
	Balance	Additions	Reductions	6/30/2022	One Year
	7/1/2021				
Governmental activities:					
General obligation bonds	\$ 770,000		\$ (100,000)	\$ 670,000	\$ 100,000
Unamortized bond premium	70,310		(16,598)	53,712	
Total general obligation bonds payable	840,310	\$ -	(116,598)	723,712	100,000
Tax increment financing bond	4,154,000		(2,469,000)	1,685,000	200,000
Unamortized bond premium	369,579		(55,421)	314,158	
Total tax increment financing bond payable	4,523,579		(2,524,421)	1,999,158	200,000
Lease liability	139,952		(5,552)	134,400	5,862
Compensated absences	548,404	56,483	(40,805)	564,082	
Total governmental activities	<u>\$ 6,052,245</u>	<u>\$ 56,483</u>	<u>\$ (2,687,376)</u>	<u>\$ 3,421,352</u>	<u>\$ 305,862</u>
Business-type activities:					
Notes payable - direct borrowings	\$ 4,012,009		\$ (500,218)	\$ 3,511,791	\$ 510,202
State of New Hampshire revolving loan	20,462	\$ 1,302,799		1,323,261	
Compensated absences	43,301	8,238	(15)	51,524	
Total business-type activities	<u>\$ 4,075,772</u>	<u>\$ 1,311,037</u>	<u>\$ (500,233)</u>	<u>\$ 4,886,576</u>	<u>\$ 510,202</u>

Payments on the general obligation bonds, leases and compensated absences of the governmental activities are paid out of the General Fund. Payments on the tax increment financing bond payable are

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

paid out of the General Fund and subsidized with a transfer from the Route 3A Infrastructure Tax Increment Financing Fund. Payments on the notes payable and compensated absences of the business-type activities are paid out of the Wastewater Fund.

General Obligation Bonds

Governmental Activities

Bonds payable at June 30, 2022 are comprised of the following individual issue:

	Interest Rate	Final Maturity Date	Balance at 6/30/2022
2018 Series B	2.56%	August 2028	\$ 670,000
		<i>Add: Unamortized Bond Premium</i>	<u>53,712</u>
		Total Bonds Payable	<u>\$ 723,712</u>

Debt service requirements to retire general obligation bonds outstanding at June 30, 2022 are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 100,000	\$ 31,620	\$ 131,620
2024	95,000	26,648	121,648
2025	95,000	21,803	116,803
2026	95,000	16,957	111,957
2027	95,000	12,112	107,112
2028-2029	<u>190,000</u>	<u>9,690</u>	<u>199,690</u>
Total	670,000	118,830	788,830
<i>Add: Unamortized Bond Premium</i>	<u>53,712</u>		<u>53,712</u>
Total Bonds payable	<u>\$ 723,712</u>	<u>\$ 118,830</u>	<u>\$ 842,542</u>

Tax Increment Financing Bond

The tax increment financing bond payable at June 30, 2022 is comprised of the following individual issue:

	Interest Rate	Final Maturity Date	Balance at 6/30/2022
2021 Series B	0.91%	February 2030	\$ 1,685,000
		<i>Add: Unamortized Bond Premium</i>	<u>314,158</u>
			<u>\$ 1,999,158</u>

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Debt service requirements to retire the tax increment financing bond for governmental activities at June 30, 2022 are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 200,000	\$ 85,935	\$ 285,935
2024	200,000	75,735	275,735
2025	205,000	65,535	270,535
2026	210,000	55,080	265,080
2027	210,000	44,370	254,370
2028-2030	<u>660,000</u>	<u>67,830</u>	<u>727,830</u>
Total	1,685,000	394,485	2,079,485
Add: <i>Unamortized Bond Premium</i>	<u>314,158</u>		<u>314,158</u>
Total tax increment bond	<u>\$ 1,999,158</u>	<u>\$ 394,485</u>	<u>\$ 2,393,643</u>

The Town has pledged a portion of future tax increment financing revenues to repay \$2,500,000 in tax increment bonds issued in December 2019, refunded in May 2021, to finance infrastructure improvements within the Route 3A Corridor. The bonds are payable solely from the tax increment financing taxes. Incremental taxes were projected to produce in excess of 100% of the debt service requirements over the life of the bonds. For the current year total tax increment finance revenues were \$47,072.

Lease Liability

Lease agreements represent contracts that convey control of the right to use another entities nonfinancial asset for a specified period of time. The following is the individual lease liability outstanding at June 30, 2022:

<u>Description of Asset</u>	<u>Date</u>	<u>Payment Terms</u>	<u>Payment Amount</u>	<u>Interest Rate</u>	<u>Total Lease Liability</u>	<u>Balance at 6/30/2022</u>
Communications Tower Land	January 2008	Monthly	Varies	2.55%	<u>\$ 139,952</u>	<u>\$ 134,400</u>

During 2008, the Town entered into a 5 year lease agreement for land for a communications tower, the lease contains 5 options to extend for terms of 5 years.

Annual requirements to amortize the lease liability and related interest at June 30, 2022 are as follows:

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 5,862	\$ 3,361	\$ 9,223
2024	6,461	3,202	9,663
2025	6,627	3,036	9,663
2026	6,798	2,865	9,663
2027	6,974	2,689	9,663
2028-2032	42,263	10,399	52,662
2033-2037	53,612	4,317	57,929
2038	5,803	43	5,846
Total	<u>\$ 134,400</u>	<u>\$ 29,912</u>	<u>\$ 164,312</u>

Notes Payable - Direct Borrowings

Business-type Activities

Notes payable from direct borrowings at June 30, 2022 are comprised of the following individual issues:

	<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Balance at 6/30/2022</u>	<u>Pledged Collateral</u>
<u>Wastewater Fund:</u>				
Wastewater treatment plant upgrade	3.73%	January 2030	\$ 1,771,399	N/A
Wastewater treatment facility upgrade	3.10%	June 2031	1,397,911	N/A
Wastewater treatment facility phase 3	2.00%	Setpmeber 2023	342,481	N/A
			<u>\$ 3,511,791</u>	

Notes from direct borrowings include a provision that if in the event the Town defaults in the prompt and full payment of any installment of principal and interest, the entire unpaid principal balance and accrued interest to the date of payment shall become due and payable immediately upon demand of the holder.

Debt service requirements to retire notes payable for business-type activities at June 30, 2022 are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 510,202	\$ 116,279	\$ 626,481
2024	520,503	101,157	621,660
2025	354,733	85,710	440,443
2026	362,168	73,455	435,623
2027	369,879	60,923	430,802
2028-2031	1,394,306	109,467	1,503,773
Total	<u>\$ 3,511,791</u>	<u>\$ 546,991</u>	<u>\$ 4,058,782</u>

State of New Hampshire Revolving Loans

The Town has drawn \$1,312,226 of \$3,465,716 in funds under the State of New Hampshire Water Pollution Control Revolving Loan Fund Program for the wastewater treatment facility phase 3A capital

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

improvements project. Payments on the State of New Hampshire revolving loan balance are not scheduled to commence until the first anniversary of the scheduled completion date of the project or the date of substantial completion, whichever is earliest. Interest is accrued at 1% during the construction period of the project and is to be paid upon completion of the project within the following year.

As authorized by the Water Pollution Control Revolving Fund Program, the Town shall be provided federal financial assistance, whereby a portion of the principal sum will be forgiven. The principal forgiveness will be applied at the time of the initial loan repayment.

The Town has drawn \$11,035 of \$30,000 in funds under the State of New Hampshire Water Pollution Control Revolving Loan Fund Program for the stormwater collection system asset management program. Payments on the State of New Hampshire revolving loan balance are not scheduled to commence until the first anniversary of the scheduled completion date of the project or the date of substantial completion, whichever is earliest. Interest is accrued at 1% during the construction period of the project and is to be paid upon completion of the project within the following year.

As authorized by the Water Pollution Control Revolving Fund Program, the Town shall be provided federal financial assistance, whereby the principal sum of amounts drawn will be forgiven. The principal forgiveness will be applied at the time of the initial loan repayment.

NOTE 6—OTHER POSTEMPLOYMENT BENEFITS

Total OPEB Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and OPEB Expense

	<u>Deferred Outflows</u>	<u>OPEB Liability</u>	<u>Deferred Inflows</u>	<u>OPEB Expense</u>
Cost-Sharing Multiple Employer Plan	\$ 169,043	\$ 1,499,340	\$ 19,046	\$ 177,133
Single Employer Plan	<u>125,045</u>	<u>1,662,207</u>	<u>318,293</u>	<u>86,397</u>
Total	<u>\$ 294,088</u>	<u>\$ 3,161,547</u>	<u>\$ 337,339</u>	<u>\$ 263,530</u>

The net amount of deferred outflows of resources and deferred inflows of resources related to OPEB is reflected as a decrease to unrestricted net position in the amount of \$43,251.

COST-SHARING MULTIPLE EMPLOYER PLAN

Plan Description

The New Hampshire Retirement System (NHRS) administers a cost-sharing multiple-employer other postemployment benefit plan (OPEB Plan). The OPEB Plan provides a medical insurance subsidy to qualified retired members.

The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System at 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

The OPEB Plan is divided into four membership types. The four membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees, and Group I State Employees. The OPEB plan is closed to new entrants.

Benefits Provided

Benefit amounts and eligibility requirements for the OPEB Plan are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. 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 amount 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. Medical subsidy rates established by RSA 100-A:52 II are dependent upon whether retirees are eligible for Medicare. Retirees not eligible for Medicare may receive a maximum medical subsidy of \$375.56 for a single person plan and \$751.12 for a two-person plan. Retirees eligible for Medicare may receive a maximum medical subsidy of \$236.84 for a single person plan and \$473.68 for a two-person plan.

Funding Policy

Per RSA 100:16, contribution rates are established and may be amended by the New Hampshire State legislature and are determined by the NHRS Board of Trustees based on an actuarial valuation. The Town's contribution rates for the covered payroll of public safety employees and political subdivision employees were 3.21% and 0.31%, respectively, for the year ended June 30, 2022. Contributions to the OPEB plan for the Town were \$167,923 for the year ended June 30, 2022. Employees are not required to contribute to the OPEB plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the Town reported a liability of \$1,499,340 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by a roll forward of the actuarial valuation from June 30, 2020. The Town's proportion of the net OPEB liability was based on actual contributions by the Town during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2021, the Town's proportion was approximately 0.3744 percent, which was an increase of 0.0304 percentage points from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Town recognized OPEB expense of \$177,133. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience		\$ 313
Net difference between projected and actual earnings on OPEB plan investments		18,729
Changes in proportion and differences between Town contributions and proportionate share of contributions	\$ 1,120	4
Town contributions subsequent to the measurement date	<u>167,923</u>	<u> </u>
Totals	<u>\$ 169,043</u>	<u>\$ 19,046</u>

The Town reported \$167,923 as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net OPEB liability in the measurement period ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for the measurement periods as follows:

<u>June 30,</u>	
2022	\$ (3,481)
2023	(3,935)
2024	(4,411)
2025	<u>(6,099)</u>
	<u>\$ (17,926)</u>

Actuarial Assumptions

The total OPEB liability was determined by a roll forward of the actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Wage inflation	2.75% (2.25% for Teachers)
Salary increases	5.60%, average, including inflation
Investment rate of return	6.75% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions

Mortality rates were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

The long-term expected rate of return on OPEB Plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and geometric real rates of return for each asset class:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Domestic equity	30%	1.14-6.46%
International equity	20%	2.37-5.53%
Fixed income	25%	3.60%
Alternative investments	15%	7.25-8.85%
Real estate	10%	6.60%
Total	<u>100%</u>	

The discount rate used to measure the collective total OPEB liability as of June 30, 2021 was 6.75%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made under the current statutes RSA 100-A:16 and RSA 100-A:53. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

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

The following presents the Town’s proportionate share of the net OPEB liability calculated using the discount rate of 6.75 percent, as well as what the Town’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$ 1,629,902	\$ 1,499,340	\$ 1,385,745

SINGLE EMPLOYER PLAN

Plan Description

The Town of Hooksett, New Hampshire administers the retiree health care benefits program, a single employer defined benefits plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Town provides medical benefits to its eligible retirees and their covered dependents. To qualify for these benefits general employees hired prior to July 1, 2011 must reach age 60, reach age 50 with 10

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

years of service, or age plus service years equal 70. General employees hired on or after July 1, 2011 must reach age 65 with no service requirement or reach age 60 with 30 years of service to qualify for this benefit. Public safety employees hired prior to July 1, 2011 are required to reach age 45 with 20 years of service or reach age 60 with no service requirement to qualify for this benefit. Public safety employees hired on or after July 1, 2011 must reach age 50 or 52.5 with 25 years of service or reach age 60 with no service to qualify for this benefit. Eligible retirees and surviving spouses pay the full costs of the benefits premiums. The benefits, benefit levels, employee contributions and employer contributions are governed by RSA 100-A:50.

Employees Covered By Benefit Terms

As of July 1, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	34
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>128</u>
	<u><u>162</u></u>

Total OPEB Liability

The Town’s total OPEB liability of \$1,662,207 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions and Other Inputs for OPEB

The total OPEB liability in the July 1, 2021 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.50%
Discount rate	3.77%
Healthcare cost trend rates	7.00% for 2023, decreasing 0.25% per year to an ultimate rate of 4.50% for 2035 and later years

The discount rate was based on an average of three 20-year bond indices as of June 30, 2022.

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality Tables with the Society of Actuaries Mortality Improvement Scale MP-2021.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2021	\$ 1,998,853
Changes for the year:	
Service cost	35,751
Interest	73,228
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	(332,695)
Benefit payments	(112,930)
Net changes	<u>(336,646)</u>
Balance at June 30, 2022	<u>\$ 1,662,207</u>

Changes of assumptions and other inputs reflect a change in the discount rate of 2.09% at June 30, 2021 to 3.77% at June 30, 2022. Additionally, mortality improvement scales were updated from Scale MP-2019 to Scale MP-2021.

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

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB liability	\$ 1,772,825	\$ 1,662,207	\$ 1,561,191

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB liability	\$ 1,541,874	\$ 1,662,207	\$ 1,799,094

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$86,397. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Changes of assumptions	\$ 125,045	\$ 318,293
Totals	<u>\$ 125,045</u>	<u>\$ 318,293</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>June 30,</u>	
2023	\$ (22,582)
2024	(22,582)
2025	(22,582)
2026	(22,582)
2027	(17,290)
Thereafter	<u>(85,630)</u>
	<u>\$ (193,248)</u>

NOTE 7—DEFINED BENEFIT PENSION PLAN

Plan Description

The Town contributes to the New Hampshire Retirement System (NHRS), a public employee retirement system that administers a single cost-sharing multiple-employer defined benefit pension plan. The plan provides service, disability, death and vested retirement allowances to plan members and beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State legislature.

The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System, 54 Regional Drive, Concord, New Hampshire 03301.

Substantially all full-time state and local employees, public school teachers, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan.

The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II.

Benefits Provided

Benefit formulas and eligibility requirements for the pension plan are set by State law (RSA 100-A).

Group I benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service or age 60 regardless of years

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012 the benefit is calculated the same way but the multiplier used in the calculation will change depending on age and years of creditable service as follows:

Years of Creditable Service as of <u>January 1, 2012</u>	<u>Minimum Age</u>	<u>Minimum Service</u>	<u>Benefit Multiplier</u>
At least 8 but less than 10 years	46	21	2.4%
At least 6 but less than 8 years	47	22	2.3%
At least 4 but less than 6 years	48	23	2.2%
Less than 4 years	49	24	2.1%

Funding Policy

Covered police officers and fire employees are required to contribute 11.55% and 11.80%, respectively of their covered salary, whereas general employees are required to contribute 7.0% of their covered salary. The Town is required to contribute at an actuarially determined rate. The Town's contribution rates for the covered payroll of police officers, fire employees, and general employees were 30.67%, 29.78%, and 13.75%, respectively, for the year ended June 30, 2022. The Town contributes 100% of the employer cost for police officers, fire employees, and general employees of the Town.

Per RSA 100-A:16, plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The Town's contributions to the NHRS for the year ending June 30, 2022 were \$2,004,062.

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

At June 30, 2022, the Town reported a liability of \$15,398,792 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by a roll forward of the actuarial valuation from June 30, 2020. The Town's proportion of the net pension liability was based on actual contributions by the Town during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2021, the Town's proportion was approximately 0.3475 percent, which was an increase of 0.0237 percentage points from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Town recognized pension expense of \$1,193,956. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 431,189	\$ 161,215
Net difference between projected and actual earnings on pension plan investments		4,306,689
Changes of assumptions	1,608,317	
Changes in proportion and differences between Town contributions and proportionate share of contributions	1,097,304	411,186
Town contributions subsequent to the measurement date	<u>2,004,062</u>	<u> </u>
Totals	<u>\$ 5,140,872</u>	<u>\$ 4,879,090</u>

The net amount of deferred outflows of resources and deferred inflows of resources related to pension is reflected as an increase to unrestricted net position in the amount of \$261,782. The Town reported \$2,004,062 as deferred outflows of resources related to pension resulting from Town contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the measurement period ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense for the measurement periods as follows:

<u>June 30.</u>	
2022	\$ (206,992)
2023	(132,297)
2024	(224,325)
2025	<u>(1,178,666)</u>
	<u>\$ (1,742,280)</u>

Actuarial Assumptions

The total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2020, using the following actuarial assumptions:

Inflation	2.00%
Wage inflation	2.75% (2.25% for Teachers)
Salary increases	5.60%, average, including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and geometric real rates of return for each asset class:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Domestic equity	30%	1.14-6.46%
International equity	20%	2.37-5.53%
Fixed income	25%	3.60%
Alternative investments	15%	7.25-8.85%
Real estate	10%	6.60%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the collective pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer contributions are projected based on the expected payroll of current members only. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the collective pension liability.

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 percent, 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 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net pension liability	\$ 22,022,035	\$ 15,398,792	\$ 9,873,927

NOTE 8—LANDFILL POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the Town place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. During November 1999, a final cover was placed on the landfill. An estimated liability has been recorded based on the future postclosure care costs that will be incurred. The estimated liability for landfill

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

postclosure care costs has a balance of \$30,737 as of June 30, 2022. However, the actual cost of postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The Town will finance the postclosure costs by making an annual appropriation.

The following is a summary of changes in the estimated liability for postclosure care costs for the year ended June 30, 2022:

Balance - July 1, 2021	\$ 44,960
Expenditures recognized in the General Fund	(1,641)
Net change in estimated liability	<u>(12,582)</u>
Balance - June 30, 2022	<u>\$ 30,737</u>

NOTE 9—INTERFUND BALANCES AND TRANSFERS

The Town has combined the cash resources of its governmental fund types. For accounting and reporting purposes, that portion of the pooled cash balance is recorded in the specific fund as an interfund balance. Interfund balances at June 30, 2022 are as follows:

	General Fund	Due from		Totals
		Governmental Funds	Wastewater Fund	
General Fund		\$ 100,324	\$ 33	\$ 100,357
Route 3A Infrastructure Tax Increment Financing Fund	\$ 571,707			571,707
Nonmajor Governmental Funds	<u>3,479,372</u>	<u>1,219</u>		<u>3,480,591</u>
	<u>\$ 4,051,079</u>	<u>\$ 101,543</u>	<u>\$ 33</u>	<u>\$ 4,152,655</u>

During the year, the Route 3A Infrastructure Tax Increment Financing Fund and Nonmajor Governmental Funds transferred \$369,444 and \$328,172, respectively, to the General Fund. The transfers were made in accordance with budgetary authorizations.

NOTE 10—RESTRICTED NET POSITION

Net position is restricted for specific purposes at June 30, 2022 as follows:

	Governmental <u>Activities</u>
Permanent Funds - Principal	\$ 122,472
Permanent Funds - Income	884
Impact fees	1,761,249
Police asset forfeitures	6,008
Route 3A tax increment financing	672,163
Library operations	189,783
Private trusts	<u>186,748</u>
	<u>\$ 2,939,307</u>

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

NOTE 11—COMPONENTS OF FUND BALANCE

The components of the Town’s fund balance for its governmental funds at June 30, 2022, are as follows:

	General Fund	Route 3A Infrastructure Tax Increment Financing Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable for:				
Prepaid items	\$ 84,719			\$ 84,719
Tax deeded property	585,270			585,270
Permanent Funds - principal			\$ 122,472	122,472
Restricted for:				
Permanent Funds - income			884	884
Impact fees			1,761,249	1,761,249
Police asset forfeiture			6,008	6,008
Route 3A tax increment financing		\$ 2,020,263		2,020,263
Private trusts			186,748	186,748
Library operations	189,783			189,783
Committed for:				
Capital reserves	2,413,222			2,413,222
Carryforward appropriations	437,644			437,644
Subsequent year appropriations	75,000			75,000
Conservation			455,906	455,906
Solid waste			481,439	481,439
Recreation			140,865	140,865
Ambulance			556,518	556,518
Police			417,633	417,633
Fire			4,572	4,572
Grants			407	407
Assigned for:				
Encumbrances	292,906			292,906
Heritage	40,331			40,331
Compensated absences	564,082			564,082
Unassigned:				
Unassigned - General operations	1,780,939			1,780,939
	<u>\$ 6,463,896</u>	<u>\$ 2,020,263</u>	<u>\$ 4,134,701</u>	<u>\$ 12,618,860</u>

NOTE 12—PROPERTY TAXES

Taxes are levied on the assessed valuation of all taxable real property as of the prior April 1 (\$2,054,122,246 as of April 1, 2021) and are due in two installments on July 6, 2021 and December 31, 2021. Taxes paid after the due dates accrue interest at 8% per annum. Property taxes are recognized as revenue when received in cash or if available to finance current period operations (within sixty days of year-end).

Under State law, the Tax Collector obtains tax liens on properties which have unpaid taxes in the following calendar year after taxes were due for the amount of unpaid taxes, interest and costs. Priority tax liens obtained prior to April 1, 2019 accrue interest at 18% per annum. Priority tax liens obtained after

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

April 1, 2019 accrue interest at 14% per annum. If the property is not redeemed within a two year redemption period, the property may be tax deeded to the Town.

In accordance with State law, the Town collects taxes for the Hooksett School District and Merrimack County, both independent governmental units, which are remitted to them as required by law. The Town also collects education taxes for the State of New Hampshire which are remitted directly to the school district. Total taxes appropriated during the year were \$28,198,767 and \$5,448,480 for the Hooksett District and Merrimack County, respectively. These taxes are recognized in these financial statements within the fiduciary funds only. The Town bears responsibility for uncollected taxes.

NOTE 13—RISK MANAGEMENT

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year ended June 30, 2022, the Town was a member of and participated in a public entity risk pool (Trust) for property and liability insurance and worker's compensation coverage. Coverage has not been significantly reduced from the prior year and settled claims have not exceeded coverage in any of the past three years.

The Trust agreements permit the Trust to make additional assessments to members should there be a deficiency in Trust assets to meet its liabilities. Accounting principles generally accepted in the United States of America require members of pools with a sharing of risk to determine whether or not such assessment is probable and, if so, a reasonable estimate of such assessment. At this time, the Trust foresees no likelihood of an additional assessment for any of the past years. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Based on the best available information there is no liability at June 30, 2022.

Property and Liability Insurance

The Trust provides certain property and liability insurance coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. As a member of the Trust, the Town shares in contributing to the cost of and receiving benefit from a self-insured pooled risk management program. The program includes a Self-Insured Retention Fund from which is paid up to \$500,000 for each and every covered property, crime and/or liability loss that exceeds \$1,000, up to an aggregate of \$1,200,000. Each property loss is subject to a \$1,000 deductible. All losses over the aggregate are covered by insurance policies.

Worker's Compensation

The Trust provides statutory worker's compensation coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. The Trust is self-sustaining through annual member premiums and provides coverage for the statutorily required workers' compensation benefits and employer's liability coverage up to \$2,000,000. The program includes a Loss Fund from which is paid up to \$500,000 for each and every covered claim.

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

NOTE 14—CONTINGENT LIABILITIES

Litigation

There may be various claims and suits pending against the Town, which arise in the normal course of the Town’s activities. In the opinion of Town management, any potential claims against the Town which are not covered by insurance are immaterial and would not affect the financial position of the Town.

Federal Grants

The Town participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amounts, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

NOTE 15—RESTATEMENT OF NET POSITION AND FUND BALANCES

Government-Wide Statements

During the year ended June 30, 2022, it was determined that intergovernmental receivables were overstated, as previously reported.

Net Position of the governmental activities as of July 1, 2021 has been restated as follows:

	Governmental <u>Activities</u>
Net Position, July 1, 2021 (as previously reported)	\$ 23,083,364
Amount of restatement due to:	
Overstatement of intergovernmental receivables	<u>(40,670)</u>
Net Position, July 1, 2021, as restated	<u>\$ 23,042,694</u>

Governmental Funds

The impact from the above restatement on the governmental funds as of July 1, 2021 is as follows:

	General <u>Fund</u>	Nonmajor Governmental <u>Funds</u>
Fund Balance, July 1, 2021 (as previously reported)	\$ 7,789,993	\$ 3,940,155
Amount of restatement due to:		
Overstatement of intergovernmental receivables	<u>(37,514)</u>	<u>(3,156)</u>
Fund Balance, July 1, 2021, as restated	<u>\$ 7,752,479</u>	<u>\$ 3,936,999</u>

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2022

NOTE 16—CHANGE IN ACCOUNTING PRINCIPLE

During the year ended June 30, 2022, the Town implemented GASB Statement No. 87, *Leases*. Under Statement No. 87, the Town is required to record a lease liability and an intangible right to use asset for its leasing arrangement as a lessee and a lease receivable and a deferred inflow of resources for its leasing arrangements as a lessor. The Town recognized \$139,952 as a lease liability and \$165,206 as a lease receivable as of July 1, 2021, due to implementation of GASB Statement No. 87. However the entire amounts were offset by an intangible right to use asset for the lease liability and a deferred inflow of resources for the lease receivable.

NOTE 17—SUBSEQUENT EVENTS

State Revolving Loan Drawdown

Subsequent to year end, the Town made drawdowns on the State Revolving Loan in the amount of \$2,750,522 for Phase 3A of the wastewater treatment facility capital improvements project.

SCHEDULE 1
TOWN OF HOOKSETT, NEW HAMPSHIRE
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 11,585,155	\$ 11,585,155	\$ 11,190,797	\$ (394,358)
Licenses and permits	4,722,301	4,722,301	4,467,297	(255,004)
Intergovernmental	1,465,239	1,465,239	1,589,161	123,922
Charges for services	74,968	74,968	61,711	(13,257)
Interest and investment income	20,000	20,000	9,506	(10,494)
Miscellaneous	263,409	263,409	609,982	346,573
Total Revenues	<u>18,131,072</u>	<u>18,131,072</u>	<u>17,928,454</u>	<u>(202,618)</u>
Expenditures:				
Current operations:				
General government	2,974,075	2,969,225	2,880,326	88,899
Public safety	9,775,520	9,775,520	9,980,513	(204,993)
Highways and streets	2,674,761	2,413,797	2,297,015	116,782
Sanitation	1,260,848	1,260,848	1,207,360	53,488
Health and welfare	158,480	158,480	128,881	29,599
Culture and recreation	735,027	735,027	657,058	77,969
Conservation	1,219	1,219	1,219	-
Economic development	1,000	1,000	650	350
Capital outlay	1,013,527	841,697	697,924	143,773
Debt service:				
Principal retirement	350,000	350,000	319,000	31,000
Interest and fiscal charges	94,096	94,096	106,311	(12,215)
Total Expenditures	<u>19,038,553</u>	<u>18,600,909</u>	<u>18,276,257</u>	<u>324,652</u>
Excess revenues over (under) expenditures	<u>(907,481)</u>	<u>(469,837)</u>	<u>(347,803)</u>	<u>122,034</u>
Other financing sources (uses):				
Transfers in	982,568	982,568	884,041	(98,527)
Transfers out	<u>(1,868,087)</u>	<u>(1,868,087)</u>	<u>(1,868,087)</u>	<u>-</u>
Total Other financing sources (uses)	<u>(885,519)</u>	<u>(885,519)</u>	<u>(984,046)</u>	<u>(98,527)</u>
Net change in fund balance	(1,793,000)	(1,355,356)	(1,331,849)	23,507
Fund Balance at beginning of year				
- Budgetary Basis	<u>5,797,533</u>	<u>5,797,533</u>	<u>5,797,533</u>	<u>-</u>
Fund Balance at end of year				
- Budgetary Basis	<u>\$ 4,004,533</u>	<u>\$ 4,442,177</u>	<u>\$ 4,465,684</u>	<u>\$ 23,507</u>

See accompanying notes to the required supplementary information

SCHEDULE 2

TOWN OF HOOKSETT, NEW HAMPSHIRE

Schedule of Changes in the Town's Proportionate Share of the Net OPEB Liability

For the Year Ended June 30, 2022

Measurement Period Ended	Cost-Sharing Multiple Employer Plan Information Only				
	Town's Proportion of the Net OPEB Liability	Town's Proportionate Share of the Net OPEB Liability	Town's Covered Payroll	Town's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
June 30, 2021	0.37440758%	\$ 1,499,340	\$ 8,402,195	17.84%	11.06%
June 30, 2020	0.34396729%	\$ 1,505,575	\$ 7,696,734	19.56%	7.74%
June 30, 2019	0.39057804%	\$ 1,712,337	\$ 7,456,023	22.97%	7.75%
June 30, 2018	0.38620507%	\$ 1,768,224	\$ 7,212,186	24.52%	7.53%
June 30, 2017	0.25496169%	\$ 1,165,771	\$ 6,805,386	17.13%	7.91%
June 30, 2016	0.26770334%	\$ 1,295,966	\$ 6,718,349	19.29%	5.21%
June 30, 2015	*	*	*	*	*
June 30, 2014	*	*	*	*	*
June 30, 2013	*	*	*	*	*
June 30, 2012	*	*	*	*	*

* 10 Year schedule, historical information not available

Measurement Periods	Significant Actuarial Assumptions				
	Inflation	Salary Increases	Investment Rate of Return	Mortality Table	Mortality Scale
June 30, 2020 - 2021	2.00%	5.60%	6.75%	Pub-2010	MP-2019
June 30, 2016 - 2019	2.50%	5.60%	7.25%	RP-2014	MP-2015

See accompanying notes to the required supplementary information

SCHEDULE 3
TOWN OF HOOKSETT, NEW HAMPSHIRE
Schedule of Town OPEB Contributions
For the Year Ended June 30, 2022

Cost-Sharing Multiple Employer Plan Information Only					
<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Town's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2022	\$ 167,923	\$ (167,923)	\$ -	\$ 8,764,243	1.92%
June 30, 2021	\$ 179,930	\$ (179,930)	\$ -	\$ 8,402,195	2.14%
June 30, 2020	\$ 159,480	\$ (159,480)	\$ -	\$ 7,696,734	2.07%
June 30, 2019	\$ 178,343	\$ (178,343)	\$ -	\$ 7,456,023	2.39%
June 30, 2018	\$ 170,830	\$ (170,830)	\$ -	\$ 7,212,186	2.37%
June 30, 2017	\$ 151,116	\$ (151,116)	\$ -	\$ 6,805,386	2.22%
June 30, 2016	\$ 155,552	\$ (155,552)	\$ -	\$ 6,718,349	2.32%
June 30, 2015	*	*	*	*	*
June 30, 2014	*	*	*	*	*
June 30, 2013	*	*	*	*	*

* 10 Year schedule, historical information not available

See accompanying notes to the required supplementary information

SCHEDULE 4
TOWN OF HOOKSETT, NEW HAMPSHIRE
Schedule of Changes in the Town's Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022

<u>Single Employer Plan Information Only</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Total OPEB Liability:											
Service cost	\$ 35,751	\$ 50,221	\$ 45,598	\$ 93,401	\$ 96,766	*	*	*	*	*	*
Interest	73,228	40,019	45,724	70,561	63,420	*	*	*	*	*	*
Changes of benefit terms	-	-	-	-	-	*	*	*	*	*	*
Changes of assumptions or other inputs	(332,695)	51,246	67,844	71,350	(52,238)	*	*	*	*	*	*
Differences between expected and actual experience	-	-	-	-	-	*	*	*	*	*	*
Benefit payments	(112,930)	(114,852)	(121,803)	(60,128)	(45,617)	*	*	*	*	*	*
Net change in total OPEB liability	(336,646)	26,634	37,363	175,184	62,331	-	-	-	-	-	-
Total OPEB Liability at beginning of year	<u>1,998,853</u>	<u>1,972,219</u>	<u>1,934,856</u>	<u>1,759,672</u>	<u>1,697,341</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
Total OPEB Liability at end of year	<u>\$ 1,662,207</u>	<u>\$ 1,998,853</u>	<u>\$ 1,972,219</u>	<u>\$ 1,934,856</u>	<u>\$ 1,759,672</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
Covered employee payroll	\$ 7,758,917	\$ 8,649,246	\$ 8,649,246	\$ 6,200,946	\$ 6,049,703	*	*	*	*	*	*
Total OPEB liability as a percentage of covered employee payroll	21.42%	23.11%	22.80%	31.20%	29.09%	*	*	*	*	*	*
<u>Significant Actuarial Assumptions</u>											
Discount rate	3.77%	2.09%	2.44%	3.50%	3.87%	*	*	*	*	*	*
Health cost trend rates:											
Initial	7.0% - 2023	7.0% - 2021	7.0% - 2021	9.0% - 2017	9.0% - 2017	*	*	*	*	*	*
Ultimate	4.5% - 2035	4.5% - 2031	4.5% - 2031	5.0% - 2025	5.0% - 2025	*	*	*	*	*	*
Mortality improvement scale	MP-2021	MP-2019	MP-2019	MP-2014	MP-2014	*	*	*	*	*	*
Salary increase rate	3.50%	3.50%	3.50%	3.50%	3.50%	*	*	*	*	*	*

Note To Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75

* 10 Year schedule, historical information not available

See accompanying notes to the required supplementary information

SCHEDULE 5

TOWN OF HOOKSETT, NEW HAMPSHIRE

Schedule of Changes in the Town's Proportionate Share of the Net Pension Liability

For the Year Ended June 30, 2022

<u>Measurement Period Ended</u>	<u>Town's Proportion of the Net Pension Liability</u>	<u>Town's Proportionate Share of the Net Pension Liability</u>	<u>Town's Covered Payroll</u>	<u>Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2021	0.34745201%	\$ 15,398,792	\$ 8,402,195	183.27%	72.22%
June 30, 2020	0.32372984%	\$ 20,706,249	\$ 7,696,734	269.03%	58.72%
June 30, 2019	0.33592205%	\$ 16,163,409	\$ 7,456,023	216.78%	65.59%
June 30, 2018	0.33409581%	\$ 16,069,677	\$ 7,212,186	222.81%	64.73%
June 30, 2017	0.33357614%	\$ 16,405,250	\$ 6,805,386	241.06%	62.66%
June 30, 2016	0.34560942%	\$ 18,378,110	\$ 6,718,349	273.55%	58.30%
June 30, 2015	0.34184351%	\$ 13,542,223	\$ 6,582,012	205.75%	65.47%
June 30, 2014	0.35368587%	\$ 13,275,903	\$ 6,631,475	200.20%	66.32%
June 30, 2013	0.34427117%	\$ 14,816,689	\$ 6,308,421	234.87%	59.81%
June 30, 2012	*	*	*	*	*

* 10 Year schedule, historical information not available

Significant Actuarial Assumptions

<u>Measurement Periods</u>	<u>Inflation</u>	<u>Salary Increases</u>	<u>Investment Rate of Return</u>	<u>Mortality Table</u>	<u>Mortality Scale</u>
June 30, 2020 - 2021	2.00%	5.60%	6.75%	Pub-2010	MP-2019
June 30, 2016 - 2019	2.50%	5.60%	7.25%	RP-2014	MP-2015
June 30, 2013 - 2015	3.00%	3.75-5.80%	7.75%	RP-2000	Scale AA

See accompanying notes to the required supplementary information

SCHEDULE 6
TOWN OF HOOKSETT, NEW HAMPSHIRE
Schedule of Town Pension Contributions
For the Year Ended June 30, 2022

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Town's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2022	\$ 2,004,062	\$ (2,004,062)	\$ -	\$ 8,764,243	22.87%
June 30, 2021	\$ 1,596,346	\$ (1,596,346)	\$ -	\$ 8,402,195	19.00%
June 30, 2020	\$ 1,436,915	\$ (1,436,915)	\$ -	\$ 7,696,734	18.67%
June 30, 2019	\$ 1,462,153	\$ (1,462,153)	\$ -	\$ 7,456,023	19.61%
June 30, 2018	\$ 1,410,527	\$ (1,410,527)	\$ -	\$ 7,212,186	19.56%
June 30, 2017	\$ 1,222,034	\$ (1,222,034)	\$ -	\$ 6,805,386	17.96%
June 30, 2016	\$ 1,237,555	\$ (1,237,555)	\$ -	\$ 6,718,349	18.42%
June 30, 2015	\$ 1,146,844	\$ (1,146,844)	\$ -	\$ 6,582,012	17.42%
June 30, 2014	\$ 1,147,439	\$ (1,147,439)	\$ -	\$ 6,631,475	17.30%
June 30, 2013	\$ 856,043	\$ (856,043)	\$ -	\$ 6,308,421	13.57%

See accompanying notes to the required supplementary information

TOWN OF HOOKSETT, NEW HAMPSHIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2022

NOTE 1—BUDGET TO ACTUAL RECONCILIATION

Amounts recorded as budgetary amounts in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund (Schedule 1) are reported on the basis budgeted by the Town. Those amounts differ from those reported in conformity with accounting principles generally accepted in the United States of America in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Exhibit D). Property tax budgetary revenues are recognized when levied rather than when susceptible to accrual. Budgetary revenues and other financing sources and expenditures and other financing uses were adjusted for encumbrances, non-budgetary revenues and expenditures, and budgetary transfers as follows:

	Revenues and Other Financing <u>Sources</u>	Expenditures and Other Financing <u>Uses</u>
Per Exhibit D	\$ 18,483,861	\$ 19,772,444
Difference in property taxes meeting susceptible to accrual criteria	91,345	
Encumbrances - June 30, 2021		(147,369)
Encumbrances - June 30, 2022		292,906
Non-budgetary revenues and expenditures	50,864	(1,641,724)
Budgetary transfers	186,425	1,868,087
Per Schedule 1	<u>\$ 18,812,495</u>	<u>\$ 20,144,344</u>

Major Special Revenue Fund

The Town adopts its budgets under regulations of the New Hampshire Department of Revenue Administration which differ from accounting principles generally accepted in the United States of America. Consequently, budgetary information is not presented for the Route 3A Infrastructure Tax Increment Financing Fund, as the information is neither practical nor meaningful.

NOTE 2—BUDGETARY FUND BALANCE

The components of the budgetary fund balance for the General Fund as of June 30, 2022 are as follows:

Nonspendable:	
Prepaid items	\$ 84,719
Tax deeded property	585,270
Committed for:	
Carryforward appropriations	437,644
Subsequent year appropriations	75,000
Assigned for:	
Compensated absences	564,082
Unassigned:	
General operations	2,718,969
	<u>\$ 4,465,684</u>

SCHEDULE A
TOWN OF HOOKSETT, NEW HAMPSHIRE
Combining Balance Sheet
Governmental Funds - All Nonmajor Funds
June 30, 2022

	Special Revenue <u>Funds</u>	Permanent <u>Funds</u>	Combining <u>Totals</u>
ASSETS			
Cash and cash equivalents	\$ 998,279		\$ 998,279
Investments	191,332	\$ 125,952	317,284
Accounts receivable, net	154,385		154,385
Due from other funds	<u>3,480,591</u>		<u>3,480,591</u>
Total Assets	<u>4,824,587</u>	<u>125,952</u>	<u>4,950,539</u>
DEFERRED OUTFLOWS OF RESOURCES			
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 4,824,587</u>	<u>\$ 125,952</u>	<u>\$ 4,950,539</u>
LIABILITIES			
Accounts payable	\$ 7,403		\$ 7,403
Accrued liabilities	5,075		5,075
Due to other funds	98,947	\$ 2,596	101,543
Advances from grantors	<u>701,817</u>		<u>701,817</u>
Total Liabilities	<u>813,242</u>	<u>2,596</u>	<u>815,838</u>
DEFERRED INFLOWS OF RESOURCES			
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable		122,472	122,472
Restricted	1,954,005	884	1,954,889
Committed	<u>2,057,340</u>		<u>2,057,340</u>
Total Fund Balances	<u>4,011,345</u>	<u>123,356</u>	<u>4,134,701</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,824,587</u>	<u>\$ 125,952</u>	<u>\$ 4,950,539</u>

SCHEDULE A-1
TOWN OF HOOKSETT, NEW HAMPSHIRE
Combining Balance Sheet
Governmental Funds - All Nonmajor Special Revenue Funds
June 30, 2022

	Conservation Commission <u>Fund</u>	Impact Fees <u>Fund</u>	Solid Waste Disposal <u>Fund</u>	Recreation Revolving <u>Fund</u>	Ambulance Service <u>Fund</u>
ASSETS					
Cash and cash equivalents	\$ 457,125				\$ 541,154
Investments					
Accounts receivable, net					116,531
Due from other funds		\$ 1,761,249	\$ 481,439	\$ 142,284	
Total Assets	<u>457,125</u>	<u>1,761,249</u>	<u>481,439</u>	<u>142,284</u>	<u>657,685</u>
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 457,125</u>	<u>\$ 1,761,249</u>	<u>\$ 481,439</u>	<u>\$ 142,284</u>	<u>\$ 657,685</u>
LIABILITIES					
Accounts payable				\$ 1,419	\$ 5,934
Accrued liabilities					2,039
Due to other funds	\$ 1,219				93,194
Advances from grantors					
Total Liabilities	<u>1,219</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,419</u>	<u>101,167</u>
DEFERRED INFLOWS OF RESOURCES					
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted		1,761,249			
Committed	455,906		481,439	140,865	556,518
Total Fund Balances	<u>455,906</u>	<u>1,761,249</u>	<u>481,439</u>	<u>140,865</u>	<u>556,518</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 457,125</u>	<u>\$ 1,761,249</u>	<u>\$ 481,439</u>	<u>\$ 142,284</u>	<u>\$ 657,685</u>

(continued)

SCHEDULE A-1
TOWN OF HOOKSETT, NEW HAMPSHIRE
Combining Balance Sheet
Governmental Funds - All Nonmajor Special Revenue Funds
June 30, 2022
(continued)

	<u>Drug Forfeiture Fund</u>	<u>Police Special Details Fund</u>	<u>Fire Special Details Fund</u>	<u>Private Trust Funds</u>	<u>Grants Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
ASSETS						
Cash and cash equivalents						\$ 998,279
Investments				\$ 191,332		191,332
Accounts receivable, net		\$ 37,854				154,385
Due from other funds	\$ 6,008	382,815	\$ 4,572		\$ 702,224	3,480,591
Total Assets	<u>6,008</u>	<u>420,669</u>	<u>4,572</u>	<u>191,332</u>	<u>702,224</u>	<u>4,824,587</u>
DEFERRED OUTFLOWS OF RESOURCES						
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 6,008</u>	<u>\$ 420,669</u>	<u>\$ 4,572</u>	<u>\$ 191,332</u>	<u>\$ 702,224</u>	<u>\$ 4,824,587</u>
LIABILITIES						
Accounts payable				\$ 50		\$ 7,403
Accrued liabilities		\$ 3,036				5,075
Due to other funds				4,534		98,947
Advances from grantors					\$ 701,817	701,817
Total Liabilities	<u>\$ -</u>	<u>3,036</u>	<u>\$ -</u>	<u>4,584</u>	<u>701,817</u>	<u>813,242</u>
DEFERRED INFLOWS OF RESOURCES						
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted	6,008			186,748		1,954,005
Committed		417,633	4,572		407	2,057,340
Total Fund Balances	<u>6,008</u>	<u>417,633</u>	<u>4,572</u>	<u>186,748</u>	<u>407</u>	<u>4,011,345</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,008</u>	<u>\$ 420,669</u>	<u>\$ 4,572</u>	<u>\$ 191,332</u>	<u>\$ 702,224</u>	<u>\$ 4,824,587</u>

SCHEDULE B
TOWN OF HOOKSETT, NEW HAMPSHIRE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds - All Nonmajor Funds
For the Year Ended June 30, 2022

	Special Revenue <u>Funds</u>	Permanent <u>Funds</u>	Combining <u>Totals</u>
Revenues:			
Taxes	\$ 114,000		\$ 114,000
Licenses and permits	1		1
Intergovernmental	67,655		67,655
Charges for services	907,106		907,106
Interest and investment income (loss)	(13,347)	\$ (13,311)	(26,658)
Miscellaneous	<u>285,797</u>		<u>285,797</u>
Total Revenues	<u>1,361,212</u>	<u>(13,311)</u>	<u>1,347,901</u>
Expenditures:			
Current operations:			
Public safety	646,002		646,002
Highways and streets	624		624
Culture and recreation	141,743	104	141,847
Conservation	<u>33,554</u>		<u>33,554</u>
Total Expenditures	<u>821,923</u>	<u>104</u>	<u>822,027</u>
Excess revenues over (under) expenditures	<u>539,289</u>	<u>(13,415)</u>	<u>525,874</u>
Other financing sources (uses):			
Transfers out	<u>(325,576)</u>	<u>(2,596)</u>	<u>(328,172)</u>
Total Other financing sources (uses)	<u>(325,576)</u>	<u>(2,596)</u>	<u>(328,172)</u>
Net change in fund balances	213,713	(16,011)	197,702
Fund Balances at beginning of year, as restated	<u>3,797,632</u>	<u>139,367</u>	<u>3,936,999</u>
Fund Balances at end of year	<u>\$ 4,011,345</u>	<u>\$ 123,356</u>	<u>\$ 4,134,701</u>

SCHEDULE B-1

TOWN OF HOOKSETT, NEW HAMPSHIRE

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds - All Nonmajor Special Revenue Funds

For the Year Ended June 30, 2022

	Conservation Commission <u>Fund</u>	Impact Fees <u>Fund</u>	Solid Waste Disposal <u>Fund</u>	Recreation Revolving <u>Fund</u>	Ambulance Service <u>Fund</u>
Revenues:					
Taxes	\$ 114,000				
Licenses and permits	1				
Intergovernmental					\$ 5,746
Charges for services			\$ 151,774	\$ 4,500	561,844
Interest and investment income (loss)	208	\$ 1,235	350	110	41
Miscellaneous	408	279,500		229	
Total Revenues	<u>114,617</u>	<u>280,735</u>	<u>152,124</u>	<u>4,839</u>	<u>567,631</u>
Expenditures:					
Current operations:					
Public safety					418,584
Highways and streets		624			
Culture and recreation		119,553		22,190	
Conservation	33,554				
Total Expenditures	<u>33,554</u>	<u>120,177</u>	<u>-</u>	<u>22,190</u>	<u>418,584</u>
Excess revenues over (under) expenditures	<u>81,063</u>	<u>160,558</u>	<u>152,124</u>	<u>(17,351)</u>	<u>149,047</u>
Other financing sources (uses):					
Transfers out		(50,000)	(274,500)		
Total Other financing sources (uses)	<u>-</u>	<u>(50,000)</u>	<u>(274,500)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	81,063	110,558	(122,376)	(17,351)	149,047
Fund Balances at beginning of year, as restated	<u>374,843</u>	<u>1,650,691</u>	<u>603,815</u>	<u>158,216</u>	<u>407,471</u>
Fund Balances at end of year	<u>\$ 455,906</u>	<u>\$ 1,761,249</u>	<u>\$ 481,439</u>	<u>\$ 140,865</u>	<u>\$ 556,518</u>

(continued)

SCHEDULE B-1
TOWN OF HOOKSETT, NEW HAMPSHIRE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds - All Nonmajor Special Revenue Funds
For the Year Ended June 30, 2022
(continued)

	Drug Forfeiture <u>Fund</u>	Police Special Details <u>Fund</u>	Fire Special Details <u>Fund</u>	Private Trust <u>Funds</u>	Grants <u>Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>
Revenues:						
Taxes						\$ 114,000
Licenses and permits						1
Intergovernmental	\$ 2,528				\$ 59,381	67,655
Charges for services		\$ 188,988				907,106
Interest and investment income (loss)	9	269	\$ 3	\$ (15,979)	407	(13,347)
Miscellaneous				5,660		285,797
Total Revenues	<u>2,537</u>	<u>189,257</u>	<u>3</u>	<u>(10,319)</u>	<u>59,788</u>	<u>1,361,212</u>
Expenditures:						
Current operations:						
Public safety	8,487	145,217	553	13,780	59,381	646,002
Highways and streets						624
Culture and recreation						141,743
Conservation						33,554
Total Expenditures	<u>8,487</u>	<u>145,217</u>	<u>553</u>	<u>13,780</u>	<u>59,381</u>	<u>821,923</u>
Excess revenues over (under) expenditures	<u>(5,950)</u>	<u>44,040</u>	<u>(550)</u>	<u>(24,099)</u>	<u>407</u>	<u>539,289</u>
Other financing sources (uses):						
Transfers out				(1,076)		(325,576)
Total Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,076)</u>	<u>-</u>	<u>(325,576)</u>
Net change in fund balances	(5,950)	44,040	(550)	(25,175)	407	213,713
Fund Balances at beginning of year, as restated	<u>11,958</u>	<u>373,593</u>	<u>5,122</u>	<u>211,923</u>		<u>3,797,632</u>
Fund Balances at end of year	<u>\$ 6,008</u>	<u>\$ 417,633</u>	<u>\$ 4,572</u>	<u>\$ 186,748</u>	<u>\$ 407</u>	<u>\$ 4,011,345</u>