

# TOWN OF DUBLIN, NEW HAMPSHIRE

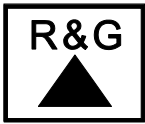
## FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2018

**TOWN OF DUBLIN, NEW HAMPSHIRE  
FINANCIAL REPORT  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2018**

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# Roberts & Greene, PLLC

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Dublin, New Hampshire as of and for the year ended December 31, 2018, which collectively comprise the Town's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

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

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Basis for Adverse Opinion on the Governmental Activities**

As discussed in Note I.B.3. to the financial statements, management has not recorded the capital assets and accumulated depreciation in governmental activities, and accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that the capital assets, including infrastructure, be capitalized and depreciated, which would increase the assets, net position, and expenses of the governmental activities. The amount by which this departure would affect the assets, net position, and expenses of the governmental activities is not reasonably determined.

### **Adverse Opinion**

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities of the Town of Dublin as of December 31, 2018, or the changes in financial position thereof for the year then ended.

### **Unmodified Opinions**

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Town of Dublin as of December 31, 2018, and the respective changes in financial position thereof and the budget to actual comparison for the General Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the pension related information on pages 28-30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Dublin's basic financial statements as a whole. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. They are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

August 14, 2019

*Robert + Greene, PLLC*

## **BASIC FINANCIAL STATEMENTS**

**EXHIBIT 1**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Statement of Net Position**  
**December 31, 2018**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,659,647
Investments	1,796,027
Intergovernmental receivable	3,383
Other receivables, net of allowance for uncollectibles	1,437,094
Prepaid items	8,981
Tax deeded property held for resale	1,299
Total assets	<u>5,906,431</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	<u>164,479</u>
 <b>LIABILITIES</b>	
Accounts payable	387,579
Accrued payroll and benefits	21,139
Accrued interest payable	2,536
Intergovernmental payable	2,494,414
Noncurrent obligations:	
Due within one year:	
Capital lease payable	54,722
Accrued landfill postclosure care costs	2,700
Due in more than one year:	
Capital lease payable	113,167
Compensated absences payable	26,656
Accrued landfill postclosure care costs	78,300
Net pension liability	1,048,616
Total liabilities	<u>4,229,829</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Unearned revenue	77,627
Deferred amounts related to pensions	77,610
Total deferred inflows of resources	<u>155,237</u>
 <b>NET POSITION</b>	
Net investment in capital assets	(167,889)
Restricted for:	
Perpetual care:	
Nonexpendable	273,504
Expendable	107,808
Other purposes	639,011
Unrestricted	833,410
Total net position	<u>\$ 1,685,844</u>

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

**EXHIBIT 2**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Statement of Activities**  
**For the Year Ended December 31, 2018**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 597,481	\$ 8,990	\$ 7,781	\$ -	\$ (580,710)
Public safety	571,304	14,508	10,485	-	(546,311)
Highways and streets	516,336	300	-	84,616	(431,420)
Sanitation	145,895	10,832	-	-	(135,063)
Health	7,723	-	-	-	(7,723)
Welfare	11,199	-	7,513	-	(3,686)
Culture and recreation	122,797	9,210	(5,634)	-	(119,221)
Conservation	3,281	-	-	-	(3,281)
Interest on long-term debt	5,044	-	-	-	(5,044)
Capital outlay	393,326	-	-	-	(393,326)
Total governmental activities	<u>\$ 2,374,386</u>	<u>\$ 43,840</u>	<u>\$ 20,145</u>	<u>\$ 84,616</u>	<u>\$ (2,225,785)</u>
General revenues:					
Property taxes					1,807,836
Other taxes					78,332
Licenses and permits					331,511
Grants and contributions not restricted to specific programs					106,116
Miscellaneous					(13,410)
Total general revenues					<u>2,310,385</u>
Change in net position					84,600
Net position, beginning, as restated, see Note III.D.					<u>1,601,244</u>
Net position, ending					<u>\$ 1,685,844</u>

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

**EXHIBIT 3**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2018**

	General	Expendable Trust	Permanent	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,061,004	\$ 329,442	\$ 15,705	\$ 253,496	\$ 2,659,647
Investments	-	786,985	745,654	263,388	1,796,027
Receivables, net of allowance for uncollectibles:					
Taxes	1,435,234	-	-	-	1,435,234
Accounts	1,860	-	-	-	1,860
Intergovernmental	-	-	-	3,383	3,383
Interfund receivable	5,833	-	-	2,392	8,225
Prepaid items	8,981	-	-	-	8,981
Tax deeded property held for resale	1,299	-	-	-	1,299
Total assets	<u>\$ 3,514,211</u>	<u>\$ 1,116,427</u>	<u>\$ 761,359</u>	<u>\$ 522,659</u>	<u>\$ 5,914,656</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 387,579	\$ -	\$ -	\$ -	\$ 387,579
Accrued salaries and benefits	21,139	-	-	-	21,139
Intergovernmental payable	2,494,414	-	-	-	2,494,414
Interfund payable	2,392	2,450	-	3,383	8,225
Total liabilities	<u>2,905,524</u>	<u>2,450</u>	<u>-</u>	<u>3,383</u>	<u>2,911,357</u>
Deferred inflows of resources:					
Deferred revenue	<u>364,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>364,068</u>
Fund balances:					
Nonspendable	10,280	-	504,844	-	515,124
Restricted	-	-	256,515	258,965	515,480
Committed	73,500	1,113,977	-	260,311	1,447,788
Assigned	6,000	-	-	-	6,000
Unassigned	154,839	-	-	-	154,839
Total fund balances	<u>244,619</u>	<u>1,113,977</u>	<u>761,359</u>	<u>519,276</u>	<u>2,639,231</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,514,211</u>	<u>\$ 1,116,427</u>	<u>\$ 761,359</u>	<u>\$ 522,659</u>	<u>\$ 5,914,656</u>

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

**EXHIBIT 4**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position**  
**December 31, 2018**

Total fund balances of governmental funds (Exhibit 3)		\$ 2,639,231
Amounts reported for governmental activities in the statement of net position are different because:		
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$ (8,225)	
Payables	<u>8,225</u>	-
Revenues that are not available to pay for current period expenditures are deferred in the funds.		
Unavailable tax revenue		286,441
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(2,536)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Capital leases outstanding	\$ 167,889	
Compensated absences payable	26,656	
Accrued landfill postclosure care costs	81,000	
Net pension liability	<u>1,048,616</u>	(1,324,161)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	\$ 164,479	
Deferred inflows of resources related to pensions	<u>(77,610)</u>	86,869
Total net position of governmental activities (Exhibit 1)		<u><u>\$ 1,685,844</u></u>

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

**EXHIBIT 5**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2018**

	General	Expendable Trust	Permanent	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 1,901,060	\$ -	\$ -	\$ 8,580	\$ 1,909,640
Licenses, permits and fees	331,511	-	-	-	331,511
Intergovernmental	194,140	-	-	112,267	306,407
Charges for services	31,893	-	-	11,133	43,026
Miscellaneous	23,779	11,929	(23,204)	(12,110)	394
Total revenues	<u>2,482,383</u>	<u>11,929</u>	<u>(23,204)</u>	<u>119,870</u>	<u>2,590,978</u>
Expenditures:					
Current:					
General government	594,192	-	-	-	594,192
Public safety	546,952	-	-	19,933	566,885
Highways and streets	509,493	-	-	-	509,493
Sanitation	135,519	-	-	-	135,519
Health	7,723	-	-	-	7,723
Welfare	11,199	-	-	-	11,199
Culture and recreation	121,019	-	-	1,778	122,797
Conservation	3,281	-	-	-	3,281
Debt service:					
Principal	-	179,452	-	-	179,452
Interest	-	7,081	-	-	7,081
Capital outlay	387,274	-	-	6,052	393,326
Total expenditures	<u>2,316,652</u>	<u>186,533</u>	<u>-</u>	<u>27,763</u>	<u>2,530,948</u>
Excess (deficiency) of revenues over (under) expenditures	<u>165,731</u>	<u>(174,604)</u>	<u>(23,204)</u>	<u>92,107</u>	<u>60,030</u>
Other financing sources (uses):					
Transfers in	96,507	345,900	-	4,308	446,715
Transfers out	(350,208)	(62,058)	(10,268)	(24,181)	(446,715)
Total other financing sources and uses	<u>(253,701)</u>	<u>283,842</u>	<u>(10,268)</u>	<u>(19,873)</u>	<u>-</u>
Net change in fund balances	(87,970)	109,238	(33,472)	72,234	60,030
Fund balances, beginning	332,589	1,004,739	794,831	447,042	2,579,201
Fund balances, ending	<u>\$ 244,619</u>	<u>\$ 1,113,977</u>	<u>\$ 761,359</u>	<u>\$ 519,276</u>	<u>\$ 2,639,231</u>

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

**EXHIBIT 6**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2018**

Net change in fund balances of governmental funds (Exhibit 5)		\$ 60,030
Amounts reported for governmental activities in the statement of activities are different because:		
Transfers in and out between governmental funds are eliminated on the operating statement.		
Transfers in	\$ (446,715)	
Transfers out	<u>446,715</u>	
		-
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in governmental funds.		
Change in unavailable tax revenue	\$ (23,472)	
Change in unavailable grant revenue	<u>(108,520)</u>	
		(131,992)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position.		
Repayment of note principal	\$ 125,934	
Repayment of capital lease principal	<u>53,518</u>	
		179,452
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense	\$ 2,037	
Increase in compensated absences payable	(9,594)	
Increase in accrued landfill postclosure care costs	<u>(4,500)</u>	
		(12,057)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions, is reported as pension expense.		
Town pension contributions	\$ 99,685	
Cost of benefits earned, net of employee contributions	<u>(110,518)</u>	
		(10,833)
Change in net position of governmental activities (Exhibit 2)		<u><u>\$ 84,600</u></u>

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

**EXHIBIT 7**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in Unassigned Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 1,858,960	\$ 1,877,588	\$ 18,628
Licenses, permits and fees	259,473	331,511	72,038
Intergovernmental	194,430	194,140	(290)
Charges for services	24,250	31,893	7,643
Miscellaneous	23,348	23,779	431
Total revenues	<u>2,360,461</u>	<u>2,458,911</u>	<u>98,450</u>
<b>EXPENDITURES</b>			
Current:			
General government	600,678	600,192	486
Public safety	594,834	546,952	47,882
Highways and streets	677,208	525,563	151,645
Sanitation	149,329	135,519	13,810
Health	8,883	7,723	1,160
Welfare	19,513	11,199	8,314
Culture and recreation	122,332	121,019	1,313
Conservation	5,284	3,281	2,003
Capital outlay	535,596	371,642	163,954
Total expenditures	<u>2,713,657</u>	<u>2,323,090</u>	<u>390,567</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(353,196)</u>	<u>135,821</u>	<u>489,017</u>
Other financing sources (uses):			
Transfers in	99,096	96,507	(2,589)
Transfers out	(345,900)	(350,208)	(4,308)
Long-term debt issued	450,000	-	(450,000)
Total other financing sources and uses	<u>203,196</u>	<u>(253,701)</u>	<u>(456,897)</u>
Net change in fund balance	<u>\$ (150,000)</u>	<u>(117,880)</u>	<u>\$ 32,120</u>
Unassigned fund balance, beginning, as restated, see Note III.D.		<u>568,141</u>	
Unassigned fund balance, ending		<u>\$ 441,280</u>	

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

**EXHIBIT 8**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2018**

	Private Purpose Trust	Agency
Assets:		
Cash and cash equivalents	\$ 6,767	\$ 15,289
Investments	<u>321,294</u>	<u>-</u>
Total assets	<u>328,061</u>	<u>15,289</u>
Liabilities:		
Due to developers	<u>-</u>	<u>15,289</u>
Net position:		
Held in trust for specific purposes	<u>\$ 328,061</u>	<u>\$ -</u>

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

**EXHIBIT 9**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2018**

	Private Purpose Trust
Additions:	
Investment earnings:	
Interest and dividends	\$ 6,681
Net change in fair value of investments	<u>(15,861)</u>
Total additions	(9,180)
Deductions:	
Trust distributions	<u>5,000</u>
Change in net position	(14,180)
Net position, beginning	<u>342,241</u>
Net position, ending	<u><u>\$ 328,061</u></u>

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

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**TOWN OF DUBLIN, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2018**

**I. Summary of Significant Accounting Principles**

**I.A. Introduction**

The accounting and reporting framework and the more significant accounting principles and practices of the Town of Dublin (the Town) are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the Town's financial activities for the fiscal year ended December 31, 2018.

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

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

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

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

*Government-Wide Financial Statements*

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

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

**TOWN OF DUBLIN, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2018**

*Fund Financial Statements*

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

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

The financial statements of the Town are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Town's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements, with the exception that it has not reported its capital assets and related depreciation.

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

The agency funds are custodial in nature and do not measure results of operations.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Town considers revenues to be available if they are collected within sixty days of the end of the fiscal year. However, property taxes are not deferred on the budgetary basis, or when reporting to the State of New Hampshire in accordance with the directions of the New Hampshire Department of Revenue Administration.

Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest, which are reported as expenditures in the year due. Major revenues susceptible to accrual are property taxes, intergovernmental amounts and investment income. In general, other revenues are recognized when cash is received.

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

**TOWN OF DUBLIN, NEW HAMPSHIRE  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2018**

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

*Governmental Funds*

The Town reports the following major governmental funds:

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

*Expendable Trust Fund* – Reports as a capital project fund, and used to account for capital reserve and other funds established by town meeting for future expenditures.

*Permanent Fund* – Used to account for the financial resources of the funds held by the trustees of trust funds, from which only income, and not principal, is used for supporting Town purposes.

The Town also reports seven nonmajor governmental funds.

*Fiduciary Funds*

The Town reports the following fiduciary funds:

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

*Agency Fund* – Accounts for fiduciary assets held by the Town in a custodial capacity as an agent on behalf of others. The Town's agency fund is used to account for the money that is held on behalf of NH #1 Rural Cellular, Incorporated.

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

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

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

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Investments are stated at fair value based on quoted market prices. New Hampshire law authorizes the Town to invest in obligations of the United States government; the public deposit investment pool established pursuant to RSA 383:22; savings bank deposits; prime bankers' acceptances; or certificates of deposit and repurchase agreements of banks incorporated under the laws of the State of New Hampshire or in banks recognized by the state treasurer.

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

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

Generally, the Town's property, plant and equipment with useful lives of more than one year should be reported in the governmental activities. Because the Town has not prepared an inventory of such capital assets valued at historical cost, there are no capital assets reported in these financial statements. The Town is planning to proceed with developing a capital asset policy, and reporting these assets, including depreciation expense and accumulated depreciation in the future.

**I.C.3. *Long-Term Debt***

In the government-wide financial statements, outstanding debt is reported as liabilities. The balance of long-term debt is not reported in the governmental funds. Included in long-term debt are capital leases, compensated absences payable, accrued landfill postclosure care costs, and the net pension liability.

**I.C.4. *Equity***

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

- Net investment in capital assets, which is normally computed as the total capital assets less accumulated depreciation, net of outstanding debt used to acquire those assets. Because the Town has not reported its capital assets, this amount is negative, reflecting only the debt.

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- Restricted for perpetual care, which consists of permanent funds that were established for cemetery care. This balance is broken down between nonexpendable, representing the principal amounts, and expendable, representing income available to be spent.
- Restricted for other purposes, which consists of the other permanent funds for which the income is to be used for Town purposes, and the library fund, whose use is restricted per State law.
- Unrestricted, which consists of the remaining balance of net position.

The governmental funds report fund balances in the following components:

- Nonspendable, which consists of endowments in the permanent fund, and the tax deeded property which is not spendable in its current form.
- Restricted, which represents the expendable income in the permanent fund, and the library fund, whose use is limited by State law.
- Committed, which consists of balances for which the intended use has been established by Town Meeting vote, and would normally require an equally formal action to remove those commitments. This includes the unrestricted balances of the special revenue and capital project funds.
- Unassigned, which represents the remaining fund balance in the General Fund.

## **II. Stewardship, Compliance and Accountability**

### **II.A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. Unless encumbered, all appropriations lapse at year-end. The Town is allowed to use beginning fund balance to balance the budget. In 2018, none of the unassigned fund balance from 2017 was used for this purpose, and \$150,000 was appropriated from fund balance.

Encumbrance accounting is employed by the governmental funds. Encumbrances outstanding at year-end are reported as restrictions or commitments of fund balance and do not constitute expenditures or liabilities because they will be added to the appropriations voted in the subsequent year.

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

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

Revenues and other financing sources:	
Per Exhibit 7 (budgetary basis)	\$ 2,555,418
Adjustments:	
Basis difference:	
Tax revenue deferred in the prior year	309,913
Tax revenue deferred in the current year	(286,441)
Per Exhibit 5 (GAAP basis)	<u>\$ 2,578,890</u>
Expenditures and other financing uses:	
Per Exhibit 7 (budgetary basis)	\$ 2,673,298
Adjustments:	
Basis difference:	
Encumbrances, beginning	73,062
Encumbrances, ending	(79,500)
Per Exhibit 5 (GAAP basis)	<u>\$ 2,666,860</u>
Unassigned fund balance:	
Per Exhibit 7 (budgetary basis)	\$ 441,280
Adjustment:	
Basis difference:	
Deferred tax revenue, GAAP basis	(286,441)
Per Exhibit 3 (GAAP basis)	<u>\$ 154,839</u>

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

**III.A. Assets**

**III.A.1. Cash and Equivalents**

Included in the Town's cash balances is \$295,470 invested with Charter Trust Company in money market funds by the Trustees of Trust Funds. These funds are not insured or collateralized.

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**III.A.2. Investments**

As of December 31, 2017, the Town's reporting entity had the following investments:

Certificates of Deposit	\$ 13,876
U.S. Treasury Obligations	723,247
Municipal Bonds	104,600
U.S. Government Agencies	195,159
Equity Funds	158,193
Mutual Funds	258,628
Common Stock	473,909
Corporate Bonds	171,837
New Hampshire Public Deposit Investment Pool	17,872
	<u>\$ 2,117,321</u>

The investments appear in the financial statements as follow:

Fund reporting level:	
Governmental funds - balance sheet (Exhibit 3)	\$ 1,796,027
Fiduciary funds - statement of fiduciary net position (Exhibit 8)	321,294
Total	<u>\$ 2,117,321</u>

**Investment Risks**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. New Hampshire law limits investments to those described in Note I.C.1. The Town's investment policy does not place any further restrictions on its investment choices.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Town does not have an investment policy that addresses limiting interest rate risk.

**Custodial Credit Risk** is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Of the Town's \$2,117,321 of investments, \$1,994,010 has exposure to custodial credit risk because the related securities are uninsured and uncollateralized, and are held by a brokerage firm which is also the counterparty for these securities.

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**III.A.3. *Receivables, Uncollectible Accounts and Deferred Inflows of Resources***

*Property Taxes Receivable and Property Tax Calendar*

Property taxes are levied and collected by the Town on a semi-annual basis. Tax bills are due on or around July 1 and December 1, with interest of 12% per annum on all taxes not received by the due date. The first billing is an estimate only based on half of the previous year's billing. The final billing is levied based on an inventory taken in April of each year (the tax year runs from April 1 to March 31), and is assessed after the tax rate has been calculated and set by the New Hampshire Department of Revenue Administration. A lien is executed on any unpaid property taxes in the following year and this lien takes priority over any others. Interest of 18% per annum is charged upon redemption of lien taxes. Properties not redeemed within two years of the date of the tax lien should be deeded to the Town. During the current year, the tax collector executed a lien for uncollected 2017 property taxes on May 16.

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

The net assessed valuation as of April 1, 2018, upon which the 2018 property tax levy was based was:

For the New Hampshire education tax	\$ 227,223,606
For all other taxes	\$ 231,242,406

The tax rates and amounts assessed for the year ended December 31, 2018 were as follow:

	<u>Per \$1,000 of Assessed Valuation</u>	
Municipal portion	\$7.93	\$ 1,834,768
School portion:		
State of New Hampshire	\$1.96	446,119
Local	\$14.50	3,352,339
County portion	\$4.04	<u>933,138</u>
Total property taxes assessed		<u><u>\$ 6,566,364</u></u>

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The following details the taxes receivable at year-end:

Property:	
Levy of 2018	\$ 1,375,781
Unredeemed (under tax lien):	
Levy of 2017	77,620
Levy of 2016	41,833
Less: allowance for estimated uncollectible taxes	(60,000)
Net taxes receivable	<u>\$ 1,435,234</u>

*Deferred Inflows of Resources*

Deferred revenue of \$364,068 consists of unavailable property taxes and tax liens of \$286,441 that were not collected within sixty days of year-end; and \$77,627 of prepaid taxes to be applied to the subsequent year's levy. In the Governmental Activities, only the prepaid taxes are considered unearned revenue.

**III.A.4. Prepaid Expenditures/Expenses**

The \$8,981 reported as prepaid in the Governmental Activities and General Fund represents a premium holiday on the Workers Compensation premium that will be applied to the subsequent year's premium.

**III.B. Liabilities**

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

The amount due to other governments at December 31, 2018 of \$2,494,414 represents the balance of the 2018-2019 district assessment due to the Contoocook Valley School District.

*The notes continue on the following page.*

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

Long-term liabilities currently outstanding are as follow:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 12/31/2018	Current Portion
Governmental activities:						
Capital lease payable:						
Fire truck	\$ 375,000	2014	2021	2.25	\$ 167,889	\$ 54,722
Compensated absences payable:						
Accrued vacation leave					26,656	-
Accrued landfill postclosure care costs					81,000	2,700
Net pension liability					1,048,616	-
					<u>\$ 1,324,161</u>	<u>\$ 57,422</u>

*Changes in Long-Term Liabilities*

The following is a summary of changes in long-term liabilities for the year ended December 31, 2018:

	Note Payable	Capital Lease Payable	Compensated Absences Payable	Accrued Landfill Postclosure Care Costs	Net Pension Liability	Total
Balance, beginning	\$ 125,934	\$ 221,407	\$ 17,062	\$ 76,500	\$ 1,032,643	\$ 1,473,546
Additions	-	-	9,594	4,500	15,973	30,067
Reductions	(125,934)	(53,518)	-	-	-	(179,452)
Balance, ending	<u>\$ -</u>	<u>\$ 167,889</u>	<u>\$ 26,656</u>	<u>\$ 81,000</u>	<u>\$ 1,048,616</u>	<u>\$ 1,324,161</u>

The annual debt service requirements to maturity for the capital lease are as follow:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 54,722	\$ 3,778	\$ 58,500
2020	55,954	2,546	58,500
2021	57,213	1,287	58,500
Totals	<u>\$ 167,889</u>	<u>\$ 7,611</u>	<u>\$ 175,500</u>

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*Accrued Landfill Postclosure Care Costs*

State and federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the landfill site. The \$81,000 reported as accrued landfill postclosure care costs at December 31, 2018, represents an estimate of what it would cost the Town to perform all the postclosure care as of that date. Actual costs may be different due to inflation, changes in technology, or changes in regulation. The Town expects to pay for future postclosure care costs by annual appropriation.

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

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

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Expendable trust	\$ 2,450
General	Nonmajor	3,383
Nonmajor	General	<u>2,392</u>
		<u><u>\$ 8,225</u></u>

At year-end, the General Fund owed \$2,392 to the Conservation Commission Fund for 50% of the land use change taxes collected and unspent appropriation. The amount due to the General Fund from the Expendable Trust Fund represents reimbursement for expenditures, and the amount due to the General Fund from the Nonmajor Funds represents reimbursement of expenditures of the Traffic Calming Project that will be repaid when grant proceeds are received.

**III.C.2. *Transfers***

Transfers within the reporting entity are substantially for the purposes of distributing taxes to the fund for which the appropriation was made, funding and expending capital reserve accounts, and distributing trust income to the applicable fund. The government-wide statement of activities eliminates transfers reported within the governmental activities columns.

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Transfers during the year were as follow:

	Transfers In:			
	General Fund	Expendable Trust Fund	Nonmajor Funds	Total
Transfers out:				
General fund	\$ -	\$ 345,900	\$ 4,308	\$ 350,208
Expendable trust fund	62,058	-	-	62,058
Permanent fund	10,268	-	-	10,268
Nonmajor funds	24,181	-	-	24,181
	<u>\$ 96,507</u>	<u>\$ 345,900</u>	<u>\$ 4,308</u>	<u>\$ 446,715</u>

The General Fund transferred \$345,900 to the Expendable Trust Fund as voted by Town Meeting; and \$4,308 to the Nonmajor Funds representing \$2,305 to the Traffic Calming Fund for its portion of the project cost and \$2,003 to the Conservation Commission Fund for unspent appropriations. The \$62,058 transferred from the Expendable Trust Fund to the General Fund was to reimburse expenditures. The \$10,268 transferred from the Permanent Fund to the General Fund represents expenditures for care of cemeteries and poor. The \$24,181 transferred from the Nonmajor Funds to the General Fund represents the contribution from the Recycling Fund for the purchase of a bailer.

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

The equity balances at December 31, 2017 were restated as follow:

	Govermental Activities	Total General Fund	Budgetary Unassigned General Fund	Expendable Trust Fund
To adjust cash balance for taxes collected	\$ 121,216	\$ 121,216	\$ 121,216	\$ -
To segregate Expendable Trust Fund from General Fund	-	(1,004,739)	-	1,004,739
To record compensated absences payable	(17,062)	-	-	-
Net position/fund balance, as previously reported	1,497,090	1,216,112	446,925	-
Net position/fund balance, as restated	<u>\$ 1,601,244</u>	<u>\$ 332,589</u>	<u>\$ 568,141</u>	<u>\$ 1,004,739</u>

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**III.E. Equity Balances**

The components of fund balance, as described in Note I.C.4., are categorized as follow:

	General Fund	Expendable Trust Fund	Permanent Fund	Nonmajor Funds
Nonspendable:				
Endowments	\$ -	\$ -	\$ 504,844	\$ -
Prepaid items	8,981	-	-	-
Tax deeded property	1,299	-	-	-
Total nonspendable	<u>10,280</u>	<u>-</u>	<u>504,844</u>	<u>-</u>
Restricted:				
General government	-	-	107,808	-
Public safety	-	-	6,137	143,028
Welfare	-	-	142,570	-
Culture and recreation	-	-	-	115,937
Total restricted	<u>-</u>	<u>-</u>	<u>256,515</u>	<u>258,965</u>
Committed:				
Public safety	-	-	-	1,638
Highways and streets	73,500	-	-	-
Sanitation	-	-	-	184,292
Culture and recreation	-	-	-	17,872
Conservation	-	-	-	56,509
Capital outlay	-	1,113,977	-	-
Total committed	<u>73,500</u>	<u>1,113,977</u>	<u>-</u>	<u>260,311</u>
Assigned to general government	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	<u>154,839</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>\$ 244,619</u>	<u>\$ 1,113,977</u>	<u>\$ 761,359</u>	<u>\$ 519,276</u>

**IV. Other Information**

**IV.A. Risk Management**

The Town's risk management activities are reported with governmental activities and recorded in the General Fund. During the the year, the Town was a member of the NH Public Risk Management Exchange (Primex) which is organized to provide certain property and liability protection to member towns, cities and other qualified political subdivisions of New Hampshire. As a member of Primex, the Town shares in contributing to the cost of, and receiving benefits from, a self-insured pooled risk management program. The membership and coverage run from January 1 through December 31 for property/liability and for workers' compensation.

Contributions paid for property/liability coverage in 2018 recorded as an insurance expenditure/expense totaled \$30,393. There were no unpaid contributions due in 2018. The Town paid \$20,406 for workers' compensation coverage for the year, and received a premium

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holiday of \$8,981. The Town also paid \$1,166 for unemployment compensation insurance. The policy agreement permits Primex to make additional assessments to members should there be a deficiency in assets to meet its liabilities. At this time, Primex foresees no likelihood of any additional assessments for the past year.

**IV.B. Retirement Pensions**

*General Information about the Pension Plan*

The New Hampshire Retirement System (NHRS) is a multiple-employer, cost-sharing, contributory public employee defined benefit plan qualified under section 401(a) of the Internal Revenue Code, and funded through a trust which is exempt from tax under Internal Revenue Code section 501(a). The NHRS provides service, disability, death and vested retirement benefits for employees and their beneficiaries. The New Hampshire Legislature establishes the provisions for benefits and contributions. The NHRS issues a separate financial report that is available at [www.nhrs.org](http://www.nhrs.org) or by contacting the NHRS at 54 Regional Drive, Concord, NH 03301.

Both the members and the Town make contributions to the NHRS. Member rates of contribution are set by the Legislature. Employer rates are determined by the NHRS trustees based on an actuarial valuation. The rates of contribution for police officers and other employees were 11.55% and 7%, respectively, of gross earnings. During 2018, the rates of contribution from the Town were 29.43% for police officers and 11.38% for other employees, which are actuarially determined to generate an amount, that when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions from the Town during the years 2016, 2017, and 2018 were \$85,252, \$94,326, and \$99,663 respectively, which were paid on a monthly basis as due.

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

At December 31, 2018, the Town reported a liability of \$1,048,616 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities and school districts, actuarially determined. As of June 30, 2018, the Town's proportion was 0.0218%, which was an increase of 0.0009% from its proportion reported as of June 30, 2017.

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For 2018, the Town recognized pension expense of \$110,518. At year-end, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 34,419	\$ 44,853
Net differences between projected and actual earnings on pension plan investments	-	24,266
Changes in assumptions	72,569	-
Differences between expected and actual experience	8,370	8,491
Town contributions subsequent to the measurement date	49,121	-
	<u>\$ 164,479</u>	<u>\$ 77,610</u>

The Town reported \$49,121 as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year 2019.

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

Year Ending December 31,	
2019	\$ 35,393
2020	21,997
2021	(21,333)
2022	1,691
	<u>\$ 37,748</u>

*Actuarial Assumptions*

The total pension liability in the June 30, 2018 actuarial valuation was determined using the actuarial valuation as of June 30, 2017 rolled forward to 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	5.6% average, including inflation
Investment rate of return	7.25% per year

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

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Town's proportionate share of net pension liability	\$ 1,395,193	\$ 1,048,616	\$ 758,175

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

**IV.C. Contingent Liabilities**

Because the Town has received grants from the State and Federal governments, there is always a chance that these governments will audit grant expenditures/expenses and determine that some are not allowable. The Town does not believe that this will occur, and that if it does, it is believed that any amounts involved would not be material.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

	2018	2017	2016	2015	2014
Town's proportion of net pension liability	0.0218%	0.0209%	0.0218%	0.0226%	0.0235%
Town's proportionate share of the net pension liability	\$1,048,616	\$1,032,643	\$1,160,331	\$895,638	\$882,444
Town's covered-employee payroll	\$568,621	\$577,602	\$541,943	\$537,717	\$534,431
Town's proportionate share of the net pension liability as a percentage of covered-employee payroll	184.41%	178.78%	214.11%	166.56%	165.12%
Plan fiduciary position as a percentage of the total pension liability	64.7%	62.7%	58.3%	65.5%	66.3%

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

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 99,685	\$ 94,326	\$ 85,252	\$ 75,849	\$ 76,270
Contribution in relation to the contractually required contribution	<u>\$ (99,685)</u>	<u>\$ (94,326)</u>	<u>\$ (85,252)</u>	<u>\$ (75,849)</u>	<u>\$ (76,270)</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered-employee payroll	\$ 568,621	\$ 577,602	\$ 541,943	\$ 537,717	\$ 534,431
Contributions as a percentage of covered-employee payroll	17.53%	16.33%	15.73%	14.11%	14.27%

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

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NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION  
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The Schedule of the Town's Proportionate Share of the Net Pension Liability and the Schedule of the Town's Pension Contributions are meant to present related information for ten years. Because this is the fourth year that the Town has presented the pension schedules, only five years are presented. An additional year's information will be added until there are ten years shown.

## **COMBINING AND INDIVIDUAL FUND SCHEDULES**

**EXHIBIT 12**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2018**

	Special Revenue Funds						Capital Project Fund	
	Library	History	Recycling	Police Grants	Conservation Commission	Phyllis Burt Fire & Police	Traffic Calming	Total
<b>ASSETS</b>								
Cash and cash equivalents	\$ 10,498	\$ -	\$ 184,292	\$ 1,638	\$ 54,117	\$ 2,951	\$ -	\$ 253,496
Investments	105,439	17,872	-	-	-	140,077	-	263,388
Intergovernmental receivable	-	-	-	-	-	-	3,383	3,383
Interfund receivable	-	-	-	-	2,392	-	-	2,392
Total assets	<u>\$ 115,937</u>	<u>\$ 17,872</u>	<u>\$ 184,292</u>	<u>\$ 1,638</u>	<u>\$ 56,509</u>	<u>\$ 143,028</u>	<u>\$ 3,383</u>	<u>\$ 522,659</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Interfund payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,383</u>	<u>\$ 3,383</u>
Fund balances:								
Restricted	115,937	-	-	-	-	143,028	-	258,965
Committed	-	17,872	184,292	1,638	56,509	-	-	260,311
Total fund balances	<u>115,937</u>	<u>17,872</u>	<u>184,292</u>	<u>1,638</u>	<u>56,509</u>	<u>143,028</u>	<u>-</u>	<u>519,276</u>
Total liabilities and fund balances	<u>\$ 115,937</u>	<u>\$ 17,872</u>	<u>\$ 184,292</u>	<u>\$ 1,638</u>	<u>\$ 56,509</u>	<u>\$ 143,028</u>	<u>\$ 3,383</u>	<u>\$ 522,659</u>

**EXHIBIT 13**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2018**

	Special Revenue Funds						Capital Project Fund	
	Library	History	Recycling	Police Grants	Conservation Commission	Phyllis Burt Fire & Police	Traffic Calming	Total
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 8,580	\$ -	\$ -	\$ 8,580
Charges for services	190	-	10,832	111	-	-	-	11,133
Miscellaneous	(5,634)	325	1,331	-	329	(8,461)	-	(12,110)
Total revenues	<u>(5,444)</u>	<u>325</u>	<u>12,163</u>	<u>111</u>	<u>8,909</u>	<u>(8,461)</u>	<u>112,267</u>	<u>119,870</u>
<b>EXPENDITURES</b>								
Current:								
Public safety	-	-	-	-	-	19,933	-	19,933
Culture and recreation	1,778	-	-	-	-	-	-	1,778
Total expenditures	<u>1,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,933</u>	<u>6,052</u>	<u>27,763</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,222)</u>	<u>325</u>	<u>12,163</u>	<u>111</u>	<u>8,909</u>	<u>(28,394)</u>	<u>106,215</u>	<u>92,107</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	2,003	-	2,305	4,308
Transfers out	-	-	(24,181)	-	-	-	-	(24,181)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(24,181)</u>	<u>-</u>	<u>2,003</u>	<u>-</u>	<u>2,305</u>	<u>(19,873)</u>
Net change in fund balances	(7,222)	325	(12,018)	111	10,912	(28,394)	108,520	72,234
Fund balances, beginning	123,159	17,547	196,310	1,527	45,597	171,422	(108,520)	447,042
Fund balances, ending	<u>\$ 115,937</u>	<u>\$ 17,872</u>	<u>\$ 184,292</u>	<u>\$ 1,638</u>	<u>\$ 56,509</u>	<u>\$ 143,028</u>	<u>\$ -</u>	<u>\$ 519,276</u>

**EXHIBIT 14**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2018**

	Estimated	Actual	Variance Positive (Negative)
<b>Taxes:</b>			
Property	\$ 1,796,801	\$ 1,786,549	\$ (10,252)
Land use change	16,383	8,580	(7,803)
Timber	2,718	3,222	504
Excavation	164	164	-
Payments in lieu of taxes	17,894	21,089	3,195
Interest and penalties on delinquent taxes	25,000	57,984	32,984
Total taxes	<u>1,858,960</u>	<u>1,877,588</u>	<u>18,628</u>
<b>Licenses, permits and fees:</b>			
Motor vehicle permits	250,000	317,762	67,762
Building permits	6,500	10,495	3,995
Other	2,973	3,254	281
Total licenses, permits and fees	<u>259,473</u>	<u>331,511</u>	<u>72,038</u>
<b>Intergovernmental:</b>			
State sources:			
Meals and rooms distributions	81,574	81,574	-
Highway block grant	80,898	80,852	(46)
State and federal forest land	77	627	550
Flood control reimbursement	24,371	23,821	(550)
Forestry reimbursement	2	94	92
Other	1	-	(1)
Federal sources:			
Police grants	7,502	7,155	(347)
Safe routes to school	2	17	15
Other	3	-	(3)
Total intergovernmental	<u>194,430</u>	<u>194,140</u>	<u>(290)</u>
<b>Charges for services:</b>			
Income from departments	<u>24,250</u>	<u>31,893</u>	<u>7,643</u>
<b>Miscellaneous:</b>			
Sale of property	925	921	(4)
Interest on investments	50	204	154
Rent of property	21,622	21,804	182
Contributions and donations	751	850	99
Total miscellaneous	<u>23,348</u>	<u>23,779</u>	<u>431</u>
<b>Other financing sources:</b>			
Transfers in:			
Expendable trust fund	59,900	62,058	2,158
Permanent fund	13,500	10,268	(3,232)
Nonmajor fund	25,696	24,181	(1,515)
Long-term debt issued	450,000	-	(450,000)
Total other financing sources	<u>549,096</u>	<u>96,507</u>	<u>(452,589)</u>
Total revenues and other financing sources	2,909,557	<u>\$ 2,555,418</u>	<u>\$ (354,139)</u>
Fund balance appropriated	150,000		
Total revenues, other financing sources and use of fund balance	<u>\$ 3,059,557</u>		

**EXHIBIT 15**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**General Fund**  
**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2018**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 119,518	\$ 114,009	\$ -	\$ 5,509
Election and registration	-	6,677	5,986	-	691
Financial administration	-	88,556	86,342	-	2,214
Revaluation of property	-	22,903	22,903	-	-
Legal	-	30,500	27,658	6,000	(3,158)
Personnel administration	-	205,492	206,401	-	(909)
Planning and zoning	-	7,799	7,984	-	(185)
General government buildings	-	26,371	27,917	-	(1,546)
Cemeteries	-	21,555	16,829	-	4,726
Insurance, not otherwise allocated	-	30,393	30,393	-	-
Advertising and regional associations	-	3,252	3,252	-	-
Other	-	37,662	44,518	-	(6,856)
Total general government	-	600,678	594,192	6,000	486
Public safety:					
Police	-	344,888	336,263	-	8,625
Fire	-	222,011	185,202	-	36,809
Building inspection	-	19,250	18,181	-	1,069
Emergency management	-	8,685	7,306	-	1,379
Total public safety	-	594,834	546,952	-	47,882
Highways and streets:					
Highways and streets	57,430	668,008	498,865	73,500	153,073
Street lighting	-	9,200	10,628	-	(1,428)
Total highways and streets	57,430	677,208	509,493	73,500	151,645
Sanitation:					
Solid waste disposal	-	149,329	135,519	-	13,810
Health:					
Administration	-	8	35	-	(27)
Animal control	-	2,039	1,911	-	128
Health agencies and hospitals	-	6,836	5,777	-	1,059
Total health	-	8,883	7,723	-	1,160
Welfare	-	19,513	11,199	-	8,314
Culture and recreation:					
Parks and recreation	-	23,073	22,775	-	298
Public library	-	84,059	83,161	-	898
Patriotic purposes	-	1,200	1,083	-	117
Other	-	14,000	14,000	-	-
Total culture and recreation	-	122,332	121,019	-	1,313
Conservation	-	3,281	3,281	-	-

(continued)

**EXHIBIT 15 (continued)**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**General Fund**

**Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)**  
**For the Year Ended December 31, 2018**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Capital outlay:					
Machinery, vehicles and equipment	-	65,596	62,869	-	2,727
Buildings	4,867	20,000	20,807	-	4,060
Improvements other than buildings	10,765	450,000	303,598	-	157,167
Total capital outlay	<u>15,632</u>	<u>535,596</u>	<u>387,274</u>	<u>-</u>	<u>163,954</u>
Other financing uses:					
Transfers out:					
Expendable trust fund	-	345,900	345,900	-	-
Nonmajor funds	-	2,003	4,308	-	(2,305)
Total other financing uses	<u>-</u>	<u>347,903</u>	<u>350,208</u>	<u>-</u>	<u>(2,305)</u>
Total encumbrances, appropriations, expenditures and other financing uses	<u>\$ 73,062</u>	<u>\$ 3,059,557</u>	<u>\$ 2,666,860</u>	<u>\$ 79,500</u>	<u>\$ 386,259</u>

**EXHIBIT 16**  
**TOWN OF DUBLIN, NEW HAMPSHIRE**  
**General Fund**  
***Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)***  
***For the Year Ended December 31, 2018***

Unassigned fund balance, beginning, as restated, see Note III.D.		\$ 568,141
Changes:		
Unassigned fund balance appropriated		(150,000)
Budget summary:		
Revenue shortfall (Exhibit 14)	\$ (354,139)	
Unexpended balance of appropriations (Exhibit 15)	<u>386,259</u>	
Budget surplus		<u>32,120</u>
Unassigned fund balance, ending		<u><u>\$ 441,280</u></u>



# Roberts & Greene, PLLC

## LETTER TO MANAGEMENT

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

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Dublin as of and for the year ended December 31, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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

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

### *Timing Differences in Recording Collections*

We found that there had been differences between the Tax Collector and the Treasurer and Town Administrator in recording certain receipts between December 2017 and January 2018. This was discovered when we found that the general ledger showed more tax collections than the Tax Collector was reporting for 2018. Upon inquiry, we found that the Tax Collector had recorded certain receipts from the first two business days of 2018 as received in 2017 because they were postmarked in 2017. While this is appropriate, it is imperative that those deposits also be recorded by both the Treasurer and Town Administrator as December deposits and since they would not have been in the bank until the next year, they would be considered deposits in transit for the cash reconciliation. We recommend that the Tax Collector, Treasurer and Town Administrator verify the cutoff at the end of each year and ensure that they each have deposits recorded in the same year.

Town of Dublin, New Hampshire  
Letter to Management

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

August 14, 2019

*Roberts & Greene, PLLC*