



TOWN OF BELMONT, NEW HAMPSHIRE

Financial Statements

December 31, 2024

and

Independent Auditor's Report

TOWN OF BELMONT, NEW HAMPSHIRE
FINANCIAL STATEMENTS
December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Selectmen
Town of Belmont, 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 Belmont, New Hampshire, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town of Belmont, 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 Belmont, New Hampshire, as of December 31, 2024, 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 Belmont, 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 Belmont, 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 the 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 Belmont, 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 Belmont, 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 Belmont, 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.

Vashon Clukay & Company PC

Manchester, New Hampshire
February 19, 2026

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

Presented herewith, please find the Management Discussion and Analysis Report for the Town of Belmont, New Hampshire for the year ended December 31, 2024. The responsibility for accuracy of the data, the completeness and fairness of this documentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material aspects. This report and its content have been designed to fairly present the Town's financial position, including the results of operations of all the funds of the Town. All the disclosures necessary to enable and to assist the reader in acquiring an accurate understanding of the Town's financial activities have been included.

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

Overview of the Financial Statements

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

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

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

Government-Wide Financial Statements

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

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

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

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

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

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

Business-type activities – Account for the Town's water and sewer operations and receive the majority of their revenue from user fees.

Fund Financial Statements

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

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

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances for the General Fund and Permanent Funds, which are considered major funds. Other governmental funds are aggregated and reported as nonmajor governmental funds.

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

Proprietary funds provide water and sewer services to customers and charge a user fee. They are presented on the accrual basis of accounting.

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

Notes to the Basic Financial Statements

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

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

Required Supplementary Information

The basic financial statements and accompanying notes are followed by a section of required supplementary information. This section includes a budgetary comparison schedule for the General Fund, the Town's only major governmental fund with an adopted budget. It also includes the 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.

Other Supplementary Information

Other supplementary information includes combining financial statements for the nonmajor governmental funds.

Government-Wide Financial Analysis

As illustrated below, the implementation of GASB Statements No. 68 and No. 75 during the years ended December 31, 2015, and 2018, respectively, may create deficit unrestricted net position balances at year end. This is a result of differences between how the Town budgets for Pension and OPEB benefits, based on statutorily required contributions, compared to how they are recognized for financial reporting purposes. A deficit unrestricted net position balance could continue into subsequent years.

Governmental Activities

Statement of Net position

Net position of the governmental activities as of December 31, 2024 and 2023 is as follows:

	2024	2023
Capital assets, net	\$ 19,655,499	\$ 20,176,334
Other assets	12,891,668	12,676,545
Total Assets	32,547,167	32,852,879
 Total Deferred Outflows of Resources	 1,387,074	 1,463,838
 Long-term liabilities	 12,190,277	 12,632,351
Other liabilities	966,050	1,316,312
Total Liabilities	13,156,327	13,948,663
 Total Deferred Inflows of Resources	 545,747	 526,016

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

Net Position:		
Net investment in capital assets	16,081,753	16,166,140
Restricted	4,128,300	3,786,090
Unrestricted	<u>22,114</u>	<u>(110,192)</u>
Total Net Position	<u>\$ 20,232,167</u>	<u>\$ 19,842,038</u>

The Town's net position for its governmental activities totaled \$20,232,167 as of December 31, 2024, an increase of \$390,129 when compared to the previous year.

Statement of Activities

Changes in net position of the governmental activities for the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Revenues		
Program revenues:		
Charges for services	\$ 480,308	\$ 585,895
Operating grants and contributions	622,638	539,896
Capital grants and contributions	207,343	-
General revenues:		
Property and other taxes	7,025,083	7,515,184
Licenses and permits	1,989,754	1,911,929
Intergovernmental	730,304	697,689
Interest and investment earnings (losses)	740,415	602,138
Miscellaneous	<u>174,646</u>	<u>127,356</u>
Total revenues	<u>11,970,491</u>	<u>11,980,087</u>
Expenses		
General government	2,542,464	2,137,305
Public safety	5,724,695	4,699,063
Highways and streets	1,775,139	2,051,185
Sanitation	695,164	664,838
Water distribution and treatment	5,863	14,907
Health and welfare	264,425	246,016
Culture and recreation	487,005	463,576
Conservation	13,614	233,823
Interest and fiscal charges	<u>72,393</u>	<u>86,824</u>
Total expenses	<u>11,580,762</u>	<u>10,597,537</u>
Excess before contributions to permanent fund principal	389,729	1,382,550
Contributions to permanent fund principal	<u>400</u>	<u>-</u>
Change in net position	390,129	1,382,550
Net Position, beginning of year	<u>19,842,038</u>	<u>18,459,488</u>
Net Position, end of year	<u>\$ 20,232,167</u>	<u>\$ 19,842,038</u>

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

As shown in the above statement the Town's governmental activities experienced an improvement in financial position of \$390,129 on the full accrual basis of accounting.

Business-type Activities

Statement of Net position

Net position of the business type activities as of December 31, 2024 and 2023 are as follows:

	2024	2023
Capital assets, net	\$ 4,594,601	\$ 4,677,709
Other assets	2,127,203	1,947,408
Total Assets	6,721,804	6,625,117
Total Deferred Outflows of Resources	27,980	29,538
Long-term liabilities	437,597	499,547
Other liabilities	989	19,025
Total Liabilities	438,586	518,572
Total Deferred Inflows of Resources	12,757	13,097
Net Position:		
Net investment in capital assets	4,327,402	4,349,700
Unrestricted	1,971,039	1,773,286
Total Net Position	\$ 6,298,441	\$ 6,122,986

The largest portion of the Town's net position for its business-type activities reflects its net investment in capital assets, primarily utility plants (Water and Wastewater) in service and equipment, less any related outstanding debt used to acquire those assets. These assets are not available for future spending.

Statement of Activities

Changes in net position of the business-type activities for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Revenues		
Program revenues:		
Charges for services	\$ 1,060,367	\$ 959,586
Capital grants and contributions	195,010	17,345

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

General revenues:		
Interest and investment earnings (losses)	64,104	33,217
Miscellaneous		3,614
Total revenues	<u>1,319,481</u>	<u>1,013,762</u>
Expenses		
Water Department	352,988	351,875
Sewer Department	791,038	740,904
Total expenses	<u>1,144,026</u>	<u>1,092,779</u>
Change in net position	175,455	(79,017)
Net Position, beginning of year	<u>6,122,986</u>	<u>6,202,003</u>
Net Position, end of year	<u>\$ 6,298,441</u>	<u>\$ 6,122,986</u>

The main funding source for the business-type activities is charges for services. Overall net position increased by \$175,455 from the previous year, largely as a result of revenues in excess of expenditures generated for those services.

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.

General Fund and Budgetary Highlights

The General Fund is the main operating fund of the Town. At the end of the current fiscal year, the General Fund had a fund balance of \$6,726,209 on the modified accrual basis of accounting, an increase of \$304,631. This increase was largely a result of expenditures less than amounts budgeted for General Government and Highways and Streets activities, as well as additional revenues above estimates in Licenses and Permits. For more detailed comparison of budget versus actual expenditures refer to the Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual (Budgetary Basis) – General Fund.

Permanent Funds

Permanent funds account for resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the Town's programs. At December 31, 2024, a balance of \$3,046,764 was non-spendable for principal and \$533,746 was restricted for income. The total fund balance in the permanent funds increased \$266,876 from the prior year end, due primarily to current year investment gains resulting from market improvements.

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

Nonmajor Governmental Funds

At December 31, 2024, the Nonmajor Governmental Funds had a total fund balance of \$1,166,968 which represents an increase of \$29,524 from the prior year, primarily resulting from Conservation Fund and Drug Forfeiture Fund revenues in excess of expenditures which offset the use of Ambulance Fund resources to fund various public safety projects as authorized through annual appropriations.

Proprietary Funds

The focus of the Town's proprietary funds is on total economic resources, and changes to net position, much as it might be for a private-sector business. The Town's proprietary funds (Water and Sewer Funds) had total unrestricted net position of \$1,971,039 combined as of December 31, 2024, which represents an increase of \$197,753 from the unrestricted net position as of December 31, 2023.

Capital Assets

The Town of Belmont considers a capital asset to be an asset whose costs exceed or equal \$15,000 and has a useful life of greater than one year. Assets are depreciated using the straight-line method over the course of their estimated useful life. During the year the Town's net capital assets for governmental activities decreased by a total of \$520,835. Significant additions during the current year include acquisition of an Ambulance and Highway truck. The net decrease is related to depreciation expense in the current year in excess of new acquisitions. The Town's net capital assets for the proprietary funds decreased by (\$83,108) due to depreciation expense. Additional information on capital assets can be found in Note 3 of the Notes to the Basic Financial Statements.

Long-Term Liabilities

During the year ended 2024, the Town had a net decrease in general obligation debt payable for governmental activities of (\$231,243) due to scheduled payments made on existing obligations. General obligation debt for business-type activities decreased during the year by (\$60,810) due to scheduled payments made on existing obligations, including bond premium amortization and principal forgiveness. Finance purchase obligations for governmental activities decreased during the year by \$205,205, due to scheduled repayments on existing obligations. The compensated absences for governmental activities had a net decrease in balances accrued by (\$21,570) for the year.

Under GASB Statement #68 – *Accounting and Financial Reporting for Pensions*, the Town reports a net pension liability, as well as the related deferred outflows and inflows of resources related to pension. The Town's proportionate share of the New Hampshire Retirement System's (NHRS) unfunded pension liability as of December 31, 2024 is \$7,367,590 for governmental activities and \$142,707 for business-type activities, for a total liability of \$7,510,297.

GASB Statement #75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* requires the Town to account for its single employer other post-employment benefits (OPEB) plan on an accrual basis rather than a pay-as-you-go basis. Although the Town is not required to fund this contribution, it is recognized as a liability in these financial statements. Additionally, the Town is required to report its proportionate share of the NHRS unfunded OPEB liability. The net OPEB obligation as of

TOWN OF BELMONT, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ending December 31, 2024

December 31, 2024 is \$1,049,400 for governmental activities and \$27,691 for business-type activities, for a total liability of \$1,077,091.

Contacting the Town of Belmont's Financial Management

This financial report is intended to provide our citizens and creditors with a general overview of the Town's finances and to show a measure of accountability for the money it receives. If you have any questions about this report or need to get additional information, contact the Board of Selectmen at, PO Box 310, Belmont, NH 03220, telephone number (603) 267-8300.

EXHIBIT A
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Net Position
December 31, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 3,692,738	\$ 446,043	\$ 4,138,781
Investments	7,765,818	1,722,720	9,488,538
Taxes receivable, net	605,937		605,937
Accounts receivable, net	226,273	144,414	370,687
Unbilled charges for services		85,486	85,486
Due from other governments	283,442	4,200	287,642
Internal balances	317,460	(317,460)	-
Total Current Assets	<u>12,891,668</u>	<u>2,085,403</u>	<u>14,977,071</u>
Noncurrent Assets:			
Due from other governments		41,800	41,800
Capital assets:			
Non-depreciable capital assets	3,790,858	210,832	4,001,690
Depreciable capital assets, net	<u>15,864,641</u>	<u>4,383,769</u>	<u>20,248,410</u>
Total Noncurrent Assets	<u>19,655,499</u>	<u>4,636,401</u>	<u>24,291,900</u>
Total Assets	<u>32,547,167</u>	<u>6,721,804</u>	<u>39,268,971</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB liability	106,467	3,175	109,642
Deferred outflows related to pension liability	<u>1,280,607</u>	<u>24,805</u>	<u>1,305,412</u>
Total Deferred Outflows of Resources	<u>1,387,074</u>	<u>27,980</u>	<u>1,415,054</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	381,999	989	382,988
Accrued liabilities	93,459		93,459
Advances from grantors	483,144		483,144
Deposits	7,448		7,448
Current portion of bonds payable		44,988	44,988
Current portion of notes payable	184,191		184,191
Current portion of financed purchase obligations payable	214,580		214,580
Current portion of compensated absences payable	<u>19,792</u>		<u>19,792</u>
Total Current Liabilities	<u>1,384,613</u>	<u>45,977</u>	<u>1,430,590</u>
Noncurrent Liabilities:			
Bonds payable		222,211	222,211
Notes payable	2,789,100		2,789,100
Financed purchase obligations payable	385,875		385,875
Compensated absences payable	179,749		179,749
OPEB liability	1,049,400	27,691	1,077,091
Net pension liability	<u>7,367,590</u>	<u>142,707</u>	<u>7,510,297</u>
Total Noncurrent Liabilities	<u>11,771,714</u>	<u>392,609</u>	<u>12,164,323</u>
Total Liabilities	<u>13,156,327</u>	<u>438,586</u>	<u>13,594,913</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB liability	153,106	5,151	158,257
Deferred inflows related to pension liability	<u>392,641</u>	<u>7,606</u>	<u>400,247</u>
Total Deferred Inflows of Resources	<u>545,747</u>	<u>12,757</u>	<u>558,504</u>
NET POSITION			
Net investment in capital assets	16,081,753	4,327,402	20,409,155
Restricted	4,128,300		4,128,300
Unrestricted	<u>22,114</u>	<u>1,971,039</u>	<u>1,993,153</u>
Total Net Position	<u>\$ 20,232,167</u>	<u>\$ 6,298,441</u>	<u>\$ 26,530,608</u>

See accompanying notes to the basic financial statements

EXHIBIT B
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 2,542,464	\$ 18,744			\$ (2,523,720)		\$ (2,523,720)
Public safety	5,724,695	419,653	\$ 407,015		(4,898,027)		(4,898,027)
Highways and streets	1,775,139		197,367	\$ 207,343	(1,370,429)		(1,370,429)
Sanitation	695,164	4,411	4,032		(686,721)		(686,721)
Water distribution and treatment	5,863		5,863		-		-
Health and welfare	264,425				(264,425)		(264,425)
Culture and recreation	487,005	37,500	8,361		(441,144)		(441,144)
Conservation	13,614				(13,614)		(13,614)
Interest and fiscal charges	72,393				(72,393)		(72,393)
Total governmental activities	<u>11,580,762</u>	<u>480,308</u>	<u>622,638</u>	<u>207,343</u>	<u>(10,270,473)</u>	<u>\$ -</u>	<u>(10,270,473)</u>
Business-type activities:							
Sewer Department	791,038	660,474		2,202		(128,362)	(128,362)
Water Department	352,988	399,893		192,808		239,713	239,713
Total business-type activities	<u>1,144,026</u>	<u>1,060,367</u>	<u>-</u>	<u>195,010</u>	<u>-</u>	<u>111,351</u>	<u>111,351</u>
Total primary government	<u>\$ 12,724,788</u>	<u>\$ 1,540,675</u>	<u>\$ 622,638</u>	<u>\$ 402,353</u>	<u>(10,270,473)</u>	<u>111,351</u>	<u>(10,159,122)</u>
General revenues:							
Property and other taxes					7,025,083		7,025,083
Licenses and permits					1,989,754		1,989,754
Grants and contributions:							
Rooms and meals tax distribution					730,297		730,297
State and federal forest land reimbursement					7		7
Interest and investment earnings					740,415	64,104	804,519
Miscellaneous					174,646		174,646
Contributions to permanent fund principal					400		400
Total general revenues and contributions to permanent fund principal					<u>10,660,602</u>	<u>64,104</u>	<u>10,724,706</u>
Change in Net Position					390,129	175,455	565,584
Total Net Position at beginning of year					<u>19,842,038</u>	<u>6,122,986</u>	<u>25,965,024</u>
Total Net Position at end of year					<u>\$ 20,232,167</u>	<u>\$ 6,298,441</u>	<u>\$ 26,530,608</u>

See accompanying notes to the basic financial statements

EXHIBIT C
TOWN OF BELMONT, NEW HAMPSHIRE
Balance Sheet
Governmental Funds
December 31, 2024

	General <u>Fund</u>	Permanent <u>Funds</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
ASSETS				
Cash and cash equivalents	\$ 2,776,334		\$ 916,404	\$ 3,692,738
Investments	4,185,308	\$ 3,580,510		7,765,818
Taxes receivable, net	605,937			605,937
Accounts receivable, net	14,536		211,737	226,273
Due from other governments	66,430		217,012	283,442
Due from other funds	534,559		38,914	573,473
Total Assets	<u>8,183,104</u>	<u>3,580,510</u>	<u>1,384,067</u>	<u>13,147,681</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>\$ 8,183,104</u>	<u>\$ 3,580,510</u>	<u>\$ 1,384,067</u>	<u>\$ 13,147,681</u>
LIABILITIES				
Accounts payable	\$ 381,999			\$ 381,999
Accrued liabilities	60,856			60,856
Advances from grantors	483,144			483,144
Due to other funds	38,914		\$ 217,099	256,013
Deposits	7,448			7,448
Total Liabilities	<u>972,361</u>	<u>\$ -</u>	<u>217,099</u>	<u>1,189,460</u>
DEFERRED INFLOWS OF RESOURCES				
Uncollected property taxes	484,534			484,534
Total Deferred Inflows of Resources	<u>484,534</u>	<u>-</u>	<u>-</u>	<u>484,534</u>
FUND BALANCES				
Nonspendable		3,046,764		3,046,764
Restricted	455,380	533,746	92,410	1,081,536
Committed	3,576,998		1,074,558	4,651,556
Assigned	514,259			514,259
Unassigned	2,179,572			2,179,572
Total Fund Balances	<u>6,726,209</u>	<u>3,580,510</u>	<u>1,166,968</u>	<u>11,473,687</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,183,104</u>	<u>\$ 3,580,510</u>	<u>\$ 1,384,067</u>	<u>\$ 13,147,681</u>

See accompanying notes to the basic financial statements

EXHIBIT C-1
TOWN OF BELMONT, NEW HAMPSHIRE
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2024

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 11,473,687
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.	19,655,499
Property taxes are recognized on an accrual basis in the statement of net position, not the modified accrual basis.	484,534
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	106,467
Deferred outflows of resources related to net pension liability	1,280,607
Deferred inflows of resources related to OPEB liability	(153,106)
Deferred inflows of resources related to net pension liability	(392,641)
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:	
Notes payable	(2,973,291)
Financed purchase obligations payable	(600,455)
Accrued interest on long-term obligations	(32,603)
Compensated absences payable	(199,541)
OPEB liability	(1,049,400)
Net pension liability	<u>(7,367,590)</u>
Net Position of Governmental Activities (Exhibit A)	<u>\$ 20,232,167</u>

See accompanying notes to the basic financial statements

EXHIBIT D
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General <u>Fund</u>	Permanent <u>Funds</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues:				
Taxes	\$ 6,972,297		\$ 93,253	\$ 7,065,550
Licenses and permits	1,989,754			1,989,754
Intergovernmental	965,835		594,450	1,560,285
Charges for services	297,449		182,859	480,308
Interest and investment income	416,799	\$ 321,346	2,270	740,415
Miscellaneous	174,646	400		175,046
Total Revenues	<u>10,816,780</u>	<u>321,746</u>	<u>872,832</u>	<u>12,011,358</u>
Expenditures:				
Current operations:				
General government	2,374,700	48,089		2,422,789
Public safety	5,257,953	220	262,772	5,520,945
Highways and streets	1,515,703		207,343	1,723,046
Sanitation	695,164			695,164
Water distribution and treatment			5,863	5,863
Health and welfare	263,584			263,584
Culture and recreation	390,304	6,561		396,865
Conservation	12,865		749	13,614
Capital outlay	60,000			60,000
Debt service:				
Principal retirement	231,243			231,243
Interest and fiscal charges	77,214			77,214
Total Expenditures	<u>10,878,730</u>	<u>54,870</u>	<u>476,727</u>	<u>11,410,327</u>
Excess revenues over (under) expenditures	<u>(61,950)</u>	<u>266,876</u>	<u>396,105</u>	<u>601,031</u>
Other financing sources (uses):				
Transfers in	366,581			366,581
Transfers out			(366,581)	(366,581)
Total Other financing sources (uses)	<u>366,581</u>	<u>-</u>	<u>(366,581)</u>	<u>-</u>
Net change in fund balances	304,631	266,876	29,524	601,031
Fund Balances at beginning of year	<u>6,421,578</u>	<u>3,313,634</u>	<u>1,137,444</u>	<u>10,872,656</u>
Fund Balances at end of year	<u>\$ 6,726,209</u>	<u>\$ 3,580,510</u>	<u>\$ 1,166,968</u>	<u>\$ 11,473,687</u>

See accompanying notes to the basic financial statements

EXHIBIT D-1

TOWN OF BELMONT, 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, 2024

Net Change in Fund Balances - Governmental Funds (Exhibit D)	\$ 601,031
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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 expense. Capital outlays and depreciation expense in the current period are as follows:

Capital outlays	411,781
Depreciation expense	(932,616)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(40,467)
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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 in the current year are as follows:

Bond principal paid	50,595
Note principal paid	180,648
Financed purchase obligation principal paid	205,205

In the statement of activities, interest is accrued on outstanding long-term debt obligations, whereas in governmental funds, an interest expenditure is reported when due.	4,821
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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 from the following activities:

Compensated absences	(21,570)
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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	(9,221)
Net changes in pension	(60,078)

Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 390,129</u>
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See accompanying notes to the basic financial statements

EXHIBIT E
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-type Activities		
	Water <u>Fund</u>	Sewer <u>Fund</u>	<u>Totals</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 182,324	\$ 263,719	\$ 446,043
Investments	412,307	1,310,413	1,722,720
Accounts receivable	51,723	92,691	144,414
Unbilled charges for services	31,417	54,069	85,486
Due from other governments		4,200	4,200
Total Current Assets	<u>677,771</u>	<u>1,725,092</u>	<u>2,402,863</u>
Noncurrent Assets:			
Due from other governments		41,800	41,800
Capital assets:			
Non-depreciable capital assets	195,823	15,009	210,832
Depreciable capital assets, net	<u>1,590,188</u>	<u>2,793,581</u>	<u>4,383,769</u>
Total Noncurrent Assets	<u>1,786,011</u>	<u>2,850,390</u>	<u>4,636,401</u>
Total Assets	<u>2,463,782</u>	<u>4,575,482</u>	<u>7,039,264</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB liability	154	3,021	3,175
Deferred outflows related to pension liability	<u>6,880</u>	<u>17,925</u>	<u>24,805</u>
Total Deferred Outflows of Resources	<u>7,034</u>	<u>20,946</u>	<u>27,980</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	186	803	989
Due to other funds	92,322	225,138	317,460
Current portion of bonds payable	<u>23,988</u>	<u>21,000</u>	<u>44,988</u>
Total Current Liabilities	<u>116,496</u>	<u>246,941</u>	<u>363,437</u>
Noncurrent Liabilities:			
Bonds payable		222,211	222,211
OPEB liability	2,867	24,824	27,691
Net pension liability	<u>39,583</u>	<u>103,124</u>	<u>142,707</u>
Total Noncurrent Liabilities	<u>42,450</u>	<u>350,159</u>	<u>392,609</u>
Total Liabilities	<u>158,946</u>	<u>597,100</u>	<u>756,046</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to OPEB liability	1	5,150	5,151
Deferred inflows related to pension liability	<u>2,110</u>	<u>5,496</u>	<u>7,606</u>
Total Deferred Inflows of Resources	<u>2,111</u>	<u>10,646</u>	<u>12,757</u>
NET POSITION			
Net investment in capital assets	1,762,023	2,565,379	4,327,402
Unrestricted	<u>547,736</u>	<u>1,423,303</u>	<u>1,971,039</u>
Total Net Position	<u>\$ 2,309,759</u>	<u>\$ 3,988,682</u>	<u>\$ 6,298,441</u>

See accompanying notes to the basic financial statements

EXHIBIT F
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	<u>Business-type Activities</u>		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
Operating revenues:			
Charges for services	\$ 399,893	\$ 660,474	\$ 1,060,367
Total Operating revenues	<u>399,893</u>	<u>660,474</u>	<u>1,060,367</u>
Operating expenses:			
Personnel services	48,865	155,196	204,061
Contractual services	159,259	423,422	582,681
Materials and supplies	12,347	28,944	41,291
Utilities	32,477	15,259	47,736
Depreciation	99,025	161,943	260,968
Total Operating expenses	<u>351,973</u>	<u>784,764</u>	<u>1,136,737</u>
Operating income (loss)	<u>47,920</u>	<u>(124,290)</u>	<u>(76,370)</u>
Non-operating revenues (expenses):			
Interest revenue	16,514	47,590	64,104
Interest expense	<u>(1,015)</u>	<u>(6,274)</u>	<u>(7,289)</u>
Net Non-operating revenues (expenses)	<u>15,499</u>	<u>41,316</u>	<u>56,815</u>
Income (Loss) before capital contributions	63,419	(82,974)	(19,555)
Capital contributions	<u>192,808</u>	<u>2,202</u>	<u>195,010</u>
Change in Net Position	256,227	(80,772)	175,455
Total Net Position at beginning of year	<u>2,053,532</u>	<u>4,069,454</u>	<u>6,122,986</u>
Total Net Position at end of year	<u>\$ 2,309,759</u>	<u>\$ 3,988,682</u>	<u>\$ 6,298,441</u>

See accompanying notes to the basic financial statements

EXHIBIT G
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities		
	Water <u>Fund</u>	Sewer <u>Fund</u>	<u>Totals</u>
Cash flows from operating activities:			
Cash received from customers	\$ 429,680	\$ 678,455	\$ 1,108,135
Cash paid to suppliers	(214,282)	(535,998)	(750,280)
Cash paid to employees	(40,357)	(103,090)	(143,447)
Net cash provided by operating activities	<u>175,041</u>	<u>39,367</u>	<u>214,408</u>
Cash flows from capital and related financing activities:			
Capital contributions	177,860	6,202	184,062
Purchases of capital assets	(177,860)		(177,860)
Principal paid on long-term debt	(23,117)	(20,000)	(43,117)
Interest paid on long-term debt	(1,015)	(9,019)	(10,034)
Net cash used for capital and related financing activities	<u>(24,132)</u>	<u>(22,817)</u>	<u>(46,949)</u>
Cash flows from investing activities:			
Purchase of investments	(116,071)	(1,014,007)	(1,130,078)
Redemption of investments	8,935	33,640	42,575
Interest on investments	16,514	47,590	64,104
Net cash used for investing activities	<u>(90,622)</u>	<u>(932,777)</u>	<u>(1,023,399)</u>
Net increase (decrease) in cash and cash equivalents	60,287	(916,227)	(855,940)
Cash and cash equivalents at beginning of year	29,715	954,808	984,523
Cash and cash equivalents at end of year	<u>\$ 90,002</u>	<u>\$ 38,581</u>	<u>\$ 128,583</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 47,920	\$ (124,290)	\$ (76,370)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	99,025	161,943	260,968
Change in deferred outflows related to OPEB	8	166	174
Change in deferred outflows related to pension	647	737	1,384
Change in deferred inflows related to OPEB	1	(1,070)	(1,069)
Change in deferred inflows related to pension	133	596	729
Changes in assets and liabilities:			
Accounts receivable	30,986	18,034	49,020
Unbilled charges for services	(1,199)	(53)	(1,252)
Accounts payable	(937)	(17,099)	(18,036)
OPEB liability	(14)	(792)	(806)
Net pension liability	(1,529)	1,195	(334)
Net cash provided by operating activities	<u>\$ 175,041</u>	<u>\$ 39,367</u>	<u>\$ 214,408</u>
Noncash transactions affecting financial position:			
Amortization on bond premium		\$ 2,745	\$ 2,745
Principal forgiveness on debt	\$ 14,948		14,948
	<u>\$ 14,948</u>	<u>\$ 2,745</u>	<u>\$ 17,693</u>

See accompanying notes to the basic financial statements

EXHIBIT H
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 256,742
Investments	8,546,214
Taxes receivable	<u>569,238</u>
Total Assets	<u>9,372,194</u>
LIABILITIES	
Due to other governments	<u>7,093,142</u>
Total Liabilities	<u>7,093,142</u>
NET POSITION	
Restricted for:	
School District	2,036,492
Others	<u>242,560</u>
Total Net Position	<u>\$ 2,279,052</u>

See accompanying notes to the basic financial statements

EXHIBIT I
TOWN OF BELMONT, NEW HAMPSHIRE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2024

	Custodial <u>Funds</u>
ADDITIONS:	
Contributions:	
Miscellaneous	\$ 433,298
Total Contributions	<u>433,298</u>
Investment earnings:	
Investment income	<u>125,698</u>
Total Investment earnings	<u>125,698</u>
Property tax collections for other governments	16,350,884
Motor vehicle fee collections for other governments	<u>587,835</u>
Total Additions	<u>17,497,715</u>
DEDUCTIONS:	
Beneficiary payments to other governments	226,186
Beneficiary payments to others	17,727
Payments of property tax to other governments	16,350,884
Payments of motor vehicle fees to other governments	<u>587,835</u>
Total Deductions	<u>17,182,632</u>
Change in Net Position	315,083
Net Position at beginning of year	<u>1,963,969</u>
Net Position at end of year	<u>\$ 2,279,052</u>

See accompanying notes to the basic financial statements

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Belmont, 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 Belmont, New Hampshire (the Town) was incorporated in 1727. The Town operates under the Town Meeting/Board of Selectmen form of government and performs local governmental functions authorized by State law.

The financial statements include those of the various departments governed by the Board of Selectmen 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 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 presented in

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

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 year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Town employs the use of 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 *Permanent Funds* are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the Town's programs.

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 are the Town's major proprietary funds:

The *Water* and *Sewer Funds* account for all revenues and expenses pertaining to the Town's water and wastewater operations, respectively. The Water and Sewer Funds are 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 fiduciary fund category is comprised solely of custodial funds. Custodial funds are held and administered by the Town for the benefit of others; therefore, assets of the custodial funds are not available to support the Town. The Town's custodial funds consist of property taxes collected on behalf of Shaker Regional School District and Belknap County, motor vehicle fees collected on behalf of the State of New Hampshire, and the capital reserve funds of the Shaker Regional School District, which are held by the Town as required by State law. Other custodial funds consist of developer's performance deposits.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

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 reconciliations 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 funds are 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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Town, available means expected to be received within sixty days of year end.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

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 property taxes is recognized in the year for which the taxes are levied (see Note 10). Revenue from grants, entitlements and donations is recognized in the 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 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 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 and entitlements 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. The Selectmen 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 December 31, 2024, the Town applied \$400,000 of its unappropriated fund balance to reduce taxes.

Cash and Cash Equivalents

The Town maintains separate cash accounts for its governmental and proprietary funds; however, most cash transactions flow through the General Fund. As a result, cash applicable to a particular fund also needs to reflect the interfund balance. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of the following:

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

	Water <u>Fund</u>	Sewer <u>Fund</u>	<u>Totals</u>
Cash and cash equivalents	\$ 182,324	\$ 263,719	\$ 446,043
Due from/(to) other funds, net	<u>(92,322)</u>	<u>(225,138)</u>	<u>(317,460)</u>
Total cash and cash equivalents	<u>\$ 90,002</u>	<u>\$ 38,581</u>	<u>\$ 128,583</u>

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 year and prior and uncollected at December 31, 2024 are recorded as receivables net of reserves for estimated uncollectible taxes of \$377,000.

Accounts Receivable

Charges for services billed during the current year and prior and uncollected at December 31, 2024 are recorded as receivables net of reserves for estimated uncollectibles of \$109,300 in the Ambulance Fund, a Nonmajor Governmental Fund.

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 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 \$15,000. The Town's infrastructure consists of roads, sidewalks, water purification and distribution system, sewer collection and treatment system, and similar items. The Town is not required to retroactively report its general infrastructure. Infrastructure records for the governmental activities have been maintained effective January 1, 2004 and are included in these financial statements. Intangible assets of the Town consist of land easements which are reported as non-depreciable capital assets. 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 progress 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:

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

<u>Description</u>	<u>Years</u>
Land improvements	15 - 30
Infrastructure	40 - 50
Buildings and improvements	10 - 30
Vehicles and equipment	5 - 15
Computer software	5

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.

Compensated Absences

Full time employees accrue sick leave at a rate of one day (8 hours) per month, cumulative to a maximum of 480 hours. Upon retirement, employees with 10 or more years of service, and who qualify for retirement under the guidelines set forth by the New Hampshire Retirement System, may receive a payout of 50% of their accumulated sick time at current rates of pay, up to a maximum of 225 hours. Full time employees earn vacation leave at 10-25 days per year, dependent upon length of service. Upon retirement, employees shall be compensated for unused vacation leave at current rates of pay. Employees with 15 years of service also receive a \$2,000 longevity stipend upon retirement; increased to \$3,000 after 20 years of service.

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 financial statements. The Town uses the last-in, first-out flows assumption for leave time when estimating the likelihood of leave that has not been used being settled through cash or non-cash means.

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 year. General obligation debt 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.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Net Pension Liability

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.

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. The 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 the specific purpose stipulated by external resource providers or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers or enabling legislation.
- ***Committed Fund Balance***: Amounts that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision making authority (Town Meeting vote). Commitments may be changed or lifted only by taking the same formal action that imposed the constraint originally. The action must be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in a subsequent period.
- ***Assigned Fund Balance***: Amounts the Town intends to use for a specific purpose. For all governmental funds other than the General Fund, any remaining positive fund balance is to be classified as "Assigned".
- ***Unassigned Fund Balance***: Amounts that are not obligated or specifically designated and is available for any purpose. The residual classification of any General Fund balance is to be reported here. Any deficit balance of another governmental fund is also classified as "Unassigned".

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Spending Prioritizations

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted fund balance is considered to have been spent first.

When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

Minimum Level of Unassigned Fund Balance

The Town will strive to maintain an unassigned fund balance in its General Fund equal to 5-17% of the total appropriations of the community (which includes Town, School, and County). The Board of Selectmen will review this information each year in order to determine the amount, if any, of unassigned fund balance to use to balance the budget and to reduce the 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 funds. For the Water Fund and Sewer 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.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

NOTE 2—DEPOSITS AND INVESTMENTS

Deposits and investments as of December 31, 2024 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 4,138,781
Investments	9,488,538
Statement of Fiduciary Net Position:	
Cash and cash equivalents	256,742
Investments	8,546,214
Total deposits and investments	<u>\$ 22,430,275</u>

Deposits and investments as of December 31, 2024 consist of the following:

Cash on hand	\$ 1,075
Deposits with financial institutions	1,927,257
Investments	20,501,943
Total deposits and investments	<u>\$ 22,430,275</u>

The Town's investment policy for governmental and business-type funds requires that deposits be made in federally insured banks chartered under the laws of the State of New Hampshire or the federal government with a branch within the State of New Hampshire. The Town limits its investments in accordance with New Hampshire State law (RSA 41:29) to United States Treasury securities maturing in less than one year, short-term obligations of U.S. Government agencies, fully insured or collateralized certificates of deposits in banks incorporated in the State of New Hampshire or national banks located in the State of New Hampshire, repurchase agreements with banks chartered by the State of New Hampshire and fully collateralized, and the New Hampshire Public Deposit Investment Pool (NHPDIP), an external investment pool.

Responsibility for the investments of the Town's Trust Funds is with the Board of Trustees. The Trustees of Trust Funds have employed professional banking assistance in accordance with New Hampshire State law (RSA 31:38a). Investments of the library funds are at the discretion of the Library Trustees.

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 for its governmental and business-type funds regarding interest rate risk indicates that investments shall be limited to those with maturity dates that meet projected cash flow needs or six months, whichever is shorter. The Trustees of Trust Funds do not have a specific policy regarding management of interest rate risk.

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:

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Investment Type	Fair Value	Remaining Maturity (In Years)		
		0-1 Years	1-5 Years	> 5 Years
US Government notes & obligations	\$ 312,636		\$ 195,751	\$ 116,885
US Government agency obligations	306,520		306,520	
Corporate bonds & notes	937,722		417,647	520,075
	<u>\$ 1,556,878</u>	<u>\$ -</u>	<u>\$ 919,918</u>	<u>\$ 636,960</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 for its governmental and business-type funds regarding credit risk is to have each investment transaction seek to ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value and that investment earnings are maximized based on the current investment options available. The Trustees of Trust Funds do not have a specific policy regarding management of credit risk.

The following are the actual ratings as of December 31, 2024, for each investment type:

	Investment Type				Totals
	US Government agency obligations	Corporate bonds & notes	Money market funds	State investment pool	
AAA				\$ 13,670,311	\$ 13,670,311
AA+	\$ 306,520				306,520
AA-		\$ 200,177			200,177
A+		85,066			85,066
A		118,855			118,855
A-		46,694			46,694
BBB+		486,930			486,930
Unrated			\$ 204,135		204,135
Total Fair Value	<u>\$ 306,520</u>	<u>\$ 937,722</u>	<u>\$ 204,135</u>	<u>\$ 13,670,311</u>	<u>\$ 15,118,688</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. 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. The Town's investment policy for its governmental and business-type funds regarding assurance against custodial credit risk requires that all investment and depository instruments not covered by federal depository insurance be collateralized through third party custodial safekeeping. The Trustees of Trust Funds do not have a specific policy regarding management of custodial credit risk.

Of the Town's deposits with financial institutions at year end, \$1,461,213 was collateralized by securities held by the bank in the bank's name.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

As of December 31, 2024, 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>
US Government notes & obligations	\$ 312,636
US Government agency obligations	306,520
Corporate bonds & notes	937,722
Equity securities	1,829,002
Equity mutual funds & ETF's	724,156
Money market funds	204,135
Overnight repurchase agreement (Commercial Sweep)	<u>2,517,461</u>
	<u>\$ 6,831,632</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 and have been measured at amortized cost.

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.

Equity securities, fixed income mutual funds, money market funds, and equity mutual funds and ETF's classified as Level 1 are valued using unadjusted quoted prices in active markets for those securities. US Government notes and obligations, US Government agency obligations, and corporate bonds and notes classified as Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices.

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.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

As of December 31, 2024, the Town's investments measured at fair value, by type, were as follows:

<u>Investment Type</u>	<u>Fair Value Measurements Using:</u>			<u>Totals</u>
	<u>Level 1</u> <u>Inputs</u>	<u>Level 2</u> <u>Inputs</u>	<u>Level 3</u> <u>Inputs</u>	
US Government notes & obligations		\$ 312,636		\$ 312,636
US Government agency obligations		306,520		306,520
Corporate bonds & notes		937,722		937,722
Equity securities	\$ 1,829,002			1,829,002
Fixed income mutual funds	204,135			204,135
Equity mutual funds & ETF's	724,156			724,156
	<u>\$ 2,757,293</u>	<u>\$ 1,556,878</u>	<u>\$ -</u>	<u>\$ 4,314,171</u>

NOTE 3—CAPITAL ASSETS

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

	<u>Balance</u> <u>1/1/2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2024</u>
Governmental activities:				
Capital assets not depreciated:				
Land	\$ 3,634,326			\$ 3,634,326
Intangible assets	109,975			109,975
Construction in progress	892,387	\$ 46,557	\$ (892,387)	46,557
Total capital assets not being depreciated	<u>4,636,688</u>	<u>46,557</u>	<u>(892,387)</u>	<u>3,790,858</u>
Other capital assets:				
Land improvements	313,501			313,501
Infrastructure	12,276,319			12,276,319
Buildings and improvements	6,469,436	396,334		6,865,770
Vehicles and equipment	4,836,894	861,277	(66,012)	5,632,159
Computer software	62,290			62,290
Total other capital assets at historical cost	<u>23,958,440</u>	<u>1,257,611</u>	<u>(66,012)</u>	<u>25,150,039</u>
Less accumulated depreciation for:				
Land improvements	(155,878)	(18,579)		(174,457)
Infrastructure	(2,644,502)	(326,366)		(2,970,868)
Buildings and improvements	(2,493,060)	(207,411)		(2,700,471)
Vehicles and equipment	(3,063,064)	(380,260)	66,012	(3,377,312)
Computer software	(62,290)			(62,290)
Total accumulated depreciation	<u>(8,418,794)</u>	<u>(932,616)</u>	<u>66,012</u>	<u>(9,285,398)</u>
Total other capital assets, net	<u>15,539,646</u>	<u>324,995</u>	<u>-</u>	<u>15,864,641</u>
Total capital assets, net	<u>\$20,176,334</u>	<u>\$ 371,552</u>	<u>\$ (892,387)</u>	<u>\$19,655,499</u>

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Depreciation expense was charged to governmental functions as follows:

General government	\$ 85,992
Public safety	403,706
Highways and streets	352,651
Culture and recreation	<u>90,267</u>
Total governmental activities depreciation expense	<u>\$ 932,616</u>

The following is a summary of changes in capital assets of the business-type activities:

	Balance <u>1/1/2024</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/2024</u>
Business-type activities:				
Capital assets not depreciated:				
Land	\$ 15,009			\$ 15,009
Construction in progress	<u>17,963</u>	\$ 177,860		<u>195,823</u>
Total capital assets not being depreciated	<u>32,972</u>	<u>177,860</u>	<u>\$ -</u>	<u>210,832</u>
Other capital assets:				
Water infrastructure	3,470,657			3,470,657
Sewer infrastructure	7,591,161			7,591,161
Vehicles and equipment	<u>68,471</u>		(14,500)	<u>53,971</u>
Total other capital assets at historical cost	<u>11,130,289</u>	<u>-</u>	<u>(14,500)</u>	<u>11,115,789</u>
Less accumulated depreciation for:				
Water infrastructure	(1,781,444)	(99,025)		(1,880,469)
Sewer infrastructure	(4,649,046)	(154,948)		(4,803,994)
Vehicles and equipment	<u>(55,062)</u>	<u>(6,995)</u>	14,500	<u>(47,557)</u>
Total accumulated depreciation	<u>(6,485,552)</u>	<u>(260,968)</u>	<u>14,500</u>	<u>(6,732,020)</u>
Total other capital assets, net	<u>4,644,737</u>	<u>(260,968)</u>	<u>-</u>	<u>4,383,769</u>
Total capital assets, net	<u>\$ 4,677,709</u>	<u>\$ (83,108)</u>	<u>\$ -</u>	<u>\$ 4,594,601</u>

Depreciation expense was charged to the proprietary funds as follows:

Water Fund	\$ 99,025
Sewer Fund	<u>161,943</u>
Total business-type activities depreciation expense	<u>\$ 260,968</u>

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

NOTE 4—LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

The changes in the Town’s long-term obligations for the year ended December 31, 2024 are as follows:

	Balance 1/1/2024	<u>Additions</u>	<u>Reductions</u>	Balance 12/31/2024	Due Within <u>One Year</u>
<i>Governmental activities:</i>					
Bonds payable	\$ 50,595		\$ (50,595)	\$ -	
Notes payable	3,153,939		(180,648)	2,973,291	\$ 184,191
Financed purchase obligations	805,660		(205,205)	600,455	214,580
Compensated absences payable	177,971	\$ 73,844	(52,274)	199,541	19,792
Total governmental activities	<u>\$ 4,188,165</u>	<u>\$ 73,844</u>	<u>\$ (488,722)</u>	<u>\$ 3,773,287</u>	<u>\$ 418,563</u>
<i>Business-type activities:</i>					
Bonds payable	\$ 312,053		\$ (58,065)	\$ 253,988	\$ 44,988
Unamortized bond premium	15,956		(2,745)	13,211	
Total Bonds payable	<u>328,009</u>	<u>\$ -</u>	<u>(60,810)</u>	<u>267,199</u>	<u>44,988</u>
Total business-type activities	<u>\$ 328,009</u>	<u>\$ -</u>	<u>\$ (60,810)</u>	<u>\$ 267,199</u>	<u>\$ 44,988</u>

Payments on the general obligation bonds and notes, financed purchase obligations, and compensated absences of the governmental activities are paid out of the General Fund. Payments on the general obligation bonds of the business-type activities are paid out of the Water and Sewer Funds, as applicable to each fund for related debt. Amortization on the bond premium of the business-type activities is recognized as a component of interest expense in the Sewer Fund on the Statement of Revenues, Expenses and Changes in Net position – Proprietary Funds (Exhibit F).

General Obligation Bonds

Business-type Activities

Bonds payable at December 31, 2024 are comprised of the following individual issues:

<u>Description</u>	Original <u>Issue</u>	Interest <u>Rate</u>	Maturity <u>Date</u>	Balance at <u>12/31/2024</u>
<i>Direct Borrowings:</i>				
2015 Water Meter Replacement Bond	\$ 336,332	1.64%	April 2025	\$ <u>23,988</u>
<i>Direct Placements:</i>				
2012 Sewer Refunding Bond	432,000	3.12%	August 2033	230,000
			Add: <i>Unamortized bond premium</i>	<u>13,211</u>
				<u>243,211</u>
			Total Bonds payable	<u>\$ 267,199</u>

Debt service requirements to retire general obligation bonds outstanding for business-type activities at December 31, 2024, net of annual principal forgiveness from the State of New Hampshire (to be forgiven over a period of 10 years from the start of the related State Revolving Loan debt) are as follows:

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Year Ending December 31,	Direct Borrowings and Placements		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2025	\$ 44,988	\$ 10,905	\$ 55,893
2026	22,000	9,462	31,462
2027	24,000	8,363	32,363
2028	24,000	7,642	31,642
2029	25,000	6,443	31,443
2030-2033	114,000	12,978	126,978
Sub-total Bonds payable	253,988	55,793	309,781
Add: <i>Unamortized bond premium</i>	13,211	-	13,211
Total Bonds payable	<u>\$ 267,199</u>	<u>\$ 55,793</u>	<u>\$ 322,992</u>

General Obligation Notes

Governmental Activities

Notes payable at December 31, 2024 are comprised of the following individual issues:

<u>Description</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at 12/31/2024</u>
<i>Direct Borrowings:</i>				
2016 Hoadley Road Bridge Note	\$ 330,000	2.90%	June 2026	<u>\$ 66,000</u>
<i>Direct Placements:</i>				
2020 Police Station Note	3,500,000	2.40%	August 2040	<u>2,907,291</u>
			Total Notes payable	<u>\$ 2,973,291</u>

Debt service requirements to retire the general obligation notes outstanding for governmental activities at December 31, 2024 are as follows:

Year Ending December 31,	Direct Borrowings and Placements		
	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2025	\$ 184,191	\$ 71,689	\$ 255,880
2026	187,820	67,103	254,923
2027	158,535	62,431	220,966
2028	162,340	58,626	220,966
2029	166,237	54,730	220,967
2030-2034	892,978	211,853	1,104,831
2035-2039	1,005,403	99,428	1,104,831
2040	215,787	5,179	220,966
	<u>\$ 2,973,291</u>	<u>\$ 631,039</u>	<u>\$ 3,604,330</u>

Financed Purchase Obligations

Governmental Activities

Financed purchase obligations represent agreements entered into for the financing of equipment acquisitions. These contracts are subject to cancellation should funds not be appropriated to meet payment obligations. Amounts are annually budgeted in the applicable function.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

The following are the individual financed purchase obligations outstanding for governmental activities at December 31, 2024:

<u>Description</u>	<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Balance 12/31/2024</u>
Vehicle	2.65%	12/2028	\$ 136,355
Vehicle	4.00%	09/2028	366,434
Vehicle	2.96%	12/2025	59,029
Vehicle	6.30%	04/2025	38,637
			<u>\$ 600,455</u>

Debt service requirements to retire financed purchase obligations outstanding for governmental activities at December 31, 2024 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2025	\$ 214,580	\$ 28,645	\$ 243,225
2026	122,570	18,807	141,377
2027	128,522	12,855	141,377
2028	134,783	6,595	141,378
	<u>\$ 600,455</u>	<u>\$ 66,902</u>	<u>\$ 667,357</u>

NOTE 5—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	\$ 29,130	\$ 543,951	\$ 129	\$ 76,778
Single Employer Plan	80,512	533,140	158,128	15,455
Total	<u>\$ 109,642</u>	<u>\$ 1,077,091</u>	<u>\$ 158,257</u>	<u>\$ 92,233</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 \$48,615.

COST-SHARING MULTIPLE EMPLOYER PLAN

Plan Description

The New Hampshire Retirement System (NHRS) is a public employee retirement system which 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

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Retirement System at 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

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-A: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 general employees and public safety employees were 0.26% and 2.60% for the year ended December 31, 2024. Contributions to the OPEB plan for the Town were \$59,572 for the year ended December 31, 2024. 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 December 31, 2024, the Town reported a liability of \$543,951 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024, 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, 2023. 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, 2024, the Town's proportion was approximately 0.1750 percent, which was an increase of 0.0199 percentage points from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the Town recognized OPEB expense of \$76,778. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on OPEB plan investments		\$ 129
Town contributions subsequent to the measurement date	\$ 29,130	
Totals	<u>\$ 29,130</u>	<u>\$ 129</u>

The Town reported \$29,130 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, 2025. 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>	
2025	\$ (1,150)
2026	1,701
2027	(439)
2028	(241)
	<u>\$ (129)</u>

Actuarial Assumptions

The total OPEB liability was determined by a roll forward of the actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Wage inflation	3.00% (2.50% for Teachers)
Salary increases	6.00%, 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, adjusted for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2021.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2019 – June 30, 2023.

The following assumptions were changed in the current year:

- Increased wage inflation from 2.75% to 3.00% (2.50% for Teachers)
- Increased price inflation from 2.0% to 2.25%

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

- Updated demographic assumptions in mortality tables
- Updated mortality tables (specifically the projected fully generational mortality improvements using scale MP-2021 from scale MP-2019)

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>	Weighted Average Long-Term
		<u>Expected Real Rate of Return</u>
Public equity	40%	5.40-5.65%
Private market equity	20%	4.00-6.65%
Private debt	10%	5.05%
Fixed income	25%	2.15%
Infrastructure	5%	4.35%
Total	<u>100%</u>	

The discount rate used to measure the collective total OPEB liability as of June 30, 2024 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 statute 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>	Current <u>Discount Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 595,074	\$ 543,951	\$ 508,630

SINGLE EMPLOYER PLAN

Plan Description

The Town 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.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Benefits Provided

The Town provides post-employment healthcare benefits to eligible retirees and their covered eligible dependents. Group I members must be age 60 or 65 (for members who commence service after July 1, 2011) to qualify for benefits. Group II members must be age 60, or meet one of the following eligibility criteria; Group II members hired before July 1, 2011 and vested prior to January 1, 2012 who are at least age 45 and attain 20 years of service, Group II members hired prior to July 1, 2011 and not vested prior to January 1, 2012 may qualify for benefits based on the calculations of age and years of service below:

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%

Group II members hired on or after July 1, 2011 must attain a minimum age of 52.5 with 25 years of service to qualify for benefits.

The benefits, benefit levels, employee contributions and employer contributions are governed by RSA 100-A:50.

Employees Covered By Benefit Terms

At January 1, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	5
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>56</u>
	<u><u>61</u></u>

Total OPEB Liability

The Town's total OPEB liability of \$533,140 was measured as of December 31, 2024 and was determined by a roll forward of the actuarial valuation as of January 1, 2024.

Actuarial Assumptions and Other Inputs for OPEB

The total OPEB liability in the January 1, 2024 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Participant salary increases	3.50%
Payroll growth rate	2.50%
Discount rate	4.08%
Healthcare cost trend rates	8.0% for 2024, decreasing 0.50% per year to an ultimate rate of 5.0% for 2030 and later years

The discount rate was based on the Bond Buyer's 20 Bond Index as of December 31, 2024.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

The mortality rates used are from the PUB-2010 headcount-weighted fully generational table with projection scale MP-2021.

Changes in the Total OPEB Liability

	Total OPEB <u>Liability</u>
Balance at December 31, 2023	\$ 521,110
Changes for the year:	
Service cost	44,668
Interest	18,451
Changes of assumptions or other inputs	22,016
Differences between expected and actual experience	(50,408)
Benefit payments	<u>(22,697)</u>
Net changes	<u>12,030</u>
Balance at December 31, 2024	<u>\$ 533,140</u>

Changes in Assumptions

The healthcare cost trend rate was updated to 8.00% in 2024, grading down 0.5% per annum to an ultimate trend rate of 5.00% in years 2030 and later. The discount rate increased from 3.26% as of December 31, 2023 to 4.08% as of December 31, 2024. Lastly, the mortality rates changed from RPH-2014 total dataset headcount-weighted fully generational table with projection scale MP-2021 to PUB-2010 headcount-weighted fully generational table with projection 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	\$ 582,234	\$ 533,140	\$ 489,111

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	\$ 474,604	\$ 533,140	\$ 602,714

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

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

For the year ended December 31, 2024, the Town recognized OPEB expense of \$15,455. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience		\$ 101,635
Changes of assumptions	<u>\$ 80,512</u>	<u>56,493</u>
Totals	<u>\$ 80,512</u>	<u>\$ 158,128</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>December 31,</u>	
2025	\$ (47,664)
2026	(36,523)
2027	2,230
2028	(2,349)
2029	507
Thereafter	<u>6,183</u>
	<u>\$ (77,616)</u>

NOTE 6—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 at 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

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.

**TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024**

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 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 general employees, police officers, and firefighters were 13.27%, 28.68%, and 27.75% for the year ended December 31, 2024. The Town contributes 100% of the employer cost for general employees and public safety 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 ended December 31, 2024 were \$842,353.

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

At December 31, 2024, the Town reported a liability of \$7,510,297 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, 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, 2023. 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, 2024, the Town’s proportion was approximately 0.1448 percent, which was an increase of 0.0097 percentage points from its proportion measured as of June 30, 2023.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

For the year ended December 31, 2024, the Town recognized pension expense of \$942,963. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 167,191	\$ 1,510
Change in assumptions		87,897
Net difference between projected and actual investment earnings on pension plan investments		104,840
Changes in proportion and differences between Town contributions and proportionate share of contributions	721,116	206,000
Town contributions subsequent to the measurement date	<u>417,105</u>	
Totals	<u>\$ 1,305,412</u>	<u>\$ 400,247</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 \$905,165. The Town reported \$417,105 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense in the measurement periods as follows:

<u>June 30,</u>	
2025	\$ (84,409)
2026	466,753
2027	92,210
2028	<u>13,506</u>
	<u>\$ 488,060</u>

Actuarial Assumptions

The total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2023, using the following actuarial assumptions:

Inflation	2.25%
Wage inflation	3.00% (2.50% for Teachers)
Salary increases	6.00%, average, including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

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-2021.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2019 – June 30, 2023.

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>
Public equity	40%	5.40-5.65%
Private market equity	20%	4.00-6.65%
Private debt	10%	5.05%
Fixed income	25%	2.15%
Infrastructure	5%	4.35%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the collective pension liability as of June 30, 2024 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 of 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 Discount Rate</u>	<u>1% Increase</u>
Town's proportionate share of the net pension liability	\$ 10,500,247	\$ 7,510,297	\$ 5,019,577

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

NOTE 7—INTERFUND BALANCES AND TRANSFERS

The Town maintains separate cash accounts for its governmental and proprietary funds; however, most cash transactions flow through the General Fund. For accounting and reporting purposes, the portion of cash applicable to a particular fund is reported in the specific fund as an interfund balance. Interfund balances at December 31, 2024 are as follows:

	Due from				Totals
	General Fund	Nonmajor Governmental Funds	Water Fund	Sewer Fund	
Due to General Fund		\$ 217,099	\$ 92,322	\$ 225,138	\$ 534,559
Nonmajor Governmental Funds	\$ 38,914				38,914
	<u>\$ 38,914</u>	<u>\$ 217,099</u>	<u>\$ 92,322</u>	<u>\$ 225,138</u>	<u>\$ 573,473</u>

During the year, an interfund transaction occurred between funds. The transfer was made in accordance with budgetary authorization. For the year ended December 31, 2024, the Ambulance Fund, a Nonmajor Governmental Fund, made a transfer to the General Fund in the amount of \$366,581.

NOTE 8—RESTRICTED NET POSITION

Net position of governmental activities is restricted for specific purposes at December 31, 2024 as follows:

Permanent Funds - Principal	\$ 3,046,764
Permanent Funds - Income	533,746
State of NH Supplemental Highway Aid	143,577
State of NH Supplemental Bridge Aid	41,267
State of NH Highway Block Grant	177,182
Library funds	74,518
Drug Forfeiture funds	92,410
Miscellaneous Grants	18,836
	<u>\$ 4,128,300</u>

NOTE 9—COMPONENTS OF FUND BALANCE

The components of the Town's fund balance for its governmental funds at December 31, 2024 are as follows:

<u>Fund Balances</u>	<u>General Fund</u>	<u>Permanent Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Permanent funds - Principal		\$ 3,046,764		\$ 3,046,764
Restricted for:				
State of NH Supplemental Highway Aid	\$ 143,577			143,577
State of NH Supplemental Bridge Aid	41,267			41,267
State of NH Highway Block Grant	177,182			177,182
Miscellaneous Grants	18,836			18,836
Library	74,518			74,518
Permanent funds - Income		533,746		533,746
Drug forfeiture			\$ 92,410	92,410

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

Committed for:

Continuing appropriations	2,501			2,501
Capital reserves	3,346,125			3,346,125
Expendable trusts	228,372			228,372
Conservation		318,535		318,535
Ambulance revolving		717,158		717,158
Recreation revolving		29,498		29,498
Forest management		9,367		9,367

Assigned for:

Encumbrances	67,784			67,784
Heritage Commission	41,475			41,475
Subsequent year appropriation	405,000			405,000

Unassigned:

Unassigned - General operations	2,179,572			2,179,572
	<u>\$ 6,726,209</u>	<u>\$ 3,580,510</u>	<u>\$ 1,166,968</u>	<u>\$ 11,473,687</u>

NOTE 10—PROPERTY TAXES

Taxes are levied on the assessed valuation of all taxable real property as of the prior April 1st (\$1,487,426,200 as of April 1, 2024) and are due in two installments on July 2, 2024 and December 13, 2024. Taxes paid after the due dates accrue interest at 8% per annum. Property taxes are recognized as revenue on the modified accrual basis of accounting 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 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 Shaker Regional School District and Belknap County, both independent governmental units, which are remitted to them as required by law. The Town also collects State of New Hampshire education taxes, which are remitted directly to the School District. Total taxes appropriated during the year were \$15,027,442 and \$1,323,442 for the Shaker Regional School District and Belknap County, respectively. These taxes are recognized in the financial statements within the fiduciary funds only. The Town bears responsibility for uncollected taxes.

NOTE 11—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 year ended December 31, 2024, 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

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

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 December 31, 2024.

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 \$200,000 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.

NOTE 12—PERFORMANCE DEPOSITS

The Town holds letters of credit and performance bonds from developers until projects have been completed to Town standards. Due to the nature of these deposits, these letters of credit and performance bonds are not included as part of the financial statements. At December 31, 2024, the Town held performance deposits totaling \$918,624.

NOTE 13—CONTINGENCIES

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.

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2024

NOTE 14—CHANGE IN ACCOUNTING PRINCIPLE

GASB Statement No. 100 – Accounting Changes and Error Corrections

During the year ended December 31, 2024, the Town implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB Statement No. 100 enhances transparency, consistency, and comparability of financial reporting when accounting for changes in accounting principles, estimates or error corrections. Under this statement, the categories of accounting changes are clarified, required disclosures are expanded, and the presentation of restatements are standardized. No changes in accounting estimates, or error corrections have been identified during the year ended December 31, 2024.

GASB Statement No. 101 – Compensated Absences

During the year ended December 31, 2024, the Town implemented GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 101 provides updated guidance on the recognition and measurement for compensated absences and amends certain disclosures. Under this standard a liability must be recorded for either; leave that has not been used or leave which has been used but not yet paid in cash or settled through non-cash means. Management has determined that the effect of implementing GASB Statement No. 101 is immaterial to its financial statements for the year ended December 31, 2024.

NOTE 15—SUBSEQUENT EVENTS

During April 2025, the Town entered into a long-term financing agreement for the purchase of a fire truck as authorized at the March 2025 annual Town meeting. The terms of the agreement call for an initial downpayment of \$250,000, payable upon commencement, followed by five annual payments beginning April 2026 in the amount of \$68,560, including principal and interest at a rate of 4.617%, through April of 2030.

SCHEDULE 1
TOWN OF BELMONT, NEW HAMPSHIRE
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Taxes	\$ 6,849,679	\$ 6,849,679	\$ 6,956,213	\$ 106,534
Licenses and permits	1,915,820	1,915,820	1,989,754	73,934
Intergovernmental	998,470	976,609	965,835	(10,774)
Charges for services	256,432	256,432	297,449	41,017
Interest income	218,000	218,000	230,600	12,600
Miscellaneous	160,212	160,212	159,746	(466)
Total Revenues	<u>10,398,613</u>	<u>10,376,752</u>	<u>10,599,597</u>	<u>222,845</u>
Expenditures:				
Current operations:				
General government	2,298,981	2,249,134	2,167,764	81,370
Public safety	5,483,832	5,468,244	5,320,142	148,102
Highways and streets	1,942,720	1,580,693	1,367,526	213,167
Sanitation	706,384	706,384	695,164	11,220
Health and welfare	250,526	250,526	265,860	(15,334)
Culture and recreation	374,169	347,760	336,083	11,677
Conservation	17,214	17,214	12,325	4,889
Capital outlay	60,000	60,000	60,000	-
Debt service:				
Principal retirement	230,439	230,439	231,243	(804)
Interest and fiscal charges	76,826	76,826	77,214	(388)
Total Expenditures	<u>11,441,091</u>	<u>10,987,220</u>	<u>10,533,321</u>	<u>453,899</u>
Excess revenues over (under) expenditures	<u>(1,042,478)</u>	<u>(610,468)</u>	<u>66,276</u>	<u>676,744</u>
Other financing sources (uses):				
Transfers in	366,581	366,581	366,581	-
Transfers out	<u>(320,467)</u>	<u>(320,467)</u>	<u>(310,842)</u>	<u>9,625</u>
Total Other financing sources (uses)	<u>46,114</u>	<u>46,114</u>	<u>55,739</u>	<u>9,625</u>
Net change in fund balance	(996,364)	(564,354)	122,015	686,369
Fund Balance at beginning of year				
- Budgetary Basis	<u>3,369,584</u>	<u>3,369,584</u>	<u>3,369,584</u>	<u>-</u>
Fund Balance at end of year				
- Budgetary Basis	<u>\$ 2,373,220</u>	<u>\$ 2,805,230</u>	<u>\$ 3,491,599</u>	<u>\$ 686,369</u>

See accompanying notes to the required supplementary information

SCHEDULE 2

TOWN OF BELMONT, NEW HAMPSHIRE

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

For the Year Ended December 31, 2024

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, 2024	0.1750%	\$ 543,951	\$ 4,098,864	13.27%	14.01%
June 30, 2023	0.1551%	\$ 530,026	\$ 3,558,310	14.90%	12.80%
June 30, 2022	0.1404%	\$ 530,706	\$ 3,275,311	16.20%	10.64%
June 30, 2021	0.1456%	\$ 583,221	\$ 3,322,809	17.55%	11.06%
June 30, 2020	0.1392%	\$ 609,331	\$ 3,150,127	19.34%	7.74%
June 30, 2019	0.1540%	\$ 675,073	\$ 3,121,443	21.63%	7.75%
June 30, 2018	0.1621%	\$ 742,399	\$ 3,080,426	24.10%	7.53%
June 30, 2017	0.1150%	\$ 525,992	\$ 3,037,523	17.32%	7.91%
June 30, 2016	0.1162%	\$ 562,503	\$ 3,019,542	18.63%	5.21%
June 30, 2015	*	*	*	*	*

* 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, 2024	2.25%	6.00%	6.75%	Pub-2010	MP-2021
June 30, 2022 - 2023	2.00%	5.40%	6.75%	Pub-2010	MP-2019
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 BELMONT, NEW HAMPSHIRE
Schedule of Town OPEB Contributions
For the Year Ended December 31, 2024

<u>Year Ended</u>	Cost-Sharing Multiple Employer Plan Information Only				
	<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>
December 31, 2024	\$ 59,572	\$ (59,572)	\$ -	\$ 3,979,499	1.50%
December 31, 2023	\$ 63,282	\$ (63,282)	\$ -	\$ 3,715,345	1.70%
December 31, 2022	\$ 62,959	\$ (62,959)	\$ -	\$ 3,383,493	1.86%
December 31, 2021	\$ 64,017	\$ (64,017)	\$ -	\$ 3,277,644	1.95%
December 31, 2020	\$ 67,486	\$ (67,486)	\$ -	\$ 3,261,006	2.07%
December 31, 2019	\$ 67,025	\$ (67,025)	\$ -	\$ 3,167,142	2.12%
December 31, 2018	\$ 69,316	\$ (69,316)	\$ -	\$ 3,027,462	2.29%
December 31, 2017	\$ 71,501	\$ (71,501)	\$ -	\$ 3,106,107	2.30%
December 31, 2016	\$ 67,111	\$ (67,111)	\$ -	\$ 2,996,055	2.24%
December 31, 2015	*	*	*	*	*

* 10 Year schedule, historical information not available

See accompanying notes to the required supplementary information

SCCHEDULE 4

TOWN OF BELMONT, NEW HAMPSHIRE

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

For the Year Ended December 31, 2024

<u>Single Employer Plan Information Only</u>	<u>2024</u>	<u>2023</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>
Total OPEB Liability:										
Service cost	\$ 44,668	\$ 31,137	\$ 41,504	\$ 54,390	\$ 46,960	\$ 39,856	\$ 43,627	*	*	*
Interest	18,451	18,292	11,169	13,974	15,781	21,389	17,861	*	*	*
Differences between expected and actual experience	(50,408)	-	(93,225)	-	(64,669)	-	-	*	*	*
Changes of assumptions or other inputs	22,016	21,534	(132,529)	6,373	43,739	71,393	(30,555)	*	*	*
Benefit payments	(22,697)	(20,700)	(21,475)	(28,047)	(23,310)	(28,246)	(21,203)	*	*	*
Net change in total OPEB liability	12,030	50,263	(194,556)	46,690	18,501	104,392	9,730	*	*	*
Total OPEB Liability at beginning of year	<u>521,110</u>	<u>470,847</u>	<u>665,403</u>	<u>618,713</u>	<u>600,212</u>	<u>495,820</u>	<u>486,090</u>	<u>*</u>	<u>*</u>	<u>*</u>
Total OPEB Liability at end of year	<u>\$ 533,140</u>	<u>\$ 521,110</u>	<u>\$ 470,847</u>	<u>\$ 665,403</u>	<u>\$ 618,713</u>	<u>\$ 600,212</u>	<u>\$ 495,820</u>	<u>*</u>	<u>*</u>	<u>*</u>
Covered employee payroll	\$ 3,632,680	\$ 2,910,980	\$ 2,839,980	\$ 2,790,458	\$ 2,722,398	\$ 2,560,953	\$ 2,498,491	*	*	*
Total OPEB liability as a percentage of covered employee payroll	14.68%	17.90%	16.58%	23.85%	22.73%	23.44%	19.84%	*	*	*
<u>Significant Actuarial Assumptions</u>										
Discount rate	4.08%	3.26%	3.72%	2.03%	2.12%	2.74%	4.10%	*	*	*
Health cost trend rates:										
Initial	8.0% - 2024	6.5% - 2023	7.0% - 2022	7.0% - 2020	7.0% - 2020	9.0% - 2018	9.0% - 2018	*	*	*
Ultimate	5.0% - 2030	4.5% - 2027	4.5% - 2027	4.5% - 2025	4.5% - 2025	5.0% - 2022	5.0% - 2022	*	*	*
Mortality data set	PUB-2010	RPH-2014	RPH-2014	RPH-2014	RPH-2014	RP-2000	RP-2000	*	*	*
Mortality improvement scale	MP-2021	MP-2021	MP-2021	MP-2019	MP-2019	AA	AA	*	*	*
Salary increase rate	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	*	*	*
Payroll growth rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	*	*	*

* 10 Year schedule, historical information not available

See accompanying notes to the required supplementary information

SCHEDULE 5

TOWN OF BELMONT, NEW HAMPSHIRE

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

For the Year Ended December 31, 2024

<u>For the 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 as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2024	0.1448%	\$ 7,510,297	\$ 4,098,864	183.23%	70.33%
June 30, 2023	0.1351%	\$ 7,564,588	\$ 3,558,310	212.59%	67.18%
June 30, 2022	0.1260%	\$ 7,224,693	\$ 3,275,311	220.58%	65.12%
June 30, 2021	0.1365%	\$ 6,048,895	\$ 3,322,809	182.04%	72.22%
June 30, 2020	0.1314%	\$ 8,402,311	\$ 3,150,127	266.73%	58.72%
June 30, 2019	0.1362%	\$ 6,551,469	\$ 3,121,443	209.89%	65.59%
June 30, 2018	0.1401%	\$ 6,745,478	\$ 3,080,426	218.98%	64.73%
June 30, 2017	0.1483%	\$ 7,292,616	\$ 3,037,523	240.08%	62.66%
June 30, 2016	0.1512%	\$ 8,039,602	\$ 3,019,542	266.25%	58.30%
June 30, 2015	0.1518%	\$ 6,014,999	\$ 2,971,157	202.45%	65.47%

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, 2024	2.25%	6.00%	6.75%	Pub-2010	MP-2021
June 30, 2022 - 2023	2.00%	5.40%	6.75%	Pub-2010	MP-2019
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 BELMONT, NEW HAMPSHIRE
Schedule of Town Pension Contributions
For the Year Ended December 31, 2024

<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>
December 31, 2024	\$ 842,353	\$ (842,353)	\$ -	\$ 3,979,499	21.17%
December 31, 2023	\$ 818,624	\$ (818,624)	\$ -	\$ 3,715,345	22.03%
December 31, 2022	\$ 763,642	\$ (763,642)	\$ -	\$ 3,383,493	22.57%
December 31, 2021	\$ 674,389	\$ (674,389)	\$ -	\$ 3,277,644	20.58%
December 31, 2020	\$ 607,193	\$ (607,193)	\$ -	\$ 3,261,006	18.62%
December 31, 2019	\$ 588,977	\$ (588,977)	\$ -	\$ 3,167,142	18.60%
December 31, 2018	\$ 578,215	\$ (578,215)	\$ -	\$ 3,027,462	19.10%
December 31, 2017	\$ 578,798	\$ (578,798)	\$ -	\$ 3,106,107	18.63%
December 31, 2016	\$ 535,967	\$ (535,967)	\$ -	\$ 2,996,055	17.89%
December 31, 2015	\$ 520,211	\$ (520,211)	\$ -	\$ 2,961,255	17.57%

See accompanying notes to the required supplementary information

TOWN OF BELMONT, NEW HAMPSHIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2024

NOTE 1—BUDGET TO ACTUAL RECONCILIATION

General Fund

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 payroll timing differences, non-budgetary revenues and expenditures, budgetary transfers out, and encumbrances as follows:

	Revenues and Other Financing <u>Sources</u>	Expenditures and Other Financing <u>Uses</u>
Per Exhibit D	\$11,183,361	\$10,878,730
Difference in property taxes meeting susceptible to accrual criteria	(16,084)	
Payroll timing differences - December 31, 2023		143,464
Payroll timing differences - December 31, 2024		(39,131)
Non-budgetary revenues and expenditures	(201,099)	(446,155)
Budgetary transfers out		310,842
Encumbrances - December 31, 2023		(71,371)
Encumbrances - December 31, 2024		67,784
Per Schedule 1	<u>\$10,966,178</u>	<u>\$10,844,163</u>

SCHEDULE A
TOWN OF BELMONT, NEW HAMPSHIRE
Combining Balance Sheet
Governmental Funds - All Nonmajor Funds
December 31, 2024

	Conservation Fund	Drug Forfeiture Fund	Ambulance Fund	Recreation Revolving Fund	Forest Management Fund	Grants Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 309,119	\$ 92,410	\$ 505,508		\$ 9,367		\$ 916,404
Accounts receivable, net			211,737				211,737
Due from other governments						\$ 217,012	217,012
Due from other funds	9,416			\$ 29,498			38,914
Total Assets	<u>318,535</u>	<u>92,410</u>	<u>717,245</u>	<u>29,498</u>	<u>9,367</u>	<u>217,012</u>	<u>1,384,067</u>
DEFERRED OUTFLOWS OF RESOURCES							
Total Deferred Outflows of Resources	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 318,535</u>	<u>\$ 92,410</u>	<u>\$ 717,245</u>	<u>\$ 29,498</u>	<u>\$ 9,367</u>	<u>\$ 217,012</u>	<u>\$ 1,384,067</u>
LIABILITIES							
Due to other funds			\$ 87			\$ 217,012	\$ 217,099
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>87</u>	<u>\$ -</u>	<u>\$ -</u>	<u>217,012</u>	<u>217,099</u>
DEFERRED INFLOWS OF RESOURCES							
Total Deferred Inflows of Resources	-	-	-	-	-	-	-
FUND BALANCES							
Restricted		92,410					92,410
Committed	318,535		717,158	29,498	9,367		1,074,558
Total Fund Balances	<u>318,535</u>	<u>92,410</u>	<u>717,158</u>	<u>29,498</u>	<u>9,367</u>	<u>-</u>	<u>1,166,968</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 318,535</u>	<u>\$ 92,410</u>	<u>\$ 717,245</u>	<u>\$ 29,498</u>	<u>\$ 9,367</u>	<u>\$ 217,012</u>	<u>\$ 1,384,067</u>

SCHEDULE B
TOWN OF BELMONT, NEW HAMPSHIRE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds - All Nonmajor Funds
For the Year Ended December 31, 2024

	Conservation <u>Fund</u>	Drug Forfeiture <u>Fund</u>	Ambulance <u>Fund</u>	Recreation Revolving <u>Fund</u>	Forest Management <u>Fund</u>	Grants <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
Revenues:							
Taxes	\$ 93,253						\$ 93,253
Intergovernmental		\$ 80,007				\$ 514,443	594,450
Charges for services			\$ 182,859				182,859
Interest and investment income	586	55	1,628		\$ 1		2,270
Total Revenues	<u>93,839</u>	<u>80,062</u>	<u>184,487</u>	<u>\$ -</u>	<u>1</u>	<u>514,443</u>	<u>872,832</u>
Expenditures:							
Current operations:							
Public safety						262,772	262,772
Highways and streets						207,343	207,343
Water distribution and treatment						5,863	5,863
Conservation	749						749
Total Expenditures	<u>749</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>475,978</u>	<u>476,727</u>
Excess revenues over (under) expenditures	<u>93,090</u>	<u>80,062</u>	<u>184,487</u>	<u>-</u>	<u>1</u>	<u>38,465</u>	<u>396,105</u>
Other financing sources (uses):							
Transfers out			(366,581)				(366,581)
Total Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(366,581)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(366,581)</u>
Net change in fund balances	93,090	80,062	(182,094)	-	1	38,465	29,524
Fund Balances at beginning of year	<u>225,445</u>	<u>12,348</u>	<u>899,252</u>	<u>29,498</u>	<u>9,366</u>	<u>(38,465)</u>	<u>1,137,444</u>
Fund Balances at end of year	<u>\$ 318,535</u>	<u>\$ 92,410</u>	<u>\$ 717,158</u>	<u>\$ 29,498</u>	<u>\$ 9,367</u>	<u>\$ -</u>	<u>\$ 1,166,968</u>