

CRA Abbt filed

\$578,485 UFB 2011

FORM F-65(MS-5)
(1-13-2011)

STATE OF NEW HAMPSHIRE
DEPARTMENT OF REVENUE ADMINISTRATION
MUNICIPAL SERVICES DIVISION

30 3 002 011 2292
MADISON TOWN
CLERK
PO BOX 248
MADISON,NH 03849



RECEIVED

AUG 12 2011

**ANNUAL CITY/TOWN
FINANCIAL REPORT**

NH DEPT OF REVENUE ADM. (Please correct any error in name, address, and ZIP Code)

PLEASE
RETURN
COMPLETED
FORM TO

State of New Hampshire
Department of Revenue Administration
Municipal Services Division
PO Box 487
Concord, NH 03302-0487
Telephone: (603) 271-3397

Part I GENERAL FUND - Revenues and expenditures for the period - *Specify*

January 1, 2010 to December 31, 2010
OR
July 1, 2010 to June 30, 2011

A. REVENUES - Modified Accrual

1. Revenue from taxes (Including state education)

a. Property taxes (commitment less overlay plus Section C, line 6, column (c), page 12)

Account No. (a) Amount (b)

3110 T01 \$ 6670962

b. State and local taxes assessed for school districts \$ 4,484,377 ✓

4933 [shaded]

c. Land use change taxes - General Fund

3120 T01 4500

d. Land use change taxes - Conservation Fund

3121 T01

e. Resident taxes

3180 T01

f. Timber taxes

3185 T01 15432

g. Payments in lieu of taxes

3186 U99 14278

h. Other taxes (Explain on separate schedule)

3189 T01

i. Interest and penalties on delinquent taxes

3190 T01 51135

j. Excavation Tax (@ \$.02 per cu. yd.)

3187 T99 3534

k. **TOTAL** (Excluding line 1b) → \$ 6759841

2. TOTAL revenues for education purposes

(This entry should be used by the few municipalities which have dependent school districts only)

\$

3. Revenue from licenses, permits, and fees

a. Business licenses and permits

3210 T28

b. Motor vehicle permit fees

3220 T01 359416

c. Building permits

3230 T29 24200

Part I GENERAL FUND (Continued)

A. REVENUES - Modified Accrual (Continued)	Account No. (a)	Amount (b)
3. Revenue from licenses, permits, and fees (Continued)		
d. Other licensing and permit taxes	3290	T29 5964
e. TOTAL →		\$ 389580
4. Revenue from the federal government		B50
a. Housing and urban renewal (HUD)	3311	\$
b. Environmental protection	3312	B89 6051
c. Other federal grants and reimbursements - <i>Specify</i> ↗		B89
d. TOTAL →	3319	\$ 6051
5. Revenue from the State of New Hampshire		C30
a. Shared revenue block grant	3351	\$
b. Meals and rooms distribution	3352	C30 102980
c. Highway block grant	3353	C46 92705
d. Water pollution grants	3354	C89
e. Housing and community development	3355	C50
f. State and federal forest land reimbursement	3356	C89
g. Flood control reimbursement	3357	C89
h. Other state grants and reimbursements - <i>Specify</i> ↗		C89
POLICE GRANT	3359	1196
i. TOTAL →		\$ 196881
6. Revenue from other governments		D89
Intergovernmental revenue - Other	3379	\$
7. Revenue from charges for services (Exclude interfund transfers)		A89
a. Income from departments	3401	\$ 59202
b. Water supply system charges	3402	A91
c. Sewer user charges	3403	A80
d. Garbage-refuse charges	3404	A81
e. Electric user charges	3405	A92
f. Airport fees	3406	A01
g. Parking		A60
h. Transit or bus system		A94
i. Parks and Recreation		A61
j. Cemeteries		A03
k. Toll highways		A45
l. Other charges	3409	A89
m. TOTAL →		\$ 59202

Part I GENERAL FUND (Continued)

A. REVENUES - Modified Accrual (Continued)	Account No. (a)	Amount (b)
8. Revenue from miscellaneous sources		
a. Special assessments	3500	U01 \$
b. Sale of municipal property	3501	U11 132471
c. Interest on investments	3502	U20 11350
d. Rents of property	3503	U40
e. Fines and forfeits	3504	U30
f. Insurance dividends and reimbursements	3506	U99
g. Contributions and donations	3508	U50
h. Other miscellaneous sources not otherwise classified	3509	U99 19669
i. TOTAL →		\$ 163490
9. Interfund operating transfers in		
a. Transfers from special revenue fund	3912	\$
b. Transfers from capital projects fund	3913	
c. Transfers from proprietary funds	3914	
d. Transfers from capital reserve fund	3915	16012
e. Transfers from trust and fiduciary funds	3916	
f. Transfers from conservation fund	3917	
g. TOTAL →		\$ 16012
10. Other financial sources		
a. Proceeds from long-term notes and general obligation bonds	3934	\$
b. Proceeds from all other bonds	3935	
c. Other long-term financial sources	3939	
d. TOTAL →		\$ 0
11. TOTAL REVENUES FROM ALL SOURCES →		\$ 7591057
12. TOTAL FUND EQUITY (Beginning of year) (Should equal line B.2g, column b, page 9) →		\$ 746943
13. TOTAL OF LINES 11 AND 12 (Should equal line 21, page 8) →		\$ 8338000

Remarks

Part I GENERAL FUND (Continued)
B. EXPENDITURES - Modified Accrual

	Account No. (a)	Total expenditure (Includes col. c and d) (b)	Equipment and land purchases (c)	Construction (d)
1. General government				
a. Executive	4130	E29 \$ 106078	G29 \$	F29 \$
b. Election and registration	4140	E89 8479	G89	F89
c. Financial administration	4150	E23 115478	G23	F23
d. Revaluation of property	4152	E23 95180	G23	F23
e. Legal expense	4153	E25 30424	G25	F25
f. Personnel administration	4155	E29 330478	G29	F29
g. Planning and zoning	4191	E29 20393	G29	F29
h. General government building	4194	E31 52156	G31	F31
i. Cemeteries	4195	E03	G03	F03
j. Insurance not otherwise allocated	4196	E89 57190	G89	F89
k. Advertising and regional association	4197	E89	G89	F89
l. Other general government	4199	E89 16117	G89	F89
m. TOTAL →		\$ 831973	\$ 0	\$ 0
2. Public safety				
a. Police	4210	E62 \$ 279498	G62 \$	F62 \$
b. Ambulance	4215	E32 26431	G32	F32
c. Fire	4220	E24 127445	G24	F24
d. Building inspection	4240	E66 36850	G66	F66
e. Emergency management	4290	E89	G89	F89
f. Other public safety (including communications)	4299	E89	G89	F89
g. TOTAL →		\$ 470224	\$ 0	\$ 0
3. Airport/Aviation center				
a. Administration	4301	\$	\$	\$
b. Airport operations	4302			
c. Other	4309			
d. TOTAL →		E01 \$ 0	G01 \$ 0	F01 \$ 0

Remarks

Part I GENERAL FUND (Continued)

B. EXPENDITURES - Modified Accrual (Continued)	Account No. (a)	Total expenditure (Includes col. c and d) (b)	Equipment and land purchases (c)	Construction (d)
4. Highways and streets				
a. Administration	4311	E44 \$	G44 \$	F44 \$
b. Highways and streets	4312	E44 430450	G44	F44
c. Bridges, railroad crossing	4313	E44	G44	F44
d. Street lighting	4316	E44 10078	G44	F44
e. Toll highways	4316	E45	G45	F45
f. Other highway, streets, and bridges	4319	E44	G44	F44
g. TOTAL →		\$ 440528	\$ 0	\$ 0
5. Sanitation				
a. Administration	4321	E80 \$	G80 \$	F80 \$
b. Solid waste collection	4323	E81 43995	G81	F81
c. Solid waste disposal	4324	E81 154761	G81	F81
d. Solid waste clean-up	4325	E81	G81	F81
e. Sewage collection and disposal	4326	E80	G80	F80
f. Other sanitation	4329	E80	G80	F80
g. TOTAL →		\$ 198756	\$ 0	\$ 0
6. Water distribution and treatment				
a. Administration	4331	\$	\$	\$
b. Water services	4332			
c. Water treatment	4335			
d. Water conservation	4338			
e. Other water	4339			
f. TOTAL →		E91 \$ 0	G91 \$ 0	F91 \$ 0
7. Electric				
a. Administration	4351	\$	\$	\$
b. Generation	4352			
c. Purchase costs	4353			
d. Equipment maintenance	4354			
e. Other electric	4359			
f. TOTAL →		E92 \$ 0	G92 \$ 0	F92 \$ 0

Part I GENERAL FUND (Continued)
B. EXPENDITURES - Modified Accrual (Continued)

	Account No.	Total expenditure (Includes col. c and d)	Equipment and land purchases	Construction
	(a)	(b)	(c)	(d)
8. Health				
a. Administration	4411	\$	\$	\$
b. Pest control	4414	4074		
c. Health agencies and hospitals	4415	28805		
d. Other health	4419			
e. TOTAL →		E32 \$ 32879	G32 \$ 0	F32 \$ 0
9. TOTAL expenditures for education purposes <i>(This entry should be used by the few municipalities which have dependent school districts only)</i>				
		\$	\$	\$
10. Welfare				
a. Administration	4441	E79 \$ 2218	G79	F79
b. Direct assistance	4442	J67 21216		
c. Intergovernmental welfare payments	4444	M79		
d. Vendor payments	4445	E75		
e. Other welfare	4449	E79 2000	G79	F79
f. TOTAL →		\$ 25434	\$ 0	\$ 0
11. Culture and recreation				
a. Parks and recreation	4520	E61 \$ 54322	G61	F61
b. Library	4550	E52 55790	G52	F52
c. Patriotic purposes	4583	E61 875	G61	F61
d. Other culture and recreation	4589	E61 3000	G61	F61
e. TOTAL →		\$ 113987	\$ 0	\$ 0
12. Conservation				
a. Administration	4611	\$ 3593	\$	\$
b. Purchase of natural resources	4612			
c. Other conservation	4619			
d. TOTAL →		E59 \$ 3593	G59 \$ 0	F59 \$ 0
13. Redevelopment and housing				
a. Administration	4631	\$	\$	\$
b. Redevelopment and housing	4632			
c. TOTAL →		E50 \$ 0	G50 \$ 0	F50 \$ 0

Part I GENERAL FUND (Continued)

B. EXPENDITURES - Modified Accrual (Continued)	Account No. (a)	Total expenditure (Includes col. c and d) (b)	Equipment and land purchases (c)	Construction (d)
14. Economic development				
a. Administration	4651	\$	\$	\$
b. Economic development	4652			
c. Other economic development	4659			
d. TOTAL →		E89 \$ 0	G89 \$ 0	F89 \$ 0
15. Debt service				
a. Principal long term bonds and notes	4711	\$ 71842		
b. Interest on long term bonds and notes	4721	I89		
c. Interest on tax and revenue anticipation notes	4723	I89		
d. Other debt service charges	4790	E23		
e. TOTAL →		\$ 71842		
16. Capital outlay (not reported above)				
a. Land and improvements	4901		G89 \$	F89
b. Machinery, vehicles, and equipment	4902		G89 57868	
c. Buildings	4903			F89 20400
d. Improvements other than buildings	4909			F89 50758
e. TOTAL →			\$ 57868	71158
17. Interfund operating transfers out				
a. Transfers to special revenue funds	4912	\$		
b. Transfers to capital projects funds	4913			
c. Transfers to proprietary funds	4914			
d. Transfers to capital reserve funds	4915	50000		
e. Transfers to expendable trust funds	4916	2000		
f. Transfers to nonexpendable trust funds	4918			
g. TOTAL →		\$ 52000		
Cumulative Expenditure Totals from pages 4-7. →		\$ 2241216	\$ 57868	\$ 71158

Remarks

Part III GENERAL FUND BALANCE SHEET

Modified Accrual

A. ASSETS	Account No.	Beginning of year	End of year
	(a)	(b)	(c)
1. Current assets			
a. Cash and equivalents	1010	\$ 2855073	\$ 2234039
b. Investments	1030		
c. Taxes receivable (From Section D, page 12)	1080	336832	374772
d. Tax liens receivable (From Section D, page 12)	1110	132877	140134
e. Accounts receivable	1150	459	2726
f. Due from other governments	1260		
g. Due from other funds	1310		
h. Other current assets	1400		275487
i. Tax deeded property (subject to resale)	1670	2685	13267
j. TOTAL ASSETS (Should equal line B3) →		\$ 3327926	\$ 3040425
B. LIABILITIES AND FUND EQUITY			
1. Current liabilities			
a. Warrants and accounts payable	2020	\$ 72826	\$ 55424
b. Compensated absences payable	2030		
c. Contracts payable	2050		
d. Due to other governments	2070	327599	138766
e. Due to school districts	2075	2150465	2204377 ✓
f. Due to other funds	2080	1500	4500
g. Deferred revenue	2220		1332
h. Notes payable – Current	2230		
i. Bonds payable – Current	2250		
j. Other payables	2270	28593	19037
k. TOTAL LIABILITIES →		\$ 2580983	\$ 2423436
2. Fund equity (Please detail on page 10)			
a. Assigned (formerly reserve for encumbrances)	2440	\$ 59009	\$ 16566
b. Committed (formerly reserve for continuing appopriations)	2450		8671
c. Restricted (formerly reserve for appropriations voted for CRF/ETF)	2460		
d. Committed (formerly reserve for appropriations voted)	2460		
e. Assigned (formerly reserve for special purposes)	2490		13267
f. Unassigned (formerly unreserved fund balance)	2530	687934	578485
g. TOTAL FUND EQUITY →		\$ 746943	\$ 616989
3. TOTAL LIABILITIES AND FUND EQUITY (Should equal line A1j) →		\$ 3327926	\$ 3040425

*9/23/11
mc*

Part VI RECONCILIATIONS

A. RECONCILIATION OF SCHOOL DISTRICT LIABILITY

	Amount
1. School district liability at beginning of year (Account number 2075, column b, on page 9)	\$ 2150465 ✓
2. ADD: School district assessment for current year	✓ 4484377
3. TOTAL LIABILITY WITHIN CURRENT YEAR (Sum of lines 1 and 2)	6634842
4. SUBTRACT: Payments made to school district	< 4430465 >
5. School district liability at end of year (line 3 less line 4) (Account number 2075, column c, on page 9)	2204377

= last yr

B. RECONCILIATION OF TAX ANTICIPATION NOTES

	Amount
1. Short-term (TANS) debt at beginning of year	61V \$
2. ADD: New issues during current year	
3. SUBTRACT: Issues retired during current year	< >
4. Short-term (TANS) debt outstanding at end of year (Lines 1 + 2 - 3) (Be sure to include (TANS) in Account number 2230, column c, page 9)	64V

PLEASE REFER TO THE INSTRUCTIONS TO COMPLETE SECTIONS C AND D.

C. ALLOWANCE FOR ABATEMENTS WORKSHEET

	Current year (a)	Prior years (b)	TOTAL (c)
1. Overlay/Allowance for Abatements (Beginning of year)*	23575	✓ 9726	33301
2. SUBTRACT: Abatements made (From tax collector's report)	< 758 >	< 4147 >	< 4905 >
3. SUBTRACT: Discounts	< >	< >	< >
4. SUBTRACT: Refunds (Cash abatements)	< 7693 >	< >	< 7693 >
5. ESTIMATED ALLOWANCE FOR ABATEMENTS AT END OF YEAR**	< 4552 >	< 1702 >	< 6254 >
6. Excess of estimate (Add to revenue on page 1, line 1a)	10, \$ 6424	8024	14448

= last yr

*Use overlay amount for column (a) and use last year's balance of line 5, Allowance for Abatements for column b (see your form from last year).

**The amount in column c will go into line 1(b) for next year's worksheet.

3,877 14,448

D. TAXES/LIENS RECEIVABLE WORKSHEET

	1080 taxes (a)	1110 liens (b)	TOTALS (c)
1. Uncollected, end of year	✓ \$ 379324	✓ \$ 141836	\$ 521160
2. SUBTRACT: "Overlay" carried forward as Allowance for Abatements (from Worksheet C, line 5)	< 4552 >	< 1702 >	< 6254 >
3. Receivable, end of year *	✓ 374772	140134 ✓	514906

* (These amounts are entered on page 9, account numbers 1080 and 1110, column c)

Part VII SUMMARY OF REVENUES FOR ALL OTHER FUNDS

REVENUE AND OTHER FINANCING SOURCES	Capital projects (a)		Special revenue (b)	Proprietary funds	
	T01 \$	T29		Enterprise (c)	Internal service (d)
1. Revenue from taxes	T01 \$	T29	T01 \$	T01 \$	
2. Revenue from licenses, permits, and fees	B89	B89	B89	B89	
3. Revenue directly from the federal government	C89	C89	C89	C89	
4. Revenue from the State of New Hampshire	D89	D89	D89	D89	
5. Revenue from other governments	A91	A91	A91	A91	
6. Revenue from charges for services	A80	A80	A80	A80	
(a) Water supply system charges	A81	A81	A81	A81	
(b) Sewer user charges	A92	A92	A92	A92	
(c) Garbage/refuse collection charges	A01	A01	A01	A01	
(d) Electric	A44	A44	A44	A44	
(e) Airport and aviation	A45	A45	A45	A45	
(f) Highway	A61	A61	A61 37207	A61	
(g) Toll facilities	A60	A60	A60	A60	
(h) Parks and recreation	A94	A94	A94	A94	
(i) Parking	A89	A89	A89	A89	
(j) Transit or bus system					
(k) Other - Specify Z			40716		
(1) Public Safety	A89	A89	A89	A89	
(2)	A89	A89	A89	A89	
(3)	U20	U20	U20 1243	U20	
7. Revenue from miscellaneous sources	U99	U99	U99	U99	
(a) Interest on investments					
(b) Other miscellaneous sources					
8. Interfund operating transfers in	U99	U99	U99	U99	
9. Other financial sources					
10. TOTAL REVENUE AND OTHER SOURCES	\$ 0	\$ 0	\$ 79166	\$ 0	\$ 0

Part VIII SUMMARY OF EXPENDITURES FOR ALL OTHER FUNDS

EXPENDITURES (BY FUNCTIONS)	Capital projects		Special revenue	Proprietary funds	
	(a)	(b)		Enterprise (c)	Internal service (d)
1. General government	F89 \$	E89 \$		E89 \$	
2. Public safety	F62	E62		E62	
(a) Police		4799			
(b) Ambulance		E32		E32	
(c) Fire	F24	E24		E24	
3. Airport/Aviation center	F01	E01		E01	
4. Highways and streets	F44	E44		E44	
5. Toll highways	F45	E45		E45	
6. Sanitation	F81	E81		E81	
7. Water distribution and treatment	F91	E91		E91	
8. Sewerage	F80	E80		E80	
9. Electric	F92	E92		E92	
10. Health	F32	E32		E32	
11. Welfare	F79	E79		E79	
12. Culture and recreation	F61	E61	28104	E61	
13. Parking	F60	E60		E60	
14. Transit or bus system	F94	E94		E94	
15. Conservation	F59	E59	2670	E59	
16. Redevelopment and housing	F50	E50		E50	
17. Economic development	F89	E89		E89	
18. Debt service		E23		E23	
19. Capital outlay - other	F89	F89		F89	
20. Interfund operating transfers out					
21. TOTAL EXPENDITURES	\$ 0	\$ 35573		\$ 0	\$ 0

Remarks

Part IX BALANCE SHEET FOR SUMMARY OF ALL OTHER FUNDS

	Account No. (a)	Capital projects (b)	Special revenue (c)	Proprietary funds	
				Enterprise (d)	Internal service (e)
A. ASSETS					
1. Current assets					
(a) Cash and equivalents	1010	\$	\$ 225612	\$	\$
(b) Investments	1030		24157		
(c) Accounts receivable	1150				
(d) Due from other governments	1260				
(e) Due from other funds	1310		1500		
(f) Other - Specify \checkmark					
2. Fixed assets					
(a) Land and improvements	1610	\$	\$	\$	
(b) Buildings	1620				
(c) Machinery, vehicles, and equipment	1640				
(d) Construction in progress	1650				
(e) Improvements other than buildings	1660				
(f) Other - Specify \checkmark					
3. TOTAL ASSETS \longrightarrow		\$ 0	\$ 251269	\$ 0	\$ 0

Remarks

Part IX BALANCE SHEET FOR SUMMARY OF ALL OTHER FUNDS (Continued)

B. LIABILITIES AND FUND EQUITY	Account No. (a)	Capital projects (b)	Special revenue (c)	Proprietary funds	
				Enterprise (d)	Internal service (e)
1. Liabilities					
(a) Warrants and accounts payable	2020	\$	\$	\$	\$
(b) Compensated absences payable	2030				
(c) Contracts payable	2050				
(d) Due to other governments	2070				
(e) Due to other funds	2080				
(f) Deferred revenue	2220				
(g) Notes and bonds payable					
(h) Other - Specify α					
(i) TOTAL LIABILITIES →		\$ 0	\$ 0	\$ 0	\$ 0
2. Fund equity/Capital					
(a) Assigned (formerly reserve for encumbrances)	2440	\$	\$		
(b) Assigned (formerly reserve for special purposes)	2490				
(c) Unassigned (formerly unreserved fund balance-deficit)	2530		251269		
(d) Municipal contributed capital	2610				
(e) Other contributed capital	2620				
(f) Retained earnings	2790				
(g) TOTAL FUND EQUITY →		0	251269	0	0
3. TOTAL LIABILITIES AND FUND EQUITY →		\$ 0	\$ 251269	\$ 0	\$ 0

Part X SUPPLEMENTAL INFORMATION WORKSHEET

A. INTERGOVERNMENTAL EXPENDITURES

Report payments made to the State or other local governments **on reimbursement or cost-sharing basis**. Do not include these expenditures in part VIII.

Purpose (a)	Account No. (b)	Amount (c)
Payments made <u>to other local governments</u> for:		M12
Schools		4484377
Sewers		M80
All other – County	4931	M89 466326
All other – Towns	4199	M89 400066
Payments made <u>to State</u> for:		L44
Highways	4319	
All other purposes	4199	L89

B. DEBT OUTSTANDING, ISSUED, AND RETIRED

Long-term debt purpose (a)	Bonds outstanding at the beginning of this fiscal year (b)	Bonds during this fiscal year		Outstanding at the end of this fiscal year (e)
		Issued (c)	Retired (d)	
Industrial revenue	19T	24T	34T	44T
All other debt	19U	29U	39U	49U
Interest on water debt	191			

C. SALARIES AND WAGES

Report here the total salaries and wages paid to all employees of your city before deductions for social security, retirement, etc. Include also salaries and wages paid to employees of any utility owned and operated by your government, as well as salaries and wages of city employees charged to construction projects. These amounts may be taken from the W3 form filed by your government for the year ended December 31.

Total wages paid
200
795334

D. CASH AND INVESTMENTS HELD AT END OF FISCAL YEAR

Report separately for each of the two types of funds listed below, the total amount of cash on hand and on deposit and investments in Federal Government, Federal agency, State and local government, and non-governmental securities. Report all investments at market value. Exclude accounts receivable, value of real property, and all non-security assets.

Type of fund (a)	Amount at end of fiscal year Omit cents (b)
Bond funds - Unexpended proceeds from sale of bond issues held pending disbursement	W31
All other funds except employee retirement funds and nonexpendable trust funds.	W61 2483808

Remarks

Part XI CERTIFICATION

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

Date signed

8/9/11

Signatures of a majority of the governing body:

John Conner

John R. M.

John Self

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete. (If prepared by a person other than the city/town officials, this declaration is based on all information of which the preparer has knowledge.)

Preparer (Please print or type)

Catherine Tilton

Signature

Catherine Tilton

Regular office hours

8-4 pm Mon-Thurs (603) 3107-4332 ext: 303

Email address

Catsbkkpng@roadrunner.com

GENERAL INSTRUCTIONS

When completed, one copy should be returned to the Department of Revenue Administration and one copy should be placed in your municipal records.

Please be sure you have completed Part X, items A-D.

WHEN TO FILE: (RSA 21-J:34,V)

- For cities/towns reporting on a calendar year basis, this report must be filed on or before April 1.
- For cities/towns reporting on an optional fiscal year basis (year ending June 30), this report must be filed on or before September 1.

WHERE TO FILE

Department of Revenue Administration
State of New Hampshire
Municipal Services Division
PO Box 487
Concord, NH 03302-0487

Memorandum-

To: The Board of Selectman
From: Catherine Tilton
Date: 08/02/2011

Re: 2010 MS-5

Hello John, Michael, and Josh,

Attached you will find the 2010 MS-5. The Unreserved Fund Balance is \$578, 485.00. I have provided my excel spreadsheet again this year, providing a breakdown as to how we came to the unreserved fund balance. This spreadsheet basically explains the numbers in common terms of what the MS-5 does.

I would like to suggest to the Board of selectman to ear on the side of caution in using the unreserved fund balance for setting the tax rate this year. There has been several conversations going on between the DRA and Auditing firms (GASBY) as to whether the deferred revenue which is calculated every year should be present on the MS-5. DRA does not require it, but Auditing firms who are regulated by GASBY feel that is should be, because towns do not technically collect all their tax revenue in one year. The MS-5 reflects that all taxes are collected, minus the overlay and allowances.

The argument I have heard from a previous auditor as to why DRA does not require it, is that eventually the towns do collect all taxes through due process of liening if taxes are not paid, redeeming property if the lien is not paid and then selling the property. This does take time and happens over the course of 3 or more years, but the town does recover the funds originally warranted through taxes.

Our MS-5 over the years has gone back and forth, in terms of having the deferred revenue, recorded on the MS-5. It all depends on the Auditing firm philosophy we were working with at the time. I will keep you posted on the discussions that are taking place.

When setting the tax rate, it may be a question asked of the DRA agent you are working with.

Thank you :)

Catherine Tilton