

THE VILLAGE DISTRICT OF EIDELWEISS

FINANCIAL REPORT

AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

**THE VILLAGE DISTRICT OF EIDELWEISS
FINANCIAL REPORT
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TABLE OF CONTENTS

INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	3
BASIC FINANCIAL STATEMENTS	
Statement of Net Position (Exhibit 1)	7
Statement of Activities (Exhibit 2)	8
Fund Financial Statements:	
Balance Sheet – Governmental Funds (Exhibit 3)	9
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position (Exhibit 4)	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Exhibit 5)	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Exhibit 6)	12
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
General Fund (Exhibit 7)	13
Water Extension Fund (Exhibit 8)	14
NOTES TO THE FINANCIAL STATEMENTS	15
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of the Village District’s Proportionate Share of the Net Pension Liability (Exhibit 9)	26
Schedule of the Village District’s Pension Contributions (Exhibit 10)	27
Note to the Required Supplementary Information	28
SUPPLEMENTARY INFORMATION	
INDIVIDUAL FUND SCHEDULES	
General Fund:	
Schedule of Estimated and Actual Revenues (Exhibit 11)	29
Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis) (Exhibit 12)	30
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis) (Exhibit 13)	31
Supplementary Financial Statement	32



Roberts & Greene, PLLC

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Commissioners
Village District of Eidelweiss
Madison, New Hampshire

We have audited the accompanying financial statements of the governmental activities and each major fund of the Village District of Eidelweiss as of and for the year ended December 31, 2015, which collectively comprise the Village District's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Village District of Eidelweiss, as of December 31, 2015, and the respective changes in financial position thereof and budgetary comparison statements for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Information

Emphasis of Matter

As discussed in Note I.B.5. to the financial statements, in 2015, the Village District adopted new accounting guidance regarding the accounting and reporting for pensions. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 and pension related schedules on pages 26 and 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on this 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 basic financial statements of the Village District of Eidelweiss. The individual General Fund schedules and supplemental Financial Statement are presented for purposes of additional analysis and are not a required part of the basic financial statements. They are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual General Fund Schedules and all but the first section of the Supplemental Financial Statement are fairly stated in all material respects in relation to the basic financial statements as a whole.

The first section of the Supplemental Financial Statement is presented on the cash basis, which is another comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The cash basis differs from generally accepted accounting principles in that only cash and no other assets or liabilities are recognized, and the only transactions recorded are inflows and outflows of cash. In our opinion, the first section of the Supplemental Financial Statement presents fairly in all material respects, the cash balances of the Village District of Eidelweiss as of December 31, 2015, and the cash receipts and disbursements for the year then ended, on the cash basis of accounting.

February 27, 2016

Robert A. Greene, PLLC

**Village District of Eidelweiss
Management Discussion and Analysis
For Fiscal Year Ended December 31, 2015
February 25, 2016**

This analysis, prepared by the Board of Commissioners, offers readers of the Village's Financial Statements a narrative overview and analysis of the financial activities of the Village District of Eidelweiss (VDOE) for the fiscal year ended December 31, 2015.

This is the fifth year that our financial statements have been prepared in accordance with generally accepted accounting principles for governments as established by the Governmental Accounting Standards Board (GASB). We encourage readers to consider the information presented in this report.

The GASB accounting principles establish the criteria for the reporting standards for governmental funds and establishes the criteria for classifying fund balances into specifically defined classifications and sets constraints upon the use of resources reported in governmental funds.

Governments must adhere to GASB pronouncements in order to issue their financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The users of financial statements also rely on the independent auditor's opinion. If the Village's financial statements have significant departures from GAAP, the independent auditors may issue a qualified or an adverse opinion.

Financial Highlights

The preparation of accounts, systems and procedures permitted the reporting of an audited financial statement. This is the fifth audited statement since 2003. Having five consecutive years of GASB compliant, audited data, the VDOE now has the tools to do budget analysis that did not exist for the previous years.

- The total assets of the VDOE exceeded its liabilities at the close of 2014 by **\$2,254,720**
- At the close of 2015, the VDOE's Unassigned Fund balance in the General Fund was **\$207,856**. The Water Extension Fund balance was **\$30,385**.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the VDOE's basic financial statements.

Income Statement	2014	2015
Revenues		
Program Income	183,828	208,950
General Revenue	389,104	449,449
Total Revenues	572,932	658,399
Expenses		
General Government	139,430	127,167
Highways and Streets	246,357	295,289
Water Distribution/Treatment	153,567	140,017
Culture and Recreation	3,045	7,813
Interest on Long-term Debt	6,877	10,893
Capital Outlay	3,024	50,987
Total Expenses	552,300	632,166
Net Income	20,632	26,233
Assets and Liabilities	2014	2015
Assets		
Cash	84,824	49,247
Capital Reserve Balances	146,090	144,522
Taxes Receivable	189,887	245,733
Accounts Receivable, net	7,360	6,326
Inventory	1,454	0
Prepaid expense	5,417	7,006
Land	252,127	252,127
Other Capital Assets, net	1,957,985	2,002,177
Total Assets	2,637,894	2,707,138
Deferred Outflows-Pensions	4,079	7,168
Liabilities		
Accounts Payable	14,651	7,346
Accrued Payroll	4,156	5,526
Accrued Interest Payable	6,301	6,230
Capital Leases/Notes Payable	329,360	380,917
Net Pension Liability	47,515	48,142
Total Liabilities	401,983	448,161
Deferred Inflows – Pensions	11,503	11,425
Net Position	2,228,487	2,254,720

Budget Discussion

The performance against the budget is favorable. The net result was a favorable balance of **\$28,464** against a total budget of **\$770,903**.

	Expended/Encumbered	Budget	Variance
Expenditures			
Executive	11,012	12,200	1,188
Financial Administration	48,086	45,631	(2,455)
Legal Expense	2,105	3,825	1,720
Employee Benefits	38,592	68,340	29,748
General Government			
Buildings	13,818	15,135	1,317
Insurance	12,956	15,965	3,009
Bond Payments (P&I)	68,647	49,463	(19,184)
Regional Association	892	765	(127)
Miscellaneous/ Contingency	916	765	(151)
Highway & Streets (incl. Equip. Maintenance)	217,434	224,641	7,207
Street Lighting	1,302	1,550	248
Parks & Recreation	7,813	7,000	(813)
TAN Interest	350	500	150
Water Services	151,914	168,728	18,115
Capital Outlay	160,844	156,395	11,508
Prior Year Encumbrances		41,161	
Current Year Encumbrances	46,919		
Total Expended/Encumbered	783,600	812,064	28,464

General Government/Highway

The General Government Operations/Highway expenditures had a favorable variance against the budget of \$41,704. The International 7400, International Terra Star and Ford 550 highway plow trucks are in good condition and under warranty.

Accounts that contributed to the positive balance:

- Employee Benefits was favorable by \$29,748 primarily due to only one of three full time employees taking the insurance for all of 2015.
- Highways and Streets were favorable by \$7,207. Favorable pricing for fuel, salt and sand contributed.
- Water Services were favorable by \$18,115.

Accounts that contributed to an unfavorable balance:

- Debt Services is unfavorable by \$19,034. The portion of debt paid in 2015 by the water budget is reimbursed as an offset to this effect of this unfavorable balance.

- Financial Administration was unfavorable by \$2,455.
- Gravel (road maintenance) was unfavorable by \$26,927 due to repairs to Grison Rd and Burgdorf Rd culverts.

Water System

- There were no material variances from budget.
- SCADA controls and displays were updated to improve reliability of the system.
- Oak Station received two new booster pumps and controls. A floor was added at entry level for ease of access and safety.
- A booster pump at the Chocorua station was replaced. Both booster pumps at this station are now under 5 years old.

General Fund and Capital Reserve Fund Policies

The VDOE has established a policy of maintaining an unassigned fund balance minimum of 33% of the previous year's approved General Government Operating Budget. The Water System Funds are not included in this criterion since the water system operation is funded by water fees and not by taxes. The VDOE has also been maintaining minimum capital reserve funds during this economic period of low interest rate loans and low interest returns on investments.

This year's focus has been on infrastructure and the maintenance of the districts assets while managing budgets to reduce cash requirements for the upcoming Oak Ridge Reconstruction project. Over the 2015 calendar year the District implemented new tracking systems including the establishment of work orders process system, motion tracking logs, road and culvert maintenance lists.

In 2015 a very successful and productive Asset Management Committee was formed with a focus on the documentation of water system assets. The team identified and located, via physical and GPS, 436 of the 467 house curb stop valves before winter set in. Additionally, work was started to identify and locate with GPS the locations of water system isolation valves. In 2015 the count of isolation valves identified and located rose from 25 to 112. As of the end of 2015, the Asset Management Committee believes that up to 80 additional isolation valves may exist and need to be located. The additional work for isolation valves will take place in 2016. The team created an online database which was used to capture and map the locations of these assets. Finally, the Asset Management Team working with the District Commissioners established a working relationship with Terra Map/Avitar Associates for the purpose of placing these critical assets on the same mapping subsystem as used by the Town of Madison. The creation of the maps and plotting of the valves is also 50% reimbursable through the Grant. This strategic choice allows the District to immediately utilize mapping data for resources already paid for and mapped by the Town of Madison. This team of volunteers should be commended for a job well done.

Many of the valves located were previously not documented on any District records. Work is planned to continue on this project. The work that was completed was under budget and is 50% reimbursable through the Asset Management Grant funds.

BASIC FINANCIAL STATEMENTS

EXHIBIT 1
VILLAGE DISTRICT OF EIDELWEISS
Statement of Net Position
December 31, 2015

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 49,247
Intergovernmental receivable	147,525
Other receivables	249,056
Prepaid items	7,006
Capital assets, not being depreciated:	
Land	252,127
Capital assets, net of accumulated depreciation:	
Lodge and cabana	27,100
Water system	623,467
Eidelweiss Drive DPW2 facility	204,830
Heavy equipment	617,999
Roads and dams	482,081
Conway Road facility	46,700
Total assets	2,707,138
 DEFERRED OUTFLOWS OF RESOURCES	
Pensions (see Note IV.B.)	7,168
 LIABILITIES	
Accounts payable	7,346
Accrued payroll and benefits	5,526
Accrued interest payable	6,230
Noncurrent obligations:	
Due within one year:	
Notes payable	34,176
Capital lease payable	23,089
Due in more than one year:	
Notes payable	141,496
Capital lease payable	182,156
Net pension	48,142
Total liabilities	448,161
 DEFERRED INFLOWS OF RESOURCES	
Pensions (see Note IV.B.)	11,425
 NET POSITION	
Net investment in capital assets	1,873,387
Unrestricted	381,333
Total net position	\$ 2,254,720

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

EXHIBIT 2
VILLAGE DISTRICT OF EIDELWEISS
Statement of Activities
For the Year Ended December 31, 2015

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Capital Grants and Contributions	
Governmental activities:				
General government	\$ 127,167	\$ -	\$ -	\$ (127,167)
Highways and streets	295,289	425	-	(294,864)
Water distribution and treatment	140,017	205,522	3,003	68,508
Culture and recreation	7,813	-	-	(7,813)
Interest on long-term debt	10,893	-	-	(10,893)
Capital outlay	50,987	-	-	(50,987)
Total primary government	<u>\$ 632,166</u>	<u>\$ 205,947</u>	<u>\$ 3,003</u>	<u>(423,216)</u>
General revenues:				
Property taxes				429,820
Miscellaneous				19,629
Total general revenues				<u>449,449</u>
Change in net position				26,233
Net position, beginning, as restated, see Note III.E.				<u>2,228,487</u>
Net position, ending				<u><u>\$ 2,254,720</u></u>

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

EXHIBIT 3
VILLAGE DISTRICT OF EIDELWEISS
Balance Sheet
Governmental Funds
December 31, 2015

	General	Water Extension	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 7,214	\$ 42,033	\$ 49,247
Receivables:			
Taxes	245,733	-	245,733
Accounts	3,323	-	3,323
Intergovernmental	147,525	-	147,525
Interfund receivable	7,948	-	7,948
Prepaid items	7,006	-	7,006
Total assets	<u>\$ 418,749</u>	<u>\$ 42,033</u>	<u>\$ 460,782</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,646	\$ 3,700	\$ 7,346
Accrued salaries and benefits	5,526	-	5,526
Interfund payable	-	7,948	7,948
Total liabilities	<u>9,172</u>	<u>11,648</u>	<u>20,820</u>
Deferred inflows of resources:			
Deferred revenue	<u>3,273</u>	<u>-</u>	<u>3,273</u>
Fund balances:			
Nonspendable	7,006	-	7,006
Committed	181,942	30,385	212,327
Assigned	9,500	-	9,500
Unassigned	207,856	-	207,856
Total fund balances	<u>406,304</u>	<u>30,385</u>	<u>436,689</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 418,749</u>	<u>\$ 42,033</u>	<u>\$ 460,782</u>

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

EXHIBIT 4
VILLAGE DISTRICT OF EIDELWEISS
Reconciliation of Total Fund Balances of Governmental Funds to the Statement of Net Position
December 31, 2015

Total fund balances of governmental funds (Exhibit 3)		\$ 436,689
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost	\$ 2,693,244	
Less accumulated depreciation	<u>(438,940)</u>	2,254,304
Interfund receivables and payables between governmental funds are eliminated on the statement of net position.		
Receivables	\$ (7,948)	
Payables	<u>7,948</u>	-
Long-term revenues are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
Deferred water charges		3,273
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(6,230)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Notes outstanding	\$ 175,672	
Capital lease outstanding	205,245	
Net pension liability	<u>48,142</u>	(429,059)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	\$ 7,168	
Deferred inflows of resources related to pensions	<u>(11,425)</u>	(4,257)
Total net position of governmental activities (Exhibit 1)		<u><u>\$ 2,254,720</u></u>

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

EXHIBIT 5
VILLAGE DISTRICT OF EIDELWEISS
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General	Water Extension	Total Governmental Funds
Revenues:			
Taxes	\$ 429,820	\$ -	\$ 429,820
Intergovernmental	3,003	-	3,003
Charges for services	186,674	16,000	202,674
Miscellaneous	29,625	4	29,629
Total revenues	<u>649,122</u>	<u>16,004</u>	<u>665,126</u>
Expenditures:			
Current:			
General government	128,377	-	128,377
Highways and streets	218,736	-	218,736
Water distribution and treatment	151,914	588	152,502
Culture and recreation	7,813	-	7,813
Debt service:			
Principal	58,033	-	58,033
Interest	10,964	-	10,964
Capital outlay	160,844	9,733	170,577
Total expenditures	<u>736,681</u>	<u>10,321</u>	<u>747,002</u>
Excess (deficiency) of revenues over (under) expenditures	(87,559)	5,683	(81,876)
Other financing sources:			
Long-term debt issued	109,590	-	109,590
Net change in fund balances	22,031	5,683	27,714
Fund balances, beginning	384,273	24,702	408,975
Fund balances, ending	<u>\$ 406,304</u>	<u>\$ 30,385</u>	<u>\$ 436,689</u>

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

EXHIBIT 6
VILLAGE DISTRICT OF EIDELWEISS
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, 2015

Net change in fund balances of governmental funds (Exhibit 5)		\$ 27,714
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.		
Capitalized capital outlay	\$ 176,168	
Depreciation expense	<u>(76,937)</u>	99,231
The net effect of the acquisition and trade-ins of assets during the year is to decrease net position.		(55,039)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in governmental funds.		
Change in deferred water charges	-	3,273
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Issuance of note	\$ (109,590)	
Repayment of note principal	35,614	
Repayment of capital lease principal	<u>22,419</u>	(51,557)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Decrease in accrued interest expense		71
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned, net of employee contributions, is reported as pension expense.		
Village District pension contributions	\$ 4,077	
Cost of benefits earned, net of employee contributions	<u>(1,537)</u>	
Change in net position of governmental activities (Exhibit 2)		<u>2,540</u> <u>\$ 26,233</u>

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

EXHIBIT 7
VILLAGE DISTRICT OF EIDELWEISS
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 429,675	\$ 429,675	\$ 429,820	\$ 145
Intergovernmental	15,000	15,000	3,003	(11,997)
Charges for services	172,187	172,187	186,674	14,487
Miscellaneous	7,525	7,525	29,625	22,100
Total revenues	<u>624,387</u>	<u>624,387</u>	<u>649,122</u>	<u>24,735</u>
EXPENDITURES				
Current:				
General government	162,626	162,626	128,377	34,249
Highways and streets	226,191	226,191	218,736	7,455
Water services	168,728	168,728	150,613	18,115
Culture and recreation	7,000	7,000	7,813	(813)
Debt service:				
Principal	49,463	49,463	58,033	(8,570)
Interest on long-term debt	-	-	10,614	(10,614)
Interest on tax anticipation note	500	500	350	150
Capital outlay	256,145	156,395	167,903	(11,508)
Total expenditures	<u>870,653</u>	<u>770,903</u>	<u>742,439</u>	<u>28,464</u>
Deficiency of revenues under expenditures	<u>(246,266)</u>	<u>(146,516)</u>	<u>(93,317)</u>	<u>53,199</u>
Other financing sources (uses):				
Transfers in	21	21	-	(21)
Long-term debt issued	216,245	116,495	109,590	(6,905)
Total other financing sources and uses	<u>216,266</u>	<u>116,516</u>	<u>109,590</u>	<u>(6,926)</u>
Net change in fund balance	<u>\$ (30,000)</u>	<u>\$ (30,000)</u>	16,273	<u>\$ 46,273</u>
Increase in nonspendable fund balance			(135)	
Decrease in committed fund balance			1,566	
Unassigned fund balance, beginning			190,152	
Unassigned fund balance, ending			<u>\$ 207,856</u>	

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

EXHIBIT 8
VILLAGE DISTRICT OF EIDELWEISS, NEW HAMPSHIRE
Water Extension Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for services	\$ 50,000	\$ 16,000	\$ (34,000)
Miscellaneous	-	4	4
Total revenues	<u>50,000</u>	<u>16,004</u>	<u>(33,996)</u>
EXPENDITURES			
Current:			
Water services	<u>50,000</u>	<u>10,321</u>	<u>39,679</u>
Net change in fund balance	<u>\$ -</u>	5,683	<u>\$ 5,683</u>
Fund balance, beginning		<u>24,702</u>	
Fund balance, ending		<u>\$ 30,385</u>	

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

NOTES TO THE FINANCIAL STATEMENTS

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

I. Summary of Significant Accounting Principles

I.A. Introduction

The accounting and reporting framework and the more significant accounting principles and practices of the Village District of Eidelweiss (the Village District) are discussed in subsequent sections of this note. The remainder of the notes is organized to provide explanations, including required disclosures, of the Village District's financial activities for the fiscal year ended December 31, 2015.

I.B. Financial Reporting Entity – Basis of Presentation

I.B.1. Entity Defined

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

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

Government-Wide Financial Statements

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues consist of charges for services which primarily report charges for water services, and a grant for the asset management system. The property taxes and revenue from other sources not properly included with program revenues are reported as general revenues.

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

Fund Financial Statements

Fund financial statements are provided for the governmental funds.

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

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

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Reimbursements are reported as reductions to expenses. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Village District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred.

Major revenues susceptible to accrual are the property taxes, water charges and investment income. In general, other revenues are recognized when cash is received.

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

Governmental Funds

The Village District reports the following two major governmental funds:

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

Water Extension Fund – This is a special revenue fund used to report water extension revenues and related expenditures.

The Village District also has several Expendable Trust Funds (Capital Reserves). In accordance with GAAP, these funds are reported within the General Fund.

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

I.B.5. *Change in Accounting Principle*

The Village District adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, for the year 2015. This resulted in the inclusion of pension related liability and deferred inflows and outflows of resources in governmental activities. The prior year's net position was restated as shown in Note III.E.

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

I.C.1. *Cash and Cash Equivalents*

The laws of the State of New Hampshire require that the Village District's treasurer have custody of all monies belonging to the Village District and pay out the same only upon orders of the Board of Commissioners.

I.C.2. *Long-Term Debt*

In the government-wide financial statements, outstanding debt is reported as liabilities. The Village District reports the outstanding balances of notes and capital leases payable, along with the net pension liability, in this category.

I.C.3. *Equity Balances*

The financial statements report components of net position and fund balance for various amounts as described here.

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

- Net investment in capital assets, which consists of the balance of capital assets net of accumulated depreciation, reduced by outstanding debt used to acquire those assets.
- Unrestricted, which consists of the remaining balance of net position.

The governmental funds report the following components of fund balance:

- Nonspendable, which represents the balance of prepaid items that is not in a spendable form.
- Committed, which represents the balances of the capital reserve funds, which have been set aside by the Village District Meeting for specific purposes, encumbrances of

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

special warrant articles or approved work agreements and purchase orders for specific expenditures, and the balance of the Water Extension Fund.

- Unassigned, which consists of the remaining balance in the General Fund.

I.C.4. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for both major funds. Unless encumbered, all appropriations lapse at year-end. The Village District is allowed to use beginning fund balance to balance the budget. In the year 2015, \$30,000 of the unassigned fund balance from the year 2014 was used in setting the tax rate.

Encumbrance accounting is employed by the governmental funds. Encumbrances (e.g., balances of special warrant articles, contracts) outstanding at year-end are reported as committed or assigned fund balance and do not constitute expenditures or liabilities because the amounts will be added to the appropriations voted for the subsequent year.

Revenues are budgeted by source. Expenditures are budgeted by functions as follow: general government, highways and streets, water services, culture and recreation, debt service and capital outlay.

Reconciliation of Budgetary Basis to GAAP

The following reconciles the General Fund budgetary basis to GAAP.

Expenditures and other financing uses:	
Per Exhibit 7 (budgetary basis)	\$ 842,189
Adjustments:	
Basis difference:	
Encumbrances, beginning	41,161
Encumbrances, ending	<u>(146,669)</u>
Per Exhibit 5 (GAAP basis)	<u><u>\$ 736,681</u></u>

With the exception of encumbrances, the Village District’s budgetary basis follows GAAP.

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

III. Detailed Notes on Funds and Government-Wide Statements

III.A. Receivables

Significant receivables consist of intergovernmental amounts arising from the balance of the property taxes due from the Town of Madison in the amount of \$245,733, and the balance of the expendable trust funds of \$144,522, which are in the custody of the Trustees of Trust Funds of the Town of Madison as required by New Hampshire statute.

Receivables are recorded on the Village District's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectability.

The notes continue on the following page.

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

III.B. Capital Assets

Changes in Capital Assets

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

	<u>Balance, beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, ending</u>
Governmental activities:				
At cost:				
Not being depreciated:				
Land	\$ 252,127	\$ -	\$ -	\$ 252,127
Being depreciated:				
Lodge and cabana	42,000	-	-	42,000
Water system	768,912	30,578	-	799,490
Eidelweiss Drive DPW2 facility	230,000	-	-	230,000
Heavy equipment	633,945	119,590	(78,627)	674,908
Roads and dams	604,719	26,000	-	630,719
Conway Road facility	64,000	-	-	64,000
Total capital assets being depreciated	<u>2,343,576</u>	<u>176,168</u>	<u>(78,627)</u>	<u>2,441,117</u>
Total all capital assets	<u>2,595,703</u>	<u>176,168</u>	<u>(78,627)</u>	<u>2,693,244</u>
Less accumulated depreciation:				
Lodge and cabana	(14,210)	(690)	-	(14,900)
Water system	(157,931)	(18,092)	-	(176,023)
Eidelweiss Drive DPW2 facility	(20,950)	(4,220)	-	(25,170)
Heavy equipment	(52,605)	(27,892)	23,588	(56,909)
Roads and dams	(123,235)	(25,403)	-	(148,638)
Conway Road facility	(16,660)	(640)	-	(17,300)
Total accumulated depreciation	<u>(385,591)</u>	<u>(76,937)</u>	<u>23,588</u>	<u>(438,940)</u>
Net book value, capital assets being depreciated	<u>1,957,985</u>	<u>99,231</u>	<u>(55,039)</u>	<u>2,002,177</u>
Net book value, all capital assets	<u>\$ 2,210,112</u>	<u>\$ 99,231</u>	<u>\$ (55,039)</u>	<u>\$ 2,254,304</u>

Depreciation expense was allocated to functions of the governmental activities as follows:

General government	\$ 1,330
Highways and streets	57,514
Water services	18,093
Total depreciation expense	<u>\$ 76,937</u>

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

III.C. Long-Term Liabilities

Long-term liabilities currently outstanding are as follow:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at 12/31/2015	Current Portion
General obligation notes payable:						
Jung Frau	\$ 133,000	2010	2020	3.802	\$ 66,082	\$ 13,727
Truck	\$ 109,590	2015	2020	3.349	109,590	20,449
					<u>175,672</u>	<u>34,176</u>
Capital lease payable:						
Road grader	\$ 256,890	2014	2023	2.99	205,245	23,089
Net pension liability					48,142	-
					<u>\$ 429,059</u>	<u>\$ 57,265</u>

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended December 31, 2015:

	General Obligation Notes Payable	Capital Lease Payable	Net Pension Liability	Total
Balance, beginning	\$ 101,696	\$ 227,664	\$ 54,939	\$ 384,299
Additions	109,590	-	-	109,590
Reductions	(35,614)	(22,419)	(6,797)	(64,830)
Balance, ending	<u>\$ 175,672</u>	<u>\$ 205,245</u>	<u>\$ 48,142</u>	<u>\$ 429,059</u>

Debt Service Requirements to Maturity

The annual debt service requirements to maturity for the notes payable as of year-end are as follow:

Year Ending December 31,	Principal	Interest	Total
2016	\$ 34,176	\$ 5,937	\$ 40,113
2017	35,450	4,663	40,113
2018	36,712	3,401	40,113
2019	38,020	2,093	40,113
2020	31,314	742	32,056
Totals	<u>\$ 175,672</u>	<u>\$ 16,836</u>	<u>\$ 192,508</u>

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

The annual payments to service the capital lease payable as of year-end are as follow:

Year Ending December 31,	Principal	Interest	Total
2016	\$ 23,089	\$ 6,137	\$ 29,226
2017	23,780	5,446	29,226
2018	24,491	4,735	29,226
2019	25,223	4,003	29,226
2020	25,977	3,249	29,226
2021-2023	82,685	4,992	87,677
Totals	<u>\$ 205,245</u>	<u>\$ 28,562</u>	<u>\$ 233,807</u>

The 2015 District Meeting authorized \$99,750 of long-term bonds or notes for inspection and lining of water tanks; and up to \$116,495 for the purchase of an all-wheel drive truck with sander, plow and related accessories. As of December 31, 2015, the \$99,750 had not been authorized as that project had not yet been started; and only \$109,590 of the \$116,495 authorized, had been issued. The Village District plans to do the water tank project in 2016.

III.D. Balances Within the Reporting Entity

The \$7,948 receivable in the General Fund and payable from the Water Extension Fund represents an overpayment of the water hook-up fees from a previous year net of expenditures made by the General Fund.

III.E. Restatement of Beginning Net Position of Governmental Activities

The net position of the governmental activities at December 31, 2014 was restated as follows:

To record net pension liability	\$ (47,515)
To record deferred outflows/inflows of resources related to pensions	(7,424)
Net position, as previously reported	<u>2,283,426</u>
Net position, as restated	<u>\$ 2,228,487</u>

IV. Other Information

IV.A. Risk Management

The Village District's risk management activities are reported with governmental activities and recorded in the General Fund. During the fiscal year, the Village District was a member of the Property-Liability Trust, Inc. and the New Hampshire Public Risk Management Exchange (Primex) Workers' Compensation program, which are considered public entity risk pools, operating as common risk management and insurance programs for member governments.

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

Property-Liability Trust, Inc. (the Trust) – This Trust is organized to provide certain property and liability protection to member towns, cities, and other qualified political subdivisions of New Hampshire. As a member of the Trust, the Village District shares in contributing to the cost of, and receiving benefits from, a self-insured pooled risk management program. The membership and coverage run from July 1 to June 30. The Trust maintains a self-insured retention above which it purchases reinsurance and excess insurance. Payments made in 2015 for the fiscal year ending June 30, 2016, were \$12,956 for property and liability insurance.

New Hampshire Public Risk Management Exchange (Primex) – The Primex Worker’s Compensation program is a pooled risk management program under RSA 5-B. Worker’s Compensation coverage is provided from January 1 through December 31. Primex provides statutory workers’ compensation coverage. The premium for 2015 recorded as an insurance expenditure/expense totaled \$5,774. The Village District had a credit balance at the beginning of the year, and received a premium holiday for \$7,006, resulting in a credit balance at the end of the year of \$7,006, which is recorded on the General Fund’s balance sheet as a prepaid item. The trust agreement permits Primex to make additional assessments to members should there be a deficiency in trust assets to meet its liabilities. At this time, Primex foresees no likelihood of any additional assessments for past years.

IV.B. Retirement Pensions

General Information about the Pension Plan

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

Both the members and the Village District make contributions to the NHRS. Member rates of contribution are set by the Legislature. Employer rates are determined by the NHRS trustees based on an actuarial valuation. The rate of contribution for employees was 7.0% of gross earnings. For the first six months of 2015, the rate of contribution from the Village District was 10.77%, increasing to 11.17% as of July 1, which are actuarially determined to generate an amount, that when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions from the Village District during the year were \$4,598.

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

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

The Village District is reporting a liability of \$48,142 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village District's proportion of the net pension liability was based on a projection of the Village District's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities and school districts, actuarially determined. As of June 30, 2015, the Village District's proportion was 0.0012%, which was a decrease of 0.00005% from its proportion measured as of June 30, 2014.

For 2015, the Village District recognized pension expense of \$1,537. At year-end, the Village District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ 3,091	\$ -
Net difference between projected and actual earnings on pension plan investments	-	11,425
Village District contributions subsequent to the measurement date	<u>4,077</u>	<u>-</u>
	<u>\$ 7,168</u>	<u>\$ 11,425</u>

The Village District reported \$4,077 as deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the next year.

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

<u>Year Ended</u>	
2015	\$ (2,501)
2016	(2,501)
2017	(2,501)
2018	(580)
2019	<u>(251)</u>
	<u>\$ (8,334)</u>

**THE VILLAGE DISTRICT OF EIDELWEISS
NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015**

Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.75%
Salary increases	5.8% average, including inflation
Investment rate of return	7.75% per year

Mortality rates were based on the RP-2000 Mortality Table, projected to 2020 with Scale AA. The table includes a margin of 15% for men and 17% for women for mortality improvements.

Sensitivity of the Village District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Village District's proportionate share of the net pension liability calculated using the discount rate of 7.7%, as well as what the Village District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Village District's proportionate share of net pension liability	\$ 63,373	\$ 48,142	\$ 35,158

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

IV.C. Contingencies

The Village District may from time to time have contingent liabilities that arise through the normal course of business. At this time, management does not feel that there are any material liabilities that are not recorded in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT 9
VILLAGE DISTRICT OF EIDELWEISS
Statement of the Village District's Proportionate Share of the Net Pension Liability
New Hampshire Retirement System
For the Year Ended December 31, 2015

	2015	2014
Village District's proportion of net pension liability	0.0012%	0.0013%
Village District's proportionate share of the net pension liability	\$48,142	\$47,515
Village District's covered employee payroll	\$39,078	\$37,614
Village District's proportionate share of the net pension liability as a percentage of covered-employee payroll	123.19%	126.32%
Plan fiduciary net position as a percentage of the total pension liability	65.47%	66.32%

EXHIBIT 10
VILLAGE DISTRICT OF EIDELWEISS
Schedule of Village District Contributions
New Hampshire Retirement System
For the Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 4,077	\$ 4,107
Contribution in relation to the contractually required contribution	(4,077)	(4,107)
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>
Village District's covered-employee payroll	\$39,078	\$37,614
Contributions as a percentage of covered-employee payroll	10.43%	10.92%

**VILLAGE DISTRICT OF EIDELWEISS
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015**

The Schedule of the Village District's Proportionate Share of the Net Pension Liability and the Schedule of Village District Contributions are meant to present related information for ten years. Because this is the first year that the Village District has adopted GASB Statement No. 68 and presented the pension schedules, only two years are presented. An additional year's information will be added each year until there are ten years shown.

**SUPPLEMENTARY INFORMATION
INDIVIDUAL FUND SCHEDULES**

EXHIBIT 11
VILLAGE DISTRICT OF EIDELWEISS
General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

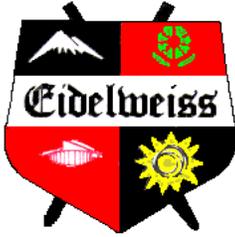
	<u>Estimated</u>	<u>Actual</u>	Variance Positive (Negative)
Taxes:			
Property	\$ 429,675	\$ 429,820	\$ 145
Intergovernmental:			
Asset management grant	15,000	3,003	(11,997)
Charges for services:			
Income from departments	172,187	186,249	14,062
Other	-	425	425
Total charges for services	<u>172,187</u>	<u>186,674</u>	<u>14,487</u>
Miscellaneous:			
Sale of property	-	10,100	10,100
Interest on investments	25	104	79
Rent of property	7,500	7,500	-
Insurance dividends and reimbursements	-	11,894	11,894
Other	-	27	27
Total miscellaneous	<u>7,525</u>	<u>29,625</u>	<u>22,100</u>
Other financing sources:			
Transfers in:			
Expendable trust fund	21	-	(21)
Long-term debt issued	116,495	109,590	(6,905)
Total other financing sources	<u>116,516</u>	<u>109,590</u>	<u>(6,926)</u>
Total revenues and other financing sources	740,903	<u>\$ 758,712</u>	<u>\$ 17,809</u>
Use of fund balance to reduce taxes	30,000		
Total revenues, other financing sources and use of fund balance	<u>\$ 770,903</u>		

EXHIBIT 12
VILLAGE DISTRICT OF EIDELWEISS
General Fund
Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 12,200	\$ 11,012	\$ -	\$ 1,188
Financial administration	-	45,631	48,086	-	(2,455)
Legal	-	3,825	2,105	-	1,720
Employee benefits	-	68,340	38,592	-	29,748
General government buildings	-	15,135	13,818	-	1,317
Insurance, not otherwise allocated	-	15,965	12,956	-	3,009
Advertising and regional associations	-	765	892	-	(127)
Other	-	765	916	-	(151)
Total general government	-	<u>162,626</u>	<u>128,377</u>	-	<u>34,249</u>
Highways and streets:					
Highways and streets	-	224,641	217,434	-	7,207
Street lighting	-	1,550	1,302	-	248
Total highways and streets	-	<u>226,191</u>	<u>218,736</u>	-	<u>7,455</u>
Water services and treatment:					
Water services	1,301	168,728	149,643	-	20,386
Water treatment	-	-	2,271	-	(2,271)
Total water services and treatment	<u>1,301</u>	<u>168,728</u>	<u>151,914</u>	-	<u>18,115</u>
Parks and recreation	-	7,000	7,813	-	(813)
Debt service:					
Principal	-	49,463	58,033	-	(8,570)
Interest on long-term debt	-	-	10,614	-	(10,614)
Interest on tax anticipation note	-	500	350	-	150
Total debt service	-	<u>49,963</u>	<u>68,997</u>	-	<u>(19,034)</u>
Capital outlay:					
Machinery, vehicles and equipment	-	119,395	127,094	11,701	(19,400)
Buildings	21,000	-	20,870	-	130
Improvements other than buildings	18,860	37,000	12,880	35,218	7,762
Total capital outlay	<u>39,860</u>	<u>156,395</u>	<u>160,844</u>	<u>46,919</u>	<u>(11,508)</u>
Total encumbrances, appropriations, expenditures and other financing uses	<u>\$ 41,161</u>	<u>\$ 770,903</u>	<u>\$ 736,681</u>	<u>\$ 46,919</u>	<u>\$ 28,464</u>

EXHIBIT 13
VILLAGE DISTRICT OF EIDELWEISS
General Fund
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

Unassigned fund balance, beginning		\$ 190,152
Changes:		
Unassigned fund balance used to reduce tax rate		(30,000)
Budget summary:		
Revenue shortfall (Exhibit 11)	\$ 17,809	
Unexpended balance of appropriations (Exhibit 12)	<u>28,464</u>	
Budget surplus		46,273
Increase in nonspendable fund balance		(135)
Decrease in committed fund balance		<u>1,566</u>
Unassigned fund balance, ending		<u><u>\$ 207,856</u></u>



Board of Commissioners
Village District of Eidelweiss
1680 Conway Rd Box 1027
Madison, New Hampshire
603-367-9022

February 24, 2016

FINANCIAL STATEMENT 2015

Cash Balance in Treasury - January 1, 2015	84,824
Receipts for Calendar Year	672,767
Total	757,591
Commissioner's Order's Paid	750,377
Cash Balance in Treasury - December 31, 2015	7,214
GENERAL FUND	
Interest	12
Madison Tax Payment	374,084
Radio Tower	7,500
Water Usage Fees	181,029
Tax Anticipation Note	0
Property Sales	100
Miscellaneous	452
Long-Term Borrowing	109,590
TOTAL REVENUE	672,767
FUND BALANCE OF SPECIAL FUNDS	
Water Line Extension Fund	
Starting Balance - January 1, 2015	24,702
Income	24,000
Interest	4
Refund	8,000
Expenditures	10,321
Ending Balance - December 31, 2015	30,385

FUND BALANCE OF CAPITAL RESERVE FUNDS	
Highway Equipment	
Starting Balance - January 1, 2015	5,866.78
Income	0.00
Expenditures	0.00
Interest	4.41
Ending Balance - December 31, 2015	5,871.19
Land Acquisition and Development	
Starting Balance - January 1, 2015	32,683.87
Income	0.00
Expenditures	0.00
Interest	24.61
Ending Balance - December 31, 2015	32,708.48
Road Construction	
Starting Balance - January 1, 2015	15027.60
Income	0.00
Expenditures	4,700.00
Interest	9.62
Ending Balance - December 31, 2015	10,337.22
Office Equipment	
Starting Balance - January 1, 2015	12,428.31
Income	0.00
Expenditures	3937.21
Interest	7.37
Ending Balance - December 31, 2015	8,498.47
Water System	
Starting Balance - January 1, 2015	80,061.82
Income	32,000.00
Expenditures	25,000.00
Interest	46.13
Ending Balance - December 31, 2015	87,107.95

Equipment Maintenance Trust Fund	
Starting Balance - January 1, 2015	20.56
Income	0
Expenditures	20.56
Interest	0
Ending Balance - December 31, 2015 CLOSED	0.00
GENERAL FUND BALANCE SHEET	
ASSETS AND OTHER DEBITS	
Cash on Hand	7,214
Accounts Receivable	252,059
Capital Reserve Funds	144,522
Inter-fund Receivable	7,948
Prepaid Items	7,006
TOTAL ASSETS	418,749
LIABILITIES AND EQUITIES	
LIABILITIES	
Accounts Payable	3,646
Accrued Payroll	5,526
Driveway Bonds	0
Retainage Payable	0
Deferred Revenue	3,273
TOTAL LIABILITIES	12,445
EQUITY	
Encumbered Funds	46,920
Capital Reserve Funds	144,522
Restricted Debt Service	0
Non-spendable	7,006
Unassigned Fund Balance	207,856
TOTAL EQUITIES AND LIABILITIES	418,749