



A beautiful sky seen from Emerald Beach. PHOTO BY SARA AUGER

Emerald Lake Village District **Hillsborough, NH**

ANNUAL REPORT

For the Year Ending December 31, 2023



Halloween fun on Emerald Beach. PHOTO BY SARA AUGER



Early evening on Emerald Lake. PHOTO BY DEBBIE KARDASESKI

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VILLAGE DISTRICT OFFICERS — 2023

Board of Commissioners

Brett Taber (Elected 2021)
(Term ends 2024)

Chairman — Jan. to Nov. 2023

Sara Auger (Elected 2023)
(Term ends 2026)

Chairman — Nov. 2023 to present

Sara (Murphy) Blackman (Appointed 2023)
(Resigned July 2023)

Michael Carr (Appointed 2023)
(Term ends 2024)

Clerk

Sara Auger (Appointed 2023)
(Resigned May 2023)

Michael Croatti (Appointed June 2023)
(Resigned October 2023)

Lorinda Giarusso (Appointed Jan. 2024)
(Term ends 2024)

Treasurer

Carolyn Renken (Elected 2023)
(Term ends 2024)

Moderator

James Riddle (Elected 2023)
(Term ends 2024)



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BOARD OF COMMISSIONERS' REPORT

INTRODUCTION

This year seemed to follow suit in that we struggled with some staffing issues throughout the year. A moderator was needed to hold the Annual Meeting for 2023 and we were able to find someone with prior experience. The position of district clerk was open for a period when the Elected Clerk, who was also elected to a Commissioner position chose to take the 3-year Commissioner term and unable to fulfill 2 elected positions. The Board was able to fill the position on an interim basis with a resident that was familiar to the districts requirements, however this position reopened for the 2nd time in 2023. The position is open for election again in 2024. Additionally we had one Commissioner position open up, which was filled, and a new Road Agent went out to hire.

The district continued to work on several projects during CY2023. We worked through the start-up and ongoing efforts of over 12 active water projects and 4 General projects. Positive momentum during this CY has been seen on the many water projects. Additional notes are shared in each respective section below.

Water System

This past calendar year again saw several system improvements to the districts water system infrastructure. The water distribution replacement project that had been approved for funding during the 2021 Annual meeting and again during the 2022 Annual meeting began its construction phase efforts. The original plan for estimated work to be completed in 2022 was for the three (3) roads from the 2021 warrant articles. Due to many variables and improvements on this phase of construction, the contracted company (SUR) was able to complete an additional five and one-half (5 ½) roads from the 2022 Annual meeting article before construction needed to stop for the winter months. This effort proved to be beneficial in that the project is progressing faster than originally planned and that resulted in lower costs for the initially planned project. As of the end of calendar year (2022), the Board was seeking additional approval through the NHDES to apply the excess funds saved from the two projects and allow the district to continue to replace other roadway water infrastructure while funds are available. The requests were approved and by the end of CY 2023 a total of 16 roadway water system distribution lines had been replaced. The original effort was to only replace 11 roadway distribution lines. We would like to thank all residents for their patience and understanding while construction efforts were taking place on the roadways for the water main replacements, understanding it is not easy to have ongoing construction outside your home.

Another major accomplishment of this project was getting 12 meter pits installed, a step towards getting meters installed in these, for monitoring purposes only, to start the one-year minimum of baseline data needed prior to seeking meter pits for all. Until such time we are all metered, a flat water rate will remain. This is the first step towards this multi-million dollar project for the future.

The district continues to work on its water loss/ use monitoring with the use of our Zone meters. Late in CY22 a zone was added covering the roadways of Hemlock and Alpine. Also during the installation of the new distribution lines for Autumn road, a zone meter pit was installed.

Currently the district monitors 8 separate zones for water use/ loss volumes in its effort to react to water leaks earlier. This will provide a total of 8 zone meters and cover nearly 470 of the 543 water hook ups for water monitoring. The remaining roadways are dual flow based on how they supply the districts roadways. This makes it more difficult to monitor these areas.

The district continues to keep its outside water-use restriction in place in an effort to maintain its source water supply available for necessary needs of water. This need shall remain in effect while the State has the district subject to a source water violation. A leak detection grant was obtained again in 2023 for the district, as it has been for the last 4+ years. Our efforts will continue to push for overall system improvements and funding where available.

In 2023, the Board of Commissioners also signed off on updated water rules & regulations, which can be found on our website www.elvdnh.com.

Roads

As a secondary effect of the water infrastructure replacement project, various culverts around the district have been replaced/ repaired. Some of the culverts replaced were located on the following roads: Ellen brook, Bobolink, Greenfield, Birch tree, Raccoon Alley, Bobolink, and Autumn Road.

We also saw a large culvert collapse between Beaver Glen and Firefly Lane on Ravenhead and this portion of the road remains closed to this day. Due to the size of this culvert and the wetlands surrounding it, it will be an expensive and lengthy replacement.

In the early portion of CY 2023 an extensive effort was made by our Road Agent, Bow Smith, at reclaiming ditch lines where possible. This proved to be an extensive amount of work and amount of material that was removed. This level of work had been missed being completed for many years and the result was positive in allowing water to flow off the roadway easier during wet weather events.

At the end of the 2023 summer season in the district, our road agent Bow Smith chose not to continue the agreement with the district. The Board worked with Gary Edwards in performing a final roadway grading in preparation for the winter freeze up. A big thanks to Gary Edwards company. The Board then worked towards locating a winter contractor so that plowing was covered at a minimum.

Beaches & Parks

We had several generous donations from residents who donated their time and funds to upkeep and improve our beaches & parks. The fund is separate, and its sole focus will be toward the purchase of future equipment to support the kids' needs towards new equipment or repairs.

The State of New Hampshire no longer tests our lake, this continues to be maintained by the Board of Commissioners who have set the schedule to test our lake monthly in the months of June, July, and August.

Both our roads and two of our beaches were impacted by the heavy rains summer 2023. The board of commissioners are still actively working towards a short and long term solution for our beaches and erosion issues.

The Board of Commissioners and volunteers hosted an egg hunt at Emerald Beach in the spring and a Trunk or Treat event in the fall. We had a large number of children participate in the egg hunt, and more than 500 eggs scattered by volunteers, plus a visit with the Easter Bunny. We had 10 cars participate in the Trunk or Treat decorating contest and numerous residents came by to trick or treat and participate in voting on the best trunk.

A notable change for 2023 was the prohibition of fireworks use on our beaches. This is due to the safety for all, with close incidents of fireworks shooting the wrong way towards both residents and woods (especially dangerous during drought conditions) and the environmental impact of discarded fireworks in our lake. Residents are still welcome to use fireworks on their own property, however use on district property, including beaches are no longer allowed.

Acknowledgements

The current district team wishes to thank all residents who strive to make our community a better place to live. Thank-you to all residents who take time out of their busy schedules to clean up around the district, keep an eye out for water leaks, help a neighbor and have brought ideas, suggestions, and concerns to the Board of Commissioners. All volunteer efforts directly impact the district with savings for all, we thank all those who donate their time and knowledge. It truly takes a Village.

In recognition of the efforts it takes to serve your community, as Chairperson (Commissioner Taber, Jan.-Oct. 2023 & Commissioner Auger, Nov. 2023-present), I would like to thank the departing team members for their roles served in 2023;

Sara Auger – Clerk – elected to Commissioner role

Marc Croatti- Clerk - resigned

Sara Blackman – Commissioner - resigned

By the current Board of Commissioners

/s/ Sara Auger

/s/ Brett Taber

/s/ Michael Carr

2024 WARRANT FOR THE ANNUAL DISTRICT MEETING

Emerald Lake Village District, Hillsborough State of New Hampshire

The inhabitants of the Emerald Lake Village District in the state of New Hampshire qualified to vote in District affairs are hereby notified that the Annual District Meeting will be held as follows:

First Session of Annual Meeting (Official Ballot Voting)

Saturday, April 20, 2024 • 10:00 a.m. to Noon
Hillsborough, NH Elementary School

Article 01 To elect officers

To choose one (1) Commissioner for a three (3) year term; one (1) Commissioner for a one (1) year term; Clerk for a one (1) year term; Treasurer for a one (1) year term; and a Moderator for a two (2) year term. *(To be voted on by official ballot.)*

Second Session of Annual Meeting (Transaction of All Other Business)

Saturday, April 20, 2024 • 12:30 p.m.
Hillsborough, NH Elementary School

Article 02 To raise and appropriate the sum of \$1,690,000

To see if the Village District will vote to raise and appropriate the sum of ONE MILLION SIX HUNDRED AND NINETY THOUSAND DOLLARS (\$1,690,000) (gross budget) for the purpose of replacing additional roadway water system infrastructure, with THREE HUNDRED AND NINETY THOUSAND DOLLARS (\$390,000) to come from the Drinking Water Groundwater Trust Fund Grant; and to authorize the issuance of not more than ONE MILLION THREE HUNDRED THOUSAND DOLLARS (\$1,300,000) of SRF loans or notes in accordance with the provisions of the Municipal Finance Act (RSA 33); further to authorize the municipal officials to issue and negotiate such loans or notes and to determine the interest thereon. *The Board of Commissioners recommends this Article. (3/5 ballot vote required.)*

Article 03 General Operating Budget, Including Debt Service

To see if the Village District will vote to raise and appropriate the sum of THREE HUNDRED AND NINETY-

ONE THOUSAND THREE HUNDRED AND NINETY-NINE DOLLARS (\$391,399) for the ELVD General operating expenses during 2024, including debt services. This article does not include appropriations contained in special or individual warrant articles voted separately. *The Board of Commissioners recommends this article. (Majority vote required.)*

Article 04 Water System Operating Budget, Including Debt Service

To see if the Village District will vote to raise and appropriate the sum of FIVE HUNDRED AND EIGHTY-SIX THOUSAND FIVE HUNDRED AND SEVENTY-TWO DOLLARS (\$586,572) for the ELVD Water Department Expenses during 2024, including debt services. Said funds to be offset by income to the Water Department. This article does not include appropriations contained in special or individual warrant articles voted separately. *The Board of Commissioners recommends this article. (Majority vote required.)*

Article 05 Raise and Appropriate \$19,500 to General Capital Reserve Funds

To see if the Village District will vote to raise and appropriate the sum of NINETEEN THOUSAND FIVE HUNDRED DOLLARS (\$19,500) to be added to the previously established Capital reserve Funds as noted below:

- Roads and Bridges Capital Reserve Fund (CR100) — \$17,000; said funds to come from unassigned fund balance.
- Dam Repair and Maintenance Capital Reserve Fund (CR128) — \$2,500 Said funding to come from general taxation.

The Board of Commissioners recommends this article. (Majority vote required.)

Article 06 Water Capital Reserve Funds Deposits

To see if the Village District will vote to raise and appropriate the sum of FORTY THOUSAND DOLLARS (\$40,000) to be added to the previously established Capital Reserve Funds as noted below:

- Water Capital Reserve Fund (CR154) — \$25,000
- Matching funds for Grants Capital Reserve Fund (CR126) — \$2,000

- Water Meter Capital Reserve Fund (CR112) — \$13,000 Said funding to come from Water system revenues.

The Board of Commissioners recommends this article. (Majority vote required.)

Article 07 To raise and appropriate \$11,621

To see if the Village District will vote to raise and appropriate the sum of ELEVEN THOUSAND SIX HUNDRED AND TEWNTY ONE DOLLARS (\$11,621) towards the repair, replacement of residential toilet flappers to reduce water loss and improve water conservation and education. Said funding to come from NHDES Source water protection grant in the amount of \$11,621. *The Board of Commissioners recommends this article. (Majority vote required.)*

Article 08 Establish a Capital Reserve Fund for the purpose of funding future beach repairs and maintenance

To see if the Village District will vote to establish a Capital reserve fund under the provisions of RSA 35: 1 for the purpose of ELVD beach properties for the purpose of protecting the water shed area of Gould Pond. This shall include coverage to include repairs, restoration and erosion control needs for said properties and to raise and appropriate the sum of TWENTY THOUSAND DOLLARS (\$20,000) to be added to the fund. Further, to name the ELVD Board of Commissioners as agents to expend from said fund. Said funding to come from general taxation. *The Board of Commissioners recommends this article. (Majority vote required.)*

Article 09 Raise and appropriate the sum of \$33,600 for special duty law enforcement

To see if Emerald Lake Village District will raise and appropriate the sum of THIRTYTHREE THOUSAND SIX HUNDRED AND SIXTY DOLLARS (\$33,660) for the purpose of hiring New Hampshire certified Law enforcement officers to patrol El VD and enforce El VD rules and regulations, for a 12-hour detail on weekends and holidays, beginning the Saturday preceding Memorial Day, and concluding the Monday of Labor Day, including the July 4th Independence Day Holiday.

Submitted by petition article; Not recommended by the Board of Commissioners; Majority vote required.

Article 10 To increase the size of the Emerald Lake Board of Commissioners

To increase the size of the Emerald Lake Village District Board of Commissioners from 3 to 5 positions, one 3-year term, one 2-year term, three 1-year terms.

Submitted by petition article; not recommended by the Board of Commissioners; Majority vote required.

Article 11 To issue Emerald Lake Village District parking permits

To issue Emerald Lake Village District beach parking permits by assigning the permits to Emerald Lake Village District residents motor vehicle registration.

Submitted by petition article; not recommended by the Board of Commissioners; Majority vote required.

Article 12 To conduct any other business

To transact any other business that may legally come before said meeting.

Given under our hands this 31st day of March in the year of Two Thousand and Twenty Four by the Board of Commissioners, Emerald Lake Village District.

We certify and attest that on or before April 6th, 2024, we posted a true and attest copy of the within Warrant at the place of meeting and like copies at the usual posting places, and delivered the original to the Town Clerk.

/s/ Sara Auger, Chairman

/s/ Brett Taber, Commissioner

/s/ Michael Carr, Commissioner

Note: *Due to printing deadlines, the text of articles contained herein may be subject to revision or correction prior to the posting of the District Warrant.*

2024 GENERAL GOVERNMENT BUDGET

EXPENSE CATEGORIES		2023 Actuals	2023 budget	over /(under) budget		2024 budget	Budget Percentage changes from prior year	CY budgeted changes prior year (+/-)
General Government								
4130.1	Office Expenses-other	1,426.24	1,750.00	(323.76)		1,600.00	-8.57%	(150.00)
4130.11	Rent 50%	6,400.00	6,375.00	25.00		6,675.00	4.71%	300.00
4130.12	USPS Box Rental	74.00	75.00	(1.00)		82.00	9.33%	7.00
4130.13	TDS Phone Internet Office	1,469.55	1,100.00	369.55		1,400.00	27.27%	300.00
4130.14	Eversource Office	620.51	800.00	(179.49)		800.00	0.00%	-
4130.15	Website	2,230.88	2,255.00	(24.12)		2,275.00	0.89%	20.00
4130.16	Computer Maintenance	59.99	250.00	(190.01)		250.00	0.00%	-
4130.17	ELVD Mailboxes & Facility Mainte	-	250.00	(250.00)		500.00	100.00%	250.00
4130.18	G-Suite		-	-		-		-
4130.19	Office Expenses		-	-		-		-
62500	NHMA Membership	615.00	605.00	10.00		625.00	3.31%	20.00
64900	Office Expenses		-	-		-		-
66500	Postage	63.00	275.00	(212.00)		200.00	-27.27%	(75.00)
60000	Advertising and Promotion (Advertising, marketing, graphic design, and other promotional expenses)	215.73	200.00	15.73		200.00	0.00%	-
Total for General Government		13,174.90	13,935.00	(760.10)		14,607.00	4.82%	672.00
Government Administration								
4130	Government Administration - Other							-
4130.2	Personnel Expenses - Other							-
4130.21	Stipend Payroll - Commissioners	18,797.50	20,630.00	(1,832.50)		20,630.00	0.00%	-
4130.22	Employer Deductions -Payroll Tax	1,685.28	1,940.00	(254.72)		1,940.00	0.00%	-
4130.23	Payroll Program Expenses	804.00	500.00	304.00		700.00	40.00%	200.00
4130.24	Admin/ File Clerk	1,630.00	3,600.00	(1,970.00)		2,000.00	-44.44%	(1,600.00)
4130.25	Education	-	400.00	(400.00)		400.00	0.00%	-
Total for Government Administration		22,916.78	27,070.00	(4,153.22)		25,670.00	-5.17%	(1,400.00)
Financial Administration								
4150	Financial Administration - Other							
4150.1	Audit (50%) Gen.	5,314.72	6,500.00	(1,185.28)		6,500.00	0.00%	-
4150.2	Bookkeeper	4,250.00	4,400.00	(150.00)		4,400.00	0.00%	-
4150.3	Professional Fees	-	1.00	(1.00)		300.00	29900.00%	299.00
4150.4	Bookkeeping Software & Forms	574.00	500.00	74.00		300.00	-40.00%	(200.00)
Total for Financial Administration		10,138.72	11,401.00	(1,262.28)		11,500.00	0.87%	99.00
4153	Legal Expenses (Pertaining to ad	2,800.00	4,000.00	(1,200.00)		3,500.00	-12.50%	(500.00)
4196.1	Workers Comp - Primex	462.10	462.10	-		500.00	8.20%	37.90
4196.2	Liability & Property	2,567.57	2,567.57	-		3,210.00	25.02%	642.43
Total		5,829.67	7,029.67	(1,200.00)		7,210.00	2.57%	180.33
Total General Government		52,060.07	59,435.67	(7,375.60)		58,987.00	-0.75%	(448.67)
Misc General								
4130.3	Annual Meeting & Election Exp	1,137.50	1,000.00	137.50		1,100.00	10.00%	100.00
4130.4	Administrator			-				-
4197	Meetinghouse Expenses			-				-
4199	Other Admin Expenses			-				-
4200	Payroll Expenses (Payroll expenses company portion) - Other			-				-
4200.1	Medicare (company)			-				-
4200.2	Social Security (company)			-				-
4200.3	federal unemployment tax			-				-
4311	Administrative Expenses			-				-
3503	bank service fees			-				-
4902.1	Warrant Article 10 (Distribution Flow Meter - 2019)			-				-
Total		1,137.50	1,000.00	137.50		1,100.00	10.00%	100.00

2023 ANNUAL REPORT – EMERALD LAKE VILLAGE DISTRICT

EXPENSE CATEGORIES		2023 Actuals	2023 budget	over/(under) budget		2024 budget	Budget Percentage changes from prior year	CY budgeted changes prior year (+/-)
Highways & Streets								
4312	Grading & Other Repairs (Repairs over & above normal maintenance)							-
4312.1	Contract Maintenance	110,461.92	140,000.00	(29,538.08)		234,000.00	67.14%	94,000.00
4312.11	Sand & Gravel	18,902.30	10,000.00	8,902.30		25,000.00	150.00%	15,000.00
4312.12	Tree Service	450.00	2,500.00	(2,050.00)		2,500.00	0.00%	-
4312.13	Incidental Snow Removal -- 34%		1.00	(1.00)		1.00	0.00%	-
4312.14	Calcium Chloride		1.00	(1.00)		1,000.00	99900.00%	999.00
4312.15	Road Signs	319.56	600.00	(280.44)		300.00	-50.00%	(300.00)
4312.16	Road Repair - Sub contracted	7,489.03	10,000.00	(2,510.97)		20,000.00	100.00%	10,000.00
	Total	137,622.81	163,102.00	(25,479.19)		282,801.00	73.39%	119,699.00
Bridge Repairs								
4313.1	Bridge Repairs - Subcontracted	-	1.00	(1.00)		1.00	0.00%	-
4313.11	Red Fox Bridge Project - 2019 Start			-				-
4316	Street Lighting Costs			-				-
4319	Engineering & Permits -- Bridge - C	-	3,000.00	(3,000.00)		2,000.00	-33.33%	(1,000.00)
4319.1	Dig Safe	95.00	100.00	(5.00)		100.00	0.00%	-
4325	CRF Roads & Bridges			-				-
	Total Bridge Repairs	95.00	3,101.00	(3,006.00)		2,101.00	-32.25%	(1,000.00)
Culture & Recreation								
4520	Parks & Beaches - Other							
4520.1	Maintenance, Supplies... (Suppl	1,335.15	2,000.00	(664.85)		2,000.00	0.00%	-
4520.11	Eversource	-	-	-		-		-
4520.12	Outhouses (Outhouses for beac	1,515.00	2,200.00	(685.00)		2,275.00	3.41%	75.00
4520.13	Lake Testing ((NH Public Health)	896.00	800.00	96.00		900.00	12.50%	100.00
4520.14	Maintenance Contract	8,600.00	9,000.00	(400.00)		14,650.00	62.78%	5,650.00
	Total Culture & Recreation	12,346.15	14,000.00	(1,653.85)		19,825.00	41.61%	5,825.00
General Bonded Debt								
	Principal (Red Fox Crossing Bridg	20,000.00	20,000.00	-		20,000.00	0.00%	-
	Interest on loan	7,605.00	7,605.00	-		6,585.00	-13.41%	(1,020.00)
	BAN interest			-				-
	Total General Bonded Debt	27,605.00	27,605.00	-		26,585.00	-3.69%	(1,020.00)
TOTAL GENERAL GOVERNMENT		230,866.53	268,243.67	(37,377.14)		391,399.00	45.91%	123,155.33
4915	Capital Reserve Fund Transfer (Move funds voted into reserve accounts)	22,500.00	22,500.00	-		2,500.00	-88.89%	(20,000.00)
TOTAL TAXABLE GENERAL GOVERNMENT		253,366.53	290,743.67	(37,377.14)		393,899.00	35.48%	103,155.33
				Under budget due to overdraw of CRF				

2024 WATER SYSTEM BUDGET

EXPENSE CATEGORIES	WATER	2023 Actuals	2023 budget	over /(under) budget		2024 budget	Budget Percentage changes from prior year	CY budgeted changes prior year (+/-)
Administrative Expenses								
4331	Administrative Expenses - Other							
4331.1	Legal Fee related to water	140.00	4,000.00	(3,860.00)		3,500.00	-12.50%	(500.00)
4331.11	Rent at 50%	6,400.00	6,375.00	25.00		6,675.00	4.71%	300.00
4331.12	Membership GSRWWA	548.00	250.00	298.00		285.00	14.00%	35.00
4331.13	Audit (50%)	5,314.72	6,500.00	(1,185.28)		6,500.00	0.00%	-
4331.14	Emp. Payroll -- Administrator		-	-		-		-
4331.15	Insurance		1.00	(1.00)		1.00	0.00%	-
4331.16	Hillsboro Water Bill Invoicing	919.70	900.00	19.70		1,000.00	11.11%	100.00
4331.2	Professional Services	-	250.00	(250.00)		300.00	20.00%	50.00
Total Administrative Expenses		13,322.42	18,276.00	(4,953.58)		18,261.00	-0.08%	(15.00)
Maintain & Repair Water System								
4332	Maintain & Repair Water System - Other							
4332.1	Maintenance -- Other	-	7,500.00	(7,500.00)		7,000.00	-6.67%	(500.00)
4332.5	Zone Meter	-	3,500.00	(3,500.00)		3,500.00	0.00%	-
4332.11	WSO Monthly Contract	103,800.00	103,800.00	-		103,800.00	0.00%	-
4332.12	Ayer & Goss (Propane) & fuel surcharge	5,685.63	6,500.00	(814.37)		6,000.00	-7.69%	(500.00)
4332.13	Eversource	31,300.71	30,000.00	1,300.71		31,000.00	3.33%	1,000.00
4332.14	TDS Internet for Water (Relay switches and internet at pump house)	1,151.92	1,100.00	51.92		1,100.00	0.00%	-
4332.15	Powers Generator	4,426.37	3,000.00	1,426.37		4,000.00	33.33%	1,000.00
4332.16	Incidental Snow Removal — 66%	-	1.00	(1.00)		1.00	0.00%	-
Total Maintain & Repair Water System		146,364.63	155,401.00	(9,036.37)		156,401.00	0.64%	1,000.00
Emergency/ Leak Repairs								
4332.2	Labor for Leak Repair	14,371.25	40,000.00	(25,628.75)		35,000.00	-12.50%	(5,000.00)
4332.21	Excavator	5,860.00	8,000.00	(2,140.00)		4,500.00	-43.75%	(3,500.00)
4332.22	Parts (Replace Curb Stops, etc)	12,532.83	10,000.00	2,532.83		10,000.00	0.00%	-
4332.23	Trucking of Water	45,825.00	50,000.00	(4,175.00)		50,000.00	0.00%	-
4332.24	Water Bought	6,083.73	15,000.00	(8,916.27)		15,000.00	0.00%	-
4332.25	Leak detection — Fuel (Gas used in vehicles to detect water leaks.)	34,921.60	12,000.00	22,921.60		15,000.00	25.00%	3,000.00
Total Leak Repair		119,594.41	135,000.00	(15,405.59)		129,500.00	-4.07%	(5,500.00)
Non- Leak Repairs								
4332.3	Nonleak Repairs - Labor and Excavation	46,300.02	40,000.00	6,300.02		50,000.00	25.00%	10,000.00
4332.31	WSO Replace Curb Stops/Parts	1,625.43	500.00	1,125.43		500.00	0.00%	-
4332.32	Well Maintenance	4,359.32	13,000.00	(8,640.68)		10,000.00	-23.08%	(3,000.00)
4332.33	Replace Pipes/ Treatment Center	102.48	1.00	101.48		1.00	0.00%	-
4332.34	Building Repairs & Maintenance (Water)	374.30	1,000.00	(625.70)		1,000.00	0.00%	-
4332.35	Water delivery labor			-				-
Total Non-Leak Repairs		52,761.55	54,501.00	(1,739.45)		61,501.00	12.84%	7,000.00
4332.4	Homeowner curbstop charge (this is for damaged or bent, broken curbstops due to negligence of homeowner or their personal plow person.)	(1,055.00)	1.00	(1,056.00)		1.00	0.00%	-
4332.6	Other							-
66901	Accured Expenses			-				-
4332.9				-				-
4340	CIP Water Expenses			-				-
4341	water surplus Expense			-				-
4342	trust expenses			-				-
4332.9	Warrant Article 9 (Tank Control Valave - 2019)			-				-
Total Misc			1.00	(1.00)		1.00		-

2023 ANNUAL REPORT — EMERALD LAKE VILLAGE DISTRICT

EXPENSE CATEGORIES	WATER	2023 Actuals	2023 budget	over /(under) budget		2024 budget	Budget Percentage changes from prior year	CY budgeted changes prior year (+/-)
Water Treatment Costs								
4335	Treatment of Water Costs			-				
4335.1	Eastern Analytical (Testing)/Nelson	990.00	700.00	290.00		1,000.00	42.86%	300.00
4335.11	Monson Chemicals (Chemicals)	1,919.68	4,000.00	(2,080.32)		3,000.00	-25.00%	(1,000.00)
4335.12	Quality Reports	1,871.10	2,000.00	(128.90)		1,800.00	-10.00%	(200.00)
4335.13	Mailing Water Quality Reports	-	1.00	(1.00)		1.00	0.00%	-
4335.14	WSO+ Chemicals	-	1.00	(1.00)		1.00	0.00%	-
4335.15	WSO+ Treatment Parts	-	4,000.00	(4,000.00)		3,000.00	-25.00%	(1,000.00)
Total Water Treatment Costs		4,780.78	10,702.00	(5,921.22)		8,802.00	-17.75%	(1,900.00)
Water Conservation								
4338	Water Conservation Related Cost							
4338.1	Leak Testing & Conservation Measures		1.00	(1.00)		1.00	0.00%	-
Total Water Conservation		-	1.00	(1.00)		1.00	0.00%	-
4339 Engineering & Permits								
4339.1	Engineering & Permits water systems	2,557.10	5,000.00	(2,442.90)		4,000.00	-20.00%	(1,000.00)
Total Engineering & Permits		2,557.10	5,000.00	(2,442.90)		4,000.00	-20.00%	(1,000.00)
Water Bonded Debt								
4711	Bond Repayment Principal	164,799.18	164,799.18	-		160,519.54	-2.60%	(4,279.64)
4721	Bond Repayment Interest	29,324.52	29,324.52	-		29,917.42	2.02%	592.90
4790	Bond Repayment Admin Fees	19,501.58	19,501.58	-		17,668.42	-9.40%	(1,833.16)
Total Water Bonded Debt		213,625.28	213,625.28	-		208,105.38	-2.58%	(5,519.90)
TOTAL WATER (without bonds & WA)		339,380.89	378,882.00	(39,501.11)		378,467.00	-0.11%	(415.00)
combined net sum		553,006.17	592,507.28	(39,501.11)		586,572.38	-1.00%	(5,934.90)
Water CRF deposits								
Total Water with CRF Deposits		34,000.00	34,000.00	-		40,000.00	17.65%	6,000.00
Total Water with CRF Deposits		587,006.17	626,507.28	(39,501.11)		626,572.38	0.01%	65.10
				under budget overall				
				improvements & project improvements				

PROPERTY TAX RATE — 2023

(Net Assessed Valuation of \$600,006,599)

TOWN PORTION	\$10.40
LOCAL SCHOOL PORTION	\$17.67
STATE EDUCATION PORTION	\$ 1.28
COUNTY PORTION	\$ 1.87
TOTAL TOWN TAX RATE	\$31.22
EMERALD LAKE VILLAGE DISTRICT PRECINCT TAX	\$ 3.13
TOTAL ELVD TAX RATE	\$34.35

WARRANT ARTICLE ESTIMATED PROPERTY TAX IMPACT — 2024

(Net Assessed Valuation of \$92,920,950)

Warrant Article 3 — General Budget (\$391,399)	\$4.21
Warrant Article 5 — Appropriate \$2,500 to Capital Reserve Funds	\$0.03
Warrant Article 8 — Appropriate \$20,000 to New Capital Reserve Fund for Beach Maintenance	\$0.22
Total District Rate with Proposed Budget and Warrant Articles	\$4.46
COST OF PETITIONED WARRANT ARTICLES:	
Warrant Article 9 — Special Detail Coverage (\$33,660)	\$0.36

These numbers are estimates only. There are a number of factors that affect the final tax rate.

MINUTES OF 2023 ANNUAL MEETING



Office: 147 West Main Street, Hillsborough, NH 03244

Mail: P.O. Box 1753, Hillsborough, NH 03244

Tel: 603-464-3128

Meeting Minutes

Emerald Lake Village District (ELVD) Annual Meeting

Saturday, April 22, 2023

Board Attendees

Brett Taber, Commissioner (Chair)

Debbie Kardaseski, Commissioner

Sarah Murphy, Commissioner

Carolyn Renken, Treasurer

Sara Auger, Clerk

Jim Riddle, Moderator

Moderator, Jim Riddle, opened voting for officials at 10:00am.

No Absentee Ballots were received to open.

Moderator, Jim Riddle, closed voting at 12:00pm (noon).

Moderator, Jim Riddle, called the 2023 Annual Meeting for Emerald Lake Village District to order at 12:30pm. All present stood for the Pledge of Allegiance. Jim Riddle gave a bit on his background and went over rules for the meeting.

Read **Article 01: To Elect Officers.** To choose one Commissioner for a three-year term; one Clerk for a one-year term; one Treasurer for a one-year term; one Moderator for a one-year term. This article was voted on by an official ballot.

Results were read by Moderator, Jim Riddle, as following:

Commissioner (3-Year Term): Sara Auger with 22 votes and Sarah Murphy with 11 votes.

Treasurer (1-Year Term): Carolyn Renken with 30 votes and a write-in for Mark Rodier with 1 vote.

Clerk (1-Year Term): All write-in votes as follows: Sara Auger with 8 votes, Rick Rose with 4 votes, Tricia Stefanelli with 3 votes, Sarah Murphy with 2 votes, Laurie Huber with 1 vote and Brett Taber with 1 vote.

Moderator (1-Year Term): All write-in votes as follows: Jim Riddle with 11 votes, Keith Huber with 3 votes, Dave Stefanelli with 3 votes and Sarah Murphy with 1 vote.

Read **Article 02: \$700,000 for the Purpose of Treating Hummingbird Well.** To see if the Village District will vote to raise and appropriate the sum of \$700,000 (gross budget) for the purpose of developing/ installing an arsenic treatment system and building necessary to support the hummingbird well site facility, and authorize the District Commissioners to: (a) issue and negotiate such bonds or notes and determine the rate of interest thereon from the NH State Revolving Loan Fund in an amount not more than \$385,000 in accordance with the Municipal Finance Act (RSA 33) from the NH State Revolving Fund; and (b) Accept and expend one or more grants from the American Rescue Plan Act (ARPA) Fund in the amount of \$140,000 and \$175,000 from the Groundwater Trust Fund. The Board of Commissioners recommends this article. (3/5 ballot vote required.)

Motion to move article 02 by Commissioner Taber and seconded by Carolyn Renken. Commissioner Taber then spoke to this article, pointing out that while Hummingbird well is not currently in violation, it has seen an increase in arsenic levels in recent years. The state has lowered the arsenic threshold from 10ppb to 5ppb also in recent years. Getting treatment in place for this well is being proactive, while funding is available now, out of the \$700,000 gross budget, 76% of this project is funded by grants and loan forgiveness. The total State Revolving funds would be \$385,000 and then 50% loan forgiveness would come off of that at the end of the project because of the completed 2021 Income Survey. If we wait until in violation, and are forced to do this project in the future, funding may not be available and we would be paying full project cost.

Resident question, Matthew Cook, asked if all our wells are connected to one location? How much area does Hummingbird well cover?

Commissioner Taber responded, Hummingbird well is the only well that currently pumps directly into the system. Patten Hill, all of these wells, go into the tank as a blended average. Mary Rowe and Meetinghouse wells go to the treatment center before going into the system. A scada system would identify points of use. Arsenic is naturally occurring in the ground. Hummingbird well is our 2nd biggest producing well.

Resident follow-up question, Matthew Cook, will this add to maintenance cost?

Commissioner Taber stated he sees added maintenance costs to include electrical and heating costs for the building.

Moderator, Jim Riddle, then opened the voting for Article 02 by ballot vote at 12:47pm. The meeting recessed for 10 minutes, resuming at 12:57pm. The voting for Article 02 closed at 1:50pm.

Read **Article 03: \$268,244 for General Operating Budget.** To see if the Village District will vote to raise and appropriate the sum of \$268,244 for general municipal operations. This article does not include appropriations contained in special or individual articles addressed separately. The Board of Commissioner recommends this article. (Majority vote required).

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Motion to move article 03 by Commissioner Kardaseski, seconded by Melissa Taber. Commissioner Kardaseski spoke to this article. The board has worked long and hard to keep the budget as low as possible. Noting the biggest changes as the price of fuel has gone up and another big change is the audit up 30%, this is due to the federal funding received and an additional audit required, also Bookkeeper fees are up with this additional work. Highway and streets are up due to the cost of fuel and tree service budget has been increased as it was minimal before. Went on to explain Calcium Chloride numbers - the district had to purchase a larger bulk than in the past and now has 3 years worth stored or more, this is used on the roads for dust control. Engineering on culverts is up, we have seen an increased number in need of repair. On Culture and recreation, we are hoping to start replacing wood picnic tables with commercial grade each year. Overall the general budget is up 6.05%. To offset this, the board cut the amount of money proposed for 2023 capital reserve fund deposits. When considering the capital reserve funds in the total, the general budget is down -1.59%.

Resident question, Susan Ireland, who does the sub contracted road work?

Commissioner Kardaseski responded, this budget line is for anything above and beyond the monthly maintenance contract with our road agent, such as additional culvert cleanouts.

Moderator Jim Riddle asked all those in favor to say "Aye", and then all those opposed say "no". The "Ayes" have it, article 03 passed.

Read, **Article 04: \$592,507 for Water Department Operating Budget.** To see if the Village District will vote to raise and appropriate the sum of \$592,507 for the purpose of operating the Water Department, including debt services. This article does not include appropriations contained in special or individual articles addressed separately. The Board of Commissioner recommends this article. (Majority vote required).

Motion to move article 04 by Commissioner Murphy, seconded by Commissioner Kardaseski. Commissioner Taber spoke to this article. There have been great improvements over the last year. Last year we thought we would get 3 roads done and got 8.5 done instead, temporary lines will be installed next week with work resuming May 1. The water main replacement project has come in under budget. This year had to balance the budget with the 2021 new loan for the roads included now for this year, and even with this new loan added we were able to keep it low by adjusting other items that should improve with the new water main lines installed. The bottom line on the water budget is an 8.5% increase. Similar to the general budget, we kept proposed capital reserve funds lower to offset the increase. The increase to the water bill for this calendar year is about a \$30 increase total for the year.

Resident question, Susan Ireland, what is the difference between trucking of water and water bought? Commissioner Taber responded to this, Trucking of water is the fee to truck, haul any volume of water and labor associated with this, versus water bought is the volume of water cost.

Resident question, Joanne Staples, what is the level it needs to be at for trucking in water? Is there more water being produced now?

Commissioner Taber responded, the tank high/low is at 19.5/18.5ft and we have not been able to sustain even the low end in recent years. If the tank is below 16 feet, the board starts making preparations for trucking in water, especially if prior to a weekend as they do not truck in over weekends. Certain high elevation homes, when the tank gets to 11 feet or lower, the ability to sustain pressure no longer happens. If the population is high, such as over summer, we could need two trucks in a week. If only one truck we can only get in 6 deliveries in a day, with 6,000 gallons in each truck. We are seeing less water loss, 50,000/week less water loss compared to the first 4 months of this year vs. last year. We will monitor to see if this continues and we can sustain further.

Resident, Mathew Cook, question on what the cost is for trucking in water?

Commissioner Taber answered and went over various costs associated such as it can be \$1,500-\$3,000/day just on transportation and labor to truck in water, then we have additional labor involved depending on which location, and can need 2 on site to monitor water volume, adding to labor costs further. Then, the actual cost of the water. This year and last year have budgeted for this, as in 2020 got caught with nothing in the budget for this and spent \$150,000 that year to truck in water.

Resident question, Vicki Clark, wondering what Eastman Beach well cost? What is the status? Commissioner Taber, we are still going through permitting and engineering, and not as fast as any would like. There has been no additional expenses this year, next will be a final full volume test and what a financial model will be for treatment.

Resident, Paula Jones, brought up a concern on how fast the trucks go that haul in the water, lots of kids in the area and worried about how fast the trucks drive down the streets in the district.

Commissioner Taber responded that he has spoken to the company about this and can reach out to Hillsboro PD as Patten Hill is a town owned road.

Resident, Joanne Staples, had a question on leak repair budget line, are we getting less leaks at this point?

Commissioner Taber responded that we are hoping to focus more on leak detection this year which is a labor cost. The thought is with the improvements we will see less leaks and, focus energy on finding and repairing leaks with leak detection, to save on larger costs such as trucking in water. Now watching for the weaker areas of the system which are the roads that have not been replaced yet and residential lines depending on how old they are. 3 years ago we had 4 zone meters and now we have 8, with a 9th being installed this summer. This greatly improved the amount of homes now monitored and being able to react to finding leaks quicker. A scada system would show in real time, with 10 minute updates, versus now seeing 24 hours later.

Moderator Jim Riddle asked all those in favor to say "Aye", and then all those opposed say "no". The "Ayes" have it, article 04 passed.

Read, **Article 05: Appropriate \$22,500 to General Capital Reserve Funds.** To see if the Village District will vote to raise and appropriate the sum of \$22,500 to be added to the previously established Capital Reserve Funds as noted below:

- Roads and Bridges Capital Reserve Fund (550) - \$20,000.00
- Dam Repair and Maintenance Capital Reserve Fund (678) - \$2,500

The Board of Commissioners recommends this article. (Majority vote required). This will affect the tax rate by .24 per thousand.

Motion to move article 05 by Commissioner Kardaseski, seconded by Melissa Taber. Commissioner Kardaseski spoke to this article, as previously spoken on, to keep the general budget low, we decreased the amount asking for Capital Reserve funds. Capital Reserve funds are important because they help us save for the future and it's important to continue to put money into them. At one point we may have enough to complete another water main line replacement without having to borrow the money. The Dam also needs to be upgraded, this fund has just been started in the last couple of years and will need maintenance.

Resident question, Joanne Staples, how much is in the roads and bridges fund? Commissioner Kardaseski responded, starting on page 19 of the Annual Report, it shows current balances. Total for Roads and Bridges is at \$116,054.82.

Resident, follow-up question, Joanne Staples, can we make it 15,000 instead of \$20,000 for the deposit?

The board advised she is welcome to make a motion. Commissioner Taber spoke to this saying it was reduced by 50% already from what was deposited last year, to reduce overall costs and still keep the momentum going. We recently had a portion on Ravenhead that had to be shut down due to a failed culvert, having money in capital reserve funds helps offset or fix issues like this.

A motion was made by Joanne Staples to lower the roads and bridges capital receive fund deposit from \$20,000 to \$15,000. Seconded by Matthew Cook. This would make the total for Article 05 at \$17,500 (instead of \$22,500).

Moderator Jim Riddle asked all those in favor to say "Aye", and then residents asked for it to be completed by raising your green voting paper. Supervisors of the Checklist then counted votes, with results as: 3 in favor and 20 opposed, motion failed.

Moderator Jim Riddle announced Article 05 is now back to the original article as presented and asked all those in favor to say "Aye", and then all those opposed say "no". The "Ayes" have it, article 05 passed as originally presented.

Read, **Article 06: Raise and appropriate \$34,000 for Water System Capital Reserve Funds.** To see if the Village District will vote to raise and appropriate the sum of \$34,000 to be added to the previously established Water Capital Reserve Funds as noted below, with said funds to come from water funds:

- Water Capital Reserve Fund (913) - \$25,000.00
- Matching Funds for Grants Capital Reserve Fund (677) - \$2,000
- Water Meter Capital Reserve Fund (623) - \$7,000

The Board of Commissioners recommends this article. (Majority vote required).

Motion to move article 06 by Commissioner Murphy, seconded by Commissioner Kardaseski. Commissioner Taber spoke to this article, stating one of the current grants will be used for an engineering study on residential metering, the capital reserve funds can help offset any loans. Next year will be the last year for any additional funding we are seeing now. If we do not get funding, most roads left for water main replacements are 400,000-600,000ft.

There was no additional comment, Moderator Jim Riddle asked all those in favor to say "Aye", and then all those opposed say "no". The "Ayes" have it, article 06 passed.

Read, **Article 07: Any other business to come before the annual meeting.** To transact any other business that may legally come before said meeting. Given under our hands this Sixth day of April in the year Two Thousand and Twenty-Three by the Board of Commissioners, Emerald Lake Village District. We certify and attest that on or before April Sixth, 2023, we posted a true and attested copy of the within warrant at the place of meeting, and like copies at the usual posting places, and delivered the original to the town clerk.

Resident question, Melissa Taber, on Wright Pierce working on Eastman well and if this well is ever going to produce or work for us? We should be able to park at the beach. Commissioner Taber responded, just as concerned with trying to move forward as this ties directly into with other projects to not have to redo work. A full volume lab test will be needed at cost of \$15,000-\$20,000 to see different treatments. Waiting for costs, expected this month.

Resident question, Jim Riddle, when the well is operational, will residents be able to park? Commissioner Taber replied, No, the current setbacks will not allow that.

Resident question, Matthew Cook, what was the results on the fireworks? Commissioner Kardaseski responded, last Thursday evening, the Board of Commissioners signed an ordinance that bans fireworks on district owned property, this includes all four beaches. The new ordinance and fact sheet is available at the clerks table. This will be enforced by the police department and not the Commissioners. New signage and communication coming.

Resident question, Joanne Staples, what about seasonal residents? Commissioner Taber responded that communication methods will continue. Firework displays can still be done on private residents' own property.



Emerald Lake Village District

Office: 147 West Main Street, Hillsborough, NH
 Mail: PO Box 1753, Hillsborough, NH 03244
 Tel: 603-464-3128

FIREWORKS ORDINANCE

The display, use, and ignition of all classes of pyrotechnic devices (fireworks) shall be prohibited on all property owned by the Emerald Lake Village District ("District") and all public beaches in the District; including, but not limited to Eastman, Meetinghouse, Emerald, and Hummingbird Beach.

This ordinance may be enforced by any sworn law enforcement officer that has jurisdiction. First offense: \$100.00 fine; second offense: \$250.00 fine. Any violation may be subject to other fines and/or penalties as provided by state or local laws, rules, and ordinances. Any fireworks used in violation of this ordinance are subject to confiscation pursuant to RSA 160-C:5.

This ordinance is adopted pursuant to the authority set forth in RSA 31:39-d (Local Ordinance Citations); RSA 41:11-a (Town and District Property) and RSA 52:8 (Authority of District Commissioners); and RSA 160-C:6 and 11 (Prohibition of Fireworks Displays).

This ordinance shall supersede Section 3.16 of the ELVD "Beach and Lake Rules and Regulations" which reads as follows:

3.16 Fireworks permissible by law are allowed to be used on the beaches but only during hours after dark although no later than 10:30 pm; and must be set off only under safe conditions away from trees or flammable materials with access to water in case of fire, and with sufficient adult persons present to supervise and prevent any damage or danger to others. All trash, packaging and remnants of spent fireworks must be removed after use.

This ordinance shall be effective on April 21, 2023.

**ENVIRONMENTAL
 Fact Sheet**



29 Hazen Drive, Concord, New Hampshire 03301 • (603) 271-3503 • www.des.nh.gov

WD-BB-60

2008

Fireworks and New Hampshire's Lakes

Concerns of Health and Environmental Effects

There are growing concerns about the use of fireworks around New Hampshire's lakes. As fun and enjoyable as fireworks can be, they may be causing more damage than you know. Aside from the obvious danger of operating controlled explosives, what you may not realize is the effects fire works have environmentally, economically and health wise.



Firework Ingredients and their Dangers

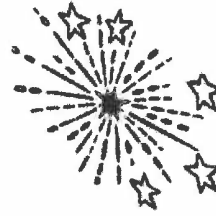
Fireworks are composed of many different elements, each contributing to the noise, color or propellant. While these ingredients combine to form a beautiful spectacle, many of them are very dangerous. Here's a list of a few common firework ingredients, their use, and what makes them so dangerous.

Toxic Element	Fireworks Usage	Toxic Effect of Fallout Dust & Fumes
Lead Nitrate/Dioxide/Chloride	oxidizer	Bioaccumulation; developmental danger for children and the unborn; may remain airborne for days; poisonous to plants and animals
Barium	glittering greens	Extremely poisonous, radioactive
Lithium	blazing reds	Slightly toxic
Rubidium	purple colors	Slightly radioactive; can replace calcium in body
Strontium	blazing reds	Can replace calcium in body; can be radioactive
Copper compounds	blues	Dioxin pollution
Aluminum	brilliant whites	Contact dermatitis
Ammonium Perchlorate	propellant	Can contaminate ground and surface waters; can disrupt thyroid functions
Cadmium	firework colors	Extremely toxic, carcinogenic; can bioaccumulate
Potassium Nitrate	in black powder	Toxic dusts, carcinogenic sulfur-coal compounds
Sulfur Dioxide	gaseous byproduct of sulfur combustion	Acid rain from sulphuric acid affects water sources, vegetation and causes property damage

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The Effects Fireworks have on You and Nature

The fallout of these different chemicals can affect you both directly and indirectly. Once a firework explodes in the sky, it does many things. The gases from the rocket and the explosion are released into the atmosphere, where they are inhaled by humans and animals, and hurt the ozone layer. In addition to the gases, the debris and burning metals fall back to earth where they litter the area, contaminate aquatic ecosystems, and poison the wildlife, eventually working their way up the food chain.



How Phosphorus in Fireworks Impacts the Water

It has taken years to determine the dangers associated with the many ingredients in fireworks. Up until very recently, phosphorous (also found in fertilizers) was highly popular in fireworks until the realization of its associated problems to the environment. Although most manufacturers no longer incorporate more than trace amounts of phosphorus in fireworks, every little bit added to a lake can influence water quality. Phosphorus accelerates a process called eutrophication, which is the process that results in increased biomass, decreased lake clarity, decreased bottom oxygen, and increases the likelihood of cyanobacteria scums. Algal and cyanobacteria blooms caused by phosphorus introductions impact fisheries, drinking water supplies and impact the health of people who recreate in the waters as well as pets and any animal that drinks these waters.

The Final Impact

Altogether the damaging effect fireworks have is overwhelming. They impact water quality by affecting the odor and taste of drinking water. On the economic side, excessive algal and cyanobacteria growth due to phosphorus or contamination due to firework fallout increases water treatment costs, degrades fishing and boating activities, and impacts tourism and property values. The cost of damage done to property, the litter and the effect upon both wildlife and human life is incalculable. The Department of Environmental Services urges you to consider the effects of fireworks and perhaps find an alternative to a problem that is only growing with time.



For more information, please go to these links:
www.geocities.com/Yosemite/Falls/9200/toxic_fireworks.html
www.serconline.org/phosphorus/background.html

Resident comment, David Stefanelli. He has been the webmaster for the district website for the last 15 years and puts all the communications on the website as quickly as possible. Recently, posted about the fireworks safety issues on the ELVD Inclusive FB group (not run by the board) and people are saying they will continue to do whatever they want. Another resident, Steve Fitzherbert (not present), wrote lies about him on his post about the mailboxes now being on the wrong side of the lake, and now have a gate at the beach and the trail cam in the woods. Mr. Stefanelli would like the record to state that he had and has nothing to do with these items or issues.

At this time it was 1:50pm and Moderator, Jim Riddle, announced the voting for Article 02 was closed, it was open for 1 hour and 3 minutes.

Resident comment, Joanne Staples, went to the town meeting last year about speeding on Gould pond, there is no speed limit sign.
Commissioner Taber, stated this is a town owned road but noted this comment.

Resident comment, Susan Ireland, is it correct that the state does not do lake testing but Commissioners do? In the commissioner report it says we had a cyanobacteria outbreak but also says no adverse test results?

Commissioner Taber responded that yes, the commissioners do the testing, three times a summer, monthly in June, July and August. Each beach is tested in two areas, on each side of the beach from swimming areas and then brought to the lab for testing. If a testing comes back adverse, we post as due diligence and people can use at their own risk. Lab tests are for E.Coli. Cyanobacteria outbreaks when seen or reported, are investigated by reviewing areas and posting as necessary. Last year we did have one outbreak of Cyanobacteria reported and it was during one of the hottest days of the summer, it was posted at the beaches.

Resident comment, Melissa Taber, Thank you David Stefanelli for the job he does on our website.

At this time, results were verified and read by Moderator, Jim Riddle, on Article 02 voting. There were 23 total voters. The article passed the 3/5 majority ballot vote needed with 23 (yes) and 0 (no).

Resident comment, Melissa Taber, Thank you Bow Smith, our road agent, for the job he does on our roads.

Commissioner Kardaseski announced her resignation after this meeting, with her letter of resignation read and accepted at last Thursday's meeting. Stating anyone who has never been Commissioner has no idea what it takes and the time involved, for this reason and due to increased workload with her graphic design business, she submitted her letter of resignation. Therefore, a seat will be open and it would be an appointed position for 1-year, until the next Annual Meeting. If anyone would like to get their feet wet and try out being a commissioner, this would be a good chance to do that. A standing ovation was received for her contribution over the years to the district.

At this time there was no further business. A motion to adjourn was made by Melissa Taber at 2:00pm. Seconded by Commissioner Kardaseski, all in favor, the meeting was adjourned.

Written by: Sara Auger, Clerk



Approved by:



Brett Taber, Commissioner



Sarah Murphy Commissioner

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TRUST FUNDS*As of December 31, 2023*

Type	Date	Num	Name	Amount	Balance
100 ELVD Rds and Br CIP					116,054.82
Deposit	01/31/23			159.70	116,214.52
Deposit	02/28/23			156.38	116,370.90
Deposit	03/31/23			173.38	116,544.28
Deposit	04/30/23			168.71	116,712.99
Deposit	05/31/23			173.26	116,886.25
Deposit	06/30/23			169.45	117,055.70
Deposit	07/31/23			176.98	117,232.68
Deposit	08/31/23			185.11	117,417.79
Deposit	09/30/23			169.31	117,587.10
Deposit	10/19/23			5,000.00	122,587.10
Deposit	10/19/23			5,000.00	127,587.10
Deposit	10/19/23			20,000.00	147,587.10
Deposit	10/31/23			175.97	147,763.07
Check	11/22/23	1186	Emerald Lake Villag...	(55,000.00)	92,763.07
Deposit	11/30/23			212.79	92,975.86
Check	12/27/23	1189	ELVD	(17,000.00)	75,975.86
Deposit	12/31/23			138.68	76,114.54
Total 100 ELVD Rds and Br CIP				(39,940.28)	76,114.54
112 ELVD Water Meter					73,534.07
Deposit	01/31/23			101.19	73,635.26
Deposit	02/28/23			99.09	73,734.35
Deposit	03/31/23			109.86	73,844.21
Deposit	04/30/23			106.90	73,951.11
Deposit	05/31/23			109.78	74,060.89
Deposit	06/30/23			107.37	74,168.26
Deposit	07/31/23			112.14	74,280.40
Deposit	08/31/23			117.29	74,397.69
Deposit	09/30/23			107.28	74,504.97
Deposit	10/19/23			7,000.00	81,504.97
Deposit	10/19/23			2,000.00	83,504.97
Deposit	10/31/23			111.50	83,616.47
Deposit	11/30/23			120.41	83,736.88
Deposit	12/31/23			124.90	83,861.78
Total 112 ELVD Water Meter				10,327.71	83,861.78
126 ELVD Matching Grant Fd					10,618.76
Deposit	01/31/23			14.61	10,633.37
Deposit	02/28/23			14.31	10,647.68
Deposit	03/31/23			15.86	10,663.54
Deposit	04/30/23			15.44	10,678.98
Deposit	05/31/23			15.85	10,694.83
Deposit	06/30/23			15.50	10,710.33
Deposit	07/31/23			16.19	10,726.52
Deposit	08/31/23			16.94	10,743.46
Deposit	09/30/23			15.49	10,758.95
Deposit	10/31/23			16.10	10,775.05

Type	Date	Num	Name	Amount	Balance
Deposit	11/30/23			15.52	10,790.57
Deposit	12/31/23			16.09	10,806.66
Total 126 ELVD Matching Grant Fd				187.90	10,806.66
128 ELVD Dam R&M					9,607.74
Deposit	01/31/23			13.22	9,620.96
Deposit	02/28/23			12.95	9,633.91
Deposit	03/31/23			14.35	9,648.26
Deposit	04/30/23			13.97	9,662.23
Deposit	05/31/23			14.34	9,676.57
Deposit	06/30/23			14.03	9,690.60
Deposit	07/31/23			14.65	9,705.25
Deposit	08/31/23			15.32	9,720.57
Deposit	09/30/23			14.02	9,734.59
Deposit	10/19/23			2,500.00	12,234.59
Deposit	10/31/23			14.57	12,249.16
Deposit	11/30/23			17.64	12,266.80
Deposit	12/31/23			18.30	12,285.10
Total 128 ELVD Dam R&M				2,677.36	12,285.10
144 ELVD Water Surplus CR					1,080.93
Deposit	01/31/23			1.49	1,082.42
Deposit	02/28/23			1.46	1,083.88
Deposit	03/31/23			1.61	1,085.49
Deposit	04/30/23			1.57	1,087.06
Deposit	05/31/23			1.61	1,088.67
Deposit	06/30/23			1.58	1,090.25
Deposit	07/31/23			1.65	1,091.90
Deposit	08/31/23			1.72	1,093.62
Deposit	09/30/23			1.58	1,095.20
Deposit	10/31/23			1.64	1,096.84
Deposit	11/30/23			1.58	1,098.42
Deposit	12/31/23			1.64	1,100.06
Total 144 ELVD Water Surplus CR				19.13	1,100.06
154 ELVD Water CR					229,031.25
Deposit	01/31/23			315.16	229,346.41
Deposit	02/28/23			308.62	229,655.03
Deposit	03/31/23			342.17	229,997.20
Deposit	04/30/23			332.95	230,330.15
Deposit	05/31/23			341.96	230,672.11
Deposit	06/30/23			334.41	231,006.52
Deposit	07/31/23			349.26	231,355.78
Deposit	08/31/23			365.31	231,721.09
Deposit	09/30/23			334.13	232,055.22
Deposit	10/19/23			25,000.00	257,055.22
Deposit	10/31/23			347.27	257,402.49

2023 ANNUAL REPORT — EMERALD LAKE VILLAGE DISTRICT

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>	<u>Balance</u>
Check	11/22/23	1186	Emerald Lake Villag...	(5,000.00)	252,402.49
Deposit	11/30/23			370.68	252,773.17
Deposit	12/31/23			377.03	253,150.20
Total 154 ELVD Water CR				24,118.95	253,150.20
TOTAL				<u>(2,609.23)</u>	<u>437,318.34</u>

SCHEDULE OF BONDED DEBT

New Hampshire Municipal Bond Bank (Water Tank on Patten Hill)

Bond Date:	08/15/06	Amount of Loan to be Paid:	\$690,032
Interest Start Date:	205 Days 07/20/06	Premium:	\$9,968
First Interest Payment:	02/15/07	Total Received:	\$700,000
True Interest Cost:	4.5600%		

Debt Year	Period Ending	Principal Outstanding	Principal	Rate	Interest	Less 2015 A Refunding	Interest After Refunding	Total Payment	Calendar Year Total Payment
18	2-15-24				2,247.50		2,247.50	2,247.50	
	8-15-24	95,000.00	35,000.00	4.700%	2,247.50	(2,000.00)	247.50	35,247.50	37,495.00
19	2-15-25				1,425.00		1,425.00	1,425.00	
	8-15-25	60,000.00	30,000.00	4.750%	1,425.00	(1,405.00)	20.00	30,020.00	31,445.00
20	2-15-26				712.50		712.50	712.50	
	8-15-26	30,000.00	30,000.00	4.750%	712.50	(350.00)	362.50	30,362.50	31,075.00
TOTALS			\$690,032.00		\$341,477.24	(\$20,055.00)	\$321,422.24	\$1,011,454.24	\$1,011,454.24

SCHEDULE OF BONDED DEBT

New Hampshire Department of Environmental Services Drinking Water SRF Loan Schedule (Phase I Perimeter Water Main)

Term:	20 Years (5/1/2014–5/1/2033)	Total Disbursed:	\$1,800,000
Interest Rate:	0.8640%	Administrative Fee:	2.0%

Debt Year	Due Date	Beginning Balance	Principal Payment	Principal Forgiven	Interest Payment	Interest Rate %	Administrative Fees	Total Payment	Ending Balance
11	5-1-24	883,421.10	58,500.00	33,157.89	7,632.76	0.8640	17,668.42	83,801.18	791,763.21
12	5-1-25	791,763.21	58,500.00	33,157.89	6,840.83	0.8640	15,835.26	81,176.09	700,105.32
13	5-1-26	700,105.32	58,500.00	33,157.89	6,048.91	0.8640	14,002.11	78,551.02	608,447.43
14	5-1-27	608,447.43	58,500.00	33,157.89	5,256.99	0.8640	12,168.95	75,925.94	516,789.54
15	5-1-28	516,789.54	58,500.00	33,157.89	4,465.06	0.8640	10,335.79	73,300.85	425,131.65
16	5-1-29	425,131.65	58,500.00	33,157.89	3,673.14	0.8640	8,502.63	70,675.77	333,473.76
17	5-1-30	333,473.76	58,500.00	33,157.89	2,881.21	0.8640	6,669.48	68,050.69	241,815.87
18	5-1-31	241,815.87	58,500.00	33,157.89	2,089.29	0.8640	4,836.32	65,425.61	150,157.98
19	5-1-32	150,157.98	58,500.00	33,157.89	1,297.36	0.8640	3,003.16	62,800.52	58,500.00
20	5-1-33	58,500.00	58,500.00	0.00	504.44	0.8640	1,170.00	60,175.44	0.00
TOTAL			1,170,000.00	630,000.00	160,261.17		366,188.66	1,696,449.83	

SCHEDULE OF BONDED DEBT

New Hampshire Municipal Bond Bank 10-Year Debt Schedule for Red Fox Crossing Replacement

Date Prepared:	1/7/21	Total Proceeds:	\$220,000.00
Bonds Dated: 1/16/21	2/15/21	Premium to Reduce Loan:	\$37,500.00
Interest Start Date:	2/11/21	Amount of Loan to be Paid:	\$182,500.00
First Interest Payment:	8/15/21	True Interest Cost:	0.79%

Debt Year	Period Ending	Principal Outstanding	Principal	Rate	Interest	Total Payment	Calendar Year Total Payment	Outstanding Interest
3	2/15/24	\$145,000.00	\$20,000.00	5.100%	\$3,547.50	\$23,547.50		\$21,670.00
	8/15/24				\$3,037.50	\$3,037.50	\$26,585.00	\$18,832.50
4	2/15/25	\$125,000.00	\$20,000.00	5.100%	\$3,037.50	\$23,037.50		\$15,795.00
	8/15/25				\$2,527.50	\$2,527.50	\$25,565.00	\$13,267.50
5	2/15/26	\$105,000.00	\$20,000.00	5.100%	\$2,527.50	\$22,527.50		\$10,740.00
	8/15/26				\$2,017.50	\$2,017.50	\$24,545.00	\$8,722.50
6	2/15/27	\$85,000.00	\$20,000.00	5.100%	\$2,017.50	\$22,017.50		\$6,705.00
	8/15/27				\$1,507.50	\$1,507.50	\$23,525.00	\$5,197.50
7	2/15/28	\$65,000.00	\$20,000.00	5.100%	\$1,507.50	\$21,507.50		\$3,690.00
	8/15/28				\$997.50	\$997.50	\$22,505.00	\$2,692.50
8	2/15/29	\$45,000.00	\$15,000.00	5.100%	\$997.50	\$15,997.50		\$1,695.00
	8/15/29				\$615.00	\$615.00	\$16,612.50	\$1,080.00
9	2/15/30	\$30,000.00	\$15,000.00	5.100%	\$615.00	\$15,615.00		\$465.00
	8/15/30				\$232.50	\$232.50	\$15,847.50	\$232.50
10	2/15/31	\$15,000.00	\$15,000.00	3.100%	\$232.50	\$15,232.50	\$15,232.50	0.00
	TOTALS		\$182,500.00		\$46,187.58	\$228,687.58	\$228,687.58	

SCHEDULE OF BONDED DEBT

New Hampshire Municipal Bond Bank 10-Year Debt Schedule for Project # 2 Source Water Development

Date Prepared:	1/7/21	Total Proceeds:	\$275,000.00
Bonds Dated: 1/16/21	2/15/21	Premium to Reduce Loan:	\$46,500.00
Interest Start Date:	2/11/21	Amount of Loan to be Paid:	\$228,500.00
First Interest Payment:	8/15/21	True Interest Cost:	0.80%

Debt Year	Period Ending	Principal Outstanding	Principal	Rate	Interest	Total Payment	Calendar Year Total Payment	Outstanding Interest
3	2/15/24	\$180,000.00	\$25,000.00	5.100%	\$4,390.00	\$29,390.00		\$27,290.00
	8/15/24				\$3,752.50	\$3,752.50	\$33,142.50	\$23,537.50
4	2/15/25	\$155,000.00	\$25,000.00	5.100%	\$3,752.50	\$28,752.50		\$18,785.00
	8/15/25				\$3,115.00	\$3,115.00	\$31,867.50	\$16,670.00
5	2/15/26	\$130,000.00	\$25,000.00	5.100%	\$3,115.00	\$28,115.00		\$13,555.00
	8/15/26				\$2,447.50	\$2,447.50	\$30,592.50	\$11,077.50
6	2/15/27	\$105,000.00	\$25,000.00	5.100%	\$2,447.50	\$27,477.50		\$8,600.00
	8/15/27				\$1,840.00	\$1,840.00	\$29,317.50	\$6,760.00
7	2/15/28	\$80,000.00	\$20,000.00	5.100%	\$1,840.00	\$21,840.00		\$4,920.00
	8/15/28				\$1,330.00	\$1,330.00	\$23,170.00	\$3,590.00
8	2/15/29	\$60,000.00	\$20,000.00	5.100%	\$1,330.00	\$21,330.00		\$2,260.00
	8/15/29				\$820.00	\$820.00	\$22,150.00	\$1,440.00
9	2/15/30	\$40,000.00	\$20,000.00	5.100%	\$820.00	\$20,820.00		\$620.00
	8/15/30				\$310.00	\$310.00	\$21,130.00	\$310.00
10	2/15/31	\$20,000.00	\$20,000.00	3.100%	\$310.00	\$20,310.00	\$20,310.00	0.00
	TOTALS		\$228,500.00		\$57,503.54	\$286,003.54	\$286,003.54	

SRF Interest Computation from Loan Origination

Emerald Lake Village District
 Loan No. 1141020-02 - based on Actual Disbursements
 Old Lantern, Ellen Brook & Autumn Road Water Main Replacement Project

Interest is charged and paid during construction.
 Day of the month interest is calculated: 1st
 Construction period interest rate on disbursements: 1.0000%

Disb. Number	Principal Beginning Balance	Principal Disbursed	Date Paid	Interest Rate	Beginning Period	Ending Period	Number of Days	Total Interest Due	Fee Rate	Total Fee Due	Total Interest & Fee Due	Interest Added to Principal	Principal Ending Balance
1	0.00	46,312.12	12/10/2021	1.00000	12/10/2021	9/30/2022	290	373.07	0.00000	0.00	373.07	0.00	46,312.12
2	46,312.12	52,695.62	2/22/2022	1.00000	2/22/2022	9/30/2022	218	319.10	0.00000	0.00	319.10	0.00	99,007.74
3	99,007.74	11,992.27	4/14/2022	1.00000	4/14/2022	9/30/2022	166	55.30	0.00000	0.00	55.30	0.00	111,000.01
4	111,000.01	17,531.49	6/23/2022	1.00000	6/23/2022	9/30/2022	97	47.24	0.00000	0.00	47.24	0.00	128,531.50
5	128,531.50	52,117.60	8/12/2022	1.00000	8/12/2022	9/30/2022	48	69.49	0.00000	0.00	69.49	0.00	180,649.10
6	180,649.10	243,044.92	8/23/2022	1.00000	8/23/2022	9/30/2022	37	249.80	0.00000	0.00	249.80	0.00	423,694.02
7	423,694.02	411,575.54	9/30/2022	1.00000	9/30/2022	9/30/2022	0	0.00	0.00000	0.00	0.00	0.00	835,269.56
Construction Period:		835,269.56						1,114.00		0.00	1,114.00	0.00	0.00
1-7	423,694.02	0.00	9/30/2022	0.00000	9/30/2022	9/11/2023	331	0.00	1.29600	5,048.74	5,048.74	0.00	423,694.02
8F	835,269.56	109,730.44	10/26/2022	0.00000	10/26/2022	9/11/2023	305	0.00	1.29600	1,204.84	1,204.84	0.00	945,000.00
Loan 1 Period:		109,730.44						0.00		6,253.58	6,253.58	0.00	0.00
Project Totals:		945,000.00						1,114.00		6,253.58	7,367.58	0.00	0.00

**New Hampshire Department of Environmental Services
Drinking Water SRF Loan Schedule**

Print Date: 1/6/2023
 Loan Disbursed: 945,000
 Interest Rate: 0.0000%
 Administrative Fee: 1.2960%
 Term: 20 Years

Borrower: Emerald Lake Village District
 Project Number: 1141020-02

Ref Num	Due Date	Date Received	Beginning Balance	Principal Payment	Interest Payment	Interest Rate %	Administrative Fees	Total Payments	Ending Balance
1	9/1/2023		945,000.00	46,299.18	1,114.00	1.0000	6,253.58	53,666.76	898,700.82
2	9/1/2024		898,700.82	42,019.54	0.00	0.0000	11,647.16	53,666.70	856,681.28
3	9/1/2025		856,681.28	42,564.11	0.00	0.0000	11,102.59	53,666.70	814,117.17
4	9/1/2026		814,117.17	43,115.74	0.00	0.0000	10,550.96	53,666.70	771,001.43
5	9/1/2027		771,001.43	43,674.52	0.00	0.0000	9,992.18	53,666.70	727,326.91
6	9/1/2028		727,326.91	44,240.54	0.00	0.0000	9,426.16	53,666.70	683,086.37
7	9/1/2029		683,086.37	44,813.90	0.00	0.0000	8,852.80	53,666.70	638,272.47
8	9/1/2030		638,272.47	45,394.69	0.00	0.0000	8,272.01	53,666.70	592,877.78
9	9/1/2031		592,877.78	45,983.00	0.00	0.0000	7,683.70	53,666.70	546,894.78
10	9/1/2032		546,894.78	46,578.94	0.00	0.0000	7,087.76	53,666.70	500,315.84
11	9/1/2033		500,315.84	47,182.61	0.00	0.0000	6,484.09	53,666.70	453,133.23
12	9/1/2034		453,133.23	47,794.09	0.00	0.0000	5,872.61	53,666.70	405,339.14
13	9/1/2035		405,339.14	48,413.50	0.00	0.0000	5,253.20	53,666.70	356,925.64
14	9/1/2036		356,925.64	49,040.94	0.00	0.0000	4,625.76	53,666.70	307,884.70
15	9/1/2037		307,884.70	49,676.51	0.00	0.0000	3,990.19	53,666.70	258,208.19
16	9/1/2038		258,208.19	50,320.32	0.00	0.0000	3,346.38	53,666.70	207,887.87
17	9/1/2039		207,887.87	50,972.47	0.00	0.0000	2,694.23	53,666.70	156,915.40
18	9/1/2040		156,915.40	51,633.08	0.00	0.0000	2,033.62	53,666.70	105,282.32
19	9/1/2041		105,282.32	52,302.24	0.00	0.0000	1,364.46	53,666.70	52,980.08
20	9/1/2042		52,980.08	52,980.08	0.00	0.0000	686.62	53,666.70	0.00
				945,000.00	1,114.00		127,220.06	1,073,334.06	

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03/20/24
Accrual Basis

Emerald Lake Village District
Profit & Loss Budget Performance — GENERAL BUDGET
January through December 2023

	Jan - Dec 23	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
1150.2 · driveway permit application fee	100.00		
3110 · Tax Revenues	336,538.90		
4000 · Federal ARPA Funds (Federal ARPA Funds)	17,280.00		
Total Income	353,918.90		
Gross Profit	353,918.90		
Expense			
CULTURE & RECREATION			
4520 · Parks & Beaches			
4520.10 · Maintenance, Supplies... (Supplies and improvements)	1,335.15	2,000.00	2,000.00
4520.12 · Outhouses (Outhouses for beaches)	1,515.00	2,200.00	2,200.00
4520.13 · Lake Testing ((NH Public Health))	896.00	800.00	800.00
4520.14 · Maintenance Contract -- Beaches	8,600.00	9,000.00	9,000.00
Total 4520 · Parks & Beaches	12,346.15	14,000.00	14,000.00
Total CULTURE & RECREATION	12,346.15	14,000.00	14,000.00
DEBT SERVICE			
4711 · Bond Repayment Principal (Breakdown of 4790)	20,000.00	20,000.00	20,000.00
4721 · Bond Repayment Interest (Breakdown of 4790)	7,605.00	7,605.00	7,605.00
Total DEBT SERVICE	27,605.00	27,605.00	27,605.00
GENERAL GOVERNMENT			
4130 · Government Administration			
4130.10 · Office Expenses/Supplies			
4130.11 · Rent 50%	6,400.00	6,375.00	6,375.00
4130.12 · USPO Box Rental	74.00	75.00	75.00
4130.13 · TDS Phone and Internet	1,469.55	1,100.00	1,100.00
4130.14 · Eversource (Electricity for office)	620.51	800.00	800.00
4130.15 · Website (Webmaster, Hosting)	2,230.88	2,255.00	2,255.00
4130.16 · Computer Maintenance (Updates, upgrades and remote access repairs)	59.99	250.00	250.00
4130.17 · Mailbox & Other Facility upkeep	0.00	250.00	250.00

**Emerald Lake Village District
Profit & Loss Budget Performance — GENERAL BUDGET
January through December 2023**

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03/20/24
Accrual Basis

	Jan - Dec 23	YTD Budget	Annual Budget
60000 · Advertising and Promotion (Advertising, marketing, graphic design, and other	215.73	200.00	200.00
62500 · NHMA Membership (Subscriptions and membership dues for civic, service, pr	615.00	605.00	605.00
66500 · Postage and Delivery (Postage, courier, and pickup and delivery services)	63.00	275.00	275.00
4130.10 · Office Expenses/Supplies - Other	1,426.24	1,750.00	1,750.00
Total 4130.10 · Office Expenses/Supplies	13,174.90	13,935.00	13,935.00
4130.20 · Personnel Expenses			
4130.21 · Stipend Payroll (Commissioners, Clerk, Treasurer)	18,797.50	20,630.00	20,630.00
4130.22 · Employer Deduction (FICA/Medicare)	1,685.28	1,940.00	1,940.00
4130.23 · Payroll Program Expenses	804.00	500.00	500.00
4130.24 · Payroll for all employees (Administrator, File Clerk)	1,630.00	3,600.00	3,600.00
4130.25 · Education	0.00	400.00	400.00
Total 4130.20 · Personnel Expenses	22,916.78	27,070.00	27,070.00
4130.30 · Annual Meeting & Election Exp	1,137.50	1,000.00	1,000.00
Total 4130 · Government Administration	37,229.18	42,005.00	42,005.00
4150 · Financial Administration			
4150.10 · Audit (50%)	5,314.72	6,500.00	6,500.00
4150.20 · Bookkeeper	4,250.00	4,400.00	4,400.00
4150.4 · Bookkeeping Software & Forms	574.00	500.00	500.00
Total 4150 · Financial Administration	10,138.72	11,400.00	11,400.00
4153 · Legal Expenses (Pertaining to administrative issues -- not water)	2,800.00	4,000.00	4,000.00
4196 · Insurance Expenses (Insurance expenses)			
4196.10 · Workers Comp Primex	462.10	462.10	462.10
4196.20 · Liability & Property	2,567.57	2,567.57	2,567.57
Total 4196 · Insurance Expenses (Insurance expenses)	3,029.67	3,029.67	3,029.67
Total GENERAL GOVERNMENT	53,197.57	60,434.67	60,434.67
WATER DISTRIBUTION & TREATMENT			
Debt Write Off (Debt Write off from Uncollected Receivables)	1,497.85		
4332 · Maintain & Repair Water System			
4332.3 · Nonleak Repairs Labor/Excavate			
4332.31 · Water Sys. Replace Curb Stops	0.00		

**Emerald Lake Village District
Profit & Loss Budget Performance — GENERAL BUDGET
January through December 2023**

8:38 PM
03/20/24
Accrual Basis

	Jan - Dec 23	YTD Budget	Annual Budget
Total 4332.3 · Nonleak Repairs Labor/Excavate	0.00		
Total 4332 · Maintain & Repair Water System	0.00		
4335 · Treatment of Water Costs			
4335.12 · Quality Reports Printing (Printing quality reports)	0.00		
4335 · Treatment of Water Costs	0.00		
Total 4335 · Treatment of Water Costs	1,497.85		
0.00			
Total WATER DISTRIBUTION & TREATMENT			
4200 · Payroll Expenses (Payroll expenses company portion)			
HIGHWAY · HIGHWAYS & STREETS			
4312 · Grading & Other Repairs (Repairs over & above normal maintenance)			
4312.10 · Contract Maintenance	110,461.92	140,000.00	140,000.00
4312.11 · Henniker Sand and Gravel (Road Gravel)	18,902.30	10,000.00	10,000.00
4312.12 · Tree Service (Clear trees)	450.00	2,500.00	2,500.00
4312.13 · Snow Removal (Snow Removal Labor)	0.00	1.00	1.00
4312.14 · Calcium Chloride	0.00	1.00	1.00
4312.15 · Road Signs	319.56	600.00	600.00
4312.16 · Road Repairs Subcontracted	7,489.03	10,000.00	10,000.00
Total 4312 · Grading & Other Repairs (Repairs over & above normal maintenance)	137,622.81	163,102.00	163,102.00
4313 · Maintain & Repair Bridges			
4313.1 · Bridge Repairs Subcontracted	0.00	1.00	1.00
Total 4313 · Maintain & Repair Bridges	0.00	1.00	1.00
4319 · Engineering & Permits -- Bridge			
4319.10 · Dig Safe	95.00	100.00	100.00
4319 · Engineering & Permits -- Bridge - Other	0.00	3,000.00	3,000.00
Total 4319 · Engineering & Permits -- Bridge	95.00	3,100.00	3,100.00
Total HIGHWAY · HIGHWAYS & STREETS	137,717.81	166,203.00	166,203.00
Total Expense	232,364.38	268,242.67	268,242.67
Net Ordinary Income	121,554.52	-268,242.67	-268,242.67
Other Income/Expense			
Other Expense			
Asset Management			

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Accrual Basis

**Emerald Lake Village District
Profit & Loss Budget Performance — GENERAL BUDGET
January through December 2023**

	Jan - Dec 23	YTD Budget	Annual Budget
5000-1 · CW/SW Asset Management Grant (CW SW Storm Water Asset Management Grant)	17,280.00		
Total Asset Management	17,280.00		
Total Other Expense	17,280.00		
Net Other Income	-17,280.00	0.00	0.00
Net Income	104,274.52	-268,242.67	-268,242.67

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Accrual Basis

Emerald Lake Village District
Profit & Loss Budget Performance — WATER BUDGET
January through December 2023

	Jan - Dec 23	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
3402 · Water Supply System Charges	15,794.04		
3402.2 Interest & Penalties	839,803.52		
3402 · Water Supply System Charges - Other	855,597.56		
Total 3402 · Water Supply System Charges	11,200.00		
3500 · Home Owner new water hook up (New Water Connections (mostly))	88.82		
3502 · Interest	377,094.99		
4000-01 · Federal ARPA Funds	831,443.22		
4350-5A · WA-2-22 SRF Revenue (Warrant Article 2-2022- Revenue State Funds)	916,012.77		
4350-5b · WA 2-22 DWGT State (Warrant Article 2 2022 Trust fund deposit)	2,991,437.36		
Total Income	2,991,437.36		
Gross Profit	2,991,437.36		
Expense			
DEBT SERVICE			
4711 · Bond Repayment Principal (Breakdown of 4790)	164,799.18	164,799.18	164,799.18
4721 · Bond Repayment Interest (Breakdown of 4790)	29,323.52	29,324.52	29,324.52
4790 · Bond Admin Fees (Repayment of administrative fees)	19,501.58	19,501.58	19,501.58
Total DEBT SERVICE	213,624.28	213,625.28	213,625.28
GENERAL GOVERNMENT			
4130 · Government Administration			
4130.10 · Office Expenses/Supplies			
66500 · Postage and Delivery (Postage, courier, and pickup and delivery services)	-76.60		
Total 4130.10 · Office Expenses/Supplies	-76.60		
Total 4130 · Government Administration	-76.60		
Total GENERAL GOVERNMENT	-76.60		
WATER DISTRIBUTION & TREATMENT			
Debt Write Off (Debt Write off from Uncollected Receivables)	6,360.23		
4331 · Administrative Expenses			
4331.10 · Legal Fee related to water	140.00	4,000.00	4,000.00

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Accrual Basis

Emerald Lake Village District
Profit & Loss Budget Performance — WATER BUDGET
January through December 2023

	<u>Jan - Dec 23</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
4331.11 · Rent at 50%	6,400.00	6,375.00	6,375.00
4331.12 · Membership GSRWWA	548.00	250.00	250.00
4331.13 · Audit (50%)	5,314.72	6,500.00	6,500.00
4331.15 · Insurance	0.00	1.00	1.00
4331.16 · Hillsboro Water Bill Invoicing	919.70	900.00	900.00
4331.2 · Professional Services	0.00	250.00	250.00
Total 4331 · Administrative Expenses	13,322.42	18,276.00	18,276.00
4332 · Maintain & Repair Water System			
4332.1 · Maintenance -- Other			
4332.11 · Water Sytem Monthly Contract	103,800.00	103,800.00	103,800.00
4332.12 · Propane	5,658.63	6,500.00	6,500.00
4332.13 · Eversource	31,300.71	30,000.00	30,000.00
4332.14 · TDS Internet for Water (Relay switches and internet at pump house)	1,151.92	1,100.00	1,100.00
4332.15 · Powers Generator	4,426.37	3,000.00	3,000.00
4332.16 · Snow Removal (Plowing at 2 PattenHill sites, Treatment Ctr and Mary Rowe)	0.00	1.00	1.00
4332.1 · Maintenance -- Other - Other	0.00	7,500.00	7,500.00
Total 4332.1 · Maintenance -- Other	146,337.63	151,901.00	151,901.00
4332.2 · Leak Repairs			
4332.21 · Water system Operator/Excavator	5,860.00	8,000.00	8,000.00
4332.22 · Water System Operator Parts	12,532.83	10,000.00	10,000.00
4332.23 · Trucked in water	45,825.00	50,000.00	50,000.00
4332.25 · Leak detection -- Fuel (Gas used in vehicles to detect water leaks.)	34,921.60	12,000.00	12,000.00
4332.2 · Leak Repairs - Other	14,371.25	40,000.00	40,000.00
Total 4332.2 · Leak Repairs	113,510.68	120,000.00	120,000.00
4332.3 · Nonleak Repairs Labor/Excavate			
4332.24 · Water Bought	6,083.73	15,000.00	15,000.00
4332.31 · Water Sys. Replace Curb Stops	1,625.43	500.00	500.00
4332.32 · Well Maintenance	4,359.32	13,000.00	13,000.00
4332.33 · Replace Pipes/Treatment Center	102.48	1.00	1.00
4332.34 · Building Repairs & Maint.	374.30	1,000.00	1,000.00

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Accrual Basis

Emerald Lake Village District
Profit & Loss Budget Performance — WATER BUDGET
January through December 2023

	Jan - Dec 23	YTD Budget	Annual Budget
4332.3 · Nonleak Repairs Labor/Excavate - Other	46,300.02	40,000.00	40,000.00
Total 4332.3 · Nonleak Repairs Labor/Excavate	58,845.28	69,501.00	69,501.00
4332.4 · Homeowner curbstops charge (this is for damaged or bent , broken curbstops due	-1,055.00	1.00	1.00
4332.5 · Improvements--Zone Meters (Zone Meters)	0.00	3,500.00	3,500.00
Total 4332 · Maintain & Repair Water System	317,638.59	344,903.00	344,903.00
4335 · Treatment of Water Costs			
4335.10 · Eastern Analytical (Testing)	990.00	700.00	700.00
4335.11 · Monson Chemicals (Chemicals)	1,919.68	4,000.00	4,000.00
4335.12 · Quality Reports Printing (Printing quality reports)	1,871.10	2,000.00	2,000.00
4335.13 · Mailing Water Quality Reports (Mailing water quality reports)	0.00	1.00	1.00
4335.14 · Water System Operator Chemicals	0.00	1.00	1.00
4335.15 · Water System Operator Parts	0.00	4,000.00	4,000.00
Total 4335 · Treatment of Water Costs	4,780.78	10,702.00	10,702.00
4338 · Water Conservation Related Cost	0.00	1.00	1.00
4339 · Engineering & Permits			
4339.1 · Engineering & Permits, Water	2,557.10	5,000.00	5,000.00
Total 4339 · Engineering & Permits	2,557.10	5,000.00	5,000.00
Total WATER DISTRIBUTION & TREATMENT	344,659.12	378,882.00	378,882.00
4348 · Strategic Planning Grant (Strategic Planning Grant)	14,878.08		
4349 · 2022 Water Asset Mgt Project	79,454.40		
4350 · Warrant Articles			
4350-5 · Warrant Article 2 (2022 Water M (Water Main Replacement)	2,089,532.11		
4350-6 · Warrant Article 4 (2022) Patten (Patten Hill)	18,130.61		
Total 4350 · Warrant Articles	2,107,662.72		
Total Expense	2,760,202.00	592,507.28	592,507.28
Net Ordinary Income	231,235.36	-592,507.28	-592,507.28
Other Income/Expense			
Other Expense			
4915 · Capital Reserve Fund Transfer (Move funds voted into reserve accounts)	0.00	34,000.00	34,000.00
Total Other Expense	0.00	34,000.00	34,000.00

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03/20/24
Accrual Basis

Emerald Lake Village District
Profit & Loss Budget Performance — WATER BUDGET
January through December 2023

	<u>Jan - Dec 23</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Net Other Income	0.00	-34,000.00	-34,000.00
Net Income	<u>231,235.36</u>	<u>-626,507.28</u>	<u>-626,507.28</u>

DISTRICT-OWNED PROPERTY

Owner Name	Parcel Number	Property Address
EMERALD LAKE VILLAGE DISTRICT	006-079-000	PATTEN HILL ROAD
EMERALD LAKE VILLAGE DISTRICT	006-080-000	PATTEN HILL ROAD
EMERALD LAKE VILLAGE DISTRICT	006-087-000	89 PATTEN HILL ROAD
EMERALD LAKE VILLAGE DISTRICT	009-050-000	GOULD POND ROAD
EMERALD LAKE VILLAGE DISTRICT	013-158-000	SPRING STREET
EMERALD LAKE VILLAGE DISTRICT	013-159-000	SPRING STREET
EMERALD LAKE VILLAGE DISTRICT	013-160-000	SPRING STREET
EMERALD LAKE VILLAGE DISTRICT	013-161-000	SPRING STREET
EMERALD LAKE VILLAGE DISTRICT	013-204-000	MEGAN LANE
EMERALD LAKE VILLAGE DISTRICT	013-206-000	MEGAN LANE
EMERALD LAKE VILLAGE DISTRICT	013-207-000	MEGAN LANE
EMERALD LAKE VILLAGE DISTRICT	013-209-000	MEGAN LANE
EMERALD LAKE VILLAGE DISTRICT	013-231-000	MEGAN LANE
EMERALD LAKE VILLAGE DISTRICT	014-622-000	GOULD POND ROAD
EMERALD LAKE VILLAGE DISTRICT	014-623-000	105 GOULD POND ROAD
EMERALD LAKE VILLAGE DISTRICT	014-624-000	103 GOULD POND ROAD
EMERALD LAKE VILLAGE DISTRICT	014-638-000	PARK TURTLE BRIDGE CRSSNG
EMERALD LAKE VILLAGE DISTRICT	015-005-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	015-020-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	015-021-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	015-022-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	015-023-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	015-024-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	015-035-000	HEMLOCK STREET
EMERALD LAKE VILLAGE DISTRICT	016-001-000	RED FOX CROSSING
EMERALD LAKE VILLAGE DISTRICT	016-051-000	RED FOX CROSSING
EMERALD LAKE VILLAGE DISTRICT	016-114-000	FIREFLY LANE
EMERALD LAKE VILLAGE DISTRICT	016-115-000	FIREFLY LANE
EMERALD LAKE VILLAGE DISTRICT	016-116-000	FIREFLY LANE
EMERALD LAKE VILLAGE DISTRICT	016-117-000	FIREFLY LANE
EMERALD LAKE VILLAGE DISTRICT	016-146-000	BEAVER GLEN ROAD
EMERALD LAKE VILLAGE DISTRICT	016-147-000	BEAVER GLEN ROAD
EMERALD LAKE VILLAGE DISTRICT	016-148-000	BEAVER GLEN ROAD
EMERALD LAKE VILLAGE DISTRICT	016-149-000	BEAVER GLEN ROAD
EMERALD LAKE VILLAGE DISTRICT	016-290-000	TURTLE BRIDGE CRSSNG
EMERALD LAKE VILLAGE DISTRICT	016-291-000	TURTLE BRIDGE CRSSNG
EMERALD LAKE VILLAGE DISTRICT	016-292-000	TURTLE BRIDGE CRSSNG
EMERALD LAKE VILLAGE DISTRICT	016-308-000	EMERALD DRIVE
EMERALD LAKE VILLAGE DISTRICT	016-311-000	TURTLE BRIDGE CRSSNG
EMERALD LAKE VILLAGE DISTRICT	016-317-000	BERRY PATCH LANE
EMERALD LAKE VILLAGE DISTRICT	016-318-000	RED FOX CROSSING
EMERALD LAKE VILLAGE DISTRICT	017-081-000	DAWN STREET
EMERALD LAKE VILLAGE DISTRICT	017-190-000	BIRCH TREE LANE
EMERALD LAKE VILLAGE DISTRICT	017-210-001	EMERALD DRIVE - DAM
EMERALD LAKE VILLAGE DISTRICT	017-214-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	017-245-000	HUMMINGBIRD LANE
EMERALD LAKE VILLAGE DISTRICT	017-246-000	HUMMINGBIRD LANE

TOWN-OWNED PROPERTY

Owner Name	Parcel Number	Property Address
HILLSBOROUGH, TOWN OF	006-036-000	BOG ROAD
HILLSBOROUGH, TOWN OF	006-042-000	BOG ROAD
HILLSBOROUGH, TOWN OF	006-043-000	BOG ROAD
HILLSBOROUGH, TOWN OF	006-046-000	BOG ROAD
HILLSBOROUGH, TOWN OF	006-065-000	BOG ROAD
HILLSBOROUGH, TOWN OF	009-040-000	EMERALD DRIVE
TAX DEEDED	014-173-000	SEMINOLE ROAD
HILLSBOROUGH, TOWN OF	014-178-000	SEMINOLE ROAD
TAX DEEDED	014-273-000	ELLEN BROOK ROAD
TAX DEEDED	014-591-000	SUNRISE PLACE
HILLSBOROUGH, TOWN OF	014-592-000	SUNRISE PLACE
HILLSBOROUGH, TOWN OF	016-113-000	17 RAVENHEAD LANE
HILLSBOROUGH, TOWN OF	016-151-000	RAVENHEAD LANE
HILLSBOROUGH, TOWN OF	016-152-000	RAVENHEAD LANE
HILLSBOROUGH, TOWN OF	016-153-000	RAVENHEAD LANE
HILLSBOROUGH, TOWN OF	016-154-000	RAVENHEAD LANE
HILLSBOROUGH, TOWN OF	016-186-000	RAVENHEAD LANE
HILLSBOROUGH, TOWN OF	016-187-000	RAVENHEAD LANE
TAX DEEDED	016-190-000	OLD LANTERN ROAD
HILLSBOROUGH, TOWN OF	016-224-000	RAINBOW'S END
HILLSBOROUGH, TOWN OF	016-225-000	RAINBOW'S END
TAX DEEDED	017-130-000	BOBOLINK LANE
TAX DEEDED	017-164-000	KING'S ROW
TAX DEEDED	017-169-000	KING'S ROW

PAYMENT SUMMARY BY VENDOR — GENERAL*As of December 31, 2023*

	Jan - Dec 23
BOW SMITH	-124,561.92
Hillsborough Trustees of the Trust Funds	-92,500.00
Bouchard Excavation & Landclearing LLC	-55,000.00
NH Bond Bank	-31,995.00
Henniker Sand & Gravel	-21,527.30
Gale Associates	-17,280.00
Emerald Lake Village District	-13,780.00
Pelkey's Landscape & Design	-8,600.00
Edwards and Son	-7,000.00
VACHON CLUKAY & COMPANY	-5,314.72
Tinosa Associates LLC	-5,250.00
NH Water Law	-4,256.87
Robert Paquin Varnum	-4,250.00
Brett Taber	-3,549.29
Electronic federal tax payroll services	-3,344.26
primex property and liability	-2,567.57
Dave Stefanelli	-2,075.00
American Gardin Septic Services, LLC	-1,515.00
TDS-Office	-1,469.55
INTUIT	-1,353.00
Hillsborough Property Management	-1,150.00
Google	-997.67
Eastern Analytical	-896.00
EVERSOURCE-general	-620.51
NHMA	-615.00
Granite Quill Publishers-The Messenger	-600.00
Primex workmans comp	-462.10
Premier Printing	-390.00
Debbie Kardaseski	-185.88
US Postal Service	-137.00
Concord Monitor	-135.73
Dig Safe	-95.00
Sharon Wilkens	-62.50
Joyce Bosse	-62.50
Michael Carr	-59.99
Jon Daley	-52.50
James Riddle	-50.00
New Hampshire Employment Security	-25.00
TOTAL	<u>-413,786.86</u>

PAYMENT SUMMARY BY VENDOR – WATER

As of December 31, 2023

	Jan - Dec 23
S U R Construction West Inc	-1,985,297.67
Wright-Pierce Engineering	-338,285.49
Aquamen Water Sololutions, LLC	-239,964.87
Emerald Lake Village District	-195,106.23
Treasurer - State of NH	-140,093.02
NH Bond Bank	-69,141.26
Fortin Water	-45,380.00
Hillsborough Trustees of the Trust Funds	-34,000.00
EVERSOURCE-Water	-31,300.71
VACHON CLUKAY & COMPANY	-5,314.72
Tinosa Associates LLC	-5,250.00
Powers Generators	-4,426.37
Brett Taber	-3,593.73
Superior Plus Propane	-2,841.40
Monson Chemicals	-1,919.68
NH Water Law	-1,596.87
TDS- Water	-1,151.92
Hillsborough Property Management	-1,150.00
Town of Hillsborough	-919.70
US Postal Service	-889.30
ESRI	-550.00
Granite State Rural Water Assoc	-548.00
Hamel Trucking	-445.00
Hilltop Heating	-339.90
Hillsboro water Commission	-324.53
Jack Schindler	-299.00
Brian and Angela Vail	-299.00
John Norko Jr	-299.00
Rymes Propane & Oil	-257.81
Electronic federal tax payroll services	-36.27
TOTAL	<u>-3,111,021.45</u>

AUDITOR'S OPINION LETTER



CERTIFIED PUBLIC ACCOUNTANTS
608 Chestnut Street • Manchester, New Hampshire 03104
(603) 622-7070 • Fax: (603) 622-1452 • www.vachonclukay.com

March 13, 2024

To the Board of Commissioners of the
Emerald Lake Village District

We have audited the financial statements of the governmental activities and each major fund of the Emerald Lake Village District for the year ended December 31, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 11, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Emerald Lake Village District are described in Note 1 to the financial statements. During the year ended December 31, 2022, the District adopted and implemented GASB Statement No. 87 – *Leases* (see Note 17 to the financial statements). There was no effect on beginning of the year balances as a result of adoption of the new standard. We noted no transactions entered into by the Emerald Lake Village District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the governmental activities and each major fund financial statements were:

Management's estimate of the allowance for uncollectible receivables is based on an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole. Additionally, management's estimates of the useful lives of capital assets are based upon historical records of utilization, necessary improvements, and replacements. We evaluated the key factors and assumptions used to develop the depreciable useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Please see the attached schedule of material misstatements detected as a result of audit procedures that were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 13, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Emerald Lake Village District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Emerald Lake Village District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During our audit, we noted deficiencies in the Emerald Lake Village District's internal control which we considered to be material weaknesses. See the Schedule of Findings and Questioned Costs findings number #2022-001 and #2022-002 for further information regarding the identified deficiencies.

Other Matters

We applied certain limited procedures to the budgetary comparison information, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Commissioners and management of the Emerald Lake Village District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Vashon Clukay & Company PC

Emerald Lake Village District
For the Year Ended December 31, 2022
Material Audit Adjustments

The following is a listing of the material audit adjustments made for the year ended December 31, 2022 and have been corrected by management:

General Fund:

- To restore prior year audited fund balance and the related balance sheet accounts in the amount of \$329,216.
- To adjust taxes receivable to actual in the amount of \$22,442.

Water Fund:

- To restore prior year audited fund balance and the related balance sheet accounts in the amount of \$354,716.
- To record grant revenue which was net against expenditures in the amount of \$2,264,640.
- To record state revolving loan proceeds which was net against expenditures in the amount of \$898,688.
- To remove payment of prior year accounts payable in the amount of \$46,117.
- To record year end accounts payable in the amount of \$37,418.
- To record year end retainage payable in the amount of \$37,336.
- To record year end grant receivables in the amount of \$21,669.
- To adjust water revenues and the related receivables to actual in the amount of \$90,667.

EMERALD LAKE VILLAGE DISTRICT
Financial Statements
With Schedule of Expenditures of Federal Awards
December 31, 2022
and
Independent Auditor's Report

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance
With *Government Auditing Standards***

**Report on Compliance for Each Major Federal Program
and Report on Internal Control Over Compliance
Required by the Uniform Guidance**

Schedule of Findings and Questioned Costs

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

**EMERALD LAKE VILLAGE DISTRICT
FINANCIAL STATEMENTS
December 31, 2022**

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The entire set of audited financial statements is available at the ELVD Office during regular business hours.



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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Emerald Lake Village District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Emerald Lake Village District, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Emerald Lake Village District'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 and each major fund of the Emerald Lake Village District, as of December 31, 2022, and the respective changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Emerald Lake Village District, 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 Emerald Lake Village District'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.

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Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government 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 and *Government 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 Emerald Lake Village District'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 Emerald Lake Village District'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 budgetary comparison information 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 c
ncial statements,

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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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Emerald Lake Village District's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2024, on our consideration of the Emerald Lake Village District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Emerald Lake Village District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Emerald Lake Village District's internal control over financial reporting and compliance.

Vashon Clukay & Company PC

Manchester, New Hampshire
March 13, 2024

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EXHIBIT A
EMERALD LAKE VILLAGE DISTRICT
Statement of Net Position
December 31, 2022

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 505,341
Taxes receivable	180,042
Accounts receivable	144,190
Due from other governments	680,484
Prepaid items	<u>1,552</u>
Total Current Assets	<u>1,511,609</u>
Noncurrent Assets:	
Capital assets:	
Non-depreciable capital assets	1,109,624
Depreciable capital assets, net	<u>4,288,827</u>
Total Noncurrent Assets	<u>5,398,451</u>
Total Assets	<u>6,910,060</u>
DEFERRED OUTFLOWS OF RESOURCES	
Total Deferred Outflows of Resources	<u>-</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	39,857
Accrued liabilities	29,183
Retainage payable	189,676
Current portion of bonds payable	80,000
Current portion of notes payable	<u>104,799</u>
Total Current Liabilities	<u>443,515</u>
Noncurrent Liabilities:	
Bonds payable	480,044
Notes payable	<u>1,815,280</u>
Total Noncurrent Liabilities	<u>2,295,324</u>
Total Liabilities	<u>2,738,839</u>
DEFERRED INFLOWS OF RESOURCES	
Total Deferred Inflows of Resources	<u>-</u>
NET POSITION	
Net investment in capital assets	2,813,047
Unrestricted	<u>1,358,174</u>
Total Net Position	<u>\$ 4,171,221</u>

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

EXHIBIT B
EMERALD LAKE VILLAGE DISTRICT
Statement of Activities
 For the Year Ended December 31, 2022

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General government	\$ 59,530			\$ (59,530)
Highways and streets	186,835			(186,835)
Water distribution and treatment	469,402	\$ 626,409	\$ 1,412,250	1,569,257
Culture and recreation	12,394			(12,394)
Interest and fiscal charges	37,136			(37,136)
Total governmental activities	<u>\$ 765,297</u>	<u>\$ 626,409</u>	<u>\$ 1,412,250</u>	<u>1,273,362</u>
General revenues:				
Property and other taxes				296,041
Licenses and permits				400
Interest and investment earnings				4,209
Miscellaneous				500
Total general revenues				<u>301,150</u>
Change in net position				1,574,512
Net Position at beginning of year				<u>2,596,709</u>
Net Position at end of year				<u>\$ 4,171,221</u>

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EXHIBIT C
EMERALD LAKE VILLAGE DISTRICT
Balance Sheet
Governmental Funds
 December 31, 2022

	General <u>Fund</u>	Water <u>Fund</u>	Total Governmental <u>Funds</u>
ASSETS			
Cash and cash equivalents	\$ 172,393	\$ 332,948	\$ 505,341
Taxes receivable	180,042		180,042
Accounts receivable		144,190	144,190
Due from other governments	439,928	240,556	680,484
Due from other funds		11,635	11,635
Prepaid items	<u>1,552</u>		<u>1,552</u>
Total Assets	<u>793,915</u>	<u>729,329</u>	<u>1,523,244</u>
DEFERRED OUTFLOWS OF RESOURCES			
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 793,915</u>	<u>\$ 729,329</u>	<u>\$ 1,523,244</u>
LIABILITIES			
Accounts payable	\$ 2,439	\$ 37,418	\$ 39,857
Retainage payable		189,676	189,676
Due to other funds	<u>11,635</u>		<u>11,635</u>
Total Liabilities	<u>14,074</u>	<u>227,094</u>	<u>241,168</u>
DEFERRED INFLOWS OF RESOURCES			
Uncollected property taxes	<u>180,042</u>		<u>180,042</u>
Total Deferred Inflows of Resources	<u>180,042</u>	<u>-</u>	<u>180,042</u>
FUND BALANCE			
Fund balance:			
Nonspendable	1,552		1,552
Restricted		84,395	84,395
Committed	444,928	417,840	862,768
Unassigned	<u>153,319</u>		<u>153,319</u>
Total Fund Balance	<u>599,799</u>	<u>502,235</u>	<u>1,102,034</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 793,915</u>	<u>\$ 729,329</u>	<u>\$ 1,523,244</u>

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EXHIBIT C-1

EMERALD LAKE VILLAGE DISTRICT

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position**

December 31, 2022

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 1,102,034
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.	5,398,451
Property taxes are recognized on an accrual basis in the statement of net position, not the modified accrual basis.	180,042
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:	
General obligation bonds payable	(560,044)
Notes payable	(1,920,079)
Accrued interest on long-term obligations	<u>(29,183)</u>
Net Position of Governmental Activities (Exhibit A)	<u>\$ 4,171,221</u>

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EXHIBIT D
EMERALD LAKE VILLAGE DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
 For the Year Ended December 31, 2022

	General <u>Fund</u>	Water <u>Fund</u>	Total Governmental <u>Funds</u>
Revenues:			
Taxes	\$ 135,766		\$ 135,766
Licenses and permits	400		400
Intergovernmental		\$ 1,379,092	1,379,092
Charges for services		626,409	626,409
Interest and investment income	4,209		4,209
Miscellaneous	500		500
Total Revenues	<u>140,875</u>	<u>2,005,501</u>	<u>2,146,376</u>
Expenditures:			
Current operations:			
General government	56,409		56,409
Highways and streets	167,022		167,022
Culture and recreation	12,394		12,394
Water distribution and treatment		388,994	388,994
Capital outlay	2,563	2,247,076	2,249,639
Debt service:			
Principal retirement	17,500	117,000	134,500
Interest and fiscal charges	8,561	45,982	54,543
Total Expenditures	<u>264,449</u>	<u>2,799,052</u>	<u>3,063,501</u>
Excess revenues over (under) expenditures	<u>(123,574)</u>	<u>(793,551)</u>	<u>(917,125)</u>
Other financing sources (uses):			
State of NH revolving loan issuance		898,688	898,688
Transfers in	65,000		65,000
Transfers out		<u>(65,000)</u>	<u>(65,000)</u>
Total Other financing sources (uses)	<u>65,000</u>	<u>833,688</u>	<u>898,688</u>
Net change in fund balances	(58,574)	40,137	(18,437)
Fund Balance at beginning of year	<u>658,373</u>	<u>462,098</u>	<u>1,120,471</u>
Fund Balance at end of year	<u>\$ 599,799</u>	<u>\$ 502,235</u>	<u>\$ 1,102,034</u>

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EXHIBIT D-1
EMERALD LAKE VILLAGE DISTRICT
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, 2022

Net Change in Fund Balance--Total Governmental Funds \$ (18,437)

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.

Depreciation expense and capital outlays in the current period are as follows:

Capital outlays	2,256,038
Depreciation expense	(109,741)

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

Property taxes	160,275
Principal forgiveness on debt	33,158

Issuances of long-term obligations are reported as other financing sources in the governmental funds, however debt issuances increase long-term liabilities in the statement of net position. Issuances for the current year are as follows:

Bond issuances	
State of NH revolving loan issuances	(898,688)

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

134,500

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

Amortization of premiums	15,567
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In the statement of activities, interest is accrued on long-term obligations, whereas in governmental funds, an interest expenditure is reported when due.

1,840

Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 1,574,512</u>
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**EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS**

For the Year Ended December 31, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Emerald Lake Village District 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 Emerald Lake Village District is organized as a Village District (special purpose district) under the laws of the State of New Hampshire. The District operates under the Board of Commissioners form of government and provides zoning, public works, culture and recreation, and water services to the residents located within the District's boundaries.

Basis of Presentation

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

1. Government-Wide Financial Statements:

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The statement of net position presents the financial condition of the governmental activities of the District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental 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 District. 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 District.

2. Fund Financial Statements:

During the year, the District segregates transactions related to certain District 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 District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

**EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

For the Year Ended December 31, 2022

Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The District solely employs the use of governmental funds.

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 District's major governmental funds:

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

The *Water Fund* is used to account for all financial resources and activities associated with providing water services to the District.

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 District 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 balance 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.

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. Governmental funds use the modified accrual basis of accounting. Differences in the accrual

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**EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

For the Year Ended December 31, 2022

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 District, available means expected to be received within sixty days of year end.

Non-exchange transactions, in which the District 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. 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 District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District 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 and interest on investments.

Miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Charges for services include water billings which are mailed out semi-annually during March and September.

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

2. Expenses/Expenditures:

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

Budgetary Data

The District's budget represents departmental appropriations as authorized by annual or special District meetings. The Commissioners may transfer funds between operating categories as they deem necessary. The District 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.

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EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 For the Year Ended December 31, 2022

Accounts Receivable

Amounts billed to individuals during the current and prior year and uncollected at December 31, 2022 are recorded as receivables net of reserves for estimated uncollectibles of \$0.

Capital Assets

General capital assets result from expenditures in the District’s governmental funds. These assets are reported in the government-wide statement of net position, but are not reported in the fund financial statements.

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 District maintains a capitalization threshold of \$5,000. The District is not required to retroactively report its general infrastructure. Infrastructure records have been maintained effective January 1, 2004 and are included in these financial statements. The District’s infrastructure consists of a water purification and distribution system and similar items. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

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

<u>Description</u>	<u>Years</u>
Buildings and improvements	20-40
Machinery and equipment	10-30
Infrastructure	7-50

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. General obligation bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

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 District 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

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**EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

For the Year Ended December 31, 2022

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 District'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

As of December 31, 2022, the District has not adopted a formal fund balance policy. The District 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 purposes stipulated by external resource providers or enabling legislation. Restrictions may be changed or lifted only upon 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 District's highest level of decision making authority (the Annual District Meeting). Commitments may be changed or lifted only by the governing body taking the same formal action that imposed the constraint originally. The governing body's action must either 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 the subsequent period.
- *Assigned Fund Balance*: Amounts the District intends to use for a specific purpose. The Board of Commissioners is authorized to assign fund balance.
- *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, as well as any deficit fund balance of another governmental fund.

In circumstances where 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 then unassigned amounts.

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.

EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended December 31, 2022

Property Taxes

Property taxes levied to support the Emerald Lake Village District are based on the assessed valuation as of April 1st for all taxable real property located within the District's boundaries.

Under State statutes, the Town of Hillsborough, New Hampshire (an independent governmental unit) collects taxes for the District from property owners located within the boundaries of the District. As a collection agent, the Town is required to pay over to the District its share of property taxes collected through periodic payments based on the cash flow requirements of the District. The Town assumes financial responsibility for all uncollected property taxes under State statutes.

NOTE 2—DEPOSITS

Deposits as of December 31, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	<u>\$ 505,341</u>

Deposits at December 31, 2022 consist solely of deposits held with financial institutions.

The District's investment policy requires that deposits and investments be made in New Hampshire based financial institutions that are participants in the federal depository insurance program. The District limits its investments to money market accounts and certificates of deposit in accordance with New Hampshire State law.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned to it. Currently, the District has no investment policy for assurance against custodial credit risk.

Of the District's deposits with financial institutions at year end, \$603,128 was collateralized by securities held by the bank in the bank's name.

NOTE 3—CAPITAL ASSETS

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

	Balance <u>1/1/2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/2022</u>
Capital assets not depreciated:				
Construction in process	<u>\$ 135,106</u>	<u>\$ 1,082,384</u>	<u>\$ (107,866)</u>	<u>\$ 1,109,624</u>
Total capital assets not being depreciated	<u>135,106</u>	<u>1,082,384</u>	<u>(107,866)</u>	<u>1,109,624</u>

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended December 31, 2022

Other capital assets:				
Buildings and improvements	170,794			170,794
Machinery and equipment	491,129	21,520		512,649
Infrastructure	<u>3,256,394</u>	<u>1,260,000</u>		<u>4,516,394</u>
Total other capital assets at historical cost	<u>3,918,317</u>	<u>1,281,520</u>	<u>-</u>	<u>5,199,837</u>
Less accumulated depreciation for:				
Buildings and improvements	(60,942)	(5,842)		(66,784)
Machinery and equipment	(201,317)	(18,720)		(220,037)
Infrastructure	<u>(539,010)</u>	<u>(85,179)</u>		<u>(624,189)</u>
Total accumulated depreciation	<u>(801,269)</u>	<u>(109,741)</u>	<u>-</u>	<u>(911,010)</u>
Total other capital assets, net	<u>3,117,048</u>	<u>1,171,779</u>	<u>-</u>	<u>4,288,827</u>
Total capital assets, net	<u>\$ 3,252,154</u>	<u>\$ 2,254,163</u>	<u>\$ (107,866)</u>	<u>\$ 5,398,451</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 3,121
Highways and streets	19,813
Water distribution and treatment	<u>86,807</u>
	<u>\$ 109,741</u>

NOTE 4—LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

Changes in long-term obligations of the governmental activities for the year ended December 31, 2022 are as follows:

	Balance 1/1/2022	Additions	Reductions	Balance 12/31/2022	Due Within One Year
Governmental activities:					
Bonds payable	\$ 576,000		\$ (76,000)	\$ 500,000	\$ 80,000
Unamortized bond premiums	<u>75,611</u>		<u>(15,567)</u>	<u>60,044</u>	
Total Bonds payable	651,611	\$ -	(91,567)	560,044	80,000
Notes payable - direct borrowings	1,066,737	945,000	(91,658)	1,920,079	104,799
State of NH revolving loan	<u>46,312</u>	<u>898,688</u>	<u>(945,000)</u>	<u>-</u>	
Total governmental activities	<u>\$ 1,764,660</u>	<u>\$ 1,843,688</u>	<u>\$(1,128,225)</u>	<u>\$ 2,480,123</u>	<u>\$ 184,799</u>

Payments on the general obligation bonds are paid out of the General Fund and the Water Fund, as applicable. Payments on the notes payable are paid out of the Water Fund.

General Obligation Bonds

Bonds payable at December 31, 2022 are comprised of the following individual issues:

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

For the Year Ended December 31, 2022

	Interest Rate	Final Maturity Date	Balance at 12/31/2022
2006 Series A	4.56%	August 2026	\$ 130,000
2021 Series A	0.80%	February 2031	370,000
			<u>500,000</u>
Add: <i>Unamortized bond premiums</i>			<u>60,044</u>
			<u>\$ 560,044</u>

Debt service requirements to retire general obligation bonds outstanding at December 31, 2022 are as follows:

Year Ending December 31,	Principal	Interest	Totals
2023	\$ 80,000	\$ 21,136	\$ 101,136
2024	80,000	17,222	97,222
2025	75,000	13,877	88,877
2026	75,000	11,212	86,212
2027	45,000	7,843	52,843
2028-2031	<u>145,000</u>	<u>11,959</u>	<u>156,959</u>
Subtotal Bonds Payable	500,000	83,249	583,249
Add: <i>Unamortized bond premiums</i>	<u>60,044</u>		<u>60,044</u>
	<u>\$ 560,044</u>	<u>\$ 166,498</u>	<u>\$ 643,293</u>

General obligation bonds represent direct obligations of the District for which its full faith and credit are pledged.

Notes Payable - Direct Borrowings

Notes payable from direct borrowings outstanding at December 31, 2022 consists of the following individual issues:

	Interest Rate	Final Maturity Date	Balance at 12/31/2022	Pledged Collateral
2014 State Revolving Loan Note	2.86%	May 2033	\$ 975,079	N/A
2022 State Revolving Loan Note	1.296%	September 2042	<u>945,000</u>	N/A
			<u>\$ 1,920,079</u>	

Notes from direct borrowings of \$1,920,079 include a provision that if the District defaults on the note for any reason, the holder may demand immediate payment of all principal and accrued unpaid interest, or the interest rate may be increased by 2% over the interest rate then in effect at the time of default.

Debt service requirements to retire the outstanding notes payable from direct borrowings, including principal forgiveness from the State of New Hampshire to be forgiven over a period of 20 years from the start of the State Revolving Note, at December 31, 2022 are as follows:

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 For the Year Ended December 31, 2022

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2023	\$ 104,799	\$ 35,294	\$ 140,093
2024	100,520	36,948	137,468
2025	101,064	33,779	134,843
2026	101,616	30,602	132,218
2027	102,174	27,418	129,592
2028-2032	519,511	89,076	608,587
2033-2037	300,608	27,901	328,509
2038-2042	<u>258,208</u>	<u>10,125</u>	<u>268,333</u>
Total	1,588,500	291,143	1,879,643
Add: <i>Principal forgiveness</i>	<u>331,579</u>		<u>331,579</u>
Total Notes Payable	<u>\$ 1,920,079</u>	<u>\$ 291,143</u>	<u>\$ 2,211,222</u>

NOTE 5—INTERFUND BALANCES AND TRANSFERS

During the year the District made payments on General Fund related obligations out of the Water Fund. The balance of the reimbursement due to the Water Fund from the General Fund is reflected as an interfund receivable and payable, respectively in the funds, in the amount of \$11,635.

During the year interfund transactions occurred between funds. The Water Fund transferred \$65,000 to the General Fund. Transfers were made in accordance with budgetary authorizations.

NOTE 6—COMPONENTS OF FUND BALANCE

The components of the District’s fund balance for its governmental fund at December 31, 2022 are as follows:

	<u>General</u> <u>Fund</u>	<u>Water</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Nonspendable:			
Prepaid items	\$ 1,552		\$ 1,552
Restricted for:			
Unspent bond proceeds		\$ 84,395	84,395
Committed for:			
Capital reserves	444,928		444,928
Water operations		417,840	417,840
Unassigned:			
Unassigned - General operations	<u>153,319</u>		<u>153,319</u>
	<u>\$ 599,799</u>	<u>\$ 502,235</u>	<u>\$ 1,102,034</u>

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

**EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

For the Year Ended December 31, 2022

NOTE 7—CONTINGENT LIABILITIES

Litigation

The District's management estimates that any potential claims against the District, which are not covered by insurance, are immaterial and would not affect the financial position of the District.

NOTE 8—RISK MANAGEMENT

The District 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, 2022, the District was a member of and participated in a public entity risk pool (Trust) for property and liability insurance and worker's compensation coverage. Coverage has not been significantly reduced from the prior year and settled claims have not exceeded coverage in any of the past three years.

The Trust agreements permit the Trust to make additional assessments to members should there be a deficiency in Trust assets to meet its liabilities. Accounting principles generally accepted in the United States of America require members of pools with a sharing of risk to determine whether or not such assessment is probable and, if so, a reasonable estimate of such assessment. At this time, the Trust foresees no likelihood of an additional assessment for any of the past years. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Based on the best available information there is no liability at December 31, 2022.

Property and Liability Insurance

The Trust provides certain property and liability insurance coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. As a member of the Trust, the District 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 9—CHANGE IN ACCOUNTING PRINCIPLE

During the year ended December 31, 2022, the District implemented GASB Statement No. 87, *Leases*. Under GASB Statement No. 87, a lease liability and an intangible right to use asset is recognized for leasing arrangements where the District is the lessee.

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

**EMERALD LAKE VILLAGE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

For the Year Ended December 31, 2022

The District has entered into a rental agreement as a lessee for its office space. Management has evaluated its leasing arrangement and determined that the effect of implementing GASB Statement No. 87 related to the lease is immaterial to its financial statements.

NOTE 10—SUBSEQUENT EVENT

Debt Authorization

At the April 2023 annual District meeting, the voters approved the authorization of \$385,000 of debt for the purpose of developing and installing an arsenic treatment system and building to support the hummingbird well site facility.

SCHEDULE 1
EMERALD LAKE VILLAGE DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - General Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Taxes	\$ 295,447	\$ 295,447	\$ 296,041	\$ 594
Licenses and permits	-	-	400	400
Interest income	-	-	79	79
Miscellaneous	-	-	500	500
Total Revenues	<u>295,447</u>	<u>295,447</u>	<u>297,020</u>	<u>1,573</u>
Expenditures:				
Current operations:				
General government	58,483	58,483	56,409	2,074
Highways and streets	153,202	153,202	160,623	(7,421)
Culture and recreation	15,200	15,200	12,394	2,806
Capital outlay	-	-	2,563	(2,563)
Debt service:				
Principal retirement	17,500	17,500	17,500	-
Interest and fiscal charges	8,562	8,562	8,561	1
Total Expenditures	<u>252,947</u>	<u>252,947</u>	<u>258,050</u>	<u>(5,103)</u>
Excess revenues over (under) expenditures	<u>42,500</u>	<u>42,500</u>	<u>38,970</u>	<u>(3,530)</u>
Other financing sources (uses):				
Transfers out	<u>(42,500)</u>	<u>(42,500)</u>	<u>(42,500)</u>	<u>-</u>
Total Other financing sources (uses)	<u>(42,500)</u>	<u>(42,500)</u>	<u>(42,500)</u>	<u>-</u>
Net change in fund balance	-	-	(3,530)	(3,530)
Fund Balance at beginning of year				
- Budgetary Basis	<u>338,443</u>	<u>338,443</u>	<u>338,443</u>	<u>-</u>
Fund Balance at end of year				
- Budgetary Basis	<u>\$ 338,443</u>	<u>\$ 338,443</u>	<u>\$ 334,913</u>	<u>\$ (3,530)</u>

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

SCHEDULE 2
EMERALD LAKE VILLAGE DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - Water Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,202,048	\$ 1,371,105	\$ 1,379,092	\$ 7,987
Charges for services	611,106	611,106	626,409	15,303
Total Revenues	<u>2,813,154</u>	<u>1,982,211</u>	<u>2,005,501</u>	<u>23,290</u>
Expenditures:				
Current operations:				
Water distribution and treatment	383,124	383,124	388,994	(5,870)
Capital outlay	5,810,544	2,235,206	2,247,076	(11,870)
Debt service:				
Principal retirement	117,000	117,000	117,000	-
Interest and fiscal charges	45,982	45,982	45,982	-
Total Expenditures	<u>6,356,650</u>	<u>2,781,312</u>	<u>2,799,052</u>	<u>(17,740)</u>
Excess revenues over (under) expenditures	<u>(3,543,496)</u>	<u>(799,101)</u>	<u>(793,551)</u>	<u>5,550</u>
Other financing sources (uses):				
Bond issuances	3,763,688	898,688	898,688	-
Transfers out	<u>(65,000)</u>	<u>(65,000)</u>	<u>(65,000)</u>	<u>-</u>
Total Other financing sources (uses)	<u>3,698,688</u>	<u>833,688</u>	<u>833,688</u>	<u>-</u>
Net change in fund balance	155,192	34,587	40,137	5,550
Fund Balance at beginning of year				
- Budgetary Basis	<u>462,098</u>	<u>462,098</u>	<u>462,098</u>	<u>-</u>
Fund Balance at end of year				
- Budgetary Basis	<u>\$ 617,290</u>	<u>\$ 496,685</u>	<u>\$ 502,235</u>	<u>\$ 5,550</u>

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

EMERALD LAKE VILLAGE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 For the Year Ended December 31, 2022

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 District. Those amounts may 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 non-budgetary revenues and expenditures, non-budgetary transfers, and budgetary transfers as follows:

	Revenues and Other Financing <u>Sources</u>	Expenditures and Other Financing <u>Uses</u>
Per Exhibit D	\$ 205,875	\$ 264,449
Difference in property taxes meeting susceptible to accrual criteria	160,275	
Non-budgetary revenues and expenditures	(4,130)	(6,399)
Non-budgetary transfers	(65,000)	
Budgetary transfers		42,500
Per Schedule 1	<u>\$ 297,020</u>	<u>\$ 300,550</u>

Water Fund

There were no budgetary differences in revenues and other financing sources and expenditures and other financing uses of the Water Fund to be reported for the year ended December 31, 2022.

NOTE 2—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

During the year ended December 31, 2022, the District overdrafted its statutory appropriations of the General Fund and Water Fund as follows:

	General <u>Fund</u>	Water <u>Fund</u>
Total appropriations	\$ 295,447	\$ 2,846,312
Budgetary expenditures	(300,550)	(2,864,052)
Statutory overdraft	<u>\$ (5,103)</u>	<u>\$ (17,740)</u>

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

SCHEDULE I
EMERALD LAKE VILLAGE DISTRICT
Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
DEPARTMENT OF THE TREASURY			
Pass Through Payments from the New Hampshire Department of Environmental Services			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	#1141020-05	1,079,057
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	#AM-149	9,002
			<u>1,088,059</u>
Total Department of the Treasury			<u>1,088,059</u>
Total Expenditures of Federal Awards			<u>\$ 1,088,059</u>

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

**EMERALD LAKE VILLAGE DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended December 31, 2022

NOTE 1—BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Emerald Lake Village District (the District) under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Emerald Lake Village District, it is not intended to and does not present the financial position or changes in net position of the District.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3—INDIRECT COST RATE

The District has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

The entire set of audited financial statements is available at the ELVD Office during regular business hours.



CERTIFIED PUBLIC ACCOUNTANTS
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Independent Auditor's Report

To the Board of Selectmen
Emerald Lake Village District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Emerald Lake Village District, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Emerald Lake Village District's basic financial statements, and have issued our report thereon dated March 13, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Emerald Lake Village District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Emerald Lake Village District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Emerald Lake Village District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Emerald Lake Village District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Emerald Lake Village District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Emerald Lake Village District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Emerald Lake Village District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vashon Clukay & Company PC

Manchester, New Hampshire
March 13, 2024



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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board of Commissioners
Emerald Lake Village District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Emerald Lake Village District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Emerald Lake Village District's major federal programs for the year ended December 31, 2022. The Emerald Lake Village District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Emerald Lake Village District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Emerald Lake Village District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Emerald Lake Village District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Emerald Lake Village District's federal programs.

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Emerald Lake Village District’s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Emerald Lake Village District’s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Emerald Lake Village District’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Emerald Lake Village District’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Emerald Lake Village District’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Vachon Clukay & Company PC

Manchester, New Hampshire
March 13, 2024

**Emerald Lake Village District
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022**

Section I--Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified – all reporting units

Internal control over financial reporting:

Material weakness(es) identified? X yes no
 Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? yes X no
 Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes X no

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

Section II--Financial Statement Findings

The following findings relating to the financial statements are required to be reported by GAGAS.

Finding #2022-001 Fund Accounting:

Criteria: Fund accounting is utilized for municipalities to maintain self-balancing financial records for individual funds to avoid comingling of activity and balances.

Condition: The District currently accounts for both its General Fund and Water Fund within a single QuickBooks file. For financial reporting purposes, the General Fund and Water Fund are reported separately. While the District's trial balance segregates revenues and expenditures into categories sufficient to allow District personnel to monitor operational performance, the sole segregation on the District's balance sheet accounts are the individual cash accounts.

Cause: District personnel responsible for maintaining the financial records were not aware separate financial records for the individual funds were required. Financial personnel segregated cash accounts as well as revenue and expenditure accounts as a means of tracking the individual fund based records.

Effect: Failure to segregate the District's records in the form of two funds increases the risk activities associated with one fund may be reported within the other fund. Additionally, without the funds appropriately segregated those charged with governance of the District may make financial decisions for one fund based on its financial position which may be materially misstated.

Recommendation: We recommend that the individual responsible for maintaining the financial records of the District establish a second QuickBooks company file. In doing so, the District will be able to track the General Fund and Water Fund separately and allow those charged with governance to make financial decisions based on the financial position of the individual funds.

Views of responsible officials: District is in agreement with the identified finding and took corrective action effective January 2023 by segregating the District's General Fund and Water Fund into separate QuickBooks company files.

Finding #2022-002 Netting of Expenditures and Related Revenue Transactions:

Criteria: The District is required to report using generally accepted accounting principles in the United States of America (GAAP). GAAP requires reporting of activity on a gross basis.

Condition: The District established separate expenditure accounts for each project approved at the annual District meeting which had a combination of debt and grant funding. District personnel responsible for maintaining financial records recorded the receipt of debt and grant funds directly against the account utilized to track the project expenditures.

Cause: District personnel responsible for maintaining the records net the grant revenues against the expenditures in order to show the activity had no net effect on the District's fund balance.

Effect: Failure to report expenditure transactions separately from the associated revenue or other financing sources increases the risk District financial records may be materially misstated. Additionally, when expenditures are reported net of the related revenue transactions, there is an increased risk in which the District may fail to identify the need for an audit to be conducted in accordance with the *Uniform Guidance*.

The entire set of audited financial statements is available at the ELVD Office during regular business hours.

Recommendation: We recommend that the individual responsible for maintaining the financial records of the District establish debt and grant accounts associated with each project that is funded through either debt or grants. In doing so, the District will be able to compare expenditures against the grant agreements to ensure the appropriate debt has been issued and the matching grant revenues are recorded based on the matching provisions required by the grant.

Views of responsible officials: The Emerald Lake Village District Board of Commissioners agree with Finding #2022-002 Netting of Expenditures and Related Revenue Transactions. The Board had the understanding at the onset of various projects that the tracking of expenses and then netting the revenue against them would balance out to show tracking efforts for the projects. Overall expenses were tracked as well as overall revenues. Based on this report explanation and recommendations along with the timing of when the details came to light, the Emerald Lake Village District Board of Commissioners will request the treasurer and Bookkeeper to keep all projects no specifically listed as part of the budget to track separately for both expenses and revenues and to track them as individual units through each calendar year process.

Section III--Federal Award Findings and Questioned Costs

There were no findings and questioned costs required to be reported under 2 CFR 200.516(a).



Emerald Lake Village District

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CORRECTIVE ACTION PLAN

Finding #2022-001

Corrective Action Plan: District will create two QuickBooks company files to track the financial records of the General Fund and the Water Fund separately.

Individual Responsible: District Bookkeeper

Anticipated Implementation Date of Corrective Action: January 2023

Finding #2022-002

Corrective Action Plan: District will create a separate revenue and expenditure account related to the individual projects allowing it to track the activity for the associated projects.

Individual Responsible: District Bookkeeper

Anticipated Implementation Date of Corrective Action: January 2024. District intends to make the necessary corrections to the 2023 records.

