




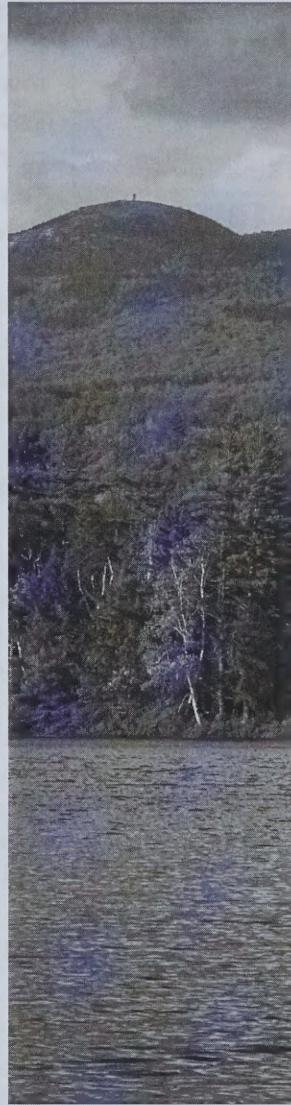
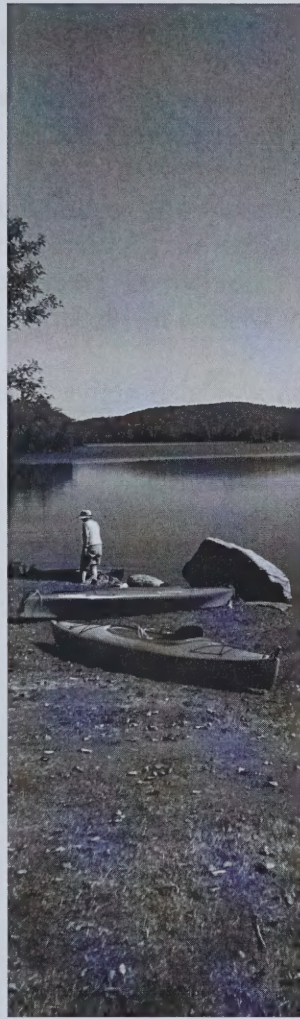
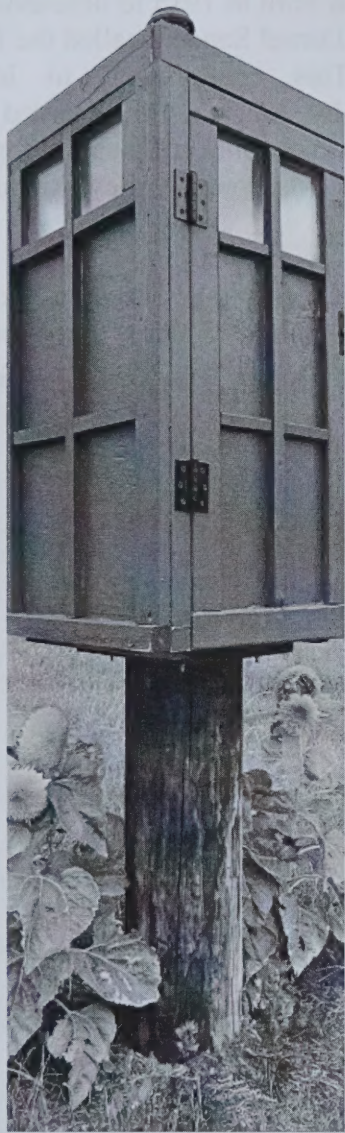
GRAFTON

New Hampshire

2016 Annual Report



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**2016 Annual Report,
2017 Town Meeting, and
Reports of the Officers of the Town
for the year ending December 31, 2016**

Dedication

Marion Seamans

Marion (Sanders) Seamans was born in 1915 to descendants of Grafton's earliest settlers - Daniel Sanders called the first town meeting in 1778. This commitment to local government was continued by Marion, who served as postmistress for 25 years and as school board member for 15 years (she helped create the Mascoma Valley Regional School District in 1963).

Marion was also active in the library (she served as Town Librarian), Historical Society, and Ladies Benevolent Society. Before 911 came into being, Marion also dispatched the Grafton Volunteer Fire Department and Ambulance. In her free time, she played the organ, baked, and volunteered at the Mascoma Senior Center.

If you were a child in town you may remember that Mrs. Seamans' house was *the* place to visit for the best treats! We thank Marion for all her years of service to Grafton, and mourn her passing.



Paul Gove

Paul Gove was born on June 16, 1924, to Clarence Garfield and Martha (Dean) Gove of Wilmot, N.H., where he spent his entire childhood before joining the U.S. Army at the age of 19. Paul served in WW II and received the Purple Heart.

After discharge from the army, he spent time working at Ruggles Mine, on the Town of Grafton road crew, logging with his beloved horses in the White Mountains, and as a carpenter for Trumbull-Nelson in Hanover and for himself. After marrying his beloved wife, Mary (Daniels) of Canaan, they built their home and settled in Grafton, where they lived for over sixty years.

Paul was one of the founding members of the Grafton Volunteer Fire Department and served as chief for over forty years. He also served as a N.H. State Forest Fire Warden, Commander of the American Legion Post #97, and member of the N.H. State Grange, Eureka Grange and Montcalm Grange.

Many firefighters may recall needing a "Paul Gove translator" to interpret his thick New Hampshire accent over the radio. His dedication to Grafton was impressive, and he will be sorely missed.



Dedication

Ellen Williams



Ellen was born in Brooklyn, N.Y., on Oct. 10, 1931, the daughter of Philip and Mary (Pendroh) Fennelly. She moved to Grafton in 1934 and graduated from Lebanon High School, Children's Hospital School of Nursing in Boston, and New England College.

Ellen employed her nursing skills at New London Hospital and the Newfound school district before becoming the first visiting nurse for the Mascoma Area Health Council and for the Well Child Clinics. She was then the school nurse at Mascoma Valley Regional High School for nineteen years, retiring in 1992, and then a substitute nurse at Cardigan Mountain School. Students loved her sense of humor, dedication to her profession, and her kindness.

She was a communicant of St. Mary's Church in Canaan; Tax Collector for Grafton; member of the Grafton Fire Auxiliary; and a volunteer at Canaan Elementary School, Grafton Library and blood drives hosted by St. Mary's.

An extremely kind and thoughtful person, Ellen could be found helping out at any function and lending a hand wherever necessary and whenever possible.

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Town Officials

Selectmen's Clerk

Monday-Friday, 8:00 am to 4:30 pm

Sue Smith, 523-7700

selectmen@townofgrafftonnh.com

Selectmen

Leon Dugan (2017)

Merle Kenyon (2018)

Jennie Joyce, appointed (2017)

Town Clerk and Tax Collector

Monday, Wednesday 5:15 pm to 8:00 pm

Friday 7:00 am to 11:00 am

Last Saturday of Month 8:00 am to 12:00 pm

Bonnie Haubrich (2017 - tax collector, 2019 -
town clerk), 523-7270

Angela Barry, Deputy

graftontaxcollector@gmail.com

Town Clerk email: graftontc2008@hotmail.com

Town Moderator

Travis Anderson (2018)

Town Treasurer

Dorothy Campbell (2017)

Shannon Poitras, Deputy

Budget Committee

Catherine Mulholland (2017)

Pam Curran (2018)

Edward Grinley (2019)

Jennie Joyce, Selectman Ex-officio

Sandi Pierson, Minute Taker

Trustees of the Trust Funds

Catherine Mulholland (2019)

Joseph Brown (2018)

Sandra Griffin (2017)

Cemetery Trustees

Brewster Gove (2019)

Vacant (2017)

Vacant (2018)

Welfare Director

Janet Sullivan, 523-7140

Police Department

Russell Poitras, Chief, 523-7667 (2017)

Ellen Krauss, Deputy

Fire Department

John Babiarz, Chief, 523-7500

Fire Warden

John Babiarz, 523-8836

Kenneth Cushing, Deputy, 523-4569

Ambulance

Dotti Ernst, Captain, 523-4623

Highway Department

Robert Bassett, Road Agent (2019), 523-7027

Transfer Station, 523-9113

Wednesday and Sunday

8:30 am to 5:00 pm

Librarian

Deb Clough, Librarian, 523-7865

library@townofgrafftonnh.com

Library Trustees

Susan Frost (2017)

Tina Pope (2018)

Adam Franz (2019)

Supervisors of the Checklist

Jeff Weiss (2018)

George Curran (2020)

Marguerite Conley (2022)

Planning Board

Frank Neufell (2018)

Martin (Jim) Dugan, Chair (2017)

Maureen O'Reilly (2017)

Angus Gorman (2019)

Merle Kenyon, Selectmen Ex-officio

Recreation Committee

Pam Grinley

Edward Grinley

Brad Grange

Glenn Rodgers

Donna Rodgers

2017 Warrant

To the inhabitants of the Town of Grafton, in the County of Grafton, in said State of New Hampshire, qualified to vote in Town affairs:

You are hereby notified to meet at the Millbrook Christian Fellowship Church, Grafton, New Hampshire, on ***Saturday the 11th of February, 2017 at 9:00 AM*** for the first session of the Annual Town Meeting to discuss, debate and amend the town budget and all warrant articles listed below, except Article #1 (election of officers).

You are hereby further notified to meet at the Grafton Fire/Ambulance Station, Grafton, New Hampshire, on ***Tuesday the 14th of March, 2017*** for the second session of the Annual Town Meeting to vote by official ballot on elected officials and all warrant articles that are listed below. ***The Polls will be open from 8:00 AM to 7:00 PM.***

1) To choose all necessary officers for the ensuing year, including: Selectman - 3 years and 2 years; Treasurer - 1 year; Tax Collector - 3 years; Police Chief - 3 years; Budget Committee - 3 years; Trustee of the Trust Funds - 3 years; Library Trustee - 3 years; Cemetery Trustee - 3 years and 2 years; Planning Board - 3 years and 3 years.

2) Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant, or as amended by the vote of the first session, for the purposes set forth therein totaling \$1,053,058. Should this article be defeated, the default budget shall be \$1,036,009, which is the same as last year, with certain adjustments required by previous actions of the Town of Grafton or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13X and XVI, to take up the issue of a revised budget only. It excludes special warrant articles and other appropriations voted separately.

General Government

Executive	\$53,593
Elections/Town Clerk	37,225
Financial Administration	41,615
Reappraisal of Property	16,320
Legal Expense	20,000
FICA & Medicare	25,000
Planning Board	375
General Government Buildings	40,975
Cemeteries	7,700
Insurance	102,728
Advertising/Regional Dues	1,500
Contingency	2,000
Subtotal	\$349,031



Public Safety	
Police	\$139,573
Ambulance	23,000
Fire Department	22,000
Emergency Management	200
Forest Fire Warden	1,000
Subtotal	\$185,773
Highway and Streets	
Highway and Streets	\$383,511
Street Lights	2,915
Subtotal	\$386,426
Solid Waste	\$81,000
Health and Welfare	
Health Agencies	\$8,964
Health Officer	0
Public Assistance	20,000
Subtotal	\$28,964
Culture and Recreation	
Parks & Recreation	\$3,450
Library	14,114
Patriotic Purposes	300
Subtotal	\$17,864
Debt Service	
Tax Anticipation Note (TAN)	\$4,500
<u>Operating Budget Total</u>	<u>\$1,053,058</u>

3) To see if the town will vote to raise and appropriate the sum of thirty thousand dollars (\$30,00) to be placed in the previously established Bridge Capital Reserve Fund.

The Selectmen recommend this article/the Budget Committee recommends this article.

4) To see if the town will vote to raise and appropriate the sum of thirty-five thousand dollars (\$35,00) to be placed in the previously established Highway Department Capital Reserve Fund.

The Selectmen recommend this article/the Budget Committee recommends this article.

5) To see if the town will vote to raise and appropriate the sum of forty thousand dollars (\$40,00) for the purpose of paving roads.

The Selectmen recommend this article/the Budget Committee recommends this article.

6) To see if the town will vote to raise and appropriate the sum of twenty thousand dollars (\$20,00) for the purpose of placing ledge pack on town dirt roads.

The Selectmen recommend this article/the Budget Committee recommends this article.

7) To see if the Town will vote to raise and appropriate the sum of fifteen thousand dollars (\$15,000) to be placed in the previously established Fire Apparatus Capital Reserve Fund.

The Selectmen recommend this article / the Budget Committee recommends this article.

8) To see if the Town will vote to establish a capital reserve fund for a roll-off truck for the Recycle Center and raise and appropriate ten thousand (\$10,000) to be placed in that fund. (Majority vote required.)

The Selectmen recommend this article / the Budget Committee recommends this article.

9) To see if the Town will vote to raise and appropriate the sum of ten thousand dollars (\$10,000) for to be placed in the previously established Town Hall Repairs Capital Reserve Fund.

The Selectmen recommend this article / the Budget Committee recommends this article.

10) To see if the Town will vote to raise and appropriate the sum of nine thousand dollars (\$9,000) to be placed in the previously established New Police Cruiser Capital Reserve Fund.

The Selectmen recommend this article / the Budget Committee recommends this article

11) To see if the Town will vote to raise and appropriate the sum of three thousand dollars (\$3,000) for the restoration of the Town's historical records.

The Selectmen recommend this article / the Budget Committee recommends this article.

12) To see if the Town will vote to raise and appropriate the sum of two thousand one hundred eighty-four dollars (\$2,184) to increase the Road Agent's annual salary by 5%. (Majority vote required.)

The Selectmen recommend this article / the Budget Committee recommends this article.

13) Are you in favor of changing the term of the elected town treasurer from one year to 3 years, beginning with the term of the town treasurer to be elected at next year's regular town meeting? (Majority vote required.)

14) To raise and appropriate the sum of \$7,735 to be added to the 2017 budget for the Grafton Public Library, thus raising the library budget from the lowest position to an average one in comparison with NH towns of similar population and income. This will allow us to adequately fund new expense increases, such as the rising costs of internet service, new books/media and audiobooks/e-book memberships, as well as the renewal of our bar-code software licensing , ensuring adequate and up-to-date compensation for employees, etc., much of which includes expenses which have been either beyond our control or previously approved by the Selectmen. Additionally this will ensure full compliance with various state and federal regulations (i.e. RSA 202-A:1, RSA 202-A:4, RSA 279:21, LAB 803.5, and the United States Fair Labor Standards Act of 1938). **(By Petition.)**

The Selectmen do not recommend this article / the Budget Committee does not recommend this article.

15) To see if the Town will vote to direct the Selectboard to establish a "Town Administrator Study Committee" for the purpose of exploring the pros and cons of the Town of Grafton hiring a part-time Town Administrator. The "Town Administrator Study Committee" shall consist of no less than 6 positions, representing a broad overview of Grafton's population derived from a simple division of the Town's tax maps. The Committee shall present its findings at a public hearing before this year's end, and if deemed appropriate, place an article on the 2018 Town Warrant that would appropriate funding for the purposes of hiring a part-time Town Administrator. **(By petition.)**

Given under our hands and the seal the 30th day of January, in the year of Our Lord 2017.

A True Copy of Warrant. Attest: GRAFTON BOARD OF SELECTMEN

Leon Dugan, Chairman

Merle Kenyon

Jennie Joyce

2017 Budget

Appropriations and Estimates of Revenue for the Ensuing Year January 1, 2017 to December 31, 2017

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Appropriations		Actual Expenditures	Selectmen's Appropriations		Budget Committee's Appropriations	
		Prior Year As Approved by DRA	Prior Year (Recommended)		Ensuing Fiscal Year (Not Recommended)	Ensuing Fiscal Year (Recommended)	Ensuing Fiscal Year (Not Recommended)	Ensuing Fiscal Year (Recommended)
General Government								
4130-4139	Executive	50,047	48,551	53,593	53,593		53,593	
4140-4149	Election, Regular & Vital Statistics	43,022	35,326	37,225	37,225		37,225	
4150-4151	Financial Administration	40,870	38,023	41,615	41,615		41,615	
4152	Revaluation of Property	16,320	17,195	16,320	16,320		16,320	
4153	Legal Expense	20,000	14,837	20,000	20,000		20,000	
4155-4159	Personnel Administration	24,000	22,913	25,000	25,000		25,000	
4191-4193	Planning & Zoning	375	142	375	375		375	
4194	General Government Buildings	36,730	33,373	40,975	40,975		40,975	
4195	Cemeteries	7,700	5,665	7,700	7,700		7,700	
4196	Insurance	89,308	83,321	102,728	102,728		102,728	
4197	Advertising & Regional Assn.	1,500	1,387	1,500	1,500		1,500	
4199	Other General Government	2,000	2,000	2,000	2,000		2,000	
Public Safety								
4210-4214	Police	137,393	136,807	138,970	138,970	603	139,573	
4215-4219	Ambulance	16,403	16,608	23,850	23,850		23,000	850
4220-4229	Fire	20,000	19,496	22,400	22,400		22,000	400
4240-4249	Building Inspection							
4290-4298	Emergency Management	100	100	200	200		200	
4299	Other - Forest Warden	1,000	392	1,000	1,000		1,000	
Airport/Aviation Center								
4301-4309	Airport Operations							
Highways & Streets								
4311	Administration							
4312	Highways & Streets	400,000	399,289	387,511	387,511		383,511	4,000
4313	Bridges							
4316	Street Lighting	2,800	2,920	2,915	2,915		2,915	
4319	Other							

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Appropriations		Actual		Selectmen's Appropriations		Budget Committee's Appropriations	
		Prior Year As	Expenditures	Ensuing Fiscal Year	Ensuing Fiscal Year	Ensuing Fiscal Year	Ensuing Fiscal Year		
		Approved by DRA	Prior Year (Recommended)	(Not Recommended)	(Recommended)	(Recommended)	(Not Recommended)		
Sanitation									
4323	Solid Waste Collection	79,000	78,513	81,000	81,000	81,000			
4324	Solid Waste Disposal								
4325	Solid Waste Clean-up								
4326-4329	Sewage Collection, Disposal, Other								
Water Distribution & Treatment									
4331	Administration								
4332	Water Services								
4335-4339	Water Treatment, Conservation, Other								
Electric									
4351-4352	Administration & Generation								
4353	Purchase Costs								
4354	Electric Equipment Maintenance								
4359	Other Electric Costs								
Health/Welfare									
4411	Administration/Welfare								
4414	Pest Control								
4415-4419	Health Agencies, Hospital & Other	8,964	8,964	8,964	8,964	8,964			8,964
4441-4442	Administration & Direct Assistance	20,000	12,570	20,000	20,000	20,000			20,000
4444	Intergovernmental Welfare Payments								
4445-4449	Vendor Payments & Other								
Culture & Recreation									
4520-4529	Parks & Recreation	12,955	12,900	3,450	3,450	3,450			3,450
4550-4559	Library	14,362	12,549	13,114	1,000	14,114			14,114
4583	Patriotic Purposes	300	220	300	300	300			300
4589	Other Culture & Recreation								

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Appropriations		Actual Expenditures	Selectmen's Appropriations		Budget Committee's Appropriations	
		Prior Year As	Approved by DRA		Ensuing Fiscal Year	(Not Recommended)	Ensuing Fiscal Year	(Not Recommended)
		(Recommended)			(Recommended)		(Recommended)	
Conservation								
4611-4612	Admin. & Purchase of Nat. Resources							
4619	Other Conservation							
4631-4632	Redevelopment & Housing							
4651-4659	Economic Development							
Debt Service								
4711	Principal - Long Term Bonds & Notes							
4721	Interest - Long Term Bonds & Notes							
4723	Interest on Tax Anticipation Notes	4,500			4,000		4,000	
4790-4799	Other Debt Service							
Capital Outlay								
4901	Land							
4902	Machinery, Vehicles & Equipment	60,940		60,940				
4903	Buildings							
4909	Improvements Other Than Buildings							
Operating Transfers Out								
4912	To Special Revenue Fund							
4913	To Capital Projects Fund							
4914	To Enterprise Fund							
4918	To Nonexpendable Trust Funds							
4919	To Fiduciary Funds							
Operating Budget Total		1,110,589	1,065,001	1,056,705	1,603	1,053,058	5,250	

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Warrant	Appropriations Prior Year As	Actual Expenditures	Selectmen's Appropriations Ensuing Fiscal Year	Budget Committee's Appropriations Ensuing Fiscal Year
		Article #	Approved by DRA	Prior Year	(Recommended) (Not Recommended)	(Recommended) (Not Recommended)

Special Warrant Articles

Special Warrant articles are defined in RSA 32:3, VI as appropriations 1) In petitioned warrant articles; 2) Appropriations raised by bonds or notes; 3) Appropriations to or from a separate fund created pursuant to law, such as capital reserve funds or trust funds; 4) An appropriation designated on the warrant as a special article or as a non-lapsing or nontransferable article.

4550-4559	Library	14			11,735	11,735
4915	To Capital Reserve Fund-Bridge	03			30,000	30,000
4915	To Capital Reserve Fund-Highway	04			35,000	35,000
4915	To Capital Reserve Fund-Fire Dept. Apparatus	07			15,000	15,000
4915	To Capital Reserve Fund-Establish Roll-off Truck	08			10,000	10,000
4915	To Capital Reserve Fund-Town Hall Repairs	09			10,000	10,000
4915	To Capital Reserve Fund-New Police Cruiser	10			9,000	9,000
Special Articles Recommended						
					109,000	109,000
Individual Warrant Articles						
<i>Individual warrant articles are not the same as Special Warrant Articles. An example of an individual warrant articles might be negotiated cost items for labor agreements or items of a one time nature you wish to address individually.</i>						

11,735 **11,735** **109,000** **109,000** **11,735** **11,735**

4140-4149	Election, Registration, & Vital Statistics - Historical Records	11			3,000	3,000
4312	Highways and Streets - Paving	05			40,000	40,000
4312	Highways and Streets - Ledger Pack	06			20,000	20,000
4312	Highways and Streets - Pay Increase for Road Agent	12			2,184	2,184
Individual Articles Recommended					65,184	65,184

ACCT.#	Source of Revenue	Warrant Article #	Actual Revenues Prior Year	Selectmen's Estimated Revenues	Budget Committee's Estimated Revenues
Taxes					
3120	Land Use Change Taxes - General Fund	2	6,450	100	100
3180	Resident Taxes				
3185	Yield Taxes	2	48,491	7,500	7,500
3186	Payment in Lieu of Taxes				
3187	Excavation Tax	2	854	100	100
3189	Other Taxes				
3190	Interest & Penalties on Delinquent Taxes	2	51,089	15,000	15,000
9991	Inventory Penalties				
Licenses, Permits, & Fees					
3210	Business Licenses & Permits				
3220	Motor Vehicle Permit Fees	2	144,988	140,000	140,000
3230	Building Permits	2	150	50	50
3290	Other Licenses, Permits & Fees	2	7,514	1,000	1,000
3311-2219	From Federal Government				
From State					
3351	Shared Revenues				
3352	Meals & Rooms Tax Distribution	2	70,480	55,000	55,000
3353	Highway Block Grant	2	132,454	115,000	115,000
3354	Water Pollution Grant				
3355	Housing & Community Development				
3356	State & Federal Forest Land Reimbursement				
3357	Flood Control Reimbursement				
3359	Other (including Railroad Tax)				
3379	From Other Governments				
Charges for Services					
3401-3406	Income from Departments				
3409	Other Charges				
Miscellaneous Revenue					
3501	Sale of Municipal Property	2	68,903	1,000	1,000
3502	Interest on Investments	2	520	300	300
3503-3509	Other				
Interfund Operating Transfers In					
3912	From Special Revenue Funds				
3913	From Capital Projects Funds				
3914	From Enterprise Funds: <i>Sewer</i>				
3914	From Enterprise Funds: <i>Water</i>				
3914	From Enterprise Funds: <i>Electric</i>				
3914	From Enterprise Funds: <i>Airport</i>				
3915	From Capital Reserve Funds		29,000		
3916	From Trust & Fiduciary Funds	2	4,320	3,050	3,050
3917	Transfers from Conservation Funds				

Continued...

ACCT.#	Source of Revenue	Warrant Article #	Actual Revenues Prior Year	Selectmen's Estimated Revenues	Budget Committee's Estimated Revenues
Other Financing Sources					
3934	Proceeds from Long Term Bonds & Notes				
9998	Amounts Voted from Fund Balance				
9999	Estimated Fund Balance to Reduce Taxes				
Operating Budget Total			564,853	338,100	338,100

Budget Summary

Item	Prior Year Adopted Budget	Selectmen's Recommended Budget	Budget Committee's Recommended Budget
Operating Budget Appropriations Recommended	996,149	1,056,705	1,053,058
Special Warrant Articles Recommended	40,000	109,000	109,000
Individual Warrant Articles Recommended	114,440	65,184	65,184
TOTAL Appropriations Recommended	1,150,589	1,230,889	1,227,242
Less Amount of Estimated Revenues & Credits	361,770	338,100	338,100
Estimated Amount of Taxes to be Raised	778,819	892,789	889,142

Budget Committee Supplemental Schedule

1. Total recommended by Budget Committee (from MS-737)	1,227,242
Less Exclusions:	
2. Principal: Long-Term Bonds and Notes	
3. Interest: Long-Term Bonds and Notes	
4. Capital outlays funded from Long-Term Bonds and Notes	
5. Mandatory Assessments	
6. Total Exclusions (Lines 2-5)	
7. Amount Recommended, Less Exclusions (Lines 1-6)	1,227,242
8. 10% of Amount Recommended, Less Exclusions (Line 7 x 10%)	122,724
Collective Bargaining Cost Items	
9. Recommended Cost Items (Prior to Meeting)	
10. Voted Cost Items (Voted at Meeting)	
11. Amount voted over recommended amount (Difference of Lines 9 and 10)	
Mandatory Water and Waste Treatment Facilities (RSA 32:21)	
12. Amount Recommended (Prior to Meeting)	
13. Amount Voted (Voted at Meeting)	
14. Amount voted over recommended amount (Difference of Lines 12 and 13)	
15. Bond Override (RSA 32:18-a), Amount Voted	
Maximum Allowable Appropriations Voted at Meeting	1,349,966

2017 Default Budget

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Prior Year Adopted Operating Budget	Reductions & Increases	Minus Onetime Appropriations	Default Budget
General Government					
4130-4139	Executive	50,047			50,047
4140-4149	Election, Regular & Vital Statistics	40,022			40,022
4150-4151	Financial Administration	40,370	500		40,870
4152	Revaluation of Property	16,320			16,320
4153	Legal Expense	20,000			20,000
4155-4159	Personnel Administration	24,000			24,000
4191-4193	Planning & Zoning	375			375
4194	General Government Buildings	36,730			36,730
4195	Cemeteries	7,700			7,700
4196	Insurance	89,308	13,420		102,728
4197	Advertising & Regional Association	1,500			1,500
4199	Other General Government	2,000			2,000
Public Safety					
4210-4214	Police	137,393			137,393
4215-4219	Ambulance	16,403			16,403
4220-4229	Fire	20,000			20,000
4240-4249	Building Inspection				
4290-4298	Emergency Management	100			100
4299	Other - Forest Warden	1,000			1,000
Airport/Aviation Center					
4301-4309	Airport Operations				
Highways & Streets					
4311	Administration				
4312	Highways & Streets	360,000	25,940		385,940
4313	Bridges				
4316	Street Lighting	2,800			2,800
4319	Other				
Sanitation					
4321	Administration				
4323	Solid Waste Collection	79,000			79,000
4324	Solid Waste Disposal				
4325	Solid Waste Clean-up				
4326-4329	Sewage Collection, Disposal, Other				

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Prior Year Adopted Operating Budget	Reductions & Increases	Minus Onetime Appropriations	Default Budget
Water Distribution & Treatment					
4331	Administration				
4332	Water Services				
4335-4339	Water Treatment, Conservation, Other				
Electric					
4351-4352	Administration & Generation				
4353	Purchase Costs				
4354	Electric Equipment Maintenance				
4359	Other Electric Costs				
Health					
4411	Administration/Welfare				
4414	Pest Control				
4415-4419	Health Agencies, Hospital & Other	8,964			8,964
Welfare					
4441-4442	Administration & Direct Assistance	20,000			20,000
4444	Intergovernmental Welfare Payments				
4445-4449	Vendor Payments & Other				
Culture & Recreation					
4520-4529	Parks & Recreation	2,955			2,955
4550-4559	Library	14,362			14,362
4583	Patriotic Purposes	300			300
4589	Other Culture & Recreation				
Conservation					
4611-4612	Admin. & Purchase of Nat. Resources				
4619	Other Conservation				
4631-4632	Redevelopment & Housing				
4651-4659	Economic Development				
Debt Service					
4711	Principal - Long Term Bonds & Notes				
4721	Interest - Long Term Bonds & Notes				
4723	Interest on Tax Anticipation Notes	4,500			4,500
4790-4799	Other Debt Service				

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Prior Year Adopted Operating Budget	Reductions & Increases	Minus Onetime Appropriations	Default Budget
Capital Outlay					
4901	Land				
4902	Machinery, Vehicles & Equipment				
4903	Buildings				
4909	Improvements Other Than Buildings				
Operating Transfers Out					
4912	To Special Revenue Fund				
4913	To Capital Projects Fund				
4914A	To Proprietary Fund - Airport				
4914E	To Proprietary Fund - Electric				
4914S	To Proprietary Fund - Sewer				
4914W	To Proprietary Fund - Water				
4915	To Capital Reserve Fund				
4916	To Expendable Trusts/Fiduciary Funds				
4917	To Health Management Trust Funds				
4918	To Nonexpendable Trust Funds				
4919	To Agency Funds				
Operating Budget Total		996,149	39,860		1,036,009

ACCT.#	Explanation for Increases
4150-4151	Tax Collector Stipend Increase
4312	Lease Purchase Agreement for 2nd Truck
4196	Increase due to Contractual Obligations

Committee Reports

SELECTMEN

First I want to thank you for allowing me to serve as your selectman. When people think of the selectmen, or perhaps any of the town positions, they most likely think of taxes. I want to thank some of the town departments for working to keep their budgets low so as not to increase the town portion of our taxes.

Bobby Bassett has done a great job with the recycling center. By shifting some of the demo container costs to contractors using it, the transfer station has reduced the cost of dropping off tires. Bobby has also worked on getting the new roof on the old town hall and making a parking lot so there is off-street parking. He has also taken on the task of mowing the common in the center of town and picking up the trash at the town office and rec field on his own time. All of these things are a savings to our town taxpayers.

Congratulations to John Babiarz for serving as our fire chief for ten years! We thank him for his devotion to our town and his countless hours of volunteering over the years and always being ready when needed.

We would also like to thank Kathy Lund for her many late nights/early mornings and weekends volunteering, being available to run to ambulance calls, and her many hours of training. She is an encouragement to many.

We are so fortunate to have the many volunteers that we have on the various departments in town, most of all our fire and ambulance. We are very thankful to all of you. We can always use more volunteers and people who want to help to better our town.

2016 has been relatively quiet for the most part. The town was very saddened by the loss of the old Grafton Christian Church at the beginning of the year. Most people in town have many fond memories of this church.

Unfortunately, our school taxes continue to rise. Over the last three years the school portion of our taxes went up more than the cost of running our town for a year! We could run our town for 24 years on one year of the school budget. As a town, we need to focus on the school budget and what we offer as a town for education. It is the single most important benefit we offer as a town, but we pay dearly for it, as we tax people out of their homes and take their land. In the last three years we have taken more property for unpaid taxes than we had in the past twelve years.

It does not take more money to make a better town or school.

Respectfully submitted,
Leon Dugan, Chairman
Merle Kenyon
Jennie Joyce

ROAD AGENT

The highway department dealt with a pretty mild 2016 winter season. With not very many ice storms and below average amount of snow, three full time employees plowed and sanded as needed.

Spring came early and so did mud season. The highway department hauled stone and graded to fill mud on Tunnel Road, Turnpike Road, Millbrook Road, Slab City Road, Spectacle Pond Road, Kilton Pond Road, and many other roads. During mud

season, Phelps Construction hauled winter sand and the Road Agent pushed up and stockpiled with a dozer for the 2017 winter season.

The highway department graded, raked, hauled ledge pack, and put out liquid calcium chloride on roads all around town.

In June the crew ditched and hauled that material from many of the tar roads to the town hall to make a

parking lot for future use. We hope to finish the parking lot in 2017 by adding ledge pack to the top.

In July the road crew did a major road project on Hardy Hill Road and Grafton Pond Road, first by cutting and chipping all the brush. We rented an excavator from John Deere for a month and grubbed, hauled, and replaced all the culverts, hammered ledge, and graveled to widen these roads for safety and plowing and sanding.

The highway department graded roads again, replaced culverts, and dug rock out of Prescott Hill Road and filled with hot top for paving.

In September Blacktop Inc. came to town. They shimmed and put a one inch top course of hot top on a half-mile section of Prescott Hill Road, with the highway department overseeing and flagging the project.

The highway department worked on trucks and equipment, mowed roadsides, swept roads and bridges, and did anything asked of by the selectmen throughout the year.

The crew got trucks ready for winter, too; washing, spraying with fluid film to keep from rusting, and installing sanders and wings.

Robert Bassett, Road Agent, donated his time to mow the Grafton Center common and to haul the trash from the recreation field and town offices during the summer.

I would like to thank my crew, the selectboard, Sue Smith at the office, and all the other departments for their help and support throughout the year. I would also like to thank the townspeople for their support during 2016.

Respectfully submitted,
Robert Bassett

POLICE DEPARTMENT

First I would like to thank the individuals in town who supported and helped the Grafton Police Department during the 2016 year (you know who you are). Your help has been vital to the success of the department, resulting in a much better town in which to live and raise my children.

Your help has allowed us to curb criminal activity while serving the people of Grafton. I would like to take time to thank the surrounding departments: Canaan Police, Enfield Police, Danbury Police, and the NH State Police. Many times it takes a multi-jurisdictional team in order to professionally identify and prosecute ongoing criminal issues.

The last person I want to thank is Norman Daigneault, a long-time, kind, dedicated patrolman who gave approximately twenty years of his life to the people of Grafton. Norman willingly devoted his life to policing without ever asking for anything. Norman will be missed by many people in Grafton. RIP Norman, and thank you for your service.

Respectfully submitted,
Chief Russell Poitras



Norman Daigneault

RECYCLING CENTER

The recycling center in 2016 still worked on saving taxpayer money and making money for the revolving account on recyclable material, even though prices are still down. We stayed under budget and made \$15,613.62 for the revolving account.

The recycling center shipped a trailer load of baled cardboard, a trailer load of baled and ground plastic, loads of light iron, #1 steel, aluminum, batteries, motors, and separated wire.

The only major purchase of the center was a new 30 yard container for hauling the glass and metals.

The town had another household hazardous waste day in September. Town of Canaan was contracted and assisted by Bob Bassett and Richard Surette. This was another successful day as about one-third of the amount of the year before came in. The next household hazardous waste day will be in 2018.

The highway department is still assisting at the recycling center, doing all the hauling of trash,

demolition, glass, paper, separating and hauling of metals.

On the warrant for 2017 we are asking for monies to start a capital reserve account for a new roll-off truck to replace the existing one we have at this time (1988 Autocar). We as a town need to establish a capital reserve account so we can add extra monies from the revolving account to the capital reserve account.

I would like to thank the employees at the recycling center and highway department for their good work and dedication during the year.

I would also like to thank all the townspeople for recycling and the many positive comments throughout the year.

Please Recycle!

Respectfully submitted,
Robert Bassett

Recyclable Material	Amount Recycled in 2016	Environmental Impact
Electronics	10,630 lbs.	Conserved enough energy to power 1.4 houses for one year!
Paper	62 tons	Saved 1,069 trees!
Plastics	24,300 lbs.	Conserved 18,225 gallons of gasoline!
Tires	9.7 tons	Conserved 6.4 barrels of oil!

Recycling uses much less energy than making products from virgin resources, and using less energy means fewer greenhouse gases emitted into the atmosphere.

By recycling the materials above, you have avoided about 239 tons of carbon dioxide emissions. This is equivalent of removing 51 passenger cars from the road for an entire year.

From Northeast Resource Recovery Association

VOLUNTEER AMBULANCE

2016 has been an extremely difficult and challenging year for Grafton Volunteer Ambulance and all volunteer services.

The services and skills provided by Emergency Medical Service providers have advanced

significantly in the last ten years. The licensed EMS providers that respond to emergency medical calls have the technology and skills to provide more medical treatments and interventions than ever before. Years ago, ambulance services provided 'first aid' and transportation to the hospital. Now,

ambulance services provide extensive pre-hospital emergency medical care in coordination with their medical control hospital.

With these improvements, also came increased requirements and responsibilities for all EMS providers. Grafton Volunteer Ambulance must grow and adapt in order to meet these increasing demands. Our surrounding towns have already addressed these changes and adapted their EMS departments accordingly. Most are either full-time or part-time paid departments and many have hired contract services from nearby towns to assist them in providing EMS services for their residents.

For several years now, GVA has been grossly understaffed and has not had sufficient volunteers to handle all calls for EMS services in Grafton. As this situation continued to occur more frequently, Canaan FAST was forced to initiate a service charge to the town of Grafton for each call that they covered due to lack of a crew in Grafton. As taxpayers, it is understandable that Canaan would not want their tax dollars going to cover Grafton's services. This was unfair to Canaan residents and had to be addressed.

Canaan fast squad also offered the town of Grafton an alternative to the per-call fee in the form of a contract for EMS services. At that time the selectmen turned down the offer from Canaan for contracted coverage and opted for the per-call charge to Grafton while hoping to increase volunteer EMS participation in Grafton. This charge of \$300 per call, when Canaan responds to Grafton, is part of the Operating Budget for GVA. Many think Canaan should cover Grafton in a 'mutual aid' capacity for no cost; however, that is not a 'mutual aid' responsibility. Mutual aid is to help other towns when the original town's EMS service is already on a call or has a mass casualty where additional resources are needed. Covering for another town that does not have sufficient crew members is not mutual aid and cannot be expected from other agencies without a cost.

Now, in 2016, The Town of Grafton can no longer 'hope' for more volunteers and 'believe' that the

situation will resolve itself. There are important issues to consider regarding EMS services available to Grafton. These services are critical to saving lives of Grafton residents when medical emergencies occur and we feel a responsibility to provide the best possible coverage.

The town of Grafton has requested a contract for EMS services with Canaan FAST. Canaan FAST is in the process of hiring more staff in order to be able to consider providing this contracted service to Grafton in the near future. With this contract, VA would still exist and maintain their volunteer providers who would respond to calls in Grafton. Canaan would supplement the responders in Grafton as needed and provide 911 emergency transport services for Grafton.

In the meantime, GVA, together with the selectmen, are looking for new ways to increase the number of residents willing to become volunteers with GVA. To this end, the selectmen have approved a 'response incentive' from \$5 to \$35 per run to volunteer responders with GVA. The amount received depends on the services provided by the responder and whether it is a transport or a non-transport outcome.

Going forward, GVA and the town of Grafton need to explore new methods of providing sufficient Emergency Medical Services and continuing the services provided by GVA. Some methods to explore include a change in structure of the Emergency Services Departments, hiring paid employees to supplement the volunteers, becoming part of a regional EMS service, and other progressive changes that have been successful in surrounding towns and EMS in general.

Please continue to support the ongoing efforts of all the Grafton Emergency Services providers as we continue our efforts to serve the residents of the Town of Grafton. We appreciate the support you have provided for many years.

Respectfully submitted,
Dotti Ernst

TRUSTEES OF THE TRUST FUNDS

Our management firm, Mackensen Partners, saw the retirement of Warren Mackensen this year and has changed its name to Bearing Point Partners. They are still performing well in a low interest rate environment. The more conservative portfolio for the Capital Reserve Funds returned 2.35% after the fee deduction of 0.5%. For the trust funds, the return was 6.87% after fees. The higher rate of return is accounted for by the less restrictive investment parameters for trust funds.

As of November 30, 2016 we had \$168,650.00 under management in the Trust Funds, and \$544,789.47 in Capital Reserves, to which an additional \$40,000 was added in December for the Bridge and Ambulance funds as per the warrant articles #8 and 10 approved by the voters in March.

During the year \$29,000 was withdrawn from the Police Cruiser Capital Reserve Fund for purchase of our new police vehicle; \$2,225 was withdrawn in three separate installments from the recycling capital reserve for testing; \$4,000 from town hall repairs to re-roof the town hall and \$653.70 from the Library Repairs to provide bathroom facilities for the employees.

Other highlights of the year:

-The Kilton Fund contributed \$2,500.00 to the new

Health Clinic in Canaan which is scheduled to open in April.

-The East Grafton Union Church Trust was reduced by \$17,723.00 as repairs were performed. The remaining balance as of 11/30/2016 was \$12,810.77. All funds are matched by our LCHIP grant.

The projected amount of Cemetery trust funds to offset some of the cemetery maintenance expenses incurred by the town was reduced from \$1,500 to \$1,089.10. Up until this year all interest from the private trusts has been allocated to Cemetery maintenance. A change in procedure occurred this year when it was mandated that no individual trust should contribute more than the actual cost of mowing and raking of its actual plot. We will work closely this year with the Cemetery Trustees to determine which funds are eligible for a petition for Cy Pres, which alters the purpose of the trust so that the accumulated monies can be spent.

Sandy Griffin was elected to complete the one year position vacated by Daniel Demers and will be running again for the three year term this March.

Respectfully submitted,
Catherine Mulholland
Joseph Brown
Sandra Griffin

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PLANNING BOARD

No report submitted.

RECREATION COMMITTEE

No report submitted.

VOLUNTEER FIRE DEPARTMENT

No report submitted.

CEMETERY TRUSTEES

No report submitted.

TAX COLLECTOR AND TOWN CLERK

“May the sun shine, all day long,
everything go right, and nothing wrong.
May those you love bring love back to you,
and may all the wishes you wish come true!”

An Irish Blessing

It is hard to believe that I have been Grafton’s Tax Collector for 7 years now and the Town Clerk approaching 7 years. I indeed feel fortunate to work for the citizens of Grafton. In those 7 years I have seen many changes as far as laws, processes and people. There is always so much to learn and changes to stay abreast of.

As your Town Clerk we processed 10,460 transactions through the Motor Vehicle Department, as well as marriage licenses, marriage certificates, death certificates, birth certificates, performing genealogy searches, licensing dogs and processing three elections this year. With more than 733 voters turning out in November, it was important to ensure that absentee ballots were sent out in a timely manner and processed quickly. This was the largest turnout Grafton has ever witnessed. We are very fortunate to have such excellent poll workers on election day(s), which makes the whole process go smoothly. Total income from motor vehicles was \$307,002.21. Customers still express their appreciation for changing from two check payments to one check. The upgrade to a VPN line with the New Hampshire Department of Motor Vehicles is working very well, with very little computer down time compared to the previous year.

I once again remind dog owners that your dog(s) must be registered by April 30th of each year. The cost for puppies 3 months old to 7 months old is \$6.50, neutered male or spayed females are \$6.50, male or female dogs who are not neutered or spayed is \$9.00 and any dog owner over 65 years of age it is \$2.00 for the 1st dog. Please be sure to bring proof of rabies vaccination and neutered/spayed certificate when registering your pet(s).

As of today, January 12, 2017, there are outstanding taxes of \$461,262.03, down from \$507,920.58 last year. These taxes range from 2013 through 2016. The tax rate went down in December from \$27.17 to \$26.14 per thousand. A difference of \$1.03 per thousand, noting that the town, local school, and county tax went down while the state school tax went up.

The Town liened a total of 86 properties, down from 89 the previous year. The Town deeded three properties, down from seven the prior year and the Selectmen entered into three tax agreements with property owners.

In the upcoming year we hope to improve the information on the Grafton web site and make more efficient and convenient processes for our customers.

I want to also take this opportunity to thank our Deputy Town Clerk/Tax Collector, Angela Barry. Angela assumed this position in 2013 and her assistance is invaluable. I am fortunate to have Angela working with me and for the Town.

I appreciate your feedback and thank you for the opportunity of working with you and encourage everyone to stop by to familiarize yourself with the workings of the Town Clerk’s Office and the Tax Collector’s Office.

Bonnie J. Haubrich
Tax Collector/Town Clerk

LIBRARY TRUSTEES

Hello Grafton!

On behalf of the Trustees of the Grafton Public Library I would first like to thank our staff, volunteers, donors, patrons, taxpayers and other supporters for the various contributions which you have all made this year. This of course includes a very special thank you to our indispensable Library Director, Debbie Clough, and to the always appreciated charity organization known around town as the Friends of the Grafton Library (FoGL). A library can only ever be as good as the efforts of those who help to make it what it is, and our town is so profoundly fortunate to have such wonderful and dedicated people making its library into something of which we can all be proud.

This year we have an entirely new board of trustees, with two of our former trustees having resigned and the third opting not to seek re-election. The transition has not been an easy one. However, I am personally delighted by the strides we have made and with our accomplishments thus far. Most notably we managed to avoid being shut down entirely by the New Hampshire Department of Labor for our previous lack of an employee restroom. This was accomplished without needing to spend vast amounts of taxpayer money on a septic system, well, etc. for a building with a very uncertain future. In fact we were instead able to achieve full compliance for a total of well under \$1,000.

Another challenge where we managed to save significant amounts of taxpayer money involved our being informed that the library building might require an access ramp for the disabled. We of course greatly value our disabled patrons and consistently go out of our way to ensure that we are meeting their needs as best as we reasonably can. And we do sincerely appreciate the diligent work of the town officials who had brought this possible violation to our attention. Yet our exhaustive research showed that such a ramp would not only cost at least \$6,000 but would have to be so long that it would only ever be used by those with extremely severe disabilities who had absolutely no other choice.

Once again factoring in the very uncertain future of our present building we chose to adopt a position that

we would only build such a ramp if it could be demonstrated that we were legally required to do so. Fortunately for the taxpayers it now seems to be generally agreed upon that we are in full compliance under all applicable laws without this ramp. As such our plans to better serve our disabled patrons can now be focused entirely upon our efforts to attain a new or moved/upgraded library building.

The previous trustees had initiated but not completed the process of selecting an architectural firm. We have since finished this task by re-vetting and selecting UK Architects to work with us and with the townspeople on our initial design plans. In our reviews of their proposed contract we found opportunities to significantly reduce our costs by taking into account the nature of Grafton and how it may differ from other New Hampshire towns. As such the contract has been revised and should hopefully be signed within the next several weeks.

We also put together a survey which you may have already received by the time this is published. This is of course only one of the ways in which we hope to better understand what the townspeople want with regards to a new or moved/upgraded library building.

Additionally we managed to have the deed finalized on the property which will be used as the location for any such building. For anyone who is not yet aware this land was so kindly donated to us by Mr. Chester Gray. We would like to once again thank Mr. Gray from the bottom of our hearts for his deeply appreciated and perhaps unprecedentedly generous library donation.

That all said, as I write this we find ourselves in the middle of our most difficult challenge so far. Upon preparing our 2017 budget proposal we determined that the library is severely underfunded at this time. This conclusion has been confirmed by the blind studies which we then conducted of libraries in the half-dozen New Hampshire towns with the most similar populations and income to Grafton. Also it has since been unwaveringly reaffirmed by a variety of additional research, consultations with experts, etc.

Yet when we presented the results of our findings to the appropriate town officials we encountered

overwhelming resistance with regards to fixing this problem. We of course fully respect the right of our fellow town officials to make decisions as they see fit and we recognize their duty to vote in accordance with their own understandings of what is best for our town. But all of the relevant facts are telling us that in this case they are mistaken. All of the qualified opinions are telling us the same, including all three trustees, our alternate trustee, our library director, our assistant library director, and even a professional library consultant who recently provided us with a free consultation.

Yet with all due respect, especially regarding their considerable time constraints and responsibilities, we simply do not feel that anyone who has voted in opposition to the vast majority of our proposed increases can be said to have an opinion which is adequately informed. Among them not one has attended a single meeting of the library trustees this year, despite knowing we are a brand new board which might have benefited greatly from their experience and guidance. This includes the specific meeting where our budget proposal was drafted and the meetings which followed where that was further discussed and revised. To the best of my own knowledge and recollection only one of these officials has even set foot in the library during the last year, doing so twice and only as a patron. Conversely the one member of the select board who did support the majority of our requested increases said he would not have done so but for having spent a good deal of time working on a nearby house, and thus getting a much better sense of how active and lively our little library has become.

So while once again we do understand and appreciate the hard work and good intentions of all of our fellow town officials, we have agreed we cannot sit by and do nothing about what we unanimously agree are inadequately informed choices ultimately being made to the detriment of both the library and the town.

Our only recourse in light of this overwhelming yet misguided opposition was to request that the select board place an article on the warrant seeking a significant increase in the library's budget and outlining the primary reasons why this is needed. Similar requests by other departments are approved with only the rarest of exceptions, and the same could be said of all similar requests which have previously

been made by the former library trustees. Yet this request was denied without further comment or explanation. Instead it was suggested that we seek to create this as a petition-based warrant article. Such articles notoriously have a much lower chance of passing within Grafton's recent history. Yet thanks to voters who either support the library or just the basic concepts of democracy we easily managed to collect more than enough signatures for our petition. Therefore you will indeed be seeing our warrant article on your ballots this year.

It is vital to the continued success of your library that this warrant article passes, and thus sets a new, voter-supported precedent with regards to library funding. Its failure would not mean having to close our doors, but it will unarguably prevent us from being able to provide adequate services and offerings to our patrons, or even to merely establish legal compliance in several different areas. We will not be able to maintain much of the services we presently have, nor will we likely be able to just keep our public port-o-potty from becoming a potential health hazard this summer. So we will be doing all we can to promote this article and help it to pass, but we can't succeed without your vote.

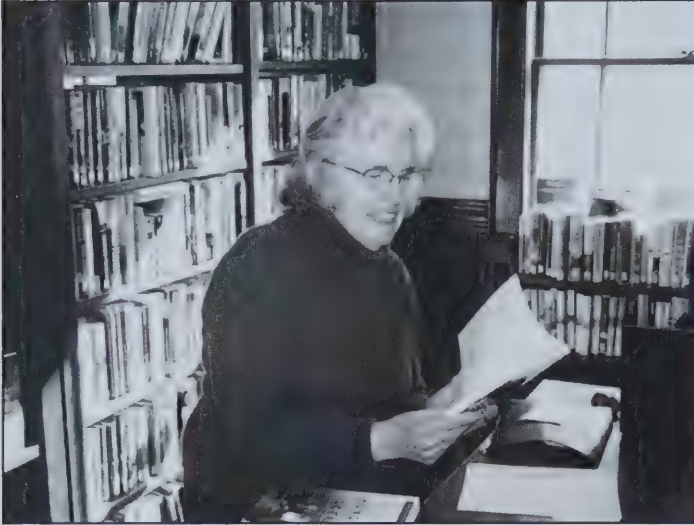
Should you have any doubts at all about the necessity of this increase we implore you to please come talk to us before voting day. Give us a chance to win your vote by presenting you with the relevant facts that apply to this issue. You have nothing to lose and everything to gain, especially if you do ultimately decide to cast your vote in our favor. For as Walter Cronkite once famously said, "Whatever the cost of our libraries, the price is cheap compared to that of an ignorant nation."

Please support your library, so that it might support you and all of our neighbors in our collective pursuit of a well-informed population. And when the time comes, please cast your vote in favor of reasonably funding the best combination of independence and public education which mankind has ever devised: Your Own Public Library!

Respectfully Submitted,

Adam Franz
Library Trustee Chairman
Grafton Public Library

LIBRARIAN



We would like to dedicate this year's library report to Ellen Williams. Though Ellen was most known for her volunteering with the Fire Dept, she also gave the library many hours as well. She not only worked in the library, but she would bake for our events and was always bringing in special little handouts for the less celebrated holidays. Always willing to laugh at herself and us with good humor, her spirit and determination was a great inspiration and will be missed by all.

In 2016, your library maintained its vital and vibrant presence for the Grafton community. The recreational, educational, and personal services provided for the folks of Grafton remains our objective. A safe and welcoming space for toddlers, teens, adults, and seniors to grab a book to read, a movie to watch, find a recipe, apply for a job, or just to grab a cup of coffee and chat with a neighbor. Since taking over as director seven years ago (I can hardly believe it!), my goal has been to transform the library from a place to get a good book to be a hub of activity that extends friendship, dialog, and understanding throughout our community in hopes of making Grafton a finer place to live. Libraries today are changing into a more proactive participant in society and I think it's a great thing.

This year, with the help of many volunteer hours, we achieved the challenging task of barcoding every item in our collection. That's almost 5,500 items! In this process the loaning procedure also was computerized. Now when you borrow an item, we scan it and stamp

it and you're on your way. You can also access our full catalog online.

We again held many events during the course of the year. At the start of the year the CLiF grant was completed with \$2,000+ worth of books for us added to the kid's section and every child in the Canaan school receiving a free book to keep. And a great storytelling presentation by renown children's author, Lynda Graham-Barber. At the library children were able to make button-pins, plantings, LEGO creations, jack o' lanterns, Christmas decorations, etc. We also entertained a reading by the young budding author S.N. Smith who read, answered questions, and signed and sold her first children's book. We had a whimsical time with Jools Skeet, a traveling storyteller who was hiking through town on the Northern Rail Trail. She was outstanding! If you have a talent to share or want to help with an event, please stop by and let's talk!

This year we welcomed new staff member, Pam Curran as a Library Substitute. She's awesome with details and familiar with library procedures.

Our subscription to the state on-line digital library has been gaining in popularity not only with adult readers, but parents are finding it a great resource for their children. Thousands of books and magazines either to read or listen to. For info, contact us.

The book sale was once again successful at raising slightly over \$300 this year, which is around average, but unfortunately due to the weather we had to postpone it a week. I'm sure we could have increased sales had we been able to be on the field during the town's Independence Day celebration. Next time...

I'd like to end this year's report with thanking the library trustees for all their hard work. They are not paid or compensated in any way. Like many other positions in town they put in a lot of time, energy and effort for benefit of our community. The library is experiencing an exciting and challenging period not seen since the 1920s when Grafton built our current library.

As always, any ideas, questions, or opinions are always welcome at your library. Feel free to stop in

and we'll gladly chomp on it.

The Staff would like to personally thank (alphabetically) the following:

Pam Curran: For all the volunteer hours barcoding and for joining our staff

Friends of the Grafton Public Library: for their time and effort towards into our mission

Mary Gasiorowski: The most organized and efficient person I know that has made a huge difference in what we have been able to accomplish this year.

Aime Jacques: For her spirit and many hours donated to our cause

On Shin: Come on, have you seen the cakes! Check 'em out on Facebook. Unbelievable!

Tina Vasquez: A solid supporter of our library and always ready to do us a favor!

And now the numbers:

Patron Visits: 3013

Media borrowed: 5618

Internet Usage: 1204

Media Donated: 1994 (for library and book sale use)

Media Added: 716

New Cardholders: 34

Total Cardholders: 326

Volunteer Hours: 595

Total Library Collection: 5482

Respectfully submitted,

Debra Clough, Director

Aime Jacques, Library Assistant

Sharon Duffy, Library Assistant

Pam Curran, Library Assistant



Library staff and volunteers: Back row from left to right, Pam Curran and Mary Gasiorowski. Front row, from left to right, Aime Jacques, Debra Clough, Sharon Duffy.



Grafton kids make Christmas crafts at the library with trustee, Susan Frost.

FRIENDS OF THE GRAFTON LIBRARY

The Friends of the Grafton Library is beginning to enjoy the rhythm that comes from a maturing organization. We have our regular blueprinted fundraisers that come and go with very little discussion. We set up and have fun. We enjoy visiting with our friends and neighbors.

Every once in a while we shake things up with a new idea. This year, we piloted Grafton's Gargantuan Garlic Gathering which has a lot of potential. The atmosphere was celebratory, an appreciation of the harvest. We pressed apple cider and gave out free samples. We had garlic roasted mixed nuts to sample. We served a garlic soup that was later reported by a family in Lebanon to be "the best soup the kids have ever had". We also sold seed garlic generously donated by Mike Duffy and enjoyed the music of Skip Gorman while a few of us tried to tame our two left feet and learn the "schottische" from some

visitors from NY state. We will be growing the event this coming year with more local vendors and an informational guide on the ins and outs of growing garlic.

Now that we have several fundraisers that are annual events, we are turning our attention to providing more informational **and fun** events that are not for raising money. We hope to gain a similar rhythm to offer regular annual events.

We always love seeing new faces at our monthly meetings. We have a potluck meal followed by a 1 hour meeting. Contact the library if you would like to join our effort!

Respectfully submitted,
Elaina Bergamini, President

LADIES BENEVOLENT SOCIETY

The Ladies Benevolent Society (LBS) in Grafton was formed on January 17, 1856, and on January 17, 1956 reorganized, and has continued as this organization through the present.

The organization has been funded in the past by members, small donations and a trust set up by Mildred S. Braley, in the amount of \$3,000.00, with a stipulation at that time that only the interest could be spent and the principal held. This trust was legally terminated December 31, 1999, but the \$3,000.00 is still secured. We are simply a small organization, with the sole mission to do good for our community.

The LBS members meet monthly (the 1st Thursday of each month – weather permitting) for a pot luck luncheon at the Grafton Town Hall. A formal meeting follows to discuss projects and activities. The President presides and prepares the agenda. Minutes are kept by the Secretary and a financial report is given by the Treasurer. Dues of \$0.25 for a lifetime membership are requested.

In June of each year the Ladies Benevolent Society presents a scholarship to the Mascoma Valley Regional High School student, residing in Grafton, with the highest grade point average. The scholarship is presented at a dinner and includes LBS members, spouses, town officials and the family of the recipient. The dinner is held at the Grafton Town Hall. The amount of the scholarship is based on the funds available. The dinner is paid for by the LBS and supplemented by the LBS members. This year's scholarship was made possible through a donation from Wendall and Lorraine Clough in memory of Louise Gallup, who was a longtime LBS President.

In November the LBS hosts a Thanksgiving Dinner for the members, spouses, town elderly and the Grafton residents who might not otherwise have Thanksgiving. This tradition has been held for approximately 45 years. This dinner is held at the Grafton Town Hall. This event is sponsored by the LBS and fees have never been charged.

In December of each year LBS members prepare and deliver holiday baskets to elderly, special recognitions and needy in Grafton. The baskets usually consist of fresh fruit, cookies and candies. Due to lack of funds in the LBS account in 2016, LBS members themselves donated the funds in order to give these fruit baskets to the elderly and needy.

A beautiful log cabin quilt top was made and donated by Genevieve Smith, assembled by Bonnie Haubrich and tied by the members of LBS this fall. The quilt will be raffled off, with selling of tickets to begin in February and raffled at the July celebration this year. These funds will help with the LBS scholarship fund.

The LBS recently obtained 501(c)3 status, allowing us to raise monies. In the future, LBS members hope to raise funds, which will enable us to carry out our worthwhile activities (scholarship, Thanksgiving Dinner, Holiday baskets, etc.) for the people of Grafton.

Come join us. We love new members and it is always a great lunch. It is the best twenty five cents you will ever spend!

Respectfully submitted,
Bonnie Haubrich, Member

HISTORICAL SOCIETY

Much of the society's energy in 2016 was dedicated to wrapping up restoration at the East Grafton Union Church. In 2016, we saw the completion of the perimeter drainage and site work (thanks to Razor Hill Excavation for their terrific work!); plaster repairs and painting of the interior sanctuary, lobby, and choir loft; refinishing of the sanctuary floors; installation of restored sanctuary window sashes; and electrical upgrades. This has been a long journey, and we're excited to share with the public the results.

Just up the road from the church, we continued restoration of the carding mill. The building's rotted sills, posts and beams are now replaced thanks to the generous work of Ken Anderson. New stairs, both inside and out, allow us to once again move between the levels...something that wasn't possible for decades!

The mill's turbine shed was reconstructed, and thanks to the donation of a turbine from the Frothinghams, an era-appropriate turbine is now ready for installation for educational purposes.

All of this work was possible with the donations of residents and nonresidents alike. We rely on the proceeds from our spring ham and bean supper, the annual Race to Save the Mill, membership dues, and grants. We were especially thankful to the Byrne Foundation's contribution toward the carding mill in 2016.

Thank you to all who support our mission, and an especial thank you to our board: Ken Cushing, Bruce and Alice Sunnerberg, Art and Gail Gagnon, Mavis Dodge, Mary Ann Guaraldi, and Jennie Joyce. We welcome new members to join this group of movers and shakers!

Things to look forward to in 2017:

- Installation of two state historic markers, one dedicated to the memory of Dr. Jennie Sarah Barney (one of the state's first female physicians) and one dedicated to the history of East Grafton, or "Bungtown" as it was once called.
- Opening ceremony for the restored East Grafton Union Church, including live music and tours.
- The 6th Annual Race to Save the Mill, scheduled for Columbus Day weekend.
- The installation of windows on the carding mill's façade.
- The completion of the tramp house exterior.
- Programming at the East Grafton Union Church, including live music and engaging historical lectures.

Our museum is open on Sundays from 1-4pm Memorial Day through Columbus Day. Drop by!

Respectfully submitted,
Andrew Cushing, Secretary



*Left:
2016's Race
to Save the
Mill raised
\$1,000 for
the mill's
restoration.*

*Right:
Newly re-
stored win-
dows at the
East Grafton
Union
Church*





Razor Hill Excavation's crew digs new perimeter drainage at the East Grafton Union Church.



The East Grafton Union Church sanctuary, with its new paint and refinished floor.

Regional Reports

Visiting Nurse and Hospice for VT and NH *Home Health, Hospice and Maternal Child Health Services in Grafton, NH*

Visiting Nurse and Hospice for Vermont and New Hampshire (VNH) is a compassionate, nonprofit healthcare organization committed to providing the highest quality home health and hospice services to individuals and their families. VNH provides care for people of all ages and at all stages in life, and delivers care to all, regardless of ability to pay.

VNH services reduce costs associated with town programs for emergency response and elder care. With quality care provided at home, there is less need for costly hospital and emergency room trips. And with VNH support, residents can age in place rather than relocating to a state or local nursing home.

Between July 1, 2015 and June 30, 2016, VNH made 672 homecare visits to 29 Grafton residents. This included approximately \$25,085 in unreimbursed care to Grafton residents.

Home Health Care: 450 home visits to 19 residents with short-term medical or physical needs.

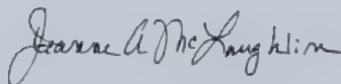
Hospice Services: 206 home visits to 6 residents who were in the final stages of their lives.

Maternal and Child Health Services: 16 home visits to 4 residents for well baby, preventative and palliative medical care.

Additionally, residents made visits to VNH wellness clinics at local senior and community centers throughout the year, receiving low- ad no-cost services including blood pressure screenings, foot care, cholesterol testing, and flu shots.

Grafton's annual appropriation to VNH helps to ensure that al have access to quality care when and where it is needed most. On behalf of the people we serve, we thank you for your continued support.

Sincerely,



Jeanne McLaughlin, President & CEO (1-800-300-8853)



FRIENDS OF MASCOMA

340 Grafton Pond Road
Enfield, NH
03748

www.friendsofmascoma.org

The Friends of Mascoma Foundation (FOM) was formed in 2015 by a group of community advocates committed to supporting the needs of the Mascoma Valley Regional School District (MVRSD). FOM provides financial support to the MVRSD on initiatives that foster educational development for our students.

Holly West
President

Core areas that FOM focuses on are:

Kate Stewart
Vice President

-Supporting students by funding supplemental educational opportunities and scholarships.

Carol Cusick
Treasurer

-Providing teachers with “mini grants” enabling them to offer additional educational programs to their students.

Liz Murray
Secretary

-Enhancing and improving the reputation of the district by helping highlight our communities’ commitment to education.

Beth Felix
Community Outreach

-Supporting successful existing programs to include more students or enable more financial support to expand.

-Operating three community food pantries, with locations in Canaan and Enfield.

Matt Dow
Projects Facilitator

In 2016, we accomplished the following:

Andrew Cushing
Alumni Outreach

-Awarding \$6,500 in scholarships to MVRHS seniors.

-Awarding \$3,776 in mini grants to district educators, with projects including science experiments, math games, literacy programs, and field trip assistance.

Katie Koblenki
Fundraising Coordinator

-Distributing nearly 100,000 pounds of food to district families through our three food pantries.

-Promoting local artists in the renovated high school, including pieces by Becky Powell, Gary Wood, Michael Kraatz, and Susan Russell.

Theresa Sabol

-Raising \$10,000 for an instrument bank at Canaan and Enfield Elementary Schools, ensuring all children have the ability to learn an instrument.

-Hosting a winter clothes drive for district families at the Enfield Community Lutheran Church.

All of this work is possible because of generous individuals and families, including many in Grafton. Thank you!

We look forward to serving our district in 2017. If you have any questions, comments, interest in volunteering, or recommendations for future programming, please contact us at info@friendsofmascoma.org.

Sincerely,
Andrew Cushing
Alumni Coordinator



UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

Serving 27 communities in Grafton, Sullivan and Merrimack Counties since 1963, the Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC) has been providing professional planning assistance to municipal boards, along with inter-municipal planning, liaison between local and state/federal agencies, and assistance on development, public health, and environmental issues.

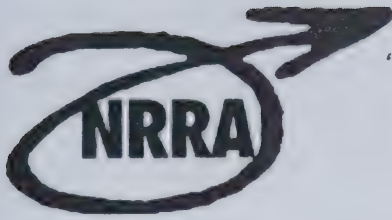
In 2016 Executive Director Nate Miller became the Transportation Planner at Southern New Hampshire Regional Planning Commission, and Senior Planner Mike McCrory joined the City of Claremont as their new City Planner. We appreciate their contributions, and we do miss them.

Highlights of our work and accomplishments in 2016 include:

- Responded to more than 150 requests from our towns and cities for technical assistance.
- Provided five Household Hazardous Waste Collections that served approximately 1,000 households.
- Performed Community Readiness health assessments with Enfield, Lebanon, and Newbury.
- Initiated a regional Brownfields identification, assessment, and remediation planning program.
- Trained local staff about environmentally responsible transfer station practices.
- Conducted eleven school chemical site evaluations.
- Updated local Hazard Mitigation Plans with Claremont, Cornish, and Lebanon.
- Helped Unity, Washington, and Claremont update their Local Emergency Operations Plans.
- Assisted efforts toward a Sullivan County Comprehensive Economic Development Strategy.
- Began the 2019-2028 Ten-Year Transportation Improvement Plan to identify and prioritize regional infrastructure improvements to be funded and constructed by NHDOT.
- Helped to identify transit and paratransit issues in Sullivan County, to restore needed mobility services, and to coordinate planning for improved public and human services transportation.
- Conducted more than 110 traffic counts across the region.
- Developed Acworth's Road Surface Management System.
- Led transit feasibility study along the I-89 corridor linking New London, Lebanon, and Hanover.
- Assisted Lebanon, Hanover, and Advance Transit with public transit signal prioritization analysis.
- Helped Lebanon with funding requests for Route 120 pedestrian and bicycle improvements.
- Provided assistance to Enfield Shaker Village and Lake Sunapee Scenic Byway committees.
- Provided Circuit Rider planning staff assistance to Orford, Springfield, Claremont, and Wilmot.
- Helped Unity, Springfield, Newport, and Claremont to comply with new Accessory Dwelling law.
- Began the Wilmot Master Plan with completion of the Community Survey.
- Began the Transportation Chapter of Claremont's Master Plan; resumed the city's Rail Trail study.
- Helped Planning Boards to evaluate Projects of Regional Impact.
- Provided administrative and staffing assistance to the Connecticut River Joint Commissions.

Please contact us at (603) 448-1680 or jedwards@uvlsrpc.org, to share your thoughts and suggestions. It is a pleasure to serve the municipalities of this region. Thank you for your support over the decades.

Jonathan Edwards, Interim Director



"Partnering to make recycling strong through economic and environmentally sound solutions"

Northeast Resource Recovery Association, 2101 Dover Road, Epsom, NH 03234

Telephone: (603) 736-4401 or 1-800-223-0150 Fax: (603) 736-4402

E-mail: info@nrna.net Web Site: www.nrra.net

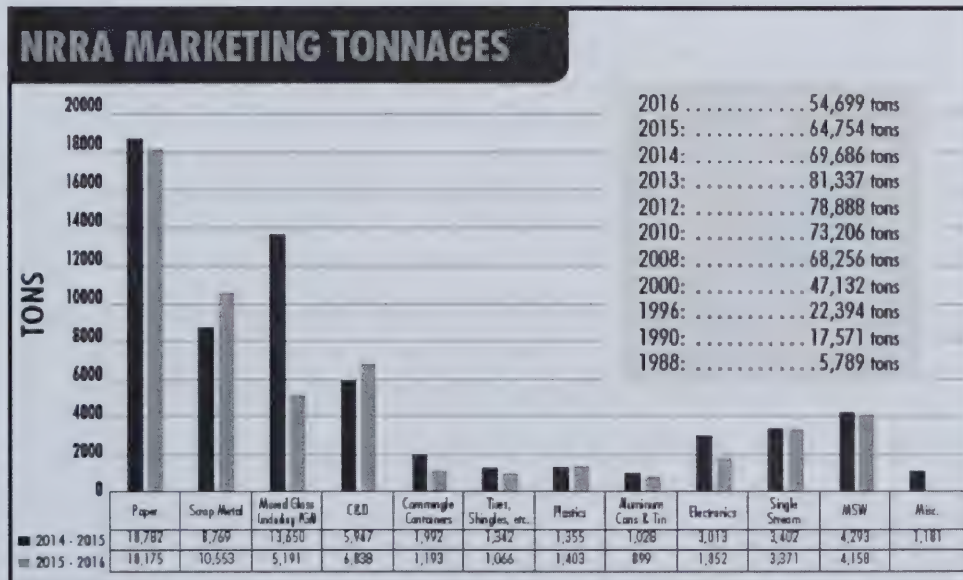
Dear NRRA Member,

As a member of Northeast Resource Recovery Association (NRRA), your community has access to all the services of this first in the nation, 36-year old recycling cooperative. Your member-driven organization provides you with:

- Up-to-date **Technical Assistance** in waste reduction and recycling including solid waste contract negotiations;
- **Cooperative Marketing** to maximize pricing and **Cooperative Purchasing** to minimize costs;
- Current **Market Conditions** and Latest **Recycling Trends, both regionally and nationwide;**
- **Innovative Programs** (i.e. Dual Stream, Consolidation and Single Stream);
- **Educational and Networking Opportunities** through our Annual Recycling Conference, our Monthly "Full of Scrap" email news, monthly Marketing meetings, **members' only website**, workshops and Fall Facility Tours;
- **School Recycling Club** - a program to assist schools to promote or advance their recycling efforts;
- **NH DES Continuing Ed Credits;**
- **NH the Beautiful Signs, Grants, Bins and Recyclemobiles.**

NRRA membership has grown to include more than 400 municipalities, businesses and individuals in New Hampshire, Vermont, Massachusetts, Connecticut and Maine. NRRA, as a non-profit organization, is unique in that we do not charge a "brokerage fee" or work to maximize profit gains, but rather has a minimal "Co-op" Fee" which is re-invested to further your recycling programs and solid waste reduction efforts in schools and municipalities.

Through your continued support and dedication, NRRA has assisted our members to recycle over 54,699 tons in fiscal year 2015 -2016!



Please contact NRRA at 800-223-0150 / 603-736-4401 or visit our website at www.nrra.net



10 Campbell Street
P.O. Box 433
Lebanon, NH
03766-0433

Phone: 603-448-4897

Fax: 603-448-3906

Website: www.gcsc.org

GRAFTON COUNTY SENIOR CITIZENS COUNCIL, INC.

Supporting Aging in Community

Horse Meadow Senior Center
(N. Haverhill 787-2539)

Linwood Area Senior Services
(Lincoln 745-4705)

Littleton Area Senior Center
(Littleton 444-6050)

Mascoma Area Senior Center
(Canaan 523-4333)

Newfound Area Senior Center
(Bristol 744-8395)

Orford Area Senior Services
(Orford 353-9107)

Plymouth Regional Senior Center
(Plymouth 536-1204)

Upper Valley Senior Center
(Lebanon 448-4213)

Sponsoring

RSVP & The Volunteer Center
(toll-free 1-877-701-7787)

ServiceLink of Grafton County
(toll-free 1-866-634-9412)

Grafton County Senior Citizens Council, Inc. is an equal opportunity provider.

2016-17 Board of Directors

Patricia Brady, *President*
Larry Kelly, *Vice President*
Flora Meyer, *Treasurer*
Bob Muh, *Secretary*
Ralph Akins
Neil Casaldo
Ellen Flaherty
Carol Govoni
Clark Griffiths
Dick Jaeger
Craig Labore
Steve Marion
Rick Peck
Becky Smith
Frank Thibodeau

Roberta Berner, *Executive Director*

Grafton County Senior Citizens Council, Inc. is a private nonprofit organization that provides programs and services to support the health and well being of our communities' older citizens. The Council's programs enable elderly individuals to remain independent in their own homes and communities for as long as possible.

The Council operates eight senior centers in Plymouth, Littleton, Canaan, Lebanon, Bristol, Orford, Haverhill, and Lincoln; and sponsors the Grafton Country Service Link Resource Center and RSVP and the Volunteer Center. Through the centers, Service Link, and RSVP, older adults and their families take part in a range of community-based long-term services including home delivered meals, community dining programs, transportation, outreach and counseling, chore/home repair services, recreational and educational programs, and volunteer opportunities.

During 2015-16, 70 older residents of Grafton were served by one or more of the Council's programs offered through the Mascoma Area Senior Center and 63 were assisted by ServiceLink:

- Older adults from Grafton enjoyed 1,052 balanced meals in the company of friends in the center's dining room.
- They received 2,392 hot, nourishing meals delivered to their homes by caring volunteers.
- Grafton residents were transported to health care providers or other community resources on 885 occasions by our lift-equipped buses.
- Grafton residents received assistance with problems, crises, or issues of long-term care through 70 visits with a trained outreach worker and 147 contacts with ServiceLink.
- Grafton's citizens also volunteered to put their talents and skills to work for a better community through 895 hours of volunteer service.

The cost to provide Council services to Grafton residents in 2015-16 was \$50,855.42.

Such services can be critical to elderly individuals who want to remain in their own homes and out of institutional care in spite of chronic health problems and increasing physical fragility, saving tax dollars that would otherwise be expended for nursing home care. They also contribute to a higher quality of life for older friends and neighbors. As our population grows older, supportive services such as those offered by the Council become even more critical. *Grafton's population over age 60 increased by 133.6% according to U.S. Census data from 1990 to 2010.*

Grafton County Senior Citizen's Council very much appreciates Grafton's support for our programs that enhance the independence and dignity of older citizens and enable them to meet the challenges of aging in the security and comfort of their own communities and homes.

Roberta Berner, Executive Director

Grafton County Senior Citizens Council, Inc.

Statistics for the Town of Grafton

October 1, 2015-September 30, 2016

During the fiscal year, GCSCC served **70** Grafton residents (out of **306** residents over 60, per 2010 U.S. Census). ServiceLink served **63** Grafton residents.

Services	Types of Service	Units of Service		Unit Cost (1)	Total Cost of Service
Congregate/Home Delivered	Meals	3,444	X	\$9.38	\$32,304.72
Transportation Social Services	Trips	885	X	14.77	13,071.45
	Half-hours	70	X	25.25	1,767.50
ServiceLink	Contacts	147	X	25.25	3,711.75
Activities		603		N/A	
Chore assistance		5		N/A	

Number of Grafton volunteers: **11** Number of Volunteer Hours: **895**

GCSCC cost to provide services for Grafton residents only	\$50,855.42
Request for Senior Services for 2016	5,000.00
Received from Town of Grafton for 2016	2,964.00
Request for Senior Services for 2017	4,000.00

Note:

1. Unit cost from GCSCC Statement of Revenue and Expenses for October 1, 2015 to September 30, 2016.
2. Services were funded by federal and state programs, 53.5%; local government, 11%; client donations, 10%; charitable contributions, 13%; grants and contracts, 9.5%; other, 3%.

Financial Reports

INVENTORY of TOWN PROPERTY

Map/Lot	Location	Acres	Land Value	Bldg Value	Total
5-1143	Blood Road	2	20,100		20,100
6-1051	Razor Hill Cemetery	1.2	77,200		77,200
8-1169	Wild Meadow Road	3.3	13,600		13,600
9-1060	Grafton Pond Road	6.3	8,600		8,600
9-1142	Kinsman Rd. Cemetery	0.5	45,000		45,000
11-0067	Main Street	2.5	82,700		82,700
11-1147	Pine Grove Cemetery	3.8	84,500		84,500
11-1150	Highway Dept	4.4	49,100	115,200	164,300
11-1150	Recycle Center			57,600	57,600
11-1152	Huff Beach	0.7	105,300	1,500	106,800
11-1155	Main St. Town Common	0.5	17,500		17,500
12-1076	Grafton Town Hall	0.7	41,300	111,400	152,700
12-1148	E. Grafton Cemetery	0.5	49,000		49,000
12-1153	E. Grafton Christian Church	1.4	47,500	128,700	176,200
12-1153	E. Grafton Parsonage			70,000	70,000
14-1141	Hardy Hill Rd Cemetery	0.2	36,700		36,700
14-1218	NH Rt 4	3	28,100		28,100
15-275-1	Kinsman Rd.	5.11	25,500		25,500
15-275-2	487 Kinsman Rd	5.37	37,100	133,600	170,700
15-1066	Kinsman Rd.	37.35	59,500		59,500
16-0207	Grafton Rec Field	6.3	46,600	2,800	49,400
16-0903-2	Grafton Rec Field	3.68	43,000	9,100	52,100
16-0903-3	Grafton Rec Field	3.9	43,700		43,100
16-0903-4	Prescott Hill Road	1.8	40,400		40,400
17-221	Off Sargent Hill Road	2.7	3,600		3,600
17-1149	Main Street	0.5	50,000		50,000
20-1071	Prescott Hill Cemetery	0.8	71,200		71,200
21-150	338 Dean Road	5.5	29,000	27,200	56,200
21-1217	Dean Road	0.1	1,500		1,500
11A-485	Chase Caiden Way	0.3	14,000		14,000
11B-1224	Main Street	0.1	1,500		1,500
11E-1240	Sally's Point Road	0.1	11,400		11,400
16D-274	2 Library Road	0.8	26,000		26,000
16D-0610	7 Cherry Hill Rd School	0.02	3,000	36,700	39,700
16D-0649	Town Office Bldg	5.35	66,200	246,000	312,200
16D-0649	Volunteer Fire Station			272,200	272,200
16D-0649	Historical Society			77,100	77,100
16D-1210	Library Road	0.09	1,400		1,400
16D-1211	Grafton Library	0.1	18,800	71,900	90,700
Total			\$1,299,600	\$1,361,000	\$2,660,000

SUMMARY INVENTORY of VALUATION

Municipality Values		
Value of Land Only - Exclude Amount Listed in Lines 3A, 3B, and 4	Number of Acres	Assessed Valuation
1-A Current Use (At Current Use Values) RSA 79-A	19,827.19	\$1,304,135
1-B. Conservation Restriction Assessment (Current Use Values) RSA 79-B	0	\$0
1-C. Discretionary Easements RSA 79-C	0	\$0
1-D. Discretionary Preservation Easements RSA 79-D	0.05	\$0
1-E. Taxation of Land Under Farm Structures RSA 79-F	0	\$0
1-F. Residential Land (Improved and Unimproved Land)	5,930.91	\$41,727,200
1-G. Commercial/Industrial Land (excluding Utility Land)	124.74	\$403,500
1-H. Total of Taxable Land (Sum of Lines 1A, 1B, 1C, 1D, 1E, 1F and 1G)	25,882.89	\$43,434,835
1-I. Tax Exempt and Non-Taxable Land	360.33	\$1,711,800
Value of Buildings Only - Exclude Amount Listed in Lines 3A and 3B	Number of Structures	Assessed Valuation
2-A. Residential		\$62,265,050
2-B. Manufactured Housing as defined in RSA 674:31		\$5,095,000
2-C. Commercial & Industrial (excluding Utility buildings)		\$1,563,900
2-D. Discretionary Preservation Easements RSA 79-D (p8)	1	\$10,850
2-E. Taxation of Farm Structures RSA 79-F (p8)		\$0
2-F. Total of Taxable Buildings (Sum of Lines 2A, 2B, 2C, 2D, and 2E)		\$68,934,800
2-G. Tax Exempt & Non-Taxable Buildings		\$3,111,100
Utilities and Timber		Assessed Valuation
3-A. Utilities (From p5 Grand Total of All A Utilities)		\$3,527,400
3-B. Other Utilities (From p5 Total of All Other Utilities)		
4. Mature Wood and Timber RSA 79:5		
5. Valuation Before Exemptions (Total of Lines 1H, 2F, 3A, 3B, and 4)		\$115,897,035
Exemptions		
6. Certain Disabled Veterans RSA 72:36-a		
7. Improvements to Assist the Deaf RSA 72:38-bV		
8. Improvements to Assist Persons with Disabilities RSA 72:37-a		
9. School Dining/Dormitory/Kitchen Exemption RSA 72:23-IV		
10a. Non-Utility Water and Air Pollution Control Exemptions RSA 72:12-a		
10b. Utility Water and Air Pollution Control Exemptions RSA 72:12-a		
11. Modified Assessed Valuation of All Properties (Line 5 minus Lines 6-10b)		\$115,897,035
Summation of Exemptions		
	Amount Per Exemption	Total # Granted
12. Blind Exemption RSA 72:37	\$15,000	
13. Elderly Exemption RSA 72:39-a & b (p. 6)		9
14. Deaf Exemption RSA 72:38-b		
15. Disabled Exemption RSA 72:37-b	\$10,000	5
16. Wood Heating Energy Systems Exemption RSA 72:70		
17. Solar Energy Systems Exemption RSA 72:62		
18. Wind Powered Energy Systems Exemption RSA 72:66		
19. Additional School Dining/Dormitory/Kitchen Exemptions RSA 72:23 IV		
20. Total Dollar Amount of Exemptions (Sum of Lines 12-19)		\$227,500
Calculations		
21. Net Valuation Used To Compute Municipal, County, and Local Education Tax Rates (Line 11 minus Line 20)		\$115,669,535
22. Less Utilities (Line 3A) Do not include the value of other utilities listed in Line 3B		\$3,527,400
23 Net Valuation Without Utilities to Compute State Education Tax (Line 21 minus Line 22)		\$112,142,135
NOTES: Town-wide valuation update for 4/1/15 ***AVITAR SYSTEM WARNING: Residential Buildings (2A) REDUCED by \$59,400 for Char/Reli/Educ Exemptions*** ***AVITAR SYSTEM WARNING: Tax Exempt/Non-Taxable Buildings (2G) INCREASED by \$59,400 for Char/Reli/Educ Exemption.		

**Utility Summary: Electric, Hydroelectric, Renewable -
Misc., Nuclear, Gas/Pipeline, Water & Sewer**

List by individual company/legal entity the valuation of operating plants employed in the production, distribution, and transmission of electricity, gas pipeline, water and petroleum products. Include ONLY the names of the companies listed on the Instructions Sheets (See instruction page 12)

Who Appraises/Establishes The Utility Value in The Municipality? (If Multiple, Please List)	Avitar
If the Municipality Uses DRA Utility Values is it Equalized By The Ratio?	NO
SECTION A	
List Electric Companies	Assessed Valuation
NH Electric Coop	\$2,079,100
PSNH DBA Eversource Energy	\$1,382,600
Liberty Utilities (Granite State Electric) Corp	\$65,700
A1 Total of All Electric Companies Listed in This Section:	\$3,527,400
List Gas Companies	Assessed Valuation
	\$0
A2 Total of All Gas Companies Listed in This Section:	\$0
List Water and Sewer Companies	Assessed Valuation
	\$0
A3 Total of All Water and Sewer Companies Listed in This Section:	\$0
Grand Total Valuation of All A Utility Companies (Sum of Lines A1-3)	\$3,527,400
SECTION B	
List Other Utility Companies (Exclude Telephone Companies):	Assessed Valuation
	\$0
B1 Total of All Other Companies Listed in This Section:	\$0

Veterans' Tax Credits	Limits	*No. Individuals	Estimated Tax Credits
RSA 72:28 Veterans' Tax Credit/ Optional Veterans' Tax Credit \$50 Standard Credit \$51 up to \$500 upon adoption by city/town	\$500	73	\$36,250
RSA 72:29-a Surviving Spouse "The surviving spouse of any person who was killed or died while on active duty in the armed forces of the United States" \$700 Standard Credit \$701 up to \$2,000 upon adoption by city or town	\$700	0	\$0
RSA 72:35 Tax Credit for Service-Connected Total Disability "Any person who has been honorably discharged from the military service of the United States and who has total and permanent service-connected disability , or who is a double amputee or paraplegic because of service-connected injury" \$700 Standard Credit \$701 up to \$2,000 upon adoption by city or town	\$2,000	6	\$12,000
TOTAL NUMBER AND AMOUNT *If both husband and/or wife qualify for the credit they count as 2. *If someone is living at a residence such as a brother & sister, and one qualifies count as 1, not one-half.		79	\$48,250

Disabled Exemption Report - RSA 72:37-b			Deaf Exemption Report - RSA 72:38-b		
	Single	Married		Single	Married
Income Limits	\$20,000	\$27,000	Income Limits	\$0	\$0
Asset Limits	\$40,000	\$50,000	Asset Limits	\$0	\$0

Elderly Exemption Report - RSA 72:39-a						
Number of First Time Filers <u>Granted</u> Elderly Exemption for Current Tax Year		Per Age Category	Total Number of Individuals Granted an Elderly Exemption for the Current Tax Year & Total Amount of Exemptions Granted			
Age	#	Amount Per Individual	Age	#	Maximum Allowable Exemption Amount	Total Actual Exemption Amount Granted
65-74	1	\$15,000	65-74	4	\$60,000	\$52,500
75-79		\$20,000	75-79			
80+		\$25,000	80+	5	\$125,000	\$125,000
			Total	9	\$185,000	\$177,500
Income Limits	Single	\$20,000	Asset Limits	Single	\$40,000	
	Married	\$27,000		Married	\$50,000	

Community Revitalization Tax Relief Incentive - RSA 79-E	
Adopted:	NO
Taxation of Qualifying Historic Buildings - RSA 79-G	
Adopted:	NO
Taxation of Certain Chartered Public School Facilities - RSA 79-E	
Adopted:	NO

Current Use Report - RSA 79-A				
	Number of Acres Receiving Current Use	Assessed Valuation	Other Current Use Statistics	Total Number of Acres
Farm Land	541.71	\$209,726	Receiving 20% Recreation Adjustment	3,310.83
Forest Land	12,968.02	\$870,705	Removed from Current Use During Current Tax Year	1.9
Forest Land w/ Documented Stewardship	5,434.28	\$206,405		
Unproductive Land	709.05	\$14,008		
Wet Land	174.13	\$3,291	Owners in Current Use	249
Total	19,827.19	\$1,304,135	Parcels in Current Use	416

Land Use Change Tax				
Gross Monies Received for Calendar Year (Jan. 1 through Dec. 31)				\$7,250
Conservation Allocation	Percentage		And/Or Dollar Amount	
Monies to Conservation Fund				
Monies to General Fund				\$7,250

Conservation Restriction Assessment Report - RSA 79-B (must file PA-60)				
	Total Number of Acres Receiving Conservation	Assessed Valuation	Other Conservation Restriction Assessment Statistics	Total Number of Acres
Farm Land			Receiving 20% Recreation Adjustment	
Forest Land			Removed from Conservation During Current Tax Year	
Forest Land with Documented				Total Number
Unproductive Land			Owners in Conservation	
Wet Land			Parcels in Conservation	
Total				

Discretionary Easements - RSA 79-C				
Total Number of Acres	# of Owners	Assessed Valuation	Description of Discretionary Easements Granted (ie, Golf Course, Ball Park, etc.)	
Taxation Of Farm Structures & Land Under Farm Structures - RSA 79-F				
Total Number Granted	Total Number of Structures	Total Number of Acres	Assessed Valuation Land	Assessed Valuation Structures
Discretionary Preservation Easements - RSA 79-D Historic Agricultural Structures				
Total Number of Owners	Total Number of Structures	Total Number of Acres	Assessed Valuation Land	Assessed Valuation of Structures
1	1	0.05	\$0	\$10,850
<u>Map</u> 000016	<u>Lot</u> 001206	<u>Block</u> 000000	<u>%</u> 50	<u>Description</u> 79-D Historic Barn

Tax Increment Financing Districts RSA 162-K						
TIF District Name	Date of Adoption/Modification	Original Assessed Value	Unretained Captured Assessed Value	Amount Used on Page 2	Retained Captured Assessed Value	Current Assessed Value
Revenues Received From Payments In Lieu Of Tax						
					Revenue	Number of Acres
State and Federal Forest Land, Recreational and/or Flood control land from MS-4, acct 3356&3357						
White Mountain National Forest Only, acct 3186						
<input type="checkbox"/> Check if your municipality has entered into an agreement for a payment in lieu of taxes with a renewable generation facility pursuant to RSA 72:74						
		Revenue	List Source(s) of Payment in Lieu of Taxes			
Other from MS-4, acct. 3186						
Other from MS-4, acct. 3186						
Other from MS-4, acct. 3186						
Other from MS-4, acct. 3186						

REPORT of APPROPRIATIONS ACTUALLY VOTED

MS-232

Purpose of Appropriation	Warrant Article #	Appropriations as Voted
General Government		
Executive	2	\$50,047
Election, Registration, and Vital Statistics	2,12	43,022
Financial Administration	2,13	40,870
Revaluation of Property	2	16,320
Legal Expense	2	20,000
Personnel Administration	2	24,000
Planning Board	2	375
General Government Buildings	2	36,730
Cemeteries	2	7,700
Insurance	2	89,308
Advertising/Regional Dues	2	1,500
Other General Government	2	2,000
Public Safety		
Police	2	137,393
Ambulance	2	16,403
Fire Department	2	20,000
Building Inspection	2	0
Emergency Management	2	100
Other (Including Communication)	2	1,000
Highway, Streets, and Sanitation		
Highway and Streets	2,9	400,000
Street Lights	2	2,800
Solid Waste Collection	2	79,000
Health and Welfare		
Health Agencies, Hospitals, and Other	2	8,964
Administration and Direct Assistance	2	20,000
Culture and Recreation		
Parks & Recreation	2,11	12,955
Library	2	14,362
Patriotic Purposes	2	300
Debt Service		
Interest on Tax Anticipation Note (TAN)	2	4,500
Capital Outlay		
Machinery, Vehicles, and Equipment	5,7	60,940
Operating Transfers Out		
To Capital Reserve Fund	8,10	40,000
Total Voted Appropriations		1,150,589

REVISED ESTIMATES for REVENUE for 2016

Source of Revenue	Estimated Revenue	Change Amount	Revenue Estimates Adjusted
Taxes			
Land Use Change Tax - General Fund	\$6,450		\$6,450
Resident Tax	0		0
Yield Tax	36,028	12,463	48,491
Payment in Lieu of Taxes	0		0
Excavation Tax	854		854
Other Taxes	0		0
Interest and Penalties on Delinquent Taxes	46,581	4,508	51,089
Inventory Penalties	0		0
Licenses, Permits, and Fees			
Business Licenses and Permits	0		0
Motor Vehicle Permit Fees	140,000	4,988	144,988
Building Permits	150		150
Other Licenses, Permits, and Fees	6,380	774	7,154
From Federal Government	0		0
State Sources			
Shared Revenues	0		0
Meals and Rooms Tax Distribution	55,000	15,480	70,480
Highway Block Grant	115,000	16,454	132,454
Water Pollution Grant	0		0
Housing and Community Development	0		0
State and Federal Forest Land Reimbursement	0		0
Flood Control Reimbursement	0		0
Other (including Railroad Tax)	0		0
From Other Governments	0		0
Miscellaneous Revenues			
Sale of Municipal Property	58,283	10,026	68,309
Interest on Investments	450	70	520
Interfund Operating Transfers In			
From Capital Reserve Funds	34,700	(5,700)	29,000
From Trust and Fiduciary Funds	4,320		4,320
Subtotal of Revenues	504,196	59,063	564,259

Continued...

Revised Estimated Revenues Summary	Grafton	Change Amount	State Adjusted
Subtotal of Revenues	\$504,196	\$59,063	\$564,259
Unassigned Fund Balance (unreserved)	0	488,979	488,979
Less Emergency Appropriations (RSA 32:11)	0	0	0
Less Voted from Fund Balance	0	0	0
Less Fund Balance to Reduce Taxes	0	0	0
Fund Balance Retained	0	488,979	488,979
Total Revenues and Credits	504,196	59,063	564,259
Requested Overlay	40,000	0	40,000

Assessment Overview	
Total Appropriations	\$1,150,589
Total Revenues and Credits	564,259
Net Assessment	587,330

Explanation of Adjustments	
Reason for Adjustment	Warrant #
Municipal Adjustment SD	2
Municipal Adjustment SD	2
Municipal Adjustment SD	2
Municipal Adjustment SD	2
DRA Adj. (State Revenues) SD	2
DRA Adj. (State Revenues) SD	2
Municipal Adjustment SD	2
Municipal Adjustment SD	2
Municipal Adjustment SD	7

TAX RATE CALCULATION 2016-17

State of New Hampshire
Department of Revenue Administration

EDUCATION TAX WARRANT FOR TAX YEAR 2016

December 7, 2015



John T. Beardmore
Commissioner

Kathryn E. Skouteris
Assistant Commissioner



MUNICIPAL AND PROPERTY
DIVISION
Stephan W. Hamilton
Director

David M. Cornell
Assistant Director

To the Selectmen or Assessors of GRAFTON

In accordance with the provisions of RSA 76:8 II, you are hereby required to assess the sum of **\$301,138** for the 2016 Education Tax. Per RSA 76:3, this amount is based on a uniform rate of \$2.345/1000 of the 2014 equalized valuation without utilities in the amount of **\$128,416,898**.

Stephan Hamilton

Director of Municipal and Property Division
New Hampshire Dept. of Revenue Administration

Municipal Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Municipal	\$554,760	\$115,669,535	\$4.79
County	205,539	115,669,535	1.78
Local Education	1,952,676	115,669,535	16.88
State Education	301,138	112,142,135	2.69
Total	3,014,113		26.14
Village Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Total	0	0	0
Tax Commitment Calculation			
Total Municipal Tax Effort			\$3,014,113
War Service Credits			(48,250)
Village District Tax Effort			0
Total Property Tax Commitment			2,965,863

TREASURER'S REPORT

For the Year Ending 12/31/16

Balance January 1, 2016		\$1,136,954.17
Received in 2015, Deposited in 2016		33,604.03
Received From:		
Town Clerk:		
Deposit Receipts	279,025.67	
Credit Card Receipts	28,441.74	
Selectmen	249,719.02	
State of New Hampshire	202,934.53	
Treasurer	4,367.78	
Tax Collector	3,266,184.13	
Total Receipts to December 31, 2016		\$4,030,672.87
Selectmen Orders Paid		(\$3,948,659.85)
Balance January 1, 2017		\$1,252,571.22

Town Clerk Detail:

Auto Registrations	192,247.22
Boat Registrations	54.00
Dog Licensing	3,370.00
Miscellaneous (history books, faxes, genealogical searches, etc.)	527.50
State Fees	8,048.00
State Registrations	73,426.95
Title Fees	662.00
Vital Records	690.00
Total	\$279,025.67

Selectmen Detail:

Sale of Town Property	100,107.75
General Fund	148,943.19
Fees	489.00
Refunds	179.08
Total	\$249,719.02

Treasurer Detail:

NSF Payments Received	3,534.15
Checking Account Interest	833.53
Mascoma Bank error adjustment	0.10
Total	\$4,367.78

State of NH Detail:

Highway Block Grant	132,454.49
Meals and Rooms	70,480.04
Total	\$202,934.53

AMBULANCE ACCOUNT

Balance January 1, 2016	\$40,945.04
Health Care Deposits:	
Cigna, Anthem, etc.	20,900.68
Total Receipts, plus Previous Balance	\$61,845.72
Payments	
City of Lebanon	(425.00)
Canaan FAST	(4,250.00)
CLIA	(150.00)
Dottie Ernst (reimb.)	(356.84)
Tom Plosjaz (reimb.)	(140.00)
John Babiarz (reimb.)	(140.00)
Grafton Fire/Amb. Aux.	(99.95)
Bound Tree	(740.33)
Ossipee Mt. Elect.	(1,149.40)
Comstar	(2,124.26)
Enrollment Fee	(554.00)
Total Payments	(\$10,129.78)
Balance January 1, 2017	\$51,715.94

GRAFTON AMBULANCE FUND CDs

2 years - maturity date 6/3/2017
 Int. rate: .499%
 Beginning Balance: \$61,155.05
 Ending Balance: \$61,180.18
 2016 interest: \$305.90

3 years - maturity date 4/28/2018
 Int. rate: .747%
 Beginning Balance: \$10,119.40
 Ending Balance: \$10,125.62
 2016 interest: \$75.56

RECREATION ACCOUNT

Balance January 1, 2016	\$5,176.11
Receipts:	
Donations, Ads, Anonymous gifts, etc.	\$13,082.87
Total Receipts	\$18,258.98
Payments:	
American Thunder	(5,000.00)
Ultiplay Parks + Play-grounds	(6,342.00)
Total Payments	(\$11,342.00)
Balance December 31, 2017	\$6,916.98

SOLID WASTE ACCOUNT

Balance January 1, 2016	\$17,746.18
Receipts:	
Recyclables	\$15,613.62
Payments:	
Arrow Equipment	(345.00)
Bob Bassett	(239.99)
Canaan Hardware	(672.00)
Eastern Propane and Oil	(501.75)
Hammond Recycle and Grinding	(919.80)
Household Waste Day - Canaan	(1,525.00)
Robert L. Weeks	(38.00)
Wastequip	(4,550.00)
NRRA	(4,893.23)
Total Payments	(\$13,684.77)
Balance January 1, 2017	\$19,675.03

Respectfully submitted,
 Dorothy Campbell

DEBITS

UNCOLLECTED TAXES AT THE BEGINNING OF THE YEAR		LEVY FOR YEAR	PRIOR LEVIES		
			2016	2015	2014
Property Taxes	#3110	xxxx	\$319,102.16		
Resident Taxes	#3180	xxxx			
Land Use Change Taxes	#3120	xxxx	\$7.42		
Timber Yield Taxes	#3185	xxxx	\$1,437.77		
Excavation Tax @ \$.02/yd	#3187	xxxx			
Other Taxes	#3189	xxxx			
Property Tax Credit Balance		(\$4,220.92)			
Other Tax or Charges Credit Balance					
TAXES COMMITTED THIS YEAR					
Property Taxes	#3110	\$2,974,930.00			
Resident Taxes	#3180				
Land Use Change Taxes	#3120	\$6,100.00			
Timber Yield Taxes	#3185	\$51,385.24			
Excavation Tax @ \$.02/yd	#3187	\$854.00			
Other Taxes	#3189				
OVERPAYMENT REFUNDS					
Property Taxes	#3110				
Resident Taxes	#3180				
Land Use Change Taxes	#3120				
Timber Yield Taxes	#3185				
Excavation Tax @ \$.02/yd	#3187				
Interest - Late Tax	#3190	\$3,432.30	\$23,727.65		
Resident Tax Penalty	#3190				
TOTAL DEBITS		\$3,032,480.62	\$344,275.00		

CREDITS

REMITTED TO TREASURER	LEVY FOR YEAR	PRIOR LEVIES		
	2016	2015	2014	2013
Property Taxes	\$2,672,455.37	\$173,733.26		
Resident Taxes				
Land Use Change Taxes	\$4,300.00	\$7.42		
Timber Yield Taxes	\$48,379.21	\$1,437.77		
Interest (Include Lien Conversion)	\$3,432.30	\$20,222.65		
Penalties		\$3,505.00		
Excavation Tax	\$854.00			
Other Taxes				
Conversion to Lien (Principal Only)		\$141,892.02		
Discounts Allowed				
ABATEMENTS MADE				
Property Taxes	\$4,805.00	\$1,141.14		
Resident Taxes				
Land Use Change Taxes				
Timber Yield Taxes	\$376.14			
Excavation Tax @ \$.02/yd				
Other Taxes				
CURRENT LEVY DEEDED	\$3,274.00	\$2,336.00		
UNCOLLECTED TAXES -- END OF YEAR #1080				
Property Taxes	\$292,494.88			
Resident Taxes				
Land Use Change Taxes	\$1,800.00			
Timber Yield Taxes	\$2,629.89			
Excavation Tax @ \$.02/yd				
Other Taxes				
Property Tax Credit Balance				
Other Tax or Charges Credit Balance	(\$2,320.17)			
TOTAL CREDITS	\$3,032,480.62	\$344,275.00		

DEBITS

	2016	PRIOR LEVIES		
		2015	2014	2013
Unredeemed Liens Beginning of Year			\$108,394.20	\$72,806.09
Liens Executed During Fiscal Year		\$155,649.16		
Interest & Costs Collected		\$3,293.46	\$9,551.23	\$19,663.06
Liens Supplemented This Fiscal Year				
				\$1,946.47
TOTAL DEBTS		\$158,942.62	\$117,945.43	\$94,415.62

SUMMARY OF CREDITS

	2016	PRIOR LEVIES		
		2015	2014	2013
Redemptions		\$53,333.92	\$54,933.14	\$55,190.58
Interest & Costs Collected #3190		\$3,293.46	\$9,551.23	\$19,663.06
Abatements of Unredeemed Liens		\$2,301.95	\$2,247.97	\$4,031.28
Liens Deeded to Municipality		\$7,304.73	\$9,801.32	\$12,730.47
Unredeemed Liens End of FY #1110		\$92,708.56	\$41,411.77	\$2,800.23
TOTAL CREDITS		\$158,942.62	\$117,945.43	\$94,415.62

Respectfully submitted,
Bonnie J. Haubrich

LIBRARY STATEMENT of ACCOUNTS

Salaries and Utilities Paid By Town		
January to December 2016	(5,978.00)	
Statement of Accounts Held By Library Trustees		
CHECKING ACCOUNT #****3604		
Beginning Balance 01-01-2016		1,998.44
Unanticipated Funds	624.46	
Reimbursements from Town	2,295.95	
Professional Fees/mileage		(404.06)
Services (portapotty, clock repair, mowing)		(415.50)
Year-end Volunteer/Employee Thanks		(682.50)
Supplies/misc.		(163.27)
Transfers to #****9092		(2,050.00)
Software (Audio books, LUV, library catalogue)		(895.00)
Ending Balance		308.49
CHECKING ACCOUNT #****9092		
Beginning Balance 01-01-2016		205.93
Transfers In From #****3604	2,050.00	
Reimbursement from Town	1,044.36	
Unanticipated Funds	97.26	
Media		(1,593.16)
Capital Expenses		(25.15)
Postage and Fees		(95.70)
Supplies	95.97	(529.88)
Programs		(65.97)
Bank Fees		(24.00)
Ending Balance		1,159.66
SAVINGS ACCOUNT #***0253 (Cooper Memorial Fund)		
Beginning Balance 01-01-2016		762.03
YTD interest		0.34
Ending Balance		762.37
SAVINGS ACCOUNT #****1789 (Library Improvement Account)		
Beginning Balance 01-01-2014		6,412.44
Interest		2.94
Ending Balance		6,415.38
OTHER ASSETS		
Mascoma Bank CD #****9818	<i>maturity date 5-13-17</i>	
Mildred Braley Trust Fund		
Interest (0.349%)		11.49
Ending Balance		5,013.58
Mascoma Bank CD #****9800	<i>maturity date 5-13-17</i>	
Burnham Trust Fund		
Interest (0.349%)		46.85
Ending Balance		17,296.85
TOTAL ASSETS		30,956.33

Respectfully submitted,
Tina M. Pope, Treasurer

TRUSTEES of the TRUST FUNDS FINANCIAL REPORT For the Year Ending December 31, 2016

First Deposit	Name of Fund	Purpose of Fund	How Invested	PRINCIPAL			INCOME			TOTAL Principal & Income	Ending Market Value	
				Balance Beginning of Year	Additions-Withdraw Gain-Loss	Balance End of Year	Balance Beginning of Year	Net Income	Expended During Year			Balance End of Year
PERPETUAL CARE												
1918	Perpetual Care	Lot Maint.	Common TF	33,934.25	859.10	34,793.35	4,375.35	922.68	582.90	4,715.53	39,508.88	40,275.77
1990	Pine Grove Cemetery	Lot Maint.	Common TF	20,594.06	975.39	21,569.45	2,531.06	565.26	506.20	2,590.12	24,159.57	24,628.53
	Total Perpetual Care			54,528.31	1,834.49	56,362.80	6,906.81	1,487.94	1,089.10	7,305.65	63,668.45	64,904.30
LIBRARY												
1945	Barney Flanders	Library	Common TF	2,200.00	51.39	2,251.39	91.80	55.30	0.00	147.10	2,398.49	2,445.05
1977	Ruth Leonard	Library	Common TF	1,948.03	64.70	2,012.73	0.00	46.98	21.01	25.97	2,038.70	2,078.27
	Total Library			4,148.03	116.09	4,264.12	91.80	102.28	21.01	173.07	4,437.19	4,523.32
PRIVATE TRUSTS												
1933	Kilton Fund	Health & Med. Services	Common TF	91,807.07	2,055.75	93,862.82	1,948.32	2,217.94	2,400.00	1,766.26	95,629.08	97,485.34
	Total Private Trusts			91,807.07	2,055.75	93,862.82	1,948.32	2,217.94	2,400.00	1,766.26	95,629.08	97,485.34
PRIVATE TRUSTS - OPERATING ACCOUNTS												
1994	Kilton Fund - Checking Acct	Health & Med. Services	Mascoma Bank K	1,822.64	-220.00	1,602.64	0.00	0.00	0.00	0.00	1,602.64	1,602.64
	Total Private Trusts - Operating Accounts			1,822.64	-220.00	1,602.64	0.00	0.00	0.00	0.00	1,602.64	1,602.64
1951	East Grafton Union Church Renovation Fund	Restoration of E. G. Church	Common CRF	30,009.87	-17,417.62	12,595.25	33.45	226.54	0.00	0.00	12,582.24	12,845.65
	Total Private Trusts			30,009.87	-17,417.62	12,595.25	33.45	226.54	0.00	0.00	12,582.24	12,845.65
TOWN CAPITAL RESERVES												
1970	Highway Department	Equipment	Common CRF	47,525.74	924.94	48,450.68	1,168.60	604.97	0.00	1,773.57	50,224.25	50,186.79
1982	Bridge Fund	Repairs	Common CRF	52,685.65	31,035.33	83,720.98	991.25	688.96	0.00	1,680.21	85,401.19	85,337.49
1982	Property Tax Revaluations	Revaluation	Common CRF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1988	Recreation Field Shelter	Recreation	Common CRF	37,590.90	754.45	38,345.35	2,127.87	493.46	0.00	2,621.33	40,966.68	40,936.12
1999	New Police Cruiser	Equipment	Common CRF	29,141.23	-28,979.36	161.87	667.15	154.13	0.00	821.28	983.15	982.42
1999	New Ambulance	Equipment	Common CRF	22,042.19	10,448.79	32,490.98	1,308.21	297.45	0.00	1,605.66	34,096.64	34,071.21
2003	Fire Department Apparatus	Equipment	Common CRF	91,674.02	1,806.79	93,480.81	3,445.84	1,181.82	0.00	4,627.66	98,108.47	98,035.30
2004	Library Cap. Reserve Fund	Library	Common CRF	48,233.01	281.55	48,514.56	1,051.07	610.70	0.00	1,661.77	50,176.33	50,138.91
2006	Storage Vault	Storage Vault	Common CRF	4,177.50	83.91	4,261.41	240.07	54.88	0.00	294.95	4,556.36	4,552.96
2006	Town Hall Repairs	Repairs	Common CRF	4,225.57	-3,920.39	305.18	242.77	42.38	0.00	285.15	590.33	589.89
2006	Veterans Park	Maintenance	Common CRF	3,068.77	61.64	3,130.41	176.30	40.31	0.00	216.61	3,347.02	3,344.52
2007	Recycling	Recycling	Common CRF	34,847.55	-1,546.40	33,301.15	2,333.75	449.86	0.00	2,783.61	36,084.76	36,057.85
	Total Town Capital Reserves			375,212.13	10,951.25	386,163.38	13,752.88	4,618.92	0.00	18,371.80	404,535.18	404,233.46
	GRAND TOTALS			557,528.05	-2,680.04	554,848.01	22,733.26	8,653.62	3,510.11	27,876.77	582,724.78	585,591.71

DETAILED STATEMENT of PAYMENTS

	2016 Expended	2016 Budgeted	Over / (Under) Budget	% Spent
General Government				
<i>Executive</i>				
Miscellaneous	1,197.40			
Postage	1,245.92			
Subscriptions	432.31			
Supplies	2,572.99			
Wages	40,202.27			
Subtotal Executive	45,650.89	50,057.00	(4,406.11)	91.2%
Elections/Town Clerk				
<i>Supervisors of the Checklist</i>				
Postage	24.43			
Public Notice Ads	189.36			
Supplies	285.38			
Wages	3,297.28			
Total Supervisors	3,796.45			
<i>Town Clerk</i>				
Elections	4,433.34			
License Fees to State	1,253.00			
Licensed Software	2,560.00			
Postage	1,275.71			
Supplies	1,045.55			
Training	60.00			
Utilities - Fax and Phone	980.19			
Wages	20,831.00			
Wages - Election	225.00			
Total Town Clerk	32,663.79			
Subtotal Elections/Town Clerk	36,460.24	40,022.00	(3,561.76)	91.1%
FICA				
Social Security and Medicare	23,479.82			
Subtotal FICA	23,479.82	24,000.00	(520.18)	97.8%
Financial Administration				
<i>Financial Administration</i>				
Audit	13,000.00			
Licensed Software	565.00			
Miscellaneous	538.65			
Printing	1,345.00			
Postage	54.60			
Property Registration Charges	720.29			
Supplies	17,190.82			
Wages	6,289.00			
Total Financial Administration	23,479.82			
<i>Tax Collector</i>				
Licensed Software	2,252.00			
Phone/Fax	537.37			
Postage	2,103.40			
Supplies	735.31			
Wages	8,415.25			
Total Tax Collector	14,043.33			
Subtotal Financial Administration	37,523.15	40,370.00	(2,846.85)	92.9%

	2016 Expended	2016 Budgeted	Over / (Under) Budget	% Spent
Reappraisal of Property				
Miscellaneous	17,195.00			
Subtotal Reappraisal of Property	17,195.00	16,320.00	875.00	105.4%
Legal Expenses				
Miscellaneous	14,837.21			
Subtotal Legal Expenses	14,837.21	20,000.00	(5,162.79)	74.2%
Planning Board				
Miscellaneous	95.73			
Supplies	46.40			
Wages (Minutes)	48.00			
Subtotal Planning Board	190.13	375.00	(184.87)	50.7%
General Government Buildings				
Computer Support	829.85			
Electric Bills	3,811.36			
Equipment/Maintenance	11,326.29			
Heating Fuel	4,918.44			
Miscellaneous	3,036.85			
Mowing & Trash Removal	4,600.00			
Phone Bills	2,201.14			
Security	970.00			
Supplies	292.19			
Wages	1,386.68			
Subtotal Government Buildings	33,372.82	36,730.00	(3,357.18)	90.9%
Cemeteries				
Equipment	117.73			
Supplies	187.32			
Wages	5,360.00			
Subtotal Cemeteries	5,665.05	7,700.00	(2,034.95)	73.6%
Insurance				
General Liability Insurance	25,018.17			
Health Insurance	57,079.75			
Life and Disability Insurance	1,223.15			
Subtotal Insurance	83,321.07	89,308.00	(5,986.93)	93.3%
Advertising & Regional Dues				
Dues	1,387.00			
Subtotal Ads & Regional Dues	1,387.00	1,500.00	(113.00)	92.5%
Contingency				
Miscellaneous	2,000.00			
Subtotal Contingency	2,000.00	2,000.00	0.00	100%
Total General Government	301,082.38	328,372.00	(27,289.62)	91.7%
Public Safety				
Fire Warden				
Wages	255.75			
Other	135.75			
Subtotal Fire Warden	391.50	1,000.00	(608.50)	39.2%

	2016 Expended	2016 Budgeted	Over / (Under) Budget	% Spent
<i>Police</i>				
Capital Expenditures	16,445.04			
Animal Care	2,000.00			
Dispatch Fees & Pager Rental	13,167.00			
Fuel	2,509.54			
Legal Services	6,075.00			
Postage & Box Rental	90.88			
Miscellaneous	393.04			
Repairs	3,886.06			
Retirement - Town Paid	15,171.27			
Supplies	4,352.39			
Training	180.00			
Uniforms/Safety Equipment	6,459.21			
Wages	70,753.28			
<i>Subtotal Police</i>	141,482.71	137,393.00	4,089.71	103%
<i>Ambulance</i>				
Computer/Internet	522.34			
Coverage Fees	150.00			
Dispatch Fees	2,820.51			
Fuel - Heating	1,099.30			
Fuel - Vehicle	589.36			
Medical Supplies	2,640.19			
Miscellaneous	36.00			
Oxygen	285.35			
Postage and Box Rental	72.95			
Radios and Pagers	195.80			
Supplies	390.20			
Training	2,487.45			
Utilities - Electric	589.30			
Utilities - Phone	764.17			
Vehicle Repairs and Maintenance	3,864.54			
<i>Subtotal Ambulance</i>	16,608.46	16,403.00	205.46	101.3%
<i>Fire Department</i>				
Dispatch Fees	2,562.37			
Equipment	6,367.22			
Fuel	618.33			
Heating Fuel	2,207.83			
Maintenance	2,125.85			
Postage & Box Rental	50.00			
Repairs	2,482.84			
Supplies	821.04			
Training	70.05			
Utilities - Electric	1,425.96			
Utilities - Phone	764.15			
<i>Subtotal Fire Department</i>	19,495.64	20,000.00	(504.36)	97.5%
<i>Emergency Management</i>				
Miscellaneous	100.00			
<i>Subtotal Emergency Management</i>	100.00	100.00	0.00	100.0%
Total Public Safety	178,078.31	174,896.00	3,082.31	101.8%

	2016 Expended	2016 Budgeted	Over / (Under) Budget	% Spent
Highway & Streets				
<i>Highway Department</i>				
Capital Expenditures	31,771.16			
Chloride	20,479.36			
Culverts	(242.00)			
Drug, Alcohol, DOT Testing	428.00			
Fuel	18,841.11			
Heating Fuel	2,639.96			
Miscellaneous	10,078.15			
Paving and Patching	29,018.97			
Repairs, Parts, and Supplies	34,459.88			
Phone	562.84			
Salt	7,062.23			
Sand and Gravel	56,978.50			
Uniforms and Shoes	3,311.83			
Utilities/Electric	1,705.56			
Wages	148,193.62			
Subtotal Highway Department	365,289.17	360,000.00	5,289.17	101.5%
<i>Street Lights</i>				
Miscellaneous	2,920.09			
Subtotal Street Lights	2,920.09	2,800.00	120.00	104.3%
Total Highway Department	368,209.26	362,800.00	5,409.17	101.5%
Solid Waste				
<i>Solid Waste</i>				
Dumping Fees	35,882.62			
Hauling/Fuel	1,332.63			
Supplies	1,673.46			
Repairs	294.96			
Uniforms	294.96			
Utilities - Electric	2,961.17			
Utilities - Phone	557.13			
Wages	35,811.04			
Total Solid Waste	78,513.01	79,000.00	(486.99)	99.4%
Health & Welfare				
<i>Health Agencies</i>				
Grafton County Senior Citizens	2,964.00			
Visiting Nurse and Hospice	2,500.00			
Tri-County CAP	2,500.00			
West Central Behavioral Health	1,000.00			
Total Health Agencies	8,964.00	8,964.00	0.00	100%

	2016 Expended	2016 Budgeted	Over / (Under) Budget	% Spent
General Assistance				
Fuel	5,264.55			
Burial	1,000.00			
Rent	1,980.00			
Miscellaneous	30.00			
Utilities	909.98			
Utilities/Office Phone	585.07			
Wages	1,500.00			
<i>Subtotal General Assistance</i>	11,269.60	20,000.00	(8,730.40)	56.3%
Total Health & Welfare	20,233.30	28,964.00	(8,730.70)	70%
Culture & Recreation				
Library				
Capital Expenditures	300.00			
Heating Fuel	439.72			
Media	1,886.26			
Phone/Fax/Internet	1,059.07			
Portable Toilet	112.00			
Printing/Postage/Postal Fee	101.48			
Professional Development	404.08			
Programs	132.48			
Supplies	441.07			
Utilities/Electric	362.57			
Wages	7,310.00			
<i>Subtotal Library</i>	12,368.73	14,362.00	(1,993.27)	86.1%
Parks and Recreation				
Holiday Supplies	47.97			
Ind. Day Activities	735.00			
Miscellaneous	1,780.48			
Portable Toilets	168.00			
Printing Supplies	168.69			
<i>Subtotal Parks and Recreation</i>	2,900.14	2,700.00	(101.64)	96.2%
Patriotic Purposes				
Patriotic/Veteran	220.00			
<i>Subtotal Patriotic Purposes</i>	220.00	300.00	(104.32)	65.2%
Total Culture & Recreation	15,488.87	17,617.00	(2,128.13)	87.9%
Debt Service				
<i>Tax Anticipation Note (TAN)</i>		4,500.00		
Total Debt Service		4,500.00		
TOTAL OPERATING BUDGET	953,561.15	996,149.00	(42,587.85)	95.7%

2016 PAYROLL SUMMARY by EMPLOYEE

Name	Department	Wages	Amount	Total
Anderson, Travis	Elections	Regular	200.00	
	Moderator	Regular	300.00	500.00
Barry, Angela	Town Clerk	Regular	960.00	
		Auto Fees	516.00	
		Other Fees	55.00	
		State Fees	672.00	
		Title Fees	50.00	
	Tax Collector	Regular	101.25	2,354.25
Bassett, Robert	Highway	Regular	40,460.33	
		Overtime	7,677.67	
		Sick Pay	61.35	
		Vacation	2,014.33	
		Holiday	1,162.98	
	Sanitation	Regular	6,000.00	57,376.66
Bergamini, Elaina	Elections	Regular	75.00	75.00
Braley, Joseph	Highway	Regular	31,456.00	
		Overtime	4,553.76	
		Sick Pay	544.00	
		Vacation	1,280.00	
		Holiday	810.00	38,643.76
Campbell, Dorothy	Financial Admin	Regular	4,000.00	4,000.00
Clough, Debra	Library	Regular	5,123.00	
	Elections	Regular	300.00	5,423.00
Conley, Marguerite	Checklist Supervisor	Regular	536.51	536.51
Curran, George	Checklist Supervisor	Regular	587.26	587.26
Curran, Pamela	Elections	Regular	225.00	
	Executive	Regular	75.00	
	Library	Regular	193.50	493.50
Cushing, Andrew	Financial Admin	Stipend	1,200.00	1,200.00
Daigneault, Norman	Police	Regular	6,172.33	
		Overtime	127.49	
		Secretary	2,962.29	9,262.29
Dimond, Douglas	Highway	Regular	20,158.48	
		Overtime	1,137.40	
		Sick Pay	1,290.40	
		Vacation	2,580.80	
		Holiday	423.36	25,590.44
Duffy, Sharon	Library	Regular	190.50	190.50
Dugan, Leon	Executive	Regular	2,000.00	2,000.00
Frost, Susan	Elections	Regular	150.00	150.00
Grinley, Edward	Cemetery	Regular	330.00	330.00

Name	Department	Wages	Amount	Total
Haubrich, Bonnie	Tax Collector	Regular	5,000.00	
		Fees	3,314.00	
	Town Clerk	Regular	4,350.00	
		Auto Fees	5,682.00	
		Other Fees	558.00	
		State Fees	7,340.00	
		Title Fees	648.00	26,892.00
Hill, Gary	Highway	Regular	23,080.00	
		Overtime	1,872.00	
		Vacation	640.00	
		Holiday	350.00	25,942.00
Jackson, Richard	Solid Waste	Regular	11,513.40	11,513.40
Jacques, Aime	Library	Regular	1,773.75	1,773.75
James, Peter	Cemetery	Regular	3,175.00	
	Maintenance	Regular	715.00	3,890.00
Joyce, Wesley	Solid Waste	Regular	11,798.14	11,798.14
Kenyon, Merle	Executive	Stipend	2,000.00	
Kraus, Ellen	Police	Wages	560.00	
		Secretary	7,623.00	
		Overtime	113.25	8,296.25
Pierson, Sandra	Budget (minutes)	Regular	489.00	
	Planning (minutes)	Regular	48.00	
	Library	Regular	29.25	566.25
Postras, Russell	Police	Regular	41,444.39	
		Overtime	7,768.84	
		Sick Pay	1,553.76	
		Vacation	1,888.25	
		Holiday	539.50	53,194.74
Postras, Shannon	Financial Admin	Stipend	600.00	600.00
Smith, Genevieve	Elections	Regular	300.00	300.00
Smith, Scott	Solid Waste	Regular	5,855.74	
	Highway	Regular	640.76	6,496.50
Smith, Sue	Executive	Regular	32,884.61	
		Overtime	682.66	
		Vacation	1,922.12	
		Sick Pay	637.88	36,127.27
Sullivan, Janet	Welfare	Regular	1,500.00	1,500.00
Surette, Richard	Solid Waste	Regular	643.76	643.76
Vokes, Isaac	Cemetery	Regular	1,855.00	
	Maintenance	Regular	295.00	2,150.00
Warner, Nancy	Elections	Regular	225.00	225.00
Weiss, Jeffrey	Checklist Supervisor	Regular	623.51	623.51
Wood, Robin	Maintenance	Regular	376.68	376.68
TOTAL PAY				343,622.24



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, major fund, and aggregate remaining fund information of the Town of Grafton as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on Governmental Activities

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

Adverse Opinion

In our opinion, because of the significance of the matters described in the "Basis for Adverse Opinion on Governmental Activities" paragraph, the financial statements referred to above do not present fairly the financial position of the government-wide financial statements of the Town of Grafton, as of December 31, 2015, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and aggregate remaining fund information of the Town of Grafton as of December 31, 2015, and the respective changes in financial position and the budgetary comparison for the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1-N to the financial statements, in 2015 the Town changed its method of accounting for pension reporting with the adoption of Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and as amended by Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinions are not modified with respect to these matters.

Other Matters

Management’s Discussion and Analysis - Management has omitted a 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 opinion on the basic financial statements is not affected by the missing information.

Requires Supplementary Information – Accounting principles generally accepted in the United States of America require that the Schedule of Town’s Proportionate Share of Net Pension Liability (page 28) and the Schedule of Town Contributions (page 29) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers them to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information - Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Grafton’s basic financial statements. The combining and individual fund financial schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

July 27, 2016

*Plodzik & Sanderson
Professional Association*

EXHIBIT A
TOWN OF GRAFTON, NEW HAMPSHIRE
Statement of Net Position
December 31, 2015

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,256,816
Investments	627,388
Taxes receivable (net)	416,747
Accounts receivable (net)	9,000
Intergovernmental receivable	11,000
Tax deeded property, subject to resale	68,329
Total assets	2,389,280
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions	8,085
LIABILITIES	
Accrued salaries and benefits	1,626
Intergovernmental payable	964,914
Long-term liabilities:	
Due within one year	48,449
Due in more than one year	213,641
Net pension liability	115,655
Total liabilities	1,344,285
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	4,221
Related to pensions	5,684
Total deferred inflows of resources	9,905
NET POSITION	
Net investment in capital assets	(260,146)
Restricted	192,835
Unrestricted	1,110,486
Total net position	\$ 1,043,175

EXHIBIT B
TOWN OF GRAFTON, NEW HAMPSHIRE
Statement of Activities
For the Fiscal Year Ended December 31, 2015

	Expenses	Program Revenues		Net (Expense) Revenue and Change In Net Position
		Charges for Services	Operating Grants and Contributions	
General government	\$ 366,395	\$ 50	\$ -	\$ (366,345)
Public safety	188,674	45,500	-	(143,174)
Highways and streets	699,276	-	131,646	(567,630)
Sanitation	109,280	16,505	-	(92,775)
Health	11,249	-	-	(11,249)
Welfare	11,420	-	-	(11,420)
Culture and recreation	21,141	-	-	(21,141)
Capital outlay	32,186	-	-	(32,186)
Total governmental activities	\$ 1,439,621	\$ 62,055	\$ 131,646	(1,245,920)

General revenues:

Taxes:	
Property	719,091
Other	34,503
Motor vehicle permit fees	186,245
Licenses and other fees	10,302
Grants and contributions not restricted to specific programs	65,593
Unrestricted investment earnings	1,200
Miscellaneous	71,245
Total general revenues	1,088,179
Change in net position	(157,741)
Net position, beginning, as restated (see Note 16)	1,200,916
Net position, ending	\$ 1,043,175

EXHIBIT C-1
TOWN OF GRAFTON, NEW HAMPSHIRE
Governmental Funds
Balance Sheet
December 31, 2015

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,166,627	\$ 70,027	\$ 1,236,654
Investments	-	225,753	225,753
Accounts receivable, net of allowance for uncollectible	-	9,000	9,000
Taxes receivable	501,747	-	501,747
Intergovernmental receivable	11,000	-	11,000
Tax deeded property, subject to resale	68,329	-	68,329
Restricted assets:			
Cash and cash equivalents	20,162	-	20,162
Investments	401,635	-	401,635
Total assets	<u>\$ 2,169,500</u>	<u>\$ 304,780</u>	<u>\$ 2,474,280</u>
LIABILITIES			
Accrued salaries and benefits	\$ 1,626	\$ -	\$ 1,626
Intergovernmental payable	964,914	-	964,914
Total liabilities	<u>966,540</u>	<u>-</u>	<u>966,540</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - Property taxes	91,072	-	91,072
FUND BALANCES			
Nonspendable	68,329	152,280	220,609
Restricted	31,608	8,947	40,555
Committed	390,189	-	390,189
Assigned	134,634	143,553	278,187
Unassigned	487,128	-	487,128
Total fund balances	<u>1,111,888</u>	<u>304,780</u>	<u>1,416,668</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,169,500</u>	<u>\$ 304,780</u>	<u>\$ 2,474,280</u>

EXHIBIT C-2
TOWN OF GRAFTON, NEW HAMPSHIRE
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2015

Total fund balances of governmental funds (Exhibit C-1)		\$ 1,416,668
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Certain items are not current financial resources in the governmental funds, but instead are reported in the Statement of Net Position.		
Deferred outflows of resources related to pensions	\$ 8,085	
Deferred inflows of resources related to pensions	<u>(5,684)</u>	2,401
Long term revenue (taxes) is not available to pay current-period expenditures and therefore, is deferred in the governmental funds.		86,851
Allowance for uncollectible property taxes that is recognized on a full accrual basis but not on the modified accrual basis.		(85,000)
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.		
Capital leases	\$ 260,146	
Compensated absences	1,944	
Net pension liability	<u>115,655</u>	<u>(377,745)</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 1,043,175</u></u>

EXHIBIT C-3
TOWN OF GRAFTON, NEW HAMPSHIRE
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2015

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 766,616	\$ -	\$ 766,616
Licenses and permits	196,547	-	196,547
Intergovernmental	197,239	-	197,239
Charges for services	50	62,005	62,055
Miscellaneous	65,977	6,468	72,445
Total revenues	<u>1,226,429</u>	<u>68,473</u>	<u>1,294,902</u>
EXPENDITURES			
Current:			
General government	362,950	2,690	365,640
Public safety	176,148	14,539	190,687
Highways and streets	756,521	-	756,521
Sanitation	82,430	26,850	109,280
Health	11,249	-	11,249
Welfare	11,420	-	11,420
Culture and recreation	16,111	5,030	21,141
Capital outlay	32,186	-	32,186
Total expenditures	<u>1,449,015</u>	<u>49,109</u>	<u>1,498,124</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(222,586)</u>	<u>19,364</u>	<u>(203,222)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,500	-	1,500
Transfers out	-	(1,500)	(1,500)
Capital leases	318,272	-	318,272
Total other financing sources (uses)	<u>319,772</u>	<u>(1,500)</u>	<u>318,272</u>
Net change in fund balances	97,186	17,864	115,050
Fund balances, beginning	1,014,702	286,916	1,301,618
Fund balances, ending	<u>\$ 1,111,888</u>	<u>\$ 304,780</u>	<u>\$ 1,416,668</u>

EXHIBIT C-4
TOWN OF GRAFTON, NEW HAMPSHIRE
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2015

Net change in fund balances of governmental funds (Exhibit C-3)		\$ 115,050
Amounts reported for governmental activities in the Statement of Activities are different because:		
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (1,500)	
Transfers out	<u>1,500</u>	-
Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the governmental funds.		
Change in deferred tax revenue	\$ (60,022)	
Change in allowance for uncollectible property taxes	<u>47,000</u>	(13,022)
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expenses.		
		2,013
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Proceeds of capital leases	\$ (318,272)	
Repayment of capital leases	<u>58,126</u>	(260,146)
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.		
Increase in compensated absences payable		<u>(1,636)</u>
Changes in net position of governmental activities (Exhibit B)		<u><u>\$ (157,741)</u></u>

EXHIBIT D
TOWN OF GRAFTON, NEW HAMPSHIRE
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 797,161	\$ 753,594	\$ (43,567)
Licenses and permits	161,099	196,547	35,448
Intergovernmental	196,494	197,239	745
Charges for services	-	50	50
Miscellaneous	41,703	63,523	21,820
Total revenues	<u>1,196,457</u>	<u>1,210,953</u>	<u>14,496</u>
EXPENDITURES			
Current:			
General government	354,103	359,950	(5,847)
Public safety	176,649	176,148	501
Highways and streets	438,215	438,249	(34)
Sanitation	89,005	82,430	6,575
Health	8,964	8,964	-
Welfare	20,000	11,420	8,580
Culture and recreation	17,045	13,228	3,817
Debt service:			
Interest	4,700	-	4,700
Capital outlay	32,186	32,186	-
Total expenditures	<u>1,140,867</u>	<u>1,122,575</u>	<u>18,292</u>
Excess of revenues over expenditures	<u>55,590</u>	<u>88,378</u>	<u>32,788</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,410	1,500	(2,910)
Transfers out	(60,000)	(60,000)	-
Total other financing sources (uses)	<u>(55,590)</u>	<u>(58,500)</u>	<u>(2,910)</u>
Net change in fund balances	<u>\$ -</u>	29,878	<u>\$ 29,878</u>
Increase in nonspendable fund balance		(19,612)	
Unassigned fund balance, beginning		478,713	
Unassigned fund balance, ending		<u>\$ 488,979</u>	

EXHIBIT E-1
TOWN OF GRAFTON, NEW HAMPSHIRE
Fiduciary Funds
Statement of Net Position
December 31, 2015

	Private Purpose Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 835	\$ 6,345
Investments	29,303	-
Total assets	<u>30,138</u>	<u>6,345</u>
LIABILITIES		
Due to others	<u>-</u>	<u>6,345</u>
NET POSITION		
Held in trust for specific purposes	<u>\$ 30,138</u>	<u>\$ -</u>

EXHIBIT E-2
TOWN OF GRAFTON, NEW HAMPSHIRE
Fiduciary Funds
Statement of Changes in Net Position
For the Fiscal Year Ended December 31, 2015

	Private Purpose Trust
ADDITIONS	
New funds	\$ 30,000
Interest	138
Change in fair market value	<u>(2,063)</u>
Total revenue	28,075
Net position, beginning	<u>2,063</u>
Net position, ending	<u>\$ 30,138</u>

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

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TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Grafton, New Hampshire (the Town), have been prepared in conformity with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The more significant of the Town's accounting policies are described below.

1-A Reporting Entity

The Town of Grafton is a municipal corporation governed by an elected 3-member Board of Selectmen. In evaluating how to define the Town for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB. The Town has no component units to include in its reporting entity.

1-B Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Net Position presents the financial position of the governmental activities of the Town at year-end. This statement includes all of the Town's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, with the exception of the capital assets and related accumulated depreciation, which have been omitted because they have not been inventoried at historical cost.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. As in the Statement of Net Position mentioned above, the Town has not recorded depreciation expense in this statement.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

1-C Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements, except for agency funds which do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for State shared revenue, reimbursement-based grants and interest which use one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, licenses and permits, intergovernmental revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

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.

Non-exchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlement, and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is 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 Town must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, deferred inflows/outflows, and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Town reports the following major governmental fund:

General Fund – all general revenues and other receipts that are not allocated by law or contracted agreement to another fund are accounted for in this fund. This fund accounts for general operating expenditures, fixed charges, and the capital improvement costs that are not reported in other funds.

All the governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements.

Additionally, the Town reports the following fund types:

Special Revenue Funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Permanent Fund – is used to record activity of legal trusts for which the interest on the corpus provides funds for the Town's cemetery operations.

Fiduciary Funds – The Town also reports the following fiduciary funds:

Agency Fund – used to account for assets held in a trustee or agency capacity on behalf of outside parties, including other governments.

Private Purpose Trust Fund – used to account for assets held for a specific purpose.

1-D Cash and Cash Equivalents

The Town considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits, and savings accounts.

The treasurer is required to deposit such moneys in solvent banks in state or the Public Deposit Investment Pool pursuant to New Hampshire RSA 383:22. Funds may be deposited in banks outside of the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations to the State of New Hampshire in value at least equal to the amount of the deposit in each case.

1-E Restricted Assets

Certain cash and investment balances are classified as restricted assets on the balance sheet because their use is designated for a specific purpose and therefore not available for immediate and general use by the Town.

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

1-F Investments

State statutes place certain limitations on the nature of deposits and investments available as follows:

New Hampshire law authorizes the Town to invest in the following type of obligations:

- Obligations of the United States government,
- The public deposit investment pool established pursuant to RSA 383:22,
- Savings bank deposits,
- Certificates of deposit and repurchase agreements of banks incorporated under the laws of the State of New Hampshire or in banks recognized by the State treasurer.

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

Investments for the Town are reported at fair value generally based on quoted market prices.

1-G Receivables

Receivables recorded in the financial statements represent amounts due to the Town at December 31. They are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. They consist primarily of taxes, billing for charges, and other user fees.

1-H Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

1-I Property Taxes

Property tax billings occur semi-annually and are based on the assessed inventory values as of April 1 of each year. Warrants for the year were issued on May 14, 2015 and October 30, 2015, and due on July 1, 2015 and December 1, 2015. Interest accrues at a rate of 12% on bills outstanding after the due date and 18% on tax liens outstanding.

In connection with the setting of the tax rate, Town officials with the approval of the Department of Revenue Administration, establish and raise through taxation an amount for tax abatement and refunds, known as overlay. This amount is reported as a reduction in tax revenue and is adjusted by management for any reserve for uncollectable at year end. The property taxes collected by the Town include taxes levied for the State of New Hampshire, Mascoma Valley School District, and Grafton County, which are remitted to these entities as required by law.

The Town net assessed valuation as of April 30, 2015 utilized in the setting of the tax rate was as follows:

For the New Hampshire education tax	\$ 112,244,818
For all other taxes	\$ 116,029,918

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

The tax rates and amounts assessed for the year ended December 31, 2015 were as follows:

	Per \$1,000 of Assessed Valuation	Property Taxes Assessed
Municipal portion	\$5.68	\$ 659,342
School portion:		
State of New Hampshire	\$2.32	260,059
Local	\$17.27	2,004,349
County portion	\$1.90	220,002
Total		\$ 3,143,752

1-J Compensated Absences

The Town's policy allows certain employees to earn varying amounts of vacation based on the employee's length of employment. Upon separation from service, employees are paid in full for any accrued leave earned as set forth by personnel policy. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

1-K Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. Claims and judgments are recorded in the government-wide financial statements as expense when the related liabilities are incurred. There were no significant claims or judgments at year-end.

1-L Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making the transfers and other financing sources in the funds receiving the transfers. In the government-wide financial statements, all interfund transfers between individual governmental funds have been eliminated.

1-M Net Position/Fund Balance Reporting

Government-wide Statements – Equity is classified as net position and displayed in three components:

- a) *Net investment in capital assets* – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Because the Town has not reported its capital assets, this amount is a negative balance.
- b) *Restricted net position* – Consists of net position with constraints placed on use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) *Unrestricted net position* – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

Fund Balance Classifications - The fund balance of governmental funds is reported in five categories based on the nature of any limitations requiring the use of resources for specific programs. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The classifications used in the Town's governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form; or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the legislative body (Town Meeting). These amounts cannot be used for any other purpose unless the legislative body removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the Town's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Selectmen through the budgetary process.

Unassigned – This classification includes the residual fund balance for the general fund.

When multiple net position/fund balance classifications are available for use, it is the government's policy to utilize the most restricted balances first, then the next most restricted balance as needed. When components of unrestricted fund balance are used, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

1-N Defined Benefit Pension Plan

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* requires participating employers to recognize their proportionate share of collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, and schedules have been prepared to provide employers with their calculated proportionate share of these amounts. The collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions from employers are recognized when legally due, based on statutory requirements.

The schedules prepared by New Hampshire Retirement System, and audited by the plan's independent auditors, require management to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature and uncertainty of these estimates, actual results could differ, and the differences may be material.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the Town's operations. At its annual meeting, the Town adopts a budget for the current year for the general fund. Except as reconciled below, the budget was adopted on a basis consistent with US generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

Encumbrance accounting, under which purchase orders, contracts, and continuing appropriations (certain projects and specific items not fully expended at year-end) are recognized, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures, and are therefore, reported as part of the assigned fund balance at year-end, and are carried forward to supplement appropriations of the subsequent year.

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

State statutes require balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2015, none of the beginning general fund unassigned fund balance was applied for this purpose.

2-B Budgetary Reconciliation to GAAP Basis

The Town employs certain accounting principles for budgetary reporting purposes that differ from a GAAP basis. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis presents the actual results to provide a comparison with the budget. The major difference between the budgetary basis and GAAP basis is as follows:

Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities, but represent budgetary accounting controls. Governmental fund budgets are maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and commitments (encumbrances) for goods or services not received at year-end. Encumbrances are recorded to reserve a portion of fund balance in the governmental fund types for commitments for which no liability exists.

The following reconciles the general fund budgetary basis to the GAAP basis:

Revenues and other financing sources:	
Per Exhibit D (budgetary basis)	\$ 1,212,453
Adjustment:	
Basis difference:	
Inception of capital leases	318,272
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	2,454
Change in deferred tax revenue relating to 60-day revenue recognition	60,022
Change in allowance for uncollectible property taxes	(47,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 1,546,201</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$ 1,182,575
Adjustment:	
Basis differences:	
Encumbrances, beginning	137,634
Encumbrances, ending	(134,634)
Inception of capital leases	318,272
GASB Statement No. 54:	
To record library expenditures during the year	2,883
To record expendable trust expenditures during the year	2,285
To eliminate transfers between general and expendable trust funds	(60,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 1,449,015</u>

2-C Change in Accounting Principle

Effective July 1, 2014, the Town implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The requirements of this Statement change the way the Town calculates and reports the costs and obligations associated with pensions. As a result of implementing GASB Statement No. 68 the Town has restated the beginning net position in the government-wide Statement of Net Position, effectively decreasing net position as of January 1, 2015 by \$115,267 (see Note 16). The reduction accounts for the associated net position liability, deferred inflows of resources, and deferred outflows of resources related to pensions.

Also, the Town adopted GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment to GASB Statement No. 68*. This Statement addresses and issue in Statement No. 68 concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employer and nonemployer contributing entities.

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

DETAILED NOTES ON ALL FUNDS

NOTE 3 – CASH AND CASH EQUIVALENTS

At December 31, 2015, the reported amount of the Town’s deposits was \$1,263,996 and the bank balance was \$1,262,893. Of the bank balance \$1,246,676 was covered by federal depository insurance or by collateral held by the Town’s agent in the Town’s name, and \$16,217 was uninsured and uncollateralized.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 1,256,816
Cash per Statement of Net Position-Fiduciary Funds (Exhibit E-1)	7,180
Total cash and cash equivalents	<u>\$ 1,263,996</u>

NOTE 4 – INVESTMENTS

Note 1-F describes statutory requirements covering the investment of the Town funds. The Town also maintains a portfolio of varying maturity investments that are reported at fair value, based on quoted market prices. The Town’s fiscal agent or custodian provides the fair value of all intermediate maturity investments.

At December 31, 2015, this Town had the following investments and maturities:

	Fair Value
Investments type:	
Fixed income	\$ 443,164
Equity funds	120,348
Certificates of deposit	93,179
Total fair value	<u>\$ 656,691</u>

Interest Rate Risk – This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – This is the risk that in the event of the failure of the counterparty (e.g. broker/dealer) to honor a transaction, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have custodial credit risk policies for investments.

Concentration of Credit Risk – The Town places no limit on the amount it may invest in any one issuer. More than 5% of the Town’s investments are in fixed income, equity funds, and certificates of deposit. These investments are 67%, 18%, and 14%, respectively, of the Town’s total investments.

Investment reconciliation:

Investments per Statement of Net Position (Exhibit A)	\$ 627,388
Investments per Statement of Net Position-Fiduciary Funds (Exhibit E-1)	29,303
Total investments	<u>\$ 656,691</u>

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

NOTE 5 – RESTRICTED CASH AND INVESTMENTS

The following cash and/or investments are classified as restricted because of the statutory limitation place on their use as they are earmarked for a specific purpose:

Cash and cash equivalents:	
General fund:	
Library	\$ 9,353
Expendable trust	10,809
Total cash and cash equivalents	20,162
Investments:	
General fund:	
Library	22,255
Expendable trust	379,380
Total investments	401,635
Total restricted assets	\$ 421,797

NOTE 6 – TAXES RECEIVABLE

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2015. The amount has been reduced by an allowance for an estimated uncollectible amount of \$85,000. Taxes receivable by year are as follows:

	As reported on:	
	Exhibit A	Exhibit C-1
Property:		
Levy of 2015	\$ 319,102	\$ 319,102
Unredeemed (under tax lien):		
Levy of 2014	108,394	108,394
Levy of 2013	48,160	48,160
Levies of 2012 and prior	24,646	24,646
Yield	1,438	1,438
Land use change	7	7
Less: allowance for estimated uncollectible taxes	(85,000) *	-
Net taxes receivable	\$ 416,747	\$ 501,747

*The allowance for uncollectible property taxes is not recognized under the modified accrual basis of accounting (Exhibit C-1 and C-3) due to the 60 day rule as explained in Note 1-C. However, the allowance is recognized under the full accrual basis of accounting (Exhibits A and B).

NOTE 7 – OTHER RECEIVABLES

Receivables at December 31, 2015, consisted of accounts (billings for ambulance, and other user charges) and intergovernmental amounts arising from grants. Receivables are recorded on the Town's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

Receivables as of December 31, 2015 for the Town's nonmajor funds in the aggregate including applicable allowances for uncollectible accounts are as follows:

	Nonmajor Funds
Receivables:	
Accounts	\$ 16,133
Less: allowance for uncollectibles	(7,133)
Net total receivables	\$ 9,000

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

NOTE 8 – INTERFUND TRANSFERS

The composition of interfund transfers for the year ended December 31, 2015 is as follows:

	Transfers In:
	General Fund
Transfers out:	
Nonmajor fund	\$ 1,500

During the year, transfers are used to (1) move revenues from the fund with collection authority to the fund responsible for expenditure and (2) move general fund resources to provide an annual subsidy.

NOTE 9 – INTERGOVERNMENTAL PAYABLES

Amounts due to other governments of \$964,914 December 31, 2015 consist of the following:

General fund:	
Balance due to the Mascoma Valley Cooperative School District	\$ 964,914

NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows and inflows of resources of \$8,085 and \$5,684 respectively in the government wide financial statements at December 31, 2015 consists of deferred amounts related to pensions. See Note 17 for information on pension related deferrals.

Deferred inflows of resources of \$91,072 reported in the governmental funds as unavailable revenue are as follows:

	General Fund
Fiscal year 2016 property taxes received in advance	\$ 4,221
Property taxes not collected within 60 days of the fiscal year-end	86,851
Total deferred inflows of resources	\$ 91,072

NOTE 11 – CAPITAL LEASE OBLIGATIONS

The Town has entered into certain capital lease agreements under which the related equipment will become the property of the Town when all the terms of the lease agreements are met.

	Standard Interest Rate	Present Value of Remaining Payments as of December 31, 2015
Capital lease obligations:		
Dump truck	3.59%	\$ 116,821
Dump truck	3.59%	143,325
Total capital lease obligations		\$ 260,146

TOWN OF GRAFTON, NEW HAMPSHIRE
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The annual requirements to amortize the capital leases payable as of December 31, 2015, including interest payments, are as follows:

Fiscal Year Ending December 31,	Governmental Activities
2016	\$ 57,711
2017	57,711
2018	57,711
2019	57,711
2020	57,711
Total requirements	288,555
Less: interest	28,409
Present value of remaining payments	<u>\$ 260,146</u>

Amortization of lease equipment under capital assets is included with depreciation expense.

NOTE 12 – LONG-TERM LIABILITIES

Changes in the Town's long-term liabilities consisted of the following for the year ended December 31, 2015:

	Balance January 1, 2015	Additions	Reductions	Balance December 31, 2015	Due Within One Year
Capital leases	\$ -	\$ 318,272	\$ (58,126)	\$ 260,146	\$ 48,449
Compensated absences	308	1,636	-	1,944	-
Total long-term liabilities	<u>\$ 308</u>	<u>\$ 319,908</u>	<u>\$ (58,126)</u>	<u>\$ 262,090</u>	<u>\$ 48,449</u>

Long-term liabilities are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at December 31, 2015	Current Portion
Capital leases payable:						
Dump truck	\$ 142,761	2015	2020	3.59	\$ 116,821	\$ 21,746
Dump truck	\$ 175,511	2015	2020	3.59	143,325	26,703
					<u>260,146</u>	<u>48,449</u>
Compensated absences payable:						
Accrued vacation leave					1,944	-
Total					<u>\$ 262,090</u>	<u>\$ 48,449</u>

NOTE 13 – ENCUMBRANCES

Encumbrances outstanding at December 31, 2015 in the amount of \$134,634 are for general government.

TOWN OF GRAFTON, NEW HAMPSHIRE
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NOTE 14 – GOVERNMENTAL ACTIVITIES NET POSITION

Governmental activities net position reported on the government-wide Statement of Net Position at December 31, 2015 include the following:

	Governmental Activities
Net investment in capital assets:	
Net property, buildings, and equipment	\$ -
Less:	
Capital leases payable	(260,146)
Total net investment in capital assets	(260,146)
Restricted:	
Library	31,608
Perpetual care - expendable	8,947
Perpetual care - nonexpendable	152,280
Total restricted net position	192,835
Unrestricted	1,110,486
Total net position	\$ 1,043,175

NOTE 15 – GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2015 include the following:

	General Fund	Nonmajor Funds	Total Governmental Funds
Nonspendable:			
Tax deceded property, subject to resale	\$ 68,329	\$ -	\$ 68,329
Permanent - principal balance	-	152,280	152,280
Total nonspendable fund balance	68,329	152,280	220,609
Restricted:			
Library	31,608	-	31,608
Permanent - income balance	-	8,947	8,947
Total restricted fund balance	31,608	8,947	40,555
Committed:			
Expendable trust	390,189	-	390,189
Assigned:			
Encumbrances	134,634	-	134,634
Solid waste revolving	-	17,747	17,747
Ambulance	-	120,630	120,630
Recreation	-	5,176	5,176
Total assigned fund balance	134,634	143,553	278,187
Unassigned	487,128	-	487,128
Total governmental fund balances	\$ 1,111,888	\$ 304,780	\$ 1,416,668

TOWN OF GRAFTON, NEW HAMPSHIRE
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NOTE 16 – PRIOR PERIOD ADJUSTMENTS

Net position at January 1, 2015 was restated to give retroactive effect to the following prior period adjustments:

	Government-wide Statements
To record the beginning balance (for implementation of GASB Statements No. 68 and 71):	
Deferred outflows of resources	\$ 8,407
Deferred inflows of resources	(14,029)
Net pension liability	(109,645)
Net position, as previously reported	1,316,183
Net position, as restated	\$ 1,200,916

NOTE 17– DEFINED BENEFIT PENSION PLAN

Plan Description: The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan), a component unit of the State of New Hampshire, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25. The Pension Plan was established in 1967 by RSA 100-A:2 and is qualified as a tax exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The Pension Plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers with in the State are eligible and required to participate in the Pension Plan. The System issues a publically available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

Benefits Provided: The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II. All assets are held in a single trust and available to pay retirement benefits to all members.

Group I members at age 60 or 65 (for members who commence service after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final salary for the highest of either three or five years, depending on when their service commenced. The yearly pension amount is 1/60 or 1.667% of average final compensation (AFC), multiplied by years of creditable service. At age 65, the yearly pension amount is recalculated at 1/66 or 1.515% of AFC multiplied by years of creditable service.

Group II members who are age 60, or members who are at least age 45 with at least 20 years of creditable service, can receive a retirement allowance at a rate of 2.5% of AFC for each year of creditable service, not to exceed 40 years. Members commencing service on or after July 1, 2011 or members who have nonvested status as of January 1, 2012 can receive a retirement allowance at age 52.5 with 25 years of service or age 60. The benefit shall be equal to 2% of AFC times creditable service up to 42.5 years. However, a member who commenced service on or after July 1, 2011 shall not receive a retirement allowance until attaining the age of 52.5, but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the member attains 52.5 years of age by ¼ of 1% or age 60.

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances, subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation and/or service.

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Contributions: The System is financed by contributions from both the employees and the Town. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. For fiscal year 2015, all employees except police officers and firefighters were required to contribute 7% of earnable compensation. The contribution rates were 11.55% for police officers and 11.80% for firefighters. The Town's contribution rates for 2015 for pension and medical subsidy were as follows:

Period	Police	Fire	All Other Employees
January 1, 2015 thru June 30,2015	25.30%	27.74%	10.77%
July 1, 2015 thru December 31, 2015	26.38%	29.16%	11.17%

The contribution requirements for the fiscal years 2013, 2014, and 2015 were \$10,005, \$11,314, and \$11,194, respectively, which were paid in full in each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At December 31, 2015 the Town reported a liability of \$115,655 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2015, the Town's proportion was 0.00291946% which was a decrease of 0.00000161% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the Town recognized pension expense of \$2,013. At December 31, 2015 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 2,832	\$ 55
Differences between expected and actual experience	-	2,538
Net difference between projected and actual investment earnings on pension plan investments	-	3,091
Contributions subsequent to the measurement date	5,253	-
Total	<u>\$ 8,085</u>	<u>\$ 5,684</u>

The \$5,253 reported as deferred outflows of resources related to pensions results from the Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31,	
2016	\$ (1,456)
2017	(1,456)
2018	(1,456)
2019	1,745
2020-2024	(231)
Totals	<u>\$ (2,854)</u>

Actuarial Assumptions: The collective total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2014, using the following actuarial assumptions which, accordingly apply to both 2015 and 2014 measurements:

Inflation:	3.0%
Salary increases:	3.75- 5.8% average, including inflation
Investment rate of return:	7.75% net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2005 – June 30, 2010.

Long-term Rates of Return: The long-term expected rate of return on pension plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and long-term rates of return for 2015 and 2014:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return <u>2015</u>
Large Cap Equities	22.50%	3.00%
Small/Mid Cap Equities	7.50%	3.00%
Total domestic equity	<u>30.00%</u>	
Int'l Equities (unhedged)	13.00%	4.00%
Emerging Int'l Equities	7.00%	6.00%
Total international equity	<u>20.00%</u>	
Core Bonds	4.50%	(0.70%)
Short Duration	2.50%	(1.00%)
Global Multi-Sector Fixed Income	11.00%	0.28%
Unconstrained Fixed Income	7.00%	0.16%
Total fixed income	<u>25.00%</u>	
Private equity	5.00%	5.50%
Private debt	5.00%	4.50%
Real estate	10.00%	3.50%
Opportunistic	5.00%	2.75%
Total alternative investments	<u>25.00%</u>	
Total	<u>100.00%</u>	

Discount Rate: The discount rate used to measure the collective total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan's actuarial funding policy as required by RSA 100-A:16. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investment was applied to all periods of projected benefit payments to determine the collective total pension liability.

TOWN OF GRAFTON, NEW HAMPSHIRE
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Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.75% as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.75%) or 1-percentage point higher (8.75%) than the current rate:

Actuarial Valuation Date	1% Decrease 6.75%	Current Single Rate Assumption 7.75%	1% Increase 8.75%
June 30, 2013	\$ 155,532	\$ 121,318	\$ 92,557
June 30, 2014	\$ 144,420	\$ 109,645	\$ 80,307
June 30, 2015	\$ 152,245	\$ 115,655	\$ 84,462

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan financial report.

NOTE 18 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2015, the Town was a member of the Local Government Center Property-Liability Trust, LLC, and the New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs. These entities are considered a public entity risk pools, currently operating as common risk management and insurance programs for member Towns and cities.

The Local Government Center Property-Liability Trust, LLC, is a Trust organized to provide certain property and liability insurance coverages to member Towns, cities and other qualified political subdivisions of New Hampshire. As a member of the Local Government Center Property-Liability Trust, LLC, the Town shares in contributing to the cost of, and receiving benefits from, a self-insured pooled risk management program. The membership and coverage run from July 1 to June 30. The program maintains a self-insured retention above which it purchases reinsurance and excess insurance. This policy covers property, auto physical damage, crime, general liability, and public officials' liability subject to a \$1,000 deductible.

Contributions paid in fiscal year ending December 31, 2015, to be recorded as an insurance expenditure totaled \$18,338. There were no unpaid contributions for the year ended December 31, 2015.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation Programs is a pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from January 1, 2015 to December 31, 2015 by Primex³, which retained \$1,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The estimated net contribution from the Town of Grafton billed and paid for the year ended December 31, 2015 was \$11,779 for workers' compensation.

NOTE 19 – CONTINGENCIES

The Town participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will be immaterial.

NOTE 20 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date, but arose after the date. Management has evaluated subsequent events through July 27, 2016, the date the December 31, 2015 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

EXHIBIT F
TOWN OF GRAFTON, NEW HAMPSHIRE
Schedule of the Town's Proportionate Share of Net Pension Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended December 31, 2015

<u>Fiscal Year End</u>	<u>Valuation Date</u>	<u>Town's Proportion of Net Pension Liability</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Town Proportionate Share of Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
December 31, 2015	June 30, 2015	0.00291946%	\$ 115,655	\$ 44,860	257.81%	65.47%
December 31, 2014	June 30, 2014	0.00292107%	\$ 109,645	\$ 44,387	247.02%	66.32%
December 31, 2013	June 30, 2013	0.00281886%	\$ 121,318	\$ 43,863	276.58%	59.81%

EXHIBIT G
TOWN OF GRAFTON, NEW HAMPSHIRE
Schedule of Town Contributions
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended December 31, 2015

<u>Fiscal Year End</u>	<u>Valuation Date</u>	<u>Contractually Required Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2015	June 30, 2015	\$ 9,794	\$ 9,794	\$ -	\$ 44,860	21.83%
December 31, 2014	June 30, 2014	\$ 9,477	\$ 9,477	\$ -	\$ 44,387	21.35%
December 31, 2013	June 30, 2013	\$ 7,009	\$ 7,009	\$ -	\$ 43,863	15.98%

TOWN OF GRAFTON, NEW HAMPSHIRE
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2015

Schedule of the Town's Proportionate Share of Net Pension Liability & Schedule of Town Contributions

As required by GASB Statement No. 68, and as amended by GASB Statement No. 71, Exhibits F and G represent the actuarial determined costs associated with the Town's pension plan at December 31, 2015.

Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year 2014:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	25 Years beginning July 1, 2014
Asset Valuation Method	5-Year smooth market for funding purposes
Price Inflation	3.0% per year
Wage Inflation	3.75% per year
Salary Increases	5.8% Average, including inflation
Municipal Bond Rate	4.29% per year
Investment Rate of Return	7.75% per year
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2005-2010.
Mortality	RP-2000 mortality table, projected to 2020 with Scale AA. The table includes a margin of 15% for men and 17% for women for mortality improvements.

Other Information:

Notes
Contribution rates for Fiscal Year 2014 were determined based on the benefit changes adopted under House Bill No. 2 as amended by 011-2513-CofC.

SCHEDULE 1
TOWN OF GRAFTON, NEW HAMPSHIRE
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2015

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 686,976	\$ 622,446	\$ (64,530)
Land use change	5,300	5,257	(43)
Timber	21,964	28,724	6,760
Excavation	521	522	1
Interest and penalties on taxes	82,400	96,645	14,245
Total from taxes	<u>797,161</u>	<u>753,594</u>	<u>(43,567)</u>
Licenses, permits, and fees:			
Motor vehicle permit fees	160,633	186,245	25,612
Building permits	150	-	(150)
Other	316	10,302	9,986
Total from licenses, permits, and fees	<u>161,099</u>	<u>196,547</u>	<u>35,448</u>
Intergovernmental:			
State:			
Meals and rooms distribution	65,593	65,593	-
Highway block grant	130,901	131,646	745
Total from intergovernmental	<u>196,494</u>	<u>197,239</u>	<u>745</u>
Charges for services:			
Income from departments	-	50	50
Miscellaneous:			
Sale of municipal property	41,303	47,329	6,026
Interest on investments	400	533	133
Other	-	15,661	15,661
Total from miscellaneous	<u>41,703</u>	<u>63,523</u>	<u>21,820</u>
Other financing sources:			
Transfers in	4,410	1,500	(2,910)
Total revenues and other financing sources	<u><u>\$ 1,200,867</u></u>	<u><u>\$ 1,212,453</u></u>	<u><u>\$ 11,586</u></u>

SCHEDULE 2
TOWN OF GRAFTON, NEW HAMPSHIRE
Major General Fund
Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2015

	Encumbered from Prior		Expenditures	Encumbered to Subsequent		Variance Positive (Negative)
	Year	Appropriations		Year		
Current:						
General government:						
Executive	\$ -	\$ 48,925	\$ 50,707	\$ -	\$ (1,782)	
Election and registration	-	38,911	35,461	-	3,450	
Financial administration	-	38,861	44,337	-	(5,476)	
Revaluation of property	-	47,880	49,722	-	(1,842)	
Legal	-	15,000	26,407	-	(11,407)	
Personnel administration	-	24,000	23,193	-	807	
Planning and zoning	-	375	7	-	368	
General government buildings	134,634	44,469	45,405	134,634	(936)	
Cemeteries	-	7,700	6,656	-	1,044	
Insurance, not otherwise allocated	-	84,482	79,690	-	4,792	
Advertising and regional associations	-	1,500	1,365	-	135	
Other	3,000	2,000	-	-	5,000	
Total general government	<u>137,634</u>	<u>354,103</u>	<u>362,950</u>	<u>134,634</u>	<u>(5,847)</u>	
Public safety:						
Police	-	137,393	146,632	-	(9,239)	
Ambulance	-	16,000	15,731	-	269	
Fire	-	22,156	13,554	-	8,602	
Emergency management	-	100	50	-	50	
Other	-	1,000	181	-	819	
Total public safety	<u>-</u>	<u>176,649</u>	<u>176,148</u>	<u>-</u>	<u>501</u>	
Highways and streets:						
Highways and streets	-	435,215	435,599	-	(384)	
Street lighting	-	3,000	2,650	-	350	
Total highways and streets	<u>-</u>	<u>438,215</u>	<u>438,249</u>	<u>-</u>	<u>(34)</u>	
Sanitation:						
Solid waste collection	-	89,005	78,500	-	10,505	
Other	-	-	3,930	-	(3,930)	
Total sanitation	<u>-</u>	<u>89,005</u>	<u>82,430</u>	<u>-</u>	<u>6,575</u>	
Health:						
Health agencies	-	8,964	8,964	-	-	
Welfare:						
Administration	-	-	2,485	-	(2,485)	
Direct assistance	-	20,000	8,935	-	11,065	
Total welfare	<u>-</u>	<u>20,000</u>	<u>11,420</u>	<u>-</u>	<u>8,580</u>	
Culture and recreation:						
Parks and recreation	-	2,700	2,599	-	101	
Library	-	14,045	10,433	-	3,612	
Patriotic purposes	-	300	196	-	104	
Total culture and recreation	<u>-</u>	<u>17,045</u>	<u>13,228</u>	<u>-</u>	<u>3,817</u>	
Debt service:						
Interest on tax anticipation notes	-	4,700	-	-	4,700	
Capital outlay	-	32,186	32,186	-	-	
Other financing uses:						
Transfers out	-	60,000	60,000	-	-	
Total appropriations, expenditures, other financing uses, and encumbrances	<u>\$ 137,634</u>	<u>\$ 1,200,867</u>	<u>\$ 1,185,575</u>	<u>\$ 134,634</u>	<u>\$ 18,292</u>	

SCHEDULE 3
TOWN OF GRAFTON, NEW HAMPSHIRE
Major General Fund
Schedule of Changes in Unassigned Fund Balance
For the Fiscal Year Ended December 31, 2015

Unassigned fund balance, beginning (Non-GAAP Budgetary Basis)		\$ 478,713
2015 Budget summary:		
Revenue surplus (Schedule 1)	\$ 11,586	
Unexpended balance of appropriations (Schedule 2)	<u>18,292</u>	
2015 Budget surplus		29,878
Increase in nonspendable fund balance		<u>(19,612)</u>
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)		488,979
<i>Reconciliation of Non-GAAP Budgetary Basis to GAAP Basis:</i>		
To comply with generally accepted accounting principles by deferring property taxes not collected within 60 days of fiscal year-end		(86,851)
Removal of allowance for doubtful accounts		<u>85,000</u>
Unassigned fund balance, ending (GAAP basis Exhibit C-1)		<u><u>\$ 487,128</u></u>

SCHEDULE 4
TOWN OF GRAFTON, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2015

	Special Revenue Funds				
	Solid Waste Revolving	Ambulance	Recreation	Permanent	Total
ASSETS					
Cash and cash equivalents	\$ 17,747	\$ 40,706	\$ 5,176	\$ 6,398	\$ 70,027
Investments	-	70,924	-	154,829	225,753
Accounts receivable, net of allowance for uncollectable	-	9,000	-	-	9,000
Total assets	<u>\$ 17,747</u>	<u>\$ 120,630</u>	<u>\$ 5,176</u>	<u>\$ 161,227</u>	<u>\$ 304,780</u>
FUND BALANCES					
Nonspendable	\$ -	\$ -	\$ -	\$ 152,280	\$ 152,280
Restricted	-	-	-	8,947	8,947
Assigned	17,747	120,630	5,176	-	143,553
Total fund balances	<u>\$ 17,747</u>	<u>\$ 120,630</u>	<u>\$ 5,176</u>	<u>\$ 161,227</u>	<u>\$ 304,780</u>

SCHEDULE 5
TOWN OF GRAFTON, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2015

	Special Revenue Funds				Total
	Solid Waste Revolving	Ambulance	Recreation	Permanent	
Revenues:					
Charges for services	\$ 16,505	\$ 45,500	\$ -	\$ -	\$ 62,005
Miscellaneous	-	383	5,801	284	6,468
Total revenues	<u>16,505</u>	<u>45,883</u>	<u>5,801</u>	<u>284</u>	<u>68,473</u>
Expenditures:					
Current:					
General government	-	-	-	2,690	2,690
Public safety	-	14,539	-	-	14,539
Sanitation	26,850	-	-	-	26,850
Culture and recreation	-	-	5,030	-	5,030
Total expenditures	<u>26,850</u>	<u>14,539</u>	<u>5,030</u>	<u>2,690</u>	<u>49,109</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,345)</u>	<u>31,344</u>	<u>771</u>	<u>(2,406)</u>	<u>19,364</u>
Other financing uses:					
Transfers out	-	-	-	(1,500)	(1,500)
Net change in fund balances	(10,345)	31,344	771	(3,906)	17,864
Fund balances, beginning	28,092	89,286	4,405	165,133	286,916
Fund balances, ending	<u>\$ 17,747</u>	<u>\$ 120,630</u>	<u>\$ 5,176</u>	<u>\$ 161,227</u>	<u>\$ 304,780</u>



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

193 North Main Street • Concord • New Hampshire • 03301-5063 • 603-225-6996 • FAX 603-224-1380

INDEPENDENT AUDITOR'S COMMUNICATION OF SIGNIFICANT DEFICIENCY

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

In planning and performing our audit of the financial statements of the governmental activities, major fund, and aggregate remaining fund information of the Town of Grafton as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Town of Grafton's internal control over financial reporting as a basis for designing audit procedures that are appropriate in circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified certain deficiencies in internal control that we consider to be a significant deficiency.

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 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 correct, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We consider the following deficiency in the Town of Grafton's internal control to be a significant deficiency:

General Ledger Budget

The Town's approved budget is not allocated to line item expenditures accounts in the general ledger system. Additionally the budget for revenues is not entered into the general ledger. This can cause inaccurate reporting for budget to actual amounts and no way for the Town to appropriately monitor individual line item expenditures or revenues against budgeted amounts. We recommend that the expenditure budget be entered into the general ledger and allocated to the individual accounts as well as that the revenue budget be entered into the general ledger.

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

July 27, 2016

*Plodzik & Sanderson
Professional Association*

2016 Warrant and Ballot Results

As amended at the Deliberative Session, February 6, 2016

To the inhabitants of the Town of Grafton, in the County of Grafton, in said State of New Hampshire, qualified to vote in Town affairs:

You are hereby notified to meet at the Millbrook Christian Fellowship Church, Grafton, New Hampshire, on *Saturday the 6th of February, 2016 at 9:00 AM* for the first session of the Annual Town Meeting to discuss, debate and amend the town budget and all warrant articles listed below, except Article #1 (election of officers).

You are hereby further notified to meet at the Grafton Fire/Ambulance Station, Grafton, New Hampshire, on *Tuesday the 8th of March, 2016* for the second session of the Annual Town Meeting to vote by official ballot on elected officials and all warrant articles that are listed below. ***The Polls will be open from 8:00 AM to 7:00 PM.***

1) To choose all necessary officers for the ensuing year, including: Selectman - 3 years; Treasurer - 1 year; Moderator - 2 years; Town Clerk - 3 years; Road Agent - 3 years; Budget Committee - 3 years; Supervisor of the Checklist - 6 years; Trustee of the Trust Funds - 3 years and 1 year; Library Trustee - 3 years, 2 years and 1 year; Cemetery Trustee - 3 years; Planning Board - 3 years.

<u>Selectmen (3 years) Vote for one</u>	
John Sullivan	213
Arthur Edmiston, III	43
Write-in	68
Blanks	44
<u>Budget Committee (3 years) Vote for one</u>	
Steve Kudlik	95
Brian Fellers	20
Ed Grinley	235
Write-in	1
<u>Library Trustee (1 year) Vote for one</u>	
Susan Frost	314
Write-in	7
Blanks	47
<u>Library Trustee (3 years) Vote for one</u>	
Adam Franz	247
Write-in	9
Blanks	112
<u>Planning Board (3 years) Vote for one</u>	
Angus Gorman	235
Brian Fellers	89
Write-in	8
Blanks	36
<u>Supervisor of the Checklist (6 years) Vote for one</u>	
Marguerite F. Conley	307
Write-in	1
Blanks	60
<u>Supervisor of the Checklist (1 year) Vote for one</u>	
Sandra Griffin	278
Write-in	2
Blanks	88

<u>Treasurer (1 year) Vote for one</u>	
Margaret "Peg" Emslie	106
Dorothy Campbell	242
Write-in	1
Blanks	19
<u>Cemetery Trustee (3 years) Vote for one</u>	
Brewster Gove	39
Write-in	38
Blanks	291
<u>Library Trustee (2 years) Vote for one</u>	
Tina Pope	263
Write-in	5
Blanks	100
<u>Moderator (2 years) Vote for one</u>	
Travis Anderson	294
Write-in	3
Blanks	71
<u>Road Agent (3 years) Vote for one</u>	
Robert Bassett	291
Write-in	15
Blanks	62
<u>Town Clerk (3 years) Vote for one</u>	
Bonnie J. Haubrich	319
Write-in	10
Blanks	39
<u>Trustee of the Trust Funds (3 years) Vote for one</u>	
Catherine Mulholland	244
Write-in	18
Blanks	106

2) Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant, or as amended by the vote of the first session, for the purposes set forth therein totaling \$996,149. Should this article be defeated, the default budget shall be \$1,029,133, which is the same as last year, with certain adjustments required by previous actions of the Town of Grafton or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13X and XVI, to take up the issue of a revised budget only. It excludes special warrant articles and other appropriations voted separately.

General Government

Executive	50,047
Elections/Town Clerk	40,022
Financial Administration	40,370
Reappraisal of Property	16,320
Legal Expense	20,000
FICA & Medicare	24,000
Planning Board	375
General Government Buildings	36,730
Cemeteries	7,700
Insurance	89,308
Advertising/Regional Dues	1,500
Contingency	2,000
Subtotal	\$328,372

Public Safety

Police	137,393
Ambulance	16,000
Fire Department	20,000
Emergency Management	100
Forest Fire Warden	1,000
Subtotal	\$174,896

Highway and Streets

Highway and Streets	360,000
Street Lights	2,800
Subtotal	\$362,800

Solid Waste

\$79,000

Health and Welfare

Health Agencies	\$8,964
Health Officer	0
Public Assistance	20,000
Subtotal	\$28,964

Culture and Recreation

Parks & Recreation	\$2,955
Library	14,362
Patriotic Purposes	300
Subtotal	\$17,617

Debt Service

Tax Anticipation Note (TAN)	\$4,500
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Operating Budget Total

\$996,149

YES: 276	NO: 64
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3) To see if the town will vote to continue to repair and maintain the Grafton Town Hall located at 35 Turnpike Road. **YES: 216 NO: 139**

4) To see if the Town will vote to adopt RSA 41:14-a, to allow the selectmen to acquire or sell land, buildings or both; provided, however, they shall first submit any such proposed acquisition or sale to the planning board and to the conservation commission for review and recommendation by those bodies. This article will remain in effect until rescinded by majority vote. (Majority vote required) **YES: 155 NO: 189**

5) To see if the town will vote to raise and appropriate the sum of twenty-five thousand nine hundred forty dollars (\$25,940) for the second year payment on a 6 year \$142,761 lease-purchase agreement for a fully equipped 2016 International 7600 6X4 dump truck. (The first payment was paid from the Highway Operating Budget in 2015). The remaining payments to come from the Highway Operating Budget. This lease agreement contains an escape clause. (Majority vote required). **YES: 266 NO: 90**

The Selectmen recommend this article/the Budget Committee recommends this article.

6) To see if the Town will vote to retain the property located at 860 Main Street (Peaceful Assembly), if said property shall come under ownership of the Town by Quitclaim or Tax Deed, for use of the town as a potential meeting hall, library or other use by the Town. **YES: 191 NO: 153**

7) To see if the town will vote to raise and appropriate the sum of thirty-five thousand dollars (\$35,000) for the purchase and outfitting of a new police vehicle and to fund this appropriation by authorizing the withdrawal of twenty-nine thousand dollars (\$29,000) from the already established Police Vehicle Capital Reserve Fund, and the balance of six thousand dollars (\$6,000) coming from taxation. (Majority vote required)

The Selectmen recommend this article/the Budget Committee recommends this article. **YES: 243 NO: 118**

8) To see if the Town will vote to raise and appropriate the sum of thirty thousand dollars (\$30,000) to be added to the previously established Bridge Capital Reserve Fund.

The Selectmen recommend this article/the Budget Committee recommends this article. **YES: 241 NO: 119**

9) To see if the Town will vote to raise and appropriate the sum of forty thousand dollars (\$40,000) to for the purpose of paving town roads.

The Selectmen recommend this article/the Budget Committee recommends this article. **YES: 254 NO: 104**

10) To see if the Town will vote to raise and appropriate the sum of ten thousand dollars (\$10,000) to be added to the previously established Ambulance Capital Reserve Fund.

The Selectmen recommend this article/the Budget Committee recommends this article. **YES: 263 NO: 196**

11) To see if the town will vote to raise and appropriate the sum of ten thousand dollars (\$10,000) for the purpose of buying replacement equipment for the tot yard. (Majority vote required)

The Selectmen recommend this article/the Budget Committee recommends this article. **YES: 206 NO: 148**

12) To see if the Town will vote to raise and appropriate the sum of three thousand dollars (\$3,000) for the restoration of the Town's historical records. (Majority vote required)

The Selectmen recommend this article/the Budget Committee recommends this article. **YES: 260 NO: 95**

13) To see if the Town will vote to raise and appropriate five hundred dollars (\$500) to increase the Tax Collector's stipend. (Majority vote required)

The Selectmen recommend this article/the Budget Committee recommends this article. **YES: 195 NO: 157**

14) We, the people of the United States of America, reject the U.S. Supreme Court's rulings in Citizens United and other cases, and move to amend our Constitution to firmly establish that money is not speech, and that human beings, not corporations, are persons and entitled to constitutional rights. ***(By Petition)***

YES: 133 NO: 200

15) To see if the Town will urge that the next President and Congress fight big money politics and restore government of, by, and for the people by championing the We the People agenda: 1) Ban Super PACs and overturn Citizens United, 2) Expose secret donors and require full transparency, 3) Ban bribes from big-money lobbyists and government contractors, 4) Establish small-donor, citizen-funded elections, 5) End gerrymandering and modernize voter registration, 6) Close loopholes and enforce campaign finance laws. That the New Hampshire State Legislature support concrete legislation to enact the We the People agenda. The record of vote approving this article shall be transmitted by written notice from the Selectmen to the NH congressional delegation and to Grafton's state legislators, and to the President of the United States informing them of the instructions from their constituents within 30 days of the vote. ***(By Petition)***

YES: 158 NO: 177

2016 Deliberative Session Minutes

February 6, 2016

Corrected – February 19, 2016

Officials present: Merle Kenyon and Leon Dugan, Selectmen; Ed Grinley, Pam Curran and Catherine Mulholland, Budget Committee; Dorothy Campbell, Treasurer; Travis Anderson, Moderator; and Bonnie J. Haubrich, Town Clerk.

Moderator Anderson opened the meeting with the Pledge of Allegiance. Town Clerk, Bonnie J. Haubrich, read a list of Grafton residents who passed away between January 1, 2015 and December 31, 2015.

Moderator Anderson thanked Susan Frost, previous Moderator, for her 2 years as Moderator and for assisting him during his transition. He then introduced the town officials. He informed those present that we were to discuss and amend the warrant articles before the voters. He asked for a show of hands for any nonvoters. He then asked for a vote of those present to allow nonvoters to speak on any/all issues. Passed by a show of cards.

Article #1, electing of officers, was explained by Moderator Anderson.

The Moderator then read article #2. “Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant, or as amended by the vote of the first session, for the purposes set forth therein totaling \$996,149. Should this article be defeated, the default budget shall be \$1,029,133, which is the same as last year, with certain adjustments required by previous actions of the Town of Grafton or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13X and XVI, to take up the issue of a revised budget only. It excludes special warrant articles and other appropriations voted separately.”

He asked if there was a motion to go line by line or if the body wished to vote on the bottom line. Neil Alexander made a motion to go line by line and Clara Isley seconded the motion. Motion failed by a show of cards.

Neil Alexander then presented an amendment to increase the Police budget by \$700.00 to permanently mark the current police vehicle with reflective stickers. Seconded by Jonathan Bender. Motion failed: 22 Ayes – 37 – Nay.

Adam Franz made a motion to increase the Library budget by \$7,100. Seconded by Rich Blair. Adam explained that the \$7,100.00 would increase wages for the Librarian and Assistant Librarian. At present, he stated that they are only paid for their “open” hours and they put in approximately an additional 6 hours a week to keep up. He also noted that our Librarians’ wages are low in comparison to other towns in the State. Selectman Kenyon stated that he had spent quite a bit of time on Library Road in the near past and was surprised how much activity is generated around the Library and agreed that the Librarians and Trustees are doing an excellent job. Steve Kudlik noted that this would mean a 40% increase in wages and that Deb Clough had only asked for \$1,700 through the budget request, which the Budget Committee had denied. Greg Fellers stated that the Librarian and volunteers put a lot of time into their roles, but that most officials work for little or nothing and that the taxes keep increasing due to the school; that the taxpayers could not afford any more increases. Adam Franz agreed that it was quite an increase but it was due to the fact that wages have been neglected for too long. Ed Grinley stated that when the budget was first submitted it contained many errors and that the Budget Committee did not receive additional information. Sue Jukosky noted that she is in favor of the amendment. She stated that she is extremely impressed with the Library; how it has grown and recognized the

many dedicated people that support the Library. Selectman Dugan thanked the Librarian but reminded people that we were not going line by line for Article #2. Pam Curran stated that the Selectboard had decided against raises for the town employees this year and noted that there had been \$800.00 left in the Library budget at the end of the year, which could have been used instead of being turned back. Sharon Duffy stated that she was not aware of the amendment, but noted that the State is relying on Librarians more and more, including directing taxpayers to ask for assistance with State filings. Deb Clough said that she did not wish to comment on wage increases, but she took issue with a comment from Ed. She disagreed that the numbers reported at budget time were not erroneous, but factual. She added that none of the Budget Committee members frequent the Library and cannot be aware of the activities offered. Brewster Gove asked the Moderator if he had covered the Secret Ballot process. Moderator Anderson stated that if 5 people request, in writing, a secret ballot will be taken.

Elaina Bergamini moved the question. Seconded by Steve Kudlik. The question was moved. Ayes: 25, Nays: 37. Amendment failed.

Amendment #2, Article #2: Adam Franz presented a motion to increase the Library budget by \$5,122.00. Seconded by Rich Blair. Elaina Bergamini stated that enough discussion had taken place and moved the question. The question was moved. Ayes: 26, Nays: 34. Amendment failed.

Adam Franz reiterated that the taxpayers should be willing to at least pay for additional hours; if not give them a wage increase. He then presented an amendment to increase the Library budget by \$3,406.00. Seconded by Susan Jukosky. Ayes: 32, Nays: 32 Amendment tied; therefore failed. Motion to move the question by Brewster Gove. Seconded by Dexter Snow. The question was moved.

Motion to limit reconsideration by Merle Kenyon. Seconded by Bob Bassett. Motion passed.

Article #3: “To see if the Town will vote to continue to repair and maintain the structure and lands known as the Grafton Town Hall (located on Turnpike Rd). Should this article fail, the selectmen will proceed with the sale of said property. Should this article pass, the selectmen will begin repairs to the roof and structure from the operating budget and from the previously established Town Hall Repair Capital Reserve Fund.”

Selectman Dugan stated that due to the mixed feedback the Board had decided to ask the voters if they wish to continue maintaining the Town Hall or if the consensus was to sell it. Selectman Kenyon noted the poor condition of the roof. He stated that major pieces of the asphalt roof have started to flake off, the door needs major repairs and that the electrical system is very outdated with no 3-prong outlets as well as needing insulation. He also noted that there is a parking issue when it comes to usage. Ed Grinley stated that it would probably cost between \$15,000 and \$20,000 for just the roof and does not address additional necessary repairs. Merle agreed that he had given a conservative cost but noted that it would be mandatory to repair the roof. Elaina Bergamini stated that the Town Hall was part of the core of the community and that until the townspeople have another venue for the townspeople the Town Hall should be maintained. Maureen stated that she had asked Sue Smith if this article had been reviewed by town counsel and she indicated it had been. She stated that the Selectmen have not presented enough information with this article. She further noted that she had contacted Concord and it was their opinion that this article was advisory only. Selectman Dugan reiterated that the monies would come from the Capital Reserve account as well as the general fund. Much discussion ensued regarding the purpose of the article; the monies involved and the need for a concrete plan. Sue Jukosky stated that this conversation should have taken place at a public hearing and that this article is premature.

Cindy Kudlik presented an amendment which read, “To see if the town will vote to continue to repair and maintain the Grafton Town Hall located at 35 Turnpike Road.” Seconded by Elaina Bergamini. Motion passed. Motion to limit reconsideration by Brewster Gove. Seconded by Cindy Drouin. Motion passed.

Article #4: "To see if the town will vote to adopt RSA 41:14-a, to allow the selectmen to acquire or sell land, buildings or both; provided, however, they shall first submit any such proposed acquisition or sale to the planning board and to the conservation commission for review and recommendation by those bodies. This article will remain in effect until rescinded by majority vote. (Majority vote required)."

Selectman Dugan stated that this article was on the Warrant as advised by legal counsel in order to sell any property that the Selectmen deem appropriate. Cindy Kudlik asked when this decision was made as it did not take place in a public meeting and in direct violation of 91A. Steve Kudlik presented an amendment, which would include the complete 41:14-a RSA. Seconded by Neil Alexander. Elaina Bergamini asked what the purpose was to include the language as the Selectboard has to follow the proper process and it would only be confusing to the voters. Daniel Bergamini asked what the purpose was for adopting this RSA. Selectman Dugan stated that there was not much change; it would speed up the selling process and it was recommended by town counsel. Adam Franz asked why it was necessary to speed up the process following the deeding process by the Tax Collector. Dugan noted that this RSA does not address deeded property; only town owned property by other types of acquisition. Moderator Anderson reread Article #4 Amendment. Ayes: 22 Nays: 40. Amendment failed.

Article #5: "To see if the town will vote to raise and appropriate the sum of twenty-five thousand nine hundred forty dollars (\$25,940) for the second year payment on a 6 year \$142,761 lease-purchase agreement for a fully equipped 2016 International 7600 6X4 dump truck. (The first payment was paid from the Highway Operating budget in 2015). The remaining four payments to come from the Highway Operating Budget. This lease agreement contains an escape clause. (Majority vote required). The Selectmen recommend this article/the Budget Committee recommends this article."

Bob Bassett, Road Agent, informed the voters that the 20 year old dump truck frame had broken and the DOT would require the truck to be retired. Repairs would cost approximately \$40,000 to \$50,000. It was necessary to replace the truck, which had been ordered. The 1st year payment would come out of last year's budget and the last 4 payments would come out of the operating budget, but this year's payment would need to be voted on by the taxpayers. Ed Grinley stated that it is a lease vehicle and that the town has it only for 1 year (lease can be broken at any time) and that a vote is required by the voters in order to keep it. He noted that the additional (this year's monies) had not been placed in the operating budget. Motion to limit reconsideration by Merle Kenyon. Seconded by Leon Dugan. Motion passed.

The Moderator announced a 10 minute break.

Article #6: "To see if the Town will vote to retain the property located at 860 Main Street (Peaceful Assembly), if said property shall come under ownership of the Town by Quitclaim or Tax Deed, for use of the town as a potential meeting hall, library or other use by the Town."

Selectman Dugan noted that this article was moot as the Selectboard had a meeting with the Peaceful Assembly Board of Directors and the Directors had informed the Board that their intent is to pay the taxes and renovate the building. Neil Alexander stated that this article was done in incredibly poor taste. Cindy Kudlik agreed and asked when the Board had come up with this article as it had not been discussed in a public meeting. She again referred to a violation to 91A. Selectman Dugan stated that it had not been discussed. Cindy Kudlik attempted to present an amendment, which directed the Warrant Article to 285 Hardy Hill Road, property owned by Arthur Edmiston, who is running for Selectmen and who owes the Town of Grafton a substantial amount of money in unpaid taxes. Moderator Anderson refused the amendment stating that it would change the subject matter of the article. Maureen O'Reilly agreed that the article was in poor taste. Selectman Kenyon stated that it was a pathetic article and reiterated that at the meeting between the Selectboard and the Board of Directors the intent was for the taxpayer(s) to keep the building and not deed it back to the Town, as suggested by the previous Board of Directors. Brewster Gove informed the voters that the

Millbrook Church had offered it to the Town of Grafton free of charge approximately 6 years ago and that the public had no input at that time. Merle Kenyon moved the question. Seconded by Dexter Snow. Motion passed. Motion to limit reconsideration by Merle Kenyon. Seconded by Brewster Gove. Motion passed.

Article #7: "To see if the town will vote to raise and appropriate the sum of thirty-five thousand dollars (\$35,000) for the purchase and outfitting of a new police vehicle and to fund this appropriation by authorizing the withdrawal of twenty-nine thousand dollars (\$29,000) from the already established Police Vehicle Capital Reserve Fund, and the balance of six thousand dollars (\$6,000) coming from taxation. (Majority vote required) The Selectmen recommend this article/the Budget Committee recommends this article."

Ed Grinley stated that the repairs to the present police vehicle would cost more than purchasing a new one. Dugan noted that the Capital Reserve has approximately \$29,000 available and it would mean a difference of \$6,000. Catherine Mulholland noted that the Capital Reserve would actually be approximately \$30,000. Neil Alexander presented an amendment to increase the amount to \$6,750 which would include money for reflective stickers to mark the cruiser. Seconded by Jean Alexander. Neil Alexander stated that it would make the vehicle more visible and that there was no need for unmarked cruisers in Grafton. Chief Poitras stated that the Police Department does not harass the public and people should not fear unmarked cars. Neil argued that the presence of a marked car makes people slow down and that there is no need to be sneaky. He also stated that if in need of a police officer it is easier to spot one if marked. Ed Grinley stated that the amendment would change the subject matter. Moderator Anderson disagreed and accepted the amendment. John Sullivan asked why we would second guess a person we elected to do his/her job. Neil Alexander noted that everyone needs oversight to ensure they are performing their job and he could not understand why the Police Chief is not supportive of marking the vehicles. Bruce Frost challenged the amendment as changing the intent. The Moderator informed the body that they had the right to overrule the Moderator. Bruce Frost moved to overrule the Moderator. Moderator was overruled and the amendment failed. Motion to limit reconsideration by Ed Grinley. Seconded by Maureen O'Reilly. Motion passed.

Article #8: "To see if the Town will vote to raise and appropriate the sum of thirty thousand dollars (\$30,000) to be added to the previously established Bridge Capital Reserve Fund. The Selectmen recommend this article/ the Budget Committee recommends this article."

Ed Grinley informed those present that this would conclude raising the necessary monies for the Wild Meadow bridge, which is the last bridge that needs replacing in Grafton. Motion to limit reconsideration by Bonnie J. Haubrich. Seconded by Andrew Kannler. Motion passed.

Article #9: "To see if the Town will vote to raise and appropriate the sum of forty thousand dollars (\$40,000) for the purpose of paving town roads. (Majority vote required) The Selectmen recommend this article/ the Budget Committee recommends this article."

Bob Bassett, Road Agent, stated that he continues to upgrade roads, where monies allow. Last year Riddle Hill and Slab City were addressed. Hardy Hill and Prescott Hill will be addressed this year. Motion to limit reconsideration by Merle Kenyon. Seconded by Brewster Gove. Motion passed.

Article #10: "To see if the Town will vote to raise and appropriate the sum of ten thousand dollars (\$10,000) to be added to the previously established Ambulance Capital Reserve Fund. The Selectmen recommend this article/the Budget Committee recommends this article."

Ed Grinley stated that these monies will be added to the Capital Reserve in anticipation of when the present ambulance will need to be replaced. He noted that a new ambulance costs approximately \$140,000. Motion to limit reconsideration by Merle Kenyon. Seconded by Andrew Kannler. Motion passed.

Article #11: “To see if the town will vote to raise and appropriate the sum of ten thousand dollars (\$10,000) for the purpose of buying replacement equipment for the tot yard. (Majority vote required) The Selectmen recommend this article / the Budget Committee recommends this article.”

Ed Grinley stated that the Town changed insurance companies this year and that the tot yard had failed inspection. He further stated that $\frac{3}{4}$ of the playground equipment needs to be removed and that new commercial grade equipment needs to be installed. He noted that the Recreation Committee is seeking grant funding also. Adam Franz stated that the present equipment is in poor shape. Elaina Bergamini suggested that the Recreation Committee put together a plan and place it on file with the Selectmen’s Office for the townspeople/voters to preview, which would lend support as the poster on display today is not very informative. Ed said that the plan would be contingent on how much money they have available. Elaina reiterated that a plan, even if it is futuristic would gain much more support. Motion to limit reconsideration by Merle Kenyon. Seconded by Leon Dugan. Motion passed.

Article #12: “To see if the Town will vote to raise and appropriate the sum of three thousand dollars (\$3,000) for the restoration of the Town’s historical records. (Majority vote required) The Selectmen recommend this article/the Budget Committee recommends this article.”

Bonnie Haubrich noted that the voters began the records restoration project back in the 80s, but discontinued the project Donna Dugan had started about 18 years ago. She said that she has received the support of the voters the past few years to continue with the project as well as the fact that she has written 2 grants through the Moose Plates grant and has received approximately \$20,000 through those grant applications, which has restored approximately 8 books out of approximately 47. She asked for the support of the voters for this very worthwhile project as it is Grafton’s history. Motion to limit reconsideration by Merle Kenyon. Seconded by Leon Dugan. Motion passed.

Article #13: “To see if the Town will vote to raise and appropriate five hundred dollars (\$500) to increase the Tax Collector’s stipend. (Majority vote required) The Selectmen recommend this article/the Budget Committee recommends this article.”

Bonnie Haubrich, Tax Collector, informed the voters that the Tax Collector has not received an increase since 2005, when the Town went to twice a year billing. She noted that she works many more hours outside the 10 posted hours in order to fulfill the responsibilities. Merle Kenyon stated that the Selectboard is supportive of this article. He noted the amount of work this position has assumed and the amount of hours necessary to fulfill this position. He further stated that Bonnie seemed to always be present at the office when he frequented the office. Adam Franz asked why the Selectboard supported this increase but not other positions. Merle stated that the information the Board received was insufficient to support the other request. Cindy Kudlik asked if the Tax Collector received fees and if so, how much they amounted to this year. Bonnie replied that the Tax Collector does receive fees for liening properties, deeding properties and redeeming properties, which varies every year. She noted that according to the Town Report last year she received approximately \$4088. Motion to limit reconsideration by Brewster Gove. Seconded by Leon Dugan. Motion passed.

Article #14: “We, the people of the United States of America, reject the U.S. Supreme Court’s rulings in Citizens United and other cases, and move to amend our Constitution to firmly establish that money is not speech, and that human beings, not corporations, are persons and entitled to constitutional rights. (By Petition)”

Moderator Anderson asked Maureen O’Reilly if she wished to speak on this petitioned warrant article. She declined. Adam Franz asked if this article was simply to make a point. Maureen responded, “that is the goal.” Motion to limit reconsideration by Leon Dugan. Seconded by Merle Kenyon. Motion passed.

Article #15: “To see if the Town will urge that the next President and Congress fight big money politics and restore government of, by, and for the people by championing the We the People agenda: 1) Ban Super PACs and overturn Citizens United, 2) Expose secret donors and require full transparency, 3) Ban bribes from big-money lobbyists and government contractors, 4) Establish small-donor, citizen-funded elections, 5) End gerrymandering and modernize voter registration, 6) Close loopholes and enforce campaign finance laws. That the New Hampshire State Legislature support concrete legislation to enact the We the People agenda. The record of vote approving this article shall be transmitted by written notice from the Selectmen to the NH congressional delegation and to Grafton’s state legislators, and to the President of the United States informing them of the instructions from their constituents within 30 days of the vote. (By Petition)”

Catherine Mulholland, presenter of this petitioned article, stated that “we” do not like big money swaying politics. This article expresses a view and gets recorded. Adam Franz started to present an amendment, but withdrew it. Motion to limit reconsideration by Merle Kenyon and seconded by Leon Dugan. Motion passed.

Susan Frost thanked Moderator Anderson for running a smooth, civil meeting. Selectman Dugan thanked all the elected officials and the volunteers for their contributions. Cindy Kudlik challenged the posting of the Warrant stating it was not done 14 days prior to this meeting. Bonnie Haubrich assured Cindy that the posting was done by Sue Smith according to the law, which rules an SB2 meeting and suggested Cindy might have been looking at traditional town meeting deadlines.

Meeting adjourned at 11:45 a.m. by Moderator Anderson.

Respectively submitted:

Bonnie J. Haubrich

Town Clerk

Appropriations and Estimates of Revenue for the Ensuing Year January 1, 2016 to December 31, 2016

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Appropriations		Actual Expenditures	Selectmen's Appropriations		Budget Committee's Appropriations		
		Prior Year As Approved by DRA	Prior Year		(Recommended)	(Not Recommended)	Ensuing Fiscal Year	(Not Recommended)	
General Government									
4130-4139	Executive	48,925			50,047			50,047	
4140-4149	Election, Regular & Vital Statistics	38,911			40,022			40,022	
4150-4151	Financial Administration	38,861			40,370			40,370	
4152	Revaluation of Property	47,880			16,320			16,320	
4153	Legal Expense	15,000			20,000			20,000	
4155-4159	Personnel Administration	24,000			24,000			24,000	
4191-4193	Planning & Zoning	375			375			375	
4194	General Government Buildings	44,469			36,730			36,730	
4195	Cemeteries	7,700			7,700			7,700	
4196	Insurance	84,482			89,308			89,308	
4197	Advertising & Regional Assn.	1,500			1,500			1,500	
4199	Other General Government	2,000			2,000			2,000	
Public Safety									
4210-4214	Police	137,393			137,393			137,393	
4215-4219	Ambulance	16,000			16,403			16,403	
4220-4229	Fire	22,156			20,535			20,000	535
4240-4249	Building Inspection								
4290-4298	Emergency Management	100			100			100	
4299	Other - Forest Warden	1,000			1,000			1,000	
Airport/Aviation Center									
4301-4309	Airport Operations								
Highways & Streets									
4311	Administration								
4312	Highways & Streets	435,215			380,372			360,000	20,372
4313	Bridges								
4316	Street Lighting	3,000			2,800			2,800	
4319	Other								

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Appropriations		Actual Expenditures	Selectmen's Appropriations		Budget Committee's Appropriations		
		Prior Year As	Prior Year		Enacting Fiscal Year	Enacting Fiscal Year			
		Approved by DRA	(Recommended)		(Not Recommended)	(Recommended)	(Not Recommended)		
Sanitation									
4323	Solid Waste Collection	89,005			89,000		79,000	10,000	
4324	Solid Waste Disposal								
4325	Solid Waste Clean-up								
4326-4329	Sewage Collection, Disposal, Other								
Water Distribution & Treatment									
4331	Administration								
4332	Water Services								
4335-4339	Water Treatment, Conservation, Other								
Electric									
4351-4352	Administration & Generation								
4353	Purchase Costs								
4354	Electric Equipment Maintenance								
4359	Other Electric Costs								
Health/Welfare									
4411	Administration/Welfare								
4414	Pest Control								
4415-4419	Health Agencies, Hospital & Other	8,964			8,964		8,964		
4441-4442	Administration & Direct Assistance	20,000			20,000		20,000		
4444	Intergovernmental Welfare Payments								
4445-4449	Vendor Payments & Other								
Culture & Recreation									
4520-4529	Parks & Recreation	2,700			2,955		2,955		
4550-4559	Library	14,045			16,149		14,362	1,787	
4583	Patriotic Purposes	300			300		300		
4589	Other Culture & Recreation								

ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Appropriations		Actual		Selectmen's Appropriations		Budget Committee's Appropriations	
		Prior Year As	Prior Year	Expenditures	Enacting Fiscal Year	Enacting Fiscal Year	Enacting Fiscal Year	Enacting Fiscal Year	
		Approved by DRA	(Recommended)	(Recommended)	(Not Recommended)	(Recommended)	(Not Recommended)	(Recommended)	(Not Recommended)

Conservation

4611-4612	Admin. & Purchase of Nat. Resources								
4619	Other Conservation								
4631-4632	Redevelopment & Housing								
4651-4659	Economic Development								

Debt Service

4711	Principal - Long Term Bonds & Notes								
4721	Interest - Long Term Bonds & Notes								
4723	Interest on Tax Anticipation Notes	4,700			4,500		4,500		
4790-4799	Other Debt Service								

Capital Outlay

4901	Land								
4902	Machinery, Vehicles & Equipment	32,186							
4903	Buildings								
4909	Improvements Other Than Buildings								

Operating Transfers Out

4912	To Special Revenue Fund								
4913	To Capital Projects Fund								
4914	To Enterprise Fund								
4918	To Nonexpendable Trust Funds								
4919	To Fiduciary Funds								

Operating Budget Total

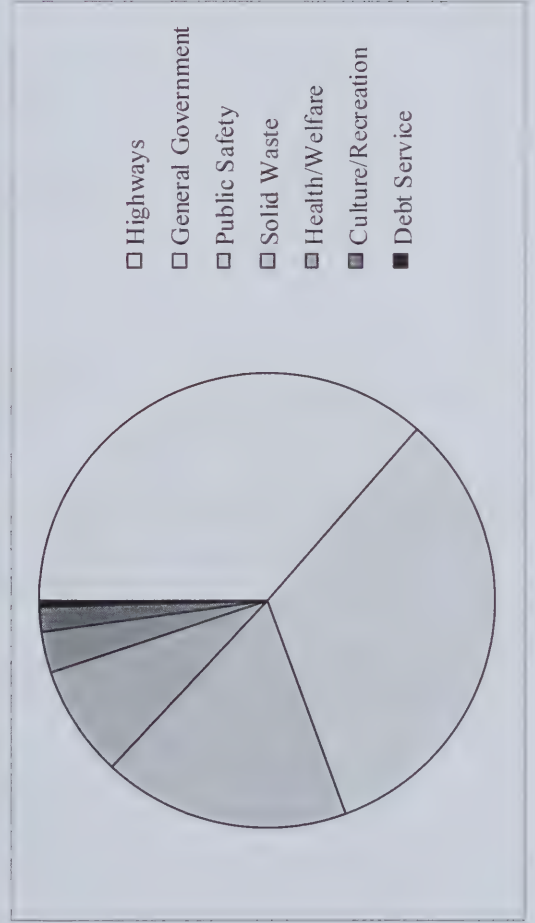
		1,140,867			1,028,843		996,149		32,694
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ACCT.#	Purpose of Appropriations (RSA 32:3,V)	Warrant	Appropriations Prior Year As	Actual Expenditures	Selectmen's Appropriations Ensuing Fiscal Year	Budget Committee's Appropriations Ensuing Fiscal Year
Special Warrant Articles						
Article # Approved by DRA Prior Year (Recommended) (Not Recommended) (Recommended) (Not Recommended)						
Special Warrant articles are defined in RSA 32:3, VI as appropriations 1) In petitioned warrant articles; 2) Appropriations raised by bonds or notes; 3) Appropriations to or from a separate fund created pursuant to law, such as capital reserve funds or trust funds; 4) An appropriation designated on the warrant as a special article or as a non-lapsing or non-transferable article.						
4915	To Capital Reserve Fund-Bridges	8			30,000	30,000
4915	To Capital Reserve Fund-Ambulance	10			10,000	10,000
Special Articles Recommended					40,000	40,000

Individual Warrant Articles
Individual warrant articles are not the same as Special Warrant Articles. An example of an individual warrant article might be negotiated cost items for labor agreements or items of a one time nature you wish to address individually.

4140-4149-	Election, Registration, & Vital Statistics Historical Records	12			3,000	3,000
4150-4151	Financial Administration - Tax Collector Stipend Raise	13			500	500
4312	Highways and Streets - Paving	9			40,000	40,000
4520-4529	Parks and Recreation	11			10,000	10,000
4902	Machinery, Vehicles, and Equipment	7			35,000	35,000
4902	Machinery, Vehicles, and Equipment	5			25,940	25,940
Individual Articles Recommended					114,440	114,440

2016 Budget



ACCT.#	Source of Revenue	Warrant Article #	Actual Revenues Prior Year	Selectmen's Estimated Revenues	Budget Committee's Estimated Revenues
Taxes					
3120	Land Use Change Taxes - General Fund	2		100	100
3180	Resident Taxes				
3185	Yield Taxes	2		7,500	7,500
3186	Payment in Lieu of Taxes				
3189	Other Taxes				
3190	Interest & Penalties on Delinquent Taxes			10,000	10,000
9991	Inventory Penalties	2			
3187	Excavation Tax (\$.02 per cubic yard)	2		100	100
Licenses, Permits, & Fees					
3210	Business Licenses & Permits				
3220	Motor Vehicle Permit Fees	2		140,000	140,000
3230	Building Permits	2		50	50
3290	Other Licenses, Permits & Fees	2		100	100
3311-2219	From Federal Government				
From State					
3351	Shared Revenues				
3352	Meals & Rooms Tax Distribution	2		55,000	55,000
3353	Highway Block Grant	2		115,000	115,000
3354	Water Pollution Grant				
3355	Housing & Community Development				
3356	State & Federal Forest Land Reimbursement				
3357	Flood Control Reimbursement				
3359	Other (including Railroad Tax)				
3379	From Other Governments				
Charges for Services					
3401-3406	Income from Departments				
3409	Other Charges				
Miscellaneous Revenue					
3501	Sale of Municipal Property	2		400	400
3502	Interest on Investments	2		200	200
3503-3509	Other				
Interfund Operating Transfers In					
3912	From Special Revenue Funds				
3913	From Capital Projects Funds				
3914	From Enterprise Funds: <i>Sewer</i>				
3914	From Enterprise Funds: <i>Water</i>				
3914	From Enterprise Funds: <i>Electric</i>				
3914	From Enterprise Funds: <i>Airport</i>				
3915	From Capital Reserve Funds	7		29,000	29,000
3916	From Trust & Fiduciary Funds	2		4,320	4,320
3917	Transfers from Conservation Funds				

ACCT.#	Source of Revenue	Warrant Article #	Actual Revenues Prior Year	Selectmen's Estimated Revenues	Budget Committee's Estimated Revenues
Other Financing Sources					
3934	Proceeds from Long Term Bonds & Notes				
9998	Amounts Voted from Fund Balance				
9999	Estimated Fund Balance to Reduce Taxes				
Operating Budget Total				361,770	361,770

Budget Summary

Item	Prior Year Adopted Budget	Selectmen's Recommended Budget	Budget Committee's Recommended Budget
Operating Budget Appropriations Recommended	1,023,681	1,028,843	996,149
Special Warrant Articles Recommended	60,000	40,000	40,000
Individual Warrant Articles Recommended	119,666	114,440	114,440
TOTAL Appropriations Recommended	1,203,347	1,183,283	1,150,589
Less Amount of Estimated Revenues & Credits	352,390	361,770	361,770
Estimated Amount of Taxes to be Raised	850,957	821,513	788,819

Budget Committee Supplemental Schedule

1. Total recommended by Budget Committee (from MS-737)	1,150,589
Less Exclusions:	
2. Principal: Long-Term Bonds and Notes	
3. Interest: Long-Term Bonds and Notes	
4. Capital outlays funded from Long-Term Bonds and Notes	
5. Mandatory Assessments	
6. Total Exclusions (Lines 2-5)	
7. Amount Recommended, Less Exclusions (Lines 1-6)	1,150,589
8. 10% of Amount Recommended, Less Exclusions (Line 7 x 10%)	115,059
Collective Bargaining Cost Items	
9. Recommended Cost Items (Prior to Meeting)	
10. Voted Cost Items (Voted at Meeting)	
11. Amount voted over recommended amount (Difference of Lines 9 and 10)	
Mandatory Water and Waste Treatment Facilities (RSA 32:21)	
12. Amount Recommended (Prior to Meeting)	
13. Amount Voted (Voted at Meeting)	
14. Amount voted over recommended amount (Difference of Lines 12 and 13)	
15. Bond Override (RSA 32:18-a), Amount Voted	
Maximum Allowable Appropriations Voted at Meeting	1,265,648

Vital Statistics

MARRIAGES

Person A's Name/Address	Person B's Name/Address	Town Issued	Place of Marriage	Date of Marriage
Concemi, Frank A Grafton, NH	Kenison, Darcie Groveton, NH	Lancaster	Northumberland	8/7/2016
Dugan, Aaron A Grafton, NH	Eastman, Melissa Grafton, NH	Grafton	Grafton	9/2/2016
Hatch, Heather Grafton, NH	Thoresen, Peter Grafton, NH	Grafton	Grafton	10/29/2016
Webster, Christopher Grafton, NH	Egers, Susan L Minto, Canada	Grafton	Grafton	11/16/2016

BIRTHS

Child's Name	Birth Date	Birth Place	Father's/Partner's Name	Mother's Name
Donnelly, Olivia Grace	1/5/2016	Lebanon, NH	Donnelly, Justin	Dragon, Tiffany
Robert, Cora Everly	1/26/2016	Lebanon, NH	Robert, Cory	Robert, Christa
Boucher, Thea Jolene	7/1/2016	Lebanon, NH	Boucher, Douglas	Parrish, Michaela
Adkins, Kaitlyn Ruth	8/22/2016	Lebanon, NH	Adkins, Robert	Adkins, Jennifer

2016 MASCOMA VALLEY REGIONAL HIGH SCHOOL GRADUATES

Christian Gelinias	Camden Burnette
Ethan Purington	Tristan Williams
Hunter Duranleau	Jeighsyn Fellers
Barrett Morse	Lindsay Dugan
Jessica Kelley*	Jada Pequita
Anthony Sperry	Bryan Barrile, Jr.

**Winner of
Ladies
Benevolent
Society
scholarship*

DEATHS

Decedent's Name	Date of Death	Place of Death	Father's/Parent's Name	Mother's/Parent's Name Prior to First Marriage/Civil Union	Military
Knaefler, Sonia	1/9/2016	Lebanon	Isensee, Otto	Waldron, Edra	N
Connell, John	1/12/2016	Grafton	Connell, Robert	Lebel, Irene	N
Bates, Susan	1/15/2016	Grafton	Doten, Edward	Unknown, Pauline	N
Hill, Dennis	3/19/2016	Lebanon	Hill, Albert	Morse, Cora	Y
Doten, Pauline	4/4/2016	Grafton	Stanley, George	Surette, Yvonne	N
Brydon, Mildred	4/7/2016	Lebanon	Adams, Clifton	Woodard, Elizabeth	N
Lavoie, Roger	4/13/2016	Laconia	Lavoie, Melvin	Michaud, Theresa	N
Gallup, Louise	4/20/2016	New London	Stevens, Edward	Woodward, Edith	N
Gray, Randy	4/23/2016	Grafton	Gray, George	Hutchins, Elizabeth	N
Dauphinais, Anthony	5/9/2016	Lebanon	Dauphinais, Joseph	Laporte, Rachel	Y
Sullivan, Brian	7/26/2016	Grafton	Sullivan, Joseph	Mullen, Flora	N
Matson, Lewis	9/21/2016	Lebanon	Matson, Ernest	McManus, Jean	Y
Cady Sr., Noel	10/20/2016	Grafton	Cady, Neil	Fleurete, Shirley	Y
Tursick, Dolores	10/26/2016	Unity	Tursick, Peter	Matisozski, Anna	N
Campbell, Allan	12/1/2016	Grafton	Campbell, Hector	Duggleby, Ruth	Y

By the Numbers

\$0.25

Cost for a lifetime membership to the Ladies Benevolent Society



4

Number of births

15

Number of deaths

\$2,500.00

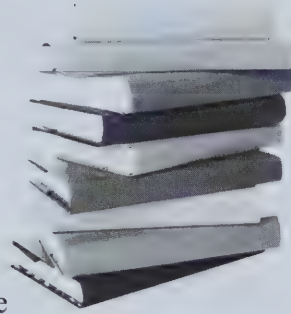
Money expended from the Kilton Fund to support the construction of the new Mascoma Community Health Center in Canaan

34

New library cardholders in 2016

\$50,855.42

Value of services provided to residents by the Grafton County Senior Citizens Council. Grafton gives \$2,964, out of a requested \$5,000



86

Number of properties liened, down from 89 in 2015

672

Visits to 29 Grafton residents between July 1, 2015 and June 30, 2016 by Visiting Nurses and Hospice

\$100,107.75

Amount raised by selling town property



5,618

Media borrowed at the library.

\$343,622.24

Total wages paid out by the Town

19,400

Pounds of tires recycled at the Transfer Station

\$461,262.03

Outstanding property taxes, down from \$507,920.58 in 2015

19,827.19

Acres enrolled in current use, or about 75% of all land in town

\$3,014,113.0

Total tax effort, including town, county, state, and school

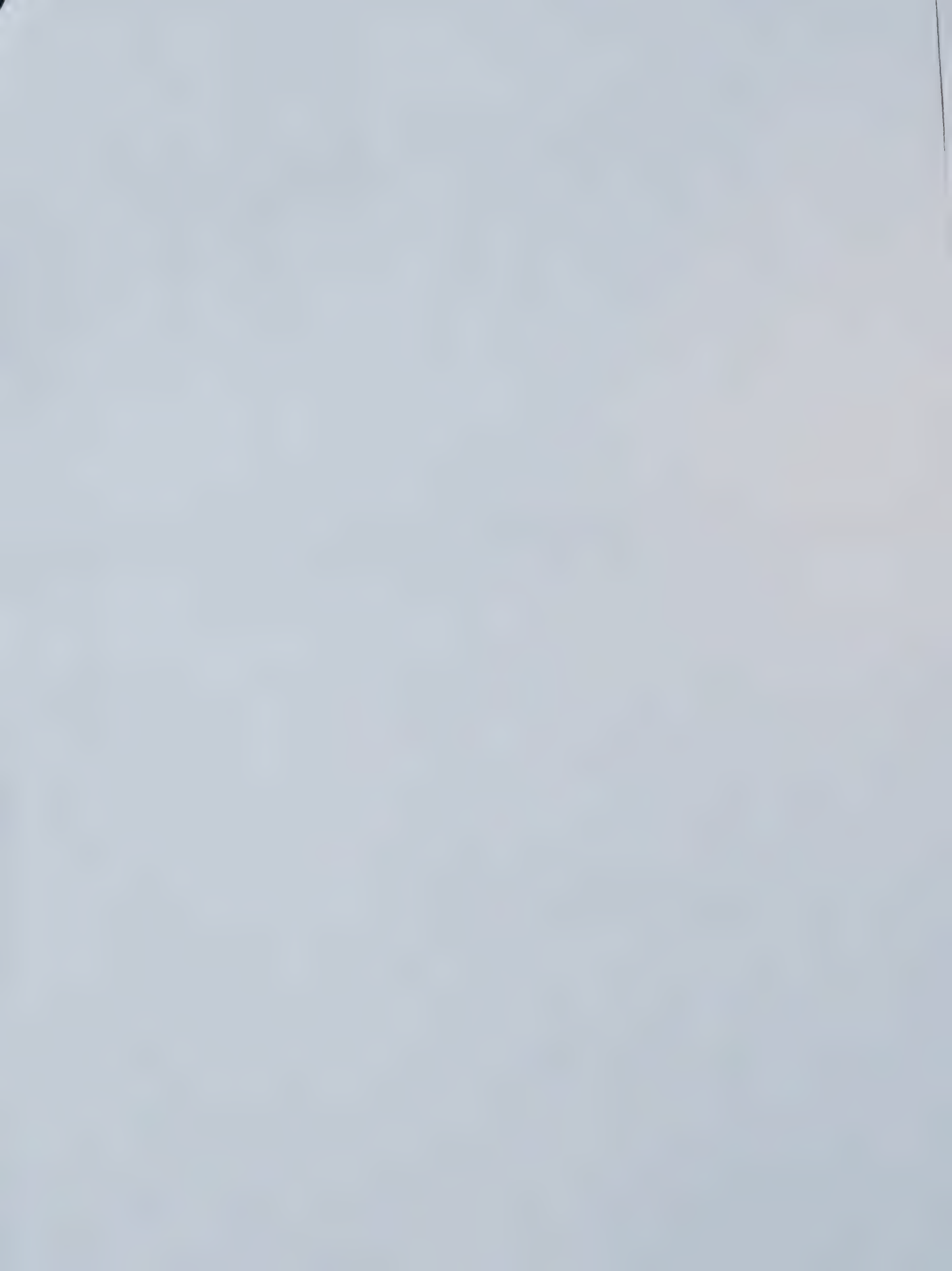


98,250

Pounds of food distributed to towns in the Mascoma School District by the Friends of Mascoma food pantries

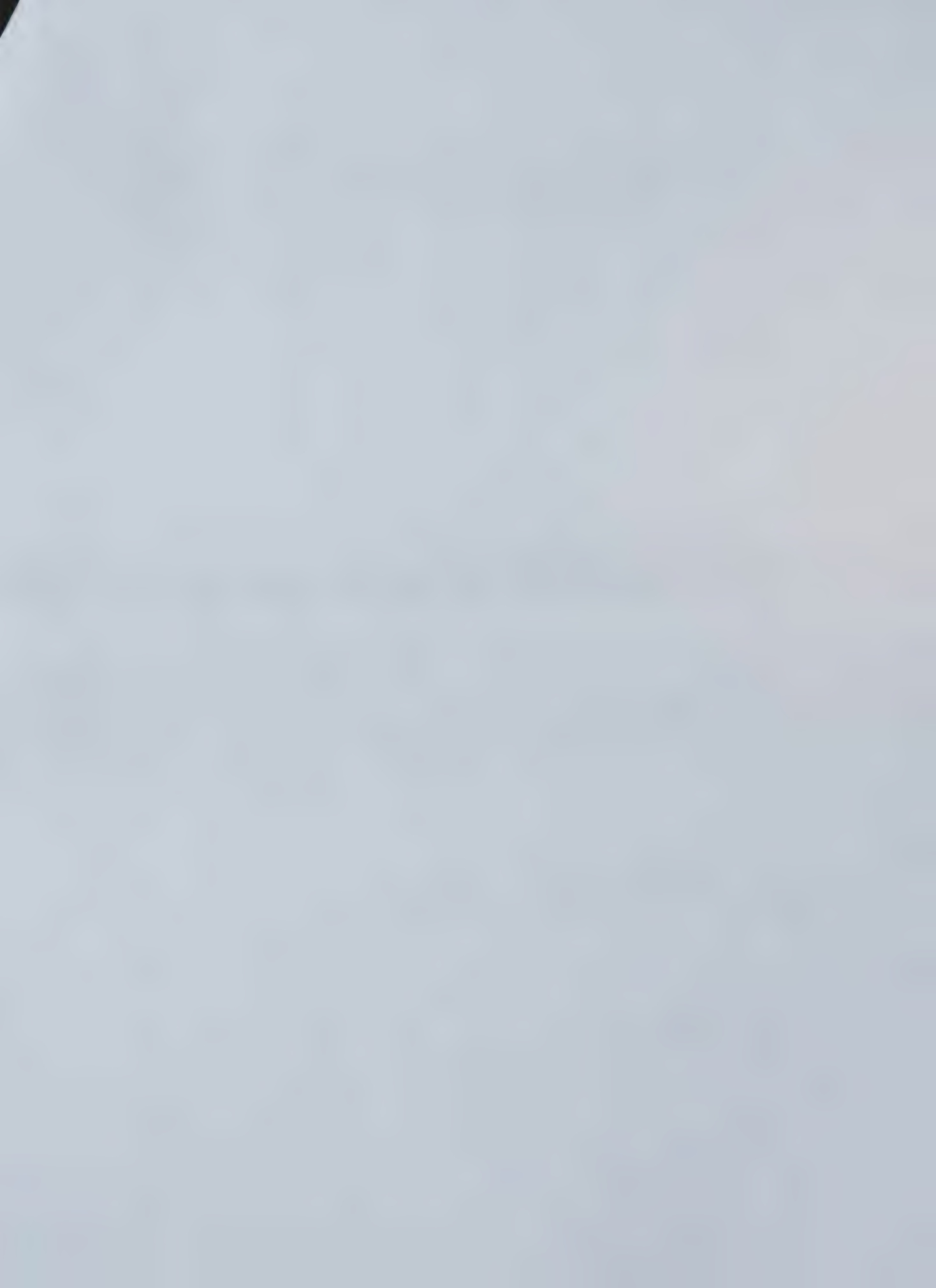
Town of Grifton
ALL DEPTS. SUMMARY - Budget vs. Actual
 January through December 2016

	Jan - Dec 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
CR Library				
Capital Expenditures	300.00			
Heating Fuel	439.72			
Media	1,886.26			
Phone/Fax/Internet	1,059.07			
Portable Toilet	112.00			
Printing/Postage/Postal Fees	101.48			
Professional Development	404.08			
Programs	132.48			
Supplies	441.07			
Utilities/Electric	362.57			
Wages	7,310.00			
CR Library - Other	0.00			
Total CR Library	12,548.73	14,362.00	-14,362.00	0.0%
CR Parks & Recreation				
Holiday Supplies	47.97	815.00	-767.03	5.9%
Ind. Day Activities	735.00	950.00	-215.00	77.4%
Miscellaneous	1,780.48	200.00	1,580.48	890.2%
Picnic Table Replacement	0.00	300.00	-300.00	0.0%
Portable Toilets	168.00	300.00	-132.00	56.0%
Printing Supplies	168.69	390.00	-221.31	43.3%
Total CR Parks & Recreation	2,900.14	2,955.00	-54.86	98.1%
CR Patriotic Purposes / Veteran				
DS TAN Interest Expense	220.00	300.00	-80.00	73.3%
GG Advertising & Regional Dues	0.00	4,500.00	-4,500.00	0.0%
Dues	1,387.00			
GG Advertising & Regional Dues - Other	0.00	1,500.00	-1,500.00	0.0%
Total GG Advertising & Regional Dues	1,387.00	1,500.00	-113.00	92.5%



Town of Gratton
ALL DEPTS. SUMMARY - Budget vs. Actual
January through December 2016

	Jan - Dec 16	Budget	\$ Over Budget	% of Budget
GG Cemeteries				
Equipment	117.73			
Supplies	187.32			
Wages	5,360.00			
GG Cemeteries - Other	0.00			
Total GG Cemeteries	5,665.05	7,700.00	-7,700.00	0.0%
GG Contingency		7,700.00		
GG Elections & Town Clerk	2,000.00		-2,034.95	73.6%
Supervisors of the Checklist		2,000.00	0.00	100.0%
Postage	24.43			
Public Notice Ads	189.36	130.00	59.36	145.7%
Supplies	71.59	90.00	-18.41	79.5%
Training	0.00	150.00	-150.00	0.0%
Wages	1,747.28	2,414.00	-666.72	72.4%
Total Supervisors of the Checklist	2,032.66	2,784.00	-751.34	73.0%
Town Clerk				
Elections	4,433.34	9,500.00	-5,066.66	46.7%
License Fees to State	1,253.00	1,500.00	-247.00	83.5%
License Fees to town clerk	15,521.00	14,500.00	1,021.00	107.0%
Licensed Software	2,560.00	2,600.00	-40.00	98.5%
Phone/Fax/Internet	980.19	1,000.00	-19.81	98.0%
Postage	1,275.71	1,600.00	-324.29	79.7%
Supplies	1,045.55	1,088.00	-42.45	96.1%
Training	60.00	800.00	-740.00	7.5%
Wages	4,690.00	4,650.00	40.00	100.9%
Wages, Election	1,475.00			
Total Town Clerk	33,293.79	37,238.00	-3,944.21	89.4%
Total GG Elections & Town Clerk	35,326.45	40,022.00	-4,695.55	88.3%



Town of Grafton
ALL DEPTS. SUMMARY - Budget vs. Actual
January through December 2016

	Jan - Dec 16	Budget	\$ Over Budget	% of Budget
GG Executive				
Miscellaneous	1,197.40	800.00	397.40	149.7%
Postage/PO Box Rental	1,245.92	1,000.00	245.92	124.6%
Subscriptions	432.31	433.00	-0.69	99.8%
Supplies/Licenses Software	2,572.99	2,600.00	-27.01	99.0%
Wages	43,102.27	45,214.00	-2,111.73	95.3%
Total GG Executive	48,550.89	50,047.00	-1,496.11	97.0%
GG FICA (SS & Medicare)				
GG Financial Administration				
Financial Administration	22,913.40	24,000.00	-1,086.60	95.5%
Audit				
Licensed Software	13,000.00	13,000.00	0.00	100.0%
Miscellaneous	565.00	520.00	45.00	108.7%
Postage/PO Box Rental	538.65	500.00	38.65	107.7%
Printing	54.60	50.00	4.60	109.2%
Property Registration Charges	1,346.00	1,500.00	-154.00	89.7%
Supplies	720.29	1,000.00	-279.71	72.0%
Wages	966.28	1,000.00	-33.72	96.6%
Total Financial Administration	6,289.00	5,500.00	789.00	114.3%
Total Financial Administration	23,479.82	23,070.00	409.82	101.8%
Tax Collector				
Licensed Software	2,252.00	2,300.00	-48.00	97.9%
Lien Processing Fee	0.00	4,500.00	-4,500.00	0.0%
Phone/Fax	537.37	600.00	-62.63	89.6%
Postage	2,103.40	3,800.00	-1,696.60	55.4%
Supplies	735.31	600.00	135.31	122.6%
Training	0.00	200.00	-200.00	0.0%
Wages	8,415.25	5,300.00	3,115.25	158.8%
Total Tax Collector	14,043.33	17,300.00	-3,256.67	81.2%
Total GG Financial Administration	37,523.15	40,370.00	-2,846.85	92.9%

Town of Grafton
ALL DEPTS. SUMMARY - Budget vs. Actual
January through December 2016

	Jan - Dec 16	Budget	\$ Over Budget	% of Budget
GG General Government Bldgs				
Computer Support	829.85	1,500.00	-670.15	55.3%
Electric Bills	3,811.38	3,500.00	311.38	108.9%
Equip/Maintr/Repairs	11,326.29	10,600.00	726.29	106.9%
Heating Fuel	4,918.44	9,000.00	-4,081.56	54.6%
Miscellaneous	3,036.85	1,500.00	1,536.85	202.5%
Mowing & Trash Removal	4,600.00	6,100.00	-1,500.00	75.4%
Phone/Fax/Internet	2,201.14	2,500.00	-298.86	88.0%
Security	970.00	930.00	40.00	104.3%
Supplies	292.19	500.00	-207.81	58.4%
Wages	1,386.68	600.00	786.68	231.1%
Total GG General Government Bldgs	33,372.82	36,730.00	-3,357.18	90.9%
GG Insurance				
General Liability Insurance	25,018.17			
Health Insurance	57,079.75			
Life and Disability Insurance	1,223.15			
GG Insurance - Other	0.00			
Total GG Insurance	83,321.07	89,308.00	-5,986.93	93.3%
GG Legal Expenses				
GG Planning Board	14,837.21	20,000.00	-5,162.79	74.2%
Miscellaneous	95.73			
Supplies	46.40			
GG Planning Board - Other	0.00	375.00	-375.00	0.0%
Total GG Planning Board	142.13	375.00	-232.87	37.9%
GG Reappraisal of Property	17,195.00	16,320.00	875.00	105.4%
HE Health Agencies	8,964.00	8,964.00	0.00	100.0%

Town of Grafton
ALL DEPTS. SUMMARY - Budget vs. Actual
January through December 2016

	Jan - Dec 16	Budget	\$ Over Budget	% of Budget
HS Highway Department				
Capital Expenditures	31,771.16	31,771.16	0.00	100.0%
Chloride	20,479.36	9,800.00	10,679.36	209.0%
Culverts	-242.00	0.00	-242.00	100.0%
Drug, Alcohol & DOT Testing	428.00	500.00	-72.00	85.6%
Fuel	18,841.11	28,000.00	-9,158.89	67.3%
Heating Fuel	2,639.96	5,000.00	-2,360.04	52.8%
Miscellaneous	10,078.15	3,000.00	7,078.15	335.9%
Paving & Patching	29,018.97	20,000.00	9,018.97	145.1%
Phone	562.84	600.00	-37.16	93.8%
Repairs, Parts & Supplies	34,459.88	36,628.84	-2,168.96	94.1%
Salt	7,062.23	8,000.00	-937.77	88.3%
Sand & Gravel	56,978.50	55,000.00	1,978.50	103.6%
Uniforms & Shoes	3,311.83	4,000.00	-688.17	82.8%
Utilities/Electric	1,705.56	2,200.00	-494.44	77.5%
Wages	142,193.62	155,500.00	-13,306.38	91.4%
Total HS Highway Department	359,289.17	360,000.00	-710.83	99.8%
HS Street Lights				
PS Ambulance Department				
Computers/Internet	2,920.09	2,800.00	120.09	104.3%
Coverage Fees	522.34			
Dispatch Fees	150.00			
Heating Fuel	2,820.51			
Medical Supplies	1,099.30			
Miscellaneous	2,640.19			
Oxygen	36.00			
Postage & Box Rental	285.35			
Radios & Pagers	72.95			
Supplies	196.80			
Training	390.20			
Utilities/Electric	2,487.45			
Utilities/Phone	689.30			
Vehicle Fuel	764.17			
	589.36			

Town of Gratton
ALL DEPTS. SUMMARY - Budget vs. Actual
January through December 2016

	Jan - Dec 16	Budget	\$ Over Budget	% of Budget
Vehicle Repairs & Maintenance	3,864.54	16,403.00	-16,403.00	0.0%
PS Ambulance Department - Other	0.00			
Total PS Ambulance Department	16,608.46	16,403.00	205.46	101.3%
PS Emergency Management	100.00	100.00	0.00	100.0%
PS Fire Department				
Dispatch Fees	2,562.37			
Equipment	6,367.22			
Fuel	618.33			
Heating Fuel	2,207.83			
Maintenance	2,125.85			
Miscellaneous	0.00			
Postage & Box Rental	50.00			
Repairs	2,482.84			
Supplies	821.04			
Training	70.05			
Utilities/Electric	1,425.96			
Utilities/Phone	764.15			
PS Fire Department - Other	0.00			
Total PS Fire Department	19,495.64	20,000.00	-20,000.00	0.0%
PS Fire Warden				
Wages	255.75			
PS Fire Warden - Other	135.75			
Total PS Fire Warden	391.50	1,000.00	-608.50	13.6%
PS Police Department				
Ammunition	0.00	1,080.00	-1,080.00	0.0%
Animal Care	2,000.00	2,000.00	0.00	100.0%
Capital Expenditures	16,445.04	9,583.00	6,862.04	171.6%
Dispatch Fees & Pager Rental	13,167.00	14,000.00	-833.00	94.1%
Fuel	2,509.54	5,200.00	-2,690.46	48.3%
Legal Services	6,075.00	6,500.00	-425.00	93.5%
Miscellaneous	393.04	450.00	-56.96	87.3%
Postage & Box Rental	90.88	90.00	0.88	101.0%
Repairs	3,886.06	2,500.00	1,386.06	155.4%



Town of Grafton
ALL DEPTS. SUMMARY - Budget vs. Actual
January through December 2016

	Jan - Dec 16	Budget	\$ Over Budget	% of Budget
Retirement Town Paid	15,171.27	13,140.00	2,031.27	115.5%
Supplies	4,352.39	5,600.00	-1,247.61	77.7%
Training	180.00	1,000.00	-820.00	18.0%
Uniforms/Safety Equip.	6,459.21	1,550.00	4,909.21	416.7%
Wages	66,077.21	74,700.00	-8,622.79	88.5%
Total PS Police Department	136,806.64	137,393.00	-586.36	99.6%
SA Solid Waste				
Dumping Fees	35,882.62	30,500.00	5,382.62	117.6%
Hauling Fees/Fuel	1,332.63	5,500.00	-4,167.37	24.2%
Repairs/Supplies/Misc	1,673.46	3,450.00	-1,776.54	48.5%
Uniforms	294.96	450.00	-155.04	65.5%
Utilities/Electric	2,961.17	2,500.00	461.17	118.4%
Utilities/Phone	557.13	600.00	-42.87	92.9%
Wages	35,811.04	36,000.00	-188.96	99.5%
Well Testing	0.00			
Total SA Solid Waste	78,513.01	79,000.00	-486.99	99.4%
WE General Assistance				
Burial	1,000.00			
Fuel	5,264.55			
Miscellaneous	30.00			
Rent	1,980.00			
Utilities	909.98			
Utilities/Office Phone	585.07			
Wages	2,800.00			
WE General Assistance - Other	0.00	20,000.00	-20,000.00	0.0%
Total WE General Assistance	12,569.60	20,000.00	-7,430.40	62.8%
Total Expense	953,561.15	996,149.00	-42,587.85	95.7%
Net Ordinary Income	-953,561.15	-996,149.00	42,587.85	95.7%
Net Income	-953,561.15	-996,149.00	42,587.85	95.7%

