

Readopt with amendment Rev 2000, effective 9-24-14 (Document #10675), to read as follows:

CHAPTER Rev 2000 FINANCIAL ACCOUNTING FOR VILLAGE DISTRICTS

Statutory Authority: RSA 21-J:3; 21-J:13; 21-J:17; 21-J:34; 670:9.

PART Rev 2001 GENERAL DEFINITIONS

Rev 2001.01 "Accrual basis of accounting " means the method under which:

(a) Revenues are recognized in the accounting period in which they are earned and become measurable; and

(b) Expenses are to be recognized in the period incurred, if measurable.

Rev 2001.02 "American Institute of Certified Public Accountants (AICPA)" means the institute which issues authoritative accounting literature.

Rev 2001.03 "Basis of accounting" means when revenues, expenditures, expenses, and transfers, and the related assets and liabilities, are recognized in the accounts and reported in the financial statements.

Rev 2001.04 "Department" means the New Hampshire department of revenue administration.

Rev 2001.05 "Double entry" means an accounting system which requires that for every entry made to the debit side of an account, an entry for a corresponding amount is made to the credit side of another account.

Rev 2001.06 "Expenditure(s)" means:

(a) The cost of goods delivered or services rendered, whether paid or unpaid;

(b) Expenses, except depreciation, and amortization;

(c) Provision for debt retirement not reported as a liability of the fund from which retired; and

(d) Capital outlays.

Rev 2001.07 "Expense(s)" means charges incurred, whether paid or unpaid, for operations, maintenance, interest, and other charges, including depreciation, presumed to benefit the current fiscal period.

Rev 2001.08 "Federal Accounting Standards Advisory Board (FASAB)" means the authoritative standard-setting body responsible for establishing GAAP for the federal government.

Rev 2001.09 "Financial Accounting Standards Board (FASB)" means the independent private-sector, not-for-profit organization that establishes financial accounting and reporting standards for public and private companies and not-for-profit organizations that follow GAAP.

Rev 2001.10 "Function" means group-related programs aimed at accomplishing major service or regulatory responsibility.

Rev 2001.11 "Fund" means a fiscal and accounting entity with a self-balancing set of accounts which is:

(a) Used to record cash and other financial resources, with all related liabilities and residual equities or balances, and changes therein; and

(b) Segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with applicable restrictions or limitations as provided by statute and related administrative rules.

Rev 2001.12 "Generally accepted accounting principles (GAAP)" means the established body of theory and practice that acts as a general guide for accountants.

Rev 2001.13 "Governing body" means governing body as defined in RSA 21:48.

Rev 2001.14 "Governmental Accounting Standards Board (GASB)" means the board which issues authoritative pronouncements primarily for governmental accounting.

Rev 2001.15 "Legislative body" means legislative body as defined in RSA 21:47.

Rev 2001.16 "Modified accrual basis of accounting" means the method under which:

(a) Revenues are recognized in the accounting period in which they become available and measurable; and

(b) Expenditures, rather than expenses, are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt.

Rev 2001.17 "Municipal Tax Rate Setting Portal (MTRSP)" means the department's municipal tax rate setting portal accessed through <https://www.proptax.org>.

Rev 2001.18 "Program" means activities, operations, or organizational units directed to attaining specific purposes or objectives.

Rev 2001.19 "Uniform chart of accounts" means the account titles, descriptions, and numbering classification system expressed in this chapter established by the department in accordance with RSA 21-J:13, III.

Rev 2001.20 "Village district" means any local governmental unit which has adopted the provisions of RSA 52 or chapter law creating a specific district or precinct.

PART Rev 2002 METHOD AND BASIS OF ACCOUNTING AND GENERALLY ACCEPTED ACCOUNTING PRINCIPLES FOR VILLAGE DISTRICTS

Rev 2002.01 Method of Accounting. Village districts shall use a double entry system of bookkeeping to record all financial transactions.

Rev 2002.02 Basis of Accounting.

(a) Village districts shall use the accrual basis of accounting for:

- (1) Proprietary funds;
 - (2) Non-expendable trust funds;
 - (3) Pension trust funds; and
 - (4) Deferred compensation plan and other employee benefit trust funds.
- (b) Under the accrual basis of accounting, transactions shall be classified by fund and for:
- (1) Revenues recognized in the accounting period in which they are earned and become measurable; and
 - (2) Expenses, rather than expenditures, recognized in the period incurred, if measurable.
- (c) Village districts shall, for purposes of filing Form MS-535, “Financial Report of the Budget”, use the modified accrual basis of accounting for all:
- (1) Governmental funds;
 - (2) Transfers to and expenditures from capital reserve funds and expendable trust funds; and
 - (3) Fiduciary funds.
- (d) Under the modified accrual basis of accounting, transactions shall be classified by fund and for:
- (1) Revenues recognized in the accounting period in which they become available and measurable; and
 - (2) Expenditures rather than expenses, recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt.

Rev 2002.03 Hierarchy of Generally Accepted Accounting Principles for Village Districts. For general accounting in areas not addressed in this rule, village districts shall follow, in descending priority sequence, the authoritative sources listed below:

- (a) The first level shall include:
 - (1) GASB statements; and
 - (2) GASB interpretations;
- (b) The second level shall include:
 - (1) GASB technical bulletins;
 - (2) AICPA industry audit and accounting guides made applicable by the AICPA and accepted for use in governmental accounting by the GASB; and

- (3) AICPA statements of position made to auditing governmental entities applicable by the AICPA and accepted for use in governmental accounting by the GASB;
- (c) The third level shall include:
- (1) GASB emerging issues task force consensus positions; and
 - (2) AICPA practice bulletins made applicable to governmental entities by the AICPA and accepted for use in governmental accounting by the GASB;
- (d) The fourth level shall include:
- (1) GASB implementation guides; and
 - (2) Prevalent generally accepted accounting practices that are widely recognized by public accountants and certified public accountants, licensed under RSA 309-B who prepare state and local governmental financial reports with generally accepted accounting principles; and
- (e) Other sources of guidance shall include:
- (1) GASB concepts statements;
 - (2) Private-sector authoritative guidance not applicable to state and local governments;
 - (3) FASB guidelines that have not been made applicable to state and local governmental accounting by the GASB;
 - (4) FASB concept statements;
 - (5) FASAB statements, interpretations, technical bulletins, and concept statements;
 - (6) AICPA issues papers;
 - (7) International public sector accounting standards;
 - (8) International financial reporting standards; and
 - (9) Accounting textbooks, articles, or pronouncements of other professional or regulatory agencies.

PART Rev 2003 CLASSIFICATION OF FUNDS AND ACCOUNT GROUPS - GAAP BASIS

Rev 2003.01 Classification of Funds.

- (a) Governmental funds are generally used to account for activities supported by taxes, grants, or other similar revenue and shall consist of:
- (1) A general fund to account for all financial resources of the village district except those required to be accounted for in another fund;

- (2) Special revenue fund(s) to account for the proceeds of specific revenues sources, other than expendable trusts or major capital projects and exclusive of resources held in trust for other individuals, private organizations, or other governments, that are legally restricted to expenditure for specified purposes;
 - (3) Capital project fund(s) to account for financial resources used to acquire or construct capital facilities, other than those financed by proprietary funds and trust funds;
 - (4) Permanent fund(s) to account for and report resources restricted to the extent that only earnings and not principal may be used for purposes to support the village's programs;
 - (5) Capital and non-capital reserve funds established pursuant to RSA 35 and held by the municipality in a trustee capacity; and
 - (6) Expendable trust funds established pursuant to RSA 31:19-a and held by the municipality in a trustee capacity.
- (b) Fiduciary funds shall account for assets held in a trustee or agency capacity for others that cannot be used for the village's own programs and are held by the municipality for a village district in a trustee capacity such as but not limited to:
- (1) One of the following:
 - a. Expendable trust funds established under RSA 31;
 - b. Nonexpendable trust funds established under RSA 31; or
 - c. Deferred compensation plan and other employee benefit trust funds established under RSA 31; and
 - (2) In an agency relationship, such as agency fund(s) for:
 - a. Individuals;
 - b. Private organizations;
 - c. Other municipalities; or
 - d. Other funds.
- (c) Proprietary funds shall consist of:
- (1) Enterprise funds, which may be used to account for operations:
 - a. That are financed and operated similar to private business enterprises where the intent of the governing body is that the expenses, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges; or
 - b. Where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for:

1. Capital maintenance;
2. Public policy;
3. Management control;
4. Accountability; or
5. Other public purposes; and

(2) Internal service fund(s), which may be used to account for the financing of goods or services provided, on a cost-reimbursement basis, by one department or agency of a village district to other:

- a. Departments or agencies of the village district; or
- b. Other governments.

PART Rev 2004 CLASSIFICATION OF REVENUE SOURCES

Rev 2004.01 Source 3100: Revenue From Taxes. Revenues from taxes shall be classified into the following accounts:

- (a) Account 3110, property taxes, classification shall be for compulsory charges levied for village district purposes on the assessed valuation of real property located within the village district; and
- (b) Account 3190, interest and penalties on delinquent taxes, classification shall be for:
 - (1) Amounts assessed as penalties for the payment of taxes after their due date; and
 - (2) The interest charged on delinquent taxes from their due date to the date of actual payment.

Rev 2004.02 Source 3310: Revenue From the Federal Government. Inter-governmental revenues received in the form of operating grants, entitlements, or shared revenues shall be classified into the following accounts:

- (a) Account 3311, housing and urban renewal, classification shall be for intergovernmental revenues received from the U.S. Department of Housing and Urban Development (HUD);
- (b) Account 3312, environmental protection, classification shall be for intergovernmental revenues received from the U.S. Environmental Protection Agency (EPA); and
- (c) Account 3319, other federal grants and reimbursements, classification shall be for intergovernmental revenues received from other U.S. departments or agencies.

Rev 2004.03 Source 3350: Revenue From the State of New Hampshire. Revenues from the state of New Hampshire shall be classified into the following accounts:

(a) Account 3351, shared revenue - block grant, classification shall be for intergovernmental revenue received from the state of New Hampshire pursuant to RSA 31-A;

(b) Account 3354, water pollution grants, classification shall be for intergovernmental revenues received from the New Hampshire department of environmental services, division of water, pursuant to RSA 486 in the form of:

- (1) Operating grants;
- (2) Entitlements; or
- (3) Shared revenues; and

(c) Account 3359, other state grants and reimbursements, classification shall be for intergovernmental revenues, not otherwise classified, received from other state of New Hampshire departments in the form of:

- (1) Operating grants;
- (2) Entitlements; or
- (3) Shared revenues.

Rev 2004.04 Source 3370: Revenue From Other Governments. The account 3379, intergovernmental revenues - other, classification shall be for revenues received from other local governments in the form of:

- (a) Operating grants;
- (b) Entitlements; or
- (c) Shared revenues.

Rev 2004.05 Source 3400: Revenues From Charges for Services. Revenues from charges for services shall be classified into the following accounts:

(a) Account 3401, income from departments, classification shall be for revenue from charges for services provided within the budgetary cycle, exclusive of revenues of proprietary funds;

(b) Account 3402, water supply system charges, classification shall be for revenue from services or water supplied from the village district water system;

(c) Account 3403, sewer user charges, classification shall be for revenue from services provided by the village district sewer system;

(d) Account 3404, garbage-refuse charges, classification shall be for revenue from services provided by the village district waste management system; and

(e) Account 3409, other charges, classification shall be for revenue from services provided by the village district not classified in (a) through (d) above.

Rev 2004.06 Source 3500: Revenues from Miscellaneous Sources. Revenues from miscellaneous sources shall be classified into the following accounts:

(a) Account 3500, special assessments, classification shall be for amounts levied against certain properties to defray all or part of the cost of specific capital improvements or services deemed to benefit primarily those properties;

(b) Account 3501, sale of village district property, classification shall be for proceeds from the sale of property previously used to pursue village district business;

(c) Account 3502, interest on investments, classification shall be for revenue received as compensation for the use of the village district's financial resources over a period of time;

(d) Account 3503, rents of property, classification shall be for revenue received as compensation for the use of the village district's property;

(e) Account 3504, fines and forfeits, classification shall be for revenue received from fines, penalties, and forfeits imposed for:

- (1) The commission of statutory offenses;
- (2) Violation of lawful administrative rules;
- (3) Neglect of official duties; and
- (4) Confiscating deposits held as performance guaranties;

(f) Account 3506, insurance dividends and reimbursements, classification shall be for:

- (1) Monies returned from the payment of insurance premiums paid in a prior period; or
- (2) Claims for which the expenditure was incurred in prior periods;

(g) Account 3508, contributions and donations, classification shall be for revenue provided by private or public contributions; and

(h) Account 3509, revenue from other miscellaneous sources not otherwise classified, classification shall be used to accumulate information for reporting purposes regarding revenue from miscellaneous sources not classified in (a) through (g) above.

Rev 2004.07 Source 3910: Interfund Operating Transfers In. Revenues from interfund operating transfers shall be classified into the following accounts:

- (a) Account 3911 classification shall be for transfers from the general fund;
- (b) Account 3912 classification shall be for transfers from special revenue fund(s);
- (c) Account 3913 classification shall be for transfers from capital projects fund;
- (d) Account 3914 classification shall be for transfers from proprietary funds;

(e) Account 3915 classification shall be for transfers from capital reserve fund(s); and

(f) Account 3916 classification shall be for transfers from trust and fiduciary funds.

Rev 2004.08 Source 3930: Other Financial Sources. Revenues from other financial sources shall be classified into the following accounts:

(a) Account 3934, proceeds from long-term notes and general obligation bonds, classification shall be for gross financial resources provided by long-term notes or the issuance of general obligation debt;

(b) Account 3935, proceeds from all other bonds, classification shall be for gross financial resources provided by the issuance of all other long-term liabilities; and

(c) Account 3939, other long-term financial sources, classification shall be for financial resources provided by sources not otherwise classified, including, but not limited to, proceeds from capital leases.

PART Rev 2005 CLASSIFICATION OF EXPENDITURE OR EXPENSE FUNCTIONS AND PROGRAMS

Rev 2005.01 Function: General Government. Expenditures for the legislative and executive branches of government shall be classified into the following accounts:

(a) Account 4130, executive, classification shall be for expenditures related to the executive branch of government including:

- (1) Commissioners;
- (2) Administrative assistants; and
- (3) Support staff;

(b) Account 4150, financial administration, classification shall be for expenditures related to the financial and business functions of the government including:

- (1) Accounting;
- (2) Budgeting;
- (3) Treasury;
- (4) Auditing;
- (5) Purchasing;
- (6) Business systems; and
- (7) Information technology;

(c) Account 4153, legal expense, classification shall be for expenditures related to legal functions of the village district, including:

- (1) Legal defense;
- (2) Ordinance drafting; and
- (3) Legal advice and interpretations of statutes, contracts, and other technical services;

(d) Account 4155, personnel administration, classification shall be for expenditures related to employee benefits not allocated to other programs, including:

- (1) Village district's share of payroll taxes;
- (2) Group insurance;
- (3) Retirement plan contributions;
- (4) Sick leave buy-outs; and
- (5) Special awards;

(e) Account 4194, general government buildings, classification shall be for expenditures related to the maintenance, repairs, and protection of all general governmental buildings and facilities, except facilities maintained by a department directly responsible for its use;

(f) Account 4196, insurance not otherwise allocated, classification shall be for expenditures for liability, property, and other insurance coverage not allocated to other programs;

(g) Account 4197, advertising and regional associations, classification shall be for expenditures related to:

- (1) Governmental advertising;
- (2) Activities to further the growth or development of the village district; and
- (3) Participation in regional associations dedicated to the purposes in (1) and (2) above;

(h) Account 4198, contingency fund, classification shall be for unanticipated expenditures arising during the year, pursuant to RSA 52:4-a; and

(i) Account 4199, other general government, classification shall be for expenditures for other general governmental purposes or operations not classified in (a) through (h) above.

Rev 2005.02 Function: Public Safety. Expenditures related to the protection of persons and property shall be classified into the following accounts:

(a) Account 4210, police, classification shall be for expenditures related to law enforcement including:

- (1) Traffic control;
- (2) Protection of person and property;

- (3) Safety;
 - (4) Criminal investigation; and
 - (5) Other police functions;
- (b) Account 4215, ambulances, classification shall be for expenditures related to ambulance services;
- (c) Account 4220, fire, classification shall be for expenditures related to firefighting including:
- (1) Fire prevention and suppression;
 - (2) Inspections; and
 - (3) Safety training;
- (d) Account 4290, emergency management, classification shall be for expenditures related to the planning and administration of programs initiated to respond to unforeseen or unexpected events such as:
- (1) Acts of nature;
 - (2) Riots;
 - (3) Terrorist attack; and
 - (4) Other safety hazards; and
- (e) Account 4299, other public safety, classification shall be for expenditures related to public safety matters not otherwise classified in (a) through (d) above.

Rev 2005.03 Function: Highways and Streets. Expenditures related to the maintenance and care of highways, streets, and bridges shall be classified into the following accounts:

- (a) Account 4311, administration, classification shall be for administrative expenditures related to the maintenance and care of:
- (1) Highways;
 - (2) Streets; and
 - (3) Bridges;
- (b) Account 4312, highways and streets, classification shall be for expenditures related to roadways and walkways including:
- (1) Paving;
 - (2) Snow removal;

- (3) Street cleaning; and
- (4) Maintenance of:
 - a. Roads, curbs, and gutters;
 - b. Storm drains;
 - c. Gravel paths; and
 - d. Sidewalks;
- (c) Account 4313, bridges, classification shall be for expenditures related to the maintenance and repairs of:
 - (1) Bridges;
 - (2) Viaducts;
 - (3) Grade separations;
 - (4) Trestles; and
 - (5) Railroad crossings;
- (d) Account 4316, street lighting, classification shall be for expenditures related to street lighting, including:
 - (1) Utility charges; and
 - (2) Maintenance, replacements, and repairs of:
 - a. Fixtures; and
 - b. Lamps; and
- (e) Account 4319, other highway, streets, and bridges classification shall be for expenditures related to highway, street, and bridge activities not otherwise classified above.

Rev 2005.04 Function: Sanitation. Expenditures related to the removal and disposal of sewage and other waste materials shall be classified into the following accounts:

- (a) Account 4321, administration, classification shall be for administrative expenditures related to sanitation activities;
- (b) Account 4323, solid waste collection, classification shall be for expenditures related to:
 - (1) Garbage and other refuse collection; and
 - (2) Delivery to the disposal facility;

(c) Account 4324, solid waste disposal, classification shall be for expenditures related to the disposal of garbage and other refuse including:

- (1) Landfill operations;
- (2) Incineration;
- (3) Recycling; and
- (4) Other disposal methods;

(d) Account 4325, solid waste clean-up, classification shall be for expenditures related to the clean-up of solid waste facilities including:

- (1) Landfill caps; and
- (2) Hazardous waste clean-up;

(e) Account 4326, sewage collection and disposal, classification shall be for expenditures related to the:

- (1) Collection and disposal of sewage; and
- (2) Wastewater treatment; and

(f) Account 4329, other sanitation, classification shall be for expenditures for other sewer or solid waste activities not described in (a) through (e) above.

Rev 2005.05 Function: Water Distribution and Treatment. Expenditures related to the treatment, distribution, and conservation of water shall be classified as follows:

(a) Account 4331, administration, classification shall be for administrative expenditures for:

- (1) Water treatment;
- (2) Distribution; and
- (3) Conservation activities;

(b) Account 4332, water services, classification shall be for expenditures related to the distribution of water;

(c) Account 4335, water treatment, classification shall be for expenditures related to the preservation and treatment of water, and the costs of operating a water treatment facility;

(d) Account 4338, water conservation, classification shall be for expenditures related to water conservation programs or activities; and

(e) Account 4339, other water, classification shall be for expenditures related to other water activities not described in (a) through (d) above.

Rev 2005.06 Function: Health. Expenditures related to the conservation and improvement of public health shall be classified into the following accounts:

- (a) Account 4411, administration, classification shall be for administrative expenditures related to regulatory and inspection activities essential to the preservation and promotion of improved public health;
- (b) Account 4414, pest control, classification shall be for expenditures related to:
 - (1) The control of animals, insects, and rodents; and
 - (2) The prevention and treatment of diseases therefrom; and
- (c) Account 4419, other health, classification shall be for expenditures for health programs not otherwise classified.

Rev 2005.07 Function: Culture and Recreation. Expenditures for cultural and recreational activities maintained for the benefit of residents and visitors shall be classified into the following accounts:

- (a) Account 4520, parks and recreation, classification shall be for expenditures for maintenance and administration costs related to:
 - (1) Recreational activities;
 - (2) Public parks;
 - (3) Playgrounds;
 - (4) Walking paths;
 - (5) Bike trails;
 - (6) Tennis courts;
 - (7) Golf courses;
 - (8) Arenas;
 - (9) Swimming areas; and
 - (10) Recreational or cultural buildings; and
- (b) Account 4589, other culture and recreation, classification shall be for expenditures for culture and recreation activities not otherwise classified.

Rev 2005.08 Function: Debt Service. Expenditures related to interest and principal payments on long-term debt shall be classified into the following accounts:

- (a) Account 4711, principal – long-term bonds and notes, classification shall be for expenditures related to the payment and retirement of long-term debt bonds and notes;

(b) Account 4712, principal – other debt, classification shall be for expenditures related to payment of principal associated with long term debt other than bonds or notes;

(c) Account 4721, interest – long-term bonds and notes, classification shall be for expenditures related to the payment of interest associated with long-term debt in bonds or notes;

(d) Account 4722, interest – other debt, classification shall be for expenditures related to payment of interest on long term debt other than bonds or notes;

(e) Account 4723, interest on tax and revenue anticipation notes, classification shall be for expenditures related to the payment of interest on short-term temporary borrowing related to:

- (1) Tax anticipation notes; or
- (2) Revenue anticipation obligations; and

(f) Account 4790, other debt service charges, classification shall be for expenditures for interest and other financing charges associated with debt obligations, including:

- (1) Late payment penalties;
- (2) Fiscal agents' fees; and
- (3) Issuance costs.

Rev 2005.09 Function: Capital Outlay. Expenditures related to capital outlays shall be classified into the following accounts:

(a) Account 4901, land and improvements, classification shall be for expenditures related to:

- (1) The acquisition of land for future use; or
- (2) Land purchased for conservation purposes not allocated to other functions;

(b) Account 4902, machinery, vehicles, and equipment, classification shall be for expenditures related to the acquisition of:

- (1) Vehicles; and
- (2) Equipment not allocated to other functions;

(c) Account 4903, buildings, classification shall be for expenditures for public buildings not allocated to other functions related to the:

- (1) Acquisition;
- (2) Repair;
- (3) Renovation;
- (4) Reconstruction; or

(5) Construction; and

(d) Account 4909, improvements other than buildings, classification shall be for expenditures related to capital project activity that is not otherwise classified.

Rev 2005.10 Function: Interfund Operating Transfers Out. Financial outflows to other funds shall be classified into the following accounts:

(a) Account 4911 classification shall be for transfers to the general fund;

(b) Account 4912 classification shall be for transfers to special revenue fund;

(c) Account 4913 classification shall be for transfers to capital projects fund;

(d) Account 4914 classification shall be for transfers to proprietary funds;

(e) Account 4915 classification shall be for transfers to capital reserve funds;

(f) Account 4916 classification shall be for transfers to expendable trust funds and fiduciary funds except for health maintenance trust funds;

(g) Account 4917 classification shall be for transfers to health maintenance trust funds formed pursuant to RSA 31:19-a, V;

(h) Account 4918 classification shall be for transfers to nonexpendable trust funds; and

(i) Account 4919 classification shall be for transfers to any fiduciary funds.

Rev 2005.11 Function 4930: Payments to Other Governments. Account 4930 classification shall be used for payments to other governments.

PART Rev 2006 CLASSIFICATION OF BALANCE SHEET ACCOUNTS FOR REPORTS ON FORM MS-535, "FINANCIAL REPORT OF THE BUDGET"

Rev 2006.01 Assets. Probable future economic benefits obtained or controlled by a village district as a result of past transactions or events shall be classified into the following accounts:

(a) Account 1010, cash and equivalents, classification shall be for cash on hand, or in petty cash or deposit with financial institutions such as:

(1) Cash on hand;

(2) Checks, money orders, or banker's drafts on hand;

(3) Demand deposits with financial institutions; or

(4) Investments readily convertible to known amounts of cash that will mature within 3 months of acquisition;

(b) Account 1030, investments, classification shall be for securities, that provide revenues in the form of interest and dividends;

(c) Account 1080, taxes receivable, classification shall be for the unremitted portion of taxes that the town has levied on behalf of the village district;

(d) Account 1150, accounts receivable, classification shall:

(1) Be for amounts owed to the village district on open accounts from private individuals or organizations for goods and services furnished by a government; and

(2) Not include amounts due from other funds or other governments;

(e) Account 1260, due from other governments, classification shall be for amounts owed to the village district from another government including, but not limited to charges for:

(1) Goods and services;

(2) Loans and intergovernmental grants;

(3) Entitlements; or

(4) Shared revenues;

(f) Account 1310, due from other funds, classification shall be for amounts owed to one village district fund from another village district fund representing charges for:

(1) Goods and services; and

(2) Interfund advances to another village district fund;

(g) Account 1400, other current assets, classification shall be for assets, not included elsewhere, whose economic benefit will be converted to cash or used to meet a current liability within one accounting cycle, such as:

(1) Prepaid expenses; and

(2) Inventories;

(h) Account 1610, land and improvements, classification shall be for:

(1) Land purchased or otherwise acquired; and

(2) All improvements made to ready the land for use, net of any applicable depreciation;

(i) Account 1620, buildings, classification shall be for the cost, net of any depreciation, of:

(1) Buildings purchased or otherwise acquired;

(2) All expenditures related to construction of buildings;

(3) Improvements made to extend the life of a structure; and

(4) The capitalized costs of leased property if the conditions of the lease meet the criteria specified in FASB statements and interpretations;

(j) Account 1640, machinery, vehicles, and equipment, classification shall be for the cost, net of depreciation, of:

(1) Machinery, vehicles, and equipment purchased or otherwise acquired;

(2) All expenditures for the construction of machinery and equipment; and

(3) The capitalized costs of leased machinery and equipment if the conditions of the lease meet the criteria specified in FASB statements and interpretations;

(k) Account 1650, construction in progress, classification shall be for the cost of construction undertaken but not yet completed;

(l) Account 1660, improvements other than buildings, classification shall be for all expenditures for improvements to assets which are immovable and have a value unique to the village district, net of depreciation, such as:

(1) Roads, bridges, and curbs;

(2) Gutters, streets, and sidewalks;

(3) Drainage systems; and

(4) Exterior lighting systems; and

(m) Account 1700, other assets, classification shall be for intangible assets and other assets, not included elsewhere, whose economic benefit will be converted to cash or used to meet liabilities at some future time beyond the next accounting cycle.

Rev 2006.02 Liabilities. Probable future sacrifices of economic benefits arising from present obligations of a village district to transfer assets or provide services to other entities in the future as a result of past transactions or events shall be classified into the following accounts:

(a) Account 2020, warrants and accounts payable, classification shall be for balances owed to others for:

(1) Goods;

(2) Supplies;

(3) Services purchased on open accounts;

(4) Payroll; and

(5) Deductions payable;

(b) Account 2030, compensated absences payable, classification shall be for balances arising through accounting recognition of unpaid costs that come into existence in the current period which will be discharged at a future time, such as, but not limited to earned time for:

- (1) Vacation;
- (2) Sick leave; and
- (3) Holidays;

(c) Account 2050, contracts payable, classification shall be for amounts due on contracts for goods and services, including retainage, furnished to a government;

(d) Account 2070, due to other governments, classification shall be for amounts owed by the village district to another government, such as:

- (1) Goods and services;
- (2) Loans and intergovernmental grants;
- (3) Entitlements;
- (4) Shared revenues; or
- (5) Payments in lieu of taxes;

(e) Account 2080, due to other funds, classification shall be for amounts owed by one village district fund to another village district fund representing charges for:

- (1) Goods and services; and
- (2) Interfund advances from another fund;

(f) Account 2230, notes payable-current, classification shall be for the face value of notes generally due within one year, including all:

- (1) Tax anticipation notes payable; and
- (2) Revenue anticipation notes payable;

(g) Account 2250, bonds payable-current, classification shall be for the face value of bonds due within one year;

(h) Account 2260, capital leases payable-current, classification shall be for the current portion of the discounted present value of total future stipulated payments in any lease purchase agreement;

(i) Account 2270, other payables, classification shall be for liabilities, requiring the sacrifice of economic benefits within one accounting cycle, not included elsewhere;

(j) Account 2310, notes and bonds payable long-term, classification shall be for amounts owed by the village district on notes and bonds not due within one year;

(k) Account 2370, capital leases payable, classification shall be for the non-current portion of the discounted present value of total future stipulated payments in any lease purchase agreement; and

(l) Account 2390, other long-term liabilities, classification shall be for liabilities requiring the sacrifice of economic benefits at some future time beyond the next accounting cycle.

Rev 2006.03 Fund Equity and Other Credits. The fund equity and other credits, classification shall be used for residual interest in the assets of a fund that remains after deducting its liabilities classified into the following accounts:

(a) Account 2440, nonspendable fund balance, classification shall be for segregation of a portion of a fund balance for non-cash items such as inventories or prepaid items;

(b) Account 2450, restricted fund balance, classification shall be for segregation of a portion of a fund balance set apart for funds legally restricted such as, but not limited to, a grant;

(c) Account 2460, committed fund balance, classification shall be for segregation of a portion of a fund balance set apart by the legislative body for a particular purpose, such as, but not limited to, the unexpended portion of a non-lapsing special warrant article, capital reserve, or expendable trust fund;

(d) Account 2490, assigned fund balance, in the general fund classification shall be for segregation of a portion of a fund balance for a specific future use such as, but not limited to, commitments related to unperformed contracts or encumbrances;

(e) Account 2530, unassigned fund balance, in the general fund shall be for the unassigned residual interest in the assets of a fund that remains after deducting its liabilities, but shall only be used for a deficit in all other funds;

(f) Account 2610, village district contributed capital, classification shall be for permanent contribution by a village district to a proprietary fund;

(g) Account 2620, other contributed capital, classification shall be for permanent contribution by entities other than the village district to a proprietary fund; and

(h) Account 2790, retained earnings, classification shall be for the accumulated earnings of a proprietary fund.

PART Rev 2007 FORMS AND REPORTS REQUIRED BY RSA 21-J:34

Rev 2007.01 Timeliness.

(a) All forms and reports shall be filed in accordance with:

(1) RSA 21-J:34;

(2) Statutes addressing specific reports; or

(3) Time periods established by these rules ~~or Rev 200~~.

Rev 2007.02 Form MS-232, Report of Appropriations Actually Voted.

(a) The MS-232, "Report of Appropriations Actually Voted," shall be completed and submitted utilizing the MTRSP.

(b) The MS-232 shall be certified and submitted by the majority of the governing body, or by their authorized designee, to the department within 20 days of the legislative body vote.

(c) The records of designee authorization shall be maintained by the governing body.

Rev 2007.03 Form MS-636, Proposed Budget.

(a) The MS-636, "Proposed Budget," shall be completed and submitted utilizing the MTRSP by entities which have not adopted the provisions of RSA 32:14 through RSA 32:24.

(b) The MS-636 shall be certified and submitted by the majority of the governing body to the department within 20 days of the annual or special meeting pursuant to RSA 32:5.

(c) The MS-636 shall be posted with the annual or special meeting warrant.

Rev 2007.04 Form MS-737, Proposed Budget.

(a) The MS-737, "Proposed Budget," shall be completed and submitted utilizing the MTRSP by entities which have adopted the provisions of RSA 32:14 through RSA 32:24.

(b) The MS-737 shall be certified and submitted by the majority of the budget committee to the department within 20 days of the annual or special meeting pursuant to RSA 32:16.

(c) The MS-737 shall be posted with the annual or special meeting warrant.

Rev 2007.05 Form MS-434, Revised Estimated Revenues.

(a) The MS-434, "Revised Estimated Revenues," shall be completed and submitted utilizing the MTRSP.

(b) The MS-434 shall be certified and submitted by the majority of the governing body, or, their authorized designee, to the department by September 1.

(c) The records of designee authorization shall be maintained by the governing body.

Rev 2007.06 Form MS-535, Financial Report of the Budget.

(a) The MS-535, "Financial Report of the Budget," shall be completed and submitted utilizing the MTRSP.

(b) The MS-535 shall be certified and submitted by the majority of the governing body to the department on or before April 1 if the municipal entity operates on a calendar year or by September 1 if the municipal entity operates on an optional fiscal year.

Rev 2007.07 Form MS-123, Report of Town/City/Village Officials.

(a) The MS-123, "Report of Town/City/Village Officials," is available at the department's website at https://www.revenue.nh.gov/sites/g/files/ehbemt736/files/documents/ms-123_pro.pdf.

(b) The MS-123 shall be certified and submitted utilizing the MTRSP by the village clerk within 20 days after election or appointment pursuant to RSA 41:19.

APPENDIX

RULE	STATUTE
Rev 2001.01 - Rev 2001.19	RSA 21-J:13, IV, RSA 21-J:17, RSA 21:47
Rev 2002.01 - Rev 2002.03	RSA 21-J:13, IV, RSA 21-J:17
Rev 2003.01	RSA 21-J:13, IV, RSA 21-J:17
Rev 2004.01 - Rev 2004.08	RSA 21-J:13, IV, RSA 21-J:17
Rev 2005.01 - Rev 2005.11	RSA 21-J:13, IV, RSA 21-J:17, RSA 52:4-a
Rev 2006.01 - Rev 2006.03	RSA 21-J:13, IV, RSA 21-J:17, RSA 21-J:34
Rev 2007.01 - Rev 2007.03	RSA 21-J:13, IV, RSA 21-J:17, RSA 21-J:34
Rev 2007.04	RSA 21-J:13, IV, RSA 21-J:17, RSA 21-J:34, RSA 52:16
Rev 2007.05 -Rev 2007.09	RSA 21-J:13, IV, RSA 21-J:17, RSA 21-J:34, RSA 670:9, RSA 21:5