



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the Town of Plainfield as of and for the year ended December 31, 2006 as shown on pages 2 through 6. These financial statements are the responsibility of the Town of Plainfield's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Management has not implemented Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Therefore these financial statements are presented following the principles that were in effect prior to GASB Statement No. 34. Management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activities and business-type activities. The financial statements presented do not contain separate statements for governmental, proprietary and fiduciary fund types, nor are major and nonmajor funds separately identified and classified. The financial statements presented report expendable and nonexpendable trust funds, some of which should be reported as special revenue and permanent funds under the new reporting model. The financial statements also present a general long-term debt account group which should not be reported as such, but the information contained therein should be included in the government-wide financial statements were they presented. Also, the financial statements do not contain any information on capital assets because the government has not maintained historical cost records of such assets. Management has not presented a management's discussion and analysis as required. The amounts that would be reported in the missing statements and required supplementary information, and the effects of reclassifying and properly reporting the information presented are not reasonably determined.

In our opinion, because of the effects of the matters discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Town of Plainfield as of December 31, 2006, or the changes in its financial position or its cash flows, where applicable, for the year then ended.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Plainfield basic financial statements. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. For reasons stated in the third paragraph of this report, we expressed an opinion that the financial statements of the Town of Plainfield do not fairly present financial position, results of operations, and cash flows in conformity with accounting principles generally accepted in the United States of America. Therefore, we do not express an opinion on the accompanying combining and individual fund schedules.

January 17, 2007

Plodzik & Sanderson
Professional Association

SCHEDULE A-2 (Continued)
TOWN OF PLAINFIELD, NEW HAMPSHIRE
Statement of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2006

	Encumbered From Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Conservation	-	2,500	2,500	-	-
Debt service:					
Principal of long-term debt	-	25,000	25,000	-	-
Interest on long-term debt	-	12,250	12,249	-	1
Total debt service	-	37,250	37,249	-	1
Capital outlay:					
Police cruise lease	-	10,000	9,802	-	198
Other financing uses:					
Transfers out	-	195,975	195,975	-	-
Total appropriations, expenditures, other financing uses and encumbrances	<u>\$ 17,702</u>	<u>\$ 1,786,790</u>	<u>\$ 1,812,778</u>	<u>\$ 1,076</u>	<u>\$ (9,362)</u>

SCHEDULE 3
TOWN OF PLAINFIELD, NEW HAMPSHIRE
Statement of Changes in Unreserved - Undesignated Fund Balance (Non-GAAP Budgetary Basis)
For The Fiscal Year Ended December 31, 2006

Unreserved, undesignated fund balance, beginning	\$ 405,372
Changes:	
2006 Budget summary:	
Revenue surplus (Schedule 1)	\$ 35,993
Overdraft of appropriations (Schedule 2)	<u>(9,362)</u>
2006 Budget surplus	26,631
Decrease in fund balance designated for contingency	<u>1,714</u>
Unreserved, undesignated fund balance, ending	<u>\$ 433,717</u>

SCHEDULE 1
TOWN OF PLAINFIELD, NEW HAMPSHIRE
General Fund
Statement of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For The Fiscal Year Ended December 31, 2006

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 829,999	\$ 854,837	\$ 24,838
Timber	25,000	15,275	(9,725)
Excavation	200	84	(116)
Payment in lieu of taxes	1,000	-	(1,000)
Interest and penalties on taxes	15,000	37,211	22,211
Total taxes	<u>871,199</u>	<u>907,407</u>	<u>36,208</u>
Licenses, permits and fees:			
Motor vehicle permit fees	450,000	431,074	(18,926)
Other	7,000	5,040	(1,960)
Total licenses, permist and fees	<u>457,000</u>	<u>436,114</u>	<u>(20,886)</u>
Intergovernmental:			
State:			
Shared revenue	118,711	118,711	-
Highway block grant	105,213	105,213	-
State and federal forest land reimbursement	162	162	-
Other	-	275	275
Total governmental	<u>224,086</u>	<u>224,361</u>	<u>275</u>
Charges for services:			
Income from departments	43,000	52,028	9,028
Refuse charges	132,000	124,465	(7,535)
Total charges for services	<u>175,000</u>	<u>176,493</u>	<u>1,493</u>
Miscellaneous:			
Sale of municipal property	2,000	3,413	1,413
Interest on investments	35,000	50,027	15,027
Rent of property	-	290	290
Insurance dividends and reimbursements	2,000	2,213	213
Other	14,505	17,265	2,760
Total miscellaneous	<u>53,505</u>	<u>73,208</u>	<u>19,703</u>
Other financing sources:			
Transfers in	6,000	5,200	(800)
Total revenues and other financing sources	<u>\$ 1,786,790</u>	<u>\$ 1,822,783</u>	<u>\$ 35,993</u>

SCHEDULE 2
TOWN OF PLAINFIELD, NEW HAMPSHIRE
Statement of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)
For The Fiscal Year Ended December 31, 2006

	Encumbered From Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 120,010	\$ 124,427	\$ -	\$ (4,417)
Election and registration	-	7,280	9,018	-	(1,738)
Financial administration	-	50,853	52,489	-	(1,636)
Revaluation of property	-	13,000	12,242	-	758
Legal	-	8,100	11,247	-	(3,147)
Personnel administration	-	11,900	13,846	-	(1,946)
Planning and zoning	-	2,500	2,306	-	194
General government buildings	-	5,950	6,486	-	(536)
Cemeteries	-	26,450	26,305	-	145
Insurance	-	41,700	41,102	-	598
Advertising and regional associations	-	4,100	4,245	-	(145)
Other	-	2,000	2,000	-	-
Total general government	-	293,843	305,713	-	(11,870)
Public safety:					
Police	-	214,080	213,424	1,076	(420)
Ambulance	-	27,100	32,770	-	(5,670)
Fire	-	76,000	76,000	-	-
Building inspection	-	8,800	6,257	-	2,543
Emergency management	-	200	-	-	200
Other	-	18,850	18,325	-	525
Total public safety	-	345,030	346,776	1,076	(2,822)
Highways and streets:					
Highways and streets	-	17,550	19,062	-	(1,512)
Administration	-	506,605	502,492	-	4,113
Street lighting	-	7,000	7,811	-	(811)
Road projects	16,000	105,213	123,658	-	(2,445)
Total highways and streets	16,000	636,368	653,023	-	(655)
Sanitation:					
Solid waste collection	-	130,200	135,001	-	(4,801)
Solid waste disposal	-	88,500	85,763	-	2,737
Recycling	-	2,000	2,472	-	(472)
Total sanitation	-	220,700	223,236	-	(2,536)
Health:					
Administration	-	2,050	151	-	1,899
Animal control	-	400	1,112	-	(712)
Health agencies and hospitals	-	16,014	16,014	-	-
Total health	-	18,464	17,277	-	1,187
Welfare:					
Administration	-	3,500	473	-	3,027
Direct assistance	-	5,500	1,756	-	3,744
Total welfare	-	9,000	2,229	-	6,771
Culture and recreation:					
Parks and recreation	-	15,660	15,679	-	(19)
Patriotic purposes	1,702	2,000	3,319	-	383
Total culture and recreation	1,702	17,660	18,998	-	364

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