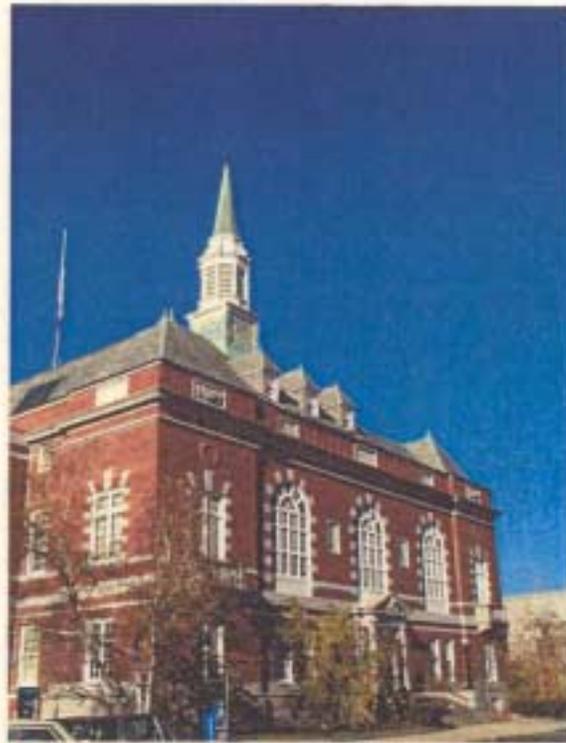


**CITY OF
CONCORD, NEW HAMPSHIRE**



**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**For The Fiscal Year Ended
June 30, 2002**

CITY OF CONCORD, NEW HAMPSHIRE

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2002



**Prepared by:
The Finance Department**

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Director of Finance**

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Controller**

City of Concord, New Hampshire
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2002

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INTRODUCTORY SECTION



City of Concord, New Hampshire

FINANCE DEPARTMENT

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January 15, 2003

To the Honorable Mayor, Members of the City Council,
and Citizens of the City of Concord:

Presented herewith please find the Comprehensive Annual Financial Report (CAFR) for the City of Concord, New Hampshire for the fiscal year ending June 30, 2002. Responsibility for both the accuracy of the data, and the completeness and fairness of this presentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material respects. This data is reported in a manner designed to fairly present the City's financial position, and the results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an accurate understanding of the City's financial activities have been included.

This Comprehensive Annual Financial Report covers the entity's financial performance for the twelve-month fiscal period, July 1, 2001 through June 30, 2002. The report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the City's organization chart, a listing of principal officials, and a drawing that shows the location of Concord within the State of New Hampshire. The financial section contains the general-purpose financial statements (gfps) and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on the financial report and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Due to the receipt of federal government funds, the City is required to undergo a yearly single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Government Office of Management and Budget's Circular A-133, *Audits of States and Local Governments and Non-Profit Organizations*. Information related to this single audit, including a schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, is available in a separately issued single audit report.

This report covers all funds and account groups of the City of Concord that by law or other fiduciary obligation the City has become obligated to administer in connection with its responsibility in providing services. It does not report on the funds of the Concord School District, Merrimack Valley School District or the County of Merrimack. These governmental units are independent of the City and do not meet established criteria for inclusion in this CAFR.

GOVERNMENT STRUCTURE

The City of Concord is located in Merrimack County, approximately 70 miles north of Boston, Massachusetts, on the Merrimack River in south central New Hampshire. The City had a 2002 population of 41,310 as estimated by its Community Development Department, Planning Division, and occupies a land area of 64 square miles.

Originally settled in 1727, Concord was incorporated in 1765 and established as the state capital in 1808. Government is by an elected 15-member council and an appointed City Manager. The City also serves as the Merrimack County seat and Federal Court seat.

Policymaking and legislative authority are vested by adopted City Charter in the 15-member council. Under the Charter, which was originally adopted in 1853 and most recently amended in 2001, the Council appoints a City Manager who is solely responsible for carrying out the policies and ordinances of the City Council. The Council is elected on a non-partisan basis. Ten ward councilors, and the mayor, are elected every two years. Two of the four remaining "at-large" councilors are elected to staggered 4-year terms every two years. The current mayor is former City Councilor Michael Donovan who was, elected mayor in November 2001 and began his two-year term in January 2002. The former mayor was William Veroneau who served in that capacity for ten years. Duncan R. Ballantyne, the current city manager, was appointed in October 1996. The City has had three City Managers since 1978. The City Manager, pursuant to the city charter, has all appointive and dismissal powers for paid employees of the city. Appointive authority for boards and commissions are shared between the Mayor, Council and City Manager

As the seat of state and county government and host to several federal agencies, Concord is the only full-service community between Laconia to the north, Manchester to the south, Keene to the west and Portsmouth to the east. Among the services provided by the City are: water treatment and supply; wastewater treatment; refuse collection and disposal; highway construction and maintenance, including snow plowing, storm sewer system and related infrastructure maintenance and construction; prosecutorial, police and fire protective services (including advanced life support); airport, parks, golf course and ice arena; library and recreational facilities and programs; human services; planning, economic and community development, and code enforcement services.

ECONOMIC CONDITIONS AND OUTLOOK

During fiscal 2001, the City continued to experience strong economic conditions despite the slowdown in the national economy. But evidence has emerged that the national economic slowdown has caught up to Concord and NH during fiscal 2002 and prospects

for the financial future are cause for concern. New Hampshire, with Concord squarely in the middle, both remain a relative anomaly of comparative economic strength in a region quickly reflecting the strains of dwindling business investment, technology industry excesses and tax revenue losses tied to income declines from stock market losses. Low investment returns along with the lowest mortgage rate in 40 years have sparked a rise in residential property values and a concurrent shift of property tax burden to the residential sector as commercial values have not kept pace. These circumstances have combined to sustain some local revenues and tax collection percentages through the period but have also caused some revenue declines. And the tax burden shift to the residential sector brings population growth that contributes to increased demands for service.

Buoyed during the year by state and other government employment, the City's average annual unemployment rate remained below the State average for a 10th consecutive year. At June 2002 the U.S unemployment rate was 6.0%, the New England Region at 4.4%, New Hampshire at 4.5%, and Concord was at 2.8% The Concord unemployment rate in June of 2002 was fourth lowest among the 13 cities in the state compared to last year when it had the lowest rate among the thirteen. Still it remained far below the two largest cities in New Hampshire with Nashua at 6.3% and Manchester at 4.8%. Labor negotiations entering 2002 continued to reflect relatively tight labor markets and corresponding wage pressures with a cost-of-living increase for non-contractual and UAW union employees of 4.25% in February of 2002.

One year ago, the expectation for the twelve months contained in the fy2002 budget recognized the cloud hanging over the national economy, compared to strong local and state economies. The report recommended no specific action at that time with regard to reducing the 2002 budget in the face of slowing revenue growth but advised vigilance. These expectations were largely realized as is evidenced by the positive but reduced results of fy2002 general fund operations. As this report goes to printing, the expectation for fy2003, as presented in the November 2002 Fiscal Monitoring Report warns of further slowing of revenue growth and correspondingly weaker operational results. Continued slow national economic growth and correspondingly low revenue growth potential along with a series of cost increases in retirement and health benefits and prospects for state budget reductions portray a challenging fiscal environment for fy2004 and fy2005. Having brought these factors to the attention of the City Council Fiscal Policy Advisory Committee in the fall of 2002, steps were recommended to an adopted by the full City Council to mitigate and otherwise prepare for this eventuality.

SUMMARY OF FINANCIAL POSITION AND OPERATIONS – GENERAL FUND

General fund year-end and monthly cash balances while sustaining high historical levels since the change to quarterly tax collections in fy1995 dropped nearly \$2million in fy2002 after growing last year by over \$4 million to nearly \$19 million in fy2001. The City's General Fund Current Ratio, i.e., Current Assets to Current Liabilities declined to 1.7 in fy2002 from 1.90 in fy2001, 1.88 in fy2000 and 1.75 in fy1999.

Overall, city revenues and collection of taxes, both tied to the local economy, remained strong. Tax collections as a percent of the current levy were 98.8% comparable with the prior year level of 98.4%. See table 3.

The City Director of Real Estate Appraisal implemented a property inspection program in fy2002 along with a revaluation that brought property assessments closer in line with market value. While this affected an overall real average increased tax liability over 2001, because of the relatively higher demand for residential vs. non-residential properties, there was a shift of tax burden from the non-residential sector to the residential sector. Taxable assessed value for fy2002 (April 1, 2001) was adjusted upwards over 30% to reflect both real growth and changes in the market. Real growth or taxable value of new construction amounted to more than \$45 million dollars of the total increase of more than \$546 million. The affect of this assessment growth along with an increase in the amount to be raised by taxation resulted in a tax rate for municipal purposes that dropped 20.4%. Please refer to the Tax and Statistical tables for further details.

Delinquent taxes continued their inexorable drop to the lowest level as a ratio to the total levy of 1.9% from last year's 2.6%. This is a total of all years' delinquent taxes as a percent of the total tax levy, not just the most recent year's. See table 3.

The rate and value of properties going into bankruptcy remains low. No properties were taken by tax deed for non-payment of taxes. Due largely to the efforts of the Administration's Tax Deeded Property Committee, the dwindling backlog of tax-deeded properties nears elimination.

Table 12 clearly demonstrates the dynamic the City is experiencing with regard to commercial versus residential development. The value of commercial permits issued dropped nearly 55% to \$7.5 million while residential permits increased in value by 23%. Building Permit Revenues, another indication of development activity, exceeded budget by \$166,000 and also showed a five percent increase over the prior year level.

Land Use Change Tax Revenues, reflecting the penalty for taking property out of restricted use for development purposes, exceeded the \$60,000 budget by over \$233,000, placing it far ahead of last year's \$66,000. Motor vehicle revenues not only exceeded budgeted 2002 levels but also grew by 8.6% over the actual 2001 level.

Among the greatest contributors to slackening revenues are those related to the level of interest rates. With the Federal Open Market Committee reducing the Fed Funds rate from 3.75% to 1.75% during the period, despite the City's strong cash position, it is no mystery why interest income dropped \$472,048 from \$1,615,111 in fy2001 to \$1,143,063 in fy2002, a drop of 30%. Continued prospects for low interest rates through 2003 run counter to the expectation at the time the 2003 budget was prepared. This portends a continued troubling negative variance between budget and actual interest income.

Along with the high level of tax collections propped-up by record mortgage refinancing, revenue from interest on delinquent taxes continued to decline to its lowest level in more than twelve years.

Year-end 2002 results showed a reduced Fund Equity position of \$8,995,314 compared to last year's figure of \$10,424,868. This includes the amount of fund balance reserved for tax stabilization purposes, which was increased \$50,000 by City Council vote to \$2.55 million. Further, of this Fund Equity, City Council designated and appropriated a transfer of \$1,464,793 to various reserves, leaving \$4.0 million in Undesignated Fund Balance (UFB).

This level of UFB represents over 11.1% of General Fund expenditures and transfers-out. This amount comfortably exceeded the City Council Fiscal Policy minimum of 8%.

2002 BUDGET - A CONTINUED COMMITMENT TO IMPROVED PUBLIC SERVICES

The fy2001 budget increased Public Safety personnel by more than 13 positions and the total full time equivalent (fte) personnel increased more than in any one year since at least 1990. In contrast, the fy2002 budget included five new positions with four of these in General Services. The General Services Department experienced the largest reduction in force in the early 1990's and has sustained that low level ever since. Many of the priorities listed in the General Services Department Service Level Review conducted by City Council during the fall of 2001 were addressed in the fy2002 budget. Two maintenance positions were added to General Services to improve maintenance of fields and play areas in the spring, summer and fall as well as provide improved winter road and sidewalk clearing. A Solid Waste Program Manager position was added to the General Services Department in anticipation of a growing need for waste stream management. These needs include: expiring collection contracts, disposal contract analysis with the Concord Regional Waste Cooperative, recycling program and other cost analysis. Finally, the General Services Department will be able to better respond to utility customer inquiries with the addition of a Customer Service Representative funded wholly by the Water and Wastewater funds.

Public Safety operations continued to receive increased budget support as the Council funded a Police Planning and Research Officer to analyze crime data and perform technical research on improved methods of policing. Funding for a major upgrade in the Police Communications system was provided in an amount of more than \$460,000. The Parking Fund under the direction of the Police Chief will implement a new Boot and Tow Ordinance to manage Downtown Parking and Snow clearing operations in accordance with program goals. To implement the Boot and Tow program and additional Maintenance Technician was added.

The Community Development Department, will share a clerical staff member between the Building Code Services Division and the Engineering Division to improve permit and other customer application monitoring. The lion's share of the Capital Improvement Program went towards road improvements funded primarily from the Highway Reserve account.

In summary, full-time equivalent (FTE) positions as budgeted in the City (including part-time and temporary) of 548 in 1990 dropped to a low of 458 in 1994. Since then the headcount has rebounded such that the 2001 adopted budget included FTE positions at 490.64 and the fy2002 adopted budget included FTE positions at 498.80.

PROPERTY TAX RATES

The following is a comparison of Concord Property Tax Rates (per \$1000 of Assessed Valuation) between fy2001(2000 rate) and fy2002(2001 rate), reflecting the Statewide Education Property Tax included with the local education tax rate for both school districts. Property tax rates dropped in association with an overall 32% increase in assessments attributable to a reassessment and real growth in taxable assessments from new construction.

COMPARITIVE PROPERTY TAX RATES
Concord and Penacook

<u>Entity</u>	<u>2001 Rate</u>	<u>2000 Rate</u>	<u>Percent Change</u>
Municipal Government	9.22	11.59	-20%
Merrimack County	2.37	2.51	-16%
Concord Schools – Local and State	15.75	19.86	-21%
Merrimack Valley Schools – Local and State	16.45	20.68	-20%
Total Concord	27.34	33.96	-19%
Total Penacook	27.83	34.78	-20%

CITY CHARTER CHANGED

By vote of the City Council a City Charter amendment was placed on the ballot and passed by a majority vote of the citizens of Concord in November 2001. The amendment permitted the combination of the responsibilities of City Treasurer and City Tax Collector to be consolidated into one position. This action was the culmination of work begun in 1995 to effect a more cost effective and efficient financial management structure in Concord. Both state law and the City Charter had to be changed in order to bring this change about.

The charter change also brought about redistricting of the ten city voting wards.

FISCAL MONITORING BY CITY COUNCIL

The City Council instituted, at the behest of the Fiscal Policy Advisory Committee (FPAC), in 1993 a quarterly process of reporting current fiscal conditions. Since then, the City Administration has presented formal Fiscal Monitoring Reports complete with national, regional, and local economic overviews, budgetary revenue and expense updates, and a 5-year projection of General Fund operations and of the tax rate. These

reports and budget models have become a staple of the annual budgetary planning and tax rate setting. The City Council has also routinely adopted a series of fiscal policy goals to guide the financial direction and management of the City.

Additional goals adopted by the Fiscal Policy Advisory Committee support economic development, as well as fiscal stability, through supporting and funding of capital reserves for several purposes. In 1995, after several years of limited capital investment, the FPAC established several capital reserve funds from the results of General Fund operations made possible by the expanding economy and improved revenues. Reserves have been created for city-wide and downtown economic development, property revaluation, highway repaving, fire apparatus, highway equipment, limited self-insurance, Tax Stabilization (TSR) and 53-week years (periodically the City experiences a 53 pay week – 2% cost- within a fiscal year). Additions to the reserves were made each year to the 1995 - 2001 budgets after the results of the prior years fiscal operations were known. The 2002 fiscal goals provided a \$2.7 million transfer to these capital reserves, as well as a return \$2.5 million for the Tax Stabilization Reserve as of 6/30/01. Fiscal 2003 Goals, reflecting diminished results of general operations for fy 2002, provided for the transfer of \$1.54 million to reserves - nearly \$1.2 million less than 2001 - and an increase in the Tax Stabilization Reserve (TSR) to \$2.55 million. This increase in the TSR was a response by the FPAC to growing concerns over the fiscal outlook for the 2003 year-end and beyond. The \$1.54 million total was reflected only as Unreserved, Designated Fund Balance on the General Fund Balance Sheet for June 30, 2002 as shown on Exhibit 1 of the General Purpose Financial Statements.

Anyone interested in reviewing these Fiscal Monitoring Reports, City Fiscal Goals, or the minutes of the FPAC can contact the City's Finance Department.

CREDIT RATING

The City Council Fiscal Policy Advisory Committee (FPAC) was created to deal with fiscal difficulties arising out of the recession and related General Fund deficits of 1990 and 1991. These difficulties included a credit downgrading to A-1 from Moody's Investor Service, as well as the deficit reflected in the General Fund Balance table on page 10. Along with the administration, the committee developed a proposal to change the City's fiscal year through a simultaneous conversion to quarterly property tax collections. This proposal, designed to eliminate the structural year-end and monthly cash deficits due to semi-annual collections in arrears, as well as related liquidity problems, was implemented in 1996 and has been a major factor in subsequent bond rating improvements.

In January 1997, citing a consistently high fund balance, substantial reserves, conversion to quarterly tax billing, and the conversion to a June 30 fiscal year-end, the City successfully persuaded Moody's rating committee to restore the City to a higher AA3 rating.

The so-called State of New Hampshire 'Claremont School Funding' suit precluded the City from pursuit of a further deserved improvement in its credit rating in connection with its January 1999 sale of \$10,262,000 in General Obligation Bonds. Moody's Rating

Service confirmed the AA3 rating in connection with the City's February 2000 sale of \$10 million General Obligation Bonds and assigned a positive outlook citing an expectation that the City's economy will continue to diversify complimenting the large government sector.

In May of 2001, after issuance of a ruling by the state supreme court upholding the constitutionality of the state school funding law, Moody's raised the credit rating of the City to AA2 citing... "economic strength and stability, ...consistently good financial results, and manageable debt position along with effective management practices..., and sound budgeting" as reasons for their upgrade. This rating remained in affect throughout the 12 months of fy2002. Standards and Poors affirmed their consistently high AA rating for the City, which the city has held since February of 1997. In fy2001 S&P added a positive outlook as well.

FINANCIAL INFORMATION

According to the City Charter and Code of Ordinances, the City Administration is responsible for establishing an accounting and internal control structure designed to ensure that the physical, data, informational, intellectual and human resource assets of the City are protected from loss, theft, and misuse; and to ensure that adequate accounting information is maintained and reported in conformity with generally accepted accounting principles (GAAP). Additionally, the management strives to ensure that these assets are put to good and effective use. The internal control structure is designed to provide reasonable, but not absolute, assurances that these objectives are attained. The concept of reasonable assurance recognizes that: (1) the cost of any control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires judgments by management.

Single Audit - As a recipient of federal and state assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with laws and regulations applicable to those programs. This internal control structure is subject to periodic evaluation by management and the public accounting firm hired to audit the records and internal control systems of the City.

As part of the City's single audit (described earlier), tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine if the City complied with applicable laws and regulations. The results of the single audit for the fiscal year ended June 30, 2002 provided no instances of material weaknesses in the internal control structure. The single audit will be completed and published in February 2003.

Budgeting Controls - In addition, the City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions established by state law, city charter and the code of ordinances. Additionally, controls are in place to accomplish the programs and purposes established in the budget by vote of the City Council. Activities of the general fund, certain special revenue funds, and the enterprise and internal service funds are established through a formal annual appropriation process established by the

City Charter, section 34 through 39. The level of formal, legal budgetary control by City Council is established pursuant to these sections at the department level. Below this level, the City Manager has the authority to transfer available appropriations. However, as a result of recent FPAC deliberations and City Council approval the City Manager has agreed to notify council ahead of time when he is transferring funds within a department when it involves a compensation account. The City also maintains a system of encumbrance accounting to further control budgetary expenditures. Again, as a result of recent FPAC deliberations and council approval, encumbrances at year-end that are rolled forward to subsequent years, will be based upon approval by City Council of a list specifying the purposes of the encumbrance. Unspent or unencumbered funds lapse to fund balance at year-end. .

As demonstrated by these financial statements, the City complies with the responsibility for sound fiscal management and budgetary control.

General Governmental Functions - The following is a summary of revenues and operating transfers in the general fund, special revenue funds, and debt service funds for the fiscal year ended June 30, 2002. Comparisons to the previous fiscal year are also included.

<u>Revenues and Transfers</u>	<u>2001 Amount*</u>	<u>Percent of Total</u>	<u>2002 Amount*</u>	<u>Percent Of Total</u>	<u>Amount of Increase (Decrease)*</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$ 25,138	64.7%	\$ 26,425	66.5%	\$ 1,287	5.1%
Licenses & Permits	740	1.9%	770	1.9%	30	4.1%
Intergovernmental	3,804	9.8%	3,562	9.0%	(242)	-6.4%
Charges for service	3,610	9.3%	4,192	10.6%	582	16.1%
Investment income	1,733	4.5%	1,263	3.2%	(470)	-27.1%
Miscellaneous	937	2.4%	1,338	3.4%	401	42.8%
Operating Trans In	2,896	7.5%	2,174	5.5%	(722)	-24.9%
TOTAL	\$ 38,858	100.0%	\$ 39,724	100.0%	866	

*amounts expressed in thousands

New Hampshire has neither a general sales or income tax. The most significant source of city revenue continues to be derived from property taxes.

The following schedule presents a summary of expenditures and operating transfers in the general fund, special revenue funds and debt service funds for the 12-month fiscal year ended June 30, 2002. Comparisons to the previous fiscal year are also included.

Expenditures and Transfers	2001 Amount*	Percent of Total	2002 Amount*	Percent of Total	Amount of Increase (Decrease)*	Percent of Increase (Decrease)
Current:						
General Government	\$ 3,519	9.3%	\$ 3,623	9.0%	\$ 104	3.0%
Public Safety	12,115	32.1%	12,708	31.6%	593	4.9%
General Services	5,601	14.8%	5,744	14.3%	143	2.6%
Community Development	2,857	7.6%	3,111	7.7%	254	8.9%
Leisure & Information	1,923	5.1%	2,001	5.0%	78	4.1%
Human Services	1,126	3.0%	1,063	2.6%	(63)	-5.6%
Employee Benefits	299	0.8%	188	0.5%	(111)	-37.1%
Miscellaneous	274	0.7%	787	2.0%	512	186.2%
Debt Service:						
Principal	2,370	6.3%	2,901	7.2%	531	22.4%
Interest	1,221	3.2%	1,329	3.3%	108	8.8%
Capital Outlay	1,815	4.8%	752	1.9%	(1,063)	-58.6%
Operating Transfers Out	<u>4,661</u>	<u>12.3%</u>	<u>5,998</u>	<u>14.9%</u>	<u>1,337</u>	<u>28.7%</u>
Total	<u>\$ 37,781</u>	<u>100.0%</u>	<u>\$ 40,205</u>	<u>100.0%</u>	<u>\$ 2,423</u>	

*amounts expressed in thousands

General Fund Balance - The general fund undesignated fund balance of \$4.0 million as of fiscal year end was equal to the prior year level. This strong UFB and correspondingly strong year-end cash position again enabled the City to avoid entering the short-term market for operating capital. The table below shows the results of the City's return to sound fiscal condition through its cooperative program of fiscal management and tax rate target setting.

GENERAL FUND BALANCE
1990-2002

	<u>Fund Equity</u>	<u>Fund Balance</u>
1992	1,530,889	\$ 1,016,443
1993	4,549,954	3,712,934
1994	7,160,770	4,271,143
1995	6,350,421	5,164,144
1996*	9,833,557	3,447,183
1997	8,917,159	3,327,328
1998	10,730,680	4,045,028
1999	10,055,895	3,994,408
2000	9,667,335	4,693,358
2001	10,424,868	4,000,000
2002	8,995,314	4,000,000

*1996 was a 6-month transitional period

Maintenance of a strong fund balance and increased contribution to reserves comes primarily from revenues received in excess of budget and unspent appropriations, as expenditure controls and stringent budgeting have kept budgetary expenditures from outstripping revenue growth.

Enterprise Operations - The City's enterprise operations are comprised of water and sewer utilities, the Beaver Meadow Golf Course, the Douglas N. Everett Ice Arena and the solid waste fund. Water, sewer, golf and arena funds are fully self-supporting from rates charged customers. The solid waste fund receives a transfer payment from the general fund to cover the residential portion of solid waste collection and disposal. This payment is billed via the property tax levy. It is segregated as an enterprise fund to support the establishment of fair rates for private refuse disposal at the waste-to-energy facility, as well as segregating the cost of this service. Rates at the golf course and arena were increased in 2002 to cover the costs of operations and capital expansion plans as identified in the Capital Improvement Program.

Water and sewer rates were last increased 3% in October 2001 in order to insure these utilities retain the ability to be self-supporting. While both utilities retain positive cumulative earning positions and are highly liquid, concern exists over the ability to continue these positions and provide for capital replacements without additional rate increases. The Fiscal Policy Committee recognized this need by endorsing another 3% rate increase for fy2003, which was included by the City Manager in his recommended 2003 budget. However, the City Council did not approve the increase in the adopted 2003 budget.

Retirement Obligations – By law, all full-time city employees, excluding the City Manager, are members of the State of New Hampshire Retirement System. This system is a cost sharing, multiple-employer, public employee retirement system (PERS). No formal early retirement incentive program was offered to city employees in fy2002.

Debt Administration - At June 30, 2002, the City had a number of general obligation debt issues outstanding. These included \$26,781,624 of governmental fund debt, \$22,767,382 of water and sewer fund debt, and \$786,000 of golf and arena fund debt. The total authorized but unissued debt was \$4,875,000. Under state law, changed in 1998, the City's debt limitation for general purposes is established at 3.00% of the Base Valuation for Debt Limits as it appears in the Annual Equalization Survey produced by the State Department of Revenue Administration. At year end 2002, the remaining debt capacity for these purposes was \$55,380,000. Water and sewer purposes are subject to separate legal limitations. Existing debt, and foreseeable plans for future debt, place the City below legal limits for all purposes.

Moody's Investor Service rates the City's bond rating as AA2 in 2001. Standards and Poors rating is AA, established in 1997.

Cash Management - Cash temporarily idle during the year was invested in U.S. Treasury Bills, certificates of deposit, a sweep account of Citizen's Bank (with collateral held in a joint custody account at the Federal Reserve Bank by repurchase agreements), and the Public Deposit Investment Pool (PDIP). The PDIP was created by an act of the New Hampshire State Legislature solely for managing and collateralizing investments of local governmental units of the State. The average yield on invested funds during the year was 2.71%

City investments are guided by an adopted investment policy. This policy was first adopted by City Council in December 1985 and last adopted in December 2002. No city funds were, or are, invested in derivatives. The policy recognizes safety as the number one tenet. Minimization of credit or market risk is considered before liquidity and yield. Accordingly, deposits at the City's major depository are collateralized in a joint custody account at the Federal Reserve Bank of Boston. Other funds, bid in compliance with the investment and cash management policy, may have uncollateralized deposits and investments. These investments must comply with a multi-step formula approach which reviews the institution's total capital, its capital/asset ratio, and the City of Concord's investment balances. Remaining investments were held at the NH Public Deposit Investment Pool. The Pool has a credit facility, backed by Municipal Bond Investors Assurance, Inc. (MBIA), which guarantees all deposit principal.

Trust fund investments at year end were invested under the authority of three Trustees of Trust Funds pursuant to RSA 31:19 through 31:38-a. These funds are invested in equity securities and fixed income investments. At their March 2000 meeting, the Trustees adopted an updated Investment Policy. In addition to objectives, the new policy defined diversification and asset allocation strategies and placed limitations and restrictions on investments. An overriding objective is to ensure that all funds are managed with prudence, skill and compliance with applicable regulations. The Trustees of Trust Funds review and approve the investment manager's activity on a quarterly basis. During the year, overall, the fund experienced a time-weighted return of -4.88% as reported by Citizen's Investment Services.

Risk Management – After three years of favorable liability insurance rates ended in fy2001 the City, pursuant to competitive bid, returned its coverage to that provided by the New Hampshire Public Liability Insurance Trust (NHPLIT) for fy2002. NHPLIT is an arm of the New Hampshire Municipal Association. The tight market for liability insurance following the September 11, 2001 World Trade Center bombing and subsequent anthrax scares precluded the NHPLIT from extending a three-year guaranteed rate. Accordingly the City returned to the market and has placed liability and property coverages with Primex (formerly Compensation Funds of New Hampshire) for fy2003. Worker's compensation insurance services are also obtained through Primex. Additionally, the City actively pursues certificates from all contractors or related parties.

Health, dental and life insurance benefits are obtained through the New Hampshire Municipal Association Health Insurance Trust. The City Manager commissioned a joint labor/management review committee with funding provided by City Council in the fy1999 – fy2002 budgets to examine its current health and dental offerings. This

committee operated through the past year and impacted positively upon the cost and arrangement of coverage since its inception. By a report issued in April 2000, the committee has turned its attention to several long-term opportunities to positively affect the health of employees and the cost of health insurance. A copy of the February 2000 report along with the record of accomplishments by the committee are available from the Finance Department. A Wellness Committee, established by the joint labor management committee, pursues programs aimed at improving employee lifestyle health habits to positively affect costs and quality of life. For the first time in fy2002 a financial incentive as a credit against the employees share of the premium was offered for participation in the wellness program.

The City also has a joint labor/management safety and loss control program to routinely review losses and establish policies to prevent or reduce future claims.

OTHER INFORMATION

Independent Audit - Although state statutes do not require an annual audit, the City has continually produced an independently audited set of Financial Statements since the 1920's. Presently, the firm of Melanson, Heath and Company, P.C. of Nashua, New Hampshire conducts the annual audit for the City. In addition, the audit was designed to meet the requirements of the Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the general purpose financial statements, and combining and individual fund statements and schedules, is included in the financial section of this report. The auditor's report related specifically to the single audit section is included in a separately issued single audit report.

Awards - The Government Finance Officers Association of the United States and Canada (GFOA) awarded seven consecutive Certificates of Achievement for Excellence in Financial Reporting to the City of Concord for its comprehensive annual financial report beginning for the fiscal year ended December 31, 1995, through June 30, 2001 including the six-month transitional fiscal period ending June 30, 1996. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes this current CAFR continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments - The preparation of this CAFR on a timely basis was made possible by the entire staff of the Finance Department. Their efforts throughout the year are greatly appreciated. In particular, the efforts of Nancy A. Woods, City Controller, must be

singled-out. Without her diligence and loyalty to the community this report would not meet the high standards mentioned.

The City invites you to visit our web site at www.ci.concord.nh.us, where this CAFR and other summary financial information is expected to be prominently displayed by the end of February 2003.

In closing, the preparation of this report, receipt of the Certificate of Achievement, and the strong financial position of the City would not have been possible without the guidance and support of the City Council through its fiscal goals and the professional and diligent efforts of the entire staff of the City to whom we owe our sincere appreciation.

Sincerely,

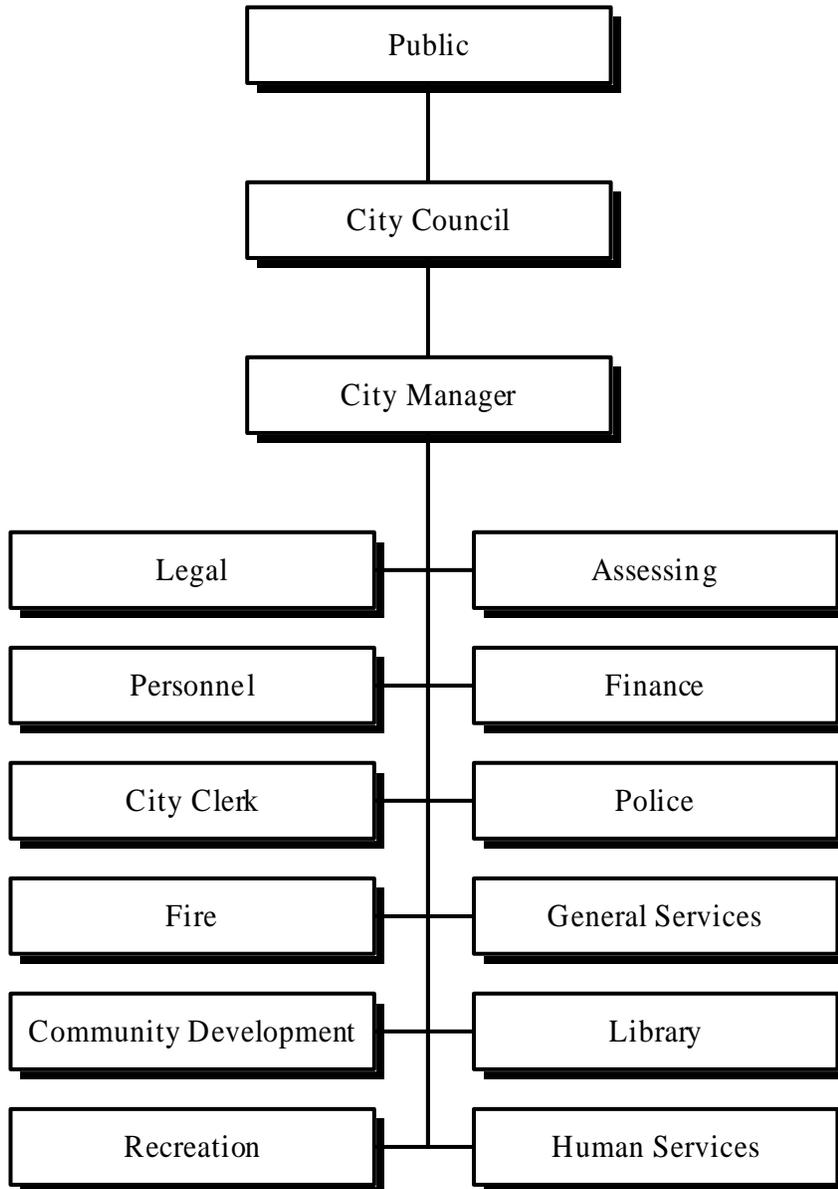
A handwritten signature in black ink, appearing to read "Duncan R. Ballantyne", with a long horizontal stroke extending to the right.

Duncan R. Ballantyne
City Manager

A handwritten signature in black ink, appearing to read "James R. Howard", with a large, stylized initial "J" and a long horizontal stroke extending to the right.

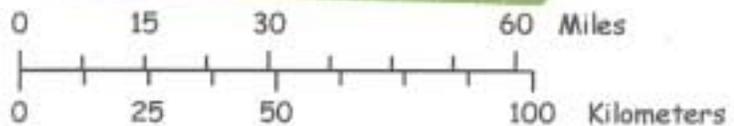
James R. Howard
Finance Director

CITY OF CONCORD, NEW HAMPSHIRE
TABLE OF ORGANIZATION



City of Concord, NH

Geographic Location



CITY OF CONCORD, NEW HAMPSHIRE
LIST OF PRINCIPAL OFFICIALS

June 30, 2002

Title	Name
<u>Elected by Public:</u>	
Mayor	Michael Donovan
Mayor Pro-Tem	James Bouley, Councilor Ward 10
Councilor-at-Large	Leonard A. Brochu
Councilor-at-Large	Tara Reardon
Councilor-at-Large	Douglas Black
Councilor-at-Large	Doris Ballard
Councilor Ward 1	Elizabeth Blanchard
Councilor Ward 2	Dana C. Lankhorst
Councilor Ward 3	Kipp Cooper
Councilor Ward 4	Jeffrey Bart
Councilor Ward 5	Marjory Swope
Councilor Ward 6	Michael G. Little
Councilor Ward 7	William McGonagle
Councilor Ward 8	Keith Allberg
Councilor Ward 9	Katherine D. Rogers
<u>Appointed by Council:</u>	
City Manager	Duncan R. Ballantyne
<u>Appointed by City Manager:</u>	
Assistant City Manager	Thomas J. Aspell
City Solicitor	Paul F. Cavanaugh
Director of Real Estate Assessments	Michael J. Fedele
Director of Personnel and Labor Relations	Norman C. O'Neil
Purchasing Agent	Douglas B. Ross
Finance Director	James R. Howard
Controller	Nancy A. Woods
Treasurer / Tax Collector	Michael P. Jache
City Clerk	Janice Bonenfant
Police Chief	Jerome Madden
Fire Chief	Christopher Pope
Code Administrator	C. Hamilton Rice
General Services Director	Philip Bilodeau, Acting
City Engineer	Martha L. Drukker
City Planner	Douglas Woodward
Business Development Coordinator	Kenneth G. Lurvey
Library Director	Louis D. Ungarelli
Recreation Director	Carolyn Tracy
Human Services Director	Jacqueline Whatmough
Community Development Director	Roger C. Hawk

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Concord,
New Hampshire

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Imelda Aruete
President

Jeffrey L. Esser
Executive Director

FINANCIAL SECTION



MELANSON HEATH & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT ADVISORS

11 Trafalgar Square • Suite 101
Nashua, NH 03063-1974
Tel (603) 882-1111 • Fax (603) 882-9456

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council
City of Concord, New Hampshire

We have audited the accompanying general purpose financial statements of the City of Concord, New Hampshire as of June 30, 2002 and for the fiscal year then ended. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Concord, New Hampshire, as of June 30, 2002 and the results of its operations, and cash flows of its proprietary fund types and similar trust fund types for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplementary statements, schedules and statistical tables listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial

statements of the City of Concord, New Hampshire. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we also have issued our report dated November 27, 2002 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Melanson, Heath + Company P.C.

Nashua, New Hampshire
November 27, 2002

Combined Financial Statements - Overview

The financial statements provide a summary overview of the financial position of all funds and account groups and of the operating results by fund types. They also serve as an introduction to the more detailed statements and schedules that follow.

CITY OF CONCORD, NEW HAMPSHIRE
Combined Balance Sheet - All Fund Types and Account Groups
June 30, 2002

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Capital Project Funds	Debt Service Fund
ASSETS AND OTHER DEBITS				
Cash and cash equivalents	\$ 12,435,743	\$ 3,709,104	\$ 10,228,529	\$ 117,861
Investments	4,593,604	-	-	-
Taxes receivable	1,175,904	-	-	-
Accounts receivable	129,661	119,648	-	-
Loans receivable	-	687,488	-	-
Interest receivable	130,478	-	-	-
Due from other funds	3,400,880	-	-	-
Due from other governments	-	-	-	-
Inventory	145,340	-	-	-
Other assets	587	5,465	-	-
Fixed assets, net	-	-	-	-
Amounts to be provided for retirement of general long-term debt	-	-	-	-
Total Assets and Other Debits	\$ 22,012,197	\$ 4,521,705	\$ 10,228,529	\$ 117,861
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ 416,118	\$ 35,786	\$ 213,520	\$ -
Retainage payable	-	-	173,583	-
Other liabilities	481,273	-	-	-
Deferred revenue	451,456	689,566	-	-
Payments collected in advance	-	12,634	-	-
Taxes collected in advance	11,451,932	-	-	-
Tax refunds payable	216,104	-	-	-
Due to other funds	-	15,952	-	-
Due to other governments	-	-	-	-
Accrued employee benefits	-	-	-	-
Notes payable	-	-	-	-
General obligation debt	-	-	-	-
Estimated landfill closure and postclosure liability	-	-	-	-
Total Liabilities	13,016,883	753,938	387,103	-
Equity and Other Credits:				
Contributed capital	-	-	-	-
Retained earnings	-	-	-	-
Investment in general fixed assets	-	-	-	-
Fund balances:				
Reserved for inventory	145,340	-	-	-
Reserved for encumbrances	835,181	106,841	-	-
Reserved for endowments	-	-	-	-
Reserved for tax stabilization	2,550,000	-	-	-
Unreserved:				
Designated	1,464,793	-	-	-
Undesignated	4,000,000	3,660,926	9,841,426	117,861
Total Equity and Other Credits	8,995,314	3,767,767	9,841,426	117,861
Total Liabilities, Equity, and Other Credit	\$ 22,012,197	\$ 4,521,705	\$ 10,228,529	\$ 117,861

The accompanying notes are an integral part of the financial statements.

Proprietary Fund Types		Fiduciary Fund Types Trust and Agency Funds	Account Groups		Total (Memorandum Only)
Enterprise Funds	Internal Service Fund		General Fixed Assets	General Long- Term Debt	
\$ 9,197,460	\$ 103,311	\$ 3,933,216	\$ -	\$ -	\$ 39,725,224
-	-	21,675,052	-	-	26,268,656
-	-	-	-	-	1,175,904
939,895	-	-	-	-	1,189,204
-	-	-	-	-	687,488
-	-	78,082	-	-	208,560
-	-	-	-	-	3,400,880
3,268,279	-	-	-	-	3,268,279
21,442	-	-	-	-	166,782
9,250	-	-	-	-	15,302
93,904,776	-	-	39,382,643	-	133,287,419
-	-	-	-	28,905,831	28,905,831
<u>\$ 107,341,102</u>	<u>\$ 103,311</u>	<u>\$ 25,686,350</u>	<u>\$ 39,382,643</u>	<u>\$ 28,905,831</u>	<u>\$ 238,299,529</u>
\$ 2,082,675	\$ -	\$ -	\$ -	\$ -	\$ 2,748,099
325,219	-	-	-	-	498,802
360,646	-	1,420,682	-	-	2,262,601
161,742	-	-	-	-	1,302,764
-	-	-	-	-	12,634
-	-	-	-	-	11,451,932
-	-	-	-	-	216,104
-	-	3,384,928	-	-	3,400,880
-	-	2,416,164	-	-	2,416,164
130,754	-	-	-	1,434,207	1,564,961
2,346,522	-	-	-	-	2,346,522
23,553,382	-	-	-	26,781,624	50,335,006
-	-	-	-	690,000	690,000
28,960,940	-	7,221,774	-	28,905,831	79,246,469
51,716,739	38,056	-	-	-	51,754,795
26,663,423	65,255	-	-	-	26,728,678
-	-	-	39,382,643	-	39,382,643
-	-	-	-	-	145,340
-	-	-	-	-	942,022
-	-	6,294,368	-	-	6,294,368
-	-	-	-	-	2,550,000
-	-	-	-	-	1,464,793
-	-	12,170,208	-	-	29,790,421
<u>78,380,162</u>	<u>103,311</u>	<u>18,464,576</u>	<u>39,382,643</u>	<u>-</u>	<u>159,053,060</u>
<u>\$ 107,341,102</u>	<u>\$ 103,311</u>	<u>\$ 25,686,350</u>	<u>\$ 39,382,643</u>	<u>\$ 28,905,831</u>	<u>\$ 238,299,529</u>

CITY OF CONCORD, NEW HAMPSHIRE
Combined Statement of Revenues, Expenditures
and Changes in Fund Equity
All Governmental Fund Types and Expendable Trust Funds

For the Fiscal Year Ended June 30, 2002

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Capital Project Funds	Debt Service Fund
Revenues:				
Taxes	\$ 25,799,058	\$ -	\$ -	\$ 625,643
Licenses and permits	770,097	-	-	-
Intergovernmental	2,957,529	604,503	12,654	-
Charges for services	2,926,579	1,265,358	-	-
Investment income	1,143,063	112,740	-	7,403
Contributions	-	-	-	-
Miscellaneous	890,228	447,318	76,320	-
Total Revenues	34,486,554	2,429,919	88,974	633,046
Expenditures:				
Current:				
General government	3,280,508	323,668	-	19,000
Public safety	12,707,760	-	-	-
General services	5,744,139	-	-	-
Community and development	2,297,167	813,394	-	-
Leisure and information services	2,001,397	-	-	-
Human services	1,062,834	-	-	-
Employee benefits	188,402	-	-	-
Miscellaneous	787,075	-	-	-
Debt service:				
Principal	2,476,440	75,000	-	350,000
Interest	1,059,561	22,650	-	246,440
Capital outlay	121,753	629,924	5,677,540	-
Total Expenditures	31,727,036	1,864,636	5,677,540	615,440
Excess (deficiency) of revenues over expenditures	2,759,518	565,283	(5,588,566)	17,606
Other Financing Sources (Uses):				
Bond proceeds	-	-	1,035,000	-
Operating transfers in	1,469,519	704,617	4,263,073	-
Operating transfers out	(5,658,591)	(339,339)	(300,450)	-
Total Other Financing Sources (Uses)	(4,189,072)	365,278	4,997,623	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,429,554)	930,561	(590,943)	17,606
Fund Equity, beginning	10,424,868	2,837,206	10,432,369	100,255
Fund Equity, ending	\$ 8,995,314	\$ 3,767,767	\$ 9,841,426	\$ 117,861

The accompanying notes are an integral part of the financial statements.

Fiduciary Fund Types Expendable Trust Funds	Total (Memorandum Only)
\$ -	\$ 26,424,701
-	770,097
-	3,574,686
-	4,191,937
202,128	1,465,334
328,322	328,322
-	<u>1,413,866</u>
<u>530,450</u>	38,168,943
-	3,623,176
-	12,707,760
-	5,744,139
-	3,110,561
-	2,001,397
-	1,062,834
-	188,402
342,996	1,130,071
-	2,901,440
-	1,328,651
-	<u>6,429,217</u>
<u>342,996</u>	<u>40,227,648</u>
187,454	(2,058,705)
-	1,035,000
2,793,599	9,230,808
<u>(3,087,150)</u>	<u>(9,385,530)</u>
<u>(293,551)</u>	<u>880,278</u>
(106,097)	(1,178,427)
<u>12,276,305</u>	<u>36,071,003</u>
<u>\$ 12,170,208</u>	<u>\$ 34,892,576</u>

CITY OF CONCORD, NEW HAMPSHIRE

**Combined Statement of Revenues, Expenditures
and Other Financing Sources and Uses - Budget and Actual
General Fund and Special Revenue Funds**

For the Fiscal Year Ended June 30, 2002

	General Fund		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 24,638,285	\$ 25,653,923	\$ 1,015,638
Licenses and permits	606,990	770,097	163,107
Intergovernmental	2,762,150	2,957,529	195,379
Charges for services	3,014,520	2,926,579	(87,941)
Investment income	900,000	1,143,063	243,063
Miscellaneous	737,600	890,228	152,628
Total Revenues	32,659,545	34,341,419	1,681,874
Expenditures:			
General government	3,338,270	3,249,640	88,630
Public safety	12,860,019	12,696,077	163,942
General services	5,782,945	5,804,031	(21,086)
Community and development	2,443,324	2,054,133	389,191
Leisure and information services	2,025,405	1,981,445	43,960
Human services	1,152,590	1,062,834	89,756
Employee benefits	357,580	148,402	209,178
Capital outlay	51,600	45,367	6,233
Debt service	3,570,030	3,562,301	7,729
Miscellaneous	875,672	743,292	132,380
Total Expenditures	32,457,435	31,347,522	1,109,913
Other Financing Sources (Uses):			
Operating transfers in	1,530,460	1,469,519	(60,941)
Operating transfers out	(5,536,554)	(5,632,291)	(95,737)
Budgetary use of fund balance	3,803,984	3,803,984	-
Total Other Financing Sources (Uses)	(202,110)	(358,788)	(156,678)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ 2,635,109	\$ 2,635,109

The accompanying notes are an integral part of the financial statements.

Annually Budgeted
Special Revenue Funds

<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ -	\$ -
-	-	-
700	1,953	1,253
464,900	476,968	12,068
35,000	36,662	1,662
<u>411,530</u>	<u>447,318</u>	<u>35,788</u>
912,130	962,901	50,771
938,202	845,258	92,944
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
938,202	845,258	92,944
197,180	197,180	-
(110,885)	(110,885)	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>86,295</u>	<u>86,295</u>	<u>-</u>
<u>\$ 60,223</u>	<u>\$ 203,938</u>	<u>\$ 143,715</u>

CITY OF CONCORD, NEW HAMPSHIRE

**Combined Statement of Revenues, Expenses and Changes
in Retained Earnings/Fund Equity -
All Proprietary Fund Types and Similar Trust Funds**

For the Fiscal Year Ended June 30, 2002

	Proprietary Fund Types		Fiduciary Fund Types	Total
	Enterprise	Internal Service	Non-Expendable Trust	(Memorandum Only)
Operating Revenues:				
Charges for services	\$ 11,679,233	\$ -	\$ -	\$ 11,679,233
Contributions	-	-	47,628	47,628
Investment income (loss)	-	-	(297,695)	(297,695)
Miscellaneous	37,961	-	-	37,961
Total Operating Revenues	<u>11,717,194</u>	<u>-</u>	<u>(250,067)</u>	<u>11,467,127</u>
Operating Expenses:				
Depreciation	2,323,660	-	-	2,323,660
Administration	2,344,394	450,127	-	2,794,521
Collection	985,428	-	-	985,428
Treatment facility/plant operations	2,494,514	-	-	2,494,514
Water supply	204,931	-	-	204,931
Distribution	377,704	-	-	377,704
Pump station	49,699	-	-	49,699
Miscellaneous	40,339	-	28,103	68,442
Disposal	2,046,204	-	-	2,046,204
Total Operating Expenses	<u>10,866,873</u>	<u>450,127</u>	<u>28,103</u>	<u>11,345,103</u>
Operating Income (Loss)	850,321	(450,127)	(278,170)	122,024
Nonoperating Revenue (Expenses):				
Interest expense	(1,064,505)	-	-	(1,064,505)
Investment income	320,110	-	-	320,110
Intergovernmental revenue	174,757	-	-	174,757
Other revenue	576,457	287,401	-	863,858
Total Nonoperating Revenue (Expenses)	<u>6,819</u>	<u>287,401</u>	<u>-</u>	<u>294,220</u>
Net Income (Loss) Before Operating Transfers	857,140	(162,726)	(278,170)	416,244
Operating transfers in	1,292,000	-	-	1,292,000
Operating transfers out	(839,500)	-	(297,778)	(1,137,278)
Total Operating Transfers	<u>452,500</u>	<u>-</u>	<u>(297,778)</u>	<u>154,722</u>
Net Income (Loss)	1,309,640	(162,726)	(575,948)	570,966
Depreciation on fixed assets acquired with contributed capital	<u>888,675</u>	<u>-</u>	<u>-</u>	<u>888,675</u>
Increase (Decrease) in Retained Earnings/Fund Equity	2,198,315	(162,726)	(575,948)	1,459,641
Retained Earnings/Fund Equity, beginning	<u>24,465,108</u>	<u>227,981</u>	<u>6,870,316</u>	<u>31,563,405</u>
Retained Earnings/Fund Equity, ending	<u>\$ 26,663,423</u>	<u>\$ 65,255</u>	<u>\$ 6,294,368</u>	<u>\$ 33,023,046</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CONCORD, NEW HAMPSHIRE
Combined Statement of Cash Flows
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 2002

	<u>Proprietary Fund Types</u>		<u>Fiduciary</u> <u>Fund Types</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Enterprise</u>	<u>Internal</u> <u>Service</u>	<u>Non-Expendable</u> <u>Trust</u>	
Cash Flows From Operating Activities:				
Operating income (loss)	\$ 850,321	\$ (450,127)	\$ (278,170)	\$ 122,024
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	2,323,660	-	-	2,323,660
Investment income (loss)	-	-	(297,695)	(297,695)
(Increase) decrease in:				
Accounts receivable	59,390	10,937	-	70,327
Inventory	(1,068)	(9,010)	-	(10,078)
Due from other governments	(1,731,639)	-	-	(1,731,639)
Interest receivable	-	-	3,339	3,339
Increase (decrease) in:				
Accounts payable	1,497,131	(36,060)	-	1,461,071
Retainage payable	73,508	-	-	73,508
Other liabilities	(41,501)	-	-	(41,501)
Deferred revenue	21,618	-	-	21,618
Accrued vacation benefits	(1,804)	(30,180)	-	(31,984)
Net Cash Provided by (Used for) Operating Activities	3,049,616	(514,440)	(572,526)	1,962,650
Cash Flows From (For) Noncapital Financing Activities:				
Increase/decrease in due to other funds	-	-	7,435	7,435
Intergovernmental revenue	174,757	-	-	174,757
Operating transfers out to other funds	1,292,000	-	297,778	1,589,778
Operating transfers in from other funds	(839,500)	-	-	(839,500)
Net Cash Provided by (Used for) Noncapital Financing Activities	627,257	-	305,213	932,470
Cash Flows From (For) Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(4,342,266)	-	-	(4,342,266)
Principal paid on outstanding bonds	(2,845,512)	-	-	(2,845,512)
Proceeds from the issuance of bonds	4,610,522	-	-	4,610,522
Interest expense on outstanding bonds	(1,064,505)	-	-	(1,064,505)
Proceeds from contributed capital	576,457	-	-	576,457
Net Cash (Used for) Capital and Related Financing Activities	(3,065,304)	-	-	(3,065,304)

(Continued)

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Total (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Non-Expendable Trust</u>	
Cash Flows From Investing Activities:				
Investment income	320,110	-	297,695	617,805
Maturing of investments	-	-	258,535	258,535
Purchase of investments	-	-	(288,917)	(288,917)
Net Cash Provided by Investing Activities	<u>320,110</u>	<u>-</u>	<u>267,313</u>	<u>587,423</u>
Net Increase (Decrease) in Cash and Cash Equivalents	931,679	(514,440)	-	417,239
Cash and Cash Equivalents, beginning	<u>8,265,781</u>	<u>617,751</u>	<u>-</u>	<u>8,883,532</u>
Cash and Cash Equivalents, ending	<u>\$ 9,197,460</u>	<u>\$ 103,311</u>	<u>\$ -</u>	<u>\$ 9,300,771</u>
Reconciliation of Trust and Agency Fund Cash:				
Nonexpendable			\$ -	
Expendable			96,370	
Agency			<u>3,836,846</u>	
			<u>\$ 3,933,216</u>	

The accompanying notes are an integral part of the financial statements.

CITY OF CONCORD, NEW HAMPSHIRE
Notes to General Purpose Financial Statements

1. Summary of Significant Accounting Policies

A. Reporting Entity

The government is a municipal corporation governed by an elected mayor and 15-member council and an appointed City Manager. As required by generally accepted accounting principles, these financial statements present the government, and applicable component units for which the government is considered to be financially accountable. In fiscal year 2002, it was determined that no entities met the required GASB-14 criteria of component units.

B. Basis of Presentation - Fund Accounting

For reporting purposes, the financial activities of the City are accounted for through the use of several funds and account groups. Each fund is a separate accounting entity with self-balancing accounts. The following types of funds and account groups are used by the City:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in fiduciary and proprietary funds) are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental fund types:

General Fund - To account for all financial activities of the City, except those required to be accounted for in another fund. Most revenues and expenditures of a general governmental nature are accounted for in this fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources (other than expendable trusts, debt service, or for major capital projects) that are legally restricted to expenditures for special purposes.

Capital Project Funds - Transactions related to resources obtained and used for the acquisition, construction, or improvement of major capital facilities are accounted for in capital project funds. Such resources are derived principally from proceeds of general obligation bond issues and from Federal and State grants.

Debt Service Funds - To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The City accounts for its Tax Increment Districts as debt service funds.

Proprietary Fund Types

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The following are the City's proprietary fund types:

Enterprise Funds - To account for operations which are supported primarily by user charges.

Internal Service Funds - To account for goods or services provided by one City department or agency to other City departments or agencies.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the City in a trustee capacity. The City maintains the following fiduciary fund types:

Expendable Trust Funds - These funds are accounted for in essentially the same manner as governmental funds.

Non-Expendable Trust Funds - These funds are used to account for assets held by the City in a trustee capacity. The principal balance cannot be spent; however, investment earnings may be spent for intended purposes.

Agency Funds - These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term obligations. The following are the City's account groups:

General Fixed Asset Account Group - This account group is used to account for all fixed assets of the City, except for fixed assets purchased through proprietary funds.

General Long-Term Debt Account Group - This account group is used to account for all long-term obligations of the City, except for debt issued through proprietary funds.

C. Basis of Accounting

The basis of accounting used for each fund is as follows:

Modified Accrual Basis (Governmental, Expendable Trust and Agency Funds)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is applied in all governmental, expendable trust and agency fund types. Accordingly, revenues are recorded when susceptible to accrual, that is both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property tax revenue available if received within 60 days after the close of the fiscal year. All other amounts not received during that period are deferred and recognized in future accounting periods.

Expenditures, except for interest on long-term debt which is recorded when due, landfill closure and postclosure costs, and vacation and pension costs because these amounts are not expected to be relieved within the current accounting period, are recorded when the related fund liability is incurred.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues: (1) revenues recognized based upon the

expenditures recorded, and (2) revenues recognized at the time of receipt or earlier, if the susceptible to accrual criteria is met.

Other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Accrual Basis (Proprietary and Nonexpendable Trust Funds)

All proprietary and nonexpendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accrual basis of accounting is used by proprietary and non-expendable trust funds. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The City has elected to apply to these funds, accounting principles applicable to the private sector issued through November 30, 1989, unless those principles conflict with or contradict pronouncements of the Governmental Accounting Standards Board.

D. Cash and Cash Equivalents

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City Treasurer is authorized by State statutes to invest excess funds "in obligations of the U.S. Government, in savings bank deposits of banks incorporated under laws of the State of New Hampshire, or in certificates of deposits of banks incorporated under laws of the State of New Hampshire or in national banks located within the State or the State of Massachusetts".

E. Investments

Investments are stated at fair value in accordance with Governmental Accounting Standards Board Statement 31.

Under New Hampshire law, the trustees of trust funds may invest: "Only by deposit in a savings bank or in the savings department of

a national bank or trust company in this state, or in shares of any building and loan association or cooperative bank, incorporated and doing business under the laws of this state, or in the shares of any federal savings and loan association, located and doing business in this state, or in bonds, notes, or other obligations of the United States government, or in state, county, town, city, school district, water and sewer district bonds and the notes of towns or cities in this state; and such stocks and bonds as are legal for investment by New Hampshire savings banks and when so invested, the trustees shall not be liable for the loss thereof; and in any common trust fund established by the New Hampshire Charitable Fund in accordance with RSA 292.23”.

F. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due from/to other funds” (i.e., the current portion of inter-fund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans).

Advances between funds are partially offset by a fund balance reserve account in applicable governmental funds, to indicate the portion not available for appropriation and not available as expendable financial resources.

G. Inventories

Inventories are valued at cost using the cost averaging method. The costs of governmental fund-type inventories are recorded as expenditures at the time of purchase (“purchase method”). No significant inventory balances were on hand in governmental funds.

H. Fixed Assets

Fixed assets used in governmental fund types of the City are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are not capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets’ life are not included

in the general fixed asset account group or capitalized in the proprietary funds.

Property, plant and equipment in the proprietary funds of the government are recorded at cost. Property, plant and equipment donated to these proprietary fund type operations are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment are depreciated in the proprietary and similar trust funds of the government using the straight-line method over the following estimated useful lives:

<u>Enterprise Fund</u>	<u>Years</u>
Water and sewer systems	20 - 50
Buildings and improvements	20 - 50
Equipment	3 - 15

I. Long-Term Obligations

The government reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the general long-term debt account group. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds.

J. Accrued Employee Benefits

City employees are granted vacation and sick leave in varying amounts. Upon retirement, termination, or death, certain employees are compensated for unused vacation leave which is at their then current rates of pay. The cost of this unused vacation leave, which is expected to be paid from future financial resources, is accounted for as a liability of the general long-term debt account group for governmental fund types and as a liability of the fund for proprietary fund types.

K. Fund Equity

Reservations of fund balance represent amounts that are not appropriate or are legally segregated for a specific purpose. Reservations of retained earnings are limited to outside third-party restrictions.

The proprietary fund's contributed capital represents equity acquired through capital grants and capital contributions from developers, customers, or other funds.

L. Encumbrance Accounting and Reporting

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities.

M. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned as "memorandum only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations, or cash flows in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

The City adopts a legal budget for its general fund, parking and airport special revenue funds and proprietary funds. The City observes the following procedures in establishing the budgetary data reflected in the financial statements:

- At such time as may be requested by the City Manager or specified by the administrative code, each director of a department submits an itemized estimate of the expenditures for the next fiscal year for the departments or activities under his control.
- Under the City charter, the City Manager must submit the budget 45 days before the start of the fiscal year.
- A public hearing on the budget is held before its final adoption by the City Council. Notice of the public hearing, together with a summary of the budget as submitted, is published at least one week in advance by the City Clerk.
- By City charter the budget must be legally adopted not later than the twenty-seventh day of July. In connection with converting to a June 30 fiscal year end, an adopted ordinance requires budget

- adoption by July 1 of the new fiscal year. Should the City Council take no final action by the date specified in the charter, the budget, as submitted, is deemed to have been finally adopted by the City Council.
- No appropriation is made for any purpose not included in the annual budget as adopted unless voted by a two-thirds majority of the City Council after a public hearing held to discuss the appropriation. The City Council shall by resolution designate the source of any money so appropriated.
- At the beginning of each quarterly period during the fiscal year and more often if required by the City Council, the City Manager submits data to the City Council showing a comparison of the estimated and actual revenues and expenditures to date. If it appears that the revenues are less than anticipated, the City Council or City Manager may reduce the appropriation for any item or items, except amounts required for debt and interest charges, to such a degree as may be necessary to keep expenditures within the City's revenues. The City Manager may provide for monthly or quarterly allotments of appropriations to departments, funds, or agencies under such rules as he may prescribe.
- After the budget has been adopted, no expenditure may be incurred, except pursuant to a budget appropriation unless there is a specific additional appropriation thereof. The head of any department, with the approval of the City Manager, may transfer any unencumbered balance or any portion thereof from one fund or agency within his/her department to another fund or agency within his/her department. The City Manager must report these transfers to the City Council. The City Manager, with the approval of the Council, may transfer any unencumbered appropriation balance or any portion thereof from one department to another. The legal level of control is at the department level.
- Budget appropriations lapse at the end of the fiscal year except for any appropriations either supported by formal purchase contracts or approval by the City Council or City Manager to be carried forward.

B. Budget/GAAP Reconciliation

The general fund appropriation appearing on Exhibit 3 has been calculated as follows:

Original appropriations	\$ 35,116,805
Supplemental appropriations	<u>2,877,184</u>
Total Appropriation	\$ <u>37,993,989</u>

No supplemental appropriations were required in the Special Revenue Fund.

The budgetary data for the general, special revenue, and proprietary funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund and parking and airport special revenue funds are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following schedule reconciles the amounts on Exhibit 2 to the amounts on Exhibit 3:

	<u>Revenues and other financing sources</u>	<u>Expenditures and other financing uses</u>	Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses
<u>General Fund</u>			
GAAP basis	\$ 35,956,073	\$ 37,385,627	\$(1,429,554)
Recognize tax revenue on an accrual basis	(145,135)	-	(145,135)
Reverse expenditures of prior year appropriation carryforwards	-	(1,240,995)	1,240,995
Add end of year appropriation carryforwards	-	835,181	(835,181)
Budgetary use of fund balance	<u>3,803,984</u>	<u>-</u>	<u>3,803,984</u>
Budgetary basis	\$ <u>39,614,922</u>	\$ <u>36,979,813</u>	\$ <u>2,635,109</u>

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	<u>Revenues and other financing sources</u>	<u>Expenditures and other financing uses</u>	Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses
<u>Special Revenue Funds</u>			
GAAP basis	\$ 3,134,536	\$ 2,203,975	\$ 930,561
Reverse beginning of year appropriation carryforwards	-	(172,627)	172,627
Add end of year appro- priation carryforwards	-	106,841	(106,841)
To remove non-budgeted special revenue funds	(1,974,455)	(1,182,046)	(792,409)
Budgetary basis	\$ <u>1,160,081</u>	\$ <u>956,143</u>	\$ <u>203,938</u>

In addition, adjustments were made to the proprietary funds to conform to the budgetary basis, primarily for the omission of depreciation expense which is not budgeted, the inclusion of principal debt service and capital expenses which are budgeted expenses, and certain Contributed Capital transactions.

C. Excess of Expenditures Over Appropriations

The City reflected expenditures in excess of appropriation in the following departments:

General Fund:

General Services	\$(21,086)
Operating transfers out	\$(95,737)

Special Revenue Fund:

Airport - Transfers out	\$(39,885)
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Enterprise Fund:

Solid Waste	\$(5,266)
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Revenues and operating transfers in excess of estimated receipts funded these overexpenditures.

3. Cash and Cash Equivalents

At year end, the City's carrying amount of deposits was \$ 39,725,224 and the bank balance was \$ 40,615,492. Of the bank balance, \$ 35,653,718 was covered by federal depository insurance or by collateral held by the government's agent in the City's name, \$ 4,961,774 was collateralized with securities held by the pledging financial institution's trust department or agent in the government's name.

4. Investments

The City's investments are categorized into the following three categories of credit risk:

- (1) Insured or registered, or securities held by the City or its agent in the City's name.
- (2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- (3) Uninsured and unregistered, with securities held by the counterparty in the City's name, or held by the counterparty's trust department or agent but not in the City's name.

At year end, the government's investment balances were as follows:

	Category			Fair Value
	1	2	3	
U.S. Government securities	\$ -	\$ 706,977	\$ -	\$ 706,977
Corporate equity	-	3,812,123	-	3,812,123
Corporate bonds	-	<u>2,391,246</u>	-	<u>2,391,246</u>
Subtotal	\$ <u>-</u>	\$ <u>6,910,346</u>	\$ <u>-</u>	6,910,346
Investments not subject to categorization:				
State investment pool				4,593,604 *
Mutual funds				<u>14,764,706</u>
Total Investments				\$ <u>26,268,656</u>

**Fair value is the same as the value of the pool share.*

5. Taxes Receivable

The City bills property taxes on a quarterly basis and are due in July, October, December and March. Property tax revenues are recognized

in the fiscal year for which taxes have been levied to the extent that they become available, i.e., due or receivable within the current fiscal year and collected within the current period or within 60 days of year end.

Property taxes collected before the due date and in advance of the year for which they are levied, are recorded as a prepaid tax liability, as they are intended to finance the subsequent year's budget.

At the time of the tax lien, which the City usually places within 60 to 90 days after the due date, a lien is recorded on the property at the Registry of Deeds. If the property taxes (redemptions) are not paid within two years and one day of the tax lien date, the property could be conveyed to the City by deed and subsequently sold at public sale held in November of each year. Property taxes collected before the due date and in advance of the year for which they are levied, are recorded as a prepaid tax liability, as they are intended to finance the subsequent year's operations.

The City annually budgets an amount (overlay for abatements) for resident and property tax abatements and refunds. All abatements and refunds are charged to overlay.

Taxes receivable at June 30, 2002 are comprised of (in thousands):

Property taxes:		
Levy of 2001	\$ 798	
Levy of 2000	342	
Unredeemed taxes:		
Levy of 1999	8	
Levy of 1998	<u>4</u>	
Subtotal		1,152
Other taxes:		
Timber yield taxes	8	
Land use change taxes	16	
Elderly tax liens	<u>125</u>	
Subtotal		<u>149</u>
Gross Tax Receivable		1,301
Allowance for Uncollectible Taxes		(<u>125</u>)
Net Total Taxes Receivable		\$ <u>1,176</u>

6. Loans Receivable

Loans receivable of \$ 687,488 in special revenue funds represent the uncollected balance of community development loans.

7. Interfund Fund Receivables/Payables

The City maintains self-balancing funds; however, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the June 30, 2002 balances in interfund receivable and payable accounts.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 3,400,880	\$ -
Special Revenue Funds:		
Community development	-	15,952
Trust and Agency Funds:		
Cemetery (Non-Expendable)	-	177,778
Library (Non-Expendable)	-	16,450
Insured Retention (Expendable)	-	105,000
Nelson (Expendable)	-	130,920
Conservation (Expendable)	-	9,640
Library (Expendable)	-	9,220
Highway (Expendable)	-	1,390,000
Economic Development (Expendable)	-	450,000
Equipment (Expendable)	-	220,920
Fire Apparatus Replace (Expendable)	-	413,000
Downtown Economic Dev. (Expendable)	-	<u>462,000</u>
Total	<u>\$ 3,400,880</u>	<u>\$ 3,400,880</u>

8. Due From Other Governments

The New Hampshire Department of Environmental Services annually reimburses the City for a portion of the principal and interest payments on Sanitary Sewer Fund bonds. The reimbursement is based upon the amount of the State's participation in the original sewer project. The amount due from the State in future years is as follows:

Fiscal Year Ended <u>June 30</u>	<u>Reimbursement For</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 2,351,479	\$ 96,156	\$ 2,447,635
2004	241,013	55,539	296,552
2005	238,498	37,802	276,300
2006	38,501	20,007	58,508
2007	40,469	18,385	58,854
2008 - 2018	<u>358,319</u>	<u>77,944</u>	<u>436,263</u>
Total	<u>\$ 3,268,279</u>	<u>\$ 305,833</u>	<u>\$ 3,574,112</u>

9. Property, Plant and Equipment

The following is a summary of changes in general fixed assets:

	Balance <u>July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2002</u>
Land	\$ 7,362,965	\$ 64,400	\$ -	\$ 7,427,365
Buildings	15,621,313	-	-	15,621,313
Improvements	7,768,167	54,249	-	7,822,416
Equipment	<u>6,125,219</u>	<u>2,540,212</u>	<u>(153,882)</u>	<u>8,511,549</u>
Totals	\$ <u>36,877,664</u>	\$ <u>2,658,861</u>	\$ <u>(153,882)</u>	\$ <u>39,382,643</u>

The following is a summary of proprietary fund type property, plant, and equipment at June 30, 2002:

	<u>Enterprise Funds</u>
Land and land improvements	\$ 1,632,303
Structures	43,960,736
Machinery and equipment	5,077,333
Distribution system	22,022,566
Hydrants and meters	3,809,973
Sewer mains and manholes	50,505,001
Construction in progress	<u>2,754,855</u>
Total	129,762,767
Less: accumulated depreciation	<u>(35,857,991)</u>
Total	\$ <u>93,904,776</u>

10. Due to Other Governments

Due to other governments of \$ 2,416,164 in the Agency Fund primarily represents the amounts of property taxes collected by the City to be remitted to the two area school districts, the County, and other governments.

11. Anticipation Notes Payable

The City had the following notes outstanding at June 30, 2002:

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Balance at June 30, 2002</u>
State Revolving Loan	1.0%	10/01/01	11/01/02	\$ <u>2,346,522</u>
Total				\$ <u>2,346,522</u>

The following is a summary of notes payable activity in fiscal year 2002:

Balance Beginning of Year	New Issues	Maturities	Balance End of Year
\$ -	\$ 2,346,522	\$ -	\$ 2,346,522

12. Long-Term Debt

A. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. The City has not issued any revenue bonds. The bonds reported in the proprietary funds are repaid from proprietary fund revenues. General obligation bonds currently outstanding are as follows:

<u>Governmental Funds:</u>	Serial Maturities Through	Interest Rate (s)%	Amount Outstanding as of <u>June 30, 2002</u>
<u>General Obligation Bonds Payable:</u>			
Public improvements and parking garage	07/15/02	2.9 - 5.65	\$ 5,000
Public improvements	07/15/06	7.5	320,000
Public improvements	01/15/10	2.7 - 5.0	4,949,430
Public improvements	01/15/10	4.20 - 7.00	4,611,000
Public improvements	04/15/14	3.65 - 4.50	728,700
Public improvements	10/15/14	5.45 - 7.75	2,605,000
Public improvements	04/01/15	4.60 - 6.50	4,030,000
Public improvements	10/15/15	4.0 - 4.70	2,446,494
Public improvements	10/15/14	4.0 - 4.70	6,051,000
Public improvements	04/01/17	4.0 - 5.00	<u>1,035,000</u>
Total Governmental Funds			\$ <u>26,781,624</u>
<u>Enterprise Funds:</u>			
<u>Water Fund:</u>			
Water construction & equipment	07/15/02	2.9 - 5.65	\$ 235,000
Water construction & equipment	07/15/06	7.5	130,000
Water	10/15/09	5.45 - 7.75	307,700
Water/general improvement	01/15/10	2.7 - 5.0	170,670
Water	01/15/10	4.20 - 7.00	2,464,000
Water	07/15/13	3.3 - 6.25	1,203,000

(continued)

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Enterprise Funds:

Water	04/15/14	3.65 - 4.50	3,160,000
Water meters	04/01/15	4.60 - 6.50	1,590,000
Water	10/15/15	4.0 - 4.70	1,707,000
Water	10/15/14	4.0 - 4.70	448,754
Water	04/01/17	4.0 - 5.00	<u>1,730,000</u>

Total Water Fund 13,146,124

Sewer Fund:

Sanitary sewer	07/15/02	2.9 - 5.65	727,000
Sanitary sewer	07/15/04	2.9 - 5.9	870,000
Sanitary sewer	07/15/06	7.5	250,000
Sanitary sewer	10/15/09	5.45 - 7.75	213,600
Sanitary sewer	01/15/10	2.7 - 5.0	82,000
Sanitary sewer	01/15/10	2.7 - 5.0	568,900
Sanitary sewer	01/15/10	4.20 - 7.00	380,000
Sanitary sewer	07/15/13	3.3 - 6.25	940,000
Sanitary sewer	04/15/14	3.65 - 4.50	2,770,000
Sanitary sewer	04/01/15	4.60 - 6.50	1,785,000
Sanitary sewer	10/15/15	4.0 - 4.70	556,000
Sanitary sewer	10/15/14	4.0 - 4.70	309,758
Sanitary sewer	04/01/13	4.0 - 5.00	<u>169,000</u>

Total Sewer Fund 9,621,258

Golf Fund:

Clubhouse improvements	10/15/05	4.0 - 4.70	20,000
Clubhouse improvements	04/01/17	4.0 - 5.00	<u>365,000</u>

Total Golf Fund 385,000

Arena Fund:

Facility expansion	10/15/15	4.0 - 4.70	<u>401,000</u>
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Total Enterprise Fund Bonds Payable \$ 23,553,382

B. Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2002 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 2,844,692	\$ 1,215,718	\$ 4,060,410
2004	2,807,263	1,088,806	3,896,069
2005	2,762,463	962,025	3,724,488
2006	2,716,550	837,175	3,553,725
2007	2,638,739	715,254	3,353,993
2008-2012	9,056,016	2,060,009	11,116,025
2013-2016	<u>3,955,901</u>	<u>386,959</u>	<u>4,342,860</u>
Total	\$ <u>26,781,624</u>	\$ <u>7,265,946</u>	\$ <u>34,047,570</u>

<u>Proprietary</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 2,884,145	\$ 1,047,689	\$ 3,931,834
2004	2,239,870	925,769	3,165,639
2005	2,226,817	822,629	3,049,446
2006	1,873,395	729,361	2,602,756
2007	1,881,680	646,403	2,528,083
2006-2012	8,226,376	2,046,074	10,272,450
2013-2017	<u>4,221,099</u>	<u>432,735</u>	<u>4,653,834</u>
Total	\$ <u>23,553,382</u>	\$ <u>6,650,660</u>	\$ <u>30,204,042</u>

The following governmental funds have been designated as the sources to repay the non-proprietary fund general obligation long-term debt outstanding as of June 30, 2002.

General fund	\$ 26,776,624
Special revenue fund	<u>5,000</u>
	\$ <u>26,781,624</u> *

* = The Airport Special Revenue Fund bonds are reported as paid from the General Fund since the most Airport Expenditures are subsidized by a transfer from the general fund.

C. Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2002 are as follows:

<u>Purpose</u>	<u>Amount</u>
Langley park	\$ 225,000
Water electrical generator	50,000
Sludge stabilization	<u>4,600,000</u>
Total	\$ <u>4,875,000</u>

D. Overlapping Debt

The City's proportionate share of debt of other governmental units which provide services within the City's boundaries, and which must be borne by the resources of the City, is summarized below (unaudited amounts):

<u>Related Entity</u>	<u>Total Principal</u>	<u>City's Percent</u>	<u>City's Share</u>
Merrimack County (12/31/01)	\$ 2,450,000	27.56%	\$ 675,000
Concord School District (6/30/02)	26,778,993	100%	26,778,993
Merrimack Valley School District (6/30/02)	11,010,000	26.60%	2,928,660

This liability is appropriately not reported in the accompanying financial statements.

E. Prior Year's Debt Defeasance

Current Year

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. The proceeds from the new issuance of the general obligation bonds were used to purchase U.S. government securities, and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the refunded bonds mature in October 2014. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's balance sheet. As of June 30, 2002, the amount of defeased debt outstanding but removed from the General Long-Term Debt Account Group and Enterprise was \$ 2,250,100 and \$ 799,900, respectively.

F. Changes in General Long-Term Liabilities

During the year ended June 30, 2002, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>July 1, 2001</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2002</u>
Accrued employee benefits	\$ 1,269,107	\$ 165,100	\$ -	\$ 1,434,207
General obligation debt	28,648,064	1,035,000	2,901,440	26,781,624
Landfill closure	<u>720,000</u>	<u>-</u>	<u>30,000</u>	<u>690,000</u>
Totals	<u>\$ 30,637,171</u>	<u>\$ 1,200,100</u>	<u>\$ 2,931,440</u>	<u>\$ 28,905,831</u>

13. Landfill and Postclosure Care Costs

The City is required by state and federal laws and regulations to construct a final capping system on the Concord Sanitary Landfill and perform certain maintenance and monitoring functions at the site for 30 years.

The landfill stopped accepting waste in May 1994, and the final capping system was completed in July 1995. The City has reflected \$ 690,000 as the estimate of the remaining postclosure care liability at June 30, 2002 in the General Long-Term Debt Account Group. Actual costs may differ due to inflation, changes in technology, or changes in regulations.

14. Contributed Capital

Contributed capital consists of funding provided to proprietary funds for facility construction from state and municipal sources. Changes in contributed capital for the year ended June 30, 2002 included depreciation applied to contributed capital in the Sewer Fund of \$888,675 and an equity transfer from the Internal Service Fund of \$1,226,238 to the General Fixed Asset Account Group.

15. Reserves of Fund Equity

The City has established "reserves" of fund equity to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use. Fund "designations," which are not legally required segregations, have also been established to indicate tentative plans for future financial utilization.

The City reported the following types of reserves at June 30, 2002:

Reserved for Encumbrances - an account used to segregate that portion of fund balance committed for expenditure of financial resources upon vendor performance.

Reserved for Endowments - represents the principal of the nonexpendable trust fund investments. The balance cannot be spent for any purpose; however, it may be invested and the earnings may be spent.

Reserved for Tax Stabilization - represents surplus the City Council has approved to provide tax rate stabilization.

Unreserved - Designated - represents management's tentative plans to utilize fund balance for future capital projects.

16. Segment Information for Enterprise Funds

The City maintains enterprise funds which provide water, sewer and solid waste disposal services, in addition to an arena and golf course. Segment information for the year ended June 30, 2002 follows (in thousands):

	Water Fund	Sewer Fund	Golf Fund	Arena Fund	Solid Waste Fund	Total
Operating revenues	\$ 4,393	\$ 4,597	\$ 806	\$ 355	\$ 1,566	\$ 11,717
Depreciation expense	827	1,370	84	43	-	2,324
Operating income (loss)	1,385	577	89	1	(1,202)	850

(continued)

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	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Golf Fund</u>	<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
Net income (loss)	784	456	26	(19)	63	1,310
Fixed asset additions	1,416	2,794	121	11	-	4,342
Net working capital	3,239	151	179	65	725	4,359
Total assets	36,194	67,698	1,466	1,000	983	107,341
Long-term obligations	11,851	8,198	371	380	-	20,800
Intergovernmental revenues	-	175	-	-	-	175
Operating transfers in	-	-	-	26	1,266	1,292
Operating transfers out	(341)	(405)	(64)	(30)	-	(840)
Total equity	22,619	53,401	864	585	911	78,380
Retained earnings	15,801	9,366	528	166	802	26,663

17. Commitments and Contingencies

Outstanding Lawsuits - There are several pending lawsuits in which the City is involved. The City's management is of the opinion that the potential future settlement of such claims for amounts in excess of available insurance coverage would not materially affect its financial statements taken as a whole.

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

18. Risk Management

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The government participates in a risk pool for workers' compensation for which it does not retain any risk of loss. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

19. Post-Retirement Health Care

The City provides certain health care benefits for retired employees and will provide benefits to current employees hired prior to January 1, 1991

upon retirement. Payments are made in accordance with City policy established in January 1987 and annual appropriations. In order to participate in the City Group Health Insurance Program (the Retiree Group), the employee must be enrolled in the City group plan upon the date of retirement from the City, must be at least age 62 (age 60 with 35 or more years of service), and must be vested in the New Hampshire Retirement System. Any retirees who leave the Retiree Group may not reenter.

Persons who retire from the City with at least ten (10) years of creditable services in the New Hampshire Retirement System but prior to the minimum age 62 must maintain an unbroken participation (at retiree's expense) in the Retiree Group from the effective date of their retirement until qualifying for the City-paid premium benefit in order to become eligible for such City-paid premium benefit at a later date.

Persons who have participated in both the City's group health insurance and the New Hampshire State Retirement System for at least 24 consecutive months immediately prior to retirement, but who are not vested in the New Hampshire Retirement System, may also join the Retiree Group at their own expense.

As of June 30, 2002 there were 342 retirees, including eligible spouses, receiving health care benefits. The City recognizes the cost of providing these benefits as paid. These costs totaled \$ 190,658 fiscal year ended June 30, 2002.

20. Retirement System

The City follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, with respect to employees' funds.

A. Plan Description

The City contributes to the New Hampshire Retirement System (the "System"), a cost-sharing, multiple-employer defined benefit pension plan administered by the state retirement board. The System provides retirement, disability and death benefits to plan members and beneficiaries. Revised Statutes Annotated 100-A41-a of New Hampshire Law assigns the system the authority to establish and amend benefit provisions of the plan and grant cost-of-living increases. The System issues a publicly available financial report which can be obtained through the New Hampshire Retirement System at 4 Chenell Drive, Concord, New Hampshire 03301-8509.

B. Funding Policy

Plan members are required to contribute between 5% and 9.30% of annual covered compensation to the pension plan. The City makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A: 16, and range from 2.18% to 5.70% of covered compensation. The City's contributions to the system for the years ended June 30, 2002, 2001 and 2000 were \$ 943,099, \$ 850,375 and \$ 820,008, respectively, which were equal to its annual required contributions for each of these years.

21. Tax Increment District

The following represent the North End Opportunity Corridor Tax Increment Financing District's life-to-date financial report. This District is reported as a debt service fund of the City.

<u>Revenues:</u>		
Tax Increment District	\$ 1,084,806	
Investment interest	<u>14,532</u>	1,099,338
<u>Expenditures:</u>		
Principal	540,000	
Interest on debt	417,677	
Outside services	<u>23,800</u>	<u>981,477</u>
Excess (Deficiency) of revenue		<u>117,861</u>
Fund Equity Reserved for Debt Service		\$ <u>117,861</u>
Long-Term Debt Payable:		
Principal	\$ 4,640,000	
Interest	<u>1,568,993</u>	<u>6,208,993</u>
Deficit to be Raised by Tax Increment District		<u>\$(6,091,132)</u>
Assessment Information:		
Base Value	\$ <u>2,791,300</u>	
Captured Value*	\$ <u>26,576,800</u>	

* = As of April 1, 2002

22. GASB Statement No. 34

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments (Statement). Certain of the significant changes in the Statement include the following:

- For the first time the financial statements will include:
 - A Management Discussion and Analysis (MD&A) section providing an analysis of the City’s overall financial position and results of operations.
 - Financial statements prepared using full accrual accounting for all of the City’s activities, including reporting infrastructure assets (roads, bridges, etc.).
- A change in the fund financial statements to focus on the major funds.

The general provisions of GASBS No. 34 must be implemented by City of Concord no later than the fiscal year ending June 30, 2003; the retro-active reporting of infrastructures must be implemented no later than the year ending June 30, 2007.

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General Fund

The general fund is established to account for all resources obtained and used for those services commonly provided by the City which are not accounted for in any other fund. These services include among other items: General government, public safety, general services, planning and development, leisure and information services, and human services. The primary sources of revenue of the general fund are property taxes, unrestricted state revenue sharing grants, certain restricted grants, and fees for services rendered.

CITY OF CONCORD, NEW HAMPSHIRE

**Detail Schedule of Revenues and Other Financing Sources -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2002**

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	Variance Favorable <u>(Unfavorable)</u>
<u>Taxes</u>			
Property taxes - current	\$ 19,872,655	\$ 19,872,655	\$ -
Timber tax yield	25,000	5,470	(19,530)
Excavation activity tax	13,100	4,166	(8,934)
Land use charge	60,000	386,675	326,675
Auto permits	4,320,000	5,045,387	725,387
Boat registrations	-	2,390	2,390
Payment in lieu of taxes	<u>347,530</u>	<u>337,180</u>	<u>(10,350)</u>
Total Taxes	24,638,285	25,653,923	1,015,638
<u>Licenses and Permits</u>			
Engineering	19,410	16,420	(2,990)
City clerk records	24,650	25,671	1,021
Health services	86,830	85,429	(1,401)
Police/protection/amusement	2,500	2,610	110
Code enforcement/building permits	<u>473,600</u>	<u>639,967</u>	<u>166,367</u>
Total Licenses and Permits	606,990	770,097	163,107
<u>Intergovernmental</u>			
State sharing	2,039,120	2,224,322	185,202
Railroad tax	3,540	3,667	127
Forest loss reimbursement	1,630	1,048	(582)
Fire service aid	81,380	81,380	-
Emergency mgmt. administration - grant	14,000	17,472	3,472
State election reimbursement	2,200	-	(2,200)
Highway block grant	<u>620,280</u>	<u>629,640</u>	<u>9,360</u>
Total Intergovernmental	2,762,150	2,957,529	195,379
<u>Charges For Services</u>			
Finance	40,900	39,369	(1,531)
Legal - prosecutor	32,000	37,470	5,470
City clerk	60,250	57,596	(2,654)
Public safety	1,135,800	1,087,669	(48,131)
General services	136,000	152,002	16,002
Planning	475,170	350,391	(124,779)
Human services	50,000	50,337	337

(Continued)

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
Library	17,200	18,338	1,138
Recreation	233,030	239,934	6,904
Cable franchise fee	490,200	490,273	73
Auditorium rental	27,000	36,859	9,859
School district lease	77,260	79,145	1,885
Storage rental	2,700	18,701	16,001
Community Center rental	41,660	36,433	(5,227)
Memorial field rental	9,350	12,587	3,237
Code prosecution	25,000	30,713	5,713
Restitution	6,500	10,213	3,713
Parking fines - non meters	80,000	103,081	23,081
False alarm penalties	29,800	24,478	(5,322)
Overdue book fines	44,700	44,478	(222)
Concessions/sponsors	-	6,512	6,512
Total Charges For Services	3,014,520	2,926,579	(87,941)
<u>Investment Income</u>			
Earnings on investments	900,000	1,143,063	243,063
Total Investment Income	900,000	1,143,063	243,063
<u>Miscellaneous</u>			
Miscellaneous revenue not anticipated	-	162,614	162,614
Insurance refunds/dividends	70,000	112,214	42,214
Other share of capital debt	62,600	62,591	(9)
Sale of city property	10,000	31,303	21,303
MV transportation surcharge	170,000	171,627	1,627
Interest, costs, and penalties	425,000	349,879	(75,121)
Total Miscellaneous	737,600	890,228	152,628
<u>Other Financing Sources</u>			
Operating transfers in	1,530,460	1,469,519	(60,941)
Budgetary use of fund balance	3,803,984	3,803,984	-
Total Other Financing Sources	5,334,444	5,273,503	(60,941)
Total Revenues and Other Financing Sources	\$ 37,993,989	\$ 39,614,922	\$ 1,620,933

CITY OF CONCORD, NEW HAMPSHIRE

**Detail Schedule of Expenditures and Other Financing Uses
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2002**

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	Variance Favorable <u>(Unfavorable)</u>
<u>General Government</u>			
City Manager	\$ 321,270	\$ 314,228	\$ 7,042
Legal services	595,270	592,626	2,644
Finance department	1,538,925	1,517,858	21,067
Personnel	239,840	202,153	37,687
City Council	36,380	28,858	7,522
City Clerk	168,740	161,268	7,472
Assessor	<u>437,845</u>	<u>432,649</u>	<u>5,196</u>
Total General Government	3,338,270	3,249,640	88,630
<u>Public Safety</u>			
Police	5,877,374	5,781,297	96,077
Fire	6,960,545	6,906,988	53,557
Civil Defense	<u>22,100</u>	<u>7,792</u>	<u>14,308</u>
Total Public Safety	12,860,019	12,696,077	163,942
<u>General Services</u>			
Total General Services	<u>5,782,945</u>	<u>5,804,031</u>	<u>(21,086)</u>
<u>Community and Development</u>			
Engineering	938,004	625,489	312,515
Conservation commission	41,190	30,961	10,229
Planning	<u>1,464,130</u>	<u>1,397,683</u>	<u>66,447</u>
Total Planning and Development	2,443,324	2,054,133	389,191
<u>Leisure and Information Services</u>			
Library	1,493,100	1,460,011	33,089
Recreation and parks	<u>532,305</u>	<u>521,434</u>	<u>10,871</u>
Total Leisure and Information Services	2,025,405	1,981,445	43,960
<u>Human Services</u>			
Welfare	745,130	655,374	89,756
Social services	<u>407,460</u>	<u>407,460</u>	<u>-</u>
Total Human Services	1,152,590	1,062,834	89,756

(Continued)

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Employee Benefits</u>			
Employee benefits	<u>357,580</u>	<u>148,402</u>	<u>209,178</u>
Total Employee Benefits	357,580	148,402	209,178
<u>Capital Outlay</u>			
Planning	<u>51,600</u>	<u>45,367</u>	<u>6,233</u>
Total Capital Outlay	51,600	45,367	6,233
<u>Debt Service</u>			
Principal	2,450,980	2,476,440	(25,460)
Interest	<u>1,119,050</u>	<u>1,085,861</u>	<u>33,189</u>
Total Debt Service	3,570,030	3,562,301	7,729
<u>Miscellaneous</u>			
Total Miscellaneous	<u>875,672</u>	<u>743,292</u>	<u>132,380</u>
<u>Other Financing Uses</u>			
Operating transfers out	<u>5,536,554</u>	<u>5,632,291</u>	<u>(95,737)</u>
Total Other Financing Uses	<u>5,536,554</u>	<u>5,632,291</u>	<u>(95,737)</u>
Total Expenditures and Other Financing Uses	<u>\$ 37,993,989</u>	<u>\$ 36,979,813</u>	<u>\$ 1,014,176</u>

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Special Revenue Funds

These funds account for certain revenue sources which are restricted by law or other formal action to expenditures for specific purposes.

Individual Funds:

- Community Development Fund - to account for the use of Community Development Block Grant Funds as received from the federal government through the New Hampshire Office of State Planning.
- Housing Revolving Loan Fund - to account for revenues and expenditures incurred with loans issued to various homeowners.
- Housing Revolving Loan Fund/Post 1992 - to account for revenues and expenditures incurred with loans issued to various homeowners after 1992.
- Parking Fund - to account for revenues and expenditures incurred with the collection of City parking meter fees.
- Airport Fund - to account for revenues and expenditures incurred with the operation of the Concord Airport.
- Impact Fee Fund - to account for revenues and expenditures incurred with fees charged on the construction of new buildings.
- Miscellaneous Special Revenue Fund - to account for the various other funds of the City legally restricted for specific purposes.

CITY OF CONCORD, NEW HAMPSHIRE

Special Revenue Funds

Combining Balance Sheet
June 30, 2002

	Community Development Fund	Housing Revolving Loan Fund	Housing Revolving Loan Fund/Post 1992	Parking Fund
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 396,013	\$ 100,721	\$ 830,970
Accounts receivable	26,594	-	-	1,430
Loans receivable	-	436,672	250,816	-
Other assets	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 26,594</u>	<u>\$ 832,685</u>	<u>\$ 351,537</u>	<u>\$ 832,400</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts payable	\$ 10,642	\$ 1	\$ -	\$ 2,394
Deferred revenue	-	436,672	252,894	-
Payments collected in advance	-	-	-	12,634
Due to other funds	15,952	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	26,594	436,673	252,894	15,028
Fund Equity:				
Reserved for encumbrances	3,852	-	-	63,418
Unreserved:				
Undesignated	<u>(3,852)</u>	<u>396,012</u>	<u>98,643</u>	<u>753,954</u>
Total Fund Equity	<u>-</u>	<u>396,012</u>	<u>98,643</u>	<u>817,372</u>
Total Liabilities and Fund Equity	<u>\$ 26,594</u>	<u>\$ 832,685</u>	<u>\$ 351,537</u>	<u>\$ 832,400</u>

<u>Airport Fund</u>	<u>Impact Fee Fund</u>	<u>Miscellaneous Special Revenue Fund</u>	<u>Total</u>
\$ 186,132	\$ 1,458,363	\$ 736,905	\$ 3,709,104
1,679	-	89,945	119,648
-	-	-	687,488
<u>5,465</u>	<u>-</u>	<u>-</u>	<u>5,465</u>
<u>\$ 193,276</u>	<u>\$ 1,458,363</u>	<u>\$ 826,850</u>	<u>\$ 4,521,705</u>
\$ 268	\$ -	\$ 22,481	\$ 35,786
-	-	-	689,566
-	-	-	12,634
<u>-</u>	<u>-</u>	<u>-</u>	<u>15,952</u>
268	-	22,481	753,938
39,571	-	-	106,841
<u>153,437</u>	<u>1,458,363</u>	<u>804,369</u>	<u>3,660,926</u>
<u>193,008</u>	<u>1,458,363</u>	<u>804,369</u>	<u>3,767,767</u>
<u>\$ 193,276</u>	<u>\$ 1,458,363</u>	<u>\$ 826,850</u>	<u>\$ 4,521,705</u>

CITY OF CONCORD, NEW HAMPSHIRE

Special Revenue Funds

**Combining Statement of Revenues, Expenditures
and Changes in Fund Equity
For the Fiscal Year Ended June 30, 2002**

	Community Development <u>Fund</u>	Housing Revolving Loan Fund	Housing Revolving Loan Fund/Post 1992	Parking Fund
Revenues:				
Intergovernmental	\$ 207,618	\$ -	\$ -	\$ -
Charges for services	-	136,273	15,596	367,386
Investment income	-	14,650	6,046	36,662
Miscellaneous:				
Departmental	-	-	-	169,927
Interest and penalties	-	-	-	277,391
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	207,618	150,923	21,642	851,366
Expenditures:				
Current:				
General government	14,234	4,650	29	-
Community and development	-	-	-	716,697
Debt service:				
Principal	-	-	-	5,000
Interest	-	-	-	420
Capital outlay	193,382	10,075	50,000	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	207,616	14,725	50,029	722,117
Excess (deficiency) of revenues over expenditures	2	136,198	(28,387)	129,249
Other Financing Sources (Uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	(71,000)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Other Financing Sources (Uses)	-	-	-	(71,000)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2	136,198	(28,387)	58,249
Fund Equity, beginning	<u>(2)</u>	<u>259,814</u>	<u>127,030</u>	<u>759,123</u>
Fund Equity, ending	\$ <u>-</u>	\$ <u>396,012</u>	\$ <u>98,643</u>	\$ <u>817,372</u>

<u>Airport Fund</u>	<u>Impact Fee Fund</u>	<u>Miscellaneous Special Revenue Fund</u>	<u>Total</u>
\$ 1,953	\$ -	\$ 394,932	\$ 604,503
109,582	461,258	175,263	1,265,358
-	55,142	240	112,740
-	-	-	169,927
-	-	-	<u>277,391</u>
<u>111,535</u>	<u>516,400</u>	<u>570,435</u>	<u>2,429,919</u>
-	-	304,755	323,668
96,697	-	-	813,394
70,000	-	-	75,000
22,230	-	-	22,650
-	-	<u>376,467</u>	<u>629,924</u>
<u>188,927</u>	<u>-</u>	<u>681,222</u>	<u>1,864,636</u>
(77,392)	516,400	(110,787)	565,283
197,180	-	507,437	704,617
<u>(39,885)</u>	<u>(143,454)</u>	<u>(85,000)</u>	<u>(339,339)</u>
<u>157,295</u>	<u>(143,454)</u>	<u>422,437</u>	<u>365,278</u>
79,903	372,946	311,650	930,561
<u>113,105</u>	<u>1,085,417</u>	<u>492,719</u>	<u>2,837,206</u>
<u>\$ 193,008</u>	<u>\$ 1,458,363</u>	<u>\$ 804,369</u>	<u>\$ 3,767,767</u>

CITY OF CONCORD, NEW HAMPSHIRE

Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Other Financing Sources and Uses - Budget and Actual

For the Fiscal Year Ended June 30, 2002

	Parking		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services:			
Street parking - meters	250,000	254,307	4,307
Firehouse block garage - meters	32,000	36,504	4,504
Durgin block garage - meters	72,000	76,575	4,575
Fuel flow fees	-	-	-
Rentals	-	-	-
Total Charges for Services	354,000	367,386	13,386
Investment income	35,000	36,662	1,662
Miscellaneous:			
Capital reserve	10,500	10,500	-
Meter parking penalties	240,000	276,161	36,161
Rentals	159,030	159,427	397
Court fines	2,000	1,230	(770)
Total Miscellaneous	411,530	447,318	35,788
Total Revenues	800,530	851,366	50,836
Expenditures:			
General Government:			
Compensation	309,645	295,525	14,120
Outside services	71,190	53,076	18,114
Fringe benefits	91,325	78,931	12,394
Firehouse block garage	37,720	37,444	276
Durgin block garage	79,580	69,991	9,589
Supplies	57,490	47,759	9,731
Utilities	20,720	14,118	6,602
Insurance	6,592	7,757	(1,165)
Debt service	5,420	5,420	-
Other	34,740	33,239	1,501
Total General Government and Total Expenditures	714,422	643,260	71,162
Other Financing Sources (Uses):			
Operating transfer in	-	-	-
Operating transfer out	(71,000)	(71,000)	-
Total Other Financing Sources (Uses)	(71,000)	(71,000)	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ 15,108	\$ 137,106	\$ 121,998

Airport			Total		
Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
\$ 700	\$ 1,953	\$ 1,253	\$ 700	\$ 1,953	\$ 1,253
-	-	-	250,000	254,307	4,307
-	-	-	32,000	36,504	4,504
-	-	-	72,000	76,575	4,575
20,500	21,303	803	20,500	21,303	803
<u>90,400</u>	<u>88,279</u>	<u>(2,121)</u>	<u>90,400</u>	<u>88,279</u>	<u>(2,121)</u>
110,900	109,582	(1,318)	464,900	476,968	12,068
-	-	-	35,000	36,662	1,662
-	-	-	10,500	10,500	-
-	-	-	240,000	276,161	36,161
-	-	-	159,030	159,427	397
-	-	-	<u>2,000</u>	<u>1,230</u>	<u>(770)</u>
-	-	-	<u>411,530</u>	<u>447,318</u>	<u>35,788</u>
111,600	111,535	(65)	912,130	962,901	50,771
30,000	22,680	7,320	339,645	318,205	21,440
32,890	28,563	4,327	104,080	81,639	22,441
15,000	11,601	3,399	106,325	90,532	15,793
-	-	-	37,720	37,444	276
-	-	-	79,580	69,991	9,589
27,950	26,584	1,366	85,440	74,343	11,097
19,220	14,405	4,815	39,940	28,523	11,417
5,920	5,935	(15)	12,512	13,692	(1,180)
92,800	92,230	570	98,220	97,650	570
-	-	-	<u>34,740</u>	<u>33,239</u>	<u>1,501</u>
223,780	201,998	21,782	938,202	845,258	92,944
112,180	197,180	85,000	112,180	197,180	85,000
-	<u>(39,885)</u>	<u>(39,885)</u>	<u>(71,000)</u>	<u>(110,885)</u>	<u>(39,885)</u>
<u>112,180</u>	<u>157,295</u>	<u>45,115</u>	<u>41,180</u>	<u>86,295</u>	<u>45,115</u>
\$ <u>-</u>	\$ <u>66,832</u>	\$ <u>66,832</u>	\$ <u>15,108</u>	\$ <u>203,938</u>	\$ <u>188,830</u>

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Capital Project Funds

These funds include all major capital improvement projects of the City other than those accounted for in the proprietary funds.

Individual Funds:

- Bridge Repairs - to account for repairs to the Bridge Street bridge; the London Road bridge over the Merrimack River; and the replacement of the Manchester Street bridge over the Merrimack River and related Route 93 Manchester Street corridor improvements funded by \$ 4,610,000 of bond issue proceeds.
- Airport Business Park Phase 2 and 3 - to account for the construction of improvements to Chenell Drive and Regional Drive extension funded by \$ 925,000 in bond issue proceeds and \$ 1,300,000 in grant funds from the U.S. Economic Development Administration.
- North End Opportunity Corridor - to account for funds used to purchase the Concord Lumber property and construct public improvements to the property for redevelopment.
- Other Capital Project Funds - to account for various other smaller construction projects and MIS upgrade funded by various sources.
- Sears Block - to account for the demolition of the former Sears building and the construction of a new parking garage.

CITY OF CONCORD, NEW HAMPSHIRE

Capital Project Funds

Combining Balance Sheet
June 30, 2002

	<u>Bridge Repairs</u>	<u>Airport Business Park Phase 2 & 3</u>	<u>North End Opportunity Corridor</u>	<u>Other Capital Project Funds</u>	<u>Sears Block</u>	<u>Total</u>
<u>ASSETS</u>						
Cash and cash equivalents	\$ <u>109,240</u>	\$ <u>378,080</u>	\$ <u>188,569</u>	\$ <u>9,093,167</u>	\$ <u>459,473</u>	\$ <u>10,228,529</u>
Total Assets	\$ <u>109,240</u>	\$ <u>378,080</u>	\$ <u>188,569</u>	\$ <u>9,093,167</u>	\$ <u>459,473</u>	\$ <u>10,228,529</u>
<u>LIABILITIES AND FUND EQUITY</u>						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 211,792	\$ 1,728	\$ 213,520
Retainage payable	<u>-</u>	<u>-</u>	<u>58,906</u>	<u>114,677</u>	<u>-</u>	<u>173,583</u>
Total Liabilities	-	-	58,906	326,469	1,728	387,103
Fund Equity:						
Unreserved/Undesignated	<u>109,240</u>	<u>378,080</u>	<u>129,663</u>	<u>8,766,698</u>	<u>457,745</u>	<u>9,841,426</u>
Total Fund Equity	<u>109,240</u>	<u>378,080</u>	<u>129,663</u>	<u>8,766,698</u>	<u>457,745</u>	<u>9,841,426</u>
Total Liabilities and Fund Equity	\$ <u>109,240</u>	\$ <u>378,080</u>	\$ <u>188,569</u>	\$ <u>9,093,167</u>	\$ <u>459,473</u>	\$ <u>10,228,529</u>

CITY OF CONCORD, NEW HAMPSHIRE

Capital Project Funds

**Combining Statement of Revenue, Expenditures
and Changes in Fund Equity
For the Fiscal Year Ended June 30, 2002**

	<u>Bridge Repair</u>	<u>Airport Business Park Phase 2 & 3</u>	<u>North End Opportunity Corridor</u>	<u>Other Capital Project Funds</u>	<u>Sears Block</u>	<u>Total</u>
Revenues:						
Intergovernmental	\$ 2,654	\$ -	\$ -	\$ 10,000	\$ -	\$ 12,654
Miscellaneous	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>26,320</u>	<u>-</u>	<u>76,320</u>
Total Revenues	2,654	-	50,000	36,320	-	88,974
Expenditures:						
Capital outlay	<u>8,992</u>	<u>-</u>	<u>764,730</u>	<u>4,751,563</u>	<u>152,255</u>	<u>5,677,540</u>
Total Expenditures	<u>8,992</u>	<u>-</u>	<u>764,730</u>	<u>4,751,563</u>	<u>152,255</u>	<u>5,677,540</u>
Excess (Deficiency) of revenues over expenditures	(6,338)	-	(714,730)	(4,715,243)	(152,255)	(5,588,566)
Other Financing Sources (Uses):						
Bond proceeds	16,000	-	-	1,019,000		1,035,000
Operating transfers in	-	-	-	3,653,073	610,000	4,263,073
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(300,450)</u>	<u>-</u>	<u>(300,450)</u>
Total Other Financing Sources (Uses)	<u>16,000</u>	<u>-</u>	<u>-</u>	<u>4,371,623</u>	<u>610,000</u>	<u>4,997,623</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	9,662	-	(714,730)	(343,620)	457,745	(590,943)
Fund Equity (Deficit), beginning	<u>99,578</u>	<u>378,080</u>	<u>844,393</u>	<u>9,110,318</u>	<u>-</u>	<u>10,432,369</u>
Fund Equity (Deficit), ending	<u>\$ 109,240</u>	<u>\$ 378,080</u>	<u>\$ 129,663</u>	<u>\$ 8,766,698</u>	<u>\$ 457,745</u>	<u>\$ 9,841,426</u>

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Enterprise Funds

These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs be financed or recovered primarily through user charges.

Individual Funds:

- **Water Fund** - to account for the operation and maintenance of the City's water lines, pumping stations and plant.
- **Sewer Fund** - to account for the operation and maintenance of the City's sewer lines, pumping stations, and two wastewater treatment plants.
- **Golf Fund** - to account for the operation and maintenance of the City's public golf course.
- **Arena Fund** - to account for the operation and maintenance of the City's ice arena.
- **Solid Waste Fund** - to account for the collection and disposal of City's trash. Residential trash collection is handled as a transfer from the general fund and reimbursed through the property tax levy.

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

Combining Balance Sheet
June 30, 2002

	Water <u>Fund</u>	Sewer <u>Fund</u>	Golf <u>Fund</u>
<u>ASSETS</u>			
Current Assets:			
Cash and cash equivalents	\$ 4,529,265	\$ 3,507,320	\$ 402,374
Accounts receivable (refunds due)	411,404	390,413	(296)
Due from other governments	-	2,351,479	-
Other assets	750	-	8,500
Inventory	<u>21,442</u>	<u>-</u>	<u>-</u>
Total Current Assets	4,962,861	6,249,212	410,578
Non-Current Assets:			
Fixed assets	40,343,525	85,922,207	1,803,524
Accumulated depreciation	(9,112,564)	(25,390,812)	(747,843)
Due from other governments	<u>-</u>	<u>916,800</u>	<u>-</u>
Total Non-Current Assets	<u>31,230,961</u>	<u>61,448,195</u>	<u>1,055,681</u>
Total Assets	<u>\$ 36,193,822</u>	<u>\$ 67,697,407</u>	<u>\$ 1,466,259</u>
<u>LIABILITIES, CONTRIBUTED CAPITAL AND RETAINED EARNING:</u>			
Current Liabilities:			
Accounts payable	\$ 70,263	\$ 1,904,785	\$ 33,406
Retainage payable	105,758	217,045	2,416
Other liabilities	193,747	159,105	4,158
Deferred revenue	-	-	161,742
Notes payable	-	2,346,522	-
Current maturities of general obligation debt	<u>1,354,403</u>	<u>1,470,742</u>	<u>30,000</u>
Total Current Liabilities	1,724,171	6,098,199	231,722
Non-Current Liabilities:			
Accrued employee benefits	58,945	47,668	16,086
General obligation debt, net of current maturities	<u>11,791,721</u>	<u>8,150,516</u>	<u>355,000</u>
Total Non-Current Liabilities	<u>11,850,666</u>	<u>8,198,184</u>	<u>371,086</u>
Total Liabilities	13,574,837	14,296,383	602,808
Contributed Capital and Retained Earnings:			
Contributed capital	6,817,812	44,035,188	335,000
Retained earnings	<u>15,801,173</u>	<u>9,365,836</u>	<u>528,451</u>
Total Contributed Capital and Retained Earnings	<u>22,618,985</u>	<u>53,401,024</u>	<u>863,451</u>
Total Liabilities, Contributed Capital and Retained Earnings	<u>\$ 36,193,822</u>	<u>\$ 67,697,407</u>	<u>\$ 1,466,259</u>

<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ 97,652	\$ 660,849	\$ 9,197,460
2,000	136,374	939,895
-	-	2,351,479
-	-	9,250
-	-	21,442
<hr/>	<hr/>	<hr/>
99,652	797,223	12,519,526
1,434,142	259,369	129,762,767
(533,603)	(73,169)	(35,857,991)
-	-	916,800
<hr/>	<hr/>	<hr/>
900,539	186,200	94,821,576
<hr/>	<hr/>	<hr/>
\$ <u>1,000,191</u>	\$ <u>983,423</u>	\$ <u>107,341,102</u>
\$ 2,216	\$ 72,005	\$ 2,082,675
-	-	325,219
3,636	-	360,646
-	-	161,742
-	-	2,346,522
29,000	-	2,884,145
<hr/>	<hr/>	<hr/>
34,852	72,005	8,160,949
7,898	157	130,754
372,000	-	20,669,237
<hr/>	<hr/>	<hr/>
379,898	157	20,799,991
<hr/>	<hr/>	<hr/>
414,750	72,162	28,960,940
418,980	109,759	51,716,739
166,461	801,502	26,663,423
<hr/>	<hr/>	<hr/>
585,441	911,261	78,380,162
<hr/>	<hr/>	<hr/>
\$ <u>1,000,191</u>	\$ <u>983,423</u>	\$ <u>107,341,102</u>

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings

For the Fiscal Year Ended June 30, 2002

	Water Fund	Sewer Fund	Golf Fund
Operating Revenues:			
Charges for services	\$ 4,381,926	\$ 4,580,209	\$ 796,900
Miscellaneous	<u>10,959</u>	<u>16,762</u>	<u>9,248</u>
Total Operating Revenues	4,392,885	4,596,971	806,148
Operating Expenses:			
Depreciation	826,783	1,369,816	83,503
Administration	698,003	702,769	633,017
Collection	-	243,918	-
Treatment facility/plant operations	878,276	1,616,238	-
Water supply	204,931	-	-
Distribution	377,704	-	-
Pump station	-	49,699	-
Miscellaneous	22,173	18,166	-
Disposal	<u>-</u>	<u>19,237</u>	<u>-</u>
Total Operating Expenses	<u>3,007,870</u>	<u>4,019,843</u>	<u>716,520</u>
Operating Income (Loss)	1,385,015	577,128	89,628
Nonoperating Revenue (Expenses):			
Interest expense	(565,944)	(476,825)	(2,871)
Investment income	146,541	168,515	2,442
Intergovernmental revenue	-	174,757	-
Other revenue	<u>159,103</u>	<u>417,354</u>	<u>-</u>
Total Nonoperating Revenue (Expenses)	<u>(260,300)</u>	<u>283,801</u>	<u>(429)</u>
Net Income (Loss) Before Operating Transfers	1,124,715	860,929	89,199
Operating Transfers In (Out):			
Operating transfers in	-	-	-
Operating transfers out	<u>(341,100)</u>	<u>(404,900)</u>	<u>(63,700)</u>
Total Operating Transfers In (Out)	<u>(341,100)</u>	<u>(404,900)</u>	<u>(63,700)</u>
Net Income (Loss)	783,615	456,029	25,499
Depreciation on assets acquired with contributed capital	<u>-</u>	<u>888,675</u>	<u>-</u>
Increase (Decrease) in Retained Earnings	783,615	1,344,704	25,499
Retained Earnings, beginning	<u>15,017,558</u>	<u>8,021,132</u>	<u>502,952</u>
Retained Earnings, ending	<u>\$ 15,801,173</u>	<u>\$ 9,365,836</u>	<u>\$ 528,451</u>

<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ 353,990	\$ 1,566,208	\$ 11,679,233
992	-	37,961
354,982	1,566,208	11,717,194
43,558	-	2,323,660
310,605	-	2,344,394
-	741,510	985,428
-	-	2,494,514
-	-	204,931
-	-	377,704
-	-	49,699
-	-	40,339
-	2,026,967	2,046,204
354,163	2,768,477	10,866,873
819	(1,202,269)	850,321
(18,865)	-	(1,064,505)
2,612	-	320,110
-	-	174,757
-	-	576,457
(16,253)	-	6,819
(15,434)	(1,202,269)	857,140
26,300	1,265,700	1,292,000
(29,800)	-	(839,500)
(3,500)	1,265,700	452,500
(18,934)	63,431	1,309,640
-	-	888,675
(18,934)	63,431	2,198,315
185,395	738,071	24,465,108
\$ 166,461	\$ 801,502	\$ 26,663,423

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

**Schedule of Revenues and
Expenses, Budget and Actual
For the Fiscal Year Ended June 30, 2002**

	Budget	Water Fund Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Operating Revenues:			
Operating revenue	\$ 4,506,040	\$ 4,541,029	\$ 34,989
Miscellaneous	-	10,959	10,959
Total Operating Revenues	4,506,040	4,551,988	45,948
Operating Expenses:			
Administration	754,360	688,920	65,440
Collection	-	-	-
Treatment facility/plant operations	898,710	866,476	32,234
Water supply	225,230	226,272	(1,042)
Distribution	433,170	396,585	36,585
Other operating expenses	-	-	-
Disposal	-	-	-
Miscellaneous	14,500	22,173	(7,673)
Capital outlay	215,283	215,612	(329)
Debt service	1,272,170	1,275,695	(3,525)
Total Operating Expenses	3,813,423	3,691,733	121,690
Operating Income (Loss)	692,617	860,255	167,638
Non-Operating Income (Expenses):			
Interest expense	(635,990)	(565,944)	70,046
Investment income	87,000	146,542	59,542
Intergovernmental	-	-	-
Total Non-Operating Income (Expenses)	(548,990)	(419,402)	129,588
Net Income (Loss) Before Operating Transfers	143,627	440,853	297,226
Operating Transfers In (Out):			
Transfers in	-	-	-
Transfers out	(341,100)	(341,100)	-
Total Operating Transfers In (Out)	(341,100)	(341,100)	-
Net Income (Loss)	\$ (197,473)	\$ 99,753	\$ 297,226

Sewer Fund			Golf Fund		
<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 4,293,030	\$ 4,542,143	\$ 249,113	\$ 849,180	\$ 796,900	\$ (52,280)
<u>-</u>	<u>16,762</u>	<u>16,762</u>	<u>-</u>	<u>9,248</u>	<u>9,248</u>
4,293,030	4,558,905	265,875	849,180	806,148	(43,032)
767,060	699,364	67,696	773,490	753,985	19,505
272,950	243,918	29,032	-	-	-
1,708,090	1,612,329	95,761	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
60,890	49,699	11,191	-	-	-
-	1,262	(1,262)	-	-	-
22,500	18,166	4,334	-	-	-
104,670	89,818	14,852	-	-	-
<u>1,533,400</u>	<u>1,535,817</u>	<u>(2,417)</u>	<u>6,090</u>	<u>5,000</u>	<u>1,090</u>
<u>4,469,560</u>	<u>4,250,373</u>	<u>219,187</u>	<u>779,580</u>	<u>758,985</u>	<u>20,595</u>
(176,530)	308,532	485,062	69,600	47,163	(22,437)
(547,500)	(476,825)	70,675	(15,900)	(2,871)	13,029
121,000	168,515	47,515	10,000	2,442	(7,558)
<u>601,430</u>	<u>700,066</u>	<u>98,636</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>174,930</u>	<u>391,756</u>	<u>216,826</u>	<u>(5,900)</u>	<u>(429)</u>	<u>5,471</u>
(1,600)	700,288	701,888	63,700	46,734	(16,966)
-	-	-	-	-	-
<u>(404,900)</u>	<u>(404,900)</u>	<u>-</u>	<u>(63,700)</u>	<u>(63,700)</u>	<u>-</u>
<u>(404,900)</u>	<u>(404,900)</u>	<u>-</u>	<u>(63,700)</u>	<u>(63,700)</u>	<u>-</u>
<u>\$ (406,500)</u>	<u>\$ 295,388</u>	<u>\$ 701,888</u>	<u>\$ -</u>	<u>\$ (16,966)</u>	<u>\$ (16,966)</u>

(continued)

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

Schedule of Revenues and
Expenses, Budget and Actual
For the Fiscal Year Ended June 30, 2002

		Arena Fund	
	<u>Budget</u>	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Operating Revenues:			
Operating revenue	\$ 360,770	\$ 353,990	\$ (6,780)
Miscellaneous	<u>-</u>	<u>992</u>	<u>992</u>
Total Operating Revenues	360,770	354,982	(5,788)
Operating Expenses:			
Administration	324,560	304,974	19,586
Collection	-	-	-
Treatment facility/plant operations	-	-	-
Water supply	-	-	-
Distribution	-	-	-
Other operating expenses	-	-	-
Disposal	-	-	-
Storm sewer maintenance	-	-	-
Capital outlay	-	-	-
Debt service	<u>29,000</u>	<u>29,000</u>	<u>-</u>
Total Operating Expenses	<u>353,560</u>	<u>333,974</u>	<u>19,586</u>
Operating Income (Loss)	7,210	21,008	13,798
Non-Operating Income (Expenses):			
Interest expense	(20,100)	(18,865)	1,235
Investment income	3,400	2,612	(788)
Intergovernmental	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Operating Income (Expenses)	<u>(16,700)</u>	<u>(16,253)</u>	<u>447</u>
Net Income (Loss) Before Operating Transfers	(9,490)	4,755	14,245
Operating Transfers In (Out):			
Transfers in	26,300	26,300	-
Transfers out	<u>(29,800)</u>	<u>(29,800)</u>	<u>-</u>
Total Operating Transfers In (Out)	<u>(3,500)</u>	<u>(3,500)</u>	<u>-</u>
Net Income (Loss)	\$ <u>(12,990)</u>	\$ <u>1,255</u>	\$ <u>14,245</u>

Solid Waste Fund		
<u>Budget</u>	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
\$ 1,528,890	\$ 1,566,208	\$ 37,318
<u>-</u>	<u>-</u>	<u>-</u>
1,528,890	1,566,208	37,318
-	-	-
741,760	741,510	250
-	-	-
-	-	-
-	-	-
2,052,830	2,058,346	(5,516)
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>2,794,590</u>	<u>2,799,856</u>	<u>(5,266)</u>
(1,265,700)	(1,233,648)	32,052
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
(1,265,700)	(1,233,648)	32,052
1,265,700	1,265,700	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>1,265,700</u>	<u>1,265,700</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 32,052</u>	<u>\$ 32,052</u>

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2002

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Golf Fund</u>
Cash Flows From Operating Activities:			
Operating income (loss)	\$ 1,385,015	\$ 577,128	\$ 89,628
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	826,783	1,369,816	83,503
(Increase) Decrease In:			
Accounts receivable	25,449	27,071	-
Inventory	(4,213)	-	3,145
Due from other governments	-	(1,731,639)	-
Increase (Decrease) In:			
Accounts payable	(64,510)	1,698,059	(34,162)
Retainage payable	(22,117)	166,968	(6,744)
Other liabilities	(3,072)	(41,026)	3,830
Deferred revenue	-	-	21,618
Accrued vacation benefits	(2,473)	1,236	(288)
Net Cash Provided By (Used For) Operating Activities	<u>2,140,862</u>	<u>2,067,613</u>	<u>160,530</u>
Cash Flows From Noncapital Financing Activities:			
Intergovernmental revenue	-	174,757	-
Operating transfers in from other funds	-	-	-
Operating transfers out to other funds	(341,100)	(404,900)	(63,700)
Net Cash Provided By (Used For) Noncapital Financing Activities	<u>(341,100)</u>	<u>(230,143)</u>	<u>(63,700)</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(1,416,048)	(2,794,186)	(120,890)
Principal paid on outstanding bonds	(1,275,695)	(1,535,817)	(5,000)
Proceeds from the issuance of bonds	1,730,000	2,515,522	365,000
Interest expense on outstanding bonds	(565,944)	(476,825)	(2,871)
Proceeds of contributed capital	159,103	417,354	-
Net Cash Provided By (Used For) Capital and Related Financing Activities	<u>(1,368,584)</u>	<u>(1,873,952)</u>	<u>236,239</u>
Cash Flows From Investing Activities:			
Investment income	<u>146,541</u>	<u>168,515</u>	<u>2,442</u>
Net Increase (Decrease) in Cash and Cash Equivalents	577,719	132,033	335,511
Cash and Cash Equivalents, beginning	<u>3,951,546</u>	<u>3,375,287</u>	<u>66,863</u>
Cash and Cash Equivalents, ending	<u>\$ 4,529,265</u>	<u>\$ 3,507,320</u>	<u>\$ 402,374</u>

<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ 819	\$ (1,202,269)	\$ 850,321
43,558	-	2,323,660
(1,946)	8,816	59,390
-	-	(1,068)
-	-	(1,731,639)
(91,307)	(10,949)	1,497,131
(64,599)	-	73,508
(1,233)	-	(41,501)
-	-	21,618
<u>(193)</u>	<u>(86)</u>	<u>(1,804)</u>
(114,901)	(1,204,488)	3,049,616
-	-	174,757
26,300	1,265,700	1,292,000
<u>(29,800)</u>	<u>-</u>	<u>(839,500)</u>
(3,500)	1,265,700	627,257
(11,142)	-	(4,342,266)
(29,000)	-	(2,845,512)
-	-	4,610,522
(18,865)	-	(1,064,505)
<u>-</u>	<u>-</u>	<u>576,457</u>
(59,007)	-	(3,065,304)
<u>2,612</u>	<u>-</u>	<u>320,110</u>
(174,796)	61,212	931,679
<u>272,448</u>	<u>599,637</u>	<u>8,265,781</u>
<u>\$ 97,652</u>	<u>\$ 660,849</u>	<u>\$ 9,197,460</u>

Trust and Agency Funds

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds.

Individual Funds:

Agency Funds

- **Payroll Withholdings** - to account for amounts withheld from employees' payrolls in all funds.
- **Schools** - to account for the collection of tax funds by the City on behalf of local school districts.
- **County Tax** - to account for property taxes committed to be turned over to the local county government.
- **Employee Benefits** - to account for amounts allocated for employees under City sponsored employee benefit plans.
- **Payroll** - to account for year end accrued payroll.

Non-Expendable Trust Funds

- **Cemetery** - to account for nonexpendable gifts to the City. Income is available for maintenance of various cemeteries.
- **Library** - to account for nonexpendable gifts received by the library with income restricted for maintenance of the library grounds.
- **Other** - to account for all other nonexpendable gifts received by the City. Income is available for those activities designated by the appropriate trust instrument.

Expendable Trust Funds

- **Insured Retention** - to account for sums of money which are appropriated for City insurance purposes.
- **Durgin Garage** - to account for monies received by the City to fund capital improvements on the Durgin Garage.
- **Landfill** - to account for monies received by the City to fund anticipated expenditures upon closure of the landfill.

- Reappraisal - to account for funds remaining from the 1991 property reappraisal.
- Nelson - to account for monies left to the Concord Public Library for capital improvement or land acquisition.
- Conservation - to account for revenues collected from the Land Use Charge Tax (used to preserve and protect open space, forests and conservation land in the City) and the option to purchase real property or interests therein.
- Cemetery - to account for expendable gifts to the City designated for the maintenance of cemeteries.
- Library - to account for expendable gifts to the City designated for the libraries.
- Highway - to account for funds transferred from the General Fund for future pavement restoration and repair.
- Economic Development - to account for funds transferred from the General Fund for an office park, industrial park or civic center.
- Revaluation - to account for funds transferred from the General Fund for the next property revaluation.
- 53rd Week - to account for funds transferred to reserve for an upcoming 53rd payroll week fiscal year.
- Equipment - to account for funds transferred from the General Fund for equipment upgrades.
- Mountain Green - to account for funds transferred from the General Fund for system repairs and renovations.
- Fire Apparatus Replacement - to account for funds transferred from the General Fund for fire apparatus replacement.
- Downtown Economic Development - to account for funds transferred from the General Fund for downtown economic development.

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CITY OF CONCORD, NEW HAMPSHIRE

Fiduciary Funds

Combining Balance Sheet
June 30, 2002

	Agency Funds	Trust Funds		Total
		Non-Expendable	Expendable	
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,836,846	\$ -	\$ 96,370	\$ 3,933,216
Investments	-	6,446,207	15,228,845	21,675,052
Interest receivable	-	42,389	35,693	78,082
Total Assets	<u>\$ 3,836,846</u>	<u>\$ 6,488,596</u>	<u>\$ 15,360,908</u>	<u>\$ 25,686,350</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Other liabilities	\$ 1,420,682	\$ -	\$ -	\$ 1,420,682
Due to other funds	-	194,228	3,190,700	3,384,928
Due to other governments	2,416,164	-	-	2,416,164
Total Liabilities	3,836,846	194,228	3,190,700	7,221,774
Fund Equity:				
Reserved for endowments	-	6,294,368	-	6,294,368
Unreserved/Undesignated	-	-	12,170,208	12,170,208
Total Fund Equity	-	6,294,368	12,170,208	18,464,576
Total Liabilities and Fund Equity	<u>\$ 3,836,846</u>	<u>\$ 6,488,596</u>	<u>\$ 15,360,908</u>	<u>\$ 25,686,350</u>

CITY OF CONCORD, NEW HAMPSHIRE

Agency Funds

Combining Balance Sheet

June 30, 2002

	<u>Payroll Withholdings</u>	<u>Schools</u>	<u>County Tax</u>	<u>Employee Benefits</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ <u>978,788</u>	\$ <u>1,519,478</u>	\$ <u>798,232</u>	\$ <u>292,452</u>
Total Assets	\$ <u><u>978,788</u></u>	\$ <u><u>1,519,478</u></u>	\$ <u><u>798,232</u></u>	\$ <u><u>292,452</u></u>
<u>LIABILITIES AND FUND EQUITY</u>				
Other liabilities:				
Payroll withholdings	\$ 880,334	\$ -	\$ -	\$ 292,452
Accrued payroll	-	-	-	-
Due to other governments	<u>98,454</u>	<u>1,519,478</u>	<u>798,232</u>	<u>-</u>
Total Liabilities	\$ <u><u>978,788</u></u>	\$ <u><u>1,519,478</u></u>	\$ <u><u>798,232</u></u>	\$ <u><u>292,452</u></u>

<u>Payroll</u>	<u>Total</u>
\$ <u>247,896</u>	\$ <u>3,836,846</u>
\$ <u><u>247,896</u></u>	\$ <u><u>3,836,846</u></u>
\$ -	\$ 1,172,786
247,896	247,896
<u>-</u>	<u>2,416,164</u>
\$ <u><u>247,896</u></u>	\$ <u><u>3,836,846</u></u>

CITY OF CONCORD, NEW HAMPSHIRE

Agency Funds

**Combining Statement of Changes in Assets
and Liabilities
For the Fiscal Year Ended June 30, 2002**

	Balance July 1, <u>2001</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2002</u>
<u>Payroll Withholdings</u>				
Assets - cash and cash equivalents	\$ <u>731,753</u>	\$ <u>13,583,050</u>	\$ <u>13,336,015</u>	\$ <u>978,788</u>
Total Assets	\$ <u>731,753</u>	\$ <u>13,583,050</u>	\$ <u>13,336,015</u>	\$ <u>978,788</u>
Liabilities - other liabilities	\$ 629,536	\$ 8,818,255	\$ 8,567,457	\$ 880,334
Liabilities - due to other governments	<u>102,217</u>	<u>4,764,795</u>	<u>4,768,558</u>	<u>98,454</u>
Total Liabilities	\$ <u>731,753</u>	\$ <u>13,583,050</u>	\$ <u>13,336,015</u>	\$ <u>978,788</u>
<u>Schools</u>				
Assets-cash and cash equivalents	\$ <u>2,207,677</u>	\$ <u>35,803,015</u>	\$ <u>36,491,214</u>	\$ <u>1,519,478</u>
Liabilities - due to other governments	\$ <u>2,207,677</u>	\$ <u>35,803,015</u>	\$ <u>36,491,214</u>	\$ <u>1,519,478</u>
<u>County Tax</u>				
Assets - cash and cash equivalents	\$ <u>798,232</u>	\$ <u>5,296,015</u>	\$ <u>5,296,015</u>	\$ <u>798,232</u>
Liabilities - due to other governments	\$ <u>798,232</u>	\$ <u>5,296,015</u>	\$ <u>5,296,015</u>	\$ <u>798,232</u>
<u>Employee Benefits</u>				
Assets - cash and cash equivalents	\$ <u>254,119</u>	\$ <u>3,725,648</u>	\$ <u>3,687,315</u>	\$ <u>292,452</u>
	<u>254,119</u>	<u>3,725,648</u>	<u>3,687,315</u>	<u>292,452</u>
Liabilities - other liabilities	\$ <u>254,119</u>	\$ <u>3,725,648</u>	\$ <u>3,687,315</u>	\$ <u>292,452</u>

(Continued)

CITY OF CONCORD, NEW HAMPSHIRE

Agency Funds

Combining Statement of Changes in Assets
and Liabilities
For the Fiscal Year Ended June 30, 2002

	Balance July 1, <u>2001</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2002</u>
<u>Payroll</u>				
Assets-cash and cash equivalents	\$ <u>228,773</u>	\$ <u>11,369,832</u>	\$ <u>11,350,709</u>	\$ <u>247,896</u>
Liabilities - other liabilities	\$ <u>228,773</u>	\$ <u>11,369,832</u>	\$ <u>11,350,709</u>	\$ <u>247,896</u>
<u>Totals</u>				
 <u>ASSETS</u>				
Cash and cash equivalents	\$ <u>4,220,554</u>	\$ <u>69,777,560</u>	\$ <u>70,161,268</u>	\$ <u>3,836,846</u>
Total Assets	\$ <u>4,220,554</u>	\$ <u>69,777,560</u>	\$ <u>70,161,268</u>	\$ <u>3,836,846</u>
 <u>LIABILITIES</u>				
Other liabilities	\$ 1,112,428	\$ 23,913,734	\$ 23,605,480	\$ 1,420,682
Due to other governments	<u>3,108,126</u>	<u>45,863,826</u>	<u>46,555,788</u>	<u>2,416,164</u>
Total Liabilities	\$ <u>4,220,554</u>	\$ <u>69,777,560</u>	\$ <u>70,161,268</u>	\$ <u>3,836,846</u>

CITY OF CONCORD, NEW HAMPSHIRE

Non-Expendable Trust Funds

Combining Balance Sheet
June 30, 2002

	<u>Cemetery</u>	<u>Library</u>	<u>Other</u>	<u>Total</u>
<u>ASSETS</u>				
Investments	\$ 5,203,534	\$ 1,181,312	\$ 61,361	\$ 6,446,207
Interest receivable	<u>36,895</u>	<u>5,013</u>	<u>481</u>	<u>42,389</u>
Total Assets	<u>\$ 5,240,429</u>	<u>\$ 1,186,325</u>	<u>\$ 61,842</u>	<u>\$ 6,488,596</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Due to other funds	\$ <u>177,778</u>	\$ <u>16,450</u>	\$ <u>-</u>	\$ <u>194,228</u>
Total Liabilities	177,778	16,450	-	194,228
Fund Equity:				
Reserved for endowments	<u>5,062,651</u>	<u>1,169,875</u>	<u>61,842</u>	<u>6,294,368</u>
Total Fund Equity	<u>5,062,651</u>	<u>1,169,875</u>	<u>61,842</u>	<u>6,294,368</u>
Total Liabilities and Fund Equity	<u>\$ 5,240,429</u>	<u>\$ 1,186,325</u>	<u>\$ 61,842</u>	<u>\$ 6,488,596</u>

CITY OF CONCORD, NEW HAMPSHIRE

Non-Expendable Trust Funds

**Combining Statement of Revenues, Expenses and
Changes in Fund Equity
For the Fiscal Year Ended June 30, 2002**

	<u>Cemetery</u>	<u>Library</u>	<u>Other</u>	<u>Total</u>
Operating Revenues:				
Contributions	\$ 47,628	\$ -	\$ -	\$ 47,628
Investment income (loss)	<u>(468,648)</u>	<u>177,039</u>	<u>(6,086)</u>	<u>(297,695)</u>
Total Operating Revenues	(421,020)	177,039	(6,086)	(250,067)
Operating Expenses:				
Miscellaneous	<u>23,588</u>	<u>4,181</u>	<u>334</u>	<u>28,103</u>
Total Operating Expenses	<u>23,588</u>	<u>4,181</u>	<u>334</u>	<u>28,103</u>
Operating Income (Loss)	(444,608)	172,858	(6,420)	(278,170)
Operating transfers out	<u>(177,778)</u>	<u>(120,000)</u>	<u>-</u>	<u>(297,778)</u>
Total Operating Transfers	<u>(177,778)</u>	<u>(120,000)</u>	<u>-</u>	<u>(297,778)</u>
Net Income (Loss)	(622,386)	52,858	(6,420)	(575,948)
Fund Equity, beginning	<u>5,685,037</u>	<u>1,117,017</u>	<u>68,262</u>	<u>6,870,316</u>
Fund Equity, ending	\$ <u><u>5,062,651</u></u>	\$ <u><u>1,169,875</u></u>	\$ <u><u>61,842</u></u>	\$ <u><u>6,294,368</u></u>

CITY OF CONCORD, NEW HAMPSHIRE

**Non-Expendable Trust Funds
Combining Statement of Cash Flows**

For the Fiscal Year Ended June 30, 2002

	<u>Cemetery</u>	<u>Library</u>	<u>Other</u>	<u>Total</u>
Cash Flows From Operating Activities:				
Operating income (loss)	\$ (444,608)	\$ 172,858	\$ (6,420)	\$ (278,170)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Investment income (loss)	(468,648)	177,039	(6,086)	(297,695)
(Increase) decrease in:				
Interest receivable	<u>5,718</u>	<u>(2,423)</u>	<u>44</u>	<u>3,339</u>
Net Cash Provided By (Used For) Operating Activities	(907,538)	347,474	(12,462)	(572,526)
Cash Flows From Noncapital Financing Activities:				
Increase (decrease) in due to other funds	8,953	(1,518)	-	7,435
Operating transfers out to other funds	<u>177,778</u>	<u>120,000</u>	<u>-</u>	<u>297,778</u>
Net Cash Provided By (Used For) Noncapital Financing Activities	186,731	118,482	-	305,213
Cash Flows From Investing Activities:				
Investment income (loss)	468,648	(177,039)	6,086	297,695
Maturing of investments	252,159	-	6,376	258,535
Purchase of investments	<u>-</u>	<u>(288,917)</u>	<u>-</u>	<u>(288,917)</u>
Net Cash Provided By (Used For) Investing Activities	<u>720,807</u>	<u>(465,956)</u>	<u>12,462</u>	<u>267,313</u>
Net (Decrease) in Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents, Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF CONCORD, NEW HAMPSHIRE

Expendable Trust Funds

Combining Balance Sheet
June 30, 2002

	<u>Insured Retention</u>	<u>Durgin Garage</u>	<u>Landfill</u>	<u>Reappraisal</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 10,500	\$ -	\$ -
Investments	1,182,315	265,869	175,855	-
Interest receivable	<u>1,616</u>	<u>669</u>	<u>240</u>	<u>-</u>
Total Assets	<u>\$ 1,183,931</u>	<u>\$ 277,038</u>	<u>\$ 176,095</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities				
Due to other funds	<u>\$ 105,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	105,000	-	-	-
Fund Equity:				
Unreserved/Undesignated	<u>1,078,931</u>	<u>277,038</u>	<u>176,095</u>	<u>-</u>
Total Liabilities and Fund Equity	<u>\$ 1,183,931</u>	<u>\$ 277,038</u>	<u>\$ 176,095</u>	<u>\$ -</u>

<u>Nelson</u>	<u>Conservation</u>	<u>Cemetery</u>	<u>Library</u>	<u>Highway</u>
\$ -	\$ 85,870	\$ -	\$ -	\$ -
1,479,007	395,647	62,729	195,081	5,547,422
<u>8,731</u>	<u>1,116</u>	<u>280</u>	<u>2,384</u>	<u>10,060</u>
\$ <u><u>1,487,738</u></u>	\$ <u><u>482,633</u></u>	\$ <u><u>63,009</u></u>	\$ <u><u>197,465</u></u>	\$ <u><u>5,557,482</u></u>
\$ <u>130,920</u>	\$ <u>9,640</u>	\$ -	\$ <u>9,220</u>	\$ <u>1,390,000</u>
130,920	9,640	-	9,220	1,390,000
<u>1,356,818</u>	<u>472,993</u>	<u>63,009</u>	<u>188,245</u>	<u>4,167,482</u>
\$ <u><u>1,487,738</u></u>	\$ <u><u>482,633</u></u>	\$ <u><u>63,009</u></u>	\$ <u><u>197,465</u></u>	\$ <u><u>5,557,482</u></u>

(Continued)

	<u>Economic Development</u>	<u>Revaluation</u>	<u>53rd Week</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	2,430,438	481,125	203,941
Interest receivable	<u>4,797</u>	<u>1,164</u>	<u>494</u>
Total Assets	<u>\$ 2,435,235</u>	<u>\$ 482,289</u>	<u>\$ 204,435</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities			
Due to other funds	<u>\$ 450,000</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	450,000	-	-
Fund Equity:			
Unreserved/Undesignated	<u>1,985,235</u>	<u>482,289</u>	<u>204,435</u>
Total Liabilities and Fund Equity	<u>\$ 2,435,235</u>	<u>\$ 482,289</u>	<u>\$ 204,435</u>

<u>Equipment</u>	<u>Mountain Green</u>	<u>Fire Apparatus Replacement</u>	<u>Downtown Economic Development</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 96,370
736,246	151,301	1,230,701	691,168	15,228,845
<u>1,246</u>	<u>366</u>	<u>1,979</u>	<u>551</u>	<u>35,693</u>
\$ <u><u>737,492</u></u>	\$ <u><u>151,667</u></u>	\$ <u><u>1,232,680</u></u>	\$ <u><u>691,719</u></u>	\$ <u><u>15,360,908</u></u>
\$ <u>220,920</u>	\$ <u>-</u>	\$ <u>413,000</u>	\$ <u>462,000</u>	\$ <u>3,190,700</u>
220,920	-	413,000	462,000	3,190,700
<u>516,572</u>	<u>151,667</u>	<u>819,680</u>	<u>229,719</u>	<u>12,170,208</u>
\$ <u><u>737,492</u></u>	\$ <u><u>151,667</u></u>	\$ <u><u>1,232,680</u></u>	\$ <u><u>691,719</u></u>	\$ <u><u>15,360,908</u></u>

CITY OF CONCORD, NEW HAMPSHIRE

Expendable Trust Funds

**Combining Statement of Revenues, Expenditures
and Changes in Fund Equity
For the Fiscal Year Ended June 30, 2002**

	<u>Insured Retention</u>	<u>Durgin Garage</u>	<u>Landfill</u>	<u>Reappraisal</u>
Revenues:				
Investment income (loss)	\$ 27,991	\$ 6,631	\$ 4,163	\$ -
Contributions	<u>-</u>	<u>8,655</u>	<u>4,504</u>	<u>-</u>
Total Revenues	27,991	15,286	8,667	-
Expenditures:				
Miscellaneous	<u>-</u>	<u>8,655</u>	<u>4,504</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>8,655</u>	<u>4,504</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	27,991	6,631	4,163	-
Other Financing Sources (Uses):				
Operating transfers in	-	10,500	-	-
Operating transfers out	<u>(105,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(105,000)</u>	<u>10,500</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(77,009)	17,131	4,163	-
Fund Equity, beginning	<u>1,155,940</u>	<u>259,907</u>	<u>171,932</u>	<u>-</u>
Fund Equity, ending	\$ <u><u>1,078,931</u></u>	\$ <u><u>277,038</u></u>	\$ <u><u>176,095</u></u>	\$ <u><u>-</u></u>

<u>Nelson</u>	<u>Conservation</u>	<u>Cemetery</u>	<u>Library</u>	<u>Highway</u>
\$ (30,764)	\$ 13,017	\$ (3,547)	\$ (31,905)	\$ 106,467
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>139,835</u>
(30,764)	13,017	(3,547)	(31,905)	246,302
<u>39,955</u>	<u>1,261</u>	<u>118</u>	<u>1,037</u>	<u>139,835</u>
<u>39,955</u>	<u>1,261</u>	<u>118</u>	<u>1,037</u>	<u>139,835</u>
(70,719)	11,756	(3,665)	(32,942)	106,467
-	85,870	-	-	1,250,000
<u>(27,370)</u>	<u>(9,640)</u>	<u>-</u>	<u>(9,220)</u>	<u>(1,390,000)</u>
<u>(27,370)</u>	<u>76,230</u>	<u>-</u>	<u>(9,220)</u>	<u>(140,000)</u>
(98,089)	87,986	(3,665)	(42,162)	(33,533)
<u>1,454,907</u>	<u>385,007</u>	<u>66,674</u>	<u>230,407</u>	<u>4,201,015</u>
\$ <u>1,356,818</u>	\$ <u>472,993</u>	\$ <u>63,009</u>	\$ <u>188,245</u>	\$ <u>4,167,482</u>

(Continued)

CITY OF CONCORD, NEW HAMPSHIRE

Expendable Trust Funds

**Combining Statement of Revenues, Expenditures
and Changes in Fund Equity
For the Fiscal Year Ended June 30, 2002**

	<u>Economic Development</u>	<u>Revaluation</u>	<u>53rd Week</u>
Revenues:			
Investment income	\$ 35,962	\$ 11,898	\$ 3,424
Contributions	<u>48,241</u>	<u>15,657</u>	<u>4,620</u>
Total Revenues	84,203	27,555	8,044
Expenditures:			
Miscellaneous	<u>48,241</u>	<u>15,657</u>	<u>4,620</u>
Total Expenditures	<u>48,241</u>	<u>15,657</u>	<u>4,620</u>
Excess (deficiency) of revenues over expenditures	35,962	11,898	3,424
Other Financing Sources (Uses):			
Operating transfers in	950,000	-	62,229
Operating transfers out	<u>(450,000)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>-</u>	<u>62,229</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	535,962	11,898	65,653
Fund Equity, beginning	<u>1,449,273</u>	<u>470,391</u>	<u>138,782</u>
Fund Equity, ending	<u>\$ 1,985,235</u>	<u>\$ 482,289</u>	<u>\$ 204,435</u>

<u>Equipment</u>	<u>Mountain Green</u>	<u>Fire Apparatus Replacement</u>	<u>Downtown Economic Development</u>	<u>Total</u>
\$ 17,196	\$ 2,943	\$ 20,954	\$ 17,698	\$ 202,128
<u>22,312</u>	<u>34,544</u>	<u>27,519</u>	<u>22,435</u>	<u>328,322</u>
39,508	37,487	48,473	40,133	530,450
<u>22,312</u>	<u>6,847</u>	<u>27,519</u>	<u>22,435</u>	<u>342,996</u>
<u>22,312</u>	<u>6,847</u>	<u>27,519</u>	<u>22,435</u>	<u>342,996</u>
17,196	30,640	20,954	17,698	187,454
50,000	-	385,000	-	2,793,599
<u>(220,920)</u>	<u>-</u>	<u>(413,000)</u>	<u>(462,000)</u>	<u>(3,087,150)</u>
<u>(170,920)</u>	<u>-</u>	<u>(28,000)</u>	<u>(462,000)</u>	<u>(293,551)</u>
(153,724)	30,640	(7,046)	(444,302)	(106,097)
<u>670,296</u>	<u>121,027</u>	<u>826,726</u>	<u>674,021</u>	<u>12,276,305</u>
<u>\$ 516,572</u>	<u>\$ 151,667</u>	<u>\$ 819,680</u>	<u>\$ 229,719</u>	<u>\$ 12,170,208</u>

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General Fixed Assets

The general fixed assets account group is used to account for the City's fixed assets used in the performance of general government functions and excludes the fixed assets of proprietary funds.

CITY OF CONCORD, NEW HAMPSHIRE

Schedule of General Fixed Assets

June 30, 2002

Land	\$ 7,427,365
Buildings	15,621,313
Improvements	7,822,416
Equipment	<u>8,511,549</u>
Total General Fixed Assets	\$ <u><u>39,382,643</u></u>
Investments in General Fixed Assets	\$ <u><u>39,382,643</u></u>

Substantially all general fixed assets were funded by the general fund.

CITY OF CONCORD, NEW HAMPSHIRE
Schedule of Changes in General Fixed Assets
By Function and Activity

For the Year Ended June 30, 2002

	General Fixed Assets <u>July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	General Fixed Assets <u>June 30, 2002</u>
<u>General Government</u>				
City Manager	\$ 1,230	\$ -	\$ -	\$ 1,230
Finance department	1,361,911	11,958	-	1,373,869
Legal services	7,089	-	-	7,089
Purchasing	21,276	-	-	21,276
Assessor	27,611	-	-	27,611
City clerk	<u>55,050</u>	<u>-</u>	<u>-</u>	<u>55,050</u>
Total General Government	1,474,167	11,958	-	1,486,125
<u>Public Safety</u>				
Police	1,207,597	78,916	53,386	1,233,127
Fire	1,631,586	1,078,774	100,496	2,609,864
Code enforcement	<u>4,868</u>	<u>-</u>	<u>-</u>	<u>4,868</u>
Total Public Safety	2,844,051	1,157,690	153,882	3,847,859
<u>General Services</u>				
	<u>32,296,962</u>	<u>1,489,213</u>	<u>-</u>	<u>33,786,175</u>
Total General Services	32,296,962	1,489,213	-	33,786,175
<u>Planning and Development</u>				
Economic Development	2,000	-	-	2,000
Engineering	<u>20,964</u>	<u>-</u>	<u>-</u>	<u>20,964</u>
Total Planning and Development	22,964	-	-	22,964
<u>Leisure and Information Services</u>				
Library	230,740	-	-	230,740
Recreation and parks	<u>7,085</u>	<u>-</u>	<u>-</u>	<u>7,085</u>
Total Leisure and Information Services	237,825	-	-	237,825
<u>Welfare & Human Services</u>				
Welfare	<u>1,695</u>	<u>-</u>	<u>-</u>	<u>1,695</u>
Total Welfare & Human Services	<u>1,695</u>	<u>-</u>	<u>-</u>	<u>1,695</u>
Total General Fixed Assets	<u>\$ 36,877,664</u>	<u>\$ 2,658,861</u>	<u>\$ 153,882</u>	<u>\$ 39,382,643</u>

CITY OF CONCORD, NEW HAMPSHIRE

Schedule of General Fixed Assets
By Function and Activity

June 30, 2002

	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>	<u>Equipment</u>
<u>General Government</u>					
City Manager	\$ 1,230	\$ -	\$ -	\$ -	\$ 1,230
Finance department	1,373,869	-	-	-	1,373,869
Legal services	7,089	-	-	-	7,089
Purchasing	21,276	-	-	-	21,276
Assessor	27,611	-	-	-	27,611
City clerk	55,050	-	-	-	55,050
Total General Government	1,486,125	-	-	-	1,486,125
<u>Public Safety</u>					
Police	1,233,127	-	-	-	1,233,127
Fire	2,609,864	-	-	-	2,609,864
Code enforcement	4,868	-	-	-	4,868
Total Public Safety	3,847,859	-	-	-	3,847,859
<u>General Services</u>	<u>33,786,175</u>	<u>7,427,365</u>	<u>15,621,313</u>	<u>7,822,416</u>	<u>2,915,081</u>
Total General Services	33,786,175	7,427,365	15,621,313	7,822,416	2,915,081
<u>Planning and Development</u>					
Economic development	2,000	-	-	-	2,000
Engineering	20,964	-	-	-	20,964
Total Planning and Development	22,964	-	-	-	22,964
<u>Leisure and Information Services</u>					
Library	230,740	-	-	-	230,740
Recreation and parks	7,085	-	-	-	7,085
Total Leisure and Information Services	237,825	-	-	-	237,825
<u>Welfare & Human Services</u>					
Welfare department	1,695	-	-	-	1,695
Total Welfare & Human Services	1,695	-	-	-	1,695
Total General Fixed Assets	\$ <u>39,382,643</u>	\$ <u>7,427,365</u>	\$ <u>15,621,313</u>	\$ <u>7,822,416</u>	\$ <u>8,511,549</u>

STATISTICAL SECTION

CITY OF CONCORD, NEW HAMPSHIRE
 General Governmental Expenditures by Function (1)
 Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal Year Ended	General Government	Public Safety	General Services	Planning and Development	Leisure and Information Services	Human Services	Employees Benefits	Debt Service	Capital Outlay	Miscellaneous	Total
December 31, 1993	\$ 2,984	\$ 9,205	\$ 4,335	\$ 417	\$ 2,146	\$ 941	\$ 307	\$ 3,053	\$ 576	\$ 162	\$ 24,126
December 31, 1994	3,160	9,670	4,522	1,081	1,509	955	290	2,502 (2)	1,159	323	25,171
December 31, 1995	3,446	9,720	4,546	1,037	1,543	1,000	162	3,140	1,247	310 (3)	26,151
June 30, 1996	(4) 1,565	5,333	2,530	565	796	546	106	1,359	437	6	13,243
June 30, 1997	3,794	10,327	4,781	1,164	1,582	1,152	240	2,667	1,159	93	26,959
June 30, 1998	3,778	10,505	4,611	1,184	1,602	1,045	288	3,419	1,308	157	27,897
June 30, 1999	3,862	10,991	4,952	1,098	1,705	1,015	273	3,221	1,265	332	28,714
June 30, 2000	4,090	10,874	4,949	1,962	1,780	1,036	289	3,258	1,017	239	29,494
June 30, 2001	3,519	12,115	5,601	2,857	1,923	1,127	299	3,591	1,815	275	33,122
June 30, 2002	3,623	12,708	5,744	3,111	2,001	1,063	188	4,230	752	787 (5)	34,207

(1) Includes general, special revenue and debt service funds.

(2) The City issued general obligation refunding bonds.

(3) Includes miscellaneous and capital leases.

(4) Six month transitional fiscal period.

(5) Includes expenditures previously included in Planning and Development.

CITY OF CONCORD, NEW HAMPSHIRE
 General Governmental Revenues by Source (1)
 Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal Year Ended	Taxes	Licenses and Permits	Intergovern- mental	Charges for Services	Investment Income	Miscellaneous	Total
December 31, 1993	\$ 20,974	\$ 448	\$ 2,364	\$ 2,040	\$ 282	\$ 1,115	\$ 27,223
December 31, 1994	21,385	471	2,705	2,251	506	823	28,141
December 31, 1995	20,394	653	2,896	2,383	880	909	28,115
June 30, 1996 (2)	14,554	294	392	1,308	372	1,948	18,868
June 30, 1997	22,486	513	2,609	2,734	876	853	30,071
June 30, 1998	23,200	574	3,196	2,721	1,146	2,046	32,883
June 30, 1999	22,819	495	3,662	2,897	1,058	941	31,872
June 30, 2000 (3)	23,570	779	3,747	3,536	1,281	949	33,862
June 30, 2001	25,138	740	3,804	3,610	1,733	937	35,962
June 30, 2002	26,425	770	3,562	4,192	1,263	1,338	37,550

(1) Includes general, special revenue and debt services funds.

(2) Six month transitional fiscal period.

(3) In fiscal year 2000 the State of New Hampshire instituted a statewide property tax for education.

CITY OF CONCORD, NEW HAMPSHIRE
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended	City Current Tax Levy (1)	Total Current Tax Levy (2)	Current Tax Collections	Percent of Current Taxes Collected	Supplemental Tax Levy and Lien Costs Added To Delinquent Tax Levy	Abatements To Delinquent Tax Levy	Total Tax Levy	Delinquents Tax Collections	Total Tax Collections	Ratio of Total Tax Collections To Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes To Total Tax Levy
December 31, 1993	\$ 16,742	\$ 49,644	\$ 44,242	89.1 %	\$ 309	\$ 1,277	\$ 48,676	\$ 6,173	\$ 50,415	103.6 %	\$ 9,795	20.1 %
December 31, 1994	17,203	51,841	47,290	91.2	247	1,178	50,910	5,655	52,945	104.0	7,760	15.2
December 31, 1995	17,113	54,270	49,626	91.4	171	1,011	53,430	3,877	53,503	100.1	7,687	14.4
June 30, 1996	(3) 12,564	13,362	12,383	92.7	225	1,206	12,381	3,203	15,586	125.9	4,482	36.2
June 30, 1997	17,188	56,549	54,583	96.5	16	226	56,299	1,664	56,247	99.9	4,534	8.1
June 30, 1998	17,451	58,336	56,987	97.7	351	336	58,351	3,385	60,372	103.5	2,513	4.3
June 30, 1999	17,603	60,293	59,049	97.9	92	245	60,140	1,350	60,399	100.4	2,254	3.7
June 30, 2000	18,040	51,444	50,602	98.3	98	95	51,447	1,521	52,123	101.3	1,578	3.1
June 30, 2001	19,229	56,374	55,465	98.4	96	136	56,334	996	56,462	100.2	1,450	2.6
June 30, 2002	20,326	60,477	59,737	98.8	64	38	60,503	1,064	60,801	100.5	1,152	1.9

(1) Includes taxes levied for the City of Concord, per N.H. Department of Revenue Administration Tax Rate Calculation

(2) Includes taxes levied for the City of Concord, the Concord School District, the Merrimack Valley School District, and Merrimack County. The City of Concord is unique in New Hampshire in that it has the only separate school districts with separate taxing authorities for which tax revenues are collected by the City. School and county revenues are not included in the City's general fund.

(3) Includes six month transitional fiscal period.

CITY OF CONCORD, NEW HAMPSHIRE
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended	Assessed Value	Exemptions	Net Assessed Value	Estimated Actual Value	Ratio of Net Assessed Value To Estimated Actual Value
December 31, 1993	\$ 1,849,090	\$ 20,900	\$ 1,828,190	\$ 1,474,347	124 %
December 31, 1994	1,850,944	21,218	1,829,726	1,463,781	125
December 31, 1995	(1) 1,497,771	19,983	1,477,788	1,507,947	98
June 30, 1996	(2) 1,497,771	19,983	1,477,788	1,507,947	98
June 30, 1997	1,503,988	19,652	1,484,336	1,469,640	101
June 30, 1998	1,573,072	15,583	1,557,489	1,622,384	96
June 30, 1999	1,589,680	15,539	1,574,141	1,692,625	93
June 30, 2000	1,628,808	15,100	1,613,708	1,854,837	87
June 30, 2001	1,672,985	14,160	1,658,825	2,154,318	77
June 30, 2002	(3) 2,222,462	17,735	2,204,727	2,505,372	88

- (1) Across-the-board 20% adjustment
(2) Six month transitional fiscal period
(3) Initiated annual assessment update

CITY OF CONCORD, NEW HAMPSHIRE
 Properly Tax Rates Per \$1,000 Assessed Valuation
 All Direct and Overlapping Governments
 Last Ten Fiscal Years

Fiscal Year Ended	Concord Tax Rate					Penacook Tax Rate				
	City	Concord School District Local Education	Concord School District State Education	Merrimack County	Total	City	Merrimack Valley Sch Dist Local Education	Merrimack Valley Sch Dist State Education	Merrimack County	Total
December 31, 1993	\$ 9.16	\$ 16.48	\$ -	\$ 1.79	\$ 27.43	\$ 9.16	\$ 13.35	\$ -	\$ 1.79	\$ 24.30
December 31, 1994	9.40	17.17	-	1.67	28.24	9.40	14.54	-	1.67	25.61
December 31, 1995 (1)	11.58	22.83	-	2.16	36.57	11.58	19.96	-	2.16	33.70
June 30, 1996 (2) (3)	8.60	-	-	0.54	9.14	8.29	-	-	0.54	8.83
June 30, 1997	11.58	24.50	-	2.16	38.24	11.58	21.98	-	2.16	35.72
June 30, 1998	11.20	24.51	-	2.04	37.75	11.20	22.52	-	2.04	35.76
June 30, 1999	11.18	25.00	-	2.31	38.49	11.18	23.89	-	2.31	37.38
June 30, 2000 (4)	11.18	11.61	7.27	2.30	32.36	11.18	9.02	7.54	2.30	30.04
June 30, 2001	11.59	12.75	7.11	2.51	33.96	11.59	13.46	7.22	2.51	34.78
June 30, 2002 (5)	9.22	9.95	5.80	2.37	27.34	9.22	10.55	5.69	2.37	27.83

(1) Across-the-board 25% adjustment to offset property revaluation adjustment.

(2) Six month transitional fiscal period.

(3) Pursuant to Chapter 203 of the laws of 1994, the City was authorized to issue a quarterly property tax bill which funded the six month fiscal year conversion. By law, this bill was equal to one quarter of the 1995 tax bill exclusive of the County. The rate displayed is implied from that law and process appertaining thereto.

(4) RSA 76:3 enacted on November 3, 1999 under Chapter 338, Laws of 1999, established a State Education Property Tax.

(5) Initiated annual assessment update.

CITY OF CONCORD, NEW HAMPSHIRE
Principal Taxpayers
June 30, 2002
(amounts expressed in thousands)

Taxpayer	Type of Business	Assessed Value	Percentage of net Assessed Value (1)
GGP-Steeplegate, Inc	Mall	\$ 55,612	2.52 %
David Glass-Walmart/Sam's Club	Retail	26,067	1.18
Concord Electric Company	Utility	24,375	1.11
SES Concord Company	Trash to Energy	23,533	1.07
Hodges Properties	Rentals	23,369	1.06
St. Paul's School	Private School	20,881	0.95
Capital Region Healthcare	Health Care	18,985	0.86
McKerley Healthcare	Health Care	14,532	0.66
EnergyNorth Natural Gas	Utility	14,117	0.64
Eddie Plaza Association	Retail	<u>13,116</u>	<u>0.59</u>
Total		<u>\$ 234,587</u>	<u>10.64 %</u>

(1) From Table 4

CITY OF CONCORD, NEW HAMPSHIRE
 Computation of Legal Debt Margin
 June 30, 2002
 (amounts expressed in thousands)

Modified local assessed valuation (2)		\$ 2,242,523
Department of Revenue Administration inventory adjustment (2)		<u>282,363</u>
Equalized assessed valuation (2)		2,524,886
Adjustment: RSA 31-A (2)		<u>51,697</u>
Base valuation for debt limits (1) (2)		<u>\$ 2,576,583</u>
Bonded debt limit - 3.00% of base (3)		\$ 77,297
Gross bonded debt June 30, 2002	50,335	
Less: Water bonds (4) (5)	(13,146)	
Sewer bonds (4) (6)	(9,621)	
Tax Increment District (7)	(4,640)	
Landfill closure bonds (8)	(2,595)	
Parking bonds (9)	<u>(5)</u>	20,328
Authorized but unissued	6,239	
Less: Water bonds (4) (5)	(50)	
Sewer bonds (4) (6)	<u>(4,600)</u>	<u>1,589</u>
Total debt applicable to limitation		<u>21,917</u>
Legal debt margin		<u>\$ 55,380</u>

- (1) The equalization of all taxable property in the State of New Hampshire is conducted annually by the New Hampshire Department of Revenue Administration under the provisions of RSA 21-J: 3(XIII).
- (2) The 2001 Equalization Survey from the New Hampshire Department of Revenue Administration.
- (3) Per RSA 33:4-a.
- (4) An enterprise fund.
- (5) Subject to a separate debt limit of 10% of the City's base valuation per RSA 33:5-a.
- (6) Exempt per RSA 33:5-b.
- (7) North End Opportunity Corridor Tax Increment District exempt per RSA 162-k:8.
- (8) Exempt per RSA 33:6-d.
- (9) Exempt per RSA 33:6-a.

CITY OF CONCORD, NEW HAMPSHIRE
 Ratio of Net General Obligation Bonded Debt
 To Net Assessed Value and Net Bonded Debt Per Capita
 Last Ten Fiscal Years

Fiscal Year Ended	Population*	Net Assessed Value * (3)	Gross Bonded Debt All Funds *	Less Debt Service Fund * (4)	Less Debt Payable From Enterprise Revenues * (5)	Net Bonded Debt *	Ratio of Net Bonded Debt To Net Assessed Value	Net Bonded Debt Per Capita
December 31, 1993	37 (1)	#####	\$34,645	\$ 1,401	\$18,532	#####	0.80%	398
December 31, 1994	37 (1)	1,829,726	32,056 (6)	1,190	17,008	13,858	0.76%	375
December 31, 1995	37 (1)	1,477,788	35,411	1,062	17,330	17,019	1.15%	460
June 30, 1996 (7)	38 (1)	1,477,788	34,071	1,062	16,893	16,116	1.09%	424
June 30, 1997	38 (1)	1,484,336	43,123	773	20,248	22,102	1.49%	582
June 30, 1998	38 (1)	1,557,489	38,396	485	17,830	20,081	1.29%	528
June 30, 1999	38 (2)	1,574,141	44,043	200	22,366	21,477	1.36%	565
June 30, 2000	39 (2)	1,613,708	48,101	2,785	23,911	21,405	1.33%	549
June 30, 2001	41 (8)	1,658,825	52,783	4,990	23,680	24,113	1.45%	588
June 30, 2002	41 (2)	2,204,727	50,335	4,640	23,553	22,142	1.00%	540

* Amounts expressed in thousands.

(1) N.H. Office of State Planning.

(2) City of Concord, Community Development Department, Planning Division estimates.

(3) From Table 4.

(4) Amount available from the North End Opportunity Corridor Tax Increment District for repayment of General obligation bonds.

(5) These amounts include the general obligation bonds that are being repaid from the water and sewer funds, but not the golf and arena funds.

(6) The City issued general obligations refunding bonds.

(7) Six month transitional fiscal period.

(8) 2000 Census.

CITY OF CONCORD, NEW HAMPSHIRE
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt (1)
to Total General Government Expenditures
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended	Principal	Interest (2)	Total Debt Service	Total General Governmental Expenditures (3)	Ratio of Debt Service To General Government Expenditures
December 31, 1993	\$ 1,948	\$ 1,105	\$ 3,053	\$ 24,126	12.7 %
December 31, 1994 (4)	1,754	748	2,502	25,171	9.9
December 31, 1995	2,177	963	3,140	26,151	12.0
June 30, 1996 (5)	902	457	1,359	13,243	10.3
June 30, 1997	1,493	1,174	2,667	26,959	9.9
June 30, 1998	2,296	1,123	3,419	27,897	12.3
June 30, 1999	2,219	1,002	3,221	28,714	11.2
June 30, 2000	2,245	1,013	3,258	29,494	11.0
June 30, 2001	2,370	1,221	3,591	33,121	10.8
June 30, 2002	2,901	1,329	4,230	34,207	12.4

(1) General obligation bonds reported in the enterprise funds have been excluded.

(2) Excludes bond issuance and other costs.

(3) Includes general, special revenue and debt service funds.

(4) The City issued general obligation refunding bonds.

(5) Six month transitional fiscal period.

CITY OF CONCORD, NEW HAMPSHIRE
 Computation of Direct and Overlapping Bonded Debt
 General Obligation Bonds
 June 30, 2002
 (amounts expressed in thousands)

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable To City of Concord	Amount Applicable To City of Concord
Direct:			
City of Concord	\$ 26,782 (1)	100.00 %	\$ 26,782
Overlapping:			
Merrimack County (12/31/01)	2,450	27.56	675
Concord School District (6/30/02)	26,779	100.00	26,779
Merrimack Valley School District (6/30/02)	<u>11,010</u>	26.60	<u>2,929</u>
Total	<u>\$ 67,021</u>		<u>\$ 57,165</u>

(1) Excluding general obligation bonds reported in the enterprise funds.

CITY OF CONCORD, NEW HAMPSHIRE
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year Ended	Population	Per Capita Personal Income (Estimate)	Concord School District Total Enrollment (4)	Merrimack Valley School District Average Enrollment (5)	Annual Average Unemployment Rate (6)	Retail Sales (Estimate) (3) *	Number of Retail Establishments (Estimate) (3)
December 31, 1993	36,762 (1)	\$ 22,312 (8)	5,330	605	5.1 %	\$ 723,964	250
December 31, 1994	37,010 (1)	23,679 (8)	5,392	640	3.6	727,989	250
December 31, 1995	37,290 (1)	25,151 (8)	5,393	668	2.7	810,121	250
June 30, 1996 (9)	37,850 (1)	23,084 (3)	5,393	668	3.0	808,586	312
June 30, 1997	37,925 (1)	24,734 (10)	5,337	757	2.6	(7)	(7)
June 30, 1998	38,180 (1)	25,943 (3)	5,444	639	2.3	877,926	317
June 30, 1999	38,356 (2)	20,401 (3)	5,613	716	2.0	911,493	312
June 30, 2000	39,023 (2)	20,632 (3)	5,584	777	1.8	983,488	403
June 30, 2001	40,687 (11)	21,114 (3)	5,564	721	1.9	609,593	206
June 30, 2002	41,310 (2)	23,745 (3)	5,550	743	2.2	617,518	206

* Amounts expressed in thousands.

(1) N.H. Office of State Planning.

(2) City of Concord, Community Development Department, Planning Division estimate.

(3) "Editor & Publisher Market Guide", The Editor & Publisher Co.

(4) N.H. Department of Education.

(5) Merrimack Valley School District, Superintendent's Office - Concord residents in M.V.S.D.

(6) N.H. Department of Employment Security.

(7) Not available.

(8) "Survey of Current Business", U.S. Dept. of Commerce/Bureau of Economic Analysis, April 1995 issue for 1989, May 1996 issue for 1990-1995.

(9) Six month transitional fiscal period.

(10) "American Demographics", January 1998 issue.

(11) 2000 Census.

CITY OF CONCORD, NEW HAMPSHIRE
Property Value, Construction and Bank Deposits
Last Ten Fiscal Years

Fiscal Year Ended	Estimated Actual Value (1) *	Building Permits (2)						Total Value of Building Permits Issued *	Bank Deposits (3)
		Non-Residential Commercial		Residential		Alterations and Other			
		No.	Value *	No.	Value *	No.	Value *		
December 31, 1993	\$ 1,474,347	11	\$ 13,176	56	\$ 6,451	353	\$ 14,946	\$ 34,573	\$ 968,106
December 31, 1994	1,463,781	8	10,594	71	7,029	379	16,253	33,876	2,625,587
December 31, 1995	1,507,947	5	4,204	60	6,773	418	45,207	56,184	3,223,870
June 30, 1996	(4) 1,507,947	5	4,611	32	3,526	180	19,588	27,725	3,223,870
June 30, 1997	1,469,640	8	1,762	40	9,473	177	23,154	34,389	1,869,264
June 30, 1998	1,622,384	15	17,343	67	5,783	338	26,716	49,843	1,563,597
June 30, 1999	1,692,625	6	11,093	96	10,029	386	17,301	38,424	1,626,363
June 30, 2000	1,854,837	20	22,902	148	22,021	333	17,750	62,673	1,533,550
June 30, 2001	2,154,318	21	16,419	125	16,149	426	30,843	63,411	2,291,801
June 30, 2002	2,505,372	10	7,459	162	19,859	452	41,176	68,494	210,562

* Amounts expressed in thousands.

(1) From Table 4.

(2) City of Concord, Code Enforcement Department.

(3) Source: Annual Report of the Bank Commissioner of the State of New Hampshire/Commercial Banks, Fiduciary Trust Companies, Mutual & Guaranty Savings Bank and Credit Unions listed under Concord.

(4) Six month transitional fiscal period.

CITY OF CONCORD, NEW HAMPSHIRE

Miscellaneous Statistics

June 30, 2002

Originally Settled:	1727
Date of Incorporation:	1765
Established as State Capital:	1808
Date First Charter Adopted:	1853
Date of Present Charter Adopted:	1993
Form of Government:	Council/Manager

Elections:

Number of registered voters	19,510 *
Number of votes cast in last election:	
1998 State General (47%)	11,661
1999 Municipal (26%)	6,800
2000 Federal (1st in the nation) Primary (53%)	13,862
2000 State Primary (30%)	7,593
2000 General (66%)	18,256
2001 Municipal (30%)	5,934

* In accordance with RSA 654:39 Checklist Verification, which instructs municipalities to purge voter checklists every ten years, approximately 9,500 names were removed in the spring of 2001.

Number of full-time budgeted employees (excluding police and fire)	253
Area in square miles	64

City of Concord facilities and services:

Miles of streets	
Paved	251
Unpaved	21
Number of Street Lights	2,068

Fire Protection/Emergency Medical Service:

Headquarters	1
Number of stations	4
Number of rescue/ambulances: Full time (3) Reserve (2)	5
Number of employees:	
Chief	1
Division Commanders	2
Battalion Chiefs	4
EMS and Professional Standards Officer	1
Fire Captains	5
Life Safety Officer	1
Paramedic Lieutenants	4
Fire Lieutenants	12
Fire Alarm/Traffic Supervisor	1
Communications Supervisor	1
Public Safety Educator	1
Paramedics	20
Fire Alarm/Traffic Technician	2
Firefighters/EMTs	40
Dispatchers	5
Administrative Specialists	2.75
Call Firefighters	4

(continued)

Table 13
(continued)

Fire Protection/Emergency Medical Service (Cont.):

Number of calls for service:	
Unit operations	6,122
EMS calls:	3,998
Transports	3,579

Police Protection:

Number of stations	1
Number of sub-stations	5
Number of vehicles:	
Patrol units	15
Unmarked	12
Jeeps - parking	2
Vans	1
Number of employees:	
Sworn personnel - budgeted	77
Sworn personnel - grants	3
Civilian personnel - police	16
Civilian personnel - parking	8
Number of calls for service:	
Part I offenses	1,640
Part II offenses	7,146
Non-criminal	35,801
Number of arrests (per 3,276 offenses)	2,254
Number of parking garages	2
Number of parking lots	2
Number of traffic violations:	
Summonses	5,757
Accidents	2,348
DWI arrests	197

General Aviation (G.A.) Airport:

Number of based planes	65
Number of paved tie-downs	77
Number of landings/takeoffs (est.)	32,900
Number of notices issued to airmen	79

Sewerage System:

Miles of sanitary sewers (approx.)	120
Miles of storm sewers	90
Number of treatment plants	2
Number of service connections - sewer (approx. 70% of all residential and commercial properties)	9,749
Number of service connections - steam condensate	203
Daily average treatment in gallons:	
Concord plant (in service 1981)	4,200,000
Penacook plant (in service 1973)	435,000
Maximum daily capacity gallons:	
Concord plant	10,100,000
Penacook plant	4,200,000
Number of pump stations	8

(continued)

Table 13
(continued)

Water System:

Miles of water mains	183
Number of treatment plants:	1
Surface water treatment facility with design capacity	10,000,000
Ground water treatment facility with design capacity (off line since 4/96)	1,000,000
Number of service connections	11,161
Daily average consumption in gallons	4,972,000
Maximum daily capacity of plant in gallons	10,000,000
Number of pump stations	3
Number of storage tanks	
Water distribution system	5
4.7 mg clearwell at plant	1
Number of Fire Hydrants:	
Public	1,316
Private	415

Culture and Recreation:

Number of libraries	2
Number of auditoriums	1
Number of communities centers	4
Number of squares (with fountains)	2
Number of golf courses:	1
(Beaver Meadow is the oldest municipal course in New Hampshire)	
Number of ice arenas:	1
(Everett Arena is home to Tara Mounsey *, 1998 U.S.A. Women's Olympic Hockey Team Gold Medallist.)	
Boat ramp	1
Skateboard park	1
Number of parks and playlots:	16
White Park:	
Water playground	
Ballfields	
Basketball court (lighted)	
Soccer fields	
Pond - winter ice skating	
Hockey rink	
Winter sledding hill	
"Monkey Around" playground	
Memorial Field:	
Track	
Tennis courts (10 all purpose)	
Ballfields	
Basketball courts	
Soccer and lacrosse fields	
Football field (lighted)	
Merrill Park:	
Pool	
Tennis courts (3 lighted)	
Ballfields	
Basketball court	

* Tara's mom works in the Finance Department.

(continued)

Culture and Recreation (Cont.):

Merrill Park (Cont'd):
Soccer fields
Pond - winter ice skating
Trails
Playground equipment
Keach Park:
Pool
Ballfields
Basketball court
Soccer fields
Playground equipment
Rollins Park:
Pool
Tennis court (lighted)
Ballfields
Basketball court (lighted)
Field hockey field
Playground equipment
Rolfe Park/Penacook:
Pool
Tennis courts (4 - 2 lighted)
Ballfields
Basketball court (lighted)
Soccer fields
Trails
Playground equipment
Kimball Park:
Pool
Basketball courts
Playground equipment
Garrison Park:
Pool
Basketball courts
Playground equipment
Beaver Meadow Park:
Tennis courts (3 all purpose)
Little League ballfield
Martin Park:
Soccer fields
Lacrosse field
Little League ballfield
Lehtinen Park:
Trails
Riverfront Park
West Street Playlot:
Basketball court
Playground equipment
Fletcher-Murphy Playlot:
Basketball court
Playground equipment
Thompson Playlot:
Basketball court
Playground equipment

(continued)

Facilities and services not included in the reporting entity (Cont.):

Refuse to Energy:

Number of incinerators (in service 1989)	1
Number of communities serviced (Co-op)	27
Daily average tons processed	550

News Media:

Newspapers (Daily and Sunday):	
Concord Monitor (Local and Lakes Region)	
Manchester Union Leader (state-wide)	
Number of radio stations located in Concord	3

Transportation:

Number of Bus Lines:	
Local service	1
Interstate service	4

* There are four other elementary schools in this school district which do not serve the Concord/Penacook area.