

CITY OF CONCORD, NEW HAMPSHIRE



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For The Fiscal Year Ended
June 30, 2001**

CITY OF CONCORD, NEW HAMPSHIRE

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



**Prepared by:
The Finance Department**

**James R. Howard
Director of Finance**

**Nancy A. Woods
Controller**

City of Concord, New Hampshire
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2001

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INTRODUCTORY SECTION



City of Concord, New Hampshire

FINANCE DEPARTMENT

41 GREEN STREET CONCORD, NH 03301

(603) 225-8560

December 20, 2001

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, 2001. 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, 2000 through June 30, 2001. 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 (gpfs) 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 2000 population of 40,687 according to the 2000 decennial census 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 1993, 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 William Veroneau, elected to that position in January 1992. As a result of the regular November 2001 municipal election, councilor Michael Donovan was elected mayor for a two-year term beginning January 1, 2002. Duncan R. Ballantyne, the current city manager, was appointed in October 1996.

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; police and fire protective services; airport; golf course and ice arena; library and recreational facilities and services; human services; and 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. As city unemployment rates remained below the State average for the 9th consecutive year, the Concord unemployment rate in June of 2001 at 2.3% was still lowest among the 13 cities in the state. Accordingly, tight labor market conditions kept upwards pressure on wages that resulted in a cost-of-living increase for non-contractual and UAW union employees of 3.75% in February 2001. Housing price increases in the City as reported by the Board of Realtors, at 13% over a year prior, were greater than the state-wide average increase of 10%. 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 98.4% comparable with the prior year level of 98.3%. See table 3. Motor vehicle revenues not only exceeded budgeted 2001 levels but grew by 7% over the actual 2000 level. Taxable assessed value for fy2001 (April 1, 2000), a reflection of investment in the community, grew 2.7% over the prior year. Based upon last year's building permits, this increase was not a surprise. The City Director of Real Estate Appraisal is implementing a property inspection program for 2002 along with a revaluation that will bring property assessments in line with market value. Table 12 demonstrates a leveling of the estimated value of permits issued for 2001 over 2000. Building Permit Revenues, another indication of development activity, exceeded budget by \$170,000 but showed a drop from the prior year level.

Land Use Change Tax Revenues, reflecting the penalty for taking property out of restricted use for development purposes, exceeded budget by over \$29,000, but was way below last year's level of \$390,690.

Delinquent taxes continued their inexorable drop to the lowest level as a ratio to the total levy of 2.6% from last year's 3.1%. This is a total of all year's delinquent taxes, not just the most recent year's. See table 3.

One year ago, the expectation for the twelve months contained in the f2001 budget were for continued moderate growth and inflationary circumstances similar to those of the preceding twelve months. These expectations were largely realized with the exception that inflation, as fueled by increasing oil prices, began to appear and affect related city expenditure accounts. As this report goes to printing, the expectation for f2002, as presented in the November 2001 Fiscal Monitoring Report recognizes the cloud hanging over the national economy, but comparatively strong local and state economies. The report recommended no specific action at that time with regard to the 2002 budget other than vigilance. Because of the uncertainty over the length and depth of the national slowdown, no projections are offered for the 2003 budget. The key word to guide the preparation of the upcoming budget is "flexibility".

SUMMARY OF FINANCIAL OPERATIONS – GENERAL FUND

General fund year-end and monthly cash balances sustain historically high levels. The Fiscal Year End 2001 balance grew to nearly \$19 million after dropping four million dollars to \$13.8 million in 2000. Close to three million dollars of last year's drop was attributable to the institution of the State Education Property Tax because both school districts that serve the city are 'recipient' communities. As further indication that these funds bypassed the City, please refer to table 3 for a depiction of the net reduction in the Property Tax Levy of nine million dollars in 2000. The City's Current Ratio, i.e., Current Assets to Current Liabilities improved to 1.90 in fy2001, 1.88 in fy2000 and 1.75 in fy1999.

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. Total delinquent property involved in bankruptcy as of June 30, 2001 amounted to \$3,800.

Strong cash management practices along with higher interest rates and higher cash balances during the year contributed to higher investment returns. Interest on idle cash yielded \$1.168 million in FY2000 compared to \$1.7 million in FY2001.

Year-end results showed a Fund Equity position of \$10.4 million compared to last year's figure of \$9.7 million. This includes the amount of fund balance reserved for tax stabilization purposes, which was established by City Council vote at \$2.5 million. Further, of this Fund Equity, City Council designated and appropriated a transfer of \$2.7 million to various reserves, leaving \$4.0 million in Undesignated Fund Balance (UFB).

This level of UFB represents over 13.3% of General Fund revenues and transfers-in. This amount far exceeded the City Council adopted policy minimum of 8%.

2001 BUDGET - A COMMITMENT TO IMPROVED PUBLIC SAFETY SERVICES

The 2001 budget, after a City Council review of service levels in the Police and Fire Departments, reflected a re-emphasis on public safety services. The major areas of emphasis included purchase and staffing of an additional ambulance to assure faster emergency response times and broader geographic coverage. Ambulances are now assigned to the Heights, Broadway and Central Stations - three of the four city fire stations. Life safety inspections in the Fire Department are now supported for non-residential occupancies and an increase in the number of calls for service to the department necessitated an added Dispatcher. The above service improvements involved adding four Paramedics, one Assistant Life Safety Officer, an additional dispatcher and a part-time clerical assistant.

Another major improvement to public safety service occurred in the Police Department where increased calls for service and better coverage demands necessitated the addition of five police officers and a dispatcher. The Police Department also added a new Parking Manager based upon the findings of the recently completed parking study, and eliminated one grant-funded civilian position.

Overall, 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. This reflected an increase of more than 15 full time employees over f2000 by the upgrade or addition of positions. These additional positions included the upgrade of a part-time Fiscal Technician in Finance/Collections and a part-time Property Appraiser in Assessing to full-time status to handle increased responsibilities for collecting the state

property tax; increasing part-time support to the City Clerk's office; and adding two new, much needed technical service positions to the Information Systems staff.

General Service staffing was reduced by five full-time employees partially offset by temporary employee increases for winter operations. Decreases were: one Maintenance Aide in Administration/Billing, two Water Plant Technicians, one Maintenance Technician and one Lab Technician in Utilities.

One Administrative Specialist was added to Building and Code Services. City Council added a Neighborhood Planner for up to three years funded from the Downtown Economic Development Reserve and a Code Compliance Office in Code Administration.

VISION 2020 CONCORD

In 1999, a group of community members formed a steering committee and pursued funding for a major planning study of Concord. These events were precipitated by Mayor Veroneau's participation in the Mayors Institute on City Design (MICD) in November of 1998. The MICD is a program of the National Endowment for the Arts dedicated to improving the design and livability of America's cities. At each regional conference, mayors and designers discuss specific problems facing cities and examine a broad range of ideas, precedents and improvement strategies. Mayor Veroneau, encouraged by his MICD experience, has strongly supported this visioning process for Concord. In the spring of 2001 the effort reported its findings to the full City Council who endorsed the major findings which included five vision principles to shape the future of the City: (1) a vibrant, livable downtown; (2) neighborhoods served by walkable villages; (3) preservation and access to the natural environment; (4) economic vitality; and (5) transportation that serves the community.

SCHOOL FUNDING

On December 17, 1997, the State Supreme Court ruled in favor of the plaintiffs in *Claremont School District v. Governor* challenging the constitutionality of the financing of elementary and secondary education in New Hampshire. In response, the Legislature enacted and the Governor signed into law a Statewide Property Tax to fund an adequate education. April 1, 1999, was a significant date as it represented the beginning of the tax year that funded the city and school district operations for the first year under the new funding law.

Accordingly, other than the impacts of new school funding process as indicated earlier in this report, the financial impacts of the funding fell most directly upon the school districts rather than the City. The statewide property tax signed into law is certain to face continued challenges from so-called "donor" communities. The State of New Hampshire school funding legislation expires in January 2003.

The following is a comparison of Concord Property Tax Rates (per \$1000 of Assessed Valuation) between FY2001(2000 Rate) and FY2000(1999 rate), reflecting the Statewide Education Property Tax .

COMPARITIVE PROPERTY TAX RATES
Concord and Penacook

<u>Entity</u>	<u>2000 Rate</u>	<u>1999 Rate</u>	<u>Percent Change</u>
Municipal Government	11.59	11.18	3.7+
Merrimack County	2.51	2.30	9.1+
Concord Schools – Local and State	19.86	18.88	5.2+
Merrimack Valley Schools – Local and State	20.68	16.56	24.9+
Total Concord	33.96	32.36	4.9+
Total Penacook	34.78	30.04	15.8+

QUARTERLY PROPERTY TAX BILLING SUIT

The New Hampshire Supreme Court on December 15, 2000 in a unanimous opinion affirmed the Superior Court's dismissal of the plaintiffs' petition for declaratory judgment in the case of Phillips v. City of Concord. The opinion affirms the method used by the City to change its fiscal year from the calendar year to a July 1 to June 30 fiscal year. The Court found that the plaintiffs' charges of double taxation and unreasonableness were not proved and sustained the Superior Court's finding that the City's tax procedures were not only reasonable, but advisable.

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 now serve as the basis for annual budgetary planning and tax rate setting. The City Council has also adopted a series of fiscal policy goals to guide the financial direction and management of the City. After six years of a level municipal tax rate, the 2001 budget (2000 tax rate) target set by the FPAC was permitted to increase to \$11.59 per thousand dollars of taxable value.

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, capital reserves for economic development, property revaluation and highway purposes were created as a result of the strong general fund position in 1994. Additions to the reserves were made each year pursuant to the 1995 - 2000 budgets. The 2002 fiscal goals under consideration include \$2.7 million transfer to these capital reserves, as well as a return to \$2.5 million for the Tax

Stabilization Reserve as of 6/30/01. These goals were introduced by City Council after fiscal year end June 30, 2001. The \$2.7 million total was reflected only as Unreserved, Designated Fund Balance on the General Fund Balance Sheet for June 30, 2001 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.

BOND 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 was designed to eliminate the structural year-end and monthly cash deficits due to semi-annual collections in arrears, as well as related liquidity problems.

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 aforementioned 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 but 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. Standards and Poors affirmed their consistently high AA rating for the City.

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, 2001 provided no instances of material weaknesses in the internal control structure. The single audit will be completed and published in February 2002.

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. The City also maintains a system of encumbrance accounting to further control budgetary expenditures. Encumbrances at year end are rolled forward to subsequent years. Unspent or unencumbered funds lapse to fund balance at year end. Year-end encumbrances are submitted to City Council for review and acceptance.

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, 2001. Comparisons to the previous fiscal year are also included.

<u>Revenues and Transfers</u>	<u>2001 Amount*</u>	<u>Percent of Total</u>	<u>2000 Amount*</u>	<u>Amount of Increase (Decrease)*</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$ 25,138	64.7%	\$ 23,570	\$ 1,568	6.7%
Licenses & Permits	740	1.9%	779	(39)	-5.0%
Intergovernmental	3,804	9.8%	3,747	57	1.5%
Charges for service	3,610	9.3%	3,536	74	2.1%
Investment income	1,733	4.5%	1,281	451	35.3%
Miscellaneous	937	2.4%	949	(12)	-1.3%
Operating Trans In	<u>2,896</u>	<u>7.5%</u>	<u>1,372</u>	<u>1,524</u>	<u>111.1%</u>
TOTAL	<u>\$ 38,858</u>	<u>100.0%</u>	<u>\$ 35,234</u>	<u>\$ 3,624</u>	

*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, 2001. Comparisons to the previous fiscal year are also included.

<u>Expenditures and Transfers</u>	<u>2001 Amount*</u>	<u>Percent of Total</u>	<u>2000 Amount*</u>	<u>Amount of Increase (Decrease)*</u>	<u>Percent of Increase (Decrease)</u>
Current:					
General Government	\$ 3,519	9.3%	\$ 4,090	\$ (571)	-14.0%
Public Safety	12,115	32.1%	10,874	1,241	11.4%
General Services	5,601	14.8%	4,949	652	13.2%
Planning & Develop	2,857	7.6%	1,962	895	45.6%
Leisure & Information	1,923	5.1%	1,780	143	8.0%
Human Services	1,126	3.0%	1,036	90	8.7%
Employe Benefits	299	0.8%	289	10	3.5%
Miscellaneous	274	0.7%	239	35	14.6%
Debt Service:					
Principal	2,370	6.3%	2,245	125	5.6%
Interest	1,221	3.2%	1,013	208	20.5%
Capital Outlay	<u>1,815</u>	<u>4.8%</u>	<u>1,017</u>	<u>798</u>	<u>78.5%</u>
Operating Transfers Out	<u>4,661</u>	<u>12.3%</u>	<u>6,056</u>	<u>(1,395)</u>	<u>-23.9%</u>
Total	<u>\$ 37,781</u>	<u>100.0%</u>	<u>\$ 35,550</u>	<u>\$ 2,231</u>	

*amounts expressed in thousands

General Fund Balance - The general fund undesignated fund balance of \$4.0 million as of fiscal year end was down over the prior year level largely as a result of a planned reduction to increase transfers to reserves and the desire to maintain the Tax Stabilization Reserve at \$2.5 million. Such a strong UFB and 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

1990-2001

	<u>Fund Equity</u>	<u>Fund Balance</u>
1990	(1,490,401)	(2,817,598)
1991	(560,137)	(1,122,717)
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

*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 budget under-expenditures, 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 2001 to cover the costs of operations and capital expansion plans as identified in the Capital Improvement Program.

Water and sewer rates were both 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 f2002.

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 FY2001.

Debt Administration - At June 30, 2001, the City had a number of general obligation debt issues outstanding. These included \$28,648,064 of governmental fund debt, \$23,679,895 of water and sewer fund debt, and \$455,000 of golf and arena fund debt. The total authorized but unissued debt was \$6,605,000. 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 2001, the remaining debt capacity for these purposes was \$43,977,000. 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 5.4%

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 2001. No city funds were, or are, invested in derivatives. The policy recognizes safety as the number one tenant. 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 -10.77% as reported by Citizen's Investment Services.

Risk Management – Effective July 1999, pursuant to public bid, the City placed its property and liability insurance with the Great American Insurance Company. FY2001 marks the third year under this guaranteed three-year insurance agreement. Worker's compensation insurance services are obtained through Compensation Funds of New Hampshire. The City solicited for property and casualty insurance coverage in the second half of fiscal 2001 to be effective July 1, 2001. As a result of this solicitation, the City will return property and liability coverage to the New Hampshire Municipal Association Property-Liability Trust.

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 f1999, f2000 and f2001 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 effective July 1, 1999 and July 1, 2000. 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 is available from the Finance Department

The City has a safety and loss control program to routinely review losses and establish policies to prevent or reduce future claims. A Wellness Committee pursues programs aimed at improving employee lifestyle health habits to positively affect costs and quality of life. Additionally, the City actively pursues certificates from all contractors or related parties.

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 a Certificate of Achievement for Excellence in Financial Reporting to the City of Concord for its comprehensive annual financial report for the fiscal year ended December 31, 1995, the six-month period ending June 30, 1996, and fiscal years ended

June 30, 1997, 1998, 1999 and 2000. 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.

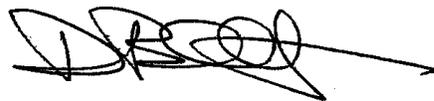
A Certificate of Achievement is valid for a period of one year only. The City believes this current CAFR continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

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.

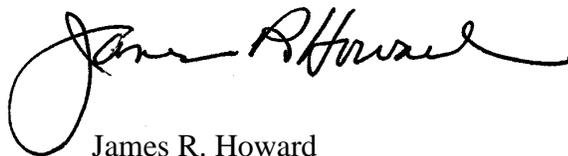
The City invites you to visit our web site at www.ci.concord.nh.us, where this CAFR and other summary financial information is expected to be prominently displayed by the end of January 2002.

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,



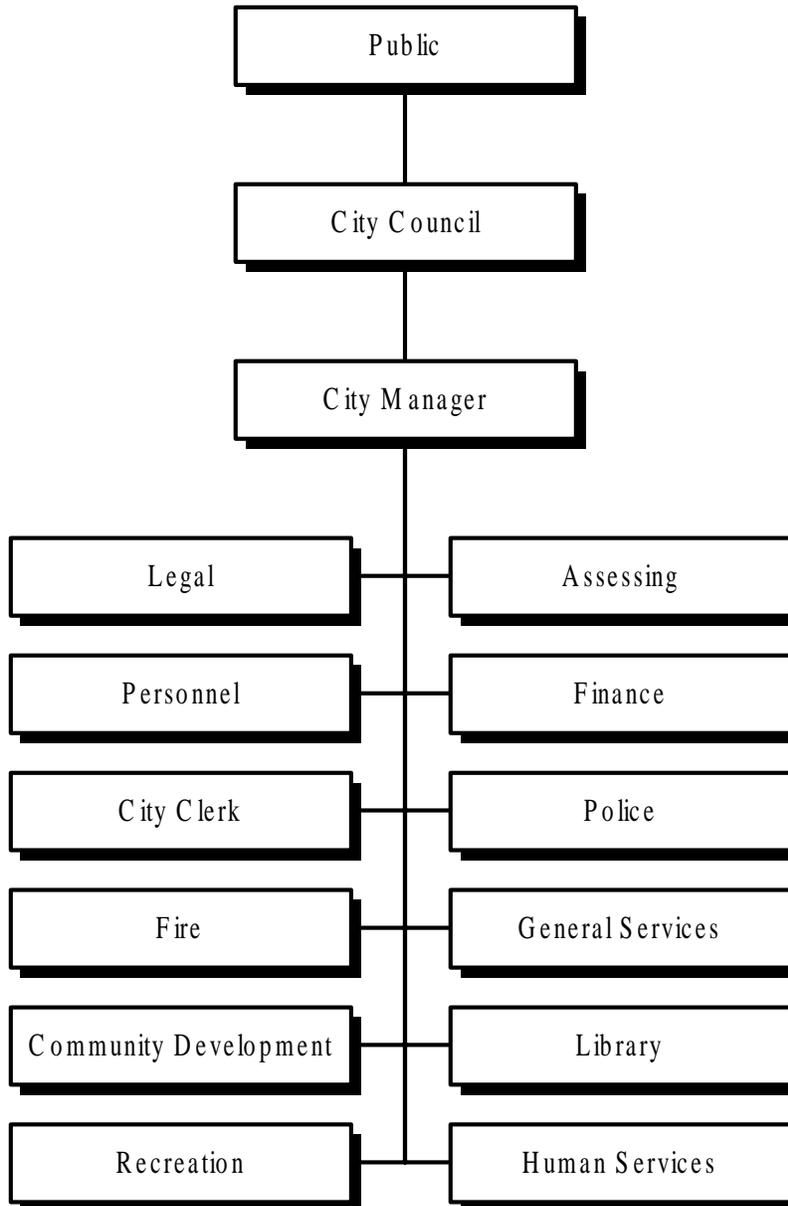
Duncan R. Ballantyne
City Manager



James R. Howard
Finance Director

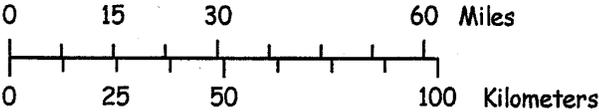
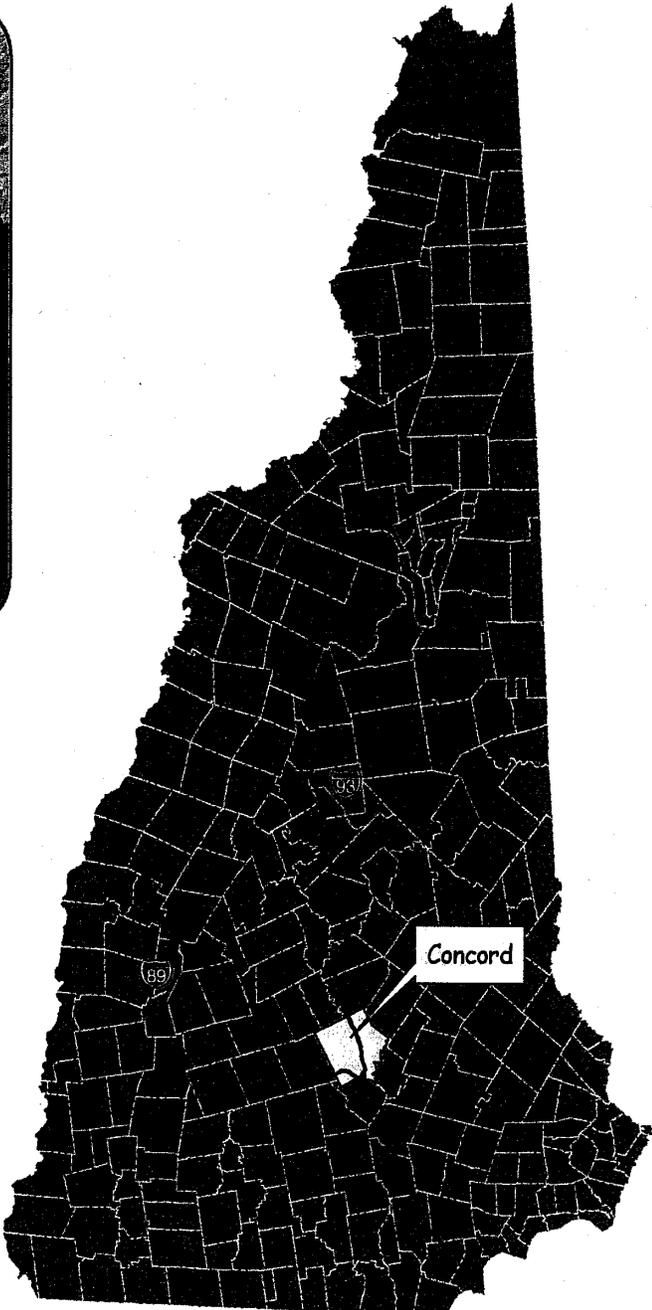
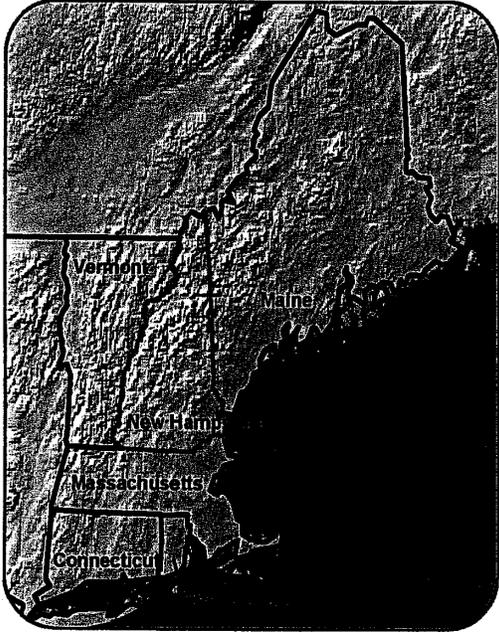
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CITY OF CONCORD
TABLE OF ORGANIZATION



City of Concord, NH

Geographic Location



CITY OF CONCORD, NEW HAMPSHIRE
LIST OF PRINCIPAL OFFICIALS
 June 30, 2001

Title	Name
<u>Elected by Public:</u>	
Mayor	William J. Veroneau
Mayor Pro-Tem	Michael Donovan (Councilor-at-large)
Councilor-at-Large	Leonard A. Brochu
Councilor-at-Large	James M. O'Neill
Councilor-at-Large	James McGonigle (resigned 7/1/01)
Councilor Ward 1	David G. Poulin
Councilor Ward 2	Dana C. Lankhorst
Councilor Ward 3	Andrew G. Tarbell
Councilor Ward 4	Jeffrey Bart
Councilor Ward 5	Marjory Swope
Councilor Ward 6	Michael G. Little
Councilor Ward 7	Paul Halvorsen
Councilor Ward 8	Marilyn Fraser
Councilor Ward 9	Katherine D. Rogers
Councilor Ward 10	James Bouley
<u>Appointed by Council:</u>	
City Manager	Duncan R. Ballantyne
<u>Appointed by City Manager:</u>	
Assistant City Manager	Vacant
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/Tax Collector	James R. Howard
Controller	Nancy A. Woods
Treasurer	Mary Ellen Emmerling
Real Estate Tax Accounting Manager	Dawn M. Foss
City Clerk	Janice Bonenfant, Acting
Police Chief	Jerome Madden
Fire Chief	John M. Dionne
Code Administrator	C. Hamilton Rice
General Services Director	John L. Forrestall
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	Joan M. Callahan
Community Development Director	Thomas Aspell

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, 2000

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, 2001 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, 2001 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 December 5, 2001 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
December 5, 2001

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, 2001

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Capital Project Funds	Debt Service Fund
<u>ASSETS AND OTHER DEBITS</u>				
Cash and cash equivalents	\$ 18,987,431	\$ 2,807,949	\$ 11,422,960	\$ 100,255
Investments	-	-	-	-
Taxes receivable	1,471,693	-	-	-
Accounts receivable	160,695	403,508	-	-
Loans receivable	-	759,218	-	-
Interest receivable	425,518	-	-	-
Due from other funds	946,758	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Other assets	10,548	4,000	-	-
Fixed assets, net	-	-	-	-
Amounts to be provided for retirement of general long-term debt	-	-	-	-
	-	-	-	-
Total Assets and Other Debits	\$ 22,002,643	\$ 3,974,675	\$ 11,422,960	\$ 100,255
<u>LIABILITIES, EQUITY, AND OTHER CREDITS</u>				
Liabilities:				
Accounts payable	\$ 409,642	\$ 128,426	\$ 591,751	\$ -
Retainage payable	-	-	398,840	-
Other liabilities	208,292	199,842	-	-
Deferred revenue	578,441	759,218	-	-
Payments collected in advance	-	10,574	-	-
Taxes collected in advance	10,295,032	-	-	-
Tax refunds payable	86,368	-	-	-
Due to other funds	-	39,408	-	-
Due to other governments	-	-	-	-
Accrued employee benefits	-	-	-	-
General obligation debt	-	-	-	-
Estimated landfill closure and postclosure liability	-	-	-	-
	-	-	-	-
Total Liabilities	11,577,775	1,137,468	990,591	-
Equity and Other Credits:				
Contributed capital	-	-	-	-
Retained earnings	-	-	-	-
Investment in general fixed assets	-	-	-	-
Fund balances (deficits):				
Reserved for encumbrances	1,227,639	168,775	-	-
Reserved for endowments	-	-	-	-
Reserved for tax stabilization	2,500,000	-	-	-
Unreserved:				
Designated	2,697,229	-	-	-
Undesignated	4,000,000	2,668,432	10,432,369	100,255
	4,000,000	2,668,432	10,432,369	100,255
Total Equity and Other Credits	10,424,868	2,837,207	10,432,369	100,255
Total Liabilities, Equity, and Other Credits	\$ 22,002,643	\$ 3,974,675	\$ 11,422,960	\$ 100,255

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

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u> <u>Trust and Agency Funds</u>	<u>Account Groups</u>		<u>Total (Memorandum Only)</u>
<u>Enterprise Funds</u>	<u>Internal Service Fund</u>		<u>General Fixed Assets</u>	<u>General Long- Term Debt</u>	
\$ 8,265,781	\$ 617,751	\$ 4,267,844	\$ -	\$ -	\$ 46,469,971
-	-	19,880,256	-	-	19,880,256
-	-	-	-	-	1,471,693
999,581	10,938	-	-	-	1,574,722
-	-	-	-	-	759,218
-	-	125,508	-	-	551,026
-	-	-	-	-	946,758
1,536,640	-	-	-	-	1,536,640
29,328	125,388	-	-	-	154,716
-	-	917	-	-	15,465
91,886,171	804,438	-	36,877,664	-	129,568,273
-	-	-	-	30,637,171	30,637,171
<u>\$ 102,717,501</u>	<u>\$ 1,558,515</u>	<u>\$ 24,274,525</u>	<u>\$ 36,877,664</u>	<u>\$ 30,637,171</u>	<u>\$ 233,565,909</u>
\$ 585,544	\$ 36,060	\$ -	\$ -	\$ -	\$ 1,751,423
251,711	-	-	-	-	650,551
402,147	30,180	1,112,428	-	-	1,952,889
140,124	-	-	-	-	1,477,783
-	-	-	-	-	10,574
-	-	-	-	-	10,295,032
-	-	-	-	-	86,368
-	-	907,350	-	-	946,758
-	-	3,108,126	-	-	3,108,126
132,558	-	-	-	1,269,107	1,401,665
24,134,895	-	-	-	28,648,064	52,782,959
-	-	-	-	720,000	720,000
25,646,979	66,240	5,127,904	-	30,637,171	75,184,128
52,605,414	1,264,294	-	-	-	53,869,708
24,465,108	227,981	-	-	-	24,693,089
-	-	-	36,877,664	-	36,877,664
-	-	-	-	-	1,396,414
-	-	6,870,316	-	-	6,870,316
-	-	-	-	-	2,500,000
-	-	-	-	-	2,697,229
-	-	12,276,305	-	-	29,477,361
<u>77,070,522</u>	<u>1,492,275</u>	<u>19,146,621</u>	<u>36,877,664</u>	<u>-</u>	<u>158,381,781</u>
<u>\$ 102,717,501</u>	<u>\$ 1,558,515</u>	<u>\$ 24,274,525</u>	<u>\$ 36,877,664</u>	<u>\$ 30,637,171</u>	<u>\$ 233,565,909</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, 2001

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Capital Project Funds	Debt Service Fund
Revenues:				
Taxes	\$ 24,776,556	\$ -	\$ -	\$ 361,837
Licenses and permits	740,226	-	-	-
Intergovernmental	2,749,003	1,055,213	-	-
Charges for services	2,595,297	1,015,012	-	-
Investment income	1,615,111	109,670	-	8,717
Contributions	-	-	-	-
Miscellaneous	540,853	394,070	496,248	-
Total Revenues	33,017,046	2,573,965	496,248	370,554
Expenditures:				
Current:				
General government	3,053,700	460,768	-	4,800
Public safety	12,115,472	-	-	-
General services	5,601,452	-	-	-
Community and development	1,977,762	879,713	-	-
Leisure and information services	1,923,050	-	-	-
Human services	1,126,212	-	-	-
Employee benefits	298,973	-	-	-
Miscellaneous	273,654	-	-	-
Debt service:				
Principal	2,105,340	75,000	-	190,000
Interest	1,023,066	26,565	-	171,237
Capital outlay	187,165	1,627,111	6,075,323	-
Total Expenditures	29,685,846	3,069,157	6,075,323	366,037
Excess (deficiency) of revenues over expenditures	3,331,200	(495,192)	(5,579,075)	4,517
Other Financing Sources (Uses):				
Bond proceeds	-	-	6,626,000	-
Proceeds of refunding debt	2,463,504	-	-	-
Payment to escrow agent	(2,463,504)	-	-	-
Operating transfers in	1,829,765	1,065,791	2,463,630	-
Operating transfers out	(4,403,432)	(155,550)	(7,310)	(102,243)
Total Other Financing Sources (Uses)	(2,573,667)	910,241	9,082,320	(102,243)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	757,533	415,049	3,503,245	(97,726)
Fund Equity, beginning	9,667,335	2,422,158	6,929,124	197,981
Fund Equity, ending	\$ 10,424,868	\$ 2,837,207	\$ 10,432,369	\$ 100,255

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

Fiduciary Fund Types Expendable Trust Funds	Total (Memorandum Only)
\$ -	\$ 25,138,393
-	740,226
-	3,804,216
-	3,610,309
418,260	2,151,758
228,213	228,213
-	1,431,171
<u>646,473</u>	<u>37,104,286</u>
-	3,519,268
-	12,115,472
-	5,601,452
-	2,857,475
-	1,923,050
-	1,126,212
-	298,973
140,173	413,827
-	2,370,340
-	1,220,868
-	7,889,599
<u>140,173</u>	<u>39,336,536</u>
506,300	(2,232,250)
-	6,626,000
-	2,463,504
-	(2,463,504)
2,081,553	7,440,739
<u>(3,702,917)</u>	<u>(8,371,452)</u>
<u>(1,621,364)</u>	<u>5,695,287</u>
(1,115,064)	3,463,037
<u>13,391,369</u>	<u>32,607,967</u>
<u>\$ 12,276,305</u>	<u>\$ 36,071,004</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, 2001

	General Fund		
	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 23,679,837	\$ 24,096,171	\$ 416,334
Licenses and permits	575,610	740,226	164,616
Intergovernmental	2,574,800	2,749,003	174,203
Charges for services	2,428,470	2,595,297	166,827
Investment income	770,000	1,615,111	845,111
Miscellaneous	<u>591,440</u>	<u>512,653</u>	<u>(78,787)</u>
Total Revenues	30,620,157	32,308,461	1,688,304
Expenditures:			
General government	3,234,460	3,133,115	101,345
Public safety	12,368,173	12,249,560	118,613
General services	6,984,339	6,924,155	60,184
Community and development	2,572,615	2,314,899	257,716
Leisure and information services	1,928,800	1,912,193	16,607
Human services	1,148,330	1,118,092	30,238
Employee benefits	378,869	249,842	129,027
Capital outlay	207,999	160,040	47,959
Debt service	3,124,520	3,128,406	(3,886)
Miscellaneous	<u>454,372</u>	<u>420,378</u>	<u>33,994</u>
Total Expenditures	32,402,477	31,610,680	791,797
Other Financing Sources (Uses):			
Operating transfers in	1,948,950	1,857,965	(90,985)
Operating transfers out	(3,068,630)	(3,092,440)	(23,810)
Budgetary use of fund balance	<u>2,902,000</u>	<u>2,902,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,782,320</u>	<u>1,667,525</u>	<u>(114,795)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 2,365,306</u>	<u>\$ 2,365,306</u>

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>
\$ -	\$ -	\$ -
-	-	-
2,500	1,335	(1,165)
448,810	460,390	11,580
35,000	40,338	5,338
<u>327,360</u>	<u>393,907</u>	<u>66,547</u>
813,670	895,970	82,300
914,440	805,020	109,420
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
914,440	805,020	109,420
136,330	136,330	-
(142,690)	(142,690)	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>(6,360)</u>	<u>(6,360)</u>	<u>-</u>
<u>\$ (107,130)</u>	<u>\$ 84,590</u>	<u>\$ 191,720</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, 2001

	Proprietary Fund Types		Fiduciary	Total (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
Operating Revenues:				
Charges for services	\$ 11,272,013	\$ 685,673	\$ -	\$ 11,957,686
Contributions	-	-	59,589	59,589
Investment income	-	-	(515,678)	(515,678)
Miscellaneous	41,620	419	-	42,039
Total Operating Revenues	11,313,633	686,092	(456,089)	11,543,636
Operating Expenses:				
Depreciation	2,203,133	170,085	-	2,373,218
Administration	2,426,662	816,608	-	3,243,270
Collection	987,046	-	-	987,046
Treatment facility/plant operations	2,431,210	-	-	2,431,210
Water supply	150,271	-	-	150,271
Distribution	399,580	-	-	399,580
Miscellaneous	104,087	-	22,883	126,970
Disposal	1,970,529	-	-	1,970,529
Total Operating Expenses	10,672,518	986,693	22,883	11,682,094
Operating Income (Loss)	641,115	(300,601)	(478,972)	(138,458)
Nonoperating Revenue (Expenses):				
Gain (loss) on sale of fixed assets	(99)	30,510	-	30,411
Interest expense	(1,117,806)	-	-	(1,117,806)
Investment income	409,126	-	-	409,126
Intergovernmental revenue	167,957	-	-	167,957
Total Nonoperating Revenue (Expenses)	(540,822)	30,510	-	(510,312)
Net Income (Loss) Before Operating Transfers	100,293	(270,091)	(478,972)	(648,770)
Operating transfers in	1,254,311	762,000	-	2,016,311
Operating transfers out	(790,200)	-	(295,398)	(1,085,598)
Total Operating Transfers	464,111	762,000	(295,398)	930,713
Net Income (Loss)	564,404	491,909	(774,370)	281,943
Depreciation on fixed assets acquired with contributed capital	888,675	-	-	888,675
Increase (Decrease) in Retained Earnings/Fund Equity	1,453,079	491,909	(774,370)	1,170,618
Retained Earnings/Fund Equity (Deficit), beginning	23,012,029	(263,928)	7,644,686	30,392,787
Retained Earnings/Fund Equity, ending	\$ 24,465,108	\$ 227,981	\$ 6,870,316	\$ 31,563,405

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, 2001

	<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 Operating Activities:				
Operating income (loss)	\$ 641,115	\$ (300,601)	\$ (478,972)	\$ (138,458)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	2,203,133	170,085	-	2,373,218
Investment income	-	-	515,678	515,678
(Gain)/loss on the sale of capital assets	5,595	-	-	5,595
(Increase) decrease in:				
Accounts receivable	(153,062)	13,466	-	(139,596)
Inventory	4,736	12,183	-	16,919
Due from other governments	484,376	-	-	484,376
Interest receivable	-	-	164	164
Increase (decrease) in:				
Accounts payable	(15,331)	(30,753)	-	(46,084)
Retainage payable	70,251	-	-	70,251
Other liabilities	(63,525)	-	-	(63,525)
Deferred revenue	(6,829)	-	-	(6,829)
Accrued vacation benefits	(1,212)	1,424	-	212
Net Cash Provided by (Used for) Operating Activities	<u>3,169,247</u>	<u>(134,196)</u>	<u>36,870</u>	<u>3,071,921</u>
Cash Flows From (For) Noncapital Financing Activities:				
Increase/decrease in due to other funds	-	-	35,194	35,194
Intergovernmental revenue	167,957	-	-	167,957
Operating transfers out to other funds	(790,200)	-	(295,398)	(1,085,598)
Operating transfers in from other funds	<u>1,254,311</u>	<u>762,000</u>	<u>-</u>	<u>2,016,311</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	632,068	762,000	(260,204)	1,133,864
Cash Flows From (For) Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(4,182,898)	(253,156)	-	(4,436,054)
Proceeds from sale of fixed assets	(99)	30,510	-	30,411
Principal paid on outstanding bonds	(3,438,270)	-	-	(3,438,270)
Proceeds from the issuance of bonds	3,662,455	-	-	3,662,455
Interest expense on outstanding bonds	(1,117,806)	-	-	(1,117,806)
Principal paid on capital leases	(13,330)	-	-	(13,330)
Proceeds from contributed capital	<u>302,745</u>	<u>-</u>	<u>-</u>	<u>302,745</u>
Net Cash (Used for) Capital and Related Financing Activities	(4,787,203)	(222,646)	-	(5,009,849)

(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	409,126	-	(515,678)	(106,552)
Maturing of investments	-	-	937,742	937,742
Purchase of investments	-	-	(391,793)	(391,793)
Net Cash Provided by Investing Activities	<u>409,126</u>	<u>-</u>	<u>30,271</u>	<u>439,397</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(576,762)	405,158	(193,063)	(364,667)
Cash and Cash Equivalents, beginning	<u>8,842,543</u>	<u>212,593</u>	<u>193,063</u>	<u>9,248,199</u>
Cash and Cash Equivalents, ending	<u>\$ 8,265,781</u>	<u>\$ 617,751</u>	<u>\$ -</u>	<u>\$ 8,883,532</u>
Reconciliation of Trust and Agency Fund Cash:				
Nonexpendable			\$ -	
Expendable			48,207	
Agency			<u>4,219,637</u>	
			<u>\$ 4,267,844</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 2001, 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
 <u>Internal Service Fund</u>	
Equipment	5 - 10

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 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 manager must report these transfers to the City Council. The 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	\$ 33,115,107
Supplemental appropriations	<u>2,356,000</u>
Total Appropriation	\$ <u>35,471,107</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>	<u>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</u>
<u>General Fund</u>			
GAAP basis	\$ 37,310,315	\$ 36,552,782	\$ 757,533
Recognize tax revenue on an accrual basis	(680,385)	-	(680,385)
Reverse expenditures of prior year appropriation carryforwards	-	(613,797)	613,797
Add end of year appropriation carryforwards	-	1,227,639	(1,227,639)
Reverse refunding activity	(2,463,504)	(2,463,504)	-
Budgetary use of fund balance	<u>2,902,000</u>	<u>-</u>	<u>2,902,000</u>
Budgetary basis	\$ <u>37,068,426</u>	\$ <u>34,703,120</u>	\$ <u>2,365,306</u>

(continued)

(continued)

	<u>Revenues and other financing sources</u>	<u>Expenditures and other financing uses</u>	<u>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</u>
<u>Special Revenue Funds</u>			
GAAP basis	\$ 3,639,756	\$ 3,224,707	\$ 415,049
Reverse beginning of year appropriation carryforwards	-	(345,033)	345,033
Add end of year appro- priation carryforwards	-	168,775	(168,775)
To remove non-budgeted special revenue funds	(2,607,456)	(2,100,739)	(506,717)
Budgetary basis	\$ <u>1,032,300</u>	\$ <u>947,710</u>	\$ <u>84,590</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:

Debt Service - Interest	\$(3,886)
Operating transfers out	\$(23,810)

Enterprise Fund:

Arena	\$(235)
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These overexpenditures were funded by revenues in excess of estimated receipts.

D. Deficit Fund Equity

The following fund had a deficit as of June 30, 2001:

Special Revenue Fund:
Community Development \$(2)

The deficit in this fund will be eliminated through future departmental revenues.

3. Cash and Cash Equivalents

At year end, the City's carrying amount of deposits was \$ 46,469,971 and the bank balance was \$ 47,190,068. Of the bank balance, \$ 35,364,709 was covered by federal depository insurance or by collateral held by the government's agent in the City's name, \$ 7,331,381 was collateralized with securities held by the pledging financial institution's trust department or agent in the government's name, and \$ 4,493,978 was held with the State Investment Pool.

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	\$ -	\$ 1,616,221	\$ -	\$ 1,616,221
Corporate equity	-	4,693,679	-	4,693,679
Corporate bonds	-	3,237,645	-	3,237,645
International equity	-	68,042	-	68,042
Subtotal	\$ -	\$ 9,615,587	\$ -	9,615,587
Investments not subject to categorization:				
Money markets				10,264,669
Total				\$ 19,880,256

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, 2001 are comprised of (in thousands):

Property taxes:		
Levy of 2000	\$ 1,000	
Levy of 1999	417	
Unredeemed taxes:		
Levy of 1998	17	
Levy of 1997	3	
Levy of 1996 and prior	<u>13</u>	
Subtotal		1,450
Other taxes:		
Timber yield taxes	22	
Land use change taxes	(7)	
Elderly tax liens	112	
Excavation	<u>6</u>	
Subtotal		<u>133</u>
Gross Tax Receivable		1,583
Allowance for Uncollectible Taxes		<u>(111)</u>
Net Total Taxes Receivable		\$ <u>1,472</u>

6. Loans Receivable

Loans receivable of \$ 759,218 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, 2001 balances in interfund receivable and payable accounts.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 946,758	\$ -
Special Revenue Funds:		
Community development	-	39,408
Trust and Agency Funds:		
Cemetery (Non-Expendable)	-	168,825
Library (Non-Expendable)	-	17,968
Nelson (Expendable)	-	712,832
Conservation (Expendable)	-	7,617
Cemetery (Expendable)	-	108
Total	<u>\$ 946,758</u>	<u>\$ 946,758</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>
2002	\$ 475,125	\$ 124,153	\$ 599,278
2003	449,757	82,907	532,664
2004	220,349	43,038	263,387
2005	216,850	26,055	242,905
2006	15,869	9,061	24,930
2007 - 2017	<u>158,690</u>	<u>46,838</u>	<u>205,528</u>
Total	<u>\$ 1,536,640</u>	<u>\$ 332,052</u>	<u>\$ 1,868,692</u>

9. Property, Plant and Equipment

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

	Balance <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2001</u>
Land	\$ 7,217,465	\$ 145,000	\$ -	\$ 7,362,965
Buildings	15,621,313	-	-	15,621,313
Improvements	7,768,167	-	-	7,768,167
Equipment	<u>5,815,839</u>	<u>395,415</u>	<u>(86,035)</u>	<u>6,125,219</u>
Totals	<u>\$ 36,442,784</u>	<u>\$ 540,915</u>	<u>\$ (86,035)</u>	<u>\$ 36,877,664</u>

The following is a summary of proprietary fund type property, plant, and equipment at June 30, 2001:

	Enterprise <u>Funds</u>	Internal Service <u>Funds</u>
Land and land improvements	\$ 1,532,326	\$ -
Structures	43,851,826	-
Machinery and equipment	5,150,360	3,473,683
Distribution system	21,166,725	-
Hydrants and meters	3,718,563	-
Sewer mains and manholes	<u>50,246,128</u>	<u>-</u>
Total	125,665,928	3,473,683
Less: accumulated depreciation	<u>(33,779,757)</u>	<u>(2,669,245)</u>
Total	<u>\$ 91,886,171</u>	<u>\$ 804,438</u>

10. Due to Other Governments

Due to other governments of \$ 3,108,126 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. 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>	<u>Serial Maturities Through</u>	<u>Interest Rate (s)%</u>	<u>Amount Outstanding as of June 30, 2001</u>
General Obligation Bonds Payable:			
Public improvements and parking garage	07/15/02	2.9 - 5.65	\$ 10,000
Public improvements	07/15/06	7.5	401,000
Public improvements	01/15/10	2.7 - 5.0	5,661,960
Public improvements	01/15/10	4.20 - 7.00	5,249,000
Public improvements	04/15/14	3.65 - 4.50	991,600
Public improvements	10/15/14	5.45 - 7.75	2,845,000
Public improvements	04/01/15	4.60 - 6.50	4,400,000
Public improvements	10/15/15	4.0 - 4.70	6,626,000
Public improvements	10/15/14	4.0 - 4.70	<u>2,463,504</u>
Total Governmental Funds			\$ <u>28,648,064</u>
<u>Enterprise Funds:</u>			
Water Fund:			
Water construction & equipment	07/15/02	2.9 - 5.65	\$ 485,000
Water construction & equipment	07/15/06	7.5	157,000
Water	10/15/09	5.45 - 7.75	423,600
Water/general improvement	01/15/10	2.7 - 5.0	195,240
Water	01/15/10	4.20 - 7.00	2,676,700
Water	07/15/13	3.3 - 6.25	1,337,000
Water	04/15/14	3.65 - 4.50	3,335,000
Water meters	04/01/15	4.60 - 6.50	1,785,000
Water	10/15/15	4.0 - 4.70	1,845,000
Water	10/15/14	4.0 - 4.70	<u>452,280</u>
Total Water Fund			12,691,820
Sewer Fund:			
Sanitary sewer	07/15/02	2.9 - 5.65	803,000
Sanitary sewer	07/15/04	2.9 - 5.9	1,165,000
Sanitary sewer	07/15/06	7.5	302,000
Sanitary sewer	10/15/09	5.45 - 7.75	284,800
Sanitary sewer	01/15/10	2.7 - 5.0	93,000
Sanitary sewer	01/15/10	2.7 - 5.0	650,800
Sanitary sewer	01/15/10	4.20 - 7.00	800,000
Sanitary sewer	07/15/13	3.3 - 6.25	1,064,300
Sanitary sewer	04/15/14	3.65 - 4.50	2,950,000
Sanitary sewer	04/01/15	4.60 - 6.50	1,965,000
Sanitary sewer	10/15/15	4.0 - 4.70	598,000
Sanitary sewer	10/15/14	4.0 - 4.70	<u>312,175</u>
Total Sewer Fund			10,988,075

(continued)

(continued)

Golf Fund:			
Clubhouse improvements	10/15/05	4.0 - 4.70	25,000
Arena Fund:			
Facility expansion	10/15/15	4.0 - 4.70	<u>430,000</u>
Total Enterprise Fund Bonds Payable			\$ <u>24,134,895</u>

B. Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2001 are as follows:

<u>Governmental Funds</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 2,901,439	\$ 1,357,423	\$ 4,258,862
2003	2,674,692	1,173,816	3,848,508
2004	2,642,263	1,053,704	3,695,967
2005	2,602,463	933,522	3,535,985
2006	2,566,550	815,073	3,381,623
2007 - 2018	<u>15,260,657</u>	<u>3,115,978</u>	<u>18,376,635</u>
Total	\$ <u>28,648,064</u>	\$ <u>8,449,516</u>	\$ <u>37,097,580</u>
<u>Proprietary</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 2,845,513	\$ 1,113,803	\$ 3,959,316
2003	2,720,146	950,776	3,670,922
2004	2,079,870	835,416	2,915,286
2005	2,066,817	738,676	2,805,493
2006	1,713,395	651,809	2,365,204
2007 - 2019	<u>12,709,154</u>	<u>2,703,913</u>	<u>15,413,067</u>
Total	\$ <u>24,134,895</u>	\$ <u>6,994,393</u>	\$ <u>31,129,288</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, 2001.

General fund	\$ 28,638,064
Special revenue fund	<u>10,000</u>
	\$ <u>28,648,064</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, 2001 are as follows:

<u>Purpose</u>	<u>Amount</u>
Police station renovations	\$ 40,000
Library children's room renovations	25,000
Water mains	1,575,000
Sludge stabilization	4,600,000
Club House renovations	<u>365,000</u>
Total	\$ <u>6,605,000</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 (12/31/00)	\$ 1,950,000	27.45%	\$ 535,275
Concord School District (6/30/01)	29,796,041	100%	29,796,041
Merrimack Valley School District (6/30/01)	12,000,000	26.64%	3,196,800

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

E. Debt Defeasance

Current Year

On March 1, 2001, the City issued general obligation bonds in the amount of \$ 3,227,959 with a variable interest rate ranging from 4.0% to 4.7% to advance refund \$ 3,050,000 of term bonds with an interest rates ranging from 5.8% to 6.3%. The term bonds mature on October 15, 2015 and are callable on October 15, 2005. The general obligation bonds were issued at 4.25% and, after paying issuance costs of \$ 13,962, the net proceeds were \$ 3,213,997. The net proceeds from the 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 term bonds are called on October 15, 2005. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the City's General Long-Term Account Group.

As a result of the advance refunding, the City reduced its total debt service cash flow requirements by approximately \$ 183,388, which resulted in an approximate economic gain (difference between the present value of the debt service payments on the old and new debt) of \$ 138,117.

Defeased debt still outstanding at June 30, 2001 is \$ 3,050,000.

F. Changes in General Long-Term Liabilities

During the year ended June 30, 2001, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2001</u>
Capital leases	\$ 22,376	\$ -	\$ 22,376	\$ -
Accrued employee benefits	1,223,106	46,001	-	1,269,107
General obligation debt	24,190,290	9,089,504	4,631,730	28,648,064
Landfill closure	<u>750,000</u>	<u>-</u>	<u>30,000</u>	<u>720,000</u>
Totals	<u>\$ 26,185,772</u>	<u>\$ 9,135,505</u>	<u>\$ 4,684,106</u>	<u>\$ 30,637,171</u>

12. 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 \$ 720,000 as the estimate of the remaining postclosure care liability at June 30, 2001 in the General Long-Term Debt Account Group. Actual costs may differ due to inflation, changes in technology, or changes in regulations.

13. 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, 2001 were as follows:

	<u>Balance</u> <u>July 1, 2000</u>	<u>Contributions</u>	<u>Depreciation</u> <u>& Disposals</u>	<u>Balance</u> <u>June 30, 2001</u>
<u>Enterprise Funds:</u>				
Water	\$ 6,619,606	\$ 198,206	\$ -	\$ 6,817,812
Sewer	45,781,128	31,410	(888,675)	44,923,863
Golf	335,000	-	-	335,000
Arena	345,851	73,129	-	418,980
Solid waste	<u>109,759</u>	<u>-</u>	<u>-</u>	<u>109,759</u>
Total Enterprise	\$ <u>53,191,344</u>	\$ <u>302,745</u>	\$ <u>(888,675)</u>	\$ <u>52,605,414</u>
<u>Internal Service Funds:</u>				
Equipment	\$ <u>1,264,294</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,264,294</u>

14. **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, 2001:

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.

15. **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, 2001 follows (in thousands):

	Water Fund	Sewer Fund	Golf Fund	Arena Fund	Solid Waste Fund	Total
Operating revenues	\$ 4,264	\$ 4,471	\$ 769	\$ 340	\$ 1,470	\$ 11,314
Depreciation expense	786	1,334	56	27	-	2,203
Operating income (loss)	1,266	465	84	6	(1,180)	641
Net income (loss)	554	(100)	44	92	(26)	564
Fixed asset additions	1,937	1,094	475	677	-	4,183
Net working capital	2,671	2,275	(144)	81	662	5,545
Total assets	35,048	64,436	1,097	1,205	931	102,717
Long-term obligations	11,478	9,499	36	409	-	21,422
Intergovernmental revenues	-	168	-	-	-	168
Operating transfers in	-	-	-	100	1,154	1,254
Operating transfers out	(324)	(391)	(52)	(23)	-	(790)
Total equity	21,835	52,945	838	604	848	77,070
Retained earnings	15,018	8,021	503	185	738	24,465

16. 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.

17. 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.

18. 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, 2001 there were 339 retirees, including eligible spouses, receiving health care benefits. The City recognizes the cost of providing these benefits as paid. These costs totaled \$ 350,924 fiscal year ended June 30, 2001.

19. 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, 2001, 2000 and 1999 were \$ 850,375, \$ 820,008 and \$ 706,311, respectively, which were equal to its annual required contributions for each of these years.

20. Tax Increment District

The following represent the North End Opportunity Corridor Tax Increment Financing District's financial report:

Revenues:

Tax Increment District	\$ 459,163	
Investment interest	7,129	466,292

Expenditures:

Principal	190,000	
Interest on debt	171,237	
Outside services	<u>4,800</u>	<u>366,037</u>

Excess (Deficiency) of revenue 100,255

Fund Equity Reserved for Debt Service \$ 100,255

Long-Term Debt Payable:

Principal	\$ 4,990,000	
Interest	<u>1,815,433</u>	<u>6,805,433</u>

Deficit to be Raised by Tax Increment District \$(6,705,178)

Assessment Information:

Base Value \$ 2,791,300

Captured Value* \$ 20,094,000

* = As of April 1, 2001

21. 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, 2001**

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	Variance Favorable <u>(Unfavorable)</u>
<u>Taxes</u>			
Property taxes - current	\$ 18,545,107	\$ 18,545,107	\$ -
Timber tax yield	20,000	34,375	14,375
Excavation activity tax	13,100	2,342	(10,758)
Land use charge	37,500	66,771	29,271
Auto permits	4,230,450	4,645,919	415,469
Penalties and interest on tax	500,000	409,936	(90,064)
Payment in lieu of taxes	333,680	391,721	58,041
	<hr/>	<hr/>	<hr/>
Total Taxes	23,679,837	24,096,171	416,334
<u>Licenses and Permits</u>			
Engineering	1,410	1,280	(130)
City clerk records	27,150	26,252	(898)
Health services	85,700	87,055	1,355
Police/protection/amusement	3,000	1,500	(1,500)
Code enforcement/building permits	440,350	610,909	170,559
PW permits	18,000	13,230	(4,770)
	<hr/>	<hr/>	<hr/>
Total Licenses and Permits	575,610	740,226	164,616
<u>Intergovernmental</u>			
State sharing	1,886,660	2,039,123	152,463
Railroad tax	3,530	3,865	335
Forest loss reimbursement	1,630	1,347	(283)
Fire service aid	81,380	81,380	-
Emergency mgmt. administration - grant	19,600	-	(19,600)
State election reimbursement	2,000	3,617	1,617
Highway block grant	580,000	619,671	39,671
	<hr/>	<hr/>	<hr/>
Total Intergovernmental	2,574,800	2,749,003	174,203
<u>Charges For Services</u>			
Finance	131,450	37,821	(93,629)
Legal - prosecutor	37,300	36,167	(1,133)
City clerk	56,250	62,293	6,043
Public safety	905,000	987,134	82,134
General services	140,000	143,396	3,396
Planning	132,660	232,967	100,307
Human services	50,000	43,258	(6,742)

(Continued)

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
Library	18,000	17,841	(159)
Recreation	226,540	228,463	1,923
Cable franchise fee	410,000	437,239	27,239
Auditorium rental	25,000	26,008	1,008
School district lease	67,700	93,323	25,623
Storage rental	2,700	7,502	4,802
Community Center rental	42,370	50,442	8,072
Memorial field rental	6,000	4,588	(1,412)
Code prosecution	29,000	27,395	(1,605)
Restitution	6,500	5,910	(590)
Parking fines - non meters	75,000	84,073	9,073
False alarm penalties	28,000	27,938	(62)
Overdue book fines	39,000	41,539	2,539
	<hr/>	<hr/>	<hr/>
Total Charges For Services	2,428,470	2,595,297	166,827
<u>Investment Income</u>			
Earnings on investments	770,000	1,615,111	845,111
	<hr/>	<hr/>	<hr/>
Total Investment Income	770,000	1,615,111	845,111
<u>Miscellaneous</u>			
Miscellaneous revenue not anticipated	-	8,640	8,640
Insurance refunds/dividends	250,000	143,706	(106,294)
Other share of capital debt	96,440	94,486	(1,954)
Sale of city property	10,000	16,193	6,193
MV transportation surcharge	150,000	164,628	14,628
Donations	85,000	85,000	-
	<hr/>	<hr/>	<hr/>
Total Miscellaneous	591,440	512,653	(78,787)
<u>Other Financing Sources</u>			
Operating transfers in	1,948,950	1,857,965	(90,985)
Budgetary use of fund balance	2,902,000	2,902,000	-
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources	4,850,950	4,759,965	(90,985)
	<hr/>	<hr/>	<hr/>
Total Revenues and Other Financing Sources	\$ 35,471,107	\$ 37,068,426	\$ 1,597,319

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, 2001**

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Favorable (Unfavorable)</u>
<u>General Government</u>			
City Manager	\$ 293,115	\$ 265,959	\$ 27,156
Legal services	575,040	573,061	1,979
Finance department	1,478,440	1,448,588	29,852
Personnel	238,390	230,598	7,792
City Council	35,130	28,448	6,682
City Clerk	185,400	184,614	786
Assessor	<u>428,945</u>	<u>401,847</u>	<u>27,098</u>
Total General Government	3,234,460	3,133,115	101,345
<u>Public Safety</u>			
Police	5,771,713	5,668,337	103,376
Fire	6,575,660	6,560,487	15,173
Civil Defense	<u>20,800</u>	<u>20,736</u>	<u>64</u>
Total Public Safety	12,368,173	12,249,560	118,613
<u>General Services</u>			
Total General Services	<u>6,984,339</u>	<u>6,924,155</u>	<u>60,184</u>
<u>Community and Development</u>			
Engineering	883,965	730,043	153,922
Conservation commission	37,900	20,176	17,724
Planning	1,509,860	1,429,765	80,095
Economic development	<u>140,890</u>	<u>134,915</u>	<u>5,975</u>
Total Planning and Development	2,572,615	2,314,899	257,716
<u>Leisure and Information Services</u>			
Library	1,416,150	1,400,337	15,813
Recreation and parks	<u>512,650</u>	<u>511,856</u>	<u>794</u>
Total Leisure and Information Services	1,928,800	1,912,193	16,607
<u>Human Services</u>			
Welfare	740,870	710,632	30,238
Social services	<u>407,460</u>	<u>407,460</u>	<u>-</u>
Total Human Services	1,148,330	1,118,092	30,238

(Continued)

	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	Variance Favorable (Unfavorable)
<u>Employee Benefits</u>			
Employee benefits	<u>378,869</u>	<u>249,842</u>	<u>129,027</u>
Total Employee Benefits	378,869	249,842	129,027
<u>Capital Outlay</u>			
Administration	22,000	21,686	314
Grounds	111,000	63,440	47,560
Planning	<u>74,999</u>	<u>74,914</u>	<u>85</u>
Total Capital Outlay	207,999	160,040	47,959
<u>Debt Service</u>			
Principal	2,105,340	2,105,340	-
Interest	<u>1,019,180</u>	<u>1,023,066</u>	<u>(3,886)</u>
Total Debt Service	3,124,520	3,128,406	(3,886)
<u>Miscellaneous</u>			
Total Miscellaneous	<u>454,372</u>	<u>420,378</u>	<u>33,994</u>
<u>Other Financing Uses</u>			
Operating transfers out	<u>3,068,630</u>	<u>3,092,440</u>	<u>(23,810)</u>
Total Other Financing Uses	<u>3,068,630</u>	<u>3,092,440</u>	<u>(23,810)</u>
Total Expenditures and Other Financing Uses	<u>\$ 35,471,107</u>	<u>\$ 34,703,120</u>	<u>\$ 767,987</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, 2001

	Community Development Fund	Housing Revolving Loan Fund	Housing Revolving Loan Fund/Post 1992	Parking Fund
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 254,822	\$ 131,840	\$ 784,992
Accounts receivable	51,738	5,049	-	32
Loans receivable	-	542,805	216,413	-
Other assets	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 51,738</u>	<u>\$ 802,676</u>	<u>\$ 348,253</u>	<u>\$ 785,024</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts payable	\$ 12,332	\$ 57	\$ -	\$ 15,326
Other liabilities	-	-	4,810	-
Deferred revenue	-	542,805	216,413	-
Payments collected in advance	-	-	-	10,574
Due to other funds	39,408	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	51,740	542,862	221,223	25,900
Fund Equity:				
Reserved for encumbrances	-	-	-	142,275
Unreserved:				
Undesignated	<u>(2)</u>	<u>259,814</u>	<u>127,030</u>	<u>616,849</u>
Total Fund Equity	<u>(2)</u>	<u>259,814</u>	<u>127,030</u>	<u>759,124</u>
Total Liabilities and Fund Equity	<u>\$ 51,738</u>	<u>\$ 802,676</u>	<u>\$ 348,253</u>	<u>\$ 785,024</u>

<u>Airport Fund</u>	<u>Impact Fee Fund</u>	Miscellaneous Special Revenue <u>Fund</u>	<u>Total</u>
\$ 110,123	\$ 1,247,295	\$ 278,877	\$ 2,807,949
42	-	346,647	403,508
-	-	-	759,218
<u>4,000</u>	<u>-</u>	<u>-</u>	<u>4,000</u>
<u>\$ 114,165</u>	<u>\$ 1,247,295</u>	<u>\$ 625,524</u>	<u>\$ 3,974,675</u>
\$ 1,060	\$ -	\$ 99,651	\$ 128,426
-	161,878	33,154	199,842
-	-	-	759,218
-	-	-	10,574
<u>-</u>	<u>-</u>	<u>-</u>	<u>39,408</u>
1,060	161,878	132,805	1,137,468
26,500	-	-	168,775
<u>86,605</u>	<u>1,085,417</u>	<u>492,719</u>	<u>2,668,432</u>
<u>113,105</u>	<u>1,085,417</u>	<u>492,719</u>	<u>2,837,207</u>
<u>\$ 114,165</u>	<u>\$ 1,247,295</u>	<u>\$ 625,524</u>	<u>\$ 3,974,675</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, 2001**

	Community Development <u>Fund</u>	Housing Revolving Loan Fund	Housing Revolving Loan Fund/Post 1992	Parking Fund
Revenues:				
Intergovernmental	\$ 575,219	\$ -	\$ -	\$ -
Charges for services	-	80,132	15,596	346,970
Investment income	-	19,037	5,603	40,338
Miscellaneous:				
Departmental	-	-	-	179,672
Interest and penalties	-	-	-	214,235
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	575,219	99,169	21,199	781,215
Expenditures:				
Current:				
General government	78,469	201	-	-
Community and development	-	-	-	772,499
Debt service:				
Principal	-	-	-	5,000
Interest	-	-	-	693
Capital outlay	490,933	203,475	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	569,402	203,676	-	778,192
Excess (deficiency) of revenues over expenditures	5,817	(104,507)	21,199	3,023
Other Financing Sources (Uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	(57,690)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Other Financing Sources (Uses)	-	-	-	(57,690)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,817	(104,507)	21,199	(54,667)
Fund Equity, beginning	<u>(5,819)</u>	<u>364,321</u>	<u>105,831</u>	<u>813,791</u>
Fund Equity, ending	\$ <u>(2)</u>	\$ <u>259,814</u>	\$ <u>127,030</u>	\$ <u>759,124</u>

<u>Airport Fund</u>	<u>Impact Fee Fund</u>	<u>Miscellaneous Special Revenue Fund</u>	<u>Total</u>
\$ 1,335	\$ -	\$ 478,659	\$ 1,055,213
113,420	313,891	145,003	1,015,012
-	44,692		109,670
-	-	-	179,672
-	-	163	214,398
<u>114,755</u>	<u>358,583</u>	<u>623,825</u>	<u>2,573,965</u>
-	-	382,098	460,768
107,214	-	-	879,713
70,000	-	-	75,000
25,872	-	-	26,565
-	-	932,703	1,627,111
<u>203,086</u>	<u>-</u>	<u>1,314,801</u>	<u>3,069,157</u>
(88,331)	358,583	(690,976)	(495,192)
136,330	-	929,461	1,065,791
<u>(85,000)</u>	<u>(12,860)</u>	<u>-</u>	<u>(155,550)</u>
<u>51,330</u>	<u>(12,860)</u>	<u>929,461</u>	<u>910,241</u>
(37,001)	345,723	238,485	415,049
<u>150,106</u>	<u>739,694</u>	<u>254,234</u>	<u>2,422,158</u>
<u>\$ 113,105</u>	<u>\$ 1,085,417</u>	<u>\$ 492,719</u>	<u>\$ 2,837,207</u>

CITY OF CONCORD, NEW HAMPSHIRE

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

For the Fiscal Year Ended June 30, 2001

	Parking		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services:			
Street parking - meters	235,000	237,936	2,936
Firehouse block garage - meters	35,000	34,554	(446)
Durgin block garage - meters	75,000	74,480	(520)
Fuel flow fees	-	-	-
Rentals	-	-	-
Total Charges for Services	345,000	346,970	1,970
Investment income	35,000	40,338	5,338
Miscellaneous:			
Capital reserve	10,500	10,500	-
Meter parking penalties	160,000	214,105	54,105
Rentals	149,360	169,172	19,812
Court fines	7,500	130	(7,370)
Total Miscellaneous	327,360	393,907	66,547
Total Revenues	707,360	781,215	73,855
Expenditures:			
General Government:			
Compensation	277,180	253,395	23,785
Outside services	108,500	84,041	24,459
Insurance	9,950	6,768	3,182
Firehouse block garage	34,130	37,363	(3,233)
Durgin block garage	80,710	64,632	16,078
Supplies	38,180	30,338	7,842
Utilities	17,240	16,531	709
Debt service - principal	5,700	5,693	7
Other	100,210	78,283	21,927
Total General Government and Total Expenditures	671,800	577,044	94,756
Other Financing Sources (Uses):			
Operating transfer in	-	-	-
Operating transfer out	(57,690)	(57,690)	-
Total Other Financing Sources (Uses)	(57,690)	(57,690)	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ (22,130)	\$ 146,481	\$ 168,611

	Airport			Total		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
	\$ 2,500	\$ 1,335	\$ (1,165)	\$ 2,500	\$ 1,335	\$ (1,165)
	-	-	-	235,000	237,936	2,936
	-	-	-	35,000	34,554	(446)
	-	-	-	75,000	74,480	(520)
	20,500	18,268	(2,232)	20,500	18,268	(2,232)
	<u>83,310</u>	<u>95,152</u>	<u>11,842</u>	<u>83,310</u>	<u>95,152</u>	<u>11,842</u>
	103,810	113,420	9,610	448,810	460,390	11,580
	-	-	-	35,000	40,338	5,338
	-	-	-	10,500	10,500	-
	-	-	-	160,000	214,105	54,105
	-	-	-	149,360	169,172	19,812
	-	-	-	<u>7,500</u>	<u>130</u>	<u>(7,370)</u>
	-	-	-	<u>327,360</u>	<u>393,907</u>	<u>66,547</u>
	106,310	114,755	8,445	813,670	895,970	82,300
	40,000	31,371	8,629	317,180	284,766	32,414
	27,400	25,246	2,154	135,900	109,287	26,613
	5,800	3,680	2,120	15,750	10,448	5,302
	-	-	-	34,130	37,363	(3,233)
	-	-	-	80,710	64,632	16,078
	37,750	36,766	984	75,930	67,104	8,826
	15,860	19,319	(3,459)	33,100	35,850	(2,750)
	95,830	95,872	(42)	101,530	101,565	(35)
	<u>20,000</u>	<u>15,722</u>	<u>4,278</u>	<u>120,210</u>	<u>94,005</u>	<u>26,205</u>
	242,640	227,976	14,664	914,440	805,020	109,420
	136,330	136,330	-	136,330	136,330	-
	<u>(85,000)</u>	<u>(85,000)</u>	<u>-</u>	<u>(142,690)</u>	<u>(142,690)</u>	<u>-</u>
	<u>51,330</u>	<u>51,330</u>	<u>-</u>	<u>(6,360)</u>	<u>(6,360)</u>	<u>-</u>
	<u>\$ (85,000)</u>	<u>\$ (61,891)</u>	<u>\$ 23,109</u>	<u>\$ (107,130)</u>	<u>\$ 84,590</u>	<u>\$ 191,720</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.

CITY OF CONCORD, NEW HAMPSHIRE

Capital Project Funds

Combining Balance Sheet
June 30, 2001

	<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>Total</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ <u>99,608</u>	\$ <u>378,080</u>	\$ <u>945,620</u>	\$ <u>9,999,652</u>	\$ <u>11,422,960</u>
Total Assets	\$ <u>99,608</u>	\$ <u>378,080</u>	\$ <u>945,620</u>	\$ <u>9,999,652</u>	\$ <u>11,422,960</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Liabilities:					
Accounts payable	\$ 30	\$ -	\$ 1,717	\$ 590,004	\$ 591,751
Retainage payable	<u>-</u>	<u>-</u>	<u>99,510</u>	<u>299,330</u>	<u>398,840</u>
Total Liabilities	30	-	101,227	889,334	990,591
Fund Equity:					
Unreserved/Undesignated	<u>99,578</u>	<u>378,080</u>	<u>844,393</u>	<u>9,110,318</u>	<u>10,432,369</u>
Total Fund Equity	<u>99,578</u>	<u>378,080</u>	<u>844,393</u>	<u>9,110,318</u>	<u>10,432,369</u>
Total Liabilities and Fund Equity	\$ <u>99,608</u>	\$ <u>378,080</u>	\$ <u>945,620</u>	\$ <u>9,999,652</u>	\$ <u>11,422,960</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, 2001**

	<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>Total</u>
Revenues:					
Miscellaneous	\$ 81,074	\$ -	\$ -	\$ 415,174	\$ 496,248
Total Revenues	81,074	-	-	415,174	496,248
Expenditures:					
Capital outlay	-	-	1,577,530	4,497,793	6,075,323
Total Expenditures	-	-	1,577,530	4,497,793	6,075,323
Excess (Deficiency) of revenues over expenditures	81,074	-	(1,577,530)	(4,082,619)	(5,579,075)
Other Financing Sources (Uses):					
Bond proceeds	-	-	1,725,000	4,901,000	6,626,000
Operating transfers in	-	-	-	2,463,630	2,463,630
Operating transfers out	-	-	(7,310)	-	(7,310)
Total Other Financing Sources (Uses)	-	-	1,717,690	7,364,630	9,082,320
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	81,074	-	140,160	3,282,011	3,503,245
Fund Equity (Deficit), beginning	18,504	378,080	704,233	5,828,307	6,929,124
Fund Equity (Deficit), ending	\$ 99,578	\$ 378,080	\$ 844,393	\$ 9,110,318	\$ 10,432,369

Debt Service Fund

Debt Service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

Individual Fund:

- Durgin Block Tax Increment Financing District - to account for revenues and related debt service expenditures incurred by this TIFD which was closed by City Council in 1998 but which had a remaining fund balance to pay off final debt outstanding in 2000.
- North End Opportunity Corridor (NEOC) Tax Increment Financing District (NEOCTIFD) - established in March 1998 to account for related revenues and debt service expenditures by this TIFD.

CITY OF CONCORD, NEW HAMPSHIRE

Debt Service Funds

Combining Balance Sheet
June 30, 2001

	<u>Durgin Block</u>	<u>NEOC</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ <u>-</u>	\$ <u>100,255</u>	\$ <u>100,255</u>
Total Assets	\$ <u>-</u>	\$ <u>100,255</u>	\$ <u>100,255</u>
<u>FUND EQUITY</u>			
Fund Equity:			
Unreserved/Undesignated	\$ <u>-</u>	\$ <u>100,255</u>	\$ <u>100,255</u>
Total Fund Equity	<u>-</u>	<u>100,255</u>	<u>100,255</u>
Total Liabilities and Fund Equity	\$ <u>-</u>	\$ <u>100,255</u>	\$ <u>100,255</u>

CITY OF CONCORD, NEW HAMPSHIRE

Debt Service Funds

**Combining Statement of Revenue, Expenditures
and Changes in Fund Equity
For the Fiscal Year Ended June 30, 2001**

	Durgin <u>Block</u>	<u>NEOC</u>	<u>Total</u>
Revenues:			
Taxes	\$ -	\$ 361,837	\$ 361,837
Investment income	<u>3,616</u>	<u>5,101</u>	<u>8,717</u>
Total Revenues	3,616	366,938	370,554
Expenditures:			
Current:			
General government	-	4,800	4,800
Debt service			
Principal	-	190,000	190,000
Interest	<u>-</u>	<u>171,237</u>	<u>171,237</u>
Total Expenditures	<u>-</u>	<u>366,037</u>	<u>366,037</u>
Excess (deficiency) of revenues over expenditures	3,616	901	4,517
Other Financing Sources (Uses):			
Operating transfers out	<u>(102,243)</u>	<u>-</u>	<u>(102,243)</u>
Total Other Financing Sources (Uses)	<u>(102,243)</u>	<u>-</u>	<u>(102,243)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(98,627)	901	(97,726)
Fund Equity, beginning	<u>98,627</u>	<u>99,354</u>	<u>197,981</u>
Fund Equity, ending	\$ <u><u>-</u></u>	\$ <u><u>100,255</u></u>	\$ <u><u>100,255</u></u>

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, 2001

	Water Fund	Sewer Fund	Golf Fund
<u>ASSETS</u>			
Current Assets:			
Cash and cash equivalents	\$ 3,951,546	\$ 3,375,287	\$ 66,863
Accounts receivable	436,853	417,484	-
Due from other governments	-	475,125	-
Inventory	<u>17,979</u>	<u>-</u>	<u>11,349</u>
Total Current Assets	4,406,378	4,267,896	78,212
Non-Current Assets:			
Fixed assets	39,119,187	83,181,738	1,682,634
Accumulated depreciation	(8,477,490)	(24,074,713)	(664,340)
Due from other governments	<u>-</u>	<u>1,061,515</u>	<u>-</u>
Total Non-Current Assets	<u>30,641,697</u>	<u>60,168,540</u>	<u>1,018,294</u>
Total Assets	<u>\$ 35,048,075</u>	<u>\$ 64,436,436</u>	<u>\$ 1,096,506</u>
<u>LIABILITIES, CONTRIBUTED CAPITAL AND RETAINED EARNINGS</u>			
Current Liabilities:			
Accounts payable	\$ 134,773	\$ 206,726	\$ 67,568
Retainage payable	127,875	50,077	9,160
Other liabilities	196,819	200,131	328
Deferred revenue	-	-	140,124
Current maturities of general obligation debt	<u>1,275,695</u>	<u>1,535,817</u>	<u>5,000</u>
Total Current Liabilities	1,735,162	1,992,751	222,180
Non-Current Liabilities:			
Accrued employee benefits	61,418	46,432	16,374
General obligation debt, net of current maturities	<u>11,416,125</u>	<u>9,452,258</u>	<u>20,000</u>
Total Non-Current Liabilities	<u>11,477,543</u>	<u>9,498,690</u>	<u>36,374</u>
Total Liabilities	13,212,705	11,491,441	258,554
Contributed Capital and Retained Earnings:			
Contributed capital	6,817,812	44,923,863	335,000
Retained earnings	<u>15,017,558</u>	<u>8,021,132</u>	<u>502,952</u>
Total Contributed Capital and Retained Earnings	<u>21,835,370</u>	<u>52,944,995</u>	<u>837,952</u>
Total Liabilities, Contributed Capital and Retained Earnings	<u>\$ 35,048,075</u>	<u>\$ 64,436,436</u>	<u>\$ 1,096,506</u>

<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ 272,448	\$ 599,637	\$ 8,265,781
54	145,190	999,581
-	-	475,125
-	-	<u>29,328</u>
272,502	744,827	9,769,815
1,423,000	259,369	125,665,928
(490,045)	(73,169)	(33,779,757)
-	-	<u>1,061,515</u>
<u>932,955</u>	<u>186,200</u>	<u>92,947,686</u>
<u>\$ 1,205,457</u>	<u>\$ 931,027</u>	<u>\$ 102,717,501</u>
\$ 93,523	\$ 82,954	\$ 585,544
64,599	-	251,711
4,869	-	402,147
-	-	140,124
<u>29,000</u>	<u>-</u>	<u>2,845,512</u>
191,991	82,954	4,225,038
8,091	243	132,558
<u>401,000</u>	<u>-</u>	<u>21,289,383</u>
<u>409,091</u>	<u>243</u>	<u>21,421,941</u>
601,082	83,197	25,646,979
418,980	109,759	52,605,414
<u>185,395</u>	<u>738,071</u>	<u>24,465,108</u>
<u>604,375</u>	<u>847,830</u>	<u>77,070,522</u>
<u>\$ 1,205,457</u>	<u>\$ 931,027</u>	<u>\$ 102,717,501</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, 2001

	Water Fund	Sewer Fund	Golf Fund
Operating Revenues:			
Charges for services	\$ 4,262,002	\$ 4,436,502	\$ 763,733
Miscellaneous	<u>1,733</u>	<u>34,462</u>	<u>5,257</u>
Total Operating Revenues	4,263,735	4,470,964	768,990
Operating Expenses:			
Depreciation	785,656	1,333,722	56,565
Administration	791,707	700,291	627,757
Collection	-	246,919	-
Treatment facility/plant operations	840,643	1,590,567	-
Water supply	150,271	-	-
Distribution	399,580	-	-
Miscellaneous	30,119	73,968	-
Disposal	<u>-</u>	<u>60,213</u>	<u>-</u>
Total Operating Expenses	<u>2,997,976</u>	<u>4,005,680</u>	<u>684,322</u>
Operating Income (Loss)	1,265,759	465,284	84,668
Nonoperating Revenue (Expenses):			
Gain (loss) on sale of an asset	2,015	-	(2,114)
Interest expense	(567,754)	(544,903)	(280)
Investment income	178,763	202,976	13,762
Intergovernmental revenue	<u>-</u>	<u>167,957</u>	<u>-</u>
Total Nonoperating Revenue (Expenses)	<u>(386,976)</u>	<u>(173,970)</u>	<u>11,368</u>
Net Income (Loss) Before Operating Transfers	878,783	291,314	96,036
Operating Transfers In (Out):			
Operating transfers in	-	-	-
Operating transfers out	<u>(324,440)</u>	<u>(391,160)</u>	<u>(52,000)</u>
Total Operating Transfers In (Out)	<u>(324,440)</u>	<u>(391,160)</u>	<u>(52,000)</u>
Net Income (Loss)	554,343	(99,846)	44,036
Depreciation on assets acquired with contributed capital	<u>-</u>	<u>888,675</u>	<u>-</u>
Increase (Decrease) in Retained Earnings	554,343	788,829	44,036
Retained Earnings, beginning	<u>14,463,215</u>	<u>7,232,303</u>	<u>458,916</u>
Retained Earnings, ending	<u>\$ 15,017,558</u>	<u>\$ 8,021,132</u>	<u>\$ 502,952</u>

<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ 339,612	\$ 1,470,164	\$ 11,272,013
168	-	41,620
339,780	1,470,164	11,313,633
27,190	-	2,203,133
306,907	-	2,426,662
-	740,127	987,046
-	-	2,431,210
-	-	150,271
-	-	399,580
-	-	104,087
-	1,910,316	1,970,529
334,097	2,650,443	10,672,518
5,683	(1,180,279)	641,115
-	-	(99)
(4,869)	-	(1,117,806)
13,625	-	409,126
-	-	167,957
8,756	-	(540,822)
14,439	(1,180,279)	100,293
100,000	1,154,311	1,254,311
(22,600)	-	(790,200)
77,400	1,154,311	464,111
91,839	(25,968)	564,404
-	-	888,675
91,839	(25,968)	1,453,079
93,556	764,039	23,012,029
\$ 185,395	\$ 738,071	\$ 24,465,108

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

**Schedule of Revenues and
Expenses, Budget and Actual
For the Fiscal Year Ended June 30, 2001**

	Budget	Water Fund Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Operating Revenues:			
Operating revenue	\$ 4,239,490	\$ 4,456,850	\$ 217,360
Miscellaneous	-	1,733	1,733
Total Operating Revenues	4,239,490	4,458,583	219,093
Operating Expenses:			
Administration	738,730	820,189	(81,459)
Collection	-	-	-
Treatment facility/plant operations	881,830	859,943	21,887
Water supply	168,330	153,026	15,304
Distribution	419,950	413,888	6,062
Other operating expenses	-	-	-
Disposal	-	-	-
Miscellaneous	14,500	30,119	(15,619)
Capital outlay	279,270	212,679	66,591
Debt service	1,143,870	1,143,870	-
Total Operating Expenses	3,646,480	3,633,714	12,766
Operating Income (Loss)	593,010	824,869	231,859
Non-Operating Income (Expenses):			
Interest expense	(631,590)	(567,754)	63,836
Investment income	87,000	178,763	91,763
Intergovernmental	-	-	-
Total Non-Operating Income (Expenses)	(544,590)	(388,991)	155,599
Net Income (Loss) Before Operating Transfers	48,420	435,878	387,458
Operating Transfers In (Out):			
Transfers in	-	-	-
Transfers out	(324,440)	(324,440)	-
Budgetary use of retained earnings	-	-	-
Total Operating Transfers In (Out)	(324,440)	(324,440)	-
Net Income (Loss)	\$ (276,020)	\$ 111,438	\$ 387,458

Sewer Fund			Golf Fund		
<u>Budget</u>	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)	<u>Budget</u>	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
\$ 4,362,600	\$ 4,467,911	\$ 105,311	\$ 784,270	\$ 763,733	\$ (20,537)
<u>-</u>	<u>34,462</u>	<u>34,462</u>	<u>-</u>	<u>5,257</u>	<u>5,257</u>
4,362,600	4,502,373	139,773	784,270	768,990	(15,280)
731,560	702,737	28,823	752,010	697,562	54,448
267,780	210,509	57,271	-	-	-
1,613,200	1,597,525	15,675	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
61,070	53,286	7,784	-	-	-
-	(500)	500	-	-	-
22,500	20,682	1,818	-	-	-
261,950	231,443	30,507	-	-	-
<u>1,494,500</u>	<u>1,494,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,452,560</u>	<u>4,310,182</u>	<u>142,378</u>	<u>752,010</u>	<u>697,562</u>	<u>54,448</u>
(89,960)	192,191	282,151	32,260	71,428	39,168
(601,030)	(544,903)	56,127	(10,140)	(280)	9,860
110,000	202,976	92,976	3,000	13,762	10,762
<u>652,334</u>	<u>652,333</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>161,304</u>	<u>310,406</u>	<u>149,102</u>	<u>(7,140)</u>	<u>13,482</u>	<u>20,622</u>
71,344	502,597	431,253	25,120	84,910	59,790
-	-	-	-	-	-
(391,160)	(391,160)	-	(52,000)	(52,000)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(391,160)</u>	<u>(391,160)</u>	<u>-</u>	<u>(52,000)</u>	<u>(52,000)</u>	<u>-</u>
\$ <u>(319,816)</u>	\$ <u>111,437</u>	\$ <u>431,253</u>	\$ <u>(26,880)</u>	\$ <u>32,910</u>	\$ <u>59,790</u>

(continued)

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

Schedule of Revenues and
Expenses, Budget and Actual
For the Fiscal Year Ended June 30, 2001

		Arena Fund	
	<u>Budget</u>	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Operating Revenues:			
Operating revenue	\$ 448,150	\$ 412,741	\$ (35,409)
Miscellaneous	-	168	168
Total Operating Revenues	<u>448,150</u>	<u>412,909</u>	<u>(35,241)</u>
Operating Expenses:			
Administration	301,150	311,406	(10,256)
Collection	-	-	-
Treatment facility/plant operations	-	-	-
Water supply	-	-	-
Distribution	-	-	-
Other operating expenses	-	-	-
Disposal	-	-	-
Storm sewer maintenance	-	-	-
Capital outlay	-	-	-
Debt service	-	-	-
Total Operating Expenses	<u>301,150</u>	<u>311,406</u>	<u>(10,256)</u>
Operating Income (Loss)	147,000	101,503	(45,497)
Non-Operating Income (Expenses):			
Interest expense	(14,890)	(4,869)	10,021
Investment income	3,800	13,625	9,825
Intergovernmental	-	-	-
Total Non-Operating Income (Expenses)	<u>(11,090)</u>	<u>8,756</u>	<u>19,846</u>
Net Income (Loss) Before Operating Transfers	135,910	110,259	(25,651)
Operating Transfers In (Out):			
Transfers in	100,000	100,000	-
Transfers out	(22,600)	(22,600)	-
Budgetary use of retained earnings	89,000	89,000	-
Total Operating Transfers In (Out)	<u>166,400</u>	<u>166,400</u>	<u>-</u>
Net Income (Loss)	<u>\$ 302,310</u>	<u>\$ 276,659</u>	<u>\$ (25,651)</u>

Solid Waste Fund		
<u>Budget</u>	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
\$ 1,459,450	\$ 1,470,164	\$ 10,714
<u>-</u>	<u>-</u>	<u>-</u>
1,459,450	1,470,164	10,714
-	-	-
741,740	740,126	1,614
-	-	-
-	-	-
-	-	-
1,940,825	1,912,248	28,577
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>2,682,565</u>	<u>2,652,374</u>	<u>30,191</u>
(1,223,115)	(1,182,210)	40,905
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
(1,223,115)	(1,182,210)	40,905
1,223,115	1,154,311	(68,804)
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>1,223,115</u>	<u>1,154,311</u>	<u>(68,804)</u>
\$ <u>-</u>	\$ <u>(27,899)</u>	\$ <u>(27,899)</u>

CITY OF CONCORD, NEW HAMPSHIRE

Enterprise Funds

Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2001

	Water <u>Fund</u>	Sewer <u>Fund</u>	Golf <u>Fund</u>
Cash Flows From Operating Activities:			
Operating income (loss)	\$ 1,265,759	\$ 465,284	\$ 84,668
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	785,656	1,333,722	56,565
(Gain)/ loss on the sale of capital assets	(2,015)	-	7,610
(Increase) Decrease In:			
Accounts receivable	(99,809)	(99,271)	-
Inventory	7,735	-	(2,999)
Due from other governments	-	484,376	-
Increase (Decrease) In:			
Accounts payable	(111,794)	(31,678)	20,164
Retainage payable	61,942	(65,450)	9,160
Other liabilities	(34,424)	(34,270)	300
Deferred revenue	-	-	(6,829)
Accrued vacation benefits	(1,472)	(277)	272
Net Cash Provided By (Used For) Operating Activities	<u>1,871,578</u>	<u>2,052,436</u>	<u>168,911</u>
Cash Flows From Noncapital Financing Activities:			
Intergovernmental revenue	-	167,957	-
Operating transfers in from other funds	-	-	-
Operating transfers out to other funds	<u>(324,440)</u>	<u>(391,160)</u>	<u>(52,000)</u>
Net Cash Provided By (Used For) Noncapital Financing Activities	<u>(324,440)</u>	<u>(223,203)</u>	<u>(52,000)</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(1,936,880)	(1,094,141)	(475,191)
Proceeds from the sale of fixed assets	2,015	-	(2,114)
Principal paid on outstanding bonds	(1,618,570)	(1,819,700)	-
Proceeds from the issuance of bonds	2,297,280	910,175	25,000
Interest expense on outstanding bonds	(567,754)	(544,903)	(280)
Principal paid on capital leases	(13,330)	-	-
Proceeds of contributed capital	<u>198,206</u>	<u>31,410</u>	<u>-</u>
Net Cash Provided By (Used For) Capital and Related Financing Activities	<u>(1,639,033)</u>	<u>(2,517,159)</u>	<u>(452,585)</u>
Cash Flows From Investing Activities:			
Investment income	<u>178,763</u>	<u>202,976</u>	<u>13,762</u>
Net Increase (Decrease) in Cash and Cash Equivalents	86,868	(484,950)	(321,912)
Cash and Cash Equivalents, beginning	<u>3,864,678</u>	<u>3,860,237</u>	<u>388,775</u>
Cash and Cash Equivalents, ending	<u>\$ 3,951,546</u>	<u>\$ 3,375,287</u>	<u>\$ 66,863</u>

<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
\$ 5,683	\$ (1,180,279)	\$ 641,115
27,190	-	2,203,133
-	-	5,595
(54)	46,072	(153,062)
-	-	4,736
-	-	484,376
87,321	20,656	(15,331)
64,599	-	70,251
4,869	-	(63,525)
-	-	(6,829)
<u>297</u>	<u>(32)</u>	<u>(1,212)</u>
189,905	(1,113,583)	3,169,247
-	-	167,957
100,000	1,154,311	1,254,311
<u>(22,600)</u>	<u>-</u>	<u>(790,200)</u>
77,400	1,154,311	632,068
(676,686)	-	(4,182,898)
-	-	(99)
-	-	(3,438,270)
430,000	-	3,662,455
(4,869)	-	(1,117,806)
-	-	(13,330)
<u>73,129</u>	<u>-</u>	<u>302,745</u>
(178,426)	-	(4,787,203)
<u>13,625</u>	<u>-</u>	<u>409,126</u>
102,504	40,728	(576,762)
<u>169,944</u>	<u>558,909</u>	<u>8,842,543</u>
<u>\$ 272,448</u>	<u>\$ 599,637</u>	<u>\$ 8,265,781</u>

Internal Service Fund

Internal service funds are used to account for goods or services provided by one City department or agency to other City departments or agencies. The City maintains one internal service fund to account for the maintenance of certain City equipment.

CITY OF CONCORD, NEW HAMPSHIRE

Internal Service Fund

**Schedule of Revenues and
Expenses, Budget and Actual
For the Fiscal Year Ended June 30, 2001**

	Equipment Services Fund		
	Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Operating Revenues:			
Operating revenue	\$ 761,300	\$ 685,673	\$ (75,627)
Miscellaneous	<u>-</u>	<u>419</u>	<u>419</u>
Total Operating Revenues	761,300	686,092	(75,208)
Operating Expenses:			
Administration:			
Compensation	450,280	422,666	27,614
Outside services	56,280	54,935	1,345
Supplies	26,110	24,902	1,208
Fringe/benefits	222,140	203,010	19,130
Insurance	2,250	2,110	140
Shop equipment and automotive	<u>764,000</u>	<u>764,034</u>	<u>(34)</u>
Total Operating Expenses	<u>1,521,060</u>	<u>1,471,657</u>	<u>49,403</u>
Net Income (Loss) Before Operating Transfers	(759,760)	(785,565)	(25,805)
Operating Transfers In:			
Transfers in	<u>762,000</u>	<u>762,000</u>	<u>-</u>
Total Operating Transfers In	<u>762,000</u>	<u>762,000</u>	<u>-</u>
Net Income (Loss)	<u>\$ 2,240</u>	<u>\$ (23,565)</u>	<u>\$ (25,805)</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, 2001

	Agency Funds	Trust Funds		Total
		Non-Expendable	Expendable	
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,219,637	\$ -	\$ 48,207	\$ 4,267,844
Investments	-	7,011,381	12,868,875	19,880,256
Interest receivable	-	45,728	79,780	125,508
Other assets	917	-	-	917
Total Assets	<u>\$ 4,220,554</u>	<u>\$ 7,057,109</u>	<u>\$ 12,996,862</u>	<u>\$ 24,274,525</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Other liabilities	\$ 1,112,428	\$ -	\$ -	\$ 1,112,428
Due to other funds	-	186,793	720,557	907,350
Due to other governments	3,108,126	-	-	3,108,126
Total Liabilities	4,220,554	186,793	720,557	5,127,904
Fund Equity:				
Reserved for endowments	-	6,870,316	-	6,870,316
Unreserved/Undesignated	-	-	12,276,305	12,276,305
Total Fund Equity	-	6,870,316	12,276,305	19,146,621
Total Liabilities and Fund Equity	<u>\$ 4,220,554</u>	<u>\$ 7,057,109</u>	<u>\$ 12,996,862</u>	<u>\$ 24,274,525</u>

CITY OF CONCORD, NEW HAMPSHIRE

Agency Funds

Combining Balance Sheet

June 30, 2001

	<u>Payroll Withholdings</u>	<u>Schools</u>	<u>County Tax</u>	<u>Employee Benefits</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 731,753	\$ 2,207,677	\$ 798,232	\$ 253,202
Other assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>917</u>
Total Assets	<u>\$ 731,753</u>	<u>\$ 2,207,677</u>	<u>\$ 798,232</u>	<u>\$ 254,119</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
Other liabilities:				
Payroll withholdings	\$ 629,536	\$ -	\$ -	\$ 254,119
Accrued payroll	-	-	-	-
Due to other governments	<u>102,217</u>	<u>2,207,677</u>	<u>798,232</u>	<u>-</u>
Total Liabilities	<u>\$ 731,753</u>	<u>\$ 2,207,677</u>	<u>\$ 798,232</u>	<u>\$ 254,119</u>

<u>Payroll</u>	<u>Total</u>
\$ 228,773	\$ 4,219,637
<u>-</u>	<u>917</u>
\$ <u>228,773</u>	\$ <u>4,220,554</u>
\$ -	\$ 883,655
228,773	228,773
<u>-</u>	<u>3,108,126</u>
\$ <u>228,773</u>	\$ <u>4,220,554</u>

CITY OF CONCORD, NEW HAMPSHIRE

Agency Funds

**Combining Statement of Changes in Assets
and Liabilities
For the Fiscal Year Ended June 30, 2001**

	Balance July 1, <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2001</u>
<u>Payroll Withholdings</u>				
Assets - cash and cash equivalents	\$ <u>230,564</u>	\$ <u>12,946,621</u>	\$ <u>12,445,432</u>	\$ <u>731,753</u>
Total Assets	\$ <u>230,564</u>	\$ <u>12,946,621</u>	\$ <u>12,445,432</u>	\$ <u>731,753</u>
Liabilities - other liabilities	\$ 230,564	\$ 8,306,866	\$ 7,907,894	\$ 629,536
Liabilities - due to other governments	<u>-</u>	<u>4,639,755</u>	<u>4,537,538</u>	<u>102,217</u>
Total Liabilities	\$ <u>230,564</u>	\$ <u>12,946,621</u>	\$ <u>12,445,432</u>	\$ <u>731,753</u>
<u>Schools</u>				
Assets-cash and cash equivalents	\$ <u>2,630,580</u>	\$ <u>35,518,122</u>	\$ <u>35,941,025</u>	\$ <u>2,207,677</u>
Liabilities - due to other governments	\$ <u>2,630,580</u>	\$ <u>35,518,122</u>	\$ <u>35,941,025</u>	\$ <u>2,207,677</u>
<u>County Tax</u>				
Assets - cash and cash equivalents	\$ <u>798,232</u>	\$ <u>4,231,788</u>	\$ <u>4,231,788</u>	\$ <u>798,232</u>
Liabilities - due to other governments	\$ <u>798,232</u>	\$ <u>4,231,788</u>	\$ <u>4,231,788</u>	\$ <u>798,232</u>
<u>Employee Benefits</u>				
Assets - cash and cash equivalents	\$ 201,798	\$ 3,512,337	\$ 3,460,933	\$ 253,202
Other assets	<u>-</u>	<u>917</u>	<u>-</u>	<u>917</u>
	<u>201,798</u>	<u>3,513,254</u>	<u>3,460,933</u>	<u>254,119</u>
Liabilities - other liabilities	\$ <u>201,798</u>	\$ <u>3,513,254</u>	\$ <u>3,460,933</u>	\$ <u>254,119</u>

(Continued)

CITY OF CONCORD, NEW HAMPSHIRE

Agency Funds

Combining Statement of Changes in Assets
and Liabilities
For the Fiscal Year Ended June 30, 2001

	Balance July 1, <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2001</u>
<u>Payroll</u>				
Assets-cash and cash equivalents	\$ -	\$ 10,578,699	\$ 10,349,926	\$ 228,773
Liabilities - other liabilities	\$ -	\$ 10,578,699	\$ 10,349,926	\$ 228,773
 <u>Totals</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,861,174	\$ 66,787,567	\$ 66,429,104	\$ 4,219,637
Other assets	-	917	-	917
Total Assets	\$ 3,861,174	\$ 66,788,484	\$ 66,429,104	\$ 4,220,554
<u>LIABILITIES</u>				
Other liabilities	\$ 432,362	\$ 22,398,819	\$ 21,718,753	\$ 1,112,428
Due to other governments	3,428,812	44,389,665	44,710,351	3,108,126
Total Liabilities	\$ 3,861,174	\$ 66,788,484	\$ 66,429,104	\$ 4,220,554

CITY OF CONCORD, NEW HAMPSHIRE

Non-Expendable Trust Funds

Combining Balance Sheet
June 30, 2001

	<u>Cemetery</u>	<u>Library</u>	<u>Other</u>	<u>Total</u>
<u>ASSETS</u>				
Investments	\$ 5,811,249	\$ 1,132,395	\$ 67,737	\$ 7,011,381
Interest receivable	<u>42,613</u>	<u>2,590</u>	<u>525</u>	<u>45,728</u>
Total Assets	<u>\$ 5,853,862</u>	<u>\$ 1,134,985</u>	<u>\$ 68,262</u>	<u>\$ 7,057,109</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Due to other funds	\$ <u>168,825</u>	\$ <u>17,968</u>	\$ <u>-</u>	\$ <u>186,793</u>
Total Liabilities	168,825	17,968	-	186,793
Fund Equity:				
Reserved for endowments	<u>5,685,037</u>	<u>1,117,017</u>	<u>68,262</u>	<u>6,870,316</u>
Total Fund Equity	<u>5,685,037</u>	<u>1,117,017</u>	<u>68,262</u>	<u>6,870,316</u>
Total Liabilities and Fund Equity	<u>\$ 5,853,862</u>	<u>\$ 1,134,985</u>	<u>\$ 68,262</u>	<u>\$ 7,057,109</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, 2001**

	<u>Cemetery</u>	<u>Library</u>	<u>Other</u>	<u>Total</u>
Operating Revenues:				
Contributions	\$ 59,589	\$ -	\$ -	\$ 59,589
Investment income	<u>(824,404)</u>	<u>319,488</u>	<u>(10,762)</u>	<u>(515,678)</u>
Total Operating Revenues	(764,815)	319,488	(10,762)	(456,089)
Operating Expenses:				
Miscellaneous	<u>18,575</u>	<u>3,932</u>	<u>376</u>	<u>22,883</u>
Total Operating Expenses	<u>18,575</u>	<u>3,932</u>	<u>376</u>	<u>22,883</u>
Operating Income (Loss)	(783,390)	315,556	(11,138)	(478,972)
Operating transfers out	<u>(175,398)</u>	<u>(120,000)</u>	<u>-</u>	<u>(295,398)</u>
Total Operating Transfers	<u>(175,398)</u>	<u>(120,000)</u>	<u>-</u>	<u>(295,398)</u>
Net Income (Loss)	(958,788)	195,556	(11,138)	(774,370)
Fund Equity, beginning	<u>6,643,825</u>	<u>921,461</u>	<u>79,400</u>	<u>7,644,686</u>
Fund Equity, ending	<u>\$ 5,685,037</u>	<u>\$ 1,117,017</u>	<u>\$ 68,262</u>	<u>\$ 6,870,316</u>

CITY OF CONCORD, NEW HAMPSHIRE

Non-Expendable Trust Funds
Combining Statement of Cash Flows

For the Fiscal Year Ended June 30, 2001

	<u>Cemetery</u>	<u>Library</u>	<u>Other</u>	<u>Total</u>
Cash Flows From Operating Activities:				
Operating income (loss)	\$ (783,390)	\$ 315,556	\$ (11,138)	\$ (478,972)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Investment income	824,404	(319,488)	10,762	515,678
(Increase) decrease in:				
Interest receivable	<u>(252)</u>	<u>404</u>	<u>12</u>	<u>164</u>
Net Cash Provided By (Used For) Operating Activities	40,762	(3,528)	(364)	36,870
Cash Flows From Noncapital Financing Activities:				
Increase (decrease) in due to other funds	32,199	2,995	-	35,194
Operating transfers out to other funds	<u>(175,398)</u>	<u>(120,000)</u>	<u>-</u>	<u>(295,398)</u>
Net Cash Provided By (Used For) Noncapital Financing Activities	(143,199)	(117,005)	-	(260,204)
Cash Flows From Investing Activities:				
Investment income	(824,404)	319,488	(10,762)	(515,678)
Maturing of investments	926,616	-	11,126	937,742
Purchase of investments	<u>-</u>	<u>(391,793)</u>	<u>-</u>	<u>(391,793)</u>
Net Cash Provided By (Used For) Investing Activities	<u>102,212</u>	<u>(72,305)</u>	<u>364</u>	<u>30,271</u>
Net (Decrease) in Cash and Cash Equivalents	(225)	(192,838)	-	(193,063)
Cash and Cash Equivalents, Beginning	<u>225</u>	<u>192,838</u>	<u>-</u>	<u>193,063</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, 2001

	<u>Insured Retention</u>	<u>Durgin Garage</u>	<u>Landfill</u>	<u>Reappraisal</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 10,500	\$ -	\$ -
Investments	1,151,914	247,786	171,351	-
Interest receivable	<u>4,026</u>	<u>1,621</u>	<u>581</u>	<u>-</u>
Total Assets	<u>\$ 1,155,940</u>	<u>\$ 259,907</u>	<u>\$ 171,932</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities				
Due to other funds	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Liabilities	-	-	-	-
Fund Equity:				
Unreserved/Undesignated	<u>1,155,940</u>	<u>259,907</u>	<u>171,932</u>	<u>-</u>
Total Liabilities and Fund Equity	<u>\$ 1,155,940</u>	<u>\$ 259,907</u>	<u>\$ 171,932</u>	<u>\$ -</u>

<u>Nelson</u>	<u>Conservation</u>	<u>Cemetery</u>	<u>Library</u>	<u>Highway</u>
\$ -	\$ 37,707	\$ -	\$ -	\$ -
2,155,745	353,650	66,477	225,974	4,173,715
<u>11,994</u>	<u>1,267</u>	<u>305</u>	<u>4,433</u>	<u>27,300</u>
<u>\$ 2,167,739</u>	<u>\$ 392,624</u>	<u>\$ 66,782</u>	<u>\$ 230,407</u>	<u>\$ 4,201,015</u>
\$ <u>712,832</u>	\$ <u>7,617</u>	\$ <u>108</u>	\$ <u>-</u>	\$ <u>-</u>
712,832	7,617	108	-	-
<u>1,454,907</u>	<u>385,007</u>	<u>66,674</u>	<u>230,407</u>	<u>4,201,015</u>
<u>\$ 2,167,739</u>	<u>\$ 392,624</u>	<u>\$ 66,782</u>	<u>\$ 230,407</u>	<u>\$ 4,201,015</u>

(Continued)

	<u>Economic Development</u>	<u>Revaluation</u>	<u>53rd Week</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	1,439,855	467,334	137,880
Interest receivable	<u>9,418</u>	<u>3,057</u>	<u>902</u>
Total Assets	<u>\$ 1,449,273</u>	<u>\$ 470,391</u>	<u>\$ 138,782</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities			
Due to other funds	\$ -	\$ -	\$ -
Total Liabilities	-	-	-
Fund Equity:			
Unreserved/Undesignated	<u>1,449,273</u>	<u>470,391</u>	<u>138,782</u>
Total Liabilities and Fund Equity	<u>\$ 1,449,273</u>	<u>\$ 470,391</u>	<u>\$ 138,782</u>

<u>Equipment</u>	<u>Mountain Green</u>	<u>Fire Apparatus Replacement</u>	<u>Downtown Economic Development</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 48,207
665,940	120,259	821,354	669,641	12,868,875
<u>4,356</u>	<u>768</u>	<u>5,372</u>	<u>4,380</u>	<u>79,780</u>
\$ <u><u>670,296</u></u>	\$ <u><u>121,027</u></u>	\$ <u><u>826,726</u></u>	\$ <u><u>674,021</u></u>	\$ <u><u>12,996,862</u></u>
\$ -	\$ -	\$ -	\$ -	\$ 720,557
-	-	-	-	720,557
<u>670,296</u>	<u>121,027</u>	<u>826,726</u>	<u>674,021</u>	<u>12,276,305</u>
\$ <u><u>670,296</u></u>	\$ <u><u>121,027</u></u>	\$ <u><u>826,726</u></u>	\$ <u><u>674,021</u></u>	\$ <u><u>12,996,862</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, 2001**

	<u>Insured Retention</u>	<u>Durgin Garage</u>	<u>Landfill</u>	<u>Reappraisal</u>
Revenues:				
Investment income	\$ 64,454	\$ 16,616	\$ 9,559	\$ 1,137
Contributions	<u>28,479</u>	<u>16,500</u>	<u>9,804</u>	<u>-</u>
Total Revenues	92,933	33,116	19,363	1,137
Expenditures:				
Miscellaneous	<u>28,479</u>	<u>16,500</u>	<u>9,804</u>	<u>-</u>
Total Expenditures	<u>28,479</u>	<u>16,500</u>	<u>9,804</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	64,454	16,616	9,559	1,137
Other Financing Sources (Uses):				
Operating transfers in	-	10,500	-	-
Operating transfers out	<u>(37,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(37,500)</u>	<u>10,500</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	26,954	27,116	9,559	1,137
Fund Equity, beginning	<u>1,128,986</u>	<u>232,791</u>	<u>162,373</u>	<u>(1,137)</u>
Fund Equity, ending	\$ <u>1,155,940</u>	\$ <u>259,907</u>	\$ <u>171,932</u>	\$ <u>-</u>

<u>Nelson</u>	<u>Conservation</u>	<u>Cemetery</u>	<u>Library</u>	<u>Highway</u>
\$ (223,358)	\$ 38,507	\$ (6,221)	\$ (97,014)	\$ 280,215
<u>-</u>	<u>37,707</u>	<u>-</u>	<u>-</u>	<u>-</u>
(223,358)	76,214	(6,221)	(97,014)	280,215
<u>7,598</u>	<u>1,865</u>	<u>135</u>	<u>1,166</u>	<u>-</u>
<u>7,598</u>	<u>1,865</u>	<u>135</u>	<u>1,166</u>	<u>-</u>
(230,956)	74,349	(6,356)	(98,180)	280,215
-	-	-	-	1,358,810
<u>(610,800)</u>	<u>(187,617)</u>	<u>-</u>	<u>-</u>	<u>(1,365,000)</u>
<u>(610,800)</u>	<u>(187,617)</u>	<u>-</u>	<u>-</u>	<u>(6,190)</u>
(841,756)	(113,268)	(6,356)	(98,180)	274,025
<u>2,296,663</u>	<u>498,275</u>	<u>73,030</u>	<u>328,587</u>	<u>3,926,990</u>
\$ <u>1,454,907</u>	\$ <u>385,007</u>	\$ <u>66,674</u>	\$ <u>230,407</u>	\$ <u>4,201,015</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, 2001**

	<u>Economic Development</u>	<u>Revaluation</u>	<u>53rd Week</u>
Revenues:			
Investment income	\$ 107,903	\$ 31,336	\$ 24,742
Contributions	<u>30,159</u>	<u>31,119</u>	<u>-</u>
Total Revenues	138,062	62,455	24,742
Expenditures:			
Miscellaneous	<u>-</u>	<u>31,119</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>31,119</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	138,062	31,336	24,742
Other Financing Sources (Uses):			
Operating transfers in	330,000	-	80,000
Operating transfers out	<u>(558,000)</u>	<u>-</u>	<u>(350,000)</u>
Total Other Financing Sources (Uses)	<u>(228,000)</u>	<u>-</u>	<u>(270,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(89,938)	31,336	(245,258)
Fund Equity, beginning	<u>1,539,211</u>	<u>439,055</u>	<u>384,040</u>
Fund Equity, ending	<u>\$ 1,449,273</u>	<u>\$ 470,391</u>	<u>\$ 138,782</u>

<u>Equipment</u>	<u>Mountain Green</u>	<u>Fire Apparatus Replacement</u>	<u>Downtown Economic Development</u>	<u>Total</u>
\$ 59,232	\$ 9,008	\$ 63,109	\$ 39,035	\$ 418,260
<u>-</u>	<u>36,685</u>	<u>-</u>	<u>37,760</u>	<u>228,213</u>
59,232	45,693	63,109	76,795	646,473
<u>-</u>	<u>5,747</u>	<u>-</u>	<u>37,760</u>	<u>140,173</u>
<u>-</u>	<u>5,747</u>	<u>-</u>	<u>37,760</u>	<u>140,173</u>
59,232	39,946	63,109	39,035	506,300
50,000	-	150,000	102,243	2,081,553
<u>(304,000)</u>	<u>-</u>	<u>(290,000)</u>	<u>-</u>	<u>(3,702,917)</u>
<u>(254,000)</u>	<u>-</u>	<u>(140,000)</u>	<u>102,243</u>	<u>(1,621,364)</u>
(194,768)	39,946	(76,891)	141,278	(1,115,064)
<u>865,064</u>	<u>81,081</u>	<u>903,617</u>	<u>532,743</u>	<u>13,391,369</u>
\$ <u>670,296</u>	\$ <u>121,027</u>	\$ <u>826,726</u>	\$ <u>674,021</u>	\$ <u>12,276,305</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, 2001

Land	\$ 7,362,965
Buildings	15,621,313
Improvements	7,768,167
Equipment	<u>6,125,219</u>
Total General Fixed Assets	\$ <u><u>36,877,664</u></u>
Investments in General Fixed Assets	\$ <u><u>36,877,664</u></u>

CITY OF CONCORD, NEW HAMPSHIRE

Schedule of Changes in General Fixed Assets
By Function and Activity

For the Year Ended June 30, 2001

	General Fixed Assets <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	General Fixed Assets <u>June 30, 2001</u>
<u>General Government</u>				
City Manager	\$ 1,230	\$ -	\$ -	\$ 1,230
Finance department	1,361,911	-	-	1,361,911
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	-	-	1,474,167
<u>Public Safety</u>				
Police	1,116,276	177,356	86,035	1,207,597
Fire	1,439,073	192,513	-	1,631,586
Code enforcement	<u>4,868</u>	<u>-</u>	<u>-</u>	<u>4,868</u>
Total Public Safety	2,560,217	369,869	86,035	2,844,051
<u>General Services</u>	<u>32,125,916</u>	<u>171,046</u>	<u>-</u>	<u>32,296,962</u>
Total General Services	32,125,916	171,046	-	32,296,962
<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>\$ 36,422,784</u>	<u>\$ 540,915</u>	<u>\$ 86,035</u>	<u>\$ 36,877,664</u>

CITY OF CONCORD, NEW HAMPSHIRE

Schedule of General Fixed Assets
By Function and Activity

June 30, 2001

	<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	1,361,911	-	-	-	1,361,911
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	1,474,167	-	-	-	1,474,167
<u>Public Safety</u>					
Police	1,207,597	-	-	-	1,207,597
Fire	1,631,586	-	-	-	1,631,586
Code enforcement	4,868	-	-	-	4,868
Total Public Safety	2,844,051	-	-	-	2,844,051
<u>General Services</u>					
Total General Services	32,296,962	7,362,965	15,621,313	7,768,167	1,544,517
<u>Planning and Development</u>					
Economic development		-	-	-	2,000
Engineering	20,964	-	-	-	20,964
Total Planning and Development	20,964	-	-	-	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	\$ 36,877,664	\$ 7,362,965	\$ 15,621,313	\$ 7,768,167	\$ 6,125,219

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	Public Works	Planning and Development	Leisure and Information Services	Human Services	Employees Benefits	Debt Service	Capital Outlay	Miscellaneous	Total
December 31, 1992	\$ 3,071	\$ 9,371	\$ -	\$ 3,430	\$ 388	\$ 2,230	\$ 991	\$ 184 (2)	\$ 4,748 (4)	\$ 1,078	\$ 290	\$ 25,781
December 31, 1993	2,984	9,205	4,335 (3)	- (3)	417	2,146 (3)	941	307	3,053 (5)	576	162	24,126
December 31, 1994	3,160	9,670	4,522	-	1,081	1,509	955	290	2,502 (4)	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 (6)	26,151
June 30, 1996	(7) 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

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

(2) The City began budgeting for employee benefits in respective departments.

(3) The General Services Department was formed combining the Public Works Department and the parks maintenance division of the Recreation and Parks Department.

(4) The City issued general obligation refunding bonds.

(5) The City discontinued reporting for general obligation bonds sold on behalf of the Concord School District which for 1993 amounted to \$1,377 (expressed in thousands).

(6) Includes miscellaneous and capital leases.

(7) Six month transitional fiscal period.

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, 1992	\$ 19,407	\$ 444	\$ 2,678	\$ 2,226	\$ 241	\$ 755	\$ 25,751
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

(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, 1992	\$ 16,269	\$ 47,959	\$ 41,206	85.9 %	\$ 348	\$ 894	\$ 47,413	\$ 8,282	\$ 49,488	104.4 %	\$ 11,534	24.3 %
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	56,461	100.2	1,450	2.6

(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, 1992	\$ 1,848,935	\$ 20,927	\$ 1,828,008	\$ 1,523,340	120 %
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

(1) Across-the-board 20% adjustment

(2) Six month transitional fiscal period

CITY OF CONCORD, NEW HAMPSHIRE
Property 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 School District Local Education	Merrimack County State Education	Merrimack County	Total
December 31, 1992	\$ 8.90	\$ 15.76	\$ -	\$ 1.79	\$ 26.45	\$ 8.90	\$ 12.86	\$ -	\$ 1.79	\$ 23.55
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

(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.

CITY OF CONCORD, NEW HAMPSHIRE
Principal Taxpayers
June 30, 2001
(amounts expressed in thousands)

Taxpayer	Type of Business	Assessed Value	Percentage of Net Assessed Value (1)
GGP-Steeplegate, Inc	Mall	\$ 41,019	2.47 %
Concord Electric Company	Utility	24,566	1.48
SES Concord Company, LP	Trash to energy	23,404	1.41
David D. Glass/WalMart	Retail	21,319	1.29
Hodges Properties	Rentals	20,001	1.21
Capital Region Health Care	Heath Care	18,985	1.14
St. Paul's School	School	14,468	0.87
Energy North Properties	Utility	12,111	0.73
McKerley Health	Health Care	11,758	0.71
Eddie Plaza Associates, LLC	Retail	<u>10,667</u>	<u>0.64</u>
Total		<u>\$ 198,298</u>	<u>11.95 %</u>

(1) From Table 4

CITY OF CONCORD, NEW HAMPSHIRE
 Computation of Legal Debt Margin
 June 30, 2001
 (amounts expressed in thousands)

Modified local assessed valuation (2)		\$ 1,672,835
Department of Revenue Administrations inventory adjustment (2)		<u>470,136</u>
Equalized assessed valuation (2)		2,142,971
Adjustment: RSA 31-A (2)		<u>47,575</u>
Base valuation for debt limit (1) (2)		<u>\$ 2,190,546</u>
Bonded debt limit - 3.00% of base (3)		\$ 65,716
Gross bonded debt June 30, 2001	\$ 52,783	
Less: Water bonds (4) (5)	(12,692)	
Sewer bonds (4) (6)	(10,988)	
Tax Increment District (7)	(4,990)	
Landfill closure bonds (8)	(2,794)	
Parking bonds (9)	<u>(10)</u>	21,309
Authorized but unissued	6,605	
Less: Water bonds (4) (5)	(1,575)	
Sewer bonds (4) (6)	<u>(4,600)</u>	<u>430</u>
Total debt applicable to limitation		<u>21,739</u>
Legal debt margin		<u>\$ 43,977</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 2000 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 Payable From Concord School District Property Tax Revenue *	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, 1992	36 (1)	\$ 1,828,608	\$ 43,275 (6)	\$ 8,320	\$ 1,594	\$ 16,894	\$ 16,467	0.90%	\$ 457
December 31, 1993	37 (1)	1,828,190	34,645 (7)	(7)	1,401	18,532	14,712	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 (8)	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 (9)	1,658,825	52,783	-	4,990	23,680	24,113	1.45%	588

* Amounts expressed in thousands.

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

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

(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) The City discontinued reporting from general obligation bonds sold on behalf of the Concord School District.

(8) Six month transitional fiscal period.

(9) 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, 1992	(4)	\$ 3,116	\$ 1,632	\$ 4,748	\$ 25,781	18.4 %
December 31, 1993	(5)	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	(6)	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

(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) The City discontinued reporting for general obligation bonds sold on behalf of the Concord School District which for 1993 amounted to \$885 principal and \$493 interest (expressed in thousands).

(6) Six month transitional fiscal period.

CITY OF CONCORD, NEW HAMPSHIRE
 Computation of Direct and Overlapping Bonded Debt
 General Obligation Bonds
 June 30, 2001
 (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	\$ 28,648 (1)	100.00 %	\$ 28,648
Overlapping:			
Merrimack County (12/31/00)	1,950	27.45	535
Concord School District (6/30/01)	29,796	100.00	29,796
Merrimack Valley School District (6/30/01)	<u>12,000</u>	26.64	<u>3,197</u>
Total	<u>\$ 72,394</u>		<u>\$ 62,176</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, 1992	36,364 (1)	\$ 21,786 (8)	5,195	595	6.8 %	\$ 700,645	250
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	(7)	1.9	609,593	206

* Amounts expressed in thousands.

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

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

(3) "Editor & Publisher Market Guide", The Editor & Publisher Co., 2001 Edition.

(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, 1992	\$ 1,523,340	17	\$ 22,546	43	\$ 4,250	319	\$ 15,824	\$ 42,620	\$ 962,967
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	46,418	125	16,149	425	29,570	62,138	2,291,801

* 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, 2001

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 Primary (16%)	3,866
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

* 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)	252
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:

Number of stations	4
Number of rescue/ambulances	2
Number of employees:	
Chief	1
Division Commanders	2
Battalion Chiefs	4
EMS and Professional Standards Officer	1
Fire Captains	4
Life Safety Officer	1
Paramedic Lieutenants	4
Fire Lieutenants	12
Fire Alarm/Traffic Supervisor	1
Communications Supervisor	1
Public Safety Educator	1
Paramedics	16
Fire Alarm/Traffic Technician	1
Firefighters/EMTs	40
Dispatchers	5
Administrative Specialists	2

(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	15
Civilian personnel - parking	8
Civilian personnel - grants	1
Number of calls for service:	
Part I offenses	1,704
Part II offenses	7,185
Non-criminal	30,183
Number of arrests (per 3,276 offenses)	2,166
Number of parking garages	2
Number of parking lots	2
Number of traffic violations:	
Summonses	4,089
Accidents	2,331
DWI arrests	166

General Aviation (G.A.) Airport:

Number of based planes	66
Number of paved tie-downs	77
Number of landings/takeoffs (est.)	31,600
Number of notices issued to airmen	130

Sewerage System:

Miles of sanitary sewers (approx.)	117
Miles of storm sewers	90
Number of treatment plants	2
Number of service connections - sewer (approx. 70% of all residential and commercial properties)	9,671
Number of service connections - steam condensate	203
Daily average treatment in gallons:	
Concord plant (in service 1981)	4,088,000
Penacook plant (in service 1973)	531,000
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	181
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	10,500
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	1,278
Private	393

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 courts (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 court	
Soccer and lacrosse fields	
Football field	
Merrill Park:	
Pool	
Tennis courts (3 lighted)	
Ballfields	
Basketball courts	

* 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 courts (1 lighted)
Ballfields
Basketball courts
Field hockey field
Playground equipment
Rolfe Park/Penacook:
Pool
Tennis courts (4/2 lighted)
Ballfields
Basketball court
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)
Ballfield
Martin Park:
Soccer fields
Lacrosse field
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)

Culture and Recreation (Cont.):

Reed Playlot:
 Softball field
 Practice soccer field
 Playground equipment
 Terrill Park:
 Picnic area
 Future park
 Contoocook Island Park:
 Trails
 Future park
 Broken Ground:
 Trails
 Future park
 Morono Park:
 Trails
 Future park

Facilities and services not included in the reporting entity:

Education:

Concord School District:	
Number of elementary schools	9
Number of elementary school instructors	165
Number of elementary school aides	80
Number of secondary schools	2
Number of secondary school instructors	254
Number of secondary school aides	94
Merrimack Valley School District:	
Number of elementary schools * (Penacook)	1
Number of elementary school instructors	16
Number of elementary schools aides	9
Number of secondary schools	2
Number of secondary school instructors	120
Number of secondary school aides	35
Other:	
Number of private elementary/secondary schools	7
Number of post-secondary schools	6

Hospitals:

Number of hospitals	2
Number of licensed patient beds	345

Electricity:

Number of electric companies	1
Average number of residential customers	23,398
Average residential bill (based on 500kw hours per month) in dollars	62.85
Number of miles of transmission lines	34.33
Capacity of primary distribution sub-system (kVa)	114,290
Number of square miles in service area	64

(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	500

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.