

**CITY OF
CONCORD
NEW
HAMPSHIRE**



Picture provided by Diane Savoie

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2011**

CITY OF CONCORD, NEW HAMPSHIRE

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011



**Prepared by:
The Finance Department**

**Brian G. LeBrun
Deputy City Manager -- Finance**

**Diane G. Savoie
Controller**

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INTRODUCTORY SECTION



City of Concord, New Hampshire

FINANCE DEPARTMENT

311 NORTH STATE STREET, CONCORD, NH 03301

(603) 225-8560

December 29, 2011

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

The Concord Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Concord, New Hampshire for the fiscal year ending June 30, 2011.

This report is published to provide citizens, City Council, investors and other interested parties with detailed information regarding the financial position of the City. City Management is responsible for both the accuracy of the data, and the completeness and fairness of this report, including all disclosures and schedules.

To the best of our knowledge and belief, the following data is accurate in all material respects and is reported in a manner designed to fairly present the City's financial position and the results of operations of the various funds of the City. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the City's financial activities.

The Report

The CAFR is presented in three main sections: Introductory, Financial and Statistical. The Introductory Section includes the transmittal letter and the Government Finance Officers Association of the United States and Canada's Certificate of Achievement for Excellence in Financial Reporting Award.

The Financial Section contains the City's basic financial statements as required under the Governmental Accounting Standards Board's (GASB) Statement No(s). 34, and is in accordance with Generally Accepted Accounting Principles. It also includes the auditor's opinion, the MD&A letter, notes to financial statements, combining and individual statements, and schedules for the City's Funds.

The MD&A report is designed to be used in conjunction with this transmittal letter and can be found after the independent auditor's report.

The Statistical Section includes financial and demographic information on a ten-year historical basis.

This CAFR 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 reporting entity criteria for inclusion in this report.

Profile of the Government

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. According to the City of Concord Planning Division, the City has a population of 42,820 as of December 31, 2011, a 0.29% increase over the previous year April 1 official census number of 42,695, and occupies a land area of 64 square miles.

Concord was originally settled in 1727, 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. Two separate school districts serve the City - the Concord School District and the Merrimack Valley School District.

Policymaking and legislative authority are vested by adopted City Charter in the 15-member Council. Under the Charter, originally adopted in 1853, and most recently amended in 2001, the Council appoints a City Manager who is solely responsible for carrying out the policies and ordinances of the City Council. The Council is elected on a non-partisan basis. Ten ward councilors, and the mayor, are elected every two years. Two of the four remaining "at-large" councilors are elected to staggered 4-year terms every two years. The current mayor is former City Councilor Jim Bouley who was first elected mayor in November 2007, and in November 2011, he was re-elected for his third consecutive term. Tom Aspell, the City Manager, was appointed in April 2006. The City has had four City Managers since 1978. The City Manager, pursuant to the City Charter, has all appointive and dismissal powers for paid employees of the City. Appointive authority for boards and commissions is shared between the Mayor, Council and City Manager.

In addition to serving as the seat of state and county government, Concord hosts several federal agencies, and is the only full-service local government between Laconia - 25 miles to the north, Manchester - 20 miles to the south, Keene - 54 miles to the west, and Portsmouth - 50 miles to the east. The City provides and annually appropriates for the following services: water treatment

and supply; wastewater collection and treatment; solid waste collection and recycling; highway construction and maintenance, including snow plowing, storm sewer system and related infrastructure maintenance and construction; prosecutorial, police and fire protective services (including advanced life support); airport, parks, golf course and ice arena; library and recreational facilities and programs; human services; planning, economic and community development, and code enforcement services. As previously stated, the schools are independent political and financial entities in Concord.

Local Economy

Compared to other cities in New Hampshire, New England and the Nation, Concord's employment picture depicts comparably low unemployment. As reported by the New Hampshire Department of Employment Security, Concord's unemployment rate as of June 2011 was 5.0%. This compares favorably to New Hampshire's rate of 5.2% and to the United States rate of 9.3%. Concord's rate also remains the lowest among the top three New Hampshire cities with Manchester at 5.6% and Nashua at 5.9%. Concord's unemployment rates have remained lower than the State since 1992 except for the months of March, April, and June, 2005.

For the eighth consecutive year, in 2011, Policom Corporation rated the City of Concord one of the top ten strongest Micropolitan Statistical Areas in "Economic Strength" in the country. Policom Corporation uses more than one hundred economic measures based on growth rates, consistency trends, industry averages, earnings, jobs and wages; it also factors in the number of welfare and Medicaid recipients to make its rating determination.

The market value of taxable property as of April 1, 2010 decreased overall by 6.14% compared to April 1, 2009. All segments: residential neighborhoods, commercial/industrial, manufactured homes and condominiums declined in market value. The average assessed value of a single family home in Concord as of April 1, 2010 was \$239,400, down from \$253,100 the year before.

Tax collections percentage as of June 30, 2011, for the 2010 Tax Year was 98.0% a slight increase from 97.7%, the previous year. Total tax delinquencies, for all years, were stated at \$3 million, \$.1 million less than the previous year. Vigorous collection efforts by the Tax Collector's Office have resulted in no material increases in the number of properties to which the City takes title through tax deeds. Anticipating increased delinquencies the Collector's Office initiated a significant outreach, communication and visitation program to affect this result. The City Council's Number One Fiscal Goal for collections and cash management is directed towards a targeted property tax collection program which is aimed at maintaining high collection rates.

The City continues to work with existing businesses to maintain and increase their workforce, and has several Economic Development Initiatives underway: During FY2011, the City made significant progress on key economic development projects including the Sanel Block Project, redevelopment of the former Allied Leather Tannery, Concord Steam Power Generation Facility, and others.

In September 2009, the City Council entered into a public/private partnership to redevelop a 0.8 acre downtown property known as the Sanel Block. This \$28 million development was completed in Fall 2011 and features a 91,500 Square Feet (SF), 5-story, mixed use building as well as a new 42,500 SF, 45-unit apartment building; half of which are reserved for artists. The office building is occupied by the League of New Hampshire Craftsmen, Greater Concord Chamber of Commerce, and Concord Hospital and will bring approximately 250 employees to downtown.

In addition, the City also made significant progress relative to redevelopment of the former Allied Leather Tannery in Penacook. In February 2010, the City Council approved a purchase and sales/development agreement with DEW Crescent Street Properties LLC involving redevelopment of that portion of the Tannery complex at 4 Crescent Street. That project was completed in November 2011 and consists of a \$2.6 million, 15,000 SF office building, of which 9,600 SF is occupied by Penacook Family Physicians, a subsidiary of Concord Hospital. To support the project, in June 2010 the City created a Tax Increment Financing District and appropriated approximately \$1.1 million dollars to rehabilitate water and sewer mains, relocate aerial utilities, reconstruct roads and sidewalks, as well as build streetscape improvements. This phase of TIF improvements was completed in September 2011.

In addition to these two projects, the City continues to work with developers and Main Street Concord, Inc. on redevelopment of vacant upper floors in Downtown Concord. The Administration is also in dialog with developers about other potential redevelopment projects in the downtown area, including, but not limited to, redevelopment of the so-called Bindery Block, Employment Security Property at 32-34 South Main Street, and the Endicott Hotel.

Long-term Financial Planning

The City Finance Department presents regular financial reports to elected officials and management staff. In addition to these reports, annually and/or as part of the budget process, the City prepares a five-year General Fund operating budget and tax rate projection; a twenty-year Capital Improvement Plan; and a pro-forma for each enterprise and significant special revenue fund.

Also as part of the annual budget process, the City reviews all General Fund revenues to determine budgetary needs. Enterprise and special revenue

funds are reviewed for competitiveness and support of operations. Most enterprise/special revenue funds are fully self-supporting and provide administrative overhead payments to the General Fund. As an exception, the Solid Waste Fund does have general tax base support as part of its planned operation.

Financial Position

Concord, like most communities, has had to make adjustments due to the slowing economy and the higher utilization of fund balance from 2001-2008 to support operations. In Fiscal Year 2007, a five-year plan was developed to reduce reliance upon the use of prior year surplus. For Fiscal Year 2009, the budgetary use of fund balance was nearly halved to \$730,000. As the economy worsened, the City took significant steps to reduce expenditures and ultimately realized a surplus for Fiscal-Year ending June 30, 2009.

Fiscal Years 2010 and 2011, the City Council adopted balanced budgets and produced surpluses in excess of \$1.5 and \$1.3 million, respectively. Fiscal year 2012 budget was adopted using \$300,000 from prior year surplus to help offset the significant funding changes that were occurring with the State Retirement System.

The total General Fund surplus for FY2011 exceeded \$1.3 million. The City assigned \$1.228 million for the purposes listed below and reports an unassigned fund balance of \$6,736,075 which represents an increase of \$1,040,530 over the previous fiscal year's Unreserved Undesignated balance. The purposes of the Assigned Fund Balance are: paving \$600,000; OPEB contribution \$200,000; equipment purchases \$320,000; building and infrastructure improvements \$75,000 and \$33,000 for training and Fire Department Hazmat Equipment. This surplus was in large part the result of a budgetary balanced budget, revenues stronger than expected in construction permits, motor vehicle registrations, collection of a large delinquent tax account including interest and penalties, diligent budget management by departments, lower winter maintenance costs than projected, and delayed hiring of vacant positions in many departments.

OPEB Action

The City is in compliance with Government Accounting Standards Board (GASB) Statement No. 45, as reported on Note 16 of this CAFR. As of June 30, 2011, the Unfunded Actuarially Accrued Liability (UAAL) increased to \$44.6 million, an increase of more than \$10 million from 2010. This increase is mainly attributable to the cancellation of the Medicare Advantage First Seniority Freedom Plan and substitution of a slightly lower benefit structure Medicare Enhanced Plan which is also more expensive. The City's original OPEB liability was \$60M in Fiscal Year 2006. With plan changes the liability was reduced to \$32.2M in Fiscal Year 2009 and \$34M in 2010.

Efforts to reduce this liability will continue with continued benefit management and financing alternatives. To date, the City Council has approved the

transfer of \$500,000 to an OPEB reserve trust; \$300,000 from 2009 surplus and \$200,000 from 2011 surplus.

Relevant Financial Policies

Goals

Introduced in 1996, the City Council adopted a Fiscal Policy Statement which is a series of 37 goals to help guide the financial direction and management of the City. These goals are regularly reviewed and updated when necessary.

The goals address the topics of: Accounting, Auditing and Financial Reporting; Budgetary and Financial Management; Capital Improvements; Cash Management; Debt Management; Employee Compensation and Benefits; Water and Sewer Enterprise Fund Management; Fund Balances; Municipal Services; Other Funds Management; Revenue Diversification and; Tax Rate Management.

In addition to the cash management goal cited above, two goals that stand out are: Goal E1 under Debt Management that limits debt service to 10% of total expenditures. For FY2011 this amount was 10% exactly. The second is Goal H1 that targets a General Fund Unassigned Fund Balance of 15% by fiscal year 2015. For year ending June 30, 2011 the Unassigned Fund Balance was 15.3%, an increase from FY2010 due to favorable year-end results and slightly higher than the City's fiscal goal of 15%.

Credit Rating and Debt Limit

As of January 2011 Moody's rating agency assigned the City a credit rating of Aa1 in conjunction with a \$7.6 million G.O. bond offering and affirmed the Aa1 rating on the City's \$66.7 million of outstanding parity debt. S&P assigned a AA rating on the same debt offering and affirmed the AA rating on the City's previously issued G.O. debt.

Financial Structure and Management

In accordance with the *City Charter and Code of Ordinances*, the Finance-Control Division is responsible for establishing an accounting and internal control structure designed to ensure that the City's assets are protected from loss, theft, and misuse. It also ensures that adequate accounting information is maintained and reported in conformity with GAAP. The internal control structure is designed to provide reasonable assurances that these objectives are attained. In providing these reasonable assurances, it is recognized that the cost of control should not exceed the benefits and the valuation of costs and benefits requires management's judgment.

Major Initiatives

The Fiscal Year 2011 budget was adopted by the City Council with several major initiatives including a realignment of a portion of the General Services

and Recreation Departments that will allow for a better coordination of services that most benefit citizens. The restructured Recreation Department was proposed to include Parks, Grounds, Cemeteries and the Beaver Meadow Golf Course. This realignment was accomplished in July 2010.

Additionally, and in cooperation with the Recreation Group, discussions are underway to establish a foundation to develop capital resources for specific recreation related new facilities and capital upgrades to existing facilities.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded sixteen consecutive Certificates of Achievement for Excellence in Financial Reporting to the City of Concord, NH for its CAFR beginning with the fiscal year ended December 31, 1995, through June 30, 2010 including the six-month transitional fiscal period ending June 30, 1996. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

A Certificate of Achievement is valid for a period of one year only. The City believes this current CAFR to conform to the Certificate of Achievement program requirements, and will be submitted to GFOA.

The timely preparation of this year's CAFR was made possible by the dedicated services provided by the City's Finance Department staff. We also extend a sincere thanks and appreciation to Melanson Heath & Company, P.C. for their work in conducting the City's audit and preparing this report. Additionally, Administration thanks the Mayor, Members of the City Council and Fiscal Policy Advisory Committee for their leadership, and commitment of transparency for the financial operations of the City. Without their diligence, hard work, professionalism and support, this report would not meet such high standards.

Other Information

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 related specifically to the single audit section is included in a separately issued single audit report.

The City invites you to visit our web site at www.concordnh.gov, where this CAFR is expected to be prominently displayed by mid-February 2012. Also displayed are previous CAFR's and other summary financial information.

Sincerely,



Thomas J. Aspell
City Manager

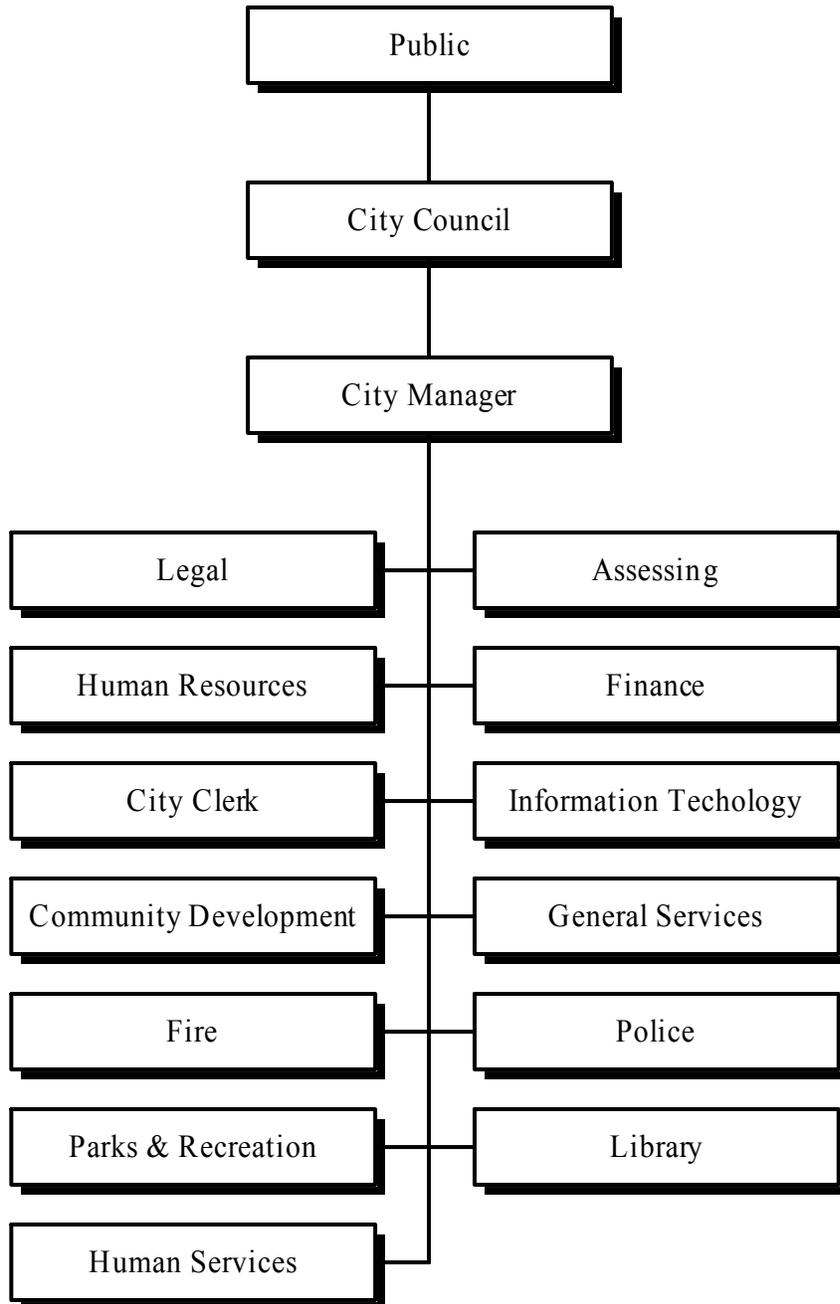


Brian G. LeBrun
Deputy City Manager – Finance



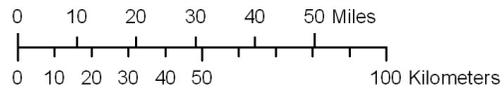
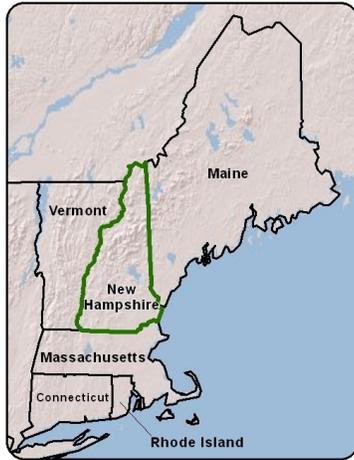
Diane Savoie
Controller

CITY OF CONCORD, NEW HAMPSHIRE
TABLE OF ORGANIZATION



City of Concord, NH

Geographic Location



CITY OF CONCORD, NEW HAMPSHIRE
LIST OF PRINCIPAL OFFICIALS
June 30, 2011

Title	Name
<i><u>Elected by Public:</u></i>	
Mayor	James Bouley
Councilor-at-Large	Stephen Shurtleff
Councilor-at-Large	Mark Coen
Councilor-at-Large	Michael Dellolacono
Councilor-at-Large	Dan St. Hilaire
Councilor Ward 1	Elizabeth Blanchard
Councilor Ward 2	William Stetson
Councilor Ward 3	Jan McClure
Councilor Ward 4	Amanda Grady
Councilor Ward 5	Robert Werner
Councilor Ward 6	J. Allen Bennett
Councilor Ward 7	Keith Nyhan
Councilor Ward 8	Dick Patten
Councilor Ward 9	Candace CW Bouchard
Councilor Ward 10	Fred Keach
<i><u>Appointed by Council:</u></i>	
City Manager	Thomas J. Aspell, Jr.
<i><u>Appointed by City Manager:</u></i>	
Deputy City Manager -- Development	Carlos P. Baia
Deputy City Manager -- Finance	Brian G. LeBrun
City Clerk	Janice L. Bonenfant
City Solicitor	Paul F. Cavanaugh
Director of Personnel and Labor Relations	Jennifer E. Johnston
Director of Real Estate Assessments	Kathryn H. Temchack
Fire Chief	Daniel L. Andrus
General Services Director	Earle M. Chesley
Human Services Director	Jacqueline R. Whatmough
Information Technology	Edward A. Drouse
Library Director	Patricia A. Immen
Police Chief	Robert C. Barry
Parks & Recreation Director	David B. Gill
City Engineer	Edward L. Roberge
City Planner	Douglas G. Woodward
Code Administrator	Michael M. Santa
Controller	Diane G. Savoie
Purchasing Agent	Douglas B. Ross
Treasurer / Tax Collector	Michael P. Jache

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, 2010

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.



Linda C. Davidson

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION



MELANSON HEATH & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT ADVISORS

102 Perimeter Road
Nashua, NH 03063-1301
Tel (603) 882-1111 • Fax (603) 882-9456
www.melansonheath.com

INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council
City of Concord, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Concord, New Hampshire, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City of Concord's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Concord as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis, appearing on the following pages, and the supplementary information appearing on page 73 are not required parts of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management

regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City of Concord, New Hampshire's basic financial statements. The introductory section, supplementary statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 22, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Melanson, Heath + Company P.C.

Nashua, New Hampshire
December 22, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Concord, we offer readers of the City of Concord this narrative overview and analysis of the financial activities of the City of Concord for the fiscal year ended June 30, 2011. This section should be read in conjunction with the Letter of Transmittal beginning on page 1.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activities include water, sewer, solid waste, golf, and arena activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be

divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund Statement of Revenues, Expenditures and Changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the general fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single aggregated presentation.

An annual appropriated budget is adopted for the general fund and certain nonmajor governmental (special revenue) funds. Budgetary comparison statements have been provided for the general fund to demonstrate compliance with budgets.

Proprietary funds. Proprietary funds are maintained as follows:

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, solid waste, golf and arena operations. The water, sewer, and solid waste funds are considered major funds.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 210,288,597 (i.e., net assets), a change of \$ 3,787,540 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 36,885,842, a change of \$ 5,368,385 in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$ 6,736,075, a change of \$ 1,168,956 in comparison to the prior year. In addition, total general fund balance changed by \$ 2,432,937.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$ 66,632,593, a change of \$ 202,755 in comparison to the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years. All amounts are presented in thousands.

NET ASSETS

	<u>Governmental</u>		<u>Business-Type</u>		<u>Totals</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 86,326	\$ 81,018	\$ 11,277	\$ 10,344	\$ 97,603	\$ 91,362
Capital Assets	<u>106,980</u>	<u>106,349</u>	<u>128,476</u>	<u>129,504</u>	<u>235,456</u>	<u>235,853</u>
Total assets	193,306	187,367	139,753	139,848	333,059	327,215
Long-term liabilities outstanding	46,800	43,849	27,281	28,037	74,081	71,886
Other liabilities	<u>46,562</u>	<u>47,158</u>	<u>2,127</u>	<u>1,670</u>	<u>48,689</u>	<u>48,828</u>
Total liabilities	93,362	91,007	29,408	29,707	122,770	120,714
Net assets:						
Invested in capital assets, net	69,643	70,967	103,659	104,096	173,302	175,063
Restricted	12,583	11,615	1,042	1,181	13,625	12,796
Unrestricted	<u>17,718</u>	<u>13,288</u>	<u>5,644</u>	<u>5,354</u>	<u>23,362</u>	<u>18,642</u>
Total net assets	<u>\$ 99,944</u>	<u>\$ 95,870</u>	<u>\$ 110,345</u>	<u>\$ 110,631</u>	<u>\$ 210,289</u>	<u>\$ 206,501</u>

CHANGES IN NET ASSETS

	<u>Governmental</u>		<u>Business-Type</u>		<u>Totals</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues:						
Program revenues						
Charges for services	\$ 7,455	\$ 6,732	\$ 15,916	\$ 15,388	23,371	\$ 22,120
Operating grants and contributions	739	1,017	189	228	928	1,245
Capital grants and contributions	2,640	2,199	163	202	2,803	2,401
General revenues						
Property Taxes	39,939	37,684	-	-	39,939	37,684
Penalties, interest and other taxes	1,268	885	-	-	1,268	885
Grants and contributions not restricted to specific programs	1	1	-	-	1	1
Investment income	2,234	1,067	150	179	2,384	1,246
Other	<u>1,165</u>	<u>1,563</u>	<u>8</u>	<u>62</u>	<u>1,173</u>	<u>1,625</u>
Total revenues	55,441	51,148	16,426	16,059	71,867	67,207

(continued)

(continued)

	CHANGES IN NET ASSETS					
	<u>Governmental</u>		<u>Business-Type</u>		<u>Totals</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Expenses:						
General government	7,145	6,853	-	-	7,145	6,853
Public safety	22,585	21,069	-	-	22,585	21,069
General services	12,693	11,290	-	-	12,693	11,290
Community development	4,223	3,815	-	-	4,223	3,815
Leisure and information services	2,575	2,143	-	-	2,575	2,143
Human services	775	769	-	-	775	769
Interest on long-term debt	1,511	1,779	-	-	1,511	1,779
Water operations	-	-	4,883	4,870	4,883	4,870
Sewer operations	-	-	6,247	6,369	6,247	6,369
Solid Waste operations	-	-	4,302	4,086	4,302	4,086
Other operations	-	-	1,324	1,276	1,324	1,276
Total expenses	<u>51,507</u>	<u>47,718</u>	<u>16,756</u>	<u>16,601</u>	<u>68,263</u>	<u>64,319</u>
Change in net assets before transfers and contributions	3,934	3,430	(330)	(542)	3,604	2,888
Transfer in (out)	(44)	(485)	44	485	-	-
Permanent fund contributions	<u>184</u>	<u>222</u>	<u>-</u>	<u>-</u>	<u>184</u>	<u>222</u>
Increase in net assets	4,074	3,167	(286)	(57)	3,788	3,110
Net assets - beginning of year	<u>95,870</u>	<u>92,703</u>	<u>110,631</u>	<u>110,688</u>	<u>206,501</u>	<u>203,391</u>
Net assets - end of year	<u>\$ 99,944</u>	<u>\$ 95,870</u>	<u>\$ 110,345</u>	<u>\$ 110,631</u>	<u>\$ 210,289</u>	<u>\$ 206,501</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 210,288,597, a change of \$ 3,787,540 from the prior year.

The largest portion of net assets \$ 173,302,084 reflects our investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net assets \$ 13,624,601 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$ 23,361,912 may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities for the year resulted in a change in net assets of \$ 4,074,129. Key elements of this change are as follows:

Excess of revenues over expenditures:	
General fund operations	\$ 3,161,644
Special revenue funds	696,447
Permanent funds	1,699,005
Debt service fund	<u>305,991</u>
Subtotal	5,863,087
Debt service principal paydown in excess of depreciation	285,089
Change in OPEB liability	(1,743,716)
Other	<u>(330,331)</u>
Total	<u>\$ 4,074,129</u>

While total net assets of the governmental activities changed by \$ 4,074,129, unrestricted net assets changed \$ 3,939,891 principally due to the increase in current year tax revenues and trust fund investment income.

Business-type activities. Business-type activities for the year resulted in a change in net assets of \$ (286,589). This change primarily results from depreciation expense exceeding long-term debt service pay downs by \$ (115,636) and \$ (264,567) in the Water and Sewer funds, respectively. The following is a summary of the changes in net assets by fund:

Water operations	\$ 23,520
Sewer operations	(193,457)
Solid Waste operations	(15,603)
Nonmajor funds	<u>(101,049)</u>
Total	<u>\$ (286,589)</u>

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$ 36,885,842, a change of \$ 5,368,385 in comparison to

the prior year. Most of this change was attributable to an increase in investment income due to market conditions, especially within the *Special Revenue Trust funds*.

In fiscal year 2011, the City implemented *Governmental Accounting Standards Board Statement #54 Fund Balance Reporting and Governmental Fund Type Definitions*. In general, amounts previously reported as undesignated fund balance, are now reported as unassigned fund balance. Full definitions of all fund balance classifications can be found in the notes to the financial statements. Additionally, amounts previously reported in capital reserve funds, are now required to be presented as committed fund balance in the general fund.

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$ 6,736,075 while total fund balance was \$ 12,590,168. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Refer to the table below.

<u>General Fund</u>	<u>6/30/11</u>	<u>6/30/10</u>	<u>Change</u>	<u>% of Total General Fund Expenditures</u>
Unassigned fund balance	\$ 6,736,075	\$ 5,567,119	\$ 1,168,956	15.4%
Total fund balance ¹	12,590,168	10,157,231	2,432,937	28.7%

¹Now includes capital reserve funds. Prior period balances have been revised to conform to current presentation.

The unassigned amount exceeded the City Council Fiscal Policy minimum of 8%.

Included in the total general fund committed fund balance is the City's capital reserve accounts and other City Council approved reserves with the following balances:

	<u>6/30/11</u>	<u>6/30/10</u>	<u>Change</u>
Capital Reserve trust funds	\$ 3,398,137	\$ 2,293,344	\$ 1,104,793
Tax Stabilization	578,080	578,080	-
Trust Fund	300,000	1,330,000	(1,030,000)
Other	40,708	40,708	-
Total Committed Fund Balance	\$ <u>4,316,925</u>	\$ <u>4,242,132</u>	\$ <u>74,793</u>

The following table highlights the change in our General Fund balance accounts (in thousands):

	<u>Unassigned</u>	<u>Assigned</u>	<u>Committed</u>	<u>Nonspendable</u>	<u>Total</u>
Beginning of year, restated	\$ 5,567	\$ 156	\$ 4,242	\$ 192	\$ 10,157
Revenues and transfers over budget	612	-	-	-	612
Expenditures and transfers under budget	1,405	-	-	-	1,405
Other	380	(29)	75	(10)	416
Transfers	<u>(1,228)</u>	<u>1,228</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u>\$ 6,736</u>	<u>\$ 1,355</u>	<u>\$ 4,317</u>	<u>\$ 182</u>	<u>\$ 12,590</u>

Proprietary funds. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year amounted to \$ 5,643,666, a change of \$ 289,071 in comparison to the prior year.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in an overall change in appropriations of \$ 1,058,896. The majority of the overall change represents a transfer to the capital reserve trust funds.

Unspent General Fund appropriations were due to several factors including the self-imposed reduction in expenditures mentioned in the transmittal letter and a year-end level of under-expenditures (including transfers) of approximately 2.9%.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year-end amounted to \$ 235,455,621 (net of accumulated depreciation), a change of \$ (397,136) from the prior year. This investment in capital assets includes land, buildings, system improvements, and machinery and equipment, park facilities, roads, highways and bridges.

Major capital asset events during the current fiscal year included construction and design costs for the Route 3 corridor, and other on-going infrastructure improvements.

Change in credit rating. The City of Concord, New Hampshire has maintained a Moody's credit rating of Aa1 for several years.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was \$ 66,632,593, all of which was backed by the full faith and credit of the government.

Additional information on capital assets and long-term debt can be found in Notes 9 and 12, respectively, of this report.

G. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Comment regarding local economic conditions can be found in the Transmittal letter section on the LOCAL ECONOMY.

Following is a comparison of the fiscal 2011 adopted to the fiscal 2012 adopted City General Fund budget and tax rate:

<u>Use of Funds</u>	2011 COUNCIL <u>ADOPTED</u>	2012 COUNCIL <u>ADOPTED</u>
Budget Appropriations	\$ 47,293,015	\$ 50,914,738
War Credits	297,000	297,000
Overlay	<u>430,000</u>	<u>317,000</u>
Total Uses of Funds	<u>\$ 48,020,015</u>	<u>\$ 51,528,738 *</u>
 <u>Sources of Funds</u>		
Miscellaneous Revenues	\$ 16,665,665	\$ 19,055,906 **
Surplus (prior Year Undesignated fund Balance)	-	300,000
Amount to be raised by property taxes	<u>31,354,350</u>	<u>32,172,832</u>
Total Sources of Funds	<u>\$ 48,020,015</u>	<u>\$ 51,528,738</u>
 <u>TAX RATE DETERMINATION</u>		
Assessed Value (A.V.) in thousands of dollars	\$ 4,077,000	\$ 3,852,000
Amount to be Raised	\$ 31,354,350	\$ 32,172,832
Current Year Recommended Tax Rate/\$ 1,000 A.V.	\$ 7.69	\$ 8.35
Prior Year Tax Rate/\$ 1,000 A.V.	<u>7.49</u>	<u>8.19 ***</u>
Increase over Prior Year	\$ 0.20	\$ 0.16
% Change	2.67%	1.95%

* Includes full retiree health appropriation of \$2,484,610. Legal and Assessing increase of \$83,000 offset for \$113,000 decrease in Overlay, and 53rd week of \$560,000. **There is no impact on the tax rate or achieving the tax rate target due to this accounting change.**

** Includes revenue reimbursement for retiree health from NHRS (\$1,157,240) and retirees (\$506,340).

*** Market and real growth adjustments after budget adoption resulted in a taxable assessed value of \$3,835,000 for municipal purposes and a tax rate of \$8.19 per \$1,000 of assessed value.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Concord's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Office of the Finance Director
City of Concord, New Hampshire
41 Green Street
Concord, New Hampshire 03301

Basic Financial Statements

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CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS			
Current:			
Cash and short-term equivalents	\$ 40,721,325	\$ 8,387,494	\$ 49,108,819
Investments	15,045,991	-	15,045,991
Receivables, net of allowance for uncollectibles:			
Property taxes	28,549,605	-	28,549,605
Accounts	719,342	-	719,342
User fees	-	1,653,586	1,653,586
Intergovernmental	4,570	159,585	164,155
Loans	741,605	-	741,605
Due from/(to) other funds	194,498	(194,498)	-
Other assets	349,191	388,153	737,344
Total current assets	<u>86,326,127</u>	<u>10,394,320</u>	<u>96,720,447</u>
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Intergovernmental	-	882,459	882,459
Capital assets:			
Land and construction in progress	17,094,239	4,406,754	21,500,993
Other capital assets, net of accumulated depreciation	<u>89,885,493</u>	<u>124,069,135</u>	<u>213,954,628</u>
Total non-current assets	<u>106,979,732</u>	<u>129,358,348</u>	<u>236,338,080</u>
TOTAL ASSETS	193,305,859	139,752,668	333,058,527
LIABILITIES			
Current:			
Accounts payable	770,506	1,056,121	1,826,627
Retainage payable	321,298	254,741	576,039
Accrued liabilities	806,408	350,261	1,156,669
Unearned revenues	25,473,611	121,475	25,595,086
Taxes collected in advance	17,922,552	-	17,922,552
Due to other governments	5,370	-	5,370
Due to external parties - fiduciary funds	3,832	-	3,832
Other current liabilities	1,258,586	344,341	1,602,927
Current portion of long-term liabilities:			
Bonds and loans payable	4,524,933	3,303,437	7,828,370
Other liabilities	<u>1,713,226</u>	<u>193,421</u>	<u>1,906,647</u>
Total current liabilities	52,800,322	5,623,797	58,424,119
Noncurrent:			
Bonds and loans payable, net of current portion	35,506,186	23,298,037	58,804,223
Other liabilities, net of current portion	<u>5,055,588</u>	<u>486,000</u>	<u>5,541,588</u>
Total non-current liabilities	<u>40,561,774</u>	<u>23,784,037</u>	<u>64,345,811</u>
TOTAL LIABILITIES	93,362,096	29,407,834	122,769,930
NET ASSETS			
Invested in capital assets, net of related debt	69,642,960	103,659,124	173,302,084
Restricted for:			
Grants and other statutory restrictions	3,343,031	-	3,343,031
Permanent funds:			
Nonexpendable	9,239,526	-	9,239,526
Debt service	-	1,042,044	1,042,044
Unrestricted	<u>17,718,246</u>	<u>5,643,666</u>	<u>23,361,912</u>
TOTAL NET ASSETS	<u>\$ 99,943,763</u>	<u>\$ 110,344,834</u>	<u>\$ 210,288,597</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General government	\$ 7,145,023	\$ 1,525,641	\$ 592,318	\$ 1,767,239
Public safety	22,584,828	3,507,165	138,378	78,963
General services	12,693,473	451,690	-	-
Community development	4,223,189	1,450,678	8,067	794,275
Leisure and information services	2,574,830	502,022	397	-
Human services	775,026	17,966	-	-
Interest on long-term debt	1,511,198	-	-	-
Total Governmental Activities	51,507,567	7,455,162	739,160	2,640,477
Business-Type Activities:				
Water	4,883,528	5,363,947	-	100,343
Sewer	6,247,273	6,346,565	188,926	62,358
Solid Waste	4,301,512	2,895,021	-	-
Golf	848,850	844,809	-	-
Arena	474,891	465,348	-	-
Total Business-Type Activities	16,756,054	15,915,690	188,926	162,701
Total	\$ 68,263,621	\$ 23,370,852	\$ 928,086	\$ 2,803,178

General Revenues, Transfers & Permanent Fund Contributions

General Revenues:

Property Taxes
 Penalties, interest and other taxes
 Grants and contributions not restricted to specific programs
 Investment income (Loss)
 Miscellaneous

Transfers, net
 Permanent fund contributions

Total general revenues, transfers, and contributions

Change in Net Assets

Net Assets:

Beginning of year, restated

End of year

See notes to financial statements.

Net (Expenses) Revenues and Changes in Net Assets

<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>Type</u> <u>Activities</u>	<u>Total</u>
\$ (3,259,825)	\$ -	\$ (3,259,825)
(18,860,322)	-	(18,860,322)
(12,241,783)	-	(12,241,783)
(1,970,169)	-	(1,970,169)
(2,072,411)	-	(2,072,411)
(757,060)	-	(757,060)
<u>(1,511,198)</u>	<u>-</u>	<u>(1,511,198)</u>
(40,672,768)	-	(40,672,768)
-	580,762	580,762
-	350,576	350,576
-	(1,406,491)	(1,406,491)
-	(4,041)	(4,041)
<u>-</u>	<u>(9,543)</u>	<u>(9,543)</u>
-	<u>(488,737)</u>	<u>(488,737)</u>
(40,672,768)	(488,737)	(41,161,505)
39,939,045	-	39,939,045
1,267,571	-	1,267,571
832	-	832
2,233,996	150,328	2,384,324
1,165,035	7,977	1,173,012
(43,843)	43,843	-
<u>184,261</u>	<u>-</u>	<u>184,261</u>
<u>44,746,897</u>	<u>202,148</u>	<u>44,949,045</u>
4,074,129	(286,589)	3,787,540
<u>95,869,634</u>	<u>110,631,423</u>	<u>206,501,057</u>
<u>\$ 99,943,763</u>	<u>\$ 110,344,834</u>	<u>\$ 210,288,597</u>

CITY OF CONCORD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2011

ASSETS	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and short-term equivalents	\$ 26,112,944	\$ 14,608,381	\$ 40,721,325
Investments	4,490,510	10,555,481	15,045,991
Receivables:			
Property taxes	28,912,708	-	28,912,708
Accounts	528,510	190,832	719,342
Intergovernmental	4,570	-	4,570
Loans	-	741,605	741,605
Due from other funds	607,581	1,063,575	1,671,156
Inventory	179,441	-	179,441
Other assets	<u>165,908</u>	<u>3,842</u>	<u>169,750</u>
TOTAL ASSETS	\$ <u>61,002,172</u>	\$ <u>27,163,716</u>	\$ <u>88,165,888</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 465,587	\$ 304,919	\$ 770,506
Retainage payable	438	320,860	321,298
Other liabilities	856,300	402,286	1,258,586
Deferred revenues	28,599,449	921,795	29,521,244
Taxes collected in advance	17,922,552	-	17,922,552
Due to other funds	562,308	918,182	1,480,490
Due to other governments	<u>5,370</u>	<u>-</u>	<u>5,370</u>
TOTAL LIABILITIES	48,412,004	2,868,042	51,280,046
Fund Balances:			
Nonspendable	181,815	9,239,526	9,421,341
Restricted	-	4,214,191	4,214,191
Committed	4,316,925	10,842,872	15,159,797
Assigned	1,355,353	-	1,355,353
Unassigned	<u>6,736,075</u>	<u>(915)</u>	<u>6,735,160</u>
TOTAL FUND BALANCES	<u>12,590,168</u>	<u>24,295,674</u>	<u>36,885,842</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>61,002,172</u>	\$ <u>27,163,716</u>	\$ <u>88,165,888</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET ASSETS OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET ASSETS

JUNE 30, 2011

Total governmental fund balances	\$ 36,885,842
<ul style="list-style-type: none">• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	106,979,732
<ul style="list-style-type: none">• Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	3,684,530
<ul style="list-style-type: none">• In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(806,408)
<ul style="list-style-type: none">• Long-term liabilities, including bonds payable, compensated absences, landfill closure liability and net OPEB obligation, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(46,799,933)</u>
Net assets of governmental activities	\$ <u><u>99,943,763</u></u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2011

	<u>General</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues:			
Taxes	\$ 38,644,609	\$ 763,340	\$ 39,407,949
Licenses and permits	1,112,391	-	1,112,391
Intergovernmental	1,008,437	1,724,326	2,732,763
Charges for services	4,656,320	1,637,353	6,293,673
Investment income	140,119	2,093,889	2,234,008
Contributions	216,634	566,942	783,576
Miscellaneous	1,182,432	1,220,665	2,403,097
Total Revenues	<u>46,960,942</u>	<u>8,006,515</u>	<u>54,967,457</u>
Expenditures:			
Current:			
General government	5,528,442	1,312,677	6,841,119
Public safety	20,444,960	669,313	21,114,273
General services	7,310,317	487,292	7,797,609
Community development	2,622,909	243,060	2,865,969
Leisure and information services	2,028,833	1,075	2,029,908
Human services	752,485	-	752,485
Employee benefits	661,188	-	661,188
Miscellaneous	1,106	44,385	45,491
Debt service			
Principal	3,433,133	936,500	4,369,633
Interest	1,015,925	500,091	1,516,016
Capital outlay	-	6,624,538	6,624,538
Total Expenditures	<u>43,799,298</u>	<u>10,818,931</u>	<u>54,618,229</u>
Excess (deficiency) of revenues over expenditures	3,161,644	(2,812,416)	349,228
Other Financing Sources (Uses):			
Issuance of bonds	-	5,063,000	5,063,000
Transfers in	2,174,705	1,643,669	3,818,374
Transfers out	(2,903,412)	(958,805)	(3,862,217)
Total Other Financing Sources (Uses)	<u>(728,707)</u>	<u>5,747,864</u>	<u>5,019,157</u>
Net change in fund balance	2,432,937	2,935,448	5,368,385
Fund Balance, at Beginning of Year, restated	<u>10,157,231</u>	<u>21,360,226</u>	<u>31,517,457</u>
Fund Balance, at End of Year	<u>\$ 12,590,168</u>	<u>\$ 24,295,674</u>	<u>\$ 36,885,842</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 5,368,385																				
<ul style="list-style-type: none"> • Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: <table border="0" style="margin-left: 40px;"> <tr> <td>Capital outlay purchases</td> <td style="text-align: right;">4,721,164</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">(4,084,544)</td> </tr> <tr> <td>Loss on disposal of assets</td> <td style="text-align: right;">(5,436)</td> </tr> </table> • Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred revenue. <table border="0" style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: right;">531,094</td> </tr> </table> • The issuance of long-term debt (i.e., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets: <table border="0" style="margin-left: 40px;"> <tr> <td>Bond repayments</td> <td style="text-align: right;">4,369,633</td> </tr> <tr> <td>Issuance of bonds, net</td> <td style="text-align: right;">(5,028,060)</td> </tr> </table> • In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. <table border="0" style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: right;">4,819</td> </tr> </table> • Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds. <table border="0" style="margin-left: 40px;"> <tr> <td>Compensated absences</td> <td style="text-align: right;">(89,210)</td> </tr> <tr> <td>Landfill liability</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td>Other post employment benefits</td> <td style="text-align: right;"><u>(1,743,716)</u></td> </tr> </table> 		Capital outlay purchases	4,721,164	Depreciation	(4,084,544)	Loss on disposal of assets	(5,436)		531,094	Bond repayments	4,369,633	Issuance of bonds, net	(5,028,060)		4,819	Compensated absences	(89,210)	Landfill liability	30,000	Other post employment benefits	<u>(1,743,716)</u>
Capital outlay purchases	4,721,164																				
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Landfill liability	30,000																				
Other post employment benefits	<u>(1,743,716)</u>																				
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ <u>4,074,129</u>																				

CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS

FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes	\$ 37,975,884	\$ 38,049,742	\$ 38,269,433	\$ 219,691
Licenses and permits	1,024,365	1,024,365	1,112,391	88,026
Intergovernmental	1,114,170	1,115,731	1,169,495	53,764
Charges for services	4,346,671	4,346,671	4,495,262	148,591
Investment income	147,500	72,080	70,580	(1,500)
Miscellaneous	1,054,487	1,058,789	1,190,116	131,327
Total Revenues	45,663,077	45,667,378	46,307,277	639,899
Expenditures:				
General government	6,154,527	6,074,779	5,481,437	593,342
Public safety	20,460,930	20,525,160	20,458,831	66,329
General services	7,607,225	7,608,488	7,240,648	367,840
Community development	2,868,638	2,869,346	2,639,369	229,977
Leisure and information services	2,041,897	2,061,700	2,033,683	28,017
Human services	772,205	772,205	752,415	19,790
Employee benefits	680,000	685,100	716,179	(31,079)
Debt service	4,500,000	4,500,000	4,362,159	137,841
Total Expenditures	45,085,422	45,096,778	43,684,721	1,412,057
Other Financing Sources (Uses):				
Transfers in	1,629,938	1,654,533	1,626,684	(27,849)
Transfers out	(2,207,593)	(3,255,133)	(3,262,017)	(6,884)
Budgetary use of fund balance	-	1,030,000	1,030,000	-
Total Other Financing Sources (Uses)	(577,655)	(570,600)	(605,333)	(34,733)
Excess of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ 2,017,223	\$ 2,017,223

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Business-Type Activities Enterprise Funds				<u>Total</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Nonmajor Funds</u>	
<u>ASSETS</u>					
Current:					
Cash and short-term equivalents	\$ 4,676,673	\$ 1,816,127	\$ 1,602,522	\$ 292,172	\$ 8,387,494
User fees, net of allowance for uncollectibles	503,482	727,224	418,804	4,076	1,653,586
Intergovernmental receivables	-	159,585	-	-	159,585
Due from other funds	-	65,016	-	-	65,016
Prepaid assets	7,700	290,966	563	2,253	301,482
Inventory	8,616	-	78,055	-	86,671
Total current assets	5,196,471	3,058,918	2,099,944	298,501	10,653,834
Noncurrent:					
Intergovernmental	-	882,459	-	-	882,459
Capital assets:					
Land and construction in progress	2,011,865	2,004,357	186,200	204,332	4,406,754
Other capital assets, net of accumulated depreciation	62,203,032	60,599,524	-	1,266,579	124,069,135
Total noncurrent assets	64,214,897	63,486,340	186,200	1,470,911	129,358,348
TOTAL ASSETS	69,411,368	66,545,258	2,286,144	1,769,412	140,012,182
<u>LIABILITIES</u>					
Current:					
Accounts payable	350,403	159,013	409,855	136,850	1,056,121
Retainage payable	112,924	128,455	-	13,362	254,741
Accrued liabilities	164,874	179,736	-	5,651	350,261
Due to other funds	137,763	120,694	330	727	259,514
Unearned revenue	-	-	109,995	11,480	121,475
Other current liabilities	172,925	40,667	124,749	6,000	344,341
Current portion of long-term liabilities:					
Bonds and loans payable	1,498,373	1,703,064	-	102,000	3,303,437
Compensated absences	79,174	70,872	11,472	31,903	193,421
Total current liabilities	2,516,436	2,402,501	656,401	307,973	5,883,311
Noncurrent:					
Bonds and loans payable, net of current portion	10,270,338	12,647,699	-	380,000	23,298,037
Other post employment	243,000	243,000	-	-	486,000
Total noncurrent liabilities	10,513,338	12,890,699	-	380,000	23,784,037
TOTAL LIABILITIES	13,029,774	15,293,200	656,401	687,973	29,667,348
<u>NET ASSETS</u>					
Invested in capital assets, net of related debt	53,340,586	49,143,427	186,200	988,911	103,659,124
Restricted for debt service	-	1,042,044	-	-	1,042,044
Unrestricted	3,041,008	1,066,587	1,443,543	92,528	5,643,666
TOTAL NET ASSETS	\$ 56,381,594	\$ 51,252,058	\$ 1,629,743	\$ 1,081,439	\$ 110,344,834

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities Enterprise Funds				Total
	Water Fund	Sewer Fund	Solid Waste Fund	Nonmajor Funds	
Operating Revenues:					
Charges for services	\$ 5,363,947	\$ 6,346,565	\$ 2,895,021	\$ 1,310,157	\$ 15,915,690
Other	<u>1,333</u>	<u>3,646</u>	<u>-</u>	<u>2,998</u>	<u>7,977</u>
Total Operating Revenues	5,365,280	6,350,211	2,895,021	1,313,155	15,923,667
Operating Expenses:					
Operating expenses	2,871,976	3,789,957	4,301,512	1,176,438	12,139,883
Depreciation	<u>1,598,236</u>	<u>1,931,020</u>	<u>-</u>	<u>125,505</u>	<u>3,654,761</u>
Total Operating Expenses	<u>4,470,212</u>	<u>5,720,977</u>	<u>4,301,512</u>	<u>1,301,943</u>	<u>15,794,644</u>
Operating Income (Loss)	895,068	629,234	(1,406,491)	11,212	129,023
Nonoperating Revenues (Expenses):					
Investment income	88,508	60,990	-	830	150,328
Intergovernmental	-	188,926	-	-	188,926
Interest expense	<u>(413,316)</u>	<u>(526,296)</u>	<u>-</u>	<u>(21,798)</u>	<u>(961,410)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(324,808)</u>	<u>(276,380)</u>	<u>-</u>	<u>(20,968)</u>	<u>(622,156)</u>
Income (Loss) Before Contributions and Transfers	570,260	352,854	(1,406,491)	(9,756)	(493,133)
Capital contributions	100,343	62,358	-	-	162,701
Transfers in	20,000	-	1,425,888	22,007	1,467,895
Transfers out	<u>(667,083)</u>	<u>(608,669)</u>	<u>(35,000)</u>	<u>(113,300)</u>	<u>(1,424,052)</u>
Change in Net Assets	23,520	(193,457)	(15,603)	(101,049)	(286,589)
Net Assets at Beginning of Year, restated	<u>56,358,074</u>	<u>51,445,515</u>	<u>1,645,346</u>	<u>1,182,488</u>	<u>110,631,423</u>
Net Assets at End of Year	<u>\$ 56,381,594</u>	<u>\$ 51,252,058</u>	<u>\$ 1,629,743</u>	<u>\$ 1,081,439</u>	<u>\$ 110,344,834</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities Enterprise Funds				Total
	Water Fund	Sewer Fund	Solid Waste Fund	Nonmajor Funds	
Cash Flows From Operating Activities:					
Receipts from customers and users	\$ 5,342,494	\$ 6,229,225	\$ 2,899,299	\$ 1,312,454	\$ 15,783,472
Payments to employees	(1,717,001)	(2,184,501)	(2,426,247)	(706,948)	(7,034,697)
Payments to vendors	<u>(805,334)</u>	<u>(1,469,951)</u>	<u>(1,635,051)</u>	<u>(360,700)</u>	<u>(4,271,036)</u>
Net Cash Provided By (Used For) Operating Activities	2,820,159	2,574,773	(1,161,999)	244,806	4,477,739
Cash Flows From Noncapital Financing Activities:					
Intergovernmental revenues	-	188,926	-	-	188,926
Transfers in	20,000	-	1,425,888	22,007	1,467,895
Transfers out	<u>(667,083)</u>	<u>(608,669)</u>	<u>(35,000)</u>	<u>(113,300)</u>	<u>(1,424,052)</u>
Net Cash Provided by (Used For) Noncapital Financing Activities	(647,083)	(419,743)	1,390,888	(91,293)	232,769
Cash Flows From Capital and Related Financing Activities:					
Proceeds from issuance of bonds and notes	2,306,192	213,500	-	-	2,519,692
Principal payments on bonds and notes	(1,482,600)	(1,666,453)	-	(111,000)	(3,260,053)
Acquisition and construction of capital assets, net disposals	(1,542,143)	(914,621)	-	(169,676)	(2,626,440)
Capital contributions	100,343	201,116	-	-	301,459
Interest expense	<u>(395,951)</u>	<u>(536,393)</u>	<u>-</u>	<u>(23,040)</u>	<u>(955,384)</u>
Net Cash (Used For) Capital and Related Financing Activities	(1,014,159)	(2,702,851)	-	(303,716)	(4,020,726)
Cash Flows From Investing Activities:					
Investment income	<u>88,508</u>	<u>60,990</u>	<u>-</u>	<u>831</u>	<u>150,329</u>
Net Cash Provided by Investing Activities	<u>88,508</u>	<u>60,990</u>	<u>-</u>	<u>831</u>	<u>150,329</u>
Net Change in Cash and Short-Term Equivalents	1,247,425	(486,831)	228,889	(149,372)	840,111
Cash and Short-Term Equivalents, Beginning of Year	<u>3,429,248</u>	<u>2,302,958</u>	<u>1,373,633</u>	<u>441,544</u>	<u>7,547,383</u>
Cash and Short-Term Equivalents, End of Year	<u>\$ 4,676,673</u>	<u>\$ 1,816,127</u>	<u>\$ 1,602,522</u>	<u>\$ 292,172</u>	<u>\$ 8,387,494</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:					
Operating income (loss)	\$ 895,068	\$ 629,234	\$ (1,406,491)	\$ 11,212	\$ 129,023
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	1,598,236	1,931,020	-	125,505	3,654,761
Changes in assets and liabilities:					
User fees	(22,787)	(55,969)	(58,441)	14,173	(123,024)
Inventory	-	-	(124)	-	(124)
Other assets	3,474	(65,016)	(21,159)	(43)	(82,744)
Accounts payable	(2,696)	(1,073)	261,399	97,623	355,253
Retainage payable	(40,411)	(82,003)	-	13,362	(109,052)
Compensated absences	1,305	(3,174)	68	(2,150)	(3,951)
Unearned revenues	-	-	-	954	954
Other liabilities	<u>387,970</u>	<u>221,754</u>	<u>62,749</u>	<u>(15,830)</u>	<u>656,643</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ 2,820,159</u>	<u>\$ 2,574,773</u>	<u>\$ (1,161,999)</u>	<u>\$ 244,806</u>	<u>\$ 4,477,739</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2011

	<u>Agency Fund</u>
<u>ASSETS</u>	
Cash and short-term equivalents	\$ 1,721,011
Due from other funds	<u>3,832</u>
Total Assets	<u><u>\$ 1,724,843</u></u>
 <u>LIABILITIES</u>	
Due to other governments	\$ 832,213
Other liabilities	<u>892,630</u>
Total Liabilities	<u><u>\$ 1,724,843</u></u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of the City of Concord (the City) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The government is a municipal corporation governed by an elected Mayor, 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 2011, it was determined that no entities met the required GASB 39 criteria of component units.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the proprietary fund and fiduciary fund financial statements (with the exception of Agency Funds, which have no measurement focus). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

The government reports the following major proprietary 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.
- Solid Waste Fund - to account for the collection and disposal of the City trash.

In addition, the City has two enterprise funds, for Golf and Arena activities, which are reported as nonmajor funds.

The Agency Fund is custodial in nature and is used to account for funds to be remitted to the two local school districts and Merrimack County. The agency fund reports only assets and liabilities, and this has no measurement focus.

D. Cash and Short-Term Investments

The government's cash is 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 New Hampshire Public Deposit Investment Pool (NHPDIP) operates in accordance with RSA 383:22, and regulations and is under the control of the New Hampshire Banking Commission and Advisory Committee. The reported value of the pool is the same as the fair value of the pool shares. Participation units of the NHPDIP are considered short-term for financial presentation purposes.

Investments are considered holdings of greater than three months and are reported at fair value.

City Funds

Under New Hampshire RSA 48:16, the City Treasurer may invest excess funds which are not immediately needed for the purpose of expenditure, in obligations of the United States government, in participation units in the public deposit investment pool established pursuant to RSA 383:22, in savings bank deposits of banks incorporated under the laws of the state of New Hampshire or in certificates of deposits and repurchase agreements of banks incorporated under the laws of the state of New Hampshire or in banks recognized by the state treasurer.

Trust Funds

Under New Hampshire RSA 34:5, capital reserve funds of the City shall be invested only by deposit in some savings bank or in the savings department of a national bank or trust company, or in the shares of a cooperative bank, building and loan association, or federal savings and loan association, in this state or in bonds, notes or other obligations of the United States government, in bonds or notes of this state, in such stocks and bonds as are legal for investment by New Hampshire savings banks, or in participation units in the public deposit investment pool established pursuant to RSA 383:22 by the trustees of the trust funds.

Under New Hampshire RSA 31:27, the city trustees of trust funds may establish, maintain and operate one or more common trust funds, in which may be combined money and property belonging to the various trusts in their care, for the purpose of facilitating investments, providing diversification and obtaining reasonable income; provided however that said common trust funds shall be limited to the investments authorized in RSA 31:25; provided further, that not more than \$ 10,000, or more than 10 percent of the fund whichever is greater of any town or city common trust funds shall be invested under RSA 31:25 in the obligations of any one corporation or organization, excepting deposits in any federally or state-chartered bank or association authorized to engage in a banking business in this state, in credit unions in this state, or in obligations of the United States and of the state of New Hampshire and its subdivisions; or in participation units in the public deposit investment pool established

pursuant to RSA 383:22, or in shares of open-ended mutual funds selected by the trustees for investment under RSA 31:25.

Under New Hampshire RSA 31:25, at least yearly, the trustees of trust funds shall review and adopt an investment policy for the investment of public funds in conformance with the provisions of applicable statutes. The significant sections of that policy are disclosed in Note 3.

E. 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 interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans).

Advances between funds are 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.

F. Inventories

Inventories are valued at cost using the cost-averaging method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Infrastructure	30 - 75
Vehicles	5
Office equipment	5
Computer equipment	5

H. 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. All vested sick and vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured; for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Assets. The General fund and applicable Enterprise Funds typically repay these obligations.

J. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance”. Fund equity for all other reporting is classified as “net assets”.

Fund Balance - Generally, fund balance represents the difference between the current assets and current liabilities. The City reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

The City’s fund balance classification policies and procedures are as follows:

- 1) Nonspendable funds are either unspendable in the current form (i.e. inventory or prepaid items) or can never be spent (i.e. perpetual care).
- 2) Restricted funds are used solely for the purpose in which the fund was established. In the case of special revenue funds, these funds are created by statute or otherwise have external constraints on how the funds can be expended.
- 3) Committed funds are reported and expended as a result of motions passed by the highest decision making authority in the government (i.e., the City Council).
- 4) Assigned funds are used for specific purposes as established by management. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for. This account also includes fund balance (free cash) voted to be used in the subsequent fiscal year.
- 5) Unassigned funds are available to be spent in future periods.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the Town uses the following order to liquidate liabilities: restricted, committed, assigned and unassigned.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net assets are reported as unrestricted.

K. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

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 enterprise 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 to Council 45 days before the start of the fiscal year.
- A public hearing on the budget is held before its final adoption by the City Council. Notice of the public hearing, together with a summary of the budget as submitted, is published at least one week in advance by the City Clerk.
- By City charter, the budget must be legally adopted not later than the twenty-seventh day of July. In connection with converting to a June 30 fiscal year end, an adopted ordinance requires budget adoption by July 1 of the new fiscal year. Should the City Council take no final action by the date specified in the charter, the budget, as submitted, is deemed to have been finally adopted by the City Council.
- No appropriation is made for any purpose not included in the annual budget as adopted unless voted by a two-thirds majority of the City Council after a public hearing held to discuss the appropriation. The City Council shall by resolution designate the source of any money so appropriated.
- At the beginning of each quarterly period during the fiscal year, and more often if required by the City Council, the City Manager submits data to the City Council showing a comparison of the estimated and actual revenues and expenditures to date. If it appears that the revenues are less than anticipated, the City Council or City Manager may reduce the appropriation for any item or items, except amounts required for debt and interest charges, to such a degree as may be necessary to keep expenditures within the City's revenues. The City Manager may provide for monthly or quarterly allotments of appropriations to departments, funds, or agencies under such rules as he may prescribe.

- After the budget has been adopted no expenditure may be incurred, except pursuant to a budget appropriation unless there is a specific additional appropriation thereof. The head of any department, with the approval of the City Manager, may transfer any unencumbered balance or any portion thereof from one fund or agency within his/her department to another fund or agency within his/her department. The City Manager must report these transfers to the City Council. The City Manager, with the approval of the Council, may transfer any unencumbered appropriation balance or any portion thereof from one department to another. The legal level of control is at the department level.

- Budget appropriations lapse at the end of the fiscal year except for any appropriations either supported by formal purchase contracts or approved by the City Council or City Manager to be carried forward.

B. Budgetary Basis

The General Fund final appropriation appearing on the “Budget and Actual” page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

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 to budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

	Revenues and Other <u>Financing Sources</u>	Expenditures and Other <u>Financing Uses</u>
General Fund		
Revenues/Expenditures (GAAP Basis)	\$ 46,960,942	\$ 43,799,298
Other financing sources/uses (GAAP Basis)	<u>2,174,705</u>	<u>2,903,412</u>
Subtotal (GAAP Basis)	49,135,647	46,702,710
Adjust tax revenue to accrual basis	(379,167)	-
Reverse beginning of year appro- priation carryforwards from expenditures	-	(154,289)
Add end of year appropriation carryforwards to expenditures	-	127,353
Use of fund balance	1,030,000	-
Reverse nonbudgeted activity	<u>(822,519)</u>	<u>270,964</u>
Budgetary Basis	<u>\$ 48,963,961</u>	<u>\$ 46,946,738</u>

In addition, adjustments were made to the enterprise 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.

D. Excess of Expenditures Over Appropriations

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

General Fund:

Fire	\$ (13,765)
Recreation and Parks	\$ (3,686)
Employee benefits	\$ (31,079)
Transfers out	\$ (6,884)

E. Deficit Fund Equity

The following funds had deficits as of June 30, 2011:

Nonmajor Governmental Funds:

Community Development (special revenue fund)	\$ (915)
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The deficits in these funds will be eliminated through future federal grant reimbursements, bond proceeds, and transfers from other funds.

3. Cash and Investments

A. Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the deposits may not be returned. The custodial credit risk for investments is the risk that, in the event of a failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

City Funds

Custodial Credit Risk - Deposits. RSA 48:16 limits “deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus, exception that a city with a population in excess of 50,000 is authorized to deposit funds in a solvent bank in excess of the paid-up capital surplus of said bank.” The City’s deposit policy for custodial credit risk is to fully collateralize all deposits.

As of June 30, 2011, the City’s bank balance of \$ 50,382,617 was fully insured and collateralized.

The Investment Policy of the City’s Trustees of the Trust Funds does not permit deposits and investments in the following, without prior written approval:

- unregistered or restricted stock
- commodities, including gold, precious gems or currency futures
- private placement debt
- conditional sales contracts
- uncovered options
- short sales or margin purchases
- transferable certificates of participation in business trusts and limited partnerships
- securities of the investment managers or their respective parents, subsidiaries or affiliates
- tobacco stock

Investments at June 30, 2011 included the following:

State investment pool	\$ 2,103,966
Certificates of deposit	2,000,000
U.S. treasury obligations	205,234
U.S. government agencies	337,727
Corp. and foreign bonds	959,909
Common equities	3,914,700
Int'l equity mutual funds pool	2,780,201
Taxable fixed income funds pool	<u>2,744,254</u>
Total	<u>\$ 15,045,991</u>

Of the City's total investments, the government has a custodial credit risk exposure of \$ 13,045,991 because the related securities are uninsured, unregistered and held by the System's brokerage firm, which is also the Counterparty to these securities. The System manages this risk with SIPC, Excess SIPC and because the assets are held in separately identifiable trust accounts. In addition, \$ 2,103,966 of the pooled funds are invested in MBIA.

B. Credit Risk

The City's Investment Policy and the Board of Trustees Investment Policy minimize credit risk by limiting investments to the safest types of securities as listed above, pre-qualifying institutions and diversifying the portfolio. Information regarding the quality and maturity dates of fixed income securities is as follows (in thousands). (All federal agency securities have an implied credit rating of AAA.):

	Total	Years to Maturity			Average Rating
		<1	1-5	6-10	
U.S. Treasury Obligations	\$ 205	\$ 101	\$ 104	\$ -	AAA
U.S. Government Agencies	338	-	167	171	AAA
Corp. and Foreign Bonds	<u>960</u>	<u>-</u>	<u>692</u>	<u>268</u>	A2
Total	<u>\$ 1,503</u>	<u>\$ 101</u>	<u>\$ 963</u>	<u>\$ 439</u>	

C. Concentration of Credit Risk

City Funds

The City's Investment Policy limits its exposure to concentration credit risk by limiting the types of investment securities that it holds to U.S. Government Obligations and by splitting its short-term deposits between financial institutions that fully collateralize them and the NHPDIP that also collateralizes the deposits and fully insures them.

Trust Funds

It is the policy of the Trustees that common investments shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, industry or specific issuer. The Trustees' concentration of credit risk policy is to not allow more than 5% of the portfolio to be invested in the securities of one issuer, with the exception of the U.S. Government or its agencies. As of and for the fiscal year ended June 30, 2011, the City was in compliance with this limitation policy.

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Please see table above under Part B.

City Funds

The City's investment policy is to minimize the risk that the market value of securities will fall due to changes in general interest rates by structuring the portfolio so securities mature to meet the cash requirements for on-going operations, thus avoiding the need to sell securities on the open market prior to maturity. The policy also provides for investing primarily in shorter-term securities, including the local government investment pool.

Trust Funds

The Trust recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary loss of liquidity. Portfolio diversification is to be employed as a way to control risk. The Trustee is expected to use prudence in the selection of securities as a way to minimize default risk. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the specific issuer. The Trustee shall review and, if appropriate, proceed to liquidate any securities having comparable credit risks.

Information about the sensitivity of the fair values of the Trust's investments to market interest rate fluctuations is not provided, since all investments are held in mutual funds.

E. Foreign Currency Risk

The City's and Trustee's investment policies do not specifically address foreign currency issues, however, the City and Trustee believe that they have minimal exposure to foreign currency risk.

4. Property Taxes Receivable

The City bills property taxes on a quarterly basis and they are due in July, October, January 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 raises through tax levy an amount (overlay for abatements) for property tax abatements and interest refunds. All abatements and interest refunds are charged to overlay.

Taxes receivable at June 30, 2011 consist of the following (in thousands):

Property taxes:		
Levy of 2011	\$ 27,090	
Levy of 2010	1,856	
Levy of 2009	961	
Levy of 2008	100	
Levy of 2007	18	
Levy of 2006	10	
Levy of 2005	6	
Levy of 2004	6	
Unredeemed taxes:		
Levy of 2003	8	
Prior years	<u>24</u>	
Subtotal		30,079
Other taxes:		
Land use change taxes	-	
Timber yield taxes	4	
Elderly tax liens	<u>39</u>	
Subtotal		<u>43</u>
Gross Tax Receivable		30,122
Statutory Allowance for Abatements (overlay)		<u>(1,209)</u>
Net Total Taxes Receivable		<u>\$ 28,913</u>

5. Allowance for Doubtful Accounts

The receivables reported in the accompanying entity-wide financial statements reflect the following estimated allowances for doubtful accounts (in thousands):

Property taxes	\$ <u>363</u>
Total	\$ <u><u>363</u></u>

6. Loans Receivable

Loans receivable of \$ 741,605 in non-major governmental funds represent the uncollected balance of community development loans.

7. Intergovernmental Receivables

Intergovernmental receivables in the sewer fund represents annual reimbursements from the New Hampshire Department of Environmental Services. The amount due from the State in future years is as follows:

Fiscal Year Ended	Reimbursement For			
	June 30	Principal	Interest	Total
2012	\$	159,585	\$ 41,241	\$ 200,826
2013		164,564	34,656	199,220
2014		169,652	27,796	197,448
2015		125,712	20,675	146,387
2016		107,444	15,518	122,962
2017-2019		<u>315,087</u>	<u>22,879</u>	<u>337,966</u>
Total	\$	<u><u>1,042,044</u></u>	\$ <u><u>162,765</u></u>	\$ <u><u>1,204,809</u></u>

8. Interfund Fund Receivables/Payables and Transfers

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 amount payable to the General Fund from Special Revenue Funds relates to expenditures incurred against General Fund cash to be reimbursed in the subsequent year. The following is an analysis of the June 30, 2011 balances in interfund receivable and payable accounts.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 607,581	\$ 562,308
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Community Development	1,504	11,104
Housing Revolving	-	192
Engineering Inspection	-	60
Parking	-	4,551
Airport	-	119
Impact Fees	817,739	857,739
Miscellaneous Revenues	244,217	15,037
Capital Project Funds:		
Other Capital Project Funds-Post 2002	-	29,287
Other Capital Project Funds-Post 2008	65	-
Rte. 3 Corridor	-	20
Manchester Street	-	13
Penacook Village	-	60
Debt Service:		
PVTIFD	50	-
Enterprise:		
Water	-	137,763
Sewer	65,016	120,694
Solid Waste	-	330
Golf	-	690
Arena	-	37
Fiduciary:		
Agency	<u>3,832</u>	<u>-</u>
Total	<u>\$ 1,740,004</u>	<u>\$ 1,740,004</u>

The following is an analysis of interfund transfers made in fiscal year 2011:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Fund:</u>		
<u>Major Funds:</u>		
General Fund	\$ 2,174,705	\$ 2,903,412
Nonmajor Funds:		
Special Revenue Funds:		
Community Development		
Conservation Property Management	97,930	-
Parking	2,744	199,750
Airport	-	24,734
Impact Fee	283,232	513,815
Durgin	10,500	2,744
Forest and Conservation	9,657	509,952
Library	-	8,744
SVMS Project	5,838	15,888
Capital Project Funds:		
Other Capital Project Funds-Pre 2003	-	437,917
Other Capital Project Funds-Post 2002	3,418	458,244
Other Capital Project Funds-Post 2008	2,085,730	43,886
Fire Facility Renovations	10,000	-
Open Space Protection	522,022	-
Route 3 Corridor	6,588	-
NEOC Capital	386,249	-
Penacook Capital	415,080	-
Permanent Funds:		
Cemetery (Nonexpendable)	-	173,405
Library (Nonexpendable)	-	15,858
Dedicated Income (Nonexpendable)	-	176,000
Other (Nonexpendable)	-	117
<u>Debt Service Funds:</u>		
NEOC	-	157,990
PVTIFD	-	415,080
<u>Business-Type Funds:</u>		
Major Funds:		
Water	20,000	667,083
Sewer	-	608,669
Solid Waste	1,425,888	35,000
Nonmajor Funds:		
Golf	4,467	73,000
Arena	17,540	40,300
Total	<u>\$ 7,481,588</u>	<u>\$ 7,481,588</u>

Interfund transfers are used to move unrestricted General Fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

9. Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, being depreciated:				
Land improvements	\$ 5,294	\$ 123	\$ -	\$ 5,417
Buildings and improvement	37,111	483	-	37,594
Machinery, equipment, and furnishing	6,856	1,290	(12)	8,134
Infrastructure	63,221	8,014	-	71,235
Licensed vehicles	<u>11,672</u>	<u>676</u>	<u>(68)</u>	<u>12,280</u>
Total capital assets, being depreciated	124,154	10,586	(80)	134,660
Less accumulated depreciation for:				
Land improvements	(3,768)	(90)	-	(3,858)
Buildings and improvements	(10,285)	(1,327)	-	(11,612)
Machinery, equipment, and furnishings	(5,189)	(708)	10	(5,887)
Infrastructure	(12,025)	(1,213)	-	(13,238)
Licensed vehicles	<u>(9,497)</u>	<u>(747)</u>	<u>65</u>	<u>(10,179)</u>
Total accumulated depreciation	<u>(40,764)</u>	<u>(4,085)</u>	<u>75</u>	<u>(44,774)</u>
Total capital assets, being depreciated, net	83,390	6,501	(5)	89,886
Capital assets, not being depreciated:				
Land	11,242	314	-	11,556
Construction-in-progress	<u>11,717</u>	<u>2,912</u>	<u>(9,091)</u>	<u>5,538</u>
Total capital assets, not being depreciated	<u>22,959</u>	<u>3,226</u>	<u>(9,091)</u>	<u>17,094</u>
Governmental activities capital assets, net	<u>\$ 106,349</u>	<u>\$ 9,727</u>	<u>\$ (9,096)</u>	<u>\$ 106,980</u>

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Business-Type Activities:				
Capital assets, being depreciated:				
Land improvements	\$ 100	\$ -	\$ -	\$ 100
Buildings and improvements	58,506	1,597	-	60,103
Machinery, equipment, and furnishings	5,449	332	-	5,781
Infrastructure	136,319	3,052	-	139,371
Licensed vehicles	<u>778</u>	<u>37</u>	<u>-</u>	<u>815</u>
Total capital assets, being depreciated	201,152	5,018	-	206,170
Less accumulated depreciation for:				
Land Improvements	(20)	(5)	-	(25)
Buildings and improvements	(21,361)	(1,304)	-	(22,665)
Machinery, equipment, and furnishings	(3,854)	(217)	-	(4,071)
Infrastructure	(52,618)	(2,069)	-	(54,687)
Licensed vehicles	<u>(592)</u>	<u>(60)</u>	<u>-</u>	<u>(652)</u>
Total accumulated depreciation	<u>(78,445)</u>	<u>(3,655)</u>	<u>-</u>	<u>(82,100)</u>
Total capital assets, being depreciated, net	122,707	1,363	-	124,070
Capital assets, not being depreciated:				
Land	1,064	-	-	1,064
Construction-in-progress	<u>5,733</u>	<u>1,880</u>	<u>(4,271)</u>	<u>3,342</u>
Total capital assets, not being depreciated	<u>6,797</u>	<u>1,880</u>	<u>(4,271)</u>	<u>4,406</u>
Business-type activities capital assets, net	<u>\$ 129,504</u>	<u>\$ 3,243</u>	<u>\$ (4,271)</u>	<u>\$ 128,476</u>

Depreciation expense was charged to functions of the City as follows (in thousands):

Governmental Activities:

Public safety	\$ 446
General services	2,221
Community Development	1,138
Liesure and information services	<u>280</u>
Total depreciation expense - governmental activities	<u>\$ 4,085</u>

Business-Type Activities:

Water	\$ 1,598
Sewer	1,931
Other	<u>126</u>
Total depreciation expense - business-type activities	<u>\$ 3,655</u>

10. Accounts Payables

Accounts payable represent 2011 expenditures paid after July 15, 2011.

11. Deferred Revenue/Unearned Revenue

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The balance of the General Fund *deferred revenues* account is equal to the total of all June 30, 2011 receivable balances, except property taxes that are accrued for subsequent 60 day collections.

Property taxes levied are recorded as receivables in the fiscal year billed. As of June 30, 2011, the City had billed the first two quarterly installments of the tax year 2011 (fiscal year 2011) real estate bills. The amount of this billing that is outstanding is included in the receivables on the Statement of Net Assets and is shown as unearned revenue on both the Government-wide Statement of Net Assets and the Governmental Funds Balance Sheet.

12. Long-Term Debt

A. Long-Term Debt Supporting Governmental Activities

General obligation bonds, issued by the City for various municipal projects are approved by City Council and repaid with property taxes recorded in the General Fund and user fees recorded in Enterprise Funds. Compensated absences are repaid from the funds that the costs relate to, mostly general fund, and also water, sewer, solid waste, golf, arena, and other special revenue funds.

B. General Obligation Bonds and Loans

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 governmental and business-type activities. The City has not issued any revenue bonds. All bonds and loans outstanding were used in calculating the net assets invested in capital assets net of related debt. General obligation bonds currently outstanding are as follows:

<u>Governmental Funds:</u>	<u>Original</u>	<u>Serial</u>	<u>Interest</u>	<u>Amount</u>
	<u>Amount</u>	<u>Maturities</u>	<u>Rate (s)%</u>	<u>Outstanding</u>
		<u>Through</u>		<u>as of</u>
				<u>June 30, 2011</u>
Bonds Payable:				
Public improvements	\$ 3,330,000	04/15/14	5.45 - 7.75	\$ 610,000
Public improvements	4,770,000	04/15/15	4.60 - 6.50	1,173,000
Public improvements	2,463,504	10/15/15	4.00 - 4.70	900,425
Public improvements	8,322,590	10/15/16	4.00 - 4.70	1,545,000
Public improvements	1,035,000	04/01/12	4.00 - 5.00	45,000
Public improvements	4,829,750	11/15/24	3.23	2,738,000
Public improvements	6,027,815	07/15/24	3.00 - 5.00	2,868,510
Public improvements	10,161,000	07/15/25	3.75 - 5.00	8,560,000
Public improvements	5,920,000	03/15/26	3.50 - 5.00	2,630,000
Public improvements	10,632,960	01/15/27	4.00 - 5.50	7,542,900
Public improvements	4,250,710	08/15/28	3.00 - 5.00	3,640,000
Public improvements	2,494,750	01/15/30	2.00 - 4.00	2,715,284
Public improvements	5,063,000	01/15/26	2.00 - 4.00	5,063,000
Total Governmental Funds				\$ <u><u>40,031,119</u></u>

<u>Enterprise Funds:</u>	<u>Original</u>	<u>Serial</u>	<u>Interest</u>	<u>Amount</u>
	<u>Amount</u>	<u>Maturities</u>	<u>Rate (s)%</u>	<u>Outstanding</u>
		<u>Through</u>		<u>as of</u>
				<u>June 30, 2011</u>
Water Fund:				
Bonds Payable:				
Water	\$ 2,260,000	07/15/13	3.30 - 6.25	\$ 110,000
Water	3,660,000	04/15/14	3.65 - 4.50	1,003,500
Water	1,980,000	04/01/15	4.60 - 6.50	84,000
Water meters	2,297,279	10/15/16	4.00 - 4.70	495,000
Water	452,280	10/15/10	4.00 - 4.70	51,008
Water	1,730,000	04/01/17	4.00 - 4.70	650,000
Water	3,236,175	01/15/24	3.23	1,515,000
Water	2,023,545	07/15/24	3.00 - 5.00	924,295
Water	1,760,000	03/15/26	3.50 - 5.00	1,400,000
Water	149,300	01/15/27	4.00 - 5.50	30,000
Water	2,994,840	08/15/29	3.00 - 5.00	2,520,000
Water	1,205,450	01/15/30	2.00 - 4.00	679,716
Water	2,072,500	01/15/26	2.00 - 4.00	2,072,500
Total Bonds Payable				11,535,019
Other Long-term Debt:				
Water State Revolving Loan	245,000	05/01/30	0.86	233,692
Total Other Long-term Debt				233,692
Total Water Fund				11,768,711

(continued)

(continued)

<u>Enterprise Funds:</u>	<u>Original Amount</u>	<u>Serial Maturities Through</u>	<u>Interest Rate (s)%</u>	<u>Amount Outstanding as of June 30, 2011</u>
Sewer Fund:				
Bonds Payable:				
Sanitary sewer	3,272,000	04/15/14	3.65 - 4.50	866,400
Sanitary sewer	2,150,000	04/01/17	4.60 - 6.50	420,000
Sanitary sewer	910,176	10/15/15	4.00 - 4.70	190,000
Sanitary sewer	312,175	10/15/14	4.00 - 4.70	40,566
Sanitary sewer	169,000	04/01/13	4.00 - 5.00	30,000
Sanitary sewer	1,059,150	01/15/24	3.23	450,000
Sanitary sewer	1,465,790	07/15/24	3.00 - 5.00	721,800
Sanitary sewer	2,121,000	03/15/26	3.50 - 5.00	1,410,000
Sanitary sewer	2,210,990	01/15/27	4.00 - 5.50	1,767,100
Sanitary sewer	1,754,450	08/15/29	3.00 - 5.00	1,540,000
Sanitary sewer	2,328,700	01/15/30	2.00 - 4.00	2,160,000
Sanitary sewer	213,000	01/15/30	2.00 - 4.00	213,500
Total Bonds Payable				9,809,366
Other Long-Term Debt:				
Sewer State Revolving Loan	4,465,788	07/01/19	2.45	2,946,683
Sewer State Revolving Loan	2,428,284	01/01/20	2.27	1,594,714
Total Other Long-term Debt				4,541,397
Total Sewer Fund				14,350,763
Nonmajor Funds:				
Bonds Payable:				
Clubhouse improvements	365,000	04/01/17	4.00 - 5.00	140,000
Golf course renovation	100,000	11/15/24	3.23	30,000
Golf equipment	73,100	01/15/30	2.00 - 4.00	55,000
Arena expansion	430,000	10/15/15	4.00 - 4.70	140,000
Arena	39,925	01/15/24	3.23	9,000
Arena	29,700	07/15/24	3.00 - 5.00	3,000
Arena	149,000	03/15/26	3.50 - 5.00	75,000
Arena	48,750	01/15/27	4.00 - 5.50	30,000
Total Other Enterprise Funds				482,000
Total Enterprise Fund Long-Term Debt				\$ 26,601,474

C. Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2011 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 4,524,933	\$ 1,545,338	\$ 6,070,271
2013	4,286,408	1,390,816	5,677,224
2014	4,192,280	1,237,106	5,429,386
2015	3,804,452	1,068,454	4,872,906
2016	3,172,010	913,149	4,085,159
2017-2021	10,758,550	3,080,654	13,839,204
2022-2026	7,532,650	1,098,087	8,630,737
2025-2031	1,759,836	171,453	1,931,289
Total	<u>\$ 40,031,119</u>	<u>\$ 10,505,057</u>	<u>\$ 50,536,176</u>

<u>Enterprise</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 3,303,437	\$ 943,210	\$ 4,246,647
2013	3,250,297	840,713	4,091,010
2014	3,231,285	739,778	3,971,063
2015	2,420,141	633,692	3,053,833
2016	2,197,825	541,481	2,739,306
2017-2021	7,314,666	704,660	8,019,326
2022-2026	3,228,544	703,528	3,932,072
2025-2031	1,655,279	143,358	1,798,637
Total	<u>\$ 26,601,474</u>	<u>\$ 5,250,420</u>	<u>\$ 31,851,894</u>

D. Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2011 are as follows:

<u>Purpose</u>	<u>Amount</u>
Open Space	\$ 3,800,000
Penacook Village TIF	285,000
BMGC Irrigation	80,000
HVAC Improvements at Hutchins WTP	150,000
Water Storage Tank Repairs - Auburn Street	25,000
Roof	145,000
Penacook Plant	117,672
SCADA	290,000
Arena Bidding piping and Floor Replacement	475,000
Total	<u>\$ 5,367,672</u>

E. Prior Year's Debt Defeasance

Prior Year

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. The proceeds from the new issuances of the general obligation bonds were used to purchase U.S. government securities, and those securities were deposited in irrevocable trusts with an escrow agent to provide debt service payments until the refunded bonds mature. For financial reporting purposes, the debt has been considered defeased, and therefore, removed as a liability from the City's balance sheet. As of June 30, 2011, the amount of defeased debt still outstanding on the fiscal year 2010 refunding is \$ 4,197,112.

F. Changes in General Long-Term Liabilities

During the year ended June 30, 2011, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 7/1/10	Additions	Reclassification	Reductions	Total Balance 6/30/11	Less Current Portion	Equals Long-Term Portion 6/30/11
<u>Governmental Activities</u>							
Bonds and loans payable	\$ 38,883	\$ 5,063	\$ 455	\$ (4,370)	\$ 40,031	\$ (4,525)	\$ 35,506
Other:							
Net OPEB obligation	2,625	3,088	-	(1,344)	4,369	-	4,369
Accrued employee benefits	1,891	167	-	(78)	1,980	(1,683)	297
Landfill closure	450	-	-	(30)	420	(30)	390
Subtotal	<u>4,966</u>	<u>3,255</u>	<u>-</u>	<u>(1,452)</u>	<u>6,769</u>	<u>(1,713)</u>	<u>5,056</u>
Totals	<u>\$ 43,849</u>	<u>\$ 8,318</u>	<u>\$ 455</u>	<u>\$ (5,822)</u>	<u>\$ 46,800</u>	<u>\$ (6,238)</u>	<u>\$ 40,562</u>

	Total Balance 7/1/10	Additions	Reclassification	Reductions	Total Balance 6/30/11	Less Current Portion	Equals Long-Term Portion 6/30/11
<u>Business-Type Activities</u>							
Bonds and loans payable	\$ 27,547	\$ 2,545	\$ (455)	\$ (3,036)	\$ 26,601	\$ (3,303)	\$ 23,298
Other:							
Net OPEB obligation	292	343	-	(149)	486	-	486
Accrued employee benefits	197	1	-	(5)	193	(193) ^(A)	-
Subtotal	<u>489</u>	<u>344</u>	<u>-</u>	<u>(154)</u>	<u>679</u>	<u>(193)</u>	<u>486</u>
Totals	<u>\$ 28,036</u>	<u>\$ 2,889</u>	<u>\$ (455)</u>	<u>\$ (3,190)</u>	<u>\$ 27,280</u>	<u>\$ (3,496)</u>	<u>\$ 23,784</u>

^(A) The City estimates that all of this liability is current.

13. Landfill Closure 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 \$ 420,000 as the estimate of the remaining postclosure care liability at June 30, 2011 in the Governmental Activities Statement of Net Assets. Actual costs may differ due to inflation, changes in technology, or changes in regulations.

14. Restricted Net Assets

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

15. Commitments and Contingencies

Outstanding Legal Issues - There are several pending legal issues in which the City is involved. The City's management is of the opinion that the potential future settlement of such claims 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.

16. Post-Employment Healthcare and Life Insurance Benefits

The City provides certain healthcare 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.

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.

As of June 30, 2011, there were 262 retiree Subscribers, including eligible spouses, receiving healthcare benefits through the City. The City recognizes the cost of providing these benefits as paid.

During the year, the City implemented GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Statement 45 requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the Statement of Activities when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Assets over time.

A. Plan Description

In addition to providing the pension benefits described, the City provides post-employment healthcare and life insurance benefits for retired employees through the City's single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by RSA 100-A:50. As of June 30, 2011, the actuarial valuation date, approximately 262 retirees and 355 active employees meet the eligibility requirements. The plan does not issue a separate financial report.

B. Benefits Provided

The City provides medical, prescription drug, mental health/substance abuse and life insurance to retirees and their covered dependents. All active employees who retire from the City and meet the eligibility criteria will receive these benefits.

C. Funding Policy

Retirees contribute 17% of the cost of the health plan, as determined by the City. The City contributes the remainder of the health plan costs on a pay-as-you-go basis.

D. Annual OPEB Costs and Net OPEB Obligation

The City's fiscal 2011 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No.

45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the City's annual OPEB cost for the year ending June 30, 2011, the amount actually contributed to the plan, and the change in the City's net OPEB obligation based on an actuarial valuation as of June 30, 2011.

Annual Required Contribution (ARC)	\$ 3,478,915
Interest on net OPEB obligation	131,257
Amortization Adjustment	<u>(179,069)</u>
Annual OPEB cost	3,431,103
Contributions made	<u>(1,493,387)</u>
Increase in net OPEB obligation	1,937,716
Net OPEB obligation - beginning of year	<u>2,916,832</u>
Net OPEB obligation - end of year	<u>\$ 4,854,548</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

<u>Fiscal year ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011	\$ 3,431,103	43.5%	\$ 4,854,548
2010	\$ 2,748,222	48.6%	\$ 2,916,832
2009	\$ 2,596,459	42.0%	\$ 1,505,193

The City's net OPEB obligation as of June 30, 2011 is recorded as a component of the "other long-term liabilities" line item.

E. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2010, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 44,584,170
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 44,584,170</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0%</u>
Covered payroll (active plan members)	<u>\$ 22,177,479</u>
UAAL as a percentage of covered payroll	<u>201.0%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

F. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan as understood by the City and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2011 actuarial valuation, the projected unit credit cost method was used. The actuarial value of assets was not determined as the City has not advanced funded its obligation. The actuarial assumptions included a 4.5% investment rate of return and an initial annual healthcare cost trend rate of 11% which decreases to a 4.5% long-term rate for all healthcare benefits after twelve years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis.

17. Retirement System

The City follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, (as amended by GASB 50) with respect to the employees' retirement funds.

A. Plan Description

Full-time employees participate in the State of New Hampshire Retirement System (the System), a cost-sharing multiple-employer contributory pension plan and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to

members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State of New Hampshire are eligible and required to participate in the System. Full-time employees of political subdivisions, including counties, municipalities and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to *Group I*. Police officers and firefighters belong to *Group II*. All assets are held in a single trust and are available to each group, funding policies, vesting requirements, contribution requirements and plan assets available to pay benefits are disclosed in the System's annual report available from the New Hampshire Retirement System located at 54 Regional Drive, Concord, New Hampshire 03301-8507.

B. Funding Policy

Plan members are required to contribute 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, which range from 5.85% to 18.52% of covered compensation. The City's contributions to the System for the years ended June 30, 2011, 2010, and 2009 were \$ 3,214,716, \$ 2,968,409, and \$ 2,773,021, respectively, which were equal to its annual required contributions for each of these years.

The payroll for employees covered by the System for the year ended June 30, 2011, was \$ 27,033,359. Contribution requirements for the year ended June 30, 2011, were as follows:

State of New Hampshire (on behalf of employee)	\$ 651,367
Employees' contributions	1,782,825
City contributions	<u>3,214,716</u>
Total	<u>\$ 5,648,908</u>

18. Risk Management

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The government participates in a risk pool for workers' compensation for which it does not retain any risk of loss. There were no significant reductions in

insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

19. Beginning Fund Balance Reclassification

The Concord’s governmental funds for fiscal year 2011, as defined by GASB Statement 54, have changed from the previous fiscal year. Accordingly, the following reconciliation is provided:

	Fund Equity 6/30/10 (as previously <u>reported</u>)	<u>Reclassification</u>	Fund Equity 6/30/10 (as restated)
General Fund	\$ 7,992,313	\$ 2,164,918	\$ 10,157,231
Nonmajor Funds	<u>23,525,144</u>	<u>(2,164,918)</u>	<u>21,360,226</u>
Total	<u>\$ 31,517,457</u>	<u>\$ -</u>	<u>\$ 31,517,457</u>

20. Beginning Fund Balance Net Assets Restatement

The beginning (July 1, 2010) fund balances of the City have been restated as follows:

Government-wide Financial Statements:

	Governmental Activities	Business-Type Activities				Total
		Water Fund	Sewer Fund	Solid Waste Fund	Nonmajor Enterprise Funds	
As previously reported	\$ 96,359,634	\$ 55,868,074	\$ 51,445,515	\$ 1,645,346	\$ 1,182,488	\$ 110,141,423
Reclass of prior year bond proceeds	<u>(490,000)</u>	<u>490,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>490,000</u>
As restated	<u>\$ 95,869,634</u>	<u>\$ 56,358,074</u>	<u>\$ 51,445,515</u>	<u>\$ 1,645,346</u>	<u>\$ 1,182,488</u>	<u>\$ 110,631,423</u>

21. Tax Increment Districts

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

Revenues:		
Tax increment district	\$ 6,561,407	
Investment interest	141,351	
Other	<u>85,000</u>	\$ 6,787,758
Expenditures:		
Principal	3,669,000	
Interest on debt	1,726,932	
Outside services	<u>569,830</u>	5,965,762
Excess (deficiency) of revenue		<u>821,996</u>
Fund Balance Reserved for Debt Service		\$ <u><u>821,996</u></u>
Long-Term Debt Payable:		
Principal	\$ (1,570,000)	
Interest	<u>(128,562)</u>	\$ (1,698,562)
Available fund balance		<u>821,996</u>
Deficit to be Raised by Tax Increment District		\$ <u><u>(876,566)</u></u>
Assessment Information:		
Base Value		\$ <u><u>4,043,600</u></u>
Captured Value*		\$ <u><u>44,454,000</u></u>
* = As of April 1, 2010		

The following represents the Sears Block Tax Increment Financing District's life-to-date financial report. This District is reported as a debt service fund of the City.

Revenues:		
Tax increment district	\$ 987,918	
Interest on proceeds from sale of bonds	24,872	
Investment interest	<u>57,792</u>	\$ 1,070,582
Expenditures:		
Principal	450,000	
Interest on debt	<u>462,024</u>	<u>912,024</u>
Excess (deficiency) of revenue		<u>158,558</u>
Fund Balance Reserved for Debt Service		\$ <u>158,558</u>
Long-Term Debt Payable:		
Principal	\$ (8,560,000)	
Interest	<u>(2,940,832)</u>	\$ (11,500,832)
Available fund balance		<u>158,558</u>
Deficit to be Raised by Tax Increment District		\$ <u>(11,342,274)</u>
Assessment Information:		
Base Value		\$ <u>735,500</u>
Captured Value*		\$ <u>11,790,800</u>

* = As of April 1, 2010

The following represents the Penacook Village Tax Increment Financing District's life-to-date financial report. This District is reported as a debt service fund of the City.

Revenues:		
Investment interest		\$ 467
Expenditures:		
Principal	-	
Interest on debt	-	
Outside services	-	
	<u> </u>	
Excess (deficiency) of revenue		<u>467</u>
Fund Balance Reserved for Debt Service		<u>\$ 467</u>
Long-Term Debt Payable:		
Principal	\$ <u> </u>	
Interest	<u> </u>	\$ -
Available fund balance		<u>467</u>
Deficit to be Raised by Tax Increment District		<u>\$ 467</u>
Assessment Information:		
Base Value		<u>\$ -</u>
Captured Value*		<u>\$ -</u>
* = As of April 1, 2010		

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**CITY OF CONCORD, NEW HAMPSHIRE
SCHEDULE OF FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION**

**June 30, 2011
(Unaudited)**

Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent- age of Covered Payroll [(b-a)/c]
06/30/11	\$ -	\$ 44,584,170	\$ 44,584,170	0.0%	\$ 22,177,479	201.0%
06/30/10	\$ -	\$ 34,026,431	\$ 34,026,431	0.0%	\$ 21,944,145	155.1%
06/30/09	\$ -	\$ 32,230,706	\$ 32,230,706	0.0%	\$ 21,304,995	151.3%

See Independent Auditors' Report.

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Combining Financial Statements

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for resources obtained and expended for specified purposes and restricted by law or local action.

Special Revenue Funds are established for the following purposes:

- 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.
- Community Development Engineering Inspection Fund - to account for funds related to providing inspection services funded by developers and contractors for their projects.
- Community Development Conservation Property Management Fund - to account for funds related to operating and managing conservation property purchased by conservation funds including land use change taxes, conservation bonds, and other sources designated for a similar purpose.
- 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.
- Durgin Garage - to account for monies received by the City to fund capital improvements on the Durgin Garage.
- Nelson - to account for monies left to the Concord Public Library for capital improvement or land acquisition.

- Forest and 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.
- Mountain Green - to account for assessment revenues designated for the repair, maintenance, and replacement of the sanitary sewer system.
- Downtown Economic Development - to account for funds transferred from the Community Development Fund for downtown economic development.
- SVMS Project - to account for funds for the purpose of managing the soil vapor management system located at the Old Suncook Road Landfill.

CAPITAL PROJECT FUNDS

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities or equipment other than those employed in the delivery of services accounted for in Enterprise Funds.

The current funds were established for the following purposes:

- Other Capital Project Funds - Pre-2003 - to account for various other smaller construction projects and MIS upgrade funded by various sources prior to 6/30/02.
- Other Capital Project Funds - Post-2002 - to account for various other smaller construction projects funded by various sources after 6/30/02.
- Other Capital Project Funds - Post 2008 - to account for various other smaller construction projects funded by various sources after 6/30/08.
- Fire Facility Renovations - to account for the construction and renovation of the City's Fire Department Facility.
- Open Space Protection Fund - to account for annually planned acquisitions of open space and conservation easements in accordance with the priorities of the Master Plan and Vision 2020.
- Capital Commons Garage Fund - to account for the construction of a new parking garage subsequent to the demolition of the former Sears building.
- Route 3 Corridor Fund - to account for the design and construction of roadway improvements in an effort to address existing and future traffic congestion, access and mobility along the Route 3 corridor.
- Manchester Street Fund - to account for the design and construction of roadway improvements in an effort to address existing and future traffic congestion, access and mobility along Manchester Street.
- North End Opportunity Corridor (NEOC) Capital Fund - to account for the construction and redevelopment within the district, including but not limited to public infrastructure improvements to serve new development.
- Penacook Village Capital Fund - to account for the design and construction of a variety of public improvements within the district, including but not limited to roadway reconstruction, sidewalk construction, streetscape amenities, and utility reconstruction and replacement.

PERMANENT FUNDS

Permanent Funds are established to account for certain assets held by the City in a fiduciary capacity as trustee. The following is a description of City Permanent 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.
- Dedicated Income - to account for nonexpendable gifts received by the city to be used for the purchase of a new lot suitable for the library, the erection of the library building, and any other general library purposes thereof.
- Other - to account for all other nonexpendable gifts received by the city. Income is available for those activities designated by the appropriate trust instrument.

DEBT SERVICE FUND

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

The following is a description of the City's Debt Service Fund:

- 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.
- Sears Block Tax Increment Financing District (SBTIFD) - to account for funds collected in accordance with the tax increment financing plan dedicated for repayment of bonds issued for construction of the Capital commons Garage.
- Penacook Village Tax Increment Financing District (PVTIFD) - established in June 2010 to account for related revenues and debt service expenditures by this TIFD.

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CITY OF CONCORD, NEW HAMPSHIRE

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2011

	Special Revenue Funds			
	Community Development Fund	Housing Revolving Loan Fund	Community Development Engineering Inspection Fund	Community Development Conservation Property Management Fund
<u>ASSETS</u>				
Cash and cash equivalents	\$ 8,992	\$ 650,959	\$ 462,872	\$ 78,533
Investments	-	-	-	-
Accounts receivable	-	25,601	3,526	-
Loans receivable	-	741,605	-	-
Due from other funds	1,504	-	-	-
Other assets	-	-	35	-
Total Assets	<u>\$ 10,496</u>	<u>\$ 1,418,165</u>	<u>\$ 466,433</u>	<u>\$ 78,533</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 307	\$ 746	\$ 74	\$ 279
Retainage payable	-	-	-	-
Other liabilities	-	-	280,700	-
Deferred revenue	-	753,324	-	-
Due to other funds	11,104	192	60	-
Total Liabilities	11,411	754,262	280,834	279
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	663,903	-	-
Committed	-	-	185,599	78,254
Unassigned	(915)	-	-	-
Total Fund Balances	<u>(915)</u>	<u>663,903</u>	<u>185,599</u>	<u>78,254</u>
Total Liabilities and Fund Balances	<u>\$ 10,496</u>	<u>\$ 1,418,165</u>	<u>\$ 466,433</u>	<u>\$ 78,533</u>

Special Revenue Funds

<u>Parking Fund</u>	<u>Airport Fund</u>	<u>Impact Fee Fund</u>	<u>Miscellaneous Special Revenue Fund</u>
\$ 503,693	\$ 605,534	\$ 1,287,667	\$ -
-	-	-	-
28,184	6,575	-	85,284
-	-	-	-
-	-	817,739	244,217
<u>2,423</u>	<u>376</u>	<u>-</u>	<u>957</u>
<u>\$ 534,300</u>	<u>\$ 612,485</u>	<u>\$ 2,105,406</u>	<u>\$ 330,458</u>
\$ 12,357	\$ 3,288	\$ -	\$ 37,539
-	-	-	-
-	-	59,233	8,125
167,036	1,435	-	-
<u>4,551</u>	<u>119</u>	<u>857,739</u>	<u>15,037</u>
183,944	4,842	916,972	60,701
-	-	-	-
-	-	1,188,434	269,757
350,356	607,643	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>350,356</u>	<u>607,643</u>	<u>1,188,434</u>	<u>269,757</u>
<u>\$ 534,300</u>	<u>\$ 612,485</u>	<u>\$ 2,105,406</u>	<u>\$ 330,458</u>

(continued)

(continued)

Special Revenue Funds

	Durgin Garage Fund	Nelson Fund	Forest & Conservation Fund	Cemetery Fund	Library Fund
<u>ASSETS</u>					
Cash and cash equivalents	\$ 408,622	\$ 292	\$ 81,187	\$ 874	\$ -
Investments	-	-	1,023,611	104,171	283,076
Accounts receivable	-	-	-	-	-
Loans receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Other assets	-	-	-	-	-
Total Assets	<u>\$ 408,622</u>	<u>\$ 292</u>	<u>\$ 1,104,798</u>	<u>\$ 105,045</u>	<u>\$ 283,076</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	408,622	292	1,104,798	105,045	283,076
Unassigned	-	-	-	-	-
Total Fund Balances	<u>408,622</u>	<u>292</u>	<u>1,104,798</u>	<u>105,045</u>	<u>283,076</u>
Total Liabilities and Fund Balances	<u>\$ 408,622</u>	<u>\$ 292</u>	<u>\$ 1,104,798</u>	<u>\$ 105,045</u>	<u>\$ 283,076</u>

Special Revenue Funds

Mountain Green Fund	Downtown Economic Development Fund	SVMS Project Fund	Subtotal
\$ 410,368	\$ 11,043	\$ 49,957	\$ 4,560,593
-	-	-	1,410,858
-	-	-	149,170
-	-	-	741,605
-	-	-	1,063,460
-	-	-	3,791
<u>\$ 410,368</u>	<u>\$ 11,043</u>	<u>\$ 49,957</u>	<u>\$ 7,929,477</u>
\$ -	\$ -	\$ -	\$ 54,590
-	-	-	-
-	-	-	348,058
-	-	-	921,795
-	-	-	888,802
-	-	-	2,213,245
-	-	-	-
-	-	-	2,122,094
410,368	11,043	49,957	3,595,053
-	-	-	(915)
<u>410,368</u>	<u>11,043</u>	<u>49,957</u>	<u>5,716,232</u>
<u>\$ 410,368</u>	<u>\$ 11,043</u>	<u>\$ 49,957</u>	<u>\$ 7,929,477</u>

(continued)

(continued)

	Capital Project Funds					
	Other Capital Project Funds <u>Pre 2003</u>	Other Capital Project Funds <u>Post 2002</u>	Other Capital Project Funds <u>Post 2008</u>	Fire Facility Renovations	Open Space Protection Fund	Capital Commons Garage Fund
<u>ASSETS</u>						
Cash and cash equivalents	\$ 10,057	\$ 379,658	\$ 3,900,840	\$ 56,605	\$ 195,000	\$ 852
Investments	-	-	-	-	-	-
Accounts receivable	-	24,096	17,566	-	-	-
Loans receivable	-	-	-	-	-	-
Due from other funds	-	-	65	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	<u>\$ 10,057</u>	<u>\$ 403,754</u>	<u>\$ 3,918,471</u>	<u>\$ 56,605</u>	<u>\$ 195,000</u>	<u>\$ 852</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts payable	\$ -	\$ 6,407	\$ 69,015	\$ 4,786	\$ -	\$ -
Retainage payable	9,316	34,552	142,651	-	-	-
Other liabilities	-	-	54,228	-	-	-
Deferred revenue	-	-	-	-	-	-
Due to other funds	-	29,287	-	-	-	-
Total Liabilities	9,316	70,246	265,894	4,786	-	-
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	741	333,508	3,652,577	51,819	195,000	852
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>741</u>	<u>333,508</u>	<u>3,652,577</u>	<u>51,819</u>	<u>195,000</u>	<u>852</u>
Total Liabilities and Fund Balances	<u>\$ 10,057</u>	<u>\$ 403,754</u>	<u>\$ 3,918,471</u>	<u>\$ 56,605</u>	<u>\$ 195,000</u>	<u>\$ 852</u>

Capital Project Funds

Route 3 Corridor Fund	Manchester Street Fund	NEOC Capital Fund	Penacook Village Capital Fund	Subtotal
\$ 2,276,511	\$ 1,718,006	\$ 386,249	\$ 36,602	\$ 8,960,380
-	-	-	-	-
-	-	-	-	41,662
-	-	-	-	-
-	-	-	-	65
<u>51</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51</u>
<u>\$ 2,276,562</u>	<u>\$ 1,718,006</u>	<u>\$ 386,249</u>	<u>\$ 36,602</u>	<u>\$ 9,002,158</u>
\$ 106,361	\$ 63,431	\$ -	\$ 329	\$ 250,329
122,807	-	-	-	309,326
-	-	-	-	54,228
-	-	-	-	-
<u>20</u>	<u>13</u>	<u>-</u>	<u>60</u>	<u>29,380</u>
229,188	63,444	-	389	643,263
-	-	-	-	-
1,111,076	-	-	-	1,111,076
936,298	1,654,562	386,249	36,213	7,247,819
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,047,374</u>	<u>1,654,562</u>	<u>386,249</u>	<u>36,213</u>	<u>8,358,895</u>
<u>\$ 2,276,562</u>	<u>\$ 1,718,006</u>	<u>\$ 386,249</u>	<u>\$ 36,602</u>	<u>\$ 9,002,158</u>

(continued)

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Permanent Funds

	Cemetery Fund	Library Fund	Dedicated Income Fund	Other Fund	Subtotal
<u>ASSETS</u>					
Cash and cash equivalents	\$ 70,847	\$ -	\$ 24,056	\$ -	\$ 94,903
Investments	7,233,525	826,381	1,015,024	69,693	9,144,623
Accounts receivable	-	-	-	-	-
Loans receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Other assets	-	-	-	-	-
Total Assets	<u>\$ 7,304,372</u>	<u>\$ 826,381</u>	<u>\$ 1,039,080</u>	<u>\$ 69,693</u>	<u>\$ 9,239,526</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Fund Balances:					
Nonspendable	7,304,372	826,381	1,039,080	69,693	9,239,526
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>7,304,372</u>	<u>826,381</u>	<u>1,039,080</u>	<u>69,693</u>	<u>9,239,526</u>
Total Liabilities and Fund Balances	<u>\$ 7,304,372</u>	<u>\$ 826,381</u>	<u>\$ 1,039,080</u>	<u>\$ 69,693</u>	<u>\$ 9,239,526</u>

Debt Service Funds

NEOC Fund	SBTIFD Fund	PVTIFD Fund	Subtotal	Total Nonmajor Governmental Funds
\$ 821,996	\$ 158,558	\$ 11,951	\$ 992,505	\$ 14,608,381
-	-	-	-	10,555,481
-	-	-	-	190,832
-	-	-	-	741,605
-	-	50	50	1,063,575
-	-	-	-	3,842
<u>\$ 821,996</u>	<u>\$ 158,558</u>	<u>\$ 12,001</u>	<u>\$ 992,555</u>	<u>\$ 27,163,716</u>
\$ -	\$ -	\$ -	\$ -	\$ 304,919
-	-	11,534	11,534	320,860
-	-	-	-	402,286
-	-	-	-	921,795
-	-	-	-	918,182
-	-	11,534	11,534	2,868,042
-	-	-	-	9,239,526
821,996	158,558	467	981,021	4,214,191
-	-	-	-	10,842,872
-	-	-	-	(915)
<u>821,996</u>	<u>158,558</u>	<u>467</u>	<u>981,021</u>	<u>24,295,674</u>
<u>\$ 821,996</u>	<u>\$ 158,558</u>	<u>\$ 12,001</u>	<u>\$ 992,555</u>	<u>\$ 27,163,716</u>

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2011

	Special Revenue Funds			
	Community Development Fund	Housing Revolving Loan Fund	Community Development Engineering Inspection Fund	Community Development Conservation Property Management Fund
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	693,622	-	-	-
Charges for services	-	136,904	66,578	50,553
Investment income	-	1,429	984	-
Contributions	-	-	-	-
Miscellaneous:				
Departmental	-	-	93,797	-
Interest and penalties	-	-	-	-
Total Revenues	693,622	138,333	161,359	50,553
Expenditures:				
Current:				
General government	178,315	30,514	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	200,042	19,620
Leisure and information services	-	-	-	-
Miscellaneous	-	-	-	-
Debt service:				
Principal	-	-	-	59,200
Interest	-	-	-	38,733
Capital outlay	427,500	-	-	-
Total Expenditures	605,815	30,514	200,042	117,553
Excess (deficiency) of revenues over expenditures	87,807	107,819	(38,683)	(67,000)
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Transfers in	-	-	-	97,930
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	97,930
Net change in fund balance	87,807	107,819	(38,683)	30,930
Fund Balance, beginning, restated	(88,722)	556,084	224,282	47,324
Fund Balance, ending	<u>\$ (915)</u>	<u>\$ 663,903</u>	<u>\$ 185,599</u>	<u>\$ 78,254</u>

Special Revenue Funds

<u>Parking Fund</u>	<u>Airport Fund</u>	<u>Impact Fee Fund</u>	<u>Miscellaneous Special Revenue Fund</u>
\$ -	\$ -	\$ -	\$ -
-	1,435	-	278,459
799,417	360,477	220,992	2,432
1,085	1,410	4,126	-
10,500	-	-	81,262
370,430	-	-	20,072
<u>325,705</u>	<u>-</u>	<u>-</u>	<u>401</u>
1,507,137	363,322	225,118	382,626
-	-	-	318,283
669,313	-	-	-
206,325	280,537	-	-
-	-	-	23,398
-	-	-	1,075
-	-	-	-
378,900	9,400	-	-
286,800	1,930	-	-
<u>41,847</u>	<u>-</u>	<u>-</u>	<u>164,378</u>
<u>1,583,185</u>	<u>291,867</u>	<u>-</u>	<u>507,134</u>
(76,048)	71,455	225,118	(124,508)
-	-	-	-
2,744	-	283,232	-
<u>(199,750)</u>	<u>(24,734)</u>	<u>(513,815)</u>	<u>-</u>
<u>(197,006)</u>	<u>(24,734)</u>	<u>(230,583)</u>	<u>-</u>
(273,054)	46,721	(5,465)	(124,508)
<u>623,410</u>	<u>560,922</u>	<u>1,193,899</u>	<u>394,265</u>
<u>\$ 350,356</u>	<u>\$ 607,643</u>	<u>\$ 1,188,434</u>	<u>\$ 269,757</u>

(continued)

(continued)

Special Revenue Funds

	Durgin Garage Fund	Nelson Fund	Forest & Conservation Fund	Cemetery Fund	Library Fund
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	496	-	228,040	10,821	65,566
Contributions	-	-	162,500	874	20,365
Miscellaneous:					
Departmental	-	-	-	-	-
Interest and penalties	-	-	-	-	-
Total Revenues	<u>496</u>	<u>-</u>	<u>390,540</u>	<u>11,695</u>	<u>85,931</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
General services	-	-	-	-	-
Community development	-	-	-	-	-
Leisure and information services	-	-	-	-	-
Miscellaneous	-	10	4,136	101	950
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>10</u>	<u>4,136</u>	<u>101</u>	<u>950</u>
Excess (deficiency) of revenues over expenditures	496	(10)	386,404	11,594	84,981
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Transfers in	10,500	-	9,657	-	-
Transfers out	<u>(2,744)</u>	<u>-</u>	<u>(509,952)</u>	<u>-</u>	<u>(8,744)</u>
Total Other Financing Sources (Uses)	<u>7,756</u>	<u>-</u>	<u>(500,295)</u>	<u>-</u>	<u>(8,744)</u>
Net change in fund balance	8,252	(10)	(113,891)	11,594	76,237
Fund Balance, beginning, restated	<u>400,370</u>	<u>302</u>	<u>1,218,689</u>	<u>93,451</u>	<u>206,839</u>
Fund Balance, ending	<u>\$ 408,622</u>	<u>\$ 292</u>	<u>\$ 1,104,798</u>	<u>\$ 105,045</u>	<u>\$ 283,076</u>

Special Revenue Funds

Mountain Green Fund	Downtown Economic Development Fund	SVMS Project Fund	<u>Subtotal</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	973,516
-	-	-	1,637,353
477	14	71	314,519
26,460	-	-	301,961
-	-	-	484,299
-	-	-	326,106
<hr/>	<hr/>	<hr/>	<hr/>
26,937	14	71	4,037,754
-	-	-	527,112
-	-	-	669,313
-	-	-	486,862
-	-	-	243,060
-	-	-	1,075
-	-	-	5,197
-	-	-	447,500
-	-	-	327,463
<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	633,725
<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	3,341,307
26,937	14	71	696,447
-	-	-	-
-	-	5,838	409,901
<hr/>	<hr/>	<hr/>	<hr/>
-	-	(15,888)	(1,275,627)
<hr/>	<hr/>	<hr/>	<hr/>
-	-	(10,050)	(865,726)
26,937	14	(9,979)	(169,279)
<hr/>	<hr/>	<hr/>	<hr/>
383,431	11,029	59,936	5,885,511
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\$ 410,368	\$ 11,043	\$ 49,957	\$ 5,716,232

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Capital Project Funds

	Other Capital Project Funds Pre 2003	Other Capital Project Funds Post 2002	Other Capital Project Funds Post 2008	Fire Facility Renovations	Open Space Protection Fund	Capital Commons Garage Fund
Revenues:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	750,810	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	-	-	135,000	-	-	4
Contributions	-	720	80,000	-	-	-
Miscellaneous:						
Departmental	-	-	318,960	-	-	-
Interest and penalties	-	-	-	-	-	-
Total Revenues	-	720	1,284,770	-	-	4
Expenditures:						
Current:						
General government	-	18,900	500,739	1,213	-	-
Public safety	-	-	-	-	-	-
General services	-	430	-	-	-	-
Community development	-	-	-	-	-	-
Leisure and information services	-	-	-	-	-	-
Miscellaneous	638	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	16	69,259	3,837,975	61,318	216,998	-
Total Expenditures	654	88,589	4,338,714	62,531	216,998	-
Excess (deficiency) of revenues over expenditures	(654)	(87,869)	(3,053,944)	(62,531)	(216,998)	4
Other Financing Sources (Uses):						
Issuance of bonds	-	-	2,380,000	-	-	-
Transfers in	-	3,418	2,085,730	10,000	522,022	-
Transfers out	(437,917)	(458,244)	(43,886)	-	-	-
Total Other Financing Sources (Uses)	(437,917)	(454,826)	4,421,844	10,000	522,022	-
Net change in fund balance	(438,571)	(542,695)	1,367,900	(52,531)	305,024	4
Fund Balance, beginning, restated	439,312	876,203	2,284,677	104,350	(110,024)	848
Fund Balance, ending	\$ 741	\$ 333,508	\$ 3,652,577	\$ 51,819	\$ 195,000	\$ 852

Capital Project Funds

Route 3 Corridor Fund	Manchester Street Fund	NEOC Capital Fund	Penacook Village Capital Fund	Subtotal
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	750,810
88,000	-	-	-	223,004
-	-	-	-	80,720
2,300	-	-	4,000	325,260
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
90,300	-	-	4,000	1,379,794
264,030	683	-	-	785,565
-	-	-	-	-
-	-	-	-	430
-	-	-	-	-
-	-	-	-	638
-	-	-	-	-
<u>1,307,897</u>	<u>230,690</u>	<u>-</u>	<u>382,867</u>	<u>6,107,020</u>
1,571,927	231,373	-	382,867	6,893,653
(1,481,627)	(231,373)	-	(378,867)	(5,513,859)
2,683,000	-	-	-	5,063,000
6,588	-	386,249	415,080	3,429,087
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(940,047)</u>
<u>2,689,588</u>	<u>-</u>	<u>386,249</u>	<u>415,080</u>	<u>7,552,040</u>
1,207,961	(231,373)	386,249	36,213	2,038,181
<u>839,413</u>	<u>1,885,935</u>	<u>-</u>	<u>-</u>	<u>6,320,714</u>
<u>\$ 2,047,374</u>	<u>\$ 1,654,562</u>	<u>\$ 386,249</u>	<u>\$ 36,213</u>	<u>\$ 8,358,895</u>

(continued)

Permanent Funds

	Cemetery Fund	Library Fund	Dedicated Income Fund	Other Fund	Subtotal
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	1,302,827	164,127	75,269	11,071	1,553,294
Contributions	39,593	-	144,668	-	184,261
Miscellaneous:					
Departmental	-	-	-	-	-
Interest and penalties	-	-	-	-	-
Total Revenues	<u>1,342,420</u>	<u>164,127</u>	<u>219,937</u>	<u>11,071</u>	<u>1,737,555</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
General services	-	-	-	-	-
Community development	-	-	-	-	-
Leisure and information services	-	-	-	-	-
Miscellaneous	31,922	2,862	3,622	144	38,550
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>31,922</u>	<u>2,862</u>	<u>3,622</u>	<u>144</u>	<u>38,550</u>
Excess (deficiency) of revenues over expenditures	1,310,498	161,265	216,315	10,927	1,699,005
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	<u>(173,405)</u>	<u>(15,858)</u>	<u>(176,000)</u>	<u>(117)</u>	<u>(365,380)</u>
Total Other Financing Sources (Uses)	<u>(173,405)</u>	<u>(15,858)</u>	<u>(176,000)</u>	<u>(117)</u>	<u>(365,380)</u>
Net change in fund balance	1,137,093	145,407	40,315	10,810	1,333,625
Fund Balance, beginning, restated	<u>6,167,279</u>	<u>680,974</u>	<u>998,765</u>	<u>58,883</u>	<u>7,905,901</u>
Fund Balance, ending	<u>\$ 7,304,372</u>	<u>\$ 826,381</u>	<u>\$ 1,039,080</u>	<u>\$ 69,693</u>	<u>\$ 9,239,526</u>

(continued)

Debt Service Funds

NEOC Fund	SBTIFD Fund	PVTIFD Fund	Subtotal	Total Nonmajor Governmental Funds
\$ 490,265	\$ 273,075	\$ -	\$ 763,340	\$ 763,340
-	-	-	-	1,724,326
-	-	-	-	1,637,353
2,318	287	467	3,072	2,093,889
-	-	-	-	566,942
85,000	-	-	85,000	894,559
-	-	-	-	326,106
<u>577,583</u>	<u>273,362</u>	<u>467</u>	<u>851,412</u>	<u>8,006,515</u>
-	-	-	-	1,312,677
-	-	-	-	669,313
-	-	-	-	487,292
-	-	-	-	243,060
-	-	-	-	1,075
-	-	-	-	44,385
369,000	120,000	-	489,000	936,500
58,182	114,446	-	172,628	500,091
-	-	(116,207)	(116,207)	6,624,538
<u>427,182</u>	<u>234,446</u>	<u>(116,207)</u>	<u>545,421</u>	<u>10,818,931</u>
150,401	38,916	116,674	305,991	(2,812,416)
-	-	-	-	5,063,000
-	-	-	-	3,838,988 (A)
<u>(157,990)</u>	<u>-</u>	<u>(415,080)</u>	<u>(573,070)</u>	<u>(3,154,124) (A)</u>
<u>(157,990)</u>	<u>-</u>	<u>(415,080)</u>	<u>(573,070)</u>	<u>5,747,864</u>
(7,589)	38,916	(298,406)	(267,079)	2,935,448
<u>829,585</u>	<u>119,642</u>	<u>298,873</u>	<u>1,248,100</u>	<u>21,360,226</u>
<u>\$ 821,996</u>	<u>\$ 158,558</u>	<u>\$ 467</u>	<u>\$ 981,021</u>	<u>\$ 24,295,674</u>

(A) Transfers between nonmajor governmental funds have been netted down on Page 32.

**Detail and Combining Budget
and Actual Schedules**

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.

Special Revenue Fund

The Parking and Airport Special Revenue Funds have annually adopted budgets.

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, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>Taxes</u>				
Property taxes - current	\$ 30,627,350	\$ 30,700,933	\$ 30,700,933	\$ -
Timber tax yield	5,000	5,000	24,146	19,146
Excavation activity tax	100	100	964	864
Motor vehicle registrations	4,900,000	4,900,000	5,023,729	123,729
Rooms and meals	1,880,000	1,880,277	1,880,277	-
Payment in lieu of taxes	557,264	557,262	610,130	52,868
Other taxes	6,170	6,170	29,254	23,084
	<hr/>	<hr/>	<hr/>	
Total Taxes	37,975,884	38,049,742	38,269,433	219,691
<u>Licenses and Permits</u>				
Engineering	2,665	2,665	7,765	5,100
City clerk records	31,300	31,300	29,169	(2,131)
Health services	111,700	111,700	129,410	17,710
Police/protection/amusement	59,200	59,200	77,736	18,536
Code enforcement/building permits	813,500	813,500	868,311	54,811
General service permits	6,000	6,000	-	(6,000)
	<hr/>	<hr/>	<hr/>	
Total Licenses and Permits	1,024,365	1,024,365	1,112,391	88,026
<u>Intergovernmental</u>				
Railroad tax	1,000	2,658	2,791	133
Forest loss reimbursement	1,000	900	832	(68)
Fire service aid	125,000	125,000	125,000	-
Highway block grant	866,210	866,213	867,020	807
Election Reimbursement	120,960	120,960	123,791	2,831
Other federal	-	-	50,061	50,061
	<hr/>	<hr/>	<hr/>	
Total Intergovernmental	1,114,170	1,115,731	1,169,495	53,764
<u>Charges For Services</u>				
Finance	158,500	158,500	158,217	(283)
Legal	445,901	445,901	493,281	47,380
City clerk	41,000	41,000	39,080	(1,920)
Public safety	1,769,720	1,769,720	1,862,622	92,902
General services	294,080	294,080	340,369	46,289
Community development	178,490	178,490	193,138	14,648
Human services	34,000	34,000	30,864	(3,136)

(continued)

(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
Library	10,000	10,000	9,254	(746)
Recreation	189,100	189,100	169,287	(19,813)
Tower lease/ fire hdqtrts	23,710	23,710	23,592	(118)
Cable franchise fee	670,000	670,000	699,477	29,477
School district lease	193,000	193,000	220,606	27,606
Community Center rental	20,360	20,360	20,948	588
Memorial field rental	13,550	13,550	4,792	(8,758)
Code prosecution	38,000	38,000	24,355	(13,645)
Restitution	16,000	16,000	6,018	(9,982)
Parking fines - non meters	155,000	155,000	127,629	(27,371)
False alarm penalties	51,000	51,000	35,097	(15,903)
Overdue book fines	45,000	45,000	36,243	(8,757)
Concessions/sponsors	260	260	393	133
Total Charges For Services	4,346,671	4,346,671	4,495,262	148,591
<u>Investment Income</u>				
Earnings on investments	147,500	72,080	70,580	(1,500)
Total Investment Income	147,500	72,080	70,580	(1,500)
<u>Miscellaneous</u>				
Miscellaneous revenue not anticipated	99,650	99,650	15,733	(83,917)
Donations	4,000	8,302	16,726	8,424
Other share of capital debt	45,337	45,337	45,337	-
Sale of city property	30,000	30,000	18,080	(11,920)
MV transportation surcharge	172,000	172,000	167,459	(4,541)
Advertising	3,500	3,500	5,500	2,000
Interest, costs, and penalties	700,000	700,000	921,281	221,281
Total Miscellaneous	1,054,487	1,058,789	1,190,116	131,327
<u>Other Financing Sources</u>				
Transfers in	1,629,938	1,654,533	1,626,684	(27,849)
Budgetary use of fund balance	-	1,030,000	1,030,000	-
Total Other Financing Sources	1,629,938	2,684,533	2,656,684	(27,849)
Total Revenues and Other Financing Sources	\$ 47,293,015	\$ 48,351,911	\$ 48,963,961	\$ 612,050

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, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	Variance Positive (Negative)
<u>General Government</u>				
City Manager	\$ 1,015,308	\$ 1,046,989	\$ 1,036,604	\$ 10,385
Legal services	961,799	961,799	931,537	30,262
Assessor	595,740	595,740	567,062	28,678
Human resources	347,650	350,650	346,293	4,357
Finance	2,275,935	2,154,306	1,727,747	426,559
Information technology	607,715	607,715	520,296	87,419
City Council	28,790	28,790	25,512	3,278
City Clerk	<u>321,590</u>	<u>328,790</u>	<u>326,386</u>	<u>2,404</u>
Total General Government	6,154,527	6,074,779	5,481,437	593,342
<u>Public Safety</u>				
Police	9,561,010	9,575,240	9,495,146	80,094
Fire	<u>10,899,920</u>	<u>10,949,920</u>	<u>10,963,685</u>	<u>(13,765)</u>
Total Public Safety	20,460,930	20,525,160	20,458,831	66,329
<u>General Services</u>				
Total General Services	<u>7,607,225</u>	<u>7,608,488</u>	<u>7,240,648</u>	<u>367,840</u>
<u>Community Development</u>				
Total Community Development	<u>2,868,638</u>	<u>2,869,346</u>	<u>2,639,369</u>	<u>229,977</u>
<u>Leisure and Information Services</u>				
Library	1,485,082	1,485,082	1,453,379	31,703
Recreation and parks	<u>556,815</u>	<u>576,618</u>	<u>580,304</u>	<u>(3,686)</u>
Total Leisure and Information Services	2,041,897	2,061,700	2,033,683	28,017
<u>Human Services</u>				
Total Human Services	<u>772,205</u>	<u>772,205</u>	<u>752,415</u>	<u>19,790</u>

(continued)

(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>Employee Benefits</u>				
Employee benefits	<u>680,000</u>	<u>685,100</u>	<u>716,179</u>	<u>(31,079)</u>
Total Employee Benefits	680,000	685,100	716,179	(31,079)
<u>Debt Service</u>				
Principal	3,412,770	3,412,770	3,346,234	66,536
Interest	<u>1,087,230</u>	<u>1,087,230</u>	<u>1,015,925</u>	<u>71,305</u>
Total Debt Service	4,500,000	4,500,000	4,362,159	137,841
<u>Other Financing Uses</u>				
Transfers out	<u>2,207,593</u>	<u>3,255,133</u>	<u>3,262,017</u>	<u>(6,884)</u>
Total Other Financing Uses	<u>2,207,593</u>	<u>3,255,133</u>	<u>3,262,017</u>	<u>(6,884)</u>
Total Expenditures and Other Financing Uses	<u>\$ 47,293,015</u>	<u>\$ 48,351,911</u>	<u>\$ 46,946,738</u>	<u>\$ 1,405,173</u>

CITY OF CONCORD, NEW HAMPSHIRE

Schedule of Revenues, Expenditures, and
Other Financing Sources and Uses - Budget and Actual

Annually Budgeted Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2011

	Parking		Variance Positive (Negative)
	Budget	Actual (Budgetary Basis)	
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services:			
Parking - meters	739,610	695,269	(44,341)
Prepaid parking	126,500	104,148	(22,352)
Fuel flow fees	-	-	-
Rentals	-	-	-
Total Charges for Services	866,110	799,417	(66,693)
Investment income	1,000	1,083	83
Miscellaneous:			
Meter parking penalties	310,750	325,705	14,955
Rentals	367,984	368,048	64
Miscellaneous	11,000	12,882	1,882
Total Miscellaneous	689,734	706,635	16,901
Total Revenues	1,556,844	1,507,135	(49,709)
Expenditures:			
Public Safety:			
Compensation	382,490	359,627	22,863
Outside services	176,520	165,585	10,935
Fringe benefits	182,870	173,801	9,069
Supplies	37,860	23,046	14,814
Insurance	23,850	21,355	2,495
Taxes	44,974	59,930	(14,956)
Capital outlay	33,500	41,847	(8,347)
General Services:			
Compensation	-	-	-
Outside services	-	-	-
Fringe benefits	-	-	-
Supplies	-	-	-
Utilities	76,080	67,337	8,743
Insurance	-	-	-
Taxes	-	-	-
Debt service	665,788	665,700	88
Total Expenditures	1,623,932	1,578,228	45,704
Other Financing Sources (Uses):			
Transfer in	2,744	2,744	-
Transfer out	(199,750)	(199,750)	-
Total Other Financing Sources (Uses)	(197,006)	(197,006)	-
Excess of revenues and other financing sources over expenditures and other financing uses	\$ (264,094)	\$ (268,099)	\$ (4,005)

Airport			Total		
Budget	Actual (Budgetary Basis)	Variance Positive (Negative)	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
\$ 1,800	\$ 1,435	\$ (365)	\$ 1,800	\$ 1,435	\$ (365)
-	-	-	739,610	695,269	(44,341)
-	-	-	126,500	104,148	(22,352)
11,840	9,671	(2,169)	11,840	9,671	(2,169)
<u>350,330</u>	<u>350,338</u>	<u>8</u>	<u>350,330</u>	<u>350,338</u>	<u>8</u>
362,170	360,009	(2,161)	1,228,280	1,159,426	(68,854)
2,140	1,409	(731)	3,140	2,492	(648)
-	-	-	310,750	325,705	14,955
-	-	-	367,984	368,048	64
-	469	469	11,000	13,351	2,351
-	469	469	689,734	707,104	17,370
<u>366,110</u>	<u>363,322</u>	<u>(2,788)</u>	<u>1,922,954</u>	<u>1,870,457</u>	<u>(52,497)</u>
-	-	-	382,490	359,627	22,863
-	-	-	176,520	165,585	10,935
-	-	-	182,870	173,801	9,069
-	-	-	37,860	23,046	14,814
-	-	-	23,850	21,355	2,495
-	-	-	44,974	59,930	(14,956)
-	-	-	33,500	41,847	(8,347)
56,281	57,658	(1,377)	56,281	57,658	(1,377)
69,420	69,388	32	69,420	69,388	32
31,570	40,272	(8,702)	31,570	40,272	(8,702)
22,530	27,712	(5,182)	22,530	27,712	(5,182)
35,160	28,963	6,197	111,240	96,300	14,940
9,620	13,095	(3,475)	9,620	13,095	(3,475)
48,460	48,034	426	48,460	48,034	426
11,400	11,330	70	677,188	677,030	158
284,441	296,452	(12,011)	1,908,373	1,874,680	33,693
-	-	-	2,744	2,744	-
<u>(28,495)</u>	<u>(24,734)</u>	<u>3,761</u>	<u>(228,245)</u>	<u>(224,484)</u>	<u>3,761</u>
<u>(28,495)</u>	<u>(24,734)</u>	<u>3,761</u>	<u>(225,501)</u>	<u>(221,740)</u>	<u>3,761</u>
<u>\$ 53,174</u>	<u>\$ 42,136</u>	<u>\$ (11,038)</u>	<u>\$ (210,920)</u>	<u>\$ (225,963)</u>	<u>\$ (15,043)</u>

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Combining Financial Statements

NONMAJOR BUSINESS-TYPE FUNDS

PROPRIETARY (ENTERPRISE) FUNDS

Enterprise Funds were established to account for activities that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the activity be self-supporting based on user charges.

The City of Concord has the following Nonmajor Enterprise Funds:

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 public ice arena.

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Net Assets

Nonmajor Proprietary Funds

June 30, 2011

	Business-Type Activities Enterprise Funds		
	Golf Fund	Arena Fund	Total Other Funds
<u>ASSETS</u>			
Current:			
Cash and short-term equivalents	\$ 126,581	\$ 165,591	\$ 292,172
User fees, net of allowance for uncollectibles	3,360	716	4,076
Prepaid assets	1,516	737	2,253
Total current assets	131,457	167,044	298,501
Noncurrent:			
Capital assets:			
Land and construction in progress	26,900	177,432	204,332
Other capital assets, net of accumulated depreciation	568,529	698,050	1,266,579
Total noncurrent assets	595,429	875,482	1,470,911
TOTAL ASSETS	726,886	1,042,526	1,769,412
<u>LIABILITIES</u>			
Current:			
Accounts payable	27,406	109,444	136,850
Retainage payable	-	13,362	13,362
Accrued liabilities	2,663	2,988	5,651
Due to other funds	690	37	727
Unearned revenue	9,630	1,850	11,480
Other current liabilities	6,000	-	6,000
Current portion of long-term liabilities:			
Bonds payable	50,000	52,000	102,000
Compensated absences	20,325	11,578	31,903
Total current liabilities	116,714	191,259	307,973
Noncurrent:			
Bonds payable, net of current portion	175,000	205,000	380,000
Total noncurrent liabilities	175,000	205,000	380,000
TOTAL LIABILITIES	291,714	396,259	687,973
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	370,429	618,482	988,911
Unrestricted	64,743	27,785	92,528
TOTAL NET ASSETS	\$ 435,172	\$ 646,267	\$ 1,081,439

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

Nonmajor Proprietary Funds

For the Fiscal Year Ended June 30, 2011

	<u>Golf Fund</u>	<u>Arena Fund</u>	<u>Total Other Funds</u>
Operating Revenues:			
Charges for services	\$ 844,809	\$ 465,348	\$ 1,310,157
Other	<u>598</u>	<u>2,400</u>	<u>2,998</u>
Total Operating Revenues	845,407	467,748	1,313,155
Operating Expenses:			
Operating expenses	782,732	393,706	1,176,438
Depreciation	<u>56,192</u>	<u>69,313</u>	<u>125,505</u>
Total Operating Expenses	<u>838,924</u>	<u>463,019</u>	<u>1,301,943</u>
Operating Income (Loss)	6,483	4,729	11,212
Nonoperating Revenues (Expenses):			
Investment income	408	422	830
Interest expense	<u>(9,926)</u>	<u>(11,872)</u>	<u>(21,798)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(9,518)</u>	<u>(11,450)</u>	<u>(20,968)</u>
Income (Loss) Before Transfers	(3,035)	(6,721)	(9,756)
Transfers:			
Transfers in	4,467	17,540	22,007
Transfers out	<u>(73,000)</u>	<u>(40,300)</u>	<u>(113,300)</u>
Change in Net Assets	(71,568)	(29,481)	(101,049)
Net Assets at Beginning of Year	<u>506,740</u>	<u>675,748</u>	<u>1,182,488</u>
Net Assets at End of Year	\$ <u><u>435,172</u></u>	\$ <u><u>646,267</u></u>	\$ <u><u>1,081,439</u></u>

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Cash Flows

Nonmajor Proprietary Funds

For the Fiscal Year Ended June 30, 2011

	<u>Golf Fund</u>	<u>Arena Fund</u>	<u>Total Other Funds</u>
<u>Cash Flows From Operating Activities:</u>			
Receipts from customers and users	\$ 837,871	\$ 474,583	\$ 1,312,454
Payments to employees	(428,610)	(278,338)	(706,948)
Payments to vendors	<u>(356,821)</u>	<u>(3,879)</u>	<u>(360,700)</u>
Net Cash Provided By Operating Activities	52,440	192,366	244,806
<u>Cash Flows From Noncapital Financing Activities:</u>			
Transfers in	4,467	17,540	22,007
Transfers out	<u>(73,000)</u>	<u>(40,300)</u>	<u>(113,300)</u>
Net Cash (Used For) Noncapital Financing Activities	(68,533)	(22,760)	(91,293)
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Principal payments on bonds and notes	(53,100)	(57,900)	(111,000)
Acquisition and construction of capital assets, net disposals	(19,845)	(149,831)	(169,676)
Interest expense	<u>(10,511)</u>	<u>(12,529)</u>	<u>(23,040)</u>
Net Cash (Used For) Capital and Related Financing Activities	(83,456)	(220,260)	(303,716)
<u>Cash Flows From Investing Activities:</u>			
Investment income	<u>408</u>	<u>423</u>	<u>831</u>
Net Cash Provided by Investing Activities	<u>408</u>	<u>423</u>	<u>831</u>
Net Change in Cash and Short-Term Equivalents	(99,141)	(50,231)	(149,372)
Cash and Short-Term Equivalents, Beginning of Year	<u>225,722</u>	<u>215,822</u>	<u>441,544</u>
Cash and Short-Term Equivalents, End of Year	<u>\$ 126,581</u>	<u>\$ 165,591</u>	<u>\$ 292,172</u>
<u>Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:</u>			
Operating income	\$ 6,483	\$ 4,729	\$ 11,212
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	56,192	69,313	125,505
Changes in assets and liabilities:			
User fees	8,330	5,843	14,173
Other assets	(52)	9	(43)
Accounts payable	(901)	98,524	97,623
Retainage payable	-	13,362	13,362
Compensated absences	(1,745)	(405)	(2,150)
Unearned revenues	-	954	954
Other liabilities	<u>(15,867)</u>	<u>37</u>	<u>(15,830)</u>
Net Cash Provided By Operating Activities	<u>\$ 52,440</u>	<u>\$ 192,366</u>	<u>\$ 244,806</u>

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**Detail Combining Budget
And Actual Schedule**

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PROPRIETARY (ENTERPRISE) FUNDS

The City of Concord has the following Enterprise Funds which have annually adopted budgets:

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.

Solid Waste Fund - to account for the collection and disposal of the City's trash. Residential trash collection is handled as a transfer from the general fund and reimbursed through the property tax levy.

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 public ice arena.

CITY OF CONCORD, NEW HAMPSHIRE

**Schedule of Revenues and
Expenses - Budget and Actual**

Enterprise Funds

For the Fiscal Year Ended June 30, 2011

		<u>Water Fund</u>	
	<u>Budget</u>	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 5,033,620	\$ 5,356,912	\$ 323,292
Miscellaneous	<u>4,000</u>	<u>14,136</u>	<u>10,136</u>
Total Operating Revenues	5,037,620	5,371,048	333,428
Operating Expenses:			
Personnel	1,963,660	1,759,738	203,922
Non-Personnel	872,527	776,859	95,668
Debt service	<u>1,564,640</u>	<u>1,569,548</u>	<u>(4,908)</u>
Total Operating Expenses	<u>4,400,827</u>	<u>4,106,145</u>	<u>294,682</u>
Operating Income (Loss)	636,793	1,264,903	628,110
Non-Operating Income (Expenses):			
Interest expense	(413,170)	(395,951)	17,219
Investment income	<u>15,200</u>	<u>6,024</u>	<u>(9,176)</u>
Total Non-Operating Income (Expenses)	<u>(397,970)</u>	<u>(389,927)</u>	<u>8,043</u>
Net Income (Loss) Before Transfers	238,823	874,976	636,153
Other Financing Sources:			
Transfers in	-	-	-
Transfers out	<u>(599,703)</u>	<u>(633,643)</u>	<u>(33,940)</u>
Total Other Financing Sources	<u>(599,703)</u>	<u>(633,643)</u>	<u>(33,940)</u>
Net Income (Loss)	\$ <u><u>(360,880)</u></u>	\$ <u><u>241,333</u></u>	\$ <u><u>602,213</u></u>

Sewer Fund			Solid Waste Fund		
<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
\$ 6,518,920	\$ 6,581,272	\$ 62,352	\$ 3,347,010	\$ 2,895,021	\$ (451,989)
<u>1,000</u>	<u>5,765</u>	<u>4,765</u>	<u>-</u>	<u>-</u>	<u>-</u>
6,519,920	6,587,037	67,117	3,347,010	2,895,021	(451,989)
1,585,600	1,538,293	47,307	270,430	250,694	19,736
2,249,677	2,123,050	126,627	4,250,100	3,527,966	722,134
<u>1,642,940</u>	<u>1,557,517</u>	<u>85,423</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>5,478,217</u>	<u>5,218,860</u>	<u>259,357</u>	<u>4,520,530</u>	<u>3,778,660</u>	<u>741,870</u>
1,041,703	1,368,177	326,474	(1,173,520)	(883,639)	289,881
(533,790)	(536,392)	(2,602)	-	-	-
<u>12,500</u>	<u>3,866</u>	<u>(8,634)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(521,290)</u>	<u>(532,526)</u>	<u>(11,236)</u>	<u>-</u>	<u>-</u>	<u>-</u>
520,413	835,651	315,238	(1,173,520)	(883,639)	289,881
-	-	-	1,410,050	1,425,888	15,838
<u>(648,109)</u>	<u>(569,060)</u>	<u>79,049</u>	<u>(28,390)</u>	<u>(28,390)</u>	<u>-</u>
<u>(648,109)</u>	<u>(569,060)</u>	<u>79,049</u>	<u>1,381,660</u>	<u>1,397,498</u>	<u>15,838</u>
\$ <u>(127,696)</u>	\$ <u>266,591</u>	\$ <u>394,287</u>	\$ <u>208,140</u>	\$ <u>513,859</u>	\$ <u>305,719</u>

(continued)

CITY OF CONCORD, NEW HAMPSHIRE

**Schedule of Revenues and
Expenses - Budget and Actual**

Enterprise Funds

For the Fiscal Year Ended June 30, 2011

(continued)

	<u>Budget</u>	<u>Golf Fund Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Operating revenue	\$ 953,110	\$ 844,801	\$ (108,309)
Miscellaneous	<u>-</u>	<u>606</u>	<u>606</u>
Total Operating Revenues	953,110	845,407	(107,703)
Operating Expenses:			
Personnel	410,946	393,575	17,371
Non-Personnel	348,575	354,295	(5,720)
Capital outlay	25,000	-	25,000
Debt service	<u>66,520</u>	<u>56,000</u>	<u>10,520</u>
Total Operating Expenses	<u>851,041</u>	<u>803,870</u>	<u>47,171</u>
Operating Income (Loss)	102,069	41,537	(60,532)
Non-Operating Income (Expenses):			
Interest expense	-	(10,512)	(10,512)
Investment income	<u>370</u>	<u>408</u>	<u>38</u>
Total Non-Operating Income (Expenses)	<u>370</u>	<u>(10,104)</u>	<u>(10,474)</u>
Net Income (Loss) Before Transfers	102,439	31,433	(71,006)
Other Financing Sources			
Transfers in	-	-	-
Transfers out	<u>(100,100)</u>	<u>(94,945)</u>	<u>5,155</u>
Total Other Financing Sources	<u>(100,100)</u>	<u>(94,945)</u>	<u>5,155</u>
Net Income (Loss)	<u>\$ 2,339</u>	<u>\$ (63,512)</u>	<u>\$ (65,851)</u>

	Arena Fund	
<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
\$ 486,340	\$ 466,098	\$ (20,242)
-	1,650	1,650
486,340	467,748	(18,592)
231,250	236,894	(5,644)
157,715	156,944	771
20,000	4,998	15,002
59,800	59,800	-
<u>468,765</u>	<u>458,636</u>	<u>10,129</u>
17,575	9,112	(8,463)
(12,530)	(12,529)	1
<u>1,210</u>	<u>423</u>	<u>(787)</u>
<u>(11,320)</u>	<u>(12,106)</u>	<u>(786)</u>
6,255	(2,994)	(9,249)
17,540	17,540	-
<u>(38,400)</u>	<u>(38,400)</u>	<u>-</u>
<u>(20,860)</u>	<u>(20,860)</u>	<u>-</u>
<u>\$ (14,605)</u>	<u>\$ (23,854)</u>	<u>\$ (9,249)</u>

FIDUCIARY FUNDS

Agency Funds are established to account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others.

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2011

	Balance July 1, <u>2010</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2011</u>
Assets - cash and short-term investments	\$ 1,757,728	\$ 97,954,642	\$ (97,991,359)	\$ 1,721,011
Assets - due from other funds	<u>2,925</u>	<u>52,050,900</u>	<u>(52,049,993)</u>	<u>3,832</u>
Total Assets	<u>\$ 1,760,653</u>	<u>\$ 150,005,542</u>	<u>\$ (150,041,352)</u>	<u>\$ 1,724,843</u>
Liabilities - due to other governments	\$ 886,851	\$ 58,585,576	\$ (58,640,214)	\$ 832,213
Liabilities - other liabilities	<u>873,802</u>	<u>44,889,495</u>	<u>(44,870,667)</u>	<u>892,630</u>
Total liabilities	<u>\$ 1,760,653</u>	<u>\$ 103,475,071</u>	<u>\$ (103,510,881)</u>	<u>\$ 1,724,843</u>

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STATISTICAL SECTION

CITY OF CONCORD, NEW HAMPSHIRE

STATISTICAL SECTION

The City of Concord's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	<u>Page</u>
<i>Financial Trend Data:</i> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	124 - 127
<i>Information on Revenue Capacity:</i> These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	128 - 132
<i>Debt Capacity Information:</i> These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	133 - 135
<i>Demographic and Economic Information:</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	136 - 137
<i>Operating Information:</i> These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the service the government provides and the activities it performs.	138 - 140

City of Concord, New Hampshire

Net Assets by Component

Last Ten Fiscal Years (1)

(accrual basis of accounting)

	2003	2004	2005	2006	Fiscal Year 2007	2008	2009	2010	2011
Governmental Activities									
Invested in capital assets, net of related debt	\$ 27,719,446	\$ 32,237,423	\$ 35,137,392	\$ 43,016,795	\$ 53,651,076	\$ 61,819,702	\$ 66,566,664	\$ 70,966,637	\$ 69,642,960
Restricted	10,447,317	10,337,347	10,411,567	11,513,702	12,132,027	12,970,495	10,576,342	11,614,642	12,582,557
Unrestricted	24,538,884	22,220,069	23,262,390	21,209,276	18,577,263	16,400,737	15,559,497	13,778,355	17,718,246
Total governmental activities net assets	\$ 62,705,647	\$ 64,794,839	\$ 68,811,349	\$ 75,739,773	\$ 84,360,366	\$ 91,190,934	\$ 92,702,503	\$ 96,359,634	\$ 99,943,763
Business-type activities									
Invested in capital assets, net of related debt	\$ 72,517,390	\$ 104,744,370	\$ 104,436,255	\$ 104,696,142	\$ 103,870,146	\$ 104,711,008	\$ 104,127,148	\$ 104,095,897	\$ 103,659,124
Restricted	1,237,551	1,168,856	692,378	1,409,447	1,604,674	1,467,712	1,326,168	1,180,931	1,042,044
Unrestricted	5,529,626	8,499,449	9,617,980	7,957,766	7,796,545	5,920,390	5,235,417	4,864,595	5,643,666
Total business-type activities net assets	\$ 79,284,567	\$ 114,412,675	\$ 114,746,613	\$ 114,063,355	\$ 113,271,365	\$ 112,099,110	\$ 110,688,733	\$ 110,141,423	\$ 110,344,834
Primary government									
Invested in capital assets, net of related debt	\$ 100,236,836	\$ 136,981,793	\$ 139,573,647	\$ 147,712,937	\$ 157,521,222	\$ 166,530,710	\$ 170,693,812	\$ 175,062,534	\$ 173,302,084
Restricted	11,684,868	11,506,203	11,103,945	12,923,149	13,736,701	14,438,207	11,902,510	12,795,573	13,624,601
Unrestricted	30,068,510	30,719,518	32,880,370	29,167,042	26,373,808	22,321,127	20,794,914	18,642,950	23,361,912
Total primary government net assets	\$ 141,990,214	\$ 179,207,514	\$ 183,557,962	\$ 189,803,128	\$ 197,631,731	\$ 203,290,044	\$ 203,391,236	\$ 206,501,057	\$ 210,288,597

Data Source:

Audited Financial Statements

Notes:

(1) The City will continue to annually report information until this schedule includes 10 fiscal years.

City of Concord, New Hampshire

Change in Net Assets

Last Ten Fiscal Years (1)

(accrual basis of accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Expenses										
Governmental activities:										
General government	\$ 4,699,269	\$ 5,105,363	\$ 5,852,175	\$ 5,170,467	\$ 5,865,465	\$ 5,248,062	\$ 6,104,117	\$ 6,852,912	\$ 7,145,023	
Public safety	13,275,869	15,193,859	16,071,793	17,832,430	18,989,365	19,956,305	21,144,583	21,069,118	22,584,828	
General services	8,754,445	11,941,871	10,873,904	10,581,792	11,211,510	12,186,012	11,572,079	11,290,119	12,693,473	
Community development	2,129,166	2,602,838	2,991,350	3,187,532	3,535,844	4,160,643	4,041,973	3,815,308	4,223,189	
Leisure and information services	2,007,340	2,053,398	2,099,580	2,195,694	2,368,707	2,276,316	2,459,002	2,142,783	2,574,830	
Human services	1,011,854	1,071,795	1,033,242	1,060,845	1,038,484	705,177	807,682	768,564	775,026	
Interest	1,165,149	1,098,847	954,439	1,247,922	1,411,040	1,763,217	1,410,990	1,778,927	1,511,198	
Miscellaneous	1,018,438	1,032,980	1,052,586	1,047,619	483,671	195,830	53,928	-	-	
Total governmental activities expenses	34,061,530	40,100,951	40,929,069	42,324,301	44,904,086	46,491,562	47,594,354	47,717,731	51,507,567	
Business-type activities:										
Water services	3,658,207	4,628,608	4,833,091	5,226,999	5,084,681	5,129,399	4,959,863	4,870,370	4,883,528	
Wastewater services	4,540,857	5,094,614	5,536,027	6,046,556	5,751,772	6,138,395	6,436,028	6,368,985	6,247,273	
Solid waste services	N/A	N/A	N/A	N/A	N/A	N/A	3,729,839	4,085,706	4,301,512	
Other (nonmajor)	4,059,707	4,259,673	4,391,311	4,807,391	4,988,056	5,009,056	1,433,136	1,275,645	1,323,741	
Total business-type activities expenses	12,258,771	13,982,895	14,760,429	16,080,946	15,824,509	16,276,850	16,558,866	16,600,706	16,756,054	
Total primary government expenses	\$ 46,320,301	\$ 54,083,846	\$ 55,689,498	\$ 58,405,247	\$ 60,728,595	\$ 62,768,412	\$ 64,153,220	\$ 64,318,437	\$ 68,263,621	
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 2,591,154	\$ 2,657,221	\$ 2,783,810	\$ 2,625,179	\$ 3,223,376	\$ 2,765,164	\$ 1,458,413	\$ 1,484,734	\$ 1,525,641	
Public safety	1,192,461	1,351,556	1,835,850	1,906,741	2,521,339	2,444,300	3,048,743	3,128,313	3,507,165	
General services	-	233,590	280,993	320,889	318,029	325,078	298,694	273,935	451,690	
Community development	1,131,158	1,468,925	1,468,041	2,126,301	1,190,109	1,172,608	1,131,134	1,280,954	1,450,678	
Leisure and information services	351,754	367,464	366,244	387,741	426,243	417,470	462,796	523,031	502,022	
Human services	125,806	34,169	16,258	31,690	155,657	176,394	12,330	41,063	17,966	
Total charges for services	5,392,333	6,112,925	6,751,196	7,398,541	7,834,753	7,301,014	6,412,110	6,732,030	7,455,162	
Operating grants and contributions	445,882	246,397	701,185	542,808	488,719	607,301	1,406,391	1,016,770	739,160	
Capital grants and contributions	2,569,350	2,781,319	2,393,988	3,233,739	3,266,416	4,350,418	2,004,940	2,199,019	2,640,477	
Total governmental activities program revenues	8,407,565	9,140,641	9,846,369	11,175,088	11,589,888	12,258,733	9,823,441	9,947,819	10,834,799	
Business-type activities:										
Water services	4,449,813	4,768,605	4,801,521	4,885,520	4,853,295	5,112,600	4,918,822	5,100,517	5,363,947	
Wastewater services	4,475,390	4,710,144	4,778,328	4,949,344	5,377,820	5,505,914	5,593,025	5,716,639	6,346,565	
Solid waste services	-	-	-	-	-	-	1,761,418	3,213,003	2,895,021	
Other (nonmajor)	2,709,684	2,949,539	3,046,267	3,240,470	3,228,133	3,301,298	1,303,735	1,358,042	1,310,157	
Total charges for services	11,634,887	12,428,288	12,626,116	13,075,334	13,459,248	13,919,812	13,577,000	15,388,201	15,915,690	
Operating grants and contributions	458,121	67,487	-	-	-	-	243,344	228,364	188,926	
Capital grants and contributions	-	-	1,353,013	178,634	337,063	177,998	268,581	201,882	162,701	
Total business-type activities program revenues	12,093,008	12,495,775	13,979,129	13,253,968	13,796,311	14,096,910	14,088,925	15,818,447	16,267,317	
Total primary government program revenues	\$ 20,500,573	\$ 21,636,416	\$ 23,825,498	\$ 24,429,056	\$ 25,386,199	\$ 26,355,643	\$ 23,912,366	\$ 25,766,266	\$ 27,102,116	
Net (Expenses)Revenue										
Governmental activities	\$ (25,653,965)	\$ (30,960,310)	\$ (31,082,700)	\$ (31,149,213)	\$ (33,314,198)	\$ (34,232,829)	\$ (37,770,913)	\$ (37,769,912)	\$ (40,672,768)	
Business-type activities	(165,763)	(1,487,120)	(781,300)	(2,826,978)	(2,028,198)	(2,179,940)	(2,469,941)	(782,259)	(488,737)	
Total Primary government net expense	\$ (25,819,728)	\$ (32,447,430)	\$ (31,864,000)	\$ (33,976,191)	\$ (35,342,396)	\$ (36,412,769)	\$ (40,240,854)	\$ (38,552,171)	\$ (41,161,505)	
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property tax	\$ 27,299,574	\$ 26,732,772	\$ 30,526,322	\$ 32,152,307	\$ 33,483,212	\$ 36,055,134	\$ 37,718,000	\$ 37,683,982	\$ 39,939,045	
Penalties, interest and other taxes	705,746	627,012	619,051	668,354	639,602	754,891	804,871	885,170	1,267,571	
Grants and contributions not restricted to specific programs	4,239,191	3,645,776	1,931,245	2,220,594	3,502,469	1,694,459	1,165,149	900	832	
Investment income	1,151,559	1,030,007	1,458,842	2,483,994	3,729,057	1,552,449	(564,036)	1,066,457	2,233,996	
Miscellaneous	609,523	636,327	945,897	747,187	867,053	987,429	743,489	1,563,028	1,165,035	
Transfers, net	(603,720)	(866,090)	(504,054)	(510,572)	(447,769)	(451,881)	(830,487)	5,213	(43,843)	
Permanent fund contributions	288,676	368,034	121,907	315,773	161,167	470,916	245,496	222,293	184,261	
Total governmental activities	33,690,549	32,173,838	35,099,210	38,077,637	41,934,791	41,063,397	39,282,482	41,427,043	44,746,897	
Business-type activities:										
Grants and contributions not restricted to specific programs	215,538	301,456	341,461	1,073,384	310,313	141,327	-	-	-	
Investment income	160,880	117,515	189,382	435,083	457,032	345,891	197,313	178,641	150,328	
Miscellaneous	90,031	12,427	80,341	124,681	21,094	68,586	31,764	61,521	7,977	
Transfers, net	603,720	866,090	504,054	510,572	447,769	451,881	830,487	(5,213)	43,843	
Total business-type activities	1,070,169	1,297,488	1,115,238	2,143,720	1,236,208	1,007,685	1,059,564	234,949	202,148	
Total primary government	\$ 34,760,718	\$ 33,471,326	\$ 36,214,448	\$ 40,221,357	\$ 43,170,999	\$ 42,071,082	\$ 40,342,046	\$ 41,661,992	\$ 44,949,045	
Change in Net Assets										
Governmental activities	\$ 8,036,584	\$ 1,213,528	\$ 4,016,510	\$ 6,928,424	\$ 8,620,593	\$ 6,830,568	\$ 1,511,569	\$ 3,657,131	\$ 4,074,129	
Business-type activities	904,406	(189,632)	333,938	(683,258)	(791,990)	(1,172,255)	(1,410,377)	(547,310)	(286,589)	
Total primary government	\$ 8,940,990	\$ 1,023,896	\$ 4,350,448	\$ 6,245,166	\$ 7,828,603	\$ 5,658,313	\$ 101,192	\$ 3,109,821	\$ 3,787,540	

Data Source

Audited Financial Statements

(1) The City will continue to annually report information until this schedule includes 10 fiscal years.

City of Concord, New Hampshire

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 ⁽¹⁾
General Fund										
Reserved	\$ 3,530,521	\$ 3,213,486	\$ 2,944,821	\$ 2,666,156	\$ 1,789,574	\$ 2,270,638	\$ 1,300,105	\$ 1,169,269	\$ 966,768	\$ -
Unreserved	5,464,793	5,423,862	4,832,349	4,639,091	5,329,762	3,453,608	4,447,779	5,302,478	7,025,545	-
Nonspendable	-	-	-	-	-	-	-	-	-	181,815
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	4,316,925
Assigned	-	-	-	-	-	-	-	-	-	1,355,353
Unassigned	-	-	-	-	-	-	-	-	-	6,736,075
Total General Fund	\$ 8,995,314	\$ 8,637,348	\$ 7,777,170	\$ 7,305,247	\$ 7,119,336	\$ 5,724,246	\$ 5,747,884	\$ 6,471,747	\$ 7,992,313	\$ 12,590,168
Other Governmental Funds										
Reserved	\$ 106,841	\$ 6,781,340	\$ 6,960,094	\$ 7,563,030	\$ 7,733,404	\$ 8,686,203	\$ 13,154,406	\$ 11,784,460	\$ 10,652,150	\$ -
Unreserved:										
Special Revenue Funds	3,660,926	15,601,153	11,439,627	9,438,221	8,738,047	8,651,431	9,077,496	7,675,674	8,124,307	-
Capital Project Funds	9,841,426	8,360,192	12,792,394	13,490,784	20,587,665	14,906,493	5,017,047	4,261,481	3,500,587	-
Debt Service	117,861	315,549	313,569	507,276	591,867	657,335	760,163	856,787	1,248,100	-
Nonspendable	-	-	-	-	-	-	-	-	-	9,239,526
Restricted	-	-	-	-	-	-	-	-	-	4,214,191
Committed	-	-	-	-	-	-	-	-	-	10,842,872
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(915)
Total Other Funds	\$ 13,727,054	\$ 31,058,234	\$ 31,505,684	\$ 30,999,311	\$ 37,650,983	\$ 32,901,462	\$ 28,009,112	\$ 24,578,402	\$ 23,525,144	\$ 24,295,674

Data Source

Audited Financial Statements

(1) Beginning with FY11, the presentation of Fund Balance conforms with Government Accounting Standards Board Statement No. 54

City of Concord, New Hampshire

Change in Fund Balances, Governmental Funds (1)

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	\$ 26,424,701	\$ 27,851,023	\$ 27,147,062	\$ 30,179,005	\$ 31,748,630	\$ 33,143,681	\$ 35,087,252	\$ 37,282,375	\$ 37,659,356	\$ 39,407,949
Licenses and permits	770,097	1,026,830	1,072,522	1,124,663	1,479,654	1,020,239	1,089,628	825,833	712,811	1,112,391
Intergovernmental	3,574,686	5,392,793	5,140,299	4,147,436	3,903,521	2,862,450	3,442,121	3,442,953	2,687,051	2,732,763
Charges for services	4,191,937	4,368,060	5,042,083	5,626,533	5,918,886	6,638,525	6,211,386	5,586,277	6,019,719	6,293,673
Investment income	1,465,334	1,151,558	1,030,007	1,540,642	2,508,864	3,729,057	1,552,449	(564,323)	1,066,457	2,234,008
Contributions and miscellaneous	1,742,188	2,787,852	2,647,842	2,515,904	3,560,162	4,543,349	5,423,293	3,023,671	3,216,792	3,186,673
Total revenues	38,168,943	42,578,116	42,079,815	45,134,183	49,119,717	51,937,301	52,806,129	49,596,786	51,362,186	54,967,457
Expenditures by Function										
General government	3,623,176	4,729,374	5,076,134	5,798,104	5,125,653	5,455,316	5,159,601	5,900,248	6,589,039	6,841,119
Public safety	12,707,760	13,773,463	15,047,387	15,457,287	17,053,365	18,120,382	18,728,040	19,410,584	19,621,616	21,114,273
General services	5,744,139	6,260,496	6,014,020	6,895,328	6,990,518	7,096,899	8,243,164	8,249,971	7,394,625	7,797,609
Community development	3,110,561	2,119,951	2,561,361	2,655,668	3,042,749	2,432,444	3,317,979	3,007,202	2,881,251	2,865,969
Leisure and information services	2,001,397	1,993,027	2,039,864	2,071,709	2,156,899	2,249,001	2,147,886	2,230,489	1,952,782	2,029,908
Human services	1,062,834	1,007,444	1,071,539	1,029,900	1,056,671	1,033,422	697,719	789,101	749,114	752,485
Employee benefits	188,402	223,763	273,821	334,904	441,505	555,182	656,039	328,542	445,033	661,188
Miscellaneous	1,130,071	1,024,650	1,032,981	1,052,585	968,568	1,762,956	195,830	53,929	131,653	45,491
Debt service										
Principal	2,901,440	2,833,402	2,807,263	3,127,175	3,416,587	4,075,251	4,823,966	4,220,938	4,594,563	4,369,633
Interest	1,328,651	1,200,095	974,982	939,967	1,043,828	1,245,528	1,855,218	1,597,727	1,555,289	1,516,016
Capital outlay	6,429,217	8,300,094	9,660,162	9,760,998	16,928,041	24,240,722	11,397,517	9,935,126	7,479,876	6,624,538
Total expenditures	40,227,648	43,465,759	46,559,514	49,123,625	58,224,384	68,267,103	57,222,959	55,723,857	53,394,841	54,618,229
Excess of revenues										
Over(under) expenditures	(2,058,705)	(887,643)	(4,479,699)	(3,989,442)	(9,104,667)	(16,329,802)	(4,416,830)	(6,127,071)	(2,032,655)	349,228
Other Financing Sources (Uses)										
Bond proceeds	1,035,000	-	4,829,750	3,515,200	16,081,000	10,632,960	-	4,250,710	2,494,750	5,063,000
Transfers in	9,230,808	11,231,164	4,530,751	3,494,232	4,958,316	5,874,169	3,520,143	3,862,715	3,462,513	3,818,374
Transfers out	(9,385,530)	(11,834,884)	(5,293,530)	(3,998,286)	(5,468,888)	(6,321,938)	(3,972,025)	(4,693,201)	(3,457,300)	(3,862,217)
Total other financing sources (uses)	880,278	(603,720)	4,066,971	3,011,146	15,570,428	10,185,191	(451,882)	3,420,224	2,499,963	5,019,157
Net Change in fund balances	\$ (1,178,427)	(1,491,363)	\$ (412,728)	\$ (978,296)	\$ 6,465,761	\$ (6,144,611)	\$ (4,868,712)	\$ (2,706,847)	\$ 467,308	\$ 5,368,385
Debt Service as a percentage of non-capital outlay expenditures	12.52%	11.47%	10.25%	10.33%	10.80%	12.09%	14.58%	12.71%	13.39%	11.80%
Data Source	Audited Financial Statements									

Notes:

(1) Prior to FY02, excludes permanent funds and some special revenue funds classified as trust funds under the pre-GASB 34 reporting model.

City of Concord, New Hampshire

General Government Tax Revenues by Source Last Ten Fiscal Years

Fiscal Year	Property Taxes	Timber Tax	Excavation Tax	Motor Vehicle Registrations	Boat Registrations	Payment in Lieu of Taxes	Total
2011	\$ 33,748,980	\$ 24,146	\$ 964	\$ 5,023,729	\$ -	\$ 610,130	\$ 39,407,949
2010	32,012,232	18,310	174	5,001,592	-	627,048	37,659,356
2009	31,459,024	12,107	405	5,192,228	-	618,611	37,282,375
2008	29,233,127	7,582	9	5,326,909	-	519,625	35,087,252
2007	27,057,926	20,398	3,358	5,491,026	-	570,973	33,143,681
2006	25,549,119	26,010	3,307	5,636,297	4,218	529,679	31,748,630
2005	24,158,630	26,337	76	5,508,184	4,602	481,176	30,179,005
2004	21,326,896	22,791	-	5,364,606	2,904	429,865	27,147,062
2003	22,251,895	13,098	5,814	5,181,868	2,600	395,748	27,851,023
2002	21,030,108	5,470	4,166	5,045,387	2,390	337,180	26,424,701

Data Source
Audited Financial Statements

City of Concord, New Hampshire

Assessed and Estimated Full Value of Real Property Last Ten Fiscal Years

Fiscal Year	Local Assessed Value (1)				Less Exemptions to Assessed Value (1)	Total Taxable Assessed Value (1)	Total Direct Tax Rate per \$1,000 of Assessed Value	Estimated Full Value (2)	Ratio of Total Assessed Value to Total Estimated Full Value
	Residential	Commercial/Industrial	Utilities	Total Assessed Value					
2011	\$ 2,044,179,500	\$ 1,353,777,300	\$ 88,363,700	\$ 3,486,320,500	\$ 28,874,609	\$ 3,457,445,891	\$ 23.16	\$ 3,871,416,766	90.1%
2010	2,233,343,000	1,366,847,500	83,544,100	3,683,734,600	29,018,887	3,654,715,713	21.67	4,044,243,693	91.1%
2009	2,593,546,800	1,601,861,700	146,592,000	4,342,000,500	37,066,758	4,304,933,742	20.49	4,353,125,485	99.7%
2008	2,666,661,400	1,444,077,300	123,884,800	4,234,623,500	38,829,492	4,195,794,008	19.63	4,408,573,930	96.1%
2007	2,715,013,500	1,311,668,800	119,115,400	4,145,797,700	40,371,086	4,105,426,614	19.22	4,269,260,047	97.1%
2006	2,477,724,500	1,170,940,000	111,931,500	3,760,596,000	34,805,148	3,725,790,852	19.77	3,934,309,242	95.6%
2005	2,057,589,800	1,252,139,500	105,362,400	3,415,091,700	26,017,000	3,389,074,700	20.37	3,644,167,000	93.7%
2004	1,538,174,100	718,878,400	86,240,100	2,343,292,600	18,415,000	2,324,877,600	28.07	3,184,764,000	73.6%
2003	1,503,051,700	805,186,600	81,308,800	2,389,547,100	19,169,000	2,370,378,100	26.40	2,855,877,000	83.7%
2002	1,369,353,700	772,860,900	80,247,800	2,222,462,400	17,735,000	2,204,727,400	27.34	2,504,941,000	88.7%

Data Sources

(1) State MS-1 Report of Assessed Values

(2) NH Department of Revenue Administration's annual Equalization Survey

City of Concord, New Hampshire

Property Tax Rates per \$ 1,000 of Assessed Value Direct and Overlapping Governments Last Ten Fiscal Years

Fiscal Year	Concord Direct Rates						Overlapping Rate	
	City	Total City	Local School	State School	Total School	Total Direct	County	Total
2011	\$ 8.19	\$ 8.19	\$ 9.65	\$ 2.51	\$ 12.16	\$ 20.35	\$ 2.81	\$ 23.16
2010	7.49	7.49	9.14	2.35	11.49	18.98	2.69	21.67
2009	6.84	6.84	9.01	2.14	11.15	17.99	2.50	20.49
2008	6.55	6.55	8.75	2.13	10.88	17.43	2.20	19.63
2007	6.28	6.28	8.70	2.26	10.98	17.26	1.96	19.22
2006	6.57	6.57	8.61	2.48	11.09	17.66	2.11	19.77
2005	6.82	6.82	8.69	2.84	11.53	18.35	2.02	20.37
2004	9.49	9.49	10.65	5.41	16.06	25.55	2.52	28.07
2003	8.90	8.90	9.73	5.36	15.09	23.99	2.41	26.40
2002	9.22	9.22	9.95	5.80	15.75	24.97	2.37	27.34

Fiscal Year	Penacook Direct Rates						Overlapping Rate	
	City	Total City	Local School	State School	Total School	Total Direct	County	Total
2011	\$ 8.19	\$ 8.19	\$ 12.11	\$ 2.57	\$ 14.68	\$ 22.87	\$ 2.81	\$ 25.68
2010	7.49	7.49	11.41	2.42	13.83	21.32	2.69	24.01
2009	6.84	6.84	11.22	2.18	13.40	20.24	2.50	22.74
2008	6.55	6.55	10.18	2.16	12.34	18.89	2.20	21.09
2007	6.28	6.28	9.14	2.43	11.57	17.85	1.96	19.81
2006	6.57	6.57	9.84	2.46	12.30	18.87	2.11	20.98
2005	6.82	6.82	11.08	2.91	13.99	20.81	2.02	22.83
2004	9.49	9.49	14.33	5.19	19.52	29.01	2.52	31.53
2003	8.90	8.90	12.40	5.44	17.84	26.74	2.41	29.15
2002	9.22	9.22	10.55	5.69	16.24	25.46	2.37	27.83

Data Source
NH State Department of Revenue Administration, "2010 Tax Rate Calculation"

City of Concord, New Hampshire

Principal Taxpayers

Current Year and Nine Years Ago

Taxpayer	Type of Business	2011			2002		
		Net Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Net Taxable Assessed Value	Rank	Percentage of Net Assessed Value
GGP Steeplegate Inc	Mall	\$ 69,558,000	1	1.89 %	\$ 55,612,000	1	2.52 %
Wheelabrator Concord Co LP (formally SES Concord Company, LP)	Trash to Energy	67,489,900	2	1.83	23,533,000	4	1.07
UNITIL Energy Systems (formally Concord Electric Company, LP)	Utility	44,937,700	3	1.22	24,375,000	3	1.10
EnergyNorth Natural Gas Inc	Utility	31,221,500	4	0.85	14,117,000	9	0.64
Walmart/Sam's Club	Retail	26,722,800	5	0.72	26,067,000	2	1.18
St Paul's School	Private School	24,141,500	6	0.65	20,881,000	6	0.95
Eddy Plaza Associates Inc	Retail	23,527,100	7	0.64	13,116,000	10	0.59
Hodges Properties Inc	Rentals	22,783,400	8	0.62	23,369,000	5	1.06
Capital Region Health Care	Health Care	22,115,100	9	0.60	18,985,000	7	0.86
Hodges Development Corp	Rentals	18,756,500	10	0.51	-	-	-
McKerley Healthcare Center/Nursing	Health Care	-	-	-	14,532,000	8	0.66
Total Principal Taxpayers		351,253,500		9.53 %	234,587,000		10.63 %
Total Net Assessed Taxable Value		<u>\$ 3,687,003,521</u>			<u>\$ 2,206,825,000</u>		

Data Source
City of Concord Tax Warrant

City of Concord, New Hampshire

Property Tax Levies and Collections Last Ten Fiscal Years

Tax Year (1)	Property Tax Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Subsequent Tax lien Collections	Balance at end of Current Fiscal year	Total Collections to Date		
		Amount	% of Levy			Amount	% of Levy	
2010	\$ 90,288,009	\$ 88,050,231	97.5%	\$ 388,256	\$ 1,849,522	\$ 88,438,487	98.0	%
2009	89,364,495	87,058,646	97.4%	262,295	2,043,554	87,320,941	97.7	
2008	89,495,403	87,291,314	97.5%	270,475	1,933,614	87,561,789	97.8	
2007	83,179,918	81,235,289	97.7%	346,868	1,597,761	81,582,157	98.1	
2006	79,322,705	78,171,510	98.5%	-	1,151,195	78,171,510	98.5	
2005	74,270,000	73,359,000	98.8%	-	911,000	73,359,000	98.8	
2004	70,219,000	69,625,000	99.2%	252,000	342,000	69,877,000	99.5	
2003	66,169,000	65,582,000	99.1%	569,000	18,000	66,151,000	100.0	
2002	63,416,000	62,681,000	98.8%	714,000	21,000	63,395,000	100.0	
2001	60,477,000	59,737,000	98.8%	727,000	13,000	60,464,000	100.0	

Data Source:

Audited Internal Financial Statements, Property Tax Warrants and Reports of Tax Lien Executions

Notes:

Once a lien is executed a taxpayer has 2 years and 1 day to redeem the taxes before a Deed is executed

Amounts are estimated to the nearest thousand

(1) Fiscal year 2011 is the City's tax year 2010.

City of Concord, New Hampshire

Ratios of Outstanding Debt by Debt Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activites	Total Primary Government	Per Capita	Percentage of Personal Income	Percentage of Estimated Actual Taxable Value of Property
	General Obligation Bonds	General Obligation Bonds				
2011	\$ 40,031,119	\$ 26,601,474	\$ 66,632,593	\$ 1,557	5.45 %	1.93 %
2010	38,882,692	27,547,146	66,429,838	1,503	6.84	1.82
2009	40,860,105	27,175,987	68,036,092	1,540	7.01	1.58
2008	40,934,133	25,377,493	66,311,626	1,509	6.87	1.58
2007	45,758,099	28,369,871	74,127,970	1,687	7.68	1.81
2006	39,200,390	22,566,126	61,766,516	1,431	5.53	1.66
2005	26,510,977	20,858,880	47,369,857	1,105	4.27	1.40
2004	26,087,136	22,886,280	48,973,416	1,154	4.42	2.11
2003	23,936,932	20,669,237	44,606,169	1,067	4.24	1.88
2002	26,781,624	23,553,382	50,335,006	1,218	5.13	2.28
2001	28,648,064	24,134,895	52,782,959	1,297	6.14	3.18

Data Sources:

Audited Financial Statements

U.S. Census Bureau

Assessors Department MS-1 Report

City of Concord, New Hampshire

Computation of Overlapping Debt Merrimack County Long Term Debt Last Ten Calendar Years

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Direct Debt:										
City of Concord										
Net General Obligation Debt Outstanding	\$ 26,782,000	\$ 23,937,000	\$ 26,087,000	\$ 26,511,000	\$ 39,200,390	\$ 45,758,099	\$ 40,934,133	\$ 40,860,105	\$ 38,882,692	\$ 40,031,119
Percentage Applicable to Government	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount Applicable to Government	\$ 26,782,000	\$ 23,937,000	\$ 26,087,000	\$ 26,511,000	\$ 39,200,390	\$ 45,758,099	\$ 40,934,133	\$ 40,860,105	\$ 38,882,692	\$ 40,031,119
Subtotal Direct Debt	\$ 26,782,000	\$ 23,937,000	\$ 26,087,000	\$ 26,511,000	\$ 39,200,390	\$ 45,758,099	\$ 40,934,133	\$ 40,860,105	\$ 38,882,692	\$ 40,031,119
Overlapping Debt:										
Merrimack County										
Net General Obligation Debt Outstanding	\$ 2,450,000	\$ 2,050,000	\$ 13,650,000	\$ 27,850,000	\$ 26,240,000	\$ 47,630,000	\$ 68,100,000	\$ 64,650,000	\$ 61,200,000	\$ 58,000,000
Percentage Applicable to Government	27.56%	26.35%	26.12%	25.88%	25.27%	25.56%	25.87%	26.13%	25.71%	25.44%
Amount Applicable to Government	\$ 675,220	\$ 540,175	\$ 3,565,380	\$ 7,207,580	\$ 6,630,848	\$ 12,174,228	\$ 17,617,470	\$ 16,893,045	\$ 15,734,520	\$ 14,755,200
Concord School District										
Net General Obligation Debt Outstanding	\$ 26,779,000	\$ 24,004,000	\$ 21,586,000	\$ 19,289,000	\$ 16,929,484	\$ 14,867,062	\$ 12,977,812	\$ 11,116,401	\$ 9,913,895	\$ 66,958,729
Percentage Applicable to Government	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount Applicable to Government	\$ 26,779,000	\$ 24,004,000	\$ 21,586,000	\$ 19,289,000	\$ 16,929,484	\$ 14,867,062	\$ 12,977,812	\$ 11,116,401	\$ 9,913,895	\$ 66,958,729
Merrimack Valley School District										
Net General Obligation Debt Outstanding	\$ 11,010,000	\$ 7,380,000	\$ 5,940,000	\$ 6,831,000	\$ 19,840,000	\$ 19,760,000	\$ 16,865,000	\$ 13,890,000	\$ 9,910,000	\$ 5,940,000
Percentage Applicable to Government	26.60%	25.90%	25.86%	25.67%	25.24%	25.51%	25.24%	25.18%	25.36%	25.79%
Amount Applicable to Government	\$ 2,928,660	\$ 1,911,420	\$ 1,536,084	\$ 1,753,518	\$ 5,007,616	\$ 5,040,776	\$ 4,256,726	\$ 3,497,502	\$ 2,513,176	\$ 1,531,926
Subtotal Overlapping Debt	\$ 30,382,880	\$ 26,455,595	\$ 26,687,464	\$ 28,250,098	\$ 28,567,948	\$ 32,082,066	\$ 34,852,008	\$ 31,506,948	\$ 28,161,591	\$ 83,245,855
Grand Total	\$ 57,164,880	\$ 50,392,595	\$ 52,774,464	\$ 54,761,098	\$ 67,768,338	\$ 77,840,165	\$ 75,786,141	\$ 72,367,053	\$ 67,044,283	\$ 123,276,974

Data Source:
School District Finance Departments.

City of Concord, New Hampshire

**Ratios of Long Term Debt Outstanding and Legal Debt Limits
Last Ten Fiscal Years**

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Base Value for Debt Limits (1)	\$ 2,576,583,000	\$ 2,938,724,000	\$ 3,270,961,000	\$ 3,695,730,000	\$ 4,007,515,023	\$ 4,286,124,163	\$ 4,436,535,484	\$ 4,390,660,275	\$ 4,020,634,140	\$ 3,851,394,810
Legal Debt Limits (% of Base Value)										
General - 1.75% thru 1998, 3% 1999 on (2)	\$ 77,297,490	\$ 88,161,720	\$ 98,128,830	\$ 110,871,900	\$ 120,225,451	\$ 128,583,725	\$ 133,096,065	\$ 131,719,808	\$ 120,619,024	\$ 115,541,844
Water - 10% (2)	257,658,300	293,872,400	327,096,100	369,573,000	400,751,502	428,612,416	443,653,548	439,066,028	402,063,414	385,139,481
Issued Debt at June 30										
Total Issued Debt at June 30	\$ 50,335,000	\$ 44,606,000	\$ 48,973,000	\$ 47,370,000	\$ 61,766,516	\$ 74,127,970	\$ 66,311,626	\$ 68,036,092	\$ 66,429,838	\$ 66,632,593
Less Water Fund	(13,146,000)	(11,792,000)	(13,912,000)	(12,676,000)	(13,056,546)	(11,760,598)	(10,305,044)	(11,855,335)	(11,435,119)	(11,768,711)
Less Sewer Fund (3)	(9,621,000)	(8,150,000)	(8,166,000)	(7,418,000)	(8,673,880)	(15,811,823)	(14,367,749)	(14,707,852)	(15,519,027)	(14,350,763)
Less Tax Increment Debt (3)	(4,640,000)	(4,295,000)	(3,950,000)	(3,605,000)	(13,421,000)	(12,975,000)	(12,280,000)	(11,570,000)	(10,899,000)	(10,130,000)
Less Landfill Debt (3)	(2,595,000)	(2,392,000)	(2,187,000)	(1,981,000)	(1,769,946)	(1,560,291)	(1,621,196)	(1,375,946)	(1,136,332)	(900,425)
Authorized Unissued at June 30										
Total Authorized Unissued Debt at June 30	6,239,000	9,516,000	12,710,000	26,681,000	11,639,672	5,167,672	14,161,972	9,008,972	7,850,672	5,367,672
Less Golf Fund	-	-	-	-	-	-	-	-	-	(80,000)
Less Arena Fund	-	-	-	-	-	-	-	-	-	(475,000)
Less Water Fund	(50,000)	(1,325,000)	-	-	-	(1,150,000)	(3,017,000)	(1,130,500)	(697,000)	(175,000)
Less Sewer Fund (3)	(4,600,000)	(5,270,000)	(8,780,000)	(8,705,000)	(387,672)	(117,672)	(2,570,672)	(1,390,672)	(392,672)	(552,672)
Less Tax Increment Debt (3)	-	-	-	-	-	-	-	-	(285,000)	(285,000)
Total Debt Subject to general limit	\$ 21,922,000	\$ 20,898,000	\$ 24,688,000	\$ 39,666,000	\$ 36,097,144	\$ 35,920,258	\$ 36,311,937	\$ 35,014,759	\$ 33,916,360	\$ 33,282,694
Legal Debt Margin										
General	\$ 55,375,490	\$ 67,263,720	\$ 73,440,830	\$ 71,205,900	\$ 84,128,307	\$ 92,663,467	\$ 96,784,128	\$ 96,705,049	\$ 86,702,664	\$ 82,259,150
Water Fund	\$ 244,462,300	\$ 280,755,400	\$ 313,184,100	\$ 356,897,000	\$ 387,694,956	\$ 415,701,818	\$ 430,331,504	\$ 426,080,193	\$ 389,931,295	\$ 373,195,770
% of Legal Debt Limits Used										
General	28.4%	23.7%	25.2%	35.8%	30.0%	27.9%	27.3%	26.6%	28.1%	28.8%
Water Fund	5.1%	4.0%	4.3%	3.4%	3.3%	2.7%	2.3%	2.7%	2.8%	3.1%

Data Source
Audited Financial Statements

- Notes:
 (1) Base Value for Debt Limits computed by the NH Department of Revenue Administration
 (2) Legal debt limit percentage rates set by NH State statute
 (3) Debt exempt from Debt limits consists of Landfills, Tax Increment Financing and Sewer debt.

City of Concord, New Hampshire

Demographic Statistics Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Income	Unemployment Rate
2011	42,807 *	\$ 1,222,011	\$ 28,547 **	4.80 % ***
2010	44,358	974,811	21,976	5.20
2009	44,186	971,032	21,976	6.40
2008	44,140	970,021	21,976	3.80
2007	43,935	965,516	21,976	2.70
2006	43,170	1,117,110	25,877	3.20
2005	42,887	1,109,787	25,877	3.10
2004	42,440	1,107,047	26,085	3.00
2003	41,792	1,051,361	25,157	2.70
2002	41,310	980,906	23,745	2.20

* Population as of December 31, 2011 as estimated by Concord Planning Division.

** Based on 2010 census -- American Community Survey by the US Census

*** Unemployment rate is based on June of every year and is not seasonably adjusted.

City of Concord, New Hampshire

Principal Employers Current Year and Nine Years Ago

Employer	2011			1997 ⁽²⁾		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
State of New Hampshire	6,450	1	30.60 %	10,201	1	- %
Concord Hospital	3,200	2	15.18	1,400	2	-
Steeplegate Regional Mall	1,233	3	5.85	1,100	3	-
Genesis Care - (formally Pleasant View Retirement)	1,200	4	5.69	-	-	-
Concord School District	876	5	4.16	924	4	-
New Hampshire Hospital	850	6	4.03	-	-	-
Lincoln Financial Group - (formally Jefferson Pilot Financial)	602	7	2.86	641	6	-
Market Basket	533	8	2.53	-	-	-
Sanel Auto Parts	525	9	2.49	-	-	-
Merrimack Valley School District	500	10	2.37	-	-	-
City of Concord	454	11	2.15	465	9	-
Merrimack County	-	-	-	600	7	-
Federal Government	-	-	-	915	5	-
Healthsource of New Hampshire	-	-	-	485	8	-
Vishay-Sprague (Sprague Electric)	-	-	-	435	10	-
Total Principal Employers	16,423		77.91 %	17,166		-
Total City Employment	<u>21,080</u> (1)			<u>NA</u>		

Data Source

Final Official Statements for City of Concord bond issues and information provided by City's Economic Development Dept.

NA = Information is not available.

(1) Based on labor force residing in Concord - NHDES June 2010

(2) Principal Employer information was unavailable for 1998, 1999, 2000, 2001, and 2002

City of Concord, New Hampshire

City Government Employees by Division - Full Time Equivalent Last Ten Fiscal Years

Departments	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
City Manager	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.5	3.2	3.2
Legal	8.0	8.0	8.0	9.0	9.0	9.0	9.0	9.0	9.6	9.6
Assessing	6.5	6.5	6.5	6.5	7.0	6.5	6.5	6.5	6.3	6.0
Personnel	3.2	3.2	3.2	3.6	4.0	4.0	4.0	4.0	4.0	4.0
Finance/Control	7.0	7.0	8.0	8.0	7.6	7.6	7.6	7.6	6.0	5.5
Finance/Treas	8.5	8.6	8.6	8.6	8.6	8.0	8.0	8.0	7.7	7.5
Finance/Purch	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance/OMB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.5
Info Technology	4.0	4.0	5.0	5.0	5.0	6.0	6.0	6.0	5.0	6.0
City Clerk	2.7	3.0	3.0	3.6	3.6	3.6	3.6	3.6	3.5	3.6
Gen Gov	44.9	45.3	47.3	49.3	49.8	49.7	49.7	50.2	50.2	50.9
Police	105.2	105.2	105.2	105.2	106.2	105.0	107.7	98.1	96.0	97.7
Fire	103.7	115.7	115.7	117.7	117.7	115.2	115.0	114.7	107.0	107.0
Public Safety	208.9	220.9	220.9	222.9	223.9	220.2	222.7	212.8	203.0	204.7
Administration	20.0	19.0	19.0	18.0	17.5	17.5	17.5	17.5	16.5	16.5
Hwys & Util Sys	42.0	42.0	42.0	42.0	42.0	42.0	43.0	44.0	41.0	41.0
Grounds	25.0	25.0	25.0	25.0	25.0	25.0	24.0	23.0	21.0	21.0
Temporary	14.7	14.7	14.7	14.7	13.7	12.8	13.1	12.9	11.9	11.9
Public Properties	19.0	19.0	19.0	21.0	21.0	20.5	21.0	21.5	19.0	19.0
Vehicle Maint	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	12.0	12.0
Water & Sewer	27.0	27.0	27.0	27.0	26.0	26.0	26.0	26.0	26.0	24.0
General Svcs	160.7	159.7	159.7	160.7	158.2	156.8	157.6	157.9	147.4	145.4
Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	5.5	5.5	5.5	5.5	5.5	4.5	4.0	4.0	4.0	4.0
Business Devel	2.0	2.0	2.0	2.0	2.0	2.0	1.0	0.6	0.0	0.0
Bldg & Code Svcs	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.8	10.3	10.3
Engineering Svcs	18.5	18.5	18.5	17.5	17.6	18.6	19.6	19.6	18.0	18.0
Grants Admin	0.5	0.5	0.5	0.5	0.5	0.5	1.0	0.0	0.0	0.0
Comm Devel	40.0	40.0	40.0	39.0	39.1	39.1	39.1	38.0	34.3	34.3
Library	27.3	27.3	27.3	25.3	25.1	25.1	24.5	23.5	20.2	19.6
Recreation	12.2	12.2	12.2	12.5	10.7	10.0	9.7	10.0	9.8	10.0
Leisure Services	39.5	39.5	39.5	37.8	35.8	35.1	34.2	33.5	30.0	29.6
Human Services	4.5	4.7	4.5	4.6						
Grand Totals	498.5	510.1	512.1	514.4	511.5	505.5	508.0	497.1	469.4	469.5

Data Source

Budgeted Positions per City of Concord Budget. Full time equivalent based on 40 hours per week.

City of Concord, New Hampshire

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Physical arrests	2,254	2,864	2,770	3,215	2,978	2,928	2,749	3,095	3,044	2,796
Traffic violations	5,757	7,031	6,041	5,950	5,768	5,548	4,535	5,455	5,325	3,993
Parking violations	44,587	44,056	44,899	43,648	49,216	39,318	40,625	37,749	34,860	28,458
Fire and Rescue										
Calls answered	6,122	6,554	6,803	7,095	7,565	7,875	7,529	7,321	6,882	7,327
General services - Solid waste										
Refuse collected (tons)	na	na	na	na	17,603	17,081	16,370	10,884	8,311	11,722
Recycling (tons) Note: Recycle program started Oct 2005	na	na	na	na	1,356	1,962	1,976	2,063	3,391	3,555
General services - Streets										
Streets resurfaced (miles)	na	na	na	na	16	18	23	4	3	6
Potholes repaired	na	na	na	na	14,895	7,934	11,335	10,100	4,176	7,780
Water										
Average daily consumption (in thousands of gallons)	4,972	4,639	4,840	4,840	4,910	4,910	3,740	3,744	3,348	3,761
Sewage System:										
Daily average treatment (millions of gallons)										
Concord Plant	4,200	4,530	4,600	4,570	4,605	4,680	4,730	4,540	4,360	4,580
Penacook Plant	435	458	578	573	575	585	610	570	530	460

Data Source

Various city departments

Notes:

na = Information is not available.

City of Concord, New Hampshire

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	15	16	16	16	15	15	15	15	15	15
Fire and Rescue										
Number of stations	4	4	4	4	4	4	4	4	4	4
Number of ladder trucks	2	2	2	2	2	2	2	2	2	2
Number of pumpers	5	5	6	6	6	6	6	5	5	5
Number of support vehicles	5	5	5	5	8	7	7	6	6	6
General Services - Streets										
Miles of streets	272	272	338	338	339	340	341	327	327	327
Number of traffic lights (in sets)	na	na	na	92	92	97	97	75	77	77
Number of street lights	2,068	2,068	2,178	2,183	2,183	2,128	2,130	2,130	2,130	2,130
General Services - Culture and Recreation:										
Number of parks	16	16	21	20	20	20	20	20	20	20
Swimming pools	7	7	7	7	7	7	7	7	7	7
Tennis courts	21	21	21	21	21	21	21	21	21	21
Water										
Water main (miles)	183	183	215	169	169	170	171	172	172	172
Maximum daily capacity (thousands of gallons)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Sewage System:										
Sanitary sewers (miles)	120	141	141	141	141	142	142	152	152	152
Maximum daily capacity of treatment (thousands of gallons)										
Concord Plant	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100
Penacook Plant	4,200	4,200	4,200	4,200	4,200	4,200	2,370	2,370	2,370	2,370

Data Source

Various city departments