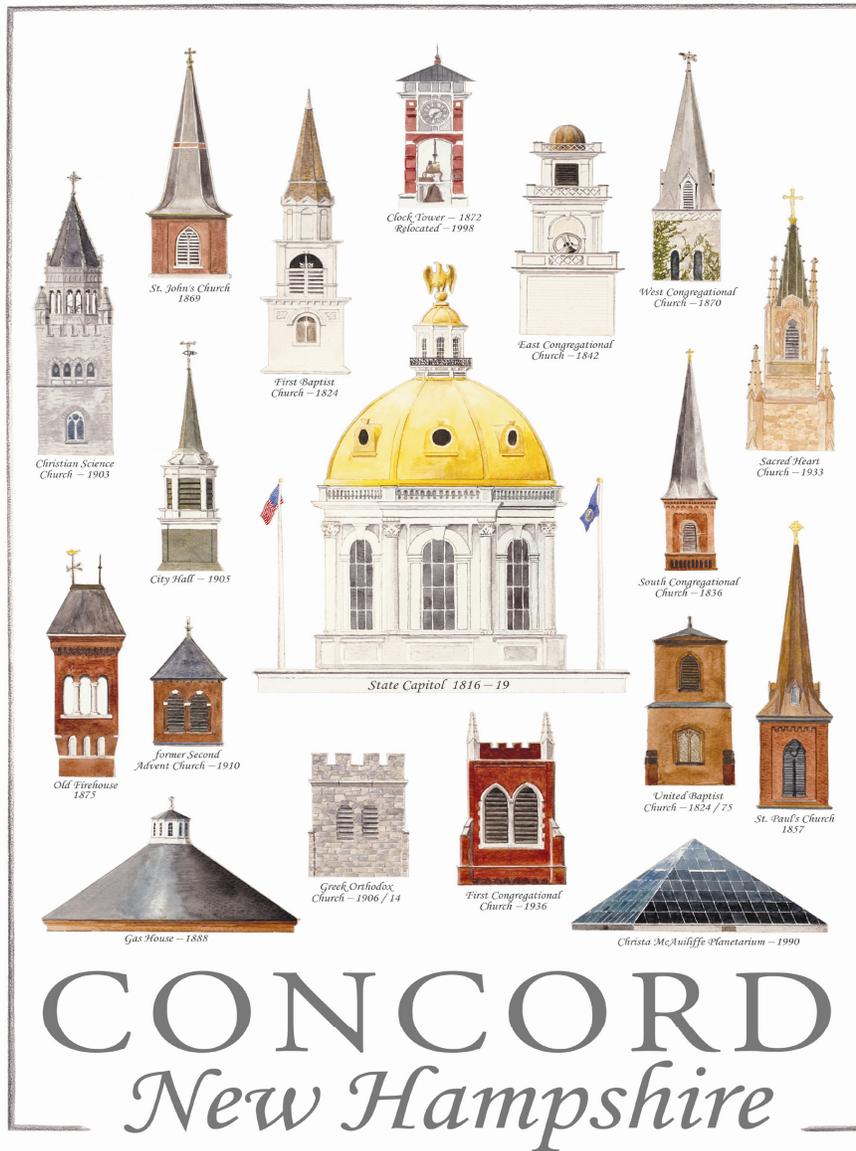


CITY OF CONCORD NEW HAMPSHIRE

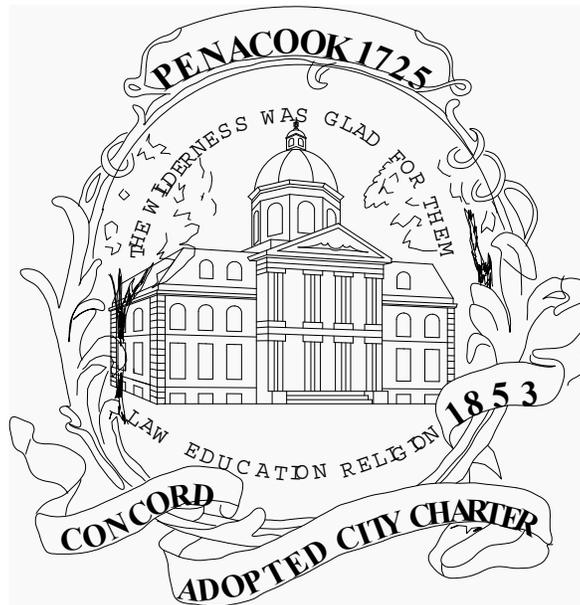


*From The Steeples of Concord Poster
by Andre' Hurigen
Available exclusively at Rowland Studio
Proceeds to benefit Main Street Concord, Inc.*

COMPREHENSIVE ANNUAL FINANCIAL REPORT For The Fiscal Year Ended June 30, 2009

CITY OF CONCORD, NEW HAMPSHIRE

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2009



**Prepared by:
The Finance Department**

James R. Howard
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, 2009

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

Presented herewith please find the Comprehensive Annual Financial Report (CAFR) for the City of Concord, New Hampshire for the fiscal year ending June 30, 2009. Responsibility for both the accuracy of the data, and the completeness and fairness of this presentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material respects. This data is reported in a manner designed to fairly present the City's financial position and the results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an accurate understanding of the City's financial activities have been included.

This Comprehensive Annual Financial Report covers the entity's financial performance for the twelve-month fiscal period, July 1, 2008 through June 30, 2009. This CAFR also presents the City's financial statements as required under the Governmental Accounting Standards Board's (GASB) Statement No (s). 34, which established financial reporting model for state and local governments. Users of this CAFR are encouraged to read this Letter of Transmittal in conjunction with the "Management's Discussion and Analysis" section appearing on page 15.

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

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. The City had a population of 44,186 as of December 31, 2008, a 1.04% increase over the previous year as estimated by its Community Development Department, Planning Division, and occupies a land area of 64 square miles.

Originally settled in 1727, Concord was incorporated in 1765 and established as the state capital in 1808. Government is by an elected 15-member council and an appointed City Manager. The City also serves as the Merrimack County seat and Federal Court seat. 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, which was originally adopted in 1853, and most recently amended in 2001, the Council appoints a City Manager who is solely responsible for carrying out the policies and ordinances of the City Council. The Council is elected on a non-partisan basis. Ten ward councilors, and the mayor, are elected every two years. Two of the four remaining "at-large" councilors are elected to staggered 4-year terms every two years. The current mayor is former City Councilor Jim Bouley who was elected mayor in November 2007. 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 are shared between the Mayor, Council and City Manager.

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

LOCAL ECONOMY

In November 2008 the National Bureau of Economic Research (NBER) declared the United States entered a recession beginning in January of 2008. The recession lasted through the entire City Fiscal 2009 and only as of this writing has there been further word from the NBER that the recession may be over. As measured by changes during 2008 and 2009 in Gross Product, employment and housing it appears that New Hampshire is weathering what has been dubbed 'the Great Recession' - due to the scope and depth of economic factors affected - better than the United States overall. Other factors including those related to the rate of combined taxation at the state and local level as well as quality of life and personal income keep the state among those sought for in-migration and business development.

For the first time in over 14 years the City's unemployment rate in March, April and June of 2008 exceeded the NH average. While the City rate has remained below the state rate for most of the intervening period, the difference between the NH State and Concord unemployment rates since 2005 has been noticeably less than what it was for the period 1992 through 2005. However, overall when compared to other cities in NH, New England and the Nation as a whole Concord's employment picture, depicts comparably low unemployment. On a non-seasonally adjusted basis in January 2009, the U.S. unemployment rate had risen to 8.5%, the New England Region was 8.1%, New Hampshire was 5.7% and Concord was 5.2%. In January 2007, the U.S. unemployment rate was 5.0%, the New England Region was 5.4%, New Hampshire was 4.2%, and Concord was 4.0%. In January of 2009, City of Concord's unemployment rate improved to the fifth lowest among the

13 cities in the state from seventh the previous year. And as of January 2009, it maintained its lowest rate among the top three largest cities in New Hampshire with Nashua at 5.7% and Manchester at 6.4%. All labor contracts were in place during fiscal 2009 with CPI-based cost-of-living adjustments and increased employee sharing of health benefit premiums.

For the sixth consecutive year, in 2009, the City of Concord was named among 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; and factoring in the number of welfare and Medicaid recipients; to make their rating determination.

As reported by the City Assessor in her November 2008 report to the City Council Fiscal Policy Advisory, the market value of taxable property as of April 1, 2008 (this is the assessment date for Fiscal 2009 property tax revenue) increased overall by less than 1 % (0.96%) compared to the previous year's level. The report went on to highlight that some neighborhoods and housing types declined in market value while commercial property value increased.¹ The average assessed value of a single family home in Concord as of April 1, 2008 was \$268,900 down from \$269,400 the year before.

As reported by the Tax Collector the June 30, 2009 tax collection percentage for the 2008 Tax Year (97.8%) declined slightly (from 98.1% the previous year) for a fourth consecutive yearly decline. Total tax delinquencies, for all years, were stated at \$2.7 million, a smaller increase (\$0.5 million) than the previous year's \$0.6 million. Vigorous efforts by the Collector's office however have resulted in no material increases in the City taking title through tax deeds. Anticipating increased delinquencies the Collector's office initiated a significant outreach, communication and visitation program to affect this result.

City Council's Number One Fiscal Goal is directed towards a robust property tax collection program which is aimed at maintaining high collection rates, pursuit of delinquencies through liening and deeding, and working with taxpayers to assist them in meeting these obligations.

LONG-TERM FINANCIAL PLANNING, POLICY MONITORING AND RESPONDING TO THE IMPACT OF THE U. S. ECONOMIC DECLINE

The City Council instituted, at the behest of the Fiscal Policy Advisory Committee (FPAC) in 1993, a quarterly process of reporting current fiscal conditions. Since then, the City Administration has presented formal Fiscal Monitoring Reports complete with national, regional, and local economic overviews, budgetary revenue and expense updates, and a 5-year projection of both General Fund operations and the tax rate. These reports and budget models have become a staple of the annual budgetary planning and tax rate setting process. No more clearly than during Fiscal 2009 did these programs yield more important results.

The City Council has also routinely adopted a series of fiscal policy goals to guide the financial direction and management of the City. Additional goals adopted by the Fiscal Policy

¹ Overall market value of assessed property increased 0.3%, as of April 1, 2007 from April 1, 2006. As of April 1, 2006, it increased 2.05% from the previous year and 7.13% from 2004

Advisory Committee support economic development, as well as fiscal stability, through supporting and funding of capital reserves for these purposes.

In 1995, after several years of limited capital investment, the FPAC established several capital reserve funds from the results of General Fund operations made possible by the expanding economy and improved revenues. Reserves were created for city-wide and downtown economic development, property revaluation, street repaving, fire apparatus, highway equipment, limited self-insurance, Tax Stabilization (TSR) and 53-week years². Additions to the above stated reserves were included in each year's budgets from 1995 to 2006 after the results of the year's fiscal operations were known.

These reserves, along with total General Fund Balance, had been in decline almost continually since 2001(see the table at the end of this transmittal letter). Due to tighter budgeting both for revenues and appropriations, the higher utilization of declining fund balance, and a chronic fiscal structural imbalance, budget operations have resulted in Undesignated Unreserved Fund Balance (UUFB) approaching the Council's minimal fiscal goal of 8% of appropriations. A five year administratively recommended plan to reduce reliance upon the use of prior year surplus beginning in FY2007 shelved with the adoption of the Fiscal 2008 budget was resumed in FY2009 by appropriating only \$730,000 of prior year's fund balance (compared to the previous year's \$1,375,000)

Recognizing, during the second half of Fiscal 2008, the long term cost of a declining credit rating likely to occur, the City Manager, with the concurrence of the Council's Fiscal Policy Advisory Committee, obtained full Council approval to freeze and eventually reverse the use of surplus in FY2008 by \$700,000 in an unprecedented move. In mid Fiscal 2009, citing the likely impacts of the severe decline in the availability of credit, near collapse of the banking sector and housing markets, and the impacts upon revenues for FY2009 and beyond the City Manager re-implemented an organization-wide hiring freeze and directed departments to reduce expenditure plans by 2.5 to 3% for the year. These amounts were intended to counter-balance both the expected revenue shortfall as well as replace the estimated \$730,000 of surplus used in the FY2009 budget.

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

GENERAL FUND BALANCE

The General Fund unreserved undesignated fund balance (UUFB) of \$5,302,478 at fiscal year end represents an increase of \$854,699 over the previous year. This increase was engineered through the above-cited action as well as stringent review of encumbrance requests. This strong and improved fund balance, continuing strong liquidity and year-end cash position enables the City to avoid entering the short-term credit markets for operating capital. The following table shows the results of the City's return to sound fiscal condition during the late 1990's through its cooperative program of fiscal management and tax rate target setting. The "Management's Discussion and Analysis" section discusses the trend in fund balance in more detail.

² Due to an anomaly in the calendar, periodically the City experiences a 53rd pay week, roughly equivalent to a 2% cost, within a fiscal year.

GENERAL FUND EQUITY AND FUND BALANCE

	1995-2009	
	<u>Total Fund Equity</u>	<u>Undesignated Fund Balance</u>
1994	\$ 7,160,770	\$ 4,271,143
1995	6,350,421	5,164,144
1996*	9,833,557	3,447,183
1997	8,917,159	3,327,328
1998	10,730,680	4,045,028
1999	10,055,895	3,994,408
2000	9,667,335	4,693,358
2001	10,424,868	4,000,000
2002	8,995,314	4,000,000
2003	8,637,348	4,359,999
2004	7,777,170	4,000,000
2005	7,305,247	4,106,287
2006	7,119,336	4,079,762
2007	5,724,246	3,453,608
2008	5,747,884	4,447,779
2009	6,471,747	5,302,478

*1996 was a 6-month transitional period

CREDIT RATINGS AND DEBT LIMITS

The City Council Fiscal Policy Advisory Committee (FPAC) was created to deal with fiscal difficulties arising out of the recession and related General Fund deficits of 1990 (\$2,817,598) and 1991 (\$1,122,718). These difficulties included a credit downgrading to A-1 from Moody's Investor Service. Along with the City Administration, the FPAC developed a proposal to change the City's fiscal year and simultaneously convert to quarterly property tax collections. This proposal, designed to eliminate the structural year-end and monthly cash deficits due to semi-annual collections in arrears, as well as related liquidity problems, was implemented in 1996 and has been a major contributor to subsequent bond rating improvements.

In January 1997, citing a consistently high fund balance, substantial reserves, conversion to quarterly tax billing, and the conversion to a June 30 fiscal year-end, the City successfully persuaded a Moody's rating committee to restore the City to their higher AA3 rating. To improve credit information to investors and improve the interest rate outlook, the City also sought a rating from Standard and Poor's, who, after conducting an analysis, awarded the City a coveted AA rating.

In May of 2001, after issuance of a ruling by the state supreme court upholding the constitutionality of the state school funding law, Moody's raised the credit rating of the City to AA2 citing... "economic strength and stability, ...consistently good financial results, and manageable debt position along with effective management practices..., and sound budgeting" as reasons for their upgrade. This rating has remained in affect through fiscal

2009. Standards and Poors affirmed their consistently high AA rating for the City, which the City has held since February of 1997.

In credit reports issued in connection with both the 2006 and 2007 bond sales, credit rating agencies recognized mounting pressures on reserves and fund balance. Possible credit implications for continuing declines in fund balance were also emphasized. Yet at the same time, Standard and Poor's rating services instituted its Financial Management Assessment and in January 2007 awarded Concord the highest possible rating of "Strong" for its "well embedded financial practices". Such acknowledgement of the strong financial management practices of the City would not be possible without the governance and support of the City Council through its fiscal goals and Fiscal Monitoring program.

With concern over its FY2007 final and the aforementioned negative General Fund fiscal position developing for FY2008, the City postponed its routine January debt offering until it could assess credit and financial conditions and develop and implement a FY2008 "Fiscal Get Well Plan". As previously referenced in this letter, after implementing unprecedented moves to get back on track, the City, with its credit ratings from both Moody's and Standard and Poor's intact, proceeded to the credit market in August 2008, and received a highly competitive 3.9% interest rate. None too soon as the credit market constricted for Muni debt in October and interest rates rose significantly.

All the news was not good however. While credit ratings were maintained, Moody's placed the City on negative outlook indicating that if August projections for fiscal year ending June 30, 2008 were not achieved (the City did achieve that estimate) and a balanced budget was not achieved a year earlier (FY2011) than the present plan of FY2012, the City could see its AA2 rating decline.

The City's general purpose debt limit of 3% of assessment or \$133 million is established in accordance with RSA 33:4-a. As of June 30, 2008, the City has used only 27.3% of its General Debt capacity and thus \$96.5 million is still available for use. Please see page 135 for information about City, Water and School debt capacity.

MAJOR INITIATIVES

Budget Management Respond to Economic Chaos

Major initiatives for FY2009 revolved around managing a budget in an economy in 'free fall'. With significantly slowing revenue growth the City found itself faced with implementing a hiring 'freeze' on positions for the fifth consecutive year. The adopted FY2009 budget had initially resulted in the restoration of two eliminated public safety positions from the prior year, but these and more than 30 other positions were however not filled during the year.

Capital expenditures for road projects including highway repaving continued at a strong pace. But this high level of investment was made possible by unspent funds remaining from previous appropriations as well as continued funding for the Major North South Route 3 Corridor, a City Council priority.

Facing an \$800,000 increase in solid waste tipping fees the City Council created a Committee to consider alternative solid waste collection, disposal and recycling options for Fiscal 2010. Included among those options was a Pay As You Throw (PAYT) fee-based program.

OPEB Action

In responding to the results of the City's actuarial report prepared in accordance with Government Accounting Standards Board (GASB) Statement 45 detailed the cost of Other Post Employment Benefits (OPEB) plans. The City with agreement of the City Manager's internal Labor Management Health Benefits Review Team (HBRT), implemented a Medicare Advantage Plan for all retirees over 65 years of age. This move resulted in reducing the OPEB Unfunded Actuarially Accrued Liability (UAAL) liability to \$32.2 million. An earlier OPEB report issued for FY2006 projected a UAAL in excess of \$60 million dollars for eligible retirees; those hired before January 1991.

The City implements reporting in accordance with GASB 45 with publication of this CAFR. Efforts to reduce this liability will continue with benefit management and financing alternatives. At year-end FY2009 the City Council authorized the creation of a revocable trust and deposit of \$300,000 to demonstrate a commitment to meet some level of OPEB pre-funding obligation. Legislative options created with the assistance of the City to authorized the creation of an irrevocable trust is pending with the NH legislative delegation and is expected to be passed into law in 2010.

Follow-up on the Tannery Economic Development

A partial settlement during the year between the City and its insurer Primex with regard to collapse of the old Allied Leather Tannery was reached during the year and clean-up of the parcel will be followed with the issuance of an RFP for potential development partners.

At completion of the Fiscal Year with credit markets beginning to loosen from unprecedented tightness, preparations were underway for a refinancing of \$8 million. The City sustained its credit ratings from both Moody's and Standard and Poors, alas with the negative outlook in tact. Having achieved its promised improved fiscal condition and balanced budget for FY2010 is optimistic this blemish can be cleared.

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, and to ensure that adequate accounting information is maintained and reported in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute 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.

From a reading of the adopted City Charter, the legal level of budgetary compliance for Department Heads and the City Manager has been determined to be at the Department level.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded fourteen consecutive Certificates of Achievement for Excellence in Financial Reporting to the City of Concord, NH for its comprehensive annual financial report beginning for the fiscal year ended December 31, 1995, through June 30, 2008 including the six-month

transitional fiscal period ending June 30, 1996. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

The timely preparation of this year's CAFR was made possible by the tireless efforts provided by the Finance Department staff. In particular, again this year, we wish to recognize the efforts of Diane Savoie, City Controller. At the same time, we add our recognition and thanks to Senior Accountant Carol B. Andersen and to the entire staff. Without their diligence, hard work along with their professionalism and support, this report would not meet such high standards.

OTHER INFORMATION

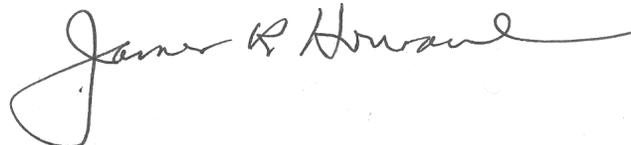
Although state statutes do not require an annual audit, the City has continually produced an independently audited set of Financial Statements since the 1920's. Presently, the firm of Melanson, Heath and Company, P.C. of Nashua, New Hampshire conducts the annual audit for the City. In addition, the audit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

The City invites you to visit our web site at www.ci.concord.nh.us, where this CAFR is expected to be prominently displayed by mid February 2010. Also displayed are previous CAFR's and other summary financial information.

Sincerely,

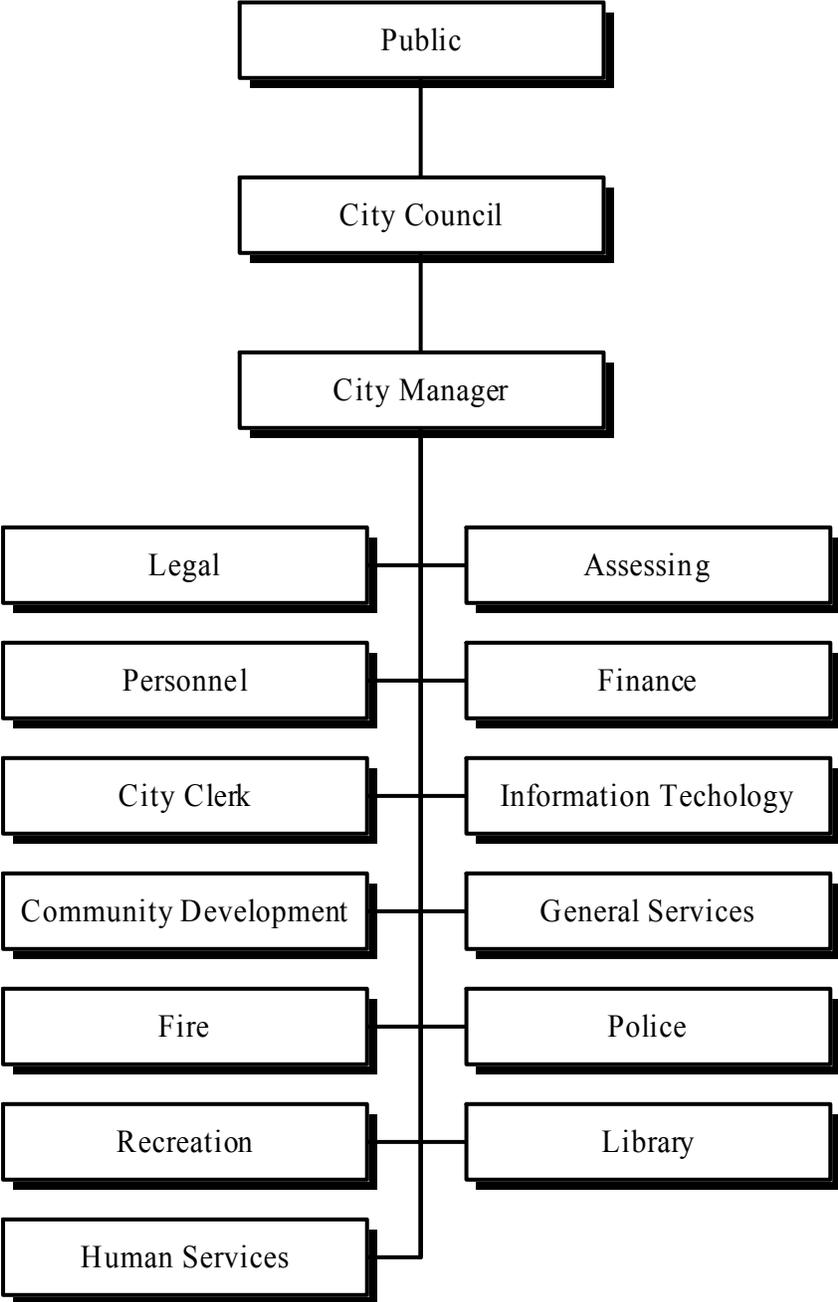


Thomas J. Aspell
City Manager



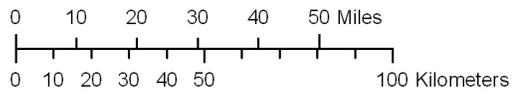
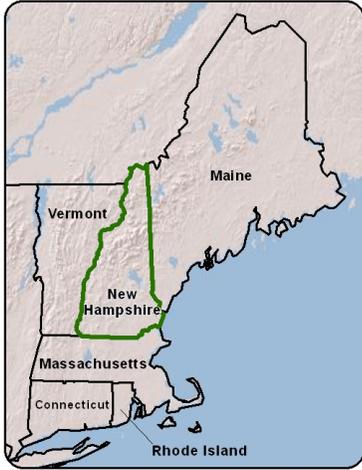
James R. Howard
Deputy City Manager and
Finance Director

CITY OF CONCORD, NEW HAMPSHIRE
TABLE OF ORGANIZATION



City of Concord, NH

Geographic Location



CITY OF CONCORD, NEW HAMPSHIRE
LIST OF PRINCIPAL OFFICIALS
June 30, 2009

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	Douglas Black
Councilor-at-Large	Dan St. Hilaire
Councilor Ward 1	Elizabeth Blanchard
Councilor Ward 2	William Stetson
Councilor Ward 3	Jan McClure
Councilor Ward 4	Dick Lemieux
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>Appointed by City Manager:</i>	
Deputy City Manager -- Development	Carlos P. Baia
Deputy City Manager -- Finance	James R. Howard
City Clerk	Janice L. Bonenfant
City Solicitor	Paul F. Cavanaugh
Director of Personnel and Labor Relations	Norman C. O'Neil
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
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, 2008

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.



President

Executive Director

FINANCIAL SECTION

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, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town 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, 2009, 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 70 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 29, 2009 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 29, 2009

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, 2009. 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 \$ 203,391,236 (i.e., net assets), a change of \$ 101,192 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 31,050,149, a change of \$ (2,706,847) in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$ 5,032,478, a change of \$ 584,699 in comparison with the prior year. In addition, total general fund balance changed by \$ 723,863.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$ 68,036,092, a change of \$ 1,724,466 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>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 80,957	\$ 81,725	\$ 8,487	\$ 9,505	\$ 89,444	\$ 91,230
Capital Assets	<u>103,899</u>	<u>98,626</u>	<u>131,610</u>	<u>129,599</u>	<u>235,509</u>	<u>228,225</u>
Total assets	184,856	180,351	140,097	139,104	324,953	319,455
Long-term liabilities outstanding	44,666	43,093	27,514	25,532	72,180	68,625
Other liabilities	<u>47,488</u>	<u>46,067</u>	<u>1,894</u>	<u>1,473</u>	<u>49,382</u>	<u>47,540</u>
Total liabilities	92,154	89,160	29,408	27,005	121,562	116,165
Net assets:						
Invested in capital assets, net	66,567	61,820	104,127	104,711	170,694	166,531
Restricted	10,576	12,970	1,326	1,468	11,902	14,438
Unrestricted	<u>15,560</u>	<u>16,401</u>	<u>5,235</u>	<u>5,920</u>	<u>20,795</u>	<u>22,321</u>
Total net assets	<u>\$ 92,703</u>	<u>\$ 91,191</u>	<u>\$ 110,688</u>	<u>\$ 112,099</u>	<u>\$ 203,391</u>	<u>\$ 203,290</u>

CHANGES IN NET ASSETS

	<u>Governmental</u>		<u>Business-Type</u>		<u>Totals</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues:						
Program revenues						
Charges for services	\$ 6,412	\$ 7,301	\$ 13,577	\$ 13,920	\$ 19,989	\$ 21,221
Operating grants and contributions	1,406	607	243	-	1,649	607
Capital grants and contributions	2,005	4,350	269	177	2,274	4,527
General revenues						
Property Taxes	37,718	36,055	-	-	37,718	36,055
Penalties, interest and other taxes	805	755	-	-	805	755
Grants and contributions not restricted to specific programs	1,165	1,695	-	141	1,165	1,836
Investment income	(564)	1,552	197	346	(367)	1,898
Other	<u>744</u>	<u>988</u>	<u>32</u>	<u>69</u>	<u>776</u>	<u>1,057</u>
Total revenues	49,691	53,303	14,318	14,653	64,009	67,956

(continued)

(continued)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Totals</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Expenses:						
General government	6,158	5,444	-	-	6,158	5,444
Public safety	21,144	19,956	-	-	21,144	19,956
General services	11,572	12,186	-	-	11,572	12,186
Community development	4,042	4,161	-	-	4,042	4,161
Leisure and information services	2,459	2,277	-	-	2,459	2,277
Human services	808	705	-	-	808	705
Interest on long-term debt	1,411	1,763	-	-	1,411	1,763
Water operations	-	-	4,960	5,130	4,960	5,130
Sewer operations	-	-	6,436	6,138	6,436	6,138
Solid Waste operations	-	-	3,730	3,683	3,730	3,683
Other operations	-	-	1,433	1,326	1,433	1,326
Total expenses	<u>47,594</u>	<u>46,492</u>	<u>16,559</u>	<u>16,277</u>	<u>64,153</u>	<u>62,769</u>
Change in net assets before transfers and contributions	2,097	6,811	(2,241)	(1,624)	(144)	5,187
Transfer in (out)	(830)	(452)	830	452	-	-
Permanent fund contributions	<u>245</u>	<u>471</u>	<u>-</u>	<u>-</u>	<u>245</u>	<u>471</u>
Increase in net assets	1,512	6,830	(1,411)	(1,172)	101	5,658
Net assets - beginning of year	<u>91,191</u>	<u>84,361</u>	<u>112,099</u>	<u>113,271</u>	<u>203,290</u>	<u>197,632</u>
Net assets - end of year	<u>\$ 92,703</u>	<u>\$ 91,191</u>	<u>\$ 110,688</u>	<u>\$ 112,099</u>	<u>\$ 203,391</u>	<u>\$ 203,290</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 \$ 203,391,236, a change of \$ 101,192 from the prior year.

The largest portion of net assets \$ 170,693,812 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 \$ 11,902,510 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$ 20,794,914 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 \$ 1,511,569. Key elements of this change are as follows:

Excess of revenues over expenditures:	
General fund operations	\$ 723,863
Special revenue funds	(1,428,412)
Permanent funds	(1,055,679)
Debt service fund	<u>96,624</u>
Subtotal	(1,663,604)
Debt service principal paydown in excess of depreciation	
	603,169
Capital assets acquired from current year revenues	1,976,730
Other	<u>595,274</u>
Total	<u>\$ 1,511,569</u>

While total net assets of the governmental activities changed by \$ 1,511,569, unrestricted net assets changed \$ (841,240) principally due to the use of previous unrestricted net assets (Capital Reserve Funds) for the acquisition of new capital assets. In addition, investment income declined due to current market conditions and lower interest rates, especially within the special revenue trust funds. Also, contributions towards the Langley Parkway construction declined due to the project's completion.

Business-type activities. Business-type activities for the year resulted in a change in net assets of \$ (1,410,377). This change primarily results from depreciation expense exceeding long-term debt service pay downs by \$ 93,913 and \$ 731,450 in the Water and Sewer funds, respectively. The following is a summary of the changes in net assets by fund:

Water operations	\$ (287,591)
Sewer operations	(922,679)
Solid Waste operations	(45,610)
Nonmajor funds	<u>(154,497)</u>
Total	<u>\$ (1,410,377)</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,

unreserved 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 \$ 31,050,149, a change of \$ (2,706,847) in comparison with the prior year. Most of this change was attributable to the use of General Fund unreserved fund balance, and expenditures for various capital projects for which bond proceeds primarily recognized in the prior fiscal years.

The General Fund is the City's chief operating fund. At the end of the current fiscal year, undesignated fund balance of the General Fund was \$ 5,302,478 while total fund balance was \$ 6,471,747. While the undesignated fund balance changed by \$ 854,699, total fund balance was changed by \$ 723,863. The use of undesignated fund balance to fund operating activities as well as the transfer to designated fund balance for eventual transfer to capital reserves, while largely offset by positive results of operation compared to the budget, has caused an increase in our overall General Fund balance position. The following table highlights the change in our General Fund balance accounts (in thousands):

	<u>Unreserved</u>	<u>Reserves</u>	<u>Tax Stabilization</u>	<u>Total</u>
Beginning of year	\$ 4,448	\$ 722	\$ 578	\$ 5,748
Use of fund balance	(830)	-	-	(830)
Revenues under budget	(178)	-	-	(178)
Expenditures under budget	1,632	-	-	1,632
Other	100	-	-	100
Transfers	131	(131)	-	-
End of Year	<u>\$ 5,303</u>	<u>\$ 591</u>	<u>\$ 578</u>	<u>\$ 6,472</u>

As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 12.6 percent of total general fund expenditures, while total fund balance represents 15.4 percent of that same amount. The undesignated amount exceeded the City Council Fiscal Policy minimum of 8%.

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 \$ 5,235,417, a change of \$ (684,973) in comparison with 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 \$ 166,475. The majority of the overall change represents appropriations to fund the 53rd week Capital Reserve Trust fund.

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-expenditure (including transfers) of approximately 3.4%, exceeding last year's historical level of 3.0%.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year end amounted to \$ 234,328,079 (net of accumulated depreciation), a change of \$ 6,103,092 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 completion of Langley Parkway, construction and design costs for the Route 3 corridor, and other on-going infrastructure improvements.

Change in credit rating. The City of Concord, NH has maintained a Moody's credit rating of Aa2 for several years.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was \$ 68,036,092, 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 footnotes 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 2009 adopted to the fiscal 2010 adopted City General Fund budget and tax rate:

	2009 COUNCIL ADOPTED	2010 COUNCIL ADOPTED
<u>Use of Funds</u>		
Budget Appropriations	\$ 47,175,989	\$ 46,053,589
War Credits	297,000	294,000
Overlay	<u>465,000</u>	<u>460,000</u>
Total Uses of Funds	<u>\$ 47,937,989</u>	<u>\$ 46,807,589</u>
<u>Sources of Funds</u>		
Miscellaneous Revenues	\$ 17,868,901	\$ 16,418,436
Surplus (prior Year Undesignated fund Balance)	730,000	-
Amount to be raised by property taxes	<u>29,339,088</u>	<u>30,389,153</u>
Total Sources of Funds	<u>\$ 47,937,989</u>	<u>\$ 46,807,589</u>
<u>TAX RATE DETERMINATION</u>		
Assessed Value (A.V.) in thousands of dollars	\$ 4,250,339	\$ 4,326,049
Amount to be Raised	\$ 29,339,088	\$ 30,389,153
Current Year Recommended Tax Rate/\$ 1,000 A.V.	\$ 6.90	\$ 7.02
Prior Year Tax Rate/\$ 1,000 A.V.	<u>6.55</u>	<u>6.84</u>
Increase over Prior Year	\$ 0.35	\$ 0.18
% Change	5.34%	2.63%

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, 2009

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS			
Current:			
Cash and short-term equivalents	\$ 34,622,510	\$ 6,734,514	\$ 41,357,024
Investments	14,651,594	-	14,651,594
Receivables, net of allowance for uncollectibles:			
Property taxes	29,881,969	-	29,881,969
Accounts	799,613	-	799,613
User fees	-	1,530,999	1,530,999
Intergovernmental	18,639	150,298	168,937
Loans	710,521	-	710,521
Other assets	<u>272,367</u>	<u>71,031</u>	<u>343,398</u>
Total current assets	80,957,213	8,486,842	89,444,055
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Intergovernmental	-	1,180,931	1,180,931
Capital assets:			
Land and construction in progress	21,536,235	6,693,432	28,229,667
Other capital assets, net of accumulated depreciation	<u>82,362,877</u>	<u>123,735,535</u>	<u>206,098,412</u>
Total non-current assets	<u>103,899,112</u>	<u>131,609,898</u>	<u>235,509,010</u>
TOTAL ASSETS	184,856,325	140,096,740	324,953,065
LIABILITIES			
Current:			
Accounts payable	971,334	799,986	1,771,320
Retainage payable	967,010	393,778	1,360,788
Accrued liabilities	709,989	355,946	1,065,935
Unearned revenues	26,552,682	172,278	26,724,960
Taxes collected in advance	16,858,353	-	16,858,353
Due to other governments	95,030	-	95,030
Other current liabilities	1,333,845	171,707	1,505,552
Current portion of long-term liabilities:			
Bonds and loans payable	4,578,063	3,304,990	7,883,053
Other liabilities	<u>1,704,738</u>	<u>188,325</u>	<u>1,893,063</u>
Total current liabilities	53,771,044	5,387,010	59,158,054
Noncurrent:			
Bonds and loans payable, net of current portion	36,282,042	23,870,997	60,153,039
Other liabilities, net of current portion	<u>2,100,736</u>	<u>150,000</u>	<u>2,250,736</u>
Total non-current liabilities	<u>38,382,778</u>	<u>24,020,997</u>	<u>62,403,775</u>
TOTAL LIABILITIES	92,153,822	29,408,007	121,561,829
NET ASSETS			
Invested in capital assets, net of related debt	66,566,664	104,127,148	170,693,812
Restricted for:			
Grants and other statutory restrictions	3,119,348	-	3,119,348
Permanent funds:			
Nonexpendable	7,456,994	-	7,456,994
Debt service	-	1,326,168	1,326,168
Unrestricted	<u>15,559,497</u>	<u>5,235,417</u>	<u>20,794,914</u>
TOTAL NET ASSETS	<u>\$ 92,702,503</u>	<u>\$ 110,688,733</u>	<u>\$ 203,391,236</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2009

	<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	\$ 6,158,045	\$ 1,458,413	\$ 445,051	\$ 1,194,140
Public safety	21,144,583	3,048,743	149,986	-
General services	11,572,079	298,694	80,775	-
Community development	4,041,973	1,131,134	730,298	810,800
Leisure and information services	2,459,002	462,796	281	-
Human services	807,682	12,330	-	-
Interest on long-term debt	1,410,990	-	-	-
Total Governmental Activities	47,594,354	6,412,110	1,406,391	2,004,940
Business-Type Activities:				
Water	4,959,863	4,918,822	4,450	89,114
Sewer	6,436,028	5,593,025	238,894	179,467
Solid Waste	3,729,839	1,761,418	-	-
Golf	924,563	819,553	-	-
Arena	508,573	484,182	-	-
Total Business-Type Activities	16,558,866	13,577,000	243,344	268,581
Total	\$ 64,153,220	\$ 19,989,110	\$ 1,649,735	\$ 2,273,521

General Revenues, Transfers & Permanent Fund Contributions

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

End of year

See notes to financial statements.

Net (Expenses) Revenues and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
\$ (3,060,441)	\$ -	\$ (3,060,441)
(17,945,854)	-	(17,945,854)
(11,192,610)	-	(11,192,610)
(1,369,741)	-	(1,369,741)
(1,995,925)	-	(1,995,925)
(795,352)	-	(795,352)
<u>(1,410,990)</u>	<u>-</u>	<u>(1,410,990)</u>
(37,770,913)	-	(37,770,913)
-	52,523	52,523
-	(424,642)	(424,642)
-	(1,968,421)	(1,968,421)
-	(105,010)	(105,010)
<u>-</u>	<u>(24,391)</u>	<u>(24,391)</u>
-	<u>(2,469,941)</u>	<u>(2,469,941)</u>
(37,770,913)	(2,469,941)	(40,240,854)
37,718,000	-	37,718,000
804,871	-	804,871
1,165,149	-	1,165,149
(564,036)	197,313	(366,723)
743,489	31,764	775,253
(830,487)	830,487	-
<u>245,496</u>	<u>-</u>	<u>245,496</u>
<u>39,282,482</u>	<u>1,059,564</u>	<u>40,342,046</u>
1,511,569	(1,410,377)	101,192
<u>91,190,934</u>	<u>112,099,110</u>	<u>203,290,044</u>
<u>\$ 92,702,503</u>	<u>\$ 110,688,733</u>	<u>\$ 203,391,236</u>

CITY OF CONCORD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2009

ASSETS	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and short-term equivalents	\$ 16,826,236	\$ 17,796,274	\$ 34,622,510
Investments	5,992,921	8,658,673	14,651,594
Receivables:			
Property taxes	30,107,086	-	30,107,086
Accounts	154,395	645,218	799,613
Intergovernmental	18,639	-	18,639
Loans	-	710,521	710,521
Due from other funds	775,514	389,533	1,165,047
Inventory	229,056	-	229,056
Other assets	<u>33,918</u>	<u>9,393</u>	<u>43,311</u>
TOTAL ASSETS	\$ <u>54,137,765</u>	\$ <u>28,209,612</u>	\$ <u>82,347,377</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 346,010	\$ 625,324	\$ 971,334
Retainage payable	-	967,010	967,010
Other liabilities	793,953	539,892	1,333,845
Deferred revenues	29,183,138	723,471	29,906,609
Taxes collected in advance	16,858,353	-	16,858,353
Due to other funds	389,534	775,513	1,165,047
Due to other governments	<u>95,030</u>	<u>-</u>	<u>95,030</u>
TOTAL LIABILITIES	47,666,018	3,631,210	51,297,228
Fund Balances:			
Reserved for:			
Encumbrances	342,385	4,327,466	4,669,851
Inventory	208,096	-	208,096
Perpetual (nonexpendable) permanent funds	-	7,456,994	7,456,994
Tax stabilization	578,080	-	578,080
Miscellaneous	40,708	-	40,708
Unreserved:			
Undesignated, reported in:			
General fund	5,302,478	-	5,302,478
Special revenue funds	-	7,675,674	7,675,674
Capital project funds	-	4,261,481	4,261,481
Debt service	<u>-</u>	<u>856,787</u>	<u>856,787</u>
TOTAL FUND BALANCES	<u>6,471,747</u>	<u>24,578,402</u>	<u>31,050,149</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>54,137,765</u>	\$ <u>28,209,612</u>	\$ <u>82,347,377</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, 2009

Total governmental fund balances	\$ 31,050,149
<ul style="list-style-type: none">• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	103,899,112
<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.	3,128,810
<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.	(709,989)
<ul style="list-style-type: none">• Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(44,665,579)</u>
Net assets of governmental activities	<u>\$ 92,702,503</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, 2009

	<u>General</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues:			
Taxes	\$ 36,416,956	\$ 865,419	\$ 37,282,375
Licenses and permits	825,833	-	825,833
Intergovernmental	2,153,115	1,289,838	3,442,953
Charges for services	4,172,171	1,414,106	5,586,277
Investment income	448,196	(1,012,518)	(564,322)
Contributions	-	1,304,022	1,304,022
Miscellaneous	866,261	853,388	1,719,649
Total Revenues	<u>44,882,532</u>	<u>4,714,255</u>	<u>49,596,787</u>
Expenditures:			
Current:			
General government	5,064,032	836,216	5,900,248
Public safety	18,811,970	598,614	19,410,584
General services	7,729,674	520,297	8,249,971
Community development	2,725,199	282,003	3,007,202
Leisure and information services	2,228,264	2,225	2,230,489
Human services	789,101	-	789,101
Employee benefits	328,542	-	328,542
Miscellaneous	-	53,929	53,929
Debt service			
Principal	3,387,538	833,400	4,220,938
Interest	1,031,194	566,533	1,597,727
Capital outlay	-	9,935,126	9,935,126
Total Expenditures	<u>42,095,514</u>	<u>13,628,343</u>	<u>55,723,857</u>
Excess (deficiency) of revenues over expenditures	2,787,018	(8,914,088)	(6,127,070)
Other Financing Sources (Uses):			
Issuance of bonds	-	4,250,710	4,250,710
Transfers in	1,580,584	2,282,130	3,862,714
Transfers out	(3,643,739)	(1,049,462)	(4,693,201)
Total Other Financing Sources (Uses)	<u>(2,063,155)</u>	<u>5,483,378</u>	<u>3,420,223</u>
Net change in fund balance	723,863	(3,430,710)	(2,706,847)
Fund Balance, at Beginning of Year	<u>5,747,884</u>	<u>28,009,112</u>	<u>33,756,996</u>
Fund Balance, at End of Year	<u>\$ 6,471,747</u>	<u>\$ 24,578,402</u>	<u>\$ 31,050,149</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, 2009

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (2,706,847)																				
<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;">9,090,269</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">(3,721,569)</td> </tr> <tr> <td>Loss on disposal of assets</td> <td style="text-align: right;">(96,000)</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;">435,625</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;">4,324,738</td> </tr> <tr> <td>Issuance of bonds</td> <td style="text-align: right;">(4,250,710)</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;">82,934</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;">(321,678)</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>(1,355,193)</u></td> </tr> </table> 		Capital outlay purchases	9,090,269	Depreciation	(3,721,569)	Loss on disposal of assets	(96,000)		435,625	Bond repayments	4,324,738	Issuance of bonds	(4,250,710)		82,934	Compensated absences	(321,678)	Landfill liability	30,000	Other post employment benefits	<u>(1,355,193)</u>
Capital outlay purchases	9,090,269																				
Depreciation	(3,721,569)																				
Loss on disposal of assets	(96,000)																				
	435,625																				
Bond repayments	4,324,738																				
Issuance of bonds	(4,250,710)																				
	82,934																				
Compensated absences	(321,678)																				
Landfill liability	30,000																				
Other post employment benefits	<u>(1,355,193)</u>																				
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ <u>1,511,569</u>																				

See notes to financial statements.

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes	\$ 35,973,801	\$ 35,973,801	\$ 36,280,271	\$ 306,470
Licenses and permits	1,161,646	1,161,646	825,833	(335,813)
Intergovernmental	2,030,061	2,076,061	2,153,115	77,054
Charges for services	4,330,598	4,331,073	4,172,866	(158,207)
Investment income	685,000	685,000	448,196	(236,804)
Miscellaneous	697,318	697,318	866,284	168,966
Total Revenues	44,878,424	44,924,899	44,746,565	(178,334)
Expenditures:				
General government	5,694,408	5,607,408	5,072,827	534,581
Public safety	19,339,737	19,339,737	18,869,473	470,264
General services	7,660,810	7,975,807	7,647,015	328,792
Community development	3,002,989	2,923,645	2,720,300	203,345
Leisure and information services	2,254,800	2,267,800	2,243,347	24,453
Human services	712,640	862,640	789,163	73,477
Employee benefits	296,100	296,100	328,542	(32,442)
Debt service	5,131,007	4,631,007	4,601,962	29,045
Total Expenditures	44,092,491	43,904,144	42,272,629	1,631,515
Other Financing Sources (Uses):				
Transfers in	1,467,565	1,587,565	1,579,866	(7,699)
Transfers out	(3,083,498)	(3,438,320)	(3,438,320)	-
Budgetary use of fund balance	830,000	830,000	830,000	-
Total Other Financing Sources (Uses)	(785,933)	(1,020,755)	(1,028,454)	(7,699)
Excess of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ 1,445,482	\$ 1,445,482

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS

JUNE 30, 2009

	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	\$ 3,767,357	\$ 1,874,915	\$ 740,829	\$ 351,413	\$ 6,734,514
User fees, net of allowance for uncollectibles	527,456	648,636	346,375	8,532	1,530,999
Intergovernmental receivables	-	145,237	5,061	-	150,298
Inventory	7,949	-	63,082	-	71,031
Total current assets	4,302,762	2,668,788	1,155,347	359,945	8,486,842
Noncurrent:					
Intergovernmental	-	1,180,931	-	-	1,180,931
Capital assets:					
Land and construction in progress	3,096,881	3,355,851	186,200	54,500	6,693,432
Other capital assets, net of accumulated depreciation	61,667,949	60,570,635	-	1,496,951	123,735,535
Total noncurrent assets	64,764,830	65,107,417	186,200	1,551,451	131,609,898
TOTAL ASSETS	69,067,592	67,776,205	1,341,547	1,911,396	140,096,740
<u>LIABILITIES</u>					
Current:					
Accounts payable	340,308	271,316	152,069	36,293	799,986
Retainage payable	207,343	186,435	-	-	393,778
Accrued liabilities	161,934	186,801	-	7,211	355,946
Unearned revenue	-	-	139,092	33,186	172,278
Other current liabilities	37,103	2,447	124,664	7,493	171,707
Current portion of long-term liabilities:					
Bonds and loans payable	1,648,166	1,563,924	-	92,900	3,304,990
Compensated absences	80,298	71,173	4,642	32,212	188,325
Total current liabilities	2,475,152	2,282,096	420,467	209,295	5,387,010
Noncurrent:					
Bonds and loans payable, net of current portion	10,207,169	13,143,928	-	519,900	23,870,997
Other post employment	75,000	75,000	-	-	150,000
Total noncurrent liabilities	10,282,169	13,218,928	-	519,900	24,020,997
TOTAL LIABILITIES	12,757,321	15,501,024	420,467	729,195	29,408,007
<u>NET ASSETS</u>					
Invested in capital assets, net of related debt	52,909,495	50,092,802	186,200	938,651	104,127,148
Restricted for debt service	-	1,326,168	-	-	1,326,168
Unrestricted	3,400,776	856,211	734,880	243,550	5,235,417
TOTAL NET ASSETS	\$ 56,310,271	\$ 52,275,181	\$ 921,080	\$ 1,182,201	\$ 110,688,733

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, 2009

	Business-Type Activities Enterprise Funds				Total
	Water Fund	Sewer Fund	Solid Waste Fund	Nonmajor Funds	
Operating Revenues:					
Charges for services	\$ 4,918,822	\$ 5,593,025	\$ 1,761,418	\$ 1,303,735	\$ 13,577,000
Other	<u>5,373</u>	<u>2,439</u>	<u>-</u>	<u>23,952</u>	<u>31,764</u>
Total Operating Revenues	4,924,195	5,595,464	1,761,418	1,327,687	13,608,764
Operating Expenses:					
Operating expenses	2,791,523	3,983,897	3,729,839	1,271,891	11,777,150
Depreciation	<u>1,538,462</u>	<u>1,738,848</u>	<u>-</u>	<u>125,434</u>	<u>3,402,744</u>
Total Operating Expenses	<u>4,329,985</u>	<u>5,722,745</u>	<u>3,729,839</u>	<u>1,397,325</u>	<u>15,179,894</u>
Operating Income (Loss)	594,210	(127,281)	(1,968,421)	(69,638)	(1,571,130)
Nonoperating Revenues (Expenses):					
Investment income	98,158	94,271	-	4,884	197,313
Intergovernmental	4,450	238,894	-	-	243,344
Interest expense	<u>(629,878)</u>	<u>(713,283)</u>	<u>-</u>	<u>(35,811)</u>	<u>(1,378,972)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(527,270)</u>	<u>(380,118)</u>	<u>-</u>	<u>(30,927)</u>	<u>(938,315)</u>
Income (Loss) Before Contributions and Transfers	66,940	(507,399)	(1,968,421)	(100,565)	(2,509,445)
Capital contributions from developers	89,114	179,467	-	-	268,581
Transfers in	639,401	108,345	1,922,811	76,468	2,747,025
Transfers out	<u>(1,083,046)</u>	<u>(703,092)</u>	<u>-</u>	<u>(130,400)</u>	<u>(1,916,538)</u>
Change in Net Assets	(287,591)	(922,679)	(45,610)	(154,497)	(1,410,377)
Net Assets at Beginning of Year, as restated	<u>56,597,862</u>	<u>53,197,860</u>	<u>966,690</u>	<u>1,336,698</u>	<u>112,099,110</u>
Net Assets at End of Year	\$ <u>56,310,271</u>	\$ <u>52,275,181</u>	\$ <u>921,080</u>	\$ <u>1,182,201</u>	\$ <u>110,688,733</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2009

	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	\$ 4,875,250	\$ 5,528,779	\$ 1,714,960	\$ 1,326,406	\$ 13,445,395
Payments to vendors and employees	<u>(2,542,643)</u>	<u>(3,764,071)</u>	<u>(3,786,452)</u>	<u>(1,284,243)</u>	<u>(11,377,409)</u>
Net Cash Provided By (Used For) Operating Activities	2,332,607	1,764,708	(2,071,492)	42,163	2,067,986
Cash Flows From Noncapital Financing Activities:					
Transfers in	639,401	108,345	1,922,811	76,468	2,747,025
Transfers out	<u>(1,083,046)</u>	<u>(703,092)</u>	<u>-</u>	<u>(130,400)</u>	<u>(1,916,538)</u>
Net Cash Provided by (Used For) Noncapital Financing Activities	(443,645)	(594,747)	1,922,811	(53,932)	830,487
Cash Flows From Capital and Related Financing Activities:					
Proceeds from issuance of bonds and notes	2,994,840	1,754,450	-	-	4,749,290
Principal payments on bonds and notes	(1,444,549)	(1,414,346)	-	(91,900)	(2,950,795)
Acquisition and construction of capital assets, net disposals	(1,441,849)	(2,791,287)	-	-	(4,233,136)
Intergovernmental revenue	93,564	559,905	-	-	653,469
Interest expense	<u>(629,879)</u>	<u>(707,317)</u>	<u>-</u>	<u>(36,810)</u>	<u>(1,374,006)</u>
Net Cash (Used For) Capital and Related Financing Activities	(427,873)	(2,598,595)	-	(128,710)	(3,155,178)
Cash Flows From Investing Activities:					
Investment income	<u>98,158</u>	<u>94,271</u>	<u>-</u>	<u>4,884</u>	<u>197,313</u>
Net Cash Provided by Investing Activities	<u>98,158</u>	<u>94,271</u>	<u>-</u>	<u>4,884</u>	<u>197,313</u>
Net Change in Cash and Short-Term Equivalents	1,559,247	(1,334,363)	(148,681)	(135,595)	(59,392)
Cash and Short-Term Equivalents, Beginning of Year	<u>2,208,110</u>	<u>3,209,278</u>	<u>889,510</u>	<u>487,008</u>	<u>6,793,906</u>
Cash and Short-Term Equivalents, End of Year	<u>\$ 3,767,357</u>	<u>\$ 1,874,915</u>	<u>\$ 740,829</u>	<u>\$ 351,413</u>	<u>\$ 6,734,514</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:					
Operating income (loss)	\$ 594,210	\$ (127,281)	\$ (1,968,421)	\$ (69,638)	\$ (1,571,130)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	1,538,462	1,738,848	-	125,434	3,402,744
Changes in assets and liabilities:					
User fees	(48,945)	(66,685)	(182,630)	(6,952)	(305,212)
Inventory	5,172	-	-	-	5,172
Other assets	-	-	(63,052)	-	(63,052)
Accounts payable	63,600	53,287	5,476	(18,749)	103,614
Compensated absences	11,075	15,614	993	6,006	33,688
Other liabilities	<u>169,033</u>	<u>150,925</u>	<u>136,142</u>	<u>6,062</u>	<u>462,162</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ 2,332,607</u>	<u>\$ 1,764,708</u>	<u>\$ (2,071,492)</u>	<u>\$ 42,163</u>	<u>\$ 2,067,986</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2009

	Agency Fund
<u>ASSETS</u>	
Cash and short-term equivalents	\$ <u>2,049,893</u>
Total Assets	\$ <u><u>2,049,893</u></u>
 <u>LIABILITIES</u>	
Due to other governments	\$ 872,616
Other liabilities	<u>1,177,277</u>
Total Liabilities	\$ <u><u>2,049,893</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 2009, 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 and excises.

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. Investments

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. No significant inventory balances were on hand in governmental funds.

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 is 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

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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 with 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)	\$ 44,882,532	\$ 42,095,514
Other financing sources/uses (GAAP basis)	<u>1,580,584</u>	<u>3,643,739</u>
Subtotal (GAAP Basis)	46,463,116	45,739,253
Adjust tax revenue to accrual basis	(136,685)	-
Reverse beginning of year appro- priation carryforwards from expenditures	-	(370,689)
Add end of year appropriation carryforwards to expenditures	-	342,385
Recognize use of fund balance as funding source	<u>830,000</u>	<u>-</u>
Budgetary Basis	<u>\$ 47,156,431</u>	<u>\$ 45,710,949</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:

<u>General Fund:</u>	
City Clerk	\$ (552)
Employee Benefits	(32,442)
Interest	(11,457)
<u>Enterprise Funds:</u>	
Sewer	\$ (74,630)
Arena	(6,540)

E. Deficit Fund Equity

The following funds had deficits as of June 30, 2009:

<u>Nonmajor Governmental Funds:</u>	
Library Fund (special revenue fund)	\$ (5,466)
Open Space Protection Fund (capital project fund)	(35,378)

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, 2009, the City’s bank balance of \$ 43,423,056 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, 2009 included the following:

State investment pool	\$ 4,005,773
Certificate of deposit	2,000,000
U.S. treasury obligations	671,899
U.S. government agencies	700,696
Corp. and foreign bonds	475,139
Common equities	2,961,619
Preferred securities	5,959
Int'l equity mutual funds pool	1,355,458
Taxable fixed income funds pool	<u>2,475,051</u>
Total	<u>\$ 14,651,594</u>

Of the investment in U.S. Treasury obligations of \$ 671,899, Corporate and foreign bonds of 475,139, Federal Agency Securities of \$ 700,696, and Pooled Funds of \$ 7,836,282, the government has a custodial credit risk exposure of \$ 9,384,016 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, \$ 4,005,773 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.):

	<u>Total</u>	<u>Years to Maturity</u>			<u>Average Rating</u>
		<u><1</u>	<u>1-5</u>	<u>6-10</u>	
U.S. Treasury Obligations	\$ 671,899	\$ -	\$ 324,594	\$ 347,305	AAA
U.S. Government Agencies	700,696	126,836	414,906	158,954	AAA
Corp. and Foreign Bonds	<u>475,139</u>	<u>-</u>	<u>475,139</u>	<u>-</u>	A1
Total	<u>\$ 1,847,734</u>	<u>\$ 126,836</u>	<u>\$ 1,214,639</u>	<u>\$ 506,259</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, 2009, 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 ongoing 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, 2009 consist of the following (in thousands):

Property taxes:		
Levy of 2009	\$ 27,973	
Levy of 2008	1,934	
Levy of 2007	730	
Levy of 2006	24	
Levy of 2005	9	
Levy of 2004	10	
Levy of 2003	12	
Unredeemed taxes:		
Levy of 2002	7	
Prior years	17	
Subtotal		30,716
Other taxes:		
Land use change taxes	545	
Elderly tax liens	66	
Subtotal		611
Gross Tax Receivable		31,327
Allowance for Abatements (overlay)		(1,220)
Net Total Taxes Receivable		\$ 30,107

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>225</u>
Total	\$ <u><u>225</u></u>

6. Loans Receivable

Loans receivable of \$ 710,521 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		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30</u>			
2010	\$ 145,237	\$ 52,731	\$ 197,968
2011	150,011	46,870	196,881
2012	155,877	40,724	196,601
2013	160,856	34,287	195,143
2014	165,944	27,610	193,554
2015-2024	<u>548,243</u>	<u>59,072</u>	<u>607,315</u>
Total	<u>\$ 1,326,168</u>	<u>\$ 261,294</u>	<u>\$ 1,587,462</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, 2009 balances in interfund receivable and payable accounts.

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 775,514	\$ 389,534
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Miscellaneous	-	112,007
Special Revenue Funds (Previously Reported as Trust Funds):		
Insured Retention	-	30,000
Forest & Conservation	64,338	297,715
Library	-	12,851
Highway	25,195	29,736
Mountain Green	-	6,041
OPEB	300,000	-
SVMS Project	-	11,564
Permanent Funds:		
Cemetery (Nonexpendable)	-	133,014
Library (Nonexpendable)	-	18,585
Dedicated Income (Nonexpendable)	<u>-</u>	<u>124,000</u>
Total	<u>\$ 1,165,047</u>	<u>\$ 1,165,047</u>

The following is an analysis of interfund transfers made in fiscal year 2009:

<u>Governmental Fund:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 1,580,584	\$ 3,643,739
Nonmajor Funds:		
Special Revenue Funds:		
Parking	272,408	139,950
Airport	33,471	23,800
Impact Fee	40,100	1,448,395
Miscellaneous	-	20,003
Insured Retention	-	30,000
Durgin	10,500	8,232
Forest and Conservation	1,689	299,404
Library	1,585	1,200
Highway	840,000	869,736
Economic Development	30,000	15,000
53rd Week	100,000	-
Mountain Green	-	6,041
Fire Apparatus	22,485	-
SVMS Project	-	11,564
OPEB	300,000	-
Capital Project Funds:		
Other Capital Project Funds Pre 2003	-	1,247,580
Other Capital Project Funds Post 2002	3,389,890	2,861,619
Open Space Protection	293,296	-
Capital Commons Garage	-	255,000
Route 3 Corridor	1,411,107	-
Manchester Street	2,132,734	-
Permanent Funds:		
Cemetery (Nonexpendable)	4,105	190,778
Library (Nonexpendable)	-	18,585
Dedicated Income (Nonexpendable)	-	124,000
<u>Debt Service Funds:</u>		
NEOC	-	79,815
<u>Business-Type Funds:</u>		
Major Funds:		
Water	639,401	1,083,046
Sewer	108,345	703,092
Solid Waste	1,922,811	-
Nonmajor Funds:		
Golf	53,218	95,200
Arena	23,250	35,200
Total	<u>\$ 13,210,979</u>	<u>\$ 13,210,979</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, 2009 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	\$ 4,847	\$ 310	\$ -	\$ 5,157
Buildings and improvement	27,263	9,764	-	37,027
Machinery, equipment, and furnishing	5,974	721	(79)	6,616
Infrastructure	45,169	13,781	-	58,950
Licensed vehicles	<u>11,464</u>	<u>891</u>	<u>(490)</u>	<u>11,865</u>
Total capital assets, being depreciated	94,717	25,467	(569)	119,615
Less accumulated depreciation for:				
Land improvements	(3,592)	(91)	-	(3,683)
Buildings and improvements	(8,045)	(918)	-	(8,963)
Machinery, equipment, and furnishings	(3,801)	(732)	72	(4,461)
Infrastructure	(10,002)	(900)	-	(10,902)
Licensed vehicles	<u>(8,564)</u>	<u>(1,080)</u>	<u>401</u>	<u>(9,243)</u>
Total accumulated depreciation	<u>(34,004)</u>	<u>(3,721)</u>	<u>473</u>	<u>(37,252)</u>
Total capital assets, being depreciated, net	60,713	21,746	(96)	82,363
Capital assets, not being depreciated:				
Land	10,463	444	-	10,907
Construction-in-progress	<u>27,450</u>	<u>4,121</u>	<u>(20,942)</u>	<u>10,629</u>
Total capital assets, not being depreciated	<u>37,913</u>	<u>4,565</u>	<u>(20,942)</u>	<u>21,536</u>
Governmental activities capital assets, net	<u>\$ 98,626</u>	<u>\$ 26,311</u>	<u>\$ (21,038)</u>	<u>\$ 103,899</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets, being depreciated:				
Land improvements	\$ 100	\$ -	\$ -	\$ 100
Buildings and improvements	55,912	1,372	-	57,284
Machinery, equipment, and furnishings	4,874	357	-	5,231
Infrastructure	129,086	6,343	-	135,429
Licensed vehicles	827	14	-	841
Total capital assets, being depreciated	<u>190,799</u>	<u>8,086</u>	<u>-</u>	<u>198,885</u>
Less accumulated depreciation for:				
Land Improvements	(10)	(5)	-	(15)
Buildings and improvements	(18,931)	(1,187)	-	(20,118)
Machinery, equipment, and furnishings	(3,512)	(219)	-	(3,731)
Infrastructure	(48,622)	(1,945)	-	(50,567)
Licensed vehicles	(672)	(46)	-	(718)
Total accumulated depreciation	<u>(71,747)</u>	<u>(3,402)</u>	<u>-</u>	<u>(75,149)</u>
Total capital assets, being depreciated, net	119,052	4,684	-	123,736
Capital assets, not being depreciated:				
Land	1,064	-	-	1,064
Construction-in-progress	9,483	4,251	(8,105)	5,629
Total capital assets, not being depreciated	<u>10,547</u>	<u>4,251</u>	<u>(8,105)</u>	<u>6,693</u>
Business-type activities capital assets, net	<u>\$ 129,599</u>	<u>\$ 8,935</u>	<u>\$ (8,105)</u>	<u>\$ 130,429</u>

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

Governmental Activities:	
Public safety	\$ 814
General services	1,948
Community Development	870
Leisure and information services	<u>89</u>
Total depreciation expense - governmental activities	<u>\$ 3,721</u>
Business-Type Activities:	
Water	\$ 1,538
Sewer	1,739
Other	<u>125</u>
Total depreciation expense - business-type activities	<u>\$ 3,402</u>

10. Accounts Payables

Accounts payable represent additional 2009 expenditures paid after July 15, 2009.

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, 2009 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, 2009, the City had billed the first two quarterly installments of the tax year 2009 (fiscal year 2009) 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 Amount</u>	<u>Serial Maturities Through</u>	<u>Interest Rate (s)%</u>	<u>Amount Outstanding as of June 30, 2009</u>
Bonds Payable:				
Public improvements	\$ 3,330,000	04/15/14	5.45 - 7.75	\$ 1,020,000
Public improvements	4,770,000	04/15/15	4.60 - 6.50	1,710,000
Public improvements	2,463,504	10/15/15	4.00 - 4.70	1,375,946
Public improvements	8,322,590	10/15/16	4.00 - 4.70	2,376,000
Public improvements	1,035,000	04/01/10	4.00 - 5.00	140,000
Public improvements	3,642,514	12/15/10	3.00	317,664
Public improvements	4,829,750	11/15/24	3.23	3,275,000
Public improvements	6,027,815	07/15/24	3.00 - 5.00	4,021,885
Public improvements	10,161,000	07/15/25	3.75 - 5.00	9,345,000
Public improvements	5,920,000	03/15/26	3.50 - 5.00	3,935,000
Public improvements	10,632,960	01/15/27	4.00 - 5.50	9,092,900
Public improvements	4,250,710	08/15/28	3.00 - 5.00	<u>4,250,710</u>
Total Governmental Funds				<u>\$ 40,860,105</u>

<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, 2009</u>
Water Fund:				
Bonds Payable:				
Water	\$ 2,260,000	07/15/13	3.30 - 6.25	\$ 200,000
Water	3,660,000	04/15/14	3.65 - 4.50	1,595,000
Water	1,980,000	04/01/10	4.60 - 6.50	285,000
Water meters	2,297,279	10/15/16	4.00 - 4.70	759,000
Water	452,280	10/15/10	4.00 - 4.70	129,846
Water	1,730,000	04/01/17	4.00 - 4.70	890,000
Water	125,604	12/15/10	3.00	10,954
Water	3,236,175	01/15/24	3.23	1,975,000
Water	2,023,545	07/15/24	3.00 - 5.00	1,375,695
Water	1,760,000	03/15/26	3.50 - 5.00	1,550,000
Water	149,300	01/15/27	4.00 - 5.50	90,000
Water	2,994,840	08/15/29	3.00 - 5.00	<u>2,994,840</u>
Total Water Fund				11,855,335
Sewer Fund:				
Bonds Payable:				
Sanitary sewer	3,272,000	04/15/14	3.65 - 4.50	1,375,000
Sanitary sewer	2,150,000	04/01/17	4.60 - 6.50	645,000
Sanitary sewer	910,176	10/15/15	4.00 - 4.70	272,000
Sanitary sewer	312,175	10/15/14	4.00 - 4.70	94,932
Sanitary sewer	169,000	04/01/13	4.00 - 5.00	60,000
Sanitary sewer	482,259	12/15/10	3.00	46,382
Sanitary sewer	1,059,150	01/15/24	3.23	620,000
Sanitary sewer	1,465,790	07/15/24	3.00 - 5.00	1,025,500
Sanitary sewer	2,121,000	03/15/26	3.50 - 5.00	1,710,000
Sanitary sewer	2,210,990	01/15/27	4.00 - 5.50	1,992,100
Sanitary sewer	1,754,450	08/15/29	3.00 - 5.00	<u>1,754,450</u>
Total Bonds Payable				9,595,364
Other Long-Term Debt:				
Sewer State Revolving Loan	4,465,788	07/01/19	2.45	3,221,858
Sewer State Revolving Loan	2,428,284	01/01/20	2.27	<u>1,890,630</u>
Total Other Debt Outstanding				<u>5,112,488</u>
Total Sewer Fund				14,707,852
Nonmajor Funds:				
Bonds Payable:				
Clubhouse improvements	365,000	04/01/17	4.00 - 5.00	190,000
Golf course renovation	100,000	11/15/24	3.23	50,000
Arena expansion	430,000	10/15/15	4.00 - 4.70	198,000
Arena	39,925	01/15/24	3.23	20,000
Arena	29,700	07/15/24	3.00 - 5.00	9,800
Arena	149,000	03/15/26	3.50 - 5.00	105,000
Arena	48,750	01/15/27	4.00 - 5.50	<u>40,000</u>
Total Other Enterprise Funds				<u>612,800</u>
Total Enterprise Fund Long-Term Debt				<u>\$ 27,175,987</u>

C. Future Debt Service

The annual principal payments to retire all general obligation long-term debt outstanding as of June 30, 2009 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 4,578,063	\$ 1,671,891	\$ 6,249,954
2011	4,087,207	1,499,132	5,586,339
2012	3,909,524	1,335,744	5,245,268
2013	3,689,000	1,178,873	4,867,873
2014	3,623,870	1,022,753	4,646,623
2015-2019	11,047,741	3,082,727	14,130,468
2020-2024	7,091,900	1,280,958	8,372,858
2025-2029	<u>2,832,800</u>	<u>185,762</u>	<u>3,018,562</u>
Total	<u>\$ 40,860,105</u>	<u>\$ 11,257,840</u>	<u>\$ 52,117,945</u>

<u>Enterprise</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 3,304,989	\$ 1,056,449	\$ 4,361,438
2011	2,982,522	933,988	3,916,510
2012	2,878,864	822,984	3,701,848
2013	2,856,193	711,399	3,567,592
2014	2,874,757	596,383	3,471,140
2015-2019	8,057,525	1,678,861	9,736,386
2020-2024	2,588,937	606,158	3,195,095
2025-2029	<u>1,632,200</u>	<u>156,110</u>	<u>1,788,310</u>
Total	<u>\$ 27,175,987</u>	<u>\$ 6,562,332</u>	<u>\$ 33,738,319</u>

D. Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2009 are as follows:

<u>Purpose</u>	<u>Amount</u>
Allied Leather Tannery	\$ 300,000
Route 3 Corridor	1,462,800
Fire Training Grounds	110,000
Open Space	3,800,000
Memorial Field	40,000
Equipment replacement (6F)	700,000
Water mains	370,500
Water Equipment	65,000
Hall St. odor control	310,000
Hutchins St.	620,000
Contoocook Pump	75,000
Penacook Plant	117,672
Hall St. Biotower	175,000
Hall Street Pump	40,000
Sewer Equipment	33,000
Hall Street WW Plant	300,000
Pump Renovations	140,000
SCADA	275,000
Golf Equipment	75,000
	<hr/>
Total	\$ <u><u>9,008,972</u></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 issuance of the general obligation bonds were used to purchase U.S. government securities, and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the refunded bonds mature in October 2014. For financial reporting purposes, the debt has been considered defeased, and therefore, removed as a liability from the City's balance sheet. As of June 30, 2009, the amount of defeased debt still outstanding is \$ 12,600,800.

F. Changes in General Long-Term Liabilities

During the year ended June 30, 2009, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 7/1/08	Additions	Reductions	Total Balance 6/30/09	Less Current Portion	Equals Long-Term Portion 6/30/09
<u>Governmental Activities</u>						
Bonds and loans payable	\$ 40,934	\$ 4,251	\$ (4,325)	\$ 40,860	\$ (4,578)	\$ 36,282
Other:						
OPEB	-	1,355	-	1,355	-	1,355
Accrued employee benefits	1,649	1,996	(1,675)	1,970	(1,675)	295
Landfill closure	510	-	(30)	480	(30)	450
Subtotal	2,159	3,351	(1,705)	3,805	(1,705)	2,100
Totals	\$ 43,093	\$ 7,602	\$ (6,030)	\$ 44,665	\$ (6,283)	\$ 38,382
<u>Business-Type Activities</u>						
Bonds and loans payable	\$ 25,377	\$ 4,749	\$ (2,951)	\$ 27,175	\$ (3,305)	\$ 23,870
Other:						
OPEB	-	150	-	150	-	150
Accrued employee benefits	155	223	(189)	189	(189)	(A) -
Subtotal	155	373	(189)	339	(189)	150
Totals	\$ 25,532	\$ 5,122	\$ (3,140)	\$ 27,514	\$ (3,494)	\$ 24,020

(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 \$ 480,000 as the estimate of the remaining postclosure care liability at June 30, 2009 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. Reserves and Designations of Fund Equity

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

The City reported the following types of reserves and designations at June 30, 2009:

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

Reserved for Inventory - An account used to segregate that portion of fund balance committed for inventory purposes.

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

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

Reserved for Miscellaneous - An account used to segregate that portion of fund balances committed for copies and other miscellaneous purposes.

16. Commitments and Contingencies

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

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

17. Post-Employment Health Care and Life Insurance Benefits

The City provides certain health care benefits for retired employees and will provide benefits to current employees hired prior to January 1, 1991 upon retirement. Payments are made in accordance with City policy established

in January 1987 and annual appropriations. In order to participate in the City Group Health Insurance Program (the Retiree Group), the employee must be enrolled in the City group plan upon the date of retirement from the City, must be at least age 62 (age 60 with 35 or more years of service), and must be vested in the New Hampshire Retirement System.

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, 2009, there were 214 retiree Subscribers, including eligible spouses, receiving health care 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 revenues, expenses, and changes in net assets 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 health care and life insurance benefits for retired employees through the City's plan. The benefits, benefit levels, employee contributions and employer contributions are governed by RSA 100-A:50. As of June 30, 2009, the actuarial valuation date, approximately 271 retirees and 366 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. At the close of fiscal year 2009, the City set aside \$ 300,000 toward the funding of its OPEB Liability.

D. Annual OPEB Costs and Net OPEB Obligation

The City's fiscal 2009 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, 2009, 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, 2009.

Annual Required Contribution (ARC)	\$ 2,596,459
Interest on net OPEB obligation	-
Adjustment to ARC	-
Annual OPEB cost	2,596,459
Contributions made	(1,091,266)
Increase in net OPEB obligation	1,505,193
Net OPEB obligation - beginning of year	-
Net OPEB obligation - end of year	\$ 1,505,193

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

Fiscal year ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2009	\$2,596,459	42%	\$1,505,193

The City's net OPEB obligation as of June 30, 2009 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, 2009, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 32,230,706
Actuarial value of plan assets	-
	<hr/>
Unfunded actuarial accrued liability (UAAL)	\$ 32,230,706
	<hr/>
Funded ratio (actuarial value of plan assets/AAL)	0%
	<hr/>
Covered payroll (active plan members)	\$ 3,416,565
	<hr/>
UAAL as a percentage of covered payroll	943%
	<hr/>

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, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial value of assets was not determined as the City has not advance funded its obligation. The actuarial assumptions included a 4.5% investment rate of return and an initial annual healthcare cost trend rate of 14% which decreases to a 4.5% long-term rate for all healthcare benefits after ten years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis.

18. 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 fire-fighters 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 4 Chenell Drive, Concord, New Hampshire 03301-8509.

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 5.80% to 15.92% of covered compensation. The City's contributions to the System for the years ended June 30, 2009, 2008, and 2007 were \$ 2,773,021, \$ 2,723,363, and \$ 2,239,609, 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, 2009, was \$ 23,690,140. Contribution requirements for the year ended June 30, 2009, were as follows:

State of New Hampshire (on behalf of employee)	\$ 1,651,029
Employees' contributions	<u>1,732,596</u>
Total	<u>\$ 3,383,625</u>

19. 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.

20. Tax Increment District

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	\$ 5,534,905	
Investment interest	<u>135,705</u>	\$ 5,670,610
Expenditures:		
Principal	2,955,000	
Interest on debt	1,599,719	
Outside services	<u>329,628</u>	<u>4,884,347</u>
Excess (deficiency) of revenue		<u>786,263</u>
Fund Balance Reserved for Debt Service		\$ <u><u>786,263</u></u>
Long-Term Debt Payable:		
Principal	\$ (2,225,000)	
Interest	<u>(386,950)</u>	\$ (2,611,950)
Available fund balance		<u>786,263</u>
Deficit to be Raised by Tax Increment District		\$ <u><u>(1,825,687)</u></u>
Assessment Information:		
Base Value		\$ <u><u>4,432,500</u></u>
Captured Value*		\$ <u><u>45,791,100</u></u>

* = As of April 1, 2008

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	\$	431,245	
Investment interest		<u>82,141</u>	\$ 513,386
Expenditures:			
Principal		215,000	
Interest on debt		<u>227,861</u>	<u>442,861</u>
Excess (deficiency) of revenue			<u>70,525</u>
Fund Balance Reserved for Debt Service			\$ <u><u>70,525</u></u>
Long-Term Debt Payable:			
Principal	\$	(9,345,000)	
Interest		<u>(3,711,650)</u>	\$ (13,056,650)
Available fund balance			<u>70,525</u>
Deficit to be Raised by Tax Increment District			\$ <u><u>(12,986,125)</u></u>
Assessment Information:			
Base Value			\$ <u><u>735,000</u></u>
Captured Value*			\$ <u><u>12,907,000</u></u>
* = As of April 1, 2008			

21. Beginning Fund Balance Reclassification

The City's major business-type funds for fiscal year 2009, as defined by GASB Statement 34, have changed from the previous fiscal year.

	Fund Equity June 30, 2008 (as previously reported)	Reclassification	Fund Equity June 30, 2008 (as restated)
Nonmajor Funds	\$ 2,303,388	\$ (966,690)	\$ 1,336,698
Solid Waste Fund	<u>-</u>	<u>966,690</u>	<u>966,690</u>
Total	\$ <u><u>2,303,388</u></u>	\$ <u><u>-</u></u>	\$ <u><u>2,303,388</u></u>

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

**June 30, 2009
(Unaudited)**

Other Post-Employment Benefits

Actuarial Valuation <u>Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) - Entry Age <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percent- age of Covered Payroll <u>[(b-a)/c]</u>
06/30/09	\$ -	\$ 32,230,706	\$ 32,230,706	0.0%	\$ 3,416,565	943%

See Independent Auditors' Report.

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.
- Insured Retention - to account for sums of money which are appropriated for City insurance purposes.
- Durgin Garage - to account for monies received by the City to fund capital improvements on the Durgin Garage.

- Landfill - to account for monies received by the City to fund anticipated expenditures upon closure of the landfill.
- 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.
- Highway - to account for funds transferred from the General Fund for future pavement restoration and repair.
- Economic Development - to account for funds transferred from the General Fund for an office park, industrial park or civic center.
- Revaluation - to account for funds transferred from the General Fund for the next property revaluation.
- 53rd Week - to account for funds transferred to reserve for an upcoming 53rd payroll week fiscal year.
- Equipment - to account for funds transferred from the General Fund for equipment upgrades.
- Mountain Green - to account for funds transferred from the General Fund for system repairs and renovations.
- Fire Apparatus Replacement - to account for funds transferred from the General Fund for fire apparatus replacement.
- Downtown Economic Development - to account for funds transferred from the General Fund for downtown economic development.
- SVMS Project - to account for funds for the purpose of managing the soil vapor management system located at the Old Suncook Road Landfill.
- OPEB - to account for funds transferred for future other post-employee benefits.

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.
- 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.

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.

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CITY OF CONCORD, NEW HAMPSHIRE

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2009

	Special Revenue Funds			
	Community Development Fund	Housing Revolving Loan Fund	Community Development Engineering Inspection Fund	Community Development Conservation Property Management Fund
ASSETS				
Cash and cash equivalents	\$ 4,952	\$ 636,206	\$ 392,148	\$ 14,714
Investments	-	-	-	-
Accounts receivable	-	10,924	5,749	-
Loans receivable	-	710,521	-	-
Due from other funds	-	-	-	-
Other assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 4,952</u>	<u>\$ 1,357,651</u>	<u>\$ 397,897</u>	<u>\$ 14,714</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 1,613	\$ 748	\$ -
Retainage payable	-	-	-	-
Other liabilities	-	-	129,554	-
Deferred revenue	-	719,969	-	-
Due to other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	-	721,582	130,302	-
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for perpetual permanent funds	-	-	-	-
Unreserved:				
Undesignated				
Special revenue funds	4,952	636,069	267,595	14,714
Capital project funds	-	-	-	-
Debt service fund	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>4,952</u>	<u>636,069</u>	<u>267,595</u>	<u>14,714</u>
Total Liabilities and Fund Balances	<u>\$ 4,952</u>	<u>\$ 1,357,651</u>	<u>\$ 397,897</u>	<u>\$ 14,714</u>

Special Revenue Funds

<u>Parking Fund</u>	<u>Airport Fund</u>	<u>Impact Fee Fund</u>	<u>Miscellaneous Special Revenue Fund</u>
\$ 557,141	\$ 472,000	\$ 913,175	\$ -
-	-	-	-
41,678	1	-	431,813
-	-	-	-
-	-	-	-
<u>9,393</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 608,212</u>	<u>\$ 472,001</u>	<u>\$ 913,175</u>	<u>\$ 431,813</u>
\$ 13,812	\$ 1,513	\$ -	\$ 24,310
-	-	-	-
-	-	60,150	13,889
3,502	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>112,007</u>
17,314	1,513	60,150	150,206
15,375	-	-	-
-	-	-	-
575,523	470,488	853,025	281,607
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>590,898</u>	<u>470,488</u>	<u>853,025</u>	<u>281,607</u>
<u>\$ 608,212</u>	<u>\$ 472,001</u>	<u>\$ 913,175</u>	<u>\$ 431,813</u>

(continued)

(continued)

	<u>Special Revenue Funds</u>			
	<u>Insured Retention Fund</u>	<u>Durgin Garage Fund</u>	<u>Landfill Fund</u>	<u>Nelson Fund</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 1,193,261	\$ 390,973	\$ 9,594	\$ 16
Investments	-	-	-	286
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Other assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,193,261</u>	<u>\$ 390,973</u>	<u>\$ 9,594</u>	<u>\$ 302</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-
Other liabilities	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	30,000	-	-	-
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for perpetual permanent funds	-	-	-	-
Unreserved:				
Undesignated				
Special revenue funds	1,163,261	390,973	9,594	302
Capital project funds	-	-	-	-
Debt service fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>1,163,261</u>	<u>390,973</u>	<u>9,594</u>	<u>302</u>
Total Liabilities and Fund Balances	<u>\$ 1,193,261</u>	<u>\$ 390,973</u>	<u>\$ 9,594</u>	<u>\$ 302</u>

Special Revenue Funds

Forest & Conservation <u>Fund</u>	Cemetery <u>Fund</u>	Library <u>Fund</u>	Highway <u>Fund</u>	Economic Development <u>Fund</u>
\$ 294,533 1,263,791 - - 64,338 -	\$ 5,043 74,873 - - -	\$ 385 - 7,000 - -	\$ 275,865 - - - 25,195 -	\$ 233,827 - 4,000 - -
\$ <u>1,622,662</u>	\$ <u>79,916</u>	\$ <u>7,385</u>	\$ <u>301,060</u>	\$ <u>237,827</u>
\$ - - - - 297,715 297,715 - -	\$ - - - - -	\$ - - - - 12,851 12,851 -	\$ - - - - 29,736 29,736 -	\$ - - - - -
1,324,947 - -	79,916 - -	(5,466) - -	271,324 - -	237,827 - -
\$ <u>1,622,662</u>	\$ <u>79,916</u>	\$ <u>7,385</u>	\$ <u>301,060</u>	\$ <u>237,827</u>

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	<u>Special Revenue Funds</u>			
	<u>Revaluation Fund</u>	<u>53rd Week Fund</u>	<u>Equipment Fund</u>	<u>Mountain Green Fund</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3	\$ 286,042	\$ 1,400	\$ 338,250
Investments	-	-	-	-
Accounts receivable	-	-	-	26,094
Loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Other assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 3</u>	<u>\$ 286,042</u>	<u>\$ 1,400</u>	<u>\$ 364,344</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-
Other liabilities	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	6,041
	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,041</u>
Total Liabilities	-	-	-	6,041
Fund Balances:				
Reserved for encumbrances	-	-	-	-
Reserved for perpetual permanent funds	-	-	-	-
Unreserved:				
Undesignated				
Special revenue funds	3	286,042	1,400	358,303
Capital project funds	-	-	-	-
Debt service fund	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>3</u>	<u>286,042</u>	<u>1,400</u>	<u>358,303</u>
Total Liabilities and Fund Balances	<u>\$ 3</u>	<u>\$ 286,042</u>	<u>\$ 1,400</u>	<u>\$ 364,344</u>

Special Revenue Funds

Fire Apparatus Replacement <u>Fund</u>	Downtown Economic Development <u>Fund</u>	SVMS Project <u>Fund</u>	OPEB <u>Fund</u>	<u>Subtotal</u>
\$ 70,924	\$ 10,766	\$ 83,149	\$ -	\$ 6,184,367
-	-	-	-	1,338,950
-	-	-	-	527,259
-	-	-	-	710,521
-	-	-	300,000	389,533
-	-	-	-	9,393
<u>70,924</u>	<u>10,766</u>	<u>83,149</u>	<u>300,000</u>	<u>9,160,023</u>
\$ -	\$ -	\$ -	\$ -	\$ 41,996
-	-	-	-	-
-	-	-	-	203,593
-	-	-	-	723,471
<u>-</u>	<u>-</u>	<u>11,564</u>	<u>-</u>	<u>499,914</u>
-	-	11,564	-	1,468,974
-	-	-	-	15,375
-	-	-	-	-
70,924	10,766	71,585	300,000	7,675,674
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>70,924</u>	<u>10,766</u>	<u>71,585</u>	<u>300,000</u>	<u>7,691,049</u>
<u>\$ 70,924</u>	<u>\$ 10,766</u>	<u>\$ 83,149</u>	<u>\$ 300,000</u>	<u>\$ 9,160,023</u>

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Capital Project Funds

	Other Capital Project Funds Pre 2003	Other Capital Project Funds Post 2002	Open Space Protection Fund	Capital Commons Garage Fund	Route 3 Corridor Fund	Manchester Street Fund	Subtotal
ASSETS							
Cash and cash equivalents	\$ 1,795,840	\$ 4,744,810	\$ 241,775	\$ 95,015	\$ 1,331,754	\$ 2,132,734	\$ 10,341,928
Investments	-	-	-	-	-	-	-
Accounts receivable	-	117,959	-	-	-	-	117,959
Loans receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,795,840</u>	<u>\$ 4,862,769</u>	<u>\$ 241,775</u>	<u>\$ 95,015</u>	<u>\$ 1,331,754</u>	<u>\$ 2,132,734</u>	<u>\$ 10,459,887</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 44,841	\$ 402,715	\$ 82	\$ 9,487	\$ 125,881	\$ -	\$ 583,006
Retainage payable	717,597	173,923	-	-	75,490	-	967,010
Other liabilities	-	59,228	277,071	-	-	-	336,299
Deferred revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total Liabilities	762,438	635,866	277,153	9,487	201,371	-	1,886,315
Fund Balances:							
Reserved for encumbrances	12,441	2,157,934	-	-	2,141,716	-	4,312,091
Reserved for perpetual permanent funds	-	-	-	-	-	-	-
Unreserved:							
Undesignated							
Special revenue funds	-	-	-	-	-	-	-
Capital project funds	1,020,961	2,068,969	(35,378)	85,528	(1,011,333)	2,132,734	4,261,481
Debt service fund	-	-	-	-	-	-	-
Total Fund Balances	<u>1,033,402</u>	<u>4,226,903</u>	<u>(35,378)</u>	<u>85,528</u>	<u>1,130,383</u>	<u>2,132,734</u>	<u>8,573,572</u>
Total Liabilities and Fund Balances	<u>\$ 1,795,840</u>	<u>\$ 4,862,769</u>	<u>\$ 241,775</u>	<u>\$ 95,015</u>	<u>\$ 1,331,754</u>	<u>\$ 2,132,734</u>	<u>\$ 10,459,887</u>

Permanent Funds

<u>Cemetery Fund</u>	<u>Library Fund</u>	<u>Dedicated Income Fund</u>	<u>Other Fund</u>	<u>Subtotal</u>
\$ 315,914	\$ 34,493	\$ 59,874	\$ 2,911	\$ 413,192
5,596,442	611,040	1,060,666	51,575	7,319,723
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,912,356</u>	<u>645,533</u>	<u>1,120,540</u>	<u>54,486</u>	<u>7,732,915</u>
\$ 149	\$ 50	\$ -	\$ 123	\$ 322
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>133,014</u>	<u>18,585</u>	<u>124,000</u>	<u>-</u>	<u>275,599</u>
133,163	18,635	124,000	123	275,921
-	-	-	-	-
5,779,193	626,898	996,540	54,363	7,456,994
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,779,193</u>	<u>626,898</u>	<u>996,540</u>	<u>54,363</u>	<u>7,456,994</u>
<u>5,912,356</u>	<u>645,533</u>	<u>1,120,540</u>	<u>54,486</u>	<u>7,732,915</u>

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	<u>Debt Service Funds</u>			
	<u>NEOC Fund</u>	<u>SBTIFD Fund</u>	<u>Subtotal</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 786,262	\$ 70,525	\$ 856,787	\$ 17,796,274
Investments	-	-	-	8,658,673
Accounts receivable	-	-	-	645,218
Loans receivable	-	-	-	710,521
Due from other funds	-	-	-	389,533
Other assets	-	-	-	9,393
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 786,262</u>	<u>\$ 70,525</u>	<u>\$ 856,787</u>	<u>\$ 28,209,612</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 625,324
Retainage payable	-	-	-	967,010
Other liabilities	-	-	-	539,892
Deferred revenue	-	-	-	723,471
Due to other funds	-	-	-	775,513
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	-	-	-	3,631,210
Fund Balances:				
Reserved for encumbrances	-	-	-	4,327,466
Reserved for perpetual permanent funds	-	-	-	7,456,994
Unreserved:				
Undesignated				
Special revenue funds	-	-	-	7,675,674
Capital project funds	-	-	-	4,261,481
Debt service fund	<u>786,262</u>	<u>70,525</u>	<u>856,787</u>	<u>856,787</u>
Total Fund Balances	<u>786,262</u>	<u>70,525</u>	<u>856,787</u>	<u>24,578,402</u>
Total Liabilities and Fund Balances	<u>\$ 786,262</u>	<u>\$ 70,525</u>	<u>\$ 856,787</u>	<u>\$ 28,209,612</u>

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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, 2009

	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	83,085	-	-	-
Charges for services	-	118,127	63,853	13,491
Investment income	-	7,803	6,094	-
Contributions	-	-	-	-
Miscellaneous:				
Departmental	-	-	169,210	-
Interest and penalties	-	-	-	-
Total Revenues	83,085	125,930	239,157	13,491
Expenditures:				
Current:				
General government	4,930	162,743	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	182,318	7,256
Leisure and information services	-	-	-	-
Miscellaneous	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	4,930	162,743	182,318	7,256
Excess (deficiency) of revenues over expenditures	78,155	(36,813)	56,839	6,235
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balance	78,155	(36,813)	56,839	6,235
Fund Balance, beginning	(73,203)	672,882	210,756	8,479
Fund Balance, ending	<u>\$ 4,952</u>	<u>\$ 636,069</u>	<u>\$ 267,595</u>	<u>\$ 14,714</u>

Special Revenue Funds

Parking <u>Fund</u>	Airport <u>Fund</u>	Impact <u>Fee Fund</u>	Miscellaneous Special Revenue <u>Fund</u>
\$ -	\$ -	\$ -	\$ -
-	1,800	-	764,596
646,585	305,926	218,188	47,936
8,066	5,932	22,058	-
10,658	-	-	20,146
328,079	11,840	-	-
<u>268,770</u>	<u>-</u>	<u>-</u>	<u>200</u>
1,262,158	325,498	240,246	832,878
-	-	-	161,893
598,934	-	-	(320)
314,467	188,632	-	-
-	-	-	12,501
-	-	-	2,225
-	-	-	-
349,100	29,300	-	-
317,445	3,329	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>766,792</u>
1,579,946	221,261	-	943,091
(317,788)	104,237	240,246	(110,213)
-	-	-	-
272,408	33,471	40,100	-
<u>(139,950)</u>	<u>(23,800)</u>	<u>(1,448,395)</u>	<u>(20,003)</u>
132,458	9,671	(1,408,295)	(20,003)
(185,330)	113,908	(1,168,049)	(130,216)
<u>776,228</u>	<u>356,580</u>	<u>2,021,074</u>	<u>411,823</u>
<u>\$ 590,898</u>	<u>\$ 470,488</u>	<u>\$ 853,025</u>	<u>\$ 281,607</u>

(continued)

(continued)

Special Revenue Funds

	Insured Retention <u>Fund</u>	Durgin Garage <u>Fund</u>	Landfill <u>Fund</u>	Nelson <u>Fund</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	14,380	4,753	117	(151)
Contributions	-	-	-	9,321
Miscellaneous:				
Departmental	-	-	-	-
Interest and penalties	-	-	-	-
Total Revenues	<u>14,380</u>	<u>4,753</u>	<u>117</u>	<u>9,170</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Leisure and information services	-	-	-	-
Miscellaneous	-	-	-	9,281
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,281</u>
Excess (deficiency) of revenues over expenditures	14,380	4,753	117	(111)
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Transfers in	-	10,500	-	-
Transfers out	<u>(30,000)</u>	<u>(8,232)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>2,268</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(15,620)	7,021	117	(111)
Fund Balance, beginning	<u>1,178,881</u>	<u>383,952</u>	<u>9,477</u>	<u>413</u>
Fund Balance, ending	<u>\$ 1,163,261</u>	<u>\$ 390,973</u>	<u>\$ 9,594</u>	<u>\$ 302</u>

Special Revenue Funds

Forest & Conservation <u>Fund</u>	Cemetery <u>Fund</u>	Library <u>Fund</u>	Highway <u>Fund</u>	Economic Development <u>Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
(227,049)	2,991	4,614	1,133	3,095
(72,080)	-	7,000	2,029	8,134
-	-	-	-	-
-	-	-	-	-
<u>(299,129)</u>	<u>2,991</u>	<u>11,614</u>	<u>3,162</u>	<u>11,229</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,201	106	346	6,360	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>4,201</u>	<u>106</u>	<u>346</u>	<u>6,360</u>	<u>-</u>
(303,330)	2,885	11,268	(3,198)	11,229
-	-	-	-	-
1,689	-	1,585	840,000	30,000
<u>(299,404)</u>	<u>-</u>	<u>(1,200)</u>	<u>(869,736)</u>	<u>(15,000)</u>
<u>(297,715)</u>	<u>-</u>	<u>385</u>	<u>(29,736)</u>	<u>15,000</u>
(601,045)	2,885	11,653	(32,934)	26,229
<u>1,925,992</u>	<u>77,031</u>	<u>(17,119)</u>	<u>304,258</u>	<u>211,598</u>
<u>\$ 1,324,947</u>	<u>\$ 79,916</u>	<u>\$ (5,466)</u>	<u>\$ 271,324</u>	<u>\$ 237,827</u>

(continued)

(continued)

Special Revenue Funds

	Revaluation <u>Fund</u>	53rd Week <u>Fund</u>	Equipment <u>Fund</u>	Mountain Green <u>Fund</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	19	2,274	(391)	4,152
Contributions	-	-	-	26,094
Miscellaneous:				
Departmental	-	-	-	-
Interest and penalties	-	-	-	-
Total Revenues	<u>19</u>	<u>2,274</u>	<u>(391)</u>	<u>30,246</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Leisure and information services	-	-	-	-
Miscellaneous	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	19	2,274	(391)	30,246
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Transfers in	-	100,000	-	-
Transfers out	-	-	-	(6,041)
Total Other Financing Sources (Uses)	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(6,041)</u>
Net change in fund balance	19	102,274	(391)	24,205
Fund Balance, beginning	<u>(16)</u>	<u>183,768</u>	<u>1,791</u>	<u>334,098</u>
Fund Balance, ending	<u>\$ 3</u>	<u>\$ 286,042</u>	<u>\$ 1,400</u>	<u>\$ 358,303</u>

Special Revenue Funds

Fire Apparatus Replacement <u>Fund</u>	Downtown Economic Development <u>Fund</u>	SVMS Project <u>Fund</u>	OPEB <u>Fund</u>	<u>Subtotal</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	849,481
-	-	-	-	1,414,106
1,046	(439)	1,029	-	(138,474)
-	-	-	-	11,302
-	-	-	-	509,129
-	-	-	-	268,970
<u>1,046</u>	<u>(439)</u>	<u>1,029</u>	<u>-</u>	<u>2,914,514</u>
-	-	-	-	329,566
-	-	-	-	598,614
-	-	-	-	503,099
-	-	-	-	202,075
-	-	-	-	2,225
-	-	-	-	20,294
-	-	-	-	378,400
-	-	-	-	320,774
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>766,792</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,121,839</u>
1,046	(439)	1,029	-	(207,325)
-	-	-	-	-
22,485	-	-	300,000	1,652,238
<u>-</u>	<u>-</u>	<u>(11,564)</u>	<u>-</u>	<u>(2,873,325)</u>
<u>22,485</u>	<u>-</u>	<u>(11,564)</u>	<u>300,000</u>	<u>(1,221,087)</u>
23,531	(439)	(10,535)	300,000	(1,428,412)
<u>47,393</u>	<u>11,205</u>	<u>82,120</u>	<u>-</u>	<u>9,119,461</u>
<u>\$ 70,924</u>	<u>\$ 10,766</u>	<u>\$ 71,585</u>	<u>\$ 300,000</u>	<u>\$ 7,691,049</u>

(continued)

(continued)

Capital Project Funds

	Other Capital Project Funds <u>Pre 2003</u>	Other Capital Project Funds <u>Post 2002</u>	Open Space Protection <u>Fund</u>	Capital Commons Garage <u>Fund</u>	Route 3 Corridor <u>Fund</u>	Manchester Street <u>Fund</u>	<u>Subtotal</u>
Revenues:							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	392,857	47,500	-	-	-	440,357
Charges for services	-	-	-	-	-	-	-
Investment income	-	38,390	-	4,169	9,900	-	52,459
Contributions	-	1,047,224	-	-	-	-	1,047,224
Miscellaneous:							
Departmental	-	75,000	-	-	-	-	75,000
Interest and penalties	-	289	-	-	-	-	289
Total Revenues	-	1,553,760	47,500	4,169	9,900	-	1,615,329
Expenditures:							
Current:							
General government	-	366,185	-	-	140,465	-	506,650
Public safety	-	-	-	-	-	-	-
General services	-	17,198	-	-	-	-	17,198
Community development	36,780	43,148	-	-	-	-	79,928
Leisure and information services	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay	<u>242,712</u>	<u>6,862,291</u>	<u>340,796</u>	<u>59,893</u>	<u>1,662,642</u>	<u>-</u>	<u>9,168,334</u>
Total Expenditures	<u>279,492</u>	<u>7,288,822</u>	<u>340,796</u>	<u>59,893</u>	<u>1,803,107</u>	<u>-</u>	<u>9,772,110</u>
Excess (deficiency) of revenues over expenditures	(279,492)	(5,735,062)	(293,296)	(55,724)	(1,793,207)	-	(8,156,781)
Other Financing Sources (Uses):							
Issuance of bonds	-	2,690,610	-	-	1,560,100	-	4,250,710
Transfers in	-	3,389,890	293,296	-	1,411,107	2,132,734	7,227,027
Transfers out	<u>(1,247,580)</u>	<u>(2,861,619)</u>	<u>-</u>	<u>(255,000)</u>	<u>-</u>	<u>-</u>	<u>(4,364,199)</u>
Total Other Financing Sources (Uses)	<u>(1,247,580)</u>	<u>3,218,881</u>	<u>293,296</u>	<u>(255,000)</u>	<u>2,971,207</u>	<u>2,132,734</u>	<u>7,113,538</u>
Net change in fund balance	(1,527,072)	(2,516,181)	-	(310,724)	1,178,000	2,132,734	(1,043,243)
Fund Balance, beginning	<u>2,560,474</u>	<u>6,743,084</u>	<u>(35,378)</u>	<u>396,252</u>	<u>(47,617)</u>	<u>-</u>	<u>9,616,815</u>
Fund Balance, ending	<u>\$ 1,033,402</u>	<u>\$ 4,226,903</u>	<u>\$ (35,378)</u>	<u>\$ 85,528</u>	<u>\$ 1,130,383</u>	<u>\$ 2,132,734</u>	<u>\$ 8,573,572</u>

Permanent Funds

<u>Cemetery Fund</u>	<u>Library Fund</u>	<u>Dedicated Income Fund</u>	<u>Other Fund</u>	<u>Subtotal</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
(872,361)	(101,217)	45,398	(10,102)	(938,282)
53,660	-	191,836	-	245,496
-	-	-	-	-
-	-	-	-	-
<u>(818,701)</u>	<u>(101,217)</u>	<u>237,234</u>	<u>(10,102)</u>	<u>(692,786)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
23,875	6,338	3,023	399	33,635
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>23,875</u>	<u>6,338</u>	<u>3,023</u>	<u>399</u>	<u>33,635</u>
(842,576)	(107,555)	234,211	(10,501)	(726,421)
-	-	-	-	-
4,105	-	-	-	4,105
<u>(190,778)</u>	<u>(18,585)</u>	<u>(124,000)</u>	<u>-</u>	<u>(333,363)</u>
-	-	-	-	-
<u>(186,673)</u>	<u>(18,585)</u>	<u>(124,000)</u>	<u>-</u>	<u>(329,258)</u>
(1,029,249)	(126,140)	110,211	(10,501)	(1,055,679)
<u>6,808,442</u>	<u>753,038</u>	<u>886,329</u>	<u>64,864</u>	<u>8,512,673</u>
<u>\$ 5,779,193</u>	<u>\$ 626,898</u>	<u>\$ 996,540</u>	<u>\$ 54,363</u>	<u>\$ 7,456,994</u>

(continued)

(continued)

	<u>Debt Service Funds</u>			Total Nonmajor Governmental Funds
	<u>NEOC Fund</u>	<u>SBTIFD Fund</u>	<u>Subtotal</u>	
Revenues:				
Property taxes	\$ 600,937	\$ 264,482	\$ 865,419	\$ 865,419
Intergovernmental	-	-	-	1,289,838
Charges for services	-	-	-	1,414,106
Investment income	10,964	815	11,779	(1,012,518)
Contributions	-	-	-	1,304,022
Miscellaneous:				
Departmental	-	-	-	584,129
Interest and penalties	-	-	-	269,259
Total Revenues	<u>611,901</u>	<u>265,297</u>	<u>877,198</u>	<u>4,714,255</u>
Expenditures:				
Current:				
General government	-	-	-	836,216
Public safety	-	-	-	598,614
General services	-	-	-	520,297
Community development	-	-	-	282,003
Leisure and information services	-	-	-	2,225
Miscellaneous	-	-	-	53,929
Debt service:				
Principal	345,000	110,000	455,000	833,400
Interest	121,543	124,216	245,759	566,533
Capital outlay	-	-	-	9,935,126
Total Expenditures	<u>466,543</u>	<u>234,216</u>	<u>700,759</u>	<u>13,628,343</u>
Excess (deficiency) of revenues over expenditures	145,358	31,081	176,439	(8,914,088)
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	4,250,710
Transfers in	-	-	-	8,883,370 (A)
Transfers out	<u>(79,815)</u>	<u>-</u>	<u>(79,815)</u>	<u>(7,650,702) (A)</u>
Total Other Financing Sources (Uses)	<u>(79,815)</u>	<u>-</u>	<u>(79,815)</u>	<u>5,483,378</u>
Net change in fund balance	65,543	31,081	96,624	(3,430,710)
Fund Balance, beginning	<u>720,719</u>	<u>39,444</u>	<u>760,163</u>	<u>28,009,112</u>
Fund Balance, ending	<u>\$ 786,262</u>	<u>\$ 70,525</u>	<u>\$ 856,787</u>	<u>\$ 24,578,402</u>

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

**Detail and Combining Budget
and Actual Schedules**

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General Fund

The General Fund is established to account for all resources obtained and used for those services commonly provided by the City which are not accounted for in any other fund. These services include among other items: General government, Public Safety, General Services, Planning and Development, Leisure and Information Services and Human Services. The primary sources of revenue of the general fund are property taxes, unrestricted state revenue sharing grants, certain restricted grants, and fees for services rendered.

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, 2009

	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>Taxes</u>			
Property taxes - current	\$ 28,577,088	\$ 28,577,088	\$ -
Timber tax yield	15,000	12,107	(2,893)
Excavation activity tax	100	405	305
Motor vehicle registrations	5,000,000	5,192,228	192,228
Rooms and meals	1,814,278	1,879,832	65,554
Payment in lieu of taxes	<u>567,335</u>	<u>618,611</u>	<u>51,276</u>
 Total Taxes	 35,973,801	 36,280,271	 306,470
<u>Licenses and Permits</u>			
Engineering	1,926	1,266	(660)
City clerk records	30,900	36,346	5,446
Health services	113,850	113,622	(228)
Police/protection/amusement	66,000	64,165	(1,835)
Code enforcement/building permits	942,970	604,501	(338,469)
General service permits	<u>6,000</u>	<u>5,933</u>	<u>(67)</u>
 Total Licenses and Permits	 1,161,646	 825,833	 (335,813)
<u>Intergovernmental</u>			
State sharing	1,164,161	1,164,161	-
Railroad tax	-	946	946
Forest loss reimbursement	1,000	987	(13)
Fire service aid	125,000	125,000	-
Emergency management aid	46,000	95,312	49,312
State election reimbursement	4,500	5,735	1,235
Highway block grant	<u>735,400</u>	<u>760,974</u>	<u>25,574</u>
 Total Intergovernmental	 2,076,061	 2,153,115	 77,054
<u>Charges For Services</u>			
Finance	139,000	139,422	422
Legal	56,853	56,853	-
City clerk	45,420	41,605	(3,815)
Public safety	2,155,135	2,111,805	(43,330)
General services	152,000	116,213	(35,787)
Community development	227,515	189,872	(37,643)
Human services	25,000	14,129	(10,871)

(continued)

(continued)

	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
Library	11,500	12,131	631
Recreation	328,690	303,559	(25,131)
Tower lease/ fire hdqrtrs	22,350	22,294	(56)
Cable franchise fee	620,000	666,123	46,123
School district lease	114,800	94,816	(19,984)
Storage rental	6,400	7,565	1,165
Community Center rental	59,540	88,075	28,535
Memorial field rental	11,370	9,881	(1,489)
Code prosecution	68,000	35,422	(32,578)
Restitution	5,500	8,854	3,354
Parking fines - non meters	185,000	156,168	(28,832)
False alarm penalties	50,000	47,720	(2,280)
Overdue book fines	45,000	49,851	4,851
Concessions/sponsors	<u>2,000</u>	<u>508</u>	<u>(1,492)</u>
Total Charges For Services	4,331,073	4,172,866	(158,207)
<u>Investment Income</u>			
Earnings on investments	<u>685,000</u>	<u>448,196</u>	<u>(236,804)</u>
Total Investment Income	685,000	448,196	(236,804)
<u>Miscellaneous</u>			
Miscellaneous revenue not anticipated	15,000	56,324	41,324
Donations	4,130	4,552	422
Other share of capital debt	48,638	48,637	(1)
Sale of city property	30,000	47,924	17,924
MV transportation surcharge	174,550	172,946	(1,604)
Interest, costs, and penalties	<u>425,000</u>	<u>535,901</u>	<u>110,901</u>
Total Miscellaneous	697,318	866,284	168,966
<u>Other Financing Sources</u>			
Transfers in	1,587,565	1,579,866	(7,699)
Budgetary use of fund balance	<u>830,000</u>	<u>830,000</u>	<u>-</u>
Total Other Financing Sources	<u>2,417,565</u>	<u>2,409,866</u>	<u>(7,699)</u>
Total Revenues and Other Financing Sources	<u>\$ 47,342,464</u>	<u>\$ 47,156,431</u>	<u>\$ (186,033)</u>

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, 2009

	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>General Government</u>			
City Manager	\$ 1,211,494	\$ 1,188,306	\$ 23,188
Legal services	794,989	792,199	2,790
Assessor	553,260	529,276	23,984
Human resources	369,704	314,056	55,648
Finance	1,817,901	1,446,143	371,758
Information technology	522,420	471,349	51,071
City Council	31,980	25,286	6,694
City Clerk	<u>305,660</u>	<u>306,212</u>	<u>(552)</u>
Total General Government	5,607,408	5,072,827	534,581
<u>Public Safety</u>			
Police	8,758,365	8,521,565	236,800
Fire	<u>10,581,372</u>	<u>10,347,908</u>	<u>233,464</u>
Total Public Safety	19,339,737	18,869,473	470,264
<u>General Services</u>			
Total General Services	<u>7,975,807</u>	<u>7,647,015</u>	<u>328,792</u>
<u>Community Development</u>			
Total Community Development	<u>2,923,645</u>	<u>2,720,300</u>	<u>203,345</u>
<u>Leisure and Information Services</u>			
Library	1,713,565	1,698,176	15,389
Recreation and parks	<u>554,235</u>	<u>545,171</u>	<u>9,064</u>
Total Leisure and Information Services	2,267,800	2,243,347	24,453
<u>Human Services</u>			
Total Human Services	<u>862,640</u>	<u>789,163</u>	<u>73,477</u>

(continued)

(continued)

	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>Employee Benefits</u>			
Employee benefits	<u>296,100</u>	<u>328,542</u>	<u>(32,442)</u>
Total Employee Benefits	296,100	328,542	(32,442)
<u>Debt Service</u>			
Principal	3,428,040	3,387,538	40,502
Interest	<u>1,202,967</u>	<u>1,214,424</u>	<u>(11,457)</u>
Total Debt Service	4,631,007	4,601,962	29,045
<u>Other Financing Uses</u>			
Transfers out	<u>3,438,320</u>	<u>3,438,320</u>	<u>-</u>
Total Other Financing Uses	<u>3,438,320</u>	<u>3,438,320</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 47,342,464</u>	<u>\$ 45,710,949</u>	<u>\$ 1,631,515</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, 2009

	Parking		
	<u>Budget</u>	Actual (<u>Budgetary Basis</u>)	Variance Positive (<u>Negative</u>)
Revenues:			
Intergovernmental	\$ 10,500	\$ 10,658	\$ 158
Charges for services:			
Parking - meters	555,300	528,659	(26,641)
Prepaid parking	100,000	117,926	17,926
Fuel flow fees	-	-	-
Rentals	-	-	-
Total Charges for Services	655,300	646,585	(8,715)
Investment income	19,260	8,066	(11,194)
Miscellaneous:			
Meter parking penalties	323,800	267,456	(56,344)
Rentals	360,006	328,079	(31,927)
Miscellaneous	500	1,314	814
Total Miscellaneous	684,306	596,849	(87,457)
Total Revenues	1,369,366	1,262,158	(107,208)
Expenditures:			
Public Safety:			
Compensation	395,156	381,951	13,205
Outside services	57,960	49,308	8,652
Fringe benefits	148,741	147,502	1,239
Supplies	43,539	25,371	18,168
Insurance	7,100	4,303	2,797
Taxes	36,188	38,490	(2,302)
Capital outlay	28,364	15,176	13,188
General Services:			
Compensation	59,830	45,587	14,243
Outside services	135,788	110,818	24,970
Fringe benefits	24,110	31,533	(7,423)
Supplies	500	1,899	(1,399)
Utilities	95,090	99,680	(4,590)
Insurance	7,300	14,304	(7,004)
Debt service	411,542	403,313	8,229
Total Expenditures	1,451,208	1,369,235	81,973
Other Financing Sources (Uses):			
Transfer out	(78,750)	(81,750)	(3,000)
Total Other Financing Sources (Uses)	(78,750)	(81,750)	(3,000)
Excess of revenues and other financing sources over expenditures and other financing uses	\$ (160,592)	\$ (188,827)	\$ (28,235)

Airport			Total		
<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>
\$ 3,800	\$ 1,800	\$ (2,000)	\$ 14,300	\$ 12,458	\$ (1,842)
-	-	-	555,300	528,659	(26,641)
-	-	-	100,000	117,926	17,926
20,800	9,174	(11,626)	20,800	9,174	(11,626)
<u>315,142</u>	<u>296,752</u>	<u>(18,390)</u>	<u>315,142</u>	<u>296,752</u>	<u>(18,390)</u>
335,942	305,926	(30,016)	991,242	952,511	(38,731)
11,600	5,932	(5,668)	30,860	13,998	(16,862)
-	-	-	323,800	267,456	(56,344)
-	-	-	360,006	328,079	(31,927)
<u>-</u>	<u>11,840</u>	<u>11,840</u>	<u>500</u>	<u>13,154</u>	<u>12,654</u>
<u>-</u>	<u>11,840</u>	<u>11,840</u>	<u>684,306</u>	<u>608,689</u>	<u>(75,617)</u>
351,342	325,498	(25,844)	1,720,708	1,587,656	(133,052)
-	-	-	395,156	381,951	13,205
-	-	-	57,960	49,308	8,652
-	-	-	148,741	147,502	1,239
-	-	-	43,539	25,371	18,168
-	-	-	7,100	4,303	2,797
-	-	-	36,188	38,490	(2,302)
-	-	-	28,364	15,176	13,188
56,120	35,889	20,231	115,950	81,476	34,474
72,420	81,130	(8,710)	208,208	191,948	16,260
37,880	24,084	13,796	61,990	55,617	6,373
28,030	4,364	23,666	28,530	6,263	22,267
36,000	35,241	759	131,090	134,921	(3,831)
10,320	7,924	2,396	17,620	22,228	(4,608)
<u>32,630</u>	<u>32,629</u>	<u>1</u>	<u>444,172</u>	<u>435,942</u>	<u>8,230</u>
273,400	221,261	52,139	1,724,608	1,590,496	134,112
<u>(51,200)</u>	<u>9,671</u>	<u>60,871</u>	<u>(129,950)</u>	<u>(72,079)</u>	<u>57,871</u>
<u>(51,200)</u>	<u>9,671</u>	<u>60,871</u>	<u>(129,950)</u>	<u>(72,079)</u>	<u>57,871</u>
<u>\$ 26,742</u>	<u>\$ 113,908</u>	<u>\$ 87,166</u>	<u>\$ (133,850)</u>	<u>\$ (74,919)</u>	<u>\$ 58,931</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, 2009

	Business-Type Activities Enterprise Funds		Total Other Funds
	<u>Golf Fund</u>	<u>Arena Fund</u>	<u>Total Other Funds</u>
<u>ASSETS</u>			
Current:			
Cash and short-term equivalents	\$ 168,121	\$ 183,292	\$ 351,413
User fees, net of allowance for uncollectibles	-	8,532	8,532
Intergovernmental receivable	-	-	-
Inventory	-	-	-
	168,121	191,824	359,945
Total current assets			
Noncurrent:			
Capital assets:			
Land and construction in progress	26,900	27,600	54,500
Other capital assets, net of accumulated depreciation	659,956	836,995	1,496,951
	686,856	864,595	1,551,451
Total noncurrent assets			
TOTAL ASSETS	854,977	1,056,419	1,911,396
<u>LIABILITIES</u>			
Current:			
Accounts payable	35,113	1,180	36,293
Accrued liabilities	2,932	4,279	7,211
Unearned revenue	24,311	8,875	33,186
Other current liabilities	7,493	-	7,493
Current portion of long-term liabilities:			
Bonds payable	35,000	57,900	92,900
Compensated absences	20,140	12,072	32,212
	124,989	84,306	209,295
Total current liabilities			
Noncurrent:			
Bonds payable, net of current portion	205,000	314,900	519,900
	205,000	314,900	519,900
Total noncurrent liabilities			
TOTAL LIABILITIES	329,989	399,206	729,195
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	446,856	491,795	938,651
Unrestricted	78,132	165,418	243,550
	524,988	657,213	1,182,201
TOTAL NET ASSETS	\$ 524,988	\$ 657,213	\$ 1,182,201

See notes to financial statements.

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, 2009

	<u>Golf Fund</u>	<u>Arena Fund</u>	<u>Total Other Funds</u>
Operating Revenues:			
Charges for services	\$ 819,553	\$ 484,182	\$ 1,303,735
Other	<u>23,580</u>	<u>372</u>	<u>23,952</u>
Total Operating Revenues	843,133	484,554	1,327,687
Operating Expenses:			
Operating expenses	848,615	423,276	1,271,891
Depreciation	<u>61,396</u>	<u>64,038</u>	<u>125,434</u>
Total Operating Expenses	<u>910,011</u>	<u>487,314</u>	<u>1,397,325</u>
Operating Income (Loss)	(66,878)	(2,760)	(69,638)
Nonoperating Revenues (Expenses):			
Investment income	2,291	2,593	4,884
Interest expense	<u>(14,552)</u>	<u>(21,259)</u>	<u>(35,811)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(12,261)</u>	<u>(18,666)</u>	<u>(30,927)</u>
Income (Loss) Before Transfers	(79,139)	(21,426)	(100,565)
Transfers:			
Transfers in	53,218	23,250	76,468
Transfers out	<u>(95,200)</u>	<u>(35,200)</u>	<u>(130,400)</u>
Change in Net Assets	(121,121)	(33,376)	(154,497)
Net Assets at Beginning of Year	<u>646,109</u>	<u>690,589</u>	<u>1,336,698</u>
Net Assets at End of Year	<u>\$ 524,988</u>	<u>\$ 657,213</u>	<u>\$ 1,182,201</u>

See notes to financial statements.

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Cash Flows

Nonmajor Proprietary Funds

For the Fiscal Year Ended June 30, 2009

	Golf Fund	Arena Fund	Total Other Funds
<u>Cash Flows From Operating Activities:</u>			
Receipts from customers and users	\$ 839,930	\$ 486,476	\$ 1,326,406
Payments to vendors and employees	<u>(860,877)</u>	<u>(423,366)</u>	<u>(1,284,243)</u>
Net Cash Provided By Operating Activities	(20,947)	63,110	42,163
<u>Cash Flows From Noncapital Financing Activities:</u>			
Transfers in	53,218	23,250	76,468
Transfers out	<u>(95,200)</u>	<u>(35,200)</u>	<u>(130,400)</u>
Net Cash (Used For) Noncapital Financing Activities	(41,982)	(11,950)	(53,932)
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Principal payments on bonds and notes	(35,000)	(56,900)	(91,900)
Interest expense	<u>(14,937)</u>	<u>(21,873)</u>	<u>(36,810)</u>
Net Cash (Used For) Capital and Related Financing Activities	(49,937)	(78,773)	(128,710)
<u>Cash Flows From Investing Activities:</u>			
Investment income	<u>2,291</u>	<u>2,593</u>	<u>4,884</u>
Net Cash Provided by Investing Activities	<u>2,291</u>	<u>2,593</u>	<u>4,884</u>
Net Change in Cash and Short-Term Equivalents	(110,575)	(25,020)	(135,595)
Cash and Short-Term Equivalents, Beginning of Year	<u>278,696</u>	<u>208,312</u>	<u>487,008</u>
Cash and Short-Term Equivalents, End of Year	<u>\$ 168,121</u>	<u>\$ 183,292</u>	<u>\$ 351,413</u>
<u>Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:</u>			
Operating income	\$ (66,878)	\$ (2,760)	\$ (69,638)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	61,396	64,038	125,434
Changes in assets and liabilities:			
User fees	-	(6,952)	(6,952)
Accounts payable	(15,903)	(2,846)	(18,749)
Compensated absences	3,251	2,755	6,006
Other liabilities	<u>(2,813)</u>	<u>8,875</u>	<u>6,062</u>
Net Cash Provided By Operating Activities	<u>\$ (20,947)</u>	<u>\$ 63,110</u>	<u>\$ 42,163</u>

See notes to financial statements.

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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, 2009

	<u>Budget</u>	<u>Water Fund Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Operating revenue	\$ 4,987,520	\$ 4,894,117	\$ (93,403)
Miscellaneous	<u>-</u>	<u>5,373</u>	<u>5,373</u>
Total Operating Revenues	4,987,520	4,899,490	(88,030)
Operating Expenses:			
Personnel	1,844,620	1,682,935	161,685
Non-Personnel	896,656	860,732	35,924
Debt service	<u>1,504,350</u>	<u>1,487,949</u>	<u>16,401</u>
Total Operating Expenses	<u>4,245,626</u>	<u>4,031,616</u>	<u>214,010</u>
Operating Income (Loss)	741,894	867,874	125,980
Non-Operating Income (Expenses):			
Interest expense	(443,380)	(328,957)	114,423
Investment income	77,700	68,568	(9,132)
Intergovernmental	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Operating Income (Expenses)	<u>(365,680)</u>	<u>(260,389)</u>	<u>105,291</u>
Net Income (Loss) Before Transfers	376,214	607,485	231,271
Other Financing Sources:			
Transfers in	-	-	-
Transfers out	<u>(1,105,835)</u>	<u>(1,083,046)</u>	<u>22,789</u>
Total Other Financing Sources	<u>(1,105,835)</u>	<u>(1,083,046)</u>	<u>22,789</u>
Net Income (Loss)	<u>\$ (729,621)</u>	<u>\$ (475,561)</u>	<u>\$ 254,060</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>
\$ 5,611,370	\$ 5,797,575	\$ 186,205	\$ 1,929,500	\$ 1,761,359	\$ (168,141)
<u>-</u>	<u>2,439</u>	<u>2,439</u>	<u>-</u>	<u>59</u>	<u>59</u>
5,611,370	5,800,014	188,644	1,929,500	1,761,418	(168,082)
1,461,240	1,471,095	(9,855)	91,347	97,846	(6,499)
2,265,570	2,411,700	(146,130)	3,683,111	3,616,895	66,216
<u>1,414,260</u>	<u>1,332,905</u>	<u>81,355</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>5,141,070</u>	<u>5,215,700</u>	<u>(74,630)</u>	<u>3,774,458</u>	<u>3,714,741</u>	<u>59,717</u>
470,300	584,314	114,014	(1,844,958)	(1,953,323)	(108,365)
(571,410)	(578,441)	(7,031)	-	-	-
72,120	68,991	(3,129)	-	-	-
<u>191,890</u>	<u>238,894</u>	<u>47,004</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(307,400)</u>	<u>(270,556)</u>	<u>36,844</u>	<u>-</u>	<u>-</u>	<u>-</u>
162,900	313,758	150,858	(1,844,958)	(1,953,323)	(108,365)
-	2,292	2,292	1,923,660	1,911,564	(12,096)
<u>(790,041)</u>	<u>(784,253)</u>	<u>5,788</u>	<u>(51,753)</u>	<u>(51,753)</u>	<u>-</u>
<u>(790,041)</u>	<u>(781,961)</u>	<u>8,080</u>	<u>1,871,907</u>	<u>1,859,811</u>	<u>(12,096)</u>
\$ <u>(627,141)</u>	\$ <u>(468,203)</u>	\$ <u>158,938</u>	\$ <u>26,949</u>	\$ <u>(93,512)</u>	\$ <u>(120,461)</u>

(continued)

CITY OF CONCORD, NEW HAMPSHIRE

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

Enterprise Funds

For the Fiscal Year Ended June 30, 2009

(continued)

	<u>Golf Fund</u>		
	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
Operating Revenues:			
Operating revenue	\$ 967,130	\$ 819,553	\$ (147,577)
Miscellaneous	<u>-</u>	<u>23,580</u>	<u>23,580</u>
Total Operating Revenues	967,130	843,133	(123,997)
Operating Expenses:			
Personnel	385,660	370,369	15,291
Non-Personnel	371,161	358,553	12,608
Debt service	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Total Operating Expenses	<u>791,821</u>	<u>763,922</u>	<u>27,899</u>
Operating Income (Loss)	175,309	79,211	(96,098)
Non-Operating Income (Expenses):			
Interest expense	(14,820)	(11,402)	3,418
Investment income	3,610	2,291	(1,319)
Intergovernmental	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-Operating Income (Expenses)	<u>(11,210)</u>	<u>(9,111)</u>	<u>2,099</u>
Net Income (Loss) Before Transfers	164,099	70,100	(93,999)
Other Financing Sources			
Transfers in	-	-	-
Transfers out	<u>(95,200)</u>	<u>(95,200)</u>	<u>-</u>
Total Other Financing Sources	<u>(95,200)</u>	<u>(95,200)</u>	<u>-</u>
Net Income (Loss)	<u>\$ 68,899</u>	<u>\$ (25,100)</u>	<u>\$ (93,999)</u>

	Arena Fund	
<u>Budget</u>	Actual (Budgetary Basis)	Variance Positive (Negative)
\$ 464,150	\$ 484,182	\$ 20,032
8,200	372	(7,828)
472,350	484,554	12,204
226,110	230,770	(4,660)
151,035	152,915	(1,880)
59,000	59,000	-
436,145	442,685	(6,540)
36,205	41,869	5,664
(16,980)	(12,130)	4,850
3,080	2,593	(487)
-	-	-
(13,900)	(9,537)	4,363
22,305	32,332	10,027
20,500	20,500	-
(35,200)	(35,200)	-
(14,700)	(14,700)	-
\$ 7,605	\$ 17,632	\$ 10,027

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, 2009

	Balance July 1, <u>2008</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2009</u>
Assets - cash and short-term investments	\$ 1,653,730	\$ 106,675,113	\$ (106,278,950)	\$ 2,049,893
Assets - due from other funds	3,740	34,066,545	(34,070,285)	-
Assets - other assets	29,274	-	(29,274)	-
Total Assets	<u>\$ 1,686,744</u>	<u>\$ 140,741,658</u>	<u>\$ (140,378,509)</u>	<u>\$ 2,049,893</u>
Liabilities - due to other governments	\$ 866,883	\$ 63,873,092	\$ (63,867,359)	\$ 872,616
Liabilities - other liabilities	819,797	65,481,269	(65,123,789)	1,177,277
Liabilities - due to other funds	64	370,153	(370,217)	-
Total liabilities	<u>\$ 1,686,744</u>	<u>\$ 129,724,514</u>	<u>\$ (129,361,365)</u>	<u>\$ 2,049,893</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 - 128
<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.	129 - 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)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
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
Restricted	10,447,317	10,337,347	10,411,567	11,513,702	12,132,027	12,970,495	10,576,342
Unrestricted	24,538,884	22,220,069	23,262,390	21,209,276	18,577,263	16,400,737	15,559,497
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
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
Restricted	1,237,551	1,168,856	692,378	1,409,447	1,604,674	1,467,712	1,326,168
Unrestricted	5,529,626	8,499,449	9,617,980	7,957,766	7,796,545	5,920,390	5,235,417
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
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
Restricted	11,684,868	11,506,203	11,103,945	12,923,149	13,736,701	14,438,207	11,902,510
Unrestricted	30,068,510	30,719,518	32,880,370	29,167,042	26,373,808	22,321,127	20,794,914
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

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
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
Public safety	13,275,869	15,193,859	16,071,793	17,832,430	18,989,365	19,956,305	21,144,583
General services	8,754,445	11,941,871	10,873,904	10,581,792	11,211,510	12,186,012	11,572,079
Community development	2,129,166	2,602,838	2,991,350	3,187,532	3,535,844	4,160,643	4,041,973
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
Human services	1,011,854	1,071,795	1,033,242	1,060,845	1,038,484	705,177	807,682
Interest	1,165,149	1,098,847	954,439	1,247,922	1,411,040	1,763,217	1,410,990
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
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
Wastewater services	4,540,857	5,094,614	5,536,027	6,046,556	5,751,772	6,138,395	6,436,028
Solid waste services	N/A	N/A	N/A	N/A	N/A	N/A	3,729,839
Other (nonmajor)	4,059,707	4,259,673	4,391,311	4,807,391	4,988,056	5,009,056	1,433,136
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
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
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
Public safety	1,192,461	1,351,556	1,835,850	1,906,741	2,521,339	2,444,300	3,048,743
General services	-	233,590	280,993	320,889	318,029	325,078	298,694
Community development	1,131,158	1,468,925	1,468,041	2,126,301	1,190,109	1,172,608	1,131,134
Leisure and information services	351,754	367,464	366,244	387,741	426,243	417,470	462,796
Human services	125,806	34,169	16,258	31,690	155,657	176,394	12,330
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
Operating grants and contributions	445,882	246,397	701,185	542,808	488,719	607,301	1,406,391
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
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
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
Wastewater services	4,475,390	4,710,144	4,778,328	4,949,344	5,377,820	5,505,914	5,593,025
Solid waste services	-	-	-	-	-	-	1,761,418
Other (nonmajor)	2,709,684	2,949,539	3,046,267	3,240,470	3,228,133	3,301,298	1,303,735
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
Operating grants and contributions	458,121	67,487	-	-	-	-	243,344
Capital grants and contributions	-	-	1,353,013	178,634	337,063	177,098	268,581
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
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
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)
Business-type activities	(165,763)	(1,487,120)	(781,300)	(2,826,978)	(2,028,198)	(2,179,940)	(2,469,941)
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)
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
Penalties, interest and other taxes	705,746	627,012	619,051	668,354	639,602	754,891	804,871
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
Investment income	1,151,559	1,030,007	1,458,842	2,483,994	3,729,057	1,552,449	(564,036)
Miscellaneous	609,523	636,327	945,897	747,187	867,053	987,429	743,489
Transfers, net	(603,720)	(866,090)	(504,054)	(510,572)	(447,769)	(451,881)	(830,487)
Permanent fund contributions	288,676	368,034	121,907	315,773	161,167	470,916	245,496
Total governmental activities	33,690,549	32,173,838	35,099,210	38,077,637	41,934,791	41,063,397	39,282,482
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
Miscellaneous	90,031	12,427	80,341	124,681	21,094	68,586	31,764
Transfers, net	603,720	866,090	504,054	510,572	447,769	451,881	830,487
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
Total primary government	\$ 34,760,718	\$ 33,471,326	\$ 36,214,448	\$ 40,221,357	\$ 43,170,999	\$ 42,071,082	\$ 40,342,046
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
Business-type activities	904,406	(189,632)	333,938	(683,258)	(791,990)	(1,172,255)	(1,410,377)
Total primary government	\$ 8,940,990	\$ 1,023,896	\$ 4,350,448	\$ 6,245,166	\$ 7,828,603	\$ 5,658,313	\$ 101,192

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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 3,113,977	\$ 3,727,639	\$ 3,530,521	\$ 3,213,486	\$ 2,944,821	\$ 2,666,156	\$ 1,789,574	\$ 2,270,638	\$ 1,300,105	\$ 1,169,269
Unreserved	6,553,358	6,697,229	5,464,793	5,423,862	4,832,349	4,639,091	5,329,762	3,453,608	4,447,779	5,302,478
Total General Fund	\$ 9,667,335	\$ 10,424,868	\$ 8,995,314	\$ 8,637,348	\$ 7,777,170	\$ 7,305,247	\$ 7,119,336	\$ 5,724,246	\$ 5,747,884	\$ 6,471,747
Other Governmental Funds										
Reserved	\$ 343,424	\$ 168,775	\$ 106,841	\$ 6,781,340	\$ 6,960,094	\$ 7,563,030	\$ 7,733,404	\$ 8,686,203	\$ 13,154,406	\$ 11,784,460
Unreserved:										
Special Revenue Funds	2,078,734	2,668,432	3,660,926	15,601,153	11,439,627	9,438,221	8,738,047	8,651,431	9,077,496	7,675,674
Capital Project Funds	6,929,124	10,432,369	9,841,426	8,360,192	12,792,394	13,490,784	20,587,665	14,906,493	5,017,047	4,261,481
Debt Service	197,981	100,255	117,861	315,549	313,569	507,276	591,867	657,335	760,163	856,787
Total Other Funds	\$ 9,549,263	\$ 13,369,831	\$ 13,727,054	\$ 31,058,234	\$ 31,505,684	\$ 30,999,311	\$ 37,650,983	\$ 32,901,462	\$ 28,009,112	\$ 24,578,402

Data Source

Audited Financial Statements

City of Concord, New Hampshire

Change in Fund Balances, Governmental Funds (1)

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes	\$ 23,569,558	\$ 25,138,393	\$ 26,424,701	\$ 27,851,023	\$ 27,147,062	\$ 30,179,005	\$ 31,748,630	\$ 33,143,681	\$ 35,087,252	\$ 37,282,375
Licenses and permits	779,296	740,226	770,097	1,026,830	1,072,522	1,124,663	1,479,654	1,020,239	1,089,628	825,833
Intergovernmental	3,747,315	3,804,216	3,574,686	5,392,793	5,140,299	4,147,436	3,903,521	2,862,450	3,442,121	3,442,953
Charges for services	3,536,299	3,610,309	4,191,937	4,368,060	5,042,083	5,626,533	5,918,886	6,638,525	6,211,386	5,586,277
Investment income	3,154,360	2,151,758	1,465,334	1,151,558	1,030,007	1,540,642	2,508,864	3,729,057	1,552,449	(564,323)
Contributions and miscellaneous	1,333,295	1,659,384	1,742,188	2,787,852	2,647,842	2,515,904	3,560,162	4,543,349	5,423,293	3,023,671
Total revenues	36,120,123	37,104,286	38,168,943	42,578,116	42,079,815	45,134,183	49,119,717	51,937,301	52,806,129	49,596,786
Expenditures by Function										
General government	4,089,715	3,519,268	3,623,176	4,729,374	5,076,134	5,798,104	5,125,653	5,455,316	5,159,601	5,900,248
Public safety	10,874,535	12,115,472	12,707,760	13,773,463	15,047,387	15,457,287	17,053,365	18,120,382	18,728,040	19,410,584
General services	5,226,222	5,601,452	5,744,139	6,260,496	6,014,020	6,895,328	6,990,518	7,096,899	8,243,164	8,249,971
Community development	1,685,217	2,857,475	3,110,561	2,119,951	2,561,361	2,655,668	3,042,749	2,432,444	3,317,979	3,007,202
Leisure and information services	1,780,218	1,923,050	2,001,397	1,993,027	2,039,864	2,071,709	2,156,899	2,249,001	2,147,886	2,230,489
Human services	1,035,711	1,126,212	1,062,834	1,007,444	1,071,539	1,029,900	1,056,671	1,033,422	697,719	789,101
Employee benefits	527,751	298,973	188,402	223,763	273,821	334,904	441,505	555,182	656,039	328,542
Miscellaneous	645,136	413,827	1,130,071	1,024,650	1,032,981	1,052,585	968,568	1,762,956	195,830	53,929
Debt service										
Principal	2,245,210	2,370,340	2,901,440	2,833,402	2,807,263	3,127,175	3,416,587	4,075,251	4,823,966	4,220,938
Interest	1,012,357	1,220,868	1,328,651	1,200,095	974,982	939,967	1,043,828	1,245,528	1,855,218	1,597,727
Capital outlay	7,761,082	7,889,599	6,429,217	8,300,094	9,660,162	9,760,998	16,928,041	24,240,722	11,397,517	9,935,126
Total expenditures	36,883,154	39,336,536	40,227,648	43,465,759	46,559,514	49,123,625	58,224,384	68,267,103	57,222,959	55,723,857
Excess of revenues										
Over(under) expenditures	(763,031)	(2,232,250)	(2,058,705)	(887,643)	(4,479,699)	(3,989,442)	(9,104,667)	(16,329,802)	(4,416,830)	(6,127,071)
Other Financing Sources (Uses)										
Bond proceeds	4,770,000	6,626,000	1,035,000	-	4,829,750	3,515,200	16,081,000	10,632,960	-	4,250,710
Transfers in	10,578,614	7,440,739	9,230,808	11,231,164	4,530,751	3,494,232	4,958,316	5,874,169	3,520,143	3,862,715
Transfers out	(11,214,331)	(8,371,452)	(9,385,530)	(11,834,884)	(5,293,530)	(3,998,286)	(5,468,888)	(6,321,938)	(3,972,025)	(4,693,201)
Total other financing sources (uses)	4,134,283	5,695,287	880,278	(603,720)	4,066,971	3,011,146	15,570,428	10,185,191	(451,882)	3,420,224
Net Change in fund balances	\$ 3,371,252	\$ 3,463,037	\$ (1,178,427)	(1,491,363)	\$ (412,728)	\$ (978,296)	\$ 6,465,761	\$ (6,144,611)	\$ (4,868,712)	\$ (2,706,847)
Debt Service as a percentage of non-capital outlay expenditures (including transfers out)	11.19%	11.42%	12.52%	11.47%	10.25%	10.33%	10.80%	12.09%	12.88%	11.34%

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
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
2001	20,064,036	34,375	2,342	4,645,919	-	391,721	25,138,393
2000	18,843,448	52,668	15,579	4,345,750	-	312,113	23,569,558

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)			Total Assessed Value	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						
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%
2001	998,414,700	601,192,400	73,377,400	1,672,984,500	14,160,000	1,658,824,500	33.96	2,154,318,000	77.7%
2000	972,070,800	613,449,500	43,287,300	1,628,807,600	15,100,000	1,613,707,600	32.36	1,854,837,000	87.8%

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

<u>Concord Direct Rates</u>							<u>Overlapping Rate</u>	
<u>Fiscal Year</u>	<u>City</u>	<u>Total City</u>	<u>Local School</u>	<u>State School</u>	<u>Total School</u>	<u>Total Direct</u>	<u>County</u>	<u>Total</u>
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
2001	11.59	11.59	12.75	7.11	19.86	31.45	2.51	33.96
2000	11.18	11.18	11.61	7.27	18.88	30.06	2.30	32.36

<u>Penacook Direct Rates</u>							<u>Overlapping Rate</u>	
<u>Fiscal Year</u>	<u>City</u>	<u>Total City</u>	<u>Local School</u>	<u>State School</u>	<u>Total School</u>	<u>Total Direct</u>	<u>County</u>	<u>Total</u>
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
2001	11.59	11.59	13.46	7.22	20.68	32.27	2.51	34.78
2000	11.18	11.18	9.02	7.54	16.56	27.74	2.30	30.04

Data Source
NH State Department of Revenue Administration, "2007 Tax Rate Calculation"

City of Concord, New Hampshire

Principal Taxpayers

Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2009 Net Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>	<u>2000 Net Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Net Assessed Value</u>
GGP Steeplegate Inc	Mall	\$ 75,709,000	1	1.87 %	\$ 40,463,000	1	2.48 %
Wheelabrator Concord Co LP	Trash to Energy	61,566,800	2	1.52	23,404,000	3	1.44
Unitil (formally Concord Electric Company, LP)	Utility	43,895,100	3	1.08	23,821,000	2	1.46
David Glass/Walmart/Sam's Club	Retail	28,747,400	5	0.71	21,220,000	4	1.30
EnergyNorth Natural Gas Inc	Utility	28,068,500	9	0.69	12,356,000	8	0.76
St Paul's School	Private School	25,642,600	8	0.63	14,468,000	7	0.89
Eddy Plaza Associates Inc	Retail	24,927,400	6	0.61	10,667,000	10	0.65
Hodges Properties Inc	Rentals	24,793,400	7	0.61	21,165,000	5	1.30
Capital Region Health Care	Health Care	23,639,900	4	0.58	17,788,000	6	1.09
Hodges Development Corp	Rentals	19,953,700	10	0.49	-	-	-
McKerley Healthcare Center/Nursing	Health Care	-	-	-	11,758,000	9	0.72
Total Principal Taxpayers		<u>356,943,800</u>		<u>8.81 %</u>	<u>197,110,000</u>		<u>12.10 %</u>
Total Net Assessed Taxable Value		<u>\$ 4,053,531,970</u>			<u>\$ 1,628,657,600</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
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%
2000	56,374,000	55,465,000	98.4%	896,000	13,000	56,361,000	100.0%
1999	51,444,000	50,602,000	98.4%	838,000	4,000	51,440,000	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 2009 is the City's tax year 2008.

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				
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
2000	24,190,290	23,910,710	48,101,000	1,233	5.97	2.98

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

Direct: City of Concord

End of Fiscal Year	Net General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
2009	\$ 40,860,105	100%	\$ 40,860,105
2008	40,934,133	100%	40,934,133
2007	45,758,099	100%	45,758,099
2006	39,200,390	100%	39,200,390
2005	26,511,000	100%	26,511,000
2004	26,087,000	100%	26,087,000
2003	23,937,000	100%	23,937,000
2002	26,782,000	100%	26,782,000
2001	28,648,000	100%	28,648,000
2000	24,190,000	100%	24,190,000

Overlapping: Merrimack County

End of Fiscal Year	Net General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
2009	\$ 64,650,000	26.13%	\$ 16,893,045
2008	68,100,000	25.87%	17,617,674
2007	47,630,000	25.56%	12,174,228
2006	26,240,000	25.27%	6,630,848
2005	27,850,000	25.88%	7,207,580
2004	13,650,000	26.12%	3,565,380
2003	2,050,000	26.35%	540,175
2002	2,450,000	27.56%	675,220
2001	1,950,000	27.45%	535,275
2000	3,325,000	26.53%	882,123

Overlapping: Concord School District

End of Fiscal Year	Net General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
2009	\$ 11,116,401	100%	\$ 11,116,401
2008	12,977,812	100%	12,977,812
2007	14,867,062	100%	14,867,062
2006	16,929,484	100%	16,929,484
2005	19,289,000	100%	19,289,000
2004	21,586,000	100%	21,586,000
2003	24,004,000	100%	24,004,000
2002	26,779,000	100%	26,779,000
2001	29,796,000	100%	29,796,000
2000	31,834,000	100%	31,834,000

Overlapping: Merrimack Valley School District

End of Fiscal Year	Net General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
2009	\$ 13,890,000	25.18%	\$ 3,497,405
2008	16,865,000	25.24%	4,256,257
2007	19,760,000	25.51%	5,040,834
2006	19,840,000	25.24%	5,007,616
2005	6,831,000	25.67%	1,753,518
2004	5,940,000	25.86%	1,536,084
2003	7,380,000	25.90%	1,911,420
2002	11,010,000	26.60%	2,928,660
2001	12,000,000	26.64%	3,196,800
2000	2,650,000	26.25%	695,625

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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Base Value for Debt Limits (1)	\$ 1,904,463,000	\$ 2,190,546,000	\$ 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
Legal Debt Limits (% of Base Value)										
General - 1.75% thru 1998, 3% 1999 on (2)	\$ 57,133,890	\$ 65,716,380	\$ 77,297,490	\$ 88,161,720	\$ 98,128,830	\$ 110,871,900	\$ 120,225,451	\$ 128,583,725	\$ 133,096,065	\$ 131,719,808
Water - 10% (2)	190,446,300	219,054,600	257,658,300	293,872,400	327,096,100	369,573,000	400,751,502	428,612,416	443,653,548	439,066,028
Issued Debt at June 30										
Total Issued Debt at June 30	\$ 48,101,000	\$ 52,783,000	\$ 50,335,000	\$ 44,606,000	\$ 48,973,000	\$ 47,370,000	\$ 61,766,516	\$ 74,127,970	\$ 66,311,626	\$ 68,036,092
Less Water Fund	(12,013,000)	(12,692,000)	(13,146,000)	(11,792,000)	(13,912,000)	(12,676,000)	(13,056,546)	(11,760,598)	(10,305,044)	(11,855,335)
Less Sewer Fund (3)	(11,898,000)	(10,988,000)	(9,621,000)	(8,150,000)	(8,166,000)	(7,418,000)	(8,673,880)	(15,811,823)	(14,367,749)	(14,707,852)
Less Tax Increment Debt (3)	(2,785,000)	(4,990,000)	(4,640,000)	(4,295,000)	(3,950,000)	(3,605,000)	(13,421,000)	(12,975,000)	(12,280,000)	(11,570,000)
Less Landfill Debt (3)	(2,800,000)	(2,794,000)	(2,595,000)	(2,392,000)	(2,187,000)	(1,981,000)	(1,769,946)	(1,560,291)	(1,621,196)	(1,375,946)
Authorized Unissued at June 30										
Total Authorized Unissued Debt at June 30	6,241,000	6,605,000	6,239,000	9,516,000	12,710,000	26,681,000	11,639,672	5,167,672	14,161,972	9,008,972
Less Water Fund	(1,565,000)	(1,575,000)	(50,000)	(1,325,000)	-	-	-	(1,150,000)	(3,017,000)	(1,130,500)
Less Sewer Fund (3)	(550,000)	(4,600,000)	(4,600,000)	(5,270,000)	(8,780,000)	(8,705,000)	(387,672)	(117,672)	(2,570,672)	(1,390,672)
Less Tax Increment Debt (3)	(2,395,000)	-	-	-	-	-	-	-	-	-
Total Debt Subject to general limit	\$ 20,336,000	\$ 21,749,000	\$ 21,922,000	\$ 20,898,000	\$ 24,688,000	\$ 39,666,000	\$ 36,097,144	\$ 35,920,258	\$ 36,311,937	\$ 35,014,759
Legal Debt Margin										
General	\$ 36,797,890	\$ 43,967,380	\$ 55,375,490	\$ 67,263,720	\$ 73,440,830	\$ 71,205,900	\$ 84,128,307	\$ 92,663,467	\$ 96,784,128	\$ 96,705,049
Water Fund	\$ 176,868,300	\$ 204,787,600	\$ 244,462,300	\$ 280,755,400	\$ 313,184,100	\$ 356,897,000	\$ 387,694,956	\$ 415,701,818	\$ 430,331,504	\$ 426,080,193
% of Legal Debt Limits Used										
General	35.6%	33.1%	28.4%	23.7%	25.2%	35.8%	30.0%	27.9%	27.3%	26.6%
Water Fund	6.3%	5.8%	5.1%	4.0%	4.3%	3.4%	3.3%	2.7%	2.3%	2.7%

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
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%
2001	40,687	859,065	21,114	1.90%
2000	39,023	805,123	20,632	1.80%

* Population as of December 31, 2009 as estimated by Concord Planning Division.

** Based on 2000 census -- no updated numbers available from the Office of Energy and Planning.

*** 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	2009			1997 ⁽²⁾			
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	
State of New Hampshire	13,000	1	58.77 %	10,201	1	-	%
Concord Hospital	2,960	2	13.38	1,400	2	-	
Steeplegate Regional Mall	1,233	3	5.57	1,100	3	-	
Concord School District	995	4	4.50	924	4	-	
Merrimack County	726	5	3.28	600	7	-	
Lincoln Financial Group	640	6	2.89	641 *	6	-	
Market Basket	503	7	2.27	-	-	-	
Merrimack Valley School District	500	8	2.26	-	-	-	
City of Concord	484	9	2.19	465	9	-	
Genesis Elder Care Network	400	10	1.81	-	-	-	
Federal Government	-		-	915	5	-	
Healthsource of New Hampshire	-		-	485	8	-	
Vishay-Sprague (Sprague Electric)	-		-	435	10	-	
Total Principal Employers	21,441		96.93 %	17,166		-	%
Total City Employment	<u>22,120</u> (1)			<u>NA</u>			

*Previous name was Jefferson-Pilot Financial

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 2008

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

City of Concord, New Hampshire

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

Departments	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
City Manager	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.5
Legal	8.0	8.0	8.0	8.0	8.0	9.0	9.0	9.0	9.0	9.0
Assessing	5.5	6.5	6.5	6.5	6.5	6.5	7.0	6.5	6.5	6.5
Personnel	3.0	3.0	3.2	3.2	3.2	3.6	4.0	4.0	4.0	4.0
Finance/Control	7.0	7.0	7.0	7.0	8.0	8.0	7.6	7.6	7.6	7.6
Finance/Treas	8.2	8.5	8.5	8.6	8.6	8.6	8.6	8.0	8.0	8.0
Finance/Purch	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Info Technology	2.0	4.0	4.0	4.0	5.0	5.0	5.0	6.0	6.0	6.0
City Clerk	2.7	2.7	2.7	3.0	3.0	3.6	3.6	3.6	3.6	3.6
Gen Gov	41.4	44.7	44.9	45.3	47.3	49.3	49.8	49.7	49.7	50.2
Police	98.5	104.5	105.2	105.2	105.2	105.2	106.2	105.0	107.7	98.1
Fire	95.5	102.7	103.7	115.7	115.7	117.7	117.7	115.2	115.0	114.7
Public Safety	194.0	207.2	208.9	220.9	220.9	222.9	223.9	220.2	222.7	212.8
Administration	19.0	18.0	20.0	19.0	19.0	18.0	17.5	17.5	17.5	17.5
Hwys & Util Sys	38.0	40.0	42.0	42.0	42.0	42.0	42.0	42.0	43.0	44.0
Grounds	27.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	24.0	23.0
Temporary	12.7	14.7	14.7	14.7	14.7	14.7	13.7	12.8	13.1	12.9
Public Properties	18.0	18.0	19.0	19.0	19.0	21.0	21.0	20.5	21.0	21.5
Vehicle Maint	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Water & Sewer	31.0	27.0	27.0	27.0	27.0	27.0	26.0	26.0	26.0	26.0
General Svcs	158.7	155.7	160.7	159.7	159.7	160.7	158.2	156.8	157.6	157.9
Administration	2.0	1.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	3.5	4.0	5.5	5.5	5.5	5.5	5.5	4.5	4.0	4.0
Business Devel	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	0.6
Bldg & Code Svcs	10.0	12.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.8
Engineering Svcs	18.0	18.0	18.5	18.5	18.5	17.5	17.6	18.6	19.6	19.6
Grants Admin	1.5	1.5	0.5	0.5	0.5	0.5	0.5	0.5	1.0	0.0
Comm Devel	37.0	39.0	40.0	40.0	40.0	39.0	39.1	39.1	39.1	38.0
Library	27.3	27.3	27.3	27.3	27.3	25.3	25.1	25.1	24.5	23.5
Recreation	11.0	11.0	12.2	12.2	12.2	12.5	10.7	10.0	9.7	10.0
Leisure Services	38.3	38.3	39.5	39.5	39.5	37.8	35.8	35.1	34.2	33.5
Human Services	4.5	4.5	4.5	4.7						
Grand Totals	473.9	489.4	498.5	510.1	512.1	514.4	511.5	505.5	508.0	497.1

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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Physical arrests	2,573	2,166	2,254	2,864	2,770	3,215	2,978	2,928	2,749	3,095
Traffic violations	3,349	4,089	5,757	7,031	6,041	5,950	5,768	5,548	4,535	5,455
Parking violations	37,589	39,072	44,587	44,056	44,899	43,648	49,216	39,318	40,625	37,749
Fire and Rescue										
Calls answered	5,676	6,122	6,122	6,554	6,803	7,095	7,565	7,875	7,529	7,321
General services - Solid waste										
Refuse collected (tons)	na	na	na	na	na	na	17,603	17,081	16,370	10,884
Recycling (tons) Note: Recycle program started Oct 2005	na	na	na	na	na	na	1,356	1,962	1,976	2,063
General services - Streets										
Streets resurfaced (miles)	na	na	na	na	na	na	16	18	23	28
Potholes repaired	na	na	na	na	na	na	14,895	7,934	11,335	10,100
Water										
Average daily consumption (in thousands of gallons)	4,972	4,972	4,972	4,639	4,840	4,840	4,910	4,910	3,740	3,744
Sewage System:										
Daily average treatment (millions of gallons)										
Concord Plant	4,557	4,088	4,200	4,530	4,600	4,570	4,605	4,680	4,730	4,540
Penacook Plant	613	513	435	458	578	573	575	585	610	570

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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	14	15	15	16	16	16	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	5	5	6	6	6	6	6	5
Number of support vehicles	2	2	5	5	5	5	8	7	7	6
General Services - Streets										
Miles of streets	272	272	272	272	338	338	339	340	341	327
Number of traffic lights (in sets)	na	na	na	na	na	92	92	97	97	75
Number of street lights	2,138	2,068	2,068	2,068	2,178	2,183	2,183	2,128	2,130	2,130
General Services - Culture and Recreation:										
Number of parks	16	16	16	16	21	20	20	20	20	20
Swimming pools	7	7	7	7	7	7	7	7	7	7
Tennis courts	14	21	21	21	21	21	21	21	21	21
Water										
Water main (miles)	181	181	183	183	215	169	169	170	171	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)	117	117	120	141	141	141	141	142	142	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	4,200	4,200	2,370	2,370

Data Source

Various city departments