CITY OF CONCORD
NEW HAMPSHIRE

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended
June 30, 2013

CITY OF CONCORD

NEW HAMPSHIRE

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013

Prepared by:
The Finance Department

Brian G. LeBrun
Deputy City Manager -- Finance

Katherine A. Graff
Assistant Finance Director

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INTRODUCTORY SECTION

City of Concord, New Hampshire

FINANCE DEPARTMENT

311 NORTH STATE STREET, CONCORD, NH 03301

(603) 225-8560

November 14, 2013

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

The Concord Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Concord, New Hampshire for the fiscal year ending June 30, 2013.

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

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

The Report

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

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

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

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

This CAFR does not report on the Funds of the Concord School District, Merrimack Valley School District or the County of Merrimack. These governmental units are independent of the City and do not meet established reporting entity criteria for inclusion in this report.

Profile of the Government

The City of Concord is located in Merrimack County, approximately 70 miles north of Boston, Massachusetts, on the Merrimack River in South Central New Hampshire. According to the City of Concord Planning Division, the City has an estimated population of 42,834 as of December 31, 2012, a 0.33% increase over the last official census as of April 1, 2010 number of 42,695, and occupies a land area of 64 square miles.

Concord was originally settled in 1727, incorporated in 1765, and established as the state capital in 1808. Government is by an elected 15-member council and an appointed City Manager. The City also serves as the Merrimack County seat and Federal Court seat. Two separate school districts serve the City - the Concord School District and the Merrimack Valley School District.

Policymaking and legislative authority are vested by adopted City Charter in the 15-member Council. Under the Charter, originally adopted in 1853, and most recently amended in 2012, 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. The four remaining "at-large" councilors are elected to staggered 4-year terms, two every two years. The current mayor is former City Councilor Jim Bouley who was first elected mayor in November 2007 and in November 2013 he was re-elected for his fourth consecutive term. Tom Aspell, the City Manager, was appointed in April 2006. The City has had four City Managers since 1978. The City Manager, pursuant to the City Charter, has all appointive and dismissal powers for paid employees of the City. Appointive authority for boards and commissions is shared between the Mayor, Council and City Manager.

In addition to serving as the seat of state and county government, Concord hosts several federal agencies, and is the only full-service local government between Laconia - 25 miles to the north, Manchester - 20 miles to the south, Keene - 54 miles to the west, and Portsmouth - 50 miles to the east. The City provides and annually appropriates for the following services: water treatment and supply; wastewater collection and treatment; solid waste collection and recycling; highway construction and maintenance, including snow plowing, storm sewer system and related infrastructure maintenance and construction; prosecutorial, police and fire protective services (including advanced life support); airport, parks, golf course and ice arena; library and recreational facilities and programs; human services; planning, economic and community development, and code enforcement services. As previously stated, the schools are independent political and financial entities in Concord.

Local Economy

Compared to other cities in New Hampshire, New England and the Nation, Concord's employment picture depicts comparably low unemployment. As reported by the New Hampshire Department of Employment Security, Concord's unemployment rate as of June 2013 was 4.8%. This compares favorably to New Hampshire's rate of 5.1% and to the United States rate of 7.8%. Concord's rate also remains the lowest among the top three New Hampshire cities with Manchester at 5.5% and Nashua at 5.6%. Concord's unemployment rates have remained lower than the State since 1992 except for the months of March, April, and June, 2005.

For the tenth consecutive year, in 2013, Policom Corporation rated the City of Concord one of the top ten strongest Micropolitan Statistical Areas in "Economic Strength" in the country, six years of which being number 1 including 2013. Policom Corporation uses more than one hundred economic measures based on growth rates, consistency trends, industry averages, earnings, jobs and wages; It also factors in the number of welfare and Medicaid recipients to make its rating determination.

The market value of taxable property as of April 1, 2012 increased overall by 3.94% compared to April 1, 2011. While residential neighborhoods, manufactured homes and condominiums all declined in market value, commercial/industrial properties increased 13.8%. The average assessed value of a single family home in Concord as of April 1, 2012 was $217,700, down from $223,600 the year before.

Tax collections percentage as of June 30, 2013 for the 2012 Tax Year was 98.4% the same as the previous year. Total tax delinquencies for all years were stated at $2.5 million, $.1 million more than the previous year. Vigorous collection efforts by the Tax Collector's Office have resulted in no material increases in the number of properties to which the City takes title through tax deeds. Anticipating increased delinquencies the Collector's Office initiated a significant outreach, communication and visitation program to affect this result. The City Council's Number One Fiscal Goal for collections and cash management is directed towards a targeted property tax collection program which is aimed at maintaining high collection rates.

The City continues to work with existing businesses to maintain and increase their workforce, and has several Economic Development Initiatives underway: During FY2013 the City made significant progress on key economic development projects including the Bindery Redevelopment Project, redevelopment of the Endicott Hotel, as well as cleanup of the former Allied Leather Tannery Site, and others.

In April 2012, the City Council entered into a Development Agreement with Bindery Redevelopment LLC to raze and redevelop #43-45 South Main Street into a new 70,000SF, $8 million mixed use development. The project was completed in September 2013. The City supported the project by providing 125 parking spaces in the Capital Commons Parking Garage at a discounted rate on a long-term basis. The City also waived development impact fees for the project.

Redevelopment of the Endicott Hotel was recently completed by CATCH Neighborhood Housing. Specifically, CATCH converted the building from 36 units of low income housing to 24 market rate 1 and 2 bedroom units. In addition, CATCH renovated ground floor commercial space at the property. The City supported the project by providing a RSA 79-E Tax Incentive, as well as a $150,000 gap loan from its Revolving Loan Fund program.

In addition, the City also made significant progress relative to redevelopment of the former Allied Leather Tannery in Penacook. Using funds from the US Environmental Protection Agency, NH Department of Environmental Services, and Capitol Regional Development Council, the City embarked on the final phase of environmental cleanup of the site in order to prepare the property for redevelopment by a private developer to be selected by the City in the future. Budgeted at $1.35 million, this work will be completed in summer 2014.

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

Long-term Financial Planning

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

Also, as part of the annual budget process, the City reviews all General Fund revenues to determine budgetary needs. Enterprise and special revenue funds are reviewed for competitiveness and support of operations. Most enterprise/special revenue funds are fully self-supporting and provide administrative overhead payments to the General Fund. Exceptions are, the Solid Waste Fund receives general tax base support as part of its planned operation and the Golf Fund received general fund support for its fiscal year 2013 operations.

Financial Position

For Fiscal Years 2010 and 2011, the City Council adopted balanced budgets and produced surpluses in excess of $1.5 and $1.3 million, respectively. While the fiscal year 2012 budget was adopted using $300,000 from prior year surplus to help offset the significant funding changes that were occurring with the State Retirement System, a surplus of $938,000 was ultimately realized. Both fiscal years 2013 and 2014 adopted balanced budgets with no anticipated use of surplus.

The total General Fund surplus for FY2013 was $953,300, excluding Capital Reserve funds that are presented in the General Fund under the GASB 54 reporting module. The

City assigned $935,000 for the purposes listed below and reports an unassigned fund balance of $9,079,250 which represents an increase of $911,000 over the previous fiscal year's unassigned balance. The purposes of the Assigned Fund Balance are transfers to: Paving Reserve $300,000; Equipment Reserve $175,000; Building Improvement Reserve $55,000; Education and Training Reserve $15,000 and Reserve for Abatements $390,000. This surplus was the result of revenues stronger than expected in motor vehicle registrations, insurance premium holiday, bond refunding, receipts from other governments, ambulance charges, FEMA reimbursements, diligent budget management by departments, savings in compensation and benefits, contracted services, supplies utilities and insurances.

OPEB Action

The City is in compliance with Government Accounting Standards Board (GASB) Statement No. 45, as reported on Note 17 of this CAFR. As of June 30, 2013 the Unfunded Actuarially Accrued Liability (UAAL) decreased to $44.6 million, a $.8 million decrease from 2012.

Efforts to reduce this liability will be ongoing with continued benefit management and financing alternatives. To date, the City Council has approved the transfer of $500,000 to an OPEB reserve trust; $300,000 from 2009 surplus and $200,000 from 2011 surplus. No transfer is anticipated from the FY 2013 surplus.

Relevant Financial Policies

Goals

Introduced in 1996, the City Council adopted a Fiscal Policy Statement which is a series of 31 goals to help guide the financial direction and management of the City. These goals are regularly reviewed and updated when necessary.

The goals address the topics of: Accounting, Auditing and Financial Reporting; Budgetary and Financial Management; Capital Improvements; Cash Management; Debt Management; Employee Compensation and Benefits; Enterprise, Special Revenue and Other Funds Management; Municipal Services Expenditures and Revenues; and; Tax Rate Management. In addition to the cash management goal cited above, another goal that stands out is: Goal F1 under Debt Management that limits debt service to 10% of total expenditures. For FY2013 this amount was 9.9%.

In FY2013, the City also adopted a new Fund Balance, Reserves and CIP Spending Priority Policy. The Policy was established following discussions with the City's outside auditors, receipt of their subsequent Management Letter recommendation and in conjunction with GASB Statement #54.

Section IV(A)(1)(a) of the Policy requires that the City achieve a General Fund Unassigned Fund Balance of 17.5% by the end of fiscal year 2015. For year ending June 30, 2013 the Unassigned Fund Balance was 18.7%, an increase from FY2012 due to favorable year-end results and higher than the City's new Policy requirement of 17.5%.

Credit Rating and Debt Limit

As of January 2013 Moody's rating agency assigned the City a credit rating of Aa1 in conjunction with a $14.6 million G.O. bond offering and affirmed the Aa1 rating on the City's $74 million of outstanding parity debt. S&P upgraded the City's rating to AA+ in May 2013.

Financial Structure and Management

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

Major Initiatives

The Fiscal Year 2013 budget was adopted by the City Council with several major initiatives including funding for the replacement of Sewalls Falls Bridge, major improvements to the downtown through the Downtown Complete Streets Project, Underground utilities for South Main Street, Loudon Road Corridor Project, Construction of a Parallel Taxiway at the Airport, and continued funding for the Route 3 Corridor Project including underground utilities in Penacook Village downtown.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded eighteen consecutive Certificates of Achievement for Excellence in Financial Reporting to the City of Concord, NH for its CAFR beginning with the fiscal year ended December 31, 1995, through June 30, 2012 including the six-month transitional fiscal period ending June 30, 1996. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

Other Information

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

The City invites you to visit our web site at www.concordnh.gov, where this CAFR is expected to be prominently displayed by mid-February 2014. Also displayed are previous CAFR's and other summary financial information.

Sincerely,

Thomas J. Aspell
City Manager

Brian G. LeBrun
Deputy City Manager – Finance

Katherine A. Graff
Assistant Finance Director

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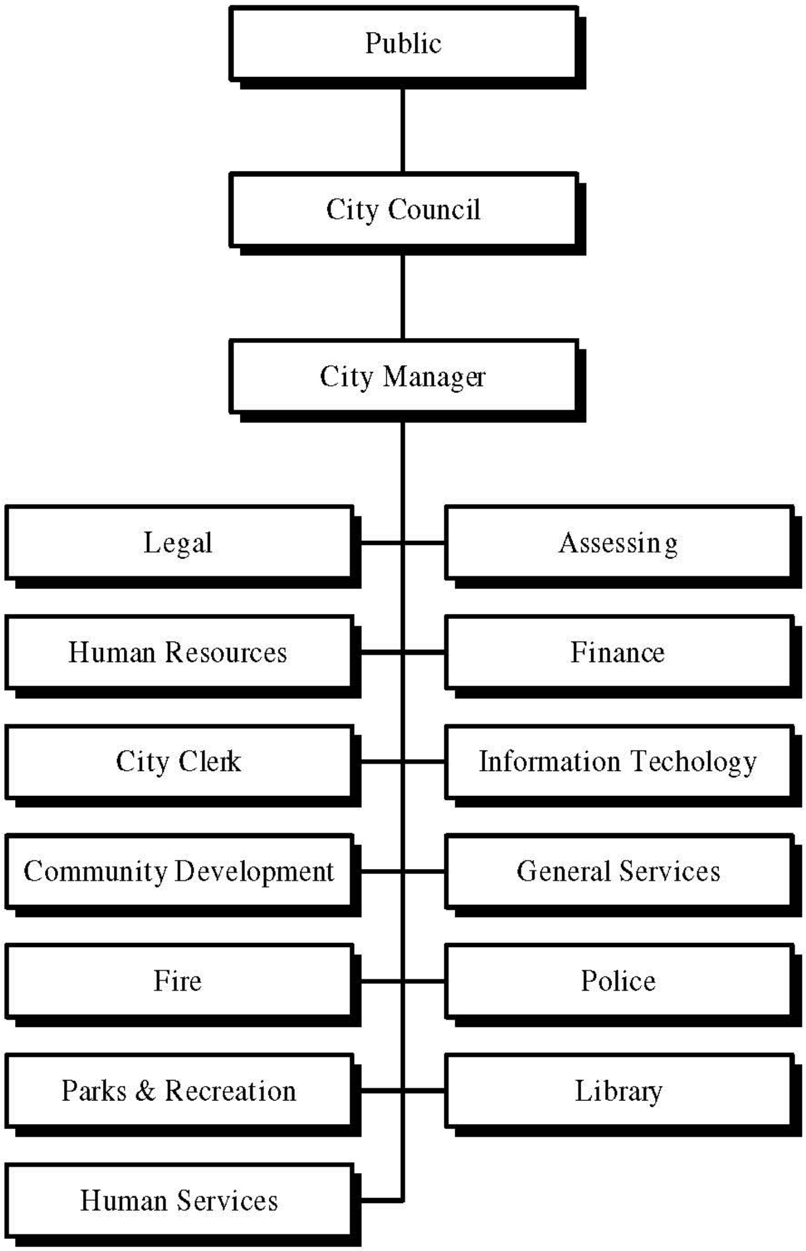
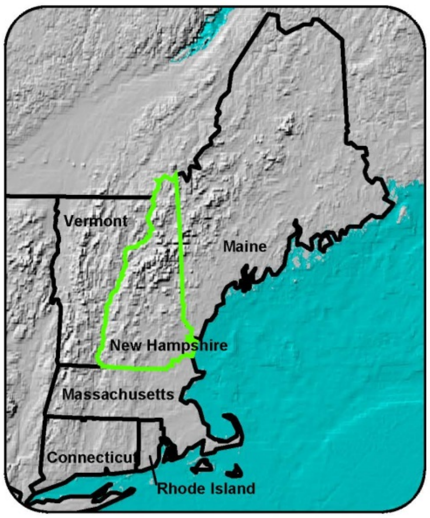
CITY OF CONCORD, NEW HAMPSHIRE
TABLE OF ORGANIZATION



City of Concord, NH

Geographic Location



CITY OF CONCORD, NEW HAMPSHIRE
LIST OF PRINCIPAL OFFICIALS
June 30, 2013

Title	Name
Elected by Public:	
Mayor	James P. Bouley
Councilor-at-Large	Mark Coen
Councilor-at-Large	Michael A. Dellolacono
Councilor-at-Large	Stephen J. Shurtleff
Councilor-at-Large	Daniel I. St. Hilaire
Councilor Ward 1	Elizabeth D. Blanchard
Councilor Ward 2	Jennifer Kretovic
Councilor Ward 3	Jan W. McClure
Councilor Ward 4	Amanda K. Grady Sexton
Councilor Ward 5	Robert Werner
Councilor Ward 6	J. Allen Bennett
Councilor Ward 7	Keith E. Nyhan
Councilor Ward 8	Richard W. Patten
Councilor Ward 9	Candace CW Bouchard
Councilor Ward 10	Fred Keach
Appointed by Council:	
City Manager	Thomas J. Aspell
Appointed by City Manager:	
Deputy City Manager - Development	Carlos P. Baia
Deputy City Manager - Finance	Brian G. Lebrun
City Clerk	Janice L. Bonenfant
City Solicitor	James W. Kennedy
Director of Personnel and Labor Relations	Jennifer E. Johnston
Director of Real Estate Assessments	Kathryn H. Temchack
Fire Chief	Daniel L. Andrus
General Services Director	Earle M. Chesley
Human Services Director	Jacqueline R. Whatmough
Library Director	Patricia A. Immen
Police Chief	John F. Duval
Parks & Recreation Director	David B. Gill
City Engineer	Edward L. Roberge
Code Administrator	Michael M. Santa
Assistant Finance Director	Katherine A. Graff
Budget Director	Robert J. McManus
Purchasing Director	Douglas B. Ross
Treasurer / Tax Collector	Michael P. Jache

Government Finance Officers Association

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, 2012

Jeffrey R. Esser

Executive Director/CEO

FINANCIAL SECTION

MH&Co
MELANSON HEATH & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT ADVISORS

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assess

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800-282-2440 • www.melansonheath.com

ments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, New Hampshire, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and Schedule of Funding Progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information appearing on pages 82 through 119 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory and Statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Melanson, Heath + Company P.C.

Nashua, New Hampshire
November 14, 2013

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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 for the fiscal year ended June 30, 2013. 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 Position presents information on all assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 non-major 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 $219,462,901 (i.e., net position), a change of $8,889,148 in comparison to the prior year.

- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of $36,146,079, a change of ($120,837) in comparison to the prior year.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $9,079,250, a change of $911,000 in comparison to the prior year. In addition, total general fund balance changed by $742,295.

- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was $69,162,800, a change of $1,928,577 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 POSITION

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	$ 88,565	$ 88,095	$ 14,130	$ 11,359	$ 102,695	$ 99,454
Capital assets	121,912	111,151	127,598	128,050	249,510	239,201
Total assets and deferred outflows	210,477	199,246	141,728	139,409	352,205	338,655
Long-term liabilities outstanding	50,672	48,475	29,817	27,977	80,489	76,452
Deferred inflows	46,755	45,489	86	128	46,841	45,617
Other liabilities	3,983	4,923	1,429	1,089	5,412	6,012
Total liabilities and deferred inflows	101,410	98,887	31,332	29,194	132,742	128,081
Net position:						
Net investment in capital assets	81,481	71,317	102,153	103,455	183,634	174,772
Restricted	13,113	12,241	718	882	13,831	13,123
Unrestricted	14,473	16,801	7,525	5,878	21,998	22,679
Total net position	$ 109,067	$ 100,359	$ 110,396	$ 110,215	$ 219,463	$ 210,574

CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	$ 7,666	$ 7,758	$ 16,464	$ 16,062	$ 24,130	$ 23,820
Operating grants and contributions	2,194	2,182	280	290	2,474	2,472
Capital grants and contributions	7,961	2,401	35	41	7,996	2,442
General revenues:						
Property taxes	41,999	38,875	-	-	41,999	38,875
Penalties and interest on taxes	822	1,038	-	-	822	1,038
Grants and contributions not restricted to specific programs	-	1	-	-	-	1
Investment income	1,887	611	251	69	2,138	680
Other	1,429	1,487	295	343	1,724	1,830
Total revenues	63,958	54,353	17,325	16,805	81,283	71,158
Expenses:						
General government	9,064	8,191	-	-	9,064	8,191
Public safety	24,732	24,766	-	-	24,732	24,766
General services	10,529	10,390	-	-	10,529	10,390
Community development	4,703	4,624	-	-	4,703	4,624
Leisure and information services	4,295	4,050	-	-	4,295	4,050
Human services	792	774	-	-	792	774
Interest on long-term debt	1,406	1,448	-	-	1,406	1,448
Water operations	-	-	5,158	5,006	5,158	5,006
Sewer operations	-	-	6,428	6,285	6,428	6,285
Solid Waste operations	-	-	4,345	4,336	4,345	4,336
Other operations	-	-	1,204	1,276	1,204	1,276
Total expenses	55,521	54,243	17,135	16,903	72,656	71,146
Change in net position before transfers and contributions	8,437	110	190	(98)	8,627	12
Transfers in (out)	9	32	(9)	(32)	-	-
Permanent fund contributions	262	273	-	-	262	273
Change in net position	8,708	415	181	(130)	8,889	285
Net position - beginning of year	100,359	99,944	110,215	110,345	210,574	210,289
Net position - end of year	$ 109,067	$ 100,359	$ 110,396	$ 110,215	$ 219,463	$ 210,574

As noted earlier, net position 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 position was $219,462,901, a change of $8,889,148 from the prior year.

The largest portion of net position $183,634,445 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 are 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 position $13,830,612 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position $21,997,844 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 position of $8,708,243. Key elements of this change are as follows:

Capital grants and contributions	$	7,960,947
Capital assets from current year revenues		2,617,996
Change in net OPEB obligation		(1,824,836)
Other		(45,864)
Total	$	8,708,243

While total net position of the governmental activities changed by $8,708,243, unrestricted net position changed ($2,327,817) principally due to the increase in the City's Net OPEB Obligation.

Business-type activities. Business-type activities for the year resulted in a change in net position of $180,905 This change primarily results from depreciation expense exceeding long-term debt service pay downs by ($161,463) and $43,065 in the Water and Sewer funds, respectively. The following is a summary of the changes in net position by fund:

Water operations	$	91,111
Sewer operations		169,424
Solid Waste operations		(152,304)
Nonmajor funds		72,674
Total	$	180,905

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds*.* The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources.

Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of $36,146,079, a change of ($120,837) in comparison to the prior year.

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was $9,079,250, while total fund balance was $14,896,285. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Refer to the table below.

General Fund	6/30/13	6/30/12	Change	% of Total General Fund Expenditures
Unassigned fund balance	$ 9,079,250	$ 8,168,250	$ 911,000	18.7%
Total fund balance(1)	14,896,285	14,153,990	742,295	30.6%

(1) Includes capital reserve funds.

The unassigned amount exceeded the City Council Fund Balance Policy minimum requirement of 17.5%.

The total fund balance of the general fund increased by $742,295 during the fiscal year. The following table highlights the change in our general fund balance accounts (in thousands):

	Unassigned	Assigned	Committed	Non-spendable	Total
Beginning of year	$ 8,168	$ 894	$ 4,939	$ 153	$ 14,154
Budgeted use of fund balance	-	(894)	-	-	(894)
Revenues and transfers over budget	711	-	-	-	711
Expenditures and transfers under budget	1,180	-	-	-	1,180
Other	(45)	-	(210)	-	(255)
Transfers	(935)	935	-	-	-
End of Year	$ 9,079	$ 935	$ 4,729	$ 153	$ 14,896

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

	6/30/13	6/30/12	Change
Insured retention	$ 959,772	$ 979,083	$ (19,311)
Highways	1,294,683	1,615,326	(320,643)
Economic development	348,453	218,179	130,274
Equipment	339,940	264,655	75,285
ERIP	130,089	-	130,089
OPEB	638,408	585,303	53,105
Other cash reserves	99,031	357,535	(258,504)
Tax Stabilization	578,080	578,080	-
Other	340,708	340,708	-
Total	$ 4,729,164	$ 4,938,869	$ (209,705)

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 position of the enterprise funds at the end of the year amounted to $7,524,806, a change of $1,646,818 in comparison to the prior year.

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

E. GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in an overall change in appropriations of $968,854. The majority of the overall change represents a transfer to the capital reserve trust funds.

Unspent General Fund appropriations were due to several factors including the self-imposed reduction in expenditures mentioned in the transmittal letter and a year-end level of under-expenditures (including transfers) of approximately 2.2%.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year-end amounted to $249,509,236 (net of accumulated depreciation), a change of $10,308,244 from the prior year. This investment in capital assets includes land, buildings, system improvements, and machinery and equipment, park facilities, roads, highways and bridges.

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

Change in credit rating. The City of Concord, New Hampshire has maintained a Moody's credit rating of Aa1 for several years. In fiscal year 2013, Standard & Poor's Rating Services raised the City's rating from AA to AA+.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was $69,162,800, all of which was backed by the full faith and credit of the government.

Additional information on capital assets and long-term debt can be found in Notes 9 and 11, 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 2013 adopted to the fiscal 2014 adopted City General Fund budget and tax rate:

Use of Funds	2013 COUNCIL ADOPTED	2014 COUNCIL ADOPTED
Budget Appropriations	$ 51,692,433	$ 53,454,032
War Credits (1)	265,839	267,089
Overlay	300,000	300,000
Total Uses of Funds	$ 52,258,272	$ 54,021,121
Sources of Funds		
Miscellaneous Revenues	$ 19,000,600	$ 19,740,202
Surplus (Prior Year Unassigned Fund Balance)	-	-
Amount to be raised by property taxes	33,257,672	34,280,919
Total Sources of Funds	$ 52,258,272	$ 54,021,121
TAX RATE DETERMINATION		
Assessed Value (A.V.) in thousands of dollars*	$ 3,703,000	$ 3,834,101
Amount to be Raised	$ 33,257,672	$ 34,280,919
Current Year Recommended Tax Rate/$ 1,000 A.V.	$ 8.98	$ 8.94
Prior Year Tax Rate/$ 1,000 A.V.	8.72	8.67 *
Increase over Prior Year	$ 0.26	$ 0.27
% Change	2.98%	3.11%

* Market and real growth adjustments after budget adoption resulted in a taxable assessed value of $3,832,101 for municipal purposes and a tax rate of $8.67 per $1,000 of assessed value.

REQUESTS FOR INFORMATION

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

Office of the Deputy City Manager - Finance

City of Concord, New Hampshire

41 Green Street

Concord, New Hampshire 03301

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Basic Financial Statements

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CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF NET POSITION

JUNE 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current:			
Cash and short-term equivalents	$ 43,174,027	$ 11,535,907	$ 54,709,934
Investments	15,143,590	-	15,143,590
Receivables, net of allowance for uncollectibles:			
Property taxes	28,560,351	-	28,560,351
Accounts	374,621	-	374,621
User fees	-	1,757,399	1,757,399
Intergovernmental	-	169,652	169,652
Loans	944,041	-	944,041
Other assets	368,097	118,666	486,763
Total current assets	88,564,727	13,581,624	102,146,351
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Intergovernmental	-	548,243	548,243
Capital assets:			
Land and construction in progress	28,499,139	5,449,421	33,948,560
Other capital assets, net of accumulated depreciation	93,412,504	122,148,172	215,560,676
Total non-current assets	121,911,643	128,145,836	250,057,479
TOTAL ASSETS	210,476,370	141,727,460	352,203,830
LIABILITIES			
Current:			
Accounts payable	1,352,455	772,983	2,125,438
Retainage payable	329,696	141,215	470,911
Accrued liabilities	836,354	396,491	1,232,845
Due to other governments	93,322	-	93,322
Other current liabilities	1,370,961	118,048	1,489,009
Current portion of long-term liabilities:			
Bonds and loans payable	5,036,926	3,621,922	8,658,848
Other liabilities	1,888,936	230,904	2,119,840
Total current liabilities	10,908,650	5,281,563	16,190,213
Noncurrent:			
Bonds and loans payable, net of current portion	35,393,550	25,110,402	60,503,952
Other liabilities, net of current portion	8,352,493	854,000	9,206,493
Total non-current liabilities	43,746,043	25,964,402	69,710,445
DEFERRED INFLOWS OF RESOURCES	46,754,755	85,516	46,840,271
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	101,409,448	31,331,481	132,740,929
NET POSITION			
Net investment in capital assets	81,481,167	102,153,278	183,634,445
Restricted for:			
Grants and other statutory restrictions	2,777,111	-	2,777,111
Permanent funds:			
Nonexpendable	10,335,606	-	10,335,606
Debt service	-	717,895	717,895
Unrestricted	14,473,038	7,524,806	21,997,844
TOTAL NET POSITION	$ 109,066,922	$ 110,395,979	$ 219,462,901

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

CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2013

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	$ 9,064,401	$ 2,236,423	$ 1,827,497	$ 1,500,257
Public safety	24,731,680	3,567,993	177,455	273,713
General services	10,528,936	111,015	153,615	5,288,400
Community development	4,703,083	1,014,926	-	898,577
Leisure and information services	4,295,029	735,989	-	-
Human services	792,040	-	35,482	-
Interest on long-term debt	1,406,011	-	-	-
Total Governmental Activities	55,521,180	7,666,346	2,194,049	7,960,947
Business-Type Activities:				
Water	5,158,308	5,509,247	50,573	-
Sewer	6,427,740	6,703,482	228,841	34,657
Solid Waste	4,345,130	2,906,546	-	-
Golf	719,167	797,631	-	-
Arena	484,355	547,540	-	-
Total Business-Type Activities	17,134,700	16,464,446	279,414	34,657
Total	$ 72,655,880	$ 24,130,792	$ 2,473,463	$ 7,995,604

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 Position

Net Position:

Beginning of year

End of year

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

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (3,500,224)	$ -	$ (3,500,224)
(20,712,519)	-	(20,712,519)
(4,975,906)	-	(4,975,906)
(2,789,580)	-	(2,789,580)
(3,559,040)	-	(3,559,040)
(756,558)	-	(756,558)
(1,406,011)	-	(1,406,011)
(37,699,838)	-	(37,699,838)
-	401,512	401,512
-	539,240	539,240
-	(1,438,584)	(1,438,584)
-	78,464	78,464
-	63,185	63,185
-	(356,183)	(356,183)
(37,699,838)	(356,183)	(38,056,021)
41,999,202	-	41,999,202
821,981	-	821,981
461	-	461
1,886,501	251,110	2,137,611
1,428,889	294,655	1,723,544
8,677	(8,677)	-
262,370	-	262,370
46,408,081	537,088	46,945,169
8,708,243	180,905	8,889,148
100,358,679	110,215,074	210,573,753
$ 109,066,922	$ 110,395,979	$ 219,462,901

CITY OF CONCORD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2013

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and short-term equivalents	$ 32,548,035	$ 10,625,992	$ 43,174,027
Investments	3,297,751	11,845,839	15,143,590
Receivables:			
Property taxes	28,917,257	-	28,917,257
Accounts	291,067	83,554	374,621
Loans	-	944,041	944,041
Due from other funds	96,792	-	96,792
Inventory	168,856	-	168,856
Other assets	194,333	4,908	199,241
TOTAL ASSETS	$ 65,514,091	$ 23,504,334	$ 89,018,425
LIABILITIES			
Liabilities:			
Accounts payable	$ 834,287	$ 518,168	$ 1,352,455
Retainage payable	396	329,300	329,696
Other liabilities	1,338,717	300,910	1,639,627
Due to other funds	-	96,792	96,792
Due to other governments	93,322	-	93,322
TOTAL LIABILITIES	2,266,722	1,245,170	3,511,892
DEFERRED INFLOWS OF RESOURCES	48,351,084	1,009,370	49,360,454
FUND BALANCES			
Nonspendable	152,871	10,335,606	10,488,477
Restricted	-	3,148,961	3,148,961
Committed	4,729,164	7,765,227	12,494,391
Assigned	935,000	-	935,000
Unassigned	9,079,250	-	9,079,250
TOTAL FUND BALANCES	14,896,285	21,249,794	36,146,079
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 65,514,091	$ 23,504,334	$ 89,018,425

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

CITY OF CONCORD, NEW HAMPSHIRE

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

JUNE 30, 2013

Total governmental fund balances	$ 36,146,079
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	121,911,643
• Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	2,248,793
• In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(567,688)
• Long-term liabilities, including bonds payable, compensated absences, landfill closure liability and net OPEB obligation, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(50,671,905)
Net position of governmental activities	$ 109,066,922

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

CITY OF CONCORD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2013

	General	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	$ 40,624,660	$ 1,247,805	$ 41,872,465
Licenses and permits	896,393	-	896,393
Intergovernmental	2,787,119	1,936,172	4,723,291
Charges for services	4,761,650	2,008,304	6,769,954
Investment income	100,242	1,530,746	1,630,988
Contributions	375	415,130	415,505
Miscellaneous	1,197,007	1,075,557	2,272,564
Total Revenues	50,367,446	8,213,714	58,581,160
Expenditures:			
Current:			
General government	5,811,554	2,780,404	8,591,958
Public safety	21,873,155	698,551	22,571,706
General services	6,426,955	451,936	6,878,891
Community development	2,859,929	259,775	3,119,704
Leisure and information services	3,829,765	-	3,829,765
Human services	748,690	-	748,690
Employee benefits	2,281,856	-	2,281,856
Miscellaneous	-	1,186	1,186
Debt service			
Principal	3,648,143	1,095,872	4,744,015
Interest	1,171,951	372,911	1,544,862
Capital outlay	-	9,666,796	9,666,796
Total Expenditures	48,651,998	15,327,431	63,979,429
Excess (deficiency) of revenues over expenditures	1,715,448	(7,113,717)	(5,398,269)
Other Financing Sources (Uses):			
Issuance of bonds	-	5,164,900	5,164,900
Refunding bonds issued	1,823,340	-	1,823,340
Refunding bond premium	255,515	-	255,515
Payment to refunded bond escrow agent	(1,975,000)	-	(1,975,000)
Transfers in	1,863,225	1,687,384	3,550,609
Transfers out	(2,940,233)	(601,699)	(3,541,932)
Total Other Financing Sources (Uses)	(973,153)	6,250,585	5,277,432
Net change in fund balance	742,295	(863,132)	(120,837)
Fund Balance, at Beginning of Year	14,153,990	22,112,926	36,266,916
Fund Balance, at End of Year	$ 14,896,285	$ 21,249,794	$ 36,146,079

The accompanying notes are an integral part of these 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, 2013

Net Changes in Fund Balances - Total Governmental Funds	$	(120,837)
• 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:		
Capital outlay purchases and contributions, net of disposals		15,137,464
Depreciation		(4,377,301)
• 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.		126,736
• 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 position:		
Bond repayments		4,744,014
Issuance of bonds, net of refunding		(5,013,239)
• In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.		138,852
• 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.		
Compensated absences		(132,610)
Landfill liability		30,000
Other post employment benefits		(1,824,836)
Change in Net Position of Governmental Activities	$	8,708,243

The accompanying notes are an integral part of these 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, 2013

	Budgeted Amounts			Variance with
	Original Budget	Final Budget	Actual Amounts	Final Budget Positive (Negative)
Revenues:				
Taxes	$ 40,521,745	$ 40,530,098	$ 40,668,490	$ 138,392
Licenses and permits	1,005,620	1,005,620	896,393	(109,227)
Intergovernmental	2,612,560	2,604,207	2,787,000	182,793
Charges for services	4,579,268	4,663,268	4,734,810	71,542
Investment income	60,000	60,000	45,444	(14,556)
Miscellaneous	855,100	812,050	1,327,776	515,726
Total Revenues	49,634,293	49,675,243	50,459,913	784,670
Expenditures:				
General government	6,463,955	6,477,859	5,840,268	637,591
Public safety	22,128,541	22,148,541	21,873,156	275,385
General services	6,493,240	6,493,240	6,426,955	66,285
Community development	2,908,899	2,908,899	2,859,929	48,970
Leisure and information services	3,875,694	3,875,694	3,829,765	45,929
Human services	797,234	797,234	748,690	48,544
Employee benefits	2,397,240	2,397,240	2,284,989	112,251
Debt service	4,493,110	4,704,130	4,730,447	(26,317)
Total Expenditures	49,557,913	49,802,837	48,594,199	1,208,638
Excess (Deficiency) of revenue over expenditures	76,380	(127,594)	1,865,714	(1,993,308)
Other Financing Sources (Uses):				
Transfers in	2,058,140	2,092,044	2,018,097	(73,947)
Transfers out	(2,134,520)	(2,858,450)	(2,886,713)	(28,263)
Budgetary use of fund balance	-	894,000	-	(894,000)
Total Other Financing Sources (Uses)	(76,380)	127,594	(868,616)	(996,210)
Excess of revenues and other financing sources over expenditures and other financing uses	$ -	$ -	$ 997,098	$ 997,098

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

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2013

	Business-Type Activities Enterprise Funds				
	Water Fund	Sewer Fund	Solid Waste Fund	Nonmajor Funds	Total
ASSETS					
Current:					
Cash and short-term equivalents	$ 5,537,739	$ 4,334,808	$ 1,317,027	$ 346,333	$ 11,535,907
User fees, net of allowance for uncollectibles	566,945	831,382	344,829	14,243	1,757,399
Intergovernmental receivables	-	169,652	-	-	169,652
Prepaid assets	7,100	8,538	344	2,268	18,250
Inventory	8,788	-	51,962	39,666	100,416
Total current assets	6,120,572	5,344,380	1,714,162	402,510	13,581,624
Noncurrent:					
Intergovernmental	-	548,243	-	-	548,243
Capital assets:					
Land and construction in progress	2,444,505	1,906,488	528,706	569,722	5,449,421
Other capital assets, net of accumulated depreciation	61,590,252	59,514,454	-	1,043,466	122,148,172
Total noncurrent assets	64,034,757	61,969,185	528,706	1,613,188	128,145,836
TOTAL ASSETS	70,155,329	67,313,565	2,242,868	2,015,698	141,727,460
LIABILITIES					
Current:					
Accounts payable	67,209	287,424	373,702	44,648	772,983
Retainage payable	57,187	80,208	3,820	-	141,215
Accrued liabilities	186,496	201,517	-	8,478	396,491
Other current liabilities	35,445	11,318	71,285	-	118,048
Current portion of long-term liabilities:					
Bonds and loans payable	1,711,275	1,753,310	30,300	127,037	3,621,922
Compensated absences	81,917	97,946	14,774	36,267	230,904
Total current liabilities	2,139,529	2,431,723	493,881	216,430	5,281,563
Noncurrent:					
Bonds and loans payable, net of current portion	11,091,066	13,066,475	369,150	583,711	25,110,402
Other post employment	427,000	427,000	-	-	854,000
Total noncurrent liabilities	11,518,066	13,493,475	369,150	583,711	25,964,402
DEFERRED INFLOWS OF RESOURCES	-	-	49,600	35,916	85,516
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	13,657,595	15,925,198	912,631	836,057	31,331,481
NET POSITION					
Net investment in capital assets	52,887,506	48,091,146	235,127	939,499	102,153,278
Restricted for debt service	-	717,895	-	-	717,895
Unrestricted	3,610,228	2,579,326	1,095,110	240,142	7,524,806
TOTAL NET POSITION	$ 56,497,734	$ 51,388,367	$ 1,330,237	$ 1,179,641	$ 110,395,979

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

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

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

FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds				
	Water Fund	Sewer Fund	Solid Waste Fund	Nonmajor Funds	Total
Operating Revenues:					
Charges for services	$ 5,509,247	$ 6,703,482	$ 2,906,546	$ 1,345,171	$ 16,464,446
Other	260,955	8,451	17,550	7,699	294,655
Total Operating Revenues	5,770,202	6,711,933	2,924,096	1,352,870	16,759,101
Operating Expenses:					
Operating expenses	3,008,562	3,854,637	4,339,435	1,074,317	12,276,951
Depreciation	1,721,160	2,082,707	-	106,246	3,910,113
Total Operating Expenses	4,729,722	5,937,344	4,339,435	1,180,563	16,187,064
Operating Income (Loss)	1,040,480	774,589	(1,415,339)	172,307	572,037
Nonoperating Revenues (Expenses):					
Investment income	8,444	241,733	-	933	251,110
Intergovernmental	50,573	228,841	-	-	279,414
Interest expense	(428,586)	(490,396)	(5,695)	(22,959)	(947,636)
Total Nonoperating Revenues (Expenses), Net	(369,569)	(19,822)	(5,695)	(22,026)	(417,112)
Income (Loss) Before Contributions and Transfers	670,911	754,767	(1,421,034)	150,281	154,925
Capital contributions	-	34,657	-	-	34,657
Transfers in	20,200	-	1,268,730	45,643	1,334,573
Transfers out	(600,000)	(620,000)	-	(123,250)	(1,343,250)
Change in Net Position	91,111	169,424	(152,304)	72,674	180,905
Net Position at Beginning of Year	56,406,623	51,218,943	1,482,541	1,106,967	110,215,074
Net Position at End of Year	$ 56,497,734	$ 51,388,367	$ 1,330,237	$ 1,179,641	$ 110,395,979

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

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds				
	Water Fund	Sewer Fund	Solid Waste Fund	Nonmajor Funds	Total
Cash Flows From Operating Activities:					
Receipts from customers and users	$ 5,743,734	$ 6,662,313	$ 2,921,702	$ 1,367,813	$ 16,695,562
Payments to employees	(1,930,470)	(2,209,832)	(2,388,497)	(651,076)	(7,179,875)
Payments to vendors	(997,841)	(1,298,040)	(1,824,634)	(470,369)	(4,590,884)
Net Cash Provided By (Used For) Operating Activities	2,815,423	3,154,441	(1,291,429)	246,368	4,924,803
Cash Flows From Noncapital Financing Activities:					
Intergovernmental revenues	-	228,841	-	-	228,841
Transfers in	20,200	-	1,268,730	45,643	1,334,573
Transfers out	(600,000)	(620,000)	-	(123,250)	(1,343,250)
Net Cash Provided by (Used For) Noncapital Financing Activities	(579,800)	(391,159)	1,268,730	(77,607)	220,164
Cash Flows From Capital and Related Financing Activities:					
Proceeds from issuance of bonds and notes	2,509,400	2,898,250	172,450	-	5,580,100
Principal payments on bonds and notes	(1,559,697)	(2,125,772)	(14,950)	(126,989)	(3,827,408)
Gain/loss on refunding	(77,750)	(12,590)	-	(3,000)	(93,340)
Acquisition and construction of capital assets, net disposals	(1,120,095)	(2,098,787)	(219,635)	(19,678)	(3,458,195)
Capital contributions	50,573	495,160	-	-	545,733
Interest expense	(408,873)	(469,470)	(5,695)	(23,950)	(907,988)
Net Cash (Used For) Capital and Related Financing Activities	(606,442)	(1,313,209)	(67,830)	(173,617)	(2,161,098)
Cash Flows From Investing Activities:					
Investment income	8,444	241,733	-	933	251,110
Net Cash Provided by Investing Activities	8,444	241,733	-	933	251,110
Net Change in Cash and Short-Term Equivalents	1,637,625	1,691,806	(90,529)	(3,923)	3,234,979
Cash and Short-Term Equivalents, Beginning of Year	3,900,114	2,643,002	1,407,556	350,256	8,300,928
Cash and Short-Term Equivalents, End of Year	$ 5,537,739	$ 4,334,808	$ 1,317,027	$ 346,333	$ 11,535,907
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:					
Operating income (loss)	$ 1,040,480	$ 774,589	$ (1,415,339)	$ 172,307	$ 572,037
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	1,721,160	2,082,707	-	106,246	3,910,113
Changes in assets and liabilities:					
User fees	(22,076)	(37,330)	45,833	(47,665)	(61,238)
Inventory	-	-	337	-	337
Other assets	4,851	-	61,170	(1,518)	64,503
Accounts payable	34,541	177,727	60,669	3,385	276,322
Retainage payable	(37,015)	70,576	-	(8,072)	25,489
Compensated absences	(12,965)	15,019	366	(1,259)	1,161
Unearned revenues	(4,391)	(12,290)	-	1,975	(14,706)
Other liabilities	90,838	83,443	(44,465)	20,969	150,785
Net Cash Provided By (Used For) Operating Activities	$ 2,815,423	$ 3,154,441	$ (1,291,429)	$ 246,368	$ 4,924,803

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

CITY OF CONCORD, NEW HAMPSHIRE

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2013

	Agency Fund
ASSETS	
Cash and short-term equivalents	$ 224,501
Total Assets	$ 224,501
LIABILITIES	
Other liabilities	$ 224,501
Total Liabilities	$ 224,501

The accompanying notes are an integral part of these 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.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements
The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) 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 govern-

mental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

The government reports the following major governmental funds:

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

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

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 other organizations. The Agency Fund reports only assets and liabilities, and this has no measurement focus.

D. *Cash and Short-Term Investments*

The government's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The New Hampshire Public Deposit Investment Pool (NHPDIP) operates in accordance with RSA 383:22, and regulations and is under the control of the New Hampshire Banking Commission and Advisory Committee. The reported value of the pool is the same as the fair value of the pool shares. Participation units of the NHPDIP are considered short-term for financial presentation purposes.

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

City Funds

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

Trust Funds

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

Under New Hampshire RSA 31:27, the city trustees of trust funds may establish, maintain and operate one or more common trust funds, in which may be combined money and property belonging to the various trusts in their care, for the purpose of facilitating investments, providing diversification and obtaining reasonable income; provided however that said common trust funds shall be limited to the investments authorized in RSA 31:25; provided further, that not more than $10,000, or more than 10 percent of the fund whichever is greater of any town or city common trust funds shall be invested under RSA 31:25 in the obligations of any one corporation or organization, excepting deposits in any federally or state-chartered bank or association authorized to engage in a banking business in this state, in credit unions in this state, or in obligations of the United States and of the state of New Hampshire and its subdivisions; or in participation units in the public deposit investment pool established pursuant to RSA 383:22, or in shares of open-ended mutual funds selected by the trustees for investment under RSA 31:25.

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

E. *Interfund Receivables and Payables*

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

F. *Inventories*

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

G. *Capital Assets*

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

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

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
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 Position. The General fund and applicable Enterprise Funds typically repay these obligations.

J. *Fund Equity*

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

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

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

1) Nonspendable funds are either unspendable in the current form (i.e. inventory or prepaid items) or can never be spent (i.e., perpetual care).
2) Restricted funds are used solely for the purpose in which the fund was established. In the case of special revenue funds, these funds are created by statute or otherwise have external constraints on how the funds can be expended.
3) Committed funds are reported and expended as a result of motions passed by the highest decision making authority in the government (i.e., the City Council). A resolution, the highest level action, constitutes the most binding constraint should be considered to establish, modify, or rescind a fund balance commitment.
4) Assigned funds are used for specific purposes as established by management. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for. The City’s fund balance policy approved by City Council, permits the City Manager and Finance Director to assign fund balance amounts to a specific purpose. This account also includes fund balance to be used in the subsequent fiscal year.
5) Unassigned funds are available to be spent in future periods.

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

Net Position - Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

K. Use of Estimates

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

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

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

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

fiscal year end, an adopted ordinance requires budget adoption by July 1 of the new fiscal year. Should the City Council take no final action by the date specified in the charter, the budget, as submitted, is deemed to have been finally adopted by the City Council.

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

B. <u>Budgetary Basis</u>

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. <u>Budget/GAAP Reconciliation</u>

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

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

General Fund	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Revenues/Expenditures (GAAP Basis)	$ 50,367,446	$ 48,651,998
Other financing sources/uses (GAAP Basis)	3,942,080	4,915,233
Subtotal (GAAP Basis)	54,309,526	53,567,231
Adjust tax revenue to accrual basis	43,830	-
Use of fund balance	-	-
Reverse nonbudgeted activity	(1,875,346)	(2,086,319)
Budgetary Basis	$ 52,478,010	$ 51,480,912

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

D. *Excess of Expenditures Over Appropriations*

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

General Fund:	
Library	$ (2,789)
Debt service interest	$ (28,829)
Transfers out	$ (28,263)

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, 2013, the City's bank balance of $55,135,240 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, 2013 consisted of the following:

State investment pool	$	1,106,019
Certificates of deposit		1,599,344
U.S. government agencies		380,904
Corp. and foreign bonds		1,039,151
Common equities		4,734,880
Int'l equity mutual funds pool		3,247,717
Taxable fixed income funds pool		3,035,575
Total investments	$	15,143,590

Of the City's total investments, the City has a custodial credit risk exposure of $13,544,246 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, $1,106,019 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.):

		Investment Maturities (in Years)			
Investment Type	Total	<1	1-5	6-10	Average Rating
U.S. Government Agencies	$ 381	$ -	$ 334	$ 47	AAA
Corp. and Foreign Bonds	1,039	205	570	264	A2
Total	$ 1,420	$ 205	$ 904	$ 311	

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, 2013, 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, 2013 consist of the following (in thousands):

Property taxes:		
Levy of 2013	$ 28,846	
Levy of 2012	1,519	
Levy of 2010	761	
Levy of 2010	48	
Levy of 2009	81	
Levy of 2008	11	
Levy of 2007	11	
Levy of 2006	9	
Levy of 2005	6	
Unredeemed taxes:		
Levy of 2004	6	
Prior years	32	
Subtotal		31,330
Other taxes:		
Land use change taxes	80	
Timber yield taxes	2	
Elderly tax liens	39	
Subtotal		121
Gross Tax Receivable		31,451
Statutory Allowance for Abatements (overlay)		(2,534)
Net Total Taxes Receivables		$ 28,917

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):

	Governmental
Property taxes	$ 357

6. Loans Receivable

Loans receivable of $944,041 in non-major governmental funds represent the uncollected balance of community development loans.

7. Intergovernmental Receivables

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

Fiscal Year Ended	Reimbursement For		
June 30	Principal	Interest	Total
2014	$ 169,652	$ 27,795	$ 197,447
2015	125,712	20,675	146,387
2016	107,444	15,518	122,962
2017	104,566	11,438	116,004
2018	103,399	7,582	110,981
2019	107,122	3,859	110,981
Total	$ 717,895	$ 86,867	$ 804,762

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 when temporary cash deficits exist in individual funds. The following is an analysis of the June 30, 2013 balances in interfund receivable and payable accounts.

Fund	Due From Other Funds	Due To Other Funds
General Fund	$ 96,792	$ -
Nonmajor Governmental Funds:		
Cemetery	-	50,237
Library	-	49
Other	-	46,506
Total	$ 96,792	$ 96,792

The following is an analysis of interfund transfers made in fiscal year 2013:

	Transfers In	Transfers Out
Governmental Fund:		
Major Funds:		
General Fund	$ 1,863,225	$ 2,940,233
Nonmajor Funds:		
Special Revenue Funds:		
Community Development		
Conservation Property Management	6,990	119,250
Parking	2,744	167,850
Airport	-	32,867
Impact Fee	6,717	291,000
Durgin Garage	10,500	2,744
Forest and Conservation	56,921	31,885
Cemetery	-	50,237
Library	49,685	4,100
SVMS Project	-	13,800
Capital Project Funds:		
Other Capital Project Funds-Pre 2003	1,830,946	-
Fire Facility Renovations		1,071
Open Space	-	15,921
Route 3 Corridor	273,036	-
Permanent Funds:		
Cemetery (Nonexpendable)	50,237	150,141
Dedicated Income (Nonexpendable)	-	185,000
Other (Nonexpendable)	-	46,385
Debt Service Funds:		
NEOC	-	89,840
Business-Type Funds:		
Major Funds:		
Water	20,200	600,000
Sewer	-	620,000
Solid Waste	1,268,730	-
Nonmajor Funds:		
Golf	28,263	80,550
Arena	17,380	42,700
Total	$ 5,485,574	$ 5,485,574

Of the transfer into the Solid Waste fund, $1,239,930 was transferred from the General Fund to subsidize the fund. In addition, approximately $408,000 and

$507,000 were transferred from the Water and Sewer funds, respectively, to the General Fund for indirect costs.

In addition, 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, 2013 was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Land improvements	$ 5,417	$ -	$ -	$ 5,417
Buildings and improvement	38,018	3,530	-	41,548
Machinery, equipment, and furnishing	8,280	242	(147)	8,375
Infrastructure	73,460	3,059	-	76,519
Licensed vehicles	12,097	2,116	(704)	13,509
Total capital assets, being depreciated	137,272	8,947	(851)	145,368
Less accumulated depreciation for:				
Land improvements	(3,954)	(96)	-	(4,050)
Buildings and improvement	(12,962)	(1,440)	-	(14,402)
Machinery, equipment, and furnishing	(6,585)	(542)	147	(6,980)
Infrastructure	(14,606)	(1,413)	-	(16,019)
Licensed vehicles	(10,302)	(886)	684	(10,504)
Total accumulated depreciation	(48,409)	(4,377)	831	(51,955)
Total capital assets, being depreciated, net	88,863	4,570	(20)	93,413
Capital assets, not being depreciated:				
Land	12,046	2,837	-	14,883
Construction in progress	10,242	6,530	(3,156)	13,616
Total capital assets, not being depreciated	22,288	9,367	(3,156)	28,499
Governmental activities capital assets, net	$ 111,151	$ 13,937	$ (3,176)	$ 121,912

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets, being depreciated:				
Land improvements	$ 100	$ -	$ -	$ 100
Buildings and improvement	61,322	2,161	-	63,483
Machinery, equipment, and furnishing	5,853	321	-	6,174
Infrastructure	140,927	133	-	141,060
Licensed vehicles	815	354	(27)	1,142
Total capital assets, being depreciated	209,017	2,969	(27)	211,959
Less accumulated depreciation for:				
Land improvements	(30)	(5)	-	(35)
Buildings and improvement	(24,049)	(1,445)	-	(25,494)
Machinery, equipment, and furnishing	(4,319)	(245)	-	(4,564)
Infrastructure	(56,816)	(2,159)	-	(58,975)
Licensed vehicles	(713)	(57)	27	(743)
Total accumulated depreciation	(85,927)	(3,911)	27	(89,811)
Total capital assets, being depreciated, net	123,090	(942)	-	122,148
Capital assets, not being depreciated:				
Land	1,064	-	-	1,064
Construction in progress	3,896	2,339	(1,849)	4,386
Total capital assets, not being depreciated	4,960	2,339	(1,849)	5,450
Business-type activities capital assets, net	$ 128,050	$ 1,397	$ (1,849)	$ 127,598

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

Governmental Activities:	
Public safety	$ 269
General services	2,636
Community Development	1,282
Leisure and information services	190
Total depreciation expense - governmental activities	$ 4,377
Business-Type Activities:	
Water	$ 1,721
Sewer	2,083
Non-major	107
Total depreciation expense - business-type activities	$ 3,911

10. Accounts Payables

Accounts payable represent fiscal year 2013 expenditures paid in July, 2013.

11. 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 position invested in capital assets net of related debt. General obligation bonds currently outstanding are as follows:

Governmental Funds:	Original Amount	Serial Maturities Through	Interest Rate(s) %	Amount Outstanding as of 6/30/13
Bonds Payable:				
Public improvements	$ 3,330,000	04/15/14	5.45 - 7.75	$ 196,000
Public improvements	4,770,000	04/15/15	4.60 - 6.50	567,000
Public improvements	2,463,504	10/15/15	4.00 - 4.70	442,001
Public improvements	8,322,590	10/15/16	4.00 - 4.70	923,000
Public improvements	4,829,750	11/15/24	3.23	251,000
Public improvements	6,027,815	07/15/24	3.00 - 5.00	1,992,410
Public improvements	10,161,000	07/15/25	3.75 - 5.00	5,975,000
Public improvements	5,920,000	03/15/26	3.50 - 5.00	1,480,000
Public improvements	10,632,960	01/15/27	4.00 - 5.50	5,770,184
Public improvements	4,250,710	08/15/28	3.00 - 5.00	3,030,000
Public improvements	2,949,811	01/15/30	2.00 - 4.00	2,278,065
Public improvements	5,063,000	01/15/26	2.00 - 4.00	4,345,000
Public improvements	2,380,631	07/15/26	2.00 - 3.20	2,223,376
Public improvements	4,333,851	01/15/32	2.00 - 3.00	3,969,200
Public improvements	6,988,240	01/15/33	2.125-4.00	6,988,240
Total Governmental Funds:				$ 40,430,476

Business-Type Activities:		Original Amount	Serial Maturities Through	Interest Rate(s) %		Amount Outstanding as of 6/30/13
Water Fund:						
Bonds Payable:						
Water	$	2,260,000	07/15/13	3.30 - 6.25	$	35,000
Water		3,660,000	04/15/14	3.65 - 4.50		340,500
Water		1,980,000	04/01/15	4.60 - 6.50		41,000
Water meters		2,297,279	10/15/16	4.00 - 4.70		287,000
Water		452,280	10/15/10	4.00 - 4.70		25,436
Water		1,730,000	04/01/17	4.00 - 4.70		-
Water		3,236,175	01/15/24	3.23		200,000
Water		2,023,545	07/15/24	3.00 - 5.00		521,550
Water		1,760,000	03/15/26	3.50 - 5.00		1,245,000
Water		2,994,840	08/15/29	3.00 - 5.00		2,215,000
Water		1,205,450	01/15/30	2.00 - 4.00		546,935
Water		2,072,500	01/15/26	2.00 - 4.00		1,813,000
Water		1,653,750	01/15/32	2.00 - 3.00		1,550,700
Water		1,257,250	01/15/33	2.125-4.00		1,257,250
Water		2,509,400	01/15/33	2.125-4.00		2,509,400
Total Bonds Payable:						12,587,771
Other Long-term Debt:						
Water State Revolving Loan		245,000	05/01/30	0.864		214,570
Total Other Long-term Debt						214,570
Total Water Fund						12,802,341

Enterprise Funds:	Original Amount	Serial Maturities Through	Interest Rate(s) %	Amount Outstanding as of 6/30/13
Sewer Fund:				
Bonds Payable				
Sanitary sewer	3,272,000	04/15/14	3.65 - 4.50	292,000
Sanitary sewer	2,150,000	04/01/17	4.60 - 6.50	202,000
Sanitary sewer	910,176	10/15/15	4.00 - 4.70	106,000
Sanitary sewer	312,175	10/15/14	4.00 - 4.70	19,563
Sanitary sewer	169,000	04/01/13	4.00 - 5.00	-
Sanitary sewer	1,059,150	01/15/24	3.23	85,000
Sanitary sewer	1,465,790	07/15/24	3.00 - 5.00	426,900
Sanitary sewer	2,121,000	03/15/26	3.50 - 5.00	1,090,000
Sanitary sewer	2,210,990	01/15/27	4.00 - 5.50	1,475,616
Sanitary sewer	1,754,450	08/15/29	3.00 - 5.00	1,330,000
Sanitary sewer	2,328,700	01/15/30	2.00 - 4.00	1,855,000
Sanitary sewer	213,000	01/15/30	2.00 - 4.00	162,000
Sanitary sewer	78,182	07/15/26	2.00 - 3.20	75,675
Sanitary sewer	1,399,900	01/15/32	2.00 - 3.00	1,277,500
Sanitary sewer	3,080,660	01/15/33	2.125-4.00	3,080,660
Total Bonds Payable				11,477,914

(continued)

(continued)

Business-Type Activities:	Original Amount	Serial Maturities Through	Interest Rate(s) %	Amount Outstanding as of 6/30/13
Other Long-term Debt:				
Sewer State Revolving Loan	4,465,788	07/01/19	2.45	2,062,745
Sewer State Revolving Loan	2,428,284	01/01/20	2.27	1,279,126
Total Other Long-term Debt				3,341,871
Total Sewer Fund				14,819,785
Solid Waste:				
Bonds Payable				
Solid Waste	241,950	01/15/32	2.00 - 3.00	227,000
Solid Waste	172,450	01/15/28	2.125-4.00	172,450
Total Solid Waste Fund				399,450
Nonmajor Funds:				
Bonds Payable:				
Golf course renovation	100,000	11/15/24	3.23	10,000
Golf equipment	73,100	01/15/30	2.00 - 4.00	25,000
Clubhouse improvements	87,000	01/15/33	2.125-4.00	87,000
Arena expansion	430,000	10/15/15	4.00 - 4.70	84,000
Arena	39,925	01/15/24	3.23	3,000
Arena	29,700	07/15/24	3.00 - 5.00	1,000
Arena	149,000	03/15/26	3.50 - 5.00	45,000
Arena	48,750	01/15/27	4.00 - 5.50	19,200
Arena	1,187	07/15/26	2.00 - 3.20	948
Arena	460,550	01/15/32	2.00 - 3.00	435,600
Total Other Enterprise Funds				710,748
Total Enterprise Fund Long-Term Debt				$ 28,732,324

C. *Future Debt Service*

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2013 are as follows:

Governmental	Principal	Interest	Total
2014	$ 5,036,926	$ 1,466,436	$ 6,503,362
2015	4,631,122	1,288,244	5,919,366
2016	3,969,457	1,110,646	5,080,103
2017	3,165,957	975,420	4,141,377
2018	3,004,911	859,610	3,864,521
2019 - 2023	12,363,848	2,705,916	15,069,764
2024 - 2028	6,846,836	826,094	7,672,930
2029 - 2033	1,411,419	104,043	1,515,462
Total	$ 40,430,476	$ 9,336,409	$ 49,766,885

Enterprise		Principal		Interest		Total
2014	$	3,621,922	$	1,112,022	$	4,733,944
2015		3,093,473		985,437		4,078,910
2016		2,880,378		854,483		3,734,861
2017		2,493,097		739,455		3,232,552
2018		2,283,669		633,594		2,917,263
2019 - 2023		7,777,096		1,882,014		9,659,110
2024 - 2028		5,053,203		737,249		5,790,452
2029 - 2033		1,529,486		105,172		1,634,658
Total	$	28,732,324	$	7,049,426	$	35,781,750

D. *Bond Authorizations*

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2013 are as follows:

Purpose		Amount
Open Space	$	3,460,000
Route 3 Corridor - Phase 5		1,735,000
Eagle Square Renovations		175,000
Dame School Improvements		45,000
BMGC Irrigation		80,000
Total	$	5,495,000

E. *Prior Year's Debt Defeasance*

Prior Year

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. The proceeds from the new issuances of the general obligation bonds were used to purchase U.S. government securities, and those securities were deposited in irrevocable trusts with an escrow agent to provide debt service payments until the refunded bonds mature. For financial reporting purposes, the debt has been considered defeased, and therefore, removed as a liability from the City's balance sheet. As of June 30, 2013, the amount of defeased debt still outstanding on the fiscal year 2010 refunding is $1,878,620.

F. *Changes in General Long-Term Liabilities*

During the year ended June 30, 2013, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 7/1/12	Additions	Net Refunding	Reductions	Total Balance 6/30/13	Less Current Portion	Equals Long-Term Portion 6/30/13
Governmental Activities							
Bonds and loans payable	$ 40,161	$ 5,165	$ (152)	$ (4,744)	$ 40,430	$ (5,037)	$ 35,393
Other:							
Net OPEB obligation [1]	5,870	3,116	-	(1,291)	7,695	-	7,695
Accrued employee benefits	2,054	134	-	(1)	2,187	(1,859)	328
Landfill closure	390	-	-	(30)	360	(30)	330
Subtotal	8,314	3,250	-	(1,322)	10,242	(1,889)	8,353
Totals	$ 48,475	$ 8,415	$ (152)	$ (6,066)	$ 50,672	$ (6,926)	$ 43,746

(1) The City typically uses the General Fund to liquidate governmental activities other post-employment benefit obligations.

	Total Balance 7/1/12	Additions	Net Refunding	Reductions	Total Balance 6/30/13	Less Current Portion	Equals Long-Term Portion 6/30/13
Business-Type Activities							
Bonds and loans payable	$ 27,073	$ 5,580	$ (93)	$ (3,827)	$ 28,733	$ (3,622)	$ 25,111
Other:							
Net OPEB obligation [2]	674	307	-	(127)	854	-	854
Accrued employee benefits	229	15	-	(14)	230	(230) [A]	-
Subtotal	903	322	-	(141)	1,084	(230)	854
Totals	$ 27,976	$ 5,902	$ (93)	$ (3,968)	$ 29,817	$ (3,852)	$ 25,965

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

(2) The City typically uses the General Fund to liquidate business-type activities other post-employment benefit obligations.

G. *Advance and Current Refundings*

Current Year

On January 29, 2013, the City issued general obligation refunding bonds in the amount of $3,350,000 at a True Interest Rate of 1.189% to current refund $510,000 of its April 1, 2002 Bonds (the “2002 Bonds”), comprised of serial bonds with interest rates ranging from 4.60% to 5.0%; and to advance refund $3,085,000 of its January 15, 2004 Bonds (the “2004 Bonds”), comprised of serial bonds with interest rates ranging from a 3.60% to 4.375%. The 2002 Bonds mature on April 1, 2014 through April 1, 2017 and were called on April 1, 2013. The 2004 Bonds mature on January 15, 2015 through January 15, 2024 and are callable on January 15, 2014.

The refunding met the requirements of an in-substance debt defeasance, and the serial bonds were removed from the City’s financial statements.

As a result of the 2002 current refunding, the City reduced its total debt service cash flow requirements by $45,754, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $42,101. As a result of the 2004 advance refunding, the City reduced its total debt service cash flow requirements by $318,083, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $288,119.

Defeased debt for the 2002 issue still outstanding at June 30, 2013 was $0. Defeased debt for the 2004 issue still outstanding at June 30, 2013 was $550,000 (payable January 15, 2014 at 3.50%).

12. 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 $360,000 as the estimate of the remaining postclosure care liability at June 30, 2013 in the Governmental Activities Statement of Net Position. Actual costs may differ due to inflation, changes in technology, or changes in regulations.

13. Deferred Inflows of Resources

The City implemented GASB 65, *Items Previously Reported as Assets and Liabilities*. Deferred inflows of resources are the acquisition of net position by the City that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities.

Governmental funds report *Deferred Inflows of Resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. As of June 30, 2013, the balance consisted of the following (in thousands):

	Entity-wide Basis		Fund Basis		Fund Basis	
	Governmental	Business-type	Governmental		Proprietary Funds	
	Activities	Activities	General Fund	Nonmajor	Solid Waste	Nonmajor
Unearned Revenues	$ (766)	$ 86	$ 830	$ 1,009	$ 50	$ 36
Taxes Collected in Advance	18,675	-	18,675	-	-	-
Billed in Advance	28,846	-	28,846	-	-	-
	$ 46,755	$ 86	$ 48,351	$ 1,009	$ 50	$ 36

14. Restricted Net Position

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

15. Governmental Funds - Balances

Fund balances are segregated to account for resources that are either not available for expenditure in the future or are legally set aside for a specific future use.

The City implemented GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions,* which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions.

The following types of fund balances are reported at June 30, 2013:

Nonspendable - Represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This fund balance classification includes general fund reserves for prepaid expenditures and nonmajor governmental fund reserves for the principal portion of permanent trust funds.

Restricted - Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes general fund encumbrances funded by bond issuances, various special revenue funds, and the income portion of permanent trust funds.

Committed - Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. This fund balance classification includes general fund encumbrances for non-lapsing, special article appropriations approved by City Council, capital reserve funds set aside by City Council vote for future capital acquisitions and improvements (now reported as part of the general fund per GASB 54), and various special revenue funds.

Assigned - Represents amounts that are constrained by the City's intent to use these resources for a specific purpose. This fund balance classification includes general fund encumbrances that have been established by various City departments for the expenditure of current year budgetary financial resources upon vendor performance in the subsequent budgetary period.

Unassigned - Represents amounts that are available to be spent in future periods.

Following is a breakdown of the City's fund balances at June 30, 2013:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable			
Inventories	$ 152,871	$ -	$ 152,871
Nonexpendable permanent funds	-	10,335,606	10,335,606
Total Nonspendable	152,871	10,335,606	10,488,477
Restricted			
Bonded projects	-	32,452	32,452
Community Development	-	607	607
House Revolving	-	535,761	535,761
Impact Fees	-	1,074,663	1,074,663
Other Special Revenue	-	224,482	224,482
NEOC TIF	-	721,081	721,081
Penacook Village TIF	-	36,054	36,054
Sears Block TIF	-	523,861	523,861
Total Restricted	-	3,148,961	3,148,961
Committed			
Insured retention	959,772	-	959,772
Highways	1,294,683	-	1,294,683
Economic development	348,453	-	348,453
Equipment	339,940	-	339,940
ERIP	130,089	-	130,089
OPEB	638,408	-	638,408
Other capital reserves	99,031	-	99,031
Tax Stabilization	578,080	-	578,080
Other	340,708	-	340,708
Community Development/ Engineering	-	126,755	126,755
Parking	-	90,153	90,153
Airport	-	646,826	646,826
Community Development/ Property Management	-	77,864	77,864
NEOC Capital	-	80,498	80,498
Sears Block Capital	-	12,020	12,020
Capital project funds	-	4,087,975	4,087,975
Expendable permanent funds	-	2,643,136	2,643,136
Total Committed	4,729,164	7,765,227	12,494,391
Assigned			
Appeals	390,000	-	390,000
Vehicle Replacement	100,000	-	100,000
Paving Trust Fund	300,000	-	300,000
Other Use of Surplus	145,000	-	145,000
Total Assigned	935,000	-	935,000
Unassigned	9,079,250	-	9,079,250
Total Fund Balance	$ 14,896,285	$ 21,249,794	$ 36,146,079

16. Commitments and Contingencies

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

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

Abatements - There are several cases pending before the BTLA and Superior Court in NH in regard to alleged discrepancies in property assessments. According to the City's counsel, the probable outcome of these cases at the present time is indeterminable.

17. Post-Employment Healthcare and Life Insurance Benefits

The City provides certain healthcare benefits for retired employees and will provide benefits to current employees hired prior to January 1, 1991 upon retirement. Payments are made in accordance with City policy established in January 1987 and annual appropriations. In order to participate in the City Group Health Insurance Program (the Retiree Group), the employee must be enrolled in the City group plan upon the date of retirement from the City, must be at least age 62 with 10 years of service (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, 2013, there were 267 retiree Subscribers, including eligible spouses, receiving healthcare benefits through the City. The City recognizes the cost of providing these benefits as paid.

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

A. *Plan Description*

In addition to providing the pension benefits described, the City provides post-employment healthcare and life insurance benefits for retired employees through the City's single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by RSA 100-A:50. As of June 30, 2012, the actuarial valuation date, approximately 267 retirees and 359 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 in aggregate 17% of the cost of the health plan, as determined by the City. The City contributes the remainder of the health plan costs on a pay-as-you-go basis.

D. *Annual OPEB Costs and Net OPEB Obligation*

The City's fiscal 2013 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, 2013, 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, 2013.

Annual Required Contribution (ARC)	$ 3,530,593
Interest on net OPEB obligation	294,462
Adjustment to ARC	(401,722)
Annual OPEB cost	3,423,333
Contributions made	(1,418,497)
Increase in net OPEB obligation	2,004,836
Net OPEB obligation - beginning of year	6,543,609
Net OPEB obligation - end of year	$ 8,548,445

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
2013	$ 3,423,333	41.4%	$8,548,445
2012	$ 3,458,108	51.2%	$6,543,609
2011	$ 3,431,103	43.5%	$4,854,548
2010	$ 2,748,222	48.6%	$2,916,832
2009	$ 2,596,459	42.0%	$1,505,193

The City's net OPEB obligation as of June 30, 2013 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, 2013, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	$ 44,570,306
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 44,570,306
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	$ 23,836,550
UAAL as a percentage of covered payroll	187.0%

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, 2013 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, a 3.0% inflation rate, projected salary increases of 3% per year, and an initial annual healthcare cost trend rate of 10% which decreases to a 5.0% long-term rate for all healthcare benefits after ten years. The amortization costs for the initial UAAL is a level dollar amount for a period of 30 years, on an open group.

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

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

B. Funding Policy

Plan members are required to contribute 7% and 11.8% 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 10.77% to 27.74 % of covered compensation. The City's contributions to the System for the years ended June 30, 2013, 2012, and 2011 were $3,939,353, $4,048,585, and $3,214,716, 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, 2013, was $26,689,070. Contribution requirements for the year ended June 30, 2013, were as follows:

Employees' contributions	$ 2,443,059
City contributions	3,939,353
Total	$ 6,382,412

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. Implementation of New GASB Standard

The Governmental Accounting Standards Board (GASB) has issued Statement 68 Accounting and Financial Reporting for Pensions, which is required to be implemented in fiscal year 2015. Management's current assessment is that this pronouncement will have a significant impact on the City's basic financial statements by recognizing as a liability and expense, the City's applicable portion of the actuarially accrued liability. The City is a New Hampshire Retirement System (NHRS) participating employer, and will have to report a proportional share of the retirement system's unfunded liability on their financial statements. GASB 68 revises and establishes new financial reporting requirements for employers participating in cost-sharing, multi-employer plans such as NHRS. The new GASB standards will change the way pension plans report financial information for accounting purposes, but do not require pension plans to change their funding policies, which are typically defined by statute.

21. Tax Increment Districts

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

Revenues:		
Tax increment district	$ 7,669,847	
Investment interest	143,241	7,813,088
Expenditures:		
Principal	4,390,000	
Interest on debt	1,810,116	
Outside services	976,890	7,177,006
Excess (deficiency) of revenue		636,082
Fund Balance Reserved for Debt Service		$ 636,082
Long-Term Debt Payable:		
Principal	$ (849,000)	
Interest	(45,378)	(894,378)
Available fund balance		636,082
Deficit to be Raised by Tax Increment District		$ (258,296)
Assessment Information:		
Base Value		$ 4,043,600
Captured Value*		$ 62,287,800

* = As of April 1, 2012

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	$ 1,866,739	
Interest on proceeds from sale of bonds	24,872	
Investment interest	58,119	1,949,730
Expenditures:		
Principal	746,460	
Interest on debt	659,411	
Outside services	20,000	1,425,871
Excess (deficiency) of revenue		523,859
Fund Balance Reserved for Debt Service		$ 523,859
Long-Term Debt Payable:		
Principal	$ (7,855,000)	
Interest	(2,069,720)	$ (9,924,720)
Available fund balance		523,859
Deficit to be Raised by Tax Increment District		$ (9,400,861)
Assessment Information:		
Base Value		$ 790,000
Captured Value*		$ 20,942,361

* = As of April 1, 2012

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

Revenues:		
Tax increment district	$ 57,114	
Investment interest	71	57,185
Expenditures:		
Principal	15,000	
Interest on debt	6,498	
Outside services	100	21,598
Excess (deficiency) of revenue		35,587
Fund Balance Reserved for Debt Service		$ 35,587
Long-Term Debt Payable:		
Principal	$ (261,400)	
Interest	(60,537)	$ (321,937)
Available fund balance		35,587
Deficit to be Raised by Tax Increment District		$ (286,350)
Assessment Information:		
Base Value		$ -
Captured Value*		$ 1,814,000

* = As of April 1, 2012

CITY OF CONCORD, NEW HAMPSHIRE

SCHEDULE OF FUNDING PROGRESS

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2013
(Unaudited)

Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent-age of Covered Payroll [(b-a)/c]
06/30/13	$ -	$ 44,570,306	$ 44,570,306	0.0%	$ 23,836,550	187.0%
06/30/12	$ -	$ 45,329,899	$ 45,329,899	0.0%	$ 22,842,803	198.4%
06/30/11	$ -	$ 44,584,170	$ 44,584,170	0.0%	$ 22,177,479	201.0%
06/30/10	$ -	$ 34,026,431	$ 34,026,431	0.0%	$ 21,944,145	155.1%
06/30/09	$ -	$ 32,230,706	$ 32,230,706	0.0%	$ 21,304,995	151.3%

See Independent Auditors' Report.

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Combining Financial Statements

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Special Revenue Funds are established for the following purposes:

- Community Development Fund - to account for the use of Community Development Block Grant Funds as received from the federal government through the New Hampshire Office of State Planning.

- Housing Revolving Loan Fund - to account for revenues and expenditures incurred with loans issued to various homeowners.

- Community Development Engineering Inspection Fund - to account for funds related to providing inspection services funded by developers and contractors for their projects.

- Community Development Conservation Property Management Fund - to account for funds related to operating and managing conservation property purchased by conservation funds including land use change taxes, conservation bonds, and other sources designated for a similar purpose.

- Parking Fund - to account for revenues and expenditures incurred with the collection of City parking meter fees.

- Airport Fund - to account for revenues and expenditures incurred with the operation of the Concord Airport.

- Impact Fee Fund - to account for revenues and expenditures incurred with fees charged on the construction of new buildings.

- Miscellaneous Special Revenue Fund - to account for the various other funds of the City legally restricted for specific purposes.

- Durgin Garage - to account for monies received by the City to fund capital improvements on the Durgin Garage.

- Nelson - to account for monies left to the Concord Public Library for capital improvement or land acquisition.

- Forest and Conservation - to account for revenues collected from the Land Use Charge Tax (used to preserve and protect open space, forests and conservation land in the City) and the option to purchase real property or interests therein.

- Cemetery - to account for expendable gifts to the City designated for the maintenance of cemeteries.

- Library - to account for expendable gifts to the City designated for the libraries.

- Mountain Green - to account for assessment revenues designated for the repair, maintenance, and replacement of the sanitary sewer system.

- Downtown Economic Development - to account for funds transferred from the Community Development Fund for downtown economic development.

- SVMS Project - to account for funds for the purpose of managing the soil vapor management system located at the Old Suncook Road Landfill.

CAPITAL PROJECT FUNDS

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

The current funds were established for the following purposes:

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

PERMANENT FUNDS

Permanent Funds are established to account for certain assets held by the City in a fiduciary capacity as trustee. The following is a description of City Permanent Funds:

- Cemetery - to account for nonexpendable gifts to the City. Income is available for maintenance of various cemeteries.

- Library - to account for nonexpendable gifts received by the library with income restricted for maintenance of the library grounds.

- Dedicated Income - to account for nonexpendable gifts received by the city to be used for the purchase of a now lot suitable for the library, the erection of the library building, and any other general library purposes thereof.

- Other - to account for all other nonexpendable gifts received by the city. Income is available for those activities designated by the appropriate trust instrument.

DEBT SERVICE FUND

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

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

- North End Opportunity Corridor (NEOC) Tax Increment Financing District (NEOCTIFD) - established in March 1998 to account for related revenues and debt service expenditures by this TIFD.

- Sears Block Tax Increment Financing District (SBTIFD) - to account for funds collected in accordance with the tax increment financing plan dedicated for repayment of bonds issued for construction of the Capital commons Garage.

- Penacook Village Tax Increment Financing District (PVTIFD) - established in June 2010 to account for related revenues and debt service expenditures by this TIFD.

CITY OF CONCORD, NEW HAMPSHIRE

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2013

	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	$ 607	$ 498,856	$ 371,358	$ 77,864
Investments	-	-	-	-
Accounts receivable	-	-	1,980	-
Loans receivable	-	944,041	-	-
Other assets	-	-	610	-
Total Assets	$ 607	$ 1,442,897	$ 373,948	$ 77,864
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ 6,203	$ 511	$ -
Retainage payable	-	-	-	-
Other liabilities	-	-	246,682	-
Due to other funds	-	-	-	-
Total Liabilities	-	6,203	247,193	-
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	900,933	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	900,933	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	607	535,761	-	-
Committed	-	-	126,755	77,864
Total Fund Balances	607	535,761	126,755	77,864
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 607	$ 1,442,897	$ 373,948	$ 77,864

Special Revenue Funds			
Parking Fund	Airport Fund	Impact Fee Fund	Miscellaneous Special Revenue Fund
$ 198,137	$ 644,061	$ 1,146,417	$ 183,940
-	-	-	-
3,812	4,311	-	41,012
-	-	-	-
2,195	873	-	394
$ 204,144	$ 649,245	$ 1,146,417	$ 225,346
$ 5,554	$ 2,419	$ 71,754	$ 864
-	-	-	-
-	-	-	-
-	-	-	-
5,554	2,419	71,754	864
108,437	-	-	-
108,437	-	-	-
-	-	-	-
-	-	1,074,663	224,482
90,153	646,826	-	-
90,153	646,826	1,074,663	224,482
$ 204,144	$ 649,245	$ 1,146,417	$ 225,346

(continued)

(continued)

	Special Revenue Funds				
	Durgin Garage Fund	Nelson Fund	Forest & Conservation Fund	Cemetery Fund	Library Fund
ASSETS					
Cash and cash equivalents	$ 424,707	$ -	$ 32,026	$ -	$ 66,385
Investments	-	308	1,286,109	58,579	335,963
Accounts receivable	-	-	-	-	-
Loans receivable	-	-	-	-	-
Other assets	-	-	-	-	-
Total Assets	$ 424,707	$ 308	$ 1,318,135	$ 58,579	$ 402,348
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Retainage payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	-	-	-	50,237	-
Total Liabilities	-	-	-	50,237	-
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	424,707	308	1,318,135	8,342	402,348
Total Fund Balances	424,707	308	1,318,135	8,342	402,348
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 424,707	$ 308	$ 1,318,135	$ 58,579	$ 402,348

Special Revenue Funds			
Mountain Green Fund	Downtown Economic Development Fund	SVMS Project Fund	Subtotal
$ 452,236	$ 11,058	$ 26,002	$ 4,133,654
-	-	-	1,680,959
-	-	-	51,115
-	-	-	944,041
-	-	-	4,072
$ 452,236	$ 11,058	$ 26,002	$ 6,813,841
$ -	$ -	$ -	$ 87,305
-	-	-	-
-	-	-	246,682
-	-	-	50,237
-	-	-	384,224
-	-	-	1,009,370
-	-	-	1,009,370
-	-	-	-
-	-	-	1,835,513
452,236	11,058	26,002	3,584,734
452,236	11,058	26,002	5,420,247
$ 452,236	$ 11,058	$ 26,002	$ 6,813,841

(continued)

(continued)

	Capital Project Funds			
	Other Capital Project Funds Post 2008	Fire Facility Renovations	Open Space Protection Fund	Capital Commons Garage Fund
ASSETS				
Cash and cash equivalents	$ 3,678,012	$ 6,646	$ -	$ 746
Investments	-	-	-	-
Accounts receivable	30,758	-	-	-
Loans receivable	-	-	-	-
Other assets	362	-	-	-
Total Assets	$ 3,709,132	$ 6,646	$ -	$ 746
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 384,973	$ -	$ -	$ -
Retainage payable	138,503	-	-	-
Other liabilities	54,228	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	577,704	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-		-
Committed	3,131,428	6,646	-	746
Total Fund Balances	3,131,428	6,646	-	746
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,709,132	$ 6,646	$ -	$ 746

Capital Project Funds

	Route 3 Corridor Fund		Manchester Street Fund		NEOC Capital Fund		Sears Block Capital Fund		Penacook Village Capital Fund		Subtotal
$	1,162,199	$	18,240	$	83,746	$	12,020	$	32,452	$	4,994,061
	-		-		-		-		-		-
	-		1,681		-		-		-		32,439
	-		-		-		-		-		-
	474		-		-		-		-		836
$	1,162,673	$	19,921	$	83,746	$	12,020	$	32,452	$	5,027,336
$	45,890	$	-	$	-	$	-	$	-	$	430,863
	187,549		-		3,248		-		-		329,300
	-		-		-		-		-		54,228
	-		-		-		-		-		-
	233,439		-		3,248		-		-		814,391
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		32,452		32,452
	929,234		19,921		80,498		12,020		-		4,180,493
	929,234		19,921		80,498		12,020		32,452		4,212,945
$	1,162,673	$	19,921	$	83,746	$	12,020	$	32,452	$	5,027,336

(continued)

(continued)

	Permanent Funds				
	Cemetery Fund	Library Fund	Dedicated Income Fund	Other Fund	Subtotal
ASSETS					
Cash and cash equivalents	$ 159,485	$ -	$ 57,796	$ -	$ 217,281
Investments	7,866,467	1,036,929	1,195,921	65,563	10,164,880
Accounts receivable	-	-	-	-	-
Loans receivable	-	-	-	-	-
Other assets	-	-	-	-	-
Total Assets	$ 8,025,952	$ 1,036,929	$ 1,253,717	$ 65,563	$ 10,382,161
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Retainage payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	-	49	-	46,506	46,555
Total Liabilities	-	49	-	46,506	46,555
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-
Fund Balances:					
Nonspendable	8,025,952	1,036,880	1,253,717	19,057	10,335,606
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Total Fund Balances	8,025,952	1,036,880	1,253,717	19,057	10,335,606
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 8,025,952	$ 1,036,929	1,253,717	$ 65,563	$ 10,382,161

Debt Service Funds				
NEOC Fund	SBTIFD Fund	PVTIFD Fund	Subtotal	Total Nonmajor Governmental Funds
$ 721,081	$ 523,861	$ 36,054	$ 1,280,996	$ 10,625,992
-	-	-	-	11,845,839
-	-	-	-	83,554
-	-	-	-	944,041
-	-	-	-	4,908
$ 721,081	$ 523,861	$ 36,054	$ 1,280,996	$ 23,504,334
$ -	$ -	$ -	$ -	$ 518,168
-	-	-	-	329,300
-	-	-	-	300,910
-	-	-	-	96,792
-	-	-	-	1,245,170
-	-	-	-	1,009,370
-	-	-	-	1,009,370
-	-	-	-	10,335,606
721,081	523,861	36,054	1,280,996	3,148,961
-	-	-	-	7,765,227
721,081	523,861	36,054	1,280,996	21,249,794
$ 721,081	$ 523,861	$ 36,054	$ 1,280,996	$ 23,504,334

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, 2013

	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	898,577	-	-	-
Charges for services	-	365,818	60,827	64,882
Investment income (loss)	-	672	743	-
Contributions	-	-	-	-
Miscellaneous:				
Departmental	-	-	108,297	41,000
Interest and penalties	-	-	-	-
Total Revenues	898,577	366,490	169,867	105,882
Expenditures:				
Current:				
General government	896,680	195,311	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	202,686	17,319
Miscellaneous	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	26,102	-
Total Expenditures	896,680	195,311	228,788	17,319
Excess (deficiency) of revenues over expenditures	1,897	171,179	(58,921)	88,563
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Transfers in	-	-	-	6,990
Transfers out	-	-	-	(119,250)
Total Other Financing Sources (Uses)	-	-	-	(112,260)
Net change in fund balance	1,897	171,179	(58,921)	(23,697)
Fund Balance, beginning	(1,290)	364,582	185,676	101,561
Fund Balance, ending	$ 607	$ 535,761	$ 126,755	$ 77,864

Special Revenue Funds			
Parking Fund	Airport Fund	Impact Fee Fund	Miscellaneous Special Revenue Fund
$ -	$ -	$ -	$ -
-	2,448	-	572,862
815,143	373,423	302,103	26,108
664	1,240	2,070	-
10,500	-	-	93,885
472,206	-	-	7,227
369,463	-	-	-
1,667,976	377,111	304,173	700,082
-	-	77,989	633,407
698,551	-	-	-
214,886	237,050	-	-
-	39,770	-	-
-	870	-	-
545,612	9,300	-	-
239,863	1,365	-	-
-	-	-	27,394
1,698,912	288,355	77,989	660,801
(30,936)	88,756	226,184	39,281
-	-	-	-
2,744	-	6,717	-
(167,850)	(32,867)	(291,000)	-
(165,106)	(32,867)	(284,283)	-
(196,042)	55,889	(58,099)	39,281
286,195	590,937	1,132,762	185,201
$ 90,153	$ 646,826	$ 1,074,663	$ 224,482

(continued)

(continued)

	Special Revenue Funds				
	Durgin Garage Fund	Nelson Fund	Forest & Conservation Fund	Cemetery Fund	Library Fund
Revenues:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income (loss)	383	16	101,418	(14,996)	(51,504)
Contributions	-	-	375	-	30,000
Miscellaneous:					
Departmental	-	-	-	-	-
Interest and penalties	-	-	-	-	-
Total Revenues	383	16	101,793	(14,996)	(21,504)
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
General services	-	-	-	-	-
Community development	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	383	16	101,793	(14,996)	(21,504)
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Transfers in	10,500	-	56,921	-	49,685
Transfers out	(2,744)	-	(31,885)	(50,237)	(4,100)
Total Other Financing Sources (Uses)	7,756	-	25,036	(50,237)	45,585
Net change in fund balance	8,139	16	126,829	(65,233)	24,081
Fund Balance, beginning	416,568	292	1,191,306	73,575	378,267
Fund Balance, ending	$ 424,707	$ 308	$ 1,318,135	$ 8,342	$ 402,348

Special Revenue Funds			
Mountain Green Fund	Downtown Economic Development Fund	SVMS Project Fund	Subtotal
$ -	$ -	$ -	$ -
-	-	-	1,473,887
-	-	-	2,008,304
397	10	25	41,138
18,000	-	-	152,760
-	-	-	628,730
-	-	-	369,463
18,397	10	25	4,674,282
-	-	-	1,803,387
-	-	-	698,551
-	-	-	451,936
-	-	-	259,775
-	-	-	870
-	-	-	554,912
-	-	-	241,228
-	-	-	53,496
-	-	-	4,064,155
18,397	10	25	610,127
-	-	-	-
-	-	-	133,557
-	-	(13,800)	(713,733)
-	-	(13,800)	(580,176)
18,397	10	(13,775)	29,951
433,839	11,048	39,777	5,390,296
$ 452,236	$ 11,058	$ 26,002	$ 5,420,247

(continued)

(continued)

	Capital Project Funds			
	Other Capital Project Funds Post 2008	Fire Facility Renovations	Open Space Protection Fund	Capital Commons Garage Fund
Revenues:				
Property taxes	$ -	$ -	$ -	$ -
Intergovernmental	462,285	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	332,200	-	-	-
Contributions	-	-	-	-
Miscellaneous:				
Departmental	77,364	-	-	-
Interest and penalties	-	-	-	-
Total Revenues	871,849	-	-	-
Expenditures:				
Current:				
General government	752,499	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Miscellaneous	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	5,963,319	-	510,684	-
Total Expenditures	6,715,818	-	510,684	-
Excess (deficiency) of revenues over expenditures	(5,843,969)	-	(510,684)	-
Other Financing Sources (Uses):				
Issuance of bonds	3,190,800	-	-	-
Transfers in	1,830,946	-	-	-
Transfers out	-	(1,071)	(15,921)	-
Total Other Financing Sources (Us	5,021,746	(1,071)	(15,921)	-
Net change in fund balance	(822,223)	(1,071)	(526,605)	-
Fund Balance, beginning	3,953,651	7,717	526,605	746
Fund Balance, ending	$ 3,131,428	$ 6,646	$ -	$ 746

Capital Project Funds					
Route 3 Corridor Fund	Manchester Street Fund	NEOC Capital Fund	Sears Block Capital Fund	Penacook Village Capital Fund	Subtotal
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	462,285
-	-	-	-	-	-
145,900	-	-	-	-	478,100
-	-	-	-	-	-
	-	-			-
-	-	-	-	-	77,364
-	-	-	-	-	-
145,900	-	-	-	-	1,017,749
194,862	29,656	-	-	-	977,017
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
					-
-	-	-	-	-	-
-	-	-	-	-	-
2,898,067	53,005	176,366	3,011	8,848	9,613,300
3,092,929	82,661	176,366	3,011	8,848	10,590,317
(2,947,029)	(82,661)	(176,366)	(3,011)	(8,848)	(9,572,568)
1,974,100	-	-	-	-	5,164,900
273,036	-	-	-	-	2,103,982
-	-	-	-	-	(16,992)
2,247,136	-	-	-	-	7,251,890
(699,893)	(82,661)	(176,366)	(3,011)	(8,848)	(2,320,678)
1,629,127	102,582	256,864	15,031	41,300	6,533,623
$ 929,234	$ 19,921	$ 80,498	$ 12,020	$ 32,452	$ 4,212,945

(continued)

(continued)

	Permanent Funds				
	Cemetery Fund	Library Fund	Dedicated Income Fund	Other Fund	Subtotal
Revenues:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income (loss)	786,121	102,622	125,628	(3,756)	1,010,615
Contributions	33,506	-	228,864	-	262,370
Miscellaneous:					
Departmental	-	-	-	-	-
Interest and penalties	-	-	-	-	-
Total Revenues	819,627	102,622	354,492	(3,756)	1,272,985
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
General services	-	-	-	-	-
Community development	-	-	-	-	-
Miscellaneous	146	49	-	121	316
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	146	49	-	121	316
Excess (deficiency) of revenues over expenditures	819,481	102,573	354,492	(3,877)	1,272,669
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Transfers in	50,237	-	-	-	50,237
Transfers out	(150,141)	-	(185,000)	(46,385)	(381,526)
			-		
Total Other Financing Sources (Uses)	(99,904)	-	(185,000)	(46,385)	(331,289)
Net change in fund balance	719,577	102,573	169,492	(50,262)	941,380
Fund Balance, beginning	7,306,375	934,307	1,084,225	69,319	9,394,226
Fund Balance, ending	$ 8,025,952	$ 1,036,880	$ 1,253,717	$ 19,057	$ 10,335,606

Debt Service Funds				
NEOC Fund	SBTIFD Fund	PVTIFD Fund	Subtotal	Total Nonmajor Governmental Funds
$ 687,519	$ 510,365	$ 49,921	$ 1,247,805	$ 1,247,805
-	-	-	-	1,936,172
-	-	-	-	2,008,304
756	112	25	893	1,530,746
-	-	-	-	415,130
-	-	-	-	706,094
-	-	-	-	369,463
688,275	510,477	49,946	1,248,698	8,213,714
-	-	-	-	2,780,404
-	-	-	-	698,551
-	-	-	-	451,936
-	-	-	-	259,775
-	-	-	-	1,186
358,000	167,960	15,000	540,960	1,095,872
36,062	89,123	6,498	131,683	372,911
-	-	-	-	9,666,796
394,062	257,083	21,498	672,643	15,327,431
294,213	253,394	28,448	576,055	(7,113,717)
-	-	-	-	5,164,900
-	-	-	-	2,287,776 (A)
(89,840)	-	-	(89,840)	(1,202,091) (A)
(89,840)	-	-	(89,840)	6,250,585
204,373	253,394	28,448	486,215	(863,132)
516,708	270,467	7,606	794,781	22,112,926
$ 721,081	$ 523,861	$ 36,054	$ 1,280,996	$ 21,249,794

(A) Transfers between nonmajor governmental funds have been netted down on Page 34.

Detail and Combining Budget and Actual Schedules

General Fund

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

Special Revenue Fund

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

CITY OF CONCORD, NEW HAMPSHIRE

Detail Schedule of Revenues and Other Financing Sources -
Budget and Actual - General Fund

For the Fiscal Year Ended June 30, 2013

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Taxes				
Property taxes - current	$ 32,691,833	$ 32,700,344	$ 32,709,818	$ 9,474
Timber tax yield	15,000	15,000	7,917	(7,083)
Excavation activity tax	100	100	-	(100)
Motor vehicle registrations	5,300,000	5,310,000	5,415,538	105,538
Rooms and meals	1,907,000	1,896,842	1,896,539	(303)
Payment in lieu of taxes	607,812	607,812	638,678	30,866
Total Taxes	40,521,745	40,530,098	40,668,490	138,392
Licenses and Permits				
Engineering	5,380	5,380	5,380	-
City clerk records	31,400	31,400	39,838	8,438
Health services	129,020	129,020	135,859	6,839
Police/protection/amusement	68,820	68,820	76,174	7,354
Code enforcement/building permits	771,000	771,000	639,142	(131,858)
Total Licenses and Permits	1,005,620	1,005,620	896,393	(109,227)
Intergovernmental				
Railroad tax	2,000	304	304	-
Forest loss reimbursement	900	704	461	(243)
Fire service aid	125,000	125,000	125,000	-
State election reimbursement	7,000	7,000	6,813	(187)
Highway block grant	756,590	750,129	748,193	(1,936)
School District	126,850	126,850	125,615	(1,235)
Retiree health insurance reimbursements	1,594,220	1,594,220	1,585,164	(9,056)
Other federal	-	-	195,450	195,450
Total Intergovernmental	2,612,560	2,604,207	2,787,000	182,793
Charges For Services				
Finance	159,350	159,350	159,150	(200)
Legal	63,360	63,360	62,138	(1,222)
City clerk	38,000	38,000	34,409	(3,591)
Public safety	2,348,858	2,348,858	2,490,752	141,894
General services	84,750	84,750	108,835	24,085
Community development	190,530	190,530	205,178	14,648
Human services	100,000	100,000	94,681	(5,319)

(continued)

(continued)

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Library	8,900	8,900	7,272	(1,628)
Recreation	440,130	470,130	375,807	(94,323)
Tower lease/ fire hdqrtrs	25,160	25,160	18,635	(6,525)
Cable franchise fee	730,000	730,000	731,793	1,793
School district lease	56,100	56,100	57,904	1,804
Community Center rental	140,740	194,740	159,530	(35,210)
Memorial field rental	3,890	3,890	165	(3,725)
Code prosecution	30,000	30,000	19,998	(10,002)
Restitution	5,000	5,000	1,840	(3,160)
Parking fines - non meters	92,000	92,000	112,700	20,700
False alarm penalties	32,000	32,000	54,590	22,590
Overdue book fines	30,000	30,000	34,325	4,325
Concessions/sponsors	500	500	5,108	4,608
Total Charges For Services	4,579,268	4,663,268	4,734,810	71,542
Investment Income				
Earnings on investments	60,000	60,000	45,444	(14,556)
Total Investment Income	60,000	60,000	45,444	(14,556)
Miscellaneous				
Miscellaneous revenue not anticipated	100,700	16,700	557,646	540,946
Donations	4,400	4,400	7,297	2,897
Other share of capital debt	-	40,950	40,949	(1)
Sale of city property	30,000	30,000	70,459	40,459
MV transportation surcharge	174,000	174,000	173,327	(673)
Advertising	16,000	16,000	25,580	9,580
Interest, costs, and penalties	530,000	530,000	452,518	(77,482)
Total Miscellaneous	855,100	812,050	1,327,776	515,726
Other Financing Sources				
Transfers in	2,058,140	2,092,044	2,018,097	(73,947)
Budgetary use of fund balance	-	894,000	-	(894,000)
Total Other Financing Sources	2,058,140	2,986,044	2,018,097	(967,947)
Total Revenues and Other Financing Sources	$ 51,692,433	$ 52,661,287	$ 52,478,010	$ (183,277)

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, 2013

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
General Government				
City Manager	$ 1,081,710	$ 1,105,614	$ 1,100,084	$ 5,530
Legal services	1,019,118	1,019,118	983,430	35,688
Assessor	647,674	647,674	589,838	57,836
Human resources	389,685	389,685	376,393	13,292
Finance	2,311,203	2,291,203	1,837,888	453,315
Information technology	628,720	628,720	571,005	57,715
City Council	28,890	28,890	24,179	4,711
City Clerk	356,955	366,955	357,451	9,504
Total General Government	6,463,955	6,477,859	5,840,268	637,591
Public Safety				
Police	10,150,665	10,150,665	10,035,858	114,807
Fire	11,977,876	11,997,876	11,837,298	160,578
Total Public Safety	22,128,541	22,148,541	21,873,156	275,385
General Services	6,493,240	6,493,240	6,426,955	66,285
Total General Services	6,493,240	6,493,240	6,426,955	66,285
Community Development	2,908,899	2,908,899	2,859,929	48,970
Total Community Development	2,908,899	2,908,899	2,859,929	48,970
Leisure and Information Services				
Library	1,553,869	1,553,869	1,556,658	(2,789)
Recreation and parks	2,321,825	2,321,825	2,273,107	48,718
Total Leisure and Information Services	3,875,694	3,875,694	3,829,765	45,929
Human Services	797,234	797,234	748,690	48,544
Total Human Services	797,234	797,234	748,690	48,544

(continued)

(continued)

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Employee Benefits				
Employee benefits	2,397,240	2,397,240	2,284,989	112,251
Total Employee Benefits	2,397,240	2,397,240	2,284,989	112,251
Debt Service				
Principal	3,402,855	3,592,855	3,590,343	2,512
Interest	1,090,255	1,111,275	1,140,104	(28,829)
Total Debt Service	4,493,110	4,704,130	4,730,447	(26,317)
Other Financing Uses				
Transfers out	2,134,520	2,858,450	2,886,713	(28,263)
Total Other Financing Uses	2,134,520	2,858,450	2,886,713	(28,263)
Total Expenditures and Other Financing Uses	$ 51,692,433	$ 52,661,287	$ 51,480,912	$ 1,180,375

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, 2013

	Parking		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ -	$ -	$ -
Charges for services:			
Parking - meters	760,180	763,616	3,436
Prepaid parking	75,000	51,526	(23,474)
Fuel flow fees	-	-	-
Rentals	-	-	-
Total Charges for Services	835,180	815,142	(20,038)
Investment income	1,000	664	(336)
Miscellaneous:			
Meter parking penalties	390,000	368,772	(21,228)
Rentals	463,332	472,206	8,874
Miscellaneous	11,000	11,191	191
Total Miscellaneous	864,332	852,169	(12,163)
Total Revenues	1,700,512	1,667,975	(32,537)
Expenditures:			
Public Safety:			
Compensation	350,410	321,062	29,348
Outside services	120,950	126,747	(5,797)
Fringe benefits	182,090	145,188	36,902
Supplies	39,290	32,569	6,721
Insurance	5,780	4,687	1,093
Taxes	79,563	68,297	11,266
General Services:			
Compensation	37,020	42,147	(5,127)
Outside services	70,560	60,250	10,310
Fringe benefits	29,820	30,412	(592)
Supplies	3,490	9,653	(6,163)
Utilities	60,150	48,460	11,690
Insurance	17,960	18,235	(275)
Taxes	5,730	5,730	-
Community Development:			
Compensation	-	-	-
Outside services	-	-	-
Fringe benefits	-	-	-
Insurance	-	-	-
Debt service	783,726	785,475	(1,749)
Total Expenditures	1,786,539	1,698,912	87,627
Other Financing Sources (Uses):			
Transfer in	2,744	2,744	-
Transfer out	(167,850)	(167,850)	-
Total Other Financing Sources (Uses)	(165,106)	(165,106)	-
Excess of revenues and other financing sources over expenditures and other financing uses	$ (251,133)	$ (196,043)	$ 55,090

Airport			Total		
Budget	Actual (Budgetary Basis)	Variance Positive (Negative)	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
$ 1,150	$ 2,448	$ 1,298	$ 1,150	$ 2,448	$ 1,298
-	-	-	760,180	763,616	3,436
-	-	-	75,000	51,526	(23,474)
12,913	11,387	(1,526)	12,913	11,387	(1,526)
367,632	362,230	(5,402)	367,632	362,230	(5,402)
380,545	373,617	(6,928)	1,215,725	1,188,759	(26,966)
640	1,240	600	1,640	1,904	264
-	-	-	390,000	368,772	(21,228)
-	-	-	463,332	472,206	8,874
-	(1,064)	(1,064)	11,000	10,127	(873)
-	(1,064)	(1,064)	864,332	851,105	(13,227)
382,335	376,241	(6,094)	2,082,847	2,044,216	(38,631)
-	-	-	350,410	321,062	29,348
-	-	-	120,950	126,747	(5,797)
-	-	-	182,090	145,188	36,902
-	-	-	39,290	32,569	6,721
-	-	-	5,780	4,687	1,093
-	-	-	79,563	68,297	11,266
45,400	44,587	813	82,420	86,734	(4,314)
67,590	65,424	2,166	138,150	125,674	12,476
33,050	30,555	2,495	62,870	60,967	1,903
45,930	27,938	17,992	49,420	37,591	11,829
23,320	19,961	3,359	83,470	68,421	15,049
8,870	6,442	2,428	26,830	24,677	2,153
52,624	42,142	10,482	58,354	47,872	10,482
21,850	22,653	(803)	21,850	22,653	(803)
-	1,130	(1,130)	-	1,130	(1,130)
14,630	15,775	(1,145)	14,630	15,775	(1,145)
250	213	37	250	213	37
10,670	10,665	5	794,396	796,140	(1,744)
324,184	287,485	36,699	2,110,723	1,986,397	124,326
-	-	-	2,744	2,744	-
(55,954)	(32,867)	23,087	(223,804)	(200,717)	23,087
(55,954)	(32,867)	23,087	(221,060)	(197,973)	23,087
$ 2,197	$ 55,889	$ 53,692	$ (248,936)	$ (140,154)	$ 108,782

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 Position

Nonmajor Proprietary Funds

June 30, 2013

	Business-Type Activities Enterprise Funds		
	Golf Fund	Arena Fund	Total Other Funds
ASSETS			
Current:			
Cash and short-term equivalents	$ 87,476	$ 258,857	$ 346,333
User fees, net of allowance for uncollectibles	869	13,374	14,243
Prepaid assets	1,698	570	2,268
Inventory	39,666	-	39,666
Total current assets	129,709	272,801	402,510
Noncurrent:			
Capital assets:			
Land and construction in progress	79,139	490,583	569,722
Other capital assets, net of accumulated depreciation	461,488	581,978	1,043,466
Total noncurrent assets	540,627	1,072,561	1,613,188
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	670,336	1,345,362	2,015,698
LIABILITIES			
Current:			
Accounts payable	37,700	6,948	44,648
Accrued liabilities	1,812	6,666	8,478
Current portion of long-term liabilities:			
Bonds payable	50,000	77,037	127,037
Compensated absences	21,932	14,335	36,267
Total current liabilities	111,444	104,986	216,430
Noncurrent:			
Bonds payable, net of current portion	72,000	511,711	583,711
Total noncurrent liabilities	72,000	511,711	583,711
DEFERRED INFLOWS OF RESOURCES	26,841	9,075	35,916
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	210,285	625,772	836,057
NET POSITION			
Net investment in capital assets	418,627	520,872	939,499
Unrestricted	41,424	198,718	240,142
TOTAL NET POSITION	$ 460,051	$ 719,590	$ 1,179,641

CITY OF CONCORD, NEW HAMPSHIRE

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

Nonmajor Proprietary Funds

For the Fiscal Year Ended June 30, 2013

	Golf Fund	Arena Fund	Total Other Funds
Operating Revenues:			
Charges for services	$ 797,631	$ 547,540	$ 1,345,171
Other	6,418	1,281	7,699
Total Operating Revenues	804,049	548,821	1,352,870
Operating Expenses:			
Operating expenses	661,726	412,591	1,074,317
Depreciation	52,854	53,392	106,246
Total Operating Expenses	714,580	465,983	1,180,563
Operating Income (Loss)	89,469	82,838	172,307
Nonoperating Revenues (Expenses):			
Investment income	375	558	933
Interest expense	(4,587)	(18,372)	(22,959)
Total Nonoperating Revenues (Expenses), Net	(4,212)	(17,814)	(22,026)
Income (Loss) Before Transfers	85,257	65,024	150,281
Transfers:			
Transfers in	28,263	17,380	45,643
Transfers out	(80,550)	(42,700)	(123,250)
Change in Net Position	32,970	39,704	72,674
Net Position at Beginning of Year	427,081	679,886	1,106,967
Net Position at End of Year	$ 460,051	$ 719,590	$ 1,179,641

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Cash Flows

Nonmajor Proprietary Funds

For the Fiscal Year Ended June 30, 2013

	Golf Fund	Arena Fund	Total Other Funds
Cash Flows From Operating Activities:			
Receipts from customers and users	$ 824,147	$ 543,666	$ 1,367,813
Payments to employees	(362,855)	(288,221)	(651,076)
Payments to vendors	(340,319)	(130,050)	(470,369)
Net Cash Provided By Operating Activities	120,973	125,395	246,368
Cash Flows From Noncapital Financing Activities:			
Transfers in	28,263	17,380	45,643
Transfers out	(80,550)	(42,700)	(123,250)
Net Cash (Used For) Noncapital Financing Activities	(52,287)	(25,320)	(77,607)
Cash Flows From Capital and Related Financing Activities:			
Principal payments on bonds and notes	(50,000)	(76,989)	(126,989)
Gain/loss on refunding	(3,000)	-	(3,000)
Acquisition and construction of capital assets, net disposals	(17,330)	(2,348)	(19,678)
Interest expense	(4,862)	(19,088)	(23,950)
Net Cash (Used For) Capital and Related Financing Activities	(75,192)	(98,425)	(173,617)
Cash Flows From Investing Activities:			
Investment income	375	558	933
Net Cash Provided by Investing Activities	375	558	933
Net Change in Cash and Short-Term Equivalents	(6,131)	2,208	(3,923)
Cash and Short-Term Equivalents, Beginning of Year	93,607	256,649	350,256
Cash and Short-Term Equivalents, End of Year	$ 87,476	$ 258,857	$ 346,333
Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:			
Operating income	$ 89,469	$ 82,838	$ 172,307
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	52,854	53,392	106,246
Changes in assets and liabilities:			
User fees	(40,535)	(7,130)	(47,665)
Other assets	(1,699)	181	(1,518)
Accounts payable	1,189	2,196	3,385
Retainage payable	-	(8,072)	(8,072)
Compensated absences	(1,274)	15	(1,259)
Unearned revenues	-	1,975	1,975
Other liabilities	20,969	-	20,969
Net Cash Provided By Operating Activities	$ 120,973	$ 125,395	$ 246,368

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Detail Combining Budget And Actual Schedule

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, 2013

	Water Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	$ 5,529,910	$ 5,570,707	$ 40,797
Miscellaneous	4,000	91,127	87,127
Total Operating Revenues	5,533,910	5,661,834	127,924
Operating Expenses:			
Personnel	1,732,690	1,698,434	34,256
Non-Personnel	1,351,290	1,172,327	178,963
Debt service	1,596,000	1,575,997	20,003
Total Operating Expenses	4,679,980	4,446,758	233,222
Operating Income (Loss)	853,930	1,215,076	361,146
Non-Operating Income (Expenses):			
Interest expense	(414,390)	(408,873)	5,517
Investment income	4,450	8,321	3,871
Total Non-Operating Income (Expenses)	(409,940)	(400,552)	9,388
Net Income (Loss) Before Transfers	443,990	814,524	370,534
Other Financing Sources:			
Transfers in	-	-	-
Transfers out	(759,500)	(729,531)	29,969
Total Other Financing Sources	(759,500)	(729,531)	29,969
Net Income (Loss)	$ (315,510)	$ 84,993	$ 400,503

Sewer Fund			Solid Waste Fund		
Budget	Actual (Budgetary Basis)	Variance Positive (Negative)	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
$ 6,958,610	$ 6,912,990	$ (45,620)	$ 3,127,870	$ 2,906,486	$ (221,384)
1,100	21,151	20,051	-	60	60
6,959,710	6,934,141	(25,569)	3,127,870	2,906,546	(221,324)
2,098,650	2,050,103	48,547	277,970	287,246	(9,276)
1,874,673	1,732,024	142,649	4,179,670	4,051,905	127,765
1,880,150	1,868,438	11,712	20,645	14,950	5,695
5,853,473	5,650,565	202,908	4,478,285	4,354,101	124,184
1,106,237	1,283,576	177,339	(1,350,415)	(1,447,555)	(97,140)
(481,140)	(469,472)	11,668	(5,700)	(5,695)	5
52,260	57,467	5,207	-	-	-
(428,880)	(412,005)	16,875	(5,700)	(5,695)	5
677,357	871,571	194,214	(1,356,115)	(1,453,250)	(97,135)
-	-	-	1,253,730	1,253,730	-
(702,800)	(702,310)	490	(20,000)	13,907	33,907
(702,800)	(702,310)	490	1,233,730	1,267,637	33,907
$ (25,443)	$ 169,261	$ 194,704	$ (122,385)	$ (185,613)	$ (63,228)

(continued)

CITY OF CONCORD, NEW HAMPSHIRE

Schedule of Revenues and Expenses - Budget and Actual

Enterprise Funds

For the Fiscal Year Ended June 30, 2013

(continued)

	Golf Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	$ 815,456	$ 789,026	$ (26,430)
Miscellaneous	-	11,258	11,258
Total Operating Revenues	815,456	800,284	(15,172)
Operating Expenses:			
Personnel	390,465	361,581	28,884
Non-Personnel	338,026	299,798	38,228
Capital outlay	-	-	-
Debt service	52,800	52,600	200
Total Operating Expenses	781,291	713,979	67,312
Operating Income (Loss)	34,165	86,305	52,140
Non-Operating Income (Expenses):			
Interest expense	(7,300)	(4,863)	2,437
Investment income	-	375	375
Total Non-Operating Income (Expenses)	(7,300)	(4,488)	2,812
Net Income (Loss) Before Transfers	26,865	81,817	54,952
Other Financing Sources			
Transfers in	30,400	28,263	(2,137)
Transfers out	(77,950)	(77,950)	-
Total Other Financing Sources	(47,550)	(49,687)	(2,137)
Net Income (Loss)	$ (20,685)	$ 32,130	$ 52,815

Arena Fund		
Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
$ 548,420	$ 547,540	$ (880)
-	1,281	1,281
548,420	548,821	401
257,870	258,540	(670)
139,275	139,107	168
15,500	14,944	556
78,650	78,688	(38)
491,295	491,279	16
57,125	57,542	417
(19,130)	(19,089)	41
220	558	338
(18,910)	(18,531)	379
38,215	39,011	796
17,380	17,380	-
(41,000)	(41,000)	-
(23,620)	(23,620)	-
$ 14,595	$ 15,391	$ 796

<u>FIDUCIARY FUNDS</u>

Agency Funds are established to account for fiduciary assets held by the City in a custodial capacity.

CITY OF CONCORD, NEW HAMPSHIRE

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
Assets - cash and short-term investments	$ 242,783	$ 8,622,426	$ (8,640,708)	$ 224,501
Assets - due from other funds	-	9,259,814	(9,259,814)	-
Total Assets	$ 242,783	$ 17,882,240	$ (17,900,522)	$ 224,501
Liabilities - other liabilities	$ 242,783	$ 16,796,249	$ (16,814,531)	$ 224,501
Total liabilities	$ 242,783	$ 16,796,249	$ (16,814,531)	$ 224,501

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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.

City of Concord, New Hampshire

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net investment in capital assets	$ 32,237,423	$ 35,137,392	$ 43,016,795	$ 53,651,076	$ 61,819,702	$ 66,566,664	$ 70,966,637	$ 69,642,960	$ 71,316,684	$ 81,481,167
Restricted	10,337,347	10,411,567	11,513,702	12,132,027	12,970,495	10,576,342	11,614,642	12,582,557	12,241,140	13,112,717
Unrestricted	22,220,069	23,262,390	21,209,276	18,577,263	16,400,737	15,559,497	13,778,355	17,718,246	16,800,855	14,473,038
Total governmental activities net position	$ 64,794,839	$ 68,811,349	$ 75,739,773	$ 84,360,366	$ 91,190,934	$ 92,702,503	$ 96,359,634	$ 99,943,763	$ 100,358,679	$ 109,066,922
Business-type activities										
Net investment in capital assets	$ 104,744,370	$ 104,436,255	$ 104,696,142	$ 103,870,146	$ 104,711,008	$ 104,127,148	$ 104,095,897	$ 103,659,124	$ 103,454,627	$ 102,153,278
Restricted	1,168,856	692,378	1,409,447	1,604,674	1,467,712	1,326,168	1,180,931	1,042,044	882,459	717,895
Unrestricted	8,499,449	9,617,980	7,957,766	7,796,545	5,920,390	5,235,417	4,864,595	5,643,666	5,877,988	7,524,806
Total business-type activities net position	$ 114,412,675	$ 114,746,613	$ 114,063,355	$ 113,271,365	$ 112,099,110	$ 110,688,733	$ 110,141,423	$ 110,344,834	$ 110,215,074	$ 110,395,979
Primary government										
Net investment in capital assets	$ 136,981,793	$ 139,573,647	$ 147,712,937	$ 157,521,222	$ 166,530,710	$ 170,693,812	$ 175,062,534	$ 173,302,084	$ 174,771,311	$ 183,634,445
Restricted	11,506,203	11,103,945	12,923,149	13,736,701	14,438,207	11,902,510	12,795,573	13,624,601	13,123,599	13,830,612
Unrestricted	30,719,518	32,880,370	29,167,042	26,373,808	22,321,127	20,794,914	18,642,950	23,361,912	22,678,843	21,997,844
Total primary government net position	$ 179,207,514	$ 183,557,962	$ 189,803,128	$ 197,631,731	$ 203,290,044	$ 203,391,236	$ 206,501,057	$ 210,288,597	$ 210,573,753	$ 219,462,901

Data Source:
Audited Financial Statements

City of Concord, New Hampshire

Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year 2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
General government	$ 5,105,363	$ 5,852,175	$ 5,170,467	$ 5,865,465	$ 5,248,062	$ 6,104,117	$ 6,852,912	$ 7,145,023	$ 8,190,946	$ 9,064,401
Public safety	15,193,859	16,071,793	17,832,430	18,989,365	19,956,305	21,144,583	21,069,118	22,584,828	24,766,159	24,731,680
General services	11,941,871	10,873,904	10,581,792	11,211,510	12,186,012	11,572,079	11,290,119	12,693,473	10,390,070	10,528,936
Community development	2,602,838	2,991,350	3,187,532	3,535,844	4,160,643	4,041,973	3,815,308	4,223,189	4,624,312	4,703,083
Leisure and information services	2,053,398	2,099,580	2,195,694	2,368,707	2,276,316	2,459,002	2,142,783	2,574,830	4,049,606	4,295,029
Human services	1,071,795	1,033,242	1,060,845	1,038,484	705,177	807,682	768,564	775,026	773,578	792,040
Interest	1,098,847	954,439	1,247,922	1,411,040	1,763,217	1,410,990	1,778,927	1,511,198	1,447,573	1,406,011
Miscellaneous	1,032,980	1,052,586	1,047,619	483,671	195,830	53,928	-	-	-	-
Total governmental activities expenses	40,100,951	40,929,069	42,324,301	44,904,086	46,491,562	47,594,354	47,717,731	51,507,567	54,242,244	55,521,180
Business-type activities:										
Water services	4,628,608	4,833,091	5,226,999	5,084,681	5,129,399	4,959,863	4,870,370	4,883,528	5,005,723	5,158,308
Wastewater services	5,094,614	5,536,027	6,046,556	5,751,772	6,138,395	6,436,028	6,368,985	6,247,273	6,285,448	6,427,740
Solid waste services	N/A	N/A	N/A	N/A	N/A	3,729,839	4,085,706	4,301,512	4,335,560	4,345,130
Other (nonmajor)	4,259,673	4,391,311	4,807,391	4,988,056	5,009,056	1,433,136	1,275,645	1,323,741	1,275,958	1,203,522
Total business-type activities expenses	13,982,895	14,760,429	16,080,946	15,824,509	16,276,850	16,558,866	16,600,706	16,756,054	16,902,689	17,134,700
Total primary government expenses	$ 54,083,846	$ 55,689,498	$ 58,405,247	$ 60,728,595	$ 62,768,412	$ 64,153,220	$ 64,318,437	$ 68,263,621	$ 71,144,933	$ 72,655,880
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 2,657,221	$ 2,783,810	$ 2,625,179	$ 3,223,376	$ 2,765,164	$ 1,458,413	$ 1,484,734	$ 1,525,641	$ 1,930,291	$ 2,236,423
Public safety	1,351,556	1,835,850	1,906,741	2,521,339	2,444,300	3,048,743	3,128,313	3,507,165	3,776,767	3,567,993
General services	233,590	280,993	320,889	318,029	325,078	298,694	273,935	451,690	116,418	111,015
Community development	1,468,925	1,468,041	2,126,301	1,190,109	1,172,608	1,131,134	1,280,954	1,450,678	1,212,966	1,014,926
Leisure and information services	367,464	366,244	387,741	426,243	417,470	462,796	523,031	502,022	721,780	735,989
Human services	34,169	16,258	31,690	155,657	176,394	12,330	41,063	17,966	-	-
Total charges for services	6,112,925	6,751,196	7,398,541	7,834,753	7,301,014	6,412,110	6,732,030	7,455,162	7,758,222	7,666,346
Operating grants and contributions	246,397	701,185	542,808	488,719	607,301	1,406,391	1,016,770	739,160	2,181,740	2,194,049
Capital grants and contributions	2,781,319	2,393,988	3,233,739	3,266,416	4,350,418	2,004,940	2,199,019	2,640,477	2,400,917	7,960,947
Total governmental activities program revenues	9,140,641	9,846,369	11,175,088	11,589,888	12,258,733	9,823,441	9,947,819	10,834,799	12,340,879	17,821,342
Business-type activities:										
Water services	4,768,605	4,801,521	4,885,520	4,853,295	5,112,600	4,918,822	5,100,517	5,363,947	5,339,039	5,509,247
Wastewater services	4,710,144	4,778,328	4,949,344	5,377,820	5,505,914	5,593,025	5,716,639	6,346,565	6,510,709	6,703,482
Solid waste services						1,761,418	3,213,003	2,895,021	2,940,170	2,906,546
Other (nonmajor)	2,949,539	3,046,267	3,240,470	3,228,133	3,301,298	1,303,735	1,358,042	1,310,157	1,272,183	1,345,171
Total charges for services	12,428,288	12,626,116	13,075,334	13,459,248	13,919,812	13,577,000	15,388,201	15,915,690	16,062,101	16,464,446
Operating grants and contributions	67,487	-	-	-	-	243,344	228,364	188,926	290,323	279,414
Capital grants and contributions	-	1,353,013	178,634	337,063	177,098	268,581	201,882	162,701	41,241	34,657
Total business-type activities program revenues	12,495,775	13,979,129	13,253,968	13,796,311	14,096,910	14,088,925	15,818,447	16,267,317	16,393,665	16,778,517
Total primary government program revenues	$ 21,636,416	$ 23,825,498	$ 24,429,056	$ 25,386,199	$ 26,355,643	$ 23,912,366	$ 25,766,266	$ 27,102,116	$ 28,734,544	$ 34,599,859
Net (Expenses)Revenue										
Governmental activities	$ (30,960,310)	$ (31,082,700)	$ (31,149,213)	$ (33,314,198)	$ (34,232,829)	$ (37,770,913)	$ (37,769,912)	$ (40,672,768)	$ (41,901,365)	$ (37,699,838)
Business-type activities	(1,487,120)	(781,300)	(2,826,978)	(2,028,198)	(2,179,940)	(2,469,941)	(782,259)	(488,737)	(509,024)	(356,183)
Total Primary government net expense	$ (32,447,430)	$ (31,864,000)	$ (33,976,191)	$ (35,342,396)	$ (36,412,769)	$ (40,240,854)	$ (38,552,171)	$ (41,161,505)	$ (42,410,389)	$ (38,056,021)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property tax	$ 26,732,772	$ 30,526,322	$ 32,152,307	$ 33,483,212	$ 36,055,134	$ 37,718,000	$ 37,683,982	$ 39,939,045	$ 38,875,330	$ 41,999,202
Penalties, interest and other taxes	627,012	619,051	668,354	639,602	754,891	804,871	885,170	1,267,571	1,037,812	821,981
Grants and contributions not restricted to specific programs	3,645,776	1,931,245	2,220,594	3,502,469	1,694,459	1,165,149	900	832	704	461
Investment income	1,030,007	1,458,842	2,483,994	3,729,057	1,552,449	(564,036)	1,066,457	2,233,996	611,071	1,886,501
Miscellaneous	636,327	945,897	747,187	867,053	987,429	743,489	1,563,028	1,165,035	1,486,553	1,428,889
Transfers, net	(866,090)	(504,054)	(510,572)	(447,769)	(451,881)	(830,487)	5,213	(43,843)	31,630	8,677
Permanent fund contributions	368,034	121,907	315,773	161,167	470,916	245,496	222,293	184,261	273,181	262,370
Total governmental activities	32,173,838	35,099,210	38,077,637	41,934,791	41,063,397	39,282,482	41,427,043	44,746,897	42,316,281	46,408,081
Business-type activities:										
Grants and contributions not restricted to specific programs	301,456	341,461	1,073,384	310,313	141,327	-	-	-	-	-
Investment income	117,515	189,382	435,083	457,032	345,891	197,313	178,641	150,328	68,834	251,110
Miscellaneous	12,427	80,341	124,681	21,094	68,586	31,764	61,521	7,977	342,060	294,655
Transfers, net	866,090	504,054	510,572	447,769	451,881	830,487	(5,213)	43,843	(31,630)	(8,677)
Total business-type activities	1,297,488	1,115,238	2,143,720	1,236,208	1,007,685	1,059,564	234,949	202,148	379,264	537,088
Total primary government	$ 33,471,326	$ 36,214,448	$ 40,221,357	$ 43,170,999	$ 42,071,082	$ 40,342,046	$ 41,661,992	$ 44,949,045	$ 42,695,545	$ 46,945,169
Change in Net Position										
Governmental activities	$ 1,213,528	$ 4,016,510	$ 6,928,424	$ 8,620,593	$ 6,830,568	$ 1,511,569	$ 3,657,131	$ 4,074,129	$ 414,916	$ 8,708,243
Business-type activities	(189,632)	333,938	(683,258)	(791,990)	(1,172,255)	(1,410,377)	(547,310)	(286,589)	(129,760)	180,905
Total primary government	$ 1,023,896	$ 4,350,448	$ 6,245,166	$ 7,828,603	$ 5,658,313	$ 101,192	$ 3,109,821	$ 3,787,540	$ 285,156	$ 8,889,148

Data Source
Audited Financial Statements

City of Concord, New Hampshire

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011 [1]	2012	2013
General Fund										
Reserved	$ 2,944,821	$ 2,666,156	$ 1,789,574	$ 2,270,638	$ 1,300,105	$ 1,169,269	$ 966,768	$ -	$ -	$ -
Unreserved	4,832,349	4,639,091	5,329,762	3,453,608	4,447,779	5,302,478	7,025,545	-	-	-
Nonspendable	-	-	-	-	-	-	-	181,815	152,871	152,871
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	4,316,925	4,938,869	4,729,164
Assigned	-	-	-	-	-	-	-	1,355,353	894,000	935,000
Unassigned	-	-	-	-	-	-	-	6,736,075	8,168,250	9,079,250
Total General Fund	$ 7,777,170	$ 7,305,247	$ 7,119,336	$ 5,724,246	$ 5,747,884	$ 6,471,747	$ 7,992,313	$ 12,590,168	$ 14,153,990	$ 14,896,285
Other Governmental Funds										
Reserved	$ 6,960,094	$ 7,563,030	$ 7,733,404	$ 8,686,203	$ 13,154,406	$ 11,784,460	$ 10,652,150	$ -	$ -	$ -
Unreserved:										
Special Revenue Funds	11,439,627	9,438,221	8,738,047	8,651,431	9,077,496	7,675,674	8,124,307	-	-	-
Capital Project Funds	12,792,394	13,490,784	20,587,665	14,906,493	5,017,047	4,261,481	3,500,587	-	-	-
Debt Service	313,569	507,276	591,867	657,335	760,163	856,787	1,248,100	-	-	-
Nonspendable	-	-	-	-	-	-	-	9,239,526	9,394,226	10,335,606
Restricted	-	-	-	-	-	-	-	4,214,191	2,803,781	3,148,961
Committed	-	-	-	-	-	-	-	10,842,872	9,916,209	7,765,227
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(915)	(1,290)	-
Total Other Funds	$ 31,505,684	$ 30,999,311	$ 37,650,983	$ 32,901,462	$ 28,009,112	$ 24,578,402	$ 23,525,144	$ 24,295,674	$ 22,112,926	$ 21,249,794

Data Source
Audited Financial Statements

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

City of Concord, New Hampshire

Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	$ 27,147,062	$ 30,179,005	$ 31,748,630	$ 33,143,681	$ 35,087,252	$ 37,282,375	$ 37,659,356	$ 39,407,949	$ 40,430,610	$ 41,872,465
Licenses and permits	1,072,522	1,124,663	1,479,654	1,020,239	1,089,628	825,833	712,811	1,112,391	1,119,219	896,393
Intergovernmental	5,140,299	4,147,436	3,903,521	2,862,450	3,442,121	3,442,953	2,687,051	2,732,763	4,415,890	4,723,291
Charges for services	5,042,083	5,626,533	5,918,886	6,638,525	6,211,386	5,586,277	6,019,719	6,293,673	6,639,003	6,769,954
Investment income	1,030,007	1,540,642	2,508,864	3,729,057	1,552,449	(564,323)	1,066,457	2,234,008	618,261	1,630,988
Contributions and miscellaneous	2,647,842	2,515,904	3,560,162	4,543,349	5,423,293	3,023,671	3,216,792	3,186,673	2,972,587	2,688,069
Total revenues	42,079,815	45,134,183	49,119,717	51,937,301	52,806,129	49,596,786	51,362,186	54,967,457	56,195,570	58,581,160
Expenditures by Function										
General government	5,076,134	5,798,104	5,125,653	5,455,316	5,159,601	5,900,248	6,589,039	6,841,119	7,793,292	8,591,958
Public safety	15,047,387	15,457,287	17,053,365	18,120,382	18,728,040	19,410,584	19,621,616	21,114,273	22,716,619	22,571,706
General services	6,014,020	6,895,328	6,990,518	7,096,899	8,243,164	8,249,971	7,394,625	7,797,609	6,522,464	6,878,891
Community development	2,561,361	2,655,668	3,042,749	2,432,444	3,317,979	3,007,202	2,881,251	2,865,969	3,020,346	3,119,704
Leisure and information services	2,039,864	2,071,709	2,156,899	2,249,001	2,147,886	2,230,489	1,952,782	2,029,908	3,629,417	3,829,765
Human services	1,071,539	1,029,900	1,056,671	1,033,422	697,719	789,101	749,114	752,485	735,447	748,690
Employee benefits	273,821	334,904	441,505	555,182	656,039	328,542	445,033	661,188	2,327,580	2,281,856
Miscellaneous	1,032,981	1,052,585	968,568	1,762,956	195,830	53,929	131,653	45,491	3,722	1,186
Debt service										
Principal	2,807,263	3,127,175	3,416,587	4,075,251	4,823,966	4,220,938	4,594,563	4,369,633	4,531,234	4,744,015
Interest	974,982	939,967	1,043,828	1,245,528	1,855,218	1,597,727	1,555,289	1,516,016	1,547,441	1,544,862
Capital outlay	9,660,162	9,760,998	16,928,041	24,240,722	11,397,517	9,935,126	7,479,876	6,624,538	8,352,413	9,666,796
Total expenditures	46,559,514	49,123,625	58,224,384	68,267,103	57,222,959	55,723,857	53,394,841	54,618,229	61,179,975	63,979,429
Excess of revenues										
Over(under) expenditures	(4,479,699)	(3,989,442)	(9,104,667)	(16,329,802)	(4,416,830)	(6,127,071)	(2,032,655)	349,228	(4,984,405)	(5,398,269)
Other Financing Sources (Uses)										
Bond proceeds	4,829,750	3,515,200	16,081,000	10,632,960	-	4,250,710	2,494,750	5,063,000	4,333,851	5,164,900
Refunding, net	-	-	-	-	-	-	-	-	-	103,855
Transfers in	4,530,751	3,494,232	4,958,316	5,874,169	3,520,143	3,862,715	3,462,513	3,818,374	4,042,411	3,550,609
Transfers out	(5,293,530)	(3,998,286)	(5,468,888)	(6,321,938)	(3,972,025)	(4,693,201)	(3,457,300)	(3,862,217)	(4,010,783)	(3,541,932)
Total other financing sources (uses)	4,066,971	3,011,146	15,570,428	10,185,191	(451,882)	3,420,224	2,499,963	5,019,157	4,365,479	5,277,432
Net Change in fund balances	$ (412,728)	$ (978,296)	$ 6,465,761	$ (6,144,611)	$ (4,868,712)	$ (2,706,847)	$ 467,308	$ 5,368,385	$ (618,926)	$ (120,837)
Debt Service as a percentage of non-capital outlay expenditures	10.25%	10.33%	10.80%	12.09%	14.58%	12.71%	13.39%	11.80%	11.52%	12.88%

Data Source
Audited Financial Statements

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
2013	$ 35,810,332	$ 7,917	$ -	$ 5,415,538	$ -	$ 638,678	$ 41,872,465
2012	34,628,966	17,648	-	5,118,581	-	665,415	40,430,610
2011	33,748,980	24,146	964	5,023,729	-	610,130	39,407,949
2010	32,012,232	18,310	174	5,001,592	-	627,048	37,659,356
2009	31,459,024	12,107	405	5,192,228	-	618,611	37,282,375
2008	29,233,127	7,582	9	5,326,909	-	519,625	35,087,252
2007	27,057,926	20,398	3,358	5,491,026	-	570,973	33,143,681
2006	25,549,119	26,010	3,307	5,636,297	4,218	529,679	31,748,630
2005	24,158,630	26,337	76	5,508,184	4,602	481,176	30,179,005
2004	21,326,896	22,791	-	5,364,606	2,904	429,865	27,147,062

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) Residential	Commercial/ Industrial	Utilities	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
2013	$ 1,859,571,300	$ 1,532,541,302	$ 90,415,000	$ 3,482,527,602	$ 23,689,672	$ 3,458,837,930	$ 21.61	$ 3,899,194,377	89.3%
2012	1,906,265,900	1,347,356,500	89,655,300	3,343,277,700	24,768,929	3,318,508,771	20.35	3,708,962,523	90.1%
2011	2,044,179,500	1,353,777,300	88,363,700	3,486,320,500	28,874,609	3,457,445,891	20.35	3,871,416,766	90.1%
2010	2,233,343,000	1,366,847,500	83,544,100	3,683,734,600	29,018,887	3,654,715,713	18.98	4,044,243,693	91.1%
2009	2,593,546,800	1,601,861,700	146,592,000	4,342,000,500	37,066,758	4,304,933,742	17.99	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	17.43	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	17.24	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	17.66	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	18.35	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	25.55	3,184,764,000	73.6%

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

	Concord Direct Rates							Overlapping Rate	
Fiscal Year	City	Total City	Local School	State School	Total School	Total Direct		County	Total
2013	$ 8.67	$ 8.67	$ 10.50	$ 2.44	$ 12.94	$ 21.61		$ 2.76	$ 24.37
2012	8.72	8.72	10.39	2.59	12.98	21.70		2.90	24.60
2011	8.19	8.19	9.65	2.51	12.16	20.35		2.81	23.16
2010	7.49	7.49	9.14	2.35	11.49	18.98		2.69	21.67
2009	6.84	6.84	9.01	2.14	11.15	17.99		2.50	20.49
2008	6.55	6.55	8.75	2.13	10.88	17.43		2.20	19.63
2007	6.28	6.28	8.70	2.26	10.96	17.24		1.96	19.20
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

	Penacook Direct Rates							Overlapping Rate	
Fiscal Year	City	Total City	Local School	State School	Total School	Total Direct		County	Total
2013	$ 8.67	$ 8.67	$ 13.62	$ 2.47	$ 16.09	$ 24.76		$ 2.76	$ 27.52
2012	8.72	8.72	12.57	2.56	15.13	23.85		2.90	26.75
2011	8.19	8.19	12.11	2.57	14.68	22.87		2.81	25.68
2010	7.49	7.49	11.41	2.42	13.83	21.32		2.69	24.01
2009	6.84	6.84	11.22	2.18	13.40	20.24		2.50	22.74
2008	6.55	6.55	10.18	2.16	12.34	18.89		2.20	21.09
2007	6.28	6.28	9.14	2.43	11.57	17.85		1.96	19.81
2006	6.57	6.57	9.84	2.46	12.30	18.87		2.11	20.98
2005	6.82	6.82	11.08	2.91	13.99	20.81		2.02	22.83
2004	9.49	9.49	14.33	5.19	19.52	29.01		2.52	31.53

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

City of Concord, New Hampshire

Principal Taxpayers

Current Year and Nine Years Ago

Taxpayer	Type of Business	2013 Net Taxable Assessed Value	Rank	Percentage of Total Assessed Value	2004 Net Taxable Assessed Value	Rank	Percentage of Net Assessed Value
Wheelabrator Concord Co LP (formerly SES Concord Company, LP)	Trash to Energy	$ 67,426,900	1	1.78 %	$ 23,436,000	4	1.01 %
Steeplegate mall, LLC	Mall	52,000,000	2	1.37	50,658,000	1	2.18
UNITIL Energy Systems, Inc (formerly Concord Electric Company. LP)	Utility	46,199,100	3	1.22	33,220,000	2	1.43
EnergyNorth Natural Gas Inc	Utility	32,408,300	4	0.85	16,153,000	8	0.69
Walmart/Sam's Club	Retail	31,789,850	5	0.84	23,415,000	5	1.01
Hodges Properties Inc	Rentals	25,391,600	6	0.67	32,338,000	3	1.39
Hodges Development Corp	Rentals	24,245,100	7	0.64	-		-
St Paul's School	Private School	23,850,800	8	0.63	20,529,000	7	0.88
Capital Region Health Care Development	Health Care	22,300,000	9	0.59	22,444,000	6	0.97
Eddy Plaza Associates Inc	Retail	21,859,500	10	0.58	12,079,000	9	0.52
Rane Healthsouth Rehab Corp	Health Care	-	-	-	10,955,000	10	0.47
Total Principal Taxpayers		347,471,150		9.16 %	245,227,000		10.56 %
Total Net Assessed Taxable Value		$ 3,793,125,850			$ 2,324,878,000		

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
2012	$ 95,589,658	$ 93,738,015	98.1%	$ 333,022	$ 1,518,621	$ 94,071,037	98.4 %
2011	92,246,890	90,471,786	98.1%	295,163	1,479,941	90,766,949	98.4
2010	90,288,009	88,050,231	97.5%	388,256	1,849,522	88,438,487	98.0
2009	89,364,495	87,058,646	97.4%	262,295	2,043,554	87,320,941	97.7
2008	89,495,403	87,291,314	97.5%	270,475	1,933,614	87,561,789	97.8
2007	83,179,918	81,235,289	97.7%	346,868	1,597,761	81,582,157	98.1
2006	79,322,705	78,171,510	98.5%	-	1,151,195	78,171,510	98.5
2005	74,270,000	73,359,000	98.8%	-	911,000	73,359,000	98.8
2004	70,219,000	69,625,000	99.2%	252,000	342,000	69,877,000	99.5
2003	66,169,000	65,582,000	99.1%	569,000	18,000	66,151,000	100.0

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 2013 is the City's tax year 2012.

City of Concord, New Hampshire

Ratios of Outstanding Debt by Debt Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities General Obligation Bonds	Business-Type Activities General Obligation Bonds	Total Primary Government	Per Capita	Percentage of Personal Income	Percentage of Estimated Actual Taxable Value of Property
2013	$ 40,430,476	$ 28,732,324	$ 69,162,800	$ 1,615	5.51 %	2.00 %
2012	40,161,251	27,072,972	67,234,223	1,569	5.50	2.03
2011	40,031,119	26,601,474	66,632,593	1,557	5.45	1.93
2010	38,882,692	27,547,146	66,429,838	1,503	6.84	1.82
2009	40,860,105	27,175,987	68,036,092	1,540	7.01	1.58
2008	40,934,133	25,377,493	66,311,626	1,509	6.87	1.58
2007	45,758,099	28,369,871	74,127,970	1,687	7.68	1.81
2006	39,200,390	22,566,126	61,766,516	1,431	5.53	1.66
2005	26,510,977	20,858,880	47,369,857	1,105	4.27	1.40
2004	26,087,136	22,886,280	48,973,416	1,154	4.42	2.11

Data Sources:
Audited Financial Statements
U.S. Census Bureau
Assessors Department MS-1 Report

City of Concord, New Hampshire

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

		Fiscal Year									
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Direct Debt:											
	City of Concord										
	Net General Obligation Debt Outstanding	$ 26,087,000	$ 26,511,000	$ 39,200,390	$ 45,758,099	$ 40,934,133	$ 40,860,105	$ 38,882,692	$ 40,031,119	$ 40,161,251	$ 40,430,476
	Percentage Applicable to Government	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Amount Applicable to Government	$ 26,087,000	$ 26,511,000	$ 39,200,390	$ 45,758,099	$ 40,934,133	$ 40,860,105	$ 38,882,692	$ 40,031,119	$ 40,161,251	$ 40,430,476
	Subtotal Direct Debt	$ 26,087,000	$ 26,511,000	$ 39,200,390	$ 45,758,099	$ 40,934,133	$ 40,860,105	$ 38,882,692	$ 40,031,119	$ 40,161,251	$ 40,430,476
Overlapping Debt:											
	Merrimack County										
	Net General Obligation Debt Outstanding	$ 13,650,000	$ 27,850,000	$ 26,240,000	$ 47,630,000	$ 68,100,000	$ 64,650,000	$ 61,200,000	$ 58,000,000	$ 54,800,000	$ 51,195,000
	Percentage Applicable to Government (1)	26.12%	25.88%	25.27%	25.56%	25.87%	26.13%	25.71%	25.44%	25.14%	26.85%
	Amount Applicable to Government	$ 3,565,380	$ 7,207,580	$ 6,630,848	$ 12,174,228	$ 17,617,470	$ 16,893,045	$ 15,734,520	$ 14,755,200	$ 13,774,254	$ 13,748,315
	Concord School District										
	Net General Obligation Debt Outstanding	$ 21,586,000	$ 19,289,000	$ 16,929,484	$ 14,867,062	$ 12,977,812	$ 11,116,401	$ 9,913,895	$ 66,958,729	$ 64,151,495	$ 60,303,640
	Percentage Applicable to Government (1)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Amount Applicable to Government	$ 21,586,000	$ 19,289,000	$ 16,929,484	$ 14,867,062	$ 12,977,812	$ 11,116,401	$ 9,913,895	$ 66,958,729	$ 64,151,495	$ 60,303,640
	Merrimack Valley School District										
	Net General Obligation Debt Outstanding	$ 5,940,000	$ 6,831,000	$ 19,840,000	$ 19,760,000	$ 16,865,000	$ 13,890,000	$ 9,910,000	$ 5,940,000	$ 3,960,000	$ 1,980,000
	Percentage Applicable to Government (1)	25.86%	25.67%	25.24%	25.51%	25.24%	25.18%	25.36%	25.79%	26.24%	26.68%
	Amount Applicable to Government	$ 1,536,084	$ 1,753,518	$ 5,007,616	$ 5,040,776	$ 4,256,726	$ 3,497,502	$ 2,513,176	$ 1,531,926	$ 1,038,954	$ 528,307
	Subtotal Overlapping Debt	$ 26,687,464	$ 28,250,098	$ 28,567,948	$ 32,082,066	$ 34,852,008	$ 31,506,948	$ 28,161,591	$ 83,245,855	$ 78,964,703	$ 74,580,261
	Grand Total	**$ 52,774,464**	**$ 54,761,098**	**$ 67,768,338**	**$ 77,840,165**	**$ 75,786,141**	**$ 72,367,053**	**$ 67,044,283**	**$ 123,276,974**	**$ 119,125,954**	**$ 115,010,737**

Data Source:
School District Finance Departments.
Merrimack County Finance Department.
Audited Financial Statements.

Notes:
(1) NH Department of Revenue Administration Equalization Survey with Utilities & Railroad Summary

City of Concord, New Hampshire

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

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Base Value for Debt Limits (1)	$ 3,270,961,000	$ 3,695,730,000	$ 4,007,515,023	$ 4,286,124,163	$ 4,436,535,484	$ 4,390,660,275	$ 4,020,634,140	$ 3,851,394,810	$ 3,688,748,087	$ 3,877,480,169
Legal Debt Limits (% of Base Value)										
General - 1.75% thru 1998, 3% 1999 on (2)	$ 98,128,830	$ 110,871,900	$ 120,225,451	$ 128,583,725	$ 133,096,065	$ 131,719,808	$ 120,619,024	$ 115,541,844	$ 110,662,443	$ 116,324,405
Water - 10% (2)	327,096,100	369,573,000	400,751,502	428,612,416	443,653,548	439,066,028	402,063,414	385,139,481	368,874,809	387,748,017
Issued Debt at June 30										
Total Issued Debt at June 30	$ 48,973,000	$ 47,370,000	$ 61,766,516	$ 74,127,970	$ 66,311,626	$ 68,036,092	$ 66,429,838	$ 66,632,593	$ 67,234,223	$ 69,162,800
Less Water Fund	(13,912,000)	(12,676,000)	(13,056,546)	(11,760,598)	(10,305,044)	(11,855,335)	(11,435,119)	(11,768,711)	(11,930,388)	(12,802,341)
Less Sewer Fund (3)	(8,166,000)	(7,418,000)	(8,673,880)	(15,811,823)	(14,367,749)	(14,707,852)	(15,519,027)	(13,973,463)	(14,059,897)	(14,819,785)
Less Tax Increment Debt (3)	(3,950,000)	(3,605,000)	(13,421,000)	(12,975,000)	(12,280,000)	(11,570,000)	(10,899,000)	(10,130,000)	(9,347,000)	(8,965,400)
Less Landfill Debt (3)	(2,187,000)	(1,981,000)	(1,769,946)	(1,560,291)	(1,621,196)	(1,375,946)	(1,136,332)	(900,425)	(668,901)	(442,001)
Authorized Unissued at June 30										
Total Authorized Unissued Debt at June 30	12,710,000	26,681,000	11,639,672	5,167,672	14,161,972	9,008,972	7,850,672	5,367,672	6,033,172	5,495,000
Less Golf Fund	-	-	-	-	-	-	-	(80,000)	(80,000)	(80,000)
Less Arena Fund	-	-	-	-	-	-	-	(475,000)	-	-
Less Water Fund	-	-	-	(1,150,000)	(3,017,000)	(1,130,500)	(697,000)	(175,000)	(150,000)	-
Less Sewer Fund (3)	(8,780,000)	(8,705,000)	(387,672)	(117,672)	(2,570,672)	(1,390,672)	(392,672)	(552,672)	(2,168,172)	-
Less Tax Increment Debt (3)	-	-	-	-	-	-	(285,000)	(285,000)	-	-
Total Debt Subject to general limit	$ 24,688,000	$ 39,666,000	$ 36,097,144	$ 35,920,258	$ 36,311,937	$ 35,014,759	$ 33,916,360	$ 33,659,994	$ 34,863,037	$ 37,548,273
Legal Debt Margin										
General	$ 73,440,830	$ 71,205,900	$ 84,128,307	$ 92,663,467	$ 96,784,128	$ 96,705,049	$ 86,702,664	$ 81,881,850	$ 75,799,406	$ 78,776,132
Water Fund	$ 313,184,100	$ 356,897,000	$ 387,694,956	$ 415,701,818	$ 430,331,504	$ 426,080,193	$ 389,931,295	$ 373,195,770	$ 356,794,421	$ 374,945,676
% of Legal Debt Limits Used										
General	25.2%	35.8%	30.0%	27.9%	27.3%	26.6%	28.1%	29.1%	31.5%	32.3%
Water Fund	4.3%	3.4%	3.3%	2.7%	2.3%	2.7%	2.8%	3.1%	3.2%	3.3%

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	
2013	42,834	*	$ 1,254,951	$ 29,298	**	4.80 %	***
2012	42,841		1,255,156	29,298		4.90	
2011	42,807		1,222,011	28,547		4.80	
2010	44,358		974,811	21,976		5.20	
2009	44,186		971,032	21,976		6.40	
2008	44,140		970,021	21,976		3.80	
2007	43,935		965,516	21,976		2.70	
2006	43,170		1,117,110	25,877		3.20	
2005	42,887		1,109,787	25,877		3.10	
2004	42,440		1,107,047	26,085		3.00	

* Population as of December 31, 2012 as estimated by Concord Planning Division.
** Based on 2010 census -- American Community Survey by the US Census
*** Unemployment rate is based on June of every year and is not seasonably adjusted.

City of Concord, New Hampshire

Principal Employers
Current Year and Nine Years Ago

Employer	2013 Employees	2013 Rank	2013 Percentage of Total City Employment	2006 (2) Employees	2006 (2) Rank	2006 (2) Percentage of Total City Employment
State of New Hampshire	5,740	1	26.62 %	10,523	1	48.03 %
Concord Hospital	3,324	2	15.42	2,811	2	12.83
Steeplegate Regional Mall	1,200	3	5.57	1,233	3	5.63
Concord School District	952	4	4.42	985	4	4.50
Lincoln Financial Group (formerly Jefferson-Pilot Financial)	588	5	2.73	652	5	2.98
Sanel Auto Parts	540	6	2.50	500	8	2.28
Market Basket	470	7	2.18			-
City of Concord	454	8	2.11	505	7	2.30
Genesis Care - (formerly Pleasant View Retirement)	411	9	1.91	392	9	1.79
Merrimack Valley School District	327	10	1.52			-
Merrimack County	-		-	650	6	2.97
Total Principal Employers	14,006		64.98 %	18,251		83.31 %
Total City Employment	21,560 (1)			21,910		

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 August 2013
(2) Principal Employer information was unavailable for 2004 & 2005

City of Concord, New Hampshire

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

Departments	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City Manager	3.0	3.0	3.0	3.0	4.0	3.5	3.2	3.2	3.0	3.0
Legal	8.0	9.0	9.0	9.0	9.0	9.0	9.6	9.6	9.6	9.6
Assessing	6.5	6.5	7.0	6.5	6.5	6.5	6.3	6.0	6.0	6.0
Personnel	3.2	3.6	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Finance/Control	8.0	8.0	7.6	7.6	7.6	7.6	6.0	5.5	6.0	6.0
Finance/Treas	8.6	8.6	8.6	8.0	8.0	8.0	7.7	7.5	7.5	7.5
Finance/Purch	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance/OMB	-	-	-	-	-	-	3.0	3.5	3.5	3.5
Info Technology	5.0	5.0	5.0	6.0	6.0	6.0	5.0	6.0	6.0	6.0
City Clerk	3.0	3.6	3.6	3.6	3.6	3.6	3.5	3.6	3.6	3.6
Gen Gov	47.3	49.3	49.8	49.7	50.7	50.2	50.2	50.9	51.2	51.2
Police	105.2	105.2	106.2	105.0	98.2	98.1	96.5	97.7	99.7	100.1
Police-Parking	9.6	9.6	9.6	9.6	9.6	9.6	9.6	8.6	8.6	8.6
Fire	115.7	117.7	117.7	115.2	115.0	114.7	107.0	107.0	106.0	105.0
Public Safety	230.5	232.5	233.5	229.8	222.8	222.4	213.1	213.3	214.3	213.7
Administration	19.0	18.0	17.5	17.5	17.5	17.5	16.5	16.5	16.5	15.5
Hwys & Util Sys	42.0	42.0	42.0	42.0	43.0	44.0	41.0	41.0	41.0	44.0
Grounds	25.0	25.0	25.0	25.0	24.0	23.0	21.0	21.0	-	-
Temporary	14.7	14.7	13.7	12.8	13.1	12.9	11.9	11.9	11.9	13.0
Public Properties	19.0	21.0	21.0	20.5	21.0	21.5	19.0	19.0	19.0	18.0
Vehicle Maint	13.0	13.0	13.0	13.0	13.0	13.0	12.0	12.0	12.0	12.0
Water & Sewer	27.0	27.0	26.0	26.0	26.0	26.0	26.0	24.0	24.0	24.0
General Svcs	159.7	160.7	158.2	156.8	157.6	157.9	147.4	145.4	124.4	126.5
Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	5.5	5.5	5.5	4.5	4.0	4.0	4.0	4.0	4.0	4.0
Business Devel	2.0	2.0	2.0	2.0	1.0	0.6	-	-	-	-
Bldg & Code Svcs	11.5	11.5	11.5	11.5	11.5	11.8	10.3	10.3	10.1	10.1
Engineering Svcs	18.5	17.5	17.6	18.6	19.6	19.6	18.0	18.0	17.0	17.0
Grants Admin	0.5	0.5	0.5	0.5	1.0	0.5	0.2	0.2	-	-
Comm Devel	40.0	39.0	39.1	39.1	39.1	38.5	34.5	34.5	33.1	33.1
Library	27.3	25.3	25.1	25.1	24.5	23.5	20.2	19.6	19.6	19.6
Recreation	12.2	12.5	10.7	10.0	9.7	10.0	9.8	10.0	10.6	11.6
Recreation - Grounds	-	-	-	-	-	-	-	-	18.5	17.5
Leisure Services	39.5	37.8	35.8	35.1	34.2	33.5	30.0	29.6	48.7	48.7
Human Services	4.7	4.7	4.7	4.7	4.7	4.7	4.5	4.7	4.7	4.7
Grand Totals	521.7	524.0	521.1	515.1	509.1	507.1	479.7	478.3	476.3	477.8

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	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Physical arrests	2,770	3,215	2,978	2,928	2,749	3,095	3,044	2,796	2,837	2,787
Traffic violations	6,041	5,950	5,768	5,548	4,535	5,455	5,325	3,993	3,576	3,596
Parking violations	44,899	43,648	49,216	39,318	40,625	37,749	34,860	28,458	25,541	24,519
Fire and Rescue										
Calls answered	6,803	7,095	7,565	7,875	7,529	7,321	6,882	7,327	7,182	7,217
General services - Solid waste										
Refuse collected (tons)	na	na	17,603	17,081	16,370	10,884	8,311	11,722	11,478	12,074
Recycling (tons) Note: Recycle program started Oct 2005	na	na	1,356	1,962	1,976	2,063	3,391	3,555	3,677	4,440
General services - Streets										
Streets resurfaced (miles)	na	na	16	18	23	4	3	6	1	6
Potholes repaired	na	na	14,895	7,934	11,335	10,100	4,176	7,780	5,210	7,115
Water										
Average daily consumption (in thousands of gallons)	4,840	4,840	4,910	4,910	3,740	3,744	3,348	3,761	3,792	3,560
Sewage System:										
Daily average treatment (millions of gallons)										
Concord Plant	4,600	4,570	4,605	4,680	4,730	4,540	4,360	4,580	4,100	3,850
Penacook Plant	578	573	575	585	610	570	530	460	490	420

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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	16	16	15	15	15	15	15	15	15	15
Fire and Rescue										
Number of stations	4	4	4	4	4	4	4	4	4	4
Number of ladder trucks	2	2	2	2	2	2	2	2	2	2
Number of pumpers	6	6	6	6	6	5	5	5	5	5
Number of support vehicles	5	5	8	7	7	6	6	6	6	6
General Services - Streets										
Miles of streets	338	338	339	340	341	327	327	327	327	327
Number of traffic lights (in sets)	na	92	92	97	97	75	77	77	71	71
Number of street lights	2,178	2,183	2,183	2,128	2130	2130	2,130	2,130	*2,213	*2,213
General Services - Culture and Recreation:										
Number of parks	21	20	20	20	20	20	20	20	20	20
Swimming pools	7	7	7	7	7	7	7	7	7	7
Tennis courts	21	21	21	21	21	21	21	21	21	21
Water										
Water main (miles)	215	169	169	170	171	172	172	172	172	172
Maximum daily capacity (thousands of gallons)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Sewage System:										
Sanitary sewers (miles)	141	141	141	142	142	152	152	152	155	155
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	2,370	2,370	2,370	2,370	2,370	2,370

Data Source
Various city departments
* Includes ornamental lights