

CITY OF CONCORD NEW HAMPSHIRE



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For The Fiscal Year Ended
June 30, 2019**

CITY OF CONCORD

NEW HAMPSHIRE

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2019



**Prepared by:
The Finance Department**

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

**Katherine A. Graff
Assistant Finance Director**

TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION:</u>	
Letter of Transmittal	3
Table of Organization	10
Geographic Location	11
List of Principal Officials	12
Certificate of Achievement	13
 <u>FINANCIAL SECTION:</u>	
INDEPENDENT AUDITORS' REPORT	17
MANAGEMENT'S DISCUSSION AND ANALYSIS	20
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	31
Statement of Activities	33
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	35
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities in the Statement of Net Position	36
Statement of Revenues, Expenditures, and Changes in Fund Balances	37
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	38
Statement of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual - General Fund - Budget Basis	39

	<u>Page</u>
Proprietary Funds:	
Statement of Net Position	40
Statement of Revenues, Expenses, and Changes in Fund Net Position	41
Statement of Cash Flows	42
Fiduciary Funds:	
Statement of Fiduciary Net Position	43
Notes to Financial Statements	45
REQUIRED SUPPLEMENTARY INFORMATION	
Pension:	
Schedule of Proportionate Share of the Net Pension Liability (GASB 68)	89
Schedule of Pension Contributions (GASB 68)	90
OPEB:	
Schedules of Proportionate Share and Contributions of the Net OPEB Liability (GASB 75)	91
Schedule of Changes in the Total OPEB Liability (GASB 75)	92
SUPPLEMENTARY STATEMENTS AND SCHEDULES:	
Governmental Funds:	
Combining Financial Statements:	
Combining Balance Sheet - Nonmajor Governmental Funds	98
Combining Statement of Revenues, Expenditures, and Changes in Fund Equity - Nonmajor Governmental Funds	104
Detail and Combining Budget and Actual Schedules:	
Detail Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund	113
Detail Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund	115

	<u>Page</u>
Schedule of Revenues, Expenditures and Other Financing - Sources and Uses - Budget and Actual - Annually Budgeted Nonmajor Governmental Funds	117
Proprietary Funds:	
Detail Combining Budget and Actual Schedule:	
Schedule of Revenues and Expenses - Budget and Actual - Enterprise Funds	122
Fiduciary Funds:	
Combining Financial Statement:	
Combining Statement of Changes in Assets and Liabilities - Agency Funds	127
<u>STATISTICAL SECTION:</u>	
<i>Financial Trend Data</i>	
Net Position by Component - Last Ten Fiscal Years	132
Change in Net Position - Last Ten Fiscal Years	133
Fund Balances, Governmental Funds - Last Ten Fiscal Years	134
Change in Fund Balances, Governmental Funds - Last Ten Fiscal Years	135
<i>Information on Revenue Capacity</i>	
General Government Tax Revenues by Source - Last Ten Fiscal Years	136
Assessed and Estimated Full Value of Real Property - Last Ten Fiscal Years	137
Property Tax Rates per \$1,000 of Assessed Value - Direct and Overlapping Governments - Last Ten Fiscal Years	138
Principal Taxpayers - Current Year and Nine Years Ago	139
Property Tax Levies and Collections - Last Ten Fiscal Years	140

	<u>Page</u>
<i>Debt Capacity Information</i>	
Ratios of Outstanding Debt by Debt Type - Last Ten Fiscal Years	141
Computation of Overlapping Debt by Debt - Merrimack County Long Term Debt - Last Ten Fiscal Years	142
Ratios of Long-term Debt Outstanding and Legal Debt Limits - Last Ten Fiscal Years	143
<i>Demographic and Economic Information</i>	
Demographic Statistics - Last Ten Fiscal Years	144
Principal Employers - Current Year and Nine Years Ago	145
<i>Operating Information</i>	
City Government Employees by Function - Full Time Equivalents - Last Ten Fiscal Years	146
Operating Indicators by Function - Last Ten Fiscal Years	147
Capital Asset Statistics by Function - Last Ten Fiscal Years	148

INTRODUCTORY SECTION

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CITY OF CONCORD

New Hampshire's Main Street™

Finance

October 31, 2019

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, 2019.

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 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 34, and is in accordance with Generally Accepted Accounting Principles. It also includes the auditor's opinion, management's discussion and analysis (MD&A) report, notes to financial statements, combining and individual financial 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 U.S. Census Bureau, the City has an estimated population of 43,412 as of July 1, 2018, a 1.71% increase over the last official census as of April 1, 2010 number of 42,683, 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 City Charter in the 15-member Council. Under the Charter, originally adopted in 1853, and most recently amended in 2012, the appointed City Manager 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 four-year terms, two every two years. The current mayor is former City Councilor James P. Bouley who was first elected mayor in November 2007. In November 2019, he was re-elected for his seventh consecutive term. Thomas J. Aspell, Jr., 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, City 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.

Local Economy

Compared to other cities in New Hampshire, New England, and the nation, Concord has comparably low unemployment. As reported by the New Hampshire Department of Employment Security, Concord's unemployment rate as of June 2019 was 2.2%. This compares favorably to New Hampshire's rate of 2.4% and to the United States rate of 3.8 %. Concord's rate also remains the lowest among the top 3 New Hampshire cities with Manchester at 2.6% and Nashua at 2.7%. Concord's unemployment rates have remained lower than the State since 1992 except for the months of March, April, and June 2005.

The assessed value of taxable property as of April 1, 2018 increased overall by 3.74% compared to April 1, 2017. The cumulative total residential, manufactured homes and condominiums increased 5.19% in assessed value. The average assessed value of a single-family home in Concord as of April 1, 2018 was \$255,319, up slightly from \$244,011 the year before.

Tax collections percentage as of June 30, 2019 for the 2018 Tax Year was 98.5%, slightly lower than the previous year. Total tax delinquencies for all years were stated at \$2.4 million, up \$0.2 million from the previous year. Vigorous collection efforts by the Tax Collector's Office have resulted in no material increases in the number of properties 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 cash management is directed towards a targeted property tax collection program which is aimed at maintaining high collection rates.

The City has a robust program of business attraction and retention coordinated by its Economic Development Director, Community Development Department and City Administration. Resources include a separate Economic Development website as well as a real estate database to assist site selectors. The Economic Development Director also conducts the City's business visitation program.

In FY19, notable new businesses to Concord included MetalMax Roofing and Siding and ArgenTech Solutions. MetalMax acquired property at 28 Locke Road from which to establish their New England base of operations. ArgenTech Solutions provides state of the art training in unmanned aerial vehicle training and implementation.

FY19 also saw the opening of the Aldi Supermarket at 289 Loudon Road. This facility was the lynchpin for the second phase of the commercial development along the north side of Loudon Road.

The City also continued its efforts to overhaul its zoning ordinance via the implementation of a form-based code in FY19. This work will result in a complete re-understanding of zoning and land use in the community. Implementation of phase 1 of this effort is expected in FY20.

In May 2017, the City entered into a Purchase Option Agreement to sell 2.5 acres of the former Allied Leather Tannery site to the Caleb Development Corporation for \$540,000. Caleb plans to develop a 54-unit workforce housing project at the property. When fully completed, the project will generate \$3 million in new Assessed Value. The developer has secured development permits and approvals for the project, as well as financing. To support the project, the City secured a \$500,000 Community Development Block Grant (CDBG) to complete various infrastructure improvements on behalf of the project. The CDBG funded improvements were underway as of June 30, 2019 and completed in early September 2019 (FY20). The City and Caleb closed on the sale of the property on September 18, 2019. Phase I of Caleb's project (34 units) is underway and will be completed in September 2020.

In October 2017, the City Council approved selling the former NH Employment Security property to Dol Soul Properties L.L.C. for \$1.075 million. The developer planned to construct a new 180,000 SF mixed-use building featuring approximately 125 apartments, 5,000 SF of commercial space, and a 125-space internal parking garage. The development was projected to generate \$20.8 million in new Assessed Value. Upon completing due diligence, Dol Soul determined the project had a financial gap and would not be viable without additional assistance from the City. On August 12, 2019 (FY20), the City Council held a public hearing concerning proposed amendments to the Project's Purchase and Sales/Development Agreement relative to additional City support to resolve the project's funding gap. Ultimately, the City Council voted to not move forward with the amendments and Dol Soul withdrew from the project. The City has reactivated marketing efforts for the site and has been contacted by several interested parties.

Since the completion of the Downtown Complete Streets Project (aka the Main Street Project) in 2016, 88 new market rate dwelling units have been built in the greater Main Street area. These units have tapped into a significant demand for quality housing in Concord demonstrated by a 0.8% vacancy rate for residential.

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 pro forma and tax rate projection, a twenty-year Capital Improvement Plan and a pro forma for each enterprise and some special revenue funds.

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. The exception is the Golf Fund, which received general fund support for their Fiscal Year 2019 operations, and Solid Waste Fund, which receives approximately \$1,000,000 annually.

Financial Position

The City Council has adopted a General Fund balanced budget every year since Fiscal Year 2010, with the exception of Fiscal Year 2012. 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. Other than Fiscal Year 2014, Fiscal Years 2010 through 2018 reported surpluses ranging from \$369,286 to \$1.5 million. The Fiscal Year 2019 surplus is \$827,599.

The total General Fund Unassigned Fund Balance increased to \$11.8 million after City management assigned \$1,400,000, \$1,100,000 of which is anticipated to be transferred to trust fund reserve accounts in Fiscal Year 2020, and the remaining \$300,000 which is assigned for overlay for the settlement of future abatements. The \$11.8 million Unassigned Fund Balance represents a \$398,094 increase over Fiscal Year 2018. The purposes of the Assigned Fund Balance to be transferred to Trust Fund reserves in Fiscal Year 2020 are for transfers to Highway Paving Reserve (\$400,000), Equipment Reserve (\$300,000), Recreation (\$370,000), and office furniture and equipment (\$30,000).

OPEB Action/GASB Statement No. 75

Effective in Fiscal Year 2017, the City adopted Government Accounting Standards Board (GASB) Statement No. 75, as reported in Note 19 of this CAFR. As of June 30, 2019, the net Other Postemployment Benefits (OPEB) liability was \$52.5 million. For June 30, 2018, the City reported a net OPEB liability of \$51.8 million.

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 during Fiscal Year 2020.

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 & 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 E1 under Debt Management that limits debt service to 10 to 14% of total appropriations. For Fiscal Year 2019, this amount was 10.4%.

In Fiscal Year 2013, the City 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 No. 54.

Section IV(A)(1)(a) of the Policy requires that the City achieve a General Fund Unassigned Fund Balance of 18.5% of expenditures by the end of Fiscal Year 2017. For fiscal year ending June 30, 2019 the Unassigned Fund Balance was 19.02%.

Credit Rating and Debt Limit

As of December 2018, Standard and Poor's Rating Group affirmed the City's bond rating of AA+ in conjunction with a \$13.34 million General Obligation bond offering and affirmed the AA+ rating on the City's \$98.2 million of outstanding parity debt.

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 2019 budget was adopted by the City Council with several major initiatives to further the City's efforts to create a more sustainable and economically viable community. Specific investments include construction of the new multi-purpose recreational building at White Park, construction of a new Fire Training facility on Old Turnpike Road, property acquisition on Hot Hole Pond Road, Police Department communication system upgrades, School Street garage repairs, the rehabilitation of Taxiway A at the airport, irrigation and drainage improvements at Beaver Meadow Golf Course, continuation of the Annual Neighborhood Paving Program, replacement of water mains, and the replacement of a generator at the Hall Street wastewater treatment plant.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded twenty-four 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, 2018 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 for their work in conducting the City's audit and preparing this report. Additionally, Administration thanks the Mayor, members of the City Council and Fiscal Policy Advisory Committee for their leadership, and commitment of transparency for the financial operations of the City. Without their diligence, hard work, professionalism and support, this report would not meet such high standards.

Other Information

Although state statutes do not require an annual audit, the City has continually produced an independently audited set of Financial Statements since the 1920s. Presently, the firm of Melanson Heath of Nashua, New Hampshire, conducts the annual audit for the City. In addition, the audit was designed to meet the requirements of Title 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (the Uniform Guidance), as applicable. 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 December 2019. Also displayed are previous CAFRs and other summary financial information.

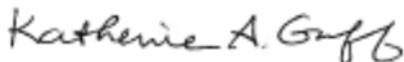
Sincerely,



Thomas J. Aspell, Jr.
City Manager

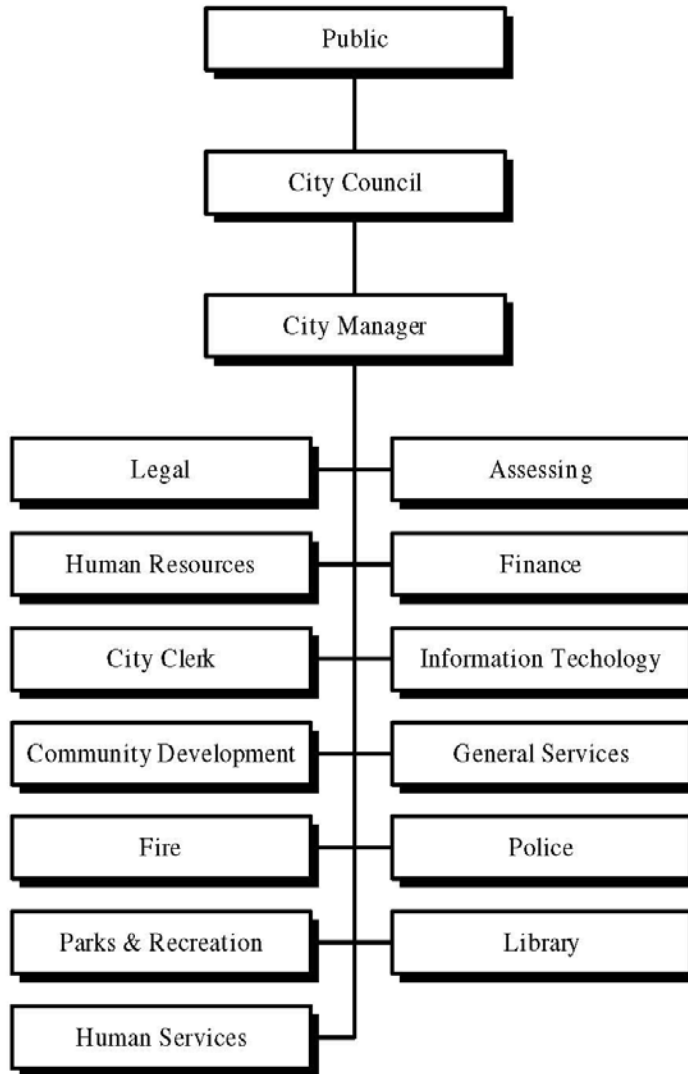


Brian G. LeBrun
Deputy City Manager – Finance



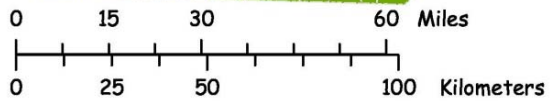
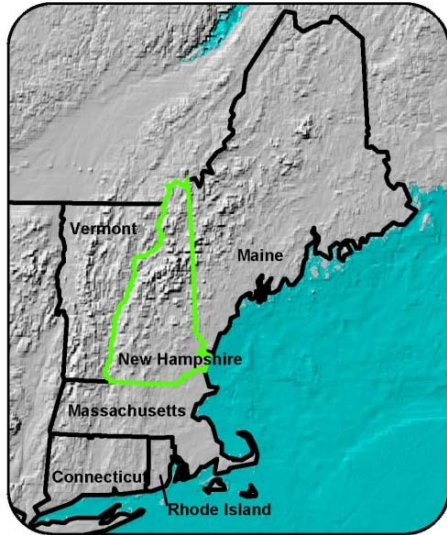
Katherine A. Graff
Assistant Finance Director

CITY OF CONCORD, NEW HAMPSHIRE
TABLE OF ORGANIZATION



City of Concord, NH

Geographic Location



City of Concord, New Hampshire
List of Principal Officials
As of June 30, 2019

Title:

Name:

Elected by the Public:

Mayor	James P. Bouley
Councilor-at-Large	Mark Coen
Councilor-at-Large	Amanda K. Grady Sexton
Councilor-at-Large	Fred Keach
Councilor-at-Large	Byron O. Champlin
Councilor – Ward 1	Brent G. Todd
Councilor – Ward 2	Allan Herschlag
Councilor – Ward 3	Jennifer Kretovic
Councilor – Ward 4	Meredith Hatfield
Councilor – Ward 5	Robert Werner
Councilor – Ward 6	Linda Kenison
Councilor – Ward 7	Keith E. Nyhan
Councilor – Ward 8	Gail R. Matson
Councilor – Ward 9	Candace C.W. Bouchard
Councilor – Ward 10	Zandra Rice Hawkins

Appointed by Council:

City Manager	Thomas J. Aspell
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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 Johnston
Director of Real Estate Assessments	Kathryn H. Temchack
Director of Redevelopment, Downtown & Special Projects	Matthew R. Walsh
Fire Chief	Daniel L. Andrus
Director of General Services	Earle M. Chesley
Director of Human Services	Karen O. Emis-Williams
Library Director	Andrew T. Fabian
Director of Parks & Recreation	David B. Gill
Police Chief	Bradley C. Osgood
Assistant Finance Director	Katherine A. Graff
Budget Director	Robert J. McManus
City Engineer	David Cedarholm
Code Administrator	David V. Hall
Economic Development Director	Suzanne Pegg
Purchasing Director	Tina M. Waterman
Treasurer / Tax Collector	Dawn K. Enwright



Government Finance Officers Association

**Certificate of
Achievement
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in Financial
Reporting**

Presented to

**City of Concord
New Hampshire**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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

Additional Offices:
Andover, MA
Greenfield, MA
Manchester, NH
Ellsworth, ME

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, 2019, 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.

Auditors' 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, 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, 2019, 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 certain Pension and OPEB schedules 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 98 through 127 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 October 31, 2019 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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

October 31, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Concord, New Hampshire (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. This section should be read in conjunction with the Letter of Transmittal beginning on page 3.

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, liabilities, and deferred outflows/inflows of resources with the difference 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, general services, community development, leisure and information services, and human services. The business-type activities include water and sewer 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 and major capital project fund (post 2008), which are considered to be major funds. 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 to demonstrate compliance with budgets.

Proprietary funds Proprietary fund reporting focuses on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The proprietary fund category includes enterprise funds.

Enterprise funds are used to report activity for which a fee is charged to external users, and must be used when one of the following criteria are met: (1) activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges, (2) laws or regulations require the activity's costs of providing services be recovered with fees and charges, and (3) the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs such as depreciation or debt service. The primary focus on these criteria is on fees charged to external users. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations. The water and sewer 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 and deferred outflows exceeded liabilities and deferred inflows by \$166,981,153 (i.e., net position), a change of \$4,186,736 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$49,734,742, a change of \$7,177,277 in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$11,769,490, a change of \$398,095 in comparison to the prior year. In addition, total general fund balance increased by \$1,390,199.

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	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 123,852	\$ 112,187	\$ 17,024	\$ 21,261	\$ 140,876	\$ 133,448
Capital assets	185,042	177,496	128,477	131,355	313,519	308,851
Total assets	308,894	289,683	145,501	152,616	454,395	442,299
Deferred outflows of resources	15,138	18,356	1,125	1,387	16,263	19,743
Total assets and deferred outflows	\$ 324,032	\$ 308,039	\$ 146,626	\$ 154,003	\$ 470,658	\$ 462,042
Long-term liabilities outstanding	\$ 176,398	\$ 175,675	\$ 45,539	\$ 46,639	\$ 221,937	\$ 222,314
Other liabilities	10,532	9,537	1,268	3,138	11,800	12,675
Total liabilities	186,930	185,212	46,807	49,777	233,737	234,989
Deferred inflows of resources	69,286	63,836	654	422	69,940	64,258
Net investment in capital assets	122,377	118,413	97,533	99,470	219,910	217,883
Restricted	20,072	20,238	1,201	1,389	21,273	21,627
Unrestricted	(74,633)	(79,660)	431	2,945	(74,202)	(76,715)
Total net position	67,816	58,991	99,165	103,804	166,981	162,795
Total liabilities, deferred inflows and net position	\$ 324,032	\$ 308,039	\$ 146,626	\$ 154,003	\$ 470,658	\$ 462,042

The largest portion of net position \$219,910,008 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, \$21,273,173 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position reflects a deficit of \$(74,202,028) primarily resulting from the City's unfunded net pension and net OPEB liabilities.

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 \$166,981,153 a change of \$4,186,736 in comparison to the prior year.

CHANGES IN NET POSITION

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues:						
Program revenues:						
Charges for services	\$ 14,190	\$ 10,259	\$ 12,951	\$ 17,940	\$ 27,141	\$ 28,199
Operating grants and contributions	4,392	4,414	284	356	4,676	4,770
Capital grants and contributions	2,144	3,324	50	56	2,194	3,380
General revenues:						
Property taxes	51,593	48,553	-	-	51,593	48,553
Penalties and interest on taxes	1,057	731	-	-	1,057	731
Investment income	2,532	1,905	291	228	2,823	2,133
Other	1,480	927	212	136	1,692	1,063
Total revenues	<u>77,389</u>	<u>70,113</u>	<u>13,788</u>	<u>18,716</u>	<u>91,177</u>	<u>88,829</u>
Expenses:						
General government	9,015	9,413	-	-	9,015	9,413
Public safety	31,027	29,777	-	-	31,027	29,777
General services	17,357	12,469	-	-	17,357	12,469
Community development	6,204	5,667	-	-	6,204	5,667
Leisure and information services	7,281	5,536	-	-	7,281	5,536
Human services	684	661	-	-	684	661
Interest on long-term debt	2,364	2,023	-	-	2,364	2,023
Water operations	-	-	5,760	5,587	5,760	5,587
Sewer operations	-	-	7,574	7,745	7,574	7,745
Solid waste operations	-	-	-	4,036	-	4,036
Other operations	-	-	-	1,582	-	1,582
Total expenses	<u>73,932</u>	<u>65,546</u>	<u>13,334</u>	<u>18,950</u>	<u>87,266</u>	<u>84,496</u>
Change in net position before transfers and contributions	3,457	4,567	454	(234)	3,911	4,333
Transfers in (out)	2,353	1,185	(2,353)	(1,185)	-	-
Permanent fund contributions	275	269	-	-	275	269
Change in net position	6,085	6,021	(1,899)	(1,419)	4,186	4,602
Net position - beginning of year, as restated	<u>61,731</u>	<u>52,970</u>	<u>101,064</u>	<u>105,223</u>	<u>162,795</u>	<u>158,193</u>
Net position - end of year	<u>\$ 67,816</u>	<u>\$ 58,991</u>	<u>\$ 99,165</u>	<u>\$ 103,804</u>	<u>\$ 166,981</u>	<u>\$ 162,795</u>

Governmental activities. Governmental activities for the year resulted in a change in net position of \$6,085,009. Key elements of this change are as follows:

Capital grants and contributions	\$ 2,144,175
General fund operations	2,006,769
Permanent funds excess of revenues over expenditures	1,184,855
Debt service funds excess of revenues over expenditures	1,290,730
Change in net OPEB liability	(261,944)
Change in OPEB related deferred inflows and outflows	(1,339,773)
Change in net pension liability	4,665,616
Change in pension related deferred inflows and outflows	(5,024,366)
Other	<u>1,418,947</u>
Total	<u>\$ 6,085,009</u>

Business-type activities. Business-type activities for the year resulted in a change in net position of \$(1,898,273). The change primarily results from the use of available net position and depreciation expense (not raised in the rates) exceeding debt service principal payments (raised in the rates).

D. FINANCIAL ANALYSIS OF 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 \$49,734,742, a change of \$7,177,277 in comparison with 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 \$11,769,490, while total fund balance was \$18,904,212. As a measure of the general fund's liquidity, it may be

useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Refer to the table below.

<u>General Fund</u>	<u>6/30/19</u>	<u>6/30/18</u>	<u>Change</u>	<u>% of Total General Fund Expenditures</u>
Unassigned fund balance	\$ 11,769,490	\$ 11,371,395	\$ 398,095	19.0%
Total fund balance ⁽¹⁾	\$ 18,904,212	\$ 17,514,013	\$ 1,390,199	30.5%

⁽¹⁾ Includes capital reserve funds.

The unassigned amount exceeded the City Council Fund Balance Policy minimum requirement of 18.5%.

The total General Fund balance increased by \$1,390,199 during the fiscal year. The following table highlights the change in our General Fund balance accounts (in thousands):

	<u>Unassigned</u>	<u>Assigned</u>	<u>Committed</u>	<u>Non-spendable</u>	<u>Total</u>
Beginning of year	\$ 11,371	\$ 975	\$ 4,792	\$ 376	\$ 17,514
Liquidation	-	(975)	-	-	(975)
Revenues and transfers over budget	1,478	-	-	-	1,478
Expenditures and transfers under budget	823	-	-	-	823
Transfers	(1,400)	1,400	-	-	-
Reserve fund changes	(563)	-	563	-	-
Other	60	-	-	4	64
End of Year	<u>\$ 11,769</u>	<u>\$ 1,400</u>	<u>\$ 5,355</u>	<u>\$ 380</u>	<u>\$ 18,904</u>

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

	<u>6/30/19</u>	<u>6/30/18</u>	<u>Change</u>
Insured retention	\$ 26,144	\$ 232,326	\$ (206,182)
Highways	2,478,584	1,542,669	935,915
Economic development	579,012	680,690	(101,678)
Equipment	52,507	103,160	(50,653)
OPEB	1,011,674	930,946	80,728
Community improvement	196,811	173,166	23,645
Recreation	863,640	1,018,055	(154,415)
Other	146,140	110,902	35,238
Total	<u>\$ 5,354,512</u>	<u>\$ 4,791,914</u>	<u>\$ 562,598</u>

The major capital project fund had a net change in fund balance of \$3,149,099. Most of capital outlay was spent on three projects, \$1,744,751 for the school street garage repairs, \$1,086,866 for the multi-purpose recreation building, and \$1,049,274 for Taxiway A construction. The funding sources for both projects were mostly received in the current year. At the end of fiscal year 2019, the fund

had \$5,713,066 in fund balance, which related to unspent proceeds of debt and other funding sources of \$6,424,546 and deficit balance of \$711,480 which primarily relates to authorized unissued debt.

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 proprietary funds at the end of the year amounted to \$430,712, a change of \$(770,799) in comparison to the prior year.

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 \$2,666,287. The majority of this increase results from two supplemental resolutions. In December 2018, the City amended the budget by increasing transfers out to the capital reserve funds by \$975,000 funded by fiscal year 2018 assigned fund balance. In July 2019 (retroactive to June 2019), the City amended the budget by increasing transfers out to the highway reserve trust fund by \$1,000,000, funded by property taxes and interest income. Other City Council resolutions included minor supplemental appropriations as well as the transfer of funds between departmental line items.

Motor vehicle registration revenue remains strong and exceeded our budget by more than \$500K. The favorable variance in our Charges for Service revenues results primarily from an increase in ambulance service charges. A large portion of the unspent appropriation represents contingency funds, which are reported in the general overhead budget.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year-end amounted to \$313,519,186 (net of accumulated depreciation), a change of \$4,668,942 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 fiscal year included school street garage renovations, Taxiway A Construction, and a multi-purpose recreation building.

Credit rating. The City is currently assigned an “Aa1” rating from Moody’s for general obligation debt and an “AA+” rating for Standard and Poor’s for general obligation debt.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding, including unamortized bond premiums, was \$102,272,320, 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 14, respectively, of this report.

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

Comments regarding local economic conditions can be found in the Transmittal letter section on the Local Economy.

Following is a comparison of the fiscal 2019 adopted to the fiscal 2020 adopted City General Fund budget and tax rate:

<u>Use of Funds</u>	2019 COUNCIL ADOPTED	2020 COUNCIL ADOPTED
Budget Appropriations	\$ 65,104,962	\$ 66,524,857
War Credits	267,400	267,400
Overlay	<u>300,000</u>	<u>300,000</u>
Total Uses of Funds	<u>\$ 65,672,362</u>	<u>\$ 67,092,257</u>
 <u>Sources of Funds</u>		
Miscellaneous Revenues	\$ 24,287,252	\$ 24,650,628
Surplus (Prior Year Undesignated Fund Balance)	-	-
Amount to be raised by property taxes	<u>41,385,110</u>	<u>42,441,629</u>
Total Sources of Funds	<u>\$ 65,672,362</u>	<u>\$ 67,092,257</u>

<u>TAX RATE DETERMINATION</u>	2019 COUNCIL ADOPTED	2020 COUNCIL ADOPTED
Assessed Value (A.V.) in thousands of dollars*	\$ 4,055,231	\$ 4,205,811
Amount to be Raised	\$ 41,385,110	\$ 42,441,629
Current Year Recommended Tax Rate/\$ 1,000 A.V.	\$ 10.21	\$ 10.09 **
Prior Year Tax Rate/\$ 1,000 A.V.	<u>9.84</u>	<u>9.90 *</u>
Increase over Prior Year	\$ 0.37	\$ 0.19
% Change	3.72%	1.92%

* Market and real growth adjustments after budget adoption resulted in a taxable assessed value of \$3,853,334,193 for municipal purposes and a tax rate of \$9.90 per \$1,000 of assessed value.

** Portion of Recommended Tax Rate Allocated to Debt Service	1.75
Portion of Prior Year Tax Rate Allocated to Debt Service	<u>1.67</u>
Increase over Prior Year	0.08
% Change	4.8%

** Portion of Recommended Tax Rate Allocated to All Other Costs	8.34
Portion of Prior Year Tax Rate Allocated to All Other Costs	<u>8.23</u>
Increase over Prior Year	0.11
% Change	1.3%

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

Basic Financial Statements

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CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF NET POSITION

JUNE 30, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Current:			
Cash and short-term equivalents	\$ 63,320,209	\$ 14,485,425	\$ 77,805,634
Investments	19,076,183	-	19,076,183
Receivables, net of allowance for uncollectibles:			
Property taxes	37,689,036	-	37,689,036
Accounts	2,671,875	-	2,671,875
User fees	-	1,229,783	1,229,783
Intergovernmental	-	189,609	189,609
Loans	494,153	-	494,153
Other	-	76,311	76,311
Other assets	<u>600,690</u>	<u>31,248</u>	<u>631,938</u>
Total current assets	123,852,146	16,012,376	139,864,522
Noncurrent:			
Receivables:			
Intergovernmental	-	1,011,825	1,011,825
Capital assets:			
Land and construction in progress	66,822,809	13,508,149	80,330,958
Other capital assets, net of accumulated depreciation	<u>118,219,032</u>	<u>114,969,196</u>	<u>233,188,228</u>
Total non-current assets	<u>185,041,841</u>	<u>129,489,170</u>	<u>314,531,011</u>
Total Assets	308,893,987	145,501,546	454,395,533
Deferred Outflows of Resources			
Related to pensions	11,534,021	642,906	12,176,927
Related to OPEB	3,502,571	305,305	3,807,876
Related to refunding	<u>101,184</u>	<u>176,740</u>	<u>277,924</u>
Total deferred outflows of resources	<u>15,137,776</u>	<u>1,124,951</u>	<u>16,262,727</u>
Total Assets and Deferred Outflows of Resources	\$ <u>324,031,763</u>	\$ <u>146,626,497</u>	\$ <u>470,658,260</u>

(continued)

(continued)

CITY OF CONCORD, NEW HAMPSHIRE
STATEMENT OF NET POSITION
JUNE 30, 2019

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Liabilities			
Current:			
Accounts payable	\$ 3,571,632	\$ 331,786	\$ 3,903,418
Retainage payable	773,415	317,007	1,090,422
Accrued liabilities	2,062,804	534,578	2,597,382
Due to other governments	112,640	-	112,640
Notes payable	3,510,000	-	3,510,000
Other current liabilities	501,622	84,931	586,553
Current portion of long-term liabilities:			
Bonds and loans payable	6,882,291	3,882,866	10,765,157
Other liabilities	<u>2,306,505</u>	<u>172,460</u>	<u>2,478,965</u>
Total current liabilities	19,720,909	5,323,628	25,044,537
Noncurrent:			
Bonds and loans payable, net of current portion	58,413,256	33,093,907	91,507,163
Net pension liability	60,364,827	3,405,691	63,770,518
Net OPEB liability	47,516,207	4,983,587	52,499,794
Other liabilities, net of current portion	<u>914,611</u>	<u>-</u>	<u>914,611</u>
Total non-current liabilities	<u>167,208,901</u>	<u>41,483,185</u>	<u>208,692,086</u>
Total Liabilities	186,929,810	46,806,813	233,736,623
Deferred Inflows of Resources			
Related to pensions	4,648,457	248,417	4,896,874
Related to OPEB	3,429,658	405,903	3,835,561
Related to taxes	<u>61,208,049</u>	<u>-</u>	<u>61,208,049</u>
Total Deferred Inflows of Resources	69,286,164	654,320	69,940,484
Net Position			
Net investment in capital assets	122,376,790	97,533,218	219,910,008
Restricted for:			
Grants and other statutory restrictions	1,472,257	-	1,472,257
Enabling legislation	4,017,976	-	4,017,976
Permanent funds:			
Nonexpendable	14,581,506	-	14,581,506
Debt service	-	1,201,434	1,201,434
Unrestricted	<u>(74,632,740)</u>	<u>430,712</u>	<u>(74,202,028)</u>
Total Net Position	<u>67,815,789</u>	<u>99,165,364</u>	<u>166,981,153</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 324,031,763</u>	<u>\$ 146,626,497</u>	<u>\$ 470,658,260</u>

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, 2019

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Governmental Activities					
General government	\$ 9,015,373	\$ 1,776,553	\$ 4,157,132	\$ 2,109,700	\$ (971,988)
Public safety	31,026,528	5,181,322	225,247	34,475	(25,585,484)
General services	17,356,797	124,029	-	-	(17,232,768)
Community development	6,203,541	1,395,595	-	-	(4,807,946)
Leisure and information services	7,281,214	5,712,539	-	-	(1,568,675)
Human services	684,346	-	9,162	-	(675,184)
Interest on long-term debt	2,364,260	-	-	-	(2,364,260)
Total Governmental Activities	73,932,059	14,190,038	4,391,541	2,144,175	(53,206,305)
Business-Type Activities					
Water	5,759,593	6,069,506	39,743	-	349,656
Sewer	7,573,587	6,881,034	244,128	50,360	(398,065)
Total Business-Type Activities	13,333,180	12,950,540	283,871	50,360	(48,409)
Total	\$ 87,265,239	\$ 27,140,578	\$ 4,675,412	\$ 2,194,535	\$ (53,254,714)

(continued)

CITY OF CONCORD, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019

(continued)

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Changes in Net Position:			
Net (expenses) revenue from previous page	\$ (53,206,305)	\$ (48,409)	\$ (53,254,714)
General Revenues, Transfers, and Contributions			
Property taxes	51,593,205	-	51,593,205
Penalties, interest and other taxes	1,057,297	-	1,057,297
Grants and contributions not restricted			
to specific programs	503	-	503
Investment income	2,532,075	290,552	2,822,627
Miscellaneous	1,480,107	212,470	1,692,577
Transfers, net	2,352,886	(2,352,886)	-
Permanent fund contributions	275,241	-	275,241
	<u>59,291,314</u>	<u>(1,849,864)</u>	<u>57,441,450</u>
Total general revenues, transfers, and contributions			
Change in Net Position	6,085,009	(1,898,273)	4,186,736
Net Position			
Beginning of year, as restated	<u>61,730,780</u>	<u>101,063,637</u>	<u>162,794,417</u>
End of year	<u>\$ 67,815,789</u>	<u>\$ 99,165,364</u>	<u>\$ 166,981,153</u>

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

CITY OF CONCORD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2019

	<u>General</u>	Major Capital Project <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Assets				
Cash and short-term equivalents	\$ 45,298,514	\$ 8,721,370	\$ 9,300,325	\$ 63,320,209
Investments	972,749	-	18,103,434	19,076,183
Receivables:				
Property taxes	37,689,036	-	-	37,689,036
Accounts	873,858	931,002	867,015	2,671,875
Loans	-	-	494,153	494,153
Inventory	214,204	-	212,203	426,407
Prepays	166,006	-	8,277	174,283
Total Assets	<u>\$ 85,214,367</u>	<u>\$ 9,652,372</u>	<u>\$ 28,985,407</u>	<u>\$ 123,852,146</u>
Liabilities				
Accounts payable	\$ 1,177,832	\$ 1,591,663	\$ 802,136	\$ 3,571,631
Retainage payable	-	773,415	-	773,415
Accrued liabilities	1,054,179	-	118,978	1,173,157
Notes payable	-	1,520,000	1,990,000	3,510,000
Compensated absences	-	-	56,113	56,113
Other liabilities	333,340	54,228	236,777	624,345
Due to other governments	112,640	-	-	112,640
Total Liabilities	2,677,991	3,939,306	3,204,004	9,821,301
Deferred Inflows of Resources				
Taxes collected in advance	24,218,925	-	-	24,218,925
Unavailable revenues	39,413,239	-	663,938	40,077,177
Total Deferred Inflows of Resources	63,632,164	-	663,938	64,296,102
Fund Balances				
Nonspendable	380,210	-	11,229,848	11,610,058
Restricted	-	5,986,520	11,162,416	17,148,936
Committed	5,354,512	438,026	4,476,086	10,268,624
Assigned	1,400,000	-	-	1,400,000
Unassigned	11,769,490	(711,480)	(1,750,885)	9,307,125
Total Fund Balances	<u>18,904,212</u>	<u>5,713,066</u>	<u>25,117,465</u>	<u>49,734,743</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 85,214,367</u>	<u>\$ 9,652,372</u>	<u>\$ 28,985,407</u>	<u>\$ 123,852,146</u>

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, 2019

Total governmental fund balances	\$ 49,734,743
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	185,041,841
• Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	3,324,828
• Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date and change in assumptions, change in proportion, and change in expected versus actual experience will be recognized as increase to pension expense in the years ending June 30, 2020 through June 30, 2023.	11,534,021
• Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date, change in proportion and differences between expected and actual experience will be recognized as an increase in OPEB expense in the years ending June 30, 2020 through June 30, 2023.	3,502,571
• Deferred outflows of resources related to deferred amount on advance refunding will be recognized in the years ending ending June 30, 2020 through June 30, 2027.	101,184
• Deferred inflows of resources related to pensions resulting from projected vs. actual earnings, changes in experiences and changes in proportion will be recognized as a reduction of pension expense in the years ending June 30, 2020 through June 30, 2023.	(4,648,457)
• Deferred inflows of resources related to OPEB resulting from changes in assumption, differences between expected and actual experience and difference from projected vs actual earnings will be recognized as a reduction of OPEB expense in the years ending June 30, 2020 through June 30, 2023.	(3,429,658)
• Interest accrued on outstanding long-term debt.	(1,003,700)
• Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable	(65,295,547)
Net pension liability	(60,364,827)
Net OPEB liability	(47,516,207)
Other (compensated absences, landfill closure liability, etc.)	<u>(3,165,003)</u>
Net position of governmental activities	\$ <u>67,815,789</u>

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, 2019

	<u>General</u>	Major Capital Project <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues				
Taxes	\$ 49,848,891	\$ -	\$ 1,718,727	\$ 51,567,618
Licenses and permits	1,211,310	-	-	1,211,310
Intergovernmental	4,924,431	985,290	176,114	6,085,835
Charges for services	5,522,699	-	7,826,552	13,349,251
Investment income	1,052,259	-	1,479,817	2,532,076
Contributions	-	44,025	681,601	725,626
Miscellaneous	<u>1,329,320</u>	<u>145,144</u>	<u>954,143</u>	<u>2,428,607</u>
Total Revenues	63,888,910	1,174,459	12,836,954	77,900,323
Expenditures				
General government	8,447,969	97,268	332,332	8,877,569
Public safety	27,978,123	-	830,638	28,808,761
General services	9,062,333	-	4,625,866	13,688,199
Community development	3,523,917	-	522,230	4,046,147
Leisure and information services	5,167,989	-	1,516,279	6,684,268
Human services	679,546	-	-	679,546
Debt service				
Principal	5,203,475	-	1,152,775	6,356,250
Interest	1,818,788	-	398,257	2,217,045
Capital outlay	<u>-</u>	<u>11,401,864</u>	<u>631,241</u>	<u>12,033,105</u>
Total Expenditures	<u>61,882,140</u>	<u>11,499,132</u>	<u>10,009,618</u>	<u>83,390,890</u>
Excess (deficiency) of revenues over expenditures	2,006,770	(10,324,673)	2,827,336	(5,490,567)
Other Financing Sources (Uses)				
Issuance of bonds	-	9,295,300	315,600	9,610,900
Bond premium	-	684,659	19,400	704,059
Transfers in	3,648,080	3,493,813	1,999,144	9,141,037
Transfers out	<u>(4,264,651)</u>	<u>-</u>	<u>(2,523,500)</u>	<u>(6,788,151)</u>
Total Other Financing Sources (Uses)	<u>(616,571)</u>	<u>13,473,772</u>	<u>(189,356)</u>	<u>12,667,845</u>
Net change in fund balance	1,390,199	3,149,099	2,637,980	7,177,278
Fund Balance, at Beginning of Year, as restated	<u>17,514,013</u>	<u>2,563,967</u>	<u>22,479,485</u>	<u>42,557,465</u>
Fund Balance, at End of Year	<u>\$ 18,904,212</u>	<u>\$ 5,713,066</u>	<u>\$ 25,117,465</u>	<u>\$ 49,734,743</u>

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, 2019

Net changes in fund balances - total governmental funds	\$ 7,177,278																														
<ul style="list-style-type: none"> • Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: <table style="width: 100%; margin-left: 20px;"> <tr> <td style="width: 80%;">Capital outlay</td> <td style="text-align: right;">11,654,635</td> </tr> <tr> <td>Loss on disposal of assets</td> <td style="text-align: right;">(10,779)</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">(6,409,165)</td> </tr> </table> • Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures, and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., property, liens, land use, and timber yield) differ between the two statements. This amount represents the net change in deferred revenue. (344,972) • 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: <table style="width: 100%; margin-left: 20px;"> <tr> <td style="width: 80%;">Repayments of debt</td> <td style="text-align: right;">6,356,251</td> </tr> <tr> <td>Issuance of debt</td> <td style="text-align: right;">(9,610,900)</td> </tr> <tr> <td>Bond premiums</td> <td style="text-align: right;">(704,059)</td> </tr> <tr> <td>Amortization of bond premiums</td> <td style="text-align: right;">108,827</td> </tr> <tr> <td>Amortization of refunding</td> <td style="text-align: right;">(12,648)</td> </tr> </table> • In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. (156,811) • Pension and OPEB related inflows and outflows are not reported as expenditures in the governmental funds, but are recorded as expenses in the statement of activities. <table style="width: 100%; margin-left: 20px;"> <tr> <td style="width: 80%;">Net pension liability</td> <td style="text-align: right;">4,665,616</td> </tr> <tr> <td>Pension related deferred inflows and outflows of resources</td> <td style="text-align: right;">(5,024,366)</td> </tr> <tr> <td>Net other post employment benefits liability</td> <td style="text-align: right;">(261,944)</td> </tr> <tr> <td>OPEB related deferred inflows and outflows of resources</td> <td style="text-align: right;">(1,339,773)</td> </tr> </table> • Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds. <table style="width: 100%; margin-left: 20px;"> <tr> <td style="width: 80%;">Compensated absences</td> <td style="text-align: right;">(36,776)</td> </tr> <tr> <td>Capital lease</td> <td style="text-align: right;">9,595</td> </tr> <tr> <td>Landfill post-closure liability</td> <td style="text-align: right;">25,000</td> </tr> </table> 		Capital outlay	11,654,635	Loss on disposal of assets	(10,779)	Depreciation	(6,409,165)	Repayments of debt	6,356,251	Issuance of debt	(9,610,900)	Bond premiums	(704,059)	Amortization of bond premiums	108,827	Amortization of refunding	(12,648)	Net pension liability	4,665,616	Pension related deferred inflows and outflows of resources	(5,024,366)	Net other post employment benefits liability	(261,944)	OPEB related deferred inflows and outflows of resources	(1,339,773)	Compensated absences	(36,776)	Capital lease	9,595	Landfill post-closure liability	25,000
Capital outlay	11,654,635																														
Loss on disposal of assets	(10,779)																														
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Compensated absences	(36,776)																														
Capital lease	9,595																														
Landfill post-closure liability	25,000																														
Change in net position of governmental activities	\$ <u>6,085,009</u>																														

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, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Final Budget		Positive (Negative)
Revenues				
Property Taxes	\$ 50,479,747	\$ 51,329,336	\$ 51,958,260	\$ 628,924
Licenses and permits	1,108,910	1,108,910	1,215,336	106,426
Intergovernmental	2,625,430	2,727,121	2,734,322	7,201
Charges for services	4,956,851	4,994,598	5,192,644	198,046
Investment income	582,460	582,460	895,936	313,476
Miscellaneous	1,115,070	1,259,380	1,655,348	395,968
Total Revenues	60,868,468	62,001,805	63,651,846	1,650,041
Expenditures				
General government	8,802,008	8,862,008	8,273,435	588,573
Public safety	26,812,360	26,907,107	27,004,638	(97,531)
General services	9,501,931	9,504,374	9,507,779	(3,405)
Community development	3,451,988	3,471,525	3,346,215	125,310
Leisure and information services	5,068,645	5,090,255	4,858,327	231,928
Human services	707,989	707,989	658,686	49,303
Employee benefits	2,306,830	2,306,830	2,292,328	14,502
Debt service	6,943,230	6,943,230	6,935,810	7,420
Total Expenditures	63,594,981	63,793,318	62,877,218	916,100
Excess (deficiency) of revenue over expenditures	(2,726,513)	(1,791,513)	774,628	2,566,141
Other Financing Sources (Uses)				
Transfers in	4,236,494	4,296,494	4,124,046	(172,448)
Transfers out	(1,509,981)	(3,977,931)	(4,071,075)	(93,144)
Budgetary use of fund balance	-	1,472,950	-	(1,472,950)
Total Other Financing Sources (Uses)	2,726,513	1,791,513	52,971	(1,738,542)
Excess of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ 827,599	\$ 827,599

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

CITY OF CONCORD, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2019

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
Assets			
Current:			
Cash and short-term equivalents	\$ 6,042,856	\$ 8,442,569	\$ 14,485,425
Receivables:			
User fees	594,991	634,792	1,229,783
Intergovernmental	-	189,609	189,609
Other	-	76,311	76,311
Prepays	14,123	8,337	22,460
Inventory	8,788	-	8,788
Total current assets	6,660,758	9,351,618	16,012,376
Noncurrent:			
Intergovernmental	-	1,011,825	1,011,825
Capital assets:			
Land and construction in progress	5,966,910	7,541,239	13,508,149
Other capital assets, net of accumulated depreciation	60,197,196	54,772,000	114,969,196
Total noncurrent assets	66,164,106	63,325,064	129,489,170
Total Assets	72,824,864	72,676,682	145,501,546
Deferred Outflows of Resources			
Related to pensions	304,439	338,467	642,906
Related to OPEB	138,878	166,427	305,305
Related to refunding	112,092	64,648	176,740
Total deferred outflows of resources	555,409	569,542	1,124,951
Total Assets and Deferred Outflows of Resources	\$ 73,380,273	\$ 73,246,224	\$ 146,626,497
Liabilities			
Current:			
Accounts payable	163,065	168,721	331,786
Retainage payable	208,074	108,933	317,007
Accrued liabilities	235,266	299,312	534,578
Other current liabilities	75,868	9,063	84,931
Current portion of long-term liabilities:			
Bonds and loans payable	1,456,245	2,426,621	3,882,866
Other liabilities	84,945	87,515	172,460
Total current liabilities	2,223,463	3,100,165	5,323,628
Noncurrent:			
Bonds and loans payable, net of current portion	14,797,157	18,296,750	33,093,907
Net pension liability	1,596,907	1,808,784	3,405,691
Net OPEB liability	2,265,539	2,718,048	4,983,587
Total noncurrent liabilities	18,659,603	22,823,582	41,483,185
Total Liabilities	20,883,066	25,923,747	46,806,813
Deferred Inflows of Resources			
Related to pensions	115,748	132,669	248,417
Related to OPEB	184,435	221,468	405,903
Total Deferred Inflows of Resources	300,183	354,137	654,320
Net Position			
Net investment in capital assets	51,732,765	45,800,453	97,533,218
Restricted for debt service	-	1,201,434	1,201,434
Unrestricted	464,259	(33,547)	430,712
Total Net Position	52,197,024	46,968,340	99,165,364
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 73,380,273	\$ 73,246,224	\$ 146,626,497

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, 2019

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
Operating Revenues			
Charges for services	\$ 6,069,506	\$ 6,881,034	\$ 12,950,540
Other	103,051	109,419	212,470
Total Operating Revenues	6,172,557	6,990,453	13,163,010
Operating Expenses			
Salaries and benefits	2,115,007	2,771,570	4,886,577
Other operating expenses	1,026,799	1,554,202	2,581,001
Depreciation	2,068,463	2,605,316	4,673,779
Total Operating Expenses	5,210,269	6,931,088	12,141,357
Operating Income	962,288	59,365	1,021,653
Nonoperating Revenues (Expenses)			
Investment income	119,423	171,129	290,552
Intergovernmental	39,743	244,128	283,871
Interest expense	(549,324)	(642,499)	(1,191,823)
Total Nonoperating Revenues (Expenses), Net	(390,158)	(227,242)	(617,400)
Income (Loss) Before Contributions and Transfers	572,130	(167,877)	404,253
Capital contributions	-	50,360	50,360
Transfers in	33,135	515,520	548,655
Transfers out	(1,132,564)	(1,768,977)	(2,901,541)
Change in Net Position	(527,299)	(1,370,974)	(1,898,273)
Net Position at Beginning of Year, as restated	52,724,323	48,339,314	101,063,637
Net Position at End of Year	\$ 52,197,024	\$ 46,968,340	\$ 99,165,364

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, 2019

	Business-Type Activities		
	Enterprise Funds		
	Water Fund	Sewer Fund	Total
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 6,153,624	\$ 6,942,160	\$ 13,095,784
Payments to employees for services	(2,058,378)	(2,401,412)	(4,459,790)
Payments to vendor for goods and services	<u>(1,398,168)</u>	<u>(2,147,116)</u>	<u>(3,545,284)</u>
Net Cash Provided By Operating Activities	2,697,078	2,393,632	5,090,710
Cash Flows from Noncapital Financing Activities			
Intergovernmental revenues	39,743	433,480	473,223
Transfers in	33,135	515,520	548,655
Transfers out	<u>(1,132,564)</u>	<u>(1,768,977)</u>	<u>(2,901,541)</u>
Net Cash (Used For) Noncapital Financing Activities	(1,059,686)	(819,977)	(1,879,663)
Cash Flows from Capital and Related Financing Activities			
Proceeds from issuance of bonds	1,180,300	2,548,800	3,729,100
Principal payments on bonds	(1,531,626)	(2,237,982)	(3,769,608)
Bond premium	109,200	259,700	368,900
Acquisition and construction of capital assets, net disposals	(1,778,435)	(2,329,596)	(4,108,031)
Capital contributions	-	50,360	50,360
Interest expense	<u>(544,749)</u>	<u>(604,416)</u>	<u>(1,149,165)</u>
Net Cash (Used For) Capital and Related Financing Activities	(2,565,310)	(2,313,134)	(4,878,444)
Cash Flow from Investing Activities			
Investment income	<u>119,423</u>	<u>171,129</u>	<u>290,552</u>
Net Cash Provided by Investing Activities	<u>119,423</u>	<u>171,129</u>	<u>290,552</u>
Net Change in Cash and Short-Term Equivalents	(808,495)	(568,350)	(1,376,845)
Cash and Short-Term Equivalents, Beginning of Year	<u>6,851,351</u>	<u>9,010,919</u>	<u>15,862,270</u>
Cash and Short-Term Equivalents, End of Year	<u>\$ 6,042,856</u>	<u>\$ 8,442,569</u>	<u>\$ 14,485,425</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income	\$ 962,288	\$ 59,365	\$ 1,021,653
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	2,068,463	2,605,316	4,673,779
Bond premium amortization	(40,480)	(45,564)	(86,044)
Changes in assets, deferred outflows, liabilities, and deferred inflows:			
User fees	21,546	(2,730)	18,816
Other assets	(5,473)	-	(5,473)
Accounts payable	(365,739)	(500,053)	(865,792)
Retainage payable	(10,616)	(97,628)	(108,244)
Compensated absences	6,109	(10,017)	(3,908)
Net pension liability	(263,043)	(217,497)	(480,540)
Net OPEB liability	77,677	339,164	416,841
Deferred inflows	98,360	134,248	232,608
Deferred outflows	137,526	124,260	261,786
Other liabilities	<u>10,460</u>	<u>4,768</u>	<u>15,228</u>
Net Cash Provided By Operating Activities	<u>\$ 2,697,078</u>	<u>\$ 2,393,632</u>	<u>\$ 5,090,710</u>

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, 2019

	Agency Fund
Assets	
Cash and short-term equivalents	\$ <u>292,963</u>
Total Assets	\$ <u><u>292,963</u></u>
Liabilities	
Other liabilities	\$ <u>292,963</u>
Total Liabilities	\$ <u><u>292,963</u></u>

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

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CITY OF CONCORD, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The government is a municipal corporation governed by an elected Mayor, 15-member Council and an appointed City Manager. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable. In fiscal year 2019, it was determined that no entities met the required GASB 14 (as amended) criteria of component units.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

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

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

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from

the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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 City 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, certain expenditures such as debt service, claims and judgments, compensated absences, OPEB, and pension are recorded only when payment is due.

The City 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.
- The *Major Capital Project Fund (post 2008)* accounts for various construction projects.

The proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

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 City reports the following major proprietary funds:

- The Water Fund - to account for the operation and maintenance of the City's water lines, pumping stations and plant.
- The Sewer Fund - to account for the operation and maintenance of the City's sewer lines, pumping stations, and two wastewater treatment plants.

The agency funds account for fiduciary assets held by the City in a custodial capacity as an agent on behalf of others. Agency funds report only assets and liabilities, and therefore, have no measurement focus. The agency fund consists of the Internal Revenue Code Section 125 cafeteria plan known in the City as Beneflex.

D. Cash and Short-Term Investments

The City'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. Participation units of the NHPDIP are considered short-term for financial presentation purposes due to high liquidity of the fund and is carried at amortized cost in accordance with GASB Statement 79.

Investments are considered holdings of greater than three months and are reported at fair value, except certificates of deposits which are reported at cost.

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 City 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.

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
- Alcoholic beverage stock

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.

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 acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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.

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

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

H. Accrued Employee Benefits

City employees are granted vacation and sick leave in varying amounts. Upon retirement, termination, or death, certain employees are compensated for unused vacation leave which is at their then current rates of pay. All vested 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 because they are legally or contractually required to be maintained intact (i.e., perpetual care).
- 2) Restricted funds are used for specific purposes as imposed by creditors, grantors, contributors, or laws or regulations of other governments, or have constraints imposed by law through constitutional provisions or enabling legislation. 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, the City Council. A resolution, the highest-level action, constitutes the most binding constraint that should be considered to establish, modify, or rescind a fund balance commitment.
- 4) Assigned funds are used for specific purposes as established by management with City Council approval. The City's fund balance policy, approved by the City Council, permits the City Manager and Finance Director to assign fund balance amounts to a specific purpose.
- 5) Unassigned funds represent the residual classification for the General Fund and include all amounts not contained in the other classifications. Unassigned amounts are available for any purpose. Temporary fund balance deficits are reported as negative amounts in the unassigned classification in other governmental funds. Positive unassigned amounts are reported only in the General Fund.

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 and enterprise funds, as well as the following special revenue funds: parking, airport, community development engineering inspection, and community development conservation property management. 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. Budgetary Basis

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

C. Budget/GAAP Reconciliation

The budgetary data for the general, special revenue, and proprietary funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the General Fund and 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.

<u>General Fund</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and other Financing Uses</u>
Revenues/expenditures (GAAP Basis)	\$ 63,888,910	\$ 61,882,140
Other financing sources/uses (GAAP Basis)	<u>3,648,080</u>	<u>4,264,651</u>
Subtotal (GAAP Basis)	67,536,990	66,146,791
Capital reserve fund activity	<u>238,902</u>	<u>801,502</u>
Budgetary Basis	<u>\$ 67,775,892</u>	<u>\$ 66,948,293</u>

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

D. Excess of Expenditures Over Appropriations

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

<u>General Fund</u>	
Human resources	\$ (13,986)
City Clerk	\$ (16,604)
Police	\$ (86,734)
Fire	\$ (10,797)
General Services	\$ (3,405)
Transfers out	\$ (93,144)

E. Deficit Fund Equity

The following funds or projects had deficits as of June 30, 2019:

Major Capital Project Fund (post 2008)	\$ (711,480)
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<u>Nonmajor Governmental Funds</u>	
Miscellaneous Special Revenue Funds	(1,504)
Golf Fund	(79,936)
Sears Block Capital Fund	<u>(1,669,445)</u>
Total	<u>\$ (2,462,365)</u>

The temporary deficits in these funds will be eliminated when permanent financing is issued. At June 30, 2019, authorized but unissued debt was available for the Major Capital Project Fund and a short-term bond anticipation note was financing the Sears Block Capital Fund.

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.

At June 30, 2019, the City’s bank deposits of \$70,243,806 was uninsured or collateralized. Additionally, held in investment in the state pool, NHPDIP, of \$6,422,231 is not subject to custodial credit risk disclosure.

Trust Funds

The Investment Policy of the City’s Trustees of Trust Funds does not have a policy for custodial credit risk.

Investments at June 30, 2019 consisted of the following:

<u>Investment Type</u>	<u>Amount</u>
U.S. Treasury securities	\$ 4,888,370
U.S. Government agencies	483,642
Corporate and foreign bonds	3,053,649
Common equities	7,947,530
Closed equity mutual funds	<u>2,702,992</u>
Total investments	<u>\$ 19,076,183</u>

The City’s investments of \$19,076,183, was exposed because the related securities are uninsured, unregistered and held by the City’s brokerage firm, which is also the Counterparty to these securities. The investments are covered by SIPC up to \$250,000 and the assets are held in separately identifiable trust accounts.

B. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the prudent person rule whereby investments are mad as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

City Funds

The City’s Investment Policy minimizes credit risk by limiting investments to the safest types of securities, pre-qualifying institutions and diversifying the portfolio.

Trust Funds

The Investment Policy of the City’s Trustees of Trust Funds does not have a policy for custodial credit risk.

Information regarding the quality and maturity dates of fixed income securities is as follows (All federal agency securities have an implied credit rating of AAA.):

<u>Investment Type</u>	<u>Amount</u>	<u>Investment Maturities</u>			<u>Average Rating</u>
		<u><1</u>	<u>1-5</u>	<u>6-10</u>	
U.S. Government agencies	\$ 483,642	\$ 75,011	\$ 256,059	\$ 152,572	AAA
Corporate and foreign bonds	<u>3,053,649</u>	<u>452,102</u>	<u>2,550,542</u>	<u>51,005</u>	Aa3
Total	<u>\$ 3,537,291</u>	<u>\$ 527,113</u>	<u>\$ 2,806,601</u>	<u>\$ 203,577</u>	

C. Concentration of Credit Risk

City Funds

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

Trust Funds

It is the policy of the Trustees that common investments shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, industry or specific issuer.

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 is 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 Trust Fund has a primary total return objective of exceeding the long-term rate of inflation, as measured by the CPI. 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.

F. Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by *Governmental Accounting Standards Board Statement No. 72 Fair Value Measurement and Application* (GASB 72).

The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows:

- Level 1 – inputs that reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the fund has the ability to access at the measurement date.
- Level 2 – inputs other than quoted prices that are observable for an asset or liability either directly or indirectly, including inputs in markets that are not considered to be active. Because they must often be priced on the basis of transactions involving similar but not identical securities or do not trade with sufficient frequency, certain directly held securities are categorized as level 2.
- Level 3 – unobservable inputs based on the best information available using assumptions in determining the fair value of investments and derivative investments.

The net asset value (NAV) per share is the amount of net assets attributable to each share of capital stock outstanding at the close of the period, Investments measured at the NAV for fair value are not subject to level classification.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the

valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The City has the following fair value measurements as of June 30, 2019:

<u>Investment Type</u>	<u>Amount</u>	<u>Fair Value Measurements Using:</u>		
		<u>Quoted prices in active markets for identical assets (Level 1)</u>	<u>Significant observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>
Investments by fair value level:				
Debt securities:				
U.S. Treasury securities	\$ 4,888,370	\$ -	\$ 4,888,370	\$ -
U.S. Government securities	483,642	-	483,642	-
Corporate and foreign bonds	3,053,649	-	3,053,649	-
Equity securities:				
Basic materials	154,715	154,715	-	-
Communication Services	306,932	306,932	-	-
Technology	1,935,153	1,935,153	-	-
Energy	374,349	374,349	-	-
Industrials	773,992	773,992	-	-
Healthcare	1,136,037	1,136,037	-	-
Consumer staples	1,804,969	1,804,969	-	-
Financial Services	1,255,471	1,255,471	-	-
Utilities	205,912	205,912	-	-
Closed end equity mutual funds	2,702,992	2,702,992	-	-
Total	\$ 19,076,183	\$ 10,650,522	\$ 8,425,661	\$ -

Equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quote prices. Level 2 debt securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

4. Property Taxes Receivable

The City bills property taxes semi-annually and collects taxes quarterly. Payments are due July 1, October 1, January 2, and March 31. The July and October bills are estimates, each based upon 25% of the prior year's total bill (four quarters). The January 2 and March 31 payments are final bills for the year. Each represents one quarter of the total amount due, adjusted by the estimated July and October bills. The City sends the July and October bills in a single mailing on or about June 1. The January and March bills are mailed about December 1.

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.

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.

Property tax receivables at June 30, 2019 consist of the following, net of an estimated allowance for doubtful account in the fund financial statements:

<u>Receivables</u>	<u>Amount</u>
Property taxes:	
Tax Year 2019	\$ 36,727,116
Tax Year 2018	1,695,402
Tax liens	721,476
Land use change	1,600
Timber yield	3,431
Elderly liens	9,558
Excavation	<u>303</u>
Gross tax receivable	39,158,886
Allowance for abatements (overlay)	<u>(1,469,850)</u>
Net total taxes receivable	<u>\$ 37,689,036</u>

5. Water, Sewer, and Solid Waste User Fees

The City provides public water, sewer and solid waste services. Water and sewer user charges are based on water usage data read by the City’s water meters. Bills are mailed monthly and cover both water and sewer charges, as well as an availability charge (if applicable).

Water charges are calculated by multiplying the amount of water used by the appropriate rate found in the monthly water rate schedule. The amount of

water usage is measured in cubic feet. A minimum monthly charge is also included in the bill depending on the size of the water meter.

Sewer charges are similarly calculated by multiplying the metered water usage by the sewer rate of \$4.68 per hundred cubic feet. There is a minimum monthly charge of \$14.04 for the first 300 cubic feet used. Sewer bills are based upon the metered consumption of water on any premise connected with the sewer system.

Availability charges are assessed to cover the costs of the oversized piping, pumps and water tanks needed in order to provide adequate water flow for fire protection. Any property owners who have building or property improvements within six hundred feet of a City fire hydrant are assessed annually for this charge. The fee is calculated at the rate of fifty cents (\$0.50) per thousand dollars of appraised value of improvements.

Solid Waste charges are based on Pay-As-You-Throw (PAYT) bag purchases. Residents purchase purple PAYT bags to set out for weekly curbside trash collection. There is no charge for recycling. The program is designed to offset the cost of trash collection and disposal while allowing residents to control the cost of their trash disposal.

6. Loans Receivable

Loans receivable of \$494,153 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			
	<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$	189,609	\$ 43,266	\$ 232,875
2021		91,427	38,725	130,152
2022		95,329	32,574	127,903
2023		95,879	26,401	122,280
2024		95,345	23,966	119,311
2025-2029		438,462	77,157	515,619
2030-2034		193,661	20,545	214,206
2035		1,722	70	1,792
Total	\$	<u>1,201,434</u>	\$ <u>262,704</u>	\$ <u>1,464,138</u>

8. Interfund Transfers

The City reports Interfund transfers between various funds. Most transfers result from budgetary or statutory actions, whereby funds are moved to accomplish various expenditure purposes. The following is an analysis of interfund transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Fund:</u>		
Major Funds:		
General Fund	\$ 3,648,080	\$ 4,264,651
Major Capital Project Fund	3,493,813	-
Nonmajor Funds:		
Special Revenue Funds:		
Community Development		
Engineering Inspection	-	2,876
Community Development		
Conservation Property Management	-	29,000
Parking	264,616	146,570
Airport	-	97,360
Impact Fee	-	104,540
Miscellaneous Special Revenue Fund	7,500	184,097
Forest and Conservation	-	644,814
Dedicated Income Library	-	180,000
Golf Fund	62,750	3,000
Arena Fund	32,100	105,013
Solid Waste Fund	1,038,203	13,600
Capital Project Funds:		
Open Space Protection	593,975	-
Debt Service Funds:		
NEOC Capital	-	9,338
Sears Block TIF Capital	-	1,145
Permanent Funds:		
Cemetery	-	144,599
Library	-	6,366
Debt Service Funds:		
NEOC	-	151,312
Sears Block	-	692,490
Penacook	-	7,380
<u>Business-Type Funds:</u>		
Major Funds:		
Water	33,135	1,132,564
Sewer	515,520	1,768,977
Total	<u>\$ 9,689,692</u>	<u>\$ 9,689,692</u>

The majority of the Solid Waste fund transfer in is from the General Fund to subsidize the fund operations. In addition, the majority of the transfers from the Water and Sewer funds are to the General Fund for indirect costs. \$1,915,000 of the transfer into the Major Capital Project Fund (post 2008) was transferred from the General Fund (Highway Reserve Trust Fund) as part of the City's practice of financing various capital projects with operating revenues. The transfers out of the Debt Service funds are to pay debt service in other funds.

9. Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows (in thousands):

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Governmental Activities				
Capital assets, being depreciated:				
Land improvements	\$ 10,575	\$ 16	\$ -	\$ 10,591
Buildings and improvement	50,569	3,129	-	53,698
Machinery, equipment, and furnishing	12,474	1,337	(12)	13,799
Infrastructure	105,130	1,691	-	106,821
Licensed vehicles	<u>16,959</u>	<u>662</u>	<u>(480)</u>	<u>17,141</u>
Total capital assets, being depreciated	195,707	6,835	(492)	202,050
Less accumulated depreciation for:				
Land improvements	(4,720)	(410)	-	(5,130)
Buildings and improvement	(24,707)	(2,053)	11	(26,749)
Machinery, equipment, and furnishing	(10,168)	(609)	-	(10,777)
Infrastructure	(24,168)	(2,269)	-	(26,437)
Licensed vehicles	<u>(14,140)</u>	<u>(1,068)</u>	<u>470</u>	<u>(14,738)</u>
Total accumulated depreciation	<u>(77,903)</u>	<u>(6,409)</u>	<u>481</u>	<u>(83,831)</u>
Total capital assets, being depreciated, net	117,804	426	(11)	118,219
Capital assets, not being depreciated:				
Land	19,071	353	-	19,424
Historical items	75	-	-	75
Construction in progress	<u>42,857</u>	<u>9,875</u>	<u>(5,408)</u>	<u>47,324</u>
Total capital assets, not being depreciated	<u>62,003</u>	<u>10,228</u>	<u>(5,408)</u>	<u>66,823</u>
Governmental activities capital assets, net	<u>\$ 179,807</u>	<u>\$ 10,654</u>	<u>\$ (5,419)</u>	<u>\$ 185,042</u>

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Business-Type Activities				
Capital assets, being depreciated:				
Buildings and improvement	\$ 68,496	\$ 1,093	\$ -	\$ 69,589
Machinery, equipment, and furnishing	6,916	1,699	(16)	8,599
Infrastructure	147,847	156	-	148,003
Licensed vehicles	<u>1,461</u>	<u>155</u>	<u>(96)</u>	<u>1,520</u>
Total capital assets, being depreciated	224,720	3,103	(112)	227,711
Less accumulated depreciation for:				
Buildings and improvement	(31,771)	(1,878)	-	(33,649)
Machinery, equipment, and furnishing	(5,239)	(325)	16	(5,548)
Infrastructure	(69,995)	(2,365)	-	(72,360)
Licensed vehicles	<u>(1,175)</u>	<u>(106)</u>	<u>96</u>	<u>(1,185)</u>
Total accumulated depreciation	<u>(108,180)</u>	<u>(4,674)</u>	<u>112</u>	<u>(112,742)</u>
Total capital assets, being depreciated, net	116,540	(1,571)	-	114,969
Capital assets, not being depreciated:				
Land	824	-	-	824
Construction in progress	<u>11,680</u>	<u>3,747</u>	<u>(2,743)</u>	<u>12,684</u>
Total capital assets, not being depreciated	<u>12,504</u>	<u>3,747</u>	<u>(2,743)</u>	<u>13,508</u>
Business-type activities capital assets, net	<u>\$ 129,044</u>	<u>\$ 2,176</u>	<u>\$ (2,743)</u>	<u>\$ 128,477</u>

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

Governmental Activities	
Public safety	\$ 506
General services	3,247
Community Development	2,102
Leisure and information services	<u>554</u>
Total governmental activities	<u>\$ 6,409</u>
Business-Type Activities	
Water	\$ 2,069
Sewer	<u>2,605</u>
Total business-type activities	<u>\$ 4,674</u>

10. Accounts Payable

Accounts payable represent fiscal year 2019 expenses paid in July and August 2019.

11. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net position by the City that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to the City's net pension and net OPEB liabilities, in accordance with GASB Statements No. 68 and 75, are more fully discussed in the corresponding pension and OPEB notes.

As of June 30, 2019, non-pension and OPEB related deferred outflows of resources consisted of a loss on advance refunding.

12. Notes Payables

The following summarizes the notes payable activity for the year ending June 30, 2019:

<u>Governmental Activities:</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Balance Beginning of Year</u>	<u>New Issues</u>	<u>Maturities</u>	<u>Balance End of Year</u>
Acquisition of NH Employment Security Building	1.45%	12/15/17	12/15/18	\$ 1,900,000	\$ -	\$ (1,900,000)	\$ -
NH Employment Security Building Weatherization	1.45%	12/15/17	12/15/18	90,000	-	(90,000)	-
Downtown Complete Streets Underground Utilities	1.45%	12/15/17	12/15/18	1,520,000	-	(1,520,000)	-
Acquisition of NH Employment Security Building	2.65%	12/14/18	12/13/19	-	1,900,000	-	1,900,000
NH Employment Security Building Weatherization	2.65%	12/14/18	12/13/19	-	90,000	-	90,000
Downtown Complete Streets Underground Utilities	2.65%	12/14/18	12/13/19	-	1,520,000	-	1,520,000
Total				\$ <u>3,510,000</u>	\$ <u>3,510,000</u>	\$ <u>(3,510,000)</u>	\$ <u>3,510,000</u>

13. Capital Lease Obligations

The City is the lessee of certain equipment under capital leases expiring in 2022. Future minimum lease payments under the capital leases consisted of the following as of June 30, 2019:

<u>Fiscal Year</u>	<u>Governmental Activities</u>
2020	\$ 9,595
2021	9,595
2022	<u>3,998</u>
Total minimum lease payments	\$ <u>23,188</u>

14. 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, pension and other postemployment benefits 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 investment in capital assets. General obligation bonds currently outstanding are as follows:

<u>Governmental Activities</u>	<u>Original Amount</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 6/30/19</u>
Bonds Payable:				
Public improvements	\$ 10,161,000	07/15/25	3.75 - 5.00	\$ 3,610,000
Public improvements	2,949,811	01/15/30	2.00 - 4.00	1,075,807
Public improvements	5,063,000	01/15/26	2.00 - 4.00	2,258,000
Public improvements	2,380,631	07/15/26	2.00 - 3.20	1,165,562
Public improvements	4,333,851	01/15/32	2.00 - 3.00	1,890,000
Public improvements	6,988,240	01/15/33	2.125 - 4.00	3,402,600
Public improvements	96,500	12/15/25	3.00 - 4.00	35,000
Public improvements	8,635,500	06/15/34	2.00 - 4.00	6,005,000
Public improvements	14,264,050	07/15/34	2.00 - 4.00	10,421,500
Public improvements	1,975,000	01/15/36	2.25 - 5.00	1,545,000
Public improvements	3,435,750	01/15/36	2.00 - 2.75	2,477,000
Public improvements	9,658,600	01/15/37	2.00 - 4.00	8,169,700
Public improvements	11,090,200	01/15/38	3.25 - 4.00	10,105,000
Public improvements	6,993,700	01/15/39	3.125 - 5.00	6,993,700
Public improvements	2,550,000	01/15/39	3.50 - 5.00	2,550,000
BMGC improvements	52,500	12/15/21	3.00	15,000
BMGC club house	19,000	06/15/29	2.00 - 4.00	10,000
BMGC improvements	77,000	07/15/21	2.00 - 4.00	30,000
BMGC improvements	223,000	01/15/26	2.00 - 2.75	113,000
BMGC improvements	97,400	01/15/27	2.00 - 4.00	77,300
BMGC improvements	99,000	01/15/38	3.25 - 4.00	80,000
BMGC improvements	67,200	01/15/28	3.50 - 5.00	67,200
Arena	460,550	01/15/32	2.00 - 3.00	285,600
Arena	63,500	06/15/27	3.00 - 4.00	40,000
Arena	40,900	07/15/23	2.00 - 4.00	25,000
Arena	93,000	01/15/37	2.00 - 4.00	83,000
Arena	86,900	01/15/38	3.25 - 4.00	70,000
Solid Waste	241,950	01/15/32	2.00 - 3.00	137,000
Solid Waste	172,450	01/15/28	2.125 - 4.00	58,150
Total Governmental Activities				<u>\$ 62,795,119</u>

<u>Business-Type Activities</u>	<u>Original Amount</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 6/30/19</u>
Water Fund:				
Bonds Payable:				
Water	\$ 1,205,450	01/15/30	2.00 - 4.00	\$ 259,194
Water	2,072,500	01/15/26	2.00 - 4.00	1,065,000
Water	1,653,750	01/15/32	2.00 - 3.00	966,700
Water	3,766,650	01/15/33	2.125 - 4.00	1,371,500
Water	1,627,800	12/15/29	3.00 - 4.00	1,037,500
Water	2,594,900	07/15/34	2.00 - 4.00	1,899,400
Water	2,420,000	01/15/36	2.25 - 5.00	2,045,000
Water	707,750	01/15/36	2.00 - 2.75	515,000
Water	3,613,050	01/15/37	2.00 - 4.00	3,339,550
Water	1,917,800	01/15/38	3.25 - 4.00	1,770,000
Water	1,180,300	01/15/39	3.125 - 5.00	<u>1,180,300</u>
Total Bonds Payable				15,449,144
Other Long-term Debt:				
Water State Revolving Loan	245,000	05/01/30	0.864	<u>150,274</u>
Total Other Long-term Debt				<u>150,274</u>
Total Water Fund				15,599,418
Sewer Fund:				
Bonds Payable				
Sanitary sewer	2,328,700	01/15/30	2.00 - 4.00	985,000
Sanitary sewer	213,000	01/15/30	2.00 - 4.00	72,000
Sanitary sewer	1,399,900	01/15/32	2.00 - 3.00	630,700
Sanitary sewer	78,182	07/15/26	2.00 - 3.20	54,438
Sanitary sewer	3,080,660	01/15/33	2.125 - 4.00	1,567,750
Sanitary sewer	1,176,200	12/15/29	3.00 - 4.00	732,500
Sanitary sewer	3,058,150	07/15/34	2.00 - 4.00	2,119,100
Sanitary sewer	4,833,500	01/15/36	2.00 - 2.75	3,825,000
Sanitary sewer	4,057,950	01/15/37	2.00 - 4.00	3,620,450
Sanitary sewer	3,296,100	01/15/38	3.25 - 4.00	3,045,000
Sanitary sewer	2,548,800	01/15/39	3.50 - 5.00	<u>2,548,800</u>
Total Bonds Payable				19,200,738
Other Long-term Debt:				
Sewer State Revolving Loan	2,062,745	07/15/19	1.02	352,116
Sewer State Revolving Loan	1,279,126	07/15/19	1.02	<u>187,706</u>
Total Other Long-term Debt				<u>539,822</u>
Total Sewer Fund				<u>19,740,560</u>
Total Business-Type Activities				<u>\$ 35,339,978</u>

C. Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2019 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 6,738,261	\$ 2,318,071	\$ 9,056,332
2021	6,636,861	2,022,883	8,659,744
2022	6,233,861	1,761,226	7,995,087
2023	5,755,532	1,526,264	7,281,796
2024	5,482,532	1,306,744	6,789,276
2025-2029	20,096,462	3,800,362	23,896,824
2030-2034	8,893,510	1,252,316	10,145,826
2035-2039	2,958,100	239,996	3,198,096
Total	\$ <u>62,795,119</u>	\$ <u>14,227,862</u>	\$ <u>77,022,981</u>

<u>Business-Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 3,778,377	\$ 1,209,235	\$ 4,987,612
2021	3,145,293	1,070,748	4,216,041
2022	2,933,641	955,489	3,889,130
2023	2,882,328	850,168	3,732,496
2024	2,815,696	749,143	3,564,839
2025-2029	12,565,580	2,346,747	14,912,327
2030-2034	5,902,163	654,504	6,556,667
2035-2039	1,316,900	85,731	1,402,631
Total	\$ <u>35,339,978</u>	\$ <u>7,921,765</u>	\$ <u>43,261,743</u>

D. Bond Authorizations

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2019 are as follows:

<u>Purpose</u>	<u>Amount</u>
Open space	\$ 2,565,626
Timekeeping Software	103,000
Fire Training Facility Construction	570,000
NH Employment Security Building demolition	300,000
Golf Pro Shop and Bathroom renovations	100,000
Pocket Parks - crack seal and paint 3 courts	13,815
Development Permitting Software	200,000
Tennis Court maintenance	6,185
Fire Training Facility	223,500
NH Employment Security Building purchase	1,900,000
NH Employment Security Building weatherization	90,000
Bond anticipation notes outstanding (SBTIF debt)	1,520,000
Timekeeping software - parking	3,000
North State St. Parking Garage - surveillance system and pot hole repairs	100,000
Storrs Street Parking Garage - new surveillance system	95,000
Parking Meters - smart meters	40,000
Surface Lots - pigeon control netting below overpass Loudon Road	25,000
Timekeeping software - golf	3,000
Timekeeping software - arena	3,000
Timekeeping software - water	36,500
Water Main Replacement - Westborne, Woodman and Winot Street	470,000
2018 Pump Station #5 refurbishment and upgrade subproject	285,200
Timekeeping software - sewer	36,500
Hall Street Waste Water Treatment - refurbishment of sludge holding tank	320,000
Total	<u>\$ 9,009,326</u>

E. Changes in General Long-Term Liabilities

During the year ended June 30, 2019, the following changes occurred in long-term liabilities (in thousands):

	<u>Beginning</u>			<u>Ending</u>	<u>Less</u>	<u>Equals</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Current</u>	<u>Long-Term</u>
					<u>Portion</u>	<u>Portion</u>
Governmental Activities						
Bonds	\$ 59,540	\$ 9,611	\$ (6,356)	\$ 62,795	\$ (6,738)	\$ 56,057
Unamortized debt premiums	1,906	704	(109)	2,501	(144)	2,357
Subtotal	61,446	10,315	(6,465)	65,296	(6,882)	58,414
Net pension liability	65,030	-	(4,665)	60,365	-	60,365
Net OPEB liability	47,254	262	-	47,516	-	47,516
Other:						
Accrued employee benefits	2,628	1,499	(1,463)	2,664	(2,272)	392
Capital leases	33	-	(10)	23	(10)	13
Landfill closure	559	-	(25)	534	(25)	509
Subtotal	3,220	1,499	(1,498)	3,221	(2,307)	914
Totals	<u>\$ 176,950</u>	<u>\$ 12,076</u>	<u>\$ (12,628)</u>	<u>\$ 176,398</u>	<u>\$ (9,189)</u>	<u>\$ 167,209</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Less Current Portion	Equals Long-Term Portion
Business-Type Activities						
Bonds and loans payable	\$ 35,381	\$ 3,729	\$ (3,770)	\$ 35,340	\$ (3,778)	\$ 31,562
Unamortized debt premiums	1,355	368	(86)	1,637	(104)	1,533
Subtotal	36,736	4,097	(3,856)	36,977	(3,882)	33,095
Net pension liability	3,886	-	(480)	3,406	-	3,406
Net OPEB liability	4,567	417	-	4,984	-	4,984
Accrued employee benefits	176	138	(142)	172	(172) ^(A)	-
Totals	\$ 45,365	\$ 4,652	\$ (4,478)	\$ 45,539	\$ (4,054)	\$ 41,485

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

F. Long-Term Debt Supporting Governmental and Business-Type Activities

General obligation bonds, issued by the City for various municipal projects are approved by City Council and repaid with revenues recorded in the general fund and user fees recorded in enterprise funds. All other long-term debt is repaid from the funds that the cost relates to, primarily the general fund and enterprise funds.

G. Prior Year's Debt Defeasance

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, 2019, the amount of defeased debt still outstanding on the fiscal year 2010 refunding is \$50,804. Defeased debt for fiscal year 2015 refunding of the 2005 issue was \$720,000. Defeased debt for fiscal year 2015 refunding of the 2006 issue was \$1,060,000. Defeased debt for fiscal year 2015 refunding of the 2007 issue was \$3,075,000. Defeased debt for fiscal year 2017 refunding of the 2008 issue was \$2,708,000.

15. 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 \$534,100 as the estimate of the remaining postclosure care liability at June 30, 2019 in the Governmental Activities Statement of Net

Position. Actual costs may differ due to inflation, changes in technology, or changes in regulations.

16. Deferred Inflows of Resources

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. Deferred inflows of resources related to pension and OPEB will be recognized in expense in future years and is more fully described in in the corresponding pension and OPEB notes.

Taxes collected in advance are reported in the governmental funds balance sheet and statement of net position in connection with May tax bills due July 1 for subsequent fiscal year taxes that were collected prior to June 30.

Unavailable revenues are reported in the governmental funds balance sheet in connection with receivables for which revenues are not considered available to liquidate liabilities for the current year.

17. 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 has 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, 2019:

Nonspendable - This fund balance classification includes an offset for inventory and reserves for the principal portion of permanent trust funds.

Restricted - This fund balance classification includes various special revenue funds, capital project balances funded by bond issuances, debt service fund balances and the income portion of permanent trust funds.

Committed - This fund balance classification includes General Fund capital reserve funds set aside by City Council vote for future capital acquisitions and improvements, amounts used from operations for capital per City Council resolutions, and various special revenue funds.

Assigned - This fund balance classification includes General Fund surplus balances that management assigns for specific purposes with City Council approval.

Unassigned - This fund balance classification includes General Fund available balance and other funds' temporary fund balance deficits.

Following is a breakdown of the City's fund balances at June 30, 2019:

	General Fund	Major Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable				
Inventories and prepaids	\$ 380,210	\$ -	\$ 215,210	\$ 595,420
Nonspendable permanent funds:				
Cemetery fund	-	-	9,797,981	9,797,981
Library fund	-	-	1,202,085	1,202,085
Other	-	-	14,572	14,572
Total Nonspendable	380,210	-	11,229,848	11,610,058
Restricted				
Capital project funds	-	5,986,520	-	5,986,520
Community Development	-	-	1,707	1,707
House Revolving	-	-	995,190	995,190
Airport	-	-	475,360	475,360
Impact Fees	-	-	554,934	554,934
Dedicated income library	-	-	2,830,753	2,830,753
Golf fund	-	-	17,950	17,950
Miscellaneous special revenue	-	-	632,289	632,289
Expendable permanent funds:				
Cemetery fund	-	-	3,098,849	3,098,849
Library fund	-	-	457,530	457,530
Other	-	-	10,489	10,489
NEOC TIF	-	-	1,640,691	1,640,691
Capital project funds	-	-	-	-
Sears Block TIF	-	-	344,137	344,137
Penacook Village TIF	-	-	102,537	102,537
Total Restricted	-	5,986,520	11,162,416	17,148,936
Committed				
Insured retention	26,144	-	-	26,144
Highways	2,478,584	-	-	2,478,584
Economic development	579,012	-	-	579,012
Equipment	52,507	-	-	52,507
OPEB	1,011,674	-	-	1,011,674
Community improvement	196,811	-	-	196,811
Recreation reserve	863,640	-	-	863,640
Other capital reserves	146,140	-	-	146,140
Capital project funds	-	438,026	-	438,026
Community Development/ Engineering	-	-	45,527	45,527
Community Development/				
Property Management	-	-	50,642	50,642
Parking	-	-	675,944	675,944
Arena fund	-	-	243,893	243,893
Solid Waste fund	-	-	1,581,889	1,581,889
NEOC Capital	-	-	13,140	13,140
Capital project funds	-	-	449,466	449,466
Expendable permanent funds	-	-	1,415,585	1,415,585
Total Committed	5,354,512	438,026	4,476,086	10,268,624
Assigned				
For overlay	300,000	-	-	300,000
Highway/paving	400,000	-	-	400,000
Recreation	370,000	-	-	370,000
Equipment and other	300,000	-	-	300,000
Furniture and equipment	30,000	-	-	30,000
Total Assigned	1,400,000	-	-	1,400,000
Unassigned				
	11,769,490	(711,480)	(1,750,885)	9,307,125
Total Fund Balance	\$ 18,904,212	\$ 5,713,066	\$ 25,117,465	\$ 49,734,743

18. Retirement System

The City follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the State of New Hampshire Retirement System (NHRS).

A. Plan Description

Full-time employees participate in the New Hampshire Retirement System (NHRS), a cost sharing, multiple-employer defined benefit contributory pension plan and trust established in 1967 by RSA 100-A:2 and 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. Additional information is disclosed in the NHRS annual report publicly available from the New Hampshire Retirement System located at 54 Regional Drive, Concord, New Hampshire 03301-8507.

B. Benefits Provided

Group 1 benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service, and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service or age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012, the benefit is calculated the

same way but the multiplier used in the calculation will change depending on age and years of creditable service, as follows:

<u>Years of creditable service as of January 1, 2012</u>	<u>Minimum Age</u>	<u>Minimum Service</u>	<u>Benefit Multiplier</u>
At least 3 but less than 10 years	46	21	2.4%
At least 6 but less than 8 years	47	22	2.3%
At least 4 but less than 6 years	48	12	2.2%
Less than 4 years	49	24	2.1%

C. Contributions

Plan members are required to contribute a percentage of their gross earnings to the pension plan, which the contribution rates are 7% for employees and teachers, 11.55% for police and 11.80% for fire. The City makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100 - A:16 ranging from 11.08% to 27.79% of covered compensation. The City's contribution to NHRS for the year ended June 30, 2019 was \$5,788,561 (exclusive of a \$617,099 medical subsidy contribution), which was equal to its annual required contribution.

D. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the NHRS and additions to/deductions from NHRS' fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

E. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the City reported a liability of \$63,770,518 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At the most recent measurement date of June 30, 2018, the City's proportion was 1.3243%, which was a decrease of 0.077% from its previous year proportion.

For the year ended June 30, 2019, the City recognized pension expense of \$5,957,020. In addition, the City reported deferred outflows of resources and deferred (inflows) of resources related to pensions from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>
Differences between expected and actual experience	\$ 509,004	\$ (516,352)
Net difference between projected and actual earnings on pension plan investments	-	(1,475,706)
Changes in assumptions	4,413,235	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,466,127	(2,904,816)
Pension contributions subsequent to the measurement date	<u>5,788,561</u>	<u>-</u>
Total	<u>\$ 12,176,927</u>	<u>\$ (4,896,874)</u>

The amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized in pension expense in the year ended 2020. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflows/ <u>(Inflows)</u>
2020	\$ 2,256,621
2021	1,692,073
2022	(1,650,900)
2023	<u>(806,302)</u>
Total	<u>\$ 1,491,492</u>

F. Actuarial Assumptions

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50% per year
Salary increases	5.60% average, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the most recent actuarial experience study.

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation Percentage</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Large cap equities	22.50 %	4.25%
Small/Mid cap equities	<u>7.50</u>	4.50%
Total domestic equities	30.00	
Int'l equities (unhedged)	13.00	4.50%
Emerging int'l equities	<u>7.00</u>	6.00%
Total international equities	20.00	
Core bonds	4.50	0.50%
Short duration	2.50	-0.25%
Global multi-sector fixed income	11.00	1.80%
Absolute return fixed income	<u>7.00</u>	1.14%
Total fixed income	25.00	
Private equity	5.00	6.25%
Private debt	5.00	4.25%
Opportunistic	<u>5.00</u>	2.15%
Total alternative investments	15.00	
Real estate	<u>10.00</u>	3.25%
Total	<u><u>100.00</u></u> %	

G. Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100 - A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
\$ 84,847,196	\$ 63,770,518	\$ 46,107,617

I. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NHRS financial report.

19. Other Post-Employment Benefits – OPEB (GASB 75)

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaces the requirements of *Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This Statement identifies the methods and assumptions that are required to be used to project benefit payments,

discounted projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

A. City OPEB Plan

All the following OPEB disclosures for the City OPEB Plan are based on a measurement date of June 30, 2019.

General Information about the OPEB Plan

Plan Description

The City indirectly provides post-employment healthcare for retired employees, including an implicit rate covered by current employees. Since retirees are included in the same pool as active employees, the insurance rates are implicitly higher for current employees due to the age consideration. This increased rate is an implicit subsidy the City pays for the retirees.

The benefits, benefit levels, employee contributions, and employer contributions are based on requirements of the New Hampshire Retirement System (NHRS) and governed by RSA 100-A:50.

Benefits Provided

City Explicit Subsidy Eligibility

All employees meeting the following requirements are eligible for subsidized retiree health care benefits through the City:

- Hired in a permanent, full-time position prior to January 1, 1991
- Retire at the earlier of:
 - Age 62 with 10 years of service with the City; or
 - Age 60 with 35 years of City of Concord service

Employees, who retire after meeting the retirement eligibility requirements but prior to meeting the above explicit subsidy eligibility requirements, are still eligible for the City subsidy but it will commence at age 60 or 62 depending on the years of service at retirement.

Disabled employees hired prior to January 1, 1991 are not required to meet the above age and service requirements. Disabled employees hired after January 1, 1991 are not eligible for the City's explicit subsidy.

City Subsidy

Beginning in FY 2017/18, the City will cover up to the full cost of the Harvard Best Buy 500 \$25 or Harvard Elevate Health HMO plans. The premium rates effective on July 1, 2019 for these plans are as shown below.

Harvard Best Buy 500 \$25

1 Person - \$921.30

2 Person - \$1,860.65

Harvard Elevate Health HMO

1 Person - \$787.94

2 Person - \$1,591.15

The City subsidy is expected to increase according to the assumed increase in the Harvard Best Buy 500 \$25 and Harvard Elevate Health HMO plans premium rates.

Retiree Cost Sharing

Retirees are responsible for the portion of premium rates not covered by the City or State explicit subsidy.

Contributions

Employer and employee contribution rates are governed by the respective collective bargaining agreements. The OPEB plan is currently funded as a pay-as-you-go basis. The employer and plan members share the cost of benefits. As of June 30, 2019, the valuation date, the plan members contribute a percentage of the monthly premium cost, depending on the plan in which they are enrolled. The City contributes the balance of the premium cost.

Plan Membership

At June 30, 2019 (the last full valuation date), the following employees were covered by the benefit terms:

Inactive employees or beneficiaries	
currently receiving benefit payments	316
Inactive employees entitled to but not	
yet receiving benefit payments	28
Active employees	<u>426</u>
Total	<u><u>770</u></u>

Funding Policy

The City's funding policy includes financing the implicit subsidy on a pay-as-you-go basis, as required by statute.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	3.25% per year
Payroll Growth	3.25% per year for wage inflation plus merit and productivity increases, which are based on the NHRS actuarial valuation as of June 30, 2016.
Discount rate	3.87% as of July 1, 2018 and 3.51% as of June 30, 2019
Healthcare cost trend rates	8.0% for 2019, fluctuating 0.5%, to an ultimate rate of 4.5% as of 2026 and later years

The discount rate was based on the 20-year tax-exempt general obligation municipal bond indices at June 30, 2019.

Mortality rates were based on the RPH-2014 Total Dataset Mortality Table generational using scale MP-2018.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.51%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate.

Total OPEB Liability

The City's total OPEB liability of \$46,070,977 was measured as of June 30, 2019 and was determined by an actuarial valuation as of June 30, 2018.

Changes in the Total OPEB Liability

The following summarizes the changes in the total OPEB liability for the past year:

	Total OPEB Liability
Balances, beginning of year	\$ 47,325,889
Changes for the year:	
Service cost	607,514
Interest	1,821,227
Changes in assumptions or other inputs	(475,693)
Differences between expected and actual experience	(1,444,652)
Benefit payments	<u>(1,763,308)</u>
Net Changes	<u>(1,254,912)</u>
Balances, end of year	<u>\$ 46,070,977</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% in 2018 to 3.51% in 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% <u>Decrease</u>	Current Discount Rate	1% <u>Increase</u>
\$ 52,279,933	\$ 46,070,977	\$ 40,924,370

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

1% <u>Decrease</u>	Current Healthcare Cost Trend Rates	1% <u>Increase</u>
\$ 40,873,085	\$ 46,070,977	\$ 52,281,770

OPEB Expense and Deferred Outflows of Resources and Deferred (Inflows) of Resources Related to OPEB

For the year ended June 30, 2019, the City recognized an OPEB expense of \$2,463,507. At June 30, 2019, the City reported deferred outflows and (inflows) of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Difference between expected and actual experience	\$ 2,743,314	\$ (1,155,722)
Change in assumptions	<u>-</u>	<u>(2,659,412)</u>
Total	<u>\$ 2,743,314</u>	<u>\$ (3,815,134)</u>

The amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending June 30, 2020.

Other amounts reported as deferred outflows and (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ended:</u>	
2020	\$ 34,766
2021	34,763
2022	(757,280)
2023	<u>(384,069)</u>
Total	<u>\$ (1,071,820)</u>

B. New Hampshire Retirement System Medical Subsidy Plan Description

General Information about the OPEB Plan

Plan Description

In addition to the OPEB plan discussed in Note 19A, the City participates in the New Hampshire Retirement System (NHRS) Medical Subsidy. The NHRS administers a cost-sharing, multiple-employer defined benefit postemployment medical subsidy healthcare plan designated in statute by membership type. The four membership groups are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees and Group I State Employees. Collectively, they are referred to as the OPEB Plan.

NHRS issues publicly available financial reports that can be obtained by writing to them at 54 Regional Drive, Concord, New Hampshire 03301-8507 or can be obtained directly from their website at <http://www.nhrs.org>.

Benefits Provided

The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical subsidy is a payment made by NHRS to the former employer or their insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certifiably dependent children with a disability who are living in the household and being cared for by the retiree. Under specific conditions, the qualified beneficiaries of members who die while in service may also be eligible for the medical subsidy. The eligibility requirements for receiving OPEB Plan benefits differ for Group I and Group II members. The monthly Medical Subsidy rates are:

- 1 Person - \$375.56
- 2 Person - \$751.12
- 1 Person Medicare Supplement - \$236.84
- 2 person Medicare Supplement - \$473.68

Contributions

Pursuant to RSA 100-A:16, III, and the biennial actuarial valuation, funding for the Medical Subsidy payment is via the employer contributions rates set forth by NHRS. Employer contributions required to cover that amount of cost not met by the members' contributions are determined by a biennial actuarial valuation by the NHRS actuary using the entry age normal funding method and are expressed as a percentage of gross payroll. The City contributed 0.30% of gross payroll for Group I employees, and 4.10% of gross payroll for Group II fire and police department members. Employees are not required to contribute. The State Legislature has the authority to establish, amend, and discontinue the contribution requirements of the Medical Subsidy plan.

Actuarial Assumptions and Other Inputs

The City's proportionate share of the NHRS Medical Subsidy as of June 30, 2019 is based upon an actuarial valuation performed as of June 30, 2018. The actuarial valuation used the following actuarial assumptions:

Price inflation	2.50%
Wage inflation	3.25%
Salary increases	5.60% average, including inflation
Investment rate of return	7.25%
Discount Rate	7.25%

Mortality rates were based on the RP-2014 healthy annuitant and employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the most recent experience study, which was for the period July 1, 2010 – June 30, 2015.

Net OPEB Liability, Expense, and Deferred Outflows and (Inflows)

The City's proportionate share of the net NHRS Medical Subsidy (net OPEB liability) as of the measurement date of June 30, 2018 was \$6,428,817.

For the year ended June 30, 2019, the City recognized an OPEB expense related to the NHRS Medical Subsidy of \$2,156,899. At June 30, 2019, the City reported deferred outflows and (inflows) of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>
Changes in proportion	\$ 409,727	\$ -
Differences between expected and actual experience	37,736	-
Net difference between projected and actual OPEB investment earnings	-	(20,427)
Contributions subsequent to measurement date	<u>617,099</u>	<u>-</u>
Total	<u>\$ 1,064,562</u>	<u>\$ (20,427)</u>

The amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending June 30, 2020.

Other amounts reported as deferred outflows and (inflows) or resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended:	Deferred Outflows/ (Inflows)
2020	\$ 441,090
2021	(6,373)
2022	(6,373)
2023	<u>(1,308)</u>
Total	<u>\$ 427,036</u>

Sensitivity of the Net NHRS Medical Subsidy OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
\$ 6,691,141	\$ 6,428,817	\$ 5,694,001

Healthcare Cost Trend Rate

Healthcare cost trend rates are not applicable given that the benefits are fixed stipends.

C. Consolidation of Total/Net OPEB Liabilities and Related Deferred Outflows and (Inflows)

The following consolidates the City's total OPEB liability and related deferred outflows/(inflows), and the City's proportionate share of the NHRS Medical Subsidy net OPEB liability and related deferred outflows/(inflows) at June 30, 2019:

	Total/Net OPEB Liability	Total Deferred Outflows of Resources	Total Deferred (Inflows) of Resources	Total OPEB Expense
City OPEB Plan	\$ 46,070,977	\$ 2,743,314	\$ (3,815,134)	\$ 2,463,507
Proportionate share of NHRS Medical Subsidy Plan	6,428,817	1,064,562	(20,427)	2,156,899
Total	<u>\$ 52,499,794</u>	<u>\$ 3,807,876</u>	<u>\$ (3,835,561)</u>	<u>\$ 4,620,406</u>

20. Tax Abatements

The City provides property tax abatements authorized under New Hampshire RSA 79E, Community Revitalization Tax Relief Incentive. The purpose of the program is to provide significant tax relief on improvements made to existing buildings or selected properties in designated areas of the City. Projects which might be eligible for the RSA 79-E program are as follows:

a. Rehabilitation Projects:

- i. Buildings located within the Downtown or Penacook Village RSA 79-E Districts shall be eligible for RSA 79-E, provided that the cost of rehabilitation (excluding real estate acquisition, if any) equals at least 15% of existing assessed value (excluding land), or \$75,000, whichever is less.
- ii. Buildings not located within the Downtown or Penacook RSA 79-E Districts can also be eligible for RSA 79-E provided that the building is listed on, or has been determined eligible for, the State or National Register of Historic Places and cost of rehabilitation (excluding real estate acquisition, if any) equals at least 25% of existing assessed value (excluding land), or \$250,000, whichever is less.

- b. Replacement Projects: For projects involving the demolition and replacement of buildings, said projects might be eligible for RSA 79-E provided that the property is located in either the Downtown or Penacook Village RSA 79-E Districts; meets project 15% assessed value or \$75,000 cost thresholds; and, the property does not possess significant historical, cultural, or architectural value.

In order to qualify for tax relief, the proposed substantial rehabilitation must provide at least one of the following public benefits:

- Project enhances the economic vitality of the downtown Concord or Penacook Village.
- Project enhances and improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of a historic district, town center, or village center in which the building is located.
- Project promotes the preservation and reuse of existing building stock throughout a municipality by the rehabilitation of historic structures, thereby conserving the embodied energy in accordance with energy efficiency guidelines established by the U.S. Secretary of the Interior's Standards for Rehabilitation.
- Project promotes development of municipal centers, providing for efficiency, safety, and a greater sense of community, consistent with RSA 9-B (NH Smart Growth Policy).
- Project increases residential housing in urban or town centers.

RSA Chapter 79E stipulates that the City Council must review the application submitted by the property owner, schedule a public hearing within 60 days of receiving the application, and render a decision on the application within 45 days of the public hearing.

21. 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 certain 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.

22. 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	\$	10,866,947	
Investment interest		199,293	
Other		<u>164,031</u>	
			11,230,271
Expenditures:			
Principal		5,349,400	
Interest on debt		1,921,579	
Outside services		<u>2,318,601</u>	
			<u>9,589,580</u>
Excess (deficiency) of revenue			<u>1,640,691</u>
Fund Balance Reserved for Debt Service	\$		<u><u>1,640,691</u></u>
Long-Term Debt Payable:			
Principal	\$	(460,000)	
Interest		<u>(108,485)</u>	
			(568,485)
Available fund balance			<u>1,640,691</u>
Deficit to be Raised by Tax Increment District	\$		<u><u>1,072,206</u></u>
Assessment Information:			
Base Value	\$	<u>4,842,600</u>	
Captured Value*	\$	<u><u>50,831,500</u></u>	
* = As of April 1, 2018			

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	\$	6,977,121
Interest on proceeds from sale of bonds		24,872
Investment interest		70,945
Other		9,386
		<u>7,082,324</u>
Expenditures:		
Principal		1,737,960
Interest on debt		1,208,137
Outside services		3,792,092
		<u>6,738,189</u>
Excess (deficiency) of revenue		<u>344,135</u>
Fund Balance Reserved for Debt Service	\$	<u>344,135</u>
Long-Term Debt Payable:		
Principal	\$	(4,750,000)
Interest		(706,436)
		<u>(5,456,436)</u>
Available fund balance		<u>344,135</u>
Deficit to be Raised by Tax Increment District	\$	<u>(5,112,301)</u>
Assessment Information:		
Base Value	\$	<u>13,596,700</u>
Captured Value*	\$	<u>38,893,160</u>
* = As of April 1, 2018		

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	\$	396,699
Investment interest		5,298
		<u>401,997</u>
Expenditures:		
Principal		145,400
Interest on debt		57,772
Outside services		96,288
		<u>299,460</u>
Excess (deficiency) of revenue		<u>102,537</u>
Fund Balance Reserved for Debt Service	\$	<u>102,537</u>
Long-Term Debt Payable:		
Principal	\$	(291,400)
Interest		(51,908)
		<u>(343,308)</u>
Available fund balance		<u>102,537</u>
Deficit to be Raised by Tax Increment District	\$	<u>(240,771)</u>
Assessment Information:		
Base Value	\$	<u>239,800</u>
Captured Value*	\$	<u>1,745,600</u>
* = As of April 1, 2018		

23. Beginning Net Position Restatement

The City's beginning fund balance/net position has been restated from the previous fiscal year due to the Arena, Golf, and Solid-Waste funds being classified as Governmental Activities in fiscal 2019.

Government-Wide Financial Statements:

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>
As previously reported	\$ 58,989,946	\$ 103,804,471
Closing of Nonmajor enterprise funds	1,776,727	(1,776,727)
Closing of Nonmajor enterprise funds	1,093,166	(1,093,166)
Reclass to Mountain Green Fund	<u>(129,059)</u>	<u>129,059</u>
As restated	<u>\$ 61,730,780</u>	<u>\$ 101,063,637</u>

Fund Basis Financial Statements:

	Nonmajor Governmental <u>Funds</u>	Sewer Enterprise <u>Funds</u>	Nonmajor Enterprise <u>Funds</u>
As previously reported	\$ 20,831,817	\$ 48,210,255	\$ 2,869,893
Closing of Nonmajor enterprise funds	1,776,727	-	(1,776,727)
Closing of Nonmajor enterprise funds	-	-	(1,093,166)
Reclass to Mountain Green Fund	<u>(129,059)</u>	<u>129,059</u>	<u>-</u>
As restated	<u>\$ 22,479,485</u>	<u>\$ 48,339,314</u>	<u>\$ -</u>

24. New Pronouncements

The Governmental Accounting Standards Board (GASB) has issued Statement No. 84, *Fiduciary Activities*, effective for the City beginning with its fiscal year ending June 30, 2020. This statement establishes guidance on how to address the categorization of fiduciary activities for financial reporting and how fiduciary activities are to be reported, and may require reclassification of certain funds.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases*, effective for the City beginning with its fiscal year ending June 30, 2021. This statement establishes new reporting and disclosure requirements, including the recording of various operating leases in the financial statements.

**CITY OF CONCORD, NEW HAMPSHIRE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (GASB 68)**

**JUNE 30, 2019
(Unaudited)**

New Hampshire Retirement System						
<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Total Pension Liability</u>
June 30, 2019	June 30, 2018	1.32%	\$63,770,518	\$30,884,085	206.48%	64.73%
June 30, 2018	June 30, 2017	1.40%	\$68,916,674	\$30,454,246	226.30%	62.66%
June 30, 2017	June 30, 2016	1.36%	\$72,357,293	\$28,908,627	250.30%	58.30%
June 30, 2016	June 30, 2015	1.34%	\$52,971,572	\$28,070,389	188.71%	65.47%
June 30, 2015	June 30, 2014	1.34%	\$50,348,768	\$27,155,200	185.41%	66.32%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

**CITY OF CONCORD, NEW HAMPSHIRE
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF PENSION CONTRIBUTIONS (GASB 68)

**JUNE 30, 2019
(Unaudited)**

New Hampshire Retirement System

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Contractually Required Contribution</u>	Contributions in Relation to the <u>Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2019	June 30, 2018	\$ 5,788,561	\$ 5,788,561	\$ -	\$ 31,906,964	18.14%
June 30, 2018	June 30, 2017	\$ 5,597,501	\$ 5,597,501	\$ -	\$ 30,884,085	18.12%
June 30, 2017	June 30, 2016	\$ 5,133,632	\$ 5,021,118	\$ -	\$ 30,454,246	16.49%
June 30, 2016	June 30, 2015	\$ 5,021,118	\$ 5,021,118	\$ -	\$ 28,908,627	17.37%
June 30, 2015	June 30, 2014	\$ 4,844,654	\$ 4,844,654	\$ -	\$ 28,070,389	17.26%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

CITY OF CONCORD, NEW HAMPSHIRE

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF PROPORTIONATE SHARE AND CONTRIBUTIONS
OF THE NET OPEB LIABILITY (GASB 75)

JUNE 30, 2019
(Unaudited)

Schedule of Proportionate Share:

New Hampshire Retirement System Medical Subsidy

Fiscal Year	Measurement Date	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position Percentage of the Net OPEB Liability
June 30, 2019	June 30, 2018	1.40%	\$6,428,817	\$ 31,906,964	20.15%	7.53%
June 30, 2018	June 30, 2017	0.98%	\$4,495,120	\$ 30,884,085	14.55%	7.91%
June 30, 2017	June 30, 2016	0.95%	\$4,615,112	\$ 30,454,246	15.15%	5.21%

Schedule of Contributions:

New Hampshire Retirement System Medical Subsidy

Fiscal Year	Valuation Date	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
June 30, 2019	June 30, 2018	\$ 621,095	\$ 621,095	\$ -	\$27,886,672	2.23%
June 30, 2018	June 30, 2017	\$ 582,691	\$ 582,691	\$ -	\$27,571,512	2.11%
June 30, 2017	June 30, 2016	\$ 553,942	\$ 553,942	\$ -	\$26,703,644	2.07%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

**CITY OF CONCORD, NEW HAMPSHIRE
OTHER POST-EMPLOYMENT BENEFITS (OPEB)
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND SCHEDULE OF CONTRIBUTIONS (GASB 75)**

(Unaudited)

Schedule of Changes in the Total OPEB Liability

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability			
Service cost	\$ 607,514	\$ 626,474	\$ 772,003
Interest on unfunded liability - time value of money	1,821,227	1,718,326	1,271,036
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(1,444,652)	-	6,035,293
Changes of assumptions	(475,693)	(1,866,063)	(2,550,285)
Benefit payments, including refunds of member contributions	<u>(1,763,308)</u>	<u>(1,574,125)</u>	<u>(1,261,751)</u>
Net change in total OPEB liability	(1,254,912)	(1,095,388)	4,266,296
Total OPEB liability - beginning	<u>47,325,889</u>	<u>48,421,277</u>	<u>44,154,981</u>
Total OPEB liability - ending	<u>\$ 46,070,977</u>	<u>\$ 47,325,889</u>	<u>\$ 48,421,277</u>
Covered employee payroll	\$ 27,886,672	\$ 27,571,512	\$ 26,703,644
Total OPEB liability as a percentage of covered employee payroll	165.21%	171.65%	181.33%

Does not include New Hampshire Retirement System Medical Subsidy.

Schedule of Contributions

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contributions*	\$ 1,763,308	\$ 1,574,125	\$ 1,261,751
Contributions in relation to the actuarially determined contributions	<u>1,763,308</u>	<u>1,574,125</u>	<u>1,261,751</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 27,886,672	\$ 27,571,512	\$ 26,703,644
Contributions as a percentage of covered employee payroll	6.32%	5.71%	4.73%

*Includes only the implicit subsidy, which is required to be funded by statute, and not an amount required to fully fund the plan over time.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditors' Report.

**Governmental Funds
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.
- 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 contributions (dedicated income) received by the City to support library operations and expendable gifts to the City designated for the libraries.
- Golf – to account for the operation and maintenance of the City’s public golf course.
- Arena – to account for the operation and maintenance of the City’s public ice arena.
- Solid Waste – to account for the collection and disposal of the City trash.

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:

- 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.
- 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.

PERMANENT FUNDS

Permanent Funds are established to account for certain assets held by the City in a fiduciary capacity as trustee. The following are descriptions of the 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.
- 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 FUNDS

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 are descriptions of the City's Debt Service Funds:

- 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, 2019

	Special Revenue Funds			
	Community Development Fund	Housing Revolving Loan Fund	Community Development Engineering Inspection Fund	Community Development Conservation Property Management Fund
<u>ASSETS</u>				
Cash and cash equivalents	\$ 1,707	\$ 996,891	\$ 243,555	\$ 51,231
Investments	-	-	-	-
Accounts receivable	-	-	42,646	-
Loans receivable	-	494,153	-	-
Inventory	-	-	-	-
Other assets	-	-	1,744	16
Total Assets	<u>\$ 1,707</u>	<u>\$ 1,491,044</u>	<u>\$ 287,945</u>	<u>\$ 51,247</u>
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ 1,701	\$ 4,586	\$ 583
Other liabilities	-	-	1,055	22
Notes payable	-	-	-	-
Loans payable	-	-	236,777	-
Compensated absences	-	-	-	-
Total Liabilities	-	1,701	242,418	605
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	494,153	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	494,153	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	1,707	995,190	-	-
Committed	-	-	45,527	50,642
Unassigned	-	-	-	-
Total Fund Balances	<u>1,707</u>	<u>995,190</u>	<u>45,527</u>	<u>50,642</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,707</u>	<u>\$ 1,491,044</u>	<u>\$ 287,945</u>	<u>\$ 51,247</u>

Special Revenue Funds

Parking Fund	Airport Fund	Impact Fee Fund	Miscellaneous Special Revenue Fund	Forest & Conservation Fund	Cemetery Fund
\$ 477,464	\$ 486,972	\$ 554,934	\$ 589,416	\$ 53,749	\$ 716
-	-	-	-	1,343,216	17,904
300,139	3,193	-	51,278	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,152</u>	<u>299</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 779,755</u>	<u>\$ 490,464</u>	<u>\$ 554,934</u>	<u>\$ 640,694</u>	<u>\$ 1,396,965</u>	<u>\$ 18,620</u>
\$ 100,305	\$ 14,801	\$ -	\$ 9,909	\$ -	\$ -
1,358	303	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
101,663	15,104	-	9,909	-	-
<u>2,148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,148	-	-	-	-	-
-	-	-	-	-	-
-	475,360	554,934	632,289	-	-
675,944	-	-	-	1,396,965	18,620
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,504)</u>	<u>-</u>	<u>-</u>
<u>675,944</u>	<u>475,360</u>	<u>554,934</u>	<u>630,785</u>	<u>1,396,965</u>	<u>18,620</u>
<u>\$ 779,755</u>	<u>\$ 490,464</u>	<u>\$ 554,934</u>	<u>\$ 640,694</u>	<u>\$ 1,396,965</u>	<u>\$ 18,620</u>

(continued)

(continued)

Special Revenue Funds

	Library Fund	Golf Fund	Arena Fund	Solid Waste Fund	Subtotal
<u>ASSETS</u>					
Cash and cash equivalents	\$ 108,915	\$ 77,997	\$ 254,908	\$ 1,952,719	\$ 5,851,174
Investments	2,721,838	-	-	-	4,082,958
Accounts receivable	-	-	12,672	457,087	867,015
Loans receivable	-	-	-	-	494,153
Inventory	-	88,906	-	123,297	212,203
Other assets	-	2,115	1,058	893	8,277
Total Assets	<u>\$ 2,830,753</u>	<u>\$ 169,018</u>	<u>\$ 268,638</u>	<u>\$ 2,533,996</u>	<u>\$ 11,515,780</u>
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ 35,532	\$ 7,351	\$ 615,173	\$ 789,941
Other liabilities	-	1,724	766	108,350	113,578
Notes payable	-	-	-	-	-
Loans payable	-	-	-	-	236,777
Compensated absences	-	35,155	10,063	10,895	56,113
Total Liabilities	-	72,411	18,180	734,418	1,196,409
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	-	67,572	6,565	93,500	663,938
TOTAL DEFERRED INFLOWS OF RESOURCES	-	67,572	6,565	93,500	663,938
Fund Balances:					
Nonspendable	-	91,021	-	124,189	215,210
Restricted	2,830,753	17,950	-	-	5,508,183
Committed	-	-	243,893	1,581,889	4,013,480
Unassigned	-	(79,936)	-	-	(81,440)
Total Fund Balances	<u>2,830,753</u>	<u>29,035</u>	<u>243,893</u>	<u>1,706,078</u>	<u>9,655,433</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,830,753</u>	<u>\$ 169,018</u>	<u>\$ 268,638</u>	<u>\$ 2,533,996</u>	<u>\$ 11,515,780</u>

Capital Project Funds

Fire Facility Renovations	Open Space Protection Fund	Route 3 Corridor Fund	Manchester Street Fund	NEOC Capital Fund	Sears Block Capital Fund	Subtotal
\$ 10,892	\$ 355,001	\$ -	\$ 92,257	\$ 13,140	\$ 320,806	\$ 792,096
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 10,892</u>	<u>\$ 355,001</u>	<u>\$ -</u>	<u>\$ 92,257</u>	<u>\$ 13,140</u>	<u>\$ 320,806</u>	<u>\$ 792,096</u>
\$ 8,684	\$ -	\$ -	\$ -	\$ -	\$ 251	\$ 8,935
-	-	-	-	-	-	-
-	-	-	-	-	1,990,000	1,990,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,684	-	-	-	-	1,990,251	1,998,935
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,208	355,001	-	92,257	13,140	-	462,606
-	-	-	-	-	(1,669,445)	(1,669,445)
<u>2,208</u>	<u>355,001</u>	<u>-</u>	<u>92,257</u>	<u>13,140</u>	<u>(1,669,445)</u>	<u>(1,206,839)</u>
<u>\$ 10,892</u>	<u>\$ 355,001</u>	<u>\$ -</u>	<u>\$ 92,257</u>	<u>\$ 13,140</u>	<u>\$ 320,806</u>	<u>\$ 792,096</u>

(continued)

(continued)

	<u>Permanent Funds</u>			
	<u>Cemetery Fund</u>	<u>Library Fund</u>	<u>Other Fund</u>	<u>Subtotal</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 496,212.00	\$ 63,854	\$ 964	\$ 561,030
Investments	12,400,618	1,595,761	24,097	14,020,476
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Inventory	-	-	-	-
Other assets	-	-	-	-
Total Assets	<u>\$ 12,896,830</u>	<u>\$ 1,659,615</u>	<u>\$ 25,061</u>	<u>\$ 14,581,506</u>
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Other liabilities	-	-	-	-
Notes payable	-	-	-	-
Loans payable	-	-	-	-
Compensated absences	-	-	-	-
Total Liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-
Fund Balances:				
Nonspendable	9,797,981	1,202,085	14,572	11,014,638
Restricted	3,098,849	457,530	10,489	3,566,868
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>12,896,830</u>	<u>1,659,615</u>	<u>25,061</u>	<u>14,581,506</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,896,830</u>	<u>\$ 1,659,615</u>	<u>\$ 25,061</u>	<u>\$ 14,581,506</u>

Debt Service Funds

<u>NEOC Fund</u>	<u>SBTIFD Fund</u>	<u>PVTIFD Fund</u>	<u>Subtotal</u>	Total Nonmajor Governmental <u>Funds</u>
\$ 1,642,611	\$ 344,862	\$ 108,552	\$ 2,096,025	\$ 9,300,325
-	-	-	-	18,103,434
-	-	-	-	867,015
-	-	-	-	494,153
-	-	-	-	212,203
-	-	-	-	8,277
<u>\$ 1,642,611</u>	<u>\$ 344,862</u>	<u>\$ 108,552</u>	<u>\$ 2,096,025</u>	<u>\$ 28,985,407</u>
\$ 1,920	\$ 725	\$ 615	\$ 3,260	\$ 802,136
-	-	5,400	5,400	118,978
-	-	-	-	1,990,000
-	-	-	-	236,777
-	-	-	-	56,113
<u>1,920</u>	<u>725</u>	<u>6,015</u>	<u>8,660</u>	<u>3,204,004</u>
-	-	-	-	663,938
-	-	-	-	663,938
-	-	-	-	11,229,848
1,640,691	344,137	102,537	2,087,365	11,162,416
-	-	-	-	4,476,086
-	-	-	-	<u>(1,750,885)</u>
<u>1,640,691</u>	<u>344,137</u>	<u>102,537</u>	<u>2,087,365</u>	<u>25,117,465</u>
<u>\$ 1,642,611</u>	<u>\$ 344,862</u>	<u>\$ 108,552</u>	<u>\$ 2,096,025</u>	<u>\$ 28,985,407</u>

CITY OF CONCORD, NEW HAMPSHIRE

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

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2019

	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	-	-	-	-
Charges for services	-	75,038	108,583	72,756
Investment income (loss)	-	19,749	6,310	-
Contributions	-	-	-	-
Miscellaneous:				
Departmental	-	-	299,828	-
Interest and penalties	-	-	-	-
Total Revenues	-	94,787	414,721	72,756
Expenditures:				
Current:				
General government	94	46,075	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	419,546	43,066
Leisure and info services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	94	46,075	419,546	43,066
Excess (deficiency) of revenues over expenditures	(94)	48,712	(4,825)	29,690
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Bond premium	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(2,876)	(29,000)
Total Other Financing Sources (Uses)	-	-	(2,876)	(29,000)
Net change in fund balance	(94)	48,712	(7,701)	690
Fund Balance, beginning	1,801	946,478	53,228	49,952
Fund Balance, ending	\$ 1,707	\$ 995,190	\$ 45,527	\$ 50,642

Special Revenue Funds

Parking Fund	Airport Fund	Impact Fee Fund	Miscellaneous Special Revenue Fund	Forest & Conservation Fund	Cemetery Fund
\$ -	\$ -	\$ -	\$ -	\$ 80,740	\$ -
-	1,377	-	174,737	-	-
2,077,329	352,667	177,134	14,989	-	-
1,571	10,728	10,097	-	114,732	1,067
10,500	-	-	210,830	-	1,836
157,245	1,019	-	6,002	-	-
<u>426,860</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,673,505	365,791	187,231	406,558	195,472	2,903
-	-	-	263,302	-	-
830,638	-	-	-	-	-
333,137	244,977	-	-	-	-
-	34,657	-	-	-	-
-	-	-	-	-	-
731,575	26,900	-	-	-	-
224,018	5,939	-	-	-	-
-	-	-	9,928	-	-
<u>2,119,368</u>	<u>312,473</u>	<u>-</u>	<u>273,230</u>	<u>-</u>	<u>-</u>
554,137	53,318	187,231	133,328	195,472	2,903
-	-	-	-	-	-
-	-	-	-	-	-
264,616	-	-	7,500	-	-
<u>(146,570)</u>	<u>(97,360)</u>	<u>(104,540)</u>	<u>(184,097)</u>	<u>(644,814)</u>	<u>-</u>
<u>118,046</u>	<u>(97,360)</u>	<u>(104,540)</u>	<u>(176,597)</u>	<u>(644,814)</u>	<u>-</u>
672,183	(44,042)	82,691	(43,269)	(449,342)	2,903
<u>3,761</u>	<u>519,402</u>	<u>472,243</u>	<u>674,054</u>	<u>1,846,307</u>	<u>15,717</u>
<u>\$ 675,944</u>	<u>\$ 475,360</u>	<u>\$ 554,934</u>	<u>\$ 630,785</u>	<u>\$ 1,396,965</u>	<u>\$ 18,620</u>

(continued)

(continued)

Special Revenue Funds

	Library Fund	Golf Fund	Arena Fund	Solid Waste Fund	Subtotal
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 80,740
Intergovernmental	-	-	-	-	176,114
Charges for services	-	1,050,954	661,770	3,235,332	7,826,552
Investment income (loss)	151,833	4	5,029	-	321,120
Contributions	275,241	-	-	-	498,407
Miscellaneous:					
Departmental	-	3,179	3,137	56,873	527,283
Interest and penalties	-	-	-	-	426,860
Total Revenues	<u>427,074</u>	<u>1,054,137</u>	<u>669,936</u>	<u>3,292,205</u>	<u>9,857,076</u>
Expenditures:					
Current:					
General government	-	-	-	-	309,471
Public safety	-	-	-	-	830,638
General services	-	-	-	4,047,752	4,625,866
Community development	-	-	-	-	497,269
Leisure and info services	-	1,018,357	497,922	-	1,516,279
Debt service:					
Principal	-	82,800	56,900	22,000	920,175
Interest	-	12,728	17,546	6,142	266,373
Capital outlay	-	91,886	45,165	1,241	148,220
Total Expenditures	<u>-</u>	<u>1,205,771</u>	<u>617,533</u>	<u>4,077,135</u>	<u>9,114,291</u>
Excess (deficiency) of revenues over expenditures	427,074	(151,634)	52,403	(784,930)	742,785
Other Financing Sources (Uses):					
Issuance of bonds	-	67,200	-	-	67,200
Bond premium	-	7,800	-	-	7,800
Transfers in	-	62,750	32,100	1,038,203	1,405,169
Transfers out	(180,000)	(3,000)	(105,013)	(13,600)	(1,510,870)
Total Other Financing Sources (Uses)	<u>(180,000)</u>	<u>134,750</u>	<u>(72,913)</u>	<u>1,024,603</u>	<u>(30,701)</u>
Net change in fund balance	247,074	(16,884)	(20,510)	239,673	712,084
Fund Balance, beginning	<u>2,583,679</u>	<u>45,919</u>	<u>264,403</u>	<u>1,466,405</u>	<u>8,943,349</u>
Fund Balance, ending	<u>\$ 2,830,753</u>	<u>\$ 29,035</u>	<u>\$ 243,893</u>	<u>\$ 1,706,078</u>	<u>\$ 9,655,433</u>

Capital Project Funds

<u>Fire Facility Renovations</u>	<u>Open Space Protection Fund</u>	<u>Route 3 Corridor Fund</u>	<u>Manchester Street Fund</u>	<u>NEOC Capital Fund</u>	<u>Sears Block Capital Fund</u>	<u>Subtotal</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	114,426	-	-	-	-	114,426
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>114,426</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,426</u>
-	-	-	18,405	-	4,034	22,439
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
110,530	353,400	6,396	-	-	12,695	483,021
<u>110,530</u>	<u>353,400</u>	<u>6,396</u>	<u>18,405</u>	<u>-</u>	<u>16,729</u>	<u>505,460</u>
(110,530)	(238,974)	(6,396)	(18,405)	-	(16,729)	(391,034)
88,400	-	-	-	-	160,000	248,400
11,600	-	-	-	-	-	11,600
-	593,975	-	-	-	-	593,975
-	-	-	-	(9,338)	(1,145)	(10,483)
<u>100,000</u>	<u>593,975</u>	<u>-</u>	<u>-</u>	<u>(9,338)</u>	<u>158,855</u>	<u>843,492</u>
(10,530)	355,001	(6,396)	(18,405)	(9,338)	142,126	452,458
12,738	-	6,396	110,662	22,478	(1,811,571)	(1,659,297)
<u>\$ 2,208</u>	<u>\$ 355,001</u>	<u>\$ -</u>	<u>\$ 92,257</u>	<u>\$ 13,140</u>	<u>\$ (1,669,445)</u>	<u>\$ (1,206,839)</u>

(continued)

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	Permanent Funds			
	Cemetery Fund	Library Fund	Other Fund	Subtotal
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	993,863	121,177	1,469	1,116,509
Contributions	68,768	-	-	68,768
Miscellaneous:				
Departmental	-	-	-	-
Interest and penalties	-	-	-	-
Total Revenues	<u>1,062,631</u>	<u>121,177</u>	<u>1,469</u>	<u>1,185,277</u>
Expenditures:				
Current:				
General government	261	-	161	422
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Leisure and info services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>261</u>	<u>-</u>	<u>161</u>	<u>422</u>
Excess (deficiency) of revenues over expenditures	1,062,370	121,177	1,308	1,184,855
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Bond premium	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(144,599)</u>	<u>(6,366)</u>	<u>-</u>	<u>(150,965)</u>
Total Other Financing Sources (Uses)	<u>(144,599)</u>	<u>(6,366)</u>	<u>-</u>	<u>(150,965)</u>
Net change in fund balance	917,771	114,811	1,308	1,033,890
Fund Balance, beginning	<u>11,979,059</u>	<u>1,544,804</u>	<u>23,753</u>	<u>13,547,616</u>
Fund Balance, ending	<u>\$ 12,896,830</u>	<u>\$ 1,659,615</u>	<u>\$ 25,061</u>	<u>\$ 14,581,506</u>

Debt Service Funds

<u>NEOC Fund</u>	<u>SBTIFD Fund</u>	<u>PVTIFD Fund</u>	<u>Subtotal</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 482,937	\$ 1,096,398	\$ 58,652	\$ 1,637,987	\$ 1,718,727
-	-	-	-	176,114
-	-	-	-	7,826,552
31,483	8,624	2,081	42,188	1,479,817
-	-	-	-	681,601
-	-	-	-	527,283
-	-	-	-	426,860
<u>514,420</u>	<u>1,105,022</u>	<u>60,733</u>	<u>1,680,175</u>	<u>12,836,954</u>
-	-	-	-	332,332
-	-	-	-	830,638
-	-	-	-	4,625,866
10,896	3,906	10,159	24,961	522,230
-	-	-	-	1,516,279
30,000	177,600	25,000	232,600	1,152,775
15,631	107,276	8,977	131,884	398,257
-	-	-	-	631,241
<u>56,527</u>	<u>288,782</u>	<u>44,136</u>	<u>389,445</u>	<u>10,009,618</u>
457,893	816,240	16,597	1,290,730	2,827,336
-	-	-	-	315,600
-	-	-	-	19,400
-	-	-	-	1,999,144
<u>(151,312)</u>	<u>(692,490)</u>	<u>(7,380)</u>	<u>(851,182)</u>	<u>(2,523,500)</u>
<u>(151,312)</u>	<u>(692,490)</u>	<u>(7,380)</u>	<u>(851,182)</u>	<u>(524,356)</u>
306,581	123,750	9,217	439,548	2,637,980
<u>1,334,110</u>	<u>220,387</u>	<u>93,320</u>	<u>1,647,817</u>	<u>22,479,485</u>
<u>\$ 1,640,691</u>	<u>\$ 344,137</u>	<u>\$ 102,537</u>	<u>\$ 2,087,365</u>	<u>\$ 25,117,465</u>

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**Governmental Funds
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 Funds

The Parking, Airport, Community Development Engineering Inspection, Property Management, Golf, Arena and Solid Waste 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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>Taxes</u>				
Property taxes - current	\$ 40,817,710	\$ 41,667,191	\$ 41,727,954	\$ 60,763
Timber tax yield	15,000	15,000	17,993	2,993
Excavation activity tax	100	100	558	458
Motor vehicle registrations	6,740,000	6,740,000	7,288,755	548,755
Rooms and meals	2,190,000	2,190,108	2,190,108	-
Payment in lieu of taxes	<u>716,937</u>	<u>716,937</u>	<u>732,892</u>	<u>15,955</u>
 Total Taxes	 50,479,747	 51,329,336	 51,958,260	 628,924
<u>Licenses and Permits</u>				
Engineering	4,850	4,850	4,330	(520)
City clerk records	32,300	32,300	31,183	(1,117)
Health services	129,300	129,300	133,032	3,732
Police/protection/amusement	80,960	80,960	90,912	9,952
Code enforcement/building permits	<u>861,500</u>	<u>861,500</u>	<u>955,879</u>	<u>94,379</u>
 Total Licenses and Permits	 1,108,910	 1,108,910	 1,215,336	 106,426
<u>Intergovernmental</u>				
Railroad tax	1,000	1,561	1,786	225
Forest loss reimbursement	450	460	503	43
Fire service aid	125,000	125,000	125,000	-
Emergency management aid	-	89,747	89,747	-
Highway block grant	885,340	896,713	895,355	(1,358)
School District	158,000	158,000	162,869	4,869
Retiree health insurance reimbursements	1,445,640	1,445,640	1,449,900	4,260
Other state	<u>10,000</u>	<u>10,000</u>	<u>9,162</u>	<u>(838)</u>
 Total Intergovernmental	 2,625,430	 2,727,121	 2,734,322	 7,201
<u>Charges For Services</u>				
Finance	2,000	2,000	5,060	3,060
Legal	69,030	69,030	68,011	(1,019)
City clerk	50,120	50,120	67,791	17,671
Public safety	2,901,937	2,901,937	3,164,820	262,883
General services	120,500	120,500	124,029	3,529
Community development	209,750	229,287	204,269	(25,018)
Human services	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>

(continued)

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
Library	40,400	40,400	31,902	(8,498)
Recreation	347,850	357,060	381,048	23,988
Tower lease/fire hdqtrs	27,960	27,960	27,962	2
Cable franchise fee	900,370	900,370	844,815	(55,555)
School district lease	67,670	67,670	74,959	7,289
Community Center rental	33,264	42,264	30,215	(12,049)
Code prosecution	5,000	5,000	7,818	2,818
Restitution	13,000	13,000	9,646	(3,354)
Parking fines - non meters	100,000	100,000	76,160	(23,840)
False alarm penalties	33,000	33,000	39,139	6,139
Total Charges For Services	4,956,851	4,994,598	5,192,644	198,046
<u>Investment Income</u>				
Earnings on investments	582,460	582,460	895,936	313,476
Total Investment Income	582,460	582,460	895,936	313,476
<u>Miscellaneous</u>				
Miscellaneous revenue not anticipated	318,970	324,813	624,432	299,619
Sale of city property	30,000	30,000	33,619	3,619
MV surcharge and administrative costs	335,600	335,600	360,860	25,260
Advertising	5,500	5,500	6,000	500
Interest, costs, and penalties	425,000	563,467	630,437	66,970
Total Miscellaneous	1,115,070	1,259,380	1,655,348	395,968
<u>Other Financing Sources</u>				
Transfers in	4,236,494	4,296,494	4,124,046	(172,448)
Budgetary use of fund balance	-	1,472,950	-	(1,472,950)
Total Other Financing Sources	4,236,494	5,769,444	4,124,046	(1,645,398)
Total Revenues and Other Financing Sources	\$ 65,104,962	\$ 67,771,249	\$ 67,775,892	\$ 4,643

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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>General Government</u>				
City Manager	\$ 709,078	\$ 739,078	\$ 696,732	\$ 42,346
Legal services	1,296,825	1,296,825	1,293,149	3,676
Assessor	680,614	680,614	653,633	26,981
Human resources	562,838	562,838	576,824	(13,986)
Finance	2,220,522	2,250,522	2,246,843	3,679
Information technology	961,126	961,126	933,383	27,743
City Council	38,892	38,892	34,145	4,747
City Clerk	460,981	460,981	477,585	(16,604)
General overhead	<u>1,871,132</u>	<u>1,871,132</u>	<u>1,361,141</u>	<u>509,991</u>
Total General Government	8,802,008	8,862,008	8,273,435	588,573
<u>Public Safety</u>				
Police	12,597,461	12,602,461	12,689,195	(86,734)
Fire	<u>14,214,899</u>	<u>14,304,646</u>	<u>14,315,443</u>	<u>(10,797)</u>
Total Public Safety	26,812,360	26,907,107	27,004,638	(97,531)
<u>General Services</u>				
Total General Services	<u>9,501,931</u>	<u>9,504,374</u>	<u>9,507,779</u>	<u>(3,405)</u>
<u>Community Development</u>				
Total Community Development	<u>3,451,988</u>	<u>3,471,525</u>	<u>3,346,215</u>	<u>125,310</u>
<u>Leisure and Information Services</u>				
Library	1,846,635	1,846,635	1,769,421	77,214
Recreation and parks	<u>3,222,010</u>	<u>3,243,620</u>	<u>3,088,906</u>	<u>154,714</u>
Total Leisure and Information Services	5,068,645	5,090,255	4,858,327	231,928
<u>Human Services</u>				
Total Human Services	<u>707,989</u>	<u>707,989</u>	<u>658,686</u>	<u>49,303</u>

(continued)

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>Employee Benefits</u>				
Employee benefits	<u>2,306,830</u>	<u>2,306,830</u>	<u>2,292,328</u>	<u>14,502</u>
Total Employee Benefits	<u>2,306,830</u>	<u>2,306,830</u>	<u>2,292,328</u>	<u>14,502</u>
<u>Debt Service</u>				
Principal	<u>5,203,480</u>	<u>5,203,480</u>	<u>5,203,475</u>	<u>5</u>
Interest	<u>1,739,750</u>	<u>1,739,750</u>	<u>1,732,335</u>	<u>7,415</u>
Total Debt Service	<u>6,943,230</u>	<u>6,943,230</u>	<u>6,935,810</u>	<u>7,420</u>
<u>Other Financing Uses</u>				
Transfers out	<u>1,509,981</u>	<u>3,977,931</u>	<u>4,071,075</u>	<u>(93,144)</u>
Total Other Financing Uses	<u>1,509,981</u>	<u>3,977,931</u>	<u>4,071,075</u>	<u>(93,144)</u>
Total Expenditures and Other Financing Uses	<u>\$ 65,104,962</u>	<u>\$ 67,771,249</u>	<u>\$ 66,948,293</u>	<u>\$ 822,956</u>

CITY OF CONCORD, NEW HAMPSHIRE

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

Annually Budgeted Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2019

	Parking Fund			Airport Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,300	\$ 1,377	\$ 77
Charges for services	1,717,435	2,077,329	359,894	360,399	352,667	(7,732)
Investment income	200	1,571	1,371	3,500	10,728	7,228
Contributions	10,500	10,500	-	-	-	-
Miscellaneous	479,151	584,103	104,952	-	1,020	1,020
Total Revenues	2,207,286	2,673,503	466,217	365,199	365,792	593
Expenditures:						
Public Safety	1,425,565	1,163,774	261,791	-	-	-
General Services	-	-	-	275,246	244,978	30,268
Community Development	-	-	-	40,462	34,657	5,805
Leisure and info services	-	-	-	-	-	-
Debt service	955,615	955,593	22	32,840	32,839	1
Total Expenditures	2,381,180	2,119,367	261,813	348,548	312,474	36,074
Other Financing Sources (Uses):						
Transfer in	264,616	264,616	-	-	-	-
Transfer out	(146,570)	(146,570)	-	(97,360)	(97,360)	-
Budgetary use of fund balance	-	-	-	-	-	-
Total Other Financing Sources (Uses)	118,046	118,046	-	(97,360)	(97,360)	-
Excess of revenues and other financing sources over expenditures and other financing uses	\$ <u>(55,848)</u>	\$ <u>672,182</u>	\$ <u>728,030</u>	\$ <u>(80,709)</u>	\$ <u>(44,042)</u>	\$ <u>36,667</u>

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	Community Development Engineering Inspection Fund			Community Development Conservation Property Management Fund		
	<u>Budget</u>	Actual (Budgetary Basis)	Variance Positive (Negative)	<u>Budget</u>	Actual (Budgetary Basis)	Variance Positive (Negative)
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	205,670	108,583	(97,087)	69,100	72,756	3,656
Investment income	400	6,310	5,910	-	-	-
Contributions	-	-	-	-	-	-
Miscellaneous	208,650	299,828	91,178	-	-	-
Total Revenues	<u>414,720</u>	<u>414,721</u>	<u>1</u>	<u>69,100</u>	<u>72,756</u>	<u>3,656</u>
Expenditures:						
Public Safety	-	-	-	-	-	-
General Services	-	-	-	-	-	-
Community Development	418,759	419,547	(788)	94,687	43,066	51,621
Leisure and info services	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total Expenditures	<u>418,759</u>	<u>419,547</u>	<u>(788)</u>	<u>94,687</u>	<u>43,066</u>	<u>51,621</u>
Other Financing Sources (Uses):						
Transfer in	-	-	-	25,587	-	(25,587)
Transfer out	(3,710)	(2,876)	834	(29,000)	(29,000)	-
Budgetary use of fund balance	8,530	-	(8,530)	29,000	-	(29,000)
Total Other Financing Sources (Uses)	<u>4,820</u>	<u>(2,876)</u>	<u>(7,696)</u>	<u>25,587</u>	<u>(29,000)</u>	<u>(54,587)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ 781</u>	<u>\$ (7,702)</u>	<u>\$ (8,483)</u>	<u>\$ -</u>	<u>\$ 690</u>	<u>\$ 690</u>

Golf Fund			Arena Fund		
Budget	Actual (Budgetary Basis)	Variance Positive (Negative)	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,070,549	1,054,113	(16,436)	614,595	664,907	50,312
-	4	4	400	5,029	4,629
-	-	-	-	-	-
250	20	(230)	-	-	-
<u>1,070,799</u>	<u>1,054,137</u>	<u>(16,662)</u>	<u>614,995</u>	<u>669,936</u>	<u>54,941</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
945,894	1,018,359	(72,465)	498,449	494,978	3,471
95,530	95,528	2	74,450	74,446	4
<u>1,041,424</u>	<u>1,113,887</u>	<u>(72,463)</u>	<u>572,899</u>	<u>569,424</u>	<u>3,475</u>
-	62,750	62,750	-	-	-
(79,650)	(3,000)	76,650	(105,013)	(105,013)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(79,650)</u>	<u>59,750</u>	<u>139,400</u>	<u>(105,013)</u>	<u>(105,013)</u>	<u>-</u>
<u>\$ (50,275)</u>	<u>\$ -</u>	<u>\$ 50,275</u>	<u>\$ (62,917)</u>	<u>\$ (4,501)</u>	<u>\$ 58,416</u>

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	Solid Waste Fund		
	<u>Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	3,343,961	3,223,858	(120,103)
Investment income	-	-	-
Contributions	-	-	-
Miscellaneous	<u>1,920</u>	<u>68,347</u>	<u>66,427</u>
Total Revenues	<u>3,345,881</u>	<u>3,292,205</u>	<u>(53,676)</u>
Expenditures:			
Public Safety	-	-	-
General Services	4,354,958	4,047,752	307,206
Community Development	-	-	-
Leisure and info services	-	-	-
Debt service	<u>28,140</u>	<u>28,142</u>	<u>(2)</u>
Total Expenditures	<u>4,383,098</u>	<u>4,075,894</u>	<u>307,204</u>
Other Financing Sources (Uses):			
Transfer in	1,028,203	1,028,203	-
Transfer out	(13,600)	(13,600)	-
Budgetary use of fund balance	<u>37,500</u>	<u>-</u>	<u>(37,500)</u>
Total Other Financing Sources (Uses)	<u>1,052,103</u>	<u>1,014,603</u>	<u>(37,500)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ 14,886</u>	<u>\$ 230,914</u>	<u>\$ 216,028</u>

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.

CITY OF CONCORD, NEW HAMPSHIRE

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

Enterprise Funds

For the Fiscal Year Ended June 30, 2019

		<u>Water Fund</u>	
	<u>Budget</u>	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 6,177,500	\$ 6,069,506	\$ (107,994)
Miscellaneous	<u>22,500</u>	<u>62,571</u>	<u>40,071</u>
Total Operating Revenues	6,200,000	6,132,077	(67,923)
Operating Expenses:			
Personnel	2,030,564	1,995,631	34,933
Non-personnel	1,042,654	897,231	145,423
Debt service	<u>1,531,630</u>	<u>1,531,626</u>	<u>4</u>
Total Operating Expenses	<u>4,604,848</u>	<u>4,424,488</u>	<u>180,360</u>
Operating Income (Loss)	1,595,152	1,707,589	112,437
Non-Operating Income (Expenses):			
Interest expense	(544,750)	(544,748)	2
Investment income	55,000	110,092	55,092
Intergovernmental	<u>40,160</u>	<u>39,743</u>	<u>(417)</u>
Total Non-Operating Income (Expenses)	<u>(449,590)</u>	<u>(394,913)</u>	<u>54,677</u>
Net Income (Loss) Before Transfers	1,145,562	1,312,676	167,114
Other Financing Sources:			
Transfers out	<u>(1,273,025)</u>	<u>(1,275,564)</u>	<u>(2,539)</u>
Total Other Financing Sources	<u>(1,273,025)</u>	<u>(1,275,564)</u>	<u>(2,539)</u>
Net Income (Loss)	\$ <u><u>(127,463)</u></u>	\$ <u><u>37,112</u></u>	\$ <u><u>164,575</u></u>

Sewer Fund		
<u>Budget</u>	Actual (Budgetary <u>Basis</u>)	Variance Positive (Negative)
\$ 7,161,250	\$ 6,881,034	\$ (280,216)
<u>1,000</u>	<u>63,853</u>	<u>62,853</u>
7,162,250	6,944,887	(217,363)
2,360,622	2,313,969	46,653
1,692,620	1,542,926	149,694
<u>2,237,990</u>	<u>2,237,982</u>	<u>8</u>
<u>6,291,232</u>	<u>6,094,877</u>	<u>196,355</u>
871,018	850,010	(21,008)
(604,420)	(604,416)	4
66,000	158,272	92,272
<u>274,510</u>	<u>294,488</u>	<u>19,978</u>
<u>(263,910)</u>	<u>(151,656)</u>	<u>112,254</u>
607,108	698,354	91,246
<u>(1,368,809)</u>	<u>(1,359,786)</u>	<u>9,023</u>
<u>(1,368,809)</u>	<u>(1,359,786)</u>	<u>9,023</u>
\$ <u><u>(761,701)</u></u>	\$ <u><u>(661,432)</u></u>	\$ <u><u>100,269</u></u>

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**Fiduciary Funds
Combining Financial Statement**

FIDUCIARY FUNDS

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, 2019

	Balance July 1, <u>2018</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2019</u>
Assets - cash and short-term investments	\$ 283,550	\$ 9,957,608	\$ (9,948,195)	\$ 292,963
Assets - due from other funds	<u>-</u>	<u>10,124,420</u>	<u>(10,124,420)</u>	<u>-</u>
Total Assets	<u>\$ 283,550</u>	<u>\$ 20,082,028</u>	<u>\$ (20,072,615)</u>	<u>\$ 292,963</u>
Liabilities - other liabilities	<u>\$ 283,550</u>	<u>\$ 10,402,131</u>	<u>\$ (10,392,718)</u>	<u>\$ 292,963</u>
Total Liabilities	<u>\$ 283,550</u>	<u>\$ 10,402,131</u>	<u>\$ (10,392,718)</u>	<u>\$ 292,963</u>

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STATISTICAL SECTION

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CITY OF CONCORD, NEW HAMPSHIRE

STATISTICAL SECTION

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

	<u>Page</u>
<i>Financial Trend Data:</i> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	132 - 135
<i>Information on Revenue Capacity:</i> These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	136 - 140
<i>Debt Capacity Information:</i> These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	141 - 143
<i>Demographic and Economic Information:</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	144 - 145
<i>Operating Information:</i> These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the service the government provides and the activities it performs.	146 - 148

City of Concord, New Hampshire

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ⁽¹⁾
Governmental Activities										
Net investment in capital assets	\$ 70,966,637	\$ 69,642,960	\$ 71,316,684	\$ 81,481,167	\$ 88,864,614	\$ 90,447,692	\$ 102,584,829	\$ 110,349,574	\$ 118,411,731	\$ 122,376,790
Restricted	11,614,642	12,582,557	12,241,140	13,112,717	14,754,794	15,394,106	14,569,006	18,326,881	20,238,397	20,071,739
Unrestricted	13,778,355	17,718,246	16,800,855	14,473,038	7,308,618	(40,521,341)	(38,096,272)	(71,153,443)	(79,660,182)	(74,632,740)
Total governmental activities net position	\$ 96,359,634	\$ 99,943,763	\$ 100,358,679	\$ 109,066,922	\$ 110,928,026	\$ 65,320,457	\$ 79,057,563	\$ 57,523,012	\$ 58,989,946	\$ 67,815,789
Business-type activities										
Net investment in capital assets	\$ 104,095,897	\$ 103,659,124	\$ 103,454,627	\$ 102,153,278	\$ 103,459,912	\$ 102,511,741	\$ 102,278,858	\$ 100,851,659	\$ 99,470,009	\$ 97,533,218
Restricted	1,180,931	1,042,044	882,459	717,895	2,174,669	1,932,437	1,814,208	1,600,204	1,389,048	1,201,434
Unrestricted	4,864,595	5,643,666	5,877,988	7,524,806	5,848,190	3,141,883	3,472,819	2,833,315	2,945,414	430,712
Total business-type activities net position	\$ 110,141,423	\$ 110,344,834	\$ 110,215,074	\$ 110,395,979	\$ 111,482,771	\$ 107,586,061	\$ 107,565,885	\$ 105,285,178	\$ 103,804,471	\$ 99,165,364
Primary government										
Net investment in capital assets	\$ 175,062,534	\$ 173,302,084	\$ 174,771,311	\$ 183,634,445	\$ 192,324,526	\$ 192,959,433	\$ 204,863,687	\$ 211,201,233	\$ 217,881,740	\$ 219,910,008
Restricted	12,795,573	13,624,601	13,123,599	13,830,612	16,929,463	17,326,543	16,383,214	19,927,085	21,627,445	21,273,173
Unrestricted	18,642,950	23,361,912	22,678,843	21,997,844	13,156,808	(37,379,458)	(34,623,453)	(68,320,128)	(76,714,768)	(74,202,028)
Total primary government net position	\$ 206,501,057	\$ 210,288,597	\$ 210,573,753	\$ 219,462,901	\$ 222,410,797	\$ 172,906,518	\$ 186,623,448	\$ 162,808,190	\$ 162,794,417	\$ 166,981,153

⁽¹⁾ In 2019 the City reclassified the Arena, Golf, and Solid-waste funds to governmental activities.

Data Source:

Audited Financial Statements

City of Concord, New Hampshire

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ⁽¹⁾
Expenses										
Governmental activities										
General government	\$ 6,852,912	\$ 7,145,023	\$ 8,190,946	\$ 9,064,401	\$ 7,833,896	\$ 8,375,764	\$ 8,098,118	\$ 8,867,491	\$ 9,412,888	\$ 9,015,373
Public safety	21,069,118	22,584,828	24,786,159	24,731,680	26,302,929	26,071,162	26,288,254	29,899,639	29,777,085	31,026,528
General services	11,290,119	12,693,473	10,990,070	10,528,936	12,194,315	12,146,581	11,339,476	12,413,363	12,469,650	17,356,797
Community development	3,815,308	4,223,189	4,624,312	4,703,083	4,763,024	5,723,172	4,913,433	5,277,646	5,659,722	6,203,541
Leisure and information service:	2,142,783	2,574,830	4,049,606	4,295,029	4,681,713	4,501,607	4,831,033	5,170,725	5,535,662	7,281,214
Human services	768,564	775,026	773,578	792,040	841,942	1,228,609	808,266	728,232	660,915	684,346
Interest	1,778,927	1,511,198	1,447,573	1,406,011	1,529,922	2,054,101	1,772,950	1,829,979	2,022,990	2,364,260
Miscellaneous:	-	-	-	-	-	-	-	-	-	-
Total governmental activities expense	47,717,731	51,507,567	54,242,244	55,521,180	58,147,541	60,100,996	58,051,530	64,187,095	65,538,912	73,932,059
Business-type activities										
Water services	4,870,370	4,883,528	5,005,723	5,158,308	5,313,921	5,471,470	4,999,970	5,552,509	5,586,811	5,759,593
Sewer services	6,368,985	6,247,273	6,285,448	6,427,740	6,755,444	7,177,767	6,493,519	6,377,685	7,745,179	7,573,587
Solid waste services:	4,085,706	4,301,512	4,335,560	4,345,130	4,375,538	3,870,961	3,792,440	3,921,238	-	-
Other (nonmajor)	1,275,645	1,323,741	1,275,958	1,203,522	1,345,288	1,409,097	1,569,085	1,541,955	5,618,154	-
Total business-type activities expense	16,600,706	16,756,054	16,902,689	17,134,700	17,790,191	17,929,295	16,855,014	17,393,387	18,950,144	13,333,180
Total primary government expense:	\$ 64,318,437	\$ 68,263,621	\$ 71,144,933	\$ 72,655,880	\$ 75,937,732	\$ 78,030,291	\$ 74,906,544	\$ 81,580,482	\$ 84,489,056	\$ 87,265,239
Program Revenues										
Governmental activities										
Charges for services										
General government	\$ 1,484,734	\$ 1,525,641	\$ 1,930,291	\$ 2,236,423	\$ 3,047,065	\$ 2,377,466	\$ 2,838,579	\$ 1,928,281	\$ 1,775,364	\$ 1,776,553
Public safety	3,128,313	3,507,165	3,776,767	3,567,993	3,784,562	3,835,584	4,556,639	4,452,739	5,828,778	5,181,322
General services	273,935	451,690	116,418	111,015	124,650	105,401	92,528	112,071	100,478	124,029
Community development	1,280,954	1,450,678	1,212,966	1,014,926	1,198,302	1,086,657	1,363,586	2,258,451	1,950,690	1,995,595
Leisure and information service:	523,031	502,022	721,780	735,989	699,419	695,191	627,166	584,711	603,303	5,712,539
Human services	41,063	17,966	-	-	-	-	-	-	-	-
Total charges for services:	6,732,030	7,455,162	7,758,222	7,666,346	8,853,998	8,100,299	9,478,498	9,336,253	10,258,613	14,190,038
Operating grants and contribution:	1,016,770	739,160	2,181,740	2,194,049	2,140,242	2,236,128	3,962,417	4,189,597	4,413,737	4,391,541
Capital grants and contribution:	2,199,019	2,640,477	2,400,917	7,960,947	3,353,952	5,135,430	9,320,137	5,874,228	3,323,526	2,144,175
Total governmental activities program revenue	9,947,819	10,834,799	12,340,879	17,821,342	14,348,192	15,471,857	22,761,052	19,400,078	17,995,876	20,725,754
Business-type activities										
Water services	5,100,517	5,363,947	5,339,039	5,509,247	5,492,305	5,746,908	5,905,710	6,125,545	6,121,079	6,069,506
Sewer services	5,716,639	6,346,565	6,510,709	6,703,482	6,849,496	6,875,159	7,067,548	7,230,401	7,105,077	6,881,034
Solid waste services:	3,213,003	2,895,021	2,940,170	2,906,546	2,798,335	2,742,703	2,657,151	3,026,768	-	-
Other (nonmajor)	1,358,042	1,310,157	1,272,183	1,345,171	1,475,357	1,481,527	1,602,082	1,572,565	4,714,226	-
Total charges for services:	15,388,201	15,915,690	16,062,101	16,464,446	16,615,493	16,846,297	17,232,491	17,955,279	17,940,382	12,950,540
Operating grants and contribution:	228,364	188,926	290,323	279,414	2,019,907	271,915	359,208	875,993	356,337	283,871
Capital grants and contribution:	201,882	162,701	41,241	34,657	86,341	74,851	48,762	61,574	56,026	50,360
Total business-type activities program revenue	15,818,447	16,267,317	16,393,665	16,778,517	18,721,741	17,193,063	17,640,461	18,892,846	18,352,745	13,284,771
Total primary government program revenue:	\$ 25,766,266	\$ 27,102,116	\$ 28,734,544	\$ 34,599,859	\$ 33,069,933	\$ 32,664,920	\$ 40,401,513	\$ 38,292,924	\$ 36,348,621	\$ 34,010,525
Net (Expenses)Revenue										
Governmental activities	\$(37,769,912)	\$(40,672,768)	\$(41,901,365)	\$(37,699,838)	\$(43,799,349)	\$(44,629,139)	\$(35,290,478)	\$(44,787,017)	\$(47,543,036)	\$(53,206,305)
Business-type activities:	(782,259)	(488,737)	(509,024)	(356,183)	931,550	(736,232)	785,447	1,499,459	(597,399)	(48,409)
Total Primary government net expense:	\$(38,552,171)	\$(41,161,505)	\$(42,410,389)	\$(38,056,021)	\$(42,867,799)	\$(45,365,371)	\$(34,505,031)	\$(43,287,558)	\$(48,140,435)	\$(53,254,714)
General Revenues and Other Changes in Net Position										
Governmental activities										
Property tax	\$ 37,683,982	\$ 39,939,045	\$ 38,875,330	\$ 41,999,202	\$ 38,519,641	\$ 44,429,395	\$ 44,973,370	\$ 46,001,631	\$ 48,553,111	\$ 51,593,205
Penalties, interest and other tax:	885,170	1,267,571	1,037,812	821,981	913,597	944,755	977,949	975,690	731,415	1,057,297
Grants and contributions not restricted to specific program	900	832	704	461	209	393	400	450	460	503
Investment income	1,066,457	2,233,996	611,071	1,886,501	2,677,097	1,356,311	742,464	1,734,204	1,905,412	2,532,075
Miscellaneous:	1,563,028	1,165,035	1,486,553	1,428,889	3,125,212	2,842,713	974,869	739,075	919,015	1,480,107
Transfers, net	5,213	(43,843)	31,630	8,677	142,034	288,563	952,546	1,180,261	1,184,848	2,352,886
Permanent fund contributions:	222,293	184,261	273,181	262,370	282,663	309,989	405,986	281,731	268,830	275,241
Total governmental activities	41,427,043	44,746,897	42,316,281	46,408,081	45,660,453	50,172,119	49,027,584	50,913,042	53,563,091	59,291,314
Business-type activities										
Investment income	178,641	150,328	68,834	251,110	7,947	12,884	39,299	79,733	227,754	290,552
Miscellaneous:	61,521	7,977	342,060	294,655	289,329	266,973	107,624	207,295	135,777	212,470
Transfers, net	(5,213)	43,843	(31,630)	(8,677)	(142,034)	(288,563)	(952,946)	(1,180,261)	(1,184,848)	(2,352,886)
Total business-type activities:	234,949	202,148	379,264	537,088	155,242	(8,706)	(806,023)	(893,233)	(821,317)	(1,849,864)
Total primary government	\$ 41,661,992	\$ 44,949,045	\$ 42,695,545	\$ 46,945,169	\$ 45,815,695	\$ 50,163,413	\$ 48,221,561	\$ 50,019,809	\$ 52,741,774	\$ 57,441,450
Change in Net Position										
Governmental activities:	\$ 3,657,131	\$ 4,074,129	\$ 414,916	\$ 8,708,243	\$ 1,861,104	\$ 5,542,980	\$ 13,737,106	\$ 6,126,025	\$ 6,020,055	\$ 6,085,009
Business-type activities:	(547,310)	(286,589)	(129,760)	180,905	1,086,792	(744,938)	(20,576)	606,226	(1,418,716)	(1,898,273)
Total primary government	\$ 3,109,821	\$ 3,787,540	\$ 285,156	\$ 8,889,148	\$ 2,947,896	\$ 4,798,042	\$ 13,716,530	\$ 6,732,251	\$ 4,601,339	\$ 4,186,736

(1) In 2019 the City reclassified the Arena, Golf, and Solid-waste funds to governmental activities.

Data Source:
Audited Financial Statements

City of Concord, New Hampshire

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2010	2011 ⁽¹⁾	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 966,768	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	7,025,545	-	-	-	-	-	-	-	-	-
Nonspendable	-	181,815	152,871	152,871	152,871	152,871	168,027	212,814	375,704	380,210
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	4,316,925	4,938,869	4,729,164	3,416,913	3,265,799	4,106,177	5,271,321	4,791,914	5,354,512
Assigned	-	1,355,353	894,000	935,000	750,000	960,000	930,000	975,000	975,000	1,400,000
Unassigned	-	6,736,075	8,168,250	9,079,250	9,879,330	10,171,068	10,735,579	11,015,079	11,371,395	11,769,490
Total General Fund	\$ 7,992,313	\$ 12,590,168	\$ 14,153,990	\$ 14,896,285	\$ 14,199,114	\$ 14,549,738	\$ 15,939,783	\$ 17,474,214	\$ 17,514,013	\$ 18,904,212
Other Governmental Funds										
Reserved	\$ 10,652,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Special Revenue Funds	8,124,307	-	-	-	-	-	-	-	-	-
Capital Project Funds	3,500,587	-	-	-	-	-	-	-	-	-
Debt Service	1,248,100	-	-	-	-	-	-	-	-	-
Nonspendable	-	9,239,526	9,394,226	10,335,606	12,004,524	12,631,335	11,465,110	12,586,124	13,547,616	11,229,848
Restricted	-	4,214,191	2,803,781	3,148,961	9,539,642	11,848,567	11,105,618	13,594,542	11,556,505	17,159,828
Committed	-	10,842,872	9,916,209	7,765,227	5,109,805	6,977,411	5,439,600	4,083,185	3,038,764	4,903,220
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(915)	(1,290)	-	(1,329,031)	(726,422)	(2,091,373)	(2,180,891)	(4,747,101)	(2,462,365)
Total Other Funds	\$ 23,525,144	\$ 24,295,674	\$ 22,112,926	\$ 21,249,794	\$ 25,324,940	\$ 30,730,891	\$ 25,918,955	\$ 28,082,960	\$ 23,395,784	\$ 30,830,531

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)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues											
Taxes	\$ 37,282,375	\$ 37,659,356	\$ 39,407,949	\$ 40,430,610	\$ 41,872,465	\$ 40,464,277	\$ 45,233,870	\$ 44,507,445	\$ 45,784,329	\$ 47,890,372	\$ 51,567,618
Licenses and permits	825,833	712,811	1,112,391	1,119,219	896,393	1,022,818	890,025	1,173,367	1,046,457	1,243,082	1,211,310
Intergovernmental	3,442,953	2,687,051	2,732,763	4,415,890	4,723,291	5,151,188	6,885,722	13,066,290	9,794,351	7,524,843	6,085,835
Charges for services	5,586,277	6,019,719	6,293,673	6,639,003	6,769,954	6,983,376	7,210,273	7,644,593	8,184,833	7,804,721	13,349,251
Investment income	(564,323)	1,066,457	2,234,008	618,261	1,630,988	2,677,101	805,143	742,464	1,734,207	1,905,413	2,532,076
Contributions and miscellaneous	3,023,671	3,216,792	3,186,673	2,972,587	2,688,069	4,664,783	4,420,159	2,664,370	2,242,497	2,083,464	3,154,233
Total revenues	49,596,786	51,362,186	54,967,457	56,195,570	58,581,160	60,963,543	65,445,192	69,798,529	68,786,674	68,451,895	77,900,323
Expenditures by Function											
General government	5,900,248	6,589,039	6,841,119	7,793,292	8,591,958	7,379,236	8,007,392	11,871,152	8,444,482	9,131,316	8,877,569
Public safety	19,410,584	19,621,616	21,114,273	22,716,619	22,571,706	24,075,356	24,569,843	25,395,370	26,666,807	27,842,607	28,808,761
General services	8,249,971	7,394,625	7,797,609	6,522,464	6,878,891	7,441,782	7,787,061	7,803,575	9,085,822	9,243,016	13,688,199
Community development	3,007,202	2,881,251	2,865,969	3,020,346	3,119,704	3,134,170	3,319,034	3,271,935	3,542,591	3,885,875	4,046,147
Leisure and information services	2,230,489	1,952,782	2,029,908	3,629,417	3,829,765	4,031,719	4,197,524	4,237,059	4,646,765	4,941,781	6,684,268
Human services	789,101	749,114	752,485	735,447	748,690	801,071	790,648	782,138	715,765	642,077	679,546
Employee benefits	328,542	445,033	661,188	2,327,580	2,281,856	2,209,785	2,174,927	2,243,415	-	-	-
Miscellaneous	53,929	131,653	45,491	3,722	1,186	301	350	-	-	-	-
Debt service											
Principal	4,220,938	4,594,563	4,369,633	4,531,234	4,744,015	5,036,926	5,190,642	5,142,807	4,792,207	5,359,511	6,356,250
Interest	1,597,727	1,555,289	1,516,016	1,547,441	1,544,862	1,515,899	1,919,982	1,719,264	1,880,673	1,894,925	2,217,045
Capital outlay	9,935,126	7,479,876	6,624,538	8,352,413	9,666,796	10,833,357	12,622,833	17,350,251	15,639,852	23,216,012	12,033,105
Total expenditures	55,723,857	53,394,841	54,618,229	61,179,975	63,979,429	66,459,602	70,580,236	79,816,966	75,414,964	86,157,120	83,390,890
Excess of revenues											
Over/(under) expenditures	(6,127,071)	(2,032,655)	349,228	(4,984,405)	(5,398,269)	(5,496,059)	(5,135,044)	(10,018,437)	(6,628,290)	(17,705,225)	(5,490,567)
Other Financing Sources (Uses)											
Bond proceeds	4,250,710	2,494,750	5,063,000	4,333,851	5,164,900	8,732,000	10,027,500	5,410,750	8,313,600	11,090,200	9,610,900
Bond premium	-	-	-	-	-	-	575,556	233,250	810,732	752,800	704,059
Capital lease proceeds	-	-	-	-	-	-	-	-	188,513	-	-
Refunding, net	-	-	-	-	103,855	-	-	-	(166,480)	-	-
Transfers in	3,862,715	3,462,513	3,818,374	4,042,411	3,550,609	5,363,383	4,843,029	3,912,917	4,640,723	8,072,442	9,141,037
Transfers out	(4,693,201)	(3,457,300)	(3,862,217)	(4,010,783)	(3,541,932)	(5,221,349)	(4,554,466)	(2,960,371)	(3,460,462)	(6,887,594)	(6,788,151)
Total other financing sources (uses)	3,420,224	2,499,963	5,019,157	4,365,479	5,277,432	8,874,034	10,891,619	6,596,546	10,326,626	13,027,848	12,667,845
Net Change in fund balances	\$ (2,706,847)	\$ 467,308	\$ 5,368,385	\$ (618,926)	\$ (120,837)	\$ 3,377,975	\$ 5,756,575	\$ (3,421,891)	\$ 3,698,336	\$ (4,677,377)	\$ 7,177,278

Debt Service as a percentage of non-capital outlay expenditures ⁽¹⁾	12.71%	13.39%	11.80%	11.52%	12.88%	11.56%	11.93%	11.71%	11.16%	11.50%	11.95%
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Data Source:

Audited Financial Statements

⁽¹⁾ Capital outlay purchases from the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities are used to calculate this ratio.

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	Payment in Lieu of Taxes	Total
2019	\$ 43,527,420	\$ 17,993	\$ 558	\$ 7,288,755	\$ 732,892	\$ 51,567,618
2018	39,913,354	23,870	-	7,141,635	707,254	47,786,113
2017	38,278,216	18,580	56	6,686,684	695,628	45,679,164
2016	37,291,874	29,109	240	6,497,093	689,129	44,507,445
2015	36,322,413	29,574	804	6,123,498	704,089	43,180,378
2014	34,081,941	20,516	39	5,662,857	698,924	40,464,277
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

Data Source:
Finance Department Records

City of Concord, New Hampshire

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

Fiscal Year	Local Assessed Value (1)			Total Assessed Value	Less Exemptions to Assessed Value (1)	Total Taxable Assessed Value (1)	Total Direct Tax Rate per \$1,000 of Assessed Value	Estimated Full Value (2)	Ratio of Total Assessed Value to Total Estimated Full Value
	Residential	Commercial/ Industrial	Utilities						
2019	\$ 2,462,226,874	\$ 1,602,481,857	\$ 203,135,500	\$ 4,267,844,231	\$ 87,033,611	\$ 4,180,810,620	\$ 25.44	\$ 4,430,221,635	96.3%
2018	2,341,028,799	1,531,794,890	188,082,990	4,060,906,679	30,676,314	4,030,230,365	25.38	4,253,023,855	95.5%
2017	2,258,430,650	1,526,604,188	177,017,200	3,962,052,038	31,281,237	3,930,770,801	24.77	4,061,020,935	97.6%
2016	2,168,810,800	1,539,035,833	178,446,300	3,886,292,933	32,958,740	3,853,334,193	24.36	4,033,984,178	96.3%
2015	2,101,417,750	1,534,639,311	161,176,300	3,797,233,361	33,688,716	3,763,544,645	23.58	3,942,193,209	96.3%
2014	2,074,759,050	1,584,155,007	167,511,600	3,826,425,657	33,299,807	3,793,125,850	22.59	4,074,453,253	93.9%
2013	2,087,208,900	1,614,705,822	166,101,300	3,868,016,022	35,915,240	3,832,100,782	21.61	3,899,194,377	99.2%
2012	2,139,560,300	1,419,233,200	165,340,900	3,724,134,400	37,130,879	3,687,003,521	21.70	3,708,962,523	100.4%
2011	2,299,881,800	1,424,486,800	152,774,300	3,877,142,900	42,168,733	3,834,974,167	20.35	3,871,416,766	100.1%
2010	2,508,467,100	1,434,618,400	152,792,400	4,095,877,900	42,345,930	4,053,531,970	18.98	4,044,243,693	101.3%

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
2019	\$ 9.90	\$ 9.90	\$ 13.40	\$ 2.14	\$ 15.54	\$ 25.44	\$ 2.75	\$ 28.19
2018	9.84	9.84	13.24	2.30	15.54	25.38	2.86	28.24
2017	9.68	9.68	12.70	2.39	15.09	24.77	2.90	27.67
2016	9.60	9.60	12.15	2.61	14.76	24.36	2.98	27.34
2015	9.38	9.38	11.60	2.60	14.20	23.58	3.23	26.81
2014	9.04	9.04	11.14	2.41	13.55	22.59	2.99	25.58
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

Penacook Direct Rates							Overlapping Rate	
Fiscal Year	City	Total City	Local School	State School	Total School	Total Direct	County	Total
2019	\$ 9.90	\$ 9.90	\$ 18.93	\$ 2.02	\$ 20.95	\$ 30.85	\$ 2.75	\$ 33.60
2018	9.84	9.84	19.01	2.21	21.22	31.06	2.86	33.92
2017	9.68	9.68	18.51	2.25	20.76	30.44	2.90	33.34
2016	9.60	9.60	17.25	2.43	19.68	29.28	2.98	32.26
2015	9.38	9.38	17.29	2.49	19.78	29.16	3.23	32.39
2014	9.04	9.04	14.93	2.38	17.31	26.35	2.99	29.34
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

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	FY2019 2018 Tax Year		Percentage of Total Assessed		FY2010 2009 Tax Year		Percentage of Net Assessed	
		Net Taxable Assessed Value	Rank	Value	%	Net Taxable Assessed Value	Rank	Value	%
UNITIL Energy Systems, Inc (formerly Concord Electric Company, LP)	Utility	\$ 64,433,050	1	1.54	%	\$ 43,895,100	3	1.08	%
Liberty Utilities (formerly EnergyNorth Natural Gas Inc)	Utility	56,309,850	2	1.35		28,068,500	5	0.69	
Public Service Co of NH (Eversource)	Utility	53,482,450	3	1.28					
Walmart/Sam's Club	Retail	32,126,200	4	0.77		28,747,400	4	0.71	
Wheelabrator Concord Co LP	Trash to Energy	25,600,000	5	0.61		61,566,800	2	1.52	
Hodges Properties Inc	Rentals	25,389,400	6	0.61		24,793,400	8	0.61	
St Paul's School	Private School	24,120,950	7	0.58		25,642,600	6	0.63	
Card Says Moops LLC	Apartments	22,800,000	8	0.55					
Capital Region Health Care Development	Health Care	22,290,500	9	0.53		23,639,900	9	0.58	
Eddy Plaza Associates Inc	Retail	21,997,200	10	0.53		24,927,400	7	0.61	
Steeplegate Mall, LLC	Mall			-		75,709,000	1	1.87	
Hodges Development Corp	Rentals			-		19,953,700	10	0.49	
Total Principal Taxpayers		<u>348,549,600</u>		<u>8.35</u>	<u>%</u>	<u>356,943,800</u>		<u>8.80</u>	<u>%</u>
Total Net Assessed Taxable Value		<u>\$ 4,180,810,620</u>				<u>\$ 4,053,531,970</u>			
Tax Year - April 1, 2018 - March 31, 2019									

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
2018	\$ 121,377,095	\$ 119,681,693	98.5%	\$ -	\$ 1,695,402	\$ 119,681,693	98.5%
2017	117,282,157	115,740,608	98.7%	995,409	546,140	116,736,017	99.5%
2016	112,019,850	110,335,982	98.5%	1,527,116	156,752	111,863,098	99.9%
2015	108,121,924	106,227,601	98.2%	1,883,349	10,974	108,110,950	100.0%
2014	104,676,371	103,058,356	98.5%	1,617,238	777	104,675,594	100.0%
2013	99,543,287	97,564,510	98.0%	1,973,260	5,517	99,537,770	100.0%
2012	95,589,658	93,738,015	98.1%	1,851,257	386	95,589,272	100.0%
2011	92,246,890	90,471,786	98.1%	1,774,863	241	92,246,648	100.0%
2010	90,288,009	88,050,231	97.5%	2,237,484	294	90,287,715	100.0%
2009	89,364,495	87,058,646	97.4%	2,305,454	395	89,364,100	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 2019 is the City's tax year 2018.

City of Concord, New Hampshire

Ratios of Outstanding Debt by Debt Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activities	Total Primary Government	Per Capita	Percentage of Personal Income	Percentage of Estimated Actual Taxable Value of Property
	General Obligation Bonds	General Obligation Bonds				
2019	\$ 65,295,547	\$ 36,976,773	\$ 102,272,320	\$ 2,356	7.29%	2.45%
2018	60,259,916	37,920,176	98,180,092	2,206	7.15%	2.36%
2017	53,849,403	35,844,265	89,693,668	2,038	6.70%	2.22%
2016	49,375,887	32,810,121	82,186,008	2,206	6.38%	2.12%
2015	48,874,693	27,679,766	76,554,459	1,804	5.94%	2.03%
2014	44,125,550	28,035,460	72,161,010	1,701	5.65%	2.11%
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%	1.74%
2010	38,882,692	27,547,146	66,429,838	1,503	6.84%	1.64%

City of Concord, New Hampshire

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Direct Debt:										
City of Concord										
Net General Obligation Debt Outstanding	\$ 38,882,692	\$ 40,031,119	\$ 40,161,251	\$ 40,430,476	\$ 44,125,550	\$ 48,874,693	\$ 49,142,637	\$ 53,849,403	\$ 60,259,916	\$ 62,795,119
Percentage Applicable to Government	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount Applicable to Government	\$ 38,882,692	\$ 40,031,119	\$ 40,161,251	\$ 40,430,476	\$ 44,125,550	\$ 48,874,693	\$ 49,142,637	\$ 53,849,403	\$ 60,259,916	\$ 62,795,119
Subtotal Direct Debt	\$ 38,882,692	\$ 40,031,119	\$ 40,161,251	\$ 40,430,476	\$ 44,125,550	\$ 48,874,693	\$ 49,142,637	\$ 53,849,403	\$ 60,259,916	\$ 62,795,119
Overlapping Debt:										
Merrimack County										
Net General Obligation Debt Outstanding	\$ 61,200,000	\$ 58,000,000	\$ 54,800,000	\$ 51,195,000	\$ 47,995,000	\$ 43,765,000	\$ 40,595,000	\$ 51,702,500	\$ 48,025,000	\$ 44,375,000
Percentage Applicable to Government	25.71%	25.44%	25.14%	26.85%	27.40%	25.86%	25.67%	25.11%	24.99%	24.94%
Amount Applicable to Government	\$ 15,734,520	\$ 14,755,200	\$ 13,774,254	\$ 13,748,315	\$ 13,149,382	\$ 11,319,598	\$ 10,421,833	\$ 12,981,935	\$ 12,001,448	\$ 11,067,125
Concord School District										
Net General Obligation Debt Outstanding	\$ 9,913,895	\$ 66,958,729	\$ 64,151,495	\$ 60,303,640	\$ 56,476,940	\$ 52,720,035	\$ 49,976,585	\$ 59,015,000	\$ 56,050,000	\$ 57,325,000
Percentage Applicable to Government	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount Applicable to Government	\$ 9,913,895	\$ 66,958,729	\$ 64,151,495	\$ 60,303,640	\$ 56,476,940	\$ 52,720,035	\$ 49,976,585	\$ 59,015,000	\$ 56,050,000	\$ 57,325,000
Merrimack Valley School District										
Net General Obligation Debt Outstanding	\$ 9,910,000	\$ 5,940,000	\$ 3,960,000	\$ 1,985,000	\$ 1,980,000	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage Applicable to Government	25.36%	25.79%	26.24%	26.68%	29.83%	26.25%	25.95%	24.79%	24.37%	23.79%
Amount Applicable to Government	\$ 2,513,176	\$ 1,531,926	\$ 1,038,954	\$ 529,641	\$ 590,540	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Overlapping Debt	\$ 28,161,591	\$ 83,245,855	\$ 78,964,703	\$ 74,581,596	\$ 70,216,863	\$ 64,039,633	\$ 60,398,418	\$ 71,996,935	\$ 68,051,448	\$ 68,392,125
Grand Total	\$ 67,044,283	\$ 123,276,974	\$ 119,125,954	\$ 115,012,073	\$ 114,342,413	\$ 112,914,326	\$ 109,541,055	\$ 125,846,338	\$ 128,311,364	\$ 131,187,244

Data Source:
School District Finance Departments.

City of Concord, New Hampshire

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Base Value for Debt Limits (1)	\$ 4,020,634,140	\$ 3,851,394,810	\$ 3,688,748,087	\$ 3,877,480,169	\$ 4,050,513,509	\$ 3,911,961,065	\$ 4,001,809,256	\$ 4,033,007,307	\$ 4,224,516,413	\$ 4,400,883,875
Legal Debt Limits (% of Base Value)										
General - 1.75% thru 1998, 3% 1999 on (2)	\$ 120,619,024	\$ 115,541,844	\$ 110,662,443	\$ 116,324,405	\$ 121,515,405	\$ 117,358,832	\$ 120,054,278	\$ 120,990,219	\$ 126,735,492	\$ 132,026,516
Water - 10% (2)	\$ 402,063,414	\$ 385,139,481	\$ 368,874,809	\$ 387,748,017	\$ 405,051,351	\$ 391,196,107	\$ 400,180,926	\$ 403,300,731	\$ 422,451,641	\$ 440,088,388
Issued Debt at June 30										
Total Issued Debt at June 30	\$ 66,429,838	\$ 66,632,593	\$ 67,234,223	\$ 69,162,800	\$ 72,161,009	\$ 76,554,459	\$ 81,679,007	\$ 89,693,668	\$ 94,920,956	\$ 98,135,097
Less Water Fund	(11,435,119)	(11,768,711)	(11,930,388)	(12,802,341)	(12,718,866)	(12,909,306)	(14,595,612)	(15,943,403)	(15,950,744)	(15,599,418)
Less Sewer Fund (3)	(15,519,027)	(13,973,463)	(14,059,897)	(14,819,785)	(14,228,732)	(13,770,736)	(16,861,971)	(18,773,712)	(19,429,743)	(19,740,561)
Less Tax Increment Debt (3)	(10,899,000)	(10,130,000)	(9,347,000)	(8,965,400)	(8,095,400)	(7,947,200)	(7,206,400)	(6,586,400)	(5,981,400)	(5,501,400)
Less Landfill Debt (3)	(1,136,332)	(900,425)	(668,901)	(442,001)	(218,732)	-	-	-	-	-
Authorized Unissued at June 30										
Total Authorized Unissued Debt at June 30	7,850,672	5,367,672	6,033,172	5,495,000	10,462,220	3,209,305	14,827,958	16,769,126	13,849,075	9,009,326
Less Golf Fund	-	(80,000)	(80,000)	(80,000)	(60,000)	(93,000)	(60,000)	(3,000)	(3,000)	-
Less Arena Fund	-	(475,000)	-	-	-	-	-	(76,500)	(3,000)	-
Less Solid Waste Fund	-	-	-	-	-	-	-	-	-	-
Less Water Fund	(697,000)	(175,000)	(150,000)	-	-	(136)	(36,500)	(136,500)	(36,500)	(791,700)
Less Sewer Fund (3)	(392,672)	(552,672)	(2,168,172)	-	-	-	(36,500)	(136,500)	(36,500)	(356,500)
Less Tax Increment Debt (3)	(285,000)	(285,000)	-	-	-	-	-	-	-	-
Total Debt Subject to general limit	\$ 33,916,360	\$ 33,659,994	\$ 34,863,037	\$ 37,548,273	\$ 47,301,499	\$ 45,043,386	\$ 57,709,982	\$ 64,806,779	\$ 67,329,144	\$ 65,154,844
Legal Debt Margin										
General	86,702,665	81,881,850	75,799,406	78,776,132	74,213,906	72,315,446	62,344,296	56,183,440	59,400,348	66,871,672
Water Fund	389,931,295	373,195,770	356,794,421	374,945,676	392,332,485	378,286,665	385,548,813	387,220,828	406,464,397	423,697,270
% of Legal Debt Limits Used										
General	28.1%	29.1%	31.5%	32.3%	38.9%	38.4%	48.1%	53.6%	53.1%	49.3%
Water Fund	2.8%	3.1%	3.2%	3.3%	3.1%	3.3%	3.6%	4.0%	3.8%	3.5%

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
2019	43,412 *	\$ 1,403,380	\$32,327 **	2.20% ***
2018	43,019	\$ 1,327,179	\$30,851	2.30%
2017	42,904	\$ 1,305,440	\$30,427	2.30%
2016	42,620	\$ 1,280,433	\$30,043	2.40%
2015	42,444	\$ 1,288,133	\$30,349	3.20%
2014	42,419	\$ 1,278,127	\$30,131	3.90%
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	5.00%
2010	44,358	\$ 974,811	\$21,976	5.20%

* Population as of July 1, 2017 as estimated by the US Census Bureau

** Based on 2015 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**

<u>Employer</u>	<u>2019</u>			<u>2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
State of New Hampshire	6,069	1	26.22 %	6,500	1	30.98 %
Concord Hospital Capital Region Health Care	2,853	2	12.32	3,200	2	15.25
Concord School District	809	3	3.49	997	5	4.75
City of Concord	576	4	2.49	469	10	2.24
Lincoln Financial Group	405	5	1.75	640	7	3.05
Market Basket	390	6	1.68	517	8	2.46
Genesis Health Care Systems	368	7	1.59	-		-
Concord Regional Visiting Nurses Assoc.	349	8	1.51	-		-
NHHEAF Network Organizations	332	9	1.43	-		-
Merrimack Valley School District	295	10	1.27	500	9	2.38
Steeplegate Regional Mall				1,233	3	5.88
Pleasant View Retirement				1,200	4	5.72
New Hampshire Hospital				850	6	4.05
Total Principal Employers	<u>12,446</u>		<u>53.75 %</u>	<u>16,106</u>		<u>76.75 %</u>
Total City Employment	<u>23,150</u> (1)			<u>20,980</u>		

Data Source:

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

(1) Based on labor force residing in Concord - NHDES June 2019

City of Concord, New Hampshire

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

Departments	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City Manager	3.2	3.2	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Legal	9.6	9.6	9.6	9.6	9.5	9.5	9.8	9.9	9.9	10.1
Assessing	6.3	6.0	6.0	6.0	6.0	6.0	6.4	6.4	6.4	6.1
Personnel	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Finance/Accounting	6.0	5.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Finance/Treas	7.7	7.5	7.5	7.5	7.5	7.5	7.6	7.6	7.6	7.7
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	3.7	3.7	3.0	3.0	3.0	3.0
Info Technology	5.0	6.0	6.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0
City Clerk	3.5	3.6	3.6	3.6	3.6	3.6	7.4	7.4	7.4	7.4
Gen Gov	50.2	50.9	51.2	51.2	51.3	51.3	56.2	56.3	56.3	57.3
Police	96.5	97.7	98.7	100.1	99.5	99.5	97.9	99.6	100.7	101.2
Police-Parking	9.6	8.6	8.6	8.6	8.6	8.5	9.2	9.2	9.2	11.4
Fire	107.0	107.0	106.0	105.0	104.0	101.0	101.0	100.1	100.1	100.0
Public Safety	213.1	213.3	213.3	213.7	212.1	209.0	208.0	208.9	210.0	212.6
Administration	16.5	16.5	16.5	15.5	15.5	15.5	16.0	16.0	17.0	17.0
Hwys & Util Sys	41.0	41.0	41.0	44.0	41.5	41.5	41.5	41.5	41.5	40.5
Grounds	21.0	21.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Properties	19.0	19.0	19.0	18.0	18.0	18.0	18.9	20.9	20.6	23.0
Vehicle Maint	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	11.0	11.0
Temporary	11.9	11.9	11.9	13.0	13.0	13.0	11.9	8.5	8.4	8.3
Water & Sewer	26.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0
General Svcs	147.4	145.4	124.4	126.5	124.0	124.0	124.3	122.9	122.5	123.8
Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0
Planning	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Bldg & Code Svcs	10.3	10.3	10.1	10.1	10.1	10.1	10.1	10.1	10.1	11.7
Engineering Svcs	18.0	18.0	17.0	17.0	17.0	17.0	17.0	17.3	17.3	17.5
Comm Devel	34.3	34.3	33.1	33.1	33.1	33.1	33.1	34.4	34.4	36.2
Library	20.2	19.6	19.6	19.6	19.7	19.7	20.3	19.7	19.7	20.7
Parks & Recreation	9.8	10.0	11.6	11.6	13.7	13.7	26.0	27.9	28.0	31.6
Parks & Recreation - Grounds Div	0.0	0.0	18.5	17.5	20.0	19.5	19.5	19.6	19.1	19.5
Leisure Services	30.0	29.6	49.7	48.7	53.4	52.9	65.8	67.2	66.8	71.8
Human Services	4.5	4.7	4.7	4.7	4.4	4.4	4.4	4.4	4.5	4.5
Grand Totals	479.5	478.1	476.3	477.8	478.3	474.6	491.8	494.1	494.5	506.2

Data Source:

Budgeted Positions per City of Concord Budget. Full time equivalent based on 40 hours per week. Beginning in FY16, all temp positions are included.

City of Concord, New Hampshire

Operating Indicators by Function Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Physical arrests	3,044	2,796	2,837	2,787	2,716	2,926	2,746	2,382	2,611	2,831
Traffic violations	5,325	3,993	3,576	3,595	3,993	4,388	3,698	2,027	2,176	1,990
Parking violations	34,860	28,458	25,541	24,519	23,269	21,411	21,702	21,503	22,363	23,632
Fire and Rescue										
Calls answered	6,882	7,327	7,182	7,217	7,431	7,994	8,109	8,257	8,600	8,952
General services - Solid waste										
Refuse collected (tons)	8,311	11,722	11,478	12,074	12,630	12,624	12,624	10,771	11,065	11,428
Recycling (tons) Note: Recycle program started Oct 2005	3,391	3,555	3,677	4,440	4,855	5,058	5,058	4,995	4,528	3,939
General services - Streets										
Streets resurfaced (miles)	3	6	1	6	4	4	12	10	10	12
Potholes repaired	4,176	7,780	5,210	7,115	11,547	8,163	9,064	9,976	12,534	10,674
Water										
Average daily consumption (in thousands of gallons)	3,348	3,761	3,792	3,560	3,564	3,996	3,667	3,669	3,717	3,414
Sewage System:										
Daily average treatment (in thousands of gallons)										
Concord Plant	4,360	4,580	4,100	3,850	3,780	3,690	3,420	3,355	3,269	4,070
Penacook Plant	530	460	490	420	470	466	426	341	398	557

Data Source:
Various city departments

City of Concord, New Hampshire

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	15	15	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	5	5	5	5	5	5	5	5	5	5
Number of support vehicles	6	6	6	6	6	6	6	6	6	6
General Services - Streets										
Miles of streets	**217	**217	**217	**217	**217	**217	217	217	217	217
Number of traffic lights (in sets)	77	77	71	71	71	71	71	71	71	71
Number of street lights	2,130	2,130	*2,213	*2,213	*2,213	*2,213	*2,285	*2,285	2,290	2,291
Parks & Recreation - Culture and Recreation:										
Number of parks	20	20	20	20	20	29	29	29	29	29
Swimming pools	7	7	7	7	7	7	7	7	7	7
Tennis courts	21	21	21	21	20	20	20	20	20	20
Water										
Water main (miles)	172	172	172	172	172	172	172	172	172	172
Maximum daily capacity (in 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)	152	152	155	155	155	155	155	155	155	155
Maximum daily capacity of treatment (in 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	2,370	2,370	2,370	2,370	2,370	2,370	2,370	2,370	2,370	2,370

* Includes ornamental lights

**Prior years have been restated to accurately reflect this item.

Data Source

Various city departments