

BUDGET DETAIL**MISCELLANEOUS**

STREET LIGHTING						
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
APPROPRIATIONS						
STREET LIGHTING	\$399,313	\$385,143	\$387,157	\$379,077	\$439,630	\$444,030
Total	\$399,313	\$385,143	\$387,157	\$379,077	\$439,630	\$444,030

STREET LIGHTING

In light of continued energy cost increases, the Engineering Services Division plans to develop a city-wide strategy for outdoor street lighting including recommendations for the installation of energy-saving LED fixtures and the reduction of existing street lighting inventory through removal of some lighting fixtures or power reduction of others. Although cost savings may not be immediate, the long-term savings on street lighting will be significant.

INSURANCES AND LOSS RESERVE						
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
REVENUE						
TRANS FRM TRUST-SELF INS	\$30,000	\$30,000	\$30,000	\$35,100	\$35,100	\$35,000
Total	\$30,000	\$30,000	\$30,000	\$35,100	\$35,100	\$35,000
APPROPRIATIONS						
INSURANCE SERVICES	\$14,994	\$9,901	\$25,075	\$20,100	\$12,480	\$20,000
LOSS RESERVE	(\$4,721)	(\$8,825)	\$11,594	\$33,323	\$22,620	\$15,000
Total	\$10,274	\$1,075	\$36,668	\$53,423	\$35,100	\$35,000

INSURANCES**Insurance Services and Loss Reserve**

Interest earnings from the self-insurance reserves will be used for consulting services to assist in managing insurance exposures, contracts and policies, and other risks. In addition, funding is provided for deductibles and small uninsured claims that arise during the year. A transfer-in from the Insurance Reserve offsets both these expenses.

The cost of continued technical consulting assistance to reduce the rate of health insurance cost increases to both the City and its employees is included as part of the Beneflex charge made to individual departments.

MISCELLANEOUS**BUDGET DETAIL****COMP INCREASE & RETIREE HEALTH**

	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
REVENUE						
RETIREE HEALTH INS-NHRS SHARE	\$0	\$0	\$0	\$1,157,240	\$1,094,000	\$1,057,900
RETIREE HEALTH INS-RETIREE SHR	\$0	\$0	\$0	\$506,340	\$500,000	\$516,320
TRANS FROM INS RESERVE	\$0	\$0	\$0	\$0	\$0	\$159,000
Total	\$0	\$0	\$0	\$1,663,580	\$1,594,000	\$1,733,220
APPROPRIATIONS						
COMPENSATION ADJUSTMENT	\$2,447	\$103,000	\$7,000	\$240,000	\$75,000	\$250,000
RETIREE HEALTH BENEFITS	\$328,542	\$445,033	\$654,188	\$2,484,610	\$2,448,930	\$2,382,240
Total	\$330,989	\$548,033	\$661,188	\$2,724,610	\$2,523,930	\$2,632,240

COMPENSATION INCREASES & RETIREEE HEALTH BENEFITS

Compensation Increases: As of June 30, 2012, all of the City's collective bargaining units, except for CFOA, will be under contract. The CFOA contract, which expires on 6/30/12, is currently in negotiations. Estimated merit increases are included in each Department's budget. COLA's, to the extent provided by existing contracts and for non-contractual employees, are included within this compensation adjustment account.

Also included in the Compensation Adjustment account for FY 2013 are applicable severance payments for permanent employees; and \$50,000 as partial funding for the 53rd week annual accrual, in lieu of a reserve transfer. The full cost of the accrual is estimated to be in excess of \$125,000. The balance of funding is anticipated to reduce annual surplus.

Retiree Health Insurance Subsidy: In FY 2012, a change to the budget of retiree health insurance is showing the full budgeted expenditure in the Appropriations section of the budget, and the reimbursements from retirees and the New Hampshire Retirement System appear in the Revenues section. City administration, along with the City's joint labor management Health Benefits Review Team, will continue to review the issues surrounding retiree health benefits, including those associated with national health care reform.

In FY 2012, the City received \$464,000 as part of the Federal Early Retiree Reinsurance Program (ERRP). Based on claims information, the program provided funding back to communities to be used to offset the cost of or increases to the cost of retiree insurance. The City anticipates reserving the excess amount received above the \$75,000 in the FY 2012 budget and drawing down that reserve for FY 2013 (\$159,000); FY 2014 (\$130,000); and FY 2015 (\$100,000).

BUDGET DETAIL**MISCELLANEOUS**COMPENSATION INCREASES & RETIREEE HEALTH BENEFITS (cont'd)

Annually and in compliance with GASB 45, the City conducts an actuarial study or update of its Retiree Health Insurance Post Employment Benefit Program (OPEB). As reported in the City's CAFR, as of June 30, 2011, the City's Actuarial accrued liability (AAL) increased to \$44.6 million. This amount represents an increase of nearly \$10.6 million from FY 2010 and is mainly due to the change from the lesser expensive First Seniority Freedom Plan to the Medicare Enhanced Plan for retirees. The First Seniority Freedom Plan was eliminated by the City's insurance carrier as of December 31, 2010.

Each year, the actuarial update determines the City's Annual Required Contribution (ACR). This amount, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of 30 years. For fiscal year ending June 30, 2011, the ARC was \$3.5 million, an increase of \$700,000 from 2010. Currently, the City operates on a pay-as-you-go basis, contributing \$1.5 million in FY 2011. The City also contributed \$200,000 to the OPEB trust fund from FY 2011 surplus, increasing total contributions to trust to \$500,000. The FY 2012 and 2013 budgets do not include an amount for OPEB contribution in excess of the retiree/employee health insurance budget.

The retiree gross premium for FY 2013, after a 5.9% increase for retirees under age 65, and a 1% increase for retirees age 65 and older, is expected to be \$2.39 million, less a State subsidy of \$1.06 million and retiree contributions of \$0.52 million, resulting in a \$0.81 million net due from the City.

Please note that the budget display has changed to reflect the gross expenditure of \$2,382,240 under Appropriations and the gross receipts of \$1,574,220 under Revenue. This change is in line with other City procedures of budgeting gross appropriations and gross receipts. The net difference is only reflective of the 5.9% and 1% premium increases and any census changes.

Overall Health and Beneflex Costs: City employee and retiree health insurance rate increases were lowered from an initial 7.5% not to exceed increase to a final rate increase of 5.9% for employee and under 65 retiree plans. Although still substantial, this increase, along with increases in wage-related benefit components such as Short and Long Term Disability and life insurance benefits, resulted in a net 10.1% increase in the Beneflex rate, which is reflected in individual departmental Fringe Benefit accounts.

MISCELLANEOUS**BUDGET DETAIL****CITY-WIDE DUES AND MEMBERSHIPS**

APPROPRIATIONS	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
CONC CHAMBER OF COMMERCE	\$0	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400
NH MUNICIPAL ASSOCIATION	\$28,385	\$28,385	\$29,321	\$30,200	\$30,000	\$30,600
REGIONAL PLANNING ASSN	\$22,090	\$22,073	\$22,078	\$22,240	\$22,240	\$22,415
Total	\$50,475	\$51,858	\$52,799	\$53,840	\$53,640	\$54,415

DUES AND MEMBERSHIPS**Chamber of Commerce**

This amount represents the City's contribution to the Chamber of Commerce to assist in the expenses of maps and brochures.

New Hampshire Municipal Association

This funding is included to provide for the City's NHMA membership dues.

Regional Planning Commission

This funding is included to provide for continuation of the City's full, formal membership in the Central New Hampshire Regional Planning Commission (CNHRPC).

BUDGET DETAIL**MISCELLANEOUS****PERFORMANCE IMPROVEMENT PRGM**

APPROPRIATIONS	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
EMPLOYEE RECOGNITION PRGM	\$8,956	\$215	\$531	\$1,230	\$1,230	\$500
COMMUNICATION TEAM SUPPORT	\$3	\$7	\$0	\$0	\$0	\$0
Total	\$8,960	\$222	\$531	\$1,230	\$1,230	\$500

PERFORMANCE IMPROVEMENT PROGRAM SUPPORT - GENERAL FUNDEmployee Recognition Program

This funding is included for employee performance recognition activities.

MISCELLANEOUS**BUDGET DETAIL**

MISCELLANEOUS AND CONTINGENCY						
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
REVENUE						
TRSF FROM DEV RES	\$15,000	\$20,000	\$0	\$20,000	\$20,000	\$20,000
Total	\$15,000	\$20,000	\$0	\$20,000	\$20,000	\$20,000
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
APPROPRIATIONS						
CONTINGENCY	\$0	\$0	\$0	\$140,500	\$0	\$140,500
CREATIVE ECONOMY TASK FORCE	\$15,000	\$0	\$0	\$0	\$0	\$0
CAT/PUBLIC TRANSPORTATION	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
SPCA	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
GROUNDWORKS CONCORD	\$31,899	\$600	\$0	\$0	\$0	\$0
INTOWN CONCORD SUPPORT	\$42,500	\$40,000	\$20,000	\$20,000	\$20,000	\$20,000
Total	\$204,399	\$155,600	\$135,000	\$275,500	\$135,000	\$275,500

MISCELLANEOUS AND CONTINGENCY

Contingency: As of the date of this printing, no funds have been transferred for FY 2012. The funds proposed to be included in the FY 2013 budget will, again, be for welfare aid, snow related operations, fuel contingency and other unexpected situations.

CAT/Public Transportation: Funding of the CAT Fixed Route Public Transit System is recommended to be level funded for FY 2013.

SPCA: Funding of the SPCA is recommended to be level funded for FY 2013.

Groundwork Concord: Groundwork Concord ceased operations during FY 2010.

In Town Concord: The City's contribution to In Town Concord (formerly Main Street Concord) is level funded for FY 2013. In Town Concord manages a variety of downtown events (such as Market Days), provides grant funds to property owners for façade improvements, works with the City to maintain and grow businesses within the City's central business district, as well as advocates for a number of issues which are critical for the future vitality of Downtown Concord.

Starting in FY 2012 and continuing in FY 2013, funding for In Town Concord shifted back to the Economic Development Reserve funds. In FY 2010 and FY 2011, funding relied on tax revenue.

BUDGET DETAIL**MISCELLANEOUS**

CABLE TV						
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
REVENUE						
CABLE TV FRANCHISE FEE	\$666,123	\$668,941	\$699,477	\$700,000	\$710,420	\$730,000
Total	\$666,123	\$668,941	\$699,477	\$700,000	\$710,420	\$730,000
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
APPROPRIATIONS						
CABLE TV SYSTEM	\$245,807	\$213,798	\$214,400	\$224,400	\$224,400	\$233,600
Total	\$245,807	\$213,798	\$214,400	\$224,400	\$224,400	\$233,600

CABLE TV SYSTEM

The proposed FY 2013 franchise fee payment reflects a slight increase from the FY 2012 estimate.

Funding for CTV is increased to reflect the increase in revenue anticipated for FY 2013.

MISCELLANEOUS**BUDGET DETAIL**

HOLIDAY OBSERVANCES						
APPROPRIATIONS	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
CONCORD VETERANS COUNCIL	\$5,000	\$5,000	\$5,000	\$6,000	\$6,000	\$5,000
Total	\$5,000	\$5,000	\$5,000	\$6,000	\$6,000	\$5,000

HOLIDAY OBSERVANCESConcord Veterans Council

This account provides for the cost of holiday decorations for Memorial Day and Veteran's Day Observances in Concord and Penacook. Funding in the amount of \$5,000 is recommended in FY 2013.