

# **CITY OF CONCORD**

## **NEW HAMPSHIRE**



# **COMPREHENSIVE**

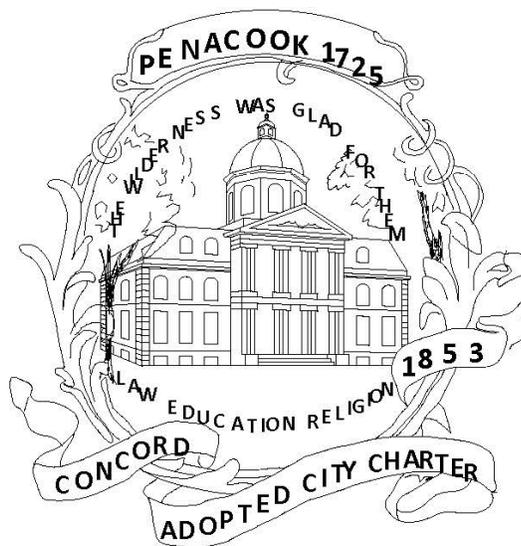
# **ANNUAL FINANCIAL REPORT**

**For The Fiscal Year Ended**  
**June 30, 2020**

# CITY OF CONCORD

NEW HAMPSHIRE

## Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2020



Prepared by:  
The Finance Department

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

**Katherine A. Graff**  
Assistant Finance Director

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# INTRODUCTORY SECTION





# CITY OF CONCORD

*New Hampshire's Main Street™*

*Finance*

December 14, 2020

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, 2020.

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(s). 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 43,627 as of July 1, 2019, a 2.21% 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 4-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**

Fiscal year 2020 brought about many unforeseen challenges as the coronavirus pandemic took hold of our community and nation during the last few months of the fiscal year. The City took steps to help mitigate the medical and financial impacts of the pandemic to its citizens, including closing city recreational and leisure facilities in accordance with the Governor's Safer at Home order, encouraging employees who have the ability to work from home to do so, working with local eateries and easing outdoor dining regulations to enable them to offer new or additional outdoor dining options to their customers, and temporarily halting the pay-as-you-throw bag requirement and allowing residents to dispose of refuse at no cost. To help offset the cost of some of these programs, the City applied for and recognized revenues from a variety of sources, including \$54,317.57 from the Federal Emergency Management Agency (FEMA), \$31,756.97 from the United States Department of Justice, \$60,364.12 from the United States Department of Health and Human Services, \$725,681.72 from the State of New Hampshire Governor's Office for Emergency Relief and Recovery (GOFERR) including \$382,799.40 as part of the First Responder Stipend Program, and \$36,281.77 from the State of New Hampshire as a reimbursement for employee emergency management services rendered.

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 2020 was 8.6%. This compares favorably to New Hampshire's rate of 9.1% and to the United States rate of 11.2 %. Concord's rate also remains the lowest among the top three New Hampshire cities with Manchester at 10.5% and Nashua at 10.6%. 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, 2019 increased overall by 3.90% compared to April 1, 2018. The cumulative total residential, manufactured homes and condominiums increased 5.14% in assessed value. The average assessed value of a single family home in Concord as of April 1, 2019 was \$267,155, up 4.6% from \$255,319 the year before.

Tax collections percentage as of June 30, 2020 for the 2019 Tax Year was 98.0%, slightly lower than the previous year. Total tax delinquencies for all years were stated at \$3.1 million, up \$0.7 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.

During FY20, NH Mutual Bancorp opened its second New Hampshire based operating center at 16 Foundry Street.

The City also continued its efforts to overhaul its zoning ordinance via a new form-based code in FY20. 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 FY21.

On September 18, 2019, the City sold 2.5 acres of the former Allied Leather Tannery site to the Caleb Development Corporation for \$540,000 for the purposes of developing a 54 unit workforce housing project at the property. Phase I was initiated in FY20 and was completed in October 2020. When fully completed, the project will generate \$4 million in new Assessed Value. 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.

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 major special revenue fund.

Also, as part of the annual budget process, the City reviews all General Fund revenues to determine budgetary needs. Enterprise and Special Revenue Funds are reviewed for competitiveness and support of operations. Most Enterprise/Special Revenue Funds are fully self-supporting and provide administrative overhead payments to the General Fund. The exception is the Golf Fund, which received general fund support for their Fiscal Year 2020 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 2019 reported surpluses ranging from \$369,286 to \$1.5 million. The Fiscal Year 2020 surplus is \$1,067,610. In June 2020, the City Council adopted the Fiscal Year 2021 General Fund operating budget using \$1.5 million from prior year surplus to offset tax rate increases.

The total General Fund Unassigned Fund Balance increased to \$12.5 million after City management assigned \$1,280,000, \$980,000 of which is anticipated to be transferred to trust fund reserve accounts in Fiscal Year 2021, and the remaining \$300,000 which is assigned for overlay for the settlement of future abatements. The \$12.5 million Unassigned Fund Balance represents a \$756,500 increase over Fiscal Year 2019. The purposes of the Assigned Fund Balance to be transferred to Trust Fund reserves in Fiscal Year 2021 are for transfers to Highway Paving Reserve (\$400,000), Equipment Reserve (\$300,000), Recreation (\$250,000), 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, 2020, the total Other Postemployment Benefits (OPEB) liability was \$52.7 million. For June 30, 2019, the City reported a total OPEB liability of \$52.5 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 2021.

### **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 2020, this amount was 10.7%.

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 #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, 2020 the Unassigned Fund Balance was 20.11%.

### ***Credit Rating and Debt Limit***

As of December 2019 Standard and Poor's Rating Group affirmed the city's bond rating of AA+ in conjunction with a \$13.98 million General Obligation bond offering and affirmed the AA+ rating on the City's \$101.6 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 2020 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 the rehabilitation of taxiway A at the airport, continued School Street parking garage repairs, construction of a new Fire Training Facility on Old Turnpike Road, equipment replacement, grounds improvements at the Beaver Meadow Golf Course, I-393 and Horseshoe pond drainage improvements, continuation of the Annual Neighborhood Paving Program, expansion of the parking meter coverage area, water pump station #5 refurbishment, and the replacement of the primary clarifier 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-five 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, 2019 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 for their work in conducting the City's audit and preparing this report. Additionally, Administration thanks the Mayor, members of the City Council and Fiscal Policy Advisory Committee for their leadership, and commitment of transparency for the financial operations of the City. Without their diligence, hard work, professionalism and support, this report would not meet such high standards.

### **Other Information**

Although state statutes do not require an annual audit, the City has continually produced an independently audited set of Financial Statements since the 1920's. Presently, the firm of Melanson of Merrimack, 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](http://www.concordnh.gov), where this CAFR is expected to be prominently displayed by December 31, 2020. Also displayed are previous CAFR's and other summary financial information.

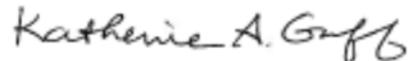
Sincerely,



Thomas J. Aspell, Jr.  
City Manager

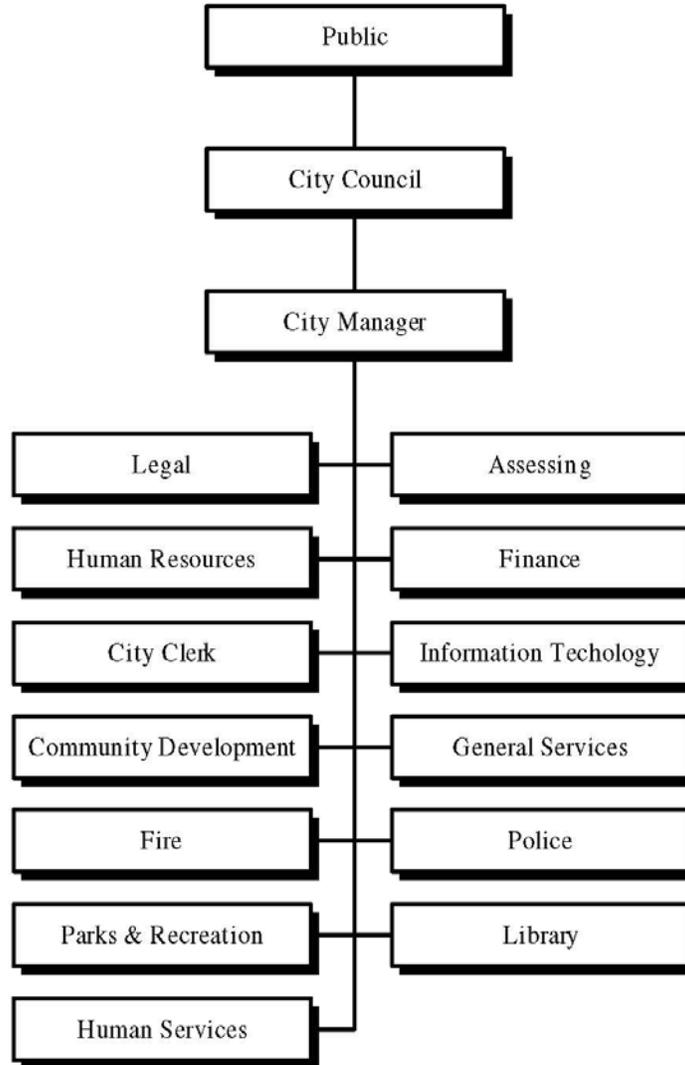


Brian G. LeBrun  
Deputy City Manager – Finance



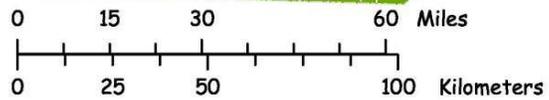
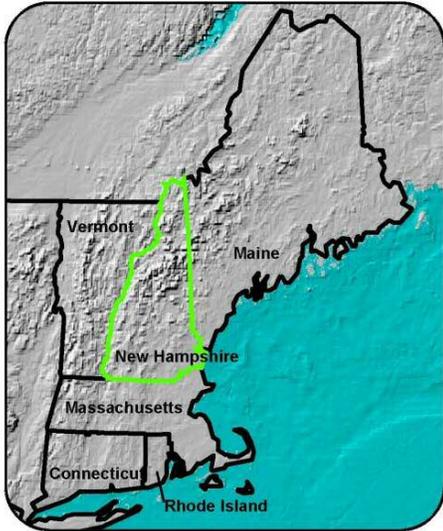
Katherine A. Graff  
Assistant Finance Director

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, 2020**

<b>Title:</b>	<b>Name:</b>
<b><u>Elected by the Public:</u></b>	
Mayor	James P. Bouley
Councilor-at-Large	Nathan R. Fennessy
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	Erle B. Pierce
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
<b><u>Appointed by Council:</u></b>	
City Manager	Thomas J. Aspell
<b><u>Appointed by City Manager:</u></b>	
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	Guy T. Newbery
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  
for Excellence  
in Financial  
Reporting

Presented to

**City of Concord  
New Hampshire**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# **FINANCIAL SECTION**





## Independent Auditors' Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Concord, New Hampshire, as of and for the year ended June 30, 2020, 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, 2020, 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 94 through 121 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 December 14, 2020 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.

A handwritten signature in black ink that reads "Melanson".

Merrimack, New Hampshire  
December 14, 2020

# 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, 2020. This section should be read in conjunction with the Letter of Transmittal beginning on page 1.

## A. OVERVIEW OF THE FINANCIAL STATEMENTS

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

### **Required Supplementary 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 \$169,619,514 (i.e., net position), a change of \$2,638,361 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$54,245,495, a change of \$4,510,752 in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$12,525,950, a change of \$756,460 in comparison to the prior year. In addition, total general fund balance increased by \$816,812.

## **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.

**Summary of Net Position**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 128,278	\$ 123,852	\$ 20,498	\$ 17,024	\$ 148,776	\$ 140,876
Capital assets	189,912	185,042	125,685	128,477	315,597	313,519
Total assets	<u>318,190</u>	<u>308,894</u>	<u>146,183</u>	<u>145,501</u>	<u>464,373</u>	<u>454,395</u>
Deferred outflows of resources	13,986	15,138	1,103	1,125	15,089	16,263
Total assets and deferred outflows	<u>\$ 332,176</u>	<u>\$ 324,032</u>	<u>\$ 147,286</u>	<u>\$ 146,626</u>	<u>\$ 479,462</u>	<u>\$ 470,658</u>
Long-term liabilities outstanding	\$ 180,021	\$ 176,398	\$ 46,826	\$ 45,539	\$ 226,847	\$ 221,937
Other liabilities	8,799	10,532	1,647	1,268	10,446	11,800
Total liabilities	<u>188,820</u>	<u>186,930</u>	<u>48,473</u>	<u>46,807</u>	<u>237,293</u>	<u>233,737</u>
Deferred inflows of resources	71,773	69,286	776	654	72,549	69,940
Net Position:						
Net investment in capital assets	126,815	122,377	95,739	97,533	222,554	219,910
Restricted	23,522	20,072	1,079	1,201	24,601	21,273
Unrestricted	<u>(78,754)</u>	<u>(74,633)</u>	<u>1,219</u>	<u>431</u>	<u>(77,535)</u>	<u>(74,202)</u>
Total net position	<u>71,583</u>	<u>67,816</u>	<u>98,037</u>	<u>99,165</u>	<u>169,620</u>	<u>166,981</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 332,176</u>	<u>\$ 324,032</u>	<u>\$ 147,286</u>	<u>\$ 146,626</u>	<u>\$ 479,462</u>	<u>\$ 470,658</u>

The largest portion of net position \$222,553,588 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, \$24,600,911 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 (\$77,534,985) primarily resulting from the City's unfunded net pension and total 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 \$169,619,514 a change of \$2,638,361 in comparison to the prior year.

**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues:						
Program revenues:						
Charges for services	\$ 13,878	\$ 14,190	\$ 13,977	\$ 12,951	\$ 27,855	\$ 27,141
Operating grants and contributions	6,617	4,392	59	284	6,676	4,676
Capital grants and contributions	4,005	2,144	74	50	4,079	2,194
General revenues:						
Property taxes	44,943	44,304	-	-	44,943	44,304
Penalties and interest on taxes	444	1,057	-	-	444	1,057
Motor vehicle registrations	7,105	7,289	-	-	7,105	7,289
Investment income	1,991	2,532	143	291	2,134	2,823
Other	711	1,481	233	212	944	1,693
Total revenues	<u>79,694</u>	<u>77,389</u>	<u>14,486</u>	<u>13,788</u>	<u>94,180</u>	<u>91,177</u>
Expenses:						
General government	11,183	9,015	-	-	11,183	9,015
Public safety	31,863	31,027	-	-	31,863	31,027
General services	18,401	17,357	-	-	18,401	17,357
Community development	6,894	6,204	-	-	6,894	6,204
Leisure and information services	6,247	7,281	-	-	6,247	7,281
Human services	662	684	-	-	662	684
Interest on long-term debt	2,502	2,364	-	-	2,502	2,364
Water operations	-	-	5,800	5,760	5,800	5,760
Sewer operations	-	-	7,478	7,574	7,478	7,574
Total expenses	<u>77,752</u>	<u>73,932</u>	<u>13,278</u>	<u>13,334</u>	<u>91,030</u>	<u>87,266</u>
Change in net position before transfers, permanent fund contributions and special item	1,942	3,457	1,208	454	3,150	3,911
Transfers in (out)	2,336	2,353	(2,336)	(2,353)	-	-
Permanent fund contributions	287	275	-	-	287	275
Special item	(798)	-	-	-	(798)	-
Change in net position	<u>3,767</u>	<u>6,085</u>	<u>(1,128)</u>	<u>(1,899)</u>	<u>2,639</u>	<u>4,186</u>
Net position - beginning of year	<u>67,816</u>	<u>61,731</u>	<u>99,165</u>	<u>101,064</u>	<u>166,981</u>	<u>162,795</u>
Net position - end of year	<u>\$ 71,583</u>	<u>\$ 67,816</u>	<u>\$ 98,037</u>	<u>\$ 99,165</u>	<u>\$ 169,620</u>	<u>\$ 166,981</u>

**Governmental activities**

Governmental activities for the year resulted in a positive change in net position of \$3,767,115. Key elements of this change are as follows:

- Permanent fund investment income of \$977,898.
- TIF incremental property tax revenue of \$2,298,371, restricted primarily for debt service.
- Funding capital project funds via transfers from capital reserves of \$4,752,835.
- Increase in pension and OPEB liabilities and related deferred outflows and inflows of resources from GASB 68 and GASB 75 of \$3,125,373.
- Loss on disposal of capital asset – special item of \$797,864.

**Business-type activities**

Business-type activities for the year resulted in a change in net position of (\$1,128,754). 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 \$54,245,495, a change of \$4,510,752 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 \$12,525,950, while total fund balance was \$19,721,024. 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>6/30/20</u>	<u>6/30/19</u>	<u>Change</u>	<u>% of Total General Fund Expenditures</u>
Unassigned fund balance	\$ 12,525,950	\$ 11,769,490	\$ 756,460	20.1%
Total fund balance <sup>(1)</sup>	\$ 19,721,024	\$ 18,904,212	\$ 816,812	31.7%

<sup>(1)</sup> 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 \$816,812 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	\$ 11,769	\$ 1,400	\$ 5,355	\$ 380	\$ 18,904
Use of assignments	-	(1,400)	-	-	(1,400)
Revenues and transfers in over budget	894	-	-	-	894
Expenditures and transfers out under budget	1,302	-	-	-	1,302
Assignments	(1,280)	1,280	-	-	-
Reserve fund changes	251	-	(251)	-	-
Other	(410)	-	-	431	21
End of Year	<u>\$ 12,526</u>	<u>\$ 1,280</u>	<u>\$ 5,104</u>	<u>\$ 811</u>	<u>\$ 19,721</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>6/30/20</u>	<u>6/30/19</u>	<u>Change</u>
Highways	\$ 1,613,168	\$ 2,478,584	\$ (865,416)
Economic development	950,738	579,012	371,726
Equipment	216,440	52,507	163,933
OPEB	1,121,294	1,011,674	109,620
Community improvement	180,439	196,811	(16,372)
Recreation	835,534	863,640	(28,106)
Other	186,101	172,284	13,817
Total	<u>\$ 5,103,714</u>	<u>\$ 5,354,512</u>	<u>\$ (250,798)</u>

The general capital project fund had a net change in fund balance of \$679,462. Most of capital outlay was spent on three projects, \$3,623,251 for annual overlay projects, \$1,481,231 for Taxiway A construction, and \$1,422,523 for the School Street garage repairs. The funding sources for all projects were mostly received in the current year. At the end of fiscal year 2020, the fund had \$6,898,724 in fund balance, which related to unspent proceeds of debt and other funding sources of \$7,385,180 and deficit balance of \$486,456 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 \$1,219,107, a change of \$788,395 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 \$2,049,131. The majority of this increase results from two supplemental resolutions. In December 2019, the City amended the budget by increasing transfers out to the capital reserve funds by \$1,100,000 funded by fiscal year 2019 assigned fund balance. Also, in December 2019 the City amended the budget by increasing transfers out to the highway reserve trust fund by \$749,728, funded by state aid. Other City Council resolutions included minor supplemental appropriations as well as the transfer of funds between departmental line items.

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 \$315,597,242 (net of accumulated depreciation), a change of \$2,078,056 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 annual overlay projects.

### **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, loans and unamortized bond premiums, was \$106,801,623, 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 2020 adopted to the fiscal 2021 adopted City General Fund budget and tax rate:

	2020 COUNCIL ADOPTED	2021 COUNCIL ADOPTED
<u>Use of Funds</u>		
Budget Appropriations	\$ 66,524,857	\$ 68,497,653
War Credits	267,400	267,400
Overlay	<u>300,000</u>	<u>300,000</u>
Total Uses of Funds	<u>\$ 67,092,257</u>	<u>\$ 69,065,053</u>
<u>Sources of Funds</u>		
Miscellaneous Revenues	\$ 24,650,628	\$ 24,802,701
Amount to be raised by property taxes	42,441,629	42,762,352
Use of fund balance	<u>-</u>	<u>1,500,000</u>
Total Sources of Funds	<u>\$ 67,092,257</u>	<u>\$ 69,065,053</u>
	2020 COUNCIL ADOPTED	2021 COUNCIL ADOPTED
<u>Tax Rate Determination</u>		
Assessed Value (A.V.) in thousands of dollars*	\$ 4,205,811	\$ 4,376,904
Amount to be Raised	\$ 42,441,629	\$ 42,762,352
Current Year Recommended Tax Rate/\$ 1,000 A.V.	\$ 10.09	\$ 9.77 **
Prior Year Tax Rate/\$ 1,000 A.V.	<u>9.90</u>	<u>9.77 *</u>
Increase over Prior Year	\$ 0.19	\$ 0.00
% Change	1.92%	0.00%
* 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 \$9.60 per \$1,000 of assessed value.		
** Portion of Recommended Tax Rate Allocated to Debt Service		1.76
Portion of Prior Year Tax Rate Allocated to Debt Service		<u>1.75</u>
Increase over Prior Year		0.01
% Change		0.57%
** Portion of Recommended Tax Rate Allocated to All Other Costs		8.01
Portion of Prior Year Tax Rate Allocated to All Other Costs		<u>8.02</u>
Increase over Prior Year		-0.01
% Change		-0.12%

## **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**

**CITY OF CONCORD, NEW HAMPSHIRE**

Statement of Net Position  
June 30, 2020

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Assets and Deferred Outflows of Resources</b>			
Assets			
Current:			
Cash and short-term investments	\$ 63,846,707	\$ 17,724,908	\$ 81,571,615
Investments	20,761,972	-	20,761,972
Receivables, net of allowance for uncollectibles:			
Property taxes	39,214,191	-	39,214,191
Accounts	2,686,301	-	2,686,301
User fees	-	1,642,188	1,642,188
Intergovernmental	-	98,325	98,325
Loans	663,823	-	663,823
Other assets	<u>1,105,503</u>	<u>52,112</u>	<u>1,157,615</u>
Total current assets	128,278,497	19,517,533	147,796,030
Noncurrent:			
Receivables:			
Intergovernmental	-	980,029	980,029
Capital assets:			
Land and construction in progress	64,193,087	11,078,680	75,271,767
Other capital assets, net of accumulated depreciation	<u>125,718,774</u>	<u>114,606,701</u>	<u>240,325,475</u>
Total non-current assets	<u>189,911,861</u>	<u>126,665,410</u>	<u>316,577,271</u>
Total Assets	318,190,358	146,182,943	464,373,301
Deferred Outflows of Resources			
Related to pensions	8,763,999	452,455	9,216,454
Related to OPEB	5,133,221	495,721	5,628,942
Related to refunding	<u>88,536</u>	<u>154,648</u>	<u>243,184</u>
Total deferred outflows of resources	<u>13,985,756</u>	<u>1,102,824</u>	<u>15,088,580</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 332,176,114</u>	<u>\$ 147,285,767</u>	<u>\$ 479,461,881</u>

(continued)

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Statement of Net Position  
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>			
Liabilities			
Current:			
Accounts payable	\$ 3,585,341	\$ 784,667	\$ 4,370,008
Retainage payable	663,371	201,398	864,769
Accrued liabilities	2,437,611	581,395	3,019,006
Due to other governments	128,314	-	128,314
Notes payable	1,520,000	-	1,520,000
Other current liabilities	464,340	79,741	544,081
Current portion of long-term liabilities:			
Bonds and loans payable	7,677,002	3,660,617	11,337,619
Other liabilities	<u>2,556,296</u>	<u>177,061</u>	<u>2,733,357</u>
Total current liabilities	19,032,275	5,484,879	24,517,154
Noncurrent:			
Bonds and loans payable, net of current portion	60,168,014	35,295,990	95,464,004
Net pension liability	60,529,290	3,124,912	63,654,202
Total OPEB liability	48,166,945	4,567,561	52,734,506
Other liabilities, net of current portion	<u>923,618</u>	<u>-</u>	<u>923,618</u>
Total non-current liabilities	<u>169,787,867</u>	<u>42,988,463</u>	<u>212,776,330</u>
Total Liabilities	188,820,142	48,473,342	237,293,484
Deferred Inflows of Resources			
Related to pensions	3,786,189	195,468	3,981,657
Related to OPEB	5,462,726	580,347	6,043,073
Related to taxes	<u>62,524,153</u>	<u>-</u>	<u>62,524,153</u>
Total Deferred Inflows of Resources	71,773,068	775,815	72,548,883
Net Position:			
Net investment in capital assets	126,814,439	95,739,149	222,553,588
Restricted for:			
Dedicated income library	3,122,973	-	3,122,973
Housing revolving loans	1,510,051	-	1,510,051
Other purposes	922,370	-	922,370
Permanent funds:			
Nonexpendable	11,116,914	-	11,116,914
Expendable	4,271,943	-	4,271,943
Debt service	2,578,306	1,078,354	3,656,660
Unrestricted	<u>(78,754,092)</u>	<u>1,219,107</u>	<u>(77,534,985)</u>
Total Net Position	<u>71,582,904</u>	<u>98,036,610</u>	<u>169,619,514</u>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 332,176,114</u>	<u>\$ 147,285,767</u>	<u>\$ 479,461,881</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, 2020

	<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>	
<b>Governmental Activities:</b>					
General government	\$ 11,183,043	\$ 1,693,495	\$ 4,863,693	\$ 1,523,780	\$ (3,102,075)
Public safety	31,862,639	4,712,049	1,538,992	-	(25,611,598)
General services	18,401,116	3,890,083	136,356	2,002,473	(12,372,204)
Community development	6,893,987	2,113,729	9,388	478,880	(4,291,990)
Leisure and information services	6,246,580	1,468,193	25,091	-	(4,753,296)
Human services	661,888	-	42,863	-	(619,025)
Interest on long-term debt	2,501,631	-	-	-	(2,501,631)
Total Governmental Activities	<u>77,750,884</u>	<u>13,877,549</u>	<u>6,616,383</u>	<u>4,005,133</u>	<u>(53,251,819)</u>
<b>Business-Type Activities:</b>					
Water	5,799,958	6,273,061	8,185	-	481,288
Sewer	7,477,700	7,703,516	50,564	73,410	349,790
Total Business-Type Activities	<u>13,277,658</u>	<u>13,976,577</u>	<u>58,749</u>	<u>73,410</u>	<u>831,078</u>
Total	<u>\$ 91,028,542</u>	<u>\$ 27,854,126</u>	<u>\$ 6,675,132</u>	<u>\$ 4,078,543</u>	<u>\$ (52,420,741)</u>

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Statement of Activities  
For the Year Ended June 30, 2020

(continued)

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Changes in Net Position:			
Net (expenses) revenue from previous page	\$ (53,251,819)	\$ 831,078	\$ (52,420,741)
General Revenues:			
Property taxes	44,942,923	-	44,942,923
Penalties and Interest on taxes	443,726	-	443,726
Motor vehicle registrations	7,104,853	-	7,104,853
Investment income	1,991,073	143,310	2,134,383
Miscellaneous	710,969	233,156	944,125
Transfers, net	2,336,298	(2,336,298)	-
Permanent fund contributions	286,956	-	286,956
Special item - loss on disposal of capital asset	<u>(797,864)</u>	<u>-</u>	<u>(797,864)</u>
Total general revenues, transfers, permanent fund contributions and special item	<u>57,018,934</u>	<u>(1,959,832)</u>	<u>55,059,102</u>
Change in Net Position	3,767,115	(1,128,754)	2,638,361
<b>Net Position</b>			
Beginning of year	<u>67,815,789</u>	<u>99,165,364</u>	<u>166,981,153</u>
End of year	<u>\$ 71,582,904</u>	<u>\$ 98,036,610</u>	<u>\$ 169,619,514</u>

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

**CITY OF CONCORD, NEW HAMPSHIRE**

Governmental Funds  
Balance Sheet  
June 30, 2020

	<u>General</u>	General Capital Project <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<b>Assets</b>				
Cash and short-term investments	\$ 45,891,052	\$ 10,250,748	\$ 7,704,907	\$ 63,846,707
Investments	1,108,318	-	19,653,654	20,761,972
Receivables:				
Property taxes	39,214,191	-	-	39,214,191
Accounts	1,181,253	418,112	1,086,936	2,686,301
Loans	-	-	663,823	663,823
Inventory	337,990	-	269,973	607,963
Prepaid items	473,370	-	24,170	497,540
Total Assets	<u>\$ 88,206,174</u>	<u>\$ 10,668,860</u>	<u>\$ 29,403,463</u>	<u>\$ 128,278,497</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities				
Accounts payable	\$ 1,255,924	\$ 1,544,466	\$ 784,952	\$ 3,585,342
Retainage payable	-	651,442	11,929	663,371
Accrued liabilities	1,423,330	-	119,069	1,542,399
Due to other governments	128,314	-	-	128,314
Notes payable	-	1,520,000	-	1,520,000
Compensated absences	-	-	53,754	53,754
Other liabilities	301,460	54,228	3,298	358,986
Total Liabilities	3,109,028	3,770,136	973,002	7,852,166
Deferred Inflows of Resources:				
Taxes collected in advance	24,778,361	-	-	24,778,361
Unavailable revenues	40,597,761	-	804,714	41,402,475
Total Deferred Inflows of Resources	65,376,122	-	804,714	66,180,836
Fund Balances:				
Nonspendable	811,360	-	11,411,057	12,222,417
Restricted	-	7,385,180	13,393,564	20,778,744
Committed	5,103,714	-	3,017,327	8,121,041
Assigned	1,280,000	-	-	1,280,000
Unassigned	12,525,950	(486,456)	(196,201)	11,843,293
Total Fund Balances	<u>19,721,024</u>	<u>6,898,724</u>	<u>27,625,747</u>	<u>54,245,495</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 88,206,174</u>	<u>\$ 10,668,860</u>	<u>\$ 29,403,463</u>	<u>\$ 128,278,497</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, 2020

<b>Total governmental fund balances</b>	\$ 54,245,495
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	189,911,861
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	3,659,981
Deferred outflows and inflows of pension resources are not financial resources nor are they available to pay current-period financial expenditures. Pension related outflows and inflows consist of:	
Deferred outflows	8,763,999
Deferred inflows	(3,786,189)
Deferred outflows and inflows of OPEB resources are not financial resources nor are they available to pay current-period financial expenditures. Pension related outflows and inflows consist of:	
Deferred outflows	5,133,221
Deferred inflows	(5,462,726)
Deferred outflows of resources related to deferred amount on advanced refunding will be recognized in future years.	88,536
Interest accrued on outstanding long-term debt.	(1,003,863)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable	(67,845,016)
Net pension liability	(60,529,290)
Total OPEB liability	(48,166,945)
Other (compensated absences, landfill closure liability, and capital leases)	<u>(3,426,160)</u>
<b>Net position of governmental activities</b>	<b>\$ <u><u>71,582,904</u></u></b>

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 Balance  
For the Year Ended June 30, 2020

	<u>General</u>	<u>Capital Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes	\$ 49,766,902	\$ -	\$ 1,758,463	\$ 51,525,365
Licenses and permits	1,205,850	-	-	1,205,850
Intergovernmental	6,942,747	2,002,473	1,062,150	10,007,370
Charges for services	5,529,429	-	7,773,258	13,302,687
Investment income	780,086	-	1,210,986	1,991,072
Contributions	-	441,128	459,973	901,101
Miscellaneous	324,475	-	876,997	1,201,472
<b>Total Revenues</b>	<b>64,549,489</b>	<b>2,443,601</b>	<b>13,141,827</b>	<b>80,134,917</b>
<b>Expenditures</b>				
Current:				
General government	10,006,199	58,794	869,424	10,934,417
Public safety	27,508,054	-	982,207	28,490,261
General services	8,904,612	-	5,134,469	14,039,081
Community development	3,310,749	-	1,071,858	4,382,607
Leisure and information services	4,528,169	-	980,623	5,508,792
Human services	637,809	-	-	637,809
Debt service:				
Principal	5,412,485	-	1,325,775	6,738,260
Interest	1,982,345	-	519,122	2,501,467
Capital outlay	-	14,039,940	119,589	14,159,529
<b>Total Expenditures</b>	<b>62,290,422</b>	<b>14,098,734</b>	<b>11,003,067</b>	<b>87,392,223</b>
Excess (deficiency) of revenues over expenditures	2,259,067	(11,655,133)	2,138,760	(7,257,306)
<b>Other Financing Sources (Uses)</b>				
Issuance of bonds	-	6,855,050	1,837,100	8,692,150
Bond premium	-	726,710	12,900	739,610
Transfers in	4,161,656	4,752,835	1,167,591	10,082,082
Transfers out	(5,603,911)	-	(2,141,873)	(7,745,784)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,442,255)</b>	<b>12,334,595</b>	<b>875,718</b>	<b>11,768,058</b>
<b>Net change in fund balance</b>	<b>816,812</b>	<b>679,462</b>	<b>3,014,478</b>	<b>4,510,752</b>
Fund Balance, at Beginning of Year, as reclassified	18,904,212	6,219,262	24,611,269	49,734,743
<b>Fund Balance, at End of Year</b>	<b>\$ 19,721,024</b>	<b>\$ 6,898,724</b>	<b>\$ 27,625,747</b>	<b>\$ 54,245,495</b>

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, 2020

**Net changes in fund balances - total governmental funds** \$ 4,510,752

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay purchases	13,166,449
Loss on disposal of assets	(1,289,264)
Depreciation	(7,007,166)

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. 336,050

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:

Repayments of debt	6,738,261
Issuance of debt	(8,692,150)
Bond premiums	(739,610)
Amortization of bond premiums	144,030
Amortization of refunding	(12,648)

In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. (163)

Pension and OPEB related outflows and inflows are not reported as expenditures in the governmental funds, but are recorded as expenses in the statement of activities.

Net pension liability	(164,463)
Pension related deferred outflows and inflows of resources	(1,907,754)
Other post employment benefits liability	(650,738)
OPEB related deferred outflows and inflows of resources	(402,418)

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.

Compensated absences	(296,648)
Capital lease	9,595
Landfill post-closure liability	25,000

**Change in net position of governmental activities** \$ 3,767,115

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, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original <u>Budget</u>	Final <u>Budget</u>	Actual <u>Amounts</u>	
<b>Revenues</b>				
Property Taxes	\$ 49,712,555	\$ 49,712,555	\$ 49,766,902	\$ 54,347
Licenses and permits	1,222,040	1,222,040	1,207,763	(14,277)
Intergovernmental	5,493,644	6,283,937	6,942,746	658,809
Charges for services	5,309,480	5,309,480	5,540,643	231,163
Investment income	700,000	700,000	613,031	(86,969)
Miscellaneous	169,305	169,305	311,349	142,044
Total Revenues	62,607,024	63,397,317	64,382,434	985,117
<b>Expenditures</b>				
General government	11,235,817	11,192,140	10,414,258	777,882
Public safety	27,205,950	27,323,703	27,508,055	(184,352)
General services	9,671,322	9,756,766	9,558,140	198,626
Community development	3,571,897	3,572,629	3,650,645	(78,016)
Leisure and information services	5,077,442	5,088,255	4,528,168	560,087
Human services	696,193	696,193	637,809	58,384
Debt service	7,354,830	7,354,830	7,394,830	(40,000)
Total Expenditures	64,813,451	64,984,516	63,691,905	1,292,611
Excess (deficiency) of revenue over expenditures	(2,206,427)	(1,587,199)	690,529	2,277,728
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,917,833	4,048,333	3,957,460	(90,873)
Transfers out	(1,711,406)	(3,589,472)	(3,580,379)	9,093
Budgetary use of fund balance	-	1,128,338	-	(1,128,338)
Total Other Financing Sources (Uses)	2,206,427	1,587,199	377,081	(1,210,118)
Excess of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	\$ 1,067,610	\$ 1,067,610

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

**CITY OF CONCORD, NEW HAMPSHIRE**

Proprietary Funds  
Statement of Net Position  
June 30, 2020

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
<b>Assets and Deferred Outflows of Resources</b>			
Assets			
Current:			
Cash and short-term investments	\$ 9,736,850	\$ 7,988,058	\$ 17,724,908
Receivables:			
User fees	715,178	927,010	1,642,188
Intergovernmental	-	98,325	98,325
Prepays	21,757	21,567	43,324
Inventory	8,788	-	8,788
Total current assets	10,482,573	9,034,960	19,517,533
Noncurrent:			
Intergovernmental	-	980,029	980,029
Capital assets:			
Land and construction in progress	4,771,115	6,307,565	11,078,680
Other capital assets, net of accumulated depreciation	60,380,499	54,226,202	114,606,701
Total noncurrent assets	65,151,614	61,513,796	126,665,410
Total assets	75,634,187	70,548,756	146,182,943
Deferred Outflows of Resources			
Related to pensions	219,196	233,259	452,455
Related to OPEB	258,269	237,452	495,721
Related to refunding	98,081	56,567	154,648
Total deferred outflows of resources	575,546	527,278	1,102,824
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 76,209,733</b>	<b>\$ 71,076,034</b>	<b>\$ 147,285,767</b>

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Proprietary Funds  
Statement of Net Position  
June 30, 2020

(continued)

Business-Type Activities  
Enterprise Funds

**Liabilities, Deferred Inflows of Resources and Net Position**

Liabilities:

Current:

Accounts payable	\$ 111,115	\$ 673,552	\$ 784,667
Retainage payable	110,978	90,420	201,398
Accrued liabilities	287,689	293,706	581,395
Other current liabilities	72,427	7,314	79,741
Current portion of long-term liabilities:			
Bonds and loans payable	1,700,479	1,960,138	3,660,617
Other liabilities	94,595	82,466	177,061
Total current liabilities	2,377,283	3,107,596	5,484,879

Noncurrent:

Bonds and loans payable, net of current portion	17,791,878	17,504,112	35,295,990
Net pension liability	1,513,888	1,611,024	3,124,912
Total OPEB liability	2,379,333	2,188,228	4,567,561
Total noncurrent liabilities	21,685,099	21,303,364	42,988,463

Total liabilities	24,062,382	24,410,960	48,473,342
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Deferred Inflows of Resources

Related to pensions	94,696	100,772	195,468
Related to OPEB	302,583	277,764	580,347
Total Deferred Inflows of Resources	397,279	378,536	775,815

Net Position:

Net investment in capital assets	51,063,132	44,676,017	95,739,149
Restricted for debt service	-	1,078,354	1,078,354
Unrestricted	686,940	532,167	1,219,107
Total Net Position	51,750,072	46,286,538	98,036,610

**Total Liabilities, Deferred Inflows of Resources and Net Position**

	\$ <u>76,209,733</u>	\$ <u>71,076,034</u>	\$ <u>147,285,767</u>
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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, 2020

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
<b>Operating Revenues</b>			
Charges for services	\$ 6,273,061	\$ 7,703,516	\$ 13,976,577
Other	109,314	123,842	233,156
	6,382,375	7,827,358	14,209,733
<b>Operating Expenses</b>			
Salaries and benefits	2,146,903	1,436,135	3,583,038
Other operating expenses	958,542	2,146,204	3,104,746
Depreciation	2,108,937	3,246,884	5,355,821
	5,214,382	6,829,223	12,043,605
Operating Income	1,167,993	998,135	2,166,128
<b>Nonoperating Revenues (Expenses)</b>			
Investment income	63,203	80,107	143,310
Intergovernmental	8,185	50,564	58,749
Interest expense	(585,576)	(648,477)	(1,234,053)
	(514,188)	(517,806)	(1,031,994)
Total Nonoperating Revenues (Expenses), Net			
Income (Loss) Before Contributions and Transfers	653,805	480,329	1,134,134
Capital contributions	-	73,410	73,410
Transfers in	65,788	84,520	150,308
Transfers out	(1,166,545)	(1,320,061)	(2,486,606)
Change in Net Position	(446,952)	(681,802)	(1,128,754)
Net Position at Beginning of Year	52,197,024	46,968,340	99,165,364
Net Position at End of Year	\$ 51,750,072	\$ 46,286,538	\$ 98,036,610

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, 2020

	Business-Type Activities Enterprise Funds		
	Water Fund	Sewer Fund	Total
<b>Cash Flows From Operating Activities</b>			
Receipts from customers and users	\$ 6,216,250	\$ 7,552,900	\$ 13,769,150
Payments to employees for services	(2,029,519)	(2,102,101)	(4,131,620)
Payments to vendor for goods and services	<u>(1,059,306)</u>	<u>(2,152,150)</u>	<u>(3,211,456)</u>
Net Cash Provided By Operating Activities	3,127,425	3,298,649	6,426,074
<b>Cash Flows From Noncapital Financing Activities</b>			
Intergovernmental revenues	8,185	160,414	168,599
Transfers in	65,788	84,520	150,308
Transfers out	<u>(1,166,545)</u>	<u>(1,320,061)</u>	<u>(2,486,606)</u>
Net Cash (Used For) Noncapital Financing Activities	(1,092,572)	(1,075,127)	(2,167,699)
<b>Cash Flows From Capital and Related Financing Activities</b>			
Proceeds from issuance of bonds	4,259,750	1,023,100	5,282,850
Principal payments on bonds and loans	(1,410,305)	(2,368,072)	(3,778,377)
Bond premium	435,450	144,400	579,850
Acquisition and construction of capital assets, net disposals	(1,155,805)	(976,895)	(2,132,700)
Capital contributions	-	73,410	73,410
Interest expense	<u>(533,152)</u>	<u>(654,083)</u>	<u>(1,187,235)</u>
Net Cash Provided by (Used For) Capital and Related Financing Activities	1,595,938	(2,758,140)	(1,162,202)
<b>Cash Flow From Investing Activities</b>			
Investment income	<u>63,203</u>	<u>80,107</u>	<u>143,310</u>
Net Cash Provided by Investing Activities	<u>63,203</u>	<u>80,107</u>	<u>143,310</u>
Net Change in Cash and Short-Term Investments	3,693,994	(454,511)	3,239,483
Cash and Short-Term Investments, Beginning of Year	<u>6,042,856</u>	<u>8,442,569</u>	<u>14,485,425</u>
Cash and Short-Term Investments, End of Year	<u>\$ 9,736,850</u>	<u>\$ 7,988,058</u>	<u>\$ 17,724,908</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>			
Operating income	\$ 1,167,993	\$ 998,135	\$ 2,166,128
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	2,108,937	3,246,884	5,355,821
Bond premium amortization	(45,940)	(58,549)	(104,489)
Changes in assets, deferred outflows, liabilities, and deferred inflows:			
User fees	(120,187)	(215,907)	(336,094)
Other assets	(7,634)	-	(7,634)
Deferred outflows	(20,137)	42,264	22,127
Accounts payable	(89,686)	(4,200)	(93,886)
Compensated absences	9,650	(5,049)	4,601
Net pension liability	(83,019)	(197,760)	(280,779)
Total OPEB liability	113,794	(529,820)	(416,026)
Deferred inflows	97,096	24,399	121,495
Other liabilities	<u>(3,442)</u>	<u>(1,748)</u>	<u>(5,190)</u>
Net Cash Provided By Operating Activities	<u>\$ 3,127,425</u>	<u>\$ 3,298,649</u>	<u>\$ 6,426,074</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, 2020

	Agency Fund
<b>Assets</b>	
Cash and short-term investments	\$ <u>321,692</u>
Total Assets	\$ <u><u>321,692</u></u>
<b>Liabilities</b>	
Other liabilities	\$ <u>321,692</u>
Total Liabilities	\$ <u><u>321,692</u></u>

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

## City of Concord, New Hampshire

### Notes to Financial Statements

#### 1. Summary of Significant Accounting Policies

The accounting policies of the City of Concord, 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:

##### ***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 2020, it was determined that no entities met the required GASB 14 (as amended) criteria of component units.

##### ***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.

## ***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 General Capital Project Fund 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 nonoperating 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.

### ***Cash and 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

***Interfund Transactions***

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).

***Inventories***

Inventories are valued at cost using the cost-averaging method.

***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 five 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

***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.

### ***Long-Term Liabilities and Related Costs***

All long-term liabilities are reported in the government wide and proprietary funds *Statement of Net Position*. Bond premiums are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. The unamortized portion is presented in the *Statement of Net Position* as a component of bonds and loans payable. Bond issuance costs are reported as expenses when incurred.

### ***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***

In general., fund balance represents the difference between 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:

- 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).
- 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.
- 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.
- 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.
- 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.

#### ***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**

#### ***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.

***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.

***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)	\$ 64,549,489	\$ 62,290,422
Other financing sources/uses (GAAP Basis)	<u>4,161,656</u>	<u>5,603,911</u>
Subtotal (GAAP Basis)	68,711,145	67,894,333
Capital reserve fund activity	<u>(371,251)</u>	<u>(622,049)</u>
Budgetary Basis	<u>\$ 68,339,894</u>	<u>\$ 67,272,284</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.

***Excess of Expenditures Over Appropriations***

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

<u>General Fund</u>	
Legal services	\$ (2,175)
Police	(146,094)
Fire	(38,258)
Community development	(78,016)
Interest	(40,015)
Arena fund	(197)

### **Deficit Fund Equity**

The following funds or projects had deficits as of June 30, 2020:

General Capital Project fund	\$ (486,456)
<u>Nonmajor Governmental Funds</u>	
Miscellaneous special revenue funds	(102,931)
Golf fund	<u>(93,270)</u>
Total	\$ <u><u>(682,657)</u></u>

The temporary deficits in these funds will be eliminated when permanent financing is issued. At June 30, 2020, authorized but unissued debt was available for the Major Capital Project fund. The Golf fund and the miscellaneous special revenue deficits will be eliminated through future departmental revenues and intergovernmental revenues, respectively.

### **3. Deposits and Investments**

State statutes (RSA 48:16 for Cities and Towns) place certain limitation on the nature of deposits and investments available to the City. Deposits may be made in the NHPDIP, in NH Banks or banks outside the State if such banks pledge and deliver to a third-party custodial bank with various collateralized security, in accordance with RSA 383:22.

#### ***Custodial Credit Risk***

The custodial credit risk for deposits or investments is the risk that, in the event of the failure of the bank or counterparty to a transaction, the City will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of another party.

#### ***City Funds***

At June 30, 2020, the City's bank deposits of \$74,441,949 was fully collateralized. Additionally, held in investment in the state pool, NHPDIP, of \$6,521,040 is not subject to custodial credit risk disclosure. The City's deposit policy for custodial credit risk is to fully collateralize all deposits.

#### ***Trust Funds***

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

### **Investment Summary**

The following is a summary of the City's investments as of June 30, 2020:

<u>Investment Type</u>	<u>Amount</u>
U.S. Treasury securities	\$ 5,875,845
U.S. Government agencies	442,440
Corporate and foreign bonds	3,523,207
Closed equity mutual funds	2,371,687
Common equities	<u>8,548,793</u>
Total investments	\$ <u><u>20,761,972</u></u>

### **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 made 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. All U.S. Treasury securities have an implied credit rating of AAA. As of June 30, 2020, the credit quality ratings as rated by S&P Global Ratings, of the Trust Fund's debt securities are as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Standard and Poor's Rating as of Year-End</u>		
		<u>AAA</u>	<u>AA</u>	<u>A</u>
U.S. Government agencies	\$ 442,440	\$ 442,440	\$ -	\$ -
Corporate and foreign bonds	<u>3,523,207</u>	<u>180,619</u>	<u>869,217</u>	<u>2,473,371</u>
Total	\$ <u><u>3,965,647</u></u>	\$ <u><u>623,059</u></u>	\$ <u><u>869,217</u></u>	\$ <u><u>2,473,371</u></u>

### **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. As of June 30, 2020, the Trust Funds did not have investments in any one issuer that exceeded 5% of total investments.

### **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.

### *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 value of the Trust Fund's investments to market interest rate fluctuations is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. Treasury securities	\$ 5,875,845	3.66
U.S. Government agencies	442,440	8.63
Corporate and foreign bonds	<u>3,523,207</u>	3.68
Total	<u>\$ 9,841,492</u>	

### **Foreign Currency Risk**

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The City's and Trustee's

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

### ***Fair Value***

The City and Trustee's categorizes their 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, 2020:

<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	\$ 5,875,845	\$ 5,875,845	\$ -	\$ -
U.S. Government securities	442,440	-	442,440	-
Corporate and foreign bonds	3,523,207	-	3,523,207	-
Equity securities:				
Consumer discretionary	987,986	987,986	-	-
Communication staples	539,814	539,814	-	-
Energy	123,127	123,127	-	-
Financials	763,894	763,894	-	-
Healthcare	1,373,534	1,373,534	-	-
Industrials	677,592	677,592	-	-
Information technology	2,647,594	2,647,594	-	-
Materials	179,138	179,138	-	-
Real estate	227,425	227,425	-	-
Communication services	921,812	921,812	-	-
Utilities	106,877	106,877	-	-
Closed end equity mutual funds	2,371,687	2,371,687	-	-
Total	\$ <u>20,761,972</u>	\$ <u>16,796,325</u>	\$ <u>3,965,647</u>	\$ <u>-</u>

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, 2020 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 2020	\$ 37,468,038
Tax Year 2019	2,386,848
Tax Year 2018	5
Tax liens	791,001
Land use change	1,600
Timber yield	491
Elderly liens	<u>12,184</u>
Gross tax receivable	40,660,167
Allowance for abatements (overlay)	<u>(1,445,976)</u>
Net total taxes receivable	<u>\$ 39,214,191</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 \$5.01 per hundred cubic feet. There is a minimum monthly charge of \$15.03 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 \$663,823 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>
2021	\$ 98,325	\$ 40,289	\$ 138,614
2022	102,244	33,996	136,240
2023	102,812	27,680	130,492
2024	101,937	25,103	127,040
2025	102,323	22,167	124,490
2026-2030	412,925	66,448	479,373
2031-2035	157,788	13,179	170,967
Total	\$ 1,078,354	\$ 228,862	\$ 1,307,216

## 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	\$ 4,161,656	\$ 5,603,911
General Capital Project fund	4,752,835	-
Nonmajor Funds:		
Special Revenue Funds:		
Community Development		
Engineering Inspection	-	3,546
Community Development		
Conservation Property Management	8,500	20,000
Parking	263,243	123,763
Airport	-	85,028
Impact Fee	-	291,128
Miscellaneous Special Revenue fund	10,000	-
Forest and Conservation	-	73,700
Dedicated Income Library	-	186,300
Golf Fund	57,351	3,000
Arena Fund	-	70,038
Solid Waste fund	1,076,478	3,600
Permanent Funds:		
Cemetery	-	159,740
Other funds	553	10,896
Debt Service Funds:		
NEOC	-	168,683
Sears Block	-	686,435
Penacook	-	504,550
<u>Business-Type Funds:</u>		
Major Funds:		
Water	65,788	1,166,545
Sewer	84,520	1,320,061
Total	<u>\$ 10,480,924</u>	<u>\$ 10,480,924</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. \$4,007,824 of the transfer into the Major Capital Project fund 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, 2020 was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, being depreciated:				
Land improvements	\$ 10,591	\$ 1,137	\$ (1,330)	\$ 10,398
Buildings and improvement	53,698	320	(172)	53,846
Machinery, equipment, and furnishing	13,799	575	-	14,374
Infrastructure	106,821	12,745	-	119,566
Licensed vehicles	17,141	1,019	(373)	17,787
	<u>202,050</u>	<u>15,796</u>	<u>(1,875)</u>	<u>215,971</u>
Total capital assets, being depreciated				
Less accumulated depreciation for:				
Land improvements	(5,130)	(349)	156	(5,323)
Buildings and improvement	(26,760)	(2,302)	57	(29,005)
Machinery, equipment, and furnishing	(10,765)	(896)	-	(11,661)
Infrastructure	(26,437)	(2,342)	-	(28,779)
Licensed vehicles	(14,739)	(1,118)	373	(15,484)
	<u>(83,831)</u>	<u>(7,007)</u>	<u>586</u>	<u>(90,252)</u>
Total accumulated depreciation				
Total capital assets, being depreciated, net	118,219	8,789	(1,289)	125,719
Capital assets, not being depreciated:				
Land	19,424	705	-	20,129
Historical items	75	-	-	75
Construction in progress	47,324	11,242	(14,577)	43,989
	<u>66,823</u>	<u>11,947</u>	<u>(14,577)</u>	<u>64,193</u>
Total capital assets, not being depreciated				
Governmental activities capital assets, net	<u>\$ 185,042</u>	<u>\$ 20,736</u>	<u>\$ (15,866)</u>	<u>\$ 189,912</u>

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities</b>				
Capital assets, being depreciated:				
Buildings and improvement	\$ 69,589	\$ 497	\$ -	\$ 70,086
Machinery, equipment, and furnishing	8,599	1,537	-	10,136
Infrastructure	148,003	2,749	-	150,752
Licensed vehicles	<u>1,520</u>	<u>210</u>	<u>(37)</u>	<u>1,693</u>
Total capital assets, being depreciated	227,711	4,993	(37)	232,667
Less accumulated depreciation for:				
Buildings and improvement	(33,649)	(2,111)	-	(35,760)
Machinery, equipment, and furnishing	(5,548)	(638)	-	(6,186)
Infrastructure	(72,360)	(2,462)	-	(74,822)
Licensed vehicles	<u>(1,185)</u>	<u>(145)</u>	<u>37</u>	<u>(1,293)</u>
Total accumulated depreciation	<u>(112,742)</u>	<u>(5,356)</u>	<u>37</u>	<u>(118,061)</u>
Total capital assets, being depreciated, net	114,969	(363)	-	114,606
Capital assets, not being depreciated:				
Land	824	-	-	824
Construction in progress	<u>12,684</u>	<u>2,264</u>	<u>(4,693)</u>	<u>10,255</u>
Total capital assets, not being depreciated	<u>13,508</u>	<u>2,264</u>	<u>(4,693)</u>	<u>11,079</u>
Business-type activities capital assets, net	<u>\$ 128,477</u>	<u>\$ 1,901</u>	<u>\$ (4,693)</u>	<u>\$ 125,685</u>

Depreciation expense was charged to functions of the City as follows:

Governmental Activities	
Public safety	\$ 631,008
General services	3,734,650
Community development	2,192,026
Leisure and information services	<u>449,482</u>
Total governmental activities	<u>\$ 7,007,166</u>
Business-Type Activities	
Water	\$ 2,108,937
Sewer	<u>3,246,884</u>
Total business-type activities	<u>\$ 5,355,821</u>

## 10. Accounts Payable

Accounts payable represent fiscal year 2020 expenditures paid in July and August 2020.

## 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 total 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, 2020, 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, 2020:

<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	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)	-
Acquisition of NH Employment Security Building	1.95%	12/13/19	01/24/20	-	1,900,000	(1,900,000)	-
NH Employment Security Building Weatherization	1.95%	12/13/19	01/24/20	-	90,000	(90,000)	-
Downtown Complete Streets Underground Utilities	1.95%	12/13/19	12/11/20	-	1,520,000	-	1,520,000
Total				\$ 3,510,000	\$ 3,510,000	\$ (5,500,000)	\$ 1,520,000

**13. Capital Lease Liability**

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, 2020:

<u>Fiscal Year</u>	<u>Governmental Activities</u>
2021	\$ 9,595
2022	<u>3,998</u>
Total minimum lease payments	<u>\$ 13,593</u>

**14. Long-Term Debt**

***Long-Term Debt Supporting Governmental Activities***

General obligation bonds and loans issued by the City for various municipal projects are approved by City Council and repaid with property taxes recorded in the general fund, debt services funds 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 and sewer enterprise funds and solid waste, golf, arena, and other special revenue funds.

***General Obligation Bonds and Loans Payable***

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 6/30/20</u>
<b>Public Offerings</b>				
Public improvements	\$ 10,161,000	07/15/25	3.75 - 5.00	\$ 3,155,000
Public improvements	2,949,811	01/15/30	2.00 - 4.00	937,097
Public improvements	5,063,000	01/15/26	2.00 - 4.00	1,917,000
Public improvements	2,380,631	07/15/26	2.00 - 3.20	989,911
Public improvements	4,333,851	01/15/32	2.00 - 3.00	1,997,600
Public improvements	6,988,240	01/15/33	2.125 - 4.00	2,909,750
Public improvements	96,500	12/15/25	3.00 - 4.00	40,000
Public improvements	8,635,500	06/15/34	2.00 - 4.00	5,540,000
Public improvements	14,264,050	07/15/34	2.00 - 4.00	9,267,500
Public improvements	1,975,000	01/15/36	2.25 - 5.00	1,400,000
Public improvements	3,435,750	01/15/36	2.00 - 2.75	2,240,000
Public improvements	9,658,600	01/15/37	2.00 - 4.00	7,438,000
Public improvements	11,090,200	01/15/38	3.25 - 4.00	9,360,000
Public improvements	6,993,700	01/15/39	3.125 - 5.00	6,450,000
Public improvements	2,550,000	01/15/39	3.50 - 5.00	2,415,000
Public improvements	8,692,150	01/15/40	2.00 - 5.00	<u>8,692,150</u>
Total governmental activities - public offerings				<u>\$ 64,749,008</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 6/30/20</u>
<b>Water Fund:</b>				
<b>Public Offerings</b>				
Water	\$ 1,205,450	01/15/30	2.00 - 4.00	\$ 217,903
Water	2,072,500	01/15/26	2.00 - 4.00	942,000
Water	1,653,750	01/15/32	2.00 - 3.00	881,700
Water	3,766,650	01/15/33	2.125 - 4.00	1,202,500
Water	1,627,800	12/15/29	3.00 - 4.00	930,000
Water	2,594,900	07/15/34	2.00 - 4.00	1,697,000
Water	2,420,000	01/15/36	2.25 - 5.00	1,920,000
Water	707,750	01/15/36	2.00 - 2.75	450,000
Water	3,613,050	01/15/37	2.00 - 4.00	3,069,550
Water	1,917,800	01/15/38	3.25 - 4.00	1,645,000
Water	1,180,300	01/15/39	3.125 - 5.00	1,095,000
Water	4,259,750	01/15/40	2.00 - 5.00	<u>4,259,750</u>
Total water public offerings				18,310,403
<b>Other Long-term Debt:</b>				
Water State Revolving Loan	245,000	05/01/30	0.864	<u>138,459</u>
Total water fund				18,448,862

(continued)

(continued)

<u>Business-Type Activities:</u>	<u>Original Amount</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 6/30/20</u>
Sewer Fund:				
Public Offerings				
Sanitary sewer	2,328,700	01/15/30	2.00 - 4.00	855,000
Sanitary sewer	213,000	01/15/30	2.00 - 4.00	66,000
Sanitary sewer	1,399,900	01/15/32	2.00 - 3.00	535,700
Sanitary sewer	78,182	07/15/26	2.00 - 3.20	50,089
Sanitary sewer	3,080,660	01/15/33	2.125 - 4.00	1,432,750
Sanitary sewer	1,176,200	12/15/29	3.00 - 4.00	645,000
Sanitary sewer	3,058,150	07/15/34	2.00 - 4.00	1,800,500
Sanitary sewer	4,833,500	01/15/36	2.00 - 2.75	3,490,000
Sanitary sewer	4,057,950	01/15/37	2.00 - 4.00	3,322,450
Sanitary sewer	3,296,100	01/15/38	3.25 - 4.00	2,815,000
Sanitary sewer	2,548,800	01/15/39	3.50 - 5.00	2,360,000
Sanitary sewer	1,023,100	01/15/40	2.00 - 5.00	1,023,100
Total sewer public offerings				<u>18,395,589</u>
Total business-type activities				<u>\$ 36,844,451</u>

**Future Debt Service**

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2020 are as follows:

<u>Public offering bonds</u>			
<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 7,459,011	\$ 2,343,943	\$ 9,802,954
2022	7,008,861	2,054,625	9,063,486
2023	6,510,532	1,784,713	8,295,245
2024	6,217,532	1,531,244	7,748,776
2025	5,919,532	1,284,552	7,204,084
2026-2030	19,599,240	3,690,578	23,289,818
2031-2035	8,836,900	1,207,551	10,044,451
2036-2040	3,197,400	243,750	3,441,150
Total	<u>\$ 64,749,008</u>	<u>\$ 14,140,956</u>	<u>\$ 78,889,964</u>

Public offering bonds			
<u>Business-Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,485,989	\$ 1,268,895	\$ 4,754,884
2022	3,266,139	1,140,629	4,406,768
2023	3,214,468	1,018,167	4,232,635
2024	3,147,468	900,002	4,047,470
2025	3,120,468	780,793	3,901,261
2026-2030	12,970,760	2,370,460	15,341,220
2031-2035	5,693,100	651,236	6,344,336
2036-2039	1,807,600	116,323	1,923,923
Total	\$ <u>36,705,992</u>	\$ <u>8,246,505</u>	\$ <u>44,952,497</u>

Loans - Direct Borrowing			
<u>Business-Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 12,154	\$ 1,196	\$ 13,350
2022	12,502	1,091	13,593
2023	12,860	983	13,843
2024	13,228	872	14,100
2025	13,607	758	14,365
2026-2030	74,108	1,956	76,064
Total	\$ <u>138,459</u>	\$ <u>6,856</u>	\$ <u>145,315</u>

**Bond Authorizations**

Long-term debt authorizations which have not been issued or rescinded as of June 30, 2020 are as follows:

<u>Purpose</u>	<u>Amount</u>
Balance land acquisitions	\$ 2,565,626
Information Systems Application timekeeping software	103,000
Complete Streets Phase II Underground Utilities	150,000
Loudon Road Bridge subproject	141,800
Bond Anticipation Notes outstanding u/g utilities (SBTIF debt)	1,520,000
Birchdale Road Bridge Project	25,000
Hooksett Turnpike Rd Bridge Project	25,000
Information Systems Application timekeeping software (Parking)	3,000
School Street Parking Garage	300,000
Information Systems Application timekeeping software (Arena)	3,000
Information Systems Application timekeeping software (Golf)	3,000
Information Systems Application timekeeping software (Water)	36,500
Information Systems Application timekeeping software (Sewer)	36,500
Total	\$ <u>4,912,426</u>

### **Changes in General Long-Term Liabilities**

During the year ended June 30, 2020, the following changes occurred in long-term liabilities (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Less Current Portion	Equals Long-Term Portion
<b>Governmental Activities</b>						
Public offering bonds	\$ 62,795	\$ 8,692	\$ (6,738)	\$ 64,749	\$ (7,459)	\$ 57,290
Unamortized debt premiums	<u>2,501</u>	<u>739</u>	<u>(144)</u>	<u>3,096</u>	<u>(218)</u>	<u>2,878</u>
Subtotal	65,296	9,431	(6,882)	67,845	(7,677)	60,168
Net pension liability	60,365	164	-	60,529	-	60,529
Net OPEB liability	47,516	651	-	48,167	-	48,167
Other:						
Accrued employee benefits	2,664	1,482	(1,188)	2,958	(2,522)	436
Capital leases	23	-	(10)	13	(9)	4
Landfill closure	<u>534</u>	<u>-</u>	<u>(25)</u>	<u>509</u>	<u>(25)</u>	<u>484</u>
Subtotal	<u>3,221</u>	<u>1,482</u>	<u>(1,223)</u>	<u>3,480</u>	<u>(2,556)</u>	<u>924</u>
Totals	<u>\$ 176,398</u>	<u>\$ 11,728</u>	<u>\$ (8,105)</u>	<u>\$ 180,021</u>	<u>\$ (10,233)</u>	<u>\$ 169,788</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Less Current Portion	Equals Long-Term Portion
<b>Business-Type Activities</b>						
Public offering bonds	\$ 34,650	\$ 5,282	\$ (3,766)	\$ 36,166	\$ (3,486)	\$ 32,680
Loans from direct borrowings	690	-	(12)	678	(12)	666
Unamortized debt premiums	<u>1,637</u>	<u>580</u>	<u>(105)</u>	<u>2,112</u>	<u>(162)</u>	<u>1,950</u>
Subtotal	36,977	5,862	(3,883)	38,956	(3,660)	35,296
Net pension liability	3,406	-	(281)	3,125	-	3,125
Net OPEB liability	4,984	-	(416)	4,568	-	4,568
Accrued employee benefits	<u>172</u>	<u>124</u>	<u>(119)</u>	<u>177</u>	<u>(177)</u>	<u>-</u>
Totals	<u>\$ 45,539</u>	<u>\$ 5,986</u>	<u>\$ (4,699)</u>	<u>\$ 46,826</u>	<u>\$ (3,837)</u>	<u>\$ 42,989</u>

<sup>(A)</sup>The City estimates that all of this liability is current.

### **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, 2020, the amount of defeased debt still outstanding is as follows:

- Fiscal year 2015 refunding of the 2005 issuance: \$600,000
- Fiscal year 2015 refunding of the 2006 issuance: \$800,000
- Fiscal year 2015 refunding of the 2007 issuance: \$2,520,000
- Fiscal year 2017 refunding of the 2008 issuance: \$3,095,000

## 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 \$509,100 as the estimate of the remaining postclosure care liability at June 30, 2020 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, 2020:

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, 2020:

	General Fund	Major Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>				
Inventories and prepaids	\$ 811,360	\$ -	\$ 294,143	\$ 1,105,503
<b>Nonspendable permanent funds:</b>				
Cemetery fund	-	-	9,894,910	9,894,910
Library fund	-	-	1,207,368	1,207,368
Other	-	-	14,636	14,636
<b>Total Nonspendable</b>	<b>811,360</b>	<b>-</b>	<b>11,411,057</b>	<b>12,222,417</b>
<b>Restricted:</b>				
General capital project fund	-	7,385,180	-	7,385,180
Dedicated income library	-	-	3,122,973	3,122,973
Forest and conservation	-	-	1,350,822	1,350,822
House revolving loan	-	-	846,228	846,228
Miscellaneous special revenue	-	-	772,535	772,535
Impact Fees	-	-	355,695	355,695
Sears Block capital	-	-	59,107	59,107
NEOC capital	-	-	13,140	13,140
Cemetery fund	-	-	21,108	21,108
Community Development	-	-	1,707	1,707
<b>Expendable permanent funds:</b>				
Cemetery fund	-	-	3,710,528	3,710,528
Library fund	-	-	549,982	549,982
Other	-	-	11,433	11,433
NEOC TIF	-	-	1,913,914	1,913,914
Sears Block TIF	-	-	521,489	521,489
Penacook Village TIF	-	-	142,903	142,903
<b>Total Restricted</b>	<b>-</b>	<b>7,385,180</b>	<b>13,393,564</b>	<b>20,778,744</b>
<b>Committed:</b>				
Highways	1,613,168	-	-	1,613,168
Economic development	950,738	-	-	950,738
Recreation reserve	835,534	-	-	835,534
Equipment	216,440	-	-	216,440
Community improvement	180,439	-	-	180,439
Other capital reserves	186,101	-	-	186,101
Other post-employment benefits	1,121,294	-	-	1,121,294
Solid waste fund	-	-	1,674,214	1,674,214
Parking fund	-	-	607,801	607,801
Airport fund	-	-	441,397	441,397
Arena fund	-	-	200,254	200,254
Community Development / Property Management	-	-	59,343	59,343
Community Development / Engineering	-	-	34,318	34,318
<b>Total Committed</b>	<b>5,103,714</b>	<b>-</b>	<b>3,017,327</b>	<b>8,121,041</b>
<b>Assigned:</b>				
Highway / paving	400,000	-	-	400,000
Equipment	300,000	-	-	300,000
Recreation	250,000	-	-	250,000
Furniture and equipment	30,000	-	-	30,000
For overlay	300,000	-	-	300,000
<b>Total Assigned</b>	<b>1,280,000</b>	<b>-</b>	<b>-</b>	<b>1,280,000</b>
Unassigned	12,525,950	(486,456)	(196,201)	11,843,293
<b>Total Fund Balance</b>	<b>\$ 19,721,024</b>	<b>\$ 6,898,724</b>	<b>\$ 27,625,747</b>	<b>\$ 54,245,495</b>

## 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).

### ***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 [nhrs.org](http://nhrs.org).

### ***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:

Years of creditable service as of <u>January 1, 2012</u>	Minimum <u>Age</u>	Minimum <u>Service</u>	Benefit <u>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	23	2.2%
Less than 4 years	49	24	2.1%

### ***Contributions***

Plan members are required to contribute a percentage of their earnable compensation 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 10.88% to 26.43% of covered compensation. The City's contribution to NHRS for the year ended June 30, 2020 was \$5,757,092 (exclusive of a \$566,550 medical subsidy contribution), which was equal to its annual required contribution.

### ***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.

### ***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred (Inflows) of Resources Related to Pensions***

At June 30, 2020, the City reported a liability of \$63,654,202 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. 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, 2019, the City's proportion was 1.32%, which was the same as its previous year proportion.

For the year ended June 30, 2020, the City recognized pension expense of \$7,561,690. In addition, the City reported deferred outflows of resources and deferred (inflows) of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Differences between expected and actual experience	\$ 351,953	\$ (1,368,747)
Net difference between projected and actual earnings on pension plan investments	-	(519,963)
Changes in assumptions	2,283,887	-
Changes in proportion and differences between contributions and proportionate share of contributions	916,396	(2,092,947)
Pension contributions subsequent to the measurement date	<u>5,664,218</u>	<u>-</u>
Total	<u>\$ 9,216,454</u>	<u>\$ (3,981,657)</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 2021. 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:	<u>Deferred Outflows/ (Inflows)</u>
2021	\$ 1,758,116
2022	(1,581,405)
2023	(737,941)
2024	<u>131,809</u>
Total	<u>\$ (429,421)</u>

### ***Actuarial Assumptions***

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.50%
Wage Inflation	3.25%
Salary increases	5.60%, including inflation
Investment rate of return	7.25%, net of plan investment expense, including inflation

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.

Certain actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

### ***Target Allocations***

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	9.00	1.12%
Global multi-sector fixed income	10.00	2.46%
Absolute return fixed income	<u>6.00</u>	1.50%
Total fixed income	25.00	
Private equity	10.00	7.90%
Private debt	<u>5.00</u>	4.86%
Total alternative investments	15.00	
Real estate	<u>10.00</u>	3.00%
Total	<u><u>100.00</u></u> %	

***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.

***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:

<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
\$ 85,235,599	\$ 63,654,202	\$ 45,817,347

***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.

***City OPEB Plan***

All the following OPEB disclosures for the City OPEB Plan are based on a measurement date of June 30, 2020.

***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, 2020 for these plans are as shown below.

Harvard Best Buy 500 \$25

1 Person - \$952.01

2 Person - \$1,922.68

Harvard Elevate Health HMO

1 Person - \$807.89

2 Person - \$1,631.44

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 July 1, 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 July 1, 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, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	3.25%
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	2.66%
Healthcare cost trend rates	7.5% for 2021, fluctuating 0.5%, to an ultimate rate of 4.5% as of 2027 and later years

The discount rate was based on the 20-year tax-exempt general obligation municipal bond indices at June 30, 2020 (measurement date).

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 2.66%. 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 \$46,602,364 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

### **Changes in the Total OPEB Liability**

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

	Total OPEB <u>Liability</u>
Balances, beginning of year	\$ 46,070,977
Changes for the year:	
Service cost	554,068
Interest	1,604,828
Changes in assumptions or other inputs	4,625,920
Differences between expected and actual experience	(4,430,790)
Benefit payments	<u>(1,822,639)</u>
Net Changes	<u>531,387</u>
Balances, end of year	<u>\$ 46,602,364</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.51% in 2019 to 2.66% in 2020.

### **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>
\$ 53,116,535	\$ 46,602,364	\$ 41,233,770

### **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>
\$ 40,762,598	\$ 46,602,364	\$ 53,627,862

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

For the year ended June 30, 2020, the City recognized an OPEB expense of \$2,232,688. At June 30, 2020, 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	\$ 1,371,656	\$ (4,411,424)
Change in assumptions	<u>3,700,736</u>	<u>(1,611,450)</u>
Total	<u>\$ 5,072,392</u>	<u>\$ (6,022,874)</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, 2021.

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>	
2021	\$ 73,789
2022	(718,254)
2023	(345,043)
2024	<u>39,026</u>
Total	<u>\$ (950,482)</u>

**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. Group I benefits are based on creditable service, age, and retirement date. Group II benefits are based on hire date, age, and creditable service. The OPEB plan is closed to new entrants.

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 0.29% of gross payroll for Group I employees and 3.66% 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, 2020 is based upon an actuarial valuation performed as of June 30, 2018 (rolled forward to June 30, 2019) using a measurement date of June 30, 2019. The actuarial valuation used the following actuarial assumptions:

Price inflation	2.50%
Wage inflation	3.25%
Salary increases	5.60%, including inflation
Investment rate of return	7.25%, net of plan investment expense, including inflation

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.

Certain actuarial assumptions used in the June 30, 2018 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, 2019 was \$6,132,142, representing 1.4%.

For the year ended June 30, 2020, the City recognized an OPEB expense related to the NHRS Medical Subsidy of \$788,879. At June 30, 2020, 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	\$ -	\$ (2,640)
Differences between expected and actual experience	-	(10,669)
Net difference between projected and actual OPEB investment earnings	-	(6,890)
Contributions subsequent to measurement date	<u>556,550</u>	<u>-</u>
Total	<u>\$ 556,550</u>	<u>\$ (20,199)</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, 2021.

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/ <u>(Inflows)</u>
2021	\$ (17,880)
2022	(4,571)
2023	474
2024	<u>1,778</u>
Total	<u>\$ (20,199)</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:

<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
\$ 6,651,240	\$ 6,132,142	\$ 5,681,079

**Healthcare Cost Trend Rate**

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

**Consolidation of Total 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, 2020:

	<u>Total OPEB Liability</u>	<u>Total Deferred Outflows of Resources</u>	<u>Total Deferred (Inflows) of Resources</u>	<u>Total OPEB Expense</u>
City OPEB Plan	\$ 46,602,364	\$ 5,072,392	\$ (6,022,874)	\$ 2,232,688
Proportionate share of NHRS Medical Subsidy Plan	<u>6,132,142</u>	<u>556,550</u>	<u>(20,199)</u>	<u>788,879</u>
Total	<u>\$ 52,734,506</u>	<u>\$ 5,628,942</u>	<u>\$ (6,043,073)</u>	<u>\$ 3,021,567</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	\$ 11,342,389	
Investment interest	221,709	
Other	<u>164,031</u>	
		11,728,129
Expenditures:		
Principal	5,379,400	
Interest on debt	1,936,010	
Outside services	<u>2,498,804</u>	
		<u>9,814,214</u>
Excess (deficiency) of revenue		<u>1,913,915</u>
Fund Balance Reserved for Debt Service		\$ <u><u>1,913,915</u></u>
Long-Term Debt Payable:		
Principal	\$ (430,000)	
Interest	<u>(94,053)</u>	
		(524,053)
Available fund balance		<u>1,913,915</u>
Deficit to be Raised by Tax Increment District		\$ <u><u>1,389,862</u></u>
Assessment Information:		
Base Value		\$ <u><u>4,842,600</u></u>
Captured Value*		\$ <u><u>50,826,800</u></u>

\* = As of April 1, 2019

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	\$ 8,181,886	
Interest on proceeds from sale of bonds	24,872	
Investment interest	78,111	
Other	<u>9,386</u>	8,294,255
Expenditures:		
Principal	1,929,460	
Interest on debt	1,322,227	
Outside services	<u>4,521,081</u>	<u>7,772,768</u>
Excess (deficiency) of revenue		<u>521,487</u>
Fund Balance Reserved for Debt Service		<u>\$ 521,487</u>
Long-Term Debt Payable:		
Principal	\$ (4,135,000)	
Interest	<u>(534,784)</u>	(4,669,784)
Available fund balance		<u>521,487</u>
Deficit to be Raised by Tax Increment District		<u>\$ (4,148,297)</u>
Assessment Information:		
Base Value		<u>\$ 14,319,800</u>
Captured Value*		<u>\$ 43,368,088</u>
* = As of April 1, 2019		

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	\$ 474,955	
Investment interest	<u>515,625</u>	990,580
Expenditures:		
Principal	170,400	
Interest on debt	65,899	
Outside services	<u>611,378</u>	<u>847,677</u>
Excess (deficiency) of revenue		<u>142,903</u>
Fund Balance Reserved for Debt Service		<u>\$ 142,903</u>
Long-Term Debt Payable:		
Principal	\$ (266,400)	
Interest	<u>(43,780)</u>	(310,180)
Available fund balance		<u>142,903</u>
Deficit to be Raised by Tax Increment District		<u>\$ (167,277)</u>
Assessment Information:		
Base Value		<u>\$ 1,490,500</u>
Captured Value*		<u>\$ 2,294,900</u>
* = As of April 1, 2019		

### 23. Beginning Net Position Reclassification

The City's beginning fund balance has been reclassified from the previous fiscal year as follows:

	Fund Equity 6/30/19 (as previously reported)	Reclassification	Fund Equity 6/30/19 (as reclassified)
General Capital Project fund	\$ 5,713,066	\$ 506,196	\$ 6,219,262
Nonmajor governmental funds	<u>25,117,465</u>	<u>(506,196)</u>	<u>24,611,269</u>
Total	<u>\$ 30,830,531</u>	<u>\$ -</u>	<u>\$ 30,830,531</u>

### 24. New Pronouncements

The Governmental Accounting Standards Board (GASB) has issued Statement No. 84, *Fiduciary Activities*, as amended by Statement No. 97, effective for the City beginning with its fiscal year ending June 30, 2021. 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*, as amended by Statement No. 97, effective for the City beginning with its fiscal year ending June 30, 2022. This statement establishes new reporting and disclosure requirements, including the recording of various operating leases in the financial statements.

### 25. Subsequent Events

Management has evaluated subsequent events through December 14, 2020, which is the date the financial statements were available to be issued.

#### ***Issuance of Debt***

On October 28, 2020, the City issued \$9,615,000 General Obligation Bonds to finance a variety of capital improvements and refund outstanding bonds of the City as authorized by the City Council under the provisions of Chapter 33 of the New Hampshire Revised Statutes. Principal payments are due serially starting October 15, 2021 and mature on October 15, 2040. The interest rate ranges from 2.25 % to 5.00 %.

#### ***Sale of Property***

As of June 30, 2020, the City was under agreement to sell approximately 2.5 of the 4-acre Allied Leather Tannery complex at 11-35 Canal Street for \$540,000. The sale subsequently closed on September 18, 2020.

**CITY OF CONCORD, NEW HAMPSHIRE**

Required Supplementary Information

Schedule of Proportionate Share of the Net Pension Liability

(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, 2020	June 30, 2019	1.32%	\$ 63,654,202	\$ 31,906,964	199.50%	65.59%
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%

*Schedule is 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

(Unaudited)

New Hampshire Retirement System

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<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2020	\$ 5,757,092	\$ 5,757,092	\$ -	\$ 31,940,581	18.02%
June 30, 2019	\$ 5,788,561	\$ 5,788,561	\$ -	\$ 31,906,964	18.14%
June 30, 2018	\$ 5,597,501	\$ 5,597,501	\$ -	\$ 30,884,085	18.12%
June 30, 2017	\$ 5,133,632	\$ 5,133,632	\$ -	\$ 30,454,246	16.86%
June 30, 2016	\$ 5,021,118	\$ 5,021,118	\$ -	\$ 28,908,627	17.37%
June 30, 2015	\$ 4,844,654	\$ 4,844,654	\$ -	\$ 28,070,389	17.26%

*Schedule is 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

(Unaudited)

**Schedule of Proportionate Share**

New Hampshire Retirement System Medical Subsidy

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Total OPEB Liability</u>
June 30, 2020	June 30, 2019	1.40%	\$ 6,132,142	\$ 31,906,964	19.22%	7.75%
June 30, 2019	June 30, 2018	1.40%	\$ 6,428,817	\$ 30,884,085	20.82%	7.53%
June 30, 2018	June 30, 2017	0.98%	\$ 4,495,120	\$ 30,454,246	14.76%	7.91%
June 30, 2017	June 30, 2016	0.95%	\$ 4,615,112	\$ 28,908,627	15.96%	5.21%

**Schedule of Contributions**

New Hampshire Retirement System Medical Subsidy

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions Relative to Contractually Required Contribution</u>	<u>Contributions Relative to Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
June 30, 2020	\$ 638,319	\$ 638,319	\$ -	\$ 31,940,581	2.00%
June 30, 2019	\$ 621,095	\$ 621,095	\$ -	\$ 31,906,964	1.95%
June 30, 2018	\$ 582,691	\$ 582,691	\$ -	\$ 30,884,085	1.89%
June 30, 2017	\$ 553,942	\$ 553,942	\$ -	\$ 30,454,246	1.82%

*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

Other Post-Employment Benefits (OPEB)  
City Plan

Schedule of Changes in the Total OPEB Liability

(Unaudited)

**Schedule of Changes in the Total OPEB Liability**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 554,068	\$ 607,514	\$ 626,474	\$ 772,003
Interest on unfunded liability - time value of money	1,604,828	1,821,227	1,718,326	1,271,036
Differences between expected and actual experience	(4,430,790)	(1,444,652)	-	6,035,293
Changes of assumptions	4,625,920	(475,693)	(1,866,063)	(2,550,285)
Benefit payments, including refunds of member contributions	<u>(1,822,639)</u>	<u>(1,763,308)</u>	<u>(1,574,125)</u>	<u>(1,261,751)</u>
Net change in total OPEB liability	531,387	(1,254,912)	(1,095,388)	4,266,296
Total OPEB liability - beginning	<u>46,070,977</u>	<u>47,325,889</u>	<u>48,421,277</u>	<u>44,154,981</u>
Total OPEB liability - ending	<u>\$ 46,602,364</u>	<u>\$ 46,070,977</u>	<u>\$ 47,325,889</u>	<u>\$ 48,421,277</u>
Covered employee payroll	\$ 28,792,989	\$ 27,886,672	\$ 27,571,512	\$ 26,703,644
Total OPEB liability as a percentage of covered employee payroll	161.85%	165.21%	171.65%	181.33%

*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 non-major capital funds were established for the following purposes:

- 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, 2020

	Special Revenue Funds				
	Community Development Fund	Housing Revolving Loan Fund	Community Development Engineering Inspection Fund	Community Development Conservation Property Management Fund	Parking Fund
<b>Assets</b>					
Cash and short term investments	\$ 1,707	\$ 848,319	\$ 7,523	\$ 60,473	\$ 142,780
Investments	-	-	-	-	-
Accounts receivable	-	-	32,068	-	517,657
Loans receivable	-	663,823	-	-	-
Inventory	-	-	-	-	-
Prepaid items	-	-	6,186	79	9,821
Total Assets	<u>\$ 1,707</u>	<u>\$ 1,512,142</u>	<u>\$ 45,777</u>	<u>\$ 60,552</u>	<u>\$ 670,258</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ -	\$ 2,091	\$ 2	\$ 1,084	\$ 31,158
Retainage payable	-	-	-	-	-
Other liabilities	-	-	1,973	46	3,421
Notes payable	-	-	-	-	-
Loans payable	-	-	3,298	-	-
Compensated absences	-	-	-	-	-
Total Liabilities	-	2,091	5,273	1,130	34,579
Deferred Inflows of Resources					
Unearned revenues	-	663,823	-	-	18,057
Total Deferred Inflows of Resources	-	663,823	-	-	18,057
Fund Balances:					
Nonspendable	-	-	6,186	79	9,821
Restricted	1,707	846,228	-	-	-
Committed	-	-	34,318	59,343	607,801
Unassigned	-	-	-	-	-
Total Fund Balances	<u>1,707</u>	<u>846,228</u>	<u>40,504</u>	<u>59,422</u>	<u>617,622</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,707</u>	<u>\$ 1,512,142</u>	<u>\$ 45,777</u>	<u>\$ 60,552</u>	<u>\$ 670,258</u>

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2020

(continued)

	Special Revenue Funds				
	<u>Airport Fund</u>	<u>Impact Fee Fund</u>	<u>Miscellaneous Special Revenue Funds</u>	<u>Forest &amp; Conservation Fund</u>	<u>Cemetery Fund</u>
<b>Assets</b>					
Cash and short term investments	\$ 444,299	\$ 355,695	\$ 598,001	\$ 15,632	\$ 244
Investments	-	-	-	1,335,190	20,864
Accounts receivable	2,635	-	107,879	-	-
Loans receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid items	1,004	-	-	-	-
Total Assets	<u>\$ 447,938</u>	<u>\$ 355,695</u>	<u>\$ 705,880</u>	<u>\$ 1,350,822</u>	<u>\$ 21,108</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 5,245	\$ -	\$ 36,276	\$ -	\$ -
Retainage payable	-	-	-	-	-
Other liabilities	292	-	-	-	-
Notes payable	-	-	-	-	-
Loans payable	-	-	-	-	-
Compensated absences	-	-	-	-	-
Total Liabilities	<u>5,537</u>	<u>-</u>	<u>36,276</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Unearned revenues	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Nonspendable	1,004	-	-	-	-
Restricted	-	355,695	772,535	1,350,822	21,108
Committed	441,397	-	-	-	-
Unassigned	-	-	(102,931)	-	-
Total Fund Balances	<u>442,401</u>	<u>355,695</u>	<u>669,604</u>	<u>1,350,822</u>	<u>21,108</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 447,938</u>	<u>\$ 355,695</u>	<u>\$ 705,880</u>	<u>\$ 1,350,822</u>	<u>\$ 21,108</u>

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2020

(continued)

Special Revenue Funds

	<u>Library Fund</u>	<u>Golf Fund</u>	<u>Arena Fund</u>	<u>Solid Waste Fund</u>	<u>Subtotal</u>
<b>Assets</b>					
Cash and short term investments	\$ 36,141	\$ 56,001	\$ 210,144	\$ 2,087,165	\$ 4,864,124
Investments	3,086,832	-	-	-	4,442,886
Accounts receivable	-	3,122	9,303	414,272	1,086,936
Loans receivable	-	-	-	-	663,823
Inventory	-	102,143	-	167,830	269,973
Prepaid items	-	3,899	978	2,203	24,170
Total Assets	<u>\$ 3,122,973</u>	<u>\$ 165,165</u>	<u>\$ 220,425</u>	<u>\$ 2,671,470</u>	<u>\$ 11,351,912</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ -	\$ 40,227	\$ 7,440	\$ 661,217	\$ 784,740
Retainage payable	-	-	-	-	-
Other liabilities	-	3,068	1,690	108,579	119,069
Notes payable	-	-	-	-	-
Loans payable	-	-	-	-	3,298
Compensated absences	-	35,155	10,063	8,536	53,754
Total Liabilities	-	78,450	19,193	778,332	960,861
Deferred Inflows of Resources					
Unavailable revenues	-	73,943	-	48,891	804,714
Total Deferred Inflows of Resources	-	73,943	-	48,891	804,714
Fund Balances:					
Nonspendable	-	106,042	978	170,033	294,143
Restricted	3,122,973	-	-	-	6,471,068
Committed	-	-	200,254	1,674,214	3,017,327
Unassigned	-	(93,270)	-	-	(196,201)
Total Fund Balances	<u>3,122,973</u>	<u>12,772</u>	<u>201,232</u>	<u>1,844,247</u>	<u>9,586,337</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,122,973</u>	<u>\$ 165,165</u>	<u>\$ 220,425</u>	<u>\$ 2,671,470</u>	<u>\$ 11,351,912</u>

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2020

(continued)

	Capital Project Funds		
	NEOC Capital Fund	Sears Block Capital Fund	Subtotal
<b>Assets</b>			
Cash and short term investments	\$ 13,140	\$ 71,036	\$ 84,176
Investments	-	-	-
Accounts receivable	-	-	-
Loans receivable	-	-	-
Inventory	-	-	-
Prepaid items	-	-	-
Total Assets	\$ 13,140	\$ 71,036	\$ 84,176
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Retainage payable	-	11,929	11,929
Other liabilities	-	-	-
Notes payable	-	-	-
Loans payable	-	-	-
Compensated absences	-	-	-
Total Liabilities	-	11,929	11,929
Deferred Inflows of Resources			
Unavailable revenues	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balances:			
Nonspendable	-	-	-
Restricted	13,140	59,107	72,247
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	13,140	59,107	72,247
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,140	\$ 71,036	\$ 84,176

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2020

(continued)

	Permanent Funds			
	Cemetery Fund	Library Fund	Other Fund	Subtotal
<b>Assets</b>				
Cash and short term investments	\$ 157,450	\$ 20,337	\$ 302	\$ 178,089
Investments	13,447,988	1,737,013	25,767	15,210,768
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 13,605,438	\$ 1,757,350	\$ 26,069	\$ 15,388,857
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Retainage 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	9,894,910	1,207,368	14,636	11,116,914
Restricted	3,710,528	549,982	11,433	4,271,943
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	13,605,438	1,757,350	26,069	15,388,857
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,605,438	\$ 1,757,350	\$ 26,069	\$ 15,388,857

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2020

(continued)

	Debt Service Funds				
	<u>NEOC Fund</u>	<u>SBTIFD Fund</u>	<u>PVTIFD Fund</u>	<u>Subtotal</u>	Total Nonmajor Governmental Funds
<b>Assets</b>					
Cash and short term investments	\$ 1,913,914	\$ 521,701	\$ 142,903	\$ 2,578,518	\$ 7,704,907
Investments	-	-	-	-	19,653,654
Accounts receivable	-	-	-	-	1,086,936
Loans receivable	-	-	-	-	663,823
Inventory	-	-	-	-	269,973
Prepaid items	-	-	-	-	24,170
Total Assets	<u>\$ 1,913,914</u>	<u>\$ 521,701</u>	<u>\$ 142,903</u>	<u>\$ 2,578,518</u>	<u>\$ 29,403,463</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ -	\$ 212	\$ -	\$ 212	\$ 784,952
Retainage payable	-	-	-	-	11,929
Other liabilities	-	-	-	-	119,069
Notes payable	-	-	-	-	-
Loans payable	-	-	-	-	3,298
Compensated absences	-	-	-	-	53,754
Total Liabilities	-	212	-	212	973,002
Deferred Inflows of Resources					
Unavailable revenues	-	-	-	-	804,714
Total Deferred Inflows of Resources	-	-	-	-	804,714
Fund Balances:					
Nonspendable	-	-	-	-	11,411,057
Restricted	1,913,914	521,489	142,903	2,578,306	13,393,564
Committed	-	-	-	-	3,017,327
Unassigned	-	-	-	-	(196,201)
Total Fund Balances	<u>1,913,914</u>	<u>521,489</u>	<u>142,903</u>	<u>2,578,306</u>	<u>27,625,747</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,913,914</u>	<u>\$ 521,701</u>	<u>\$ 142,903</u>	<u>\$ 2,578,518</u>	<u>\$ 29,403,463</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, 2020

	Special Revenue Funds				
	Community Development Fund	Housing Revolving Loan Fund	Community Development Engineering Inspection Fund	Community Development Conservation Property Management Fund	Parking Fund
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	478,880	-	925	-	2,891
Charges for services	-	142,592	431,295	69,436	1,890,610
Investment income (loss)	-	8,777	2,401	-	-
Contributions	-	-	-	-	-
Miscellaneous:					
Departmental	-	-	-	-	-
Interest and penalties	-	-	-	-	342,042
Total Revenues	478,880	151,369	434,621	69,436	2,235,543
Expenditures:					
Current:					
General government	-	300,331	-	-	-
Public safety	-	-	-	-	982,207
General services	-	-	-	-	259,923
Community development	478,880	-	436,098	49,156	-
Leisure and info services	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	885,175
Interest	-	-	-	-	306,040
Capital outlay	-	-	-	-	-
Total Expenditures	478,880	300,331	436,098	49,156	2,433,345
Excess (deficiency) of revenues over expenditures	-	(148,962)	(1,477)	20,280	(197,802)
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Bond premium	-	-	-	-	-
Transfers in	-	-	-	8,500	263,243
Transfers out	-	-	(3,546)	(20,000)	(123,763)
Total Other Financing Sources (Uses)	-	-	(3,546)	(11,500)	139,480
Net change in fund balance	-	(148,962)	(5,023)	8,780	(58,322)
Fund Balance, beginning, as reclassified	1,707	995,190	45,527	50,642	675,944
Fund Balance, ending	\$ 1,707	\$ 846,228	\$ 40,504	\$ 59,422	\$ 617,622

(continued)

**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, 2020

(continued)

	Special Revenue Funds				
	Airport Fund	Impact Fee Fund	Miscellaneous Special Revenue Fund	Forest & Conservation Fund	Cemetery Fund
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,400	-	477,619	-	-
Charges for services	328,958	87,022	-	-	-
Investment income (loss)	4,283	4,867	-	27,557	1,313
Contributions	-	-	117,970	-	1,175
Miscellaneous:					
Departmental	20,266	-	-	-	-
Interest and penalties	-	-	-	-	-
Total Revenues	<u>359,907</u>	<u>91,889</u>	<u>595,589</u>	<u>27,557</u>	<u>2,488</u>
Expenditures:					
Current:					
General government	-	-	566,770	-	-
Public safety	-	-	-	-	-
General services	182,004	-	-	-	-
Community development	72,417	-	-	-	-
Leisure and info services	-	-	-	-	-
Debt service:					
Principal	41,200	-	-	-	-
Interest	12,217	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>307,838</u>	<u>-</u>	<u>566,770</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	52,069	91,889	28,819	27,557	2,488
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Bond premium	-	-	-	-	-
Transfers in	-	-	10,000	-	-
Transfers out	<u>(85,028)</u>	<u>(291,128)</u>	<u>-</u>	<u>(73,700)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(85,028)</u>	<u>(291,128)</u>	<u>10,000</u>	<u>(73,700)</u>	<u>-</u>
Net change in fund balance	(32,959)	(199,239)	38,819	(46,143)	2,488
Fund Balance, beginning, as reclassified	<u>475,360</u>	<u>554,934</u>	<u>630,785</u>	<u>1,396,965</u>	<u>18,620</u>
Fund Balance, ending	<u>\$ 442,401</u>	<u>\$ 355,695</u>	<u>\$ 669,604</u>	<u>\$ 1,350,822</u>	<u>\$ 21,108</u>

(continued)

**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, 2020

(continued)

	Special Revenue Funds				
	Library Fund	Golf Fund	Arena Fund	Solid Waste Fund	Subtotal
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	11,617	-	83,818	1,062,150
Charges for services	-	1,011,075	633,684	3,178,586	7,773,258
Investment income (loss)	191,564	378	5,012	-	246,152
Contributions	286,956	-	-	-	406,101
Miscellaneous:					
Departmental	-	-	2,090	13,499	35,855
Interest and penalties	-	-	-	-	342,042
Total Revenues	<u>478,520</u>	<u>1,023,070</u>	<u>640,786</u>	<u>3,275,903</u>	<u>9,865,558</u>
Expenditures:					
Current:					
General government	-	-	-	-	867,101
Public safety	-	-	-	-	982,207
General services	-	-	544,901	4,147,641	5,134,469
Community development	-	-	-	-	1,036,551
Leisure and info services	-	980,623	-	-	980,623
Debt service:					
Principal	-	80,900	50,000	22,000	1,079,275
Interest	-	13,893	15,605	5,412	353,167
Capital outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,075,416</u>	<u>610,506</u>	<u>4,175,053</u>	<u>10,433,393</u>
Excess (deficiency) of revenues over expenditures	478,520	(52,346)	30,280	(899,150)	(567,835)
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Bond premium	-	-	-	-	-
Transfers in	-	57,351	-	1,076,478	1,415,572
Transfers out	<u>(186,300)</u>	<u>(3,000)</u>	<u>(70,038)</u>	<u>(3,600)</u>	<u>(860,103)</u>
Total Other Financing Sources (Uses)	<u>(186,300)</u>	<u>54,351</u>	<u>(70,038)</u>	<u>1,072,878</u>	<u>555,469</u>
Net change in fund balance	292,220	2,005	(39,758)	173,728	(12,366)
Fund Balance, beginning, as reclassified	<u>2,830,753</u>	<u>10,767</u>	<u>240,990</u>	<u>1,670,519</u>	<u>9,598,703</u>
Fund Balance, ending	<u>\$ 3,122,973</u>	<u>\$ 12,772</u>	<u>\$ 201,232</u>	<u>\$ 1,844,247</u>	<u>\$ 9,586,337</u>

(continued)

**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, 2020

(continued)

	Capital Project Funds		
	NEOC Capital Fund	Sears Block Capital Fund	Subtotal
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income (loss)	-	-	-
Contributions	-	-	-
Miscellaneous:			
Departmental	-	-	-
Interest and penalties	-	-	-
	-	-	-
Total Revenues	-	-	-
Expenditures:			
Current:			
General government	-	1,859	1,859
Public safety	-	-	-
General services	-	-	-
Community development	-	-	-
Leisure and info services	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	119,589	119,589
	-	121,448	121,448
Total Expenditures	-	121,448	121,448
Excess (deficiency) of revenues over expenditures	-	(121,448)	(121,448)
Other Financing Sources (Uses):			
Issuance of bonds	-	1,837,100	1,837,100
Bond premium	-	12,900	12,900
Transfers in	-	-	-
Transfers out	-	-	-
	-	1,850,000	1,850,000
Total Other Financing Sources (Uses)	-	1,850,000	1,850,000
Net change in fund balance	-	1,728,552	1,728,552
Fund Balance, beginning	13,140	(1,669,445)	(1,656,305)
Fund Balance, ending	\$ 13,140	\$ 59,107	\$ 72,247

(continued)

**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, 2020

(continued)

	Permanent Funds			
	Cemetery Fund	Library Fund	Other Fund	Subtotal
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	814,689	97,807	11,530	924,026
Contributions	53,872	-	-	53,872
Miscellaneous:				
Departmental	-	-	-	-
Interest and penalties	-	-	-	-
Total Revenues	868,561	97,807	11,530	977,898
Expenditures:				
Current:				
General government	213	72	179	464
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Leisure and info services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	213	72	179	464
Excess (deficiency) of revenues over expenditures	868,348	97,735	11,351	977,434
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Bond premium	-	-	-	-
Transfers in	-	-	553	553
Transfers out	(159,740)	-	(10,896)	(170,636)
Total Other Financing Sources (Uses)	(159,740)	-	(10,343)	(170,083)
Net change in fund balance	708,608	97,735	1,008	807,351
Fund Balance, beginning, as reclassified	12,896,830	1,659,615	25,061	14,581,506
Fund Balance, ending	\$ 13,605,438	\$ 1,757,350	\$ 26,069	\$ 15,388,857

(continued)

**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, 2020

(continued)

	Debt Service Funds				
	NEOC Fund	SBTIFD Fund	PVTIFD Fund	Subtotal	Total Nonmajor Governmental Funds
Revenues:					
Property taxes	\$ 475,442	\$ 1,204,765	\$ 78,256	\$ 1,758,463	\$ 1,758,463
Intergovernmental	-	-	-	-	1,062,150
Charges for services	-	-	-	-	7,773,258
Investment income (loss)	22,415	7,166	11,227	40,808	1,210,986
Contributions	-	-	-	-	459,973
Miscellaneous:					
Departmental	-	-	499,100	499,100	534,955
Interest and penalties	-	-	-	-	342,042
Total Revenues	497,857	1,211,931	588,583	2,298,371	13,141,827
Expenditures:					
Current:					
General government	-	-	-	-	869,424
Public safety	-	-	-	-	982,207
General services	-	-	-	-	5,134,469
Community development	11,520	13,247	10,540	35,307	1,071,858
Leisure and info services	-	-	-	-	980,623
Debt service:					
Principal	30,000	191,500	25,000	246,500	1,325,775
Interest	14,431	143,397	8,127	165,955	519,122
Capital outlay	-	-	-	-	119,589
Total Expenditures	55,951	348,144	43,667	447,762	11,003,067
Excess (deficiency) of revenues over expenditures	441,906	863,787	544,916	1,850,609	2,138,760
Other Financing Sources (Uses):					
	-	-	-	-	1,837,100
	-	-	-	-	12,900
Transfers in	-	-	-	-	1,416,125
Transfers out	(168,683)	(686,435)	(504,550)	(1,359,668)	(2,390,407)
Total Other Financing Sources (Uses)	(168,683)	(686,435)	(504,550)	(1,359,668)	(974,282)
Net change in fund balance	273,223	177,352	40,366	490,941	3,014,478
Fund Balance, beginning	1,640,691	344,137	102,537	2,087,365	24,611,269
Fund Balance, ending	\$ 1,913,914	\$ 521,489	\$ 142,903	\$ 2,578,306	\$ 27,625,747

**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, 2020

	Original <u>Budget</u>	Final <u>Budget</u>	Actual <u>(Budgetary Basis)</u>	Variance Positive <u>(Negative)</u>
<u>Taxes</u>				
Property taxes - current	\$ 41,874,229	\$ 41,874,229	\$ 41,872,607	\$ (1,622)
Timber tax yield	15,000	15,000	17,274	2,274
Excavation activity tax	100	100	402	302
Motor vehicle registrations	7,081,994	7,081,994	7,104,853	22,859
Payment in lieu of taxes	<u>741,232</u>	<u>741,232</u>	<u>771,766</u>	<u>30,534</u>
Total Taxes	49,712,555	49,712,555	49,766,902	54,347
<u>Licenses and Permits</u>				
Engineering	12,900	12,900	13,131	231
City clerk records	32,300	32,300	30,686	(1,614)
Health services	127,650	127,650	118,700	(8,950)
Code enforcement/building permits	<u>1,049,190</u>	<u>1,049,190</u>	<u>1,045,246</u>	<u>(3,944)</u>
Total Licenses and Permits	1,222,040	1,222,040	1,207,763	(14,277)
<u>Intergovernmental</u>				
Rooms and meals	2,190,812	2,190,812	2,185,141	(5,671)
Railroad tax	1,517	1,517	1,614	97
Forest loss reimbursement	460	460	515	55
Fire service aid	125,000	125,000	430,479	305,479
Emergency management aid	-	40,565	151,591	111,026
Highway block grant	896,710	896,710	909,634	12,924
School District	240,175	240,175	156,992	(83,183)
Retiree health insurance reimbursements	1,419,670	1,419,670	1,372,363	(47,307)
Other governmental agencies - local	619,300	619,300	636,163	16,863
Other non-budgeted intergovernmental	<u>-</u>	<u>749,728</u>	<u>1,098,254</u>	<u>348,526</u>
Total Intergovernmental	5,493,644	6,283,937	6,942,746	658,809
<u>Charges For Services</u>				
Finance	2,500	2,500	4,615	2,115
Legal	500	500	1,839	1,339
City clerk	52,120	52,120	63,243	11,123
Public safety	2,526,438	2,526,438	2,680,592	154,154
General services	472,940	472,940	584,575	111,635
Community development	221,500	221,500	407,160	185,660

(continued)

**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, 2020

(continued)

	Original <u>Budget</u>	Final <u>Budget</u>	Actual <u>(Budgetary Basis)</u>	Variance Positive <u>(Negative)</u>
Library	37,000	37,000	21,511	(15,489)
Recreation	582,722	582,722	406,037	(176,685)
Tower lease/fire hdqtrs	28,800	28,800	28,801	1
MV surcharge and administrative costs	349,230	349,230	348,341	(889)
Cable franchise fee	832,500	832,500	841,396	8,896
Community Center rental	50,180	50,180	28,617	(21,563)
Code prosecution	10,050	10,050	6,740	(3,310)
Restitution	10,000	10,000	14,113	4,113
Parking fines - non meters	100,000	100,000	60,318	(39,682)
False alarm penalties	33,000	33,000	42,745	9,745
	<u>5,309,480</u>	<u>5,309,480</u>	<u>5,540,643</u>	<u>231,163</u>
<u>Investment Income</u>				
Earnings on investments	<u>700,000</u>	<u>700,000</u>	<u>613,031</u>	<u>(86,969)</u>
Total Investment Income	700,000	700,000	613,031	(86,969)
<u>Miscellaneous</u>				
Miscellaneous revenue not anticipated	75,765	75,765	185,066	109,301
Sale of surplus property	30,000	30,000	95,103	65,103
Advertising	5,500	5,500	-	(5,500)
Program fees	58,040	58,040	31,180	(26,860)
Total Miscellaneous	169,305	169,305	311,349	142,044
<u>Other Financing Sources</u>				
Transfers in	3,917,833	4,048,333	3,957,460	(90,873)
Budgetary use of fund balance	<u>-</u>	<u>1,128,338</u>	<u>-</u>	<u>(1,128,338)</u>
Total Other Financing Sources	3,917,833	5,176,671	3,957,460	(1,219,211)
Total Revenues and Other Financing Sources	<u>\$ 66,524,857</u>	<u>\$ 68,573,988</u>	<u>\$ 68,339,894</u>	<u>\$ (234,094)</u>

**CITY OF CONCORD, NEW HAMPSHIRE**

Detail Schedule of Expenditures and Other Financing Uses  
Budget and Actual - General Fund

For the Fiscal Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>General Government</u>				
City Manager	\$ 703,204	\$ 743,704	\$ 716,452	\$ 27,252
Legal services	1,308,893	1,308,893	1,311,068	(2,175)
Assessor	693,546	693,546	641,907	51,639
Human resources	588,579	588,579	556,430	32,149
Finance	2,274,753	2,304,753	2,264,834	39,919
Information technology	975,511	975,511	957,173	18,338
City Council	40,698	40,698	35,544	5,154
City Clerk	496,928	496,928	437,009	59,919
General overhead	<u>4,153,705</u>	<u>4,039,528</u>	<u>3,493,841</u>	<u>545,687</u>
Total General Government	11,235,817	11,192,140	10,414,258	777,882
<u>Public Safety</u>				
Police	12,830,567	12,907,755	13,053,849	(146,094)
Fire	<u>14,375,383</u>	<u>14,415,948</u>	<u>14,454,206</u>	<u>(38,258)</u>
Total Public Safety	27,205,950	27,323,703	27,508,055	(184,352)
<u>General Services</u>				
Total General Services	<u>9,671,322</u>	<u>9,756,766</u>	<u>9,558,140</u>	<u>198,626</u>
<u>Community Development</u>				
Total Community Development	<u>3,571,897</u>	<u>3,572,629</u>	<u>3,650,645</u>	<u>(78,016)</u>
<u>Leisure and Information Services</u>				
Library	1,823,207	1,823,207	1,654,658	168,549
Recreation and parks	<u>3,254,235</u>	<u>3,265,048</u>	<u>2,873,510</u>	<u>391,538</u>
Total Leisure and Information Services	5,077,442	5,088,255	4,528,168	560,087
<u>Human Services</u>				
Total Human Services	<u>696,193</u>	<u>696,193</u>	<u>637,809</u>	<u>58,384</u>

(continued)

**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, 2020

(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Positive (Negative)</u>
<u>Debt Service</u>				
Principal	5,412,500	5,412,500	5,412,485	15
Interest	<u>1,942,330</u>	<u>1,942,330</u>	<u>1,982,345</u>	<u>(40,015)</u>
Total Debt Service	7,354,830	7,354,830	7,394,830	(40,000)
 <u>Other Financing Uses</u>				
Transfers out	<u>1,711,406</u>	<u>3,589,472</u>	<u>3,580,379</u>	<u>9,093</u>
Total Other Financing Uses	<u>1,711,406</u>	<u>3,589,472</u>	<u>3,580,379</u>	<u>9,093</u>
Total Expenditures and Other Financing Uses	<u>\$ 66,524,857</u>	<u>\$ 68,573,988</u>	<u>\$ 67,272,284</u>	<u>\$ 1,301,704</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, 2020

	Parking Fund			Airport Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Revenues:						
Intergovernmental	\$ -	\$ 2,891	\$ 2,891	\$ 1,350	\$ 6,400	\$ 5,050
Charges for services	2,152,679	1,890,610	(262,069)	324,828	328,958	4,130
Investment income	-	-	-	6,200	4,283	(1,917)
Contributions	-	-	-	-	-	-
Miscellaneous	633,436	342,042	(291,394)	30,000	20,266	(9,734)
<b>Total Revenues</b>	<b>2,786,115</b>	<b>2,235,543</b>	<b>(550,572)</b>	<b>362,378</b>	<b>359,907</b>	<b>(2,471)</b>
Expenditures:						
Public Safety	1,201,203	982,207	218,996	-	-	-
General Services	408,884	259,923	148,961	218,706	182,004	36,702
Community Development	-	-	-	87,025	72,417	14,608
Leisure and info services	-	-	-	-	-	-
Debt service	1,190,705	1,191,215	(510)	53,500	53,417	83
<b>Total Expenditures</b>	<b>2,800,792</b>	<b>2,433,345</b>	<b>367,447</b>	<b>359,231</b>	<b>307,838</b>	<b>51,393</b>
Other Financing Sources (Uses):						
Transfer in	263,243	263,243	-	-	-	-
Transfer out	(123,763)	(123,763)	-	(85,534)	(85,028)	506
Budgetary use of fund balance	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>139,480</b>	<b>139,480</b>	<b>-</b>	<b>(85,534)</b>	<b>(85,028)</b>	<b>506</b>
Excess of revenues and other financing sources over expenditures and other financing uses	\$ <u>124,803</u>	\$ <u>(58,322)</u>	\$ <u>(183,125)</u>	\$ <u>(82,387)</u>	\$ <u>(32,959)</u>	\$ <u>49,428</u>

(continued)

**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, 2020

(continued)

	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	\$ -	\$ 925	\$ 925	\$ -	\$ -	\$ -
Charges for services	433,450	431,295	(2,155)	69,100	69,436	336
Investment income	2,400	2,401	1	-	-	-
Contributions	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	<u>435,850</u>	<u>434,621</u>	<u>(1,229)</u>	<u>69,100</u>	<u>69,436</u>	<u>336</u>
Expenditures:						
Public Safety	-	-	-	-	-	-
General Services	-	-	-	-	-	-
Community Development	436,109	436,098	11	94,991	49,156	45,835
Leisure and info services	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Total Expenditures	<u>436,109</u>	<u>436,098</u>	<u>11</u>	<u>94,991</u>	<u>49,156</u>	<u>45,835</u>
Other Financing Sources (Uses):						
Transfer in	-	-	-	25,891	8,500	(17,391)
Transfer out	(3,600)	(3,546)	54	(20,000)	(20,000)	-
Budgetary use of fund balance	<u>8,300</u>	<u>-</u>	<u>(8,300)</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Total Other Financing Sources (Uses)	<u>4,700</u>	<u>(3,546)</u>	<u>(8,246)</u>	<u>25,891</u>	<u>(11,500)</u>	<u>(37,391)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ 4,441</u>	<u>\$ (5,023)</u>	<u>\$ (9,464)</u>	<u>\$ -</u>	<u>\$ 8,780</u>	<u>\$ 8,780</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, 2020

	Golf Fund			Arena Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Revenues:						
Intergovernmental	\$ -	\$ 11,617	\$ 11,617	\$ -	\$ -	\$ -
Charges for services	1,041,793	1,011,075	(30,718)	662,500	633,684	(28,816)
Investment income	-	378	378	3,200	5,012	1,812
Contributions	-	-	-	-	-	-
Miscellaneous	-	-	-	500	2,090	1,590
<b>Total Revenues</b>	<b>1,041,793</b>	<b>1,023,070</b>	<b>(18,723)</b>	<b>666,200</b>	<b>640,786</b>	<b>(25,414)</b>
Expenditures:						
Public Safety	-	-	-	-	-	-
General Services	-	-	-	544,609	544,901	(292)
Community Development	-	-	-	-	-	-
Leisure and info services	1,000,944	980,623	20,321	-	-	-
Debt service	94,900	94,793	107	65,700	65,605	95
<b>Total Expenditures</b>	<b>1,095,844</b>	<b>1,075,416</b>	<b>20,428</b>	<b>610,309</b>	<b>610,506</b>	<b>(197)</b>
Other Financing Sources (Uses):						
Transfer in	57,351	57,351	-	-	-	-
Transfer out	(3,300)	(3,000)	300	(70,287)	(70,038)	249
Budgetary use of fund balance	-	-	-	32,700	-	(32,700)
<b>Total Other Financing Sources (Uses)</b>	<b>54,051</b>	<b>54,351</b>	<b>300</b>	<b>(37,587)</b>	<b>(70,038)</b>	<b>(32,451)</b>
Excess of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ 2,005	\$ 2,005	\$ 18,304	\$ (39,758)	\$ (58,062)

(continued)

**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, 2020

(continued)

	Solid Waste Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ -	\$ 83,818	\$ 83,818
Charges for services	3,380,903	3,178,586	(202,317)
Investment income	-	-	-
Contributions	-	-	-
Miscellaneous	1,200	13,499	12,299
Total Revenues	3,382,103	3,275,903	(106,200)
Expenditures:			
Public Safety	-	-	-
General Services	4,508,319	4,147,641	360,678
Community Development	-	-	-
Leisure and info services	-	-	-
Debt service	27,420	27,412	8
Total Expenditures	4,535,739	4,175,053	360,686
Other Financing Sources (Uses):			
Transfer in	1,076,478	1,076,478	-
Transfer out	(3,600)	(3,600)	-
Budgetary use of fund balance	-	-	-
Total Other Financing Sources (Uses)	1,072,878	1,072,878	-
Excess of revenues and other financing sources over expenditures and other financing uses	\$ (80,758)	\$ 173,728	\$ 254,486

## **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, 2020

	Water Fund		
	Budget	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 6,169,660	\$ 6,273,061	\$ 103,401
Miscellaneous	<u>42,740</u>	<u>63,376</u>	<u>20,636</u>
Total Operating Revenues	6,212,400	6,336,437	124,037
Operating Expenses:			
Personnel	2,050,462	2,053,180	(2,718)
Non-personnel	1,038,376	795,489	242,887
Debt service	<u>1,410,400</u>	<u>1,410,305</u>	<u>95</u>
Total Operating Expenses	<u>4,499,238</u>	<u>4,258,974</u>	<u>240,264</u>
Operating Income (Loss)	1,713,162	2,077,463	364,301
Non-Operating Income (Expenses):			
Interest expense	(543,700)	(543,663)	37
Investment income	76,000	57,298	(18,702)
Intergovernmental	<u>-</u>	<u>8,185</u>	<u>8,185</u>
Total Non-Operating Income (Expenses)	<u>(467,700)</u>	<u>(478,180)</u>	<u>(10,480)</u>
Net Income (Loss) Before Transfers	1,245,462	1,599,283	353,821
Other Financing Sources:			
Transfers out	<u>(1,301,307)</u>	<u>(1,326,545)</u>	<u>(25,238)</u>
Total Other Financing Sources	<u>(1,301,307)</u>	<u>(1,326,545)</u>	<u>(25,238)</u>
Net Income (Loss)	<u>\$ (55,845)</u>	<u>\$ 272,738</u>	<u>\$ 328,583</u>

(continued)

**CITY OF CONCORD, NEW HAMPSHIRE**

Schedule of Revenues and  
Expenses - Budget and Actual

Enterprise Funds

For the Fiscal Year Ended June 30, 2020

(continued)

		<u>Sewer Fund</u>	
	<u>Budget</u>	Actual (Budgetary Basis)	Variance Positive (Negative)
Operating Revenues:			
Operating revenue	\$ 7,596,269	\$ 7,703,516	\$ 107,247
Miscellaneous	<u>40,940</u>	<u>65,292</u>	<u>24,352</u>
Total Operating Revenues	7,637,209	7,768,808	131,599
Operating Expenses:			
Personnel	2,465,890	2,096,201	369,689
Non-personnel	2,020,009	1,763,324	256,685
Debt service	<u>2,368,200</u>	<u>2,368,072</u>	<u>128</u>
Total Operating Expenses	<u>6,854,099</u>	<u>6,227,597</u>	<u>626,502</u>
Operating Income (Loss)	783,110	1,541,211	758,101
Non-Operating Income (Expenses):			
Interest expense	(665,700)	(665,571)	129
Investment income	104,000	71,919	(32,081)
Intergovernmental	<u>234,304</u>	<u>50,564</u>	<u>(183,740)</u>
Total Non-Operating Income (Expenses)	<u>(327,396)</u>	<u>(543,088)</u>	<u>(215,692)</u>
Net Income (Loss) Before Transfers	455,714	998,123	542,409
Other Financing Sources:			
Transfers out	<u>(1,344,833)</u>	<u>(1,363,348)</u>	<u>(18,515)</u>
Total Other Financing Sources	<u>(1,344,833)</u>	<u>(1,363,348)</u>	<u>(18,515)</u>
Net Income (Loss)	<u>\$ (889,119)</u>	<u>\$ (365,225)</u>	<u>\$ 523,894</u>

**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, 2020

	Balance July 1, <u>2019</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2020</u>
Assets - cash and short-term equivalents	\$ <u>292,963</u>	\$ <u>9,140,701</u>	\$ <u>(9,111,972)</u>	\$ <u>321,692</u>
Total Assets	\$ <u><u>292,963</u></u>	\$ <u><u>9,140,701</u></u>	\$ <u><u>(9,111,972)</u></u>	\$ <u><u>321,692</u></u>
Liabilities - other liabilities	\$ <u>292,963</u>	\$ <u>8,292,152</u>	\$ <u>(8,263,423)</u>	\$ <u>321,692</u>
Total Liabilities	\$ <u><u>292,963</u></u>	\$ <u><u>8,292,152</u></u>	\$ <u><u>(8,263,423)</u></u>	\$ <u><u>321,692</u></u>

# STATISTICAL SECTION



# City of Concord, New Hampshire

## Statistical Section

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

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

## City of Concord, New Hampshire

### Net Position by Component

#### Last Ten Fiscal Years

(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(1)</sup>	2020
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 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	\$ 126,814,439
Restricted	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	23,522,557
Unrestricted	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)	(78,754,092)
Total governmental activities net position	\$ 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	\$ 71,582,904
<b>Business-type activities</b>										
Net investment in capital assets	\$ 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	\$ 95,739,149
Restricted	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	1,078,354
Unrestricted	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	1,219,107
Total business-type activities net position	\$ 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	\$ 98,036,610
<b>Primary government</b>										
Net investment in capital assets	\$ 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	\$ 222,553,588
Restricted	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	24,600,911
Unrestricted	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)	(77,534,985)
Total primary government net position	\$ 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	\$ 169,619,514

<sup>(1)</sup> 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)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(1)</sup>	2020
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 7,145,023	\$ 8,190,946	\$ 9,064,401	\$ 7,833,696	\$ 8,375,764	\$ 8,098,118	\$ 8,867,491	\$ 9,412,888	\$ 9,015,373	\$ 11,183,043
Public safety	22,584,828	24,766,159	24,731,680	26,302,929	26,071,162	26,288,254	29,899,639	29,777,085	31,026,528	31,862,639
General services	12,693,473	10,390,070	10,528,936	12,194,315	12,146,581	11,339,476	12,413,383	12,469,650	17,356,797	18,401,116
Community development	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	6,893,987
Leisure and information services	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	6,246,580
Human services	775,026	773,578	792,040	841,942	1,228,609	808,266	728,232	660,915	684,346	661,888
Interest	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	2,501,631
<b>Total governmental activities expenses</b>	<b>51,507,567</b>	<b>54,242,244</b>	<b>55,521,180</b>	<b>58,147,541</b>	<b>60,100,996</b>	<b>58,051,530</b>	<b>64,187,095</b>	<b>65,538,912</b>	<b>73,932,059</b>	<b>77,750,884</b>
<b>Business-type activities:</b>										
Water services	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	5,799,958
Sewer services	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	7,477,700
Solid waste services	4,301,512	4,335,560	4,345,130	4,375,538	3,870,961	3,792,440	3,921,238	-	-	-
Other (nonmajor)	1,323,741	1,275,958	1,203,522	1,345,288	1,409,097	1,569,085	1,541,955	5,618,154	-	-
<b>Total business-type activities expenses</b>	<b>16,756,054</b>	<b>16,902,689</b>	<b>17,134,700</b>	<b>17,790,191</b>	<b>17,929,295</b>	<b>16,855,014</b>	<b>17,393,387</b>	<b>18,950,144</b>	<b>13,333,180</b>	<b>13,277,658</b>
<b>Total primary government expenses</b>	<b>\$ 68,263,621</b>	<b>\$ 71,144,933</b>	<b>\$ 72,655,880</b>	<b>\$ 75,937,732</b>	<b>\$ 78,030,291</b>	<b>\$ 74,906,544</b>	<b>\$ 81,580,482</b>	<b>\$ 84,489,056</b>	<b>\$ 87,265,239</b>	<b>\$ 91,028,542</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	\$ 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	\$ 1,693,495
Public safety	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	4,712,049
General services	451,690	116,418	111,015	124,650	105,401	92,528	112,071	100,478	124,029	3,890,083
Community development	1,450,678	1,212,966	1,014,926	1,198,302	1,086,657	1,363,586	2,258,451	1,950,690	1,395,595	2,113,729
Leisure and information services	502,022	721,780	735,989	699,419	695,191	627,166	584,711	603,303	5,712,539	1,468,193
Human services	17,966	-	-	-	-	-	-	-	-	-
Total charges for services	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	13,877,549
Operating grants and contributions	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	6,616,383
Capital grants and contributions	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	4,005,133
<b>Total governmental activities program revenues</b>	<b>10,834,799</b>	<b>12,340,879</b>	<b>17,821,342</b>	<b>14,348,192</b>	<b>15,471,857</b>	<b>22,761,052</b>	<b>19,400,078</b>	<b>17,995,876</b>	<b>20,725,754</b>	<b>24,499,065</b>
<b>Business-type activities:</b>										
Water services	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	6,273,061
Sewer services	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	7,703,516
Solid waste services	2,895,021	2,940,170	2,906,546	2,798,335	2,742,703	2,657,151	3,026,768	-	-	-
Other (nonmajor)	1,310,157	1,272,183	1,345,171	1,475,357	1,481,527	1,602,082	1,572,565	4,714,226	-	-
<b>Total charges for services</b>	<b>15,915,690</b>	<b>16,062,101</b>	<b>16,464,446</b>	<b>16,615,493</b>	<b>16,846,297</b>	<b>17,232,491</b>	<b>17,955,279</b>	<b>17,940,382</b>	<b>12,950,540</b>	<b>13,976,577</b>
Operating grants and contributions	188,926	290,323	279,414	2,019,907	271,915	359,208	875,993	356,337	283,871	58,749
Capital grants and contributions	162,701	41,241	34,857	86,341	74,851	48,762	61,574	56,026	50,360	73,410
<b>Total business-type activities program revenues</b>	<b>16,267,317</b>	<b>16,393,665</b>	<b>16,778,517</b>	<b>18,721,741</b>	<b>17,193,063</b>	<b>17,640,461</b>	<b>18,892,846</b>	<b>18,352,745</b>	<b>13,284,771</b>	<b>14,108,736</b>
<b>Total primary government program revenues</b>	<b>\$ 27,102,116</b>	<b>\$ 28,734,544</b>	<b>\$ 34,599,859</b>	<b>\$ 33,069,933</b>	<b>\$ 32,664,920</b>	<b>\$ 40,401,513</b>	<b>\$ 38,292,924</b>	<b>\$ 36,348,621</b>	<b>\$ 34,010,525</b>	<b>\$ 38,607,801</b>
<b>Net (Expenses)Revenue</b>										
Governmental activities	\$ (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)	\$ (53,251,819)
Business-type activities	(488,737)	(509,024)	(356,183)	931,550	(736,232)	785,447	1,499,459	(597,399)	(48,409)	831,078
<b>Total Primary government net expense</b>	<b>\$ (41,161,505)</b>	<b>\$ (42,410,389)</b>	<b>\$ (38,056,021)</b>	<b>\$ (42,867,799)</b>	<b>\$ (45,365,371)</b>	<b>\$ (34,505,031)</b>	<b>\$ (43,287,558)</b>	<b>\$ (48,140,435)</b>	<b>\$ (53,254,714)</b>	<b>\$ (52,420,741)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Property tax	\$ 34,915,317	\$ 33,756,749	\$ 36,583,664	\$ 32,856,784	\$ 38,305,897	\$ 38,476,277	\$ 39,314,947	\$ 41,411,476	\$ 44,304,450	\$ 44,942,923
Penalties and interest on taxes	1,267,571	1,037,812	821,981	913,597	944,755	977,949	975,690	731,415	630,437	443,726
Motor vehicle registrations	5,023,728	5,118,581	5,415,538	5,662,857	6,123,498	6,497,093	6,686,684	7,141,635	7,288,755	7,104,853
Grants and contributions not restricted to specific programs	832	704	461	209	393	400	450	460	503	-
Investment income	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	1,991,073
Miscellaneous	1,165,035	1,486,553	1,428,889	3,125,212	2,842,713	974,869	739,075	919,015	1,480,107	710,969
Transfers, net	(43,843)	31,630	8,677	142,034	288,563	952,546	1,180,261	1,184,848	2,352,886	2,352,298
Permanent fund contributions	184,261	273,181	262,370	282,663	309,989	405,986	281,731	268,830	275,241	286,956
Special item - loss on disposal of capital asset	-	-	-	-	-	-	-	-	-	(797,864)
<b>Total governmental activities</b>	<b>44,746,897</b>	<b>42,316,281</b>	<b>46,408,081</b>	<b>45,660,453</b>	<b>50,172,119</b>	<b>49,027,584</b>	<b>50,913,042</b>	<b>53,563,091</b>	<b>58,864,454</b>	<b>57,018,934</b>
<b>Business-type activities:</b>										
Investment income	150,328	68,834	251,110	7,947	12,884	39,299	79,733	227,754	290,552	143,310
Miscellaneous	7,977	342,060	294,655	289,329	266,973	107,624	207,295	135,777	212,470	233,156
Transfers, net	43,843	(31,630)	(8,677)	(142,034)	(288,563)	(952,946)	(1,180,261)	(1,184,848)	(2,352,886)	(2,336,298)
<b>Total business-type activities</b>	<b>202,148</b>	<b>379,264</b>	<b>537,088</b>	<b>155,242</b>	<b>(8,706)</b>	<b>(806,023)</b>	<b>(893,233)</b>	<b>(821,317)</b>	<b>(1,849,864)</b>	<b>(1,959,832)</b>
<b>Total primary government</b>	<b>\$ 44,949,045</b>	<b>\$ 42,695,545</b>	<b>\$ 46,945,169</b>	<b>\$ 45,815,695</b>	<b>\$ 50,163,413</b>	<b>\$ 48,221,561</b>	<b>\$ 50,019,809</b>	<b>\$ 52,741,774</b>	<b>\$ 57,014,590</b>	<b>\$ 55,059,102</b>
<b>Change in Net Position</b>										
Governmental activities	\$ 4,074,129	\$ 414,916	\$ 8,708,243	\$ 1,861,104	\$ 5,542,980	\$ 13,737,106	\$ 6,126,025	\$ 6,020,055	\$ 5,658,149	\$ 3,767,115
Business-type activities	(286,589)	(129,760)	180,905	1,086,792	(744,938)	(20,576)	606,226	(1,418,716)	(1,898,273)	(1,128,754)
<b>Total primary government</b>	<b>\$ 3,787,540</b>	<b>\$ 285,156</b>	<b>\$ 8,889,148</b>	<b>\$ 2,947,896</b>	<b>\$ 4,798,042</b>	<b>\$ 13,716,530</b>	<b>\$ 6,732,251</b>	<b>\$ 4,601,339</b>	<b>\$ 3,759,876</b>	<b>\$ 2,638,361</b>

<sup>(1)</sup> 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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund</b>										
Nonspendable	\$ 181,815	\$ 152,871	\$ 152,871	\$ 152,871	\$ 152,871	\$ 168,027	\$ 212,814	\$ 375,704	\$ 380,210	\$ 811,360
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	5,103,714
Assigned	1,355,353	894,000	935,000	750,000	960,000	930,000	975,000	975,000	1,400,000	1,280,000
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	12,525,950
<b>Total General Fund</b>	<b>\$ 12,590,168</b>	<b>\$ 14,153,990</b>	<b>\$ 14,896,285</b>	<b>\$ 14,199,114</b>	<b>\$ 14,549,738</b>	<b>\$ 15,939,783</b>	<b>\$ 17,474,214</b>	<b>\$ 17,514,013</b>	<b>\$ 18,904,212</b>	<b>\$ 19,721,024</b>
<b>Other Governmental Funds</b>										
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	\$ 11,411,057
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	20,778,744
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	3,017,327
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(915)	(1,290)	-	(1,329,031)	(726,422)	(2,091,373)	(2,180,891)	(4,747,101)	(2,462,365)	(682,657)
<b>Total Other Funds</b>	<b>\$ 24,295,674</b>	<b>\$ 22,112,926</b>	<b>\$ 21,249,794</b>	<b>\$ 25,324,940</b>	<b>\$ 30,730,891</b>	<b>\$ 25,918,955</b>	<b>\$ 28,082,960</b>	<b>\$ 23,395,784</b>	<b>\$ 30,830,531</b>	<b>\$ 34,524,471</b>

Data Source:  
Audited Financial Statements

## City of Concord, New Hampshire

### Change in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes	\$ 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	\$ 51,525,365
Licenses and permits	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	1,205,850
Intergovernmental	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	10,007,370
Charges for services	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	13,302,687
Investment income	2,234,008	618,261	1,630,988	2,677,101	805,143	742,464	1,734,207	1,905,413	2,532,076	1,991,072
Contributions and miscellaneous	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	2,102,573
<b>Total revenues</b>	<b>54,967,457</b>	<b>56,195,570</b>	<b>58,581,160</b>	<b>60,963,543</b>	<b>65,445,192</b>	<b>69,798,529</b>	<b>68,786,674</b>	<b>68,451,895</b>	<b>77,900,323</b>	<b>80,134,917</b>
<b>Expenditures by Function</b>										
General government	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	10,934,416
Public safety	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	28,490,261
General services	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	14,039,081
Community development	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	4,382,607
Leisure and information services	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	5,508,793
Human services	752,485	735,447	748,690	801,071	790,648	782,138	715,765	642,077	679,546	637,809
Employee benefits	661,188	2,327,580	2,281,856	2,209,785	2,174,927	2,243,415	-	-	-	-
Miscellaneous	45,491	3,722	1,186	301	350	-	-	-	-	-
Debt service										
Principal	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	6,738,260
Interest	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	2,501,467
Capital outlay	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	14,159,529
<b>Total expenditures</b>	<b>54,618,229</b>	<b>61,179,975</b>	<b>63,979,429</b>	<b>66,459,602</b>	<b>70,580,236</b>	<b>79,816,966</b>	<b>75,414,964</b>	<b>86,157,120</b>	<b>83,390,890</b>	<b>87,392,223</b>
<b>Excess of revenues</b>										
Over/(under) expenditures	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)	(7,257,306)
<b>Other Financing Sources (Uses)</b>										
Bond proceeds	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	8,692,150
Bond premium	-	-	-	-	575,556	233,250	810,732	752,800	704,059	739,610
Capital lease proceeds	-	-	-	-	-	-	188,513	-	-	-
Refunding, net	-	-	103,855	-	-	-	(166,480)	-	-	-
Transfers in	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	10,082,082
Transfers out	(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)	(7,745,784)
<b>Total other financing sources (uses)</b>	<b>5,019,157</b>	<b>4,365,479</b>	<b>5,277,432</b>	<b>8,874,034</b>	<b>10,891,619</b>	<b>6,596,546</b>	<b>10,326,626</b>	<b>13,027,848</b>	<b>12,667,845</b>	<b>11,768,058</b>
<b>Net Change in fund balances</b>	<b>\$ 5,368,385</b>	<b>\$ (618,926)</b>	<b>\$ (120,837)</b>	<b>\$ 3,377,975</b>	<b>\$ 5,756,575</b>	<b>\$ (3,421,891)</b>	<b>\$ 3,698,336</b>	<b>\$ (4,677,377)</b>	<b>\$ 7,177,278</b>	<b>\$ 4,510,752</b>
Debt Service as a percentage of non-capital outlay expenditures <sup>(1)</sup>	11.80%	11.52%	12.88%	11.56%	11.93%	11.71%	11.16%	11.50%	11.95%	12.45%

Data Source:

Audited Financial Statements

<sup>(1)</sup> 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
2020	\$ 43,631,070	\$ 17,274	\$ 402	\$ 7,104,853	\$ 771,766	\$ 51,525,365
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

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						
2020	\$ 2,590,372,174	\$ 1,627,391,900	\$ 218,854,000	\$ 4,436,618,074	\$ 92,714,134	\$ 4,343,903,940	25.08	\$ 4,607,017,330	96.3%
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	30,676,026	4,030,230,653	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%

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
2020	\$ 9.77	\$ 9.77	\$ 13.26	\$ 2.05	\$ 15.31	\$ 25.08	\$ 2.70	\$ 27.78
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

Penacook Direct Rates							Overlapping Rate	
Fiscal Year	City	Total City	Local School	State School	Total School	Total Direct	County	Total
2020	\$ 9.77	\$ 9.77	\$ 19.64	\$ 1.99	\$ 21.63	\$ 31.40	\$ 2.70	\$ 34.10
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

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	FY2020	Rank	Percentage of	FY2011	Rank	Percentage of
		2019 Tax Year Net Taxable Assessed Value		Total Assessed Value	2010 Tax Year Net Taxable Assessed Value		Net Assessed Value
Public Service Co of NH (Eversource)	Utility	\$ 66,474,300.00	1	1.53 %			
UNITIL Energy Systems, Inc (formerly Concord Electric Company. LP)	Utility	\$ 66,397,200.00	2	1.53	\$ 44,987,700.00	3	1.17 %
Liberty Utilities (formerly EnergyNorth Natural Gas Inc)	Utility	\$ 61,220,850.00	3	1.41	\$ 30,707,900.00	4	
Walmart/Sam's Club	Retail	\$ 31,463,150.00	4	0.72	\$ 27,257,700.00	5	0.71
Hodges Properties Inc	Rentals	\$ 25,554,500.00	5	0.59	\$ 22,949,300.00	8	0.60
St Paul's School	Private School	\$ 25,051,250.00	6	0.58	\$ 24,187,600.00	6	0.63
Wheelabrator Concord Co LP	Trash to Energy	\$ 23,030,000.00	7	0.53	\$ 56,264,900.00	2	1.47
Card Says Moops LLC	Apartments	\$ 22,800,000.00	8	0.52			
Capital Region Health Care Development	Health Care	\$ 22,295,400.00	9	0.51	\$ 22,126,300.00	9	0.58
Eddy Plaza Associates Inc	Retail	\$ 21,997,200.00	10	0.51	\$ 23,527,100.00	7	0.61
Steeplegate Mall, LLC	Mall			-	\$ 71,701,600.00	1	1.87
Hodges Development Corp	Rentals			-	\$ 18,804,200.00	10	0.49
Total Principal Taxpayers		<u>366,283,850</u>		<u>8.43 %</u>	<u>342,514,300</u>		<u>8.13 %</u>
Total Net Assessed Taxable Value		<u>\$ 4,343,903,940</u>			<u>\$ 3,834,974,167</u>		
Tax Year - April 1, 2019 - March 31, 2020							

## 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
2019	\$ 124,341,161	\$ 121,954,314	98.1%	\$ -	\$ 2,386,847	\$ 121,954,314	98.1%
2018	121,377,095	119,681,693	98.6%	1,164,387	531,015	120,846,080	99.5%
2017	117,282,157	115,740,608	98.7%	1,314,977	226,572	117,055,585	99.8%
2016	112,019,850	110,335,982	98.5%	1,660,297	23,571	111,996,279	100.0%
2015	108,121,924	106,227,601	98.2%	1,891,975	2,348	108,119,576	100.0%
2014	104,676,371	103,058,356	98.5%	1,617,304	711	104,675,660	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%	1,851,300	343	95,589,315	100.0%
2011	92,246,890	90,471,786	98.1%	1,774,863	241	92,246,649	100.0%
2010	90,288,009	88,050,231	97.5%	2,237,484	294	90,287,715	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 2020 is the City's tax year 2019.

## 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
	Bonds and Unamortized Premiums	Capital Leases	Bonds and Unamortized Premiums				
2020	\$ 67,845,016	\$ 13,593	\$ 38,956,607	\$ 106,815,216	\$ 2,448	7.22%	2.46%
2019	65,295,547	23,188	36,976,773	102,295,508	2,356	7.29%	2.45%
2018	60,259,916	32,783	37,920,176	98,212,875	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%

## City of Concord, New Hampshire

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Direct Debt:</b>										
<b>City of Concord</b>										
Net General Obligation Debt Outstanding	\$ 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	\$ 67,845,015
Percentage Applicable to Government	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount Applicable to Government	\$ 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	\$ 67,845,015
Subtotal Direct Debt	\$ 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	\$ 67,845,015
<b>Overlapping Debt:</b>										
<b>Merrimack County<sup>1</sup></b>										
Net General Obligation Debt Outstanding	\$ 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	\$ 40,735,000
Percentage Applicable to Government	25.44%	25.14%	26.85%	27.40%	25.86%	25.67%	25.11%	24.99%	24.94%	23.97%
Amount Applicable to Government	\$ 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	\$ 9,764,180
<b>Concord School District</b>										
Net General Obligation Debt Outstanding	\$ 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	\$ 53,940,000
Percentage Applicable to Government	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount Applicable to Government	\$ 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	\$ 53,940,000
<b>Merrimack Valley School District</b>										
Net General Obligation Debt Outstanding	\$ 5,940,000	\$ 3,960,000	\$ 1,985,000	\$ 1,980,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage Applicable to Government	25.79%	26.24%	26.68%	29.83%	26.25%	25.95%	24.79%	24.37%	23.79%	22.77%
Amount Applicable to Government	\$ 1,531,926	\$ 1,038,954	\$ 529,641	\$ 590,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Overlapping Debt	\$ 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	\$ 63,704,180
<b>Grand Total</b>	<b>\$123,276,974</b>	<b>\$119,125,954</b>	<b>\$115,012,073</b>	<b>\$114,342,413</b>	<b>\$112,914,326</b>	<b>\$109,541,055</b>	<b>\$125,846,338</b>	<b>\$128,311,364</b>	<b>\$131,187,244</b>	<b>\$131,549,195</b>

<sup>1</sup>The City of Concord's portion of Merrimack County's overlapping debt is derived by dividing the Merrimack County's equalization valuation by the City of Concord's equalization valuation.

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**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Base Value for Debt Limits (1)</b>	\$ 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	\$ 4,574,864,938
<b>Legal Debt Limits (% of Base Value)</b>										
General - 1.75% thru 1998, 3% 1999 on (2)	\$ 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	\$ 137,245,948
Water - 10% (2)	\$ 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	\$ 457,486,494
<b>Issued Debt at June 30</b>										
Total Issued Debt at June 30	\$ 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	\$ 101,593,459
Less Water Fund	(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)	(18,448,862)
Less Sewer Fund (3)	(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)	(18,395,589)
Less Tax Increment Debt (3)	(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)	(4,831,400)
Less Landfill Debt (3)	(900,425)	(668,901)	(442,001)	(218,732)	-	-	-	-	-	-
<b>Authorized Unissued at June 30</b>										
Total Authorized Unissued Debt at June 30	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	4,912,426
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	(175,000)	(150,000)	-	-	(136)	(36,500)	(136,500)	(36,500)	(791,700)	(36,500)
Less Sewer Fund (3)	(552,672)	(2,168,172)	-	-	-	(36,500)	(136,500)	(36,500)	(356,500)	(36,500)
Less Tax Increment Debt (3)	(285,000)	-	-	-	-	-	-	-	-	-
<b>Total Debt Subject to general limit</b>	<b>\$ 33,659,994</b>	<b>\$ 34,863,037</b>	<b>\$ 37,548,273</b>	<b>\$ 47,301,499</b>	<b>\$ 45,043,386</b>	<b>\$ 57,709,982</b>	<b>\$ 64,806,779</b>	<b>\$ 67,329,144</b>	<b>\$ 65,154,844</b>	<b>\$ 64,757,034</b>
<b>Legal Debt Margin</b>										
General	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	72,488,914
Water Fund	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	439,001,132
<b>% of Legal Debt Limits Used</b>										
General	29.1%	31.5%	32.3%	38.9%	38.4%	48.1%	53.6%	53.1%	49.3%	47.2%
Water Fund	3.1%	3.2%	3.3%	3.1%	3.3%	3.6%	4.0%	3.8%	3.5%	4.0%

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

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Income</b>	<b>Unemployment Rate</b>
2020	43,627 *	\$ 1,479,043	\$33,902 **	8.60% ***
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%

\* Population as of July 1, 2019 as estimated by the US Census Bureau

\*\* Based on the annual American Community Survey by the US Census Bureau

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

**City of Concord, New Hampshire  
Principal Employers  
Current Year and Nine Years Ago**

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
State of New Hampshire	6,069	1	28.03 %	6,450	1	30.60 %
Concord Hospital Capital Region Health Care	2,998	2	13.85	3,200	2	15.18
Concord School District	809	3	3.74	876	5	4.16
City of Concord	556	4	2.57	454	11	2.15
Lincoln Financial Group	405	5	1.87	602	7	2.86
Market Basket	405	6	1.87	533	8	2.53
Genesis Health Care Systems	385	7	1.78	1,200	4	5.69
NHHEAF Network Organizations	332	8	1.53			-
St. Paul's School	330	9	1.52			-
Merrimack Valley School District	328	10	1.52	500	10	2.37
Steeplegate Regional Mall				1,233	3	5.85
New Hampshire Hospital				850	6	4.03
Sanel Auto Parts				525	9	2.49
Total Principal Employers	12,617		58.28 %	16,423		77.91 %
Total City Employment	<u>21,650</u> (1)			<u>21,080</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 2020

## City of Concord, New Hampshire

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

Departments	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Manager	3.2	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0
Legal	9.6	9.6	9.6	9.5	9.5	9.8	9.9	9.9	10.1	9.6
Assessing	6.0	6.0	6.0	6.0	6.0	6.4	6.4	6.4	6.1	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	5.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Finance/Treas	7.5	7.5	7.5	7.5	7.5	7.6	7.6	7.6	7.7	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	3.5	3.5	3.5	3.7	3.7	3.0	3.0	3.0	3.0	3.0
Info Technology	6.0	6.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0	7.0
City Clerk	3.6	3.6	3.6	3.6	3.6	7.4	7.4	7.4	7.4	8.2
<b>Gen Gov</b>	<b>50.9</b>	<b>51.2</b>	<b>51.2</b>	<b>51.3</b>	<b>51.3</b>	<b>56.2</b>	<b>56.3</b>	<b>56.3</b>	<b>57.3</b>	<b>57.6</b>
Police	97.7	98.7	100.1	99.5	99.5	97.9	99.6	100.7	101.2	102.3
Police-Parking	8.6	8.6	8.6	8.6	8.5	9.2	9.2	9.2	11.4	12.2
Fire	107.0	106.0	105.0	104.0	101.0	101.0	100.1	100.1	100.0	100.0
<b>Public Safety</b>	<b>213.3</b>	<b>213.3</b>	<b>213.7</b>	<b>212.1</b>	<b>209.0</b>	<b>208.0</b>	<b>208.9</b>	<b>210.0</b>	<b>212.6</b>	<b>214.5</b>
Administration	16.5	16.5	15.5	15.5	15.5	16.0	16.0	17.0	17.0	17.0
Hwys & Util Sys	41.0	41.0	44.0	41.5	41.5	41.5	41.5	41.5	40.5	40.5
Grounds	21.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Properties	19.0	19.0	18.0	18.0	18.0	18.9	20.9	20.6	23.0	23.0
Vehicle Maint	12.0	12.0	12.0	12.0	12.0	12.0	12.0	11.0	11.0	11.0
Temporary	11.9	11.9	13.0	13.0	13.0	11.9	8.5	8.4	8.3	8.3
Water & Sewer	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0
<b>General Svcs</b>	<b>145.4</b>	<b>124.4</b>	<b>126.5</b>	<b>124.0</b>	<b>124.0</b>	<b>124.3</b>	<b>122.9</b>	<b>122.5</b>	<b>123.8</b>	<b>123.8</b>
Administration	2.0	2.0	2.0	2.0	2.0	2.0	3.0	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	10.1	10.1	10.1	10.1	10.1	10.1	10.1	11.7	11.9
Engineering Svcs	18.0	17.0	17.0	17.0	17.0	17.0	17.3	17.3	17.5	16.4
<b>Comm Devel</b>	<b>34.3</b>	<b>33.1</b>	<b>33.1</b>	<b>33.1</b>	<b>33.1</b>	<b>33.1</b>	<b>34.4</b>	<b>34.4</b>	<b>36.2</b>	<b>35.3</b>
Library	19.6	19.6	19.6	19.7	19.7	20.3	19.7	19.7	20.7	20.7
Parks & Recreation	10.0	11.6	11.6	13.7	13.7	26.0	27.9	28.0	31.6	34.0
Parks & Recreation - Grounds Div	0.0	18.5	17.5	20.0	19.5	19.5	19.6	19.1	19.5	18.5
<b>Leisure Services</b>	<b>29.6</b>	<b>49.7</b>	<b>48.7</b>	<b>53.4</b>	<b>52.9</b>	<b>65.8</b>	<b>67.2</b>	<b>66.8</b>	<b>71.8</b>	<b>73.2</b>
<b>Human Services</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>
<b>Grand Totals</b>	<b>478.1</b>	<b>476.3</b>	<b>477.8</b>	<b>478.3</b>	<b>474.6</b>	<b>491.8</b>	<b>494.1</b>	<b>494.5</b>	<b>506.2</b>	<b>508.9</b>

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Physical arrests	2,796	2,837	2,787	2,716	2,926	2,746	2,382	2,611	2,831	2,502
Traffic violations	3,993	3,576	3,595	3,993	4,388	3,698	2,027	2,176	1,990	1,475
Parking violations	28,458	25,541	24,519	23,269	21,411	21,702	21,503	22,363	23,632	15,302
Fire and Rescue										
Calls answered	7,327	7,182	7,217	7,431	7,994	8,109	8,257	8,600	8,952	8,809
General services - Solid waste										
Refuse collected (tons)	11,722	11,478	12,074	12,630	12,624	12,624	10,771	11,065	11,428	11,618
Recycling (tons)	3,555	3,677	4,440	4,855	5,058	5,058	4,995	4,528	3,939	3,437
General services - Streets										
Streets resurfaced (miles)	6	1	6	4	4	12	10	10	12	8
Potholes repaired	7,780	5,210	7,115	11,547	8,163	9,064	9,976	12,534	10,674	5,466
Water										
Average daily consumption (in thousands of gallons)	3,761	3,792	3,560	3,564	3,996	3,667	3,669	3,717	3,414	4,216
Sewage System:										
Daily average treatment (in thousands of gallons)										
Concord Plant	4,580	4,100	3,850	3,780	3,690	3,420	3,355	3,269	4,070	3,537
Penacook Plant	460	490	420	470	466	426	341	398	557	353

Data Source:  
Various City departments

# City of Concord, New Hampshire

## Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	8
General Services - Streets										
Miles of streets	**217	**217	**217	**217	**217	217	217	217	217	217
Number of traffic lights (in sets)	77	71	71	71	71	71	71	71	71	71
Number of street lights	2,130	*2,213	*2,213	*2,213	*2,213	*2,285	*2,285	2,290	2,291	2,290
Parks & Recreation - Culture and Recreation:										
Number of parks	20	20	20	20	29	29	29	29	29	29
Swimming pools	7	7	7	7	7	7	7	7	7	7
Tennis courts	21	21	21	20	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	155	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