

***TOWN OF  
LONDONDERRY, NEW HAMPSHIRE***



***COMPREHENSIVE  
ANNUAL FINANCIAL REPORT***

For the Fiscal Year Ended  
June 30, 2003

**TOWN OF LONDONDERRY, NEW HAMPSHIRE**

**Comprehensive Annual Financial Report**

**For the Year Ended June 30, 2003**



**Prepared by:  
The Finance Department**

**Susan A. Hickey  
Finance Director**

**Lynn M. Wagner  
Town Accountant**

Town of Londonderry, New Hampshire  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2003

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## **INTRODUCTORY SECTION**



***Town of Londonderry***  
***50 Nashua Road, Ste. 100***  
***Londonderry, NH 03053***  
***(603) 432-1100***

August 14, 2003

To the Citizens and Members of the Town Council:

The Comprehensive Annual Financial Report (CAFR) of the Town of Londonderry, New Hampshire for the fiscal year ended June 30, 2003, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rest with the Town's management. To the best of our knowledge and belief, the following data, including the financial statements, supporting schedules and statistical tables, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Town. We also believe that the Town's existing internal control systems are adequate. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the Town's organizational chart and a list of principal officials. The financial section includes management's discussion and analysis, basic financial statements and supplementary statements and schedules, as well as the auditors' report on the financial statements and schedules. We direct our readers to the management's discussion and analysis for additional narrative overview and analysis of the Town's activities. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

This report includes all funds of the Town. This report does not report on the funds of the Londonderry School District or Rockingham County. These governmental units are independent of the Town and do not meet the criteria for inclusion in this CAFR.



## **GOVERNMENT STRUCTURE**

The Town of Londonderry is located in Rockingham County in southern New Hampshire, approximately 40 minutes northwest of Boston via Interstate - 93, and is situated between Salem and Derry, New Hampshire's two largest towns. The Town has a population of 23,326 (according to the 2000 census) and occupies 44 square miles of land.

Londonderry was incorporated in 1722 and since 1996 has operated under a charter with a Council-Manager form of local government. The Town Council consists of five members elected to staggered three-year terms. The Council acts as the legislative body of the Town (except for the adoption of the actual budget) and appoints a Town Manager to serve an indefinite term as the Town's chief executive. The Manager is responsible for the administrative and financial affairs of the Town, and implements policies established by the Town Council. A Budgetary Town Meeting approves long-term debt, in addition to the annual budget.

Londonderry has a diverse character, combining residential, commercial, industrial and recreational activities. The Town has experienced significant tax base growth with an increasing amount of the growth occurring in commercial and industrial property. This is due to Londonderry's proximity to one of New Hampshire's major north/south highways, as well as the presence of Manchester Airport (MHT) within the community. MHT offers direct flights to many major cities around the nation.

The Town provides a full-range of services to residents including waste water treatment, refuse collection and disposal; highway construction and maintenance, including snow plowing, storm sewer system and related infrastructure maintenance and construction; police and fire protective services; library and recreational facilities and services; human services, including health and welfare services; and planning, economic and community development, zoning and code enforcement services. The Town accounts for its sewer utilities in a special revenue fund.

## **ECONOMIC CONDITION AND OUTLOOK**

The economy has continued to be strong with an unemployment rate for Londonderry of 4.6%, which is under the overall U.S. unemployment rate of 5.8%.

Londonderry is one of the fastest growing communities in the state of New Hampshire. With I-93 running along the eastern segment, Rte. 128 through the middle, Rte. 28 in the northern segment and Rte. 102 in the southern segment, Londonderry has ample access to the major highway systems. The total workforce of the Londonderry/Manchester area was greater than previous years with overall earnings increasing over the prior year. Over 3,500 jobs have been

created over the year in the Londonderry/Manchester area according to the New Hampshire Employment Security Bureau.

The development that occurred within the Town over the past year has been substantial, with approximately 893,000 square feet of new or expanded commercial value. This has led to a number of new jobs and further commercial expansion of the local tax base.

Throughout the year Londonderry has increased its commercial and industrial growth significantly. Many businesses have been approved to build new facilities or expand existing facilities in the Town. Londonderry welcomes the following new or expanded businesses:

- Highlander Hotel (Expansion), hotel
- Vista Ridge Apartments (New Rental Units), multi-family housing
- Ecco Shoe Co. (Expansion), shoe manufacturer
- Tedeschi Food Mart (Expansion), food distributor
- Donovan Springs (New), heavy truck components and accessories
- Buderus Hydronics (New), domestic boiler distributor
- MicroMetrics (Expansion), semi-conductor business
- V&W Office Bldg.(New), realty office building
- Home Depot (New), retail store
- Shop-N-Save (New), supermarket
- Federal Express Ground (New), mail distributor
- Crossroads Mall (Expansion), various retail stores
- Stonyfield Farm Yogurt (Expansion), yogurt manufacturer
- Kamco Supply (New), building supply business

The Town's Planning and Economic Development Department, along with the dedicated service of the individuals from the various land use and development boards, continue to promote economic development to make Londonderry an even better place to live and do business.

### **MAJOR INITIATIVES FOR THE YEAR**

Throughout the FY 2003, many notable projects and initiatives took place in the Town including the following:

Londonderry has taken a strong stance in managing its growth with the adoption of growth management ordinance and impact fee system. In 1988, Londonderry was one of the first communities to adopt a growth management ordinance. In 2002, the Town Council revised its growth ordinances in response to continuing growth pressures. In 1994, it was one of the first communities to adopt an impact fee ordinance. In 2002, the Town Council was able to appropriate approximately \$ 1.0 million received in impact fees for debt service payments associated with a \$ 12 million addition to Londonderry High School.

The Manchester Airport Authority completed a major expansion, which included the lengthening of MHT's main runway to over 9,000 feet, and construction of a new terminal building located in Londonderry. The terminal and expansion costs were between 65 and 70 million dollars. This airport expansion includes a new state-of-the art terminal facility, increased cargo and commercial flights and the designation of the airport and surrounding 939 acres as a U. S. Customs foreign trade zone. Value added within the zone is not taxed upon entry into the U. S. market, and no duty is paid on foreign products entering the zone. The majority of this area is in Londonderry. Manchester Airport had another successful year in fiscal year 2003, enjoying its best financial performance to date despite the devastating impact of September 11 on the aviation industry in general. MHT also continued its efforts to improve airline services and modernize airport facilities and infrastructure. Year-end passenger activity totals surpassed the three million mark, with nearly 3.5 million passengers using Manchester Airport. Air travelers from throughout Northern New England and Massachusetts continue to discover Manchester's easy access, competitive airfares, convenient jet service and inexpensive parking.

The Town and the City of Manchester renegotiated the Intermunicipal Agreement governing the operation of the airport; changes include a Payment-in-Lieu of Taxes to the Town in the amount of \$ 500,000 annually.

The industrial area south of the airport holds significant opportunities for job creation and commercial and industrial development. The area consists of approximately 800 acres of industrial land. It is one of the largest contiguous pieces of industrial land in the state. The Department of Transportation proposes to construct an airport access road from Rt. 3 in Bedford across the Merrimack River and into the Manchester Airport. A portion of the access road will encompass the northwestern section of Londonderry. Supported by a \$ 260,000 appropriation at the 2002 Town Meeting, the Planning & Economic Development and Public Works and Engineering Departments are actively working on the planning issues involved with constructing a roadway designed to connect to the state access road and facilitate the ultimate development of this area.

The Londonderry Economic Development Committee set up one of the most comprehensive town sites on the web. The site consists of 200-plus pages including dozens of photographs, extensive text information, hundreds of links to online resources and numerous interaction features. It is divided into six major sections: Living in Londonderry; Economic Development; Government and Services; Sustainable Londonderry and the Eco-Park; Education; News; and the Londonderry Chamber of Commerce (a separate site linked to the town site). The web site is <http://www.Londonderry.org>.

In addition to the above, the Town of Londonderry was chosen, along with 9 municipalities in the United States, to participate in a new pilot project sponsored by the U. S. Environmental Protection Agency for small and medium sized government organizations to implement ISO 14001 Environmental Management Systems at a

facility/organization of its choice. The Public Works Department, which includes the divisions of Sewer, Solid Waste, Highway and Engineering, was chosen for the project. Londonderry will also be able to encourage businesses located or hoping to locate in Town to become ISO 14000 certified and will be in the position to help them accomplish that goal.

The Town is in the process of updating its Master Plan. The Town engaged Behan Planning Associates to assist in the update of the Master Plan. The Master Plan, which was last updated in 1997, is now subject to a comprehensive rewrite relative to its current relevance and determination of future strategies. This process is being managed by the Planning and Economic Development Department, with the assistance of a citizen committee. Additional citizen input is being encouraged through the Best Towns Process, a comprehensive community engagement process designed to insure that the Town's development and preservation proceeds in accordance with the direction established by its citizenry.

Another tool being implemented to assist with the orderly development of the community and preservation of its natural and aesthetic resources is continued voter support of Open Space Preservation Bonds. A bond in the amount of \$ 1,000,000 was passed for the purpose of purchasing open space or development rights with the intent of preservation. In addition to open space preservation, the Town raised funds to continue the development of the West Road Athletic Complex. The complex has three regulation sized soccer fields and comprises 41 acres. In addition to raising funds, the Town received a \$ 100,000 Land and Water Conservation Fund grant towards the development of the complex. Currently, there are plans to construct an additional four regulation - sized soccer fields within the site. Finally, in response to demands by all segments of the community seeking passive and active recreation opportunities, the Town has formed a Recreation Facilities Planning Committee. The Committee is conducting an inventory of current recreation facilities, and identifying additional facilities necessary to meet residents' demands. The Committee's Findings and Recommendations will be included in the town-wide Master Plan.

A significant initiative, which gained universal community support in FY 2003 was the passage of a \$2.9 Million Limited Development Rights Bond. Proceeds of the bond were used to purchase partial development rights on a significant parcel of property in South Londonderry. The proposed development has now been transformed from its planned 361 units of multi-family housing to 125 single-family units. Occupancy of these units will be limited to one occupant of at least 55 years of age, with no occupants under the age of 21. This program guarantees affordable housing opportunities for the Town's elderly population; limits impact upon town services resulting from the construction of several other multi-family projects in the community, and further addresses current and anticipated traffic impacts on NH Rte. 102.

## **FOR THE FUTURE**

The Town continues to make changes to its budget review process to insure the efficient use of government resources, the application on non-recurring revenues for one-time capital items, and the presentation of revenue estimates consistent with anticipated performance levels in light of current economic conditions and operational policies. These and other financial policies are summarized in a comprehensive Financial Management Policy adopted by the Town Council.

In fiscal year 2004 the Town will be issuing a ten million dollar bond for the construction of a new Police Facility and Town Hall Facility, with four million being directed towards the Town's expanding of Open Space Preservation Program. This bond will make a great advancement towards updating our infrastructure.

The Town will continue its efforts to implement a Geographical Information System (GIS). This software system will enable all departments and committees to better plan for the future needs of the Town and will assist in making more informed land use and infrastructure improvement decisions.

The Town is conducting a Revenue Study to determine appropriate levels for its fee-for-service programs, including Emergency Medical Services; Building Inspection Programs; wastewater facilities; and other revenue programs. It is anticipated that the revised program will reflect actual costs and market rates for its services, thereby further solidifying its financial position.

In FY 2003, the adequacy of its Fire and Highway Equipment Capital Reserve Programs were reviewed and adjusted to insure that sufficient funds will be available in the future to purchase equipment at appropriate intervals, without reliance upon long-term bonding mechanisms. The Town is in the process of evaluating the Ambulance Capital Reserve Program. Completion of the evaluation will result in all reserve projects properly funded for the future.

In FY 2004, the Town Council and Town Meeting established an Expendable Maintenance Trust Fund for Buildings and Grounds. This program is designed to systematically plan for the repair and improvements of the Town's facilities over a multi-year period, resulting in safe, efficient Town facilities funded by a constant level of taxpayer investment.

## **RESULTS OF OPERATIONS – Governmental Funds**

### **Revenue Narrative**

Revenues for governmental funds totaled \$ 21,987,188 in fiscal year 2003, a 11.90% increase over 2002. New Hampshire has neither a general sales or income tax. The most significant source of local Town revenue continues to be derived from property taxes. The amount of revenues from various sources and variations from the previous year are summarized as follows:

<u>Revenues</u>	<u>2003 Amount</u>	<u>Percent of Total</u>	<u>2002 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$ 10,374,680	47.19%	\$ 8,831,387	\$ 1,543,293	17.48%
Interest, Penalties and Other Taxes	762,227	3.47%	283,440	478,787	168.92% (1)
Licenses and Permits	6,041,086	27.48%	5,873,392	167,694	2.86%
Intergovernmental	1,858,801	8.45%	1,528,525	330,276	21.61% (2)
Charges for Services	1,783,783	8.11%	2,024,584	(240,801)	-11.89% (3)
Investment Income	359,460	1.63%	385,637	(26,177)	-6.79%
Contributions	126,999	0.58%	-	126,999	100.00% (4)
Other Revenues	<u>680,152</u>	<u>3.09%</u>	<u>721,241</u>	<u>(41,089)</u>	<u>-5.70%</u>
Total	\$ <u>21,987,188</u>	\$ <u>100.00%</u>	\$ <u>19,648,206</u>	\$ <u>2,338,982</u>	<u>11.90%</u>

- (1) In fiscal year 2003, the Town received the first payment in lieu of taxes of \$ 500,000 per Intermunicipal Agreement described on page 4.
- (2) The Town received a new \$ 100,000 Land and Water Conservation Fund grant towards the development of West Road Fields Capital Project, described on page 5. Other significant increases in grant revenue include General Fund's COPS grant and Water Pollution grant of approximately \$ 93,000 and \$ 55,000, respectively.
- (3) The Town received revenue for services provided in the prior year and not in the current year in connection with West Road Fields and Sanborn Road of approximately \$ 223,000.
- (4) Private donations were made to Leach Library of approximately \$ 110,000 in fiscal year 2003.
- NOTE: For the purpose of this comparison, certain 2002 amounts were reclassified to conform to 2003 presentation.

### Expenditure Narrative

Governmental funds expenditures totaled \$ 23,922,732 in fiscal year 2003, which is an increase of 12.05% as compared to fiscal year 2002. The following schedule presents a summary of expenditures in the governmental funds for the year ended June 30, 2003, and comparisons to the previous fiscal year.

<u>Expenditures</u>	<u>2003 Amount</u>	<u>Percent of Total</u>	<u>2002 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
General Government	\$ 3,857,551	16.13%	\$ 2,529,310	\$ 1,328,241	52.51%
Public Safety	9,645,099	40.32%	8,249,999	1,395,100	16.91% (1)
Highway and Streets	3,595,722	15.03%	3,067,842	527,880	17.21%
Sanitation	2,582,099	10.79%	4,196,816	(1,614,717)	-38.47% (2)
Health and Welfare	199,789	0.84%	181,719	18,070	9.94%
Culture and Recreation	1,227,397	5.13%	941,866	285,531	30.32%
Economic Development	259,381	1.08%	203,953	55,428	27.18%
Capital Outlay	736,810	3.08%	299,316	437,494	146.16% (3)
Debt Service	<u>1,818,884</u>	<u>7.60%</u>	<u>1,679,664</u>	<u>139,220</u>	<u>8.29%</u>
Total	\$ <u>23,922,732</u>	\$ <u>100.00%</u>	\$ <u>21,350,485</u>	\$ <u>2,572,247</u>	<u>12.05%</u>

- (1) Police Facility construction was a major capital event in 2003, as described on page 20.
- (2) Mammoth Road sewer construction expenditures totaled \$ 2.6 million in 2002 compared to \$ 0.6 million in 2003.
- (3) Purchase of the fire ladder truck is listed as a major capital event on page 20.
- NOTE: For the purpose of this comparison, certain 2002 amounts were reclassified to conform to 2003 presentation.

## Fund Balance

The audited general fund undesignated fund balance for the year ending June 30, 2003 is \$3,636,998, which is an increase of \$1,014,227 from the prior year. The increase was primarily due to unanticipated revenues such as sales of tax-acquired properties, a renegotiated payment-in-lieu of taxes from Manchester Airport Authority, motor vehicle permits and several other smaller unanticipated revenue sources. The table below shows the results of the Town's sound fiscal condition through its cooperative program of fiscal management and tax rate target setting.

<u>Year</u>	<u>Total General Fund Equity</u>	<u>General Fund Undesignated Fund Balance</u>
1996	\$ 3,690,776	\$ 2,655,233
1997	4,229,577	2,424,313
1998	4,368,876	2,733,444
1999	4,504,748	3,764,933
2000	6,168,846	3,040,936
2001	3,723,943	2,918,126
2002	3,424,923	2,622,771
2003	5,665,603	3,636,998

Maintenance of a strong fund balance and increased contribution to reserves comes primarily from revenues received in excess of budget, a reduction in reserves of fund balance for encumbrances and expenditures below budgeted appropriations.

## Debt Administration

On June 30, 2003, the Town had a number of debt issues outstanding. These general obligation issues totaled \$11,190,097. The Town's bond rating through Moody's Investment Service for general obligation debt remains consistent at a AA3. Under current state statutes, the Town's general obligation bonded debt issuances are subject to legal limitations based on various percentages of total assessed property value. As of June 30, 2003, the Town's net general obligation bonded debt was well below the legal limits.

## **OTHER INFORMATION**

### Independent Audit

State statutes require an annual audit by independent public accountants. The Town's accounting firm is Melanson, Heath and Company, P.C. In addition to meeting the requirements set forth in state statutes, the audit is also designed to

meet any requirements of the Federal Single Audit Act amendments of 1996 and the U.S Office of Management Budget Circular A-133. The Town's expenditures of federal grants in fiscal year 2003 were below the limit requiring an audit by the Federal Single Audit Act. The financial statements, combining and individual fund statements and schedules are included in the financial section of this report.

### Cash Management

Cash temporarily idle during the year was invested in US Treasury Bills, certificates of deposit, a cash-sweep investment account at Citizens Bank, with collateral held in a joint custody account at the Federal Reserve Bank by repurchase agreements. All accounts are extremely liquid in nature and are developed and designed to meet the needs of municipal accounts and cash flows. The Town's investment policy is to minimize credit and market risks while maintaining a competitive yield, as well as, adhering to State of New Hampshire Investment Statutes.

### Risk Management

The Town's property and liability insurance coverage is provided by the Local Government Center. Workers Compensation insurance services are obtained through Primex Insurance Services. Health, Dental and Life Insurance benefits are also obtained through the Health Trust Division of the Local Government Center.

### Retirement Obligations

The Town participates in the New Hampshire Retirement System, which is a cost sharing, multi-employer public employee retirement system (PERS). By law, all full time employees, excluding the Town Manager, are members of the State of New Hampshire Retirement System.

### Award

The Government Finance Officers Association of the United States and Canada (GFOA) awards the Certificate of Achievement in Financial Reporting to various communities that meet specific requirements. In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally acceptable accounting principals and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for a certificate.



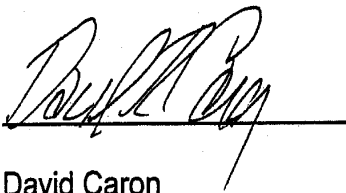
### Acknowledgements

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated staff of the Finance Department. Their efforts throughout the year are greatly appreciated. Special thanks to the Town Department Heads for their contribution made in the preparation of this report. A special thanks also to Jason Briere, a student at Londonderry High School who contributed to the preparation of this report through the Academy of Finance internship program.

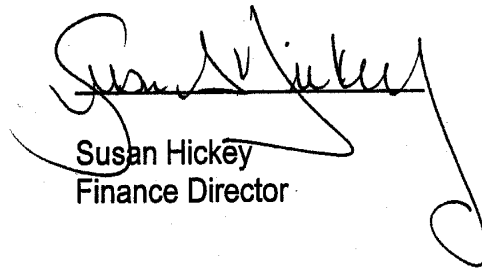
The Town invites you to visit our web site at [www.Londonderry.org](http://www.Londonderry.org) where summary financial information is expected to be prominently displayed by the end of December 2003.

In closing, the preparation of this report and the strong financial position of the Town would not have been possible without the guidance and direction of the Town Council through its fiscal policies; the professional and diligent efforts of the entire staff of the Town; and the funding support provided by the Londonderry community through actions at the Annual Budgetary Town Meeting, all to whom we owe our sincere appreciation.

Sincerely,



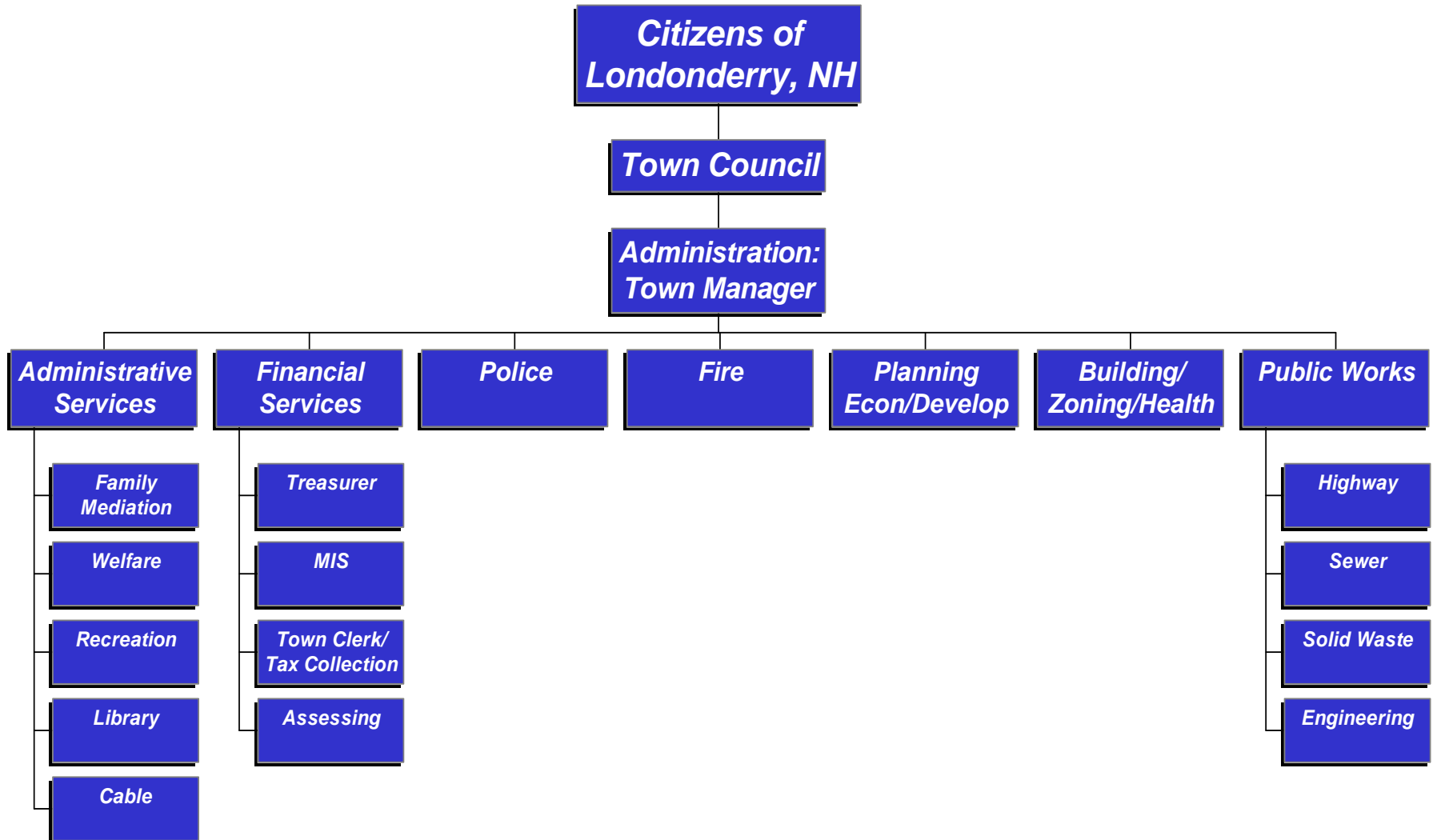
David Caron  
Town Manager



Susan Hickey  
Finance Director

# TOWN OF LONDONDERRY, NEW HAMPSHIRE

## Organizational Chart



**TOWN OF LONDONDERRY, NEW HAMPSHIRE**

**DIRECTORY OF OFFICIALS**

**June 30, 2003**

**TOWN COUNCIL**

Mark Oswald  
John Silvestro  
Mike Brown  
Martin Bove  
Tom Dolan

**OTHER ELECTED OFFICIALS**

John Michels, Moderator  
Marguerite Seymour, Town Clerk/Tax Collector  
Richard Bielinski, Treasurer

**OTHER OFFICIALS**

David Caron, Town Manager  
Susan Hickey, Finance Director

## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

To the Town Council  
Town of Londonderry, New Hampshire

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Londonderry, New Hampshire, as of and for the year ended June 30, 2003, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Londonderry's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Londonderry, as of June 30, 2003, and the respective changes in financial position thereof, and the respective budgetary comparison for the General and Annually Budgeted Special Revenue Funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 27, the Town has implemented several new *Governmental Accounting Standards Board Statements* which has resulted in the restatement of beginning fund equity balances of several funds, and has established net assets for governmental activities.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the *Governmental Accounting Standards Board*. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the Town of Londonderry, New Hampshire's basic financial statements. The additional information included in the supplementary statement and schedule section is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Melanson, Heath + Company P.C.*

Nashua, New Hampshire  
August 14, 2003

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Town of Londonderry, we offer readers this narrative overview and analysis of the financial activities of the Town of Londonderry for the fiscal year ended June 30, 2003. We encourage readers to consider the information here in conjunction with additional information that we have furnished in our letter of transmittal.

### **A. OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town of Londonderry's basic financial statements. The basic financial statements comprise of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The statement of net assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**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 two categories: governmental 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.

An annual appropriated budget is adopted for the general fund and certain special revenue funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

**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 Town's own programs.

**Notes to the financial statements.** The notes provide additional information that are essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by the *Governmental Accounting Standards Board*. Additional combining statements and schedules are presented immediately following the notes to the financial statements.

## **B. FINANCIAL HIGHLIGHTS**

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 19,459,753 (i.e., net assets), an increase of \$ 1,227,897 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 10,399,037, a decrease of \$ 285,544 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$ 3,636,998, an increase of \$ 1,014,227 in comparison with the prior year.



- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$ 11,190,097, an increase of \$ 251,457 in comparison to the prior year.

### **C. GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following is a summary of condensed government-wide financial data for the current fiscal year, presented in thousands. Because fiscal year 2003 was the first year of GASB 34 implementation, prior year comparative data was not available for presentation. Comparative information will be provided in future years.

	<u>Governmental Activities</u>
Current and other assets	\$ 26,961
Capital assets	<u>20,246</u>
Total assets	47,207
Long-term liabilities outstanding	10,382
Other liabilities	<u>17,365</u>
Total liabilities	27,747
Net assets:	
Invested in capital assets, net	12,941
Restricted	524
Unrestricted	<u>5,995</u>
Total net assets	\$ <u>19,460</u>

### **CHANGES IN NET ASSETS**

	<u>Governmental Activities</u>
Revenues:	
Program revenues:	
Charges for services	\$ 2,114
Operating grants and contributions	238
Capital grants and contributions	745
General revenues:	
Taxes	10,429
Licenses and permits	5,797
Interest, penalties and other taxes	824
Grants and contributions not restricted to specific programs	1,000
Investment income	364
Other	<u>288</u>
Total revenues	21,799

(continued)

(continued)

	Governmental <u>Activities</u>
Expenses:	
General government	4,243
Public safety	9,151
Highway and streets	2,912
Sanitation	2,212
Health and welfare	210
Culture and recreation	1,316
Economic development	260
Interest	<u>595</u>
Total expenses	<u>20,899</u>
Excess before permanent fund contributions	900
Permanent fund contributions	<u>328</u>
Change in net assets	1,228
Net assets - beginning of year	<u>18,232</u>
Net assets - end of year	<u>\$ 19,460</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 19,459,753, an increase of \$ 1,227,897 from the prior year.

By far the largest portion of net assets \$ 12,940,430 (66 percent) reflects our investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The balance of unrestricted net assets \$ 5,995,236 may be used to meet the government's ongoing obligations to citizens and creditors.

**Governmental activities.** Governmental activities for the year resulted in an increase in net assets of \$ 1,227,897. Key elements of this increase are as follows:

- Close out of excess overlay balances (i.e., reserve for uncollectable property taxes receivable) that were raised as part of the 2003 tax rate, of approximately \$ 1.1 million.

- Unbudgeted receipt of a payment in lieu of taxes from the Manchester Airport Authority for \$ 0.5 million.

#### **D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental funds.** The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$ 10,399,037 a decrease of \$ 285,544 in comparison with the prior year. Most of this decrease was attributable to current year expenditures for capital projects which were funded by bonds issued in previous years.

The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was \$ 3,636,998, while total fund balance was \$ 5,665,603. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 19 percent of total general fund expenditures, while total fund balance represents 29 percent of that same amount.

The fund balance of the general fund increased by \$ 2,240,680 during the current fiscal year. Key factors in this change are as follows:

- Close out of excess overlay balances (i.e., reserve for uncollectable property taxes receivable) that were raised as part of the 2003 tax rate, of approximately \$ 1.1 million.
- Unbudgeted receipt of a payment in lieu of taxes from the Manchester Airport Authority for \$ 0.5 million.
- Close out of excess funds previously set aside for the Mammoth Road sewer project for approximately \$ 0.7 million.

#### **E. GENERAL FUND BUDGETARY HIGHLIGHTS**

Final amended budget did not change from original budget.

## **F. CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** Total investment in capital assets at year end amounted to \$ 20,245,528, net of accumulated depreciation, an increase of \$ 1,510,673 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- Purchase of \$ 668,000 fire ladder truck by the Fire Department.
- Additional construction in progress of \$ 621,777 for the Mammoth Road sewer lines.
- Additional construction in progress of \$ 765,274 for the police facility construction.
- Additional construction in progress of \$ 481,209 for the West Road project.

**Long-term debt.** At the end of the current fiscal year, total bonded debt outstanding was \$ 11,190,097, all of which was backed by the full faith and credit of the government. During fiscal year 2003, \$1,000,000 bond was issued for Open Space Preservation Program, \$350,000 for West Road facility, and \$300,000 for Stonehenge/Barley Hill/Litchfield intersection.

Additional information on capital assets and long-term debt can be found in the footnotes to the financial statements.

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

The general outlook for the Town of Londonderry is positive. The unemployment rate for the Manchester/Londonderry area, according to the New Hampshire Employment Security Bureau, has dropped to 4.1% since the start of FY04 from 4.6% at the end of FY03.

For the upcoming fiscal year, the taxpayers approved at the Annual Budgetary Town Meeting a \$ 35,630,473 operating and capital improvement budget. In FY04, the Town began conducting a Revenue Study to determine appropriate levels for its fee-for-service programs, including Emergency Medical Services; Building Inspection Programs; wastewater facilities; and other revenue programs. It is anticipated that the revised program will reflect actual costs and market rates for its services, thereby further solidifying its financial position.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town of Londonderry'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 Finance Director  
Town of Londonderry  
50 Nashua Road – Suite 105  
Londonderry, New Hampshire 03053

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## **Basic Financial Statements**

## TOWN OF LONDONDERRY, NEW HAMPSHIRE

## STATEMENT OF NET ASSETS

JUNE 30, 2003

	Governmental <u>Activities</u>
<b>ASSETS</b>	
Current:	
Cash and short-term investments	\$ 23,972,234
Investments	457,268
Receivables, net of allowance for uncollectibles:	
Taxes	578,481
User fees	438,603
Departmental and other	294,092
Intergovernmental	198,543
Internal balances	50,000
Other assets	338,101
Noncurrent:	
Receivables, net of allowance for uncollectibles:	
Property taxes	634,360
Capital assets, net of accumulated depreciation	<u>20,245,528</u>
<b>TOTAL ASSETS</b>	47,207,210
<b>LIABILITIES</b>	
Current:	
Accounts payable	1,029,413
Accrued liabilities	372,630
Taxes collected in advance	13,501,888
Tax refunds payable	205,246
Due to other governments	2,977
Retainage payable	55,386
Other liabilities	196,334
Current portion of long-term liabilities:	
Bonds payable	1,364,988
Compensated absences	370,422
Other liabilities	266,638
Noncurrent:	
Bonds payable, net of current portion	9,825,109
Compensated absences, net of current portion	289,504
Other liabilities, net of current portion	<u>266,922</u>
<b>TOTAL LIABILITIES</b>	27,747,457
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	12,940,430
Restricted for:	
Permanent funds:	
Expendable	95,899
Nonexpendable	428,188
Unrestricted	<u>5,995,236</u>
<b>TOTAL NET ASSETS</b>	<u><u>\$ 19,459,753</u></u>

See notes to financial statements.



## TOWN OF LONDONDERRY, NEW HAMPSHIRE

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2003

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
	<u>Expenses</u>				
<b>Governmental Activities:</b>					
General government	\$ 4,242,392	\$ 43,350	\$ -	\$ -	\$ (4,199,042)
Public safety	9,151,225	742,457	128,035	-	(8,280,733)
Highways and streets	2,911,730	257,790	-	745,525	(1,908,415)
Sanitation	2,211,939	862,987	-	-	(1,348,952)
Health and welfare	210,390	-	-	-	(210,390)
Culture and recreation	1,316,126	207,231	109,763	-	(999,132)
Economic development	260,360	-	-	-	(260,360)
Interest	594,862	-	-	-	(594,862)
Total Governmental Activities	\$ <u>20,899,024</u>	\$ <u>2,113,815</u>	\$ <u>237,798</u>	\$ <u>745,525</u>	<u>(17,801,886)</u>
<b>General Revenues:</b>					
					10,428,606
					5,796,861
					824,305
					1,000,011
					363,602
					288,386
Total general revenues					<u>18,701,771</u>
					899,885
Permanent fund contributions					<u>328,012</u>
Change in Net Assets					1,227,897
<b>Net Assets:</b>					
Beginning of year					<u>18,231,856</u>
End of year					\$ <u>19,459,753</u>

See notes to financial statements.

## TOWN OF LONDONDERRY, NEW HAMPSHIRE

## GOVERNMENTAL FUNDS

## BALANCE SHEET

JUNE 30, 2003

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and short-term investments	\$ 21,765,164	\$ 2,207,070	\$ 23,972,234
Investments	-	457,268	457,268
Receivables, net of allowance for uncollectibles:			
Taxes	1,212,840	-	1,212,840
User fees	186,202	252,401	438,603
Departmental and other	-	294,092	294,092
Intergovernmental	181,613	16,930	198,543
Due from other funds	695,746	2,950,375	3,646,121
Other assets	<u>338,101</u>	<u>-</u>	<u>338,101</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>24,379,666</u></b>	<b>\$ <u>6,178,136</u></b>	<b>\$ <u>30,557,802</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 630,047	\$ 399,365	\$ 1,029,412
Accrued liabilities	225,780	379	226,159
Deferred revenues	1,092,840	252,401	1,345,241
Taxes collected in advance	13,501,888	-	13,501,888
Tax refunds payable	205,246	-	205,246
Due to other funds	2,858,950	737,171	3,596,121
Due to other governments	2,977	-	2,977
Retainage payable	-	55,386	55,386
Other liabilities	<u>196,335</u>	<u>-</u>	<u>196,335</u>
<b>TOTAL LIABILITIES</b>	<b>18,714,063</b>	<b>1,444,702</b>	<b>20,158,765</b>
Fund Balances:			
Reserved for:			
Encumbrances and continuing appropriations	2,028,605	73,768	2,102,373
Perpetual permanent funds	-	524,087	524,087
Unreserved:			
Undesignated, reported in:			
General fund	3,636,998	-	3,636,998
Special revenue funds	-	4,096,868	4,096,868
Capital project funds	<u>-</u>	<u>38,711</u>	<u>38,711</u>
<b>TOTAL FUND BALANCES</b>	<b><u>5,665,603</u></b>	<b><u>4,733,434</u></b>	<b><u>10,399,037</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ <u>24,379,666</u></b>	<b>\$ <u>6,178,136</u></b>	<b>\$ <u>30,557,802</u></b>

See notes to financial statements.

## TOWN OF LONDONDERRY, NEW HAMPSHIRE

## GOVERNMENTAL FUNDS

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2003

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Taxes	\$ 10,374,680	\$ -	\$ 10,374,680
Interest, penalties, and other taxes	762,227	-	762,227
Licenses and permits	6,041,086	-	6,041,086
Intergovernmental	1,758,801	100,000	1,858,801
Charges for services	409,350	1,374,433	1,783,783
Investment income	308,862	50,598	359,460
Contributions	-	126,999	126,999
Other revenues	292,971	387,181	680,152
Total Revenues	<u>19,947,977</u>	<u>2,039,211</u>	<u>21,987,188</u>
<b>Expenditures:</b>			
Current:			
General government	2,542,594	1,314,957	3,857,551
Public safety	8,549,081	1,096,018	9,645,099
Highways and streets	3,042,377	553,345	3,595,722
Sanitation	1,319,356	1,262,743	2,582,099
Health and welfare	199,789	-	199,789
Culture and recreation	966,809	260,588	1,227,397
Economic development	259,381	-	259,381
Capital outlay	736,810	-	736,810
Debt service	1,818,884	-	1,818,884
Total Expenditures	<u>19,435,081</u>	<u>4,487,651</u>	<u>23,922,732</u>
Excess (deficiency) of revenues over expenditures	512,896	(2,448,440)	(1,935,544)
<b>Other Financing Sources (Uses):</b>			
Proceeds of bonds	300,000	1,350,000	1,650,000
Transfers in	1,599,177	171,393	1,770,570
Transfers out	(171,393)	(1,599,177)	(1,770,570)
Total Other Financing Sources (Uses)	<u>1,727,784</u>	<u>(77,784)</u>	<u>1,650,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	2,240,680	(2,526,224)	(285,544)
Fund Balances, at Beginning of Year, as restated	<u>3,424,923</u>	<u>7,259,658</u>	<u>10,684,581</u>
Fund Balances, at End of Year	<u>\$ 5,665,603</u>	<u>\$ 4,733,434</u>	<u>\$ 10,399,037</u>

See notes to financial statements.

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND  
BALANCES TO NET ASSETS OF GOVERNMENTAL  
ACTIVITIES IN THE STATEMENT OF NET ASSETS

JUNE 30, 2003

<b>Total governmental fund balances</b>	\$ 10,399,037
<ul style="list-style-type: none"><li>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</li></ul>	20,245,528
<ul style="list-style-type: none"><li>Revenues are reported on the accrual basis of accounting and are not deferred until collection.</li></ul>	1,345,242
<ul style="list-style-type: none"><li>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.</li></ul>	( 146,470)
<ul style="list-style-type: none"><li>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.</li></ul>	(12,383,584)
<b>Net assets of governmental activities</b>	\$ <u>19,459,753</u>

See notes to financial statements.

TOWN OF LONDONDERRY, 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, 2003

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** \$( 285,544)

<ul style="list-style-type: none"> <li>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:</li> </ul>	
Capital outlay purchases	2,997,575
Depreciation	(1,486,902)
<ul style="list-style-type: none"> <li>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 (e.g., property taxes) differ between the two statements. This amount represents the net change in deferred revenue.</li> </ul>	
	1,345,743
<ul style="list-style-type: none"> <li>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets:</li> </ul>	
Issuance of debt	(1,650,000)
Repayments of debt	1,198,544
<ul style="list-style-type: none"> <li>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.</li> </ul>	
	25,477
<ul style="list-style-type: none"> <li>Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.</li> </ul>	
	( 916,996)
<b>CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ <u>1,227,897</u></b>

See notes to financial statements.

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
GENERAL AND ANNUALLY BUDGETED SPECIAL REVENUE FUNDS  
STATEMENT OF REVENUES AND OTHER SOURCES,  
AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2003

	General Fund		Variance with
	Final*	Actual	Final Budget
	<u>Budget</u>	<u>Budgetary</u>	<u>Positive</u>
		<u>Amounts</u>	<u>(Negative)</u>
<b>Revenues and other sources:</b>			
Taxes	\$ 9,817,121	\$ 10,948,316	\$ 1,131,195
Interest, penalties, and other taxes	250,000	762,227	512,227
Licenses and permits	5,744,900	6,041,086	296,186
Intergovernmental	1,697,641	1,758,801	61,160
Charges for services	562,500	409,350	(153,150)
Investment income	780,000	308,862	(471,138)
Other revenues	602,191	292,971	(309,220)
Other financing sources:			
Transfers in	895,426	1,599,177	703,751
Bond proceeds	300,000	300,000	-
Use of fund balance	688,000	688,000	-
Total Revenues	21,337,779	23,108,790	1,771,011
<b>Expenditures and other uses:</b>			
Current:			
General government	2,564,327	2,498,997	65,330
Public safety	8,550,817	8,565,584	(14,767)
Highways and streets	3,602,696	3,486,283	116,413
Sanitation	1,234,466	1,326,336	(91,870)
Health and welfare	160,513	199,789	(39,276)
Culture and recreation	972,766	966,809	5,957
Economic development	420,168	396,306	23,862
Capital outlay	1,803,260	1,803,260	-
Debt service	1,857,373	1,818,884	38,489
Other financing uses:			
Transfers out	171,393	171,393	-
Total Expenditures	21,337,779	21,233,641	104,138
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ 1,875,149	\$ 1,875,149

\*Final budget remained unchanged from original budget.

See notes to financial statements.

Annually Budgeted Special Revenue Funds		
<u>Final*</u> <u>Budget</u>	<u>Actual</u> <u>Budgetary</u> <u>Amounts</u>	Variance with Final Budget Positive <u>(Negative)</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
850,012	933,940	83,928
-	3,924	3,924
-	-	-
-	-	-
-	-	-
-	-	-
850,012	937,864	87,852
-	-	-
-	-	-
-	-	-
676,184	618,449	57,735
-	-	-
134,162	121,612	12,550
-	-	-
-	-	-
-	-	-
39,666	39,666	-
850,012	779,727	70,285
\$ -	\$ 158,137	\$ 158,137

TOWN OF LONDONDERRY, NEW HAMPSHIRE

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2003

	Agency Funds
<b><u>ASSETS</u></b>	
Cash and short term investments	\$ 3,118,155
Investments	<u>4,154,396</u>
Total Assets	\$ <u><u>7,272,551</u></u>
<b><u>LIABILITIES</u></b>	
Due to other funds	\$ 50,000
Other liabilities:	
Escrow deposits held	6,967,609
School funds held	<u>254,942</u>
Total Liabilities	\$ <u><u>7,272,551</u></u>

See notes to financial statements.



## Town of Londonderry, New Hampshire

### Notes to Financial Statements

#### 1. Summary of Significant Accounting Policies

The accounting policies of the Town of Londonderry (the Town) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

##### A. Reporting Entity

The government is a municipal corporation governed by an elected Town Council. 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 2003, it was determined that no entities met the required GASB-14 criteria of component units.

##### B. Government-Wide and Fund Financial Statements

###### Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported primarily by taxes and intergovernmental revenues.

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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental fund is reported as a separate column in the fund financial statements.

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

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are fiduciary fund financial statements. 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. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

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

The government reports the following major governmental fund:

- 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.

D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type is included in other income.

*E. Investments*

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase. Investments are carried at fair value.

*F. Interfund Receivables and Payables*

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

*G. Inventories*

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. No significant inventory balances were on hand in governmental funds.

*H. Capital Assets*

Capital assets, which include property, plant and equipment are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Machinery, vehicles, and equipment	3-10
Intangibles	3
Improvements other than buildings	20-40

*I. Compensated Absences*

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide 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.

*J. Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

*K. Fund Equity*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

*L. 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.

*M. Material Changes in Classifications*

The accompanying financial statements reflect various changes in classification from the prior year. Specifically, taxes collected in advance liability was classified as deferred revenue, interest, penalties, and other taxes revenue was classified with taxes revenue, and investment income and contributions was classified with miscellaneous revenues in the prior year. Police detail was accounted for in general fund in the prior year and special revenue funds in the current year. Land use taxes in special

revenue funds were classified as tax revenues in the prior year and as other revenues in the current year.

## **2. Stewardship, Compliance and Accountability**

### **A. Budgetary Information**

At the annual town meeting, the Town Council presents an operating and capital budget for the proposed expenditures of the fiscal year commencing the following July 1. The budget, as enacted by town meeting, establishes the legal level of control and specifies that certain appropriations are to be funded by particular revenues. The original budget is amended during the fiscal year at special town meetings as required by changing conditions.

The legal spending limit is at the department level, as voted by town meeting.

Formal budgetary integration is employed as a management control device during the year for the General Fund and certain Special Revenue Funds.

At year end, appropriation balances lapse, except for certain unexpended capital items and encumbrances which will be honored during the subsequent year.

### **B. Budgetary Basis**

The General and Special Revenue Funds final appropriations appearing on the "Budget and Actual" page of the fund financial statements represents the final budget. There were no supplemental appropriations in fiscal 2003.

### **C. Budget/GAAP Reconciliation**

The budgetary data for the general and special revenue funds are 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 and special revenue funds are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

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

<u>General Fund:</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (GAAP basis)	\$ 19,947,977	\$ 19,435,081
Other financing sources/uses (GAAP basis)	<u>1,899,177</u>	<u>171,393</u>
Subtotal (GAAP Basis)	21,847,154	19,606,474
Adjust tax revenue to accrual basis	573,636	-
Reverse beginning of year appropriation carryforwards from expenditures	-	( 306,348)
Add end of year appropriation carryforwards to expenditures	-	1,933,515
Recognize use of fund balance as funding source	<u>688,000</u>	<u>-</u>
Budgetary basis	\$ <u>23,108,790</u>	\$ <u>21,233,641</u>
<u>Nonmajor Governmental Funds:</u>		
Revenues/Expenditures (GAAP basis)	\$ 2,039,211	\$ 4,487,651
Other financing sources/uses (GAAP basis)	1,521,393	1,599,177
Less funds not subject to annual budget	<u>(2,622,740)</u>	<u>(5,307,101)</u>
Budgetary basis	\$ <u>937,864</u>	\$ <u>779,727</u>

**D. Excess of Expenditures Over Appropriations**

Expenditures exceeding appropriations during the current fiscal year were as follows:

<u>General Fund:</u>	
Finance	\$ 22,543
Zoning board	846
General services	16,453
Municipal insurances	17,585
Fire department	171,241
Solid waste	91,870
Welfare department	41,745
Recreation department	1,341

#### E. Deficit Fund Equity

The following fund reflected a deficit as of June 30, 2003:

Capital Project Fund:	
Police facility A&E	\$ 380,286

This deficit will be eliminated through future departmental revenues, bond proceeds, and transfers from other funds.

#### **4. Cash and Short-Term Investments**

The Town Treasurer is authorized by State statutes to invest excess funds "in obligations of the U.S. Government, in savings bank deposits of banks incorporated under laws of the State of New Hampshire, or in certificates of deposits of banks incorporated under the laws of the State of New Hampshire or in national banks located within the State or the State of Massachusetts".

Cash and short-term investments as reported on the balance sheet and statement of cash flows, consists of highly liquid investments with original maturities of 90 days or less.

The carrying amount of the Town's deposits with financial institutions at June 30, 2003 was \$ 27,090,389. The bank balances, which do not include reconciling items such as deposits in transit and outstanding checks, are categorized as follows:

	<u>Town Deposits June 30, 2003</u>
Amount insured by the FDIC and DIF, or collateralized with securities held by the Town in its name	\$ 21,192,708
Amount collateralized with securities held by the pledging financial institution's trust department in the Town's name	101,157
Uncollateralized	-
State investment pool	<u>4,717,484</u>
Total Bank Balance	<u>\$ 26,011,349</u>

#### **5. Investments**

Investments are stated at fair value in accordance with Governmental Accounting Standards Board Statement 31.

Under New Hampshire law, the trustees of trust funds may invest:

"Only by deposit in some savings bank or in the savings department of a national bank or trust company in this state, or in shares of any building and loan association or co-operative bank, incorporated and doing business under the laws of this state, or in the shares of any federal savings and loan association, located and doing business in this state, or in bonds, notes or other obligations of the United States government, or in state, county, town, city, school district, water and sewer district bonds and the notes of towns or cities in this state; and such stocks and bonds as are legal for investment by New Hampshire savings banks and when so invested, the trustees shall not be liable for the loss thereof; and in any common trust fund established by the New Hampshire Charitable Fund in accordance with RSA 292:23."

The trustees are also required to report annually to the State attorney general any securities retained under the provisions of the statute.

The Town's investments are categorized as either (1) insured or registered or for which the securities are held by the government or its agent in the government's name, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the government's name, or (3) uninsured and unregistered for which the securities are held by the counterparty, or by the counterparty's trust department or agent but not in the government's name.

The following summarizes the categorization of the Town's investment balances at June 30, 2003:

	<u>Category</u>			<u>Carrying</u>	<u>Fair</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Value</u>	<u>Value</u>
U.S. gov't securities	\$ -	\$ 73,660	\$ -	\$ 73,660	\$ 73,660
Corporate Bonds	-	4,312,782	-	4,312,782	4,312,782
Equities	<u>225,222</u>	<u>-</u>	<u>-</u>	<u>225,222</u>	<u>225,222</u>
Total	\$ <u>225,222</u>	\$ <u>4,386,442</u>	\$ <u>-</u>	\$ <u>4,611,664</u>	\$ <u>4,611,664</u>

## **6. Property Taxes**

The Town bills property taxes on a semi-annual basis, which are due in July and December. Property tax revenues are recognized in the fiscal year for which taxes have been levied (budgeted) 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 taxes collected in advance liability, as they are intended to finance the subsequent year's operations.



Delinquent taxes are typically liened at the Registrar of Deeds on February 28 of the next year. If the property taxes (redemptions) are not paid within two years of the tax lien date, the property is conveyed to the Town by deed and could subsequently be sold at public sale.

The Town annually budgets an amount (overlay for abatements) for resident and property tax abatements and refunds. All abatements and refunds are charged to overlay and are classified as a contra-tax revenue in the General Fund.

Taxes receivable, at June 30, 2003, consists of the following:

Tax Liens:	
2003	\$ 709,442
2002	193,250
2001	13,465
Prior years	2,527
Other Taxes	<u>294,156</u>
Total	\$ <u>1,212,840</u>

## 7. **User Fees and Allowance for Doubtful Accounts**

User fees receivable include amounts due from customers primarily for sewer and ambulance services. Ambulance accounts receivable are reported net of an allowance for doubtful accounts and revenues net of uncollectibles. The allowance amount is estimated using accounts receivable past due more than 120 days. Sewer delinquent receivables are liened in a similar manner as property taxes described in Note 6. Other user fees receivable are for police detail and stump dump services and the amount uncollectible is estimated to be immaterial to the financial statements.

User fees receivable and related allowance for doubtful accounts at June 30, 2003 consist of the following:

	<u>Sewer</u>	<u>Ambulance</u>	<u>Other</u>	<u>Total</u>
Gross	\$ 252,401	\$ 278,549	\$ 82,653	\$ 613,603
Less: Allowance for doubtful accounts	<u>-</u>	<u>(175,000)</u>	<u>-</u>	<u>(175,000)</u>
Total	\$ <u>252,401</u>	\$ <u>103,549</u>	\$ <u>82,653</u>	\$ <u>438,603</u>

## 8. **Departmental and Other Receivables**

The departmental and other receivables consist primarily of current use taxes receivable.

## 9. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2003.

## 10. Interfund Fund Receivables/Payables and Transfers

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the June 30, 2003 balances in interfund receivable and payable accounts:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund:	\$ 695,746	\$ 2,858,950
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Sewer fund	1,400,919	-
Conservation commission	460,343	-
Cable	227,268	-
Other:		
Police outside detail	49,433	-
Holiday baskets	4,221	-
Old home day	14,843	-
Recreation	33,398	-
Family mediation	750	-
Eco park	10,597	-
Cemetery restoration	9,207	-
DARE program	5,099	-
International committee	2,035	-
PAL program	89	-
Capital reserve trust	-	144,558
Other:		
Common walkway	-	5,828
Grand funds	-	21,157
Capital Project Funds:		
West road fields	160,335	124,062
Police facility A&E	-	17,135
Sanborn road	655	-
South Londonderry Phase II	354,771	-
Exit 4A	213,406	406,931
Mammoth road sewer	3,006	-
Permanent Fund:	-	17,500
Agency Fund:		
Construction escrows	-	50,000
Total	\$ <u>3,646,121</u>	\$ <u>3,646,121</u>

The following is an analysis of transfers in and out during fiscal year 2003.

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:	\$ 1,599,177	\$ 171,393
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Sewer fund		39,666
Capital reserve trust	171,393	812,558
Capital Project Fund:		
Mammoth road sewer	-	729,453
Permanent Fund:	<u>-</u>	<u>17,500</u>
Total	\$ <u>1,770,570</u>	\$ <u>1,770,570</u>

## 11. Capital Assets

Capital asset activity for the year ended June 30, 2003 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, being depreciated:				
Buildings	\$ 5,149	\$ -	\$ -	\$ 5,149
Machinery, vehicles, and equipment	4,498	1,012	(157)	5,353
Intangibles	1,257	45	-	1,302
Improvements other than buildings	<u>8,780</u>	<u>-</u>	<u>-</u>	<u>8,780</u>
Total capital assets, being depreciated	19,684	1,057	(157)	20,584
Less accumulated depreciation for:				
Buildings	1,035	129	-	1,164
Machinery, vehicles, and equipment	2,257	707	(157)	2,807
Intangibles	837	430	-	1,267
Improvements other than buildings	<u>1,776</u>	<u>220</u>	<u>-</u>	<u>1,996</u>
Total accumulated depreciation	<u>5,905</u>	<u>1,486</u>	<u>(157)</u>	<u>7,234</u>
Total capital assets, being depreciated, net	<u>13,779</u>	<u>( 429)</u>	<u>-</u>	<u>13,350</u>
Capital assets, not being depreciated:				
Land and improvements	1,020	-	-	1,020
Construction in progress	<u>3,936</u>	<u>1,940</u>	<u>-</u>	<u>5,876</u>
Total capital assets, not being depreciated	<u>4,956</u>	<u>1,940</u>	<u>-</u>	<u>6,896</u>
Governmental activities capital assets, net	\$ <u>18,735</u>	\$ <u>1,511</u>	\$ <u>-</u>	\$ <u>20,246</u>

Note: The Town has not yet capitalized infrastructure assets for governmental activities.

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

Governmental Activities:	
General government	\$ 603
Public safety	362
Highways and streets	165
Sanitation	254
Culture and recreation	<u>102</u>
Total depreciation expense - governmental activities	\$ <u>1,486</u>

**12. Accounts Payable**

Accounts payable represent additional 2003 expenditures paid after July 1, 2003.

**13. Accrued Liabilities**

Accrued liabilities represent accrued payroll at June 30, 2003.

**14. Deferred Revenue**

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The balance of the General Fund deferred revenues account is equal to the total of all June 30, 2003 receivable balances, except property taxes that are accrued for subsequent 60 day collections.

**15. Taxes Collected in Advance**

Taxes collected in advance represent taxes collected before June 30, 2003 for levy year 2004.

**16. Tax Refunds Payable**

This balance consists of an estimate of refunds due to property taxpayers for potential abatements.

**17. Anticipation Notes Payable**

The following summarizes activity in notes payable during fiscal year 2003:

	Balance Beginning of Year	New Issues	Maturities	Balance End of Year
Exit 4A note	\$ <u>100,000</u>	\$ <u>-</u>	\$ <u>100,000</u>	\$ <u>-</u>

## 18. Capital Lease Obligations

The Town is the lessee of certain equipment acquired in prior years under capital lease agreements expiring in various years through 2005. Future minimum lease payments under the capital leases consisted of the following as of June 30, 2003:

2004	\$ 270,422
2005	<u>49,277</u>
Total minimum lease payments	319,699
Less amount representing interest	( <u>16,139</u> )
Present Value of Minimum Lease Payments	\$ <u>303,560</u>

## 19. Long-Term Debt

### A. Long-Term Debt Supporting Governmental Activities

General obligation bonds, issued by the Town of Londonderry for various municipal projects, are approved by voters and repaid with property taxes recorded in the General Fund. Other debt issued to support governmental activities is repaid as follows: compensated absences are paid from the fund responsible for the employee's compensation with significant liabilities paid from the General Fund; lease obligations are primarily paid from the General Fund as well.

### B. General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds currently outstanding are as follows:

	Serial Maturities <u>Through</u>	Interest Rate(s)% <u>Rate(s)%</u>	Amount Outstanding as of <u>June 30, 2003</u>
<u>Governmental Activities:</u>			
Water, sewer and public improvements	05/15/11	6.30-6.40	\$ 1,645,000
Auburn Road landfill cap	10/15/07	4.75-5.10	500,000
Landfill cap, Boston North settlement, and fire truck	02/15/14	4.75-5.10	2,855,000
Auburn Road landfill cap	10/01/03	5.15-6.80	100,000
Library	11/15/16	5.15-6.80	1,495,000
Sewer	06/01/06	3.09	665,097
Sewer	11/01/21	3.50-5.0	2,280,000
Multi-purpose bond	10/15/07	3.71	<u>1,650,000</u>
Total Governmental Activities:			\$ <u>11,190,097</u>

### C. Future Debt Service

The annual principal payments to retire all general obligation long-term debt outstanding as of June 30, 2003 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 1,364,988	\$ 483,126	\$ 1,848,114
2005	1,266,631	429,121	1,695,752
2006	1,268,478	377,725	1,646,203
2007	1,035,000	325,950	1,360,950
2008	1,030,000	280,786	1,310,786
2009 - 2013	3,695,000	831,179	4,526,179
2014 - 2018	1,050,000	228,405	1,278,405
2019 - 2023	<u>480,000</u>	<u>47,850</u>	<u>527,850</u>
Total	\$ <u>11,190,097</u>	\$ <u>3,004,142</u>	\$ <u>14,194,239</u>

The general fund has been designated as the sole source to repay the governmental-type general obligation long-term debt outstanding as of June 30, 2003.

### D. Changes in General Long-Term Liabilities

During the year ended June 30, 2003, the following changes occurred in long-term liabilities (in thousands):

	Total Balance <u>7/1/02</u>	Additions	Reductions	Total Balance <u>6/30/03</u>	Less Current Portion	Equals Long-Term Portion <u>6/30/03</u>
<u>Governmental Activities</u>						
Bonds payable	\$ 10,739	\$ 1,650	\$ (1,199)	\$ 11,190	\$ (1,365)	\$ 9,825
Accrued employee benefits	519	141	( - )	660	( 370)	290
Other:						
Capital leases	723	-	( 419)	304	( 257)	47
Notes payable	100	-	( 100)	-	( - )	-
Landfill	240	-	( 10)	230	( 10)	220
Other	<u>19</u>	<u>-</u>	<u>( 19)</u>	<u>-</u>	<u>( - )</u>	<u>-</u>
Totals	\$ <u>12,340</u>	\$ <u>1,791</u>	\$ <u>(1,747)</u>	\$ <u>12,384</u>	\$ <u>(2,002)</u>	\$ <u>10,382</u>

## 20. Landfill Postclosure Care Costs

State and Federal laws and regulations require the Town to perform certain postclosure maintenance and monitoring functions at its closed and capped landfill site. The \$ 230,000 reported as landfill postclosure care liability at June 30, 2003 represents the estimated costs to maintain and monitor the site for thirty years. These amounts are based on what it would cost to perform all postclosure care in 2003. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

## 21. Restricted Net Assets

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

Permanent fund restricted net assets are segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings which are available to be spent based on donor restrictions.

## 22. Reserves of Fund Equity

“Reserves” of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

The following types of reserves are reported at June 30, 2003:

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

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

## 23. Subsequent Events

### Debt

Subsequent to June 30, 2003, the Town has incurred the following additional debt:

	<u>Amount</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
Multi-purpose bond	\$ 13,652,674	3.45 - 4.25%	07/01/03	07/01/13

## 24. Commitments and Contingencies

Outstanding Lawsuits - There are several pending lawsuits in which the Town is involved. The Town’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 Town expects such amounts, if any, to be immaterial.

## **25. Pension Plan**

The Town follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, with respect to the employees' retirement funds.

### **A. Plan Description**

The Town contributes to the New Hampshire Retirement System (the "System"), a cost-sharing, multiple-employer defined benefit pension plan administered by the retirement board. The System provides retirement, disability and death benefits to plan members and beneficiaries. Revised Statutes Annotated 100-A:41-a of New Hampshire Law assigns the System the authority to establish and amend benefit provisions of the plan and grant cost-of-living increases. The System issues a publicly available financial report that can be obtained through the New Hampshire Retirement System at 4 Chenell Drive, Concord, New Hampshire 03301-8509.

### **B. Funding Policy**

Plan members are required to contribute between 5% and 9.30% of annual covered compensation to the pension plan. The Town makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and range from 4.14% - 6.61% of covered compensation. The Town's contributions to the System for the years ended June 30, 2003, 2002 and 2001 were \$ 467,921, \$ 415,340 and \$ 338,318, respectively, which were equal to its annual required contributions for each of these years.

## **26. Risk Management**

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.



## 27. Implementation of New GASB Pronouncements

During fiscal year 2003, the following GASB pronouncements were implemented:

- Statement #34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.
- Statement #37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments; Omnibus*.
- Statement #38, *Certain Financial Statement Note Disclosures*.

The pronouncements identified above are all related to the new financial reporting requirements as defined in Statement #34. Fiscal year 2003 is the required implementation date. The most significant changes required by the new financial reporting standards are as follows:

- Management's discussion and analysis.
- Basic financial statements, which include:
  - Government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting.
  - Fund financial statements, consisting of a series of statements that focus on governmental and fiduciary funds.
  - Schedules to reconcile the fund financial statements to the government-wide financial statements.
  - Notes to the basic financial statements.

As a result of implementing these pronouncements, the following restatements have been made to the beginning fund balances:

<u>Fund</u>	Fund Balance June 30, 2002 (As previously reported)	<u>Reclassification</u>	Fund Balance June 30, 2002 (As restated)
General Fund	\$ 3,424,923	\$ -	\$ 3,424,923
Nonmajor Governmental Funds:			
Special Revenue Fund	3,115,333	1,396,355	4,511,688
Capital Project Funds	2,246,568	-	2,246,568
Trust Fund	<u>1,897,757</u>	<u>(1,396,355)</u>	<u>501,402</u>
Total	\$ <u>10,684,581</u>	\$ <u>-</u>	\$ <u>10,684,581</u>

## **28. Major Taxpayers**

The following are the five major taxpayers as they relate to the 2003 net assessed property valuation of \$ 1,866,897,774:

<u>Taxpayer</u>	<u>2003 Property Valuation</u>	<u>Percentage of Total Valuation</u>
AES Londonderry, LLC	\$ 235,260,000	12.60%
Public Service of New Hampshire	26,154,800	1.40%
Coca-Cola Bottling Co. of Northern New England	18,962,200	1.02%
Appletree Mall Associates, LLC	10,673,300	0.57%
Home Depot	10,053,800	0.54%

## **29. Non-Monetary Performance Bonds**

The Town holds performance bonds from developers as security until projects have been completed to Town standards. Due to their nature certain bonds are not included as part of the financial statements. As of June 30, 2003, the additional bonds are comprised of the following:

Letters of credit	\$ 2,658,544
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## **Combining Financial Statements**

## **NONMAJOR 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:

- Leach Library Fund: To account for fines and fees collected by the library for the purchase of books and periodicals.
- Sewer Fund: To account for the operation of sewer pumping stations and sewer lines.
- Conservation Commission: To account for monies received through donations and expended for the conservation of local land and resources.
- Cable TV Fund: To account for the activities of the local cable television studio.
- Capital Reserve Trust: To account for amounts set aside by the Town to fund future capital additions.
- Other Funds: To account for other miscellaneous monies received through donations and related expenditures.

### **CAPITAL PROJECT FUNDS**

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities or equipment.

The current funds were established for the following purposes:

- West Road Fields: To account for the development of a Town-owned and maintained athletic field complex.
- Police Facility: To account for the architectural, engineering and construction of a new police facility.
- Sanborn Road: To account for the study of a potential athletic field to be constructed at a Sanborn Road location.

- South Londonderry Phase II: To account for the extension of the interceptor system that expands service in South Londonderry along Route 102.
- Exit 4A: To account for the architectural and engineering costs associated with the development of a new on/off ramp from Route 93.
- Mammoth Road Sewer: To account for the construction and installation of sewer lines on Mammoth Road.

### **PERMANENT FUNDS**

Permanent Funds are established to account for certain assets held by the Town in a fiduciary capacity as a trustee for cemetery, library, welfare and other purposes.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2003

	<u>Special Revenue Funds</u>		
	<u>Leach Library Fund</u>	<u>Sewer Fund</u>	<u>Conservation Commission</u>
<u>ASSETS</u>			
Cash and short-term investments	\$ 31,501	\$ -	\$ 904,563
Investments	-	-	-
User fees receivables	-	252,401	-
Departmental and other receivables	-	-	294,092
Intergovernmental receivables	-	-	-
Due from other funds	-	1,400,919	460,343
	<hr/>	<hr/>	<hr/>
Total Assets	\$ <u>31,501</u>	\$ <u>1,653,320</u>	\$ <u>1,658,998</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	\$ -	\$ 24,498	\$ 16
Accrued liabilities	-	201	-
Deferred revenues	-	252,401	-
Due to other funds	-	-	-
Retainage payable	-	-	1,006
	<hr/>	<hr/>	<hr/>
Total Liabilities	-	277,100	1,022
Fund Balances:			
Reserved for:			
Encumbrances and continuing appropriations	-	66,668	-
Perpetual permanent funds	-	-	-
Unreserved:			
Undesignated, reported in:	-	-	-
Special revenue funds	31,501	1,309,552	1,657,976
Capital project funds	-	-	-
	<hr/>	<hr/>	<hr/>
Total Fund Equity	<u>31,501</u>	<u>1,376,220</u>	<u>1,657,976</u>
Total Liabilities and Fund Equity	\$ <u>31,501</u>	\$ <u>1,653,320</u>	\$ <u>1,658,998</u>

Special Revenue Funds			
Cable TV Fund	Capital Reserve Trust	Other Funds	Subtotals
\$ -	\$ 911,080	\$ -	\$ 1,847,144
-	-	-	-
-	-	-	252,401
-	-	-	294,092
-	-	16,930	16,930
<u>227,268</u>	<u>-</u>	<u>129,672</u>	<u>2,218,202</u>
<u>\$ 227,268</u>	<u>\$ 911,080</u>	<u>\$ 146,602</u>	<u>\$ 4,628,769</u>
\$ 997	\$ -	\$ 7,293	\$ 32,804
178	-	-	379
-	-	-	252,401
-	144,558	26,985	171,543
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,006</u>
1,175	144,558	34,278	458,133
3,100	-	4,000	73,768
-	-	-	-
-	-	-	-
222,993	766,522	108,324	4,096,868
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>226,093</u>	<u>766,522</u>	<u>112,324</u>	<u>4,170,636</u>
<u>\$ 227,268</u>	<u>\$ 911,080</u>	<u>\$ 146,602</u>	<u>\$ 4,628,769</u>

(continued)

(continued)

	Capital Project Funds		
	West Road Fields	Police Facility	Sanborn Road
<u>ASSETS</u>			
Cash and short-term investments	\$ -	\$ -	\$ -
Investments	-	-	-
User fees receivable	-	-	-
Departmental and other receivables	-	-	-
Intergovernmental receivables	-	-	-
Due from other funds	<u>160,335</u>	<u>-</u>	<u>655</u>
Total Assets	<u>\$ 160,335</u>	<u>\$ -</u>	<u>\$ 655</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	\$ 404	\$ 363,151	\$ -
Accrued liabilities	-	-	-
Deferred revenues	-	-	-
Due to other funds	124,062	17,135	-
Retainage payable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	124,466	380,286	-
Fund Balances:			
Reserved for:			
Encumbrances and continuing appropriations	-	-	-
Perpetual permanent funds	-	-	-
Unreserved:			
Undesignated, reported in:	-	-	-
Special revenue funds	-	-	-
Capital project funds	<u>35,869</u>	<u>(380,286)</u>	<u>655</u>
Total Fund Equity	<u>35,869</u>	<u>(380,286)</u>	<u>655</u>
Total Liabilities and Fund Equity	<u>\$ 160,335</u>	<u>\$ -</u>	<u>\$ 655</u>



Capital Project Funds			
South Londonderry Phase II	Exit 4A	Mammoth Road Sewer	Subtotals
\$ -	\$ 221,227	\$ 54,380	\$ 275,607
-	-	-	-
-	-	-	-
-	-	-	-
354,771	213,406	3,006	732,173
<u>\$ 354,771</u>	<u>\$ 434,633</u>	<u>\$ 57,386</u>	<u>\$ 1,007,780</u>
\$ -	\$ -	\$ 3,006	\$ 366,561
-	-	-	-
-	-	-	-
-	406,931	-	548,128
-	-	54,380	54,380
-	406,931	57,386	969,069
-	-	-	-
-	-	-	-
-	-	-	-
354,771	27,702	-	38,711
<u>354,771</u>	<u>27,702</u>	<u>-</u>	<u>38,711</u>
<u>\$ 354,771</u>	<u>\$ 434,633</u>	<u>\$ 57,386</u>	<u>\$ 1,007,780</u>

(continued)

(continued)

	Permanent <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
<u>ASSETS</u>		
Cash and short-term investments	\$ 84,319	\$ 2,207,070
Investments	457,268	457,268
User fees receivables	-	252,401
Departmental and other receivables	-	294,092
Intergovernmental receivables	-	16,930
Due from other funds	-	2,950,375
	<hr/>	<hr/>
Total Assets	<u>541,587</u>	<u>6,178,136</u>
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ -	\$ 399,365
Accrued liabilities	-	379
Deferred revenues	-	252,401
Due to other funds	17,500	737,171
Retainage payable	-	55,386
	<hr/>	<hr/>
Total Liabilities	17,500	1,444,702
Fund Balances:		
Reserved for:		
Encumbrances and continuing appropriations	-	73,768
Perpetual permanent funds	524,087	524,087
Unreserved:		
Undesignated, reported in:		
Special revenue funds	-	4,096,868
Capital project funds	-	38,711
	<hr/>	<hr/>
Total Fund Equity	<u>524,087</u>	<u>4,733,434</u>
Total Liabilities and Fund Equity	<u>\$ 541,587</u>	<u>\$ 6,178,136</u>

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TOWN OF LONDONDERRY, NEW HAMPSHIRE

Combining Statement of Revenues, Expenditures  
and Changes in Fund Equity

Nonmajor Governmental Funds

For the Year Ended June 30, 2003

	Special Revenue Funds		
	Leach Library Fund	Sewer Fund	Conservation Commission
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	21,621	777,180	-
Interest	48	3,923	-
Contributions	109,763	-	-
Other	-	-	387,181
Total Revenues	131,432	781,103	387,181
Expenditures:			
Current:			
General government	-	-	1,314,957
Public safety	-	-	-
Highways and streets	-	-	-
Sanitation	-	640,966	-
Culture and recreation	111,690	-	-
Total Expenditures	111,690	640,966	1,314,957
Excess of revenues over (under) expenditures	19,742	140,137	(927,776)
Other Financing Sources (Uses):			
Proceeds of bonds	-	-	1,000,000
Transfers in	-	-	-
Transfers out	-	(39,666)	-
Total Other Financing Sources (Uses)	-	(39,666)	1,000,000
Excess of revenues and other financing sources over (under) expenditures and other financing uses	19,742	100,471	72,224
Fund Balances (deficit), beginning of year	11,759	1,275,749	1,585,752
Fund Balances, end of year	\$ 31,501	\$ 1,376,220	\$ 1,657,976

Special Revenue Funds			
Cable TV Fund	Capital Reserve Trust	Other Funds	Subtotals
\$ -	\$ -	\$ -	\$ -
156,760	-	407,622	1,363,183
-	11,332	-	15,303
-	-	10,186	119,949
-	-	-	387,181
156,760	11,332	417,808	1,885,616
-	-	-	1,314,957
-	-	330,744	330,744
-	-	-	-
-	-	-	640,966
121,613	-	25,867	259,170
121,613	-	356,611	2,545,837
35,147	11,332	61,197	(660,221)
-	-	-	1,000,000
-	171,393	-	171,393
-	(812,558)	-	(852,224)
-	(641,165)	-	319,169
35,147	(629,833)	61,197	(341,052)
190,946	1,396,355	51,127	4,511,688
\$ 226,093	\$ 766,522	\$ 112,324	\$ 4,170,636

(continued)

(continued)

	Capital Project Funds		
	West Road Fields	Police Facility	Sanborn Road
Revenues:			
Intergovernmental	\$ 100,000	\$ -	\$ -
Charges for services	-	11,250	-
Interest	-	-	-
Contributions	-	-	-
Other	-	-	-
Total Revenues	100,000	11,250	-
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	765,274	-
Highways and streets	481,209	-	27,439
Sanitation	-	-	-
Culture and recreation	-	-	-
Total Expenditures	481,209	765,274	27,439
Excess of revenues over (under) expenditures	(381,209)	(754,024)	(27,439)
Other Financing Sources (Uses):			
Proceeds of bonds	350,000	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	350,000	-	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(31,209)	(754,024)	(27,439)
Fund Balances (deficit), beginning of year	67,078	373,738	28,094
Fund Balances, end of year	\$ 35,869	\$ (380,286)	\$ 655

Capital Project Funds			
South Londonderry <u>Phase II</u>	<u>Exit 4A</u>	Mammoth Road <u>Sewer</u>	<u>Subtotals</u>
\$ -	\$ -	\$ -	\$ 100,000
-	-	-	11,250
-	742	-	742
-	-	-	-
-	-	-	-
-	-	-	-
-	742	-	111,992
-	-	-	-
-	-	-	765,274
-	44,697	-	553,345
-	-	621,777	621,777
-	-	-	-
-	44,697	621,777	1,940,396
-	(43,955)	(621,777)	(1,828,404)
-	-	-	350,000
-	-	-	-
-	-	(729,453)	(729,453)
-	-	(729,453)	(379,453)
-	(43,955)	(1,351,230)	(2,207,857)
354,771	71,657	1,351,230	2,246,568
\$ <u>354,771</u>	\$ <u>27,702</u>	\$ <u>-</u>	\$ <u>38,711</u>

(continued)

(continued)

	Permanent <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
Revenues:		
Intergovernmental	\$ -	\$ 100,000
Charges for services	-	1,374,433
Interest	34,553	50,598
Contributions	7,050	126,999
Other	<u>-</u>	<u>387,181</u>
Total Revenues	41,603	2,039,211
Expenditures:		
Current:		
General government	-	1,314,957
Public safety	-	1,096,018
Highways and streets	-	553,345
Sanitation		1,262,743
Culture and recreation	<u>1,418</u>	<u>260,588</u>
Total Expenditures	<u>1,418</u>	<u>4,487,651</u>
Excess of revenues over (under) expenditures	40,185	(2,448,440)
Other Financing Sources (Uses):		
Proceeds of bonds	-	1,350,000
Transfers in	-	171,393
Transfers out	<u>(17,500)</u>	<u>(1,599,177)</u>
Total Other Financing Sources (Uses)	<u>(17,500)</u>	<u>(77,784)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	22,685	(2,526,224)
Fund Balances (deficit), beginning of year	<u>501,402</u>	<u>7,259,658</u>
Fund Balances, end of year	<u>\$ 524,087</u>	<u>\$ 4,733,434</u>



TOWN OF LONDONDERRY, NEW HAMPSHIRE

Combining Balance Sheet

Fiduciary Funds

June 30, 2003

	Agency Funds		
	Construction	School	
	<u>Escrows</u>	<u>Capital Reserve</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and short-term investments	\$ 2,863,213	\$ 254,942	\$ 3,118,155
Investments	<u>4,154,396</u>	<u>-</u>	<u>4,154,396</u>
Total Assets	<u>\$ 7,017,609</u>	<u>\$ 254,942</u>	<u>\$ 7,272,551</u>
<u>LIABILITIES</u>			
Liabilities:			
Due to other funds	\$ 50,000	\$ -	\$ 50,000
Other liabilities:			
Escrow deposits held	6,967,609	-	6,967,609
School funds held	<u>-</u>	<u>254,942</u>	<u>254,942</u>
Total Liabilities	<u>\$ 7,017,609</u>	<u>\$ 254,942</u>	<u>\$ 7,272,551</u>

**Detail and Combining Budget  
and Actual Statements**

## **GENERAL FUND**

The General Fund is established to account for all resources obtained and used for those services commonly provided by the Town which are not accounted for in any other fund. These services include among other items: General Government, Public Safety, Highways and Streets, Sanitation, Health and Welfare, Culture and Recreation, and Economic Development. 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.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

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

For the Year Ended June 30, 2003

	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
<u>Taxes</u>			
Property taxes	\$ 9,817,121	\$ 10,948,316	\$ 1,131,195
Total Taxes	9,817,121	10,948,316	1,131,195
<u>Interest, penalties, and other taxes</u>			
Payment in lieu of taxes	-	500,000	500,000
Yield taxes	20,000	2,018	(17,982)
Excavation taxes	30,000	34,614	4,614
Interest and penalties on taxes	200,000	225,595	25,595
Total Interest, penalties, and other taxes	250,000	762,227	512,227
<u>Licenses and Permits</u>			
Motor vehicle permits	5,368,000	5,747,860	379,860
Business licenses and permits	53,000	64,035	11,035
Building permits	300,000	198,916	(101,084)
Other licenses, permits and fees	23,900	30,275	6,375
Total Licenses and Permits	5,744,900	6,041,086	296,186
<u>Intergovernmental</u>			
State shared revenues	295,785	294,349	(1,436)
Meals and room distribution	678,334	678,334	-
Highway block grant	421,117	440,279	19,162
Water pollution grants	72,914	101,803	28,889
Landfill closure grant	114,491	103,443	(11,048)
COPS grant	115,000	120,476	5,476
Other State revenue	-	20,117	20,117
Total Intergovernmental Revenues	1,697,641	1,758,801	61,160
<u>Charges for Services</u>			
Income from departments	562,500	409,350	(153,150)
Total Charges for Services	562,500	409,350	(153,150)
<u>Investment income</u>			
Interest on deposits	780,000	308,862	(471,138)
Total Investment Income	780,000	308,862	(471,138)
<u>Other Revenues</u>			
Sale of Town property	50,000	-	(50,000)
Rent of Town property	-	1,225	1,225
Insurance dividends and reimbursements	70,000	105,237	35,237
Contributions and donations	-	14,771	14,771
Other miscellaneous revenue	482,191	171,738	(310,453)
Total Miscellaneous Revenues	602,191	292,971	(309,220)
Total Revenues	19,454,353	20,521,613	1,067,260

(continued)

TOWN OF LONDONDERRY, NEW HAMPSHIRE

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

For the Year Ended June 30, 2003

(continued)

	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<u>Other Financing Sources</u>			
Operating Transfers In:			
Sewer fund	39,666	39,666	-
Capital reserve trust	838,260	812,558	(25,702)
Mammoth Road sewer	-	729,453	729,453
Permanent fund	17,500	17,500	-
Total Transfers In	<u>895,426</u>	<u>1,599,177</u>	<u>703,751</u>
Bond Proceeds	300,000	300,000	-
Use of Fund Balance	<u>688,000</u>	<u>688,000</u>	<u>-</u>
Total Other Financing Sources	<u>1,883,426</u>	<u>2,587,177</u>	<u>703,751</u>
Total Revenues and Other Financing Sources	<u>\$ 21,337,779</u>	<u>\$ 23,108,790</u>	<u>\$ 1,771,011</u>

# TOWN OF LONDONDERRY, NEW HAMPSHIRE

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

For the Year Ended June 30, 2003

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Expenditures</u>			
<u>General Government</u>			
Town council	\$ 16,409	\$ 16,070	\$ 339
Town manager	358,118	347,718	10,400
Town clerk / tax collector	322,229	310,495	11,734
Suprv. checklist / voter administration	31,371	18,877	12,494
Finance	293,579	316,122	(22,543)
Assessing	302,540	298,300	4,240
Information technology	392,518	321,778	70,740
Legal	175,000	163,108	11,892
Zoning board	29,312	30,158	(846)
General services	440,751	457,204	(16,453)
Cemeteries	72,500	71,582	918
Municipal insurances	130,000	147,585	(17,585)
Total General Government	<u>2,564,327</u>	<u>2,498,997</u>	<u>65,330</u>
<u>Public Safety</u>			
Police department	4,700,948	4,544,474	156,474
Fire department	3,849,869	4,021,110	(171,241)
Total Public Safety	<u>8,550,817</u>	<u>8,565,584</u>	<u>(14,767)</u>
<u>Highways and Streets</u>			
Building department	283,216	254,901	28,315
Highway department	3,319,480	3,231,382	88,098
Total Highways and Streets	<u>3,602,696</u>	<u>3,486,283</u>	<u>116,413</u>
<u>Sanitation</u>			
Solid waste	1,234,466	1,326,336	(91,870)
Total Sanitation	<u>1,234,466</u>	<u>1,326,336</u>	<u>(91,870)</u>
<u>Health and Welfare</u>			
Welfare department	141,510	183,255	(41,745)
Family mediation	19,003	16,534	2,469
Total Health and Welfare	<u>160,513</u>	<u>199,789</u>	<u>(39,276)</u>
<u>Culture and Recreation</u>			
Recreation department	112,026	113,367	(1,341)
Library	860,740	853,442	7,298
Total Culture and Recreation	<u>972,766</u>	<u>966,809</u>	<u>5,957</u>

(continued)

TOWN OF LONDONDERRY, NEW HAMPSHIRE

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

For the Year Ended June 30, 2003

(continued)

	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Economic Development</u>			
Planning / economic development	\$ <u>420,168</u>	\$ <u>396,306</u>	\$ <u>23,862</u>
	420,168	396,306	23,862
<u>Capital Outlay</u>			
Capital outlay	<u>1,803,260</u>	<u>1,803,260</u>	<u>-</u>
Total Capital Outlay	<u>1,803,260</u>	<u>1,803,260</u>	<u>-</u>
<u>Debt Service</u>			
Debt service	<u>1,857,373</u>	<u>1,818,884</u>	<u>38,489</u>
Total Debt Service	<u>1,857,373</u>	<u>1,818,884</u>	<u>38,489</u>
 Total Expenditures	 <u>21,166,386</u>	 <u>21,062,248</u>	 <u>104,138</u>
 <u>Other Financing Uses</u>			
Operating Transfers Out:			
Capital reserve trust	<u>171,393</u>	<u>171,393</u>	<u>-</u>
Total Other Financing Uses	<u>171,393</u>	<u>171,393</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 \$ <u>21,337,779</u>	 \$ <u>21,233,641</u>	 \$ <u>104,138</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Combining Schedule of Revenues and Expenditures  
Budget and Actual

Annually Budgeted Special Revenue Funds

For the Year Ended June 30, 2003

	Sewer Fund		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for services	\$ 715,850	\$ 777,180	\$ 61,330
Investment income	<u>-</u>	<u>3,924</u>	<u>3,924</u>
Total Revenues	715,850	781,104	65,254
Expenditures:			
Sanitation	676,184	618,449	57,735
Culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>676,184</u>	<u>618,449</u>	<u>57,735</u>
Other Financing Uses:			
Transfers out	<u>(39,666)</u>	<u>(39,666)</u>	<u>-</u>
Total Other Financing Uses	<u>(39,666)</u>	<u>(39,666)</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures	\$ <u>-</u>	\$ <u>122,989</u>	\$ <u>122,989</u>



Cable Fund			Totals		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 134,162	\$ 156,760	\$ 22,598	\$ 850,012	\$ 933,940	\$ 83,928
-	-	-	-	3,924	3,924
134,162	156,760	22,598	850,012	937,864	87,852
-	-	-	676,184	618,449	57,735
134,162	121,612	12,550	134,162	121,612	12,550
134,162	121,612	12,550	810,346	740,061	70,285
-	-	-	(39,666)	(39,666)	-
-	-	-	(39,666)	(39,666)	-
\$ -	\$ 35,148	\$ 35,148	\$ -	\$ 158,137	\$ 158,137

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**Capital Assets Used in the Operation  
of Governmental Funds**

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Schedule of General Fixed Assets By Source

June 30, 2003

GENERAL FIXED ASSETS

Land and improvements	\$ 1,019,946
Buildings	3,985,051
Machinery, vehicles, and equipment	2,545,097
Intangibles	35,096
Construction in progress	5,876,792
Improvements other than buildings	<u>6,783,546</u>
Total General Fixed Assets	\$ <u>20,245,528</u>

INVESTMENTS IN GENERAL FIXED ASSETS

General fund revenues	\$ 14,048,256
Special revenue fund revenues	320,480
Capital project funds	<u>5,876,792</u>
Total Investments in General Fixed Assets	\$ <u>20,245,528</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Schedule of Changes in General Fixed Assets  
By Function and Activity

For the Year Ended June 30, 2003

	General Fixed Assets <u>July 1, 2002</u>	<u>Additions</u>	<u>Deductions</u>	General Fixed Assets <u>June 30, 2003</u>
General Government:				
Information technology	\$ 379,777	\$ 174,904	\$ 256,957	\$ 297,724
General services	1,446,584	49,312	346,339	1,149,557
Total General Government	<u>1,826,361</u>	<u>224,216</u>	<u>603,296</u>	<u>1,447,281</u>
Public Safety:				
Police department	1,403,282	776,520	167,808	2,011,994
Fire department	765,739	723,461	193,781	1,295,419
Total Public Safety	<u>2,169,021</u>	<u>1,499,981</u>	<u>361,589</u>	<u>3,307,413</u>
Highways and Streets:	<u>945,709</u>	<u>112,505</u>	<u>165,550</u>	<u>892,664</u>
Culture and Recreation:				
Recreation department	890,422	481,207	1,557	1,370,072
Library	1,690,662	13,301	56,352	1,647,611
Cable	347,782	17,149	44,451	320,480
Total Culture and Recreation	<u>2,928,866</u>	<u>511,657</u>	<u>102,360</u>	<u>3,338,163</u>
Sanitation:	<u>10,864,898</u>	<u>649,216</u>	<u>254,107</u>	<u>11,260,007</u>
Total General Fixed Assets	<u>\$ 18,734,855</u>	<u>\$ 2,997,575</u>	<u>\$ 1,486,902</u>	<u>\$ 20,245,528</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Schedule of General Fixed Assets  
By Function and Category

June 30, 2003

	<u>Land and Improvements</u>	<u>Buildings</u>	<u>Machinery, Vehicles, and Equipment</u>
General Government:			
Information technology	\$ -	\$ -	\$ 269,898
General services	<u>767,986</u>	<u>310,142</u>	<u>25,965</u>
Total General Government	<u>767,986</u>	<u>310,142</u>	<u>295,863</u>
Public Safety:			
Police department	-	744,461	409,494
Fire department	<u>-</u>	<u>170,662</u>	<u>1,124,757</u>
Total Public Safety	<u>-</u>	<u>915,123</u>	<u>1,534,251</u>
Highways and Streets:	<u>251,960</u>	<u>14,670</u>	<u>626,034</u>
Culture and Recreation:			
Recreation department	-	-	-
Library	-	1,627,403	20,208
Cable	<u>-</u>	<u>255,294</u>	<u>65,186</u>
Total Culture and Recreation	<u>-</u>	<u>1,882,697</u>	<u>85,394</u>
Sanitation:	<u>-</u>	<u>862,419</u>	<u>3,555</u>
Total General Fixed Assets	<u>\$ 1,019,946</u>	<u>\$ 3,985,051</u>	<u>\$ 2,545,097</u>

<u>Intangibles</u>	<u>Construction in Progress</u>	<u>Improvements other than Buildings</u>	<u>Total</u>
\$ 27,826	\$ -	\$ -	\$ 297,724
767	44,697	-	1,149,557
<u>28,593</u>	<u>44,697</u>	<u>-</u>	<u>1,447,281</u>
6,503	851,536	-	2,011,994
-	-	-	1,295,419
<u>6,503</u>	<u>851,536</u>	<u>-</u>	<u>3,307,413</u>
-	-	-	892,664
-	1,344,505	25,567	1,370,072
-	-	-	1,647,611
-	-	-	320,480
<u>-</u>	<u>1,344,505</u>	<u>25,567</u>	<u>3,338,163</u>
-	3,636,054	6,757,979	11,260,007
<u>-</u>	<u>3,636,054</u>	<u>6,757,979</u>	<u>11,260,007</u>
\$ <u>35,096</u>	\$ <u>5,876,792</u>	\$ <u>6,783,546</u>	\$ <u>20,245,528</u>

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**STATISTICAL  
SECTION**

## TOWN OF LONDONDERRY, NEW HAMPSHIRE

GOVERNMENT-WIDE REVENUES  
(in thousands)

	Program Revenues			General Revenues							
							Grants and Contributions Not Restricted to Specific Programs	Investment Income	Other Revenues	Permanent Fund Contributions	
Fiscal Year	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Licenses and Permits	Interest, Penalties, and Other Taxes					Total
2003	\$ 2,114	\$ 238	\$ 745	\$ 10,429	\$ 5,797	\$ 824	\$ 1,000	\$ 364	\$ 288	\$ 328	\$ 22,127

Note: Only fiscal year 2003 information is provided because in fiscal year 2003 the Town implemented the reporting requirements of GASB 34. In future years, the Town intends on reporting additional year comparative information on this table so that after fiscal year 2012 there will be ten years presented.

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
GOVERNMENT-WIDE EXPENSES BY FUNCTION  
(in thousands)

<u>Fiscal Year</u>	<u>Governmental Activities</u>							<u>Interest</u>	<u>Total</u>
	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Sanitation</u>	<u>Health and Welfare</u>	<u>Culture and Recreation</u>	<u>Economic Development</u>		
2003	\$ 4,243	\$ 9,151	\$ 2,912	\$ 2,212	\$ 210	\$ 1,316	\$ 260	\$ 595	\$ 20,899

Note: Only fiscal year 2003 information is provided because in fiscal year 2003 the Town implemented the reporting requirements of GASB 34. In future years, the Town intends on reporting additional year comparative information on this table so that after fiscal year 2012 there will be ten years presented.

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
General Governmental Expenditures by Function (1)  
Last Ten Fiscal Years

Fiscal Year Ended	General Government	Public Safety	Highways and Streets	Sanitation	Health and Welfare	Culture and Recreation	Economic Development	Capital Outlay	Debt Service	Total
June 30, 1994	\$ 3,809,819	\$ 4,340,875	\$ 1,420,875	\$ 1,191,521	\$ 266,171	\$ 288,425	\$ -	\$ 281,370	\$ 1,327,536	\$ 12,926,592
June 30, 1995	1,319,461	4,593,150	1,389,454	1,637,155	94,389	361,829	109,445	959,543	1,803,624	12,268,050
June 30, 1996	1,399,674	5,068,276	1,597,337	1,439,167	126,196	399,690	109,806	392,742	1,843,848	12,376,736
June 30, 1997	1,459,503	5,150,608	2,047,497	1,347,769	112,373	583,033	176,941	772,120	2,265,349	13,915,193
June 30, 1998	1,674,520	5,508,948	2,049,416	1,290,196	98,087	754,965	208,262	1,306,996	2,156,583	15,047,973
June 30, 1999	1,873,523	5,680,947	2,381,041	1,395,848	168,618	1,865,653	133,818	559,370	1,716,098	15,774,916
June 30, 2000	2,104,635	6,581,222	2,538,737	1,582,243	94,234	819,989	172,473	482,529	2,033,696	16,409,758
June 30, 2001	2,542,798	7,054,049	2,736,829	1,727,025	152,589	1,067,012	216,108	931,532	1,951,653	18,379,595
June 30, 2002	2,321,345	8,163,737	2,368,862	1,622,631	181,719	1,149,831	203,953	3,658,743	1,679,664	21,350,485
June 30, 2003	3,857,551	9,645,099	3,595,722	2,582,099	199,789	1,227,397	259,381	736,810 (2)	1,818,884	23,922,732

Source:  
Audited Financial Statements

(1) Includes General Fund, Special Revenue Funds, Capital Project Funds, and Permanent Funds.

(2) Capital outlay in Capital Project Funds was allocated to the corresponding functions in 2003, and not in the prior years.

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
General Governmental Revenues by Source (1)  
Last Ten Fiscal Years

Fiscal Year Ended	Taxes	Interest, Penalties, and Other Taxes (2)	Licenses and Permits	Intergovern- mental	Charges for Services	Investment Income (3)	Contribu- tions (4)	Miscellaneous	Total
June 30, 1994	\$ 7,939,541	\$ -	\$ 2,265,668	\$ 570,390	\$ 726,456	\$ -	\$ -	\$ 1,702,530	\$ 13,204,585
June 30, 1995	8,671,001	-	2,470,133	774,770	653,165	-	-	1,697,730	14,266,799
June 30, 1996	7,894,900	-	2,736,226	1,231,349	944,818	-	-	1,442,508	14,249,801
June 30, 1997	8,178,027	-	3,102,367	1,397,586	1,083,020	-	-	1,099,026	14,860,026
June 30, 1998	7,346,618	-	3,644,591	1,228,709	1,290,645	-	-	1,979,177	15,489,740
June 30, 1999	7,509,984	-	4,701,055	1,654,202	1,336,964	-	-	1,847,450	17,049,655
June 30, 2000	6,843,550	-	5,476,004	1,522,850	1,506,207	-	-	3,218,290	18,566,901
June 30, 2001	8,335,820	-	5,627,584	1,582,376	1,509,044	-	-	1,386,208	18,441,032
June 30, 2002	9,609,844	-	5,873,392	1,528,525	2,024,584	-	-	611,861	19,648,206
June 30, 2003	10,374,680	762,227	6,041,086	1,858,801	1,783,783	359,460	126,999	680,152	21,987,188

Source:

Audited Financial Statements

(1) Includes General Fund, Special Revenue Funds, Capital Project Funds, and Permanent Funds

(2) Interest, penalties, and other taxes were classified with taxes prior to fiscal year 2003

(3) Investment income was classified with other revenues prior to fiscal year 2003

(4) Private donations were made to the Town in fiscal year 2003 mostly for the Leach Library

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year Ended	Total Current Tax Levy (1)	Current Tax Collections	Percent of Current Taxes Collected	Delinquents Tax Collections	Total Tax Collections	Ratio of Total Tax Collections To Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes To Total Tax Levy
June 30, 1994	\$ 32,023,229	\$ 32,008,893	100.0%	\$ -	\$ 32,008,893	100.0%	\$ 3,063,594	9.6%
June 30, 1995	33,735,770	33,685,955	99.9%	-	33,685,955	99.9%	2,341,295	6.9%
June 30, 1996	36,202,850	34,943,780	96.5%	-	34,943,780	96.5%	361,404	1.0%
June 30, 1997	36,708,591	35,915,699	97.8%	-	35,915,699	100.0%	1,226,513	3.3%
June 30, 1998	38,256,609	37,626,462	98.4%	20,000	37,646,462	99.9%	971,525	2.5%
June 30, 1999	31,299,644	30,890,637	98.7%	-	30,890,637	100.0%	846,095	2.7%
June 30, 2000	36,073,724	35,662,102	98.9%	-	35,662,102	100.0%	636,210	1.8%
June 30, 2001	39,145,435	37,620,073	96.1%	207,681	37,827,754	99.5%	660,311	1.7%
June 30, 2002	44,182,718	42,748,357	96.8%	746,255	43,494,612	98.3%	676,973	1.5%
June 30, 2003	44,069,941	42,855,222	97.2%	634,360	43,489,582	98.7%	918,684	2.1%

Source:

Town of Londonderry Annual Town Report  
Audited Financial Statements  
Town of Londonderry Tax Collector

(1) Includes taxes collected for the Londonderry School District and Rockingham County

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
Assessed and Estimated Actual Value of Property  
Last Ten Fiscal Years

Fiscal Year Ended	Assessed Value	Exemptions	Net Assessed Value	Estimated Actual Value	Ratio of Net Assessed Value To Estimated Actual Value
June 30, 1994	\$ 942,778,766	\$ 675,500	\$ 942,103,266	\$ 913,840,168	97%
June 30, 1995	964,748,139	5,695,000	959,053,139	930,281,545	97%
June 30, 1996	982,912,151	6,070,000	976,842,151	947,536,886	97%
June 30, 1997	1,008,593,380	4,970,000	1,003,623,380	953,442,211	95%
June 30, 1998	1,093,721,948	5,230,000	1,088,491,948	1,001,412,592	92%
June 30, 1999	1,171,006,212	3,704,206	1,167,302,006	1,050,571,805	90%
June 30, 2000	1,347,574,386	4,935,000	1,342,639,386	1,154,669,872	86%
June 30, 2001	1,561,803,864	6,907,500	1,554,896,364	1,290,563,982	83%
June 30, 2002	2,083,643,974	8,559,709	2,075,084,265	1,770,046,878	85%
June 30, 2003	1,883,130,774	16,233,000	1,866,897,774	2,127,025,865	88%

Source:  
Town of Londonderry Assessors Office

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
Property Tax Rates Per \$1,000 Assessed Valuation  
All Direct and Overlapping Governments  
Last Ten Fiscal Years

Fiscal Year Ended	Municipal	Londonderry School District Local Education	Londonderry School District State Education	Rockingham County	Total
June 30, 1994	\$11.08	\$ 36.66	\$ N/A	\$ 1.92	\$ 49.66
June 30, 1995	8.20	26.45	N/A	1.28	35.93
June 30, 1996	8.20	28.18	N/A	1.37	37.75
June 30, 1997	7.67	28.60	N/A	1.38	37.65
June 30, 1998	6.98	29.90	N/A	1.30	38.18
June 30, 1999	6.60	28.63	N/A	1.15	36.38
June 30, 2000 (1)	5.12	13.51	6.60	1.04	26.27
June 30, 2001	5.83	13.60	5.74	1.10	26.27
June 30, 2002	5.76	11.95	5.59	1.37	24.67
June 30, 2003	5.25	10.13	4.42	1.08	20.88

Source:  
Town of Londonderry, Annual Town Reports

(1) Beginning in fiscal year 2000 the State of New Hampshire instituted a statewide property tax to provide relief to local governments for education costs.



TOWN OF LONDONDERRY, NEW HAMPSHIRE  
Principal Taxpayers  
June 30, 2003

Taxpayer	Type of Business	Assessed Value	Percentage of net Assessed Value
AES LONDONDERRY	Utility	\$ 235,260,000	12.60%
PUBLIC SERVICE CO. NH TAX ACCOUNTING	Electric Utility	26,154,800	1.40%
COCA-COLA OF NORTHERN NE	Bottling Plant	18,962,200	1.02%
APPLETREE MALL ASSOCIATES	Retail Mall Plaza	10,673,300	0.57%
HOME DEPOT	Retail	10,053,800	0.54%
TENNECO INCORPORATED	Gas Utility	9,645,000	0.52%
LIEVENS ROBERT	Orchard	8,467,700	0.45%
GLENBERVIE INC.	Manufacturing	6,876,900	0.37%
F&S TRANSIT MIX CO.	Manufacturing	6,326,100	0.34%
LONDONDERRY FREEZER WAREHOUSE	Warehouse	<u>6,281,000</u>	<u>0.34%</u>
Total		\$ <u><u>338,700,800</u></u>	<u><u>18.14%</u></u>

Source:  
Town of Londonderry Assessors Office

TOWN OF LONDONDERRY  
Computation of Legal Debt Margin  
June 30, 2003

Modified Local Assessed Valuation (1)			\$	1,605,597,964
Department of Revenue Administration Inventory Adjustment (1)				<u>313,922,170</u>
Equalized Assessed Valuation (1)				1,919,520,134
Adjustment: RSA 31-A:2 (1)				<u>14,445,378</u>
Base Valuation for Debt Limits (1)			\$	<u>1,933,965,512</u>
Bonded Debt Limit - 3% of Base (2)			\$	58,018,965
Gross Bonded Debt June 30, 2003	11,190,097			
Less:				
Sewer Bonds (3)	<u>(3,520,097)</u>	7,670,000		
Authorized / Unissued	5,674,600			
Less:				
Sewer Bonds (3)	<u>(225,000)</u>	<u>5,449,600</u>		
Total Debt Applicable to Limitation				<u>13,119,600</u>
Legal Debt Margin			\$	<u>44,899,365</u>

Source:

- (1) The 2002 Equalization Survey from the New Hampshire Department of Revenue Administration.
- (2) Per RSA 33:4-a
- (3) Exempt per RSA 33:5-b

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
Ratio of Net General Obligation Bonded Debt  
To Net Assessed Value and Net Bonded Debt Per Capita  
Last Ten Fiscal Years

Fiscal Year Ended	Population	Net Assessed Value	Gross Bonded Debt All Funds	Ratio of Net Bonded Debt To Net Assessed Value	Net Bonded Debt Per Capita
June 30, 1994	21,300	\$ 942,103,266	\$ 18,600,860	1.97%	\$ 873
June 30, 1995	21,529	959,053,139	17,990,850	1.88%	836
June 30, 1996	22,600	976,842,151	23,745,473	2.43%	1,051
June 30, 1997	23,500	1,003,623,380	19,854,109	1.98%	845
June 30, 1998	24,480	1,088,491,948	17,705,930	1.63%	723
June 30, 1999	24,969	1,167,302,006	13,908,818	1.19%	557
June 30, 2000	24,036	1,342,639,386	13,672,204	1.02%	569
June 30, 2001	23,236	1,554,896,364	12,298,834	0.79%	529
June 30, 2002	23,236	2,075,084,265	14,414,155	0.69%	620
June 30, 2003	23,236	1,866,897,774	11,190,097	0.60%	482

Source:  
Town of Londonderry Annual Town Report

TOWN OF LONDONDERRY, NEW HAMPSHIRE  
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt  
to Total General Government Expenditures (1)  
Last Ten Fiscal Years

Fiscal Year Ended	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service To General Government Expenditures
June 30, 1994	\$ 770,501	\$ 557,035	\$1,327,536	\$12,926,592	10.27%
June 30, 1995	1,043,904	759,720	1,803,624	12,268,050	14.70%
June 30, 1996	1,118,232	725,616	1,843,848	12,376,736	14.90%
June 30, 1997	1,409,588	878,779	2,288,367	13,915,193	16.45%
June 30, 1998	1,402,511	754,072	2,156,583	15,047,973	14.33%
June 30, 1999	1,392,534	576,564	1,969,098	15,774,916	12.48%
June 30, 2000	1,451,981	581,715	2,033,696	16,409,758	12.39%
June 30, 2001	1,433,315	518,338	1,951,653	18,379,595	10.62%
June 30, 2002	1,183,938	495,726	1,679,664	21,350,485	7.87%
June 30, 2003	1,198,544	620,340	1,818,884	23,922,732	7.60%

Source:

Audited Financial Statements

(1) Includes General Fund, Special Revenue Funds, Capital Project Funds, and Permanent Funds

TOWN OF LONDONDERRY  
 Computation of Direct and Overlapping Bonded Debt  
 General Obligation Bonds  
 June 30, 2003

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable To Town of Londonderry	Amount Applicable To Town of Londonderry
Direct:			
Town of Londonderry	\$ 11,190,097	100.00 %	\$ 11,190,097
Overlapping:			
Rockingham County (6/15/2003)	3,805,000	6.86 %	261,107
Londonderry School District (6/15/2003)	<u>19,300,000</u>	100.00 %	<u>19,300,000</u>
Total	<u>\$ 34,295,097</u>		<u>\$ 30,751,204</u>

TOWN OF LONDONDERRY  
Demographic Statistics  
Last Ten Fiscal Years

Fiscal Year Ended	Population	Per Capita Personal Income (Estimate)	Londonderry School District Total Enrollment	Annual Average Unemployment Rate**
June 30, 1994	21,300	*	4,391	4.7 %
June 30, 1995	21,529	*	4,430	4.0 %
June 30, 1996	22,600	*	4,680	3.7 %
June 30, 1997	23,500	*	4,829	2.7 %
June 30, 1998	24,480	*	4,911	2.6 %
June 30, 1999	24,969	*	5,138	2.4 %
June 30, 2000	24,036	\$ 26,491	5,199	2.5 %
June 30, 2001	23,236	*	5,338	3.4 %
June 30, 2002	23,236	*	5,654	4.6 %
June 30, 2003	23,236	*	5,622	4.6 %

Source:  
Town of Londonderry Annual Town Report

\* = Information not available.

\*\* = N.H. Employment Bureau

TOWN OF LONDONDERRY  
Property Value Construction  
Last Ten Fiscal Years

Fiscal Year Ended	Estimated Actual Value	No.	Non-Residential <u>Commercial</u> Value	No.	<u>Residential</u> Value
June 30, 1994	\$ 913,840,168	97	\$ 10,704,162	375	\$ 10,588,846
June 30, 1995	930,281,545	100	2,664,746	463	12,559,548
June 30, 1996	947,536,886	43	53,924,534	271	11,795,206
June 30, 1997	953,442,211	90	29,559,899	559	24,666,356
June 30, 1998	1,001,412,592	88	27,741,062	609	29,082,929
June 30, 1999	1,050,571,805	88	57,931,297	573	21,173,762
June 30, 2000	1,154,669,872	104	19,318,180	636	27,667,254
June 30, 2001	1,290,563,982	87	12,408,469	603	20,671,492
June 30, 2002	1,770,046,878	69	16,697,310	636	13,138,990
June 30, 2003	2,127,025,865	29	23,988,375	312	13,151,630

Source:  
Town of Londonderry Building Department

# TOWN OF LONDONDERRY

## Miscellaneous Statistics June 30, 2003

Date of Incorporation:	1722
Date of Present Charter Adopted:	1996
Form of Government:	Council/Manager
Number of full-time budgeted employees (excluding police and fire)	107
Area in square miles	44

### **Town of Londonderry facilities and services:**

Miles of streets	175.5
Paved	175
Unpaved	0.5
Number of Street Lights	134
Number of Traffic Lights	1

### **Fire Protection/Emergency Medical Service:**

Number of stations	3
Number of rescue/ambulances:	1 rescue / 2 Amb.
Number of employees:	
Chief	1
Deputy Chief	1
Fire Captains	4
Paramedic Lieutenants	2
Fire Lieutenants	5
Paramedics	9
Firefighters/EMTs	20
Dispatchers	5
Call Firefighters	15
Number of calls for service:	2,428
EMS Transports	978

### **Police Protection:**

Number of stations	1
Number of vehicles:	24
Patrol units	19
Unmarked	5
Number of employees:	
Sworn personnel - budgeted	44
Civilian personnel - police	16
Number of calls for service:	77,250
Part I offenses	447
Part II offenses	1,752
Number of arrests	635
Number of traffic violations:	
Summonses	7,025
Accidents	1,083



(continued)

**Sewerage System:**

Miles of sanitary sewers (approx.)	32
Number of service connections - sewer	856
Daily average treatment in gallons:	900,000
Maximum daily capacity gallons:	
Manchester plant	3,000,000
Derry plant	329,000
Number of pump stations	4

**Culture and Recreation:**

Number of libraries	1
Number of communities centers	1
Skateboard park	1
Number of parks:	
Nelson Road:	
Tennis Courts (4)	
Ballfields (6)	
Basketball Courts (2)	
West Road - Continental Recreation Park	
Soccer Fields (3)	
Ballfields in Construction (4)	

**Facilities and services not included in the reporting entity:**

**Education:**

Number of High Schools	1
Number of Middle Schools	1
Number of Elementary Schools	3
Number of Kindergartens	1

**News Media:**

Newspapers (Daily and Sunday):	
Derry News (Semi-weekly)	
Londonderry Times (Bi-weekly)	
Manchester Union Leader (State-wide)	