

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



***COMPREHENSIVE
ANNUAL FINANCIAL REPORT***

For the Fiscal Year Ended
June 30, 2011

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Comprehensive Annual Financial Report

For the Year Ended June 30, 2011



**Prepared by:
The Finance and Administration Department**

**Susan A. Hickey
Assistant Town Manager
for Finance and Administration**

Town of Londonderry, New Hampshire
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

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INTRODUCTORY SECTION



Town of Londonderry
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October 10, 2011

To the Citizens and Members of the Town Council:

The Comprehensive Annual Financial Report (CAFR) of the Town of Londonderry for the fiscal year ended June 30, 2011, 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. 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 various funds 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 Town management's narrative on the financial activities of the Town for the fiscal year ended June 30, 2011, is in the Management's Discussion and Analysis (MD&A) section of this report, immediately following the Report of Independent Auditors. The letter of transmittal is written to complement the MD&A and the financial statements, and should be read from that perspective and in conjunction with all other sections of the CAFR.

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 the basic financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

This report includes all funds of the Town. The Town provides a full range of services including police and fire protection, public works operations, planning,

zoning and code enforcement, health and welfare, library and recreation. The Town has a sewer utility and accounts for it as a special revenue fund. This report does not include 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.

Independent Audit

State statutes require an annual audit by independent public accountants. The Town's accounting firm is Melanson, Heath and Company, PC. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet any requirements of the Federal Single Audit Act amendments of 1996 and the US Office of Management Budget Circular A-133. The financial statements, combining and individual fund statements, and schedules are included in the financial section of this report.

PROFILE OF THE GOVERNMENT

Geography. The Town of Londonderry is located in Rockingham County in southern New Hampshire, approximately 40 minutes northwest of Boston via Route 93, and is situated between Salem and Derry, New Hampshire's two largest towns. The Town has a population of 24,129 (according to the 2010 Census) and occupies 42.12 square miles of land.

Londonderry was incorporated in 1722 and since 1996 has operated under a charter with a Council-Manager-Budgetary Town Meeting form of local government.

Londonderry has a diverse character, combining residential, commercial, industrial and recreational activities. Over the past decade, 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 two of New Hampshire's major north/south highways, as well as the presence of Manchester-Boston Regional Airport (MHT) within the community. MHT offers direct flights to many major cities around the nation.

Governing Boards. 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 annual budget) and appoints a Town Manager to serve an indefinite term as the Town's chief executive. A Budgetary Town Meeting approves long-term debt, in addition to the annual budget. The funds approved at the Budgetary Town Meeting include General Fund Operations, Special Revenue Funds, and Capital Project Funds.

Services. 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; and planning, economic and community development, and code enforcement services.

Administration. Administrative functions of the Town are carried out by the Town Manager. The Town Manager is responsible for the administrative and financial affairs of the Town by overseeing the day-to-day operations, and implementing policies established by the Town Council. The Town Manager is responsible for appointing the heads of the various departments, for negotiating with the various bargaining units of the Town and making recommendation to the Town Council on various issues.

Fiscal Year and Budget. The Town's fiscal year begins on July 1st of each year and ends the following June 30th. The Town's budget process commences in the fall of each year with the Capital Improvements Program budget. All capital spending of \$300,000 or more with useful lives of 3 years or longer is included in this budget. The Capital Improvement Committee reviews all projects and determines the priority based on defined parameters. The plan is submitted to the Planning Board for approval. The approved plan is then presented to the Town Council. Based on the Town administrative financing policy, items are identified for length of bonding or other type of financing by the Town Council.

Items identified for the annual operating budget are included in the Town Manager's recommended annual budget. Departments are responsible for submitting their annual budget requests to the Town Manager. After reviews with the departments, the Town Manager makes any final adjustments to his recommended budget. The Department Heads and Town Manager's recommended budget is presented to the Town Council beginning in November of each year.

The Town Council may adjust the Manager's recommended annual budget by majority vote. The Council is required to hold two public hearings on the budget, and all budget adjustments and petition warrant articles are presented to the public at the Deliberative Session in February. The budget is then presented for voting by the taxpayers at the annual town meeting in March. The legal spending limit is at the department level, as voted by town meeting.

INFORMATION USEFUL IN ASSESSING THE GOVERNMENT'S ECONOMIC CONDITION

Local Economy

Local economic conditions are favorable when compared to other regions. The 2011 unemployment rate for Londonderry is 6.0%, which is well below the overall 2011 U.S. unemployment rate of 9.2%.

Londonderry is one of the fastest growing communities in the state and southern NH. With I-93 running along the eastern segment, Rt. 128 through the middle, Rt. 28 the northern segment and Rt. 102 the southern segment, Londonderry has ample access to the major highway systems. With construction nearing completion on the Airport Access Road, Londonderry will enjoy direct access to the Everett Turnpike/Route 3 by 2013.

As the Town was not unaffected by the current recession, due to its fiscal policies and land use/economic development planning efforts, the Town remains well positioned to maintain its strong financial position and capitalize on future economic growth. One business expansion was approved and under construction, the Freezer Warehouse Addition (82,000 square feet). Recently, after the conclusion of the fiscal year, ground was broken on a 120,000 square foot Class AAA office building, an indication that the local economy and development activity are beginning to return to pre-recessionary levels.

This activity joins a number of major business expansions/new construction in Londonderry which occurred over the past few years, including:

- Stonyfield Yogurt (Expanded)
- Insight Technology (Expanded)
- Freezer Warehouse (Expanded)
- Bosch (Formerly Buderus) (Expanded)
- Falling Water Office Park (New)
- Captain Shoppes Strip Mall (New)
- Penske Truck Rental (New)
- Alamo Fireworks (New)

The significance of having existing businesses within Londonderry expand in town means that these businesses are pleased with the service, location and workforce that Londonderry and the region provides. The Town's Community Development Department, along with the dedicated service of the individuals from the various land use and development boards, continues to promote economic development to make Londonderry an even better place to live and do business. "Business is good. Life is Better!" in Londonderry.

Long-Term Financial Planning

The Town continues to revise its budget review process to insure the efficient use of government resources, the application of non-recurring revenues for one-time capital items, and the development 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.

The Town has completed 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. The revised program reflects actual costs and market rates for its services, thereby further solidifying the Town's financial position.

In FY03, the adequacy of its Fire, Ambulance 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. In FY2010, Town voters appropriated \$225,000 for the purchase of public safety/highway equipment or contributions to Capital Reserve Funds, and increased that investment to \$325,000 in FY2011 and FY2012.

In FY04, 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 town facilities over a multi-year period, resulting in safe, efficient town facilities funded by a constant level of taxpayer investment. Town meeting continues to support this initiative with an annual appropriation of \$200,000.

The Town's Community Development Department is leading efforts to plan for the development of an industrial area south of Manchester Airport, and a multi-use area located between NH Rte. 28 and I-93 (Jack's Bridge Development). The Department is planning infrastructure improvements to the area adjacent to the Airport, and is actively working with a private developer to promote development of the Jack's Bridge Development area. This development benefits from a 330,000 square foot anchor tenant, Harvey Industries.

Both areas were included as part of a 2003 Design Charette (the largest ever held in the State), to help the Town create a vision of its non-residential development opportunities. Both areas at full build out have the potential of creating approximately six million square feet of new commercial and industrial development. A third area was also included in the study, comprising a grand total of approximately 2,000 acres. The Town's goal is to position itself to accommodate appropriate development, which will follow the completion of the Airport Access Road, and the ongoing widening of I-93.

Town staff has also been leading the local review of an ambitious plan by private property owners who propose to convert over 600 acres of mainly farmland into a mixed-use village concept consisting of office, commercial, retail, and medical facilities, along with approximately 1,300 residential units. The Woodmont Commons project is anticipated to be constructed over a 20 year period during which the owner/developer estimates the total economic impact to be approximately \$1.0 Billion. The Town anticipates receipt of a formal Master Plan application in Fall, 2011.

Relevant Financial Policies

The Town of Londonderry developed and adopted into the Town's Administrative Code a comprehensive Financial Policy in June 2003. During the fiscal year, in accordance with the policy, excess funds over the prescribed level established for budgeting purposes were used as a one-time revenue source towards various capital projects. The total amount allocated was \$871,456 for General Fund projects and \$300,000 for Special Revenue Fund projects.

Major Initiatives

Throughout FY2011, many notable projects and initiatives took place in the Town including the following:

Londonderry has taken a strong position managing its growth with the adoption of a 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, which is reviewed annually and updated every two to four years. 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. Currently, impact fees are assessed to defray costs of growth which impacts our school, police, fire, library and recreational facilities as well as a number of major thoroughfares.

The Manchester/Boston Regional Airport 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 \$65-70 Million. 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-Boston Regional Airport had another successful year in fiscal year 2011, 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-Boston Regional 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, adjusted each year by 2%. The Town received \$585,825 in FY2011.

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 New Hampshire Department of Transportation anticipates an October, 2011 opening of an airport access road from Everett Turnpike/Route 3 in Bedford across the Merrimack River and into the Manchester Airport, which will also provide access to the industrial land mentioned previously. The Town needs to reconstruct Pettengill Road in order to provide complete access to the industrial land; supported by a \$260,000 appropriation at the 2002 Town Meeting, the Community Development and Public Works and Engineering Departments have completed the design of the main thoroughfare and utilities, and have secured the necessary permits for construction to facilitate the ultimate development of this area. The Town will continue to work with regional, state and federal officials to secure the necessary funding for the Pettengill Road project.

The Town's web site is <http://www.londonderrynh.org/>. On March 9, 2010, the Community development Department and the Londonderry Economic Development Taskforce unveiled its new economic development marketing website (www.thriveinlondonderry.com). This effort started back in March 2009. The Town hired marketing consultant Gary O'Neil, O2-Generations of Creative Energy to help Londonderry establish a new brand and logo. The brand and logo was developed after many workshops with stakeholders in town, meeting with groups and individuals that interact and are major contributors to the region's economic development landscape. The effort included meetings with state leaders in order to receive a comprehensive perspective on Londonderry's direction and contribution towards the region's economy. The culmination of all of this effort resulted in Londonderry's new brand and logo, **"Business is good. Life is better!"** SilverTech, Inc. was hired to create a new economic development website. SilverTech pulled into the new site the marketing material created through the efforts of Gary O'Neil and the Community Development Department. Also, local and regional data will be included targeting the type of information site selectors need to put Londonderry at the top of their site selection list.

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.

In 2003, the Town engaged the services of Behan Planning Associates to assist Londonderry in the update of its Master Plan. The update established new goals and objectives that work towards the new vision Londonderry has set for itself. The Planning Board adopted the new Master Plan on November 10, 2004. This process was managed by the Community Development Department, with the assistance of a citizen committee. Additional citizen input was 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. Recognizing the importance of updating its Master Plan, voters in 2011 completed funding for the update, which is scheduled to begin in Fall, 2011.

Another tool being implemented to assist with the orderly development of the community and preservation of its natural and aesthetic resources is continued community support of Open Space Preservation Bonds. The Town has raised over \$12,035,000 for Open Space Preservation and managed growth strategies over the past seven years. In addition to open space preservation, the Town raised funds to continue the development of the West Road Athletic Complex. The complex has six regulation sized soccer fields and comprises 41 acres. The Town also received \$200,000 in Land and Water Conservation Fund grants towards the development of the complex. Recreation impact fee revenues are allocated to improve and expand recreation facilities for the benefit of all Londonderry residents.

The Town Council recently passed zoning ordinance amendments to encourage workforce housing opportunities, which will further strengthen the Town's economic development effort.

In fiscal year 2004 the Town issued a \$10 Million bond for the construction of a new Police Facility and Town Hall Facility, with \$4 Million being invested in the Town's Open Space Preservation Program. This bond has made great advancements towards updating our infrastructure. In FY06, voters approved \$200,000 to design replacement fire substations in North and South Londonderry and in FY07 approved a \$2,375,000 bond to construct a new substation in south Londonderry. Voters in 2007, 2008, 2009 and 2010 voted to bond a total of \$4,700,000 to reconstruct roads within the community. In 2010, the Town received a \$1,655,671 ARRA grant to construct a replacement North/West Fire Station. The Town and State have partnered to rebuild a major intersection on Route 28, which is key to broadening economic development efforts.

The Town continued its efforts to enhance its Geographical Information System (GIS). This system enables all departments and committees to better plan for the

future needs of the Town and assists in making more informed land use and infrastructure improvement decisions. The GIS system was used to complete the 2006 update to the open space preservation program.

ACKNOWLEDGEMENTS

This report continues to refine the financial reporting of the Town. It is the ninth year the Town has produced a comprehensive annual financial report (CAFR). The Town received the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Years beginning in 2003 through 2010. This recognized the Town Finance Department's efforts for full disclosure of the financial information of the Town. A CAFR is a much more detailed reporting of the Town's finances, as well as providing historical information in the statistical section of this report.

The Certificate of Achievement is valid for a period of one year only. The Town believes that the current CAFR continues to meet the Certificate of Achievement Program's requirements and it will be submitted to the Government Finance Officer's Association to determine its eligibility for another certificate.

The Town invites you to visit our web site at www.Londonderrynh.org where summary financial information is prominently displayed.

The publication of the CAFR requires many staff hours to accomplish and would not have been possible without the dedication of the entire staff of the Finance Department.

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.

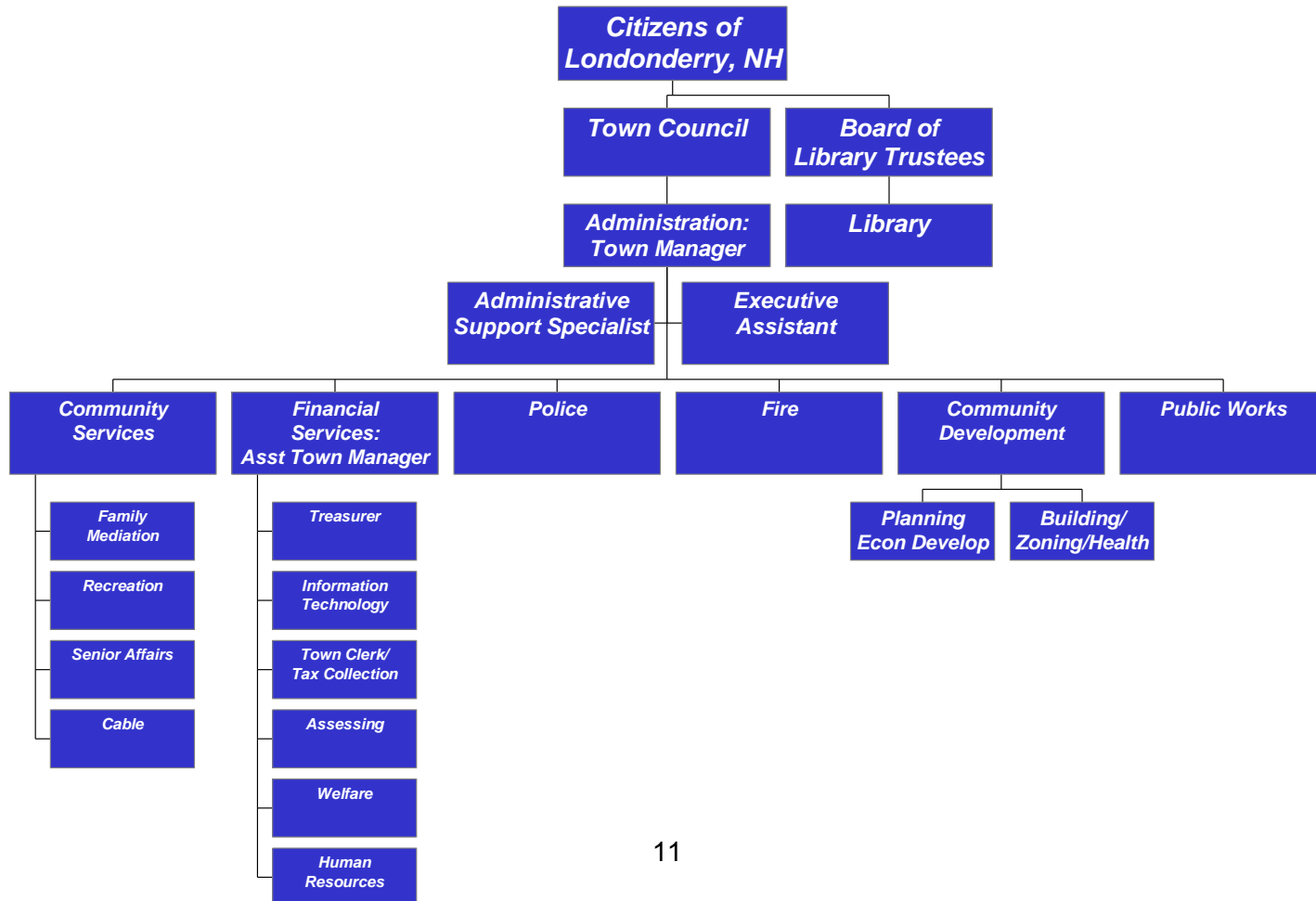
Respectfully submitted,


David Caron
Town Manager
Susan Hickey
Assistant Town Manager -
Finance & Administration

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Town of Londonderry

Organizational Chart



TOWN OF LONDONDERRY

DIRECTORY OF OFFICIALS

June 30, 2011

TOWN COUNCIL

Sean O'Keefe
Joe Green
Tom Dolan
John Farrell
Tom Freda

OTHER ELECTED OFFICIALS

Cindi Rice-Conley, Moderator
Marguerite Seymour, Town Clerk/Tax Collector
Robert Lincoln, Treasurer

OTHER OFFICIALS

David Caron, Town Manager
Susan Hickey, Assistant Town Manager - Finance & Administration

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Londonderry
New Hampshire

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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FINANCIAL SECTION



MELANSON HEATH & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT ADVISORS

102 Perimeter Road
Nashua, NH 03063-1301
Tel (603) 882-1111 • Fax (603) 882-9456
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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, 2011, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2011, and the respective changes in financial position, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, appearing on pages 17 - 25, and the supplementary information, appearing on page 62, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. 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 Statements And Schedules section is presented for purposes of additional analysis and is 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. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 10, 2011 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Melanson, Heath + Company P.C.

Nashua, New Hampshire
October 10, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Londonderry, we offer readers of the Town of Londonderry's financial statements this narrative overview and analysis of the financial activities of the Town of Londonderry for the fiscal year ended June 30, 2011. We encourage readers to consider the information here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-9 of this report.

A. FINANCIAL HIGHLIGHTS

As of the close of the current fiscal year, total assets exceeded liabilities by \$ 77,835,236 (*net assets*), a change of \$ (1,722,839) in comparison with the prior year. Of this amount, \$ 6,685,269 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 14,210,109, a change of \$ (1,994,737) in comparison with the prior year. Approximately 14% of this amount, \$ 1,979,472, is available for spending at the government's discretion (*unassigned fund balance*).

At the end of the current fiscal year, unassigned fund balance for the general fund was \$ 3,309,342, a change of \$ (660,508) in comparison to the prior year.

Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$ 19,520,000 a change of \$ (1,065,000) in comparison to the prior year.

B. 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 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 the Town's finances in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Town's 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 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).

The government-wide financial statements can be found on pages 28-29 of this report.

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. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Town's 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.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 30-34 of this report.

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.

The basic fiduciary fund financial statement can be found on page 35 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-61 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America. Required supplementary information can be found on page 62 of this report.

Additional combining statements and schedules are presented immediately following the required supplementary information. Combining statements and schedules can be found on pages 68-91 of this report.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the Town's condensed government-wide financial data for the current and prior fiscal years. All amounts are presented in thousands.

<u>NET ASSETS</u>				
Governmental				
<u>Activities</u>				
	<u>2011</u>	<u>2010</u>	<u>Amount</u> <u>Change</u>	<u>%</u> <u>Change</u>
Current and other assets	\$ 45,399	\$ 45,981	\$ (582)	-1.3%
Capital assets	<u>85,986</u>	<u>86,008</u>	<u>(22)</u>	<u>0.0%</u>
Total assets	131,385	131,989	(604)	-0.5%
Long-term liabilities outstanding	20,294	20,799	(505)	-2.4%
Other liabilities	<u>33,256</u>	<u>31,632</u>	<u>1,624</u>	<u>5.1%</u>
Total liabilities	53,550	52,431	1,119	2.1%
Net assets:				
Invested in capital assets, net	70,406	69,168	1,238	1.8%
Restricted	744	612	132	21.6%
Unrestricted	<u>6,685</u>	<u>9,778</u>	<u>(3,093)</u>	<u>-31.6%</u>
Total net assets	<u>\$ 77,835</u>	<u>\$ 79,558</u>	<u>\$ (1,723)</u>	<u>-2.2%</u>

CHANGES IN NET ASSETS

	<u>2011</u>	<u>2010</u>	<u>Amount Change</u>	<u>% Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ 6,396	\$ 6,242	\$ 154	2.5%
Operating grants and contributions	923	850	73	8.6%
Capital grants and contributions	1,490	1,333	157	11.8%
General revenues:				
Property taxes	15,257	14,830	427	2.9%
Interest, penalties and other taxes	895	871	24	2.8%
Motor vehicle registration fees	5,712	5,736	(24)	-0.4%
Grants and contributions not restricted to specific programs	1,247	1,199	48	4.0%
Investment income	37	102	(65)	-63.7%
Other	<u>356</u>	<u>267</u>	<u>89</u>	<u>33.3%</u>
Total revenues	32,313	31,430	883	2.8%
Expenses:				
General government	4,023	3,958	65	1.6%
Public safety	16,350	16,122	228	1.4%
Highways and streets	6,279	4,276	2,003	46.8%
Sanitation	4,492	3,440	1,052	30.6%
Health and welfare	175	165	10	6.1%
Culture and recreation	1,596	1,579	17	1.1%
Conservation	3	3	-	0.0%
Economic development	426	471	(45)	-9.6%
Interest	<u>705</u>	<u>744</u>	<u>(39)</u>	<u>-5.2%</u>
Total expenses	34,049	30,758	3,291	10.7%
Change in net assets before permanent fund contributions	(1,736)	672	(2,408)	-358.3%
Permanent fund contributions	<u>13</u>	<u>17</u>	<u>(4)</u>	<u>-23.5%</u>
Change in net assets	(1,723)	689	(2,412)	-350.1%
Net assets - beginning of year	<u>79,558</u>	<u>78,869</u>	<u>689</u>	<u>0.9%</u>
Net assets - end of year	<u>\$ 77,835</u>	<u>\$ 79,558</u>	<u>\$ (1,723)</u>	<u>-2.2%</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 \$ 77,835,236, a change of \$ (1,722,839) from the prior year.

The largest portion of net assets, \$ 70,406,443 (90.5 percent), reflects the Town's investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net assets, \$ 743,524 (1%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$ 6,685,269, may be used to meet the Town's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities for the year resulted in a change in net assets of \$ (1,722,839). Key elements of this change are as follows:

General fund operations, as discussed further in Section D	\$ (1,644,331)
Nonmajor fund expenditures and transfers out in excess of revenues and transfers in; primarily related to expenditures for the Exit 4A project, which has not yet been bonded	(350,406)
Other	<u>271,898</u>
Total	\$ <u>(1,722,839)</u>

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Town uses fund accounting 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 the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$ 14,210,109, a change of \$ (1,994,737) in comparison to the prior year. Key elements of this change are as follows:

General fund operations, as discussed further below	\$ (1,644,331)
Nonmajor fund expenditures and transfers out in excess of revenues and transfers in; primarily related to expenditures for the Exit 4A project, which has not yet been bonded	<u>(350,406)</u>
Total	\$ <u><u>(1,994,737)</u></u>

In fiscal year 2011, the Town implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. In general, amounts previously reported as undesignated fund balance are now required to be reported as *unassigned fund balance*. In addition, amounts previously reported in capital reserve funds are now combined with and reported as *committed fund balance* in the general fund. Full definitions of all changes in fund balance classifications resulting from the implementation of GASB 54 can be found in the notes to the financial statements.

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance in the general fund was \$ 3,309,342, while total fund balance was \$ 8,393,828. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. The results of this comparison are summarized in the table below.

<u>General Fund</u>	<u>6/30/11</u>	<u>6/30/10</u>	<u>Change</u>	% of Total General Fund Expenditures
Unassigned fund balance	\$ 3,309,342	\$ 3,969,850	\$ (660,508)	11.6%
Total fund balance ¹	8,393,828	10,038,159	(1,644,331)	29.5%

¹Includes capital reserve funds. Prior period balances have been restated to conform with current GASB 54 presentation.

The total fund balance of the general fund changed by \$ (1,644,331) during the current fiscal year. Key factors in this change are as follows:

Revenues less than budget	\$ (182,144)
Expenditures less than budget	843,769
Use of fund balance as a funding source	(871,456)
Excess of prior year encumbrances over current year	(1,232,672)
Other	<u>(201,828)</u>
Total	\$ <u><u>(1,644,331)</u></u>

Because of the effects of implementing GASB 54, the Town's capital reserve funds are now included in the total general fund balance as follows:

	Fund balance <u>6/30/11</u>	Fund balance <u>6/30/10</u>	<u>Change</u>
General fund	\$ 7,796,792	\$ 9,450,657	\$ (1,653,865)
Capital reserve funds	<u>597,036</u>	<u>587,502</u>	<u>9,534</u>
Total	<u>\$ 8,393,828</u>	<u>\$ 10,038,159</u>	<u>\$ (1,644,331)</u>

E. GENERAL FUND BUDGETARY HIGHLIGHTS

Significant budget to actual variances for general fund revenues and expenditures include the following:

- Motor vehicle registration fees were under budget by \$ (713,193) due to a general decline in motor vehicle revenues throughout the State.
- Building permit revenues were under budget by \$ (126,278) as a result of continued economic uncertainties associated with a lagging economy.
- Investment income was under budget by \$ (338,906) due to continued Federal Reserve policies to keep interest rates as low as possible in an attempt to stimulate the economy.
- Transfers in were over budget by \$ 425,772 due to close-outs of surplus balances in special revenue and capital project funds.
- Capital outlay expenditures were under budget by \$386,354, primarily due to unspent prior year encumbrances for the Page St./Rte. 28 project.
- Many departments met the Town Manager's goal of turning back 2.0% of their budget in an effort to offset continued declines in local revenues.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental activities at year end amounted to \$ 85,986,443 (net of accumulated depreciation), a change of \$ (22,101) from the prior year. This investment in capital assets includes land, construction in progress, buildings and improvements, machinery, vehicles and equipment, intangibles, improvements other than buildings, and infrastructure.

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

- \$ 1,518,288 for the completion of the North/West fire substation.
- \$ 409,581 for a Pierce Saber heavy duty rescue truck.
- \$ 202,846 for highway department heavy equipment and trucks.
- \$ 187,826 for ongoing work on the Exit 4A project.
- \$ 173,241 for a Ford Type III ambulance.
- \$ 339,628 for other capital asset additions.
- \$ (2,853,511) in current year depreciation expense.

Additional information on the Town's capital assets can be found in Note 11 on page 50-51 of this report.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was \$ 19,520,000, all of which was backed by the full faith and credit of the government.

Credit rating. As of June 30, 2011, Moody's Investors Service affirmed the Town's Aa2 credit rating on outstanding bonded debt.

Additional information on the Town's long-term debt can be found in Note 17 on pages 52-54 of this report.

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

The general outlook for the Town of Londonderry is positive. Although the country as a whole continues to struggle with a weak economy, Londonderry's unemployment rate of 6% remains well under the current U.S. unemployment rate of 9.2%. The Town, in partnership with the State of New Hampshire, continues to invest strongly in its public works infrastructure and is poised to benefit from continued improvements in the overall economy.

For the upcoming fiscal year, Town taxpayers at the Annual Budgetary Town Meeting approved an operating and capital improvement budget totaling \$ 32,807,641. This budget includes a \$ 1,000,000 subsequent bond issue for the Town's ongoing Roadway Management Program.

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 Assistant Town Manager
For Finance and Administration
Town of Londonderry
268 B Mammoth Road
Londonderry, New Hampshire 03053

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Basic Financial Statements

TOWN OF LONDONDERRY, NEW HAMPSHIRE

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Governmental Activities
ASSETS	
Current:	
Cash and short-term investments	\$ 42,167,308
Investments	713,951
Receivables, net of allowance for uncollectibles:	
Property taxes	1,053,658
User fees	456,534
Intergovernmental	296,823
Other	571,334
Prepaid expenses	125,900
Other	12,810
Total current assets	45,398,318
Noncurrent:	
Capital assets:	
Land and construction in progress	19,555,744
Other capital assets, net of accumulated depreciation	66,430,699
Total noncurrent assets	85,986,443
TOTAL ASSETS	131,384,761
LIABILITIES	
Current:	
Accounts payable	646,195
Accrued liabilities	581,611
Taxes collected in advance	29,069,577
Tax refunds payable	28,398
Other liabilities	132,477
Current portion of long-term liabilities:	
Bonds payable	2,150,000
Compensated absences	637,369
Landfill post-closure	10,000
Total current liabilities	33,255,627
Noncurrent:	
Bonds payable, net of current portion	17,370,000
Compensated absences, net of current portion	940,685
Landfill post-closure, net of current portion	140,000
OPEB liability	1,843,213
Total noncurrent liabilities	20,293,898
TOTAL LIABILITIES	53,549,525
NET ASSETS	
Invested in capital assets, net of related debt	70,406,443
Restricted externally or constitutionally for:	
Permanent funds:	
Nonexpendable	641,919
Expendable	101,605
Unrestricted	6,685,269
TOTAL NET ASSETS	\$ 77,835,236

See notes to financial statements.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2011

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
			Operating	Capital	
	<u>Expenses</u>	<u>Charges for</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Governmental</u>
		<u>Services</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Activities</u>
Governmental Activities:					
General government	\$ 4,022,647	\$ 378,670	\$ 138,965	\$ -	\$ (3,505,012)
Public safety	16,350,045	3,678,903	104,357	1,490,155	(11,076,630)
Highways and streets	6,279,279	-	590,146	-	(5,689,133)
Sanitation	4,491,804	2,331,359	224	-	(2,160,221)
Health and welfare	175,417	-	998	-	(174,419)
Culture and recreation	1,596,464	6,820	69,742	-	(1,519,902)
Conservation	2,406	-	18,610	-	16,204
Economic development	425,783	-	-	-	(425,783)
Interest	<u>705,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(705,234)</u>
Total Governmental Activities	\$ <u>34,049,079</u>	\$ <u>6,395,752</u>	\$ <u>923,042</u>	\$ <u>1,490,155</u>	(25,240,130)
General Revenues:					
					15,257,216
					894,631
					5,711,807
					1,247,462
					37,105
					<u>355,890</u>
Total general revenues					<u>23,504,111</u>
					(1,736,019)
Permanent fund contributions					<u>13,180</u>
					(1,722,839)
Net Assets:					
Beginning of year					<u>79,558,075</u>
End of year					\$ <u>77,835,236</u>

See notes to financial statements.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2011

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and short-term investments	\$ 40,726,922	\$ 1,440,386	\$ 42,167,308
Investments	-	713,951	713,951
Receivables, net of allowance for uncollectibles:			
Property taxes	1,027,658	26,000	1,053,658
User fees	418,535	37,999	456,534
Intergovernmental	296,823	-	296,823
Other	47,604	523,730	571,334
Due from other funds	2,883,304	4,908,488	7,791,792
Prepaid expenditures	125,900	-	125,900
Other	12,810	-	12,810
TOTAL ASSETS	\$ 45,539,556	\$ 7,650,554	\$ 53,190,110
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 642,198	\$ 3,997	\$ 646,195
Accrued liabilities	306,558	-	306,558
Deferred revenues	941,005	63,999	1,005,004
Taxes collected in advance	29,069,577	-	29,069,577
Tax refunds payable	28,398	-	28,398
Due to other funds	6,027,757	1,764,035	7,791,792
Other liabilities	130,235	2,242	132,477
TOTAL LIABILITIES	37,145,728	1,834,273	38,980,001
Fund Balances:			
Nonspendable	125,900	641,919	767,819
Restricted	1,937,169	260,886	2,198,055
Committed	1,765,261	6,243,346	8,008,607
Assigned	1,256,156	-	1,256,156
Unassigned	3,309,342	(1,329,870)	1,979,472
TOTAL FUND BALANCES	8,393,828	5,816,281	14,210,109
TOTAL LIABILITIES AND FUND BALANCES	\$ 45,539,556	\$ 7,650,554	\$ 53,190,110

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, 2011

Total governmental fund balances	\$ 14,210,109
<ul style="list-style-type: none">• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	85,986,443
<ul style="list-style-type: none">• Revenues are reported on the accrual basis of accounting and are not deferred until collection.	1,005,004
<ul style="list-style-type: none">• In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(275,053)
<ul style="list-style-type: none">• Long-term liabilities, including bonds payable, compensated absences, landfill post-closure, and OPEB liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(23,091,267)</u>
Net assets of governmental activities	\$ <u><u>77,835,236</u></u>

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, 2011

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Property taxes	\$ 15,191,178	\$ -	\$ 15,191,178
Interest, penalties and other taxes	894,631	23,071	917,702
Licenses and permits	5,890,687	533,991	6,424,678
Intergovernmental	1,849,703	1,490,154	3,339,857
Charges for services	929,255	5,058,333	5,987,588
Investment income	37,105	139,109	176,214
Other revenues	343,795	88,219	432,014
Total Revenues	<u>25,136,354</u>	<u>7,332,877</u>	<u>32,469,231</u>
Expenditures:			
Current:			
General government	3,264,043	294,562	3,558,605
Public safety	12,642,797	2,602,274	15,245,071
Highways and streets	3,042,461	-	3,042,461
Sanitation	1,811,568	2,142,875	3,954,443
Health and welfare	174,928	489	175,417
Culture and recreation	1,351,525	186,592	1,538,117
Conservation	2,011	396	2,407
Economic development	422,655	-	422,655
Capital outlay	2,948,809	1,777,682	4,726,491
Debt service	2,798,301	-	2,798,301
Total Expenditures	<u>28,459,098</u>	<u>7,004,870</u>	<u>35,463,968</u>
Excess (deficiency) of revenues over (under) expenditures	(3,322,744)	328,007	(2,994,737)
Other Financing Sources (Uses):			
Bond issuance	1,000,000	-	1,000,000
Transfers in	958,869	280,456	1,239,325
Transfers out	(280,456)	(958,869)	(1,239,325)
Total Other Financing Sources (Uses)	<u>1,678,413</u>	<u>(678,413)</u>	<u>1,000,000</u>
Net changes in fund balances	(1,644,331)	(350,406)	(1,994,737)
Fund Balances, beginning of year, as restated	<u>10,038,159</u>	<u>6,166,687</u>	<u>16,204,846</u>
Fund Balances, end of year	<u>\$ 8,393,828</u>	<u>\$ 5,816,281</u>	<u>\$ 14,210,109</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, 2011

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (1,994,737)
<ul style="list-style-type: none"> Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: 	
Capital outlay purchases	2,831,410
Depreciation	(2,853,511)
<ul style="list-style-type: none"> 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. 	(142,991)
<ul style="list-style-type: none"> The issuance of long-term debt (e.g., bonds and leases) 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: 	
Issuance of bond debt	(1,000,000)
Repayments of bonded debt	2,065,000
<ul style="list-style-type: none"> In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. 	28,067
<ul style="list-style-type: none"> Some expenses reported in the Statement of Activities, do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds. 	
Compensated absences	(22,072)
Landfill post-closure liability	10,000
OPEB liability	(644,005)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ <u>(1,722,839)</u>

See notes to financial statements.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES AND OTHER SOURCES,
AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	Original <u>Budget</u>	Final <u>Budget</u>	Actual Amounts (Budgetary <u>Basis</u>)	Variance with Final Budget Positive (<u>Negative</u>)
Revenues and other sources:				
Property taxes	\$ 15,012,973	\$ 15,012,973	\$ 15,012,973	\$ -
Interest, penalties, and other taxes	870,594	870,594	895,568	24,974
Licenses and permits	6,726,500	6,726,500	5,890,686	(835,814)
Intergovernmental	1,810,327	1,810,327	1,849,703	39,376
Charges for services	585,500	585,500	929,255	343,755
Investment income	375,000	375,000	36,094	(338,906)
Other revenues	165,000	165,000	323,699	158,699
Other financing sources:				
Bond issuance	1,000,000	1,000,000	1,000,000	-
Transfers in	522,500	522,500	948,272	425,772
Use of fund balance	<u>871,456</u>	<u>871,456</u>	<u>871,456</u>	<u>-</u>
Total Revenues	27,939,850	27,939,850	27,757,706	(182,144)
Expenditures and other uses:				
Current:				
General government	3,090,390	3,090,390	3,067,322	23,068
Public safety	12,746,968	12,746,968	12,670,489	76,479
Highways and streets	3,260,101	3,260,101	3,110,646	149,455
Sanitation	1,849,006	1,849,006	1,807,602	41,404
Health and welfare	228,314	228,314	174,928	53,386
Culture and recreation	1,402,824	1,402,824	1,351,526	51,298
Conservation	3,476	3,476	2,010	1,466
Economic development	474,564	474,564	436,155	38,409
Capital outlay	1,248,000	1,248,000	861,646	386,354
Debt service	2,820,751	2,820,751	2,798,301	22,450
Other financing uses:				
Transfers out	<u>815,456</u>	<u>815,456</u>	<u>815,456</u>	<u>-</u>
Total Expenditures	<u>27,939,850</u>	<u>27,939,850</u>	<u>27,096,081</u>	<u>843,769</u>
Excess of revenues and other sources over expenditures and other uses	\$ <u>-</u>	\$ <u>-</u>	\$ <u>661,625</u>	\$ <u>661,625</u>

See notes to financial statements.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2011

	Agency Funds
<u>ASSETS</u>	
Cash and short term investments	\$ 2,597,864
Investments	<u>12,003</u>
Total Assets	<u><u>\$ 2,609,867</u></u>
<u>LIABILITIES</u>	
Escrow deposits	\$ 2,238,527
School funds	<u>371,340</u>
Total Liabilities	<u><u>\$ 2,609,867</u></u>

See notes to financial statements.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Notes to the Financial Statements June 30, 2011

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 a 5-member 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 2011, it was determined that no entities met the required GASB 39 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 activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements; however, interfund services provided and used was not eliminated by the process of consolidation. 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 funds are reported as separate columns in the fund financial statements.

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

Government-Wide Financial Statements

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

Fund Financial Statements

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

The government reports the following major governmental funds:

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

Additionally, the Town reports the following fund type:

- The *agency fund* is used to account for resources legally held in trust for impact fees, construction escrows and school district capital reserves. Agency funds, unlike other funds, have no measurement focus, reporting only assets and liabilities.

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 are included under investment 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 for the Trust Funds consist of marketable securities, bonds, mutual funds, and short-term money market investments. 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. 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.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

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

H. 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 and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

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

The governmental fund financial statements recognize the proceeds of debt as other financing sources in the current period, while debt issuance costs are reported as expenditures.

J. Fund Equity

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

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

The Town’s fund balance classifications are as follows:

- 1) *Nonspendable funds* are either unspendable in the current form (i.e., inventory or prepaid items) or can never be spent (i.e., cemetery perpetual care).
- 2) *Restricted funds* are restricted to specific purposes by external constraints imposed by laws, creditors, or grantors, or others outside of the Town’s organization. The Town reports restricted fund balance in the general fund for the encumbered, unspent proceeds of bond issuances, and in the special revenue funds for funds that have been created by statute or have other external constraints on how the monies held in these funds may be expended.
- 3) *Committed funds* can only be used for specific purposes pursuant to constraints imposed by formal action of the Town’s highest decision making authority, which is the annual Budgetary Town Meeting. These commitments can only be established, modified, or rescinded by majority Town Meeting vote. The Town reports committed fund balance in the general fund for the encumbered, unspent portion of non-lapsing capital appropriations, as well as for capital reserves set aside by Town Meeting vote for future capital acquisitions and improvements. The Town also reports committed fund balance for all special revenue funds, other than those that are externally restricted to expenditure for a specified purpose.
- 4) *Assigned funds* are intended to be used for specific purposes as established by Town management. The Town reports assigned fund balance in the general fund for year-end departmental encumbrances for goods and services that have been ordered but not yet received. The Town also reports assigned fund balance for general fund surplus fund balance that has been appropriated as a funding source for the subsequent fiscal period.
- 5) *Unassigned funds* are available to be spent in future periods.

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

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as *restricted* when there are limitations imposed on their use either through enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net assets are reported as *unrestricted*.

K. *Use of Estimates*

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

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

A. *Budgetary Information*

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 revenue sources. The original budget can be amended during the fiscal year by special town meetings as required by changing conditions.

The Town's 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 (i.e., sewer fund and cable fund).

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

B. Budgetary Basis

The general fund and special revenue funds final appropriation appearing on the "Budget and Actual" pages of the fund financial statements represents the final amended budget after all transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

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

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

	Revenues and Other <u>Financing Sources</u>	Expenditures and Other <u>Financing Uses</u>
<u>General Fund:</u>		
Revenues/Expenditures (GAAP basis)	\$ 25,136,354	\$ 28,459,098
Other financing sources/uses (GAAP basis)	<u>1,958,869</u>	<u>280,456</u>
Subtotal (GAAP Basis)	27,095,223	28,739,554
Adjust tax revenue to accrual basis	(178,205)	-
Subtract beginning of year appropriation carryforwards from expenditures	-	(5,071,223)
Add end of year appropriation carryforwards to expenditures	-	3,838,551
Recognize use of fund balance as a funding source	871,456	-
Reverse effect of combining general fund and capital reserve funds (GASB54)	(11,608)	(2,074)
Reverse various timing differences	<u>(19,160)</u>	<u>(408,727)</u>
Budgetary basis	\$ <u><u>27,757,706</u></u>	\$ <u><u>27,096,081</u></u>

(continued)

(continued)

	Revenues and Other <u>Financing Sources</u>	Expenditures and Other <u>Financing Uses</u>
<u>Nonmajor Governmental Funds:</u>		
Revenues/Expenditures (GAAP basis)	\$ 7,332,877	\$ 7,004,870
Other financing sources/uses (GAAP basis)	<u>280,456</u>	<u>958,869</u>
Subtotal (GAAP Basis)	7,613,333	7,963,739
Less non-budgeted nonmajor funds	(4,979,594)	(5,614,232)
Subtract beginning of year appropriation carryforwards from expenditures	-	(1,259,636)
Add end of year appropriation carryforwards to expenditures	-	1,890,036
Remove deferred revenue	<u>37,999</u>	<u>-</u>
Budgetary basis	\$ <u><u>2,671,738</u></u>	\$ <u><u>2,979,907</u></u>

D. Excess of Expenditures Over Appropriations

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

General Fund:

Town council	\$ (2,178)
General services	\$ (102,224)
Fire department	\$ (99,922)

E. Deficit Fund Equity

The following funds had deficits as of June 30, 2011:

Nonmajor:

Capital project funds:

Exit 4A	\$ (1,096,162)
Mammoth Road/Litchfield Road	\$ (233,708)

The deficits in these funds will be eliminated through future bond proceeds and interfund transfers.

3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. New Hampshire RSA 41:29 stipulates that Town funds be deposited "in participation units in the public deposit investment pool established pursuant to RSA 383:22 or in federally insured banks chartered under the laws of New Hampshire or the federal government with a branch within the state, except that funds may be deposited in federally insured banks outside the state if such banks pledge and deliver to a third party custodial bank or the federal reserve bank collateral security of the following types:

- (a) United States governmental obligations
- (b) United States government agency obligations; or
- (c) Obligations of the State of New Hampshire in value at least equal to the amount of the deposit in each case."

In addition, RSA 41:29 allows excess funds "which are not immediately needed for the purpose of expenditure" to be invested in the "public deposit investment pool established pursuant to RSA 383:22, or in deposits, including money market accounts, or certificates of deposit, or repurchase agreements, and all other types on interest bearing accounts, of federally insured banks chartered under the laws of New Hampshire or the federal government with a branch within the state, or in obligations fully guaranteed as to principal and interest by the United States government."

The Town's deposit policy for custodial credit risk requires a comprehensive review of the credit worthiness and capital ratios of the institutions. The Town's deposit policy limits the investment of Town assets to U.S. Treasury Securities maturing in less than one year, fully insured or collateralized certificates of deposits at commercial banks of the State of New Hampshire, New England Region and the State of New York, repurchase agreements fully collateralized by the U.S. Treasury Securities or agencies, and any state approved pool or instrument. The Town's policy further stipulates that all Town assets be secured through third-party custody and safekeeping procedures.

As of June 30, 2011, none of the Town's bank balance of \$ 43,943,776 was exposed to custodial credit risk as uninsured, uncollateralized, or collateral held by pledging bank's trust department not in the Town's name.

The Town also maintains various trust funds that are managed by the Trustees of Trust Funds (Trustees). As of June 30, 2011, none of the Trustees' short-term cash and investment balances of \$ 29,573 were exposed to custodial credit risk as uninsured, uncollateralized, or collateral held by pledging bank's trust department not in the Town's name.

4. Investments

A. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Both the Town's and Trustees' investment policies follow the guidelines of New Hampshire RSA 31.

As of June 30, 2011, none of the Town's investments of \$ 12,003 were exposed to custodial credit risk.

As of June 30, 2011, none of the Trustees' investments of \$ 713,951 were exposed to custodial credit risk.

B. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the "prudent investor rule" whereby investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. Neither the Town's nor the Trustees' policies specifically address investment credit risk.

Presented below (in thousands) is the actual rating as of year end for each of the Town's and Trustees' investments (All federal agency securities have an implied credit rating of AAA.):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating as of Year End</u>			<u>Not Rated</u>
		<u>AAA</u>	<u>AA3</u>	<u>BAA1</u>	
Debt-related Securities:					
Corporate bonds	\$ 59	\$ -	\$ 22	\$ 10	\$ 27
Federal agency securities	<u>56</u>	<u>56</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	115	<u>\$ 56</u>	<u>\$ 22</u>	<u>\$ 10</u>	<u>\$ 27</u>
Certificates of deposit	23				
Corporate equities	240				
Mutual funds	<u>348</u>				
Total	<u>\$ 726</u>				

C. Concentration of Credit Risk

Neither the Town nor the Trustees place limits on the amount that may be invested in any one issuer.

As of June 30, 2011, all of the Town's investments were held in an FDIC-insured bank certificate of deposit.

As of June 30, 2011, the Trustees did not have investments in any one issuer greater than 5% of total investments.

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Neither the Town nor the Trustees have a formal investment policy that limits investment maturities as a means of managing their exposure to fair value losses arising from changing interest rates.

Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is as follows (in thousands):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
Debt Related Securities:				
Corporate bonds	\$ 59	\$ -	\$ 59	\$ -
Federal agency securities	<u>56</u>	<u>26</u>	<u>-</u>	<u>30</u>
Total	<u>\$ 115</u>	<u>\$ 26</u>	<u>\$ 59</u>	<u>\$ 30</u>

E. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. Neither the Town nor the Trustees have policies for foreign currency risk.

5. Taxes Receivable

The Town bills property taxes on a semi-annual basis, with property taxes 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 Town's subsequent year's operations.

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

The Town annually budgets an amount (overlay) for residential and business property tax abatements and refunds. All abatements and refunds are charged to this overlay account and are classified as a contra-tax revenue in the general fund. The overlay account also includes probable abatements accrued to be paid.

Taxes receivable at June 30, 2011 consist of the following:

Property Taxes:		
2010	\$ 3,975	
2009	<u>4,934</u>	
		8,909
Tax Liens:		
2010	603,437	
2009	347,436	
2008	49,810	
Prior	<u>15,787</u>	
		1,016,470
Yield tax		<u>2,279</u>
Total		<u>\$ 1,027,658</u>

Taxes Collected for Others

The Town collects property taxes for the Londonderry School District and for Rockingham County. Payments to the school district are normally made throughout the year and payment to the County is normally made in December. However, ultimate responsibility for the collection of these taxes rests with the Town.

6. User Fees Receivable and Allowance for Doubtful Accounts

User fees receivable include amounts due from customers for ambulance and sewer services. Ambulance receivables are recorded in the general fund and are reported net of an allowance for doubtful accounts; the allowance amount is estimated using receivables that are more than 120 days past due. Sewer receivables are reported in special revenue funds; delinquent sewer receivables are liened in a manner similar to property taxes, as described in Note 5.

User fees receivable and related allowance for doubtful accounts at June 30, 2011 consist of the following:

	<u>Ambulance</u>	<u>Sewer</u>	<u>Total</u>
Gross receivable	\$ 565,164	\$ 37,999	\$ 603,163
Less: allowance for doubtful accounts	<u>(146,629)</u>	<u>-</u>	<u>(146,629)</u>
Total	<u>\$ 418,535</u>	<u>\$ 37,999</u>	<u>\$ 456,534</u>

7. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2011.

8. Other Receivables

Other receivables consist of:

General fund:		
Other		\$ 47,604
Combined nonmajor funds:		
Police special detail	204,782	
Police airport division	<u>318,948</u>	
Subtotal		<u>523,730</u>
Total		<u>\$ 571,334</u>

9. Interfund Fund Receivables/Payables and Interfund 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, 2011 balances in interfund receivable and payable accounts:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General fund	\$ 2,883,304	\$ 6,027,757
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Sewer fund	4,186,972	-
Cable fund	538,791	-
Police detail fund	-	82,504
Police airport division	-	318,792
Conservation commission	-	29,738
Reclamation fund	-	1,028
Other special funds	65,438	-
Capital Project Funds:		
Exit 4A	-	1,098,265
Fire Facilities	117,287	-
Mammoth Rd/Litchfield Rd	-	233,708
Subtotal Nonmajor Funds	<u>4,908,488</u>	<u>1,764,035</u>
Total	<u>\$ 7,791,792</u>	<u>\$ 7,791,792</u>

Following is an analysis of interfund transfers during fiscal year 2011. The primary purpose of these transfers is to ensure budgetary compliance. Most transfers are budgeted in the general fund and transferred to/from other funds. The Town annually budgets transfers from the sewer and cable funds to the general fund to cover their share of general fund costs.

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ 958,869	\$ 280,456
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Sewer fund	-	300,000
Cable fund	-	40,000
Police airport division	-	199,981
Library trustees	110,000	-
Other special funds	7,000	20,554
Capital Project Funds:		
South Londonderry Phase II	-	353,446
West Road fields	-	27,388
Fire facilities	163,456	-
Permanent Fund	-	17,500
Subtotal Nonmajor Funds	<u>280,456</u>	<u>958,869</u>
Total	<u>\$ 1,239,325</u>	<u>\$ 1,239,325</u>

In fiscal year 2011, the Town implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). One of the effects of this implementation is that the Town's capital reserve funds, which were formerly reported as nonmajor governmental funds, are now combined and reported with the Town's general fund. As a result, inter-fund transfers between these funds have been eliminated from the governmental fund financial statements.

Following is a summary of fiscal year 2011 budgeted transfers between the Town's general fund and capital reserve funds, which have been eliminated from the governmental fund financial statements in accordance with the reporting requirements of GASB 54.

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:		
General Fund	\$ -	\$ 535,000
Capital Reserve Funds		
Fire department	145,000	-
Ambulance	60,000	-
Highway trucks	80,000	-
Highway heavy equipment	40,000	-
Pillsbury cemetery	210,000	-
Total	\$ <u>535,000</u>	\$ <u>535,000</u>

10. **Prepaid Expenditures**

This balance represents subsequent year expenditures that were paid in the current fiscal year.

11. **Capital Assets**

Capital asset activity for the year ended June 30, 2011 was as follows (in thousands):

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 12,562	\$ 1,844	\$ -	\$ 14,406
Machinery, equipment, and furnishings	8,657	984	(5)	9,636
Intangibles	1,358	78	-	1,436
Infrastructure	84,309	-	-	84,309
Improvements other than buildings	556	-	-	556
Total capital assets, being depreciated	107,442	2,906	(5)	110,343
Less accumulated depreciation for:				
Buildings and improvements	(2,245)	(311)	-	(2,556)
Machinery, equipment, and furnishings	(6,500)	(821)	5	(7,316)
Intangibles	(1,357)	(1)	-	(1,358)
Infrastructure	(30,873)	(1,668)	-	(32,541)
Improvements other than buildings	(89)	(52)	-	(141)
Total accumulated depreciation	(41,064)	(2,853)	5	(43,912)
Total capital assets, being depreciated, net	66,378	53	-	66,431
Capital assets, not being depreciated:				
Land	12,501	-	-	12,501
Construction in progress	7,130	211	(286)	7,055
Total capital assets, not being depreciated	19,631	211	(286)	19,556
Governmental activities capital assets, net	<u>\$ 86,009</u>	<u>\$ 264</u>	<u>\$ (286)</u>	<u>\$ 85,987</u>

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

Governmental Activities:	
General government	\$ 209
Public safety	750
Highways and streets	1,280
Sanitation	547
Culture and recreation	66
Economic development	1
Total depreciation expense - governmental activities	<u>\$ 2,853</u>

12. Accounts Payable

Accounts payable represent 2011 expenditures paid after June 30, 2011.

13. Accrued Liabilities

Accrued liabilities on the governmental fund balance sheet primarily consist of accrued payroll and accrued benefit leave payable, while accrued liabilities on the statement of net assets include these same liabilities as well as accrued interest on long-term debt at June 30, 2011.

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, 2011 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, 2011 for the subsequent year's tax levy.

16. Tax Refunds Payable

This balance consists of an estimate of refunds due to property taxpayers for potential abatements. These cases are currently pending with the state Board of Tax and Land Appeals.

17. 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, such as compensated absences, is 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 Through	Net Interest Cost (%)	Amount Outstanding as of 6/30/11
<u>Governmental Activities:</u>			
Mammoth Road sewer	11/01/21	4.39%	\$ 1,320,000
Multi-purpose bond	10/15/12	3.59%	330,000
Multi-purpose bond	07/01/23	3.83%	8,855,000
Refunding bonds	10/15/15	2.74%	1,200,000
Open space conservation	12/01/14	3.31%	400,000
Open space & fire station	08/15/26	4.02%	3,475,000
Roadway improvements	01/15/18	3.07%	840,000
Roadway improvements	11/15/18	3.58%	1,200,000
Roadway improvements	07/15/19	2.43%	900,000
Roadway improvements	12/01/20	2.38%	1,000,000
Total Governmental Activities:			<u>\$ 19,520,000</u>

C. Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2011 are as follows:

<u>Governmental Activities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 2,150,000	\$ 692,187	\$ 2,842,187
2013	2,145,000	620,971	2,765,971
2014	1,805,000	553,611	2,358,611
2015	1,710,000	492,202	2,202,202
2016	1,610,000	431,906	2,041,906
2017-2021	6,715,000	1,321,073	8,036,073
2022-2026	3,185,000	273,470	3,458,470
Thereafter	200,000	4,150	204,150
Total	<u>\$ 19,520,000</u>	<u>\$ 4,389,570</u>	<u>\$ 23,909,570</u>

D. Bond Authorizations/Unissued

Long term debt authorizations which have not been issued or rescinded as of June 30, 2011 are as follows:

<u>Purpose</u>	<u>Amount</u>
Mammoth Road Sewer	\$ 225,000
Auburn Road Water Line	49,600
Exit 4A Construction	4,500,000
Auburn Road Landfill Site	900,000
Roadway Improvements	1,000,000
Total Unissued Bond Authorizations	<u>\$ 6,674,600</u>

E. Changes in General Long-Term Liabilities

During the year ended June 30, 2011, the following changes occurred in long-term liabilities (in thousands):

	Total Balance <u>7/1/10</u>	<u>Additions</u>	<u>Reductions</u>	Total Balance <u>6/30/11</u>	Less Current Portion <u>Portion</u>	Equals Long-Term Portion <u>6/30/11</u>
<u>Governmental Activities</u>						
Bonds payable	\$ 20,585	\$ 1,000	\$ (2,065)	\$ 19,520	\$ (2,150)	\$ 17,370
Other:						
Compensated absences	1,556	45	(23)	1,578	(637)	941
Landfill post-closure	160	-	(10)	150	(10)	140
OPEB liability	<u>1,199</u>	<u>936</u>	<u>(292)</u>	<u>1,843</u>	<u>-</u>	<u>1,843</u>
Totals	<u>\$ 23,500</u>	<u>\$ 1,981</u>	<u>\$ (2,390)</u>	<u>\$ 23,091</u>	<u>\$ (2,797)</u>	<u>\$ 20,294</u>

The general fund has been designated as the primary source to repay all governmental-type long-term liabilities.

18. Landfill Closure and Post-closure Care Costs

The Town's landfill has been closed and capped. However, State and Federal laws and regulations require the Town to perform certain maintenance and monitoring functions at its capped landfill site for a period of thirty years after closure. These *post-closure care* costs are reported as a long-term liability in the government-wide financial statements, and a portion of the liability is expensed each year. The amount of the post-closure care liability and the portion of costs expensed each year are based on estimates provided by management. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

19. 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.

20. **Governmental Funds - Balances**

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

In fiscal year 2011, the Town implemented GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions.

The following types of fund balances are reported at June 30, 2011:

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

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

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

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

Following is a breakdown of the Town's fund balances at June 30, 2011:

	General <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Nonspendable			
Prepaid expenditures	\$ 125,900	\$ -	\$ 125,900
Nonexpendable permanent funds	-	641,919	641,919
	<u>\$ 125,900</u>	<u>\$ 641,919</u>	<u>\$ 767,819</u>
Restricted			
Bonded projects	\$ 1,937,169	\$ 117,287	\$ 2,054,456
Leach Library	-	41,994	41,994
Expendable permanent funds	-	101,605	101,605
	<u>\$ 1,937,169</u>	<u>\$ 260,886</u>	<u>\$ 2,198,055</u>
Committed			
Non-lapsing capital appropriations	\$ 1,168,225	\$ -	\$ 1,168,225
Capital reserve funds	597,036	-	597,036
Special revenue funds	-	6,243,346	6,243,346
	<u>\$ 1,765,261</u>	<u>\$ 6,243,346</u>	<u>\$ 8,008,607</u>
Assigned			
Encumbrances	\$ 733,156	\$ -	\$ 733,156
Appropriated fund balance	523,000	-	523,000
	<u>\$ 1,256,156</u>	<u>\$ -</u>	<u>\$ 1,256,156</u>

21. General Fund Unassigned Fund Balance

The unassigned general fund balance reported on the governmental funds balance sheet is stated in accordance with generally accepted accounting principles (GAAP), which differs in respect to how undesignated fund balance is reported in accordance with the budgetary basis for reporting to the State of New Hampshire for tax rate setting purposes. The major difference is the State of New Hampshire considers revenues in connection with property tax receivables to be available to liquidate liabilities when billed rather than received.

The following summarizes the specific differences between the GAAP basis and the budgetary basis of reporting the general fund unassigned fund balance:

GAAP basis balance	\$ 3,309,342
Deferred revenue	<u>941,005</u>
Tax Rate Setting Balance	<u>\$ 4,250,347</u>

22. Retirement System

The Town follows the provisions of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, (as amended by GASB 50) with respect to its employees' retirement funds.

A. Plan Description

The Town contributes to the New Hampshire Retirement System (the System), a cost-sharing, multiple-employer, contributory public employee defined benefit pension plan qualified under Section 401(a) of the Internal Revenue Code and funded through a trust which is exempt from tax under Internal Revenue Code section 501(a). The System was established in 1967 and is governed by New Hampshire RSA 100-A, rules and regulations, federal laws, and policies adopted by its Board of Trustees. Membership in the System may be mandatory or optional, depending on employment position. Members are required to make regular contributions to the System. Member contribution rates are established and may be amended by the New Hampshire State Legislature.

System membership is divided into two groups. *Group I* includes full-time state employees (except police officers and firefighters) and teachers, as well as employees of a political subdivision (i.e., school district, county, town, or other unit of local government) that has elected to participate in the System. *Group II* includes permanent firefighters and permanent police officers. Membership is a condition of employment and System contributions are mandatory for both *Group I* and *Group II* employees who meet specific eligibility requirements.

Additional information on the System's eligibility requirements, group membership parameters, funding policies, benefits, and the System's annual financial report can be obtained from the New Hampshire Retirement System, 54 Regional Drive, Concord, New Hampshire, 03301-5097, or from the System's website at www.nhrs.org.

B. Funding Policy

The System is supported by member contributions, employer contributions, and net earnings on the investments of the trust fund. Member contribution rates are set by statute at 5.00% of member's compensation for *Group I* members (employees and teachers) and 9.30% of member's compensation for *Group II* members (police and fire). Employer contributions are set by the System's Board of Trustees based on biennial actuarial valuations prepared as of June 30th on the odd numbered years (2005, 2007, 2009, etc.).

In fiscal year 2011, the Town was required to contribute 9.16% to the System for its eligible *Group I* employees, 14.63% for its eligible *Group II*

Police employees (19.51% for eligible *Group II* Police employees engaged in special detail work), and 18.52% for its eligible *Group II* Fire employees. The Town's contributions to the System for the years ended June 30, 2011, 2010, and 2009 were \$ 1,820,071, \$ 1,710,370, and \$ 1,531,209, respectively, which equaled its annual required contributions for each of these years.

23. Post-Employment Healthcare and Life Insurance Benefits

Other Post-Employment Benefits

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

A. Plan Description

In addition to providing the retirement system benefits described in Note 20, the Town indirectly provides post-employment healthcare for retired employees through an implicit rate covered by current year employees. Retirees of the Town that participate in this single employer plan, pay to participate in the Town's healthcare program. Since they are included in the same pool as current employees, the insurance rates are higher for current employees due to the age consideration. This increased rate is an implicit rate the Town covers for the retirees. The benefits, benefit levels, employee contributions and employer contributions are governed by RSA 100-A:50. As of July 1, 2010, the actuarial valuation date, approximately 24 retirees and 173 active employees meet the eligibility requirements. The plan does not issue a separate financial report.

B. Benefits Provided

Retirees and their covered dependents are eligible to participate in the Town's medical, prescription drug, mental health/substance abuse programs. All active employees who retire from the Town and meet the eligibility criteria will receive these benefits.

C. Funding Policy

Retirees contribute 100% of the cost of the health plan, as determined by the Town. The Town contributes its implicit rate subsidy of the health plan costs on a pay-as-you-go basis.

D. Annual OPEB Costs and Net OPEB Obligation

The Town's fiscal 2011 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the Town's annual OPEB cost for the year ending June 30, 2011, the amount actually contributed to the plan, and the change in the Town's net OPEB obligation based on an actuarial valuation as of July 1, 2010.

Annual Required Contribution (ARC)	\$ 881,877
Interest on net OPEB obligation	53,964
Adjustment to ARC	<u>(51,114)</u>
Annual OPEB cost	884,727
Contributions made	<u>(240,722)</u>
Increase in net OPEB obligation	644,005
Net OPEB obligation - beginning of year	<u>1,199,208</u>
Net OPEB obligation - end of year	<u><u>\$ 1,843,213</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past three years were as follows:

<u>Fiscal year ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011	\$ 884,727	27.2%	\$ 1,843,213
2010	\$ 787,091	23.8%	\$ 1,199,208
2009	\$ 787,091	23.8%	\$ 599,604

E. Funded Status and Funding Progress

The funded status of the plan as of July 1, 2010, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 8,173,280
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 8,173,280</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0%</u>
Covered payroll (active plan members)	<u>\$ 10,437,881</u>
UAAL as a percentage of covered payroll	<u>78.3%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented on page 62, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

F. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan as understood by the Town and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the Town and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2010 actuarial valuation, the Projected Unit Credit with linear proration to decrement cost method was used. The actuarial value of assets \$ 0, as the Town has not advance funded its obligation. The actuarial assumptions included a 4.5% investment rate of return and an initial annual healthcare cost trend rate of 9.5%, which decreases to a 5.0% long-term rate for all healthcare benefits after ten years. The amortization costs for the initial UAAL is a level percentage of payroll over thirty years based on an open group, with total payroll growth estimated at 3.0% per year.

24. Subsequent Events

A. Debt

Subsequent to June 30, 2011, the Town has incurred the following additional debt:

	<u>Amount</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>
General obligation bonds	\$ 1,000,000	2.0 - 3.0%	07/15/11	07/15/21

25. Commitments and Contingencies

Outstanding Legal Issues - There are several pending legal issues 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.

26. Risk Management

The Town 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. Beginning Fund Balance Restatement

The beginning (July 1, 2010) fund balances of the Town have been restated as follows:

Fund Basis Financial Statements:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>
As previously reported	\$ 9,450,657	\$ 6,754,189
Reclassify capital reserve funds	<u>587,502</u>	<u>(587,502)</u>
As restated	<u>\$ 10,038,159</u>	<u>\$ 6,166,687</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE
SCHEDULE OF FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2011
(Unaudited)

Other Post-Employment Benefits						
Actuarial Valuation <u>Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) - Entry Age <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percent- age of Covered Payroll <u>[(b-a)/c]</u>
07/01/08	\$ -	\$ 7,392,805	\$ 7,392,805	0.0%	\$ 11,346,987	65.2%
07/01/10	\$ -	\$ 8,173,280	\$ 8,173,280	0.0%	\$ 10,437,881	78.3%

See Independent Auditors' Report.

**SUPPLEMENTARY STATEMENTS
AND SCHEDULES**

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Combining Financial Statements

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Special Revenue Funds are established for the following purposes:

- Sewer Fund: To account for the operation of sewer pumping stations and sewer lines.
- Cable Fund: To account for the operations of the Cable Access Center.
- Police Detail Fund: To account for revenues and expenditures related to police outside special detail activities.
- Police Airport Division: To account for charges to City of Manchester Department of Aviation for security at the Manchester-Boston Regional Airport provided by the Londonderry Police Department and the related expenditures by the law enforcement personnel.
- Conservation Commission: To account for monies received through donations and bonds and expended for the conservation of local land and resources.
- Leach Library: To account for fines and fees collected by the library for the purchase of books and periodicals.
- Reclamation Fund: To account for revenues and expenditures related to motor vehicle parts disposal costs and capital improvements at the Drop-off Center.
- Other Special Funds: To account for the revenues and expenditures associated with various local activities supported by general fund appropriations, rental fees, participant donations, and other miscellaneous revenue sources.

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:

- Exit 4A: To account for the architectural and engineering costs associated with the development of a new on/off ramp from Route 93.
- Fire Facilities: To account for the architectural, engineering and construction costs of two new fire substations.
- Mammoth Road/Litchfield Road: To account for the improvements and reconstruction of Mammoth Road and Litchfield Road intersections.

PERMANENT FUNDS

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

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2011

	Special Revenue Funds		
	Sewer Fund	Cable Fund	Police Detail Fund
<u>ASSETS</u>			
Cash and short-term investments	\$ -	\$ -	\$ -
Investments	-	-	-
Property taxes receivable	-	-	-
User fees receivable	37,999	-	-
Other receivable	-	-	204,782
Due from other funds	<u>4,186,972</u>	<u>538,791</u>	<u>-</u>
Total Assets	<u>\$ 4,224,971</u>	<u>\$ 538,791</u>	<u>\$ 204,782</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	\$ 861	\$ 3,063	\$ -
Deferred revenues	37,999	-	-
Due to other funds	-	-	82,504
Other liabilities	<u>2,242</u>	<u>-</u>	<u>-</u>
Total Liabilities	41,102	3,063	82,504
Fund Balances:			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	4,183,869	535,728	122,278
Assigned	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>4,183,869</u>	<u>535,728</u>	<u>122,278</u>
Total Liabilities and Fund Balances	<u>\$ 4,224,971</u>	<u>\$ 538,791</u>	<u>\$ 204,782</u>

Special Revenue Funds					
<u>Police Airport Division</u>	<u>Conservation Commission</u>	<u>Leach Library</u>	<u>Reclamation Fund</u>	<u>Other Special Funds</u>	<u>Subtotals</u>
\$ -	\$ 1,149,088	\$ 41,994	\$ 217,628	\$ -	\$ 1,408,710
-	-	-	-	-	-
-	26,000	-	-	-	26,000
-	-	-	-	-	37,999
318,948	-	-	-	-	523,730
-	-	-	-	65,438	4,791,201
<u>\$ 318,948</u>	<u>\$ 1,175,088</u>	<u>\$ 41,994</u>	<u>\$ 217,628</u>	<u>\$ 65,438</u>	<u>\$ 6,787,640</u>
\$ 73	\$ -	\$ -	\$ -	\$ -	\$ 3,997
-	26,000	-	-	-	63,999
318,792	29,738	-	1,028	-	432,062
-	-	-	-	-	2,242
318,865	55,738	-	1,028	-	502,300
-	-	-	-	-	-
-	-	41,994	-	-	41,994
83	1,119,350	-	216,600	65,438	6,243,346
-	-	-	-	-	-
-	-	-	-	-	-
<u>83</u>	<u>1,119,350</u>	<u>41,994</u>	<u>216,600</u>	<u>65,438</u>	<u>6,285,340</u>
<u>\$ 318,948</u>	<u>\$ 1,175,088</u>	<u>\$ 41,994</u>	<u>\$ 217,628</u>	<u>\$ 65,438</u>	<u>\$ 6,787,640</u>

(continued)

(continued)

	Capital Project Funds			
	<u>Exit 4A</u>	<u>Fire Facilities</u>	<u>Mammoth Rd Litchfield Rd</u>	<u>Subtotals</u>
<u>ASSETS</u>				
Cash and short-term investments	\$ 2,103	\$ -	\$ -	\$ 2,103
Investments	-	-	-	-
Property taxes receivable	-	-	-	-
User fees receivable	-	-	-	-
Other receivable	-	-	-	-
Due from other funds	-	117,287	-	117,287
	<u>-</u>	<u>117,287</u>	<u>-</u>	<u>117,287</u>
Total Assets	\$ <u>2,103</u>	\$ <u>117,287</u>	\$ <u>-</u>	\$ <u>119,390</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deferred revenues	-	-	-	-
Due to other funds	1,098,265	-	233,708	1,331,973
Other liabilities	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	1,098,265	-	233,708	1,331,973
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	117,287	-	117,287
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(1,096,162)	-	(233,708)	(1,329,870)
	<u>(1,096,162)</u>	<u>-</u>	<u>(233,708)</u>	<u>(1,329,870)</u>
Total Fund Balances	<u>(1,096,162)</u>	<u>117,287</u>	<u>(233,708)</u>	<u>(1,212,583)</u>
Total Liabilities and Fund Balances	\$ <u>2,103</u>	\$ <u>117,287</u>	\$ <u>-</u>	\$ <u>119,390</u>

Permanent <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
\$ 29,573	\$ 1,440,386
713,951	713,951
-	26,000
-	37,999
-	523,730
-	4,908,488
<u>743,524</u>	<u>7,650,554</u>

\$ -	\$ 3,997
-	63,999
-	1,764,035
-	2,242
<u>-</u>	<u>1,834,273</u>

641,919	641,919
101,605	260,886
-	6,243,346
-	-
-	(1,329,870)
<u>743,524</u>	<u>5,816,281</u>
<u>\$ 743,524</u>	<u>\$ 7,650,554</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Combining Statement of Revenues, Expenditures
and Changes in Fund Equity

Nonmajor Governmental Funds

For the Year Ended June 30, 2011

	Special Revenue Funds		
	Sewer Fund	Cable Fund	Police Detail Fund
Revenues:			
Interest, penalties and other taxes	\$ 8,679	\$ -	\$ -
Licenses and permits	-	397,047	-
Intergovernmental	-	-	-
Charges for services	2,228,013	-	652,598
Investment income	-	-	-
Other	-	-	-
Total Revenues	2,236,692	397,047	652,598
Expenditures:			
Current:			
General government	-	291,156	-
Public safety	-	-	589,635
Sanitation	1,718,350	-	-
Health and welfare	-	-	-
Culture and recreation	-	-	-
Conservation	-	-	-
Capital outlay	-	-	-
Total Expenditures	1,718,350	291,156	589,635
Excess (deficiency) of revenues over (under) expenditures	518,342	105,891	62,963
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	(300,000)	(40,000)	-
Total Other Financing Sources (Uses)	(300,000)	(40,000)	-
Net changes in fund balances	218,342	65,891	62,963
Fund Balances, beginning of year, as restated	3,965,527	469,837	59,315
Fund Balances, end of year	\$ 4,183,869	\$ 535,728	\$ 122,278

Special Revenue Funds					
<u>Police Airport Division</u>	<u>Conservation Commission</u>	<u>Leach Library</u>	<u>Reclamation Fund</u>	<u>Other Special Funds</u>	<u>Subtotals</u>
\$ -	\$ 14,392	\$ -	\$ -	\$ -	\$ 23,071
-	-	-	136,944	-	533,991
-	-	-	-	-	-
2,177,722	-	-	-	-	5,058,333
-	1,428	121	224	-	1,773
-	2,790	36,940	-	35,309	75,039
<u>2,177,722</u>	<u>18,610</u>	<u>37,061</u>	<u>137,168</u>	<u>35,309</u>	<u>5,692,207</u>
-	-	-	-	2,186	293,342
2,012,639	-	-	-	-	2,602,274
-	-	-	424,525	-	2,142,875
-	-	-	-	485	485
-	-	152,614	-	33,969	186,583
-	396	-	-	-	396
-	8,137	-	-	-	8,137
<u>2,012,639</u>	<u>8,533</u>	<u>152,614</u>	<u>424,525</u>	<u>36,640</u>	<u>5,234,092</u>
165,083	10,077	(115,553)	(287,357)	(1,331)	458,115
-	-	110,000	-	7,000	117,000
<u>(199,981)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,554)</u>	<u>(560,535)</u>
<u>(199,981)</u>	<u>-</u>	<u>110,000</u>	<u>-</u>	<u>(13,554)</u>	<u>(443,535)</u>
(34,898)	10,077	(5,553)	(287,357)	(14,885)	14,580
<u>34,981</u>	<u>1,109,273</u>	<u>47,547</u>	<u>503,957</u>	<u>80,323</u>	<u>6,270,760</u>
<u>\$ 83</u>	<u>\$ 1,119,350</u>	<u>\$ 41,994</u>	<u>\$ 216,600</u>	<u>\$ 65,438</u>	<u>\$ 6,285,340</u>

(continued)

(continued)

	Capital Project Funds		
	<u>Exit 4A</u>	<u>South Londonderry Phase II</u>	<u>West Road Field</u>
Revenues:			
Interest, penalties and other taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income	1	-	-
Other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	1	-	-
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Sanitation	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	-	-
Conservation	-	-	-
Capital outlay	198,376	-	-
	<u>198,376</u>	<u>-</u>	<u>-</u>
Total Expenditures	198,376	-	-
Excess (deficiency) of revenues over (under) expenditures	(198,375)	-	-
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	(353,446)	(27,388)
	<u>-</u>	<u>(353,446)</u>	<u>(27,388)</u>
Total Other Financing Sources (Uses)	-	(353,446)	(27,388)
Net changes in fund balances	(198,375)	(353,446)	(27,388)
Fund Balances, beginning of year, as restated	(897,787)	353,446	27,388
Fund Balances, end of year	<u>\$ (1,096,162)</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Project Funds		
<u>Fire Facilities</u>	<u>Mammoth Rd Litchfield Rd</u>	<u>Subtotals</u>
\$ -	\$ -	\$ -
-	-	-
1,490,154	-	1,490,154
-	-	-
-	-	1
-	-	-
<u>1,490,154</u>	<u>-</u>	<u>1,490,155</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>1,571,169</u>	<u>-</u>	<u>1,769,545</u>
<u>1,571,169</u>	<u>-</u>	<u>1,769,545</u>
(81,015)	-	(279,390)
163,456	-	163,456
-	-	<u>(380,834)</u>
<u>163,456</u>	<u>-</u>	<u>(217,378)</u>
82,441	-	(496,768)
<u>34,846</u>	<u>(233,708)</u>	<u>(715,815)</u>
<u>\$ 117,287</u>	<u>\$ (233,708)</u>	<u>\$ (1,212,583)</u>

(continued)

(continued)

	Permanent <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
Revenues:		
Interest, penalties and other taxes	\$ -	\$ 23,071
Licenses and permits	-	533,991
Intergovernmental	-	1,490,154
Charges for services	-	5,058,333
Investment income	137,335	139,109
Other	<u>13,180</u>	<u>88,219</u>
Total Revenues	150,515	7,332,877
Expenditures:		
Current:		
General government	1,220	294,562
Public safety	-	2,602,274
Sanitation	-	2,142,875
Health and welfare	4	489
Culture and recreation	9	186,592
Conservation	-	396
Capital outlay	<u>-</u>	<u>1,777,682</u>
Total Expenditures	<u>1,233</u>	<u>7,004,870</u>
Excess (deficiency) of revenues over (under) expenditures	149,282	328,007
Other Financing Sources (Uses):		
Transfers in	-	280,456
Transfers out	<u>(17,500)</u>	<u>(958,869)</u>
Total Other Financing Sources (Uses)	<u>(17,500)</u>	<u>(678,413)</u>
Net changes in fund balances	131,782	(350,406)
Fund Balances, beginning of year, as restated	<u>611,742</u>	<u>6,166,687</u>
Fund Balances, end of year	<u>\$ 743,524</u>	<u>\$ 5,816,281</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
<u>Construction Escrows:</u>				
Assets - cash and short-term investments	\$ <u>2,333,758</u>	\$ <u>664,097</u>	\$ <u>(759,328)</u>	\$ <u>2,238,527</u>
Liabilities - other liabilities	\$ <u>2,333,758</u>	\$ <u>664,097</u>	\$ <u>(759,328)</u>	\$ <u>2,238,527</u>
 <u>School Capital Reserve:</u>				
Assets - cash and short-term investments	\$ <u>323,365</u>	\$ <u>550,633</u>	\$ <u>(502,658)</u>	\$ <u>371,340</u>
Liabilities - other liabilities	\$ <u>323,365</u>	\$ <u>550,633</u>	\$ <u>(502,658)</u>	\$ <u>371,340</u>
 <u>Totals:</u>				
Assets - cash and short-term investments	\$ <u>2,657,123</u>	\$ <u>1,214,730</u>	\$ <u>(1,261,986)</u>	\$ <u>2,609,867</u>
Liabilities - other liabilities	\$ <u>2,657,123</u>	\$ <u>1,214,730</u>	\$ <u>(1,261,986)</u>	\$ <u>2,609,867</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, Conservation, 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, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
<u>Taxes</u>				
Property taxes	\$ 15,012,973	\$ 15,012,973	\$ 15,012,973	\$ -
Total Taxes	15,012,973	15,012,973	15,012,973	-
<u>Interest, Penalties, and Other Taxes</u>				
Yield taxes	9,990	9,990	16,819	6,829
Excavation taxes	10,000	10,000	8,152	(1,848)
Payment in lieu of taxes	585,604	585,604	585,825	221
Interest and penalties on taxes	265,000	265,000	284,772	19,772
Total Interest, Penalties, and Other Taxes	870,594	870,594	895,568	24,974
<u>Licenses and Permits</u>				
Motor vehicle permits	6,425,000	6,425,000	5,711,807	(713,193)
Business licenses and permits	9,000	9,000	5,863	(3,137)
Building permits	250,000	250,000	123,722	(126,278)
Other licenses, permits and fees	42,500	42,500	49,294	6,794
Total Licenses and Permits	6,726,500	6,726,500	5,890,686	(835,814)
<u>Intergovernmental</u>				
Meals and room distribution	1,097,672	1,097,672	1,097,672	-
Highway block grant	589,596	589,596	590,146	550
Water pollution grants	48,059	48,059	48,059	-
Other grants	75,000	75,000	113,826	38,826
Total Intergovernmental Revenues	1,810,327	1,810,327	1,849,703	39,376
<u>Charges for Services</u>				
Income from departments	585,500	585,500	929,255	343,755
Total Charges for Services	585,500	585,500	929,255	343,755
<u>Investment Income</u>				
Interest on deposits	375,000	375,000	36,094	(338,906)
Total Investment Income	375,000	375,000	36,094	(338,906)
<u>Other Revenues</u>				
Insurance dividends and reimbursements	35,000	35,000	56,482	21,482
Other miscellaneous revenue	130,000	130,000	267,217	137,217
Total Miscellaneous Revenues	165,000	165,000	323,699	158,699
Total Revenues	25,545,894	25,545,894	24,937,978	(607,916)

(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, 2011

(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Other Financing Sources</u>				
Bond Issuance	1,000,000	1,000,000	1,000,000	-
Operating Transfers In:				
Sewer fund	300,000	300,000	300,000	-
Cable fund	40,000	40,000	40,000	-
Police airport division fund	165,000	165,000	165,000	-
Other special revenue funds	-	-	44,938	44,938
Capital project funds	-	-	380,834	380,834
Permanent fund	<u>17,500</u>	<u>17,500</u>	<u>17,500</u>	<u>-</u>
Total Transfers In	<u>522,500</u>	<u>522,500</u>	<u>948,272</u>	<u>425,772</u>
Use of Fund Balance	<u>871,456</u>	<u>871,456</u>	<u>871,456</u>	<u>-</u>
Total Other Financing Sources	<u>2,393,956</u>	<u>2,393,956</u>	<u>2,819,728</u>	<u>425,772</u>
Total Revenues and Other Financing Sources	<u>\$ 27,939,850</u>	<u>\$ 27,939,850</u>	<u>\$ 27,757,706</u>	<u>\$ (182,144)</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, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Expenditures</u>				
<u>General Government</u>				
Town council	\$ 12,739	\$ 12,739	\$ 14,917	\$ (2,178)
Town manager	379,194	379,194	370,186	9,008
Moderator	300	300	-	300
Budget committee	50	50	40	10
Town clerk/tax collector	500,655	500,655	477,354	23,301
Supervisor of checklist	17,039	17,039	14,179	2,860
Finance	604,745	604,745	577,480	27,265
Assessing	391,830	391,830	383,993	7,837
Information technology	336,660	336,660	320,834	15,826
Legal	110,000	110,000	109,604	396
Zoning board	41,271	41,271	36,787	4,484
General services	435,757	435,757	537,981	(102,224)
Cemeteries	34,710	34,710	32,706	2,004
Municipal insurances	225,440	225,440	191,261	34,179
Total General Government	3,090,390	3,090,390	3,067,322	23,068
<u>Public Safety</u>				
Police department	6,853,207	6,853,207	6,733,695	119,512
Fire department	5,624,253	5,624,253	5,724,175	(99,922)
Building department	269,508	269,508	212,619	56,889
Total Public Safety	12,746,968	12,746,968	12,670,489	76,479
<u>Highways and Streets</u>				
Highway department	3,260,101	3,260,101	3,110,646	149,455
Total Highways and Streets	3,260,101	3,260,101	3,110,646	149,455
<u>Sanitation</u>				
Solid waste	1,849,006	1,849,006	1,807,602	41,404
Total Sanitation	1,849,006	1,849,006	1,807,602	41,404
<u>Health and Welfare</u>				
General assistance	200,480	200,480	149,803	50,677
Family mediation	27,834	27,834	25,125	2,709
Total Health and Welfare	228,314	228,314	174,928	53,386
<u>Culture and Recreation</u>				
Recreation department	143,815	143,815	132,740	11,075
Library	1,194,304	1,194,304	1,158,791	35,513
Senior affairs	54,085	54,085	49,895	4,190
Other culture and recreation	10,620	10,620	10,100	520
Total Culture and Recreation	1,402,824	1,402,824	1,351,526	51,298

(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, 2011

(continued)				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<u>Conservation</u>				
Conservation	3,476	3,476	2,010	1,466
	<u>3,476</u>	<u>3,476</u>	<u>2,010</u>	<u>1,466</u>
<u>Economic Development</u>				
Community development	474,564	474,564	436,155	38,409
	<u>474,564</u>	<u>474,564</u>	<u>436,155</u>	<u>38,409</u>
<u>Capital Outlay</u>				
Capital outlay	1,248,000	1,248,000	861,646	386,354
Total Capital Outlay	<u>1,248,000</u>	<u>1,248,000</u>	<u>861,646</u>	<u>386,354</u>
<u>Debt Service</u>				
Debt service	2,820,751	2,820,751	2,798,301	22,450
Total Debt Service	<u>2,820,751</u>	<u>2,820,751</u>	<u>2,798,301</u>	<u>22,450</u>
Total Expenditures	<u>27,124,394</u>	<u>27,124,394</u>	<u>26,280,625</u>	<u>843,769</u>
<u>Other Financing Uses</u>				
Operating Transfers Out:				
Library trustees	110,000	110,000	110,000	-
Old Home Day	7,000	7,000	7,000	-
Capital reserve funds	535,000	535,000	535,000	-
Capital project fund - Fire Facility	<u>163,456</u>	<u>163,456</u>	<u>163,456</u>	<u>-</u>
Total Other Financing Uses	<u>815,456</u>	<u>815,456</u>	<u>815,456</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 27,939,850</u>	<u>\$ 27,939,850</u>	<u>\$ 27,096,081</u>	<u>\$ 843,769</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, 2011

	Sewer Fund			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 2,686,076	\$ 2,686,076	\$ 2,266,012	\$ (420,064)
Licenses and permits	-	-	-	-
Interest and penalties	-	-	8,679	8,679
Total Revenues	2,686,076	2,686,076	2,274,691	(411,385)
Other Financing Sources:				
Use of surplus	-	-	-	-
Total Revenues and Other Financing Sources	<u>2,686,076</u>	<u>2,686,076</u>	<u>2,274,691</u>	<u>(411,385)</u>
Expenditures:				
General government	-	-	-	-
Sanitation	<u>2,386,076</u>	<u>2,386,076</u>	<u>2,340,812</u>	<u>45,264</u>
Total Expenditures	2,386,076	2,386,076	2,340,812	45,264
Other Financing Uses:				
Transfers out	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	-
Total Expenditures and Other Financing Uses	<u>2,686,076</u>	<u>2,686,076</u>	<u>2,640,812</u>	<u>45,264</u>
Excess of revenues and other financing sources over expenditures and other financing uses	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(366,121)</u>	\$ <u>(366,121)</u>

Cable Fund			
<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
371,052	371,052	397,047	25,995
-	-	-	-
371,052	371,052	397,047	25,995
-	-	-	-
<u>371,052</u>	<u>371,052</u>	<u>397,047</u>	<u>25,995</u>
331,052	331,052	299,095	31,957
-	-	-	-
331,052	331,052	299,095	31,957
40,000	40,000	40,000	-
<u>371,052</u>	<u>371,052</u>	<u>339,095</u>	<u>31,957</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,952</u>	<u>\$ 57,952</u>

(continued)

(continued)

	Totals			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Charges for services	\$ 2,686,076	\$ 2,686,076	\$ 2,266,012	\$ (420,064)
Licenses and permits	371,052	371,052	397,047	25,995
Interest and penalties	<u>-</u>	<u>-</u>	<u>8,679</u>	<u>8,679</u>
Total Revenues	3,057,128	3,057,128	2,671,738	(385,390)
Other Financing Sources:				
Use of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>3,057,128</u>	<u>3,057,128</u>	<u>2,671,738</u>	<u>(385,390)</u>
Expenditures:				
Sanitation	331,052	331,052	299,095	31,957
Culture and recreation	<u>2,386,076</u>	<u>2,386,076</u>	<u>2,340,812</u>	<u>45,264</u>
Total Expenditures	2,717,128	2,717,128	2,639,907	77,221
Other Financing Uses:				
Transfers out	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>3,057,128</u>	<u>3,057,128</u>	<u>2,979,907</u>	<u>77,221</u>
Excess of revenues and other financing sources over expenditures and other financing uses	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>(308,169)</u></u>	\$ <u><u>(308,169)</u></u>

**Capital Assets Used in Operation
Governmental Funds**

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Schedule of Capital Assets By Source

June 30, 2011

CAPITAL ASSETS

Buildings	\$ 11,849,649
Machinery, vehicles, and equipment	2,320,096
Intangibles	77,920
Infrastructure	51,768,381
Improvements other than buildings	414,653
Land and improvements	12,500,700
Construction in progress	<u>7,055,044</u>
Total General Capital Assets	\$ <u>85,986,443</u>

INVESTMENTS IN CAPITAL ASSETS

General fund revenues	\$ 53,997,905
Special revenue fund revenues	23,512,296
Capital project funds	<u>8,476,242</u>
Total Investments in General Capital Assets	\$ <u>85,986,443</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Schedule of Changes in Capital Assets
By Function and Activity

For the Year Ended June 30, 2011

	Capital Assets <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	Capital Assets <u>June 30, 2011</u>
General Government:				
Town manager	\$ 135	\$ 55,092	\$ 5,853	\$ 49,374
Finance	133,358	-	26,520	106,838
Information technology	49,553	55,096	16,933	87,716
Planning and zoning	1,996	-	452	1,544
General services	17,319,696	39,134	127,473	17,231,357
Cable	<u>275,528</u>	<u>21,937</u>	<u>32,314</u>	<u>265,151</u>
Total General Government	17,780,266	171,259	209,545	17,741,980
Public Safety:				
Police	5,457,379	46,846	300,927	5,203,298
Fire	<u>4,329,037</u>	<u>2,405,462</u>	<u>735,236</u>	<u>5,999,263</u>
Total Public Safety	9,786,416	2,452,308	1,036,163	11,202,561
Highways and Streets:				
Public works	<u>35,437,121</u>	<u>397,900</u>	<u>1,279,835</u>	<u>34,555,186</u>
Total Highways and Streets	35,437,121	397,900	1,279,835	34,555,186
Sanitation				
Sewer	<u>19,914,337</u>	<u>-</u>	<u>547,362</u>	<u>19,366,975</u>
Total Sanitation	19,914,337	-	547,362	19,366,975
Culture and Recreation:				
Parks and recreation	1,764,896	-	12,090	1,752,806
Library	<u>1,320,671</u>	<u>18,000</u>	<u>54,396</u>	<u>1,284,275</u>
Total Culture and Recreation	3,085,567	18,000	66,486	3,037,081
Economic Development	<u>4,837</u>	<u>77,920</u>	<u>97</u>	<u>82,660</u>
Total Economic Development	4,837	77,920	97	82,660
 Total General Capital Assets	 <u>\$ 86,008,544</u>	 <u>\$ 3,117,387</u>	 <u>\$ 3,139,488</u>	 <u>\$ 85,986,443</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Schedule of Capital Assets
By Function and Category

June 30, 2011

	<u>Buildings</u>	Machinery, Vehicles, and <u>Equipment</u>	<u>Intangibles</u>
General Government:			
Town manager	\$ -	\$ 49,374	\$ -
Finance	-	106,838	-
Information technology	-	82,312	-
Planning and zoning	-	1,544	-
General services	3,140,795	77,368	-
Cable	<u>201,463</u>	<u>63,688</u>	<u>-</u>
Total General Government	<u>3,342,258</u>	<u>381,124</u>	<u>-</u>
Public Safety:			
Police department	4,780,817	208,195	-
Fire department	<u>2,289,665</u>	<u>1,290,091</u>	<u>-</u>
Total Public Safety	<u>7,070,482</u>	<u>1,498,286</u>	<u>-</u>
Highways and Streets:			
Public Works	<u>194,091</u>	<u>375,964</u>	<u>-</u>
Total Highways and Streets	<u>194,091</u>	<u>375,964</u>	<u>-</u>
Sanitation			
Sewer	<u>-</u>	<u>33,110</u>	<u>-</u>
Total Sanitation	<u>-</u>	<u>33,110</u>	<u>-</u>
Culture and Recreation:			
Recreation department	-	16,986	-
Library	<u>1,242,818</u>	<u>14,626</u>	<u>-</u>
Total Culture and Recreation	<u>1,242,818</u>	<u>31,612</u>	<u>-</u>
Economic Development	<u>-</u>	<u>-</u>	<u>77,920</u>
Total Economic Development	<u>-</u>	<u>-</u>	<u>77,920</u>
Total General Capital Assets	<u>\$ 11,849,649</u>	<u>\$ 2,320,096</u>	<u>\$ 77,920</u>

<u>Infrastructure</u>	Improvements other than <u>Buildings</u>	<u>Land</u>	Construction in Progress	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 49,374
-	-	-	-	106,838
-	5,404	-	-	87,716
-	-	-	-	1,544
97,852	41,754	12,248,740	1,624,848	17,231,357
-	-	-	-	265,151
<u>97,852</u>	<u>47,158</u>	<u>12,248,740</u>	<u>1,624,848</u>	<u>17,741,980</u>
-	214,286	-	-	5,203,298
920	66,916	-	2,351,671	5,999,263
<u>920</u>	<u>281,202</u>	<u>-</u>	<u>2,351,671</u>	<u>11,202,561</u>
32,480,398	44,710	251,960	1,208,063	34,555,186
<u>32,480,398</u>	<u>44,710</u>	<u>251,960</u>	<u>1,208,063</u>	<u>34,555,186</u>
19,184,471	2,929	-	146,465	19,366,975
<u>19,184,471</u>	<u>2,929</u>	<u>-</u>	<u>146,465</u>	<u>19,366,975</u>
-	29,823	-	1,705,997	1,752,806
-	8,831	-	18,000	1,284,275
<u>-</u>	<u>38,654</u>	<u>-</u>	<u>1,723,997</u>	<u>3,037,081</u>
4,740	-	-	-	82,660
<u>4,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,660</u>
<u>\$ 51,768,381</u>	<u>\$ 414,653</u>	<u>\$ 12,500,700</u>	<u>\$ 7,055,044</u>	<u>\$ 85,986,443</u>

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**STATISTICAL
SECTION**

TOWN OF LONDONDERRY, NEW HAMPSHIRE

STATISTICAL SECTION

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

	<u>Pages</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being, have changed over time.</i>	94-101
Revenue Capacity <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	102-106
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	107-110
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	111-112
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the service the government provides and the activities it performs.</i>	113-115

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Net Assets by Component
Last Ten Fiscal Years (1)
(accrual basis of accounting)

	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 64,030,712	\$ 63,306,962	\$ 63,373,228	\$ 64,953,187	\$ 64,992,645	\$ 66,322,703	\$ 65,478,547	\$ 69,168,086	\$ 70,406,443	
Restricted	524,087	568,649	589,622	598,187	663,039	645,183	566,002	611,742	743,524	
Unrestricted	<u>5,995,236</u>	<u>8,478,840</u>	<u>9,970,885</u>	<u>10,836,397</u>	<u>12,491,720</u>	<u>11,733,839</u>	<u>12,824,164</u>	<u>9,778,247</u>	<u>6,685,269</u>	
Total net assets	<u>\$ 70,550,035</u>	<u>\$ 72,354,451</u>	<u>\$ 73,933,735</u>	<u>\$ 76,387,771</u>	<u>\$ 78,147,404</u>	<u>\$ 78,701,725</u>	<u>\$ 78,868,713</u>	<u>\$ 79,558,075</u>	<u>\$ 77,835,236</u>	

Notes:

(1) The Town will continue to annually report information until this schedule includes 10 fiscal years.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Changes in Net Assets
Last Ten Fiscal Years (1)
(accrual basis of accounting)

	Fiscal Year Ending								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental Activities:									
Expenses									
General government	\$ 4,242,392	\$ 6,314,035	\$ 3,021,855	\$ 2,776,708	\$ 2,922,857	\$ 3,934,902	\$ 5,139,243	\$ 3,958,532	\$ 4,022,647
Public safety	9,151,225	9,476,231	10,965,243	11,577,220	13,762,946	13,762,995	15,473,889	16,121,622	16,350,045
Highways and streets	2,911,730	2,869,982	4,055,649	5,311,941	5,570,348	5,074,427	3,892,894	4,276,080	6,279,279
Sanitation	2,211,939	2,235,465	2,775,629	3,334,611	3,109,377	3,702,251	4,073,017	3,440,061	4,491,804
Health and welfare	210,390	278,411	281,960	278,625	307,796	178,496	159,825	165,490	175,417
Culture and recreation	1,316,126	1,564,275	1,733,731	1,809,430	2,280,477	2,001,143	1,889,678	1,578,831	1,596,464
Conservation	-	-	-	-	-	-	-	3,426	2,406
Economic development	260,360	409,449	383,894	382,881	418,691	420,413	440,869	470,697	425,783
Interest	594,862	723,029	1,050,508	769,362	768,978	896,326	802,585	743,540	705,234
Total expenses	20,899,024	23,870,877	24,268,469	26,240,778	29,141,470	29,970,953	31,872,000	30,758,279	34,049,079
Program Revenues									
Charges for services									
General government	5,840,211	6,425,238	105,539	104,910	100,797	98,425	75,788	433,522	378,670
Public Safety	742,457	691,028	877,921	1,240,672	3,750,817	3,383,247	3,923,272	3,577,429	3,678,903
Highways and streets	257,790	340,528	60,683	70,045	74,255	69,503	5,314	-	-
Sanitation	862,987	1,460,833	1,045,003	1,894,540	1,630,125	2,273,247	1,864,968	2,221,087	2,331,359
Health and welfare	-	-	-	-	-	10,070	9,767	-	-
Culture and recreation	207,231	299,008	355,492	397,426	503,848	401,348	401,468	9,843	6,820
Total charges for services	7,910,676	9,216,635	2,444,638	3,707,593	6,059,842	6,235,840	6,280,577	6,241,881	6,395,752
Operating grants and contributions	237,798	638,593	315,764	416,026	378,830	734,657	846,877	850,265	923,042
Capital grants and contributions	745,525	646,392	677,759	1,687,078	716,096	582,909	627,826	1,332,518	1,490,155
Total program revenues	8,893,999	10,501,620	3,438,161	5,810,697	7,154,768	7,553,406	7,755,280	8,424,664	8,808,949
Net (Expenses) Revenues	(12,005,025)	(13,369,257)	(20,830,308)	(20,430,081)	(21,986,702)	(22,417,547)	(24,116,720)	(22,333,615)	(25,240,130)
General Revenues and Other Changes in Net Assets									
Property taxes	10,428,606	11,576,174	12,321,459	13,665,446	13,685,209	13,661,626	14,300,221	14,829,912	15,257,216
Interest, penalties and other taxes	824,305	860,732	862,921	769,467	1,634,295	848,179	1,227,157	870,500	894,631
Motor vehicle registration fees	-	-	6,404,091	6,309,859	5,915,524	6,023,616	5,910,220	5,736,360	5,711,807
Grants and contributions not restricted to specific programs	1,000,011	1,011,663	1,094,177	1,175,993	1,250,709	1,333,129	1,395,230	1,199,451	1,247,462
Investment income	363,602	321,210	427,774	675,545	867,176	605,702	196,401	102,261	37,105
Other	288,386	1,380,794	425,370	281,206	386,972	488,916	646,877	267,073	355,890
Total general revenues before permanent fund contributions	12,904,910	15,150,573	21,535,792	22,877,516	23,739,885	22,961,168	23,676,106	23,005,557	23,504,111
Permanent fund contributions	328,012	23,100	21,200	6,601	6,450	10,700	607,602	17,420	13,180
Change in Net Assets	\$ 1,227,897	\$ 1,804,416	\$ 726,684	\$ 2,454,036	\$ 1,759,633	\$ 554,321	\$ 166,988	\$ 689,362	\$ (1,722,839)

Notes:

(1) The Town will continue to annually report information until this schedule includes 10 fiscal years.

TOWN OF LONDONDERRY, NEW HAMPSHIRE

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010
All governmental funds									
Reserved for encumbrances	\$ 491,100	\$ 2,102,373	\$ 3,546,161	\$ 2,025,837	\$ 3,209,825	\$ 3,077,071	\$ 3,304,418	\$ 3,882,636	\$ 6,331,745
Reserved for perpetual permanent funds	1,396,355	524,087	459,099	480,931	589,622	598,186	545,217	465,605	513,729
Reserved for prepaid expenditures	-	-	-	-	-	-	-	-	409,581
Unreserved	8,067,079	7,772,567	13,648,380	10,733,716	9,079,385	10,930,309	9,759,496	11,125,971	8,949,791
Total all governmental funds	<u>\$ 9,954,534</u>	<u>\$ 10,399,027</u>	<u>\$ 17,653,640</u>	<u>\$ 13,240,484</u>	<u>\$ 12,878,832</u>	<u>\$ 14,605,566</u>	<u>\$ 13,609,131</u>	<u>\$ 15,474,212</u>	<u>\$ 16,204,846</u>
General Fund									
Reserved for encumbrances	\$ 459,538	\$ 2,028,605	\$ 3,348,698	\$ 1,980,498	\$ 3,157,776	\$ 2,525,847	\$ 2,509,562	\$ 3,438,842	\$ 5,071,226
Reserved for prepaid expenditures	-	-	-	-	-	-	-	-	409,581
Unreserved	2,622,771	3,636,998	3,833,991	3,826,115	3,886,856	4,375,300	4,363,212	4,786,216	3,969,850
Total General Fund	<u>\$ 3,082,309</u>	<u>\$ 5,665,603</u>	<u>\$ 7,182,689</u>	<u>\$ 5,806,613</u>	<u>\$ 7,044,632</u>	<u>\$ 6,901,147</u>	<u>\$ 6,872,774</u>	<u>\$ 8,225,058</u>	<u>\$ 9,450,657</u>
Special Revenue Funds									
Reserved for encumbrances	\$ 31,562	\$ 73,768	\$ 197,463	\$ 45,339	\$ 52,049	\$ 551,224	\$ 794,856	\$ 443,794	\$ 1,260,519
Unreserved	3,083,711	4,096,868	2,886,848	5,933,244	5,003,500	6,302,967	5,580,561	6,605,909	5,597,742
Total Special Revenue Funds	<u>\$ 3,115,273</u>	<u>\$ 4,170,636</u>	<u>\$ 3,084,311</u>	<u>\$ 5,978,583</u>	<u>\$ 5,055,549</u>	<u>\$ 6,854,191</u>	<u>\$ 6,375,417</u>	<u>\$ 7,049,703</u>	<u>\$ 6,858,261</u>
Capital Project Funds									
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	2,246,567	38,711	2,887,339	865,666	180,464	187,189	(284,243)	(366,551)	(715,814)
Total Capital Project Funds	<u>\$ 2,246,567</u>	<u>\$ 38,711</u>	<u>\$ 2,887,339</u>	<u>\$ 865,666</u>	<u>\$ 180,464</u>	<u>\$ 187,189</u>	<u>\$ (284,243)</u>	<u>\$ (366,551)</u>	<u>\$ (715,814)</u>
Permanent Funds									
Reserved for perpetual permanent funds	\$ 1,396,355	\$ 524,087	\$ 459,099	\$ 480,931	\$ 589,622	\$ 598,186	\$ 545,217	\$ 465,605	\$ 513,729
Unreserved	113,970	-	109,650	108,691	8,565	64,853	99,966	100,397	98,013
Total Permanent Funds	<u>\$ 1,510,325</u>	<u>\$ 524,087</u>	<u>\$ 568,749</u>	<u>\$ 589,622</u>	<u>\$ 598,187</u>	<u>\$ 663,039</u>	<u>\$ 645,183</u>	<u>\$ 566,002</u>	<u>\$ 611,742</u>

(1) With the implementation of GASB 54 in fiscal year 2011, the presentation of fund balance classifications has changed and is shown prospectively.

(1) GASB 54 Implementation 2011

All Governmental Funds	
Nondisposable	\$ 767,819
Restricted	2,198,055
Committed	8,008,607
Assigned	1,256,156
Unassigned	1,979,472
Total all governmental funds	<u><u>\$ 14,210,109</u></u>

General Fund	
Nondisposable	\$ 125,900
Restricted	1,937,169
Committed	1,765,261
Assigned	1,256,156
Unassigned	3,309,342
Total General Fund	<u><u>\$ 8,393,828</u></u>

Special Revenue Funds	
Nondisposable	\$ -
Restricted	41,994
Committed	6,243,346
Assigned	-
Unassigned	-
Total Special Revenue Funds	<u><u>\$ 6,285,340</u></u>

Capital Project Funds	
Nondisposable	\$ -
Restricted	117,287
Committed	-
Assigned	-
Unassigned	(1,329,870)
Total Capital Project Funds	<u><u>\$ (1,212,583)</u></u>

Permanent Funds	
Nondisposable	\$ 641,919
Restricted	101,605
Total Permanent Funds	<u><u>\$ 743,524</u></u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Property taxes	\$ 9,609,844	\$ 10,374,680	\$ 11,910,212	\$ 12,491,926	\$ 13,737,247	\$ 13,625,893	\$ 13,569,699	\$ 14,157,575	\$ 14,739,367	\$ 15,191,178
Interest, penalties and other taxes	-	762,227	860,732	862,921	773,347	1,637,971	848,179	1,227,157	1,031,385	917,702
Licenses and permits	5,873,392	6,041,086	6,648,688	6,682,683	6,613,897	6,186,242	6,294,434	5,970,111	5,793,928	6,424,678
Intergovernmental	1,528,525	1,858,801	2,177,884	1,968,126	2,845,981	2,168,019	2,538,562	2,755,321	3,005,215	3,339,857
Charges for services	2,024,584	1,783,783	2,553,861	2,421,151	3,098,295	5,617,281	5,757,916	6,723,820	6,072,627	5,987,588
Investment income	-	359,460	321,159	427,776	675,546	867,177	605,702	196,401	153,326	176,214
Other revenues	611,861	807,151	1,627,686	800,098	723,699	575,756	611,748	772,389	606,437	432,014
Total revenues	19,648,206	21,987,188	26,100,222	25,654,681	28,468,012	30,678,339	30,226,240	31,802,774	31,402,285	32,469,231
Expenditures										
Current:										
General government	2,321,345	3,857,551	6,371,261	6,605,675	4,914,456	4,832,993	4,650,824	3,360,704	4,500,995	3,558,605
Public safety	8,163,737	9,645,099	13,229,370	11,062,970	11,323,017	15,583,706	13,500,753	14,612,788	14,570,939	15,245,071
Highways and streets	2,368,862	3,595,722	3,021,933	4,197,445	4,061,864	4,211,039	3,752,042	3,369,085	3,333,082	3,042,461
Sanitation	1,622,631	2,582,099	1,996,555	2,570,067	2,807,984	2,991,411	3,112,440	3,743,357	2,898,257	3,954,443
Health and welfare	181,719	199,789	264,470	277,614	292,607	307,333	177,474	163,733	164,853	175,417
Culture and recreation	1,149,831	1,227,397	1,485,667	1,599,418	1,888,868	1,808,476	1,867,375	1,800,392	1,874,563	1,538,117
Conservation	-	-	-	-	-	-	-	-	-	2,407
Economic development	203,953	259,381	300,719	371,907	373,737	414,538	414,561	449,867	453,087	422,655
Capital outlay	3,658,743	736,810	3,675,161	1,531,153	512,657	507,788	2,043,955	1,679,200	1,034,107	4,726,491
Debt service:										
Principal	1,183,938	1,303,784	1,431,395	1,992,761	1,883,498	1,865,000	2,075,000	2,055,000	2,065,000	2,065,000
Interest	495,726	515,100	721,503	858,827	770,976	804,321	828,251	800,269	776,768	733,301
Total expenditures	21,350,485	23,922,732	32,498,034	31,067,837	28,829,664	33,326,605	32,422,675	32,034,395	31,671,651	35,463,968
Excess (deficiency) of revenues over (under) expenditures	(1,702,279)	(1,935,544)	(6,397,812)	(5,413,156)	(361,652)	(2,648,266)	(2,196,435)	(231,621)	(269,366)	(2,994,737)
Other Financing Sources (Uses)										
Proceeds of refunding bonds	-	-	4,545,000	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(4,545,259)	-	-	-	-	-	-	-
Proceeds of bonds	2,400,000	1,650,000	13,652,674	1,000,000	-	4,375,000	1,200,000	1,500,000	1,000,000	1,000,000
Transfers in	1,690,889	1,770,570	1,799,503	1,130,168	938,223	5,059,702	931,064	1,304,360	1,192,756	1,239,325
Transfers out	(1,673,389)	(1,770,570)	(1,799,503)	(1,130,168)	(938,223)	(5,059,702)	(931,064)	(1,304,360)	(1,192,756)	(1,239,325)
Total other financing sources (uses)	2,417,500	1,650,000	13,652,415	1,000,000	-	4,375,000	1,200,000	1,500,000	1,000,000	1,000,000
Special Items:										
Return of settlement liability	-	-	-	-	-	-	-	596,702	-	-
Total special items	-	-	-	-	-	-	-	596,702	-	-
Net changes in fund balances	\$ 715,221	\$ (285,544)	\$ 7,254,603	\$ (4,413,156)	\$ (361,652)	\$ 1,726,734	\$ (996,435)	\$ 1,865,081	\$ 730,634	\$ (1,994,737)
Debt Service as a percentage of non-capital outlay expenditures	9.49%	7.84%	7.47%	9.65%	9.37%	8.13%	9.56%	9.41%	9.28%	9.10%

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Changes in Fund Balances, General Fund
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues										
Property taxes	\$ 9,114,827	\$ 10,374,680	\$ 11,910,212	\$ 12,491,926	\$ 13,737,247	\$ 13,625,893	\$ 13,569,699	\$ 14,157,575	\$ 14,739,367	\$ 15,191,178
Interest, penalties and other taxes	-	762,227	845,099	862,921	769,452	789,174	840,286	854,527	870,500	894,631
Licenses and permits	5,689,761	6,041,086	6,648,688	6,682,683	6,613,897	6,186,242	6,294,434	5,970,111	5,917,550	5,890,687
Intergovernmental	1,528,525	1,758,801	1,826,676	1,830,461	2,586,076	2,148,993	2,538,562	2,549,893	2,934,709	1,849,703
Charges for services	1,100,718	409,350	553,210	433,508	554,473	862,419	802,420	1,188,733	852,862	929,255
Investment income	-	308,862	244,972	384,339	619,149	769,844	599,574	256,008	100,165	37,105
Other revenues	493,687	292,971	1,100,592	378,644	203,725	378,683	168,950	531,998	196,413	343,795
Total revenues	17,927,518	19,947,977	23,129,449	23,064,482	25,084,019	24,761,248	24,813,925	25,508,845	25,611,566	25,136,354
Expenditures										
Current:										
General government	2,194,135	2,542,594	2,666,080	2,842,400	2,940,412	2,948,169	3,204,130	3,012,487	2,929,828	3,264,043
Public Safety	8,162,694	8,549,081	9,113,259	9,785,664	10,430,161	10,478,279	11,169,578	11,932,980	12,291,199	12,642,797
Highways and streets	2,368,862	3,042,377	2,765,923	3,942,857	3,581,685	4,007,119	3,518,334	3,364,600	3,082,476	3,042,461
Sanitation	1,122,037	1,319,356	1,223,130	1,471,600	1,864,448	1,875,281	1,896,988	1,804,100	1,882,694	1,811,568
Health and welfare	178,040	199,789	264,470	277,614	292,607	307,333	177,474	163,733	164,853	174,928
Culture and recreation	807,836	966,809	1,063,461	1,176,759	1,261,314	1,345,309	1,385,091	1,385,987	1,445,295	1,351,525
Conservation	-	-	-	-	-	-	-	-	3,416	2,011
Economic development	203,953	259,381	300,719	371,907	373,737	414,538	414,561	449,867	453,087	422,655
Capital outlay	197,249	736,810	3,675,161	1,531,153	512,657	507,788	2,043,955	1,679,200	1,034,107	2,948,809
Debt service	1,679,664	1,818,884	2,152,898	2,851,588	2,654,474	2,669,321	2,903,251	2,855,269	2,841,768	2,798,301
Total expenditures	16,914,470	19,435,081	23,225,101	24,251,542	23,911,495	24,553,137	26,713,362	26,648,223	26,128,723	28,459,098
Excess (deficiency) of revenues over (under) expenditures	1,013,048	512,896	(95,652)	(1,187,060)	1,172,524	208,111	(1,899,437)	(1,139,378)	(517,157)	(3,322,744)
Other Financing Sources (Uses)										
Issuance of refunding bonds	-	-	4,545,000	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(4,545,259)	-	-	-	-	-	-	-
Issuance of bonds	73,905	300,000	2,900,000	-	-	4,375,000	1,200,000	1,500,000	1,000,000	1,000,000
Transfers in	164,496	1,599,177	256,250	470,576	401,110	166,553	801,064	872,160	967,756	958,869
Transfers out	(1,526,393)	(171,393)	(1,543,253)	(659,592)	(335,615)	(4,893,149)	(130,000)	(477,200)	(225,000)	(280,456)
Total other financing sources (uses)	(1,287,992)	1,727,784	1,612,738	(189,016)	65,495	(351,596)	1,871,064	1,894,960	1,742,756	1,678,413
Special Items:										
Return of settlement liability	-	-	-	-	-	-	-	596,702	-	-
Total special items	-	-	-	-	-	-	-	596,702	-	-
Net change in fund balances	\$ (274,944)	\$ 2,240,680	\$ 1,517,086	\$ (1,376,076)	\$ 1,238,019	\$ (143,485)	\$ (28,373)	\$ 1,352,284	\$ 1,225,599	\$ (1,644,331)
 Debt service as a percentage of non-capital outlay expenditures	 10.05%	 9.73%	 11.01%	 12.55%	 11.34%	 11.10%	 11.77%	 11.44%	 11.32%	 10.97%

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Changes in Fund Balances, Special Revenue Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues										
Interest, penalties and other taxes	\$ 495,017	\$ -	\$ -	\$ -	\$ 3,895	\$ 848,797	\$ 7,893	\$ 372,630	\$ 160,885	\$ 23,071
Licenses and permits	183,631	-	-	-	-	-	-	-	453,230	533,991
Intergovernmental	1,528,525	1,363,183	335,808	109,476	-	19,026	-	205,428	-	-
Charges for services	700,876	15,303	2,000,651	1,961,550	2,543,822	4,754,862	4,955,496	5,535,087	4,752,698	5,058,333
Investment income	-	119,949	11,151	23,826	24,116	19,979	15,539	11,500	6,476	1,773
Other revenues	85,228	387,181	126,356	400,254	512,577	187,941	382,098	229,491	188,059	75,039
Total revenues	2,993,277	1,885,616	2,473,966	2,495,106	3,084,410	5,830,605	5,361,026	6,354,136	5,561,348	5,692,207
Expenditures										
Current:										
General government	127,210	1,314,957	356,353	1,409,504	1,377,793	1,882,308	1,158,966	265,906	272,250	293,342
Public safety	1,043	330,744	247,164	301,383	603,482	2,780,137	2,331,175	2,679,808	2,530,346	2,602,274
Highways and streets	-	-	-	-	-	-	-	4,485	-	-
Sanitation	500,594	640,966	765,549	1,090,696	943,536	1,116,130	1,215,452	1,939,257	1,015,563	2,142,875
Health and welfare	3,679	-	-	-	-	-	-	-	637	485
Culture and recreation	341,995	259,170	418,876	420,953	622,953	461,728	480,643	412,934	174,050	186,583
Conservation	-	-	-	-	-	-	-	-	10	396
Economic development	-	-	-	-	-	-	-	-	5	-
Capital outlay	-	-	-	-	-	-	-	-	1,034,673	8,137
Total expenditures	974,521	2,545,837	1,787,942	3,222,536	3,547,764	6,240,303	5,186,236	5,302,390	5,027,534	5,234,092
Excess (deficiency) of revenues over (under) expenditures	2,018,756	(660,221)	686,024	(727,430)	(463,354)	(409,698)	174,790	1,051,746	533,814	458,115
Other Financing Sources (Uses)										
Issuance of bonds	-	1,000,000	-	1,000,000	-	-	-	-	-	-
Transfers in	395,000	171,393	124,377	157,393	107,393	2,357,393	130,000	432,200	225,000	117,000
Transfers out	(26,996)	(852,224)	(238,750)	(453,076)	(567,073)	(149,053)	(783,564)	(809,660)	(950,256)	(560,535)
Total other financing sources (uses)	368,004	319,169	(114,373)	704,317	(459,680)	2,208,340	(653,564)	(377,460)	(725,256)	(443,535)
Net change in fund balances	\$ 2,386,760	\$ (341,052)	\$ 571,651	\$ (23,113)	\$ (923,034)	\$ 1,798,642	\$ (478,774)	\$ 674,286	\$ (191,442)	\$ 14,580

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Changes in Fund Balances, Capital Projects Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues										
Intergovernmental	\$ -	\$ 100,000	\$ 15,400	\$ 28,189	\$ 259,905	\$ -	\$ -	\$ -	\$ 165,517	\$ 1,490,154
Charges for services	222,990	11,250	-	26,093	-	-	-	-	-	-
Investment income	-	742	333	732	181	13	4	3	1	1
Other revenues	1,753	-	-	-	796	2,682	50,000	-	-	-
Total revenues	224,743	111,992	15,733	55,014	260,882	2,695	50,004	3	165,518	1,490,155
Expenditures										
Current:										
General government	-	-	192,655	2,353,771	596,251	2,516	287,728	82,311	-	-
Public safety	-	765,274	-	975,923	289,374	2,325,290	-	-	-	-
Highways and streets	-	553,345	256,010	254,588	480,179	203,920	233,708	-	-	-
Sanitation	-	621,777	7,876	7,771	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Capital outlay	3,359,427	-	-	-	-	-	-	-	514,781	1,769,545
Total expenditures	3,359,427	1,940,396	456,541	3,592,053	1,365,804	2,531,726	521,436	82,311	514,781	1,769,545
Excess (deficiency) of revenues over (under) expenditures	(3,134,684)	(1,828,404)	(440,808)	(3,537,039)	(1,104,922)	(2,529,031)	(471,432)	(82,308)	(349,263)	(279,390)
Other Financing Sources (Uses)										
Issuance of bonds	2,400,000	350,000	1,851,274	-	-	-	-	-	-	-
Transfers in	960,000	-	1,057,876	502,199	429,720	2,535,756	-	-	-	163,456
Transfers out	-	(729,453)	-	-	(10,000)	-	-	-	-	(380,834)
Total other financing sources (uses)	3,360,000	(379,453)	2,909,150	502,199	419,720	2,535,756	-	-	-	(217,378)
Net change in fund balances	<u>\$ 225,316</u>	<u>\$ (2,207,857)</u>	<u>\$ 2,468,342</u>	<u>\$ (3,034,840)</u>	<u>\$ (685,202)</u>	<u>\$ 6,725</u>	<u>\$ (471,432)</u>	<u>\$ (82,308)</u>	<u>\$ (349,263)</u>	<u>\$ (496,768)</u>

TOWN OF LONDONDERRY, NEW HAMPSHIRE

General Government Tax Revenues by Source Last Ten Fiscal Years

Fiscal Year	Property Taxes	Payment in Lieu of Taxes	Yield Taxes	Excavation Taxes	Interest, Penalties and Other Taxes	Total
2002	\$ 15,674,144	\$ -	\$ 1,813	\$ -	\$ -	\$ 15,675,957
2003	10,948,316	500,000	2,018	34,614	225,595	11,710,543
2004	11,666,113	510,000	21,504	13,117	300,478	12,511,212
2005	12,580,255	520,200	5,283	14,908	322,530	13,443,176
2006	13,737,247	530,604	18,888	10,090	209,870	14,506,699
2007	13,625,893	541,216	14,536	11,184	222,238	14,415,067
2008	13,569,699	551,828	11,466	9,264	267,728	14,409,985
2009	14,157,575	563,081	9,700	15,058	266,688	15,012,102
2010	14,739,367	574,122	974	10,816	445,473	15,770,752
2011	15,191,178	585,825	16,819	8,152	284,772	16,086,746

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Property Tax Levied for Fiscal Year(1)	Collected within the Fiscal Year of the Levy		Balance at Fiscal Year End of Levy Year	Delinquent Tax Collections	Delinquent Balance at end of Current Fiscal Year	Total Collections to Date		Number of Parcels		
		Amount	% of Levy				Amount	% of Levy	In Levy	Liened	% Liened
2002	\$ 44,182,718	\$ 42,748,357	96.8%	\$ 1,434,361	\$ 688,106	\$ 746,255	\$ 43,436,463	98.3%	9,083	223	2.46%
2003	44,069,941	42,855,222	97.2%	1,214,719	580,359	634,360	43,435,581	98.6%	9,095	187	2.06%
2004	47,056,462	46,717,917	99.3%	338,545	116,219	222,326	46,834,136	99.5%	9,382	220	2.34%
2005	55,130,236	53,168,196	96.4%	1,962,040	1,327,748	634,292	54,495,944	98.8%	9,506	223	2.35%
2006	57,067,122	56,326,597	98.7%	740,525	161,711	578,814	56,488,308	99.0%	9,610	227	2.36%
2007	59,122,596	58,572,792	99.1%	549,804	75,364	474,440	58,648,156	99.2%	9,609	324	3.37%
2008	59,029,250	58,244,149	98.7%	785,101	274,802	510,299	58,518,951	99.1%	9,606	278	2.89%
2009	61,326,245	60,783,858	99.1%	609,773	480,349	293,977	61,264,207	99.9%	9,609	236	2.46%
2010	63,549,682	62,971,895	99.1%	703,313	526,188	371,628	63,498,083	99.9%	9,658	323	3.34%
2011	65,885,833	64,970,290	98.6%	607,412	623,125	417,967	65,593,415	99.6%	9,658	357	3.70%

TOWN OF LONDONDERRY, NEW HAMPSHIRE

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

Fiscal Year	Local Assessed Value			Total Assessed Value	Less Exemptions to Assessed Value	Total Net Taxable Assessed Value	Total Direct Tax Rate per \$1,000 of Value	Estimated Full Value	Ratio of Total Net Taxable Assessed Value to Total Estimated Value
	Residential	Commercial/ Industrial	Utilities						
2002	\$ 1,768,304,053	\$ 489,617,721	\$ 51,941,600	\$ 2,309,863,374	\$ 182,837,509	\$ 2,127,025,865	\$ 24.67	\$ 2,486,036,535	85.6%
2003	1,878,365,836	263,313,473	331,532,000	2,473,211,309	253,052,809	2,220,158,500	20.88	2,738,112,442	81.1%
2004	2,165,070,811	288,983,575	305,363,300	2,759,417,686	273,204,550	2,486,213,136	21.98	3,050,888,586	81.5%
2005	2,479,609,162	336,023,677	344,743,200	3,160,376,039	296,295,600	2,864,080,439	21.56	3,291,493,812	87.0%
2006	2,896,242,641	349,576,134	344,743,200	3,590,561,975	339,916,000	3,250,645,975	19.85	3,274,163,075	99.3%
2007	2,899,570,144	350,861,934	355,557,000	3,605,989,078	338,204,200	3,267,784,878	18.28	3,346,869,655	97.6%
2008	2,616,156,685	369,102,678	349,557,000	3,334,816,363	346,682,050	2,988,134,313	18.22	3,323,828,044	89.9%
2009	2,636,484,995	385,083,538	394,757,000	3,416,325,533	418,540,150	2,997,785,383	18.48	3,343,051,059	89.7%
2010	2,469,243,134	383,432,206	481,207,000	3,333,882,340	505,119,150	2,828,763,190	19.68	3,317,787,719	85.3%
2011	2,477,756,918	381,999,026	481,957,000	3,341,712,944	365,467,400	2,976,245,544	20.33	3,147,464,465	94.6%

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Principal Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2011 Assessed Value	2011 Rank	Percentage of net Assessed Value	2002 Assessed Value	2002 Rank	Percentage of net Assessed Value
GRANITE RIDGE ENERGY	Utility	\$ 350,000,000	1	11.76%	\$ 235,260,000	1	11.06%
PUBLIC SERVICE CO. OF NH	Electric Utility	91,185,504	2	3.06%	26,154,800	2	1.23%
COCA-COLA OF NORTHERN NE	Bottling Plant	21,257,400	3	0.71%	18,423,200	3	0.87%
HARVEY INDUSTRIES	Window Manufacturer	18,037,600	4	0.61%	-	-	-
ELLICO PROPERTIES II, LLC	Research and Development	17,681,100	5	0.59%	-	-	-
TENNECO INCORPORATED	Gas Utility	15,884,100	6	0.53%	9,645,000	5	0.45%
HOME DEPOT	Retail	15,884,100	7	0.53%	5,068,300	10	0.24%
LIEVENS ROBERT	Retail	14,813,700	8	0.50%	9,144,000	6	0.43%
APPLETREE MALL ASSOCIATES, INC	Retail Mall Plaza	14,326,400	9	0.48%	9,853,700	4	0.46%
ANAGNOST LONDONDERRY LIMITED	Health Care Facility	11,749,500	10	0.39%	-	-	-
F&S TRANSIT MIX CO.	Manufacturing	-	-	-	6,326,100	8	0.30%
LONDONDERRY FREEZER WAREHOUSE	Warehouse	-	-	-	6,281,000	9	0.30%
GLENBERVIE INC	Manufacturing	-	-	-	6,876,900	7	0.32%
Total Principal Taxpayers		<u>\$ 570,819,404</u>		19.18%	<u>\$ 333,033,000</u>		15.66%
Total Net Assessed Taxable Value		<u>\$ 2,976,245,544</u>			<u>\$ 2,127,025,865</u>		

Source:
Town of Londonderry Assessors Office

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Property Tax Rates per \$1,000 of Assessed Value
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Town Direct Rates							Overlapping Rates	
	Town	Budgetary Use of Fund Balance	Total Town	Local School	State School	Total School	Total Direct	County	Total
2002	\$ 6.08	\$ (0.32)	\$ 5.76	\$ 11.95	\$ 5.59	\$ 17.54	\$ 23.30	\$ 1.37	\$ 24.67
2003	5.94	(0.69)	5.25	10.13	4.42	14.55	19.80	1.08	20.88
2004	5.66	(0.28)	5.38	10.48	4.91	15.39	20.77	1.21	21.98
2005	5.53	(0.26)	5.27	11.88	3.31	15.19	20.46	1.10	21.56
2006	5.23	(0.20)	5.03	11.06	2.78	13.84	18.87	0.98	19.85
2007	4.67	(0.23)	4.44	10.55	2.43	12.98	17.42	0.86	18.28
2008	4.60	(0.22)	4.38	10.67	2.31	12.98	17.36	0.86	18.22
2009	4.71	(0.33)	4.38	11.03	2.21	13.24	17.62	0.86	18.48
2010	4.93	(0.28)	4.65	11.79	2.30	14.09	18.74	0.94	19.68
2011	5.01	(0.27)	4.74	12.29	2.36	14.65	19.39	0.94	20.33

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	
				Median Family (1)	Per Capita (1)
2002	\$ 14,141,155	\$ 660,184	\$ 14,801,339	0.52%	0.19%
2003	11,190,097	303,560	11,493,657	0.69%	0.25%
2004	23,662,784	596,441	24,259,225	0.33%	0.12%
2005	22,445,000	301,349	22,746,349	0.36%	0.13%
2006	20,570,000	-	20,570,000	0.41%	0.15%
2007	23,080,000	426,058	23,506,058	0.31%	0.11%
2008	22,205,000	113,060	22,318,060	0.33%	0.12%
2009	21,650,000	-	21,650,000	0.34%	0.12%
2010	20,585,000	-	20,585,000	0.36%	0.13%
2011	19,520,000	-	19,520,000	0.45%	0.18%

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2002	\$ 14,141,155	0.57%	0.20%
2003	11,190,097	0.41%	0.26%
2004	23,662,784	0.78%	0.12%
2005	22,445,000	0.68%	0.13%
2006	20,570,000	0.63%	0.15%
2007	23,080,000	0.69%	0.11%
2008	22,205,000	0.67%	0.12%
2009	21,650,000	0.65%	0.12%
2010	20,585,000	0.62%	0.13%
2011	19,520,000	0.62%	0.18%

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Computation of Direct and Overlapping Debt

Jurisdiction		Net General Obligation Bonded Debt Outstanding	Percentage Applicable To Town of Londonderry	Amount Applicable To Town of Londonderry
Direct:	Town of Londonderry	\$ 19,520,000	100.00%	\$ 19,520,000
Overlapping:	Rockingham County (6/30/2011)	2,125,000	6.86%	145,775
	Londonderry School District (6/30/2011)	<u>21,480,000</u>	100.00%	<u>21,480,000</u>
Total		<u>\$ 43,125,000</u>		<u>\$ 41,145,775</u>

Source:
Town Finance Department

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Limit	\$ 75,079,312	\$ 58,018,965	\$ 58,018,965	\$ 92,048,298	\$ 99,700,251	\$ 100,913,325	\$ 100,913,325	\$ 104,740,690	\$ 99,288,135	\$ 99,288,135
Total net debt applicable to limit	<u>10,938,641</u>	<u>13,119,600</u>	<u>26,502,274</u>	<u>24,754,600</u>	<u>23,264,600</u>	<u>26,154,600</u>	<u>25,654,600</u>	<u>25,444,600</u>	<u>24,594,600</u>	<u>23,649,600</u>
Legal debt margin	<u>\$ 64,140,671</u>	<u>\$ 44,899,365</u>	<u>\$ 31,516,691</u>	<u>\$ 67,293,698</u>	<u>\$ 76,435,651</u>	<u>\$ 74,758,725</u>	<u>\$ 75,258,725</u>	<u>\$ 79,296,090</u>	<u>\$ 74,693,535</u>	<u>\$ 75,638,535</u>
Total net debt applicable to the limit as a percentage of debt limit	14.57%	22.61%	45.68%	26.89%	23.33%	25.92%	25.42%	24.29%	24.77%	23.82%

Source:
Town Finance Department

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Principal Employers
Current Year and Nine Years Ago

Employer	Type of Business	2011			2002		
		Number of Employees	Rank	Percentage of Total Town Employment	Number of Employees	Rank	Percentage of Total Town Employment
Insight Technologies	Manufacturing	1,300	1	9.00%	300	3	2.35%
Harvey Industry	Window Manufacturing	500	2	3.46%	-	-	0.00%
Londonderry School District	Education	493	3	3.41%	450	1	3.53%
Stonyfield Farms	Yogurt	375	4	2.60%	120	8	0.94%
United Parcel Service Inc.	Parcel Delivery	288	5	1.99%	288	4	2.26%
Coca Cola	Beverage Manufacturer	200	6	1.38%	-	-	0.00%
Vibro-meter	Manufacturer	188	7	1.30%	-	-	-
Continental Paving	Road Construction	165	8	1.14%	100	10	0.78%
Shaw's Supermarket	Supermarket	140	9	0.97%	200	5	1.57%
CTS, Corp.	Electronic Manufacturer	130	10	0.90%	-	-	0.00%
Federal Express	Parcel Delivery	-	-	-	100	9	0.78%
K Mart	Department Store	-	-	-	150	6	1.18%
Summit Packaging	Manufacturer	-	-	-	320	2	2.51%
Wire Belt	Manufacturer	-	-	-	128	7	1.00%

Source:
NH Employment Security, Economic & Labor Market Information Bureau

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Demographic Statistics Last Ten Fiscal Years

Fiscal Year	Population	Median Family Income	Per Capita Income	Town		Unemployment Rates		
				Unemployed	Labor Force	Town	State of NH	United States
2002	23,544	\$ 77,097	\$ 28,012	591	13,763	4.3%	4.7%	5.8%
2003	23,853	78,889	28,772	590	13,966	4.3%	5.7%	6.7%
2004	24,161	80,681	29,532	589	14,170	4.2%	6.7%	7.6%
2005	24,469	82,473	30,293	588	14,374	4.1%	7.7%	8.5%
2006	24,777	84,264	31,053	587	14,577	3.3%	3.7%	4.9%
2007	24,837	73,513	26,491	555	14,446	3.5%	3.6%	4.8%
2008	24,879	73,513	26,491	428	12,248	3.5%	3.6%	4.6%
2009	24,567	73,513	26,491	919	14,592	6.3%	6.5%	9.4%
2010	24,567	73,513	26,491	919	14,592	7.7%	7.7%	10.4%
2011	24,129	86,962	35,045	872	14,538	6.0%	5.2%	9.2%

Source:
Bond Official Statements
NH Employment Security Division

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Full-time Equivalent Town Employees by Function Last Ten Fiscal Years

Function

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government										
Executive	3	3	3	3	3	3	3	3	3	3
Assessing	5	5	5	5	5	5	4	4	4	4
Building	4	4	4	4	4	4	4	4	3	3
Cable	1	2	2	3	3	3	3	3	3	3
Family Mediation	1	1	1	1	1	1	1	1	1	1
Finance	4	4	5	5	5	5	5	5	5	5
Information Technologies	1	1	-	-	-	-	-	-	-	-
Planning	3	3	3	4	4	4	4	4	4	4
Zoning	1	1	1	1	1	1	1	1	1	1
Town Clerk/Tax Collector	5	5	6	6	5	5	5	5	5	5
Total General Government	28	29	30	32	31	31	30	30	29	29
Human Services										
Welfare	2	2	2	1	1	1	-	-	-	-
Total Human Services	2	2	2	1	1	1	-	-	-	-
Public Safety										
Fire										
Administration	2	2	2	2	2	2	2	2	2	2
Captains	3	4	4	5	4	4	4	4	4	4
Lieutenants	7	7	7	9	9	9	9	12	11	11
Firefighters	29	28	28	27	27	27	27	24	25	25
Communication	5	5	4	4	4	4	4	4	4	4
Prevention	2	2	2	2	2	2	2	2	2	1
Total Fire	48	48	47	49	48	48	48	48	48	47
Police										
Administration	4	4	4	4	4	4	4	4	4	4
Captains	2	2	2	2	2	3	3	3	3	3
Lieutenants	5	5	5	5	5	4	4	4	4	4
Sergeants	8	6	6	8	8	11	11	11	11	12
Officers	20	19	21	22	23	39	39	39	39	38
Support Services	7	7	6	5	5	4	3	3	3	3
Detectives	3	4	4	4	4	4	4	4	4	4
Communications	7	8	7	7	7	7	7	7	7	7
Records	3	3	3	3	3	3	3	3	3	4
Animal Control Officer	1	1	1	1	1	1	1	1	1	1
Building Maintenance	1	1	1	1	1	1	1	1	1	1
Total Police	61	60	60	62	63	81	80	80	80	81
Total Public Safety	109	108	107	111	111	129	128	128	128	128
Public Works										
Administration	4	4	4	4	4	4	3	3	3	3
Highway	2	2	2	2	2	2	2	2	2	2
Equipment Operators	2	2	2	3	3	3	3	3	3	3
Truck Drivers/Laborers	5	6	7	5	5	5	5	4	4	5
Mechanic	2	2	1	1	1	1	1	2	2	1
Environmental Services	1	1	1	1	1	1	1	1	1	1
Total Public Works	16	17	17	16	16	16	15	15	15	15
Cultural and Recreation										
Library	21	21	18	17	17	17	16	16	16	16
Recreation	1	1	1	1	1	1	1	1	1	1
Total Culture and Recreation	22	22	19	18	18	18	17	17	17	17
Total All Functions	<u>177</u>	<u>178</u>	<u>175</u>	<u>178</u>	<u>177</u>	<u>195</u>	<u>190</u>	<u>190</u>	<u>189</u>	<u>189</u>
Percent of Total										
General Government	15.8%	16.3%	17.1%	18.0%	17.5%	15.9%	15.8%	15.8%	15.3%	15.3%
Human Services	1.1%	1.1%	1.1%	0.6%	0.6%	0.5%	0.0%	0.0%	0.0%	0.0%
Public Safety	61.6%	60.7%	61.1%	62.4%	62.7%	66.2%	67.4%	67.4%	67.7%	67.7%
Public Works	9.0%	9.6%	9.7%	9.0%	9.0%	8.2%	7.9%	7.9%	7.9%	7.9%
Cultural and Recreation	12.4%	12.4%	10.9%	10.1%	10.2%	9.2%	8.9%	8.9%	9.0%	9.0%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source:

Annual Town Reports

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	24	24	24	27	27	27	27	27	27	27
Fire										
Number of stations	3	3	3	3	3	3	3	3	3	3
Number of pumpers	4	4	4	4	4	4	4	4	4	4
Number of ladder trucks	1	1	1	1	1	1	1	1	1	1
Number of ambulances	2	2	2	2	2	2	2	2	2	3
Number of command vehicles	1	1	1	1	1	1	1	1	1	1
Number of rescue trucks	1	1	1	1	1	1	1	1	1	1
Number of staff vehicles	3	3	3	3	3	3	3	3	3	3
Public Works										
Miles of streets	174	176	176	180	180	180	180	180	180	180
Number of street lights	134	134	134	134	143	143	142	142	142	142
Number of traffic lights	1	1	1	1	1	1	1	1	1	1
Miles of sanitary sewers	32	32	32	34	40	40	40	40	40	40
Number of service connections	742	856	856	1,119	1,280	1,441	1,510	1,554	1,554	1,594
Daily average treatment in gallons	530,000	900,000	900,000	1,486,000	1,500,000	1,500,000	1,500,000	1,700,000	1,700,000	1,700,000
Number of pump stations	4	4	4	5	5	5	5	5	5	5
Maximum daily capacity in gallons	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Culture and Recreation										
Number of libraries	1	1	1	1	1	1	1	1	1	1
Number of community centers	2	2	2	2	2	2	2	2	2	2
Number of parks										
Tennis	2	4	4	4	4	4	4	4	4	4
Ball fields	5	6	6	6	8	8	8	8	8	8
Basketball courts	2	2	2	2	2	2	2	2	2	2
Skateboard	1	1	1	1	1	1	1	1	1	1
Soccer fields	2	3	3	3	7*	7*	7*	7*	7*	7*
Schools (not included in this reporting entity)										
High Schools	1	1	1	1	1	1	1	1	1	1
Middle Schools	1	1	1	1	1	1	1	1	1	1
Elementary Schools	3	3	3	3	3	3	3	3	3	3
Kindergartens	1	1	1	1	1	1	1	1	1	1

*Includes multipurpose fields

Source:
Annual Town Reports
Various Town Departments

TOWN OF LONDONDERRY, NEW HAMPSHIRE

Operating Indicators by Function
Last Ten Fiscal Years

Function

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government										
Taxable property parcels assessed	9,083	9,095	9,382	9,506	9,610	9,609	9,606	9,609	9,658	9,658
Motor vehicles registered	34,053	34,679	36,276	38,861	36,287	35,645	37,978	37,600	35,281	34,942
Building permits issued	778	796	768	592	605	594	492	465	381	319
Human service contacts	364	321	458	419	318	398	271	589	268	512
Human service applications granted	141	125	173	161	168	163	103	54	80	42
Registered voters	12,423	12,385	15,092	14,863	14,867	15,007	15,772	16,000	16,989	17,286
Fire										
Fires extinguished	89	70	119	92	95	75	64	98	79	78
Non fire responses	762	969	766	1,160	1,062	1,261	1,164	1,586	1,165	1,178
Rescue EMS responses	1,577	1,491	1,444	1,500	1,598	1,585	1,724	1,810	1,855	1,875
Inspections and plan/permit review	711	740	876	1,097	1,142	1,258	1,435	1,742	1,580	1,671
Police										
Total incidents dispatched	18,868	22,677	20,779	19,654	19,919	25,222	28,613	24,838	24,252	25,527
Total traffic accidents and violations	8,311	8,108	8,349	6,863	8,168	10,157	12,818	10,583	9,921	10,911
Total physical arrests	655	864	975	618	593	801	820	696	698	756
Total crimes investigated	2,199	2,458	2,107	1,861	1,919	2,332	2,678	2,321	2,183	2,282
Total animal control contacts	1,864	1,609	1,742	1,922	1,350	1,495	471	544	113	377
Public Works										
Streets resurfaced (LF)	26,000	57,000	39,000	47,000	46,132	36,720	42,520	53,096	33,981	24,600
Refuse collected (tons)	10,253	10,412	10,535	10,290	10,404	9,951	9,631	9,290	8,862	8,873
Recycling (tons)	1,686	1,718	1,717	1,676	1,950	1,935	1,736	1,795	2,264	2,302
Library										
Total circulation	198,501	199,335	215,659	237,559	249,408	255,563	282,360	321,585	336,750	341,274
Total volumes in collection	71,732	77,587	81,203	85,277	82,921	88,251	90,118	85,269	86,913	87,341
Total registered borrowers	16,638	17,555	18,139	17,988	18,180	17,323	14,313	15,076	16,239	16,353
Total program attendance	8,840	4,629	4,587	4,934	5,188	6,611	6,820	11,400	12,963	13,557

Source:

Annual Town Reports

Various Town Departments

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