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City of Concord, NH  
Finance Committee of the  
City Council

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2010 - 2015

Fiscal Monitoring Report

June 5, 2008

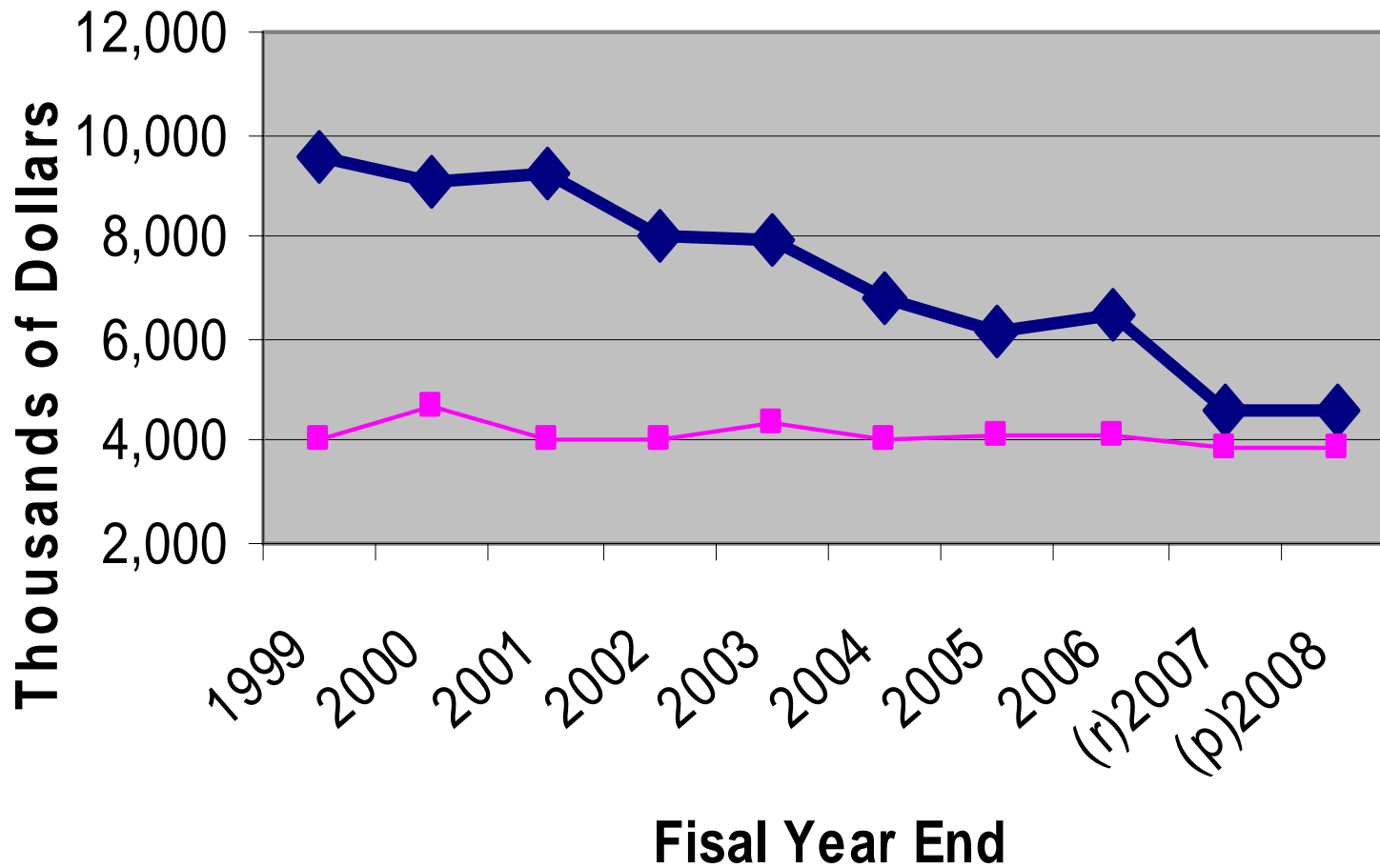
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# General Fund Financial Overview

- FY2008 expected results
  - FY2009 update
  - FY 2010 “Outlook” (and beyond)
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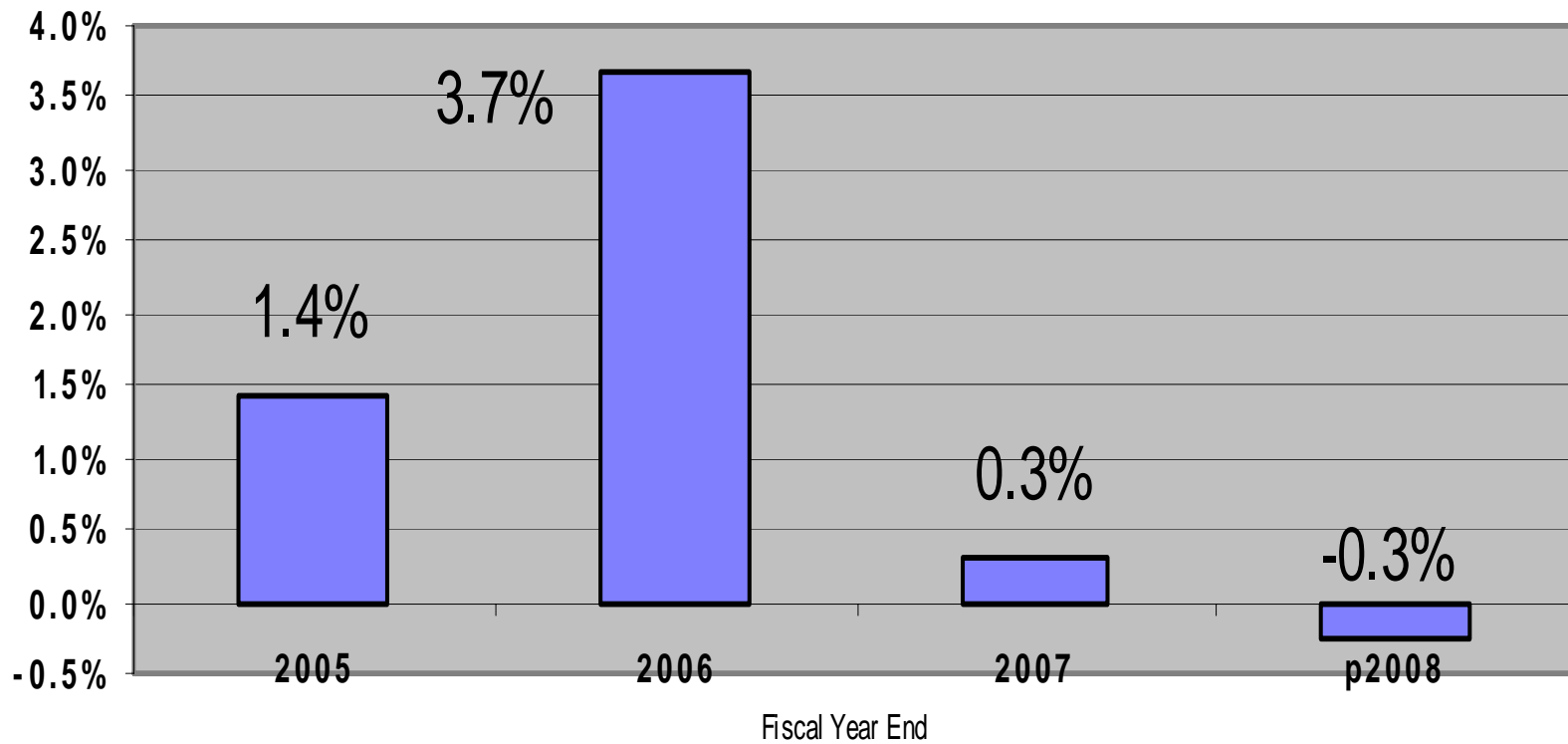
# General Fund Reserved and Undesignated, Unreserved Fund Balance

1999 - 2008 (p=projected))



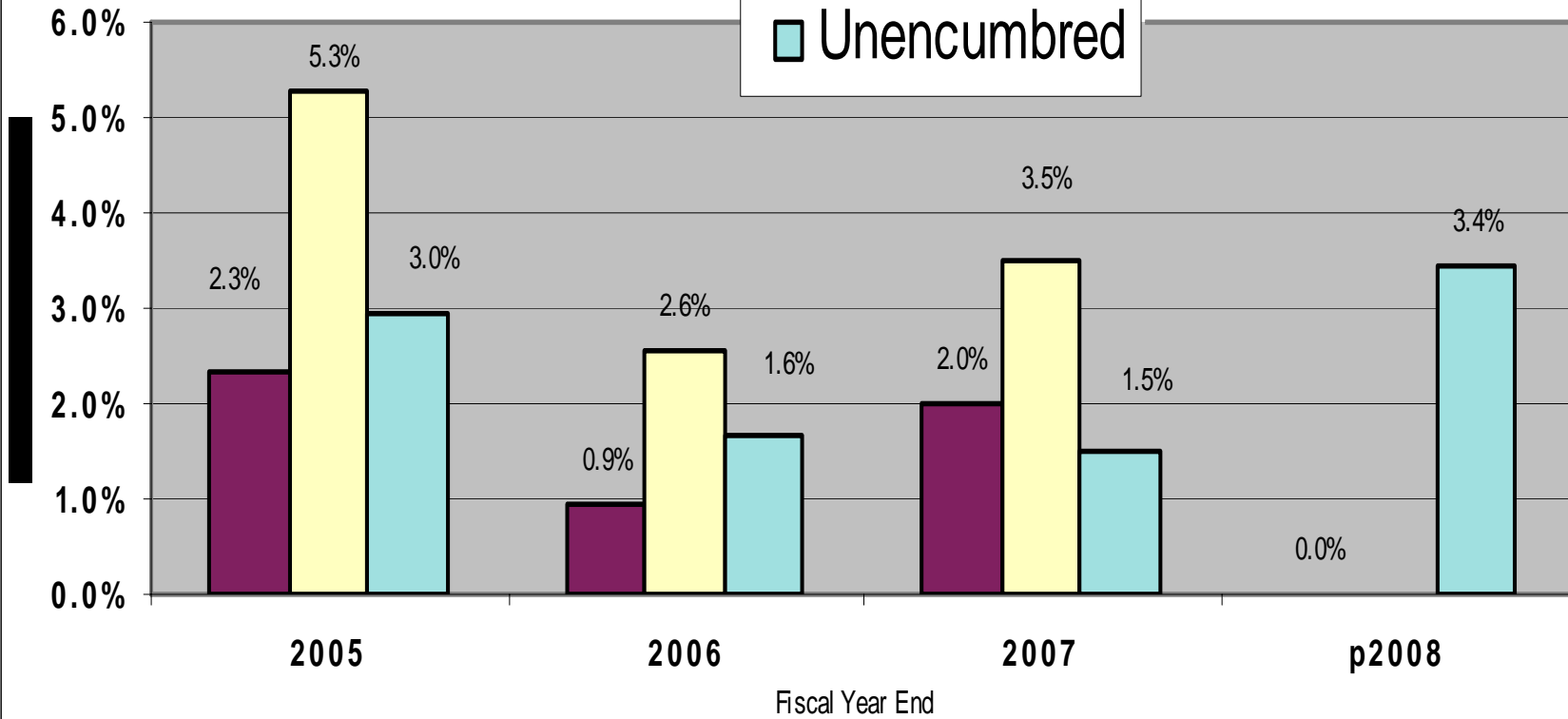
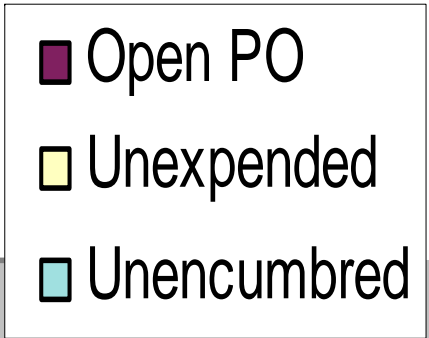
# General Fund Appropriations Comparison

Percent of Budget



# General Fund Appropriations Comparison

Percent of Budget



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# 2009 Fiscal Budget

- ❑ Budget shows commitment – willingness to make difficult decisions
    - Surplus utilization down 47%
    - GASB 45 – progress made by reducing the liability
    - Reductions in programs/services
    - Appropriations up 0.7%
    - Non-tax Revenues down overall
    - Tax increase met target
  - ❑ Stay the course
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# 2008 Credit Rating Perspective

## ■ Good News

- July 2008 Summer bond sale preparations presently underway
  - V. December/January conditions and what has been accomplished since then
  - Borrowing rates are low
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# Fiscal 2010 “Outlook”

## Projection Summary

### ■ General Fund

- ❑ Non-property tax revenues up 3.5%
  - ❑ Surplus utilization down 34%
  - ❑ Appropriations up 8.5% w/o GASB 45 - 9.5% w GASB45
  - ❑ A FY2010 tax rate of \$7.69/\$1,000 AV or 11.4% increase over 2009 rate of \$6.90 w/o GASB45 - \$7.81 or 13.2% w/GASB45
  - ❑ 0% tax rate gap of another \$3.4 - \$3.9mm
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# Fiscal “Outlook”

## 2010 and beyond

- Continued expenditure increase pressures – Maintain Services at 2009 level; no staff ‘ad-back’
    - 2009 Combine compensation and benefits up 7.2%; avg.6.6%
      - Condrey/contract COLAs – 5%
      - Health benefits – double digit increase expected at trend -10.5%
      - Retirement –15% plus 5%+ for wages total = 20%
    - Retiree Health Benefits – State subsidy freeze plus begin GASB 45 funding and continue program evaluation
    - Energy and vehicle fuel cost volatility – Nat Gas/Elec +45%??
    - Solid Waste – 2010 up 17.4%
    - Capital and transfers - Highway pavement program constrained; 200k, 2-4-4-4%; other capital programs as per CIP
    - Debt Service, a function of CIP up sharply to 13.5% of approps. – Library at \$11.9 mm 2012/13; low/no Open Space bonding
    - Property tax appeals, exemptions and credits level/declining
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# Sample annual debt service amounts

- CIP 35 Rte 3 Corridor
    - 2010 - \$200,000
    - 2014 - \$900,000
  - CIP 4 Fire Apparatus
    - 2014 - \$400,000
  - CIP 252 Fire Training Facility
    - 2015 - \$650,000
  - CIP121 GS Equipment
    - 2015 – \$700,000
  - CIP 68 Library
    - 2013 - \$1,440,000
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# Fiscal “Outlook” Model

## 2010 and beyond – Revenues/Surplus

- Revenue growth continues below trend
    - Motor vehicle
    - State revenues no help
    - End of decline in Investment Income
    - Real assessment growth projected to dip to 1% before slowly rebounding
    - Building permits remain a bright spot
    - Trust transfers depend upon the market
    - Alternative recreation funding options under development
  - Surplus utilization eliminated by 2012
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