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SOMERSWORTH

New Hampshire



Annual Report


2011

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Somersworth
New Hampshire



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CITY OFFICIALS

MAYOR

Lincoln T. Soldati
Term Exp. Jan. 2012
(Resigned 9/01/2011)
Matthew L. Spencer (Replaced)

CITY MANAGER

Robert M. Belmore

CITY COUNCIL

Terms Exp. Jan. 2012

Ward 1

Martin Pepin

Ward 2

Michael X. Watman

Ward 3

Dale Spainhower

Ward 4

Jonathan McCallion

Ward 5

Denis Messier (Resigned)
Armand Beaudet (Replaced)

At Large

Terms Exp. Jan. 2014
Brian Tapscott
David Witham
Robin Jarvis
Dale Sprague

ASSESSOR

Janice Carruth

CITY ATTORNEY

Mitchell & Bates, PA

CITY CLERK

Diane M. DuBois

CITY ENGINEER

Chris Jacobs

CITY PLANNER

David Sharples

CODE ENFORCEMENT OFFICER

Tim Metivier

DIRECTOR OF DEVELOPMENT SERVICES

Craig Wheeler

DIRECTOR OF FINANCE AND ADMINISTRATION

Scott A. Smith

FIRE CHIEF

Fred Butts

LIBRARIAN

Debora Longo

POLICE CHIEF

Dean Crombie

PUBLIC WORKS DIR.

Tom Willis

TAX COLLECTOR

Margaret Wagner

WELFARE OFFICER

Jennifer Bisson (Resigned)
Lauren Berman (Replaced)

SCHOOL BOARD

Terms Exp. Jan. 2012

Ward 1

Peter Houde (Resigned)
Leroy Nash (Replaced)

Ward 2

Dana Rivers

Ward 3

Stephanie Riotto

Ward 4

Robert Gibson

Ward 5

Kenneth Bolduc

At Large

Terms Exp. Jan. 2014
James Cowan
Jerry Perkins
Donald Austin
Matthew Hanlon

ELECTION OFFICIALS

Terms Exp. Jan. 2012

WARD 1**Moderator**

George Poulin

Ward Clerk

Vacant

Selectmen

Marjorie Goldberg
Elroy Hume
Robert Goldberg

Supervisor of Checklist

Pam Sawyer

Term Exp. May 2011

WARD 2**Moderator**

Paula Carr

Ward Clerk

Donald Carr

Selectmen

David Roberge
Mary Ann Roberge

Supervisor of Checklist

Jennifer Soldati
Term Exp. Feb. 2011

WARD 3**Moderator**

Martin Dumont

Ward Clerk

Vacant

Selectmen

Sylvia Johns
Jeanne Ambrose

Supervisor of Checklist

Carlene Dumont
Term Exp. Sep. 2015

WARD 4**Moderator**

Sean Peschel

Ward Clerk

Sandra Spellman

Selectmen

Linda Rodden
Pauline LaBonte
Sean McCallion

Supervisor of Checklist

Vacant

WARD 5**Moderator**

Joanne Demers

Ward Clerk

Mary Brown

Selectmen

Marie Messier
Roland Patnode, Jr.

Supervisor of Checklist

Raymond LaPointe
Term Exp. Sept. 2013

<i>2011 ORDINANCES</i>

1. Ordinance No. 7-11 Amend Chapter 13, Police Offenses, Section 3.2.A. 01/13/2011.
2. Ordinance No. 9-11 Amend Chapter 19, Zoning Ordinance, Section 13, Riparian and Wetland Buffer District Ordinance. 04/04/2011.
3. Ordinance No. 11-11 Amend Chapter 13, Police Offenses, Section 3.4.B. Motor Vehicle Operation, Speeds. 05/16/2011.
4. Ordinance No. 12-11 Amend Chapter 6, City Officials, Section 6.5, Filing Fees. 05/16/2011.
5. Ordinance No. 14-11 Amend Chapter 30, Conduct in Public Parks, Section 2.2 Definitions. 06/06/2011.
6. Ordinance No. 15-11 Amending Chapter 4, Personnel Rules and Regulations. 06/06/2011.
7. Ordinance No. 16-11 Amending Chapter 4, Personnel Rules and Regulations, by Amending Section 11.3 Titled "Health Insurance". 06/06/2011.
8. Ordinance No. 10-11 FY2011-2012 Budget. 06/20/2011.
9. Ordinance No. 17-11 Amend Chapter 13, Police Offenses, Section 3.4, Motor Vehicle Operation, Right Turn Prohibited. 06/20/2011.
10. Ordinance No. 19-11 Transfer Ordinance. 06/20/2011.
11. Ordinance No. 2-12 Amend Chapter 19, Zoning Ordinance, Section 19.3.D.1 District Boundaries, Historic Mill District. 08/15/2011.
12. Ordinance No. 3-12 Amend Chapter 19, Zoning Ordinance. 08/15/2011.
13. Ordinance No. 4-12 Amend Chapter 19, Zoning Ordinance, Section 19.3.B.13 Establishment of Zoning District. 08/15/2011.
14. Ordinance No. 5-12 Amend Chapter 19, Zoning Ordinance, Table of Uses. 08/15/2011.
15. Ordinance No. 6-12 Amend Chapter 13, Police Offenses, Section 3.1.D. No Parking Anytime. 09/06/2011.

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16. Ordinance No. 7-12 Supplemental Appropriation to Address Increase in New Hampshire State Retirement Rates. 10/17/2011.
 17. Ordinance No. 8-12 City Council Meeting Schedule for 2012. 12/12/2011.

2011 RESOLUTIONS

1. Resolution No. 15-11 Authorizing the City Manager to Seek Funding for the Noble Pines Comprehensive Improvement Project as Proposed in the Fiscal Year 2012-2017 Capital Improvements Plan. Passed 01/18/2011.
2. Resolution No. 13-11 To Notify the City Tax Collector that the City Council shall not Accept a Tax Deed on Certain Properties Subject to an Unredeemed Tax Lien. Passed 02/07/2011.
3. Resolution No. 14-11 To Notify the City Tax Collector that the City Council shall not Accept a Tax Deed on Certain Property Subject to an Unredeemed Tax Lien. Passed 02/07/2011.
4. Resolution No. 16-11 City of Somersworth Sustainability Initiative. Passed 02/22/2011.
5. Resolution No. 17-11 City of Somersworth Sustainability Committee. Passed 02/22/2011.
6. Resolution No. 18-11 To Establish a Capital Reserve Fund for the Purpose of Sidewalk Construction, Reconstruction, or Rehabilitation. 03/21/2011.
7. Resolution No. 19-11 To Authorize the City Manager to Order One Police Cruiser which will be Funded in the Fiscal Year 2011-2012 Budget. 04/04/2011.
8. Resolution No. 20-11 Resolution for the City of Somersworth to Encourage/Participate in Regionalization Efforts. 04/04/2011.
9. Resolution No. 23-11 Authorizing the City Manager to Complete City Road Maintenance Projects and to Contract with Bedford Sealcoating, Inc. of Bedford, NH to Provide Cracksealing Services on Certain City Roads. 05/02/2011.
10. Resolution No. 24-11 City Council to Adopt the Provisions of RSA 72:1-c Authorizing the City of Somersworth to Elect not to Assess, Levy and Collect a Resident Tax. 05/16/2011.
11. Resolution No. 25-11 City Council to Amend the Somersworth Water Works Tariff. 05/16/2011.
12. Resolution No. 27-11 Authorizing the City Manager to Contract with GMI Asphalt, LLC of Belmont, NH to Resurface a Portion of High Street, Willand Drive, and Make Necessary Drainage and Utility Improvements as Required. 05/16/2011.

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13. Resolution No. 28-11 Naming the Ball Field at Millennium Park St. Laurent Field. 06/20/2011.
 14. Resolution No. 2-12 Authorizing the City Manager to Accept a Hazard Mitigation Grant in the Amount of \$21,227 (Twenty One Thousand Two Hundred Twenty Seven Dollars) to Upgrade the Rocky Hill Road Culvert. 07/11/2011.
 15. Resolution No. 1-12 Authorizing the City Manager to Execute a Lease Agreement with the Pall Corporation of Port Washington, NY to Lease Building Space at the Somersworth Water Treatment Facility. 08/15/2011.
 16. Resolution No. 3-12 To Notify the City Tax Collector that the City Council shall not Accept a Tax Deed on Certain Manufactured Housing Units Subject to an Unredeemed Tax Lien. 08/15/2011.
 17. Resolution No. 4-12 To Notify the City Tax Collector that the City Council shall not Accept a Tax Deed on Certain Property Located at 1Winter Street (Formerly Known as Breton's Cleaners) Subject to an Unredeemed Tax Lien. 08/15/2011.
 18. Resolution No. 5-12 To Authorize the Use of \$22,000 (Twenty Two Thousand Dollars) from the Citywide Revaluation Capital Reserve Fund for Cycled Inspections. 08/15/2011.
 19. Resolution No. 9-12 Authorize the City Manager to Enter into a Multi-Year Contract with Waste Management of Rochester, NH for Wastewater Treatment Facility Sludge Disposal. 08/15/2011.
 20. Resolution No. 10-12 Authorizing the City Manager to Enter into a Grant Agreement with the State of New Hampshire for a Land and Water Conservation Fund (LWCF) Grant to Complete the Noble Pines Park Improvement Project. 08/15/2011.
 21. Resolution No. 6-12 Authorizing the City Manager to Enter into a Grant Agreement with the State of New Hampshire Division of Historical Resources for a Certified Local Government (CLG) Grant to Perform an Update to the Historical Survey Forms. 09/06/2011.
 22. Resolution No. 7-12 Change the Purpose of the Citywide Revaluation Capital Reserve Fund in Accordance with RSA 34:11 to a Capital Reserve Fund for the Purpose of Downtown and Transportation Enhancement Improvements. 09/06/2011.
 23. Resolution No. 8-12 Authorizing the City Council to Create a Non-Capital Reserve Fund to be known as the Accrued Employee Leave and Benefits Liability Fund. 09/06/2011.

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24. Resolution No. 11-12 To Authorize the City Manager to Contract with CMA Engineers of Portsmouth, NH for General Engineering Services. 09/06/2011.
 25. Resolution No. 12-12 Authorize the City Manager to Enter into a Contract with Resource Management Inc. of Holderness, NH for Water Treatment Facility Lagoon Cleaning. 10/03/2011.
 26. Resolution No. 13-12 Authorizing the City Manager to Contract with Northland Holder of Turner, Maine for the Purchase of Two Sidewalk Plows with Associated Equipment. 10/03/2011.
 27. Resolution No. 14-12 To Authorize the City Manager to Determine the Approximate Cost of Demolishing the Hilltop Elementary School Building. 10/17/2011.
 28. Resolution No. 15-12 Authorizing the City Manager to Sign a Lease/Purchase Agreement for the Purchase of Two Sidewalk Plows and Associated Equipment. 11/14/2011.
 29. Resolution No. 16-12 Authorizing the City Manager to Enter into a Grant Agreement with the New Hampshire Department of Transportation for a Transportation Enhancement (TE) Grant for a Downtown Sidewalk and Streetscape Improvement Project. 12/12/2011.

CITY MANAGER

City Government

The City of Somersworth has functioned as a City Council/City Manager form of government since 1985. The City Manager is appointed by the City Council to function as the Chief Executive Officer of the City, responsible for the proper administration of all departments of the City. Under the Council/Manager form of government, the Council establishes policies for operations within the City, and it is the Manager's responsibility to ensure these policies are carried out. In general, the City Manager supervises all City property and is responsible for the day-to-day business affairs of the City and oversees expenditure of all funds appropriated for City purposes. City Department Heads reporting directly to the City Manager include the Director of Finance & Administration, Director of Public Works & Utilities, Director of Planning and Community Development, Fire Chief and Police Chief.

The City Manager serves as the personnel director of the City. The Manager also serves as an ex-officio, voting member of the City's Planning Board and is a member of the City's Emergency Management team.

Annual Budget & Capital Improvement Program

In accordance with Article VII of the City Charter, the City Manager submits to the Council on or before the 15th day of March a budget for the ensuing fiscal year. In addition, the City Manager prepares and submits to the Council a six year capital program at least three months prior to the final date of submission of the budget. The Capital Improvement Program has continued to evolve to show infrastructure projects and programs necessary for continued City services in a sustainable strategy over a rolling 6-year time frame. The purpose of the CIP is to assist the City Council in preparing well in advance for capital expenditures to meet the future needs of the community.

Read on to learn more about each City Department. Also, please accept my invitation to stop by to learn more about your City government or to share your thoughts on how we might work together in maintaining the City's overall commitment to providing high quality services to the Somersworth community. My door is always open.

Regards, Bob

Contact Information: Robert M. Belmore, City Manager; email: bbelmore@somersworth.com
Beth A. Nault, Executive Assistant; email: executiveassistant@somersworth.com
Phone: 692-9503 Fax 692-9571

CODE ENFORCEMENT

Tim Metivier, Code Enforcement Officer, 692-9522, tmativier@somersworth.com
Jack Kenyon, Code Enforcement Officer, 692-9521, jkenyon@somersworth.com

Last year our department saw some significant personnel changes. Kerrie McCarthy left for brighter pastures after serving as the department's clerk for nearly 13 years. Her expertise will be greatly missed. We have welcomed Darcy Moore as the new part time clerk and she has filled the role nicely.

The department has begun to integrate the filing systems of Property Maintenance and Building records, hoping that having everything in one location will provide easier access to the public and staff when looking for information on any particular property.

Last year we launched "Operation Clean Sweep" to address areas of the City where trash and debris were a visible problem. This program had some success and we have continued with that same plan to date. We can say that most of Franklin St. and nearly all of South St. have seen positive changes. Although there are still some locations within our target area to concentrate on, we remain focused and diligent to succeed in keeping property owners and tenants informed of the trash and debris removal process. Certain areas of the City were becoming unkempt and run down. We were not only receiving complaints from residents of those areas, but from passersby and City Councilors as well. Out of this was born "Operation Clean Sweep". This successful program has multi department involvement targeting problem areas and involves hands on responses to debris and clutter left out. Using enforcement and education and other resources in this effort, we have seen marked improvement.

The economy has taken a toll in the construction arena as we all are aware. In the year past, overall permits are down and the size of some of the projects has changed. Some significant projects have moved forward or restarted and although housing starts are down, remodeling/renovation is climbing. Although no new housing developments have begun, one major one has been completed. Gerrish Commons, located off West High Street, is a wonderful neighborhood of 28 new single family homes consisting mostly of cape and colonial style houses.

There is a new doctor's office being constructed on Works Way. Built by Dr. O'Connell, this building is energy star compliant, complete with a large 22 kilowatt solar voltaic cell array on its roof. This state of the art building will be able to bring many new employees to our area and is a good representation of class and pride that we embrace in Somersworth as Route 108 has become a destination for health care services.

Currently in the beginning stages of installation on the roof of the new addition of Favorite Foods is the largest solar array in the state of New Hampshire. This 150 kilowatt array will cover most of this building's large roof top and will certainly draw good press when complete.

This was also the year that the new state of the art Idlehurst School opened. Many inspection visits to this building were made during its construction, and the contractor and architect should be very proud of the accomplishment this building represents. Although it kept this department very busy, any code issues that were discovered were quickly remedied or resolved. This department is proud to have such a project go through so smoothly.



Favorite Foods



Idlehurst School



Dr. O'Connell



Gerrish Commons

This department is eager to see the ongoing project mentioned in this report completed and is dedicated to working closely with them so they can reach their goals. We are also encouraged with the outlook of the future residential market, both in remodeling and new construction, the development of industry and professional space, and the growth of new business applications that cross our desks, and we will continue to strive to make that process as smooth as possible

Respectfully submitted by
Tim Metivier

ECONOMIC DEVELOPMENT AND PLANNING

Staff Information:

Craig Wheeler, Director of Development Services, 692-9516, cwheeler@somersworth.com.

Dave Sharples, City Planner, 692-9517, dsharples@somersworth.com.

Tracy Gora, Secretary, 692-9519, tgora@somersworth.com.

Despite a sluggish economic climate, the City continued to see economic growth over the past year. Although development has slowed from the fever pace at the start of the millennium, new businesses continue to locate in Somersworth and existing businesses have expanded. The following is a summary of development and other economic development efforts of the City:

New and expanding business:

- A 40,000 square foot expansion of Thermopol was completed and is now operational. They are also considering an expansion across the street in the old Trelleborg facility.
- The 30,000 square foot Avis Goodwin Community Health Center opened its doors over the summer.
- Seacoast Cardiology opened its doors in the newly developed Terrascape business park on Route 108. Phase I of the new roadway for the park has been completed and they are working on Phase II. It is worth noting that all paved areas except for the main road will be porous pavement.
- The City welcomed several small businesses downtown such as the Rustic Dragonfly, a Hooka Lounge, Ms. Pamonas restaurant, Thrift Boutique, Kiddies Korner, Fast Jack's Hair Salon, an expansion of the Best Pawn & Exchange, the Poppyseed Studio relocated to a larger location and a Tea shop is expected to open soon on Main Street.
- A 20,000 square foot expansion to Label Tech on Interstate Drive was approved by the Planning Board in November and construction is expected to begin in the spring.
- Rehab 3 completed their 6,500 square foot expansion and is operational.
- Construction has started on a 12,000 square foot medical office complex on the corner of Works Way and Route 108.
- Doctor John O'Day opened a sleep lab in a vacant building behind his existing medical facility on High Street.
- A mixed use project of 15 residential units and 5 commercial units downtown was approved by the Planning Board. The project is located on Elm Street on the site of the old Somersworth Hotel. The project includes the rehabilitation of the existing structure into

twelve one and two bedroom apartments on the upper floors and two commercial units at street level. The plan also includes the construction of a new two story structure along Washington Street that will consist of three apartments on the second floor and commercial space on the first floor.

- Rymes heating oil was approved to locate a propane storage facility and office building on Route 108 and is currently under construction.
- The old Four D's Seafood on Green Street reopened its doors after many years as Jimmy Jones Locker seafood restaurant.
- The abandoned gas station (the old Mobil station) across from Tri City Plaza was reopened.
- A permanent Certificate of Occupancy was issued for the new CVS in the Commercial Node district at the intersection of High Street and Blackwater Road.
- The Next Level Church was granted a variance to allow a place of worship on Route 108 at the location of the old Seacoast Car Club dealership across from the entrance to the Oaks golf course. A site plan for the proposal was recently submitted to the Planning Board for review in the coming months.

Other Notables:

- The pedestrian bridge over the canal that connects the riverfront mills to the downtown has been reopened for use. Eric Chinburg, the mill owner, has received very positive feedback from mill residents and businesses regarding the bridge being opened for use.
- General Electric rehabilitated their façade facing Main Street by replacing windows, repairing the spalling concrete, and repainting the entire face of the structure to enhance the look of this dominating fixture of the downtown.
- The new connector road now allows east/west access from Route 108 to High Street and it is hoped that this will spur the development of the vacant commercial parcels on Willand Drive. This area is included in a new ERZ expansion area application.
- MSC is continuing the rehabilitation work at the old police station on Main Street.

Municipal efforts:

- The City continued its commitment to implementing the goals and action items listed in the City's recently updated Master Plan such as supporting a Buy Local campaign and the Vision 2020 logo effort.
- The City is preparing an application to expand the ERZ to include underutilized commercial and industrial land on Willand Drive and Route 108. There are two zones currently in the City with Zone 1 encompassing the downtown area and Zone 2 comprising of the Route 108 corridor.

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- The City continued to participate in preparing the Comprehensive Economic Development Strategy (CEDS) through the Strafford Regional Planning Commission. The CEDS is a regional economic development planning effort that was sent to the Economic Development Authority (EDA). Once approved by the EDA, the City will be able to access certain funding and grant opportunities to implement the plan.
 - The City continued the joint advertising effort with Rochester, Dover, Pease Development Authority, and Portsmouth in the Business New Hampshire Magazine.
 - City staff continues to participate in informal meetings with Rochester, Dover, Pease, and Portsmouth to discuss regional economic development efforts.
 - The City continued its efforts to be business friendly, particularly as it relates to the development process. The Planning Office has streamlined the process over the last several years and continues to receive very positive feedback from the development community (developers, engineers, business owners, architects, etc.) on the efficiency of our process. For example, the 40,000 square foot Thermopol expansion, the 20,000 square foot Label Tech Expansion, the sleep lab, the Terrascape Business Park, and other significant development proposals have moved through the process with no more than two Planning Board meetings and in some cases only one. This means that a major site plan can be submitted, reviewed, and approved in about eight weeks.
 - City staff is currently drafting a Community Profile of the City that will include the City's history, natural resource base, demographics, business profile, recreation opportunities, and other quality of life components. This profile will be used to market the City and all it has to offer.
 - The City will begin working on an economic development page on the City's website.

In addition to the efforts listed above, the City has made or is planning several infrastructure improvements to foster economic development and maintain and improve the quality of life of our residents, property owners, visitors, and business owners alike. These improvements include roadway improvements, a grant funded downtown sidewalk improvement project and a federally and state funded rehabilitation of the Somersworth/Berwick Bridge. The City will continue to seek out funding opportunities to continue to enhance the City's infrastructure.

FIRE DEPARTMENT

Somersworth Fire Department, 195 Maple Street, Somersworth, NH 03878
Business (603) 692-3457
Fax (603) 692-5147
Business Hours: 8-4 M-F

Burning Permits and all other fire department business can be conducted during normal business hours.

2011 has been a very busy year with approximately 100 additional calls for assistance compared to the previous year. We had only one structure fire over the winter season. Due to the actions of the Fire Department and the assistance of our mutual aid neighbors, that family was able to re-occupy their home in only a few days. Unfortunately, one house fire last June was a total loss. The good news is that no one was injured during any of our fire incidents.

PUBLIC SAFETY

The Fire Department has conducted fire extinguisher training at various businesses. In addition, we have done fire safety and fire prevention training at businesses and organizations in an attempt to reach all age groups. Inspections have been carried out for new construction and new installations to existing properties.

EMPLOYEES

Chief Fred Butts

Administrative Assistance Cheryl Howard

Captain Marc Vaillancourt, Lt John Viola, Lt. Kenneth Vincent, Lt. Michael Clough

FF/EMT-B Sean Houle, FF. Michael Spinney, FF/EMT-B Parks Christenbury, FF Matt Moore

FF/EMT-B Cory Tibbetts, FF/EMT-B James Drakopoulos, FF/EMT-I Jessica Plante

FF/EMT-B William Staples, FF/EMT-B Timothy Wilder, FF John Shaffer (retired 4/22/11)

FF/EMT-B Colby Walker, FF/EMT Dan Toof

Paid On-Call Firefighters:

George Guilmette, Greg Guilmette, Michael Landry, Jeff Libby, Paul Scaglione, Richard Shepherd

TRAINING

Training has been an increasing component of our day to day activities as well as maintaining our basic and advanced fire fighting and emergency medical skills throughout the year. A new policy utilizing an identification system called "Passport" is used to track personnel on scene at all events, including mutual aid departments.

2010-11 Statistical Information

1,259 Calls for Service

EMERGENCY MANAGEMENT

On the Emergency Management side, we have improved our Public Emergency Health Response capacity through our participation in the Health and Safety Council of Strafford County.

It is our goal to ensure that the citizens of Somersworth and those who work and travel through it, receive the best emergency service that can be provided and to provide those non-emergency services such as fire safety inspections and prevention programs that make and keep this community safe from man-made and natural disasters.

I would like to thank all the members of the department and all of the other city employees that have assisted me in providing the best response to emergencies that are possible for the dollars invested in our department. I'd also like to thank the City Council, the City Manager, and the other Department Heads for their support in my efforts to get settled into Somersworth. Finally, I'd like to give a special thank you to all of the citizens of Somersworth, who continue to support the efforts of the fire department.

Report of Forest Fire Warden and State Forest Ranger

Somersworth Fire Department Fire Wardens and, the State of New Hampshire Division of Forests & Lands work collaboratively to reduce the risk and frequency of wildland fires in New Hampshire. To help us assist you, please contact your local Forest Fire Warden at Fire Department to determine if a permit is required before doing ANY outside burning. Under State law (RSA 227-L:17) a fire permit is required for all outside burning, unless the ground is completely covered with snow. The New Hampshire Department of Environmental Services also prohibits the open burning of household waste. Citizens are encouraged to contact the Somersworth Fire Department at 692-3457 or DES at 1-800-498-6868 or www.des.state.nh.us for more information. Safe open burning requires diligence and responsibility. Help us to protect New Hampshire's forest resources. For more information please contact the Division of Forests & Lands at (603) 271-2214, or online at www.nhdf.org.

Homeowners should take measures to prevent a wildland fire from spreading to their home. Precautions include keeping your roof and gutters clear of leaves and pine needles, and maintaining adequate green space around your home free of flammable materials. Additional information and homeowner recommendations are available at www.firewise.org. Please help Smokey Bear, the Somersworth Fire Department and the State's Forest Rangers by being fire wise and fire safe!

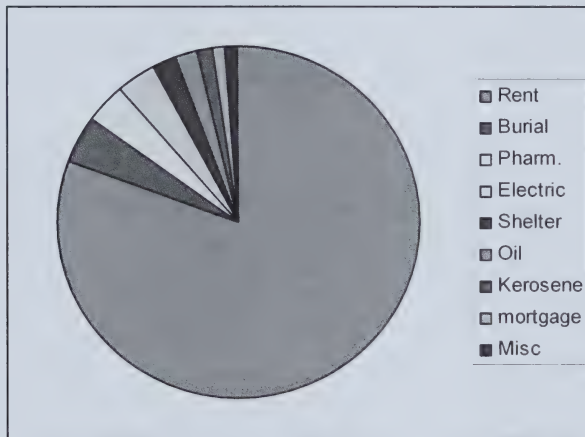
Fred Butts, Chief of Department/Emergency Management Director



HUMAN SERVICES

The Somersworth Human Services Department continues to carry out the legal tasks and responsibilities of RSA 165 – general assistance. City assistance continues to be the “safety net” for residents facing eviction, foreclosure, homelessness, hunger, utility shut-offs, and inability to obtain prescription medications.

There were 153 new cases opened in calendar year 2011, compared to 159 new cases in 2010 and compared to 222 in 2009. A total of 187 households (504 individuals) received direct City assistance, totaling 102,839.59. This department also manages a grant of \$5000.00 of “McKinney Funds” and assisted 10 households with rent and utilities, who would have otherwise been ineligible for city assistance.



Rent is the highest request for assistance to prevent eviction and homelessness, followed by burial, medications, home heating, electric, and other assistance, i.e. shelter, oil, etc.

Making referrals to other agencies is a vital role of the Human Services Department, as it reduces the burden on City assistance and aids individuals in becoming self-sufficient. A total of 149 referrals were made in 2011 (please note that one household may have more than one referral). There are many organizations and agencies that we refer to, but we are especially grateful to all the help provided by Strafford County Community Action, The Community Food Pantry, The Somersworth Housing Authority, The Homeless Shelter for Strafford County, My Friend’s Place, Crossroads Homeless Shelter, Goodwin Community Health Center, and the Department of Health & Human Services.

In addition the Human Services Department also seeks reimbursement for assistance when able to do so. These reimbursements are made by residents themselves, or from agencies such as Social Security and the Department of Health and Human Services. A total of \$3069.76 was reimbursed to the City in 2011 for general assistance funds.

If anyone is interested in making a donation, this office can always use diapers, wipes, personal and household products, or gift certificates for car gasoline. Lastly, thank you to the taxpayers of Somersworth for your contribution towards maintaining the safety net for those who are in need in our community.

Respectfully submitted,

Lauren Berman
Welfare Officer
692-9509; lberman@somersworth.com



POLICE DEPARTMENT

*12 Lilac Lane
Somersworth, NH 03878
(603) 692-3131*

The Somersworth Police Department answered or initiated 23,968 calls for service during the calendar year of 2011.

Officer Jennifer Payne continues to work in her assignment as our City's Housing Officer. Officer Payne provides police services to a variety of dwellings monitored by the Somersworth Housing Authority and the Safe Haven and police mini-station, located at the Albert J Nadeau Homes. Officer Payne's daily assignments include investigation of criminal matters at those sites. She also provides supervision and direct involvement with the homework lab, bicycle rodeo, field trips and other activities. Officer Payne's assignment allows her to interact with a diverse age group of residents at the housing authority facilities.

The Department was able to provide a variety of special and specific law enforcement efforts including an assortment of enforcement initiatives. The New Hampshire Highway Safety Agency allowed us to increase motor vehicle enforcement by providing grant funds. The added enforcement included DWI, speeding and other motor vehicle related violations.

We continue our association with the Dover Police Department in our joint enforcement of alcohol related violations. This includes underage consumption, sales and other alcohol related violations. The program is designed to provide enforcement of the alcohol laws as well as education to the community. During 2011, a joint law enforcement effort was used, allowing members of the Dover, Somersworth Police Departments and the State Liquor Inspectors to work together in teams. This past year saw a broadening of the scope of our joint efforts. The compliance checks were expanded to include restaurants and pubs.

We assisted and participated in a Federal funded Felony Locator program. This allowed Somersworth Police members to team with local officers and federal agents while pursuing wanted felons in the seacoast and extended area.

Sergeant Matt Duval continues to be assigned to our Strafford County Accident Team. This past year saw a comprehensive accident course taught at the Somersworth Police Department. This education was well attended by Officers in the immediate area and extended law enforcement community.

The look of our cruiser fleet has changed. We added a 2011 Dodge Charger and a 2011 Chevrolet Caprice to the fleet. Throughout the summer, a Harley Davidson Motorcycle will be assigned to the Patrol Division. This motorcycle is leased through Seacoast Harley Davidson.

A grant was secured in 2011 allowing the purchase of Taser devices. Officers are now carrying a Conducted Energy Weapon also called a, Human Electro-Muscular Incapacitation device. Yes it all sounds very much like science fiction. The item is commonly referred to as a Taser. The Taser generates 50, 000 volts of electricity while only producing .03 amps. The application of this can be accomplished using two distinct methods of discharge. The first method requires two metal probes to be launched from the Taser cartridge, maintaining connection to the Taser by copper leads. These probes will penetrate the skin. The second application is to cause direct contact with the subject while triggering the weapon. This is done without the cartridge. Either application will generally result in compliance of the individual, after application. Prior to carrying the Tasers, our police officers had to attend a 6-hour training class.

We are awaiting delivery of 22 portable radios that were made available through Homeland Security/FEMA and the New Hampshire Department of Safety, all obtained through a grant.

Captain Kretschmar, in conjunction with the Rochester Police Department, conducted our second Citizens Police Academy. The Academy met weekly for 12 weeks. Classroom presentations were taught by members of each Police Departments and locations alternated between the Departments each week.

Detective Eric Chandler has been assigned to the Family Justice Center located in Rochester. This center allows victim's access to all services specific to family related investigations. Detective Chandler is assigned to the facility once a month.

Somersworth Crime tips are still received at 692-9111 or email at crimeline@somersworth.com. Anyone wishing to provide anonymous tips should contact SPD through either source. All leads are held with the strictest of confidence.



2011 City Totals Case Activity Statistics

Calls for Service	23,968
Total Offenses Committed:	3,450
Total Felonies	353
Total Crime Related Incidents:	1,379
Total Non-Crime Related Incidents:	2,618
Total Arrests (On View):	638
Total Arrests (Based on Incident/Warrants)	390
Total Summons Arrests:	282
Total Arrests:	1,310
Total P/C's:	182
Total Juvenile Arrests:	128
Total Juveniles Handled (Arrest):	100
Total Juveniles Referred (Arrest):	28
Total Open Warrants:	16
Total Restraint Orders:	110
Stolen Property-Value	\$1,035,478*
Stolen Property Recovered Value	\$58,721
Total Motor Vehicle Accidents	453
Total Motor Vehicle Violations-Civil	56
Total Motor Vehicle Violations-Warnings	3,642
Total Motor Vehicle Violation-Arrests	1,103
Total Parking Tickets	670

*Property stolen includes \$927,831 stolen from the Somersworth Housing Authority

PUBLIC LIBRARY

Debora Longo, Library Director
library@somersworth.com; ext. 223
Michelle Lubatti, Library Assistant
libraryassistant@somersworth.com; ext. 221

25 Main Street
Somersworth, NH 03878
(603) 692-4587
library@somersworth.com

BOARD OF TRUSTEES

Judy Goodnow, Chairperson
Trudy Grant
Arlene Labrie
Scott Champney

HOURS

Tuesday – Thursday, 11am – 7:00pm
Friday, 9am – 5:00pm
Saturday, 9am – 5:00pm (Sept. – May)
Saturday, 9am – 1:00pm (June – Aug.)
Closed Sunday and Monday



The projects completed in 2011 include:

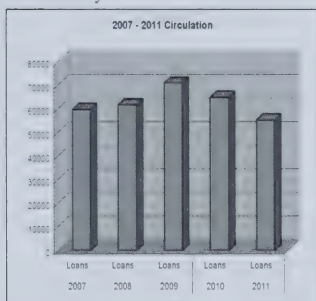
- New exterior rear entrance to the library provides the ease of handicapped access from a handicapped parking space right by the rear entrance. The majority of the work was expertly done by the Somersworth Highway Department.
- Relocation of the exterior book drop furnishes better access and visibility from Station Street.
- Kindle compatible e-books are now offered by the NH Downloadable Books Service. The service includes over 5,500 audio books and 3,500 e-book titles.
- New hours began on July 1, 2011 due to staff reductions mandated by the City Council. The new hours are listed above and on the library page of the City website.



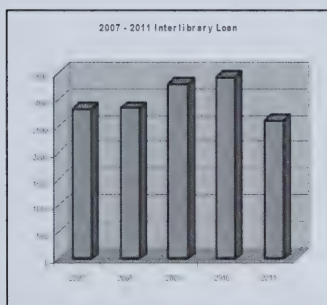
The Friends of the Somersworth Public Library remain an active group who provide the following services to the library:

- Purchased museum passes for the Children’s Museum in Dover, The Seacoast Science Center at Odiorne State Park in Rye, Strawberry Banke in Portsmouth, and the Museum of Fine Arts in Boston.
- Filled and maintained the two planters on the front steps of the library.
- Continued fund raising through the sale of book bags and regular book sales: the spring book sale begins on the last Saturday in April, the children’s book sale begins the third Saturday in June to coincide with the Somersworth International Children’s Festival, and the fall book sale begins the last Saturday in September.
- Continued the annual author evening begun in 2010 with Brendan Dubois. In 2011, Ben Slavin presented an intriguing program on riding his motorcycle from NH to Tierra del Fuego, Argentina to an audience of over 30 people.

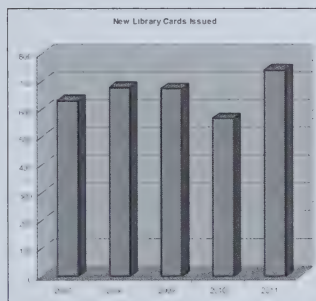
The staff measures various library services daily and the following graphs show the changes experienced in 2011 compared to the previous four years. The reduction in the hours the library is open for public use is reflected in the decreases in the use of some library services.



During the later half of 2011, the library was open to the public 20 fewer hours each week. This was a 33% reduction. However the circulation or loan of all materials from books to movies only decreased 15%. The addition of Kindle compatible e-books to the downloadable audio book website brought a 93% increase in the use of the service for e-books. Though some have pronounced the end of print materials, 288,355 books were published in 2009 and this trend shows no sign of abating.

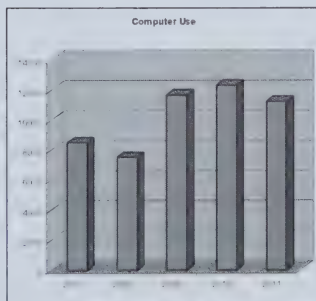


The NH State Library supports an active interlibrary loan system through van delivery of loaned materials and maintenance of the New Hampshire Union Public Access Catalog (www.nhu-pac.library.state.nh.us). To locate any book, including the materials owned by the Somersworth Public Library, use this online catalog. If the library does not own it, but another library does, the Somersworth Public Library uses the interlibrary loan system to request the book and have it delivered to the library. These numbers include the books loaned to this library for our patrons and the books the library has loaned to other libraries.



The Library issues free library cards to new and long-time residents. The Library also offers free library cards to non-residents who meet the criteria of working for the city, teachers in Somersworth public schools, students from Rollinsford who attend Somersworth schools, and businesses. In 2011, we began counting the number of newly registered computer users as well to accurately portray the use of the library by its community.

the Gates Foundation and has seven public computers access to meet the needs of for information searches, job networking. It is now unusual away because the computers the computers are available to 2011, computer use dropped counted during operational to measure its use during the hours we are closed.



With a generous grant from local tax support, the library and wireless 24/7 internet the people in the community searches and social that someone has to be turned are all full. Though the hours the public decreased 33% in only 9%. Wireless access is hours, but we have no means

DEPARTMENT OF PUBLIC WORKS & UTILITIES

Tom Willis, Director of Public Works & Utilities, 692-4266
twillis@somersworth.com

18 Lilac Lane
Somersworth, NH 03878

Brianne St. Pierre, Executive Assistant, 692-4266
bstpierre@somersworth.com

Hours of Operation

Monday – Friday, 7:00 a.m. – 4:00 p.m.

Service Calls

Throughout the year, the Public Works and Utilities Department receives calls from residents regarding questions or concerns with the City infrastructure, facilities, and services. Items of interest include trash pickup, bulky waste disposal, brush and bagged leaves disposal, street conditions, drainage concerns, water meter upgrades, final meter readings, and much more. Any employee who takes a call can enter the information into our VUEWorks database – linking the call to the property in question or the appropriate City asset, such as a catch basin, water line, or sewer pipe. Using this program allows all staff members to stay connected and aware of the various concerns of residents. In 2011, approximately 2,961 entries were logged into VUEWorks by the Public Works and Utilities Department personnel.

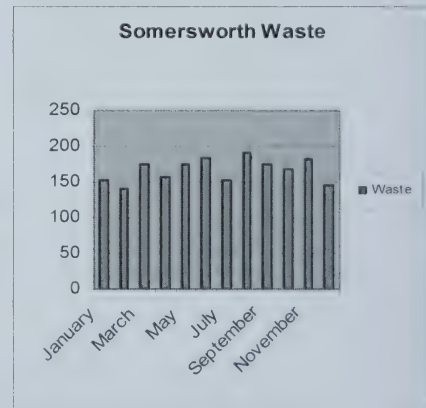
Water & Wastewater

The City treated a total of 498,811,556 gallons of wastewater last year creating an average daily flow of 1,386,000 gallons per day into the plant. The water treatment plant processed 509,400,493 gallons of water for consumption in 2011, creating an average daily production of 1,396,000 gallons per day. The water plant processed the highest volume of water at 2,228,000 gallons on September 19, 2011. Effluent valves were added to the lagoons and the cleanout pipes were capped to stop the infiltration of backwash water. Also, the standpipes were cleaned out.

Solid Waste & Recycling

The City generated slightly less waste in 2011 when compared to 2010. The total waste picked up curbside including trash and recycling was 2,779.22 tons. This is 246.65 fewer tons than last year. One year's worth of recycling weighed in at 782.62 tons and solid waste weighed in at 1,996.60 tons. The chart to the right shows monthly totals in tons for solid waste. These totals only include solid waste picked up curbside.

Metal waste, such as air conditioners and refrigerators, picked up curbside as well as dropped off at the Public Works Facility totaled 38.06 tons. Residents also recycled 1,345 gallons of waste oil and 12.63 tons of electronics, such as computers and televisions.



Forest Glade Cemetery

There were five (5) full casket burials and five (5) cremains burials in Forest Glade throughout the year. Interments were performed by a grave excavation contractor, rather than in-house as in the past. The City found it would be more beneficial and cost effective to contract out grave excavating services and use our Public Works crew to perform essential summer maintenance tasks and projects. This way the scope of a project is not disrupted by cemetery events and we now have a contractor dedicated to meeting our needs in the cemetery.

The new section of the Cemetery has been completed. We will continue selling lots in the old section before moving into the new section.

RECREATION DEPARTMENT

Nicholas Campion, Recreation Supervisor

ncampion@somersworth.com

(603)-692-9508

Hours of Operation

Monday – Friday, 8:00 a.m. – 4:30 p.m.

City Hall, Second Floor

1 Government Way

Somersworth, NH 03878

Overview

The Recreation Department strives to offer a diversity of programs, activities, trips and events for all members of the community. We extend our offerings from toddlers to seniors, and do our best to encourage and include anyone with an interest to participate.

The Recreation Department also maintains, renovates and oversees all thirteen of the City's parks and recreation areas.

The mission for the Recreation Department is to enhance the quality of life by providing enjoyable, safe, and affordable programs for all members of the community.

2011 Program, Event, & Trip Offerings

Father Daughter Valentines Day Dance	Recreation Youth Soccer
Boston Bruins Trip	Recreation Youth Basketball Programs
Senior Walking Program	Travel Youth Basketball Programs
Isles of Shoals & Portsmouth Harbor Tour	Recreation Youth Lacrosse
Senior Cribbage Tournaments	Flashlight Candy Cane Hunt
AARP Defensive Driving Course	Easter Egg Hunt
Boston Celtics Trip	Kids Camp
Boston Red Sox Trips	Trends Summer Camp
Mommy and Me Princess Tea	Hershey Track and Field

SAU 56 SUPERINTENDENT OF SCHOOLS

The Somersworth School District is pleased to submit this report to the City of Somersworth. The SAU 56 administrative team has just completed its first year with many new faces at the helm of both districts. It has been a busy year celebrating all the positive events that have occurred this year in both Somersworth and Rollinsford School Districts. Our mission continues to inspire all students to excel, develop a thirst for knowledge and to acquire the necessary skills to compete in the 21st Century.

Our integration and use of technology continues to grow as we have updated our SAU 56 website, expanded our use of smart boards, I-Pads, I-touches and flip cameras. We also have increased the use of the ALERT NOW system to not only call for school cancellation, but as a way to communicate current events happening in our schools.

We continue to partner with City Hall in the development of a long-range capital improvement plan as well as Non-Capital Reserve Funds for facilities and Special Education. We have had numerous joint workshops with both City Council, School Board, Mayor and City Manager as a way to start discussion on various city issues. We would like to thank the Mayor, Council and City Manager for creating a positive working relationship with the School Department.

We continue to examine our systemic educational approach Pre-School-Grade 12. We use Positive Behavior Interventions which promotes positive behavior in all students while also providing targeted and intensive supports for students with emotional and behavioral challenges. We will be implementing this same approach for academics through our Response to Intervention system.

Grant funding continues to be an avenue we pursue to assist with our educational needs such as 21st Century, School Improvement, and Title 1.

It is only through the ongoing support of families, community members and businesses in the Somersworth community that we are able to provide a quality education for our students. The entire staff of the Somersworth School District needs to be commended for their commitment to the success of all our students. On behalf of the Somersworth School District, thank you for all that you do for our students.

THE STATE OF NEW HAMPSHIRE
EXECUTIVE COUNCIL

DANIEL I. ST. HILAIRE
EXECUTIVE COUNCILOR
DISTRICT TWO



STATE HOUSE ROOM 207
107 NORTH MAIN STREET
CONCORD, N.H. 03301
(603) 271-3632

TO: All District Two Cities and Towns
FROM: Executive Councilor Daniel St. Hilaire

As the year 2012 unfolds before us, I would like to take this opportunity to thank all of you for the support, concerns, comments and feedback you have given me in 2011. This public input is an important contribution to successfully run our state government.

Throughout the past year, I have issued a report that chronicles the Governor and Executive Council meetings. Included in the report are the agenda items we voted on with the items pertinent to District Two, our Executive Council District, highlighted. This past calendar year, the Executive Council approved 2,632 items/contracts totaling \$1,540,138,079.06. In addition to the contracts listed above, the Executive Council voted to authorize the Governor's Warrant and Expenditures requests (State operating expenses) in the accumulated amount of \$5,670,115,959. My legal background and experience has proven to be a significant asset when giving each and every item careful consideration before casting my vote. It has been my pleasure to provide these reports to you to keep you informed of the decisions that are being made by your elected officials on your behalf. The Reports can also be viewed at: www.nh.gov/council/district2/reports

Also this past calendar year, the Council appointed a total of 344 persons to serve on various Boards and Commissions for the State of New Hampshire, of which 28% were from District Two.

If you have interest in serving on any of the 300+ State Boards or Commissions please send a letter of interest along with a resume, to Jennifer Kuzma in care of the Governor's office as well as copy to me at the Executive Council office. The Executive Council welcomes public input on nominations that are brought forward by the Governor for consideration and confirmation. Please contact me with any concerns or to support individuals or projects coming before the Council.

I look forward to continuing my service to Executive Council District Two.

Sincerely,

A handwritten signature in black ink, appearing to read "D. St. Hilaire".

Daniel St. Hilaire
Executive Councilor

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, City Council and Manager
City of Somersworth, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Somersworth, New Hampshire (the City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. 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.

The management's discussion and analysis, budgetary comparison information, and the schedule of funding progress for other post-employment benefits on pages i-viii and 33-36, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Somersworth, New Hampshire's basic financial statements. The

accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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.

Walter Cluhay & Company PC

March 16, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Somersworth, we offer readers this narrative overview and analysis of the financial activities of the City of Somersworth 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.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, health and welfare, culture and recreation, and education. The business-type activities include water, sewer, and solid waste activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

Proprietary funds. Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for water, sewer, and solid waste operations.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and solid waste operations, all of which are considered to be major funds.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

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

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$22,778,320 (i.e., net assets), a change of \$3,382,890 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$7,322,107, a change of \$(13,660,947) in comparison with the prior year. This includes activity from the Idlehurst Elementary School Project (school capital projects fund) which accounts for \$(14,325,724). The change in the General Fund and Non-major funds is \$664,777 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,598,386, a change of \$1,534,516 in comparison with the prior year. Due to City Council action, \$171,949 of the General Fund fund balance has been designated for future years' expenditures and classified as assigned.
- Total bonds payable at the close of the current fiscal year was \$40,267,901, a change of \$(3,003,474) in comparison to the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$21,411	\$32,188	\$ 1,960	\$ 968	\$23,371	\$33,156
Capital assets	<u>37,290</u>	<u>23,330</u>	<u>22,328</u>	<u>23,358</u>	<u>59,618</u>	<u>46,688</u>
Total assets	58,701	55,518	24,288	24,326	82,989	79,844
Long-term liabilities outstanding	29,093	31,000	13,850	14,661	42,942	45,661
Other liabilities	<u>16,083</u>	<u>13,394</u>	<u>1,186</u>	<u>1,394</u>	<u>17,269</u>	<u>14,787</u>
Total liabilities	45,175	44,394	15,036	16,055	60,211	60,449
Net assets:						
Invested in capital assets, net	13,336	10,159	7,745	7,737	21,081	17,896
Restricted	343	220	-	-	343	220
Unrestricted	<u>(153)</u>	<u>745</u>	<u>1,507</u>	<u>534</u>	<u>1,354</u>	<u>1,279</u>
Total net assets	\$13,526	\$11,124	\$9,252	\$8,271	\$22,778	\$19,395

CHANGES IN NET ASSETS

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues:						
Program revenues:						
Charges for services	\$ 2,419	\$ 2,360	\$ 5,152	\$ 4,627	\$ 7,571	\$ 6,987
Operating grants and contributions	11,616	10,875	-	-	11,616	10,875
Capital grants and contributions	171	-	95	101	266	101
General revenues:						
Taxes	20,685	19,280	-	-	20,685	19,280
Licenses and Permits	1,341	1,448	-	-	1,341	1,448
Intergovernmental	536	536	-	-	536	536
Interest	97	85	-	-	97	85
Miscellaneous	<u>564</u>	<u>534</u>	<u>63</u>	<u>83</u>	<u>627</u>	<u>617</u>
Total revenues	37,429	35,118	5,310	4,811	42,739	39,929
Expenses:						
General government	1,674	1,860	-	-	1,674	1,860
Public safety	5,512	5,194	-	-	5,512	5,194
Highways and streets	2,080	1,932	-	-	2,080	1,932
Health and welfare	253	236	-	-	253	236
Culture and recreation	676	555	-	-	676	555
School department	24,353	24,173	-	-	24,353	24,173
Interest	479	370	-	-	479	370
Other	-	-	-	-	-	-
Water operations	-	-	1,909	1,807	1,909	1,807
Sewer operations	-	-	2,082	2,035	2,082	2,035
Solid waste operations	-	-	<u>338</u>	<u>372</u>	<u>338</u>	<u>372</u>
Total expenses	<u>35,027</u>	<u>34,320</u>	<u>4,329</u>	<u>4,214</u>	<u>39,356</u>	<u>38,534</u>
Change in net assets before transfers	2,402	798	981	597	3,383	1,395
Transfers in (out)	<u>-</u>	<u>100</u>	<u>-</u>	<u>-100</u>	<u>-</u>	<u>-</u>
Change in net assets	2,402	898	981	497	3,383	1,395
Net assets - beginning of year	<u>11,124</u>	<u>10,226</u>	<u>8,271</u>	<u>7,774</u>	<u>19,395</u>	<u>18,000</u>
Net assets - end of the year	<u>\$13,526</u>	<u>\$11,124</u>	<u>\$9,252</u>	<u>\$8,271</u>	<u>\$22,778</u>	<u>\$19,395</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 \$22,778,320, a change of \$3,382,890 from the prior year.

The largest portion of net assets, \$21,080,733 reflects our investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net assets, \$342,972 represents resources that are subject to external restrictions on how they may be used. The remaining balance represents unrestricted net assets of \$1,354,615.

Governmental activities. Governmental activities for the year resulted in a change in net assets of \$2,401,781. Key elements of this change are as follows:

	Governmental <u>Activities</u>
General fund operating results, as disclosed in Exhibit D	\$ (93,796)
Non-major funds - accrual basis	758,573
Other GAAP accruals	<u>1,737,004</u>
Total	<u>\$2,401,781</u>

Business-Type Activities. Business-type activities for the year resulted in a change in net assets of \$981,109. Key elements of this change are as follows:

Water Fund	\$429,563
Sewer Fund	504,625
Solid Waste Fund	<u>46,921</u>
Total	<u>\$981,109</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, 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 \$7,322,107, a change of \$(13,660,947) in comparison with the prior year. Key elements of this change are as follows:

	Governmental Funds
General fund operating results, as disclosed below	\$ (93,796)
School Capital Projects Fund	(14,325,724)
Nonmajor fund operating results	<u>758,573</u>
Total	<u>(\$13,660,947)</u>

The general fund is the main operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,598,386 while total fund balance was \$3,907,295. 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 fund expenditures.

The fund balance of the general fund changed by (\$93,796) during the current fiscal year. Key factors in this change are as follows:

	General Fund
Actual revenues in excess of budgeted amounts	\$423,345
Actual expenditures less than appropriated amounts	234,141
Property tax collections exceeding (less than) net tax levy	(108,631)
Use of fund balance as funding source	(707,341)
Excess of current year encumbrances over prior year	(41,866)
Non-budgetary Revenues and Expenses:	
Capital Reserve Funds	105,211
Landfill Trust Fund	<u>1,345</u>
Total	<u>\$(93,796)</u>

For the purposes of the Governmental Accounting Standards Board Statement 54, the activity of the capital reserve funds and the landfill trust fund are included with the General Fund. However, for budgetary purposes, the capital reserve funds and the landfill trust fund are not budgeted items.

Proprietary funds. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year are \$1,507,340, a change of \$ 973,410 in comparison with the prior year.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget consisted of re-appropriations between budget lines, but did not change the overall original appropriation amount.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets.

Total investment in capital assets for governmental and business-type activities at year-end amounted to \$ 59,617,877 (net of accumulated depreciation), a change of \$12,930,025 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Long-term debt.

At the end of the current fiscal year, total bonded debt outstanding was \$ 40,267,901, all of which was backed by the full faith and credit of the government.

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

G. ECONOMIC FACTORS

The City of Somersworth instituted a series of rate increases for both the Water and Sewer utilities beginning in July 2007. Based on current revenue and expenditure projections, the rate structures in place as of July 1, 2011 are sufficient to reverse the annual operating losses that have occurred, and should address the accumulated cash deficits that currently exist as interfund balances due the General Fund and/or as amounts advanced to other funds from the General Fund.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Somersworth's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Office of Finance Director
City of Somersworth
One Government Way
Somersworth, New Hampshire 03878

EXHIBIT A
CITY OF SOMERSWORTH, NEW HAMPSHIRE
Statement of Net Assets
June 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 8,949,758		\$ 8,949,758
Investments	8,670,779		8,670,779
Taxes receivable, net	1,397,100		1,397,100
Accounts receivable, net	174,140	\$ 1,061,089	1,235,229
Due from other governments	1,133,227	122,358	1,255,615
Internal balances	1,065,520	(1,065,520)	-
Prepaid expenses	20,738		20,738
Inventory		128,661	128,661
Total Current Assets	<u>21,411,262</u>	<u>246,618</u>	<u>21,657,880</u>
Noncurrent Assets:			
Due from other governments		1,713,425	1,713,425
Capital assets:			
Non-depreciable capital assets	19,442,421	500,895	19,943,316
Depreciable capital assets, net	<u>17,847,275</u>	<u>21,827,286</u>	<u>39,674,561</u>
Total Noncurrent Assets	<u>37,289,696</u>	<u>24,041,606</u>	<u>61,331,302</u>
Total Assets	<u>\$ 58,700,958</u>	<u>\$ 24,288,224</u>	<u>\$ 82,989,182</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 3,091,291	\$ 97,010	\$ 3,188,301
Accrued expenses	208,143	219,966	428,109
Retainage payable	768,126		768,126
Deferred revenue	9,047,556		9,047,556
Current portion of deferred bond premium	45,648		45,648
Current portion of bonds payable	2,417,512	868,566	3,286,078
Current portion of capital leases payable	246,798		246,798
Current portion of compensated absences payable	132,813		132,813
Current portion of estimated liability for landfill postclosure care costs	125,000		125,000
Total Current Liabilities	<u>16,082,887</u>	<u>1,185,542</u>	<u>17,268,429</u>
Noncurrent Liabilities:			
Deferred bond premium	1,038,465		1,038,465
Bonds payable	23,267,103	13,714,720	36,981,823
Capital leases payable	356,565		356,565
Compensated absences payable	1,463,062	83,241	1,546,303
Other post-employment benefits payable	1,341,791	52,486	1,394,277
Estimated liability for landfill postclosure care costs	<u>1,625,000</u>		<u>1,625,000</u>
Total Noncurrent Liabilities	<u>29,091,986</u>	<u>13,850,447</u>	<u>42,942,433</u>
Total Liabilities	<u>45,174,873</u>	<u>15,035,989</u>	<u>60,210,862</u>
NET ASSETS			
Invested in capital assets, net of related debt	13,335,838	7,744,895	21,080,733
Restricted	342,972		342,972
Unrestricted (deficit)	(132,725)	1,507,340	1,354,615
Total Net Assets	<u>13,526,085</u>	<u>9,252,235</u>	<u>22,778,320</u>
Total Liabilities and Net Assets	<u>\$ 58,700,958</u>	<u>\$ 24,288,224</u>	<u>\$ 82,989,182</u>

See accompanying notes to the basic financial statements

EXHIBIT B
 CITY OF SOMERSWORTH, NEW HAMPSHIRE
 Statement of Activities
 For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
General government	\$ 1,673,567	\$ 148,071			\$ (1,525,496)		\$ (1,525,496)
Public safety	5,511,753	122,153	\$ 237,481		(5,152,149)		(5,152,149)
Highways and streets	2,066,875	7,051	239,189		(1,820,637)		(1,820,637)
Sanitation	13,295				(13,295)		(13,295)
Health and welfare	253,366				(253,366)		(253,366)
Culture and recreation	549,248	64,002	21,260		(463,986)		(463,986)
Conservation	100			\$ 170,875	170,775		170,775
Economic development	126,620		130,392		3,772		3,772
Education	23,718,298	1,788,479	9,702,935		(12,226,884)		(12,226,884)
Food service	634,211	289,521	331,939		(12,751)		(12,751)
Debt service	479,804		952,577		472,773		472,773
Total governmental activities	<u>35,027,137</u>	<u>2,419,277</u>	<u>11,615,741</u>	<u>170,875</u>	<u>(20,821,244)</u>	<u>\$ -</u>	<u>(20,821,244)</u>
Business-type activities:							
Water	1,909,428	2,278,060		26,923		395,555	395,555
Sewer	2,081,953	2,488,946		68,302		475,295	475,295
Solid waste	338,331	385,252				46,921	46,921
Total business-type activities	<u>4,329,712</u>	<u>5,152,258</u>	<u>-</u>	<u>95,225</u>	<u>-</u>	<u>917,771</u>	<u>917,771</u>
Total primary government	<u>\$ 39,356,849</u>	<u>\$ 7,571,535</u>	<u>\$ 11,615,741</u>	<u>\$ 266,100</u>	<u>(20,821,244)</u>	<u>917,771</u>	<u>(19,903,473)</u>
General revenues:							
Property and other taxes					20,684,967		20,684,967
Licenses and permits					1,341,395		1,341,395
Grants and contributions:							
Rooms and meals tax distribution					535,719		535,719
Interest and investment earnings					96,882		96,882
Miscellaneous					561,850	63,338	625,188
Contributions to permanent fund principal					2,212		2,212
Total general revenues and contributions to permanent fund principal					<u>23,221,628</u>	<u>63,338</u>	<u>23,286,363</u>
Change in net assets					<u>2,401,781</u>	<u>981,109</u>	<u>3,382,890</u>
Net assets - beginning					<u>11,124,504</u>	<u>8,271,126</u>	<u>19,395,430</u>
Net assets - ending					<u>\$ 13,526,285</u>	<u>\$ 9,252,235</u>	<u>\$ 22,778,320</u>

See accompanying notes to the basic financial statements

EXHIBIT C
 CITY OF SOMERSWORTH, NEW HAMPSHIRE
 Balance Sheet
 Governmental Funds
 June 30, 2011

	General Fund	School Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 8,222,124	\$ 658,599	\$ 69,035	\$ 8,949,758
Investments	2,820,244	5,634,339	216,196	8,670,779
Taxes receivable, net	1,397,100			1,397,100
Accounts receivable	168,180		5,960	174,140
Due from other governments	552,115		581,112	1,133,227
Due from other funds	1,251,845	265	68,754	1,320,864
Advance to other funds	284,319			284,319
Prepaid expenses	20,738			20,738
Total Assets	<u>\$ 14,716,665</u>	<u>\$ 6,293,203</u>	<u>\$ 941,057</u>	<u>\$ 21,950,925</u>
LIABILITIES				
Accounts payable	\$ 426,746	\$ 2,481,123	\$ 107,360	\$ 3,015,229
Accrued expenses	10,251			10,251
Retainage payable		768,126		768,126
Deferred revenue	10,219,487			10,219,487
Due to other funds	152,886		462,839	615,725
Total Liabilities	<u>10,809,370</u>	<u>3,249,249</u>	<u>570,199</u>	<u>14,628,818</u>
FUND BALANCES				
Nonspendable	305,057		185,296	490,353
Restricted		3,043,954	157,676	3,201,630
Committed	550,024			550,024
Assigned	453,828		146,113	599,941
Unassigned (deficit)	2,598,386		(118,227)	2,480,159
Total Fund Balances	<u>3,907,295</u>	<u>3,043,954</u>	<u>370,858</u>	<u>7,322,107</u>
Total Liabilities and Fund Balances	<u>\$ 14,716,665</u>	<u>\$ 6,293,203</u>	<u>\$ 941,057</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds 37,289,696

Property taxes are recognized on an accrual basis in the statement of net assets, not the modified accrual basis 1,171,931

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities at year end consist of:

Bonds payable (25,684,615)
 Capital leases payable (603,363)
 Deferred bond premium (1,084,113)
 Accrued interest on long-term obligations (197,892)
 Compensated absences payable (1,595,875)
 Other post-employment benefits payable (1,341,791)
 Estimated liability for landfill postclosure care costs (1,750,000)

Net assets of governmental activities \$ 13,526,085

See accompanying notes to the basic financial statements

ANNEX 2
CITY OF SOMERSWORTH, NEW HAMPSHIRE
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2011

	General Fund	School Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 20,571,336		\$ 5,040	\$ 20,576,376
Grants and income	1,341,195			1,341,195
Inter-governmental	10,074,018		2,077,342	12,151,460
Charges for services	2,062,910		356,367	2,419,277
Interest and investment income	14,753	\$ 65,365	16,764	96,882
Miscellaneous	460,356		166,725	627,081
Total Revenues	34,464,748	65,365	2,619,299	37,149,412
Expenditures				
Current operations				
General government	1,494,317			1,494,317
Public safety	4,880,394		86,345	4,966,739
Highways and streets	1,376,851			1,376,851
Sanitation	138,295			138,295
Health and welfare	255,366		24,173	279,539
Culture and recreation	492,316		160	492,476
Economic development	4,174		136,416	141,590
Education	21,471,970		1,833,173	23,105,097
Miscellaneous	310,238		588,271	898,509
Capital outlay		14,391,089	5,080	14,396,169
Debt service				
Principal retirement	2,475,285			2,475,285
Interest and local charges	708,959			708,959
Total expenditures	34,044,645	14,391,089	2,506,025	50,941,759
Excess (shortage) over expenditures	420,103	(14,325,724)	113,274	(13,792,347)
Other financing sources (used)				
Proceeds from capital lease	131,400			131,400
Transfers in	13,042		636,431	649,473
Transfers out	(657,341)		(113,022)	(770,363)
Fund inter-transfers in net change	(153,899)		945,279	791,380
Net change in fund balances	(676,698)	(14,325,724)	758,573	(14,660,947)
Fund balances (deficit) at beginning of year, as restated	4,061,091	17,369,678	(87,715)	20,852,954
Fund balances at end of year	\$ 3,384,393	\$ 3,043,954	\$ 370,858	\$ 6,799,205

Net Change in Fund Balances—Total Governmental Funds \$ (13,660,947)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period. 13,796,860

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss of disposed capital assets reduced by the actual proceeds received from the sale of capital assets. (\$, 176)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 298,516

Proceeds from capital leases are reported as other financing sources in the funds, but a capital lease increases long-term liabilities in the statement of net assets. (131,400)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,475,285

Repayment of principal on capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 657,341

Governmental funds report the effect of bond issuance premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. 43,873

In the statement of activities, interest is accrued on outstanding bonds and capital leases, whereas in governmental funds, an interest expenditure is reported when due. 1,079

Some expense reported in the statement of activities, such as compensated absences, other post-employment benefits, and the estimated liability for landfill postclosure care costs, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (645,369)

Change in Net Assets of Governmental Activities \$ 2,401,781

EXHIBIT E
CITY OF SOMERSWORTH, NEW HAMPSHIRE
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-type Activities			Totals
	Water Fund	Sewer Fund	Solid Waste Fund	
ASSETS				
Current Assets:				
Accounts receivable, net	\$ 533,639	\$ 513,895	\$ 13,555	\$ 1,061,089
Due from other governments		122,388		122,388
Due from other funds			7,805	7,805
Inventory	108,124		20,537	128,661
Total Current Assets	<u>641,763</u>	<u>636,283</u>	<u>41,897</u>	<u>1,319,943</u>
Noncurrent Assets:				
Due from other governments		1,713,425		1,713,425
Capital assets:				
Non-depreciable capital assets	144,510	356,385		500,895
Depreciable capital assets, net	7,367,425	14,459,861		21,827,286
Total Noncurrent Assets	<u>7,511,935</u>	<u>16,529,671</u>	<u>-</u>	<u>24,041,606</u>
Total Assets	<u>\$8,153,698</u>	<u>\$17,165,954</u>	<u>\$ 41,897</u>	<u>\$25,361,549</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	\$ 43,313	\$ 28,508	\$ 25,189	\$ 97,010
Accrued expenses	76,184	143,782		219,966
Due to other funds	391,183	397,823		789,006
Advance from other funds		284,319		284,319
Current portion of bonds payable	332,213	536,353		868,566
Total Current Liabilities	<u>842,893</u>	<u>1,390,785</u>	<u>25,189</u>	<u>2,258,867</u>
Noncurrent Liabilities:				
Bonds payable	6,004,530	7,710,190		13,714,720
Compensated absences payable	63,756	19,485		83,241
Other post-employment benefits payable	33,788	18,698		52,486
Total Noncurrent Liabilities	<u>6,102,074</u>	<u>7,748,373</u>	<u>-</u>	<u>13,850,447</u>
Total Liabilities	<u>6,944,967</u>	<u>9,139,158</u>	<u>25,189</u>	<u>16,109,314</u>
NET ASSETS				
Invested in capital assets, net of related debt	1,175,192	6,569,703		7,744,895
Unrestricted	33,539	1,457,093	16,708	1,507,340
Total Net Assets	<u>1,208,731</u>	<u>8,026,796</u>	<u>16,708</u>	<u>9,252,235</u>
Total Liabilities and Net Assets	<u>\$8,153,698</u>	<u>\$17,165,954</u>	<u>\$ 41,897</u>	<u>\$25,361,549</u>

See accompanying notes to the basic financial statements

EXHIBIT F
CITY OF SOMERSWORTH, NEW HAMPSHIRE
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended June 30, 2011

	Business-type Activities			Totals
	Water Fund	Sewer Fund	Solid Waste Fund	
Operating revenues:				
Charges for services	\$ 2,278,060	\$ 2,488,946	\$ 385,252	\$ 5,152,258
Miscellaneous	34,008	29,330		63,338
Total operating revenues	<u>2,312,068</u>	<u>2,518,276</u>	<u>385,252</u>	<u>5,215,596</u>
Operating expenses:				
Personnel services	561,425	420,086		981,511
Contractual services	28,511	174,873	296,650	500,034
Repairs and maintenance	101,105	42,227		143,332
Administration	81,404	86,935	223	168,562
Materials and supplies	199,704	131,632	41,458	372,794
Utilities	160,964	232,562		393,526
Depreciation	478,409	638,936		1,117,345
Miscellaneous	51,766	55,000		106,766
Total operating expenses	<u>1,663,288</u>	<u>1,782,251</u>	<u>338,331</u>	<u>3,783,870</u>
Operating income	<u>648,780</u>	<u>736,025</u>	<u>46,921</u>	<u>1,431,726</u>
Non-operating (expenses):				
Interest expense	(246,140)	(299,702)		(545,842)
Total non-operating (expenses)	<u>(246,140)</u>	<u>(299,702)</u>	<u>-</u>	<u>(545,842)</u>
Income before capital contributions and transfers	402,640	436,323	46,921	885,884
Capital contributions	<u>26,923</u>	<u>68,302</u>		<u>95,225</u>
Change in net assets	429,563	504,625	46,921	981,109
Total net assets (deficit) at beginning of year	<u>779,168</u>	<u>7,522,171</u>	<u>(30,213)</u>	<u>8,271,126</u>
Total net assets at end of year	<u>\$ 1,208,731</u>	<u>\$ 8,026,796</u>	<u>\$ 16,708</u>	<u>\$ 9,252,235</u>

See accompanying notes to the basic financial statements

EXHIBIT G

CITY OF SOMERSWORTH, NEW HAMPSHIRE

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2011

	Business-type Activities			Total
	Water Fund	Sewer Fund	Solid Waste Fund	
Cash flows from operating activities:				
Cash received from customers	\$ 2,255,985	\$ 2,451,527	\$ 382,518	\$ 5,090,030
Cash paid to suppliers	(806,955)	(884,561)	(351,796)	(2,043,312)
Cash paid to employees	(325,004)	(253,449)		(578,453)
Net cash provided by operating activities	<u>1,124,026</u>	<u>1,313,517</u>	<u>30,722</u>	<u>2,468,265</u>
Cash flows from capital financing activities:				
Purchases of capital assets	(87,955)	(1,019)		(88,974)
Capital contributions	26,923	190,690		217,613
Proceeds from other long-term obligations		46,034		46,034
Principal paid on long-term debt	(517,031)	(538,102)		(1,055,133)
Interest paid on long-term debt	(255,093)	(301,777)		(556,872)
Net cash used for capital financing activities	<u>(833,158)</u>	<u>(604,174)</u>	<u>-</u>	<u>(1,437,332)</u>
Net increase in cash and cash equivalents	290,868	709,343	30,722	1,030,933
Cash and cash equivalents (deficiency) at beginning of year	(682,051)	(1,391,485)	(22,917)	(2,096,453)
Cash and cash equivalents (deficiency) at end of year	<u>\$ (391,183)</u>	<u>\$ (682,142)</u>	<u>\$ 7,805</u>	<u>\$ (1,065,520)</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 648,780	\$ 736,025	\$ 46,921	\$ 1,431,726
Adjustments to reconcile operating income to net cash provided used by operating activities:				
Depreciation expense	478,409	638,936		1,117,345
Changes in assets and liabilities:				
Accounts receivable, net	(56,083)	(66,749)	(2,734)	(125,566)
Inventory	2,503		(6,030)	(3,527)
Accounts payable	8,936	(14,613)	(7,435)	(13,112)
Compensated absences payable	26,706	13,703		40,409
Other post-employment benefits payable	14,775	6,215		20,990
Net cash provided by operating activities	<u>\$ 1,124,026</u>	<u>\$ 1,313,517</u>	<u>\$ 30,722</u>	<u>\$ 2,468,265</u>
Supplemental disclosure of non-cash transactions:				
Accrued interest on other long-term obligations converted to bonds payable	\$ -	\$ 18,043	\$ -	\$ 18,043

See accompanying notes to the basic financial statements

EXHIBIT II
 CITY OF SOMERSWORTH, NEW HAMPSHIRE
 Statement of Fiduciary Net Assets
 Fiduciary Funds
 June 30, 2011

	Private- Purpose Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents		\$ 318,515
Investments	\$ 202,737	2
Due from other funds		76,062
Total assets	<u>\$ 202,737</u>	<u>\$ 394,579</u>
LIABILITIES		
Accounts payable		\$ 1,638
Due to student groups		101,060
Deposits		291,881
Total liabilities	<u>\$ -</u>	<u>\$ 394,579</u>
NET ASSETS		
Held in trust	<u>202,737</u>	
Total net assets	<u>\$ 202,737</u>	

See accompanying notes to the basic financial statements

EXHIBIT 1
CITY OF SOMERSWORTH, NEW HAMPSHIRE
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011

	Private- Purpose <u>Trust Funds</u>
ADDITIONS:	
Contributions:	
Private donations	\$ 1,081
Total Contributions	<u>1,081</u>
Investment earnings:	
Interest	5,375
Net increase in the fair value of investments	<u>10,931</u>
Total Investment Earnings	<u>16,306</u>
Total Additions	<u>17,387</u>
DEDUCTIONS:	
Benefits	<u>18,450</u>
Total Deductions	<u>18,450</u>
Change in net assets	(1,063)
Net assets - beginning of year	<u>203,800</u>
Net assets - end of year	<u>\$ 202,737</u>

See accompanying notes to the basic financial statements

BARRINGTON
BROOKFIELD
DOVER
DURHAM
FARMINGTON
LEE
MADBURY
MIDDLETON
MILTON



NEW DURHAM
NEWMARKET
NORTHWOOD
NOTTINGHAM
ROCHESTER
ROLLINSFORD
SOMERSWORTH
STRAFFORD
WAKEFIELD

Strafford Regional Planning Commission 2011 Report

Strafford Regional Planning Commission (SRPC), a political subdivision of the State of New Hampshire, serves in an advisory role to the City of Somersworth and seventeen other communities. We provide planning services to assist officials, boards and citizens in managing growth and development and to foster regional collaborative efforts.

SRPC's professional staff offers a range of planning services in transportation, land use, economic development, hazard mitigation, natural resources and geographic information systems (GIS) mapping and analysis. These services are available in customized modes to meet the diverse needs of communities. Access is also provided to SRPC educational resources including our website, library, workshops and forums, and customized training.

2011 Accomplishments:

- Collaborated with Somersworth officials and businesses to create the 2011-2015 Strafford Regional Comprehensive Economic Development Strategy including a Somersworth priority projects list
- Met with City officials to solicit transportation projects for the NH Transportation Ten Year Plan and the Strafford Transportation Long-Range Plan
- Attended a bi-state meeting regarding the Route 9 bridge reconstruction project over the Salmon Falls River
- Worked with City officials to schedule a City building energy assessment as part of the NH Energy Technical Assistance Program
- Set up a web-based tool to track energy usage in City buildings for future benchmarks as part of the NH Energy Technical Assistance Program
- Created a City Energy Action Plan and prioritized projects for the Capital Improvements Plan
- Completed three City requested turning movement counts to analyze the increased traffic on Stackpole Road due to the construction of the Idlehurst School
- Inventory culverts throughout the City to create an access database and location maps for the City's Planning and Public Works Departments
- Provided large format printing assistance for the City's updated zoning map
- Updated the City's standardized map set including transportation, conservation land, water resources and aerial maps
- Prepared a crash rate map based on reported vehicle accidents in 2010
- Distributed *New Hampshire Planning and Land Use Regulation* books to local land use boards
- Provided assistance to City boards and citizens on land use and transportation questions

SRPC provided the following services to all municipalities in 2011:

- Created the first Strafford Regional Comprehensive Economic Development Strategy for the region
- Awarded over 8 million dollars in Congestion Mitigation Air Quality grant funding for projects which will help the region, including a Park and Ride near Exit 13 of the Spaulding Turnpike, new bus service from UNH to Rochester, via Route 125 and increased peak hour service for COAST Route 2, UNH Wildeat Route 4 and COAST Trolley Routes 40 & 41
- Received support from the Federal Highways Administration and NH Department of Transportation to proceed with a culvert assessment inventory for the region

150 WAKEFIELD STREET · SUITE 12 · ROCHESTER, NEW HAMPSHIRE 03867-1300
TEL: 603.994.3500 FAX: 603.994.3504 E-MAIL: SRPC@STRAFFORD.ORG
WWW.STRAFFORD.ORG

- Received a thirty percent increase to our Unified Planning Work Plan, which allows us to increase our services to communities and transit providers in our region
- Published the maps and database for 2010 Annual Listing of Obligated Projects receiving federal transportation funds
- Collaborated with Alliance for Community Transportation (ACT) to provide coordinated transportation for human service agencies in southeastern NH
- Published an email newsletter and alerts to keep communities informed of meeting schedules, events, local news and other beneficial information
- Downloaded and displayed the latest demographic and economic data to SRPC web page as tools for municipalities to utilize in planning efforts

Goals for 2012:

- Implement the Action Plan for the 2011 -2015 Strafford Regional Comprehensive Economic Development
- Attract new public and private investments to the Strafford region
- Assist UNH Wildcat and COAST transit providers in development of transit routes and services
- Initiate first year of the Sustainable Communities Regional Planning grant tasks
- Offer municipalities guidance on how to program a park and ride lot into local and regional long-range transportation goals
- Continue Broadband planning and mapping activities
- Assist citizens in the development of agricultural databases and development of production systems and capacity
- Complete a Scenic Byways Plan for Route 108 through Newmarket-Durham-Madbury-Dover-Rollinsford
- Continue transportation planning tasks in support of Safe Routes to School, safety, access management, park and rides, sidewalks, bike ways, and corridor studies.

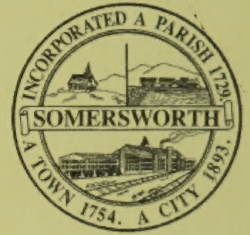
We look forward to working with the citizens and officials of Somersworth in 2012. Thank you for the opportunity to serve you and for your continuing support of regional planning. Further questions or comments can be referred to Cynthia Copeland, AICP, Executive Director at cjc@strafford.org. Please visit our website at www.strafford.org.

If you would like to receive E Bulletins from SRPC, please go to our home page of our website noted above.

Cynthia Copeland
December 19, 2011

City of Somersworth

Service Directory



Adopt-A-Spot Program	692-4266
Auto Registration	692-9555
Betterment Assessments	692-9555
Birth/Marriage/Death Certificates	692-9511 or 692-9512
Blocked Storm Drains	692-4266
Building Permits and Inspections	692-9522
Compost Facility	692-4266
Council Agenda Information	692-9511 or 692-9512
Dog Licenses	692-9511 or 692-9512
Elections/Voter Registration	692-9511 or 692-9512
Emergency Welfare Assistance	692-9509
Historical Reference Questions	692-4587
Library Information	692-4587
Marriage Licenses	692-9511 or 692-9512
Museum Pass Reservations	692-4587
Pay Per Bags / Bulky Waste Stickers	692-9511 or 692-9512
Police	692-3131
Road Repairs	692-4266
Property Maintenance Inspections	692-9521
Property Taxes	692-9555
Recycling Info	692-4266
Service Agency Referrals	692-9509
Sewer Backups	692-4266
Snow Ban Info	692-9131
Street Light Problems	692-4266
Traffic Light Problems	692-4266
Trash Info	692-4266
Water Main Breaks	692-9523
Water / Sewer Bills	692-9523
Water Sewer Payments	692-9555