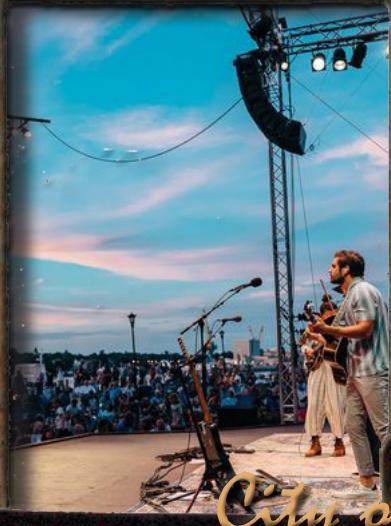
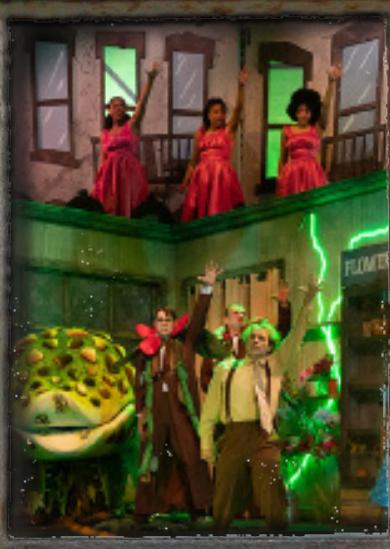
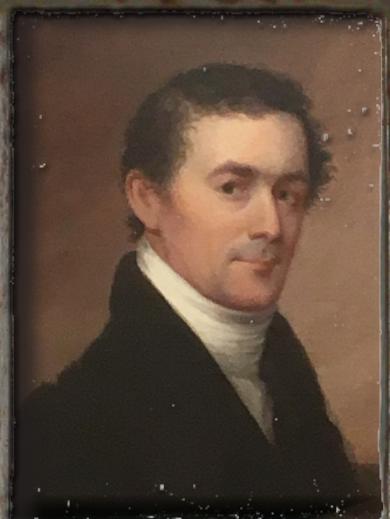


# Arts & Culture Abound!



*City of Portsmouth, NH*  
**Popular Annual Financial Report**

July 1, 2024 - June 30, 2025

Fiscal Year 2025

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# Popular Annual Financial Report City of Portsmouth, New Hampshire



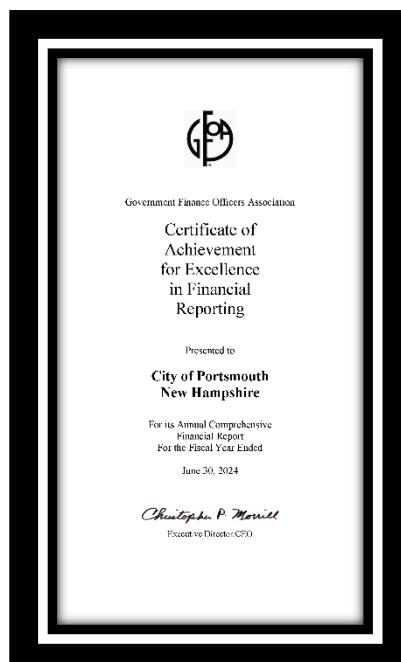
For the fiscal year ended June 30, 2025

Prepared by:

City of Portsmouth, Finance Department  
Deputy City Manager - Finance & Administration, Nathan Lunney

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## Award for Outstanding Achievement in Popular Annual Financial Reporting



The [Government Finance Officers Association of the United States and Canada \(GFOA\)](#) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Portsmouth, NH for the Fiscal Year ended June 30, 2024. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of the state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report (PAFR), whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. This is the City of Portsmouth's 8<sup>th</sup> PAFR Award. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.

# A Letter from the City Manager

To the Citizens of Portsmouth,

I am pleased to present the Popular Annual Financial Report (PAFR) for the year ended June 30, 2025. This report is prepared for the non-financial reader and includes valuable information on the financial well-being of the City. It highlights various programs and accolades which affirm that Portsmouth is a great place to live, play, work, and visit. This PAFR represents our commitment to maintaining clear and consistent communication with you as we look to stay connected and engaged.

This report documents how City Council policies are implemented to achieve established goals for taxpayers and endeavors to explain the financial strategies and tactics applied to accomplish that work. Long-standing municipal financial policies have served us well and continue to provide the foundation for the City's AAA bond rating with Standard & Poor's. Upon that solid footing, Portsmouth has once again finished the fiscal year in a strong financial position.

We make strategic financial decisions such as the maintenance of our rate stabilization policies, the timing of bonding, and holding the line on rate increases and property tax revaluations, in order to insulate Portsmouth taxpayers from impacts like those seen elsewhere in the state. These tactics were especially critical in FY25, where the City continued to battle with limited supply chain and contractor availability, making it advantageous to advance projects that could be realized and adjust those that could not. Careful examination of each City Department's budget requests, opportunistic use of the federal ARPA funds, and the implementation of practical efficiencies wherever possible allowed us to keep the tax rate in check.

The City, specifically our Finance Department, was again recognized for excellence in financial reporting. The Government Finance Officers Association awarded its Triple Crown to commend the Department for the clarity and professionalism of the City Budget, the PAFR, and the Annual Comprehensive Financial Report. Our priority is to report the budget and the City's financial affairs to you in a transparent and easily understood manner, and to provide extensive additional information through links to online documents and guides for those who wish to understand in greater detail how City finances work.

On behalf of the Finance Team led by Deputy City Manager Nathan Lunney, I am proud to work in support of the City Council's focus on a culture of cost management among all employees while maintaining the same level of services that directly support our high quality of life here in the great City of Portsmouth.

I am grateful to the City Department Heads and their staff who work to prepare budgets that allow us to deliver City services diligently and faithfully. We stand prepared to weather the impacts of global economic uncertainty thanks in large part to the City's long-standing financial practices and to the professional, hard-working, and dedicated City staff. It is my honor to be the leader of this exceptional organization.

Sincerely,



Karen S. Conard, City Manager



## City Officials

(as of June 30, 2025)

City Manager

Karen Conard

Deputy City Manager

Carl Weber

Deputy City Manager – Finance & Administration

Nathan Lunney

Assistant City Manager for Economic & Community Development

Sean Clancy

Deputy Finance Director

Michael Tucker

Deputy Finance Director

Andrew Purgiel

Director of Public Works & Facilities

Peter Rice

City Attorney

Susan Morell

City Clerk

Kelli Barnaby

Human Resources Director

Kelly Harper

Chief Information Officer

Ryan Babcock

Director of Planning & Sustainability

Peter Britz

Health Officer

Kimberly McNamara

Inspection Director/Chief Building Inspector

Shanti Wolph

City Assessor

Rosann Maurice-Lentz

Revenue Administrator/Tax Collector

Amy Wentworth

Recreation Director

Todd Henley

Library Director

Christine Fries

Welfare Administrator

Jodi Carnes

Fire Chief

William McQuillen

Chief of Police

Mark Newport

Superintendent of Schools

Zach McLaughlin

# Portsmouth Elected Officials (FY25)

## Police Commission



[Kate Coyle, Chair](#)  
[Buzz Scherr](#)  
[Francesca Fernald](#)

## School Board



[Nancy Novelline Clayburgh, Chair](#)  
[Brian French, Vice-Chair](#)  
[Christina "Pip" Clews](#)  
[Kerry Nolte](#)  
[Lisa Rapaport](#)  
[Patricia "Tish" Campbell](#)  
[David "Leigh" Hudson](#)  
[Byron Matto](#)  
[Genevieve Becksted Muske](#)

## Fire Commission



[Richard Gamester, Chair](#)  
[Jennifer J. Mosher-Matthes, Vice-Chair](#)  
[Michael K. Hughes, Clerk](#)

# Portsmouth City Council



[Deaglan McEachern, Mayor](#)



[JoAnna Kelley, Assistant Mayor](#)



[John Tabor](#)



[Kate Cook](#)



[Josh Denton](#)



[Rich Blalock](#)



[Andrew Bagley](#)



[Beth Moreau](#)



[Vincent Lombardi](#)

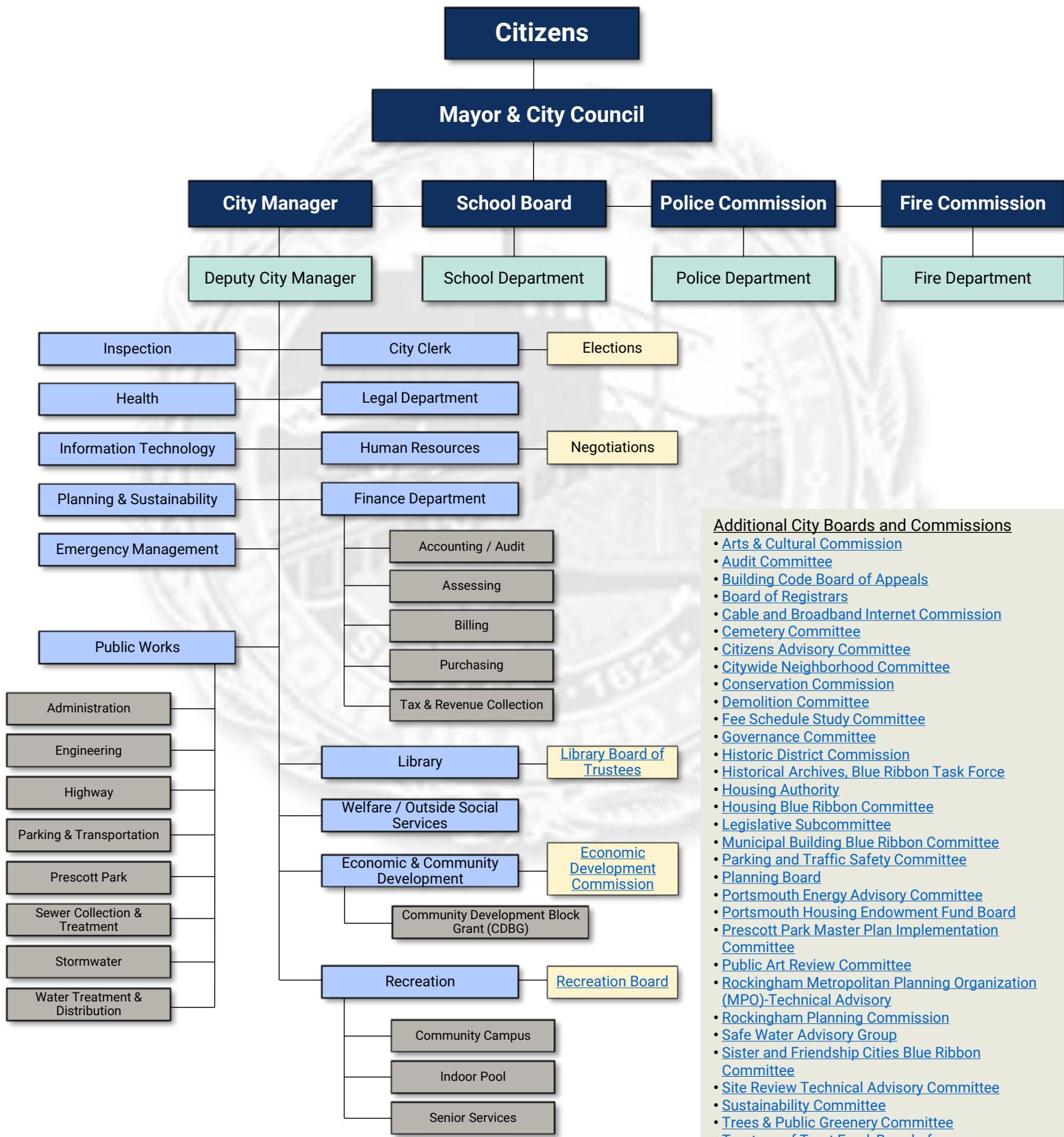
City Council meetings are held in the [City Council Chambers, Municipal Complex, One Jenkins Avenue, Portsmouth, New Hampshire 03801](#). The public is invited to attend City Council Meetings (meeting dates are available on the [Meetings Calendar](#) located on the [City's website](#)). The meetings are streamed live on [Portsmouth's City YouTube Channel](#). For further information, call the City Clerk's Office at 603-610-7207.

## FY25 Budget City Council Goals

- Enhance the supply of housing choices, especially the supply of below-market housing options.
- Integrate sustainability, resilience, and climate change mitigation actions throughout City government and community.
- Invite and engage the entire community, especially those traditionally unreached, to increase participation and transparency in government.
- Support the needs of residents, businesses, nonprofits, arts, and cultural institutions by leveraging City and local resources.
- Explore opportunities to support all modes of transportation options.

# Citywide Organizational Chart

(As of June 30, 2025)



### Additional City Boards and Commissions

- [Arts & Cultural Commission](#)
- [Audit Committee](#)
- [Building Code Board of Appeals](#)
- [Board of Registrars](#)
- [Cable and Broadband Internet Commission](#)
- [Cemetery Committee](#)
- [Citizens Advisory Committee](#)
- [Citywide Neighborhood Committee](#)
- [Conservation Commission](#)
- [Demolition Committee](#)
- [Fee Schedule Study Committee](#)
- [Governance Committee](#)
- [Historic District Commission](#)
- [Historical Archives, Blue Ribbon Task Force](#)
- [Housing Authority](#)
- [Housing Blue Ribbon Committee](#)
- [Legislative Subcommittee](#)
- [Municipal Building Blue Ribbon Committee](#)
- [Parking and Traffic Safety Committee](#)
- [Planning Board](#)
- [Portsmouth Energy Advisory Committee](#)
- [Portsmouth Housing Endowment Fund Board](#)
- [Prescott Park Master Plan Implementation Committee](#)
- [Public Art Review Committee](#)
- [Rockingham Metropolitan Planning Organization \(MPO\)-Technical Advisory](#)
- [Rockingham Planning Commission](#)
- [Safe Water Advisory Group](#)
- [Sister and Friendship Cities Blue Ribbon Committee](#)
- [Site Review Technical Advisory Committee](#)
- [Sustainability Committee](#)
- [Trees & Public Greenery Committee](#)
- [Trustees of Trust Fund, Board of](#)
- [Zoning Board of Adjustment](#)

# FY25 Awards, Accolades, & Accomplishments

## FY25 City Accomplishments

### Planning & Sustainability

- Portsmouth's Climate Future - [portsnh.co/climatefuture](https://portsnh.co/climatefuture)
- Housing Navigator - <https://portsnh.co/housing>

### Human Resources

- Implementation of an HR Service Catalog

### Communications & Community Engagement

- Accessory Dwelling Unit Handbook - [portsnh.co/adu](https://portsnh.co/adu)
- Messaging and Public Engagement
- Communications Working Group
- Website Updates and Upgrades

### Recreation

- Bike Park

### Economic & Community Development

- Customer Relationship Management (CRM) System

### Finance

- Implementation of New Procurement Solution - [portsnh.co/bids](https://portsnh.co/bids)
- Successful Adjustment of the Budget Timeline - [portsnh.co/budgets](https://portsnh.co/budgets)

### Legal

- Settlement of the McIntyre Lawsuits - [portsnh.co/mcintyre](https://portsnh.co/mcintyre)
- Below Market Rate Housing Trust Fund - [portsnh.co/trustees](https://portsnh.co/trustees)

### Health

- Community Health Profile, Needs Assessment, and Improvement Plan - [portsnh.co/health](https://portsnh.co/health)
- Emergency Sheltering Capacity Expansion
- Increased Efficiency and Consumer Convenience through IT Solutions
- ARPA Fund Distribution

### Library

- Library Courtyard

### Information Technology

- Domain Transition to portsmouthnh.gov - [portsnh.co/switch](https://portsnh.co/switch)

### Public Works

- Islington Street Sewer Separation Project - [portsnh.co/islingtonreconstruction](https://portsnh.co/islingtonreconstruction)
- Bartlett Street Sewer Separation Project - [portsnh.co/bartlettstreet](https://portsnh.co/bartlettstreet)
- Contract 1 Sewer Rehabilitation - [portsnh.co/wastewaterprojects](https://portsnh.co/wastewaterprojects)
- Corporate Drive Sewer Improvement Project - [portsnh.co/maplewoodbridge](https://portsnh.co/maplewoodbridge)
- Union Street Sewer Separation Project - [portsnh.co/unionstreetproject](https://portsnh.co/unionstreetproject)
- Willard Avenue Sewer Separation Project - [portsnh.co/willardave](https://portsnh.co/willardave)
- Sagamore Avenue Sewer Separation Project - [portsnh.co/sagamoresewer](https://portsnh.co/sagamoresewer)
- Road Raising Project - [portsnh.co/PI-resiliency](https://portsnh.co/PI-resiliency)
- Marjorie Street Pump Station - [portsnh.co/2024marjoriepump](https://portsnh.co/2024marjoriepump)
- Little Bay Road Water Main Project
- Pavement Management - [portsnh.co/paving](https://portsnh.co/paving)
- Portsmouth Public Library Courtyard
- Portsmouth Historical Society ADA Access
- Municipal Complex Improvements
- EV Charging Stations
- Energy Efficiency Audit
- Pierce Island Outdoor Pool Aquatics Upgrade - [portsnh.co/24outdoorpool](https://portsnh.co/24outdoorpool)
- Bicycle Park - [portsnh.co/skatepark](https://portsnh.co/skatepark)
- Historic Cemetery Improvements - [portsnh.co/cemeterycte](https://portsnh.co/cemeterycte)
- NH Seacoast Greenway - [portsnh.co/greenway](https://portsnh.co/greenway)
- 2025 Citywide Sidewalks Projects Completed
  - Greenleaf Avenue
  - Sagamore Avenue
  - Summit Avenue

### Parking & Transportation Division

- Completion of year two of the Hanover Street Garage Restoration Project
- Parking Division Office Construction
- Completion of the 2025 Parking Utilization Study

### School Department

- District Strategic Plan - [portsnh.co/schoolstrat29](https://portsnh.co/schoolstrat29)

### Police Department

- Community Policing
- Technology Initiatives
- Community Survey - [portsnh.co/surveypd2025](https://portsnh.co/surveypd2025)

### Fire Department

- Local Emergency Operations Plan and Hazard Mitigation Plan



## FY25 City Awards



The Arbor Day Foundation awarded the City of Portsmouth's Department of Public Works with its 26th Tree City USA designation



The Arbor Day Foundation awarded the City of Portsmouth's Department of Public Works' Parks and Greenery group its 6th Tree Growth Award

## FY25 Tourism Accolades

- Boston Globe, [3 low-cost ways of having fun in Portsmouth, N.H.](#) (Aug 1, 2025)
- Readers Digest, [28 Best Places to See Fall Foliage in 2025 | Stunning Fall Trips](#) (Jun 16, 2025)
- US News & World Report, [26 Underrated Places to Visit in U.S. for 2025 | U.S. News Travel](#) (May 15, 2025)
- Boston Globe, [The best of Portsmouth, N.H., according to these three insiders](#) (Mar 7, 2025)

For more information on the FY25 Awards, Accolades, and Accomplishments, see the FY25 ACFR <https://files.portsmouthnh.gov/finance/fy25/ACFR25.pdf>.

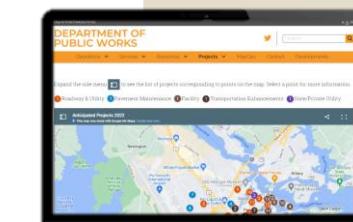
**LEARN MORE** 

**Did you know the City has a webpage dedicated to providing residents and the public with information about City projects?**

You can find the City Project Page on the City's Website under the Department of Public Works. <https://portsnh.co/projects>

City projects in progress are listed, as well as additional project information including:

- Project Description
- Project Status
- Designer
- City Staff Contact
- Unique Project Webpage Address



# What do your Portsmouth City Services cost?

**The Median Value Household (\$772,100) had a tax bill of \$8,632 for FY25. How was that split across City Services?**



**The Department of Public Works makes up only 5.5% of the Tax Bill** while funding many of the City's core services including trash (solid waste) pickup, snow removal, parks & greenery care, and street/sidewalk maintenance.



**\$476**



**\$276**

**Community Services – 3.2%**  
City Library, Recreation Programs, Senior Center Services, and Welfare Outreach



**\$140**

**Regulatory Services – 1.6%**  
Planning & Sustainability, Inspection, and Health Departments



**\$457**

**Administration & Finance – 5.3%**  
City Manager, Finance, Legal, Clerk, Human Resources, and Information Technology

**Transfers – 0.6%**  
Transfer of funds to the Indoor Pool, Prescott Park, and the Community Campus

**\$55**

**Benefits – 1.9%**  
Benefits (Health, Dental, Life, Disability, Workers Comp, etc.) for General Government employees

**\$160**

**General Administration – 0.8%**  
Telephones, printing, postage, Leave at Termination, Government Access, athletic & streetlights, parades, etc.

**\$68**

**The Non-Operating Budget makes up 18.2% of the Tax Bill.** The Non-Operating Budget funds Capital projects (cash and debt service), IT equipment and software, County Tax, etc.

**\$1,568**

## The City's Charter Departments make up 62.9% of the Tax Bill.



**School Department – 44.2%**  
Instructional programs and support services (pupils, instructional, business, etc.)



**\$3,817**



**Police Department – 10.1%**  
Crime prevention, community safety, and emergency communications



**\$869**



**Fire Department – 8.6%**  
Fire protection/suppression, emergency medical services, and emergency management



**\$746**

# Engage in Your City Government

The City of Portsmouth offers several opportunities for Portsmouth Citizens to engage in its local government processes.

## Public Input Sessions

- [City Council Public Comment Sessions](#)
- Boards, Commissions, and Committees Public Input Opportunities
- Planning and Public Works Public Input Sessions
- Master Planning Process
- Neighborhood Outreach Forum
- Economic Development ([Sister and Friends Cities Programs](#))

## Annual Budget Process

- Budget Public Hearings (Fire Commission, Police Commission, and School Board)
- Budget Public Hearing (City Council)
- Listening Sessions during City Council Budget Work Sessions

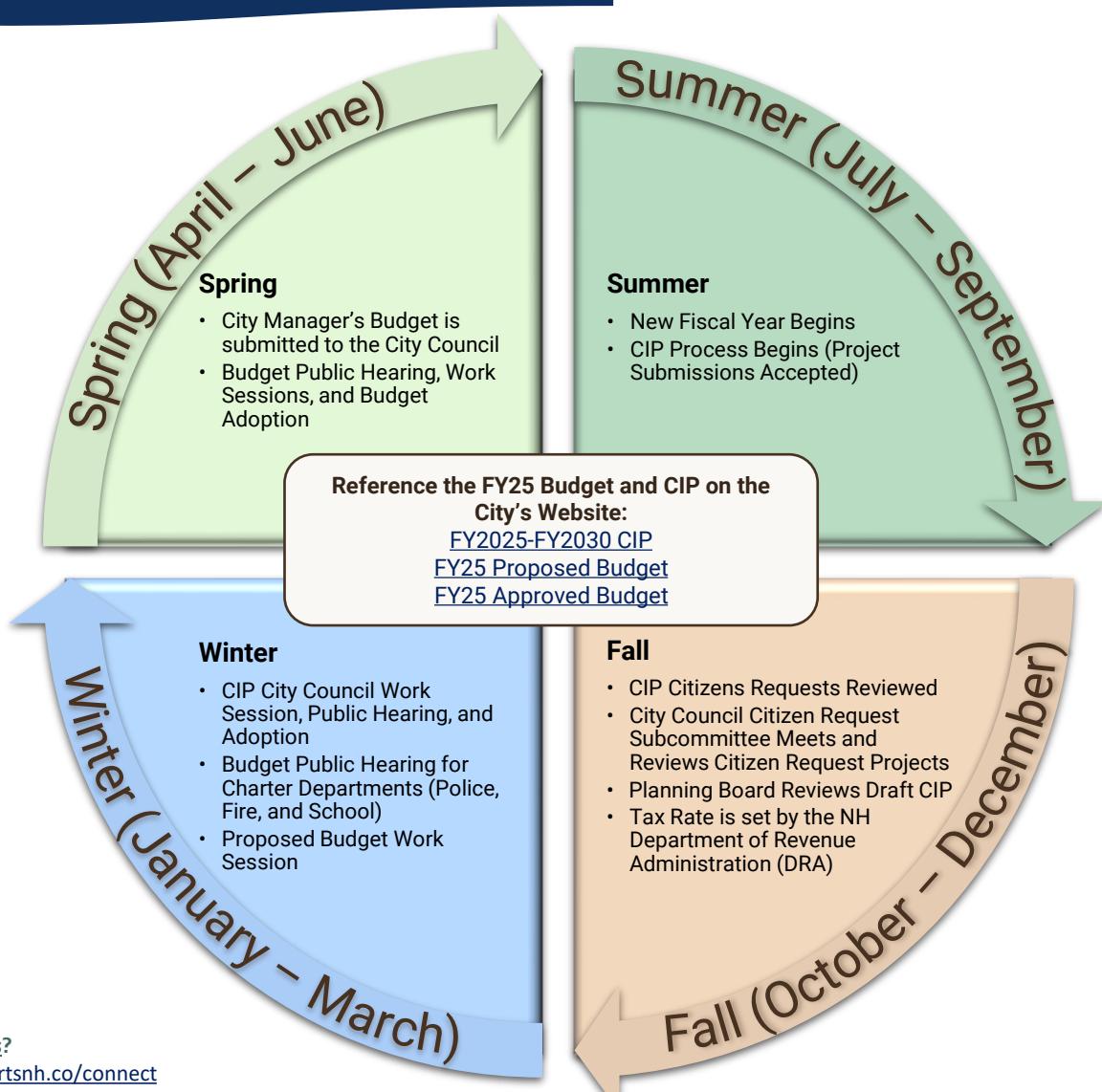
## Capital Improvement Plan (CIP) Process

- [Citizen Project Request Opportunities](#)
- Citizen Request Projects Subcommittee Meeting
- CIP Public Comments (Planning Board)
- CIP Public Hearing (City Council)

## Boards, Commissions, and Committees

- [Citywide Neighborhood Committee](#)
- [Citizen Advisory Committee \(for Community Development Block Grant funds\)](#)
- [Appointed Positions](#) (Boards, Commissions, and Committees)
- [Elected Positions](#) (Police Commission, Fire Commission, and School Board)

## FY25 Budget Process



Questions?

<https://portsnh.co/connect>

# Portsmouth at a Glance...



## Quick Facts

### City Government

- Settled: 1623
- Incorporated: 1849
- Form: Council-Manager
- Bond Rating, S&P Global: AAA

### Location

- County: Rockingham
- State: New Hampshire
- Tourism Region: Seacoast
- Planning Commission: Rockingham

### Land

- Land Area<sup>1</sup>: 16.8 square miles (15.7 mi<sup>2</sup> of land & 1.1 mi<sup>2</sup> of water)
- Parks & Playgrounds<sup>1</sup>: 200+ acres
- Public Streets: 105 miles
- Wetlands<sup>2</sup>: 3,538 acres

### Driving Distance to Selected Cities

- [Manchester, NH](#): 45 miles
- [Portland, ME](#): 53 miles
- [Boston, MA](#): 56 miles
- [Concord, NH](#): 59 miles
- [New York City, NY](#): 265 miles

### Public Transportation

- [COAST Bus Services](#)
  - Operates a fixed-route bus service as well as on-demand ADA service
  - Operates a free weekend service around the Downtown on the Vintage Christmas Trolley for the month of December
  - Operates the City's Senior Transportation Services
- [Wildcat Transit](#)
  - Provides bus service between downtown Portsmouth and the University of New Hampshire's Durham Campus
- [Amtrak Passenger Rail Link Service](#)
  - Available between Portland, ME and Boston, MA with stops in Dover, Exeter, and Durham, NH

### Nearest Airports

- [Pease International Airport](#)
- [Manchester-Boston Regional Airport](#)
- [Portland International Jetport](#)
- [Logan International Airport](#)

## City Assets, Infrastructure, and Operating Indicators

**Settled in 1623**, Portsmouth is the nation's 3<sup>rd</sup>-oldest city with a rich heritage as a working seaport and home to the State's only deep-water port. Portsmouth lies along the Piscataqua River, which divides New Hampshire and Maine. It is a regional economic and cultural hub located 56 miles north of Boston, Massachusetts and 53 miles south of Portland, Maine.

### Public Safety – Police

- Police Stations: 1
- Police Vehicles: 38
- Police Canines: 2

### Public Safety – Fire and Rescue

- Fire Stations: 3
- Fire Engines: 4
- Tower Trucks: 2
- Heavy Rescue: 1
- Ambulances: 4
- Forestry Pickup: 1
- Rigid Hull Inflatable Boat: 1
- Zodiac Boat: 1

### Public Education

- Elementary School Buildings: 3
- [Middle School Buildings](#): 1
- [High School Buildings](#): 1
- Enrollment: 2,426

### Culture and Recreation

- [Libraries](#): 1
- Community Centers: 4
- [Senior Centers](#): 1
- Boat Dock Facilities: 2
- Swimming Pools: 3
- Tennis Courts: 10
- Pickleball Courts: 16

### Eco Municipality Assets

- [Recycling Centers](#): 1
- LED Streetlights: 1,600
- [Electric Charging Stations](#): 5 ( 7 plugs)
- Solar Panel Arrays: 2
- Solar E-Bike/E-Scooter Charging Station: 1
- City Biodiesel Vehicles: 82
- City Electric Vehicles: 2
- City Open Space: 94 undeveloped parcels (932 acres)

### Finance

- Taxable Property Parcels Assessed: 9,117
- Parcels Inspected: 2,421
- Median Single Family Value: 772,100

### Public Works

- Miles of Streets: 105
- Miles of Sidewalks: 92
- Bridges: 15
- City Owned Facilities Maintained: 9

### Parks, Playgrounds, and Cemeteries

- Playgrounds, Parks, and Ballfields: 26
- [Cemeteries and Burial Grounds](#): 6
- [Adopt a Spot Gardens](#): 48
- Greenspace Maintained: 80+ acres (10,000 trees)

### Parking and Transportation

- Parking Garages: 2
- Garage Spaces: 1,491
  - [Foundry Place](#): 600
  - [Hanover](#): 891
- Metered Street Parking Spots: 671
- City Owned Parking Lots: 10 (580 spaces)
- City Owned Free Lots: 4 lots (386 spaces)
- Private Parking Lots with City Agreements: 2 lots (78 spaces)
- Bike Racks: 39
- Public Transit Options: 3

### Water System

- Miles of Water Mains: 192
- Treatment Plants: 1
- Service Connections: 8,832
- Storage Capacity in Gallons (millions of gallons): 11.0
- Maximum Daily Capacity of Plant (millions of gallons): 4.0
- Daily average production (millions of gallons): 4.1
- Fire Hydrants: 1,062
- Precipitation for FY: 30.43 inches

### Sewage System

- Miles of Sanitary Sewers: 107
- Treatment Plants: 2
- Service Connections: 6,949
- Maximum Daily Capacity of Treatment (millions of gallons): 25.3

# Economic Indicators



## Total Valuation Before Exemptions TY24 (FY25)

	Valuation	Parcels
Residential *	\$ 6,312,399,439	7,710
Commercial **	\$ 3,824,879,358	1,407
Totals	\$10,137,278,797	9,117

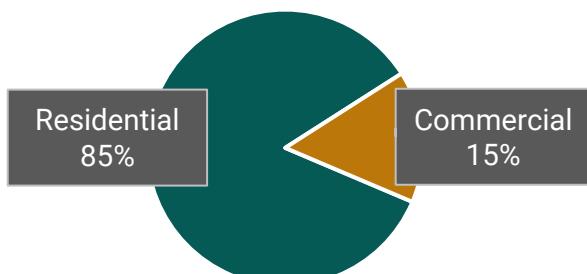
\* Includes single family homes, condos, multi-family units, mobile homes, and vacant land

\*\* Includes Pease Non-Airport and Utilities, does not include Pease Airport

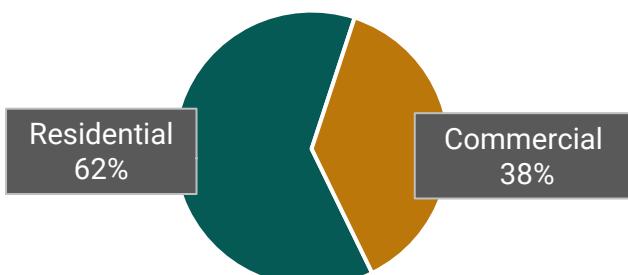
## Residential vs. Commercial Important Numbers

- Residential Properties** make up 85% (by count) of the properties in Portsmouth and pay 62% of the tax burden.
- Commercial Properties** make up 15% (by count) of the properties in Portsmouth and pay 38% of the tax burden.

Residential vs. Commercial Properties by Percent of Taxable Parcel Count TY 2024 (FY2025)



Residential vs. Commercial Properties by Percent of Total Assessed Value TY 2024 (FY2025)



FY = Fiscal Year July 1<sup>st</sup> to June 30<sup>th</sup>

TY = Tax Year April 1<sup>st</sup> to March 30<sup>th</sup>

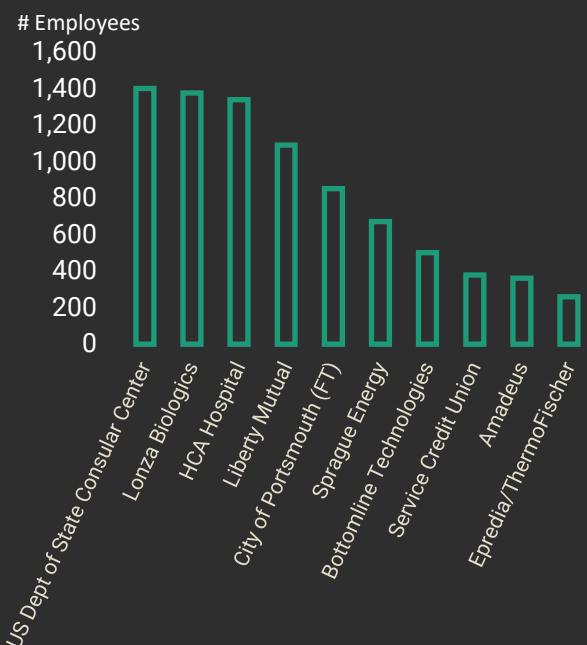
## Median Property Values

### (FY25 Budget)

Single Family - \$482,000

Commercial Improved - \$582,600

## Largest Portsmouth Employers Fiscal Year 2025



## Top 5 Taxpayers FY2025

The top 5 Taxpayers in Portsmouth paid 5.63% of the City's taxes in FY2025.

Company	Business Type	Percentage of Total Taxable Property
Public Service of New Hampshire	Utility	1.76%
Arbor View & The Pines LLC	Apartment Complex	1.11%
HCA Health Services	Medical Building	1.10%
Cate Street Development LLC	Mixed Use	0.96%
Hanover Apartments LLC	Apartment Complex	0.70%

# Property Tax Rate



## Tax Rate Fiscal Year 2025

(Tax Year 2024)

**\$11.18 (per \$1,000)**

Municipal - \$4.98

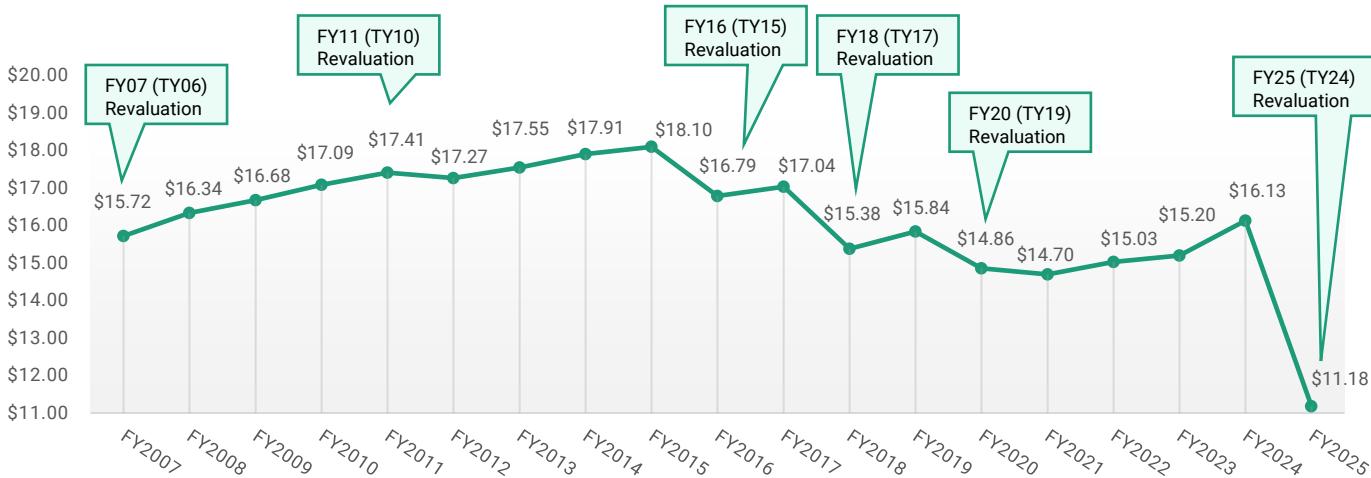
County - \$0.58

Local Education - \$4.49

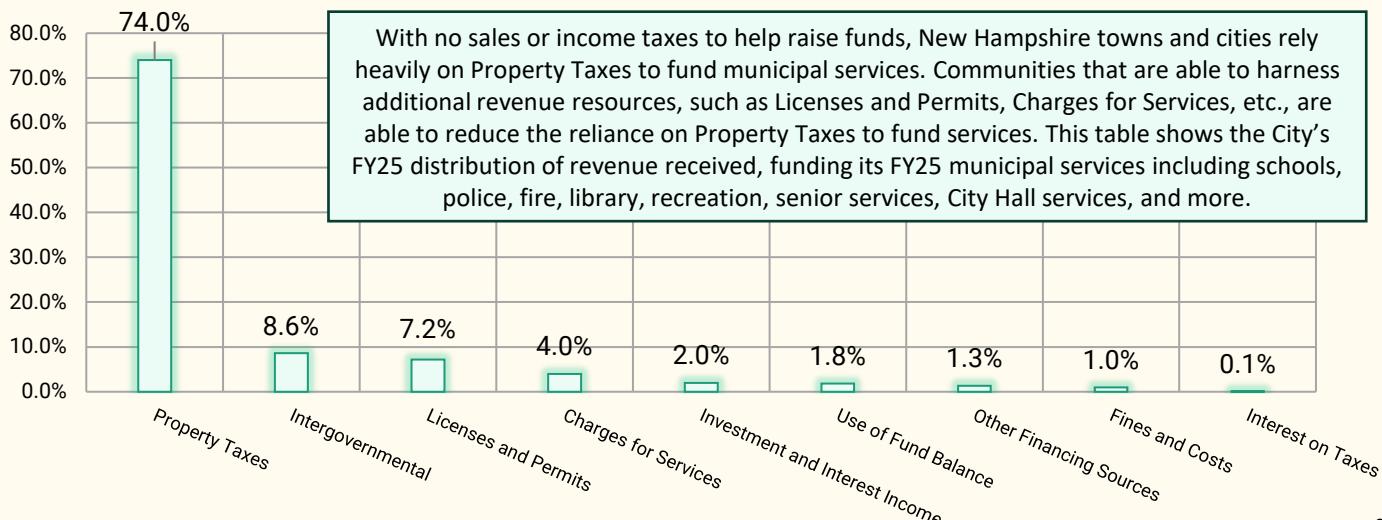
State Education - \$1.13



**Portsmouth, NH Total Tax Rate  
Fiscal Years 2007 - 2025 (Tax Years 2006 - 2024)**



## How does the City raise funds to pay for City services?



# Property Tax Levy, Assessments, & Equalization

## Property Tax Levy and Taxes

The City Council annually adopts a budget that consists of program-related operating and non-operating appropriations. Estimated Revenues (from fees/fines/etc.) are then subtracted from the annual appropriations resulting in a Tax Levy.

**The Tax Levy is the amount of money that the City must raise through property taxes.**

Approved Budget

- Estimated Revenues
- Use of Fund Balance
- + War Service Credits
- + Overlay
- +- Special Adjustments by the State

---

= Tax Levy

The Tax Rate is set annually in the fall by the State of New Hampshire. Once the tax rate is set, the formula to calculate the property tax amount is as follows:

Property Assessment

÷ 1,000

X Tax Rate

---

= Property Taxes

## Property Assessments

Property Assessment, a value placed on each property in the City, is based on the market value and qualified comparable sales for each individual property, as well as other contributing factors, as of April 1<sup>st</sup> of each year. The State of New Hampshire relies on the assessment of values of properties at market value to attain fairness and equality to ensure the tax burden is proportionally spread across all property types.

## Equalized Tax Rate



### What is Equalization?

Each year the New Hampshire State Department of Revenue Administration (DRA) performs a statistical study of all of the State's municipal valuations. The study utilizes sales data to adjust all municipalities to 100% of market value. This process is called equalization.



### How is Equalization Used?

The State of New Hampshire utilizes the Equalized Value of each Town or City in order to proportionately share common tax burdens such as County Taxes and Statewide Education Property Tax.

Look up your property's assessed value online at:

<https://gis.vgsi.com/portsmouthnh/Default.aspx>

## Revaluation

**What is a revaluation?** – In New Hampshire, a revaluation is a process to assess all properties in a municipality to their full market value in order to re-apportion the tax levy fairly among all taxpayers.

**How often does a revaluation occur?** – Per New Hampshire law (RSA 75:8-a), a municipality must perform a revaluation at least once every five years of all properties within the municipality's boundaries. (New Hampshire Municipal Association)

**Who performs the property assessments?** – The Assessor's Office is responsible for determining the market value of all real property subject to taxation within its jurisdiction. The Assessing staff in conjunction with contracted employees perform the property assessment of all properties.

**Does the City raise additional money from the revaluation?** – No. Zero. There is NO additional tax money raised from a revaluation of the City. The tax rate is set based on the City's Budget (as well as State Education & County Apportionment). The State sets the tax rate based on the budget's tax levy.

More Revaluation related questions? Please check out <https://portsnh.co/2024reval>



# Property Tax Timeline & Tax Relief



## Important Dates

### Tax Year

April 1 – March 30



### Tax Assessment Date

April 1<sup>st</sup>

Tax assessments are adjusted annually based upon property inventory as of April 1<sup>st</sup> per NH RSA 75:8

### City Fiscal Year

July 1 – June 30

### Tax Rate

Tax rate is set by the [New Hampshire Department of Revenue Administration \(DRA\)](#) in late Fall

### Property Tax Bill

Tax bill payment options:

- [Online \(Invoice Cloud Portal\)](#)
- Pay by Phone
- Checks by Mail
- Drop Box located in front of City Hall
- City Hall (in the Tax Office)

### Tax Bill Due Dates

- **December** - First ½ of the total property tax bill
- **June** - Second ½ of the total property tax bill

Partial payments and pre-payments are accepted and encouraged. Contact the Tax Office at 603-610-7244 for more information.



Paperless billing is now available for Water/Sewer and Tax payments.

<https://portsnh.co/paybill>

## Tax Relief

Allowable by State Statute, the City of Portsmouth offers numerous options for Tax Relief for qualified residents.

### Veterans' Exemption

- Standard & Optional Veterans' Tax Credit (RSA 72:28)
- -OR- All Veterans' Tax Credit (RSA 72:28-b)
- Surviving Spouse (RSA 72:29-a)
- Optional Tax Credit for Combat Service (RSA 72:28-c)
- Tax Credit for Service-Connected Total Disability (RSA 72:35)
- Certain Disabled Veterans – Total Exemption (RSA 72:36-a)

### Elderly and Disabled Exemptions

- Elderly and Disabled Tax Deferral (RSA 72:38-a)
- Elderly Tax Exemption (RSA 72:39-a)
- Disabled Tax Exemption (RSA 72:37-a)
- Blind Tax Exemptions (RSA 72:37)
- Exemption for Improvements to Assist Persons with Disabilities (RSA 72:37-a)

### Solar Energy Systems Exemption (RSA 72:62)

- [Wind Powered Energy Systems Exemption](#) (RSA 72:66)
- Financial Hardship Application
- Religious and Charitable Exemptions

## Abatement Process

Property owners who wish to contest their assessments may request a review of their value by filing an [abatement application](#) with the Assessing Department.

- ✓ March 1<sup>st</sup> is the deadline to file the abatement application with the Assessor. The application can be found online. The Assessing Department must issue a response no later than July 1<sup>st</sup>.
- ✓ Property owners wishing to appeal the Assessing Department's decision can file with either the NH Board of Tax and Land Appeals or the Rockingham County Superior Court by September 1<sup>st</sup>.

Contact the Assessor's Office for more information:

Phone: [603-610-7249](tel:603-610-7249)

Online: <https://www.portsmouthnh.gov/assessors>



# FY25 Financial Highlights



Nathan Lunney  
Deputy City Manager –  
Finance & Administration  
ndlunney@portsmouthnh.gov

I am pleased to present the City of Portsmouth's Popular Annual Financial Report (PAFR) for the Fiscal Year ended June 30, 2025. The PAFR is intended to increase knowledge throughout the community of Portsmouth's financial condition using a readily accessible and easily understandable report.

This report extracts and summarizes financial information from the Annual Comprehensive Financial Report (ACFR) that may be most informative to the citizens of Portsmouth and other interested parties, and that is not intended to conform to Generally Accepted Accounting Principles (GAAP).

The PAFR provides pertinent information regarding expenditures, revenues, fund balance, debt service, and capital asset investments for Governmental and Proprietary Funds. It does not include information on all City Funds or Component Units.

The ACFR is presented in accordance with Generally Accepted Accounting Principles (GAAP) and includes additional financial statements, note disclosures and required supplementary information, City initiatives, accomplishments, and statistical data. The complete audited ACFR is available on the City of Portsmouth's website at <https://files.portsmouthnh.gov/finance/fy25/ACFR25.pdf>.

The interactive PAFR is available on the City's website which offers the ability to "click" on various links identified throughout this publication. Please visit <https://files.portsmouthnh.gov/finance/fy25/PAFR25.pdf>.

It is my hope that you find this report helpful and easy to read. I welcome any questions, comments, and suggestions regarding this document.

## Government Finance Officers Association (GFOA) Awards



### **Certificate of Achievement for Excellence in Financial Reporting**

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting (COA) to the City of Portsmouth for its Annual Comprehensive Financial Report (ACFR) for Fiscal Year ended June 30, 2024. The City has received a total of thirty-two (32) COA awards for the fiscal years ending June 30, 1988, 1989, and the thirty (30) consecutive fiscal years 1995 to 2024.



### **Award for Outstanding Achievement in Popular Annual Financial Reporting**

GFOA awarded the City for Outstanding Achievement in Popular Annual Financial Reporting (PAFR Award) for its Fiscal Year ended June 30, 2024 publication. The City has received a total of eight (8) consecutive PAFR Awards.



### **Distinguished Budget Presentation Award**

GFOA awarded the City the Distinguished Budget Presentation Award for its Fiscal Year beginning July 1, 2025 (FY26) budget document. The City has received a total of twenty (20) consecutive Budget Awards.



### **Triple Crown**

GFOA awarded the City a Triple Crown medallion for receiving all three GFOA Awards (ACFR, PAFR, and Budget Award) for Fiscal Years 2019, 2020, 2021, 2022, 2023, and 2024.

# Helpful Financial Terms

<b>Abatement</b>	An official reduction or elimination of one's assessed valuation after completion of the original assessed value
<b>Accrual Basis of Accounting</b>	A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the accounting period in which they are incurred
<b>Appropriation</b>	An authorization granted by a legislative body to make expenditures and incur obligations for specific purpose
<b>Assessed Valuation</b>	The fair market value placed upon real and personal property for the levying of property taxes
<b>Bond Premium</b>	An amount that the underwriter provides to the issuer at the closing of bonds in addition to the principal (par) amount borrowed
<b>Business-Type or Enterprise Funds</b>	A type of fund used in governmental accounting to account for activities that provide goods or services to the public for a fee that is meant to make the entity self-sustaining
<b>Capital Assets</b>	Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period
<b>Deferred Inflows and Outflows of Resources</b>	Represents acquisition (inflows) and consumption (outflows) that are applicable to future reporting periods
<b>Fund Balance</b>	<p>The excess of an entity's assets over its liabilities also known as excess revenues over expenditures or net assets – Fund Balance can be further segmented as follows:</p> <ul style="list-style-type: none"> <li>Non-spendable – Represents fund balance not available to be spent or legally required to be maintained intact</li> <li>Restricted – Represents fund balance that is restricted by creditors, grantors, contributors, or laws and regulations of other governments</li> <li>Committed – Represents fund balance that has self-imposed limitations set in place prior to the end of the period</li> <li>Assigned – Represents fund balance that has intentional constraints placed on resources utilized in subsequent periods for capital outlay projects and non-recurring expenditures</li> <li>Unassigned – Represents fund balance that is available for any purpose</li> </ul>
<b>General Fund</b>	The chief operating fund of the government
<b>Net Position</b>	Reflects the City's net worth Net Position = Assets (+) Deferred Outflows (-) Liabilities (-) Deferred Inflows
<b>Overlay</b>	An additional assessment amount to fund potential tax abatements
<b>State Revolving Loan Fund (SRF)</b>	A fund administered by the State for the purpose of providing low-interest loans for investments in water and sanitation infrastructure

The City's financial activities in total are made up of two classifications:

**GOVERNMENTAL FUNDS:**

- General Fund – accounts for all general operating expenditures and revenues and is the City's largest fund, primarily funded from property taxes
- Special Revenue Funds – proceeds of specific revenue sources that are restricted for a specific purpose
- Capital Funds – capital projects for City infrastructure improvements
- Debt Service Funds – principal and interest for a special assessment bond
- Permanent Funds – resources that are legally restricted to the extent that only earnings (not principal) may be used for purposes that support the reporting government's programs

**BUSINESS-TYPE OR ENTERPRISE FUNDS:**

- Water Fund – Production, delivery, and storage of safe water supported primarily with user fees
- Sewer Fund – Collection, transportation, and treatment of wastewater supported primarily with user fees

# Financial Position – Statement of Net Position

Net Position \$347.5 Million

**Statement of Net Position** presents information on all City funds' assets and liabilities, deferred outflows and inflows of resources, and the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

At the close of the fiscal year, the City's total net position of \$347.5 million represents an increase of \$39.1 million or 12.8% from FY24, primarily driven by increased net investment in capital assets.

**City of Portsmouth, NH**  
**Statement of Net Position (in Thousands)**

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2025	2024	2025	2024	2025	2024	
Current and other assets	\$ 136,220	\$ 143,258	\$ 84,665	\$ 95,234	\$ 220,885	\$ 238,492	-7.4%
Capital assets	300,794	283,125	286,757	271,917	587,551	555,042	5.9%
<b>Total assets</b>	<b>437,014</b>	<b>426,383</b>	<b>371,422</b>	<b>367,151</b>	<b>808,436</b>	<b>793,534</b>	<b>1.9%</b>
Deferred outflows of resources	19,547	22,082	1,233	1,315	20,780	23,397	-11.2%
<b>Total assets and deferred outflows</b>	<b>\$ 456,561</b>	<b>\$ 448,465</b>	<b>\$ 372,655</b>	<b>\$ 368,466</b>	<b>\$ 829,216</b>	<b>\$ 816,931</b>	<b>1.5%</b>
Long-term liabilities	\$ 247,544	\$ 251,449	\$ 184,063	\$ 177,190	\$ 431,607	\$ 428,639	0.7%
Other liabilities	26,528	29,194	8,315	13,879	34,843	43,073	-19.1%
<b>Total liabilities</b>	<b>274,072</b>	<b>280,643</b>	<b>192,378</b>	<b>191,069</b>	<b>466,450</b>	<b>471,712</b>	<b>-1.1%</b>
Deferred inflows of resources	14,863	8,940	384	28,319	15,247	37,259	-59.1%
Net position:							
Net investment in capital assets	177,430	171,558	129,308	122,487	306,738	294,045	4.3%
Restricted	32,738	32,046	26,646	-	59,384	32,046	85.3%
Unrestricted	(42,542)	(44,722)	23,939	26,591	(18,603)	(18,131)	2.6%
<b>Total net position</b>	<b>\$ 167,626</b>	<b>\$ 158,882</b>	<b>\$ 179,893</b>	<b>\$ 149,078</b>	<b>\$ 347,519</b>	<b>\$ 307,960</b>	<b>12.8%</b>

**Net Investment in Capital Assets** is the largest portion of net position and reflects our investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire the assets that is still outstanding. As of year-end, net investment in capital assets is \$306.7 million, an increase of \$12.7 million from FY24 as a result of a significant number of capital projects being completed during the current fiscal year. These capital assets are used to provide services to citizens.

**Restricted Net Position** of \$59.4 million represents 17.1% of resources that are subject to external restrictions on how they may be used. The increase from the prior year is due to the recognition of revenue from State Aid Grants related to Sewer Enterprise capital investment.

**Unrestricted Net Position** is the remaining amount of net position not restricted for a specific purpose. There are two reporting mandates from the Governmental Accounting Standards Board (GASB): 1) Net pension liability representing the City's share of the New Hampshire Retirement System's unfunded liability and 2) Other Post-Employment Benefits (OPEB) liabilities. These liabilities contributed to an ending balance in Unrestricted Net Position of negative \$18.6 million. [Detailed information regarding these liabilities can be found in notes 21 and 22 (pages 85-96) of the City of Portsmouth's ACFR for the Fiscal Year ended June 30, 2025.]

# Financial Results – Changes in Net Position

City of Portsmouth, NH Statement of Changes in Net Position (in Thousands)								
	Governmental Activities		Business-Type Activities		Total		Total % Change	
	2025	2024	2025	2024	2025	2024	24-25	
<b>Revenues</b>								
Program Revenues:								
Charges for Services	\$ 28,369	\$ 26,290	\$ 31,305	\$ 29,164	\$ 59,674	\$ 55,454	7.6%	
Operating Grants and	22,234	18,061	847	40	23,081	18,101	27.5%	
Capital Grants and Contributions	2,719	5,191	1,462	4,113	4,181	9,304	-55.1%	
General Revenues:								
Property Taxes	109,132	101,822	-	-	109,132	101,822	7.2%	
Interest on Taxes	150	146	-	-	150	146	2.7%	
Grants and Contributions <small>(not restricted)</small>	2,233	2,081	-	-	2,233	2,081	7.3%	
Investment Income	4,520	4,757	1,935	1,813	6,455	6,570	-1.8%	
Loss on sale of capital assets	-	-	-	-	-	-	0.0%	
Other	837	485	-	-	837	485	72.6%	
<b>Total Revenues</b>	<b>170,194</b>	<b>158,833</b>	<b>35,549</b>	<b>35,130</b>	<b>205,743</b>	<b>193,963</b>	<b>6.1%</b>	
<b>Expenses</b>								
General Government	20,694	19,487	-	-	20,694	19,487	6.2%	
Public Safety	28,663	26,452	-	-	28,663	26,452	8.4%	
Education	74,037	70,789	-	-	74,037	70,789	4.6%	
Public Works	24,567	24,568	-	-	24,567	24,568	0.0%	
Health and Human Services	1,528	1,065	-	-	1,528	1,065	43.5%	
Culture and Recreation	7,172	6,476	-	-	7,172	6,476	10.7%	
Community Development	1,653	599	-	-	1,653	599	175.9%	
Interest on Long-Term Debt	3,623	262	-	-	3,623	262	1282.7%	
Water Operations	-	-	11,136	10,448	11,136	10,448	6.6%	
Sewer Operations	-	-	21,103	19,756	21,103	19,756	6.8%	
<b>Total Expenses</b>	<b>161,937</b>	<b>149,698</b>	<b>32,239</b>	<b>30,204</b>	<b>194,176</b>	<b>179,902</b>	<b>7.9%</b>	
Change in net position before transfers and special items	8,257	9,135	3,310	4,926	11,567	14,061	-17.7%	
Transfer in(out)	487	619	(487)	(619)	-	-	0.0%	
Special items	-	-	-	-	-	-	0.0%	
Change in net position	8,744	9,754	2,823	4,307	11,567	14,061	-17.7%	
Net Position - beginning of year	158,882	149,128	149,078	144,771	307,960	293,899	4.8%	
*Adjustment	-	-	27,992	-	27,992	-	0.0%	
<b>Net Position - End of Year</b>	<b>\$167,626</b>	<b>\$158,882</b>	<b>\$179,893</b>	<b>\$149,078</b>	<b>\$347,519</b>	<b>\$307,960</b>	<b>12.8%</b>	

Statement of Changes in Net Position presents revenues and expenses for the City as a whole and compares the changes in net position for the current and prior fiscal years.

\*During Fiscal Year 2025, the City determined that State Aid Grants related to the Sewer Enterprise Fund should have been accrued as revenue instead of being reported as deferred inflows of resources. Therefore, deferred inflows of resources were overstated, and net position was understated by \$27,992,029 as of and for the fiscal year ended June 30, 2024 for business-type activities.

FY25 Total Revenues of \$205.7 Million



Up \$11.8M or 6.1% From FY24

FY25 Total Expenses of \$194.2 Million



Up \$14.3M or 7.9% from FY24

# General Fund Revenues

Where does the money come from to fund the General Fund Budget?



**Property Taxes**  
**73.76%**



**Licenses & Permits**  
**7.21%**



**Intergovernmental**  
**8.53%**



**Charges for Services**  
**3.98%**



**Investment Income**  
**1.98%**



**Interest on Taxes**  
**0.10%**



**Fines & Costs**  
**0.99%**



**Other Revenues**  
**0.37%**



**Other Financing Sources**  
**1.25%**

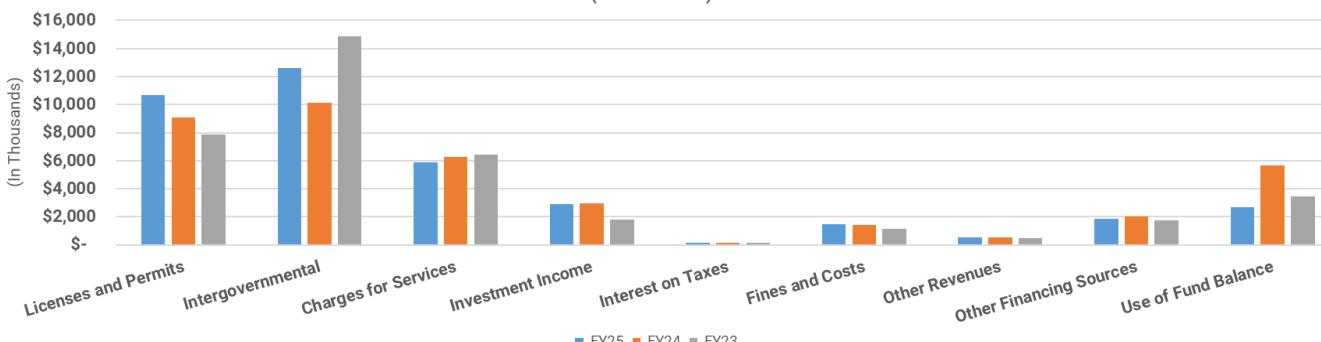


**Use of Fund Balance**  
**1.83%**

General Fund activities are financed by revenues generated from local property taxes, state shared revenues, and other local sources. Actual revenues for FY25, FY24, and FY23 are reported below.

	Revenues	Actual FY25	Actual FY24	Actual FY23
<b>Property Taxes</b>	\$ 109,074,921	\$ 102,423,881	\$ 99,298,398	
<b>Licenses and Permits</b>				
Motor Vehicles Permits	6,088,028	5,564,555	5,345,495	
Building Permits	3,554,312	2,550,420	1,422,567	
Cable Franchise Fee	357,902	360,000	360,000	
Other Licenses and Permits	661,740	597,512	728,453	
<b>Intergovernmental</b>				
School Building Aid from State	740,974	740,974	1,757,196	
Rooms and Meals Tax from State	2,232,998	2,080,659	2,563,046	
American Rescue Plan Act	2,183,054	-	-	
Highway Block Grant from State	442,998	433,279	441,672	
School Tuition	7,011,762	6,887,356	6,810,047	
Adequate Education Grant	-	-	3,285,215	
<b>Charges for Services</b>				
PDA Airport District	2,451,250	2,856,604	3,052,158	
Police Outside Detail	320,404	347,427	317,721	
Ambulance Fees	1,367,450	1,276,831	1,198,254	
Net Parking Related Revenue	996,811	1,046,790	1,203,647	
Recreation Department	482,460	459,602	388,564	
Other Charges for Services	270,106	266,269	245,309	
<b>Investment Income</b>				
2,927,354	2,976,173	1,812,447		
<b>Interest on Taxes</b>				
150,456	145,957	147,262		
<b>Fines and Costs</b>				
1,469,875	1,389,423	1,159,490		
<b>Other Revenues</b>				
540,781	556,421	493,145		
<b>Other Financing Sources</b>				
Bond Premium	3,516	82,782	4,763	
Transfer In	1,852,932	1,877,709	1,744,576	
<b>Use of Fund Balance</b>				
2,700,000	5,640,000	3,450,000		
<b>Total Revenues</b>	<b>\$ 147,882,083</b>	<b>\$ 140,560,624</b>	<b>\$ 137,229,425</b>	

Actual Revenues Comparison  
(Less Property Taxes)  
(In Thousands)



# General Fund Expenditures

## How is the money spent to deliver General Fund Services?

Revenues collected from property taxes, state shared revenues, and other local revenues are used to fund the General Fund expenditures only. Actual Expenditures for FY25, FY24, and FY23 are reported below.

Expenditures	Actual FY25	Actual FY24	Actual FY23	Operating Expenditures were 81.8% of the total expenditures
<b>Operating</b>				
General Government	\$ 26,164,599	\$ 25,432,584	\$ 23,271,336	 General Government 18.2%
Police Department	14,305,801	13,719,287	12,646,674	 Police Department 9.9%
Fire Department	12,507,007	11,202,463	10,226,092	 Fire Department 8.7%
School Department	64,060,966	60,640,374	57,928,462	
Transfers	928,285	920,096	783,043	
Total Operating	\$ 117,966,658	\$ 111,914,804	\$ 104,855,607	
<b>Non-Operating</b>				
Debt Service	13,564,948	13,175,076	13,712,906	
Rockingham County Tax	5,730,000	5,679,311	5,546,962	
Capital Outlay	1,638,000	1,820,000	985,000	
Other Non-Operating	5,283,436	5,418,704	4,870,510	
Total Non-Operating	\$ 26,216,384	\$ 26,093,091	\$ 25,115,378	
<b>Total Expenditures</b>	<b>\$ 144,183,042</b>	<b>\$ 138,007,895</b>	<b>\$ 129,970,985</b>	

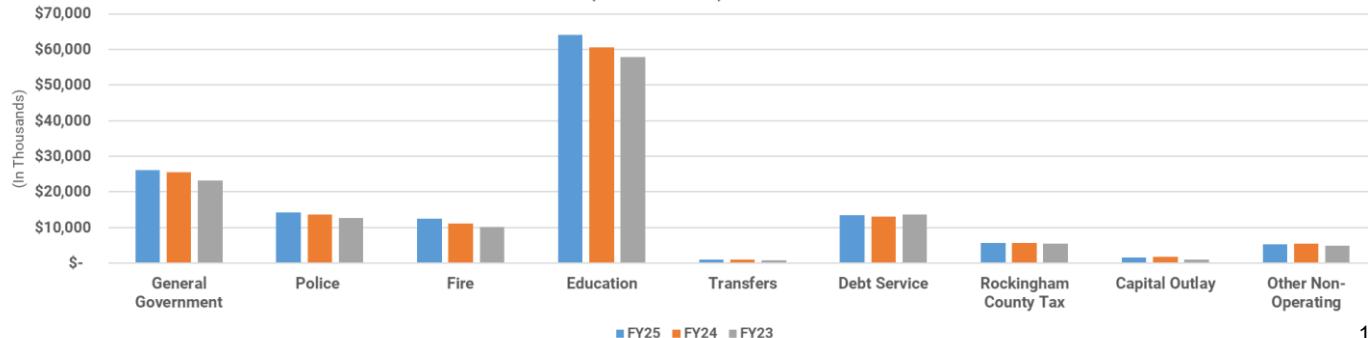
- General Government** – City Council, City Manager, Finance, City Clerk, Elections, Legal, Human Resources, Public Works, Planning & Sustainability, Inspection, Health, Information Technology, Public Library, Recreation, Senior Services, Welfare, Outside Social Services, Economic & Community Development, and Emergency Management
- Transfers** – Annual transfers from General Fund for operating expenses for the Indoor Pool, Community Campus, and Prescott Park
- Debt Service** – Principal and Interest on Long-Term Debt
- Rockingham County Tax** – Portsmouth's apportionment of the Rockingham County Tax obligation
- Other Non-Operating** – Overlay, Capital Outlay, Contingency, IT Equipment Replacement, and Rolling Stock

	General Government 18.2%
	Police Department 9.9%
	Fire Department 8.7%
	Education K-12 44.4%
	Indoor Pool, Prescott Park, and Community Campus Transfers 0.6%

Non-Operating Expenditures were 18.2% of the total expenditures

	Debt Service 9.4%
	Rockingham County Tax 4.0%
	Capital Outlay 1.1%
	Other Non-Operating 3.7%

Actual Expenditures Comparison  
(In Thousands)



# General Fund – Fund Balance

City of Portsmouth, NH General Fund Balance Sheet			
	2025	2024	2023
<b>Assets</b>			
Cash and Investments	\$ 59,119,247	\$ 56,234,534	\$ 53,126,557
Receivables			
Property Taxes	3,519,201	2,907,361	2,104,598
Departmental and other	1,480,186	1,236,303	4,260,209
Intergovernmental	4,745,788	5,486,763	6,227,737
Leases	236,539	247,415	263,215
Due from other funds	887,265	3,294,487	2,064,151
Advances to other funds	264,760	296,760	339,760
Other assets	168,738	293,585	77,564
<b>Total Assets</b>	<u>\$ 70,421,724</u>	<u>\$ 69,997,208</u>	<u>\$ 68,463,791</u>
<b>Liabilities</b>			
Accounts payable	1,763,473	\$ 2,749,513	\$ 1,603,635
Accrued liabilities	3,075,212	2,824,710	2,065,726
Notes payable	82,876	48,737	-
Tax refunds liability	4,180,196	2,493,618	313,471
Due to other funds	287,016	-	-
Other liabilities	1,007,493	1,585,766	1,190,179
<b>Total Liabilities</b>	<u>10,396,266</u>	<u>9,702,344</u>	<u>5,173,011</u>
<b>Deferred Inflows of Resources</b>	7,303,696	7,800,279	7,922,823
<b>Fund Balances</b>			
Nonspendable	264,760	296,760	339,760
Committed	23,711,255	23,415,383	27,665,287
Assigned	8,972,980	9,858,576	9,194,343
Unassigned	19,772,767	18,923,866	18,168,567
<b>Total Fund Balances</b>	<u>52,721,762</u>	<u>52,494,585</u>	<u>55,367,957</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 70,421,724</u>	<u>\$ 69,997,208</u>	<u>\$ 68,463,791</u>

The General Fund balance sheet is prepared using the modified accrual basis of accounting. There are no long-term assets or liabilities reported on this statement.

**Fund Balance is the excess of an entity's assets over its liabilities.**

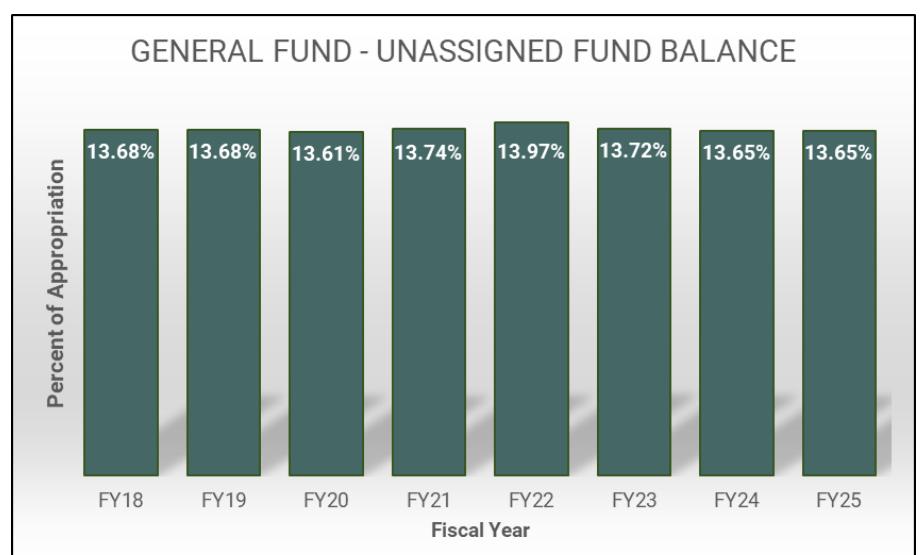
**Total Fund Balance of \$52,721,762 or 36.4% of appropriations, represents an increase of \$227,177 or 0.4% from prior year.**

## Unassigned Fund Balance Ordinance

The unassigned portion of the fund balance represents available resources that can be spent for future needs.

The City Council adopted in Fiscal Year 1998 the "Unassigned Fund Balance Ordinance." In Fiscal Year 2013, the ordinance was amended mandating that the City will maintain an unassigned fund balance of between 10% and 17% of General Fund appropriations.

**Unassigned Fund Balance at the end of the fiscal year was \$19,772,767 or 13.65% of the final general fund budget. This is an increase of \$848,901 or 4.5% from prior year.**



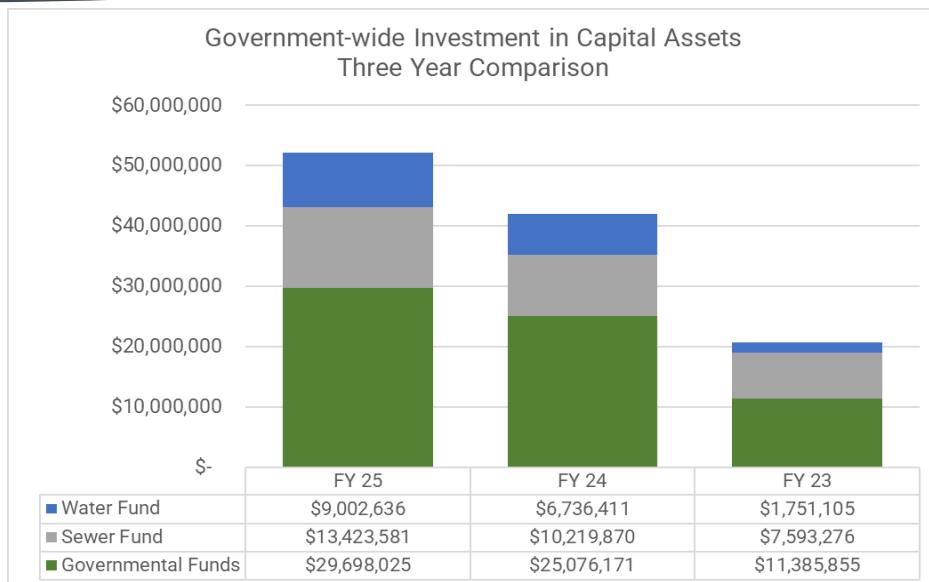
# Capital Assets

The City invests in capital improvements each year. The chart depicts a three-year history of capital expenditures to purchase, construct, or improve infrastructure Citywide. These projects are funded through annual appropriations, bonds, loans, grants, and other capital contributions.

## Governmental Activities

### Capitalized Assets

- Outdoor Pool
- Community Campus building improvements
- High School Tennis Courts
- New Franklin Elementary School upgrades
- Street paving and sidewalk reconstruction
- Seawall repairs



### Water Fund Activities

#### Capitalized Assets

- Water transmission improvements
- Bellamy Reservoir, Fernald Easement
- Various waterline upgrades

### Sewer Fund Activities

#### Capitalized Assets

- Maplewood Bridge sewer line
- Heritage Pump Station
- Various sewer line replacements

## S&P Global

## PORTSMOUTH IS A "AAA" BOND RATED COMMUNITY

*In May 2025, S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, affirmed once again the City's AAA bond rating.*

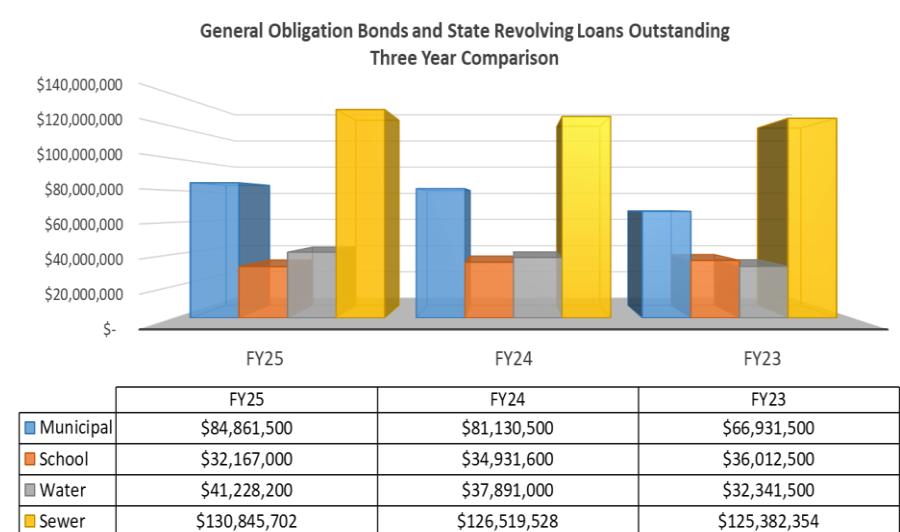
A bond rating is a grade given to bonds issued that indicates a community's credit worthiness, similar to your own personal credit score. Higher bond rating secures borrowed funding at lower interest cost.

**A "AAA" rating represents the highest credit rating available and translates to significant savings to you as the taxpayer through reduced interest rates on bonds which fund major capital projects.**

## Long-term Debt

At the end of FY25, City debt totaled \$289.1 million (excluding unamortized premiums). This represents an increase of \$8.6 million from last year's total debt of \$280.5 million. The net increase is attributable to:

- Outstanding debt principal reduced by \$22.1 million; and
- General Obligation (GO) bonds issued for \$25.3 million.





# Enterprise Funds – Water and Sewer

An Enterprise Fund establishes a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods and/or services to the public. The City of Portsmouth has two Enterprise Funds, Water and Sewer, and each are accounted for separately.

## How are my Water and Sewer rates established?

The City's water and sewer rate structure is a two-tiered inclining rate, meaning the first 10 units (a unit is 100 cubic feet of water or 748 gallons) of water consumed each month are billed using one rate, and water consumed greater than 10 units per month is billed at a higher rate. Since the large volume users have a greater impact on the water system, a second tier at the higher rate captures the additional costs incurred to serve them.



## Does the City allow for Irrigation Meters?

**YES!**

The City allows for irrigation meters for both residential and commercial customers on a three-tiered inclining rate basis. Please call Public Works at (603) 766-1443 for more information.

## What is the meter charge on my monthly bill?

The monthly meter charge partially offsets costs for ongoing maintenance and service of meters installed on the property and is based on the service size. The typical residential meter is 5/8" and is \$4.95/month.



## Did you know the City offers Water and Sewer Assistance Programs?

The City offers Water and Sewer payment assistance for qualifying customers who are residential homeowners or tenants. Information regarding these programs can be found on the City's Website at <https://www.portsmouthnh.gov/publicworks/water-and-sewer-assistance-programs> or call our billing department at (603) 610-7248 or (603) 610-7237.



## Did you know the City offers new toilet and washing machine rebates for qualifying appliances? For more information visit:

<https://www.portsmouthnh.gov/publicworks/residential-toilet-and-washing-machine-rebate-program-additional-information>

<b>FY25 WATER RATES</b>	
<b>Consumption per month</b>	
1 <sup>st</sup> Tier Rate (10 units or less)	\$5.02
2 <sup>nd</sup> Tier Rate (over 10 units)	\$6.04
<b>Irrigation Meter Consumption Rates</b>	
1 <sup>st</sup> Tier Rate (0-10 units)	\$6.04
2 <sup>nd</sup> Tier Rate (11-20 units)	\$11.41
3 <sup>rd</sup> Tier Rate (over 20 units)	\$14.08

<b>FY25 SEWER RATES</b>	
<b>Sewer rates are based on water consumption per month.</b>	
1 <sup>st</sup> Tier Rate (10 units or less)	\$17.32
2 <sup>nd</sup> Tier Rate (over 10 units)	\$19.05



# Enterprise Funds – Water and Sewer Funds

The Water and Sewer Funds are reported on the proprietary fund financial statements and use the full accrual basis of accounting similar to the private sector. Each reports equity as net position. The Statement of Revenues, Expenses, and Changes in Net Position for FY25 and FY24 is displayed below for comparison.



## City of Portsmouth, NH Proprietary Funds

### Statement of Revenues, Expenses, and Changes in Net Position

	Water 2025	Water 2024	Sewer 2025	Sewer 2024	Total 2025	Total 2024
<b>Operating Revenues:</b>						
Charges for services	\$ 9,796,666	\$ 8,731,082	\$ 19,430,392	\$ 18,485,632	\$ 29,227,058	\$ 27,216,714
Licenses and permits	1,314,127	1,233,597	281,259	214,758	1,595,386	1,448,355
Department revenue	238,579	225,704	243,708	273,498	482,287	499,202
Other revenue	-	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>11,349,372</b>	<b>10,190,383</b>	<b>19,955,359</b>	<b>18,973,888</b>	<b>31,304,731</b>	<b>29,164,271</b>
<b>Operating Expenses:</b>						
Personnel services	3,869,046	3,720,436	4,161,879	4,776,295	8,030,925	8,496,731
Non-personnel services	3,631,247	4,036,053	8,575,793	7,807,718	12,207,040	11,843,771
Depreciation	2,487,597	2,599,553	5,098,927	5,138,544	7,586,524	7,738,097
<b>Total Operating Expenses</b>	<b>9,987,890</b>	<b>10,356,042</b>	<b>17,836,599</b>	<b>17,722,557</b>	<b>27,824,489</b>	<b>28,078,599</b>
<b>Operating Income</b>	<b>1,361,482</b>	<b>(165,659)</b>	<b>2,118,760</b>	<b>1,251,331</b>	<b>3,480,242</b>	<b>1,085,672</b>
<b>Non-operating Revenues (Expenses):</b>						
Intergovernmental revenues	847,105	39,470	-	-	847,105	39,470
Investment income	557,374	465,693	1,377,661	1,347,476	1,935,035	1,813,169
Bond premium amortization	272,800	1,055,217	410,820	1,446,735	683,620	2,501,952
Interest expense	(1,420,778)	(1,147,654)	(3,677,895)	(3,479,802)	(5,098,673)	(4,627,456)
Loss on disposal of capital assets	-	-	-	-	-	-
<b>Total Non-operating Revenues (Expenses)</b>	<b>256,501</b>	<b>412,726</b>	<b>(1,889,414)</b>	<b>(685,591)</b>	<b>(1,632,913)</b>	<b>(272,865)</b>
<b>Income Before Contributions and Transfers</b>	<b>1,617,983</b>	<b>247,067</b>	<b>229,346</b>	<b>565,740</b>	<b>1,847,329</b>	<b>812,807</b>
<b>Capital contributions</b>	<b>391,896</b>	<b>983,380</b>	<b>1,070,462</b>	<b>31,121,854</b>	<b>1,462,358</b>	<b>32,105,234</b>
<b>Transfers out</b>	<b>-</b>	<b>-</b>	<b>(486,628)</b>	<b>(619,043)</b>	<b>(486,628)</b>	<b>(619,043)</b>
<b>Change in Net Position</b>	<b>2,009,879</b>	<b>1,230,447</b>	<b>813,180</b>	<b>31,068,551</b>	<b>2,823,059</b>	<b>32,298,998</b>
<b>Net Position, at Beginning of Year</b>	<b>64,317,439</b>	<b>63,086,992</b>	<b>112,752,846</b>	<b>81,684,295</b>	<b>177,070,285</b>	<b>144,771,287</b>
<b>Net Position, at End of Year</b>	<b>\$ 66,327,318</b>	<b>\$ 64,317,439</b>	<b>\$ 113,566,026</b>	<b>\$ 112,752,846</b>	<b>\$ 179,893,344</b>	<b>\$ 177,070,285</b>

The total net position for the Water and Sewer Funds at the end of the fiscal year increased by \$2.8 million to a total of \$179.9 million. The Water Fund increased by \$2.0 million, and the Sewer Fund increased by \$0.8 million. Key elements of the changes included:

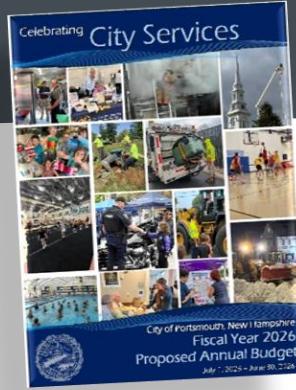
- Water and Sewer Program expenses increased by \$2,035,439 driven by rising costs for operations and maintenance; primarily labor, chemicals and energy costs. Regulatory and environmental mandates as well as aging infrastructure continue to drive increases in overall costs..
- Charges for services increased by \$2,140,460 over the prior year. The increase was driven by a rate increase for water of approximately 6% and a rate increase for sewer of approximately 5%. Billable volume used for setting rates stayed approximately the same year over year.
- Operating grants and contributions saw an increase of \$807,635 which was driven by state funded drinking water and groundwater grants received during the fiscal year.
- In the Sewer Fund, there was a \$27,992,029 prior period adjustment to fiscal year 2024 capital contributions revenues. This adjustment was to reflect the proper recognition of state aid grant revenues. [For further details on the restatement of Sewer's beginning net position, see Note 26 in the City of Portsmouth's ACFR, page 101, for year ending June 30, 2025.]

# Fiscal Year 2026 Budget

July 1, 2025 - June 30, 2026

At the time of publication of this PAFR for the year ending June 30, 2025, the City's Fiscal Year 2026 is underway, and the FY26 budget document is available for review at the Public Library, the City Clerk's office, as well as on the City's website (<https://portsnh.co/budgets>).

The document describes the strategies implemented to continue the services, address the critical infrastructure needs, and maintain the fiscal stability of the City.



## General Fund Fiscal Year 2026 Budget

### Operating Budget

General Government	26,664,357
Police Department	14,910,638
Fire Department	12,868,512
School Department	65,915,610
Collective Bargaining	1,990,000
Transfers to Other Funds	942,281

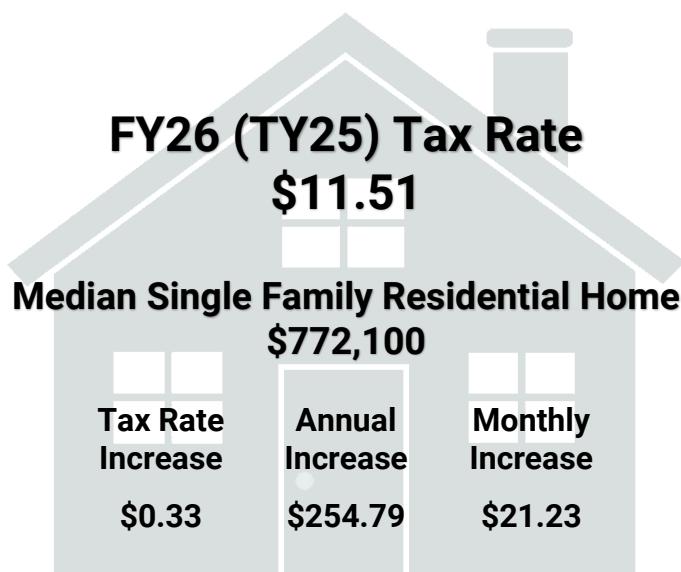
*Total Operating* \$ 123,291,398

### Non-Operating Budget

Debt Service	14,311,948
Rockingham County Tax	6,000,870
Capital Outlay	1,560,000
IT / SBITA	1,091,250
Rolling Stock	789,000
Other Non-Operating	2,850,474

*Total Non-Operating* \$ 26,603,542

**Total Annual Budget** \$ 149,894,940



## Water and Sewer Rates

Both the Water and Sewer Division user rates have been set based on a two-tier inclining rate block structure based on units of water consumed. One unit is equal to 100 cubic feet or 748 gallons of water.

The FY26 water user rates reflect a 9.0% increase from FY25.

- First 10 units of water consumed : \$5.47/unit
- Over 10 units per month: \$6.58/unit

The FY26 irrigation rates are based on a three-tier inclining rate structure.

- First 10 units of water consumed: \$6.58/unit
- 10 units up to 20 units consumed: \$12.43/unit
- Above 20 units consumed: \$15.34/unit

The FY26 sewer user rates reflect a 4.0% increase from the FY25 rates.

- First 10 units of water consumed per month: \$18.01/unit
- Over 10 units per month: \$19.81/unit

# Fiscal Year 2027 Budget Process

July 1, 2026 - June 30, 2027



Indicates a public input opportunity



## Planning

The City Council hears a presentation on major budget drivers and gives guidance to the City Manager for the upcoming budget submission.

- **January 14<sup>th</sup>**
  - City Council Budget Planning Work Session

## Charter Department Public Hearings

The Charter Departments meet with their respective Commission/Board to discuss the budget guidance, needs, priorities, and what their budget request will be for the FY2027 City Manager's Proposed Budget.

- **January 27<sup>th</sup>**
  - School Board holds Public Hearing #1 on its proposed Department Budget
- **February 10<sup>th</sup>**
  - Fire Commission holds a Public Hearing on its proposed Department Budget
  - School Board holds Public Hearing #2 on its proposed Department Budget
- **February 11<sup>th</sup>**
  - Police Commission holds a Public Hearing on its proposed Department Budget

Upon completion of the Public Hearings and approval of their Department Budget requests, the proposals are submitted to the City Manager for consideration.

## Budget Building

The City Manager, along with the Finance Department, collects all General Fund Department budget requests, the Capital Improvement Plan, other Non-Operating needs and requests, and the Charter Department budget requests and compiles a budget in best alignment with the City Council's Guidelines.

The City Manager's Proposed Budget will be released to the City Council at the end of April.

## Work Sessions, Public Hearings, and Adoption

- **May 11<sup>th</sup>**
  - City Council Budget Work Session #1 – General Fund
- **May 13<sup>th</sup>**
  - City Council Budget Work Session #2 – Enterprise & Special Revenue Funds
- **May 28<sup>th</sup>**
  - City Council Budget Work Session – Budget Review
- **June 8<sup>th</sup>**
  - City Council Meeting – Continuation of the Public Hearing and Adoption of the Budget

\*NOTE\* The City Council or a Charter Department may determine to hold additional meetings or work sessions to complete budget development.

## Download City Apps



### Report a Problem with [Portsmouth Click N' Fix](#)

Connect with the Public Works Department, send images, report issues, and more!



### Pay for Parking with [ParkMobile](#) (Residents get a Discount!)

View parking amenities and pay for parking (as well as feed the meter) all from your cell phone. [Residents can register to get a discount when using the Park Mobile App!](#)



### Utilize Electric Vehicle Charging Stations with the [ChargePoint Mobile App](#)

The ChargePoint App helps the user locate and utilize City ChargePoint EV Charging Stations.



### Reserve a docking space with [Dockwa](#)

Find and reserve public docking space available at Prescott Park on the Piscataqua River.



### Download Audiobooks and eBooks from the Library with [Libby](#)

Download audiobooks, eBooks, and magazines through the Portsmouth Public Library.



### Subscribe to receive [Smart911](#) alert notifications

This allows for Citywide Emergency alerts including emergency alerts for severe weather, emergency situations, and snow parking bans.

*For the most up-to-date list of resources to connect with the City of Portsmouth, visit: <https://portsnh.co/connect>.*



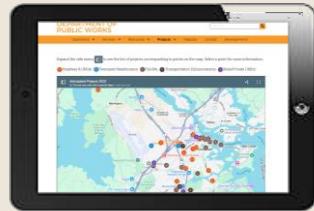
## Watch City Meetings (Live!) from anywhere



Watch City Meetings Live on the City's YouTube Channel (<https://portsnh.co/youtube>) or TV Channel 22.

Review archived meetings on the City's YouTube Channel, with easy-to-access [video playlists](#), organized by Council/Board/Commission/Committee.

## 10 Ways to stay connected with the City of Portsmouth



1. Sign up for the [City's Newsletter](#). Also, sign up for the [Recreation, Senior Activity Center](#), and [Public Library](#) Newsletters to keep up with their latest happenings!
2. Subscribe to and follow the [City's Master Calendar](#).
3. Pay your [Parking Ticket](#), [Water/Sewer Bill](#), [Property Tax Bill](#), and more.
4. Renew your [Motor Vehicle Registration](#).
5. Register or Renew your [Dog License](#).
6. Utilize [City Project Pages](#) to find information and sign up for email notices on individual projects.
7. Get a City permit online with [ViewPoint Cloud Permits](#).
8. Research property values through the [Vision Software system](#).
9. View 3D maps of the City through [MapGeo](#).
10. Send questions by email to: [hotline@portsmouthnh.gov](mailto:hotline@portsmouthnh.gov) for helpful information.

## Follow the City on Social Media

### [LinkedIn](#)

- [City of Portsmouth](#)

### [Facebook](#)

- City ([@CityHallPortsmouthNH](#))
- Fire ([@portsmouthnhfiredepartment](#))
- Police ([@portsmouthnhpd](#))
- Library ([@pplnh](#))
- Recreation ([@cityofportsmouthnhrec](#))
- Senior Services ([@portsmouthnhsenioractivitycenter](#))
- Schools ([@portsmouthschools](#))

### [Instagram](#)

- City ([@cityportsmouth](#))
- Library ([@portsmouth-public-library-nh](#))
- Recreation ([@portsmouthrecreation](#))
- DPW – Think Blue ([@thinkblueportsmouthnh](#))
- Parking ([@park\\_portsmouthnh](#))

### [Threads](#)

- City ([@cityportsmouth](#))

# Contact Us



PortsmouthNH.gov

Name/Department	Telephone Number	Primary Location
City Hall	<a href="tel:603-431-2000">603-431-2000</a>	Portsmouth City Hall 1 Junkins Ave Portsmouth, NH 03801
Mayor	<a href="tel:603-610-7200">603-610-7200</a>	Portsmouth City Hall
City Manager	<a href="tel:603-610-7202">603-610-7202</a>	Portsmouth City Hall
Deputy City Manager	<a href="tel:603-610-7389">603-610-7389</a>	Portsmouth City Hall
Finance Department Accounts Payable Purchasing Tax Collector City Assessor	<a href="tel:603-610-7839">603-610-7839</a> <a href="tel:603-610-7227">603-610-7227</a> <a href="tel:603-610-7244">603-610-7244</a> <a href="tel:603-610-7249">603-610-7249</a>	Portsmouth City Hall
Public Works	<a href="tel:603-427-1530">603-427-1530</a>	Public Works Building 680 Peverly Hill Road Portsmouth, NH 03801
Police Department	<b>Emergency – 911</b> Non-Emergency <a href="tel:603-427-1500">603-427-1500</a>	Portsmouth Police Department 3 Junkins Avenue Portsmouth, NH 03801
Fire Department	<b>Emergency – 911</b> Non-Emergency <a href="tel:603-427-1515">603-427-1515</a>	Portsmouth Fire Department – Station 1 170 Court Street Portsmouth, NH 03801
Public Library	<a href="tel:603-427-1540">603-427-1540</a>	Portsmouth Public Library 175 Parrott Avenue Portsmouth, NH 03801
School Department	<a href="tel:603-431-5080">603-431-5080</a>	Portsmouth School Department 1 Junkins Avenue, Suite 402 Portsmouth, NH 03801
City Clerk's Office	<a href="tel:603-610-7245">603-610-7245</a>	Portsmouth City Hall
Health Department	<a href="tel:603-610-7273">603-610-7273</a>	Portsmouth City Hall
Inspection Department	<a href="tel:603-610-7243">603-610-7243</a>	Portsmouth City Hall
Planning & Sustainability Department	<a href="tel:603-610-7216">603-610-7216</a>	Portsmouth City Hall
Human Resources	<a href="tel:603-610-7270">603-610-7270</a>	Portsmouth City Hall
Legal Department	<a href="tel:603-610-7204">603-610-7204</a>	Portsmouth City Hall
Recreation Department	<a href="tel:603-427-1547">603-427-1547</a>	Community Campus 100 Campus Drive Portsmouth, NH 03801
Senior Services	<a href="tel:603-610-4433">603-610-4433</a>	Portsmouth Senior Activity Center 125 Cottage Street Portsmouth, NH 03801
Welfare	<a href="tel:603-610-7267">603-610-7267</a>	Portsmouth City Hall

For additional information on City Resources, visit <https://portsnh.co/connect>.



**2025**  
Popular Annual Financial Report  
Fiscal Year Ended June 30, 2025

