



City of Portsmouth, New Hampshire

Popular Annual Financial Report (PAFR)

Fiscal Year 2022

(July 1, 2021 - June 30, 2022)

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Popular Annual Financial Report

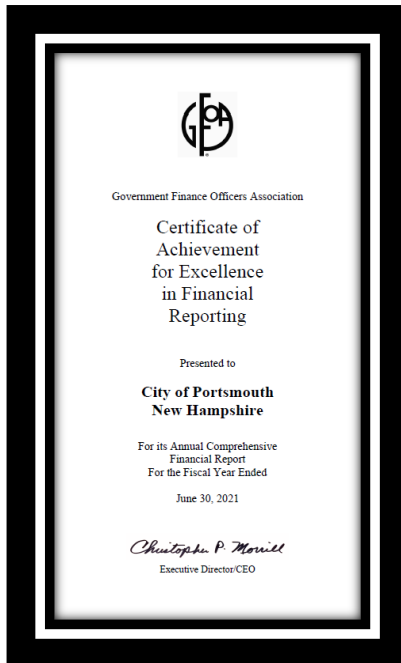
City of Portsmouth, New Hampshire



For the fiscal year ended June 30, 2022

Prepared by:
City of Portsmouth, Finance Department
Director of Finance and Administration, Judie Belanger

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, 2021. 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, 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 5th 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, 2022. This report, prepared for the non-financial reader, contains valuable information to share how the City is doing from a financial perspective. It highlights various programs, along with accolades, which affirm why 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 as a means to achieve established goals for taxpayers and to clearly explain the financial strategies and tactics applied to accomplish that work. Thanks to long-standing financial policies that have served us well and continue to provide the foundation for the City's AAA bond rating with Standard & Poor's, I am pleased to report that Portsmouth once again finished the fiscal year in strong financial position.

In making strategic financial decisions such as rate stabilization policies, the timing of bonding and holding off on rate increases and property tax revaluations, Portsmouth taxpayers were insulated from increases seen in other communities. These tactics were especially critical in FY22, where the supply chain and contractor availability made it prudent to advance projects that could be realized and adjust those that could not. Careful examination of each Department's budget requests, opportunistic use of ARPA and other COVID-relief funds and grants, and the implementation of practical efficiencies wherever possible, allowed us to keep the tax rate in check while accomplishing once-in-a-lifetime tasks, notably the acquisition of the Community Campus that will pay benefits to Portsmouth citizens for generations to come.

The City, specifically our Finance Department, were again recognized for their 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 Popular Annual Financial Report and the Annual Comprehensive Financial Report. Our priority is to report the budget and the City's financial affairs to taxpayers in a transparent and easily-understood manner, and to provide extensive detail 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 Director Judie Belanger, 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 worked to prepare budgets that allowed us to deliver City services diligently and faithfully. We continue to withstand the effects of global economic uncertainty, and have been able to endure the pressures thanks in large part to the City's long-standing, financial practices and to the professional, loyal, 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, 2022)

City Manager

Karen Conard

Deputy City Manager

Suzanne Woodland

Director of Finance and Administration

Judith Belanger

Deputy Finance Director

Andrew Purgiel

Director of Public Works and Facilities

Peter Rice

City Attorney

Robert Sullivan

City Clerk

Kelli Barnaby

Human Resources Director

Kelly Harper

Fire Chief

Todd Germain

Chief of Police

Mark Newport

Superintendent

Steven Zadravec

Planning Director

Beverly Mesa-Zendt

Public Health Director

Kimberly McNamara

Chief Building Inspector

Shanti Wolph

Tax Collector

Nancy Bates

Deputy Public Works Director

Brian Goetz

City Assessor

Rosann Maurice-Lentz

Recreation Director

Todd Henley

Library Director

Christine Friesse

Welfare Administrator

Ellen Tully

Portsmouth City Council

Portsmouth Elected Officials (FY22)

Police Commission



Stefany Shaheen, Chair
Buzz Scherr
Kate Coyle

School Board



Nancy Novelline Clayburgh, Chair
Margaux Peabody, Vice-Chair
Ann M. Walker
Christina "Pip" Clews
Hope Van Epps
Liz Barrett
Lisa Rapaport
Brian French
Kerry Nolte

Fire Commission



Jennifer J. Mosher-Matthes
Michael K. Hughes
Richard Gamester



Deaglan McEachern, Mayor



Joanna Kelley, Assistant Mayor



John Tabor



Josh Denton



Beth Moreau



Andrew Bagley



Vincent Lombardi



Rich Blalock



Kate Cook

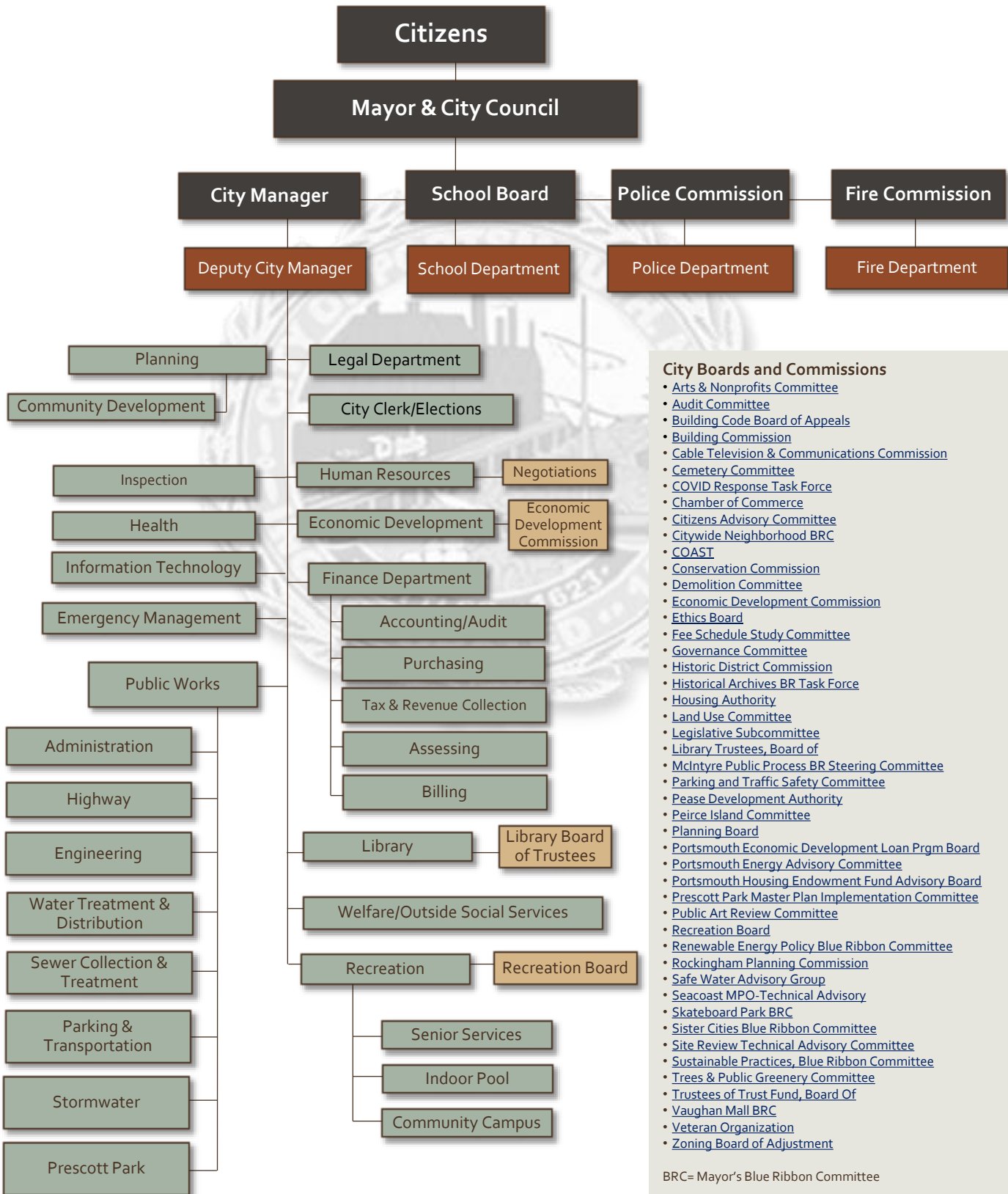
City Council meetings are held in the City Council Chambers, Municipal Complex, One Junkins Avenue, Portsmouth, NH 03801. The public is invited to attend City Council Meetings (meeting dates are available on the City's Website). The meetings are streamed live on Portsmouth's City YouTube Channel. For information, call the City Clerk 603-610-7207.

FY22 Budget Citywide Goals

- Promote a Safe, Welcoming and Diverse Community
- Promote and Support Sustainable Practices
- Create a Bikeable and Walkable Community
- Address Transportation and Parking Needs
- Improve Public Outreach.
- Provide a Diverse Educational Environment in which our Youth can Grow and Learn
- Build and Maintain a Robust and Authentic Infrastructure
- Support a Vibrant Economic Environment for Businesses to grow and thrive
- Adhere to Regulations and Advance Legislation to Protect Operations and Assets
- Maintain Financial Stability
- Preserve and Restore Historic Structures and Artifacts

Citywide Organizational Chart

(As of June 30, 2022)



- ### City Boards and Commissions
- [Arts & Nonprofits Committee](#)
 - [Audit Committee](#)
 - [Building Code Board of Appeals](#)
 - [Building Commission](#)
 - [Cable Television & Communications Commission](#)
 - [Cemetery Committee](#)
 - [COVID Response Task Force](#)
 - [Chamber of Commerce](#)
 - [Citizens Advisory Committee](#)
 - [Citywide Neighborhood BRC](#)
 - [COAST](#)
 - [Conservation Commission](#)
 - [Demolition Committee](#)
 - [Economic Development Commission](#)
 - [Ethics Board](#)
 - [Fee Schedule Study Committee](#)
 - [Governance Committee](#)
 - [Historic District Commission](#)
 - [Historical Archives BR Task Force](#)
 - [Housing Authority](#)
 - [Land Use Committee](#)
 - [Legislative Subcommittee](#)
 - [Library Trustees, Board of](#)
 - [McIntyre Public Process BR Steering Committee](#)
 - [Parking and Traffic Safety Committee](#)
 - [Pease Development Authority](#)
 - [Peirce Island Committee](#)
 - [Planning Board](#)
 - [Portsmouth Economic Development Loan Prgm Board](#)
 - [Portsmouth Energy Advisory Committee](#)
 - [Portsmouth Housing Endowment Fund Advisory Board](#)
 - [Prescott Park Master Plan Implementation Committee](#)
 - [Public Art Review Committee](#)
 - [Recreation Board](#)
 - [Renewable Energy Policy Blue Ribbon Committee](#)
 - [Rockingham Planning Commission](#)
 - [Safe Water Advisory Group](#)
 - [Seacoast MPO-Technical Advisory](#)
 - [Skateboard Park BRC](#)
 - [Sister Cities Blue Ribbon Committee](#)
 - [Site Review Technical Advisory Committee](#)
 - [Sustainable Practices, Blue Ribbon Committee](#)
 - [Trees & Public Greenery Committee](#)
 - [Trustees of Trust Fund, Board of](#)
 - [Vaughan Mall BRC](#)
 - [Veteran Organization](#)
 - [Zoning Board of Adjustment](#)
- BRC= Mayor's Blue Ribbon Committee

FY22 Awards and Accolades



Finance Department

STANDARD & POOR'S Standard & Poor's AAA Bond Rating (10th consecutive)



Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the City's fiscal year beginning July 1, 2022 Proposed Budget Document (FY23). (17th consecutive)



Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for its fiscal year ending June 30, 2021 Annual Comprehensive Financial Report (ACFR). (29th award, 27th consecutive)



Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) from the Government Finance Officers Association (GFOA) for Fiscal Year ending June 30, 2021. (5th consecutive)



Triple Crown Medallion from the Government Finance Officers Association (GFOA) for receiving all three GFOA Awards (the ACFR, the PAFR and the Budget Award) for FY2019, 2020 and 2021.

Peirce Island Wastewater Treatment Facility



2022 Engineering Excellence Award - Silver Award - from the American Council of Engineering Companies of Massachusetts



Project Excellence Award – Operational and Design Excellence Awards – from the Water Environment Federation (WEF)



Excellence in Construction Award and Chairman's Award from the Associated Builders and Contractors of New Hampshire and Vermont (ABC NH/VT)

Pease Wastewater Treatment



National Recognition Award from the American Council of Engineering Companies (ACEC)



Engineering Excellence Awards (Weston & Sampson) from the New Hampshire Chapter of the American Council of Engineering Companies (ACEC-NH)



Water Environment Foundation from Associated Builders and Contractors (ABC) and the Environmental Protection Agency national awards.

City of Portsmouth Public Works Department



Engineering Excellence Award - Portsmouth Stormwater Treatment (CMA) from the American Council of Engineering Companies (ACEC-NH)



Engineering Excellence Award - Maplewood Avenue Neighborhood Complete Streets Project (GPI) from the American Council of Engineering Companies (ACEC-NH)



Distinguished Public Involvement Award from the New England Water Works Association (NEWWA)

Tourism Accolades

Portsmouth listed by Livability.com; July 2022



WOKQ Outstanding Restaurants to Enjoy Outdoor Dining; July 2022



Portsmouth favorably listed by Cheapism.com; June 2022



Portsmouth included Family Vacationist; August 2021



Portsmouth list by Getaway Mavens as best romantic getaway; July 2021



Engage in Your City Government

The City of Portsmouth offers several opportunities for Portsmouth Citizens to engage in its Local Government Processes.

The Annual Budget Process

- Budget Public Hearings (Police & Fire Commissions & School Board)
- Budget Public Hearing (City Council)
- Listening Sessions during City Council Budget Work Sessions

Capital Improvement Plan Process

- [Citizen Project Request Forms](#)
- CIP Public Comments (Planning Board)
- CIP Public Hearing (City Council)

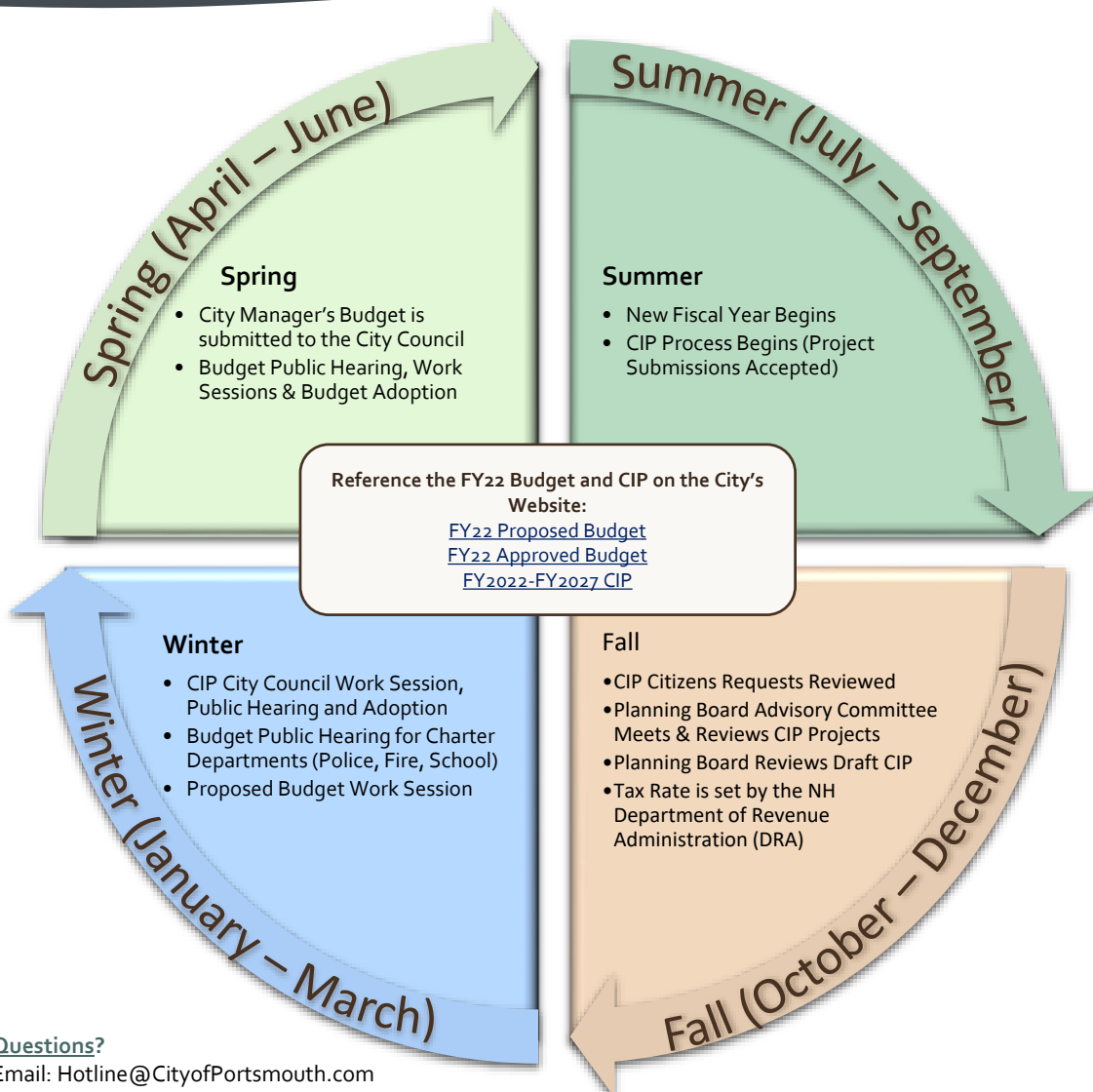
Other Public Input Sessions

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

Boards, Commissions, Committees

- [Citywide Neighborhood Committee](#)
- [Citizen Advisory Committee \(CDBG\)](#)
- [Appointed Positions](#) (Boards, Commissions, Committees)
- [Elected Positions](#) (Police Commission, Fire Commission, School Board)

FY22 Budget Process



Questions?

Email: Hotline@CityofPortsmouth.com

Portsmouth at a Glance...



Quick Facts

City Government

- Incorporated: 1849
- Form of Government: Council-Manager

Location

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

Land

- Land Area¹: 16.8 sq. miles (15.7 sq. miles of land & 1.1 sq. miles of water)
- Public Parks & Playgrounds¹: 200+ acres
- Wetlands²: 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 both fixed-routes bus service as well as on-demand service for ADA riders.
- 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

[Amtrak Passenger Rail Link Service](#)

- available between Portland and Boston with stops in Dover, Exeter and Durham, NH

Nearest Airports

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

1. Source: Taintor&Associates, Existing Conditions, 2004
2. Source: City of Portsmouth, 2003 Wetlands Inventory

City Assets, Infrastructure, and Operating Indicators

Settled in 1623, Portsmouth is the nation's 3rd-oldest city with a rich heritage as a working seaport and the home of 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

- # of Stations: 1
- # of Vehicles: 35
- Police Canines: 2

Public Safety – Fire and Rescue

- # of Stations: 3
- Fire Engines: 4
- Tower Truck: 1
- Heavy Rescue: 1
- Ambulance: 3
- Forestry Pick Up: 1
- Rigid Hull Inflatable Boat: 1
- Zodiac Boat: 1

Education

- High School Buildings: 1
- Middle School Buildings: 1
- Elementary School Buildings: 3

Public Works

- Miles of Streets (including Pease): 118
- Miles of Sidewalks: 74
- Number of Bridge: 15
- City Owned Facilities Maintained: 9

Eco Municipality Assets

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

Culture and Recreation

- [Libraries](#): 1
- Community Centers: 2
- [Senior Centers](#): 1
- Number of Boat Dock Facilities: 2
- Swimming Pools: 3
- Tennis Courts: 6
- Pickleball Courts: 8

Parks, Playgrounds and Cemeteries

- Number of Playgrounds/ Parks/ and Ballfields: 26
- Number of [Cemeteries/ Burial Grounds](#): 7
- [Adopt a Spot Gardens](#): 25
- Greenspace Maintained: 80+ acres

Parking and Transportation

- Parking Garages: 2
- Garage Spaces: 1,491
 - [Foundry Place](#): 600
 - Hanover: 891
- Metered Street Parking Spots: 695
- City Owned Parking Lots: 12
- City Owned Free Lots: 7 lots (639 spaces)
- Private Parking Lots with City Agreements: 2 lots (78 spaces)
- Bike Racks: 39
- Public Transit Options: 3

Water System:

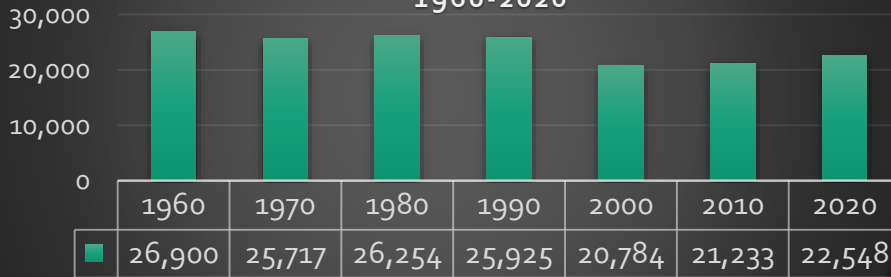
- Miles of Water Mains: 190
- # of Service Connections: 8,626
- Storage Capacity in Gallons (millions of gallons): 11
- Maximum Daily Capacity of Plant (millions of gallons): 4.0
- Water Balance (production v. billed and known use) – percentage : 6.00%
- # of Fire Hydrants: 1,035
- Precipitation for FY: 45.02 in

Sewage System

- Miles of Sanitary Sewers: 107
- # of Treatment Plants: 2
- # of Service Connections: 6,751
- Maximum Daily Capacity of Treatment (millions of gallons): 25.3

Portsmouth Demographics

Portsmouth Population Decennial Trends
1960-2020



Population 22,548

Educational Attainment

97.2%

High School Graduate or Higher

62.8%

Bachelors Degree or Higher

23.3%

Graduate or Professional Degree



Housing Statistics

10,462
Households

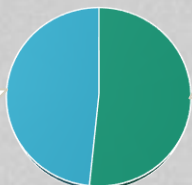
11,161
Housing Units (94% Occupancy)

\$91,915
Median Household Income

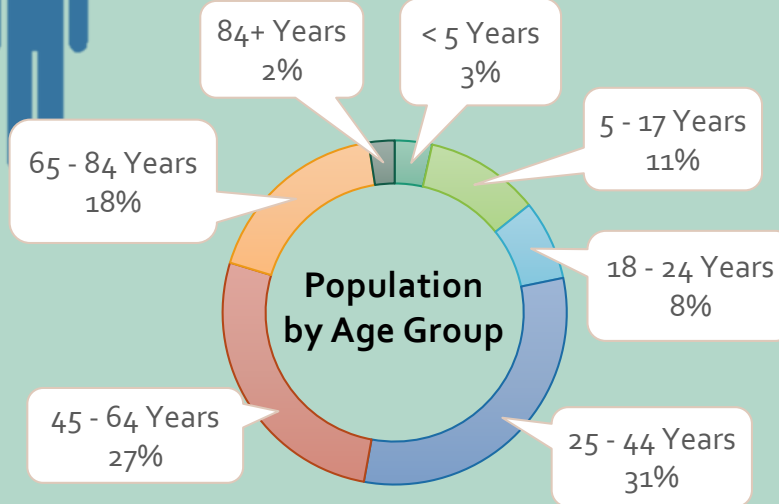
\$1,499
Median Gross Rent

2.05
Average Household Size

Renter-occupied
48%

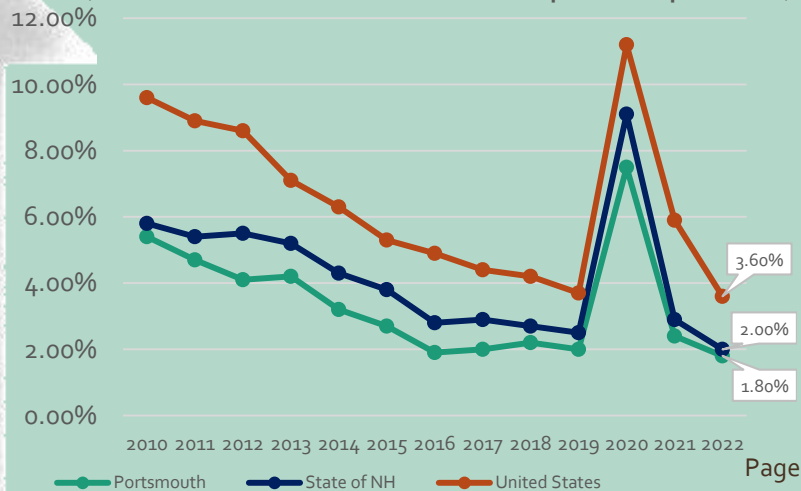


Owner-occupied
52%



Annual Average Unemployment Rates 2010-2022
Portsmouth is consistently lower than the state and region in unemployment rates.

(Source: Portsmouth Economic Development Department)



Economic Indicators



Total Valuation Before Exemptions

TY21 (FY22)

	Total	Count
Commercial *	\$ 2,716,831,616	1,420
Residential **	\$ 3,709,003,301	7,443
Totals	\$6,425,834,917	8,863

* Includes Pease Non Airport & Utilities, does not include Pease Airport

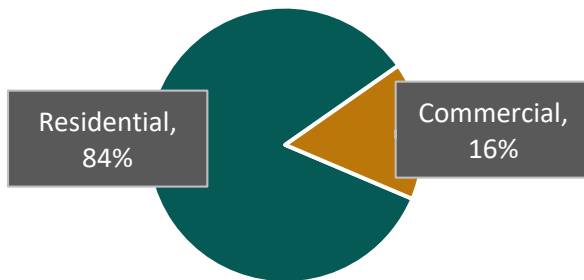
** Includes single family, condos, multi-family units, mobile homes, and vacant land

Residential Vs. Commercial

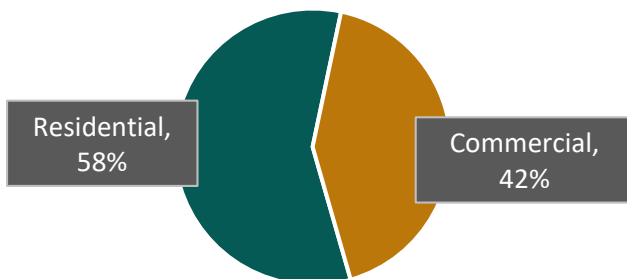
Important Numbers

- Residential Properties** make up **84%** (by count) of the properties in Portsmouth and pay **58%** of the tax burden.
- Commercial Properties** make up **16%** (by count) of the properties in Portsmouth and pay **42%** of the tax burden.

Residential vs. Commercial Properties by Percent of Taxable Parcel Count TY 2020 (FY2021)



Residential vs. Commercial Properties by Percent of Total Assessed Value TY 2020 (FY2021)



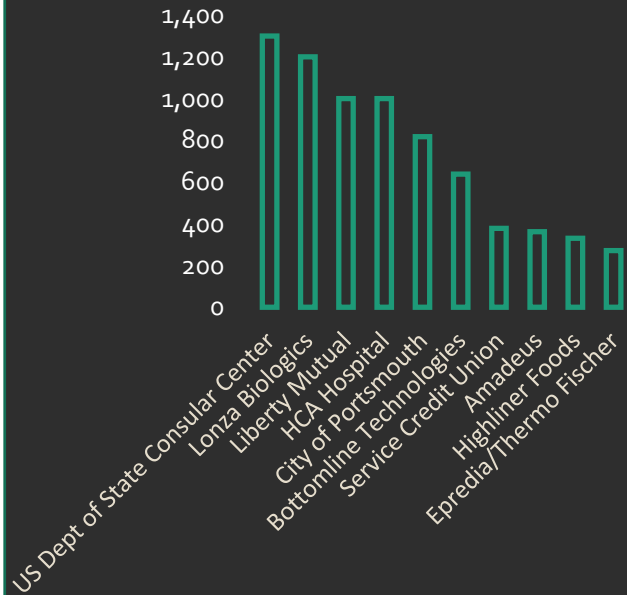
FY = Fiscal Year – July 1st to June 30th
TY = Tax Year April 1st to March 30th



Largest Portsmouth Employers

Fiscal Year 2022

Employees

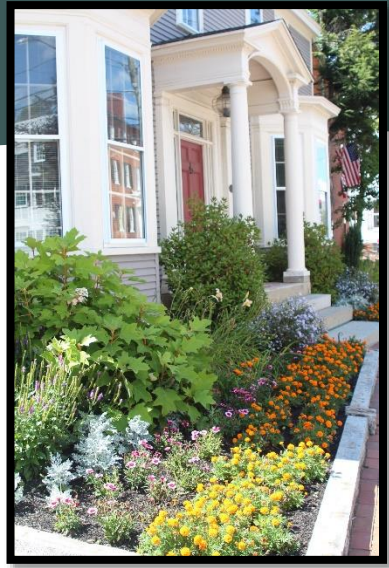


Top 5 Taxpayers FY2021

The top 5 Taxpayers in Portsmouth paid 5.59% of the City's taxes in FY2022.

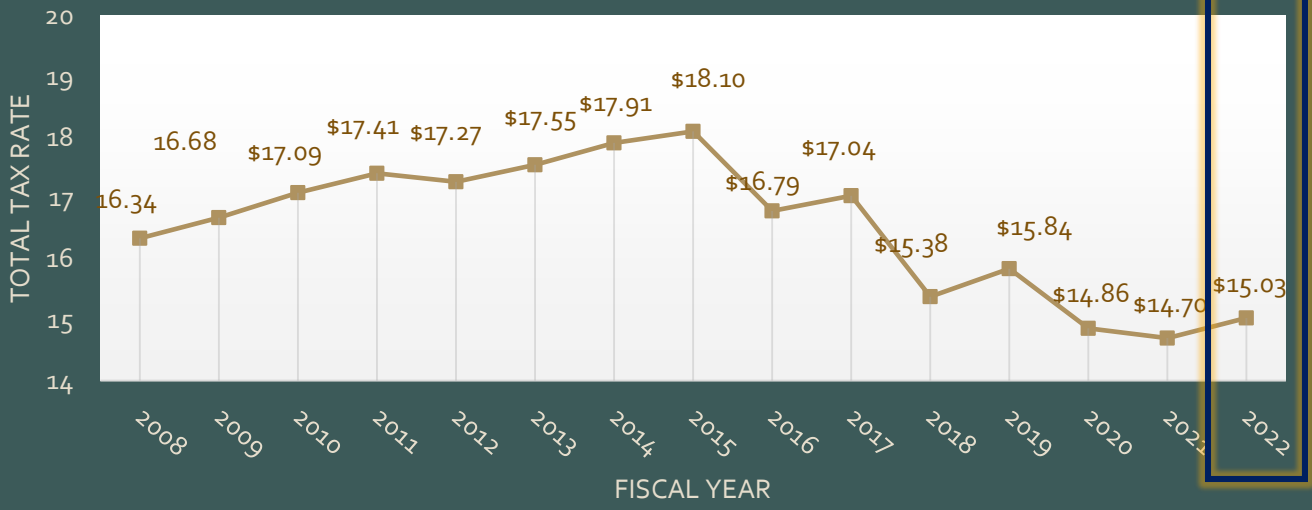
Company	Business Type	Percentage of Total Taxable Property
Public Service of New Hampshire	Utility	1.98%
HCA Health Services	Medical Building	1.36%
Arbor View & The Pines LLC	Apartment Complex	0.85%
Northern Utilities Inc.	Utility	0.73%
Hanover Apartments LLC	Apartment Complex	0.67%

Property Tax Rate

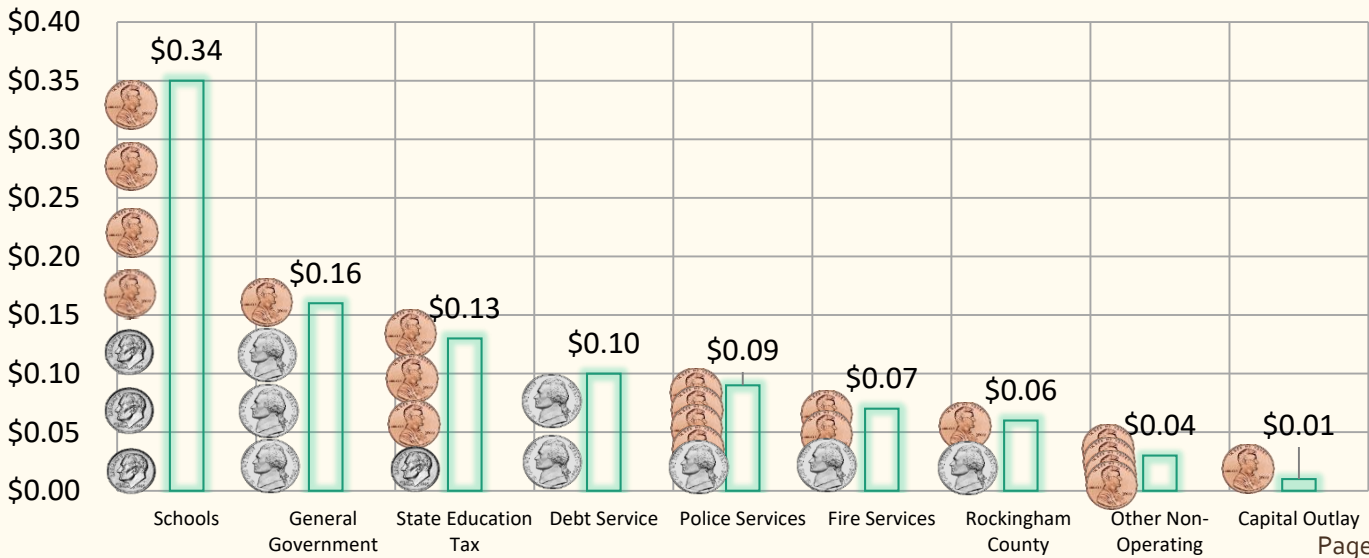


<u>Tax Rate 2021 Tax Year (FY2022)</u>	
\$15.03 (per \$1,000)	
Municipal	- \$7.02
County	- \$0.89
Local Education	- \$5.18
State Education	\$1.94

Portsmouth, NH Total Tax Rate
(Fiscal Years 2007-2022)



Where does \$1 of your Property Tax Money Go?

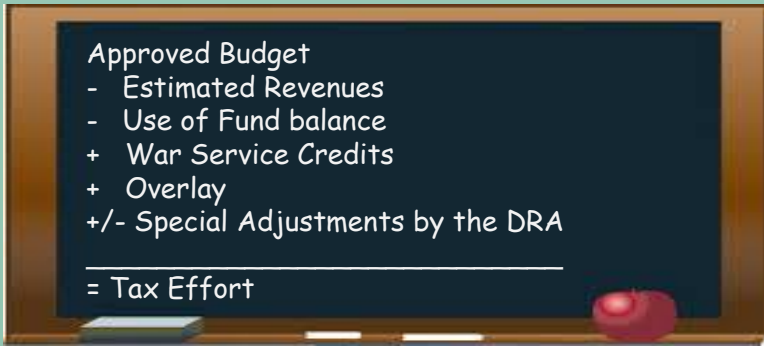


Property Tax Levy, Assessments, and Equalization

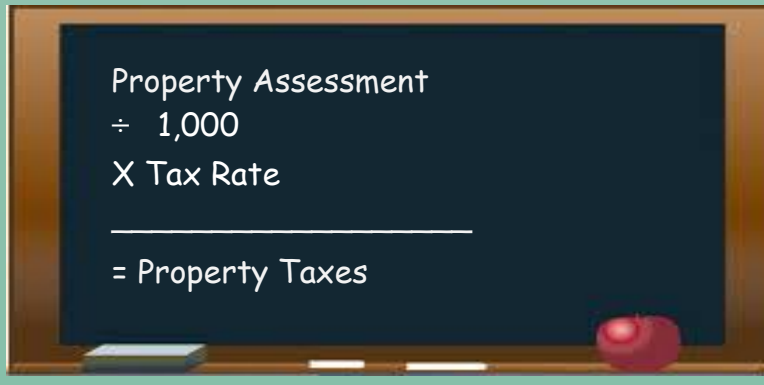
Property Tax Levy and Taxes

The City Council annually adopts a budget that is made up 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 will have to raise through property taxes.



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 what your property tax is as follows . . .



Property Assessments

Property Assessments, a value placed on each property in the City, are based on the market value and qualified comparable sales for each individual property as well as other contributing factors as of April 1st 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.

Lookup Your Property's Assessed Value Online: <http://gis.vgsi.com/portsmouthnh/>

Equalized Tax Rate

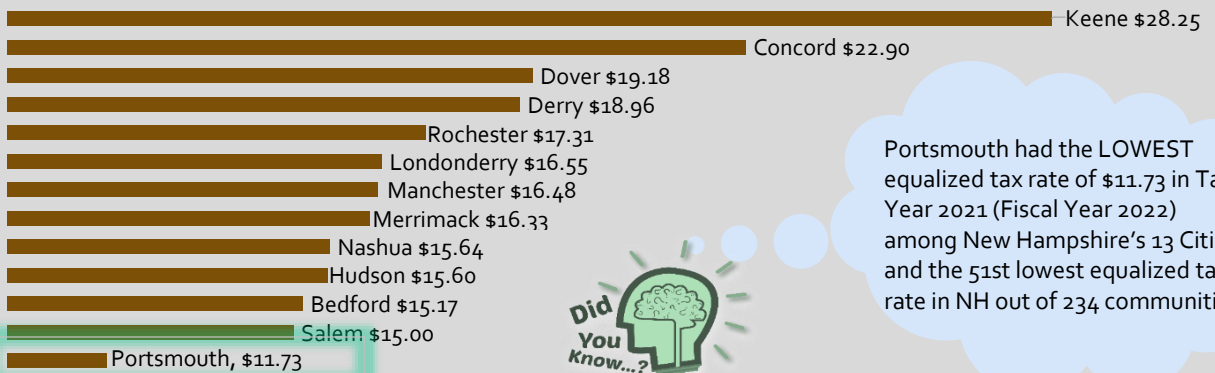
What is Equalization?

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% 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 State Education Property Tax.

Total Equalized Tax Rate 2021 (FY 2022)
(NH Communities with a Population of at Least 20,000 Residents)



Portsmouth had the **LOWEST** equalized tax rate of \$11.73 in Tax Year 2021 (Fiscal Year 2022) among New Hampshire's 13 Cities and the 51st lowest equalized tax rate in NH out of 234 communities.



Property Tax Timeline & Tax Relief



Important Dates:

Tax Year

April 1 – March 30

Tax Assessment Date

April 1st

(Tax assessments are adjusted annually based upon their property inventory as of April 1st per NH RSA 75:8)

City Fiscal Year

July 1 – June 30

Tax Rate is Set

Late Fall (November)

Tax Calculator

<https://www.cityofportsmouth.com/tax/online-property-tax-calculator>

Tax Billing Options

Taxpayers can pay their tax bill at:

- City Hall (in the Tax Office),
- Online,
- Pay by Phone,
- Checks by Mail, and
- Drop Box.

Property Tax Bills Payable in 2 Equal Billings:

- **1st Issue – December** (First 1/2 of the total property tax year amount)
- **2nd Issue – June** (Second 1/2 of the total property tax year amount)

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

Property Tax Liens

In accordance with State Law, property tax liens are executed in late August on any properties which have unpaid current year property taxes.

Tax Relief

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

• Veteran's Exemption

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

• Elderly and Disabled Exemptions

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

• Religious and Charitable Exemptions

- Solar Energy Systems Exemption
- Wind Powered Energy Systems Exemption
- Financial Hardship Application

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 1st 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 1st.
- ✓ Property owners wishing to appeal the Assessing Department's decision can file with either the NH Board of Tax and Land Appeals or Rockingham County Superior court by September 1st.

Contact the Assessor's Office for more information:

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

Online: <https://www.cityofportsmouth.com/assessors>.

FY22 Spotlight: Portsmouth's Climate Action Plan

The City's first Climate Action Plan is getting ready to kick off this December with two major phases. The first phase will include a campaign of outreach and engagement between the plan consultant, City staff, volunteers, committees, community members and local businesses. Specifically, this first phase will include workshops, surveys and outreach that will aim to prioritize the community's climate adaptation and mitigation needs. In the second phase, working with both the community and the municipality, the Climate Action Plan consultant team will gather community data and utilize their experience to develop short and long term adaptation goals tailored to our community. They will also help the City find funding opportunities, suggest regulation and ordinance changes or additions, and will help to facilitate measureable goals as we continue on this journey to reduce greenhouse gas emissions in Portsmouth.

CITY OF PORTSMOUTH CLIMATE ACTION PLAN TIMELINE

September 2022

Climate Action Plan RFP Published

October 17, 2022

RFP Questions Due

October 31, 2022

Climate Action Plan Proposals Due

December 2022/January 2023

Consultant Hired
Phase I Begins:
Hit The Ground Running With Help From City Staff, Community Volunteers And Interested Public Groups.
Community Engagement, Public Outreach, Municipal Trainings, Spreading Awareness Of Raising Support For CAP

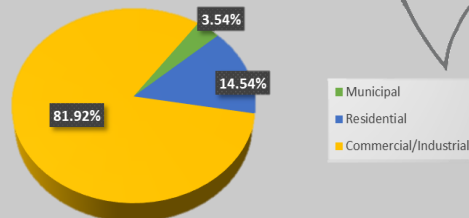
Late Spring 2023

Phase II Begins:
Writing the Climate Action Plan & Post-Plan Workshops

November 2023

Post-Consultant Work
Outreach With City Staff On Short And Long-Term CAP Projects And Budget.
Start CAP Project Implementation.
Actively Update And Interact On The Community Dashboard

2018 City of Portsmouth Electricity Usage by Sector



Source: City of Portsmouth 2018 Greenhouse Gas Inventory



Where can we create the largest and most cost-effective impact on greenhouse gas emissions reductions in Portsmouth?



Did you know? At the September 23rd, 2021 Sustainable Practices Blue Ribbon Committee meeting, the committee voted to request the development of a Climate Action Plan. The plan's budget for \$100,000 was finalized and adopted by the City Council in the Capital Improvement Plan on March 7th, 2022.



Portsmouth's Water Treatment Plant in Madbury, New Hampshire generated over 326,000 kWh in 2021 from the solar array that was installed in December of 2016. That was enough electricity to power nearly 30 homes in 2021!

The creation of this plan will be **dynamic**, **inclusive** and **interactive**. We plan to have neighborhood workshops and meetings to get the community involved in the creation and implementation of the plan.

We are currently looking for local climate leaders and interested volunteers that can help organize and co-facilitate neighborhood meetings alongside our consultant. If you are interested in getting involved or have questions, please reach out to Kate Homet at the City of Portsmouth Planning Department (kehomet@cityofportsmouth.com).

Charter Departments (Police, Fire & School)

Police Department

38,634 (2% ↑)

Police Department Service Calls in FY22

- 1,008 Total Number of Arrests in FY22.
- 84 DWI Arrests (27.3% ↑)
- 533 (27% ↑) Motor Vehicle Accidents
- 1,766 # Pieces of evidence processed
- 467 Pounds of medication collected at the PPD lobby kiosk.



Did you know?



The City has 2 Police Canine Teams (drugs/explosives): Ptl. William Werner and K-9 Frankie and Ptl. Jack Maloney and K-9 (not yet in service).

The City also utilizes a grant funded canine, named Nico, who is a member of the ICAC team (Internet Crimes Against Children).

Fire Department

2,647 (4% ↑)

Fire/Rescue Service Calls in FY22

- 3,548 (7% ↑) Ambulance Service Calls in FY22
- 195 Motor Vehicle Accidents
- 539 Fire and Life Safety Inspections
- 2,235 Hours of Training
- 33 Carbon Monoxide Investigations in FY22



Did you know?

The Fire Department does a lot more than Fire Suppression and Medical Responses. *Did you know the Fire Department also provides the following services?*

- Marine and Waterfront Fire and EMS Response
- Community Services (i.e. investigations, burn permits, etc.)
- Community Risk Reduction (i.e. life safety and fire education, occupancy inspection and fire code enforcement)
- Emergency Management preparation and response



School Department

Awards and Accomplishments from FY22

#4

Portsmouth School District rated #4 in Best School Districts in New Hampshire according to Niche (www.niche.com).



Successfully completed the collaboration conference portion with NEASC (New England Association of Schools and Colleges) as part of the re-accreditation process.



Tom Kozikowski was named Athletic Director of the Year by the New Hampshire Interscholastic Athletic Association.

24

Futures had 24 students attending high school and 21 college students. Since its inception in 1993, over 200 students have received college mentoring and attend a 2 or 4-year college.

Congratulations!

The following teams reached the championships:

CHAMPIONSHIP FINALISTS:

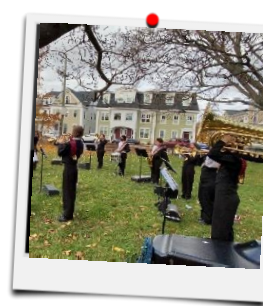
- Boys Ice Hockey
- Girls Tennis

CHAMPIONSHIP WINNERS:

- Girls Field Hockey
- Girls Alpine Ski
- Boys Outdoor Track & Field
- Girls Lacrosse
- Boys Lacrosse

Portsmouth School Enrollment

	Elementary School (P, K-5)	Middle School (6-8)	High School (9-12)
# of Schools	3	1	1
Grade Levels	P, K-5	6-8	9-12
Total Enrollment	952	491	1,049



Community Services (Recreation & Public Library)



Recreation

Experience the Recreation Departments Wide Range of Services and Events!

- With support of a very active Skatepark Committee, the City's plan is moving forward with the [Skatepark/Stump Dump Site Design](#).
- The Recreation Department manages numerous facilities, fields and programs. Visit the Rec Department's Website <https://www.cityofportsmouth.com/recreation> for information on the six recreation facilities, boat launch, new Athletic turf field complex, outdoor pool, and the bi-annual brochure highlighting the complete list of activities.
- The Rec is synonymous with [summer camp](#). Each year a full day camp takes place at the Connie Bean Center. In addition you can count on Rec for [soccer](#), [basketball](#), arts & crafts, [STEM programs](#), and many [Seasonal Special Events](#) including the annual Fall Family Fun Fest, Valentine Dance, Tree of Love, Egg Hunt, Turkey Shoot and Holiday Parade.
- The City's newly acquired Community Campus facility continues to serve the long-standing tenants as well as add Recreational programming including afterschool programming, open gym, and preschool activities. Check out the [winter line up](#) on the [Community Campus Website](#).
- The [Senior Activity Center](#) offers many recurring activities & events including a [comprehensive monthly senior newsletter](#). Trips have returned post-pandemic with monthly day trips as well as overnight trips to Iceland and Ireland. Special events draw large numbers of seniors, including the annual cookout which served 250 people and the Thanksgiving and Holiday Luncheons which took place at the Campus thanks to the large gym.
- Portsmouth Seniors can take free medical rides and low cost shopping trips utilizing [Portsmouth Senior Transportation](#) in partnership with COAST from Monday – Friday (6am – 6pm). Call TriLink [603-834-6010](tel:603-834-6010) or email trilink@communityrides.org for more information.
- The City re-acquired the [Portsmouth Indoor Pool](#) from SIPP (Save the Indoor Portsmouth Pool) in FY22. Participants' favorite [programs](#) continue, including open swim, senior aqua fitness, swim lessons, Portsmouth High School's swim team, and private rentals. See pool schedule here <https://www.cityofportsmouth.com/recreation/indoor/indoor-pool-schedule>.



The Recreation Department has moved to online registration for all of its programs. Check out the [Recreation Department's Website](#) for more information!



Public Library

Come see what the Library has to offer!

For All Ages

- [Summer Reading Program](#) (with prizes!)
- [3D Printing](#)
- [Museums & discounted passes](#)
- [PPL Rex](#): personalized book bundles and book lists,
- [Exhibits](#)
- Film Screenings
- Cooking Classes
- Take & Make craft kits
- [Seven Little Free Libraries](#) around Portsmouth
- [Cold Weather Coat Swap](#)
- The Search for Millie Scavenger Hunts

Adults

- [Standing Up to Racism](#) 4-week course
- Four [Book Clubs for Adults](#)
- [Weekly Meditation](#) with local volunteer teachers
- [Language Discussion Groups](#)
- [Wireless Printing](#), Scanning, Faxing, [Computers & Wi-Fi](#)
- [Monthly Genealogy Workshops](#) and Local History Talks
- Mah Jongg
- Shakespeare Discussion Group
- [World Affairs Discussion Group](#)
- The Planner Society
- Crafting and Technology workshops
- [Drop-In Device Help](#)
- Guitar Concerts
- Book Signings
- Talks and Workshops on a variety of other topics, including mindfulness, writing, death, civics and more

Youth & Teens

- [Story Times \(outdoors and online\)](#)
- Five Book Clubs for [Youth & Teens](#)
- Outreach to local organizations, including Gosling Story Time and PEAK visits
- [Reading Dogs](#)
- PPL for Parents talks
- Concerts
- Middle School Mondays with games and crafts
- [Teen Advisory Board](#) and Teen D&D
- Quarterly Reading Challenges to promote early literacy
- Special Events

of people that visited the Portsmouth Public Library in FY22. **108,132**

In FY22 the Library loaned out 330,792 items.

Visit the [Portsmouth's Library's Events Calendar](#) for a full listing of events.

Highway Division

FY22 Accomplishments

- Portsmouth Community Power research of a Community Power Program.
- Neighborhood Traffic-Calming Efforts
- Prescott Park Master plan progress towards Phase 1
- Lafayette Trail & Purple Heart Community Marker
- Streets and Sidewalk reconstruction



1,103 Click n' Fix Items Addressed in FY22

30 Adopt-A-Spot Gardens within the City



82 City Biodiesel Vehicles & **1** City Electric Vehicle

355 Period LED Downtown Street Lights



Parking Division

FY22 Accomplishments

- Hanover Parking Garage Project underway
- Park Mobile Smartphone App Conversion
- McIntyre Additional Parking Inventory added
- Neighborhood Parking Program tested

What is the Downtown Workforce Parking Program?

\$3 per Hour for a **10** hour parking session

Bring an application, your photo ID and a check stub of a downtown business to the Foundry Parking Garage.

<https://www.cityofportsmouth.com/publicworks/parkportsmouth/downtown-workforce-parking-program>

Water & Sewer Divisions

FY22 Accomplishments

- Bellamy Reservoir Water Protection Project
- PFAS Treatment Piloting at Pease
- Madbury Wells Upgrade Project
- Sewer Force Main Repairs on Peirce Island for Mechanic Street Wastewater Pumping Station
- Sagamore Avenue Sewer Extension Project, Water and Sewer Pipe Replacements and Upgrade
- Sewer Separation Work
- Islington Street corridor Roadway Improvements



1,035 Fire Hydrants in the City



16 Water Main Breaks

107 Miles of Sanitary Sewers

190 Miles of Water Mains



45.02 Inches of Precipitation

Stormwater Division

FY22 Accomplishments

- Stormwater BMPs (Best Management Practices) continued
- Stormwater Division Outreach: "Think Blue" videos

Stormwater Resources:

www.cityofportsmouth.com/publicworks/stormwater/about

Portsmouth Department of Public Works:(603) 427-1530

Learn More About Stormwater Do's And Don'ts



<https://youtu.be/Vp5lwUNVzoA>

FY22 Financial Highlights



As the City of Portsmouth's Director of Finance and Administration, I am pleased to present the City of Portsmouth's seventh Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2022. The PAFR is intended to increase knowledge throughout the community of Portsmouth's financial condition through the use of 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 citizenry of Portsmouth, and other interested parties and 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 of the city's Funds or Component Units.

The ACFR is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and includes additional financial statements, note disclosures and required supplemental information, citywide initiatives, accomplishments and statistical data.

A copy of the ACFR is available at the Portsmouth Public Library as well as the City's website at <http://files.cityofportsmouth.com/finance/FY22/ACFR22.pdf>

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

Please visit the interactive PAFR on our website which offers the ability to "click" various links identified throughout this publication: <http://files.cityofportsmouth.com/finance/FY22/PAFR22.pdf>

Judith Belanger
Director of Finance and Administration
603-610-7223
jabelanger@cityofportsmouth.com

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

GOVERNMENTAL FUNDS:

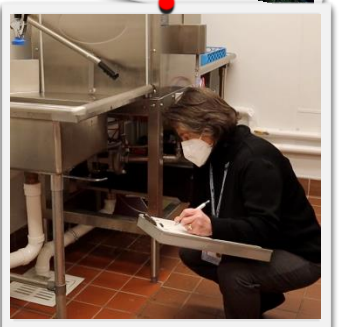
- General Fund---Account for all general operating expenditures and revenues. This is the City's largest fund and primarily funded from property taxes.
- Special Revenue Funds---Proceeds of specific revenue sources that are restricted for a specific purpose.
- Capital Funds---CIP projects for City infrastructure improvements.
- Debt Service Funds---Principal and interest payments on a special assessment bond.
- Permanent Funds---Resources that are restricted to the extent that only earnings and not principal may be used for purposes that supports programs for the benefit of the government or citizenry.

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.

Helpful Financial Terms

Abatement	An official reduction or elimination of one's assessed valuation after completion of the original assessed value.
Accrual Basis of Accounting	A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.
Appropriation	An authorization granted by a legislative body to make expenditures and incur obligations for specific purpose.
Assessed Valuation	The fair market value placed upon real and personal property by the city as the basis for levying property taxes.
Authorized Unissued Debt	Amount of an adopted borrowing resolution that has not actually been issued. This amount is utilized when calculating legal debt limits.
Bond Premium	An amount that the underwriter provides to the issuer at the closing of bonds in addition to the principal (par) amount borrowed.
Capital Assets	Land, improvements to land, easements, building, 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.
Deferred Inflows and Outflows of Resources	Represents acquisition (inflows) and consumption (outflows) that are applicable to future reporting periods.
Enterprise Funds	Account for the financing of services to the general public whereby all or most of the operating expenses involved are recorded in the form of charges to users of such services. The Enterprise Funds consist of the Water Fund and the Sewer Fund.
Fund Balance	<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"> • Non-spendable – Represents fund balance not available to be spent or legally required to be maintained intact. • Restricted – Represents fund balance that is restricted by creditors, grantors, contributors, or laws and regulations of other governments. • Committed – Self-imposed limitations set in place prior to the end of the period. • Assigned – Represents fund balance utilized in subsequent periods for pay-as-you capital projects and on-time, non-recurring expenditures. • Unassigned – Represents fund balance that is available for any purpose.
General Fund	Chief operating fund of the government.
Net Position	Reflects the City's net worth. Net Position = Assets (+) Deferred Outflows (-) Liabilities (-) Deferred Inflows.
Overlay	An appropriation to fund potential tax abatements.
Proprietary Funds	Funds used for business-like activities, usually operate on an accrual basis of accounting. Proprietary funds include Enterprise and Internal service funds.
State Revolving Loan Fund (SRF)	A fund administered by the State for the purpose of providing low-interest loans for investments in water and sanitation infrastructure.



Financial Position - Statement of Net Position

Net Position \$267.8 Million

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

At the close of the fiscal year, the City's total net position of \$267.8 million represents an increase of \$21.4 million or 8.7% from FY21.

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2022	2021	2022	2021	2022	2021	2021-2022
Current and other assets	\$ 116,707	\$ 105,026	\$ 64,224	\$ 66,732	\$ 180,931	\$ 171,758	5.3%
Capital assets	269,934	255,991	260,977	253,307	530,911	509,298	4.2%
Total Assets	386,641	361,017	325,201	320,039	711,842	681,056	4.5%
Deferred outflows of resources	25,341	35,423	1,385	1,633	26,726	37,056	-27.9%
Total assets and deferred outflows	\$ 411,982	\$ 396,440	\$ 326,586	\$ 321,672	\$ 738,568	\$ 718,112	2.8%
Long-term liabilities	\$ 214,199	\$ 259,390	\$ 178,183	\$ 97,998	\$ 392,382	\$ 357,388	9.8%
Other liabilities	35,692	18,070	6,250	88,819	41,942	106,889	-60.8%
Total liabilities	249,891	277,460	184,433	186,817	434,324	464,277	-6.5%
Deferred inflows of resources	34,735	7,162	1,697	312	36,432	7,474	387.4%
Net position:							
Net investment in capital assets	158,507	151,205	109,948	99,765	268,455	250,970	7.0%
Restricted	15,728	17,101	-	-	15,728	17,101	-8.0%
Unrestricted	(46,879)	(56,488)	30,508	34,778	(16,371)	(21,710)	-24.6%
Total net position	\$ 127,356	\$ 111,818	\$ 140,456	\$ 134,543	\$ 267,812	\$ 246,361	8.7%

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 \$268.5 million, an increase of \$17.5 million from FY2021. These capital assets are used to provide services to citizens.

Restricted Net Position of \$15.7 million represents 6% of resources that are subject to external restrictions on how they may be used.

Unrestricted Net Position is the remaining amount of the net position not restricted for a specific purpose. There are two reporting mandates from Governmental Accounting Standards Board (GASB) 1) \$87.6 million of net pension liability representing the City's share of the New Hampshire Retirement System's unfunded liability and 2) \$17.4 million for Other Post-Employment Benefits (OPEB) liabilities. This resulted in an ending balance in Unrestricted Net Position of a negative \$16.4 million. [Detailed information regarding these liabilities can be found in notes 21 and 22 (pages 83-94) of the Fiscal Year ended June 30, 2022 ACFR].

Financial Results – Changes in Net Position

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

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues:						
Charges for Services	\$ 23,871	\$ 20,132	\$ 27,080	\$ 26,448	\$ 50,951	\$ 46,580
Operating Grants and Contributions	12,126	13,464	-	-	12,126	13,464
Capital Grants and Contributions	3,297	2,546	5,280	5,699	8,577	8,245
General Revenues:						
Property Taxes	97,948	89,201	-	-	97,948	89,201
Interest on Taxes	169	191	-	-	169	191
Grants and Contributions (not restricted)	1,639	1,318	-	-	1,639	1,318
Investment Income	(1,153)	3,096	159	422	(994)	3,518
Other	4,523	3,348	616	456	5,139	3,804
Total Revenues	142,420	133,296	33,135	33,025	175,555	166,321
EXPENSES						
General Government	17,257	16,340	-	-	17,257	16,340
Public Safety	21,771	26,064	-	-	21,771	26,064
Education	60,177	65,079	-	-	60,177	65,079
Public Works	18,139	17,266	-	-	18,139	17,266
Health and Human Services	683	756	-	-	683	756
Culture and Recreation	4,772	3,688	-	-	4,772	3,688
Community Development	628	989	-	-	628	989
Interest on Long-Term Debt	3,767	4,039	-	-	3,767	4,039
Water Operations	-	-	8,986	9,325	8,986	9,325
Sewer Operations	-	-	17,924	16,636	17,924	16,636
Total Expenses	127,194	134,221	26,910	25,961	154,104	160,182
Change in net position before transfers and special items	15,226	(925)	6,225	7,064	21,451	6,139
Transfer in(out)	312	278	(312)	(278)	-	-
Special items	-	-	-	-	-	-
Change in net position	15,538	(647)	5,913	6,786	21,451	6,139
Net Position - beginning of year	111,818	112,465	134,543	127,757	246,361	240,222
NET POSITION - END OF YEAR	\$ 127,356	\$ 111,818	\$ 140,456	\$ 134,543	\$ 267,812	\$ 246,361

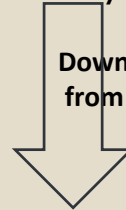
Statement of Changes in Net Position presents revenues and expenses for the City as a whole and compares the changes in net position for the current and prior fiscal year.

**FY22 Total
Revenues of
\$175.5 Million**



Up \$9.2M or 5.5%
from FY21

**FY22 Total
Expenses of
\$154.1 Million**



Down \$6.1M or 3.8%
from FY21

General Fund Revenues

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

General fund activities are financed by revenues generated from local property taxes, state shared revenues, and other local sources. Actual revenues for FY22, FY21 and FY20 are depicted below.



Property Taxes
74.2%



Licenses & Permits
5.6%



Intergovernmental
8.1%



Charges for Services
4.7%



Investment Income
.16%



Interest on Taxes
0.13%



Fines & Costs
0.77%



Other Revenues
0.71%



Other Financing Sources
1.10%



Use of Fund Balance
4.4%

Revenues

Property taxes

Licenses and permits:

Motor Vehicles Permits

Building Permits

Cable Franchise Fee

Other Licenses and Permits

Intergovernmental:

School Building Aid from State

Rooms and Meals Tax from State

Highway Block Grant from State

School Tuition

Other

Charges for services:

PDA Airport District

Police Outside Detail

Ambulance Fees

Net Parking Related Revenue

Recreation Department

Other Charges for services

Investment Income:

Interest on Taxes:

Fines and Costs

Other Revenues:

Other Financing Sources:

Bond Premium

Transfer In

Use of Fund Balance:

Total Revenues

Actual 2022

Actual 2021

Actual 2020

95,437,728

92,170,220

90,613,451

5,000,874

5,226,849

4,835,658

1,266,473

1,767,842

1,110,131

360,000

360,000

360,000

631,257

556,159

545,329

1,757,196

1,757,196

1,863,247

1,639,197

1,318,163

1,329,583

426,293

429,034

452,678

6,577,471

6,613,787

6,525,420

-

-

69,922

2,825,878

2,726,229

2,765,894

413,712

197,714

149,672

860,223

935,293

1,027,490

1,366,294

1,789,564

1,637,532

218,351

21,482

231,741

337,554

206,231

170,506

201,845

526,494

1,205,712

168,752

191,444

164,713

986,490

616,806

769,152

907,155

676,400

243,517

132,611

-

1,421,368

1,394,259

1,302,111

5,696,000

2,200,000

2,500,000

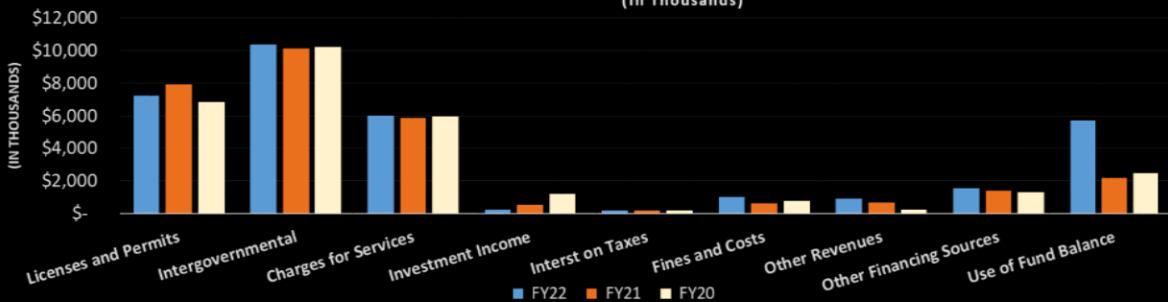
\$ 128,632,721

\$ 121,681,166

\$ 119,873,459

Actual Revenues Comparison

(Less Property Taxes)
(In Thousands)



General Fund Expenditures

How is the money spent to fund 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 FY22, FY21, and FY20 are depicted below.

Expenditures	Actual FY22	Actual FY21	Actual FY20
Operating Budget			
General Government	20,968,405	20,027,270	19,610,810
Police	12,261,722	11,737,056	11,571,211
Fire	9,812,552	9,501,041	9,142,802
Education	53,547,130	52,008,812	49,996,009
Transfers	327,486	174,344	239,000
<i>Total Operating</i>	\$ 96,917,295	\$ 93,448,523	\$ 90,559,832
Non-Operating			
Debt Service	13,639,841	13,231,740	13,919,613
Rockingham County Tax	5,677,887	5,667,030	5,561,364
Capital Outlay	1,080,000	1,276,000	1,810,000
Other Non-Operating	4,688,498	3,893,367	4,395,629
<i>Total Non-Operating</i>	\$ 25,086,226	\$ 24,068,137	\$ 25,686,606
Total Expenditures	\$122,003,521	\$117,516,660	\$116,246,438

Operating Expenditures represent 79.4% of the total Expenditures



General Government
17.2%



Police Department
10.1%



Fire Department
8.0%



Education K-12
43.9%



Transfer to Indoor Pool, and Prescott Park
.3%

Non-Operating Expenditures represents 20.6% of the total Expenditures.



Debt Service
11.2%



Rockingham County Tax
4.7%



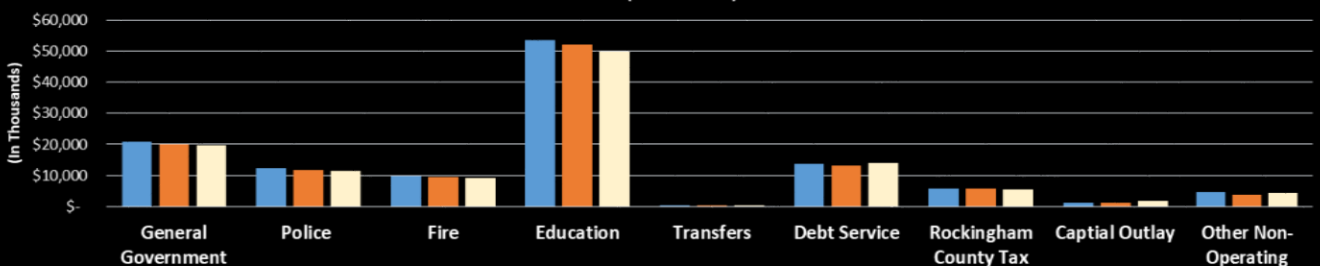
Capital Outlay
.9%



Other Non-Operating
3.8%

- **General Government-** City Council, City Manager, Finance, City Clerk, Elections, Legal, Human Resources, Public Works, Planning, Inspection, Health, Information Technology, Public Library, Recreation, Senior Services, Welfare, Outside Social Services, Community Development, and Emergency Management.
- **Transfers-** Annual transfer for operating expenses for the Indoor Pool, Stormwater, 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.

Actual Expenditures Comparison
(In Thousands)



General Fund – Fund Balance

GENERAL FUND BALANCE SHEET

	2022	2021	2020
Assets:			
Cash and Investments	\$55,129,854	\$50,679,739	\$50,716,865
Receivables:			
Property Taxes	2,386,476	2,382,591	1,878,202
Departmental and other	948,406	3,966,215	693,339
Leases	293,877		
Due from other funds	1,240,181	1,561,663	788,738
Advances to other funds	385,160	430,160	443,160
Other assets	109,038	79,029	134,763
TOTAL ASSETS	\$60,492,992	\$59,099,397	\$54,655,067
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	1,599,959	1,721,800	1,172,090
Accrued liabilities	2,862,519	1,590,486	1,063,748
Unearned revenue		27,933	40,981
Retainage payable			6,907
Tax refunds liability	1,686,561	5,196,616	2,591,753
Other liabilities	2,388,281	646,827	563,680
TOTAL LIABILITIES	8,537,320	9,183,662	5,439,159
Deferred inflows of Resources	1,771,061	1,300,414	1,420,044
Fund Balances:			
Nonspendable	385,160	430,160	443,160
Restricted			-
Committed	23,464,101	21,324,259	21,917,043
Assigned	9,178,551	10,496,904	9,283,064
Unassigned	17,156,799	16,363,998	16,152,597
TOTAL FUND BALANCE	\$50,184,611	\$48,615,321	\$47,795,864
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$60,492,992	\$59,099,397	\$54,655,067

The General Fund balance sheet is prepared using current financial resources measurement focus and the modified accrual basis of accounting, meaning no long-term assets or liabilities are reported on this balance sheet.

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

Total Fund Balance of \$50,184,611 or 39.7% of appropriations, represents an increase of \$1,569,290 or 3.23% from FY21.

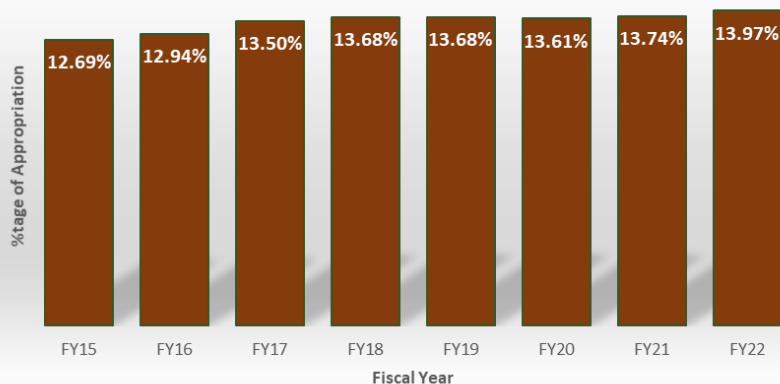
Unassigned Fund Balance Ordinance

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

City Council adopted in Fiscal Year 1998 the "Unassigned Fund Balance Ordinance" and amended in fiscal year 2013 which mandates that the City will maintain an unassigned fund balance of between 10% and 17% of general fund appropriations.

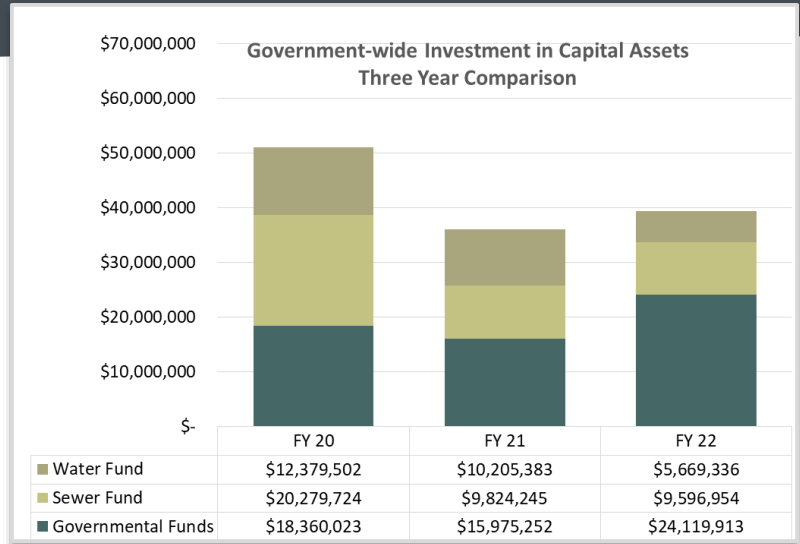
Unassigned fund balance at the end of the fiscal year was \$17,156,799 or 13.57% of the final general fund budget. This is an increase of \$792,801 or 4.84% from prior year.

GENERAL FUND - UNASSIGNED FUND BALANCE



Capital Assets

The City invests in capital improvements each year. The chart below depicts a 3-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

- Senior Center
- Market St Extension
- New Franklin School-Ventilation
- Kearsarge Ave Bridge
- New Hampshire Ave
- International Ave
- Market St Bridge
- Rock St Park
- Spinnaker Point Roof
- Public Works Mack GR 64B H045
- Discover Center Access

Water Fund Activities

Capitalized Assets

- Maplewood Ave Waterline
- Pleasant St Waterline
- Wild Rose Lane Waterline
- Excavator
- Dump truck w/Plow

Sewer Fund Activities

Capitalized Assets

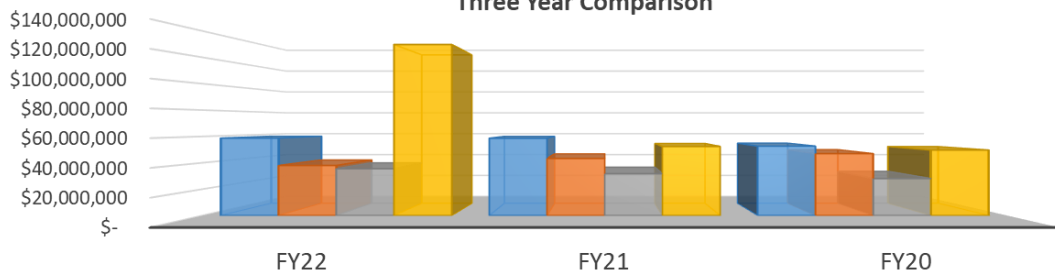
- Maplewood Ave Sewer Line
- PIWWTF - Equipment & Other Infrastructure
- Pleasant Street Sewer Line
- McDonough Street Area Sewer Line
- 10 Wheel Roll Off Truck
- Backhoe/Loader

Long-term Debt

The City's debt for Governmental activity totaled \$261.9 Million (excluding unamortized premium.) This represents a \$75.8 million increase over the last year's total debt of \$186 million. The net increase is primarily attributable to:

- Reduction of outstanding debt principal of \$18.2 million
- Issuance of General Obligation (GO) bonds and refinancing callable bonds of \$26.9 million
- The permanent financing of the State Revolving Fund Loan (SRF) of \$76.7 million for the Peirce Island Wastewater Treatment Facility

General Obligation Bonds and State Revolving Loans Outstanding
Three Year Comparison



	FY22	FY21	FY20
■ Municipal	\$58,733,600	\$58,619,200	\$52,648,500
■ School	\$37,998,300	\$43,311,300	\$46,975,000
■ Water	\$35,514,028	\$31,716,156	\$28,104,684
■ Sewer	\$129,670,279	\$52,408,089	\$49,688,233

Enterprise Funds – Water & Sewer Funds

Did you know? The City manages a water and wastewater (sewer) utility system? These utilities are Enterprise Funds which establishes a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods and/or services. Each of these Enterprise Funds are accounted for separately.

What area does the City service?

The Water fund operates and maintains water production, water storage and water distribution servicing Portsmouth, Greenland, New Castle, Newington and portions of Durham, Madbury and Rye.

How is my water & sewer rate established?


The City's water and sewer rate structure is a two tiered inclining rate, meaning the first 10 units (a unit of 100 cubic feet of water or 748 gallons) of water consumed each month is 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.

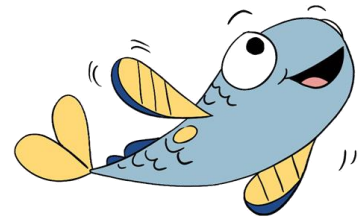
Does the City allow for Irrigation meters? YES!

The City's allows for irrigation meters for both residential and commercial customers. Please call Public Works at (603) 766-1443 and we will be happy to assist.

Why is there a meter charge on my monthly bill?

The monthly meter charge is 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.

FY22 WATER RATES	
Consumption per month 	
1st Tier Rate (10 units or less)	\$4.32
2nd Tier Rate (over 10 units)	\$5.20
Irrigation Meter Consumption Rates	
1st Tier Rate [0-10 units]	\$5.20
2nd Tier Rate [11-20 units]	\$9.81
3rd Tier Rate [over 20 units]	\$12.11



FY22 SEWER RATES	
The Sewer Fund operates the Collection and Treatment of wastewater. Sewer rates are based on water consumption per month.	
1st Tier Rate (10 units or less)	\$14.32
2nd Tier Rate (over 10 units)	\$15.75

Did you know the City offers Water & Sewer Assistance Programs- The City offers Water and Sewer payment assistance for qualifying customers who are residential home owners or tenants. Information regarding these programs can be found on the City's Website at <https://www.cityofportsmouth.com/public-works/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.cityofportsmouth.com/publicworks/residential-toilet-and-washing-machine-rebate-program-additional-information>

Enterprise Funds – Water & 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 private sector. Each report equity as net position. The Statement of Revenues, Expenses and Changes in Fund Net Position for FY22 and FY21 is displayed below for comparison.



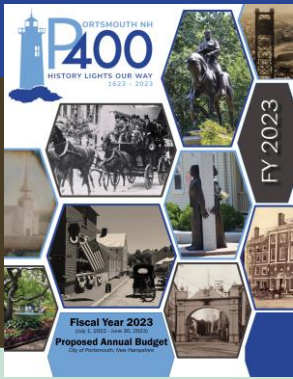
CITY OF PORTSMOUTH, NEW HAMPSHIRE
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

	Water 2022	Water 2021	Sewer 2022	Sewer 2021	Total 2022	Total 2021
Operating Revenues:						
Charges for services	\$ 8,445,746	\$ 8,414,656	\$ 16,907,554	\$ 16,436,560	\$ 25,353,300	\$ 24,851,216
Licenses and permits	1,071,703	917,705	151,835	192,828	1,223,538	1,110,533
Department revenue	207,715	335,829	202,198	132,330	409,913	468,159
Other revenue	42,450	17,760	51,195	-		
Total Operating Revenues	9,767,614	9,685,950	17,312,782	16,761,718	26,986,751	26,429,908
Operating Expenses:						
Personnel services	3,584,565	4,289,006	4,293,254	4,504,432	7,877,819	8,793,438
Non-personnel services	2,063,640	1,887,472	5,415,543	4,746,038	7,479,183	6,633,510
Depreciation	2,202,290	2,110,415	5,047,923	4,433,514	7,250,213	6,543,929
Total Operating Expenses	7,850,495	8,286,893	14,756,720	13,683,984	22,607,215	21,970,877
Operating Income	1,917,119	1,399,057	2,556,062	3,077,734	4,473,181	4,476,791
Nonoperating Revenues (Expenses):						
Intergovernmental revenues	-	792	-	549	-	1,341
Investment income	38,845	90,623	120,204	331,285	159,049	421,908
Bond amortization	218,174	190,003	398,087	264,553	616,261	454,556
Interest expense	(1,135,890)	(1,038,240)	(3,167,930)	(2,952,394)	(4,303,820)	(3,990,634)
Total Nonoperating Revenues (Expenses)	(878,871)	(756,822)	(2,649,639)	(2,356,007)	(3,528,510)	(3,112,829)
Income Before Contributions and Transfers	1,038,248	642,235	(93,577)	721,727	944,671	1,363,962
Capital contributions	460,641	4,960,786	4,819,279	739,222	5,279,920	5,700,008
Transfer out			(311,993)	(277,707)	(311,993)	(277,707)
Change in Net Position	1,498,889	5,603,021	4,413,709	1,183,242	5,912,598	6,786,263
Net Position at Beginning of Year	60,039,871	54,436,850	74,503,585	73,320,343	134,543,456	127,757,193
Net Position at End of Year	\$61,538,760	\$60,039,871	\$78,917,294	\$74,503,585	\$ 140,456,054	\$ 134,543,456

The total net position for the Water and Sewer Funds at the end of the year increased by \$5.9 million for a total of \$140.5 million. The Water Fund increased by \$1.5 million and the Sewer Fund increased by \$4.4 million. Key elements of the changes are:

- Operating revenues over operating expenses of \$4.5 million represent a decrease of \$3,610 from the prior year. Charges for services in the business-type activities experienced an increase of \$502,084. The Water Fund experienced an increase in operating revenues of \$81,664 or .8% and the Sewer Fund experienced an increase in operating revenues of \$551,064 or 3%, both primarily as a result of rate increases.
- Non-operating revenues of \$775,310 represent a decrease of \$102,495 primarily due to a decrease in investment income.
- Non-operating expenses, interest expense, increased by \$315,186 to \$4.3 million.
- Capital grants and contributions of \$5.3 million represent a decrease of \$420,088 primarily due to a reduction of contributions of \$4.5 million made from the Air Force for well and water source projects at Pease and an increase in sewer capital contributions of \$4.1 million from the state forgiveness of principal debt on a SFR loan for the Peirce Island Wastewater Treatment Facility.

Next Year's FY23 Budgets



At the time of publication of the PAFR for year ending June 30, 2022, Fiscal Year 2023 is underway and the budget document is available for review at the Public Library, City Clerk's office as well as on the City's website. The document describes the strategy implemented to continue the services, critical infrastructure needs, and fiscal stability of the City. This document provides helpful information to assist in understanding the City's budget.

\$15.20

The tax rate approved by the Department of Revenue Administration is \$15.20 per \$1,000 of assessed value.

17¢
(1.1%)

General Fund

Fiscal Year 2023 Budget

Operating Budget

General Government	22,835,740
Police	13,268,356
Fire	10,323,327
Education	55,802,082
Collective Bargaining	3,137,450
Transfer to Other Funds	783,043
Total Operating	\$ 106,149,998

Non-Operating

Debt Service	13,749,821
Rockingham County Tax	5,730,000
Capital Outlay	985,000
McIntyre Settlement	1,000,000
DSA Settlement	500,000
Other Non-Operating	4,160,092
Total Non-Operating	26,124,913

Total Annual Budget \$132,274,911

The FY23 Final Budget of \$132,274,911 includes one supplemental appropriation:

\$500,000 for Deer Street Associates Settlement

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 FY23 water user rates reflect a 3% increase from FY22.

First 10 units of water consumed per month increased from \$4.40 to \$4.54.

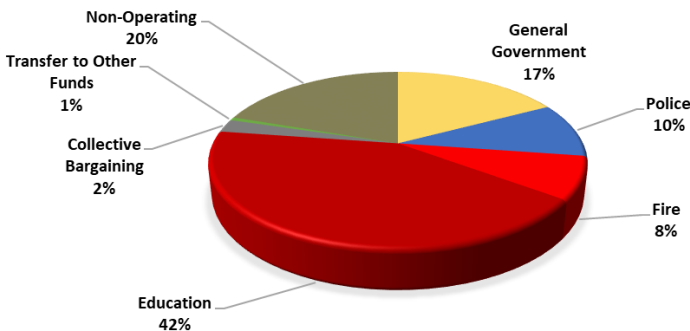
Over 10 units per month increased from \$5.30 to \$5.46.



Irrigation rates are based on a three-tier inclining rate structure.

- First 10 units of water consumed \$5.46/unit
- 10 units up to 20 units consumed \$10.30/unit
- Above 20 units consumed \$12.71/unit

FY23 GENERAL FUND BUDGET



The FY23 sewer user rates reflect a 6% increase from the FY22 rates.

First 10 units of water consumed per month increased from \$14.89 to \$15.78.

Over 10 units per month increased from \$16.38 to \$17.36 per unit.

Did you know . . .

? You can donate funds to a City Project?

Go to the City's Website <https://www.cityofportsmouth.com/city/pay-my-bill> to donate - or - scan a QR code below with your mobile phone.



Portsmouth 400th

City Cemetery Improvements



Skateboard Parks

Portsmouth Public Library



Community Education Scholarships

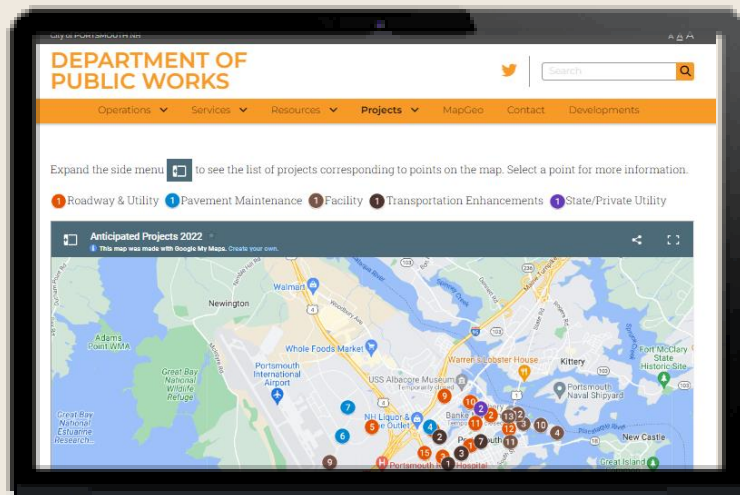


? The City has a webpage dedicated to providing the public information about City projects?

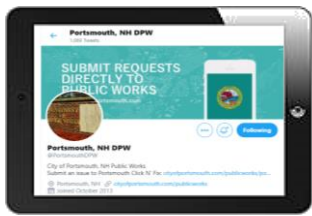
You can find the Project Page on the City's Department of Public Works Page on the City's Website. <https://www.cityofportsmouth.com/publicworks/projects>

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



Download City Apps



Portsmouth Click n Fix

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

ParkMobile

View parking amenities and pay for parking (as well as feed the meter) all from your cell phone. **Residents get a Discount when using the Park Mobile App!!**

ChargePoint Mobile App

Helps find and utilize City ChargePoint EV Charging Stations

Dockwa

Find and reserve available Prescott Park dock spaces online.

Libby and Hoopla

Library Apps that allow you to download ebooks, audio and magazines.

Smart911

Sends out Citywide Emergency alerts including snow parking bans. (Replaced CodeRED system in FY22). *Users of CodeRED must re-subscribe to Smart911 to receive the alerts.*



Visit CityofPortsmouth.com to:

- ✓ Pay your Parking Ticket, Water/ Sewer Bill, Property Tax Bill and more;
- ✓ Renew your Motor Vehicle Registration;
- ✓ Register or Renew your Dog License;
- ✓ Utilize City Project Pages to find information and sign up for email notices on individual projects;
- ✓ Get a City permit online with ViewPoint Cloud Permits;
- ✓ Research property values through the Vision Software system;
- ✓ View 3D maps of the City through MapGeo;
- ✓ Sign up for the City's e-Newsletter; and
- ✓ Send questions by email to: hotline@cityofportsmouth.com

Follow City Departments on Social Media

For up to date information on Citywide happenings (Road closures, recreation programs, Parking Garage statuses, snow bans and more) follow City Departments on Social Media:



Facebook

- ✓ City @cityhallportsmouthnh
- ✓ Fire Department @portsmouthnhfiredepartment
- ✓ Library @pplnh
- ✓ Police Department @portsmouthnhpd
- ✓ Recreation Department @portsmouthnhrec
- ✓ Schools @portsmouthschools



Twitter

- ✓ City of Portsmouth (@MuniPortsmouth)
- ✓ Police Department (@portsmouthnhpd)
- ✓ Fire Department (@portsmouthnhfd)
- ✓ Park Portsmouth (@ParkPortsmouth)
- ✓ Public Works Department (@PortsmouthDPW)
- ✓ Recreation Department (@PortsmouthRec)
- ✓ Portsmouth Schools (@portsschools)
- ✓ Planning Department (@PlanPortsmouth)
- ✓ Portsmouth Public Library (@PortsmouthLibNH)
- ✓ Portsmouth Combined Sewer Overflow Alert (@PortsmouthCSOs)



Instagram

- ✓ DPW/Stormwater: Think Blue Portsmouth NH @thinkblueportsmouthnh
- ✓ Library @Portsmouth-public-library-nh
- ✓ ParkPortsmouth @Park_portsmouthnh



Watch City Meetings LIVE from anywhere (as well as recent or archived City Meetings) on the [City's YouTube Channel](https://www.youtube.com/user/CityofPortsmouth) <https://www.youtube.com/user/CityofPortsmouth> as well as TV Channel 22.

Stay Connected



Contact Us

Name/ Department	Telephone Number	Primary Location
Portsmouth City Hall (Switchboard)	603-431-2000	Portsmouth City Hall 1 Junkins Ave Portsmouth, NH 03801
Mayor	603-610-7200	Portsmouth City Hall
City Manager	603-610-7202	Portsmouth City Hall
Deputy City Manager	603-610-7297	Portsmouth City Hall
Finance Department Director of Finance and Administration Accounts Payable Purchasing Tax Collector City Assessor	603-610-7223 603-610-7839 603-610-1712 603-610-7244 603-610-7249	Portsmouth City Hall
Portsmouth Public Works	603-427-1530	Public Works Building 680 Peverly Hill Road Portsmouth, NH 03801
Portsmouth Police Department	Emergency – 911 Non Emergency 603-427-1500	Portsmouth Police Department 3 Junkins Avenue Portsmouth, NH 03801
Portsmouth Fire Department	Emergency – 911 Non Emergency 603-427-1515	Portsmouth Fire Department – Station 1 170 Court Street Portsmouth, NH 03801
Portsmouth Public Library	603-427-1540	Portsmouth Public Library 175 Parrott Avenue Portsmouth, NH 03801
Portsmouth School Department	603-431-5080	Portsmouth School Department 1 Junkins Avenue Portsmouth, NH 03801
City Clerk's Office	603-610-7245	Portsmouth City Hall
Health Department	603-610-7273	Portsmouth City Hall
Inspection Department	603-610-7243	Portsmouth City Hall
Planning Department	603-610-7296	Portsmouth City Hall
Human Resources	603-610-7270	Portsmouth City Hall
Legal Department	603-610-7204	Portsmouth City Hall
Recreation Department	603-766-1483	Connie Bean 155 Parrott Avenue Portsmouth, NH 03801
Senior Services	603-610-4433	Portsmouth Senior Activity Center 125 Cottage Street Portsmouth, NH 03801
Welfare	603-610-7267	Portsmouth City Hall

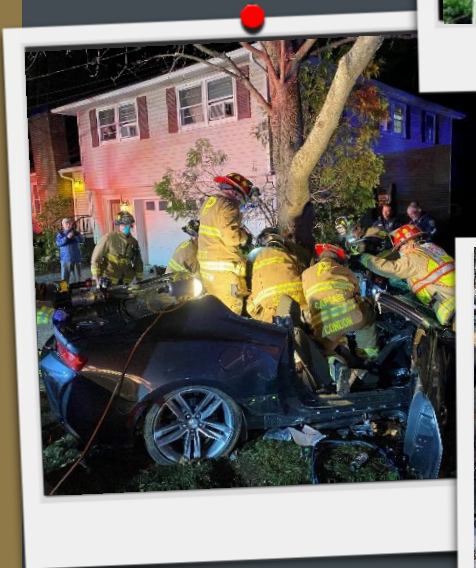
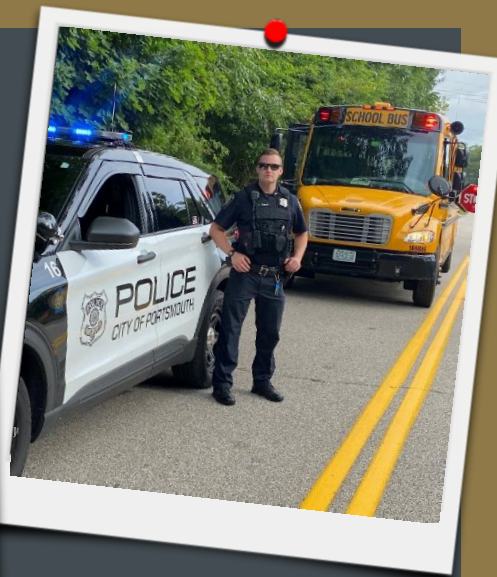


Happy 400th Birthday, Portsmouth!

In 2023, the City will be celebrating its 400th Birthday. Join in the celebration, as the City and the Portsmouth 400th group celebrate throughout the year! Keep an eye on the list of festivities on the Portsmouth, NH 400th Website:

<https://www.portsmouthnh400.org/>





2022
Popular Annual Financial Report
Fiscal Year Ended June 30, 2022

