



TOWN OF BEDFORD

Comprehensive Annual Financial Report
For the Year Ended December 31, 2010



2010

"Literacy is not a luxury, it is a right and a responsibility. If our world is to meet the challenges of the twenty-first century we must harness the energy and creativity of all our citizens."

President Clinton, 1994

CAFR Prepared By:

**The
Finance Department**

Crystal A. Dionne, CPA
Director of Finance

TOWN OF BEDFORD, NEW HAMPSHIRE

Comprehensive Annual Financial Report

For the Year Ended December 31, 2010

Prepared By:

The Finance Department

Crystal A. Dionne, CPA
Director of Finance

Tammy Penny
Accountant

Town of Bedford, New Hampshire
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010

TABLE OF CONTENTS

INTRODUCTORY SECTION

Transmittal Letter	1
Organizational Chart.....	4
Directory of Officials.....	5
GFOA Certificate of Achievement for Excellence in Financial Reporting, December 31, 2009	6

FINANCIAL SECTION

Independent Auditors' Report.....	7
Management's Discussion and Analysis.....	9
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	17
Statement of Activities.....	18
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	19
Reconciliation of Total Governmental Fund Balances to Net Assets of	
Governmental Activities in the Statement of Net Assets.....	20
Statement of Revenues, Expenditures and Changes in Fund Balances	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of	
Governmental Funds to the Statement of Activities.....	22
Statement of Revenues and Other Sources and Expenditures and Other Uses	
Budget and Actual.....	23
Proprietary Funds	
Statement of Net Assets	24
Statement of Revenues, Expenses and Changes in Fund Net Assets.....	25
Statement of Cash Flows.....	26
Fiduciary Funds	
Statement of Fiduciary Net Assets.....	27
Statement of Changes in Fiduciary Net Assets.....	28
Notes to the Financial Statements	29
Required Supplementary Information – Schedule of Employer OPEB Contributions	45

SUPPLEMENTARY STATEMENTS AND SCHEDULES

Detail Schedule of Revenues and Other Financing Source – Budget and Actual –	
General Fund.....	47
Detail Schedule of Expenditures and Other Financing Uses – Budget and Actual	
General Fund.....	48
Combining Balance Sheet – Non-Major Governmental Funds.....	50
Combining Statement of Revenues, Expenditures and Changes in Fund Equity – Non-Major	
Governmental Funds.....	51
Combining Statement of Net Assets – Non-Major Proprietary Funds	53
Combining Statement of Revenues, Expenses and Changes in Net Fund Assets – Non-Major Proprietary	
Funds.....	54

Town of Bedford, New Hampshire
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010

TABLE OF CONTENTS – continued

Combining Statement of Cash Flows – Non-Major Proprietary Funds.....	55
Combining Statement of Fiduciary Net Assets – Private Purpose Trust Funds	57
Combining Statement of Changes in Fiduciary Net Assets – Private Purpose Trust Funds.....	58
Statement of Changes in Assets and Liabilities – Agency Fund.....	60

STATISTICAL SECTION

Government-Wide Information

Net Assets by Component.....	62
Changes in Net Assets	63
Government-Wide Expenses by Function	64
Government-Wide Revenues and Transfers	65

Fund Information

General Government Expenditures by Function and Transfers (<i>last ten years</i>)	66
General Government Revenues by Source and Transfers (<i>last ten years</i>)	67
Fund Balances – Governmental Funds (<i>last 10 years</i>)	68
Changes in Fund Balances – Governmental Funds (<i>last 10 years</i>)	69
Changes in Fund Balances – General Fund (<i>last 10 years</i>)	70

Other Information

Property Tax Levies and Collections (<i>last ten years</i>)	71
Assessed and Estimated Full Value of Real Property (<i>last ten years</i>).....	72
Property Tax Rates (per \$1000) of Assessed Value –	
Direct and Overlapping Governments (<i>last 10 years</i>)	73
Property Values and Construction (<i>last ten years</i>).....	74
Bedford’s Share of County Tax Apportionment (<i>last 10 years</i>).....	75
Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt per Capita (<i>last ten years</i>)	76
Ratio of Annual Debt Service Expenditures for General Obligation Long-Term Debt to General	
Governmental Expenditures (<i>last 10 years</i>).....	77
Computation of Legal Debt Margin	78
Ratios of Long-Term Debt Outstanding and Legal Debt Limits (<i>last 10 years</i>)	79
Computation of Overlapping Debt – General Obligation Bonds (<i>last 10 years</i>)	80
Principal Taxpayers and Principal Employers (<i>current and 9 years ago</i>).....	81
Local and State Demographic Statistics (<i>last 10 years</i>)	82
Operating Indicators by Function (<i>last 10 years</i>)	83
Capital Asset Statistics by Function (<i>last 10 years</i>)	84
Full Time Personnel Statistics by Function (<i>last 10 years</i>)	85



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CRYSTAL A. DIONNE, CPA
Director of Finance



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Town of Bedford, New Hampshire **FINANCE & PERSONNEL DEPARTMENT**

May 20, 2011

To the Members of the Bedford Town Council:

We are pleased to submit the Comprehensive Annual Financial Report of the Town of Bedford for the year ended December 31, 2010. This report consists of management's representations concerning the finances for the Town of Bedford. As such, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with generally accepted accounting principals. Because the cost of internal controls should not outweigh the benefits, the framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position, results of operations, and cash flows of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town's financial statements have been audited by Melanson Heath & Co., PC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements for the year ended December 31, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and the significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based on their audit, that there was reasonable basis for rendering an unqualified opinion that the financial statements for the year ended December 31, 2010, are fairly presented in conformity with generally accepted accounting principle (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and therefore should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditors on page 9.

PROFILE OF GOVERNMENT

The Town of Bedford is located in Hillsborough County in southern New Hampshire, approximately 60 minutes northwest of Boston via Routes 3 and 93, and is situated between Manchester and Nashua, New Hampshire's two largest cities. The Town has a 2010 census population of 21,203 and occupies 38 square miles.

Bedford was named for Lord John Russell, fourth Duke of Bedford, and was incorporated in 1750. Since 1988 the Town has operated under a charter with a Council-Manager form of local government. The Town Council consists of seven members elected to staggered three-year terms. The Council acts as the legislative body of the Town (except for the adoption of the annual budget) and appoints a Town Manager to serve an indefinite term as the Town's chief executive. The Manager is responsible for the administrative and financial affairs of the Town, and implements policies established by the Town Council.

Bedford has a diverse character, combining residential, commercial, industrial and recreational activities. The Town has experienced moderate tax base growth of more than 15% in the last six years with an increasing amount of the growth accruing in commercial and industrial property. This is due to Bedford's proximity to New Hampshire's major north/south and east/west highways, as well as its location within 5 minutes of the Manchester Airport, which offers direct flights to many major cities around the nation. As Town reaches its build out potential, the focus will then shift to redevelopment of certain commercial areas.

The Town of Bedford provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, sanitation services such as solid waste disposal, recreational and cultural events.

Budgetary Process

The Town operates on a calendar year basis, January 1 through December 31. The Town's budget process begins in the summer of each year with departments submitting their annual budget requests to the Town Manager. After reviews with the departments, the Town Manager makes final adjustments to the recommended budget and submits it to the Town Council in September or October. The Town Council then reviews the Manager's recommendations and may add or cut items by a majority vote. Once the Council has made any changes they deem necessary, hearings are held for input from the public. The Council then brings the finalized budget to the citizens for a vote to adopt at Budgetary Town Meeting in March.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The Town of Bedford experienced a stagnant number of real estate transfers for 2010, amounting to 4.7% of taxable parcels, as compared to 4.8% in 2009. The equalized value per capita for 2010 was \$153,312, a decrease of 3.0% over 2009 (\$160,048 – this figure has been revised from the previous report as a result of the 2010 census release on population data).

Bedford's unemployment for 2010 was 4.5%, well below the State and U.S rate of 6.1% and 9.6% respectively.

The percentage of uncollected taxes at the end of 2010 was 3.75% (\$2,913,664). The amount of property tax liens, processed during 2010, for the 2009 tax year was 1.1% (\$680,551) of the property tax levy.

Motor vehicle permits increased slightly during 2010 to 23,670 vehicles from 23,611, bringing the overall 10 year increase to 7%. The number of new dwelling building permits increased in 2010 with 33 permits issued as compared to 20 in 2009. Also permits for residential additions increased slightly in 2010 with 120 permits issued versus 101 in 2009.

Financial Position

The Town's General Fund ended 2010 with an increase to unassigned fund balance of \$516,708 (8.9%) to \$6,293,207. This increase is mostly attributable to the Town's adopted Fund Balance Policy and the Town Council's commitment to set aside funds for the sole purpose of increasing undesignated fund balance to a minimum of 8% of the total budget for the Town/School/County combined. The General Fund unassigned fund balance was 8.5% of the total 2010 budget (including the Town \$22,208,419, School \$48,215,122 and County \$3,675,244). The Sewer Fund's unrestricted net assets decreased 9.3% from \$101,116 in 2009 to \$91,730 in 2010.

The Governmental Activities reported \$ 11.8 million in outstanding debt for 2010 versus \$14.355 million in 2009. The debt per capita for 2010 was \$624, which is a minimal amount for a community the size of Bedford.

Bond Rating

In 1998, the Town received a bond rating upgrade from Moody's Investor Services to Aa3. The Town received a second upgrade to its bond rating in 2003 to Aa2. This bond rating was maintained with the Town's most recent bond issue during June 2006. According to Moody's, the upgraded rating reflects the Town's rapid growing, wealthy tax base, strong financial position and very favorable debt position.

In May 2010, Moody's recalibrated the municipal rating scale to more closely resemble the global scale. With this recalibration, the Town's bond rating became a desirable Aa1. The Town's financial operations are expected to remain strong given the commitment to balanced budgeting and healthy reserve levels and it is expected that the current recalibrated rating will remain constant for the next bond issuance expected in the summer/fall of 2011.

Long-Term Financial Planning

The Town uses its Capital Improvements Program (CIP) as a tool for long-term planning for the purchase or construction of capital assets. The CIP is prepared in accordance with Section 1-5-7 of the Town Charter and projects capital purchases for a period of 10 years. The program also defines how capital projects will be financed and the impact of these projects on the property tax and sewer rates. It is the goal of the CIP to plan in advance for major expenses so that funds can be set aside annually for future projects thereby reduce the need to bond funds.

ACKNOWLEDGEMENTS

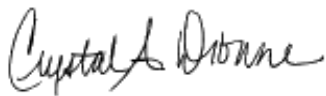
This report represents the continuous development and refinement of the Town's detailed financial reporting. It is the sixth year that the Town has issued a comprehensive annual financial report (CAFR).

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Bedford for its comprehensive annual financial report for the year ended December 31, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must also satisfy both generally accepted accounting principles and applicable legal requirements. Attainment of this prestigious award signifies a true accomplishment by the Town and the Town's management.

A CAFR is a much more detailed reporting of the Town's finances, and includes the Town's audited financial statements with a complete management analysis of the Town's financial health as well as providing useful historical statistical information. The Certificate of Achievement is valid for a period of one year only. We believe that the current comprehensive annual report continues to meet the Certificate of Achievement Program's requirements and as such, we are submitting it to the GFOA to determine its eligibility for another certificate.

This report reflects the Town's commitment to improve and maintain our financial statements and record keeping systems in conformity with the highest standards of accountability. The report also reflects our commitment to maintaining the public's trust through high ethics and uncompromising integrity. The dedicated efforts of the entire Finance staff have been invaluable in compiling this report.

Respectfully Submitted,

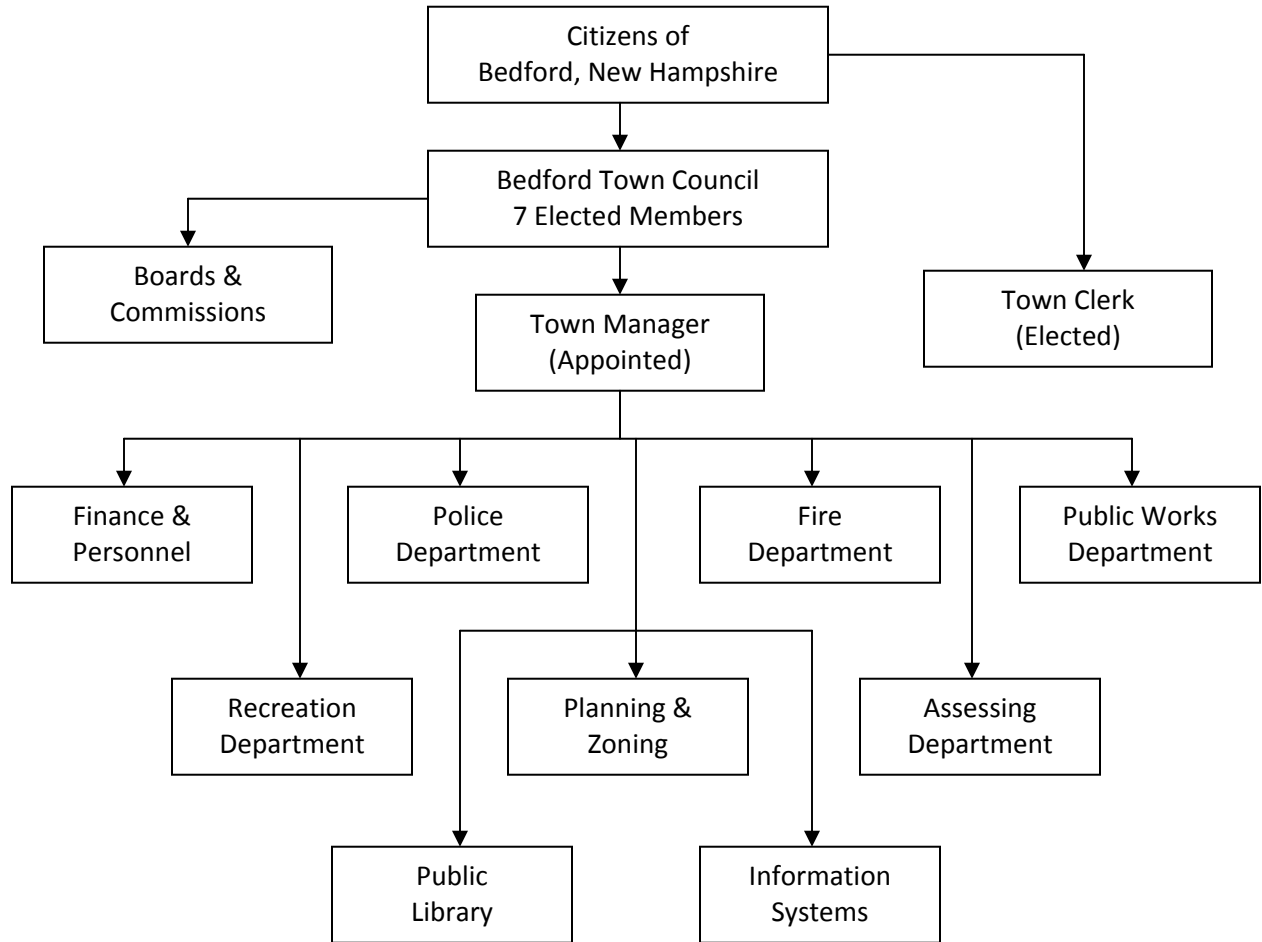


Crystal A. Dionne, CPA
Director of Finance



Town of Bedford, New Hampshire

ORGANIZATIONAL CHART





Town of Bedford, New Hampshire

DIRECTORY OF OFFICIALS

TOWN COUNCIL MEMBERS

(Elected)

Mike Izbicki, Chairman	2013
Bill Dermody, Vice Chairman	2011
Paul Roy, Sr.	2012
Normand Longval.....	2012
Jim Scanlon	2013
Chris Bandazian.....	2011
Ken Peterson (appointed).....	2011

TOWN MANAGER

(Appointed)

Russell R. Marcoux

DEPARTMENT HEADS

Finance & Personnel	Crystal A. Dionne, CPA
Police.....	David C. Bailey
Fire	Scott A. Wiggin
Planning/Zoning.....	Richard Sawyer, AICP
Assessing.....	William H. Ingalls, CNHA
Public Works	James B. Stanford, P.E.
Public Library	Mary Ann Senatro
Recreation.....	Jane O'Brien
Information Systems.....	Brian M. Davis
Town Clerk (elected).....	Lori Radke

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Bedford
New Hampshire

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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



A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director



MELANSON HEATH & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Bedford, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Bedford, New Hampshire, as of and for the year ended December 31, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Bedford's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Bedford, as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, appearing on the following pages, and the supplementary information, appearing on page 45, are not a required part

Additional Offices:

Andover, MA • Greenfield, MA • Ellsworth, ME • Manchester, NH

of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the Town of Bedford, New Hampshire's basic financial statements. The introductory section, supplementary statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Melanson, Heath + Company P.C.

Nashua, New Hampshire
May 18, 2011

TOWN OF BEDFORD – MANAGEMENT’S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of the financial activities of the Town of Bedford (the Town) for the year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information included in our letter of transmittal, as well as with the Town’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-Wide Highlights:

- **Net Assets:** The total assets of the Town exceeded total liabilities at year ending December 31, 2010 by \$86.09 million. This amount is presented as “net assets” on the Statement of Net Assets for the Total Primary Government (a condensed Statement can be seen in this MD&A section of this report). Of this amount, \$11.46 million was reported as unrestricted. Unrestricted net assets represent the amount available to be used to meet the Town’s ongoing obligations to citizens and creditors.
- **Changes in Net Assets:** The Town’s total net assets increased by \$0.76m, or 0.9% in 2010. Net assets of governmental activities increased by \$833k (1.07%), while net assets of the business-type activities showed a decrease of \$77k (1.07%).

Fund Highlights:

Governmental Funds: Fund Balances – As of the close of year 2010, the Town’s governmental funds reported a combined ending fund balance of \$13.66 million, a decrease of \$307k in comparison to the prior year (\$13.96m). Included in the combined governmental fund balance is the activity of the Town’s General Fund (\$12.9m), and other Governmental Funds (\$736k). The General Fund ended the year with an unassigned fund balance of \$6.29 million.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town’s basic financial statements. The Town’s basic financial statements include three components:

- Government-Wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

This report also contains supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad overview of the Town’s finances. These statements (Statement of Net Assets and the Statement of Activities) provide both short-term and long-term information about the Town’s overall financial position. They are prepared using the accrual basis of accounting, which recognizes all revenues and expenses connected with the year even if cash has not been received or paid.

- The *Statement of Net Assets*, found on page 17 presents all of the Town’s non-fiduciary assets and liabilities. The difference between assets and liabilities is reported as “net assets” instead of fund balances as shown on the Fund Statements. Over time, increases or decreases in the net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.
- The *Statement of Activities*, found on page 18 presents information showing how the Town’s net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and

expenses are reported in this statement for some items that will not result in cash flows until future periods (such as uncollected taxes and licenses). This statement also presents a comparison between direct expenses and program revenues for each function of the Town.

Both of the government-wide financial statements have separate sections for two different types of Town activities. These two types of activities are:

- *Governmental Activities:* The activities in this section represent most of the Town's basic services and are generally supported by taxes, grants and intergovernmental revenues. The governmental activities of the Town include general government, police and fire protection, administration of public works, planning and assessing functions, and culture and recreation. Other governmental activities include special revenue and capital projects funds.
- *Business-Type Activities:* These activities are normally intended to recover all or a significant portion of their costs through user fees and charges to external users of the goods and services. These business-type activities of the Town include the operation of:
 - Sewer Department,
 - Police Detail,
 - Day Camp, and
 - Bedford Community Television

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on the individual parts of the Town government, and report the Town's operations in more detail than the government-wide statements. The Town's funds are divided into 3 categories – governmental, proprietary and fiduciary. For governmental and proprietary funds, only those funds that are considered Major Funds are reported in individual columns in the Fund Financial Statements with combining schedules in the Supplementary Section to support the Non-Major activities. Fiduciary Funds are reported by fiduciary type (trust and agency).

- *Governmental Funds:* Most of the basic services provided by the Town are financed through governmental funds. Unlike the government-wide financial statements, the governmental fund financial statements report using the modified-accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The basic governmental fund financial statements can be found beginning on page 19.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented here with similar information presented in the government-wide financial statements. Reconciliations are provided between the Governmental Fund Statements and the Government-Wide Statements, which can be found on pages 20 and 22.

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

- *Proprietary Funds:* The Town's proprietary funds provide goods and services to the general public and charge a user fee. These activities are reported in enterprise funds. They include the operations of the Sewer Department, Police Detail, Day Camp and Bedford Community Television (BCTV).

Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. Therefore there is no reconciliation needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements. The basic proprietary funds financial statements can be found on pages 24 through 26.

- *Fiduciary Funds*: These funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's programs. The accounting used for fiduciary funds is much like that used for proprietary funds in that they use the accrual basis of accounting.

The Town's fiduciary funds found on pages 27 and 28 include the:

- Private Purpose Trust Funds (which account for activity of trust arrangements under which principal and income benefit individuals, private organizations, or other governments)
- Agency Funds (which account for the resources held in a pure custodial capacity)

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the basic financial statements begin on page 29.

Supplementary Information

Other supplementary information includes combining and individual fund financial statements and schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Town's combined net assets (government and business-type activities) totaled \$86.09 million at the end of 2010, which increased by \$0.76 million when compared to the end of the previous year.

Financial Position

The following is a summary of condensed government-wide financial data of net assets for the current and restated prior fiscal years.

TOWN OF BEDFORD						
Condensed Statement of Net Assets						
as of December 31, 2010 and 2009						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Current Assets	\$ 39,253,394	\$ 39,069,947	\$ 565,125	\$ 449,625	\$ 39,818,519	\$ 39,519,572
Capital Assets	<u>78,370,573</u>	<u>80,040,873</u>	<u>7,092,016</u>	<u>7,351,832</u>	<u>85,462,589</u>	<u>87,392,705</u>
Total Assets	<u>\$ 117,623,967</u>	<u>\$ 119,110,820</u>	<u>\$ 7,657,141</u>	<u>\$ 7,801,457</u>	<u>\$ 125,281,108</u>	<u>\$ 126,912,277</u>
Current Liabilities	\$ 27,358,440	\$ 27,379,563	\$ 292,755	\$ 191,201	\$ 27,651,195	\$ 27,570,764
Noncurrent Liabilities	<u>11,340,108</u>	<u>13,639,136</u>	<u>202,163</u>	<u>370,919</u>	<u>11,542,271</u>	<u>14,010,055</u>
Total Liabilities	38,698,548	41,018,699	494,918	562,120	39,193,466	41,580,819
Net Assets						
Invested in Capital Assets	67,470,573	66,718,570	6,747,016	6,841,832	74,217,589	73,560,402
Restricted	406,348	203,537	-	-	406,348	203,537
Unrestricted	<u>11,048,498</u>	<u>11,170,014</u>	<u>415,207</u>	<u>397,505</u>	<u>11,463,705</u>	<u>11,567,519</u>
Total Net Assets	<u>\$ 78,925,419</u>	<u>\$ 78,092,121</u>	<u>\$ 7,162,223</u>	<u>\$ 7,239,337</u>	<u>\$ 86,087,642</u>	<u>\$ 85,331,458</u>

The largest portion of the Town's net assets, \$74.22 million (86%), reflects our investment in capital assets such as land, buildings and equipment, less any related outstanding debt used to acquire those assets. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves generally cannot be used to liquidate these liabilities.

Financial Position (continued)

An additional portion of net assets, \$406.3k represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$11.46 million may be used to meet the government's ongoing obligations to its citizens and creditors. However, internally imposed designations of resources are not presented as restricted net assets.

Financial Results

The following is a summary of condensed government-wide financial data of changes in net assets for fiscal years 2010 and 2009.

Statement of Change in Net Assets
For the Years Ended December 31, 2010 and 2009

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program Revenues						
Charges for Services	\$ 1,567,425	\$ 1,599,840	\$ 1,542,728	\$ 1,449,744	\$ 3,110,153	\$ 3,049,584
Grants and Contributions	982,106	738,566	6,722	8,699	988,828	747,265
General Revenues						
Property Taxes	13,172,739	12,760,371	-	-	13,172,739	12,760,371
Other Taxes	223,760	422,261	-	-	223,760	422,261
MV Excise Tax	4,073,000	4,032,012	-	-	4,073,000	4,032,012
Grants and Contributions - unrestricted	927,355	930,475	-	-	927,355	930,475
Investment Income	141,149	195,973	-	-	141,149	195,973
Other revenues	308,880	88,792	-	-	308,880	88,792
Total Revenues	21,396,414	20,768,290	1,549,450	1,458,443	22,945,864	22,226,733
Expenses:						
General Government	4,640,913	4,374,205	-	-	4,640,913	4,374,205
Public Safety	7,094,401	6,255,703	-	-	7,094,401	6,255,703
Highways and Streets	5,796,428	6,169,918	-	-	5,796,428	6,169,918
Sanitation	928,366	907,154	-	-	928,366	907,154
Welfare	23,572	19,248	-	-	23,572	19,248
Culture and Recreation	1,717,587	1,396,721	-	-	1,717,587	1,396,721
Conservation	5,294	4,911	-	-	5,294	4,911
Interest on Long-Term Debt	466,055	577,619	-	-	466,055	577,619
Sewer Department	-	-	890,234	755,429	890,234	755,429
Police Special Detail	-	-	307,843	268,936	307,843	268,936
Recreation Day Camp	-	-	89,515	88,498	89,515	88,498
Bedford Community Television	-	-	229,472	337,908	229,472	337,908
Total Expenses	20,672,616	19,705,479	1,517,064	1,450,771	22,189,680	21,156,250
Change in Net Assets before Transfers	723,798	1,062,811	32,386	7,672	756,184	1,070,483
Transfers In (Out)	109,500	169,000	(109,500)	(169,000)	-	-
Change in Net Assets	833,298	1,231,811	(77,114)	(161,328)	756,184	1,070,483
Net Assets - beginning of year	78,092,121	76,860,310	7,239,337	7,400,665	85,331,458	84,260,975
Net Assets - end of year	\$ 78,925,419	\$ 78,092,121	\$ 7,162,223	\$ 7,239,337	\$ 86,087,642	\$ 85,331,458

Governmental Activities for the year resulted in an increase to net assets of \$833,298. Key elements of this increase are as follows:

General Fund Revenues in excess of Expenditures	\$ 783,339
Nonmajor fund Expenditures in excess of Revenues	(1,199,649)
Depreciation expense in excess of Principal Debt Service	(534,722)
Capital Assets acquired from current year Revenues	1,778,018
Increase in net OPEB obligation	(215,547)
Other	<u>221,859</u>
Increase in Governmental Net Assets	\$ 833,298

Business-Type Activities for the year resulted in a decrease to net assets of \$77,114 due to both the sewer fund and the non-major fund Day Camp realizing more expenses from 2010 than revenue.

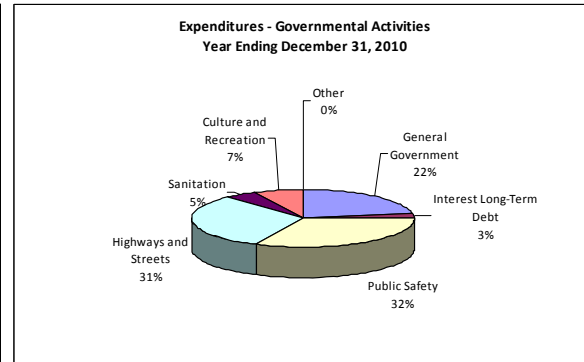
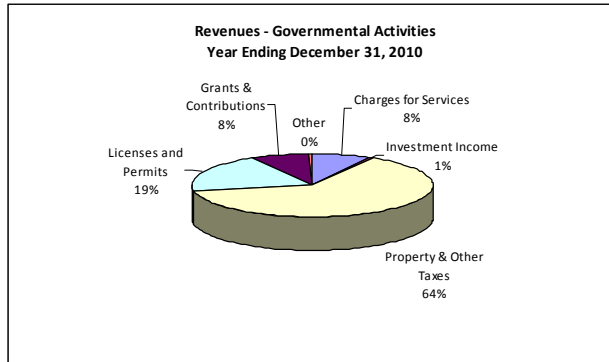
Analysis of Change in Revenues and Expenditures
For the Years Ended December 31, 2010 and 2009

	Governmental Activities		Business-Type Activities		Total Primary Government	
	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change
Revenues:						
Program Revenues						
Charges for Services	\$ (32,415)	-2.03%	\$ 92,984	6.41%	\$ 60,569	1.99%
Grants and Contributions	243,540	32.97%	(1,977)	-22.73%	241,563	32.33%
General Revenues						
Property Taxes	412,368	3.23%	-	-	412,368	3.23%
Other Taxes	(198,501)	-47.01%	-	-	(198,501)	-47.01%
MV Excise Tax	40,988	1.02%	-	-	40,988	1.02%
Grants and Contributions - unrestricted	(3,120)	-0.34%	-	-	(3,120)	-0.34%
Investment Income	(54,824)	-27.98%	-	-	(54,824)	-27.98%
Other revenues	220,088	247.87%	-	-	220,088	247.87%
Total Revenues	628,124	3.02%	91,007	6.24%	719,131	3.24%
Expenses:						
General Government	266,708	6.10%	-	-	266,708	6.10%
Public Safety	838,698	13.41%	-	-	838,698	13.41%
Highways and Streets	(373,490)	-6.05%	-	-	(373,490)	-6.05%
Sanitation	21,212	2.34%	-	-	21,212	2.34%
Welfare	4,324	22.46%	-	-	4,324	22.46%
Culture and Recreation	320,866	22.97%	-	-	320,866	22.97%
Conservation	383	7.80%	-	-	383	7.80%
Interest on Long-Term Debt	(111,564)	-19.31%	-	-	(111,564)	-19.31%
Sewer Department	-	-	134,805	17.84%	134,805	17.84%
Police Special Detail	-	-	38,907	14.47%	38,907	14.47%
Recreation Day Camp	-	-	1,017	1.15%	1,017	1.15%
Bedford Community Television	-	-	(108,436)	-32.09%	(108,436)	-32.09%
Total Expenses	967,137	4.91%	66,293	4.57%	1,033,430	4.88%
Change in Net Assets before Transfers	(339,013)	-31.90%	24,714	322.14%	(314,299)	-29.36%
Transfers In (Out)	(59,500)	-35.21%	59,500	-35.21%	-	-
Change in Net Assets	(398,513)	-32.35%	84,214	-52.20%	(314,299)	-29.36%
Net Assets - beginning of year	1,231,811	1.60%	(161,328)	-2.18%	1,070,483	1.27%
Net Assets - end of year	833,298.00	1.07%	\$ (77,114)	-1.07%	\$ 756,184	0.89%

As illustrated in the table above, "Analysis of Change in Revenues and Expenses" there are certain expense categories which experienced significant changes in 2010 as compared to 2009. They are as follows:

- **Grants and Contributions** reports an increase of \$243k due to various state and federal grants received by the police and fire departments as well as an increase in the Highway Block Grant and receipt of FEMA funds in 2010.
- **Other Taxes** reports a decrease of \$198k primarily due to the collection of penalties for the repurchase of tax deeded properties in 2009.
- **Other Revenues** report an increase of \$220k due primarily to the sale of 77 Gault Road.
- **Interest Income** reports a decrease of \$55k due to continually declining interest rates.
- **General Government Expenses** report an increase of \$266k due primarily to the deposit of capital reserve funds expended when the sale of land at 77 Gault Road was realized.
- **Public Safety** reports an increase of \$839k which is due primarily to the purchase of a new ambulance and forestry vehicle, the refurbishment of tanker #2, and various wage/retirement increases.
- **Highways and Streets** reports a decrease of \$373k due to fewer equipment purchases and a reduction in expenses for road maintenance.
- **Culture and Recreation** reports an increase of \$321k which is due primarily to one time capital costs in both the Recreation Field and Library budgets, the transfer of recreation capital fees and additional expenses from the Library's special account.

- **Business-Type Activities** also report significant changes as compared to the prior year as follows:
 - **Sewer Department** reports an increase of \$135k due to additional payments made for treatment plant expansion.
 - **Police Special Detail** reports an increase of \$39k due to an increase in detail activity contracted during the year.
 - **Bedford Community Television** reports a decrease of \$108k due to one time expenses incurred in 2009 related to the meeting room lighting project.



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

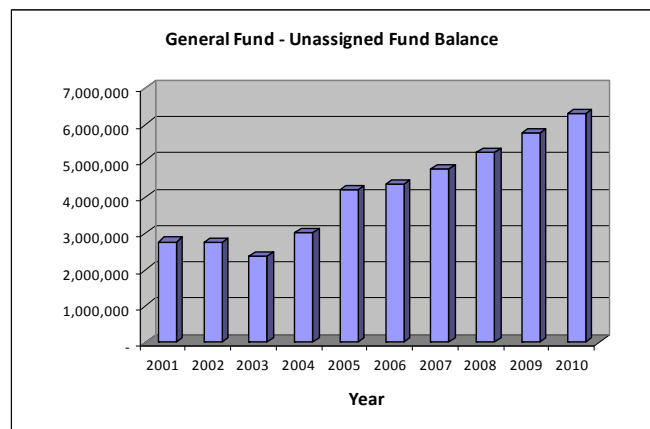
As of the end of the current year, governmental funds reported combined ending fund balances of \$13.66 million, a decrease of \$307k in comparison with the prior year. Key elements of this decrease are as follows:

General Fund Revenues/Transfers In in excess of Expenditures/Transfers Out	989,339
Nonmajor Fund Expenditures/Transfers Out in excess of Revenues/Transfers In	<u>(1,296,149)</u>
Total	<u>\$ (306,810)</u>

General Fund

The general fund is the chief operating fund of the Town. At the end of the current year, the general fund had an unassigned fund balance of \$6.3 million, while total fund balance was \$12.9 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 32.2% of total general fund expenditures, while total fund balance represents 66.1% of the same amount.

The unassigned fund balance of the general fund increased by \$516.7k during 2010 due to specific funding appropriated for this purpose.



Proprietary Funds

The Town's proprietary fund statements provide the same type of information found in the government-wide financial statements, yet in more detail. Proprietary fund financial statements use the accrual basis of accounting, like the government-wide financials. As such, there is no reconciliation needed between the government-wide financial statements for business type activities and the proprietary fund financial statements.

The unrestricted net assets for the Town's Sewer fund, decreased by \$9,386 (9.3%) during 2010, bringing the balance to \$91.7k. Other non-major funds reported an increase in unrestricted net assets of \$27.1k (9.1%), bringing their cumulative total to \$323.5k.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the original adopted budget did not change. There were no major variations from the budget to actual amounts with the exception of unexpended appropriations in both the Town Council and Conservation Commission budgets for the purchase of land. The 2010 budget included an appropriation in the amount of \$924k (\$115k spent for deposit into the 'Land' capital reserve account and \$809k remained unexpended at year end) for the Town Council and \$241k (\$238k unexpended at year end) for the Conservation Commission. These unspent appropriations are offset by unrealized revenues in their respective accounts. The Town budgeted revenue for land sales in the amount of \$563k as well as transfers in from capital reserve for \$361k under Town Council, only \$115k of land sale revenue materialized in 2010 to offset the transfer to capital reserve noted above. For the Conservation Commission account, the Town budgeted for revenue in the amount of \$241k for a transfer in from capital reserves, which never materialized during 2010.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2010, amounted to \$85.5 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, and equipment. The following yearly comparison shows net capital assets by category:

Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Land and Improvements	\$ 14,493,446	\$ 14,435,303	\$ 15,000	\$ 15,000	\$ 14,508,446	\$ 14,450,303
Buildings and Improvements	3,788,115	3,899,479	1,092,182	1,161,309	4,880,297	5,060,788
Vehicles & Equipment	3,272,921	3,237,257	700,542	726,093	3,973,463	3,963,350
Infrastructure	56,816,091	58,468,834	-	-	56,816,091	58,468,834
Sewer System	-	-	5,284,292	5,449,430	5,284,292	5,449,430
Total Assets	<u>\$ 78,370,573</u>	<u>\$ 80,040,873</u>	<u>\$ 7,092,016</u>	<u>\$ 7,351,832</u>	<u>\$ 85,462,589</u>	<u>\$ 87,392,705</u>

Major capital asset acquisitions during the current year included the following:

- Various Fire Department vehicles including the replacement of ambulance #2, refurbishment of Tanker #2 and new forestry/utility vehicle.
- Various Public Works vehicles and equipment including two 6-wheel dump trucks and a one-ton truck.
- Three cruisers for the police department.
- Continued financial software system replacement and related hardware.

Debt Administration

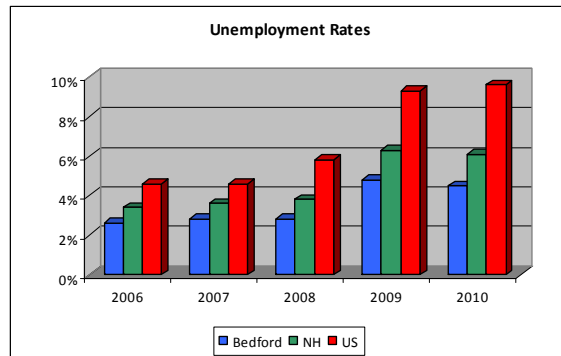
At the end of the current year, the Town had total bonded debt outstanding of \$12.145 million, all of which was backed by the full faith and credit of the Town.

Additional information on the Town's capital assets and long-term debt can be found in the notes to the financial statements on pages 37 through 40.

ECONOMIC CONDITIONS

For fiscal year 2011, the Town approved a \$23,773,200 operating budget, \$21,606,020 of which represents the general fund budget. This budget includes limited funding for a modified capital improvement program and the necessary funding to maintain Town services at their current levels.

Along with the state and other local municipalities, the Town's economy has remained stagnant during 2010. Unemployment dipped slightly during the year as expected, however NH remained below both the US average and the New England average. According to the NH Department of Employment Security, the unemployment rate in Bedford reached 4.5% at the end of 2010. The table to the right depicts unemployment rates in Bedford for the past 5 years compared to the New Hampshire and US unemployment rates.



REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all Bedford citizens, taxpayers, customers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Bedford, Finance Director, 24 North Amherst Road, Bedford, New Hampshire, 03110.

TOWN OF BEDFORD, NEW HAMPSHIRE
Statement of Net Assets

December 31, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current:			
Cash and short-term investments	\$ 32,426,947	\$ 300,527	\$ 32,727,474
Investments	2,936,808	-	2,936,808
Receivables, net of allowance for uncollectibles:			
Property taxes	2,913,664	-	2,913,664
User fees	-	280,866	280,866
Departmental and other	582,719	60,983	643,702
Intergovernmental	567	68,849	69,416
Prepaid items	246,589	-	246,589
Internal balances	146,100	(146,100)	-
Total Current Assets	39,253,394	565,125	39,818,519
Noncurrent:			
Capital assets not being depreciated	13,887,839	15,000	13,902,839
Capital assets being depreciated, net of accumulate depreciation	64,482,734	7,077,016	71,559,750
Total Noncurrent Assets	78,370,573	7,092,016	85,462,589
TOTAL ASSETS	117,623,967	7,657,142	125,281,108
LIABILITIES			
Current:			
Accounts payable	439,795	100,111	539,906
Accrued liabilities	195,998	7,011	203,009
Retainage payable	44,193	-	44,193
Tax refunds payable	56,602	-	56,602
Due to other governments	23,451,611	-	23,451,611
Other current liabilities	367	1,006	1,373
Current portion of long-term liabilities:			
Bonds payable	2,550,000	170,000	2,720,000
Landfill liability	20,000	-	20,000
Accrued employee benefits	599,874	14,627	614,501
Total Current Liabilities	27,358,440	292,755	27,651,195
Noncurrent:			
Bonds payable, net of current portion	9,250,000	175,000	9,425,000
Landfill liability, net of current portion	340,000	-	340,000
Accrued employee benefits, net of current portion	1,114,053	-	1,114,053
Net OPEB Obligation	636,055	27,163	663,218
Total Noncurrent Liabilities	11,340,108	202,163	11,542,271
TOTAL LIABILITIES	38,698,548	494,918	39,193,466
NET ASSETS			
Invested in capital assets, net of related debt	67,470,573	6,747,016	74,217,589
Restricted for:			
Grants and other statutory restrictions	377,927	-	377,927
Permanent funds:			
Nonexpendable	25,255	-	25,255
Expendable	3,166	-	3,166
Unrestricted	11,048,498	415,207	11,463,705
TOTAL NET ASSETS	\$ 78,925,419	\$ 7,162,223	\$ 86,087,642

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Statement of Activities

For the Year Ended December 31, 2010

	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General government	\$ 4,640,913	\$ 262,232	\$ -	\$ -	\$ (4,378,681)	\$ -	\$ (4,378,681)
Public safety	7,094,401	1,098,461	332,550	-	(5,663,390)	-	(5,663,390)
Highways and streets	5,796,428	2,736	622,596	-	(5,171,096)	-	(5,171,096)
Sanitation	928,366	80,295	26,960	-	(821,111)	-	(821,111)
Welfare	23,572	32,206	-	-	8,634	-	8,634
Culture and recreation	1,717,587	91,495	-	-	(1,626,092)	-	(1,626,092)
Conservation	5,294	-	-	-	(5,294)	-	(5,294)
Interest on long-term debt	466,055	-	-	-	(466,055)	-	(466,055)
Total Governmental Activities	<u>20,672,616</u>	<u>1,567,425</u>	<u>982,106</u>	<u>-</u>	<u>(18,123,085)</u>	<u>-</u>	<u>(18,123,085)</u>
Business-Type Activities:							
Sewer services	890,234	821,386	-	6,722	-	(62,126)	(62,126)
Nonmajor services	626,830	721,342	-	-	-	94,512	94,512
Total Business-Type Activities	<u>1,517,064</u>	<u>1,542,728</u>	<u>-</u>	<u>6,722</u>	<u>-</u>	<u>32,386</u>	<u>32,386</u>
Total	<u>\$ 22,189,680</u>	<u>\$ 3,110,153</u>	<u>\$ 982,106</u>	<u>\$ 6,722</u>	<u>(18,123,085)</u>	<u>32,386</u>	<u>(18,090,699)</u>
			General Revenues:				
					13,172,739	-	13,172,739
					4,073,000	-	4,073,000
					223,760	-	223,760
					Grants and contributions not restricted		
					927,355	-	927,355
					141,149	-	141,149
					308,880	-	308,880
					109,500	(109,500)	-
					<u>18,956,383</u>	<u>(109,500)</u>	<u>18,846,883</u>
					833,298	(77,114)	756,184
					<u>78,092,121</u>	<u>7,239,337</u>	<u>85,331,458</u>
					<u>\$ 78,925,419</u>	<u>\$ 7,162,223</u>	<u>\$ 86,087,642</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Governmental Funds
Balance Sheet

December 31, 2010

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and short-term investments	\$ 31,745,527	\$ 681,420	\$ 32,426,947
Investments	2,850,520	86,288	2,936,808
Receivables:			
Property taxes, net	2,913,664	-	2,913,664
Departmental and other	582,582	137	582,719
Intergovernmental	567	-	567
Due from other funds	146,100	-	146,100
Prepaid items	246,589	-	246,589
TOTAL ASSETS	\$ 38,485,549	\$ 767,845	\$ 39,253,394
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 439,795	\$ -	\$ 439,795
Retainage payable	12,171	32,022	44,193
Deferred revenues	1,601,897	-	1,601,897
Tax refunds liability	56,602	-	56,602
Due to other governments	23,451,611	-	23,451,611
Other liabilities	298	69	367
TOTAL LIABILITIES	25,562,374	32,091	25,594,465
Fund Balances:			
Nonspendable	246,589	25,255	271,844
Restricted	520,286	710,499	1,230,785
Committed	4,123,267	-	4,123,267
Assigned	1,739,826	-	1,739,826
Unassigned	6,293,207	-	6,293,207
TOTAL FUND BALANCES	12,923,175	735,754	13,658,929
TOTAL LIABILITIES AND FUND BALANCES	\$ 38,485,549	\$ 767,845	\$ 39,253,394

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
*Reconciliation of Total Governmental Fund
Balances to Net Assets of Governmental
Activities in the Statement of Net Assets*

December 31, 2010

Total governmental fund balances	\$	13,658,929
· Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		78,370,573
· Revenues are reported on the accrual basis of accounting and are not deferred until collection.		1,601,897
· In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.		(195,998)
· Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:		
Bonds payable		(11,800,000)
Landfill liability		(360,000)
Accrued employee benefits		(1,713,927)
Net OPEB obligation		<u>(636,055)</u>
Net assets of governmental activities	\$	<u>78,925,419</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 2010

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ 12,928,804	\$ -	\$ 12,928,804
Licenses and permits	4,279,614	-	4,279,614
Intergovernmental	1,792,887	116,574	1,909,461
Charges for services	1,065,443	295,368	1,360,811
Investment income	138,545	2,604	141,149
Miscellaneous	133,201	175,679	308,880
Total Revenues	<u>20,338,494</u>	<u>590,225</u>	<u>20,928,719</u>
Expenditures:			
Current:			
General government	4,459,698	102,529	4,562,227
Public safety	6,660,334	500	6,660,834
Highways and streets	2,975,384	-	2,975,384
Sanitation	944,489	-	944,489
Welfare	23,572	-	23,572
Culture and recreation	1,400,899	191,354	1,592,253
Conservation	5,268	-	5,268
Debt service	3,085,511	-	3,085,511
Capital outlay	-	1,495,491	1,495,491
Total Expenditures	<u>19,555,155</u>	<u>1,789,874</u>	<u>21,345,029</u>
Excess (deficiency) of revenues over (under) expenditures	783,339	(1,199,649)	(416,310)
Other Financing Sources (Uses):			
Transfers in	206,000	-	206,000
Transfers out	-	(96,500)	(96,500)
Total Other Financing Sources (Uses)	<u>206,000</u>	<u>(96,500)</u>	<u>109,500</u>
Changes in fund balances	989,339	(1,296,149)	(306,810)
Fund Balances, at Beginning of Year, as reclassified	<u>11,933,836</u>	<u>2,031,903</u>	<u>13,965,739</u>
Fund Balances, at End of Year	<u>\$ 12,923,175</u>	<u>\$ 735,754</u>	<u>\$ 13,658,929</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
*Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities*

For the Year Ended December 31, 2010

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (306,810)										
<ul style="list-style-type: none"> · Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 80%;">Capital outlay purchases/disposals, net</td> <td style="width: 20%; text-align: right;">1,419,422</td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">(3,089,722)</td> </tr> </table> 		Capital outlay purchases/disposals, net	1,419,422	Depreciation	(3,089,722)						
Capital outlay purchases/disposals, net	1,419,422										
Depreciation	(3,089,722)										
<ul style="list-style-type: none"> · Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., property taxes) differ between the two statements. This amount represents the net change in deferred revenue. <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right;">467,695</td> </tr> </table> 			467,695								
	467,695										
<ul style="list-style-type: none"> · The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets: <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 80%;">Repayments of debt</td> <td style="width: 20%; text-align: right;">2,555,000</td> </tr> </table> 		Repayments of debt	2,555,000								
Repayments of debt	2,555,000										
<ul style="list-style-type: none"> · In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right;">64,457</td> </tr> </table> 			64,457								
	64,457										
<ul style="list-style-type: none"> · Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds: <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 80%;">Decrease in capital leases</td> <td style="width: 20%; text-align: right;">4,071</td> </tr> <tr> <td>Decrease in landfill liability</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td>Increase in liability for accrued employee benefits</td> <td style="text-align: right;">(85,268)</td> </tr> <tr> <td>Increase in Net OPEB obligation</td> <td style="text-align: right;">(215,547)</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">(215,547)</td> </tr> </table> 		Decrease in capital leases	4,071	Decrease in landfill liability	20,000	Increase in liability for accrued employee benefits	(85,268)	Increase in Net OPEB obligation	(215,547)		(215,547)
Decrease in capital leases	4,071										
Decrease in landfill liability	20,000										
Increase in liability for accrued employee benefits	(85,268)										
Increase in Net OPEB obligation	(215,547)										
	(215,547)										
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ <u>833,298</u>										

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
General Fund
Statement of Revenues and Other Sources
And Expenditures and Other Uses – Budget and Actual

For the Year Ended December 31, 2010

	Original and Final Budget	Actual Amounts	Variance With Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Taxes	\$ 13,422,861	\$ 13,464,621	\$ 41,760
Licenses and permits	4,219,500	4,279,614	60,114
Intergovernmental	1,731,156	1,792,887	61,731
Charges for services	914,434	1,065,443	151,009
Miscellaneous	<u>667,500</u>	<u>220,131</u>	<u>(447,369)</u>
 Total Revenues	 20,955,451	 20,822,696	 (132,755)
Expenditures:			
Current:			
General government	5,673,793	4,400,192	1,273,601
Public safety	6,914,739	6,699,289	215,450
Highways and streets	3,530,106	3,557,925	(27,819)
Sanitation	937,595	967,628	(30,033)
Welfare	28,020	23,572	4,448
Culture and recreation	1,449,849	1,386,682	63,167
Conservation	244,586	5,268	239,318
Debt service	<u>2,835,731</u>	<u>2,835,731</u>	<u>-</u>
 Total Expenditures	 <u>21,614,419</u>	 <u>19,876,287</u>	 <u>1,738,132</u>
Other financing sources (uses):			
Transfers in	1,252,968	649,217	(603,751)
Transfers out	<u>(594,000)</u>	<u>(594,000)</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>658,968</u>	 <u>55,217</u>	 <u>(603,751)</u>
 Excess of revenues and other sources over expenditures and other uses	 <u>\$ -</u>	 <u>\$ 1,001,626</u>	 <u>\$ 1,001,626</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Proprietary Funds
Statement of Net Assets

December 31, 2010

	Business-Type Activities Enterprise Funds		
	Sewer Fund	Nonmajor Enterprise Funds	Total
<u>ASSETS</u>			
Current:			
Cash and short-term investments	\$ -	\$ 300,527	\$ 300,527
Receivables, net of allowance for uncollectibles:			
User fees	280,866	-	280,866
Departmental and other	-	60,983	60,983
Intergovernmental	68,849	-	68,849
Total current assets	349,715	361,510	711,225
Noncurrent:			
Capital assets:			
Capital assets not being depreciated	15,000	-	15,000
Capital assets being depreciated, net of accumulated depreciation	7,007,273	69,743	7,077,016
Total noncurrent assets	7,022,273	69,743	7,092,016
TOTAL ASSETS	7,371,988	431,252	7,803,241
<u>LIABILITIES</u>			
Current:			
Accounts payable	87,831	12,280	100,111
Accrued liabilities	7,011	-	7,011
Other current liabilities	-	1,006	1,006
Due to other funds	146,100	-	146,100
Current portion of long-term liabilities:			
Bonds payable	170,000	-	170,000
Accrued employee benefits	5,965	8,662	14,627
Total current liabilities	416,907	21,948	438,855
Noncurrent:			
Bonds payable, net of current portion	175,000	-	175,000
Accrued employee benefits, net of current portion	11,078	16,085	27,163
Total noncurrent liabilities	186,078	16,085	202,163
TOTAL LIABILITIES	602,985	38,033	641,018
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	6,677,273	69,743	6,747,016
Unrestricted	91,730	323,477	415,207
TOTAL NET ASSETS	\$ 6,769,003	\$ 393,220	\$ 7,162,223

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Assets

For the Year Ended December 31, 2010

	Business-Type Activities Enterprise Funds		
	Sewer Fund	Nonmajor Enterprise Funds	Total
Operating Revenues:			
Charges for services	\$ 818,771	\$ 720,874	\$ 1,539,645
Miscellaneous	2,615	468	3,083
Total Operating Revenues	821,386	721,342	1,542,728
Operating Expenses:			
Personnel services	96,429	515,059	611,488
Non-personnel services	500,049	79,698	579,747
Depreciation	272,740	32,073	304,813
Total Operating Expenses	869,218	626,830	1,496,048
Operating Income (Loss)	(47,832)	94,512	46,680
Nonoperating Revenues (Expenses):			
Interest expense	(21,016)	-	(21,016)
Total Nonoperating Revenues (Expenses)	(21,016)	-	(21,016)
Income (Loss) Before Capital Contributions & Transfers	(68,848)	94,512	25,664
Capital Contributions	6,722	-	6,722
Transfers to other funds	(55,000)	(54,500)	(109,500)
Changes in Net Assets	(117,126)	40,012	(77,114)
Net Assets at Beginning of Year	6,886,129	353,208	7,239,337
Net Assets at End of Year	<u>\$ 6,769,003</u>	<u>\$ 393,220</u>	<u>\$ 7,162,223</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Proprietary Funds
Statement of Cash Flows

For the Year Ended December 31, 2010

	Business-Type Activities Enterprise Funds		
	Sewer Fund	Nonmajor Enterprise Funds	Total
<u>Cash Flows From Operating Activities:</u>			
Receipts from customers and users	\$ 772,915	\$ 702,210	\$ 1,475,125
Payments to employees and professional contractors for services	(95,313)	(501,981)	(597,294)
Payments to suppliers for goods and services	(415,440)	(79,698)	(495,138)
Net Cash Provided By Operating Activities	262,162	120,531	382,693
<u>Cash Flows From Noncapital Financing Activities:</u>			
Interfund receivable	(59,342)	-	(59,342)
Transfers to other funds	(55,000)	(54,500)	(109,500)
Net Cash (Used For) Noncapital Financing Activities	(114,342)	(54,500)	(168,842)
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Acquisition and construction of capital assets	-	(44,997)	(44,997)
Principal payments on bonds and notes	(165,000)	-	(165,000)
Capital contributions	38,196	-	38,196
Interest expense	(21,016)	-	(21,016)
Net Cash (Used For) Capital and Related Financing Activities	(147,820)	(44,997)	(192,817)
Net Change in Cash and Short-Term Investments	-	21,034	21,034
Cash and Short-Term Investments, Beginning of Year	-	279,493	279,493
Cash and Short-Term Investments, End of Year	\$ -	\$ 300,527	\$ 300,527
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</u>			
Operating income (loss)	\$ (47,832)	\$ 94,512	\$ 46,680
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	272,740	32,073	304,813
Changes in assets and liabilities:			
User fees	(48,302)	(18,296)	(66,598)
Accounts payable	87,831	12,280	100,111
Accrued liabilities	(3,222)	-	(3,222)
Other liabilities	(169)	(836)	(1,005)
Accrued employee benefits	1,116	798	1,914
Net Cash Provided By Operating Activities	\$ 262,162	\$ 120,531	\$ 382,693

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Fiduciary Funds
Statement of Fiduciary Net Assets

December 31, 2010

	Private Purpose Trust Funds	Agency Fund
<u>ASSETS</u>		
Cash and short-term investments	\$ 563,867	\$ 1,438,940
Total Assets	563,867	1,438,940
 <u>LIABILITIES</u>		
Other liabilities	-	1,438,940
Total Liabilities	-	1,438,940
 <u>NET ASSETS</u>		
Total net assets held in trust	\$ 563,867	\$ -

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Fiduciary Funds
Statement of Changes in Fiduciary Net Assets
For the Year Ended December 31, 2010

	<u>Private Purpose Trust Funds</u>
Additions:	
Investment income	\$ 6,417
Total additions	<u>6,417</u>
Deductions:	
General government	<u>1,000</u>
Total deductions	<u>1,000</u>
Net increase	5,417
Net assets:	
Beginning of year	<u>558,450</u>
End of year	<u><u>\$ 563,867</u></u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

Footnote

Summary of Significant Accounting Policies	1
Reporting Entity	1 – A
Basis of Presentation	1 – B
Measurement Focus, Basis of Accounting and Financial Statement Presentation	1 – C
Cash and Short-Term Investments	1 – D
Investments	1 – E
Interfund Receivables and Payables	1 – F
Capital Assets	1 – G
Compensated Absences	1 – H
Long-Term Obligations	1 – I
Fund Equity	1 – J
Use of Estimates	1 – K
Stewardship, Compliance and Accountability	2
Budgetary Information	2 – A
Budgetary Basis	2 – B
Budget/GAAP Reconciliation	2 – C
Cash and Short-Term Investments	3
Investments	4
Credit Risk	4 – A
Custodial Credit Risk	4 – B
Concentration of Credit Risk	4 – C
Interest Rate Risk	4 – D
Foreign Currency Risk	4 – E
Taxes Receivable	5
Interfund Receivables/Payables	6
Capital Assets	7
Accounts Payable	8
Deferred Revenue	9
Long-Term Debt	10
General Obligation Bonds	10 – A
Future Debt Service	10 – B
Changes in General Long-Term Liabilities	10 – C
Restricted Net Assets	11
Classifications of Fund Balance	12
Commitments and Contingencies	13
Pension Plan	14
Plan Description and Provisions	14 – A
Funding Policy	14 – B
Risk Management	15
Post-Employment Health Care Benefits (OPEB)	16
Beginning Fund Balance Reclassification	17

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to the governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

A. Reporting Entity

The Town of Bedford, New Hampshire, is a municipal corporation governed by an elected Town Council who appoints a Town Manager. As required by generally accepted accounting principles, these financial statements present the Town of Bedford (primary government). Component units are organizations for which the primary government is financially accountable or for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In 2010, it was determined that no entities met the required GASB-39 criteria of component units.

B. Basis of Presentation

The Town's basic financial statements consist of government-wide statements, including a statement of net assets and statement of activities; and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements – The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Town as a whole. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed at this reporting level as all individual funds are consolidated as governmental or business-type activities.

The statement of net assets presents the financial position of the governmental and business-type activities of the Town at year-end. This statement includes all of the Town's assets, liabilities and net assets.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental and business-type activities. Direct expenses are those that are specifically associated with the function and therefore, clearly identifiable to that particular function. Certain indirect costs are included in the program expense reported for individual functions and activities.

The statement of activities reports the expenses of a given function offset by program revenues directly related to the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with the functional activity.

Fund Financial Statements – During the year, the Town segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Town at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

The Town reports one major governmental fund; the general fund, and one major proprietary fund, the sewer fund. All non-major funds are aggregated in one column on the fund financial statements.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

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

Government-Wide Financial Statements – The government-wide financial statements are prepared using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements, however interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as program revenues include: (1) charges for services, which include charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to the program uses. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and permit revenue.

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

The Town reports the following major governmental fund for 2010:

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

The private purpose trust funds use an economic resources measurement focus and are used to report various trust arrangements with the trustees of trust funds. These funds report all assets and liabilities, if any, on the statement of fiduciary net assets. The statement of changes in fiduciary net assets reports additions and deductions to net assets.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue, proprietary, and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type is included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

E. Investments

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

Investments for the Trust Funds consist of marketable securities, bonds and short-term money market investments. Investments are carried at market value.

F. Interfund Receivables and Payables

Transactions between funds that are representative of lending/ borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 5,000 for machinery and equipment, \$25,000 for land improvements, \$50,000 for buildings and building improvements and \$250,000 for infrastructure, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

<u>Description</u>	<u>Years</u>
Land improvements	20 – 30
Buildings and building improvements	7 – 40
Equipment & vehicles	5 – 15
Infrastructure	20 – 50
Sewer system	25

H. Compensated Absences

Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the Town's experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide and proprietary fund financial statements. Governmental funds report the compensated absence liability at the fund reporting level "when due".

I. Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year.

J. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The Town reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods. The classifications of fund balance are defined in Note 12 on page 40.

The Town's fund balance classification policies and procedures are as follows:

- 1) Restricted funds are used solely for the purpose in which the fund was established. In the case of special revenue funds, these funds are created by Town ordinance and their use is specifically identified. Any change in the use of these funds would require revision of the ordinance enacted upon the initial development of the fund.
- 2) Committed funds are reported and expended as a result of motions passed at annual Budgetary Town Meeting. In order to expend these funds independent of the annual budgetary process, the Town Council is required to hold a public hearing and receive a minimum of 5 votes of the Council. This process can only be utilized with regard to timing of the expenditure. The purpose of the funds cannot be altered except by majority vote at the annual meeting mentioned above.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

- 3) Assigned funds are used for specific purposes as established by management. These funds which include encumbrances have been assigned for specific goods and services obtained by the Town but not yet paid for. In the case of other assigned funds such as overlay for abatements and accrued leave, the Town's management has the authority to expend those funds as necessary for their designated purpose.
- 4) Unassigned funds are available to be spent in future periods within the restrictions as defined by the Town's Fund Balance Policy. The Town's policy requires that it achieve and maintain a minimum unassigned general fund balance of at least five percent (5%), with a goal of eight percent (8%) of the annual budget including the Town, School and County. The Town Council has the authority to appropriate any amount of unassigned fund balance in excess of the designated percentage as part of the final adopted budget for any given fiscal year. The Council may also appropriate unassigned funds for emergency purposes at their discretion.

The Town does not have any stabilization arrangements at this time.

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

K. Use of Estimates

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

At the annual town meeting, the Town Council presents an operating budget for the proposed expenditures of the fiscal year commencing the previous January 1. The budget, as enacted by town meeting, establishes the legal level of control and specifies that certain appropriations are to be funded by particular revenues. According to the Town's charter (1-5-6), department managers may transfer appropriations from one account to another within their department with approval of the Town Manager. The Town Manager may transfer appropriations between departments with approval of the Town Council.

The legal spending limit is at the Town-wide level, as voted by town meeting.

Formal budgetary integration is employed as a management control device during the year for the General Fund.

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

B. Budgetary Basis

The General Fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final budget.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

C. Budget/GAAP Reconciliation

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

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

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
General Fund Revenues/Expenditures (GAAP basis)	\$20,338,494	\$ 19,555,155
Other financing sources/Uses (GAAP basis)	<u>206,000</u>	<u>-</u>
Subtotal	20,544,494	19,555,155
Adjust tax revenue to the budgetary basis	535,817	-
To reverse expenditures of prior year appropriation carryforwards	-	(364,003)
To book current year appropriation carryforwards	-	947,560
To reverse non-budgeted activity	<u>391,602</u>	<u>331,575</u>
Budgetary Basis	<u>\$ 21,471,913</u>	<u>\$ 20,470,287</u>

NOTE 3 – CASH AND SHORT TERM INVESTMENTS

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. RSA 48:16 limits “deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus, exception that a city with a population in excess of 50,000 is authorized to deposit funds in a solvent bank in excess of the paid-up capital surplus of said bank.” The Town does not have a deposit policy for custodial credit risk.

As of December 31, 2010, the Town’s bank balances of \$38,086,546 which included the Town’s Trust Funds. This balance was collateralized through repurchase agreements with the Town’s financial institutions with the exception of \$1,588,083 of Trust Fund balances which was exposed to custodial credit risk as uninsured, uncollateralized.

NOTE 4 – INVESTMENTS

A. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the prudent person rule whereby investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

The Town's policy states that credit risk will be minimized by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the Town will do business
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized

B. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town does not have formal policies for custodial credit risk.

C. Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in any one issuer.

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The Town's policy seeks to minimize interest rate risk by:

- Structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools

The Town's investments, consisting of two certificates of deposit, mature in 1-5 years.

E. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The Town does not have policies for foreign currency risk.

NOTE 5 – TAXES RECEIVABLE

The property tax year is from April 1 to March 31 and all property taxes are assessed on the inventory taken in April of that year. The net assessed valuation as of April 1, 2010, upon which the 2010 property tax levy was based is:

For the New Hampshire Education Tax	\$ 3,318,530,927
For All Other Taxes	\$ 3,355,937,627

The Town subscribes to the semi-annual method of tax collection as provided for by RSA 76:15-a. Under this method, tax bills are due on or around July 1 and December 1 of each year, with interest accruing at a rate of 12% on bills outstanding after the due date. The June 1 billing is considered an estimate only and is one half of the previous year's tax billing. The remaining balance of taxes due is billed in the fall after the New Hampshire Department of Revenue Administration has calculated and approved the Town's tax rate for the fiscal year.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

During the current fiscal year, the Tax Collector executed a lien on April 21st for all uncollected 2009 property taxes.

Taxes receivable at December 31, 2010, are as follows:

<u>Property</u>	
Levy of 2010	\$ 2,451,430
<u>Unredeemed (under tax lien)</u>	
Levy of 2009	407,925
Levy of 2008	137,800
Levy of 2006	51
Yield Taxes	60
Current Use	-
Less: Allowance for estimated uncollectible taxes	<u>(83,601)</u>
Net Taxes Receivable	<u>\$ 2,913,664</u>

NOTE 6 – INTERFUND RECEIVABLES/PAYABLES

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the December 31, 2010 balances in interfund receivable and payable accounts:

	<u>Due from</u>	<u>Due to</u>
	<u>Other Funds</u>	<u>Other Funds</u>
General Fund	\$ 146,100	\$ -
Sewer Enterprise Fund	<u>-</u>	<u>146,100</u>
Total	<u>\$ 146,100</u>	<u>\$ 146,100</u>

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 was as follows:

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Governmental activities:				
Capital Assets, not being depreciated				
Land	\$ 13,925,139	\$ 262,700	\$ (300,000)	\$ 13,887,839
Construction in Progress	-	-	-	-
Total Capital Assets, not being depreciated	<u>13,925,139</u>	<u>262,700</u>	<u>(300,000)</u>	<u>13,887,839</u>
Capital Assets, being depreciated				
Land Improvements	661,513	132,950	-	794,463
Buildings	6,556,952	-	-	6,556,952
Machinery, Equipment & Vehicles	6,957,133	689,049	(505,462)	7,140,720
Infrastructure	98,625,695	693,318	(845,988)	98,473,025
Total Capital Assets, being depreciated	<u>112,801,293</u>	<u>1,515,317</u>	<u>(1,351,450)</u>	<u>112,965,160</u>
Less accumulated depreciation for:				
Land Improvements	(151,349)	(37,507)	-	(188,856)
Buildings	(2,657,473)	(111,364)	-	(2,768,837)
Machinery, Equipment & Vehicles	(3,719,876)	(594,790)	446,867	(3,867,799)
Infrastructure	(40,156,861)	(2,346,061)	845,988	(41,656,934)
Total Accumulated Depreciation	<u>(46,685,559)</u>	<u>(3,089,722)</u>	<u>1,292,855</u>	<u>(48,482,426)</u>
Total Capital Assets, being depreciated, net	<u>66,115,734</u>	<u>(1,574,405)</u>	<u>(58,595)</u>	<u>64,482,734</u>
Governmental Activities Capital Assets, net	<u>\$ 80,040,873</u>	<u>\$ (1,311,705)</u>	<u>\$ (358,595)</u>	<u>\$ 78,370,573</u>

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Business-Type Activities				
Capital Assets, not being depreciated				
Land	\$ 15,000	\$ -	\$ -	\$ 15,000
Total Capital Assets, not being depreciated				
Capital Assets, being depreciated				
Buildings	2,767,591	-	-	2,767,591
Machinery, Equipment & Vehicles	1,071,453	44,997	-	1,116,450
Sewer System (infrastructure)	8,256,905	-	-	8,256,905
Total Capital Assets, being depreciated	12,095,949	44,997	-	12,140,946
Less accumulated depreciation for:				
Buildings	(1,606,282)	(69,127)	-	(1,675,409)
Machinery, Equipment & Vehicles	(345,360)	(70,548)	-	(415,908)
Sewer System (infrastructure)	(2,807,475)	(165,138)	-	(2,972,613)
Total Accumulated Depreciation	(4,759,117)	(304,813)	-	(5,063,930)
Total Capital Assets, being depreciated, net	7,336,832	(259,816)	-	7,077,016
Business-Type Activities Capital Assets, net	\$ 7,351,832	\$ (259,816)	\$ -	\$ 7,092,016

Depreciation expense was charged to functions/programs of the primary government as follows:

<i>Governmental activities:</i>	
General government	\$ 35,737
Public safety	266,185
Highways and streets – Equipment	341,877
Highways and streets – Roads	2,226,981
Highways and streets – Bridges	119,081
Culture and recreation	99,861
Total depreciation expense – governmental activities	\$ 3,089,722
<i>Business-type activities:</i>	
Sewer department	\$ 272,740
Bedford community television	32,073
Total depreciation expense – business-type activities	\$ 304,813

NOTE 8 – ACCOUNTS PAYABLE

Accounts payable represent additional 2010 expenditures paid after December 31, 2010.

NOTE 9 – DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The balance of the General Fund deferred revenues account is equal to the total of all December 31, 2010 receivable balances. Deferred revenue does not include property taxes which are accrued for 60-day collections.

NOTE 10 – LONG-TERM DEBT

A. General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds currently outstanding are as follows:

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

	<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Outstanding at December 31, 2010</u>	<u>Due Within One Year</u>
<i>Governmental Activities:</i>						
Joppa Hill Land	\$ 2,300,000	2001	2011	4.00-4.35	\$ 230,000	\$ 230,000
Road Reconstruction 2003	8,000,000	2003	2013	2.60-3.25	2,400,000	800,000
Safety Complex Refunding	1,165,000	2004	2014	2.0-3.25	385,000	100,000
Library Construction Refunding	1,455,000	2004	2016	2.0-3.75	685,000	120,000
Road Reconstruction 2006	12,000,000	2006	2016	3.87	7,200,000	1,200,000
Landfill Closure	2,003,924	1999	2019	4.48	<u>900,000</u>	<u>100,000</u>
Total Governmental Activities:					<u>\$ 11,800,000</u>	<u>\$ 2,550,000</u>
<i>Business-Type Activities:</i>						
Sewer Construction	\$ 2,020,000	1998	2012	4.00-4.85	<u>\$ 345,000</u>	<u>\$ 170,000</u>
Total Business-Type Activities:					<u>\$ 345,000</u>	<u>\$ 170,000</u>

B. Future Debt Service

The annual requirements to amortize all general obligation debt outstanding as of December 31, 2010, including interest payments, are as follows:

Governmental activities:			
<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	2,550,000	436,919	2,986,919
2012	2,315,000	341,765	2,656,765
2013	2,310,000	256,404	2,566,404
2014	1,505,000	183,930	1,688,930
2015	1,410,000	124,519	1,534,519
2016 - 2019	<u>1,710,000</u>	<u>94,862</u>	<u>1,804,862</u>
Totals	<u>\$ 11,800,000</u>	<u>\$ 1,438,399</u>	<u>\$ 13,238,399</u>
Business Type Activities:			
<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	170,000	16,606	186,606
2012	<u>175,000</u>	<u>8,531</u>	<u>183,531</u>
Total	<u>\$ 345,000</u>	<u>\$ 25,137</u>	<u>\$ 370,137</u>

All debt is general obligation debt of the Town, which is backed by its full faith and credit. Enterprise fund debt will be funded through user fees. All other debt will be repaid from general governmental revenues of the general fund.

C. Changes in General Long-Term Liabilities

During the year ended December 31, 2010, the following changes occurred in long-term liabilities:

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

	Total			Total	Less	Equals
	Balance	Additions	Reductions	Balance	Current	Long-Term
	Jan. 1, 2010			Dec. 31, 2010	Portion	Portion
						Dec. 31, 2010
Governmental Activities:						
Bonds Payable	\$ 14,355,000	\$ -	\$ 2,555,000	\$ 11,800,000	\$ 2,550,000	\$ 9,250,000
Capital Leases	4,071	-	4,071	-	-	-
Landfill Post Closure	380,000	-	20,000	360,000	20,000	340,000
Accrued Employee Benefits	1,628,659	828,875	743,607	1,713,927	599,874	1,114,053
Net OPEB Obligation	420,508	215,547	-	636,055	-	636,055
Totals	\$ 16,788,238	\$ 1,044,422	\$ 3,322,678	\$ 14,509,982	\$ 3,169,874	\$ 11,340,108
Business-Type Activities:						
Bonds Payable	\$ 510,000	\$ -	\$ 165,000	\$ 345,000	\$ 170,000	\$ 175,000
Accrued Employee Benefits	39,876	16,920	15,006	41,790	14,627	27,163
Totals	\$ 549,876	\$ 16,920	\$ 180,006	\$ 386,790	\$ 184,627	\$ 202,163

NOTE 11 – RESTRICTED NET ASSETS

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

Permanent fund restricted net assets are segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings, which are available to be spent based on donor restrictions.

NOTE 12 – CLASSIFICATIONS OF FUND BALANCE

The following types of fund balance classifications are reported as of December 31, 2010:

Nonspendable – This includes amounts that are not in a spendable form, such as inventories and prepaid items. It also includes amounts which are required to remain intact such as permanent funds.

Restricted – This includes amounts that can only be spent for a specific purpose by enabling legislation, external parties or constitutional provisions, such as our various special revenue funds. It also includes the special account established for purposes of paying down the debt of the Joppa Hill bond.

Committed – This includes amounts that have constraints imposed by the government using the highest level of decision-making authority. Such constraint can only be removed or modified by the same decision-making authority taking the same type of action it used to previously impose the commitment. It includes amounts reported in our Capital Reserve accounts as committed by vote on the budget at Town meeting.

Assigned – This includes amounts intended for a specific purpose by the Town’s governing body or management. These amounts are not restricted or committed however they are intended to be used for a specific purpose such as encumbrances, overlay for abatements and accrued leave payments.

Unassigned – This includes amounts reported in the general fund that have not been assigned to any other classification.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Outstanding Lawsuits – There are several pending lawsuits in which the Town is involved. The Town’s management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

NOTE 14 – PENSION PLAN

A. Plan Description and Provisions

The Town of Bedford participates in the New Hampshire Retirement System (The System) which is the administrator of a cost-sharing multiple-employer contributory pension plan and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Provisions for benefits and contributions are established and can be amended by the New Hampshire State Legislature. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301-8509.

B. Funding Policy

The System is financed by contributions from both the employees and the Town. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. All employees except police officers and firefighters are required to contribute 5% of earnable compensation. Police officers and firefighters are required to contribute 9.3% of gross earnings. For the year ended December 31, 2010, the Town contributed 13.66%/14.63% for police officers, 17.28%/18.52% for firefighters and 9.16% for other employees. The contribution requirements for the Town of Bedford for the fiscal years 2008, 2009 and 2010 were \$785,484, \$897,325 and \$964,598 respectively, which were paid in full in each year. Contributions from employees for the years 2008, 2009 and 2010 were \$507,571, \$552,986 and \$548,090 respectively. The Town's covered payroll for 2010 was \$7,421,511.

NOTE 15 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2010, the Town was a member of the Local Government Center (LGC) Property-Liability Trust, LLC and the Workers' Compensation Trust. This entity is considered public entity risk pool, currently operating as a common risk management and insurance program for member towns and cities.

The Local Government Center Property-Liability Trust, Inc. is a Trust organized to provide certain property and liability insurance coverages to member towns, cities and other qualified political subdivisions of New Hampshire. As a member of the Local Government Center Property-Liability Trust, LLC, the Town shares in contributing to the cost of, and receiving benefits from, a self-insured pooled risk management program. The membership and coverage run from July 1 to June 30. The program includes a Self-Insured Retention Fund (SIR) from which is paid up to \$500,000 for each and every covered property, auto physical damage and crime loss, subject to a \$1,000 deductible, and each and every covered general liability and public officials' liability loss. The Trust maintains, on behalf of its members, reinsurance policies shared by the membership.

Contributions paid in 2010 for fiscal year 2011, ending June 30, 2011, to be recorded as an insurance expenditure/expense totaled \$162,175. The trust agreement permits the Trust to make additional assessments to members should there be a deficiency in Trust assets to meet its liabilities. At this time, the Trust foresees no likelihood of any additional assessments for past years. The amount of settlements has not exceeded insurance coverage for any of the past three years.

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

The Local Government Center (LGC) Workers' Compensation Trust is a pooled risk management program under RSAs 5-B and 281-A. The workers' compensation policy provides statutory coverage for workers' compensation. LGC retained \$500,000 of each loss. The membership and coverage run from January 1 through December 31. The estimated net contribution from the Town of Bedford billed and paid for the year ended December 31, 2010 was \$127,855. The member participation agreement permits LGC to make additional assessments to members, should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. At this time, LGC foresees no likelihood of any additional assessment for this or any prior year. The amount of settlements has not exceeded insurance coverage for any of the past three years.

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS (OPEB)

GASB Statement No. 45, Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions (OPEB), is effective for the Town as of December 31, 2008. This statement requires governmental employers to recognize the cost of providing post employment benefits earned by its employees over their years of service but not received until after employment ends. The effect is the recognition of an actuarially required contribution as an expense on the statement of revenues, expenses, and changes in net assets when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that the Town does not fund its actuarially required contribution, a post-employment benefit liability is recognized on the statement of net assets over time.

A. Plan Description

The Town provides its eligible retirees, including in some cases their beneficiaries, the ability to purchase health, dental, and prescription insurance at the Town's group rates. The authority for the benefits and amending of such benefits is NH RSA 100-A:50. Although the Town does not supplement the cost of these plans, Statement 45 requires the Town to recognize a liability for the inclusion of any implicit rate subsidies afforded its retirees. This subsidy is generated as a result of the basic nature of insurance – one risk group subsidizes another to arrive at a blended premium, therefore current employees who are young and healthy subsidize the older retirees. As of December 31, 2010, there were 27 retiree subscribers, including eligible spouses and dependents. The single employer defined benefit plan does not issue a separate financial report.

B. Annual OPEB Costs and Net OPEB Obligation

The Town's fiscal 2010 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years.

Annual Required Contribution (ARC)	\$ 307,444
Interest on net OPEB obligation	-
Annual OPEB cost	<u>\$ 307,444</u>
Contributions Made	<u>(91,897)</u>
Increase in net OPEB obligation	\$ 215,547
Net OPEB beginning of year	<u>420,508</u>
Net OPEB end of year	<u><u>\$ 636,055</u></u>

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

Schedule of Employer Contributions
Projected Unit Credit, Pay-As-You-Go Assumptions (4.5%)
Amortization Payments Increasing at 3.5%
(unaudited)

Year Ended December 31,	Annual Required Contributions (ARC)	Actual Contributions	Percentage Contributed
2010	\$307,444	\$91,897	29.9%
2009	\$289,502	\$78,523	27.0%
2008	\$272,088	\$62,559	23.0%

C. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements on page 43, will eventually present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the January 1, 2008 actuarial valuation the projected unit credit cost method was used. The actuarial value of assets was not determined as the Town has not advance funded its obligation. The actuarial assumptions included a 4.5% investment rate of return and an initial annual healthcare cost trend rate of 10% which decreases to a 5% long-term rate for all healthcare benefits after five years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis. This has been calculated assuming the amortization payment increases at a rate of 3.5%.

D. Funded Status and Funding Progress

The funded status of the plan as of January 1, 2008, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$3,290,723
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$3,290,723
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$7,189,600
UAAL as a percentage of covered payroll	45.8%

TOWN OF BEDFORD, NEW HAMPSHIRE
Notes to the Basic Financial Statements
For the Year ended December 31, 2010

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

NOTE 17 – BEGINNING FUND BALANCE RECLASSIFICATION

The Town’s major governmental funds for 2010, as defined by GASB Statement 34, and with the implementation of GASB Statement 54, have changed from the previous year. Accordingly, the following reconciliation is provided:

	Fund Equity 12/31/09 (as previously <u>reported</u>)	<u>Reclassification</u>	Fund Equity 12/31/09 (as restated)
General fund	\$ 8,000,322	\$ 3,933,514	\$ 11,933,836
Nonmajor funds	4,471,262	(2,439,359)	2,031,903
Road Reconstruction fund	<u>1,494,155</u>	<u>(1,494,155)</u>	<u>-</u>
Total	<u>\$ 13,965,739</u>	<u>\$ -</u>	<u>\$ 13,965,739</u>

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF BEDFORD, NEW HAMPSHIRE

Schedule of Funding Progress

December 31, 2010

(unaudited)

Other Post-Employment Benefits						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Projected Unit Credit (b)	Unfunded AAL (UAAL) (b – a)	Funded Ratio (a / b)	Covered Payroll	UAAL as a % of Covered Payroll [(b – a)/c]
1/1/08	\$ -	\$ 3,290,723	\$ 3,290,723	0.0%	\$7,189,600	45.8%

See Independent Auditors' Report



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SUPPLEMENTARY STATEMENTS AND SCHEDULES

*Detail Schedule of Revenues and Other Financing Sources
Budget and Actual – General Fund*

*Detail Schedule of Expenditures and Other Financing Uses
Budget and Actual – General Fund*

Combining Statements – Non-major Governmental Funds

Combining Statements – Non-major Proprietary Funds

Combining Statements – Private Purpose Trust Funds

Statement of Changes – Agency Fund

TOWN OF BEDFORD, NEW HAMPSHIRE
Detail Schedule of Revenues and Other Financing Sources
Budget and Actual - General Fund

For the Year Ended December 31, 2010

	Original and Final Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>			
<u>Taxes</u>			
Property taxes	\$ 13,240,861	\$ 13,240,861	\$ -
Land use change	5,000	164	(4,836)
Timber	2,500	6,388	3,888
Interest and penalties	<u>174,500</u>	<u>217,208</u>	<u>42,708</u>
Total Taxes	13,422,861	13,464,621	41,760
<u>Licenses and Permits</u>			
Business licenses, permits and fees	17,500	16,015	(1,485)
Motor vehicle permits and fees	4,026,000	4,073,000	47,000
Building permits	146,500	157,502	11,002
Other licenses and permits	<u>29,500</u>	<u>33,097</u>	<u>3,597</u>
Total Licenses and Permits	4,219,500	4,279,614	60,114
<u>Intergovernmental</u>			
State:			
Meals and rooms distribution	932,494	927,355	(5,139)
Highway block grant	506,180	506,022	(158)
Other state grants	155,155	155,130	(25)
Federal:			
Other - COPS and other grants	<u>137,327</u>	<u>204,380</u>	<u>67,053</u>
Total Intergovernmental	1,731,156	1,792,887	61,731
<u>Charges for Services</u>			
Income from departments	<u>914,434</u>	<u>1,065,443</u>	<u>151,009</u>
Total Charges for Services	914,434	1,065,443	151,009
<u>Miscellaneous Revenues</u>			
Sale of municipal property	567,500	128,234	(439,266)
Interest on investments	<u>100,000</u>	<u>91,897</u>	<u>(8,103)</u>
Total Other Revenues	667,500	220,131	(447,369)
<u>Other Financing Sources</u>			
Transfers from capital reserve	1,055,468	453,217	(602,251)
Transfers from special revenue funds	98,000	96,500	(1,500)
Transfers from enterprise funds	<u>99,500</u>	<u>99,500</u>	<u>-</u>
Total Other Financing Sources	<u>1,252,968</u>	<u>649,217</u>	<u>(603,751)</u>
Total Revenues and Other Financing Sources	<u>\$ 22,208,419</u>	<u>\$ 21,471,913</u>	<u>\$ (736,506)</u>

TOWN OF BEDFORD, NEW HAMPSHIRE
Detail Schedule of Expenditures and Other Financing Uses
Budget and Actual - General Fund

For the Year Ended December 31, 2010

	Original and Final Budget	Actual	Variance Positive (Negative)
<u>Expenditures</u>			
<u>General Government</u>			
Executive	\$ 1,190,368	\$ 374,311	\$ 816,057
Elections and registrations	126,443	124,109	2,334
Financial administration	846,546	834,617	11,929
Revaluation of property	185,468	183,988	1,480
Legal	50,000	82,721	(32,721)
Planning/zoning/HDC	325,671	299,768	25,903
General government buildings	387,877	489,127	(101,250)
Cemeteries	29,080	26,692	2,388
Insurance, not otherwise allocated	2,022,200	1,945,901	76,299
Advertising and regional assessments	30,140	30,108	32
Other	480,000	8,850	471,150
Total General Government	5,673,793	4,400,192	1,273,601
<u>Public Safety</u>			
Police department	3,618,645	3,554,192	64,453
Fire department	3,114,936	2,967,828	147,108
Building inspection/health department	181,158	177,269	3,889
Total Public Safety	6,914,739	6,699,289	215,450
<u>Highways and Streets</u>			
Administration	313,982	286,207	27,775
Highways and streets	3,142,624	3,203,755	(61,131)
Street lighting	73,500	67,963	5,537
Total Highways and Streets	3,530,106	3,557,925	(27,819)
<u>Sanitation</u>			
Solid waste disposal	937,595	967,628	(30,033)
Total Sanitation	937,595	967,628	(30,033)
<u>Welfare</u>			
Welfare administration	15,000	10,552	4,448
Intergovernmental payments	13,020	13,020	-
Total Welfare	28,020	23,572	4,448
<u>Culture and Recreation</u>			
Parks and recreation	471,830	450,176	21,654
Library	975,819	934,925	40,894
Other - Town events	2,200	1,581	619
Total Culture and Recreation	1,449,849	1,386,682	63,167
<u>Conservation</u>			
	244,586	5,268	239,318
<u>Debt Service</u>			
Principal	2,325,000	2,325,000	-
Interest	510,731	510,731	-
Total Debt Service	2,835,731	2,835,731	-
<u>Other Financing Uses:</u>			
Transfers - Capital reserve	594,000	594,000	-
Total Expenditures and Other Financing Uses	\$ 22,208,419	\$ 20,470,287	\$ 1,738,132

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Law Enforcement Funds – This fund is used to account for the Town’s receipt of law enforcement forfeitures received through the DEA Equitable Share Program.

Impact & Review Fees – This fund is used to account for various fees charged in accordance with Town policies that are restricted for specific purposes.

Community Development – This fund is used to account for collections and expenditures designated for special community development projects.

Donations – This fund is used to account for donations collected to fund certain projects or purchases.

Library - This fund is used to account for the public library special operating activities.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting Town’s programs.

Cemetery Perpetual Care – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to maintain the Town’s cemeteries.

Library – This fund is used to account for principal trust amounts received and related interest income for which the interest only can be used for purposes of the Town’s public library.

TOWN OF BEDFORD, NEW HAMPSHIRE
Combining Balance Sheet
Nonmajor Governmental Funds

December 31, 2010

	Special Revenue Funds					Capital Projects Fund	Permanent Funds		Total Nonmajor Governmental Funds
	Law Enforcement Forfeitures	Impact and Review Fees	Community Development	Donations	Library	Road Reconstruction Fund	Cemetery Perpetual Care	Library	
ASSETS									
Cash and short-term investments	\$ 128,185	\$ 329,333	\$ 136,681	\$ 11,508	\$ 15,265	\$ 32,027	\$ 22,310	\$ 6,111	\$ 681,420
Investments	-	-	-	-	86,288	-	-	-	86,288
Departmental and other receivables	-	137	-	-	-	-	-	-	137
Total Assets	\$ 128,185	\$ 329,470	\$ 136,681	\$ 11,508	\$ 101,553	\$ 32,027	\$ 22,310	\$ 6,111	\$ 767,845
LIABILITIES AND FUND BALANCES									
Liabilities:									
Retainage payable	-	-	-	-	-	32,022	-	-	32,022
Other liabilities	-	69	-	-	-	-	-	-	69
Total Liabilities	-	69	-	-	-	32,022	-	-	32,091
Fund Balances:									
Nonspendable	-	-	-	-	-	-	19,825	5,430	25,255
Restricted	128,185	329,401	136,681	11,508	101,553	5	2,485	681	710,499
Total Fund Balances	128,185	329,401	136,681	11,508	101,553	5	22,310	6,111	735,754
Total Liabilities and Fund Balances	\$ 128,185	\$ 329,470	\$ 136,681	\$ 11,508	\$ 101,553	\$ 32,027	\$ 22,310	\$ 6,111	\$ 767,845

TOWN OF BEDFORD, NEW HAMPSHIRE
Combining Statement of Revenues, Expenditures and
Changes in Fund Equity
Nonmajor Governmental Funds

For the Year Ended December 31, 2010

	Special Revenue Funds					Capital Projects Fund	Permanent Funds		Total Nonmajor Governmental Funds
	Law Enforcement Forfeitures	Impact and Review Fees	Community Development	Donations	Library	Road Reconstruction Fund	Cemetery Perpetual Care	Library	
Revenues:									
Intergovernmental	\$ 116,574	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,574
Charges for services	-	268,689	-	-	26,679	-	-	-	295,368
Investment income	-	-	-	-	939	1,341	254	70	2,604
Miscellaneous	-	-	94,634	131	80,914	-	-	-	175,679
Total Revenues	116,574	268,689	94,634	131	108,532	1,341	254	70	590,225
Expenditures:									
Current:									
General government	-	100,000	2,529	-	-	-	-	-	102,529
Public safety	-	-	-	500	-	-	-	-	500
Culture and recreation	-	77,000	8,965	-	105,389	-	-	-	191,354
Capital outlay	-	-	-	-	-	1,495,491	-	-	1,495,491
Total Expenditures	-	177,000	11,494	500	105,389	1,495,491	-	-	1,789,874
Excess (deficiency) of revenues over (under) expenditures	116,574	91,689	83,140	(369)	3,143	(1,494,150)	254	70	(1,199,649)
Other Financing Sources (Uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(96,500)	-	-	-	-	-	-	(96,500)
Total Other Financing Sources (Uses)	-	(96,500)	-	-	-	-	-	-	(96,500)
Net change in fund balances	116,574	(4,811)	83,140	(369)	3,143	(1,494,150)	254	70	(1,296,149)
Fund Balances, beginning of year, as reclassified	11,611	334,212	53,541	11,877	98,410	1,494,155	22,056	6,041	2,031,903
Fund Balances, end of year	\$ 128,185	\$ 329,401	\$ 136,681	\$ 11,508	\$ 101,553	\$ 5	\$ 22,310	\$ 6,111	\$ 735,754

NONMAJOR PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for activities of the Town for which a fee is charged to external users for goods or services.

Police Detail – This fund accounts for the provision of Town police personnel for traffic control and other special details.

Day Camp – This fund accounts for the transactions of the Town’s summer day camp program.

Bedford Community Television – This fund accounts for the activities of the Town’s local cable television service.

TOWN OF BEDFORD, NEW HAMPSHIRE
Combining Statement of Net Assets
Nonmajor Proprietary Funds

December 31, 2010

	<u>Police Detail</u>	<u>Day Camp</u>	<u>Bedford Community Television</u>	<u>Total Nonmajor Funds</u>
<u>ASSETS</u>				
Current:				
Cash and short-term investments	\$ 146,255	\$ 9,665	\$ 144,607	\$ 300,527
Receivables, net of allowance for uncollectibles:				
Departmental and other	<u>60,983</u>	<u>-</u>	<u>-</u>	<u>60,983</u>
Total current assets	207,238	9,665	144,607	361,510
Noncurrent:				
Capital assets being depreciated, net of accumulated depreciation	<u>-</u>	<u>-</u>	<u>69,743</u>	<u>69,743</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>69,743</u>	<u>69,743</u>
TOTAL ASSETS	207,238	9,665	214,350	431,253
<u>LIABILITIES</u>				
Current:				
Accounts payable	-	335	11,945	12,280
Other current liabilities	1,006	-	-	1,006
Current portion of long-term liabilities:				
Accrued employee benefits, net of current portion	<u>-</u>	<u>-</u>	<u>8,662</u>	<u>8,662</u>
Total current liabilities	1,006	335	20,607	21,948
Noncurrent:				
Accrued employee benefits	<u>-</u>	<u>-</u>	<u>16,085</u>	<u>16,085</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>16,085</u>	<u>16,085</u>
TOTAL LIABILITIES	1,006	335	36,692	38,033
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	-	-	69,743	69,743
Unrestricted	<u>206,232</u>	<u>9,330</u>	<u>107,915</u>	<u>323,477</u>
TOTAL NET ASSETS	<u>\$ 206,232</u>	<u>\$ 9,330</u>	<u>\$ 177,658</u>	<u>\$ 393,220</u>

TOWN OF BEDFORD, NEW HAMPSHIRE
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Nonmajor Proprietary Funds

For the Year Ended December 31, 2010

	<u>Police Detail</u>	<u>Day Camp</u>	<u>Bedford Community Television</u>	<u>Total Nonmajor Funds</u>
Operating Revenues:				
Charges for services	\$ 337,260	\$ 95,320	\$ 288,294	\$ 720,874
Miscellaneous	228	-	240	468
	<u>337,488</u>	<u>95,320</u>	<u>288,534</u>	<u>721,342</u>
Total Operating Revenues				
	337,488	95,320	288,534	721,342
Operating Expenses:				
Personnel services	307,843	54,460	152,756	515,059
Non-personnel services	-	35,055	44,643	79,698
Depreciation	-	-	32,073	32,073
	<u>307,843</u>	<u>89,515</u>	<u>229,472</u>	<u>626,830</u>
Total Operating Expenses				
	307,843	89,515	229,472	626,830
Operating Income	29,645	5,805	59,062	94,512
Transfers from other funds	-	-	-	-
Transfers to other funds	<u>(25,000)</u>	<u>(15,000)</u>	<u>(14,500)</u>	<u>(54,500)</u>
Change in Net Assets	4,645	(9,195)	44,562	40,012
Net Assets at Beginning of Year	<u>201,587</u>	<u>18,525</u>	<u>133,096</u>	<u>353,208</u>
Net Assets at End of Year	<u>\$ 206,232</u>	<u>\$ 9,330</u>	<u>\$ 177,658</u>	<u>\$ 393,220</u>

TOWN OF BEDFORD, NEW HAMPSHIRE
Combining Statement of Cash Flows
Nonmajor Proprietary Funds

For the Year Ended December 31, 2010

	<u>Police Detail</u>	<u>Day Camp</u>	<u>Bedford Community Television</u>	<u>Total Nonmajor Funds</u>
<u>Cash Flows From Operating Activities:</u>				
Receipts from customers and users	\$ 318,356	\$ 95,320	\$ 288,534	\$ 702,210
Payments to employees and contractors for services	(307,843)	(54,125)	(140,013)	(501,981)
Payments to suppliers for goods and services	-	(35,055)	(44,643)	(79,698)
Net Cash Provided By Operating Activities	10,513	6,140	103,878	120,531
<u>Cash Flows From Noncapital Financing Activities:</u>				
Transfers to other funds	(25,000)	(15,000)	(14,500)	(54,500)
Net Cash (Used For) Noncapital Financing Activities	(25,000)	(15,000)	(14,500)	(54,500)
<u>Cash Flows From Capital and Related Financing Activities:</u>				
Acquisition and construction of capital assets	-	-	(44,997)	(44,997)
Net Cash (Used For) Capital and Related Financing Activities	-	-	(44,997)	(44,997)
Net Change in Cash and Short-Term Investments	(14,487)	(8,860)	44,381	21,034
Cash and Short-Term Investments, Beginning of Year	160,742	18,525	100,226	279,493
Cash and Short-Term Investments, End of Year	<u>\$ 146,255</u>	<u>\$ 9,665</u>	<u>\$ 144,607</u>	<u>\$ 300,527</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>				
Operating income	\$ 29,645	\$ 5,805	\$ 59,062	94,512
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	-	-	32,073	32,073
Changes in assets and liabilities:				
User fees	(18,296)	-	-	(18,296)
Accounts payable	-	335	11,945	12,280
Other liabilities	(836)	-	-	(836)
Accrued employee benefits	-	-	798	798
Net Cash Provided By Operating Activities	<u>\$ 10,513</u>	<u>\$ 6,140</u>	<u>\$ 103,878</u>	<u>\$ 120,531</u>

PRIVATE-PURPOSE TRUST FUNDS

Private-purpose trust funds are fiduciary funds used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

School District Capital Reserve – This fund is used to account for capital reserves of the Bedford School District which by N.H. law must be held by the Town’s trustees of trust funds.

Private Cemetery Association – This fund is used to account for trust arrangements which benefit a private cemetery association.

Church – This fund is used to account for a trust arrangement which benefits a local church.

Scholarship – This fund is used to account for a trust arrangement which provides scholarships for individuals.

TOWN OF BEDFORD, NEW HAMPSHIRE
Combining Statement of Fiduciary Net Assets
Private-Purpose Trust Funds

December 31, 2010

	<u>School District Capital Reserve</u>	<u>Private Cemetery Association</u>	<u>Church</u>	<u>Scholarship</u>	<u>Total</u>
<u>ASSETS</u>					
Cash and short-term investments	\$ 522,821	\$ 1,350	\$ 11,253	\$ 28,443	\$ 563,867
Total Assets	<u>522,821</u>	<u>1,350</u>	<u>11,253</u>	<u>28,443</u>	<u>563,867</u>
<u>LIABILITIES</u>					
Other liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET ASSETS</u>					
Net assets held in trust	<u>\$ 522,821</u>	<u>\$ 1,350</u>	<u>\$ 11,253</u>	<u>\$ 28,443</u>	<u>\$ 563,867</u>

TOWN OF BEDFORD, NEW HAMPSHIRE
Combining Statement of Changes in Fiduciary Net Assets
Private-Purpose Trust Funds

For the Year Ended December 31, 2010

	School District Capital Reserve	Private Cemetery Association	Church	Scholarship	Total
Additions:					
Investment income	\$ 5,946	\$ 15	\$ 128	\$ 328	\$ 6,417
Total Additions	5,946	15	128	328	6,417
Deductions:					
General government	-	-	-	1,000	1,000
Total deductions:	-	-	-	1,000	1,000
Net increase (decrease)	5,946	15	128	(672)	5,417
Net Assets:					
Beginning of year	<u>516,875</u>	<u>1,335</u>	<u>11,125</u>	<u>29,115</u>	<u>558,450</u>
End of year	<u>\$ 522,821</u>	<u>\$ 1,350</u>	<u>\$ 11,253</u>	<u>\$ 28,443</u>	<u>\$ 563,867</u>

AGENCY FUND

An agency fund is a fiduciary fund used to report resources held by the Town in a purely custodial capacity (assets equal liabilities).

Developers' Performance Bonds – This fund is used to report deposits posted by developers pending satisfactory performance of work.

TOWN OF BEDFORD, NEW HAMPSHIRE
Statement of Changes in Assets and Liabilities
Agency Fund

For the Year Ended December 31, 2010

Developer's Performance Bonds Fund	Balance 1/1/2010	Additions	Deductions	Balance 12/31/2010
Assets - cash and short-term investments	<u>\$ 1,113,244</u>	<u>\$ 385,917</u>	<u>\$ (60,221)</u>	<u>\$ 1,438,940</u>
Liabilities - other liabilities	<u>\$ 1,113,244</u>	<u>\$ 488,878</u>	<u>\$ (163,182)</u>	<u>\$ 1,438,940</u>



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TOWN OF BEDFORD, NEW HAMSHIRE

STATISTICAL SECTION

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

<i>FINANCIAL TRENDS</i>	Pages
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	62 - 70
<i>REVENUE CAPACITY</i>	
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	71- 75
<i>DEBT CAPACITY</i>	
The schedules contain information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	76 - 80
<i>DEMOGRAPHIC AND ECONOMIC INFORMATION</i>	
These schedules contain demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	81 - 82
<i>OPERATING INFORMATION</i>	
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	83 - 85

TOWN OF BEDFORD, NEW HAMPSHIRE

Net Assets by Component
Last Ten Years (1)

(accrual basis of accounting)

	2003	2004 (2)	2005	2006	2007	2008	2009	2010
Governmental Activities								
Invested in Capital Assets, net of related debt	\$ 7,523,670	\$ 18,587,735	\$ 20,979,652	\$ 67,175,106	\$ 67,042,885	\$ 66,601,433	\$ 66,718,570	\$ 67,470,573
Restricted	25,243	25,243	25,255	67,211	76,016	139,717	203,537	406,348
Unrestricted	10,783,171	4,472,756	6,586,878	7,794,547	9,148,103	10,119,160	11,170,014	11,048,498
Total Governmental Activities	18,332,084	23,085,734	27,591,785	75,036,864	76,267,004	76,860,310	78,092,121	78,925,419
Business-Type Activities								
Invested in Capital Assets, net of related debt	3,762,374	3,780,571	3,946,471	6,540,784	7,115,036	6,993,514	6,841,832	6,747,016
Restricted	-	-	-	-	-	-	-	-
Unrestricted	887,588	1,073,603	1,291,007	874,317	706,647	407,151	397,505	415,207
Total Business-Type Activities	4,649,962	4,854,174	5,237,478	7,415,101	7,821,683	7,400,665	7,239,337	7,162,223
Total Primary Government								
Invested in Capital Assets, net of related debt	11,286,044	22,368,306	24,926,123	73,715,890	74,157,921	73,594,947	73,560,402	74,217,589
Restricted	25,243	25,243	25,255	67,211	76,016	139,717	203,537	406,348
Unrestricted	11,670,759	5,546,359	7,877,885	8,668,864	9,854,750	10,526,311	11,567,519	11,463,705
Total Primary Government, Net Assets	\$ 22,982,046	\$ 27,939,908	\$ 32,829,263	\$ 82,451,965	\$ 84,088,687	\$ 84,260,975	\$ 85,331,458	\$ 86,087,642

Source: Statement of Net Assets

Notes:

(1) The Town will continue reporting the information until such schedule includes ten years of data.

(2) Amounts reflected here are restated as per the 2005 financial audit.

TOWN OF BEDFORD, NEW HAMPSHIRE

Changes in Net Assets

Last Ten Years (1)

(accrual basis of accounting)

	2003	2004 (restated)	2005	2006	2007	2008	2009	2010
Expenses								
Governmental Activities:								
General Government (2)	\$ 3,624,923	\$ 3,152,164	\$ 3,362,473	\$ 3,795,631	\$ 4,587,392	\$ 3,979,931	\$ 4,398,364	\$ 4,669,779
Public Safety	4,103,048	4,575,118	4,723,462	5,251,598	5,650,082	6,502,155	6,255,703	7,094,401
Highways and Streets	2,356,782	1,941,824	2,429,593	6,630,320	5,787,708	6,769,154	6,169,918	5,796,428
Sanitation	1,080,225	1,538,946	1,089,809	1,358,176	847,224	917,732	907,154	928,366
Culture and Recreation	1,231,989	1,223,082	1,150,720	1,343,703	1,269,390	1,397,844	1,396,721	1,717,587
Interest on Long-Term Debt	460,766	558,211	424,533	607,544	794,360	663,722	577,619	466,055
Total Governmental Activities Expenses	12,857,733	12,989,345	13,180,590	18,986,972	18,936,156	20,230,538	19,705,479	20,672,616
Business-Type Activities:								
Sewer Department	594,427	613,039	616,511	782,613	582,442	898,082	755,429	890,234
Other Enterprise (2)	525,204	827,024	664,191	665,837	570,279	667,157	695,342	626,830
Total Business-Type Activities Expenses	1,119,631	1,440,063	1,280,702	1,448,450	1,152,721	1,565,239	1,450,771	1,517,064
Total Primary Government Expenses	\$ 13,977,364	\$ 14,429,408	\$ 14,461,292	\$ 20,435,422	\$ 20,088,877	\$ 21,795,777	\$ 21,156,250	\$ 22,189,680
Program Revenues								
Governmental Activities:								
Charges for Services								
General Government (2)	\$ 299,905	\$ 414,268	\$ 170,394	\$ 105,972	\$ 284,000	\$ 406,776	\$ 459,962	\$ 294,438
Public Safety	359,972	382,583	792,788	599,810	665,627	900,071	875,461	1,098,461
Highways and Streets	-	3,766	476,420	625	800	22,627	3,867	2,736
Sanitation	141,563	224,398	183,752	173,585	163,099	153,670	124,471	80,295
Culture and Recreation	131,029	183,224	78,566	143,123	148,318	166,225	136,079	91,495
Total Charges for Services	932,469	1,208,239	1,701,920	1,023,115	1,261,844	1,649,369	1,599,840	1,567,425
Operating Grants and Contributions	536,191	620,710	122,929	706,335	706,772	688,005	738,566	982,106
Capital Grants and Contributions	147,252	-	792,080	-	-	138,377	-	-
Total Governmental Activities Program Revenues	1,615,912	1,828,949	2,616,929	1,729,450	1,968,616	2,475,751	2,338,406	2,549,531
Business-Type Activities:								
Charges for Services								
Sewer Department	717,342	772,900	951,692	740,735	774,405	703,608	738,486	821,386
Other Enterprise (2)	619,270	970,483	786,681	736,601	670,609	737,044	711,258	721,342
Total Charges for Services	1,336,612	1,743,383	1,738,373	1,477,336	1,445,014	1,440,652	1,449,744	1,542,728
Operating Grants and Contributions	-	-	51,213	1,292,107	376,119	-	-	-
Capital Grants and Contributions	18,854	17,310	-	-	-	53,069	8,699	6,722
Total Business-Type Activities Program Revenues	1,355,466	1,760,693	1,789,586	2,769,443	1,821,133	1,493,721	1,458,443	1,549,450
Total Primary Government Program Revenues	\$ 2,971,378	\$ 3,589,642	\$ 4,406,515	\$ 4,498,893	\$ 3,789,749	\$ 3,969,472	\$ 3,796,849	\$ 4,098,981
Net (Expenses) Revenues								
Governmental Activities	(11,241,821)	(11,160,396)	(10,563,661)	(17,257,522)	(16,967,540)	(17,754,787)	(17,367,073)	(18,123,085)
Business-Type Activities	235,835	320,630	508,884	1,320,993	668,412	(71,518)	7,672	32,386
Total Primary Government Net Expense	\$ (11,005,986)	\$ (10,839,766)	\$ (10,054,777)	\$ (15,936,529)	\$ (16,299,128)	\$ (17,826,305)	\$ (17,359,401)	\$ (18,090,699)
General Revenues and Other Changes in Net Assets								
Governmental Activities:								
Property Taxes	\$ 5,860,520	\$ 6,786,808	\$ 7,964,510	\$ 8,456,373	\$ 10,835,131	\$ 11,975,236	\$ 12,760,371	\$ 13,172,739
MV Excise Tax	4,576,504	4,717,707	4,484,645	4,416,675	4,307,033	4,202,084	4,032,012	4,073,000
Other Taxes	494,844	324,879	307,688	174,266	204,637	180,903	422,261	223,760
Grants/Contributions - unrestricted	780,921	822,979	894,442	1,075,885	1,048,265	1,090,655	930,475	927,355
Impact Fees	236,254	101,524	-	-	-	-	-	-
Investment Income	251,829	425,542	699,815	1,500,313	857,866	428,527	195,973	141,149
Gain on Sale of Capital Assets	92,000	117,609	-	-	-	-	-	-
Other Revenues	714,706	783,606	593,032	575,033	682,918	121,188	88,792	308,880
Transfers, net	145,500	149,000	125,580	167,000	261,830	349,500	169,000	109,500
Total Governmental Activities	13,153,078	14,229,654	15,069,712	16,365,545	18,197,680	18,348,093	18,598,884	18,956,383
Business-Type Activities:								
Transfers, net	(145,500)	(116,418)	(125,580)	(167,000)	(261,830)	(349,500)	(169,000)	(109,500)
Total Business-Type Activities	(145,500)	(116,418)	(125,580)	(167,000)	(261,830)	(349,500)	(169,000)	(109,500)
Total Primary Government	\$ 13,007,578	\$ 14,113,236	\$ 14,944,132	\$ 16,198,545	\$ 17,935,850	\$ 17,998,593	\$ 18,429,884	\$ 18,846,883
Change in Net Assets								
Governmental Activities	1,911,257	3,069,258	4,506,051	(891,977)	1,230,140	593,306	1,231,811	833,298
Business-Type Activities	90,335	204,212	383,304	1,153,993	406,582	(421,018)	(161,328)	(77,114)
Total Primary Government	\$ 2,001,592	\$ 3,273,470	\$ 4,889,355	\$ 262,016	\$ 1,636,722	\$ 172,288	\$ 1,070,483	\$ 756,184

Source: Exhibit B - Statement of Activities

(1) The Town will continue reporting the information until such schedule includes ten years of data.

(2) Certain categories have been combined on this schedule for presentation purposes.

TOWN OF BEDFORD, NEW HAMPSHIRE

Government-Wide Expenses by Function
Last Ten Years

Fiscal Year	Governmental Activities							Business-Type Activities					Total
	General Government	Public Safety	Public Works (1)	Culture & Recreation	Interest	Misc.	Subtotal	Sewer	Police Detail	Day Camp	Bedford Community Television	Subtotal	
2012							-					-	-
2011							-					-	-
2010	\$ 4,640,913	\$ 7,094,401	\$ 6,724,794	\$ 1,717,587	\$ 466,055	\$ 28,866	\$ 20,672,616	\$ 890,234	\$ 307,843	\$ 89,515	\$ 229,472	\$ 1,517,064	\$ 22,189,680
2009	4,374,205	6,255,703	7,077,072	1,396,721	577,619	24,159	19,705,479	755,429	268,936	88,498	337,908	1,450,771	21,156,250
2008	3,962,909	6,502,155	7,686,886	1,397,844	663,722	17,022	20,230,538	898,082	309,786	91,822	265,549	1,565,239	21,795,777
2007	4,572,283	5,650,082	6,634,932	1,269,390	794,360	15,109	18,936,156	582,442	243,876	78,524	247,879	1,152,721	20,088,877
2006	3,775,319	5,251,598	7,988,496	1,343,703	607,544	20,312	18,986,972	782,613	368,648	115,743	181,447	1,448,451	20,435,423
2005	3,327,264	4,723,462	3,519,402	1,150,720	424,533	35,209	13,180,590	616,511	404,217	111,943	148,031	1,280,702	14,461,292
2004 *	3,135,544	4,575,118	3,480,770	1,223,082	558,211	16,620	12,989,345	613,039	414,708	119,981	292,335	1,440,063	14,429,408
2003	3,600,130	4,103,048	3,437,007	1,231,989	460,766	24,793	12,857,733	594,427	331,649	81,094	112,461	1,119,631	13,977,364

(1) Includes Highway and Streets and Sanitation

Note: Information for fiscal years 2003 - 2010 is provided due to the Town's implementation of the GASB 34 reporting requirements in 2003.

In future years, the Town intends to report additional year comparative information in this table.

* Amounts provided herein are restated for 2004 as per the 2005 financial audit.

Source: Statement of Activities

TOWN OF BEDFORD, NEW HAMPSHIRE

Government-Wide Revenues and Transfers
Last Ten Years

Fiscal Year	Governmental Activities									Business-Type Activities				Total
	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Property Taxes	Auto Permits	Interest, Penalties & Other Taxes	Investment Income	Other Revenues & Transfers	Subtotal	Charges for Services	Grants & Contributions	Other Income	Subtotal	
2012									-				-	-
2011									-				-	-
2010	\$ 1,567,425	\$ 982,106	\$ -	\$ 13,172,739	\$ 4,073,000	\$ 223,760	\$ 141,149	\$ 1,345,735	\$ 21,505,914	\$ 1,542,728	\$ 6,722	\$ (109,500)	\$ 1,439,950	\$ 22,945,864
2009	1,599,840	738,566	-	12,760,371	4,032,012	422,261	195,973	1,188,267	20,937,290	1,449,744	8,699	(169,000)	1,289,443	22,226,733
2008	1,649,369	688,005	138,377	11,975,236	4,202,084	180,903	428,527	1,561,343	20,823,844	1,440,652	53,069	(349,500)	1,144,221	21,968,065
2007	1,261,844	706,772	-	10,835,131	4,307,033	204,637	857,866	1,993,013	20,166,296	1,445,014	376,119	(261,830)	1,559,303	21,725,599
2006	1,023,115	706,335	-	8,456,373	4,416,675	174,266	1,500,313	1,817,918	18,094,995	1,477,336	1,292,107	(167,000)	2,602,443	20,697,438
2005	1,701,920	122,929	792,080	7,964,510	4,484,645	307,688	699,815	1,613,054	17,686,641	1,738,373	51,213	(125,580)	1,664,006	19,350,647
2004	1,208,239	620,710	-	6,786,808	4,717,707	426,403	425,542	1,873,194	16,058,603	1,743,383	17,310	(149,000)	1,611,693	17,670,296
2003	932,469	536,191	147,252	5,860,520	4,576,504	731,098	251,829	1,733,127	14,768,990	1,336,612	18,854	(145,500)	1,209,966	15,978,956

Note: Information for fiscal years 2003 - 2010 is provided due to the Town's implementation of the GASB 34 reporting requirements in 2003. In future years, the Town intends to report additional year comparative information in this table.

Source: Statement of Activities

TOWN OF BEDFORD, NEW HAMPSHIRE

General Government Expenditures by Function and Transfers
Last Ten Years

ALL GOVERNMENTAL FUNDS										
Fiscal Year	General Government	Public Safety	Highways & Streets	Sanitation	Culture & Recreation	Intergovernmental	Debt Service	Capital Outlay	Transfers Out	Total
2010	\$ 4,591,067	\$ 6,660,834	\$ 2,975,384	\$ 944,489	\$ 1,592,253	\$ -	\$ 3,085,511	\$ 1,495,491	\$ 96,500	\$ 21,441,529
2009	4,763,817	5,917,806	3,570,184	923,215	1,279,946	-	3,178,884	1,898,656	1,317,557	22,850,065
2008	3,998,577	6,148,043	3,905,734	934,312	1,345,792	-	3,270,032	2,865,737	970,653	23,438,880
2007	4,814,965	5,415,083	2,987,753	867,224	1,446,414	-	3,403,769	4,707,778	992,148	24,635,134
2006	3,928,161	5,008,733	3,295,575	1,378,176	1,263,585	-	1,737,949	3,597,509	840,947	21,050,635
2005	3,282,845	4,579,777	2,906,602	1,128,677	1,184,420	-	1,782,529	2,830,448	669,730	18,365,028
2004	3,461,411	4,325,864	2,594,082	1,558,946	1,888,069	-	1,818,789	2,543,980	799,748	18,990,889
2003	3,497,818	4,586,593	2,666,862	1,080,225	1,199,412	-	965,315	1,829,605	900,185	16,726,015
2002	2,660,343	3,605,701	3,661,080	979,082	1,239,046	-	883,916	-	1,234,421	14,263,589
2001	2,686,064	3,716,354	2,860,608	1,027,115	908,165	-	558,105	3,600,223	1,196,598	16,553,232

GENERAL FUND										
Fiscal Year	General Government	Public Safety	Highways & Streets	Sanitation	Culture & Recreation	Intergovernmental	Debt Service	Capital Outlay	Transfers Out	Total
2010	\$ 4,488,538	\$ 6,660,334	\$ 2,975,384	\$ 944,489	\$ 1,400,899	\$ -	\$ 3,085,511	\$ -	\$ -	\$ 19,555,155
2009	4,458,817	5,916,683	3,570,184	923,215	1,234,551	-	3,178,884	-	667,400	19,949,734
2008	3,994,504	6,147,006	3,905,734	934,312	1,314,112	-	3,270,032	-	549,900	20,115,600
2007	3,740,150	5,411,806	2,985,182	867,224	1,411,740	-	3,403,769	-	647,700	18,467,571
2006	3,711,439	5,000,518	3,294,349	1,378,176	1,206,272	-	1,737,949	-	468,200	16,796,903
2005	3,206,639	4,577,462	2,906,602	1,109,809	1,184,118	-	1,782,529	-	488,950	15,256,109
2004	3,331,173	4,322,408	2,594,082	1,464,477	1,853,142	-	1,818,789	-	454,000	15,838,071
2003	3,418,695	4,583,550	2,666,862	1,080,225	1,178,185	-	965,315	-	249,500	14,142,332
2002	2,602,355	3,400,003	3,661,080	979,082	891,286	-	1,401,505	-	477,250	13,412,561
2001	2,620,562	3,433,892	2,860,608	1,027,115	698,362	-	558,105	3,600,223	477,632	15,276,499

OTHER FUNDS										
Fiscal Year	General Government	Public Safety	Highways & Streets	Sanitation	Culture & Recreation	Intergovernmental	Debt Service	Capital Outlay	Transfers Out	Total
2010	\$ 102,529	\$ 500	\$ -	\$ -	\$ 191,354	\$ -	\$ -	\$ 1,495,491	\$ 96,500	\$ 1,886,374
2009	305,000	1,123	-	-	45,395	-	-	1,898,656	650,157	2,900,331
2008	4,073	1,037	-	-	31,680	-	-	2,865,737	420,753	3,323,280
2007	1,074,815	3,278	2,571	-	34,674	-	-	4,707,778	344,448	6,167,564
2006	216,722	8,215	1,226	-	57,313	-	-	3,597,509	372,747	4,253,732
2005	76,206	2,315	-	18,868	302	-	-	2,830,448	180,780	3,108,919
2004	130,238	3,456	-	94,469	34,927	-	-	2,543,980	345,748	3,152,818
2003	79,123	3,043	-	-	21,227	-	-	1,829,605	650,685	2,583,683
2002	57,988	205,698	-	-	347,760	-	-	-	239,582	851,028
2001	65,502	282,462	-	-	209,803	-	-	-	718,966	1,276,733

Source: Exhibit B of audited financial statements (years 2002 and prior)
 Audited financial statements (years 2003 - 2010) Statement of Revenues, Expenditures and Changes in Fund Balances
 2010 includes the implementation of GASB Statement No. 54

TOWN OF BEDFORD, NEW HAMPSHIRE

General Government Revenues by Source and Transfers
Last Ten Years

ALL GOVERNMENTAL FUNDS									
Fiscal Year	Taxes	Licenses & Permits	Intergovernmental	Charges for Services	Other Misc.	Issuance of Debt	Transfers In	Total	
2010	\$ 12,928,804	\$ 4,279,614	\$ 1,909,461	\$ 1,360,811	\$ 450,029	\$ -	\$ 206,000	\$ 21,134,719	
2009	12,405,189	4,212,046	1,669,041	1,419,806	284,765	-	1,486,557	21,477,404	
2008	11,993,259	4,382,909	1,917,037	1,468,544	549,716	-	1,320,153	21,631,618	
2007	11,009,725	4,488,058	1,824,302	1,482,248	1,070,091	-	1,253,978	21,128,402	
2006	8,575,873	4,666,472	2,580,080	994,691	1,056,112	12,000,000	1,007,947	30,881,175	
2005	8,272,198	4,862,208	1,478,886	947,601	1,208,088	-	858,096	17,627,077	
2004	7,111,687	4,717,707	1,437,645	1,178,802	1,590,653	-	948,748	16,985,242	
2003	6,345,364	4,576,504	1,456,661	805,699	1,439,050	8,009,194	1,045,685	23,678,157	
2002	6,309,840	4,336,893	1,216,153	1,538,891	1,176,047	-	801,832	15,379,656	
2001	5,654,661	4,145,402	1,240,889	1,242,936	627,740	2,300,000	1,233,136	16,444,764	

GENERAL FUND									
Fiscal Year	Taxes	Licenses & Permits	Intergovernmental	Charges for Services	Other Misc.	Issuance of Debt	Transfers In	Total	
2010	\$ 12,928,804	\$ 4,279,614	\$ 1,792,887	\$ 1,065,443	\$ 271,746	\$ -	\$ 206,000	\$ 20,544,494	
2009	12,405,189	4,212,046	1,669,041	1,220,346	100,961	-	819,157	20,426,740	
2008	11,993,259	4,382,909	1,778,660	1,246,209	293,289	-	520,253	20,214,579	
2007	11,009,725	4,488,058	1,678,345	1,201,714	730,453	-	431,278	19,539,573	
2006	8,575,873	4,666,472	1,740,649	901,177	583,870	-	464,747	16,932,788	
2005	8,272,198	4,862,208	1,478,886	879,050	986,200	-	319,146	16,797,688	
2004	7,111,687	4,717,707	1,437,645	927,931	1,034,855	-	419,748	15,649,573	
2003	6,260,167	4,576,504	1,309,409	771,203	959,599	-	720,615	14,597,497	
2002	6,183,715	4,336,893	1,216,153	565,091	1,104,650	-	274,582	13,681,084	
2001	5,654,661	4,145,402	1,240,889	738,376	331,377	2,300,000	755,112	15,165,817	

OTHER FUNDS									
Fiscal Year	Taxes	Licenses & Permits	Intergovernmental	Charges for Services	Other Misc.	Issuance of Debt	Transfers In	Total	
2010	\$ -	\$ -	\$ 116,574	\$ 295,368	\$ 178,283	\$ -	\$ -	\$ 590,225	
2009	-	-	-	199,460	183,804	-	667,400	1,050,664	
2008	-	-	138,377	222,335	256,427	-	799,900	1,417,039	
2007	-	-	145,957	280,534	339,638	-	822,700	1,588,829	
2006	-	-	839,431	93,514	472,242	12,000,000	543,200	13,948,387	
2005	-	-	-	68,551	221,888	-	538,950	829,389	
2004	-	-	-	250,871	555,798	-	529,000	1,335,669	
2003	85,197	-	147,252	34,496	479,451	8,009,194	325,070	9,080,660	
2002	126,125	-	-	973,800	71,397	-	527,250	1,698,572	
2001	-	-	-	504,560	296,363	-	478,024	1,278,947	

Source: Exhibit B of audited financial statements (2002 and prior)

Audited financial statements (years 2003 - 2010) Statement of Revenues, Expenditures and Changes in Fund Balances

2010 includes the implementation of GASB Statement No. 54

TOWN OF BEDFORD, NEW HAMPSHIRE

Fund Balances, Governmental Funds
Last Ten Years

(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	GASB 54 Implementation	2010
All Governmental Funds											All Governmental Funds
Reserved for Encumbrances	\$ 243,607	\$ 597,406	\$ 1,907,429	\$ 2,961,058	\$ 649,912	\$ 3,867,325	\$ 2,825,449	\$ 3,706,353	\$ 2,046,364	Nonexpendable	\$ 271,844
Reserved for Endowments	-	-	25,243	25,243	25,255	25,255	25,255	25,255	25,255	Restricted	1,230,784
Reserved for Special Purposes	-	-	7,296,031	3,414,793	1,352,745	1,541,692	1,585,608	1,596,054	1,237,744	Committed	4,123,267
Unreserved										Assigned	1,739,826
Designated for Special Purposes									261,141	Unassigned	6,293,207
Undesignated, reported in:											
Special Revenue and/or Capital Projects	238,120	555,495	810,482	297,353	4,566,922	10,859,068	7,922,788	4,768,422	4,618,736		
General Fund	2,771,634	2,746,331	2,381,023	3,804,294	4,213,841	4,359,055	4,786,562	5,242,316	5,776,499		
Total All Governmental Funds	\$ 3,253,361	\$ 3,899,232	\$ 12,420,208	\$ 10,502,741	\$ 10,808,675	\$ 20,652,395	\$ 17,145,662	\$ 15,338,400	\$ 13,965,739	Total All Governmental Funds	\$ 13,658,928
General Fund											General Fund
Reserved for Encumbrances	\$ 234,107	\$ 527,933	\$ 1,348,406	\$ 603,540	\$ 649,912	\$ 451,587	\$ 1,052,167	\$ 684,946	\$ 724,938	Nonexpendable	\$ 246,589
Reserved for Endowments	-	-	-	-	-	-	-	-	-	Restricted	520,286
Reserved for Special Purposes	-	-	-	-	1,352,745	1,541,692	1,585,608	1,596,054	1,237,744	Committed	4,123,267
Unreserved										Assigned	1,739,826
Designated for Special Purposes	-	-	-	297,353	-	-	-	-	261,141	Unassigned	6,293,207
Undesignated	2,771,634	2,746,331	2,381,023	3,025,218	4,213,841	4,359,055	4,786,562	5,242,316	5,776,499		
Total General Fund	\$ 3,005,741	\$ 3,274,264	\$ 3,729,429	\$ 3,926,111	\$ 6,216,498	\$ 6,352,334	\$ 7,424,337	\$ 7,523,316	\$ 8,000,322	Total General Fund	\$ 12,923,175
Special Revenue and Permanent Funds											Special Revenue and Perm Funds
Reserved for Encumbrances	\$ 9,500	\$ 69,473	\$ 66,607	\$ 217,314	\$ -	\$ -	\$ -	\$ -	\$ -	Nonexpendable	\$ 25,255
Reserved for Endowments	-	-	25,243	25,243	25,255	25,255	25,255	25,255	25,255	Restricted	710,493
Reserved for Special Purposes	-	-	1,424,550	1,939,975	-	-	-	-	-	Committed	-
Unreserved										Assigned	-
Designated for Special Purposes	238,120	555,495	810,482	-	-	-	-	-	-	Unassigned	-
Undesignated	-	-	-	779,076	3,429,979	3,727,604	3,628,330	4,407,900	4,446,007		
Total Special Revenue and Permanent Funds	\$ 247,620	\$ 624,968	\$ 2,326,882	\$ 2,961,608	\$ 3,455,234	\$ 3,752,859	\$ 3,653,585	\$ 4,433,155	\$ 4,471,262	Total Special Revenue and Perm	\$ 735,748
Capital Projects Fund											Capital Projects Fund
Reserved for Encumbrances	\$ -	\$ -	\$ 492,416	\$ 2,437,204	\$ -	\$ 3,415,738	\$ 1,773,282	\$ 3,021,407	\$ 1,321,426	Nonexpendable	\$ -
Reserved for Endowments	-	-	-	-	-	-	-	-	-	Restricted	5
Reserved for Special Purposes	-	-	5,871,481	1,474,818	-	-	-	-	-	Committed	-
Unreserved										Assigned	-
Designated for Special Purposes	-	-	-	-	-	-	-	-	-	Unassigned	-
Undesignated	-	-	-	-	1,136,943	7,131,464	4,294,458	360,522	172,729		
Total Capital Projects Fund	\$ -	\$ -	\$ 6,363,897	\$ 3,912,022	\$ 1,136,943	\$ 10,547,202	\$ 6,067,740	\$ 3,381,929	\$ 1,494,155	Total Capital Projects Fund	\$ 5

Source: Audited Financial Statements (Balance Sheet)

Notes: Prior to 2003, certain funds were considered Special Revenue Funds (ie. Police Detail, Day Camp and BCTV) which are now reported as Enterprise Funds.

With the implementation of GASB 54 in 2010, the presentation of fund balance classifications has changed and is shown prospectively.

TOWN OF BEDFORD, NEW HAMPSHIRE

**Changes in Fund Balances, Governmental Funds
Last Ten Years**

(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	\$ 5,654,661	\$ 6,183,715	\$ 6,345,364	\$ 7,111,687	\$ 8,272,198	\$ 8,575,873	\$ 11,009,725	\$ 11,993,259	\$ 12,405,189	\$ 12,928,804
Licenses and Permits	4,145,402	4,336,893	4,576,504	4,717,707	4,862,208	4,666,472	4,488,058	4,382,909	4,212,046	4,279,614
Intergovernmental	1,240,889	1,216,153	1,456,661	1,437,645	1,478,886	2,580,080	1,824,302	1,917,037	1,669,041	1,909,461
Charges for Services	1,242,936	1,538,891	805,699	1,178,802	947,601	994,691	1,482,248	1,468,544	1,419,806	1,360,811
Miscellaneous	585,329	1,149,632	1,439,050	1,590,653	1,208,088	1,056,063	1,070,091	549,716	284,765	450,029
Total Revenues	12,869,217	14,425,284	14,623,278	16,036,494	16,768,981	17,873,179	19,874,424	20,311,465	19,990,847	20,928,719
Expenditures										
General Government	2,664,061	2,633,022	3,473,025	3,444,791	3,247,636	3,789,849	4,799,856	3,981,555	4,461,826	4,562,227
Public Safety	3,716,354	3,605,701	4,586,593	4,325,864	4,579,777	5,008,733	5,415,083	6,148,043	5,917,806	6,660,834
Highways and Streets	2,860,608	3,661,080	2,666,862	2,594,082	2,906,602	3,295,575	2,987,753	3,905,734	3,570,184	2,975,384
Sanitation	1,027,115	979,082	1,080,225	1,558,946	1,128,677	1,378,176	867,224	934,312	923,215	944,489
Welfare	20,408	11,720	21,742	8,902	12,266	17,146	13,559	12,621	19,248	23,572
Culture and Recreation	908,165	1,239,046	1,199,412	1,888,069	1,184,420	1,263,585	1,446,414	1,345,792	1,279,946	1,592,253
Conservation	1,595	15,589	3,051	7,718	22,943	121,166	1,550	4,401	282,743	5,268
Capital Outlay	3,600,223	-	1,829,605	2,543,980	2,830,448	3,597,509	4,707,778	2,865,737	1,898,656	1,495,491
Debt Service										
Principal	310,000	1,057,589	540,000	1,350,000	1,385,000	1,380,000	2,575,000	2,565,000	2,560,000	2,555,000
Interest	248,105	343,916	425,315	468,789	397,529	357,949	828,769	705,032	618,884	530,511
Total Expenditures	15,356,634	13,546,745	15,825,830	18,191,141	17,695,298	20,209,688	23,642,986	22,468,227	21,532,508	21,345,029
Excess of Revenues										
Over (Under) Expenditures	(2,487,417)	878,539	(1,202,552)	(2,154,647)	(926,317)	(2,336,509)	(3,768,562)	(2,156,762)	(1,541,661)	(416,310)
Other Financing Sources (Uses)										
Capital Leases	-	-	-	-	62,786	-	-	-	-	-
Transfers In	755,504	274,582	1,045,685	948,748	795,310	1,007,947	1,253,978	1,320,153	1,486,557	206,000
Transfers Out	(761,832)	(507,250)	(900,185)	(799,748)	(669,730)	(840,947)	(992,148)	(970,653)	(1,317,557)	(96,500)
Issuance of Debt	2,300,000	-	8,009,194	-	-	12,000,000	-	-	-	-
Total Other Financing Sources (Uses)	2,293,672	(232,668)	8,154,694	149,000	188,366	12,167,000	261,830	349,500	169,000	109,500
Net Change in Fund Balances	\$ (193,745)	\$ 645,871	\$ 6,952,142	\$ (2,005,647)	\$ (737,951)	\$ 9,830,491	\$ (3,506,732)	\$ (1,807,262)	\$ (1,372,661)	\$ (306,810)
Ratio of Total Debt Service Expenditures to										
Non-Capital Expenditures	4.7%	10.3%	6.9%	11.6%	12.0%	10.5%	18.0%	16.7%	16.2%	15.5%

Source: Statement of Revenues, Expenditures and Changes in Fund Balances

TOWN OF BEDFORD, NEW HAMPSHIRE

**Changes in Fund Balances, General Fund
Last Ten Years**

(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	\$ 5,654,661	\$ 6,183,715	\$ 6,260,167	\$ 7,111,687	\$ 8,272,198	\$ 8,575,873	\$ 11,009,725	\$ 11,993,259	\$ 12,405,189	\$ 12,928,804
Licenses and Permits	4,145,402	4,336,893	4,576,504	4,717,707	4,862,208	4,666,472	4,488,058	4,382,909	4,212,046	4,279,614
Intergovernmental	1,240,889	1,216,153	1,309,409	1,437,645	1,478,886	1,740,649	1,678,345	1,778,660	1,669,041	1,792,887
Charges for Services	738,376	565,091	771,203	927,931	879,050	901,177	1,201,714	1,246,209	1,220,346	1,065,443
Miscellaneous	331,377	1,104,650	959,599	1,034,855	986,200	583,821	730,453	293,289	100,961	271,746
Total Revenues	12,110,705	13,406,502	13,876,882	15,229,825	16,478,542	16,467,992	19,108,295	19,694,326	19,607,583	20,338,494
Expenditures										
General Government	2,598,559	2,575,046	3,393,902	3,314,553	3,171,430	3,573,127	3,725,041	3,977,482	4,156,826	4,459,698
Public Safety	3,433,892	3,400,003	4,583,550	4,322,408	4,577,462	5,000,518	5,411,805	6,147,006	5,916,683	6,660,334
Highways and Streets	2,860,608	3,661,080	2,666,862	2,594,082	2,906,602	3,294,349	2,985,182	3,905,734	3,570,184	2,975,384
Sanitation	1,027,115	979,082	1,080,225	1,464,477	1,109,809	1,378,176	867,224	934,312	923,215	944,489
Welfare	20,408	11,720	21,742	8,902	12,266	17,146	13,559	12,621	19,248	23,572
Culture and Recreation	698,362	891,286	1,178,185	1,853,142	1,184,118	1,206,272	1,411,740	1,314,112	1,234,551	1,400,899
Conservation	1,595	15,589	3,051	7,718	22,943	121,166	1,550	4,401	282,743	5,268
Capital Outlay	3,600,223	-	-	-	-	-	-	-	-	-
Debt Service										
Principal	310,000	1,057,589	540,000	1,350,000	1,385,000	1,380,000	2,575,000	2,565,000	2,560,000	2,555,000
Interest	248,105	343,916	425,315	468,789	397,529	357,949	828,769	705,032	618,884	530,511
Total Expenditures	14,798,867	12,935,311	13,892,832	15,384,071	14,767,159	16,328,703	17,819,870	19,565,700	19,282,334	19,555,155
Excess of Revenues										
Over (Under) Expenditures	(2,688,162)	471,191	(15,950)	(154,246)	1,711,383	139,289	1,288,425	128,626	325,249	783,339
Other Financing Sources (Uses)										
Capital Leases	-	-	-	-	62,786	-	-	-	-	-
Transfers In	755,112	274,582	720,615	419,748	256,360	464,747	431,278	520,253	819,157	206,000
Transfers Out	(477,632)	(477,250)	(249,500)	(454,000)	(488,950)	(468,200)	(647,700)	(549,900)	(667,400)	-
Issuance of Debt	2,300,000	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	2,577,480	(202,668)	471,115	(34,252)	(169,804)	(3,453)	(216,422)	(29,647)	151,757	206,000
Net Change in Fund Balances	\$ (110,682)	\$ 268,523	\$ 455,165	\$ (188,498)	\$ 1,541,579	\$ 135,836	\$ 1,072,003	\$ 98,979	\$ 477,006	\$ 989,339

Source: Audited Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances

TOWN OF BEDFORD, NEW HAMPSHIRE

**Property Tax Levies and Collections
Last Ten Years**

Fiscal Year	Total Property Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Tax Levy
2010	\$ 65,444,050	\$ 62,992,620	96.25%	\$ -	62,992,620	96.26%	\$ 2,451,430	3.75%
2009	63,992,760	61,918,133	96.76%	1,666,702	63,584,835	99.37%	407,925	0.64%
2008	62,382,883	60,020,338	96.21%	2,224,745	62,245,083	99.78%	137,800	0.22%
2007	58,619,062	56,758,904	96.83%	1,860,158	58,619,062	100.00%	-	0.00%
2006	50,152,232	48,694,600	97.09%	1,457,581	50,152,181	100.00%	51	0.00%
2005	46,191,449	44,863,721	97.13%	1,327,728	46,191,449	100.00%	-	0.00%
2004	45,928,814	44,695,503	97.31%	1,233,311	45,928,814	100.00%	-	0.00%
2003	37,353,546	36,467,887	97.63%	885,659	37,353,546	100.00%	-	0.00%
2002	34,978,484	33,962,732	97.10%	1,015,752	34,978,484	100.00%	-	0.00%
2001	32,773,551	31,804,195	97.04%	969,356	32,773,551	100.00%	-	0.00%

Source: Audited Financial Statements

TOWN OF BEDFORD, NEW HAMPSHIRE

Assessed and Estimated Full Value of Real Property
Last Ten Years

Fiscal Year	Local Assessed Value (1)				Less: Exemptions to Assessed Value (1)	Net Assessed Value (1)	Total Direct Tax Rate per \$1,000 of Assessed Valuation	Estimated Full Value (2)	Ratio of Total Assessed Value to Total Estimated Full Value
	Residential	Commercial/Industrial	Utilities	Total Assessed Value					
2010	\$ 2,740,815,020	\$ 593,193,200	\$ 37,406,700	\$ 3,371,414,920	\$ 15,477,293	\$ 3,355,937,627	\$ 18.52	\$ 3,250,664,450	103.71%
2009	2,729,480,253	591,480,900	34,900,600	3,355,861,753	14,554,143	3,341,307,610	18.24	3,346,771,169	100.27%
2008	2,719,298,287	592,680,500	32,632,964	3,344,611,751	14,154,407	3,330,457,344	17.86	3,495,341,441	95.69%
2007	2,609,047,400	490,317,800	31,484,600	3,130,849,800	13,845,207	3,117,004,593	17.89	3,590,485,416	87.20%
2006	2,564,669,774	496,095,300	31,261,664	3,092,026,738	6,828,807	3,085,197,931	15.26	3,521,701,203	87.80%
2005	2,508,883,801	479,715,700	20,401,264	3,009,000,765	6,022,007	3,002,978,758	14.34	3,360,294,465	89.55%
2004	2,451,653,822	466,041,400	17,014,489	2,934,709,711	4,808,407	2,929,901,304	14.64	3,034,860,094	96.70%
2003	1,531,600,529	303,866,900	14,355,075	1,849,822,504	3,765,907	1,846,056,597	18.63	2,843,748,934	65.05%
2002	1,466,144,419	313,905,400	16,155,875	1,796,205,694	3,268,438	1,792,937,256	17.77	2,480,263,353	72.42%
2001	1,397,911,791	305,732,800	18,708,600	1,722,353,191	1,135,138	1,721,218,053	17.33	2,202,066,245	78.22%

Sources:

(1) State MS-1 Report of Assessed Values

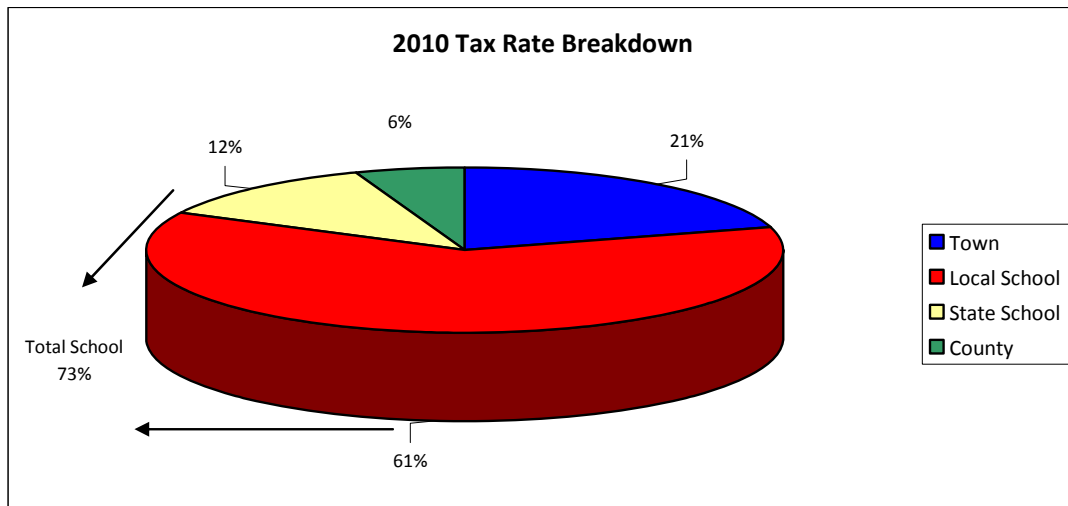
(2) NH Department of Revenue Administration's Annual Equalization Survey

TOWN OF BEDFORD, NEW HAMPSHIRE

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

Fiscal Year	Town Direct Rate					Overlapping Rate			% Incr/Dcrs Tax Rate	Estimated Full Value Rate
	Town	Local School	State School	Total School	Total Direct Rate	County	Total			
2010	\$ 4.13	\$ 12.10	\$ 2.29	\$ 14.39	\$ 18.52	\$ 1.10	\$ 19.62	1.5%	not available	
2009	3.99	11.95	2.30	14.25	18.24	1.09	19.33	2.0%	19.27	
2008	3.81	11.78	2.27	14.05	17.86	1.09	18.95	-0.2%	18.03	
2007	3.67	11.80	2.42	14.22	17.89	1.10	18.99	16.2%	16.46	
2006	2.85	9.92	2.49	12.41	15.26	1.08	16.34	5.8%	14.29	
2005	2.71	8.94	2.69	11.63	14.34	1.10	15.44	-1.9%	13.78	
2004	2.50	9.33	2.81	12.14	14.64	1.10	15.74	-22.6%	15.17	
2003	3.29	9.47	5.87	15.34	18.63	1.71	20.34	4.0%	13.18	
2002	3.23	8.67	5.87	14.54	17.77	1.79	19.56	2.4%	14.10	
2001	2.71	8.46	6.16	14.62	17.33	1.78	19.11	4.4%	14.88	

Source:
NH Department of Revenue Administration



TOWN OF BEDFORD, NEW HAMPSHIRE

**Property Values and Construction
Last Ten Years**

Fiscal Year	Local Assessed Value (1)				% Change	Building Permits (2)	
	Residential	Commercial/ Industrial	Utilities	Total Assessed Value		Number of Permits	Construction Value
2010	\$ 2,740,815,020	\$ 593,193,200	\$ 37,406,700	\$ 3,371,414,920	0.46%	432	\$ 32,114,617
2009	2,729,480,253	591,480,900	34,900,600	3,355,861,753	0.34%	378	20,070,885
2008	2,719,298,287	592,680,500	32,632,964	3,344,611,751	6.83%	397	23,158,043
2007	2,609,047,400	490,317,800	31,484,600	3,130,849,800	1.26%	476	45,262,757
2006	2,564,669,774	496,095,300	31,261,664	3,092,026,738	2.76%	497	49,360,511
2005	2,508,883,801	479,715,700	20,401,264	3,009,000,765	2.53%	622	70,237,741
2004	2,451,653,822	466,041,400	17,014,489	2,934,709,711	58.65%	665	73,548,783
2003	1,531,600,529	303,866,900	14,355,075	1,849,822,504	2.99%	667	81,087,807
2002	1,466,144,419	313,905,400	16,155,875	1,796,205,694	4.29%	709	74,639,766
2001	1,397,911,791	305,732,800	18,708,600	1,722,353,191	4.74%	692	58,564,522

Sources:

(1) State MS-1 Report of Assessed Values

(2) Town of Bedford Building Department (as reported in the annual town report)

All permits issued including new dwelling, commercial, residential additions, etc.

Notes: The Town completed a property revaluation in 2004, the Town's first since 1987. Therefore, as a result of the revaluation, property values increased significantly from 2003 to 2004.

TOWN OF BEDFORD, NEW HAMPSHIRE

**Bedford's Share of the Hillsborough County Tax Apportionment
Last Ten Fiscal Years
(based on percentage of equalized value)**

Total Equalized Values				Apportionment of County Tax Levy					
Tax Year	Bedford	Hillsborough County	Bedford's %	Fiscal Year	County Tax Levy	Bedford's Share %	Bedford's Share \$	Share \$ Change	Share % Change
2010	\$ 3,250,664,450	not available	not available	2010	\$ 44,109,838	8.330%	\$ 3,675,244	\$ 44,460	1.22%
2009	3,346,771,169	\$ 40,169,096,310	8.332%	2009	44,720,387	8.119%	3,630,784	(31,759)	-0.87%
2008	3,495,341,441	43,052,141,290	8.119%	2008	45,633,047	8.026%	3,662,543	222,454	6.47%
2007	3,590,485,416	44,735,255,285	8.026%	2007	44,724,763	7.692%	3,440,089	100,069	3.00%
2006	3,521,701,203	45,453,407,212	7.748%	2006	43,779,760	7.629%	3,340,020	18,447	0.56%
2005	3,360,294,465	44,045,516,136	7.629%	2005	43,487,679	7.638%	3,321,573	68,821	2.12%
2004	3,034,860,094	39,756,319,650	7.634%	2004	40,917,396	7.950%	3,252,752	83,048	2.62%
2003	2,843,748,934	35,772,416,479	7.950%	2003	40,233,427	7.878%	3,169,704	(54,582)	-1.69%
2002	2,480,263,353	31,483,236,852	7.878%	2002	40,421,656	7.977%	3,224,286	139,605	4.53%
2001	2,202,066,245	27,607,114,973	7.976%	2001	39,912,619	7.729%	3,084,681	169,765	5.82%

Data Sources:

NH Department of Revenue Equalization Surveys

Adopted Hillsborough County Budgets (MS-42)

TOWN OF BEDFORD, NEW HAMPSHIRE

**Ratio of Net Bonded Debt to Assessed Value
and Net Bonded Debt per Capita
Last Ten Years**

Fiscal Year	Bedford Population (1)	Estimated Full Value (2)	Gross Long-Term Debt (3)	Debt Payable from Sewer Fund (3)	Net Long-Term Debt	Ratio of Net LT Debt to Estimated Full Assessed Value	Net LT Debt per Capita
2010	21,203	\$ 3,250,664,450	\$ 13,608,536	\$ 370,137	\$ 13,238,399	0.41%	\$ 624
2009	23,773	3,346,771,169	16,883,286	559,375	16,323,911	0.49%	687
2008	23,202	3,495,341,441	20,248,382	745,587	19,502,795	0.56%	841
2007	22,631	3,590,485,416	23,706,225	933,399	22,772,826	0.63%	1,006
2006	22,060	3,521,701,203	27,293,932	1,117,337	26,176,595	0.74%	1,187
2005	21,489	3,360,294,465	14,560,591	1,307,295	13,253,296	0.39%	617
2004	20,918	3,034,860,094	15,747,392	1,346,584	14,400,808	0.47%	688
2003	20,347	2,843,748,934	16,914,664	1,463,071	15,451,593	0.54%	759
2002	19,776	2,480,263,353	9,729,984	1,670,892	8,059,092	0.32%	408
2001	19,205	2,202,066,245	10,547,957	1,834,865	8,713,092	0.40%	454

Sources:

- (1) Trended amounts based in the 1990 and 2000 US Census information until 2010 census release.*
- (2) NH Department of Revenue Administration's Annual Equalization Survey*
- (3) Audited Financial Statements - Footnote for Future Debt Service (includes interest due)*

Notes:

Gross long-term debt includes general obligations of the Town only. School debt is excluded.

TOWN OF BEDFORD, NEW HAMPSHIRE

**Ratio of Annual Debt Service Expenditures
for General Obligation Long-Term Debt
to General Government Expenditures
Last Ten Years**

Fiscal Year	Principal (1)	Interest (1)	Total Debt Service	General Governmental Expenditures (2)	Ratio of Debt Service to General Govt Expenditures
2010	\$ 2,555,000	\$ 530,511	\$ 3,085,511	\$ 19,555,155	15.78%
2009	2,560,000	618,884	3,178,884	19,949,734	15.93%
2008	2,565,000	705,033	3,270,033	20,115,600	16.26%
2007	2,575,000	828,769	3,403,769	18,467,570	18.43%
2006	1,380,000	357,949	1,737,949	16,796,903	10.35%
2005	1,385,000	397,529	1,782,529	15,256,109	11.68%
2004	1,350,000	468,789	1,818,789	14,641,488	12.42%
2003	540,000	425,315	965,315	15,375,919	6.28%
2002	540,000	343,916	883,916	13,872,765	6.37%
2001	310,000	248,105	558,105	15,449,163	3.61%

Source:

Audited Financial Statements (Schedule A-2) for years 1999 - 2002

Audited Financial Statements (Schedule E-2) for 2003

Audited Financial Statements for 2004 - 2010 (Statement of Revenues, Expenditures and Changes in Fund Balances)

Notes:

(1) includes debt service for the general fund only.

(2) includes only general fund expenditures and transfers out.

TOWN OF BEDFORD, NEW HAMPSHIRE

**Computation of Legal Debt Margin
December 31, 2010**

	Town	School	Sewer	Total in Limits	Sewer Exempt from Limits	Total Debt
Bonded Debt	\$ 11,800,000	\$ 43,799,136	\$ 345,000	\$ 55,599,136	\$ 345,000	\$ 55,944,136
Total Debt Outstanding	11,800,000	43,799,136	345,000	55,599,136	345,000	55,944,136
Debt Authorized - Unissued	-	-	-	-	-	-
Total Issued Debt & Authorized	\$ 11,800,000	\$ 43,799,136	\$ 345,000	\$ 55,599,136	\$ 345,000	\$ 55,944,136
Legal debt % Rates of Base Value for Debt Service (1)	3.00%	7.00%	exempt			
Base Value for Debt Limits (2)	\$ 3,250,664,450					
Debt Limits	97,519,934	227,546,512	none			
Unused Capacity	\$ 85,719,934	\$ 183,747,376				
Percentage Used	12.10%	19.25%				

Notes:

(1) Legal Debt % Rates are set by NH State Statute (RSA 33:4-a and 33:5-a)

(2) Base Value for Debt Limits are computed by the NH Department of Revenue Administration

TOWN OF BEDFORD, NEW HAMPSHIRE

**Ratios of Long-Term Debt Outstanding and Legal Debt Limits
Last Ten Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt at December 31 - (1)										
Town	\$ 7,050,000	\$ 6,510,000	\$ 13,970,000	\$ 12,751,097	\$ 11,551,897	\$ 22,149,287	\$ 19,541,822	\$ 16,946,145	\$ 14,359,071	\$ 11,800,000
School	6,704,400	9,495,400	8,804,400	8,089,400	7,374,400	54,627,064	52,481,081	51,353,882	47,649,123	43,799,136
Sewer	1,834,865	1,670,892	1,452,946	1,322,946	1,095,000	955,000	815,000	665,000	510,000	345,000
Town - Authorized & Unissued	404,000	404,000	904,000	500,000	12,000,000	-	-	-	-	-
School - Authorized & Unissued	115,205	115,205	115,205	115,205	115,205	115,205	115,205	115,205	-	-
Total Debt at December 31	\$ 16,108,470	\$ 18,195,497	\$ 25,246,551	\$ 22,778,648	\$ 32,136,502	\$ 77,846,556	\$ 72,953,108	\$ 69,080,232	\$ 62,518,194	\$ 55,944,136
Base Value for Debt Limits (2)	2,202,066,245	2,480,263,353	2,843,748,934	3,034,860,094	3,371,509,816	3,532,541,633	3,599,904,944	3,503,930,620	3,346,771,169	3,250,664,450
Legal Debt Limits (% of Base Value) (3)										
Town, 1.75% thru 1998, 3% thereafter	66,061,987	74,407,901	85,312,468	91,045,803	101,145,294	105,976,249	107,997,148	105,117,919	100,403,135	97,519,934
School, 7%	154,144,637	173,618,435	199,062,425	212,440,207	236,005,687	247,277,914	251,993,346	245,275,143	234,273,982	227,546,512
Debt Against Legal Debt Limits										
Town	7,454,000	6,914,000	14,874,000	13,251,097	23,551,897	22,149,287	19,541,822	16,946,145	14,359,071	11,800,000
School	6,819,605	9,610,605	8,919,605	8,204,605	7,489,605	54,742,269	52,596,286	51,469,087	47,649,123	43,799,136
Sewer - exempt from debt limits	1,834,865	1,670,892	1,452,946	1,322,946	1,095,000	955,000	815,000	665,000	510,000	345,000
Total Bonded Debt at December 31	\$ 16,108,470	\$ 18,195,497	\$ 25,246,551	\$ 22,778,648	\$ 32,136,502	\$ 77,846,556	\$ 72,953,108	\$ 69,080,232	\$ 62,518,194	\$ 55,944,136
Unused Capacity of Legal Debt										
Town	\$ 58,607,987	\$ 67,493,901	\$ 70,438,468	\$ 77,794,706	\$ 77,593,397	\$ 83,826,962	\$ 88,455,326	\$ 88,171,774	\$ 86,044,064	\$ 85,719,934
School	\$ 147,325,032	\$ 164,007,830	\$ 190,142,820	\$ 204,235,602	\$ 228,516,082	\$ 192,535,645	\$ 199,397,060	\$ 193,806,056	\$ 186,624,859	\$ 183,747,376
% of Legal Debt Limits Used										
Town	11.28%	9.29%	17.43%	14.55%	23.29%	20.90%	18.09%	16.12%	14.30%	12.10%
School	4.42%	5.54%	4.48%	3.86%	3.17%	22.14%	20.87%	20.98%	20.34%	19.25%

Source: Audited Financial Statements

Notes:

(1) Town debt includes bonded and leasing debt only and does not include other debt such as compensated absences and landfill post-closure care costs.

(2) Base Value for Debt Limits are computed by the NH Department of Revenue Administration

(3) Legal Debt % Rates are set by NH State Statute (RSA 33:4-a and 33:5-a)

TOWN OF BEDFORD, NEW HAMPSHIRE

**Computation of Overlapping Debt
General Obligation Bonds
Last Ten Years**

Hillsborough County

Year	Amount of Debt Outstanding (1)	Authorized but Unissued Debt	% of Debt Charged to Town (2)	Amount of Debt Charged to Town
2010	\$ -	\$ -	8.3320%	-
2009	-	-	8.1189%	-
2008	-	-	8.0260%	-
2007	-	-	7.6917%	-
2006	-	-	7.6291%	-
2005	-	-	7.6380%	-
2004	-	-	7.9496%	-
2003	-	-	7.8783%	-
2002	-	-	7.9760%	-
2001	1,400,000	-	7.7290%	108,206

Source:

(1) Hillsborough County Financial Statements at year end

(2) NH Department of Revenue Administration

TOWN OF BEDFORD, NEW HAMPSHIRE

**Principal Taxpayers
Current Year and Nine Years Ago**

2010			2010	Percent of	2001			Percent of
Rank	Taxpayer	Type of Business	Assessed Value	Total Assessed Value	Rank	Assessed Value	Total Assessed Value	
1	Public Service of NH	Utility	\$ 25,737,300	0.77%	4	\$ 9,346,000	0.54%	
2	Massachusetts Mutual Life	Apartments	25,628,700	0.76%	1	18,264,100	1.06%	
3	Hampshire Green Apartments	Apartments	23,716,300	0.71%	2	15,515,000	0.90%	
4	PDNED Bedford LLC	Retail/Shopping Center	14,412,200	0.43%		-	0.00%	
5	Gateway Van Buren Inc./NH Heritage	Bedford Mall	14,383,500	0.43%	3	12,181,900	0.71%	
6	Macy's East Inc.	Retail	13,677,500	0.41%	6	7,863,500	0.46%	
7	Target Corporation	Retail/Shopping Center	13,114,200	0.38%		-	0.00%	
8	Kensington Close LLC	Apartments	12,610,000	0.39%	5	9,175,700	0.53%	
9	Grove Court Shopping Center	Retail Shops/Offices	10,618,400	0.32%		-	0.00%	
10	Colby Grove Retail	Supermarket	10,265,000	0.31%		-	0.00%	
	Independence Equity	Retail	-	0.00%	7	7,739,800	0.45%	
	8 Commerce Drive LLC	Industrial	-	0.00%	8	6,791,600	0.39%	
	Bedford Farms	Retail	-	0.00%	9	6,785,500	0.39%	
	Continental Pet Technologies	Industrial	-	0.00%	10	6,621,000	0.38%	
Total Principal Taxpayers			\$ 164,163,100	4.89%	100,284,100			5.83%
Net Assessed Valuation			<u>\$ 3,355,937,627</u>		<u>\$ 1,721,025,413</u>			

Source:
Town of Bedford Tax Warrant and Assessing Records

**Principal Employers
Current Year and Nine Years Ago**

Name	Type of Business	2010		2001	
		Approximate # of Employees	Percent of Total Town Employment	Approximate # of Employees	Percent of Total Town Employment
Bedford School District	Public School System	683	5.98%	245	2.57%
Kelly Services	Temp Employment Service	200	1.75%	150	1.58%
Macy's	Retail Store	199	1.74%	199	2.09%
Wal-Mart	Department Store	197	1.73%	283	2.97%
Lowe's	Home Improvement Center	150	1.31%	-	0.00%
Target	Retail Store	150	1.31%	-	0.00%
Harvey Construction	Construction	80	0.70%	100	1.05%
Graham Packaging/Cont PET	Research/Manufacturing	50	0.44%	100	1.05%
Managed OPS.COM	Computer Technology	-	0.00%	180	1.89%
Wayfarer/Quality Inn	Hotel/Restaurant	-	0.00%	185	1.94%
Car Components Tech.	Manufacturing	-	0.00%	<u>196</u>	2.06%
Total Employed by Principal Employers		1,709	14.97%	661	6.94%
Total Town Civilian Labor Force		<u>11,417</u>		<u>9,518</u>	

Source:
Employment and Labor Market Information Bureau - New Hampshire Employment Security (Community Profiles)

TOWN OF BEDFORD, NEW HAMPSHIRE

**Demographic Statistics
Last Ten Years**

Fiscal Year	Bedford Population (1)	Bedford Median Family Income (1)	Bedford Per Capita Income (1)	Bedford Unemployment Rate (2)	Bedford School Enrollment (3)
2010	21,203	\$ 119,636	\$ 49,911	4.50%	4,296
2009	20,911	113,180	48,395	4.80%	4,416
2008	20,618	110,812	47,210	2.80%	4,880
2007	20,325	108,444	46,025	2.80%	4,757
2006	20,032	106,076	44,840	2.58%	4,596
2005	19,739	103,708	43,655	2.95%	4,545
2004	19,446	101,340	42,470	2.80%	4,394
2003	19,153	98,972	41,285	3.70%	4,267
2002	18,860	96,604	40,100	3.90%	4,223
2001	18,567	94,236	38,915	2.80%	4,038

**State of New Hampshire
Demographic Statistics
Last Ten Years**

Fiscal Year	NH Population (1)	NH Median Family Income (1)	NH Per Capita Income (1)	NH Unemployment Rate (2)	NH Public School Enrollment (4)
2010	1,362,456	\$ 73,525	\$ 31,734	6.10%	216,217
2009	1,349,789	71,930	30,945	6.30%	216,218
2008	1,337,122	70,335	30,156	3.80%	218,087
2007	1,324,455	68,740	29,367	3.60%	200,772
2006	1,311,788	67,145	28,578	3.40%	203,572
2005	1,299,121	65,550	27,789	3.60%	205,767
2004	1,286,454	63,955	27,000	3.80%	206,852
2003	1,273,787	62,360	26,211	4.30%	203,359
2002	1,261,120	60,765	25,422	4.70%	203,715
2001	1,248,453	59,170	24,633	3.50%	203,072

Sources:

(1) Trended amounts based on the 2000 and 2010 US Census information. Amounts for 2001 - 2009 have been revised from previous reports to reflect a more accurate trend reporting since release of the 2010 census data.

(2) NH Department of Employment Security (<http://www.nhes.state.nh.us/elmi/lausdataarchive.htm>)

Amounts for year 2000 - 2004 were revised by the US Department of Labor in August 2005.

(3) Bedford School Department, annual reports

(4) NH Department of Education (<http://www.ed.state.nh.us/education/data/Enrollment.htm>)

TOWN OF BEDFORD, NEW HAMPSHIRE

Operating Indicators by Function
Last Ten Fiscal Years

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Assessing										
Residential Taxable Parcels Assessed	6,555	7,027	7,123	7,186	7,245	7,259	7,288	7,290	7,306	7,385
Commercial/Industrial Taxable parcels Assessed	512	514	519	551	569	568	565	566	569	577
Total Parcels (assessed and exempt)	7,623	7,845	7,883	7,976	8,059	8,097	8,106	8,108	8,160	8,244
Finance										
Motor Vehicles Registered	22,132	23,087	24,515	23,428	24,754	24,277	24,089	23,675	23,611	23,670
Planning										
Subdivision Plans Approved	14	11	10	14	14	4	6	6	7	6
Lot Line Adjustment Plans Approved	4	9	3	4	5	7	8	5	3	1
Site Plans Approved	12	23	12	24	19	2	7	5	5	17
ZBA Requests Approved	16	20	16	34	29	38	23	36	27	31
Police										
Physical Arrests	1,006	1,051	1,139	1,212	1,077	672	647	836	962	898
MV Summons	1,943	2,193	1,775	1,471	1,629	1,325	1,910	2,007	1,793	1,719
MV Warnings	5,167	5,712	6,257	5,598	5,269	4,920	5,817	7,343	7,846	8,125
Parking Tickets	90	254	136	228	206	200	176	135	98	123
Fire and Rescue										
Fire Calls	464	463	434	481	509	549	538	616	526	620
Ambulance Calls	836	866	875	1,089	1,189	1,217	1,287	1,252	1,304	1,376
Miscellaneous Calls	705	709	728	1,170	1,190	1,487	1,526	1,709	1,981	2,002
Building										
Building Permits for New Dwelling Units	217	210	136	143	144	138	35	20	20	33
Certificates of Occupancy	253	218	135	123	123	81	55	116	26	44
Community services -public works										
Number of Crews Dispatched for Snow Storms	29	34	25	28	34	23	35	35	25	22
Miles of Road Improved	n/a	n/a	n/a	7	10	14	13	17	7	2
Public Library										
Total Library Holdings	77,170	79,139	82,282	81,844	80,545	81,343	78,330	79,750	80,884	80,655
Circulated Items	245,547	266,857	286,666	315,366	335,655	409,373	418,206	542,233	552,674	536,509
Transfer Station										
Tons of Recycled Corrugated Board	*	89	240	165	130	118	123	115	78	-
Tons of Recycled Newspaper	*	420	430	203	500	489	479	449	263	-
Tons of Comingled Containers	*	323	329	354	355	330	354	391	263	-
Number of Recycled Propane Tanks		n/a	n/a	1195	631	321	405	94	94	-
Tons of Recycled Scrap Metal		600	500	420	345	333	378	293	228	275
Gallons of Recycled Antifreeze		n/a	n/a	n/a	275	275	330	n/a	n/a	n/a
Gallons of Recycled Used Oil		4,100	n/a	n/a	4,800	4,800	5,700	n/a	n/a	n/a
Tons of Residential Waste Accepted		8,760	9,836	11,244	11,403	10,730	11,535	8,725	8,800	8,890
Single Stream Recycling (<i>began in 2008</i>)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	485	1,189

* single stream recycling program began in 2008

Source: Annual Town Reports and Department Records

TOWN OF BEDFORD, NEW HAMPSHIRE

Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	16	16	16	16	16	16	16	16	16	16
Fire and Rescue										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of ladder trucks	1	1	1	1	1	1	1	1	1	1
Number of pumpers	4	4	4	4	4	4	4	4	4	4
Number of support vehicles	5	5	5	5	5	5	5	5	5	6
Number of ambulances	2	2	2	2	2	2	2	2	2	2
Community Services - Public Works										
Miles of streets	166	166	166	166	174	174	174	174	174	174
Number of bridges	12	12	12	12	12	12	12	12	12	12
Number of 6 wheel dump trucks w/plow & sander	11	12	12	12	13	13	13	14	14	13
Community Services - Culture and Recreation										
Playgrounds	1	1	1	1	1	1	1	1	1	1
Multipurpose Sports Fields	14	14	14	14	14	14	14	14	14	14
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Water Slide	-	-	-	1	1	1	1	1	1	1
Skateboard Park	1	1	1	1	1	1	1	1	1	1
Outdoor Performance Stage	1	1	1	1	1	1	1	1	1	1
Indoor Stage	1	1	1	1	1	1	1	1	1	1
Tennis courts	7	7	7	7	7	7	7	7	7	7
Basketball courts	3	3	3	3	3	3	3	3	3	3
Sledding Hills	2	2	2	2	2	2	2	2	2	2
Walking Trail Mileage	11.75	13.75	13.75	13.75	13.75	13.75	13.75	13.75	13.75	13.75
Miles of Cross Country Ski Trail	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Mountain Bike Trail Mileage	4	4	4	4	4	4	4	4	4	4
Sewage System										
Footage of sewer pipeline	78,624.80	80,824.50	80,824.50	80,824.50	80,824.50	80,824.50	84,124.50	84,124.50	84,124.50	84,124.50
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of pump stations	1	1	1	2	2	3	3	3	3	3
Maximum daily capacity of treatment (millions of gallons)	1	1	1	1	1	1	1	1	1	1

Source: Various Departments & Capitalized Asset Schedules

TOWN OF BEDFORD, NEW HAMPSHIRE

**Full Time Personnel Statistics by Function
Last Ten Fiscal Years**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
GENERAL GOVERNMENT										
Executive	3	3	3	3	3	2	2	2	2	2
Finance/Tax Office/Town Clerk	7	7	7	7	7	7	7	7	7	7
Planning/Assessing/IS	4	5	5	5	7	7	7	7	7	7
Total General Government	14	15	15	15	17	16	16	16	16	16
PUBLIC SAFETY										
Police - Sworn Officers	23	24	27	26	27	28	31	31	31	31
Police - Non-Sworn Personnel	11	10	10	10	10	12	13	13	13	13
Total Police Department	34	34	37	36	37	40	44	44	44	44
Fire and Rescue	21	20	20	20	20	24	32	33	32	33
Total Public Safety	55	54	57	56	57	64	76	77	76	77
PUBLIC WORKS										
Administration and Highway	20	20	20	22	22	22	23	23	25	25
Sewer	1	1	1	1	1	1	1	1	1	1
Fleet Maintenance	1	1	1	1	1	1	1	1	1	1
Total Public Works	22	22	22	24	24	24	25	25	27	27
CULTURE & RECREATION										
Public Television					1	1	1	1	1	1
Recreation	2	3	3	3	3	3	3	3	1	1
Public Library	6	6	6	6	6	6	6	6	6	6
Total Culture & Recreation	8	9	9	9	10	10	10	10	8	8
TOTAL ALL FUNCTIONS										
	99	100	103	104	108	114	127	128	127	128
PERCENT of TOTAL										
General Government	14.14%	15.00%	14.56%	14.42%	15.74%	14.04%	12.60%	12.50%	12.60%	12.50%
Public Safety	55.56%	54.00%	55.34%	53.85%	52.78%	56.14%	59.84%	60.16%	59.84%	60.16%
Public Works	22.22%	22.00%	21.36%	23.08%	22.22%	21.05%	19.69%	19.53%	21.26%	21.09%
Culture & Recreation	8.08%	9.00%	8.74%	8.65%	9.26%	8.77%	7.87%	7.81%	6.30%	6.25%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Personnel Records



Town of Bedford, New Hampshire
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