



# New Hampshire Land and Community Heritage Investment Program

## ANNUAL REPORT – FY 2007

## Summary of Activities

The Land and Community Heritage Investment Program (LCHIP) is an independent state authority created by the NH Legislature through SB401 in June of 2000 to make matching grants to NH communities and non-profits for the purpose of protecting NH's most important natural, cultural, and historic resources.

### LCHIP Accomplishments Since Inception in 2000:

Total Legislative Appropriations	<b>\$24.5 million</b>
Total Grant Requests Received From Communities	<b>Over 700</b>
Dollars Requested from LCHIP	<b>Over \$123 million</b>
Total Grants in 7 Rounds	<b>150</b>
NH Communities Served	<b>101</b>

### Other important facts about LCHIP:

- For every \$1 of grant money allocated, an additional \$5.89 is raised from other sources (leverage is subject to fluctuate as projects evolve)
- Each funded project is protected through a permanent easement or term covenant
- Each funded project is required to have a stewardship plan for the long-term management of the resource
- Funding for grants come from legislative appropriations
- Administrative costs come from a share of the Conservation License Plate (moose plate) as well as interest earned on the legislative appropriation
- LCHIP has 4 staff members: Executive Director, Office Manager, Historic Resource Specialist and a Natural Resource Specialist. Similar programs in other states use 9-13 staff members

For more information on the LCHIP program, visit our website at [www.lchip.org](http://www.lchip.org)

### **FY 2007 Board Meetings**

October 16, 2006  
December 7, 2006  
January 29, 2007  
February 23, 2007  
March 23, 2007

## **Current LCHIP Board and Staff**

### **Legislative Members**

Senator Peter Bragdon, Legislator  
Senator Martha Fuller-Clark, Legislator  
Representative Judith Spang, Legislator  
Representative David Hess, Legislator

### **State Agency Members**

Commissioner Thomas Burack, NH Dept. of Environmental Services  
Lee Perry (Designee: Charles Bridges), NH Fish & Game  
George Bald (Designee: Phil Bryce), NH Dept. of Resources & Economic Development  
Comm. Van McLeod, Dept. of Cultural Resources  
Amy Ignatius, Office of State Planning and Energy Systems  
Commissioner Stephen Taylor (Designee: Tom Sloan), Dept. of Agriculture, Markets & Food

### **Public Members**

Rusty McLearn, Cultural/Historic  
Bill Veillette, Cultural/Historic  
Craig Welch, Business  
H. Charles Royce, Municipal  
Jack Bronnenberg, Natural Resources  
Tim Murphy, Regional Planning Commission  
Julia Steed-Mawson, Recreation  
William Norton, Local Planning

### **LCHIP Staff**

Darrell DeTour, Natural Resource Specialist  
Amy Dixon, Historic Resource Specialist  
Cheryl Carlson, Office Manager

### Grant Awards To Date (thru 11/2007)

Town	Project Name	Grant Award	Total Project Cost
Acworth	Acworth Village Store	\$61,200.00	\$224,529.00
Acworth	Acworth Village Store 2	\$16,497.00	\$34,911.00
Acworth	Acworth Meetinghouse	\$130,000.00	\$829,220.00
Albany	Bald Hill	\$159,000.00	\$318,000.00
Alstead	Kidder Pond	\$160,000.00	\$380,000.00
Alstead	Alstead Historical Society Museum	\$35,240.00	\$71,948.00
Alton	East Alton Meetinghouse	\$10,000.00	\$100,000.00
Andover	Cilleyville Bog Bridge	\$72,000.00	\$156,000.00
Antrim	Duncan House	\$7,125.00	\$14,725.00
Ashland	Ashland School	\$300,000.00	\$966,250.00
Bath and Claremont	NH Farmland Conservation Initiative	\$100,000.00	\$360,200.00
Belmont	Province Road Meetinghouse	\$5,000.00	\$10,000.00
Berlin	Cote Building	\$10,000.00	\$58,597.64
Berlin	Brown Co./Maynesboro Barns	\$50,000.00	\$100,000.00
Bethlehem	Colonial Theater	\$347,520.00	\$695,040.00
Boscawen	Penacook Academy	\$350,000.00	\$1,151,767.00
Brookfield	Brookfield Town Hall	\$10,000.00	\$21,950.00
Campton	Town House & Grange	\$22,000.00	\$44,298.00
Campton	Town House & Grange 2	\$30,000.00	\$65,885.00
Canaan	Bear Pond	\$150,000.00	\$350,000.00
Canaan	Canaan Meetinghouse	\$26,836.00	\$62,036.00
Canterbury	Trustees Office	\$150,000.00	\$305,613.00
Canterbury and Concord	Gold Star Sod Farm	\$378,000.00	\$3,000,000.00
Charlestown & Langdon	Fall Mountain	\$175,000.00	\$681,575.00
Charlestown and Langdon	Fall Mountain	\$175,000.00	\$846,675.00
Chesterfield	California Brook Phase II	\$250,000.00	\$580,000.00
Clarksville	Connecticut River Forest	\$400,000.00	\$2,750,000.00
Columbia	Covered Bridge	\$4,920.00	\$60,000.00
Concord	Sunnycrest Orchard	\$405,000.00	\$810,000.00
Concord	Benjamin Kimball House	\$7,115.00	\$14,230.00
Concord	Benjamin Kimball House	\$150,000.00	\$321,937.00
Concord	Rossview Farm	\$300,000.00	\$2,400,000.00
Cornish	Fitch Farm	\$167,500.00	\$347,000.00
Danbury	North Road Schoolhouse	\$12,000.00	\$68,916.45
Danville	Danville Town Hall	\$2,500.00	\$5,000.00
Danville	Webster Stagecoach Stop & Store	\$15,000.00	\$35,000.00
Deerfield	Lamprey River Headlands	\$100,000.00	\$555,000.00
Derry	Corneliusen Orchard	\$125,000.00	\$830,000.00
Dover	Cassily/Cochecho Park	\$75,000.00	\$345,000.00
Dunbarton	Nassikas Property	\$210,000.00	\$765,000.00
East Kingston	East Kingston Depot	\$64,874.75	\$129,748.75
Effingham	Effingham Town Hall	\$150,000.00	\$300,000.00
Enfield	Long-Range Preservation Plan	\$20,000.00	\$40,000.00
Epsom	Epsom Meetinghouse	\$191,000.00	\$382,216.00
Errol	13-Mile Woods	\$350,000.00	\$3,800,000.00
Errol	Moolidgewock Brook	\$150,000.00	\$1,850,000.00
Exeter	Raynes Farm	\$200,000.00	\$520,000.00

### Grant Awards To Date (thru 11/2007)

Town	Project Name	Grant Award	Total Project Cost
Exeter	Wiggins/Raynes Barn	\$50,000.00	\$100,000.00
Exeter	1775 Folsom Tavern	\$100,000.00	\$832,040.00
Francestown	Shattuck Pond	\$287,500.00	\$1,800,000.00
Franconia	Robert Frost Place	\$25,400.00	\$63,500.00
Franklin	Webster Farm	\$750,000.00	\$2,400,000.00
Freedom & Madison	Trout Pond	\$250,000.00	\$2,017,000.00
Gilford	Ramblin' Vewe Farm	\$44,250.00	\$712,000.00
Greenfield	Crotched Mountain	\$250,000.00	\$2,750,000.00
Hampton	James House	\$12,000.00	\$24,000.00
Hampton/Hampton Falls	Hurd Farm	\$100,000.00	\$3,050,000.00
Harrisville	Cheshire Mills Bldg.	\$250,000.00	\$1,310,744.00
Haverhill	Alumni Hall	\$175,000.00	\$606,150.00
Haverhill	Pearson Hall	\$100,000.00	\$776,925.00
Haverhill & Bath	NH Farmland Conservation Initiative	\$332,500.00	\$665,000.00
Hillsborough	Fuller Library	\$5,500.00	\$11,000.00
Hinsdale	Bear Mountain Connector	\$11,500.00	\$28,500.00
Hinsdale	Ebenezer Hinsdale Farm	\$215,000.00	\$950,000.00
Hooksett	Robie's Country Store	\$10,000.00	\$20,000.00
Hooksett	Clay Pond Headwaters	\$300,000.00	\$1,150,000.00
Hooksett	Massabesic Watershed	\$250,000.00	\$1,550,000.00
Hudson	Benson's Animal Park	\$14,000.00	\$28,000.00
Keene	Mill Buildings	\$85,000.00	\$598,000.00
Keene	Stone Arched Bridge	\$500.00	\$50,000.00
Keene, Swanzey, Chesterfield	West Hill/California Brook Area	\$150,000.00	\$535,000.00
Laconia	Belknap Mill	\$50,000.00	\$188,000.00
Lancaster	Lancaster Opera House & Town Hall	\$130,000.00	\$1,057,055.00
Lebanon	Westboro Rail Yard Study	\$25,000.00	\$50,000.00
Lee	North Lee Conservation Project	\$400,000.00	\$824,500.00
Lee & Epping	Flag Hill	\$220,000.00	\$650,000.00
Lempster	Ashuelot River Headwaters	\$500,000.00	\$1,208,000.00
Lempster	1794 Lempster Meetinghouse	\$75,000.00	\$728,341.79
Londonderry, Hudson, Windham	Ingersoll Tri-Town Tree Farm	\$300,000.00	\$2,241,000.00
Manchester	Hackett Hill	\$75,000.00	\$2,050,000.00
Manchester	Athens Building	\$70,000.00	\$1,746,000.00
Manchester	MHA Headquarters	\$236,250.00	\$1,430,546.00
Manchester	Valley Cemetery	\$200,000.00	\$1,056,750.00
Mason	Fifield Tree Farm Cons. Easement	\$57,000.00	\$108,000.00
Meredith	Longridge Farm	\$275,000.00	\$720,000.00
Meredith	Page Brook Forest	\$400,000.00	\$2,500,000.00
Milton	Milton Townhouse	\$5,000.00	\$10,000.00
Milton	NH Farm Museum	\$6,764.00	\$16,380.00
Milton	Salmon Falls River Headwaters	\$325,000.00	\$1,304,727.00
Milton Mills	Milton Mills Free Public Library	\$10,000.00	\$21,000.00
Nashua	Westwood Park	\$200,000.00	\$2,000,000.00
Nashua	Acq. Of open space off Deerwood Drive	\$200,000.00	\$1,000,000.00

### Grant Awards To Date (thru 11/2007)

Town	Project Name	Grant Award	Total Project Cost
New Durham	1772 Meetinghouse	\$10,000.00	\$15,900.00
Newbury	Center Meetinghouse	\$100,000.00	\$796,000.00
Newington	Old Meetinghouse	\$124,000.00	\$378,000.00
Newmarket	Grapevine Hill/Tuttle Swamp	\$250,000.00	\$1,530,000.00
Newmarket	Newmarket Engine House	\$40,000.00	\$80,000.00
Newmarket	Piscassic River	\$48,000.00	\$465,000.00
Newport	Eagle Block	\$135,000.00	\$1,950,000.00
Newport	Pier Bridge	\$40,000.00	\$500,000.00
Newton	Hidden Acres Farm	\$112,300.00	\$267,300.00
North Hampton	Centennial Hall	\$166,258.00	\$403,000.00
Nottingham	Mulligan Forest	\$295,000.00	\$1,831,650.00
Ossipee	Ossipee Pine Barrens - Mustapha Tract	\$25,149.00	\$78,286.00
Ossipee	Whittier Covered Bridge	\$100,000.00	\$948,000.00
Ossipee, Freedom, Madison	Pine Barrens	\$300,000.00	\$2,715,000.00
Pelham	Little Island Pond	\$60,000.00	\$275,000.00
Piermont	Schmid Farm	\$225,000.00	\$480,000.00
Pittsburg, Clarksville, Stewartstown	Connecticut Lakes	\$2,000,000.00	\$42,000,000.00
Pittsfield	Scenic Theater	\$11,246.00	\$22,492.00
Portsmouth	Pearl of Portsmouth	\$164,000.00	\$393,100.00
Portsmouth	Moffatt-Ladd House	\$10,000.00	\$56,982.00
Portsmouth	Music Hall	\$14,000.00	\$31,785.00
Portsmouth	Moffatt-Ladd Coach House	\$60,000.00	\$500,000.00
Portsmouth	The Music Hall	\$100,000.00	\$1,750,000.00
Portsmouth	Temple Israel	\$65,350.00	\$3,264,000.00
Portsmouth	Cotton Tenant House	\$115,000.00	\$311,000.00
Randolph	Pond of Safety	\$250,000.00	\$4,250,000.00
Rindge	Meetinghouse	\$30,000.00	\$190,000.00
Rindge	Hampshire Country School	\$7,300.00	\$14,600.00
Rochester	Rochester Opera House	\$150,000.00	\$550,000.00
Rollinsford	Col. Paul Wentworth House	\$275,000.00	\$553,348.00
Rollinsford	Hiram Roberts Grange	\$180,000.00	\$404,625.00
Sanbornton	Sanbornton Town Hall Study	\$17,700.00	\$43,400.00
Shelburne	Androscoggin Valley Conservation Initiative	\$300,000.00	\$2,500,000.00
Stewartstown	Poore Family Foundation	\$74,422.00	\$148,845.40
Stoddard	Robb Reservoir	\$250,000.00	\$3,900,000.00
Sugar Hill	Sunset Hill	\$144,000.00	\$416,000.00
Tamworth	Cook Memorial Library	\$85,000.00	\$600,300.00
Tamworth	Gilman House	\$3,300.00	\$6,600.00
Temple	Temple Town Hall	\$250,000.00	\$776,038.00
Temple	Temple Mountain	\$135,000.00	\$1,125,000.00
Tilton	Northfield-Tilton Congregational Church	\$24,725.00	\$49,550.00
Troy	Cheshire Railroad Depot	\$49,697.00	\$99,395.00
Tuftonboro	Great Meadows	\$5,880.00	\$12,000.00
Union (Wakefield)	Union Hotel	\$15,000.00	\$30,000.00
Unity	Chase's Tavern	\$257,725.00	\$544,000.00

### Grant Awards To Date (thru 11/2007)

Town	Project Name	Grant Award	Total Project Cost
Wakefield	Wakefield Opera House	\$70,000.00	\$155,000.00
Warner	Badger Property	\$98,000.00	\$202,500.00
Washington	Town Hall Bell Tower	\$56,500.00	\$113,000.00
Webster	Schoodac Brook	\$275,000.00	\$1,176,500.00
West Chesterfield	Actors Theatre Playhouse	\$30,600.00	\$80,000.00
Westmoreland	Park Hill Meeting House	\$14,500.00	\$29,000.00
Whitefield	George W. Libbey House	\$120,000.00	\$630,095.00
Wilton	Gregg Free Library	\$75,000.00	\$200,000.00
Wilton	Carnival Hill	\$100,000.00	\$340,000.00
Wilton	Temple-Wilton Community Farm	\$130,000.00	\$260,000.00
Wilton	Four Corners Farm	\$250,000.00	\$560,000.00
Windham	Bartley House	\$40,000.00	\$160,000.00
Windsor	Bagley Pond	\$65,000.00	\$381,475.00

**NEW HAMPSHIRE  
LAND AND COMMUNITY HERITAGE  
INVESTMENT PROGRAM AUTHORITY**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
JUNE 30, 2007 AND 2006**

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### Financial Statements

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## REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of New Hampshire  
Land & Community Heritage Investment Program Authority

We have audited the accompanying statements of financial position of New Hampshire Land & Community Heritage Investment Program Authority (a nonprofit organization) as of June 30, 2007 and 2006, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Authority'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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Hampshire Land & Community Heritage Investment Program Authority as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Carew & Wells, PLLC*

Carew & Wells, PLLC  
Concord, New Hampshire

August 23, 2007

NEW HAMPSHIRE LAND AND COMMUNITY  
HERITAGE INVESTMENT PROGRAM AUTHORITY  
**STATEMENTS OF FINANCIAL POSITION**  
AS OF JUNE 30, 2007 AND 2006

	2007	2006
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 447,999	\$ 354,926
Due from State of New Hampshire	31,197	59,927
Prepaid assets	<u>531</u>	<u>-</u>
<i>Total Current Assets</i>	<u>479,727</u>	<u>414,853</u>
<b>PROPERTY AND EQUIPMENT</b>		
Property and equipment	26,834	15,461
Accumulated depreciation	<u>(7,051)</u>	<u>(7,289)</u>
<i>Net Depreciated Property and Equipment</i>	<u>19,783</u>	<u>8,172</u>
<b>TOTAL ASSETS</b>	<u>\$ 499,510</u>	<u>\$ 423,025</u>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 1,933	\$ 1,488
Accrued payroll and related liabilities	<u>3,971</u>	<u>2,885</u>
<i>Total Current Liabilities</i>	<u>5,904</u>	<u>4,373</u>
<b>NET ASSETS</b>		
Unrestricted Net Assets	<u>493,606</u>	<u>418,652</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>\$ 499,510</u>	<u>\$ 423,025</u>

The accompanying notes are an integral part of these financial statements

NEW HAMPSHIRE LAND AND COMMUNITY  
HERITAGE INVESTMENT PROGRAM AUTHORITY  
**STATEMENTS OF ACTIVITIES**  
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	2007	2006
<b>UNRESTRICTED NET ASSETS</b>		
<b>SUPPORT AND REVENUES</b>		
Conservation plate revenue, State of New Hampshire	\$ 200,000	\$ 200,000
Interest on appropriations, State of New Hampshire	143,426	144,567
Grants	27,000	-
Interest income	<u>1,761</u>	<u>1,826</u>
<i>Total Support and Revenues</i>	<u>372,187</u>	<u>346,393</u>
<b>EXPENSES</b>		
Program Services	210,445	219,433
Management and General	<u>86,788</u>	<u>14,628</u>
<i>Total Expenses</i>	<u>297,233</u>	<u>234,061</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>		
	74,954	112,332
<i>Net Assets, Beginning of Year</i>	<u>418,652</u>	<u>306,320</u>
<i>Net Assets, End of Year</i>	<u>\$ 493,606</u>	<u>\$ 418,652</u>

*The accompanying notes are an integral part of these financial statements*

NEW HAMPSHIRE LAND AND COMMUNITY  
HERITAGE INVESTMENT PROGRAM AUTHORITY  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
FOR THE YEAR ENDED JUNE 30, 2007

	Program Services	Management and General	Total
Advertising	\$ -	\$ 345	\$ 345
Benefits	5,856	2,505	8,361
Depreciation	2,303	985	3,288
Dues and subscriptions	-	1,269	1,269
Insurance, medical	26,913	11,513	38,426
Insurance, general	-	547	547
Office expenses	3,739	1,600	5,339
Payroll taxes	8,809	3,769	12,577
Professional fees	19,514	6,127	25,641
Rent	9,147	3,913	13,060
Repairs and maintenance	847	363	1,210
Salaries, officers	27,609	41,415	69,024
Salaries and wages	88,634	7,847	96,481
Supplies	1,878	803	2,681
Telephone	1,804	772	2,576
Travel and entertainment	6,796	1,723	8,519
Utilities	3,022	1,293	4,315
Other expenses	3,574	-	3,574
	<u>\$ 210,445</u>	<u>\$ 86,788</u>	<u>\$ 297,233</u>

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*The accompanying notes are an integral part of these financial statements*

NEW HAMPSHIRE LAND AND COMMUNITY  
HERITAGE INVESTMENT PROGRAM AUTHORITY  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**(CONTINUED)**  
FOR THE YEAR ENDED JUNE 30, 2006

	<b>Program Services</b>	<b>Management and General</b>	<b>Total</b>
Benefits	\$ 6,270	\$ 418	\$ 6,688
Depreciation	1,979	132	2,111
Dues & subscriptions	2,179	145	2,324
Insurance, medical	29,358	1,957	31,315
Insurance, general	439	29	468
Office expenses	5,132	342	5,474
Payroll taxes	9,135	609	9,744
Professional fees	14,440	963	15,403
Rent	12,150	810	12,960
Repairs and maintenance	1,459	97	1,556
Salaries, officers	59,470	3,965	63,435
Salaries & wages	60,161	4,011	64,172
Supplies	3,321	221	3,542
Telephone	2,542	169	2,711
Travel & Entertainment	4,337	289	4,626
Utilities	3,752	250	4,002
Miscellaneous	3,309	221	3,530
	<u>\$ 219,433</u>	<u>\$ 14,628</u>	<u>\$ 234,061</u>

*The accompanying notes are an integral part of these financial statements*

NEW HAMPSHIRE LAND AND COMMUNITY  
HERITAGE INVESTMENT PROGRAM AUTHORITY  
**STATEMENTS OF CASH FLOWS**  
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	<b>2007</b>	<b>2006</b>
<b><i>CASH FLOWS FROM OPERATING ACTIVITIES</i></b>		
<b>INCREASE IN NET ASSETS</b>	\$ <u>74,954</u>	\$ <u>112,332</u>
<i>Adjustments to Reconcile Net Income to Net Cash from Operating Activities:</i>		
Depreciation	3,288	2,111
(Increase) Decrease in Operating Assets:		
Accounts Receivable	28,730	(23,531)
Prepaid Expenses	(531)	468
Increase (Decrease) in Operating Liabilities:		
Accounts payable	444	(312)
Accrued payroll and related liabilities	<u>1,086</u>	<u>232</u>
<b>Total adjustments</b>	<u>33,017</u>	<u>(21,032)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>107,971</u>	<u>91,300</u>
 <b><i>CASH FLOWS FROM INVESTING ACTIVITIES</i></b>		
Acquisition of capital assets	<u>(14,898)</u>	<u>(3,172)</u>
 <b>NET INCREASE (DECREASE) IN CASH</b>	 93,073	 88,128
<b>Cash, Beginning of Period</b>	<u>354,926</u>	<u>266,798</u>
<b>Cash, End of Period</b>	<u>\$ 447,999</u>	<u>\$ 354,926</u>

*The accompanying notes are an integral part of these financial statements*

NEW HAMPSHIRE LAND AND COMMUNITY  
HERITAGE INVESTMENT PROGRAM AUTHORITY  
**NOTES TO THE FINANCIAL STATEMENTS**

**A | PURPOSE**

The New Hampshire Land and Community Heritage Investment Authority (the "Authority") is a body corporate and politic established by Chapter 227-M of the Revised Statutes Annotated of New Hampshire. The Authority is constituted a public instrumentality of the state to conserve and preserve New Hampshire's most important natural, cultural and historical resources through the acquisition of lands, and cultural and historical resources, or interests therein, of local, regional, and statewide significance, in partnership with the state's municipalities and the private sector, for the primary purposes of protecting and ensuring the perpetual contribution of these resources to the state's economy, environment and overall quality of life. The Authority accomplishes its mission by overseeing and directing the expenditure of funds deposited in the trust fund of the New Hampshire Land and Community Heritage Investment Program. The Authority receives 54% of its support from conservation license plate fees from the State of New Hampshire. Another 39% of its support is derived from interest earned on the unexpended funds in the trust fund of the New Hampshire Land and Community Heritage Investment Program held by the State of New Hampshire.

**B | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of the Authority is presented to assist in understanding the financial statements. These accounting policies conform to United States generally accepted accounting principles.

***Basis of Presentation***

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Authority is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

***Basis of Accounting***

The financial statements of the Authority have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

***Estimates***

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

***Income Tax Status***

The Authority was organized as a nonprofit corporation under RSA 292. Accordingly, the Authority has not made any provision for income taxes.

***Cash and Cash Equivalents***

For purposes of the Statements of Cash Flows, the Authority considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

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NEW HAMPSHIRE LAND AND COMMUNITY  
HERITAGE INVESTMENT PROGRAM AUTHORITY  
**NOTES TO THE FINANCIAL STATEMENTS**

***Property & Equipment***

Property and equipment are stated at cost or at their estimated fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Furniture and equipment	5-10 years
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Additions and betterments of \$500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

***Accrued Employee Compensation***

As of July 1, 2001, the Authority does not accrue a liability for leave time. Prior to July 1, 2001, the Authority's employees were considered employees of the State of New Hampshire and accrued vacation at the rate of State employees.

***Designation of Unrestricted Net Assets***

It is the policy of the Board of Directors of the Authority to review its plans for future project from time to time and to designate appropriate sums of unrestricted net assets to assure adequate financing of such projects. As of June 30, 2007, the board had designated \$24,500 for the investment in a community project related to covered bridges or smaller projects that may not otherwise be funded.

***Expense Allocation***

Directly identifiable expenses are charged to programs and management and general services. Expenses related to more than one function are charged to programs and management and general services on the basis of time spent on each activity. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Authority.

**C | CONCENTRATIONS OF CREDIT RISK**

The Authority maintains its cash balances in one financial institution located in Concord, New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2007, the Authority's uninsured cash balances total \$349,347.

**D | NEW HAMPSHIRE STATE RECEIVABLE**

***New Hampshire State Receivable***

The New Hampshire state receivable consists of receivables for interest earned on the FY 2007 and 2006 appropriations, as well as motor vehicle conservation license plate revenue recognized by not yet received from the state. All amounts are expected to be collected; accordingly, no allowance for uncollectible amounts has been recorded.

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**E | CONCENTRATION OF REVENUE RISK**

The Authority derived 94% of its revenue from the State of New Hampshire in 2007. This revenue is comprised of New Hampshire State conservation license plate revenue and interest earned on the FY 2007 and 2007 appropriations. The Authority's revenue is directly tied to the balance of the Sate appropriations, which are intended to be expended for land and community heritage investment projects, as well as the interest earned on balances. In addition, the Authority does not have control over the interest of or rate of return on these appropriations. The return on these funds was 4.79% in June 2007 and 2006.

**F | OPERATING LEASES**

***Office Space***

The Authority leased its office space under an operating lease agreement through September 30, 2005. As of June 30, 2007, the Authority is continuing on a month to month basis under the terms of its original lease. Lease payments are currently \$1,080 per month.

***Office Equipment***

The Organization has a non-cancelable operating lease for office equipment from unrelated parties. Lease payments are \$137 per month and the lease expires in July 2010.

Future minimum lease payments under this operating lease are as follows:

Fiscal years ending June 30,	
2008	\$ 1,644
2009	1,644
2010	1,644
2011	<u>137</u>
Total	<u>\$ 5,069</u>

**G | RETIREMENT PLAN**

***State of New Hampshire Retirement System***

Plan Description

The Authority has one employee eligible to participate in the State of New Hampshire Retirement System (the System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). The System is divided into two employee groups: Group I which includes all employees except fire fighters and police officers and Group II which is fore fire fighters and police officers. The Authority's employee is a Group I employee. The New Hampshire Retirement System issues annually a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord New Hampshire.

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*Group I Employees*

Employees who retire at or after age 60 are entitled to retirement benefits equal to 1.667% of the average of their three highest paid years of compensation, multiplied by their years of service. Earlier retirement allowances at reduced rates are available after age 50 and 1 years of service. Benefits fully vest upon reaching 20 years of service or attaining age 60.

The System also provides death and disability benefits. The State Legislature has periodically granted cost-of-living increase to retirees.

Funding Policy

The System is funded by contributions from both the employees and the Authority. Group I Employees are required by State statute to contribute five (5.0%) of gross earnings up to the Social Security taxable wage limit. Amounts in excess of the limit are at nine and two-tenths percent (9.2%). The employer must, under the same statute, contribute monthly at an actuarially determined rate. The current rate is six and eight-tenths (6.81%) of covered payroll. The Authority's contributions to the System for the year ended June 30, 2007 and 2006 were \$2,675 and \$2,521 respectively, which is equal to the amount required under State statute to be contributed for the period.

*Simple IRA Plan*

During the year ended June 30, 2002, the Authority established a Simple IRA plan. All employees are eligible to participate. The Authority matches employees' contributions dollar-for-dollar up to 3% annually. Contributions for the year ended June 30, 2007 and 2006 were \$3,846 and \$2,704, respectively.

**H | COMMITMENTS**

On June 22, 2006 and April 27, 2007, the Authority signed two contracts for outside professional services relating to database design and website design. The contracts are for fixed fees total \$20,250. As of June 30, 2007, the Authority had paid \$10,125 towards the contracts.