

**CITY OF MERIDEN, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**FISCAL YEAR ENDED JUNE 30, 2002**  
**DEPARTMENT OF FINANCE**  
**MERIDEN, CONNECTICUT**



**CITY OF MERIDEN, CONNECTICUT**

**Comprehensive  
Annual Financial Report**

**For**

**The Fiscal Year Ended**

**June 30, 2002**

**Prepared by:**

**City of Meriden Finance Department**



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**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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**FINANCE DEPARTMENT  
ROOM 212 CITY HALL  
142 EAST MAIN STREET  
MERIDEN, CONNECTICUT 06450-8022**

January 10, 2003

To the Honorable Mayor and  
Members of the Meriden City Council  
City of Meriden, Connecticut

The Comprehensive Annual Financial Report (the "CAFR") of the City of Meriden, Connecticut (the "City") for the fiscal year ended June 30, 2002, is submitted herewith. The purpose of this report is to provide citizens, investors, grantor agencies and other interested parties with reliable financial information about the City. Responsibility for the accuracy, completeness, and fairness of the data presented, including all disclosures, rests with the City. I believe the report is accurate in all material aspects; that the report is presented in a manner designed to present fairly the financial position and results of operations of the City, with the exception that the City has not accrued a liability for earned but unpaid employee compensation in the General Fund; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The CAFR is presented in three sections: the introductory section, the financial section and the statistical section. The introductory section includes this transmittal letter, the City's organizational chart and a listing of City officials. The financial section includes the independent auditor's report, management's discussion and analysis, the basic financial statements, notes to financial statements, the combining and individual fund financial statements and other supplementary schedules. The statistical section, which is unaudited, includes pertinent financial and general information indicating trends for comparative basis fiscal periods.

Pursuant to accounting principles generally accepted in the United States of America (GAAP), the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Statement No. 14 of the Governmental Accounting Standards Board, "The

Financial Reporting Entity", have been considered and there are no agencies or entities that should be, but are not, combined with the financial statements of the City.

The City is required to have an annual audit performed 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 and in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." The federal single audit for the year ended June 30, 2002, will be issued under separate cover. All information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations and auditor's reports on compliance and on the internal control over financial reporting based on an audit of the general purpose financial statements, will be included therein.

The City is also required to have an annual audit performed in accordance with auditing standards generally accepted in the United States of America and in conformity with the provisions of the State Single Audit Act pursuant to Connecticut General Statute Sec. 4-230 to 4-236. The state single audit for the year ended June 30, 2002, will be issued under a separate cover. All information related to the state single audit, including the schedule of awards/expenditures of state financial assistance, findings and recommendations and auditor's reports on internal control and compliance with applicable laws and regulations, will be included therein.

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 MD&A and should be read in conjunction with it. The City of Meriden, Connecticut's MD&A can be found immediately following the report of the independent auditors.

## **ORGANIZATION**

### ***Description of the City and Organization***

Meriden was settled in 1661, incorporated as a Town in 1806, and as a City in 1867. The Town and City were consolidated in 1922. It covers an area of 24.0 square miles and is located midway between the Cities of Hartford and New Haven.

Meriden is located in New Haven County at the crossroads of I-91, I-691, State Route 15 (Wilbur Cross Parkway) and U.S. Route 5. I-691 links I-91 and I-84. Passenger transportation is furnished by Amtrak and interstate buses. Freight services are provided by Conrail and a number of trucking companies. The Meriden-Markham Municipal Airport provides both freight and limited passenger service.

Meriden has had a Council/Manager form of government since December 3, 1979, when a new charter became effective. The new charter was adopted by a 2-1 majority of the voters at a referendum held on November 8, 1977. Prior to this, Meriden had a Mayor/Council form of government.

Under the current charter, the legislative branch consists of 12 elected members forming the City Council which has exclusive legislative and fiscal powers. The Council may, by resolution, regulate the internal operation of boards, commissions and offices which it fills by appointment. The City Council appoints the City Manager and the Mayor is popularly elected to office for a term of two years.

The City Manager is directly responsible to the Council for the supervision and administration of all departments and offices of the City except those elected by the people or appointed by a state or federal authority.

A Director of Finance is appointed by the City Manager, subject to the approval of the City Council and serves at the pleasure of the City Council. The Director of Finance is the fiscal officer of the City and is responsible for the operation and supervision of the Department of Finance.

This report includes all funds of the City of Meriden. The City provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning and zoning, water, sewer and general administrative services.

### ***Economic Condition and Outlook***

Meriden's Enterprise Zone has been expanded to include the Westfield Shoppingtown and an area that will include the proposed Cooper Street Development project.

Meriden is in the process of establishing an Information Technology Zone (ITZ) which will provide tax incentives for high-tech companies that move their business to Meriden. This incentive would allow eligible companies to receive real and personal property tax breaks for IT related equipment.

Meriden is in its fourth marketing campaign focusing on business development. It began with a \$100,000 budget and is presently funded at \$300,000.

The former Jefferson School building has been razed and the ground remediated. The City is waiting for the United States Post Office to begin building a new postal facility.

An application for a State funded Municipal Development Planning Grant is still under review by Connecticut Department of Economic and Community Development for the redevelopment of the former Factory II on Cooper Street. A Phase I environmental assessment has been completed on the site.

The City's Comprehensive Economic Development Strategy (CEDS) was approved by the U.S. Economic Development Administration (EDA) in 2000. The City is in the process of drafting its 2002 CEDS Annual Report to submit to EDA.

The City is working closely with Meriden Economic Resource Group's Center City Initiative Study. BL Companies, a planning and engineering company, will produce the study which will prioritize redevelopment projects in the downtown for future implementation. The study will be ready late summer.

An evaluation and condition survey of the city-owned Legere buildings, located at 9-11, 13-17, 25 and 33 Colony Street, was done. The City is waiting for the Center City Initiative Study to be completed before deciding on the disposition of these properties.

### ***Commercial/Industrial Development***

The total site for the NRG Electric Generating Plant, a 544 megawatt gas-fired electric plant, covers approximately 340 acres in Meriden (with more in Berlin). The plant, when construction is finished, will sit on 36 acres off Chamberlain Highway in Meriden. NRG is donating more than 300 acres to the City.

Lyons Tool & Die built a new 36,000 square foot headquarters on Research Parkway as a result of loans from Meriden-based Castle Bank and the City's Manufacturing Assistance Program.

Meriden's oldest manufacturer, The Miller Company, constructed a 36,000 square foot addition to its plant, at a cost of more than \$20 million.

Enviromed Services, a company formerly located in New Haven, moved to Meriden and took advantage of the City's added provision to its Meriden Manufacturing Assistance Program which enabled them to receive a reimbursement for a portion of their moving expenses.

Direct Response Corp., parent company of CT Life & Casualty, moved its headquarters to 500 South Broad Street. They added 50 employees and are adding an additional 7,000 square feet of office space to their present site.

ALBA, a 20,000 square foot office/headquarters on Research Parkway, is a statewide established firm currently involved in the renovation of Bradley Airport.

### ***Retail Development***

In October 2001, Target, an upscale discount store, opened its 125,000 square foot store across from the Westfield Shoppingtown's westerly entrance. Target employs about 240 team members and features a merchandise mix that ranges from non-perishable grocery items to fashion to home décor items designed exclusively for Target.

The Townline Plaza, on Route 5 just north of Wallingford, totaling just over 300,000 square feet, is now 98% occupied. Its tenant mix includes Old Navy, Linens 'N Things, Chuck E. Cheese's, Michael's Crafts, and Burlington Coat Factory to name a few.

Several new chain stores have opened in Meriden. These include Wendy's and CVS on the east side and Walgreen and CVS on the west side. Also Dunkin' Donuts opened a new 6,000 square foot restaurant on South Broad Street. Other major retail establishments which have opened in the last two years include:

- ♦ 181,000 square foot addition at Westfield Shoppingtown
- ♦ A new Stop & Shop (76,000 square feet) now occupies a prominent intersection of the City replacing a series of derelict buildings.
- ♦ Volvo built a 14,500 square foot dealership on Pomeroy Avenue.

- ♦ Lincoln Plaza has been renovated and a 17,100 square foot addition has been constructed on West Main Street.

Two major hotel chains are currently constructing facilities in Meriden:

- ♦ Best Western – a 45,000 square foot (88 room) hotel/conference center on North Broad Street and,
- ♦ Extended Stay – a 45,500 square foot (104 room) hotel/conference center on Bee Street.

A new 12,000 square foot Seven-Eleven convenience store is being constructed on Chamberlain Highway.

### ***Municipal Development***

In October 2001, Meriden's first public library, which was built in 1902, was re-opened as the Augusta Curtis Cultural Center. With the help of a group of volunteers, the City and State funded the total renovation of this historic city landmark.

Ornamental lights, new sidewalks and plantings adorn the newly refurbished Main Street in South Meriden. This city-funded project infused new vitality into the heart of South Meriden.

The Railroad Canopy Project provided a new canopy that shelters passengers boarding and departing the trains that pass through Meriden's center each day.

The Lewis Avenue Streetscape is underway in a project that will widen Lewis Avenue, replace sidewalks and install street furniture such as lighting and benches. The improvement project will run from the West Main Street intersection to John Barry School.

### ***Education and Institutional***

- ♦ The Thomas Edison Middle School opened its doors to more than 700 students from Meriden, Middletown, Madison and Durham-Middlefield (Region 13) in the fall of 2001. This state-of-the-art magnet school focuses on science and technology.
- ♦ Meriden Boy's Club added 14,000 square feet of activity area to this integral social service in the downtown.
- ♦ Midstate Medical Center completed a 9,100 square foot addition in 2000 and is about to begin construction on a 46,250 square foot (29 bed) addition.

## ***Residential Development***

The Gracey Avenue Subdivision is a 66 lot subdivision and is the largest to be approved in Meriden over the last 12 years. Lots within the R-1 zone will be approximately ¼ acre in size. Runge Drive, a 10 lot single family subdivision was completed this year.

Currently there are a number of subdivisions and developments under construction:

1. Fleming Road – 12 single family lots;
2. The final phase (46 single family houses) of the planned development – “Rolling Hills”;
3. Kyle Court, a 10 lot single family subdivision off of Swain Avenue; and
4. North Colony Street – 14 single family lots.

Also, this past year a 100 unit retirement complex – “Village Retirement Community” was completed and occupied on Kensington Avenue.

## ***Community Development Program***

The City of Meriden, as an entitlement community under the Housing and Community Development Act of 1974, as amended in 1977 and 1982, has received approximately \$23,371,000 in Federal funds under the Community Development Block Grant for fiscal years 1976 through 2001.

Under the Community Development Program, the City has made a major commitment to preserving and rehabilitating Meriden’s inner-city neighborhoods. To date, some \$12.9 million of Community Development funds has been coupled with more than \$5 million of private funds and \$1.6 million of City bond funds to implement the rehabilitation and maintenance of inner-city housing.

Other Community Development projects have included both a wide range of physical development activities such as a new Senior Citizens Center, the West Side Firehouse, a handicapped facility, the St. Vincent DePaul Homeless Shelter, the American Silver Museum, the demolition of hazardous structures, and a variety of service delivery programs for the elderly, low and moderate income persons and infrastructure improvements in inner-city neighborhoods.

Additionally, economic development and planning activities in the area of Central Business District Revitalization, zoning ordinance revisions, and the master plan have been funded. The City has developed a plan for a special targeted neighborhood improvement program within the inner-city. A first time homebuyer program was instituted in 1993.

The City has focused its efforts to clean up its neighborhoods and to encourage reinvestment in their “inner-core” areas. This focus is through a series of changes to the established loan tools which will encourage more owner/occupant investment. Also, they are actively working with the private sector to augment the public loans with their private funding. Another part of this focus is through a more intense code enforcement effort. Such an effort includes the assignment of housing inspectors to work with the 21 community police officers throughout the “inner-

core". A consortium of social service agencies have organized the Gang Prevention Coalition to address youth problems. The City has utilized twenty Americorps workers to organize 28 inner-city neighborhood associations. Lastly, the City has received a \$1.4 million State grant to hire ten new police officers to increase law enforcement efforts in the "inner-core" area and a \$1.2 million Federal grant to hire an additional 13 new police officers.

### ***Financial Information***

The Finance Department is responsible for providing the financial services for the City including: property tax assessment, tax collection, financial accounting and reporting, payroll and accounts payable, disbursement functions, debt management, purchasing and special financial analysis.

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

### **Cash Management**

Cash investments are made during the year in certificates of deposit, repurchase agreements and treasury bills. The Pension Trust Funds, which are managed by several investment advisors, also have investments in general investment contracts, short-term money market accounts, corporate debt and common and preferred stock. Total cash and investments approximated \$33,860,000 at June 30, 2002.

### **Pension Administrator**

The City of Meriden is an administrator of three single employer public employee retirement systems ("PERS"). In addition, Board of Education teachers are fully covered by the non-contributory State Teachers' Retirement System.

### **Risk Management**

The City is exposed to various risks of loss including torts, theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; employee health; and natural disasters. The City generally obtains commercial insurance for these risks, but has chosen to retain the risks for workers' compensation and employee health and medical claims. Under the City's current policy, the Meriden health insurance fund covers all employee claims up to \$200,000 per claim with a stop-loss policy covering amounts exceeding the limit. The City also purchases aggregate stop-loss coverage for claims in excess of 120% of expected claim level, which approximates \$11,900,000. The City purchases commercial insurance for claims in excess of coverage provided by the workers' compensation fund with an individual claim maximum of

\$500,000 and a \$5,000,000 aggregate maximum per year. Settled claims, for all types of commercial coverage, have not exceeded coverage in any of the past three years.

### Independent Audit

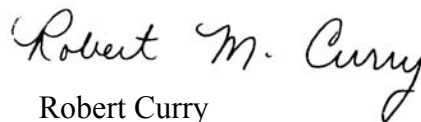
State statutes require an annual audit be conducted by independent certified public accountants. In compliance with this requirement, the City Council selected McGladrey & Pullen, LLP to perform the audit for fiscal year 2002. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the Federal and State Single Audit Acts are included in separate documents.

### Acknowledgements

The preparation of this report could not have been accomplished without the hard work and dedication of the Finance Department staff; and members of other departments who assisted in its compilation. Their invaluable assistance made the preparation of this report an easier task.

And finally, special acknowledgment and appreciation goes to those who have contributed to the progressive and financially sound operations of the City; that tribute, of course belongs to the City Officials, City Staff, and the Community.

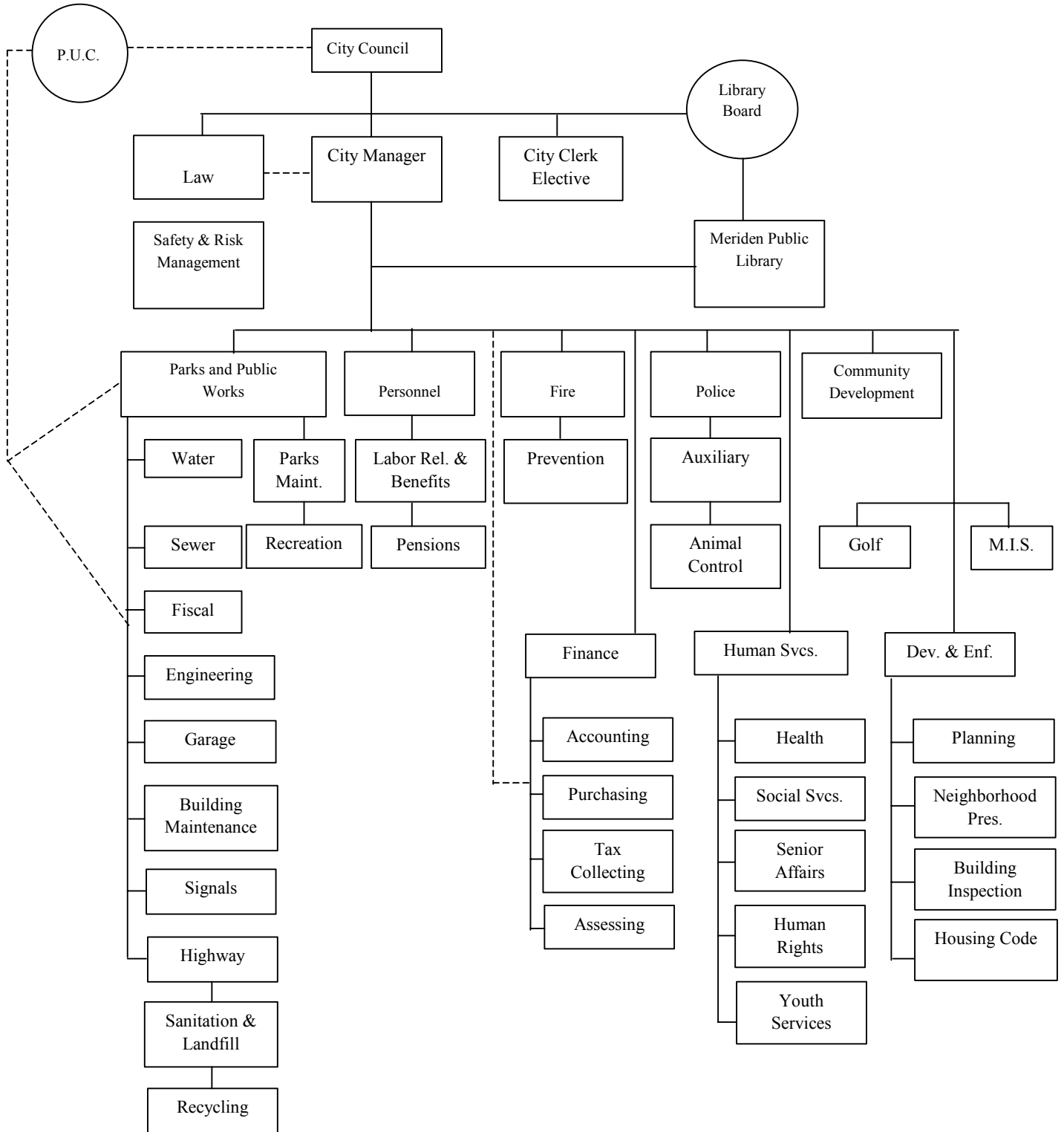
Sincerely,

A handwritten signature in cursive script that reads "Robert M. Curry".

Robert Curry  
Director of Finance



# ORGANIZATIONAL CHART



**PRINCIPAL CITY OFFICIALS**  
**As of June 30, 2002**

<b>Office</b>	<b>Name</b>	<b>Manner of Selection and Term</b>	<b>Length of Service</b>
City Manager	Roger L. Kemp	Appointed - indefinite	9 years
Finance Director/ Treasurer	Edward Murphy	Appointed	36 years
Superintendent of Schools	Dr. Elizabeth M. Ruocco	Appointed - indefinite	11.5 years
Mayor	Mark Benigni	Popularly elected	Newly elected

**Financial Section**



# McGladrey & Pullen

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the City Council  
City of Meriden, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Meriden, Connecticut, as of and for the year ended June 30, 2002, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Meriden's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described in Note 16 to the basic financial statements, the City adopted a number of new governmental accounting and reporting pronouncements as of July 1, 2001.

The City has not recorded a liability and expenditure in the General Fund fund financial statements for compensation earned at year-end, but paid subsequent to year-end. Accounting principles generally accepted in the United States of America requires employee compensation earned but unpaid at the end of the year be recorded which would decrease fund balance and change expenditures in the General Fund fund financial statements. The General Fund fund balance would have been reduced by approximately \$8,315,000, and General Fund expenditures would have been increased by approximately \$523,000.

In our opinion, except for the effects of not recognizing certain employee earned compensation in the General Fund as described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the General Fund of the City of Meriden, Connecticut as of June 30, 2002, and the respective changes in financial position thereto for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the business-type activities, the Bonded Projects Fund, the Water and Sewer Funds, and the aggregate remaining fund information of the City of Meriden, Connecticut, as of June 30, 2002, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with "Government Auditing Standards," we have also issued our report dated January 10, 2003 on our consideration of the City of Meriden, Connecticut's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be read in conjunction with this report in considering the results of our audit.

The management discussion and analysis information on pages 3 through 14 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, budgetary detail, combining and individual nonmajor fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, except for the effects on the General Fund fund financial statements of the matter discussed in the fourth paragraph, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section 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.

*McGladrey & Pullen, LLP*

New Haven, Connecticut  
January 10, 2003

**City of Meriden, Connecticut**  
**Management's Discussion and Analysis**  
**June 30, 2002**

As management of the City of Meriden, Connecticut (the "City") we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Meriden for the fiscal year ended June 30, 2002. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal, as well as the City's basic financial statements that follow this section.

**Financial Highlights**

- ◆ On a government-wide basis, the assets of the City of Meriden exceeded its liabilities resulting in total net assets at the close of the fiscal year of \$115 million. Total net assets for Governmental Activities at fiscal year-end were \$5.5 million and total net assets for Business-Type Activities were \$109.4 million.
- ◆ On a government-wide basis, during the year, the City's net assets decreased by \$7.3 million or 6%, from \$122.3 million to \$115 million. Net assets decreased by \$6.4 million for Governmental Activities and \$868,000 for Business-Type Activities. Government-wide expenses were \$169.3 million, while revenues were \$162.0 million.
- ◆ At the close of the year, the City's governmental funds reported, in which the auditors qualified their opinion as the City does not recognize certain employee compensation earned but unpaid at the end of the year, on a current financial resource basis, combined ending fund balances of \$6.2 million, an increase of \$12 million from the prior fiscal year. Of the total fund balance as of June 30, 2002, \$530,000 is available for spending at the government's discretion and represents the combined unreserved fund balance in the general fund, special revenue funds and capital projects funds.
- ◆ At the end of the current fiscal year, the total fund balance for the general fund alone was \$5.0 million, an increase of \$1.6 million from the prior fiscal year. Of the total General Fund fund balance as of June 30, 2002, \$3.1 million represents unreserved General Fund fund balance. Unreserved General Fund fund balance at year-end represents 2% of total General Fund expenditures (\$141.4 million). If the obligation for unpaid employee compensation had been recognized in accordance with generally accepted accounting principles, the General Fund fund balance would have been reduced by approximately \$8,315,000.

**Overview of the Financial Statements**

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

It is important to note that the City implemented the new reporting requirements outlined in GASB 34 effective July 1, 2001. The statements, therefore, contained within this report as of June 30, 2002, are the City's first report using the new model. As allowed under GASB 34, the City has elected not to present comparative data. Therefore, many prior year comparisons of the City and comparisons with other similar municipalities are not available to aid the reader in comparative analyses. The report for fiscal year ending June 30, 2003, will contain more comparative information both with similar governments and with the City itself over time.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City of Meriden's finances, in a manner similar to private-sector business. All of the resources the City has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the City's overall financial status.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference reported as net assets. One can think of the City's net assets – the difference between assets and liabilities – as one way to measure the City's financial health or financial position. Over time, increases or decreases in net assets may serve as an indicator of whether the financial position of the city is improving or deteriorating. It speaks to the question of whether or not the City, as a whole, is better or worse off as a result of this year's activities. Other non-financial factors will need to be considered, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City of Meriden.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period, uncollected taxes and earned but unused vacation leave are examples.

Both of the government-wide financial statements distinguish functions of the City of Meriden that are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities).

- ♦ Governmental activities of the City of Meriden encompass most of the City's basic services and include general government, public safety, public works, human services and education. Property taxes, charges for services and state and federal grants finance most of these activities.
- ♦ Business-type activities of the City of Meriden include the Water Pollution Control Authority, Water Division and the Hunter Golf Course. They are reported here as the City charges fees to customers to help cover all or most of the cost of operations.



The government-wide financial statements (statement of net assets and statement of activities) can be found on pages 15-16 of this report.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City has three kinds of funds:

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

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

The City maintains thirty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Bonded Projects Fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as other governmental funds. Non-major governmental funds for the City of Meriden include: Airport Improvement, Community Development Block Grant, Day Care Center, Health Department-WIC Program, Insurance Reserve Fund, Neighborhood Mobile Health, Special Projects-Health, Tri-Town Medical Transportation, Neighborhood Preservation Program, Asset Forfeiture Fund, Recycling Fund, State & Federal Education Grants, Underage Drinking, Transit Welfare to Work, Dog Fund, Landfill Reclamation, Cafeteria, Meriden Public School Rental, Adult Evening School, Safe Neighborhoods, Railroad Right-of-Way, Drivers Education Training, Student Fund, AmeriCorps, Summer Youth Initiative, Law Enforcement Block Grant, Lorenzo Fuller Award, Charlotte Yale Ives, Downtown Property Management, School Readiness, Cops More 98, C.P. Bradley Park Fund, Walter Hubbard Park Fund, Liberty Trust Fund, Parks and Recreation Capital and Non-Recurring and Capital and Non-Recurring. Individual fund data for each of these non-major governmental funds is provided in the combining balance sheets on pages 84-89 and in the combining statement of revenues, expenditures and changes in fund balance on pages 90-95.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the authorized budget. The statements of General Fund revenues on a budgetary basis and General Fund expenditures, encumbrances and transfers out on a budgetary basis can be found on pages 65-82.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances) can be found on pages 17-18 of this report.

**Proprietary funds.** The City of Meriden maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Meriden uses enterprise funds to account for its Water Pollution Control Authority, the Water Division and the Hunter Golf Course. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the City of Meriden's various functions. The City of Meriden uses internal service funds to account for its risk management costs including risk related to Workers' Compensation and Employee Health Insurance. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Pollution Control Authority and the Water Division, both of which are considered to be major funds of the City of Meriden. The Hunter Golf Course is also provided separately and identified as a non-major fund of the City of Meriden. Individual fund data for the internal service funds are also provided as a separate column in the proprietary fund financial statements. The proprietary fund financial statements can be found on pages 21-25 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to provide services to the City's constituency. The City has four pension trust funds, four agency funds and four private purpose funds. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 26 and 27 of this report.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-64 of this report.

The notes to this report also contain certain supplementary information concerning the City of Meriden's progress in funding its obligation to provide pension benefits to its employees.

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The City's governmental activities assets exceeded liabilities by \$115 million on June 30, 2002.

Reported for the first time this year were some of the City's infrastructure assets including roads, sidewalks and bridges, which have useful lives that range between 25 and 50 years. The City has in the past reported only its storm and sanitary sewers with useful lives of 75 years.

### CITY OF MERIDEN, CONNECTICUT

#### NET ASSETS (\$000's)

June 30, 2002

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Current and other assets	\$ 38,342	\$ 17,641	\$ 55,983
Non-current	7,337	-	7,337
Capital assets	142,513	103,673	246,186
<b>Total Assets</b>	<b>188,192</b>	<b>121,314</b>	<b>309,506</b>
Current liabilities	55,734	3,050	58,784
Long-term liabilities outstanding	126,862	8,829	135,691
<b>Total Liabilities</b>	<b>182,596</b>	<b>11,879</b>	<b>194,475</b>
Net Assets:			
Invested in capital assets, net of related debt	37,844	94,508	132,352
Unrestricted	(32,248)	14,926	(17,322)
<b>Total Net Assets</b>	<b>\$ 5,596</b>	<b>\$ 109,434</b>	<b>\$ 115,030</b>

At the end of the current fiscal year, the City of Meriden is able to report positive balances in all two categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

By far, the largest portion of the City of Meriden's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Meriden'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 cannot be used to liquidate these liabilities.

**CHANGES IN NET ASSETS (\$000's)**  
**For the Year Ended June 30, 2002**

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
<b>Revenues:</b>			
Program Revenues:			
Charges for services	\$ 6,468	\$ 12,525	\$ 18,993
Operating grants and contributions	57,941	-	57,941
Capital grants and contributions	2,402	-	2,402
General Revenues:			
Property taxes	72,155	-	72,155
Grants not restricted to specific programs	9,732	-	9,732
Unrestricted investment earnings	637	182	819
<b>Total revenues</b>	<b>149,335</b>	<b>12,707</b>	<b>162,042</b>
<b>Expenses:</b>			
General government	21,904	-	21,904
Education	88,865	-	88,865
Public safety	24,873	-	24,873
Public works	8,725	-	8,725
Human services	6,595	-	6,595
Interest on long-term debt	4,821	-	4,821
WPCA sewer	-	5,689	5,689
Water	-	7,201	7,201
Hunter Golf Course	-	686	686
<b>Total expenses</b>	<b>155,783</b>	<b>13,576</b>	<b>169,359</b>
Change in net assets	(6,448)	(869)	(7,317)
Net assets-beginning, as restated	12,044	110,303	122,347
Net assets-ending	\$ 5,596	\$ 109,434	\$ 115,030

The City's net assets decreased by \$7.3 million during the fiscal year, with net assets of Governmental Activities and Business-Type Activities decreasing by \$6.4 million and .9 million, respectively.

### **Governmental Activities**

Approximately 48.3% of the revenues were derived from property taxes, followed by 40.4% from State and Federal Government program revenues, then 4.8% from other revenues.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2002 reflect a decrease in the City's tax rate of approximately 10.89% and revaluation fueled growth in the total assessed value of all taxable property by 18.76%.
- ◆ One of the largest taxpayers in the City, Carabetta Enterprises, emerged from bankruptcy and paid \$1.9 million in back taxes.
- ◆ Revenue from intergovernmental funds increased from the prior fiscal year by \$800,000 or 0.1% due to increases in state aid to municipalities.

For Governmental Activities, more than 57% of the City's expenditures relate to education, 16.0% relate to public safety, 14.1% to general government, more than 5.6% relate to public works, 4.2% to human services, 3.1% to interest payments on long-term debt and the remaining relates to transfers to other funds.

Major expenditure factors include:

- ◆ Increases in employee wages averaged approximately 3.0%, resulting from negotiated step and general wage increases.
- ◆ Employee benefit costs rose more than 5%, due to rising health insurance costs.
- ◆ The cost of education services increased, due to negotiated wage settlements, employee health insurance cost increases, special education cost increases, and rising school enrollment.

### **Business-Type Activities**

- ◆ Business-Type activities decreased the City's net assets by \$868,000.

### **Financial Analysis of the Fund Financial Statements**

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

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

As of the end of the current fiscal year, the City of Meriden's governmental funds reported combined ending fund balances of \$6.2 million, an increase from \$5.8 million deficit as of June 30, 2001. Approximately 8.5% of this total amount constitutes unreserved fund balance that is available for spending at the government's discretion. The remainder of the fund balance is reserved, which indicates that it is not available for new spending because it has already been committed for items such as long-term advances to the Hunter Golf Course and encumbrances.

The General Fund is the chief operating fund of the City of Meriden. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$3.1 million while total fund balance reached \$5.03 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 2.1% of total General Fund expenditures, while total fund balance represents 3.6% of that same amount.

As stated earlier, the fund balance of the City of Meriden's General Fund increased by \$1.7 million during the current fiscal year. Key factors in this increase are as follows:

- ◆ Property tax revenues recorded for fiscal year 2002 reflect a decrease in the City's tax rate of approximately 10.89% and revaluation fueled growth in the total assessed value of all taxable property of 18.76%.
- ◆ One of the largest taxpayers in the City, Carabetta Enterprises, emerged from bankruptcy and paid \$1.9 million in back taxes.
- ◆ Revenue from intergovernmental revenue increased from the prior fiscal year by \$800,000 or 0.1% due to increases in state aid to municipalities.

The Bonded Projects Fund has a total fund deficit of \$6.1 million, down from a deficit of \$16.4 million in the prior year. The increase is explained by increased revenues and bond proceeds received.

The Other Governmental Funds have a total fund balance of \$7.3 million, up from \$7.2 million in the prior year.

The City does not record a liability for compensation earned at year-end, but paid subsequent to year-end in accordance with accounting principles generally accepted in the United States of America. If the liability was recorded, the General Fund fund balance would be reduced by approximately \$8,315,000 as of June 30, 2002, and the General Fund expenditures would be increased by approximately \$523,000 for the year then ended.

**Proprietary funds.** The City of Meriden's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Water Fund at the end of the year were \$50.8 million with unrestricted net assets of \$9.0 million. The Water Fund experienced a net operating gain during the year of more than \$440,000.

Net assets of the Water Pollution Control Authority and Hunter Golf Course were \$58.0 million and \$409,000, respectively.

Unrestricted net assets of the Sewer Fund were \$6.4 million while the Hunter Golf Course had (\$586,000,000) in unrestricted net assets (deficit). The Water Pollution Control Authority experienced operating loss of \$1.2 million.

The Hunter Golf Course had an operating income of \$74,000, with revenues just over \$752,000.

### **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was \$288,009. The original budget included a contingency of \$500,000 that was budgeted in the General Fund expenses to cover certain items, including unsettled labor contracts and other unanticipated expenses. The major additional appropriations approved during the year are summarized below:

- ♦ \$257,000 to cover increases in the cost of liability insurance.
- ♦ \$98,000 to pay legal bills of outside counsel.
- ♦ \$38,000 for election primary costs.
- ♦ \$35,000 additional appropriations for the settlement of labor contracts.

During the year, actual revenues, including the application of fund balance, on a budgetary basis were \$140.7 million, which was less than budgetary estimates by \$2.3 million. Actual tax revenues were less than budget by \$1.6 million. Actual investment income was approximately \$730,000, short of the \$775,000 that had been anticipated. The budget for investment income was predicated upon prevailing short-term interest rates in Spring 2001, and did not anticipate the sharp decline in interest rates following September 11<sup>th</sup>. Most of the shortfall in investment income was offset by higher than anticipated receipts in intergovernmental revenue and charges for services.

Actual expenditures and transfers out on a budgetary basis and other financing uses totaled \$138.3 million, exceeding actual revenues on a budgetary basis by \$1.7 million. The final net increase in unreserved fund balance on a budgetary basis was \$1.7 million.

### **Capital Asset and Debt Administration**

**Capital assets.** The City of Meriden's investment in capital assets for its governmental and business type activities as of June 30, 2002, amount to \$246.2 million (net of accumulated depreciation). This investment in capital assets includes land, building and system improvements, machinery and equipment, park facilities, roads, sewers and bridges. This is the first year the City of Meriden has reported its investment in capital assets.

**CITY OF MERIDEN, CONNECTICUT**  
**CAPITAL ASSETS (net of depreciation)**  
**June 30, 2002**

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Land	\$ 17,733,411	\$ 816,675	\$ 18,550,086
Land improvements	3,151,601	181,458	3,333,059
Buildings and improvements	81,181,554	20,257,768	101,439,322
Infrastructure	27,842,114	76,459,135	104,301,249
Machinery and equipment	4,321,981	3,240,282	7,562,263
Vehicles	2,553,119	717,013	3,270,132
Construction in progress	5,729,270	2,000,731	7,730,001
<b>Total</b>	<b>\$ 142,513,050</b>	<b>\$ 103,673,062</b>	<b>\$ 246,186,112</b>

Major capital asset events during the current fiscal year included the following:

- ◆ Settlement of a lawsuit with Yankee Gas and Northeast Utilities.
- ◆ School improvements and renovations including Lincoln Middle School and Thomas Edison Magnet School.
- ◆ Improvements and renovations to Amtrak Rail Station canopy.
- ◆ Renovation of the Curtis Memorial Library Building
- ◆ Infrastructure improvements including roads, bridges, and sanitary and sewer projects.

Additional information on the City of Meriden's capital assets can be found in Note 7 on pages 44-46 of this report.



**Long-term debt.** At the end of the current fiscal year, the City of Meriden had total bonded debt outstanding of \$61 million. 100% of this debt is backed by the full faith and credit of the City government.

**CITY OF MERIDEN, CONNECTICUT  
OUTSTANDING DEBT  
June 30, 2002**

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
General obligation bonds	\$ 56,166,510	\$ 5,183,490	\$ 61,350,000
Bond anticipation notes	48,442,300	2,132,700	50,575,000
Notes payable	-	1,777,073	1,777,073
<b>Total</b>	<b>\$ 104,608,810</b>	<b>\$ 9,093,263</b>	<b>\$ 113,702,073</b>

The City of Meriden's total debt increased by \$28.7 million or 38.6% during the 2001-2002 fiscal year. During the current fiscal year, the City issued \$50.5 million in bond anticipation notes.

The City of Meriden maintains a BAA rating from Moody's Investors Service.

The overall statutory debt limit for the City of Meriden is equal to seven times annual receipts from taxation or \$546,897,694. As of June 30, 2002, the City recorded long-term debt of \$56.2 million related to Governmental Activities and \$5.2 million related to Business-Type Activities, well below its statutory debt limits.

Additional information on the City of Meriden's long-term debt can be found in Notes 8 and 9 of this report.

**Economic Factors**

The City of Meriden has not been immune to the effects of the terrorist attacks of September 2001 and the national economic downturn. As of December 2002, the unemployment rate for the Meriden Labor Market Area was 5.1%, up from 4.1% in the prior year. This compares with the New Haven Labor Market of 3.8%. Connecticut's overall unemployment rate stands at 4.4%, compared with 3.4% for the same time last year. Moreover, Connecticut state government is now reporting serious revenue shortfalls that may translate into reductions in State aid to the City of Meriden and other municipalities in the State.

Nevertheless, the City of Meriden is well positioned to deal with the present economic downturn. A new power generating plant will add at least \$3 million annually for the next thirty years. With an overwhelming reliance on property taxes, Meriden's income stream is rather stable, even during a recession. Moreover, the City's high quality tax base lends even more stability to

the City's revenue. The City has established an Enterprise Zone and a Technology Zone to provide incentives to businesses relocating to Meriden. We anticipate that the City will attract its fair share of this growth.

### **Requests for Information**

The financial report is designed to provide a general overview of the City of Meriden's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance at 142 East Main Street, Meriden, CT 06450.

## **Basic Financial Statements**



CITY OF MERIDEN, CONNECTICUT

STATEMENT OF NET ASSETS

June 30, 2002

	Primary Governmental		
	Governmental Activities	Proprietary Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 8,175,874	\$ 7,313,829	\$ 15,489,703
Investments	14,607,147	3,720,000	18,327,147
Receivables:			
Property taxes - net of allowance for uncollectible property taxes of \$3,450,000	4,050,500	-	4,050,500
Use charges-net of allowance for uncollectible use charges of \$463,000	-	3,178,907	3,178,907
Accounts receivable	3,485,113	-	3,485,113
Loans receivable, net	3,587,655	-	3,587,655
Federal and state governments	3,204,323	-	3,204,323
Estimated unbilled usage	-	3,397,906	3,397,906
Internal balances	826,898	-	-
Inventories and other assets	23,300	30,454	53,754
Net pension asset	381,442	-	381,442
Noncurrent assets:			
Capital assets, net of accumulated depreciation	142,512,850	103,673,062	246,185,912
Federal and state governments	6,470,267	-	6,470,267
Advance to Golf fund	866,510	-	866,510
<b>Total assets</b>	<b>188,191,879</b>	<b>121,314,158</b>	<b>309,506,037</b>
<b>Liabilities</b>			
Accounts payable and other accrued liabilities	16,631,966	1,010,663	17,642,629
Retainage payable	751,891	-	751,891
Cash overdraft	1,622,730	-	1,622,730
Internal balances	802,672	24,226	-
Deferred revenue	4,108,623	-	4,108,623
Claims incurred but not reported	3,618,275	-	3,618,275
Noncurrent liabilities:			
Due within one year	28,198,127	2,015,455	30,213,582
Due in more than one year	126,861,827	7,962,777	134,824,604
Advance from General Fund	-	866,510	866,510
<b>Total liabilities</b>	<b>182,596,111</b>	<b>11,879,631</b>	<b>194,475,742</b>
<b>Net Assets</b>			
Investment in capital assets, net of related debt	37,844,040	94,508,193	132,352,233
Unrestricted	(32,248,272)	14,926,334	(17,321,938)
<b>Total net assets</b>	<b>\$ 5,595,768</b>	<b>\$ 109,434,527</b>	<b>\$ 115,030,295</b>

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

CITY OF MERIDEN, CONNECTICUT

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2002

Functions/Programs	Net Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental activities:							
General government	\$ (21,904,454)	\$ 3,244,572	\$ 156,749	\$ 1,545,933	\$ (16,957,200)	\$ -	\$ (16,957,200)
Education	(88,864,987)	1,767,818	54,444,599	439,691	(32,212,879)	-	(32,212,879)
Public safety	(24,872,775)	176,710	345,050	-	(24,351,015)	-	(24,351,015)
Public works	(8,725,304)	762,632	-	416,249	(7,546,423)	-	(7,546,423)
Human services	(6,594,479)	516,537	2,994,238	-	(3,083,704)	-	(3,083,704)
Interest on long-term debt	(4,821,030)	-	-	-	(4,821,030)	-	(4,821,030)
<b>Total governmental activities</b>	<b>(155,783,029)</b>	<b>6,468,269</b>	<b>57,940,636</b>	<b>2,401,873</b>	<b>(88,972,251)</b>	<b>-</b>	<b>(88,972,251)</b>
Business-type activities:							
Sewer Authority	(5,689,476)	4,352,000	-	-	-	(1,337,476)	(1,337,476)
Water Authority	(7,201,137)	7,420,715	-	-	-	219,578	219,578
George Hunter Memorial Golf Course	(685,575)	752,604	-	-	-	67,029	67,029
<b>Total business-type activities</b>	<b>(13,576,188)</b>	<b>12,525,319</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,050,869)</b>	<b>(1,050,869)</b>
<b>Total primary government</b>	<b>\$ (169,359,217)</b>	<b>\$ 18,993,588</b>	<b>\$ 57,940,636</b>	<b>\$ 2,401,873</b>	<b>(88,972,251)</b>	<b>(1,050,869)</b>	<b>(90,023,120)</b>
General revenues:							
Property taxes					72,155,254	-	72,155,254
Grants and contributions not restricted to specific programs					9,732,171	-	9,732,171
Unrestricted investment earnings					636,752	182,740	819,492
Total general revenues and transfers					82,524,177	182,740	82,706,917
Change in net assets					(6,448,074)	(868,129)	(7,316,203)
Net assets - beginning, as restated (Note 17)					12,043,842	110,302,656	122,346,498
Net assets - ending					\$ 5,595,768	\$ 109,434,527	\$ 115,030,295

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

CITY OF MERIDEN, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2002

	General	Bonded Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 908,034	\$ 3,401,326	\$ 3,784,453	\$ 8,093,813
Investments	7,200,030	2,195,000	1,794,080	11,189,110
Receivables (net of allowances for collection losses):				
Property taxes	4,050,499	-	-	4,050,499
Accounts receivable	1,005,706	125,103	-	1,130,809
State and Federal governments	1,162,283	-	647,528	1,809,811
Loans receivable	-	1,034,538	2,553,117	3,587,655
Advance to golf fund	866,510	-	-	866,510
Other assets	19,579	-	15,004	34,583
Due from other funds	-	81,672	745,226	826,898
	<u>\$ 15,212,641</u>	<u>\$ 6,837,639</u>	<u>\$ 9,539,408</u>	<u>\$ 31,589,688</u>
<b>Liabilities</b>				
Accounts payable	\$ 4,890,860	\$ 1,897,619	\$ 579,685	\$ 7,368,164
Retainage payable	-	751,891	-	751,891
Due to other funds	544,094	-	258,578	802,672
Deferred revenues	4,743,190	-	1,389,092	6,132,282
Bond anticipation notes payable	-	10,320,628	-	10,320,628
<b>Total liabilities</b>	<u>10,178,144</u>	<u>12,970,138</u>	<u>2,227,355</u>	<u>25,375,637</u>
<b>Fund balances</b>				
Reserved for:				
Encumbrances	15,421	3,794,830	-	3,810,251
Flood control	1,007,000	-	-	1,007,000
Reserve for long term advances	866,510	-	-	866,510
Unreserved, reported in:				
General fund	3,145,566	-	-	3,145,566
Special revenue funds	-	-	6,910,120	6,910,120
Capital projects funds	-	(9,927,329)	401,933	(9,525,396)
<b>Total fund balances</b>	<u>5,034,497</u>	<u>(6,132,499)</u>	<u>7,312,053</u>	<u>6,214,051</u>
<b>Total liabilities and fund balances</b>	<u>\$ 15,212,641</u>	<u>\$ 6,837,639</u>	<u>\$ 9,539,408</u>	

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

Capital assets, net of accumulated depreciation of \$85,240,902, purchased in governmental funds are reported as expenditures, however, the statement of net assets includes those capital assets among the assets of the City as a whole.

142,512,850

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

10,588,511

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

(425,508)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds

(153,294,136)

Net assets of governmental activities

\$ 5,595,768

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

CITY OF MERIDEN, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) -  
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2002

	General	Bonded Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 79,387,699	\$ -	\$ -	\$ 79,387,699
State and Federal governments	58,856,398	1,545,933	14,758,313	75,160,644
Charges for services	3,618,770	-	2,321,428	5,940,198
Investment income	730,242	-	20,289	750,531
Other revenues	1,174,373	435,722	136,006	1,746,101
<b>Total revenues</b>	<b>143,767,482</b>	<b>1,981,655</b>	<b>17,236,036</b>	<b>162,985,173</b>
<b>EXPENDITURES</b>				
Current:				
General government	34,174,210	15,088,311	243,981	49,506,502
Public safety	15,265,107	-	547,889	15,812,996
Public works	4,956,248	-	-	4,956,248
Human Services	2,621,178	-	3,071,665	5,692,843
Education	69,583,833	-	13,345,802	82,929,635
Debt service:				
Principal retirements	10,752,850	-	-	10,752,850
Interest and other changes	4,047,005	-	-	4,047,005
Capital outlay	-	14,538,918	812,910	15,351,828
<b>Total expenditures</b>	<b>141,400,431</b>	<b>29,627,229</b>	<b>18,022,247</b>	<b>189,049,907</b>
<b>Revenues over (under) expenditures</b>	<b>2,367,051</b>	<b>(27,645,574)</b>	<b>(786,211)</b>	<b>(26,064,734)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	918,118	918,118
Transfers out	(681,000)	(237,118)	-	(918,118)
Proceeds from bond anticipation notes payable	-	38,121,672	-	38,121,672
<b>Total other financing sources (uses)</b>	<b>(681,000)</b>	<b>37,884,554</b>	<b>918,118</b>	<b>38,121,672</b>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>1,686,051</b>	<b>10,238,980</b>	<b>131,907</b>	<b>12,056,938</b>
<b>FUND BALANCES, beginning, as restated (Note 17)</b>	<b>3,348,446</b>	<b>(16,371,479)</b>	<b>7,180,146</b>	<b>(5,842,887)</b>
<b>FUND BALANCES, ending</b>	<b>\$ 5,034,497</b>	<b>\$ (6,132,499)</b>	<b>\$ 7,312,053</b>	<b>\$ 6,214,051</b>

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



**CITY OF MERIDEN, CONNECTICUT**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES (DEFICITS) OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2002**

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

Net change in fund balances – total governmental funds	\$ 12,056,938
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. This is the amount by which capital outlays exceeded depreciation in the current period.	5,926,401
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(10,578,655)
Change in pension assets.	(7,148)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(27,485,129)
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 governmental funds.	13,686,298
The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.	<u>(46,779)</u>
Change in net assets of governmental activities	<u>\$ (6,448,074)</u>

CITY OF MERIDEN, CONNECTICUT

**STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -  
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND  
For the Year Ended June 30, 2002**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 81,015,300	\$ 81,015,300	\$ 79,387,699	\$ (1,627,601)
Intergovernmental	55,339,714	55,373,869	55,790,398	416,529
Charges for services	3,968,184	3,968,184	3,618,770	(349,414)
Investment income	775,000	775,000	730,242	(44,758)
Other revenues	1,873,131	1,873,131	1,174,373	(698,758)
<b>Total revenues</b>	<b>142,971,329</b>	<b>143,005,484</b>	<b>140,701,482</b>	<b>(2,304,002)</b>
<b>EXPENDITURES</b>				
Current:				
General government	36,608,042	36,848,651	34,168,755	2,679,896
Education	67,054,236	67,054,235	66,517,663	536,572
Public safety	15,248,699	15,276,013	15,265,107	10,906
Public works	5,145,133	5,145,133	4,956,248	188,885
Human services	2,700,856	2,720,943	2,621,178	99,765
Debt service:				
Principal retirements	10,761,600	10,761,600	10,752,850	8,750
Interest	4,022,264	4,022,264	4,047,005	(24,741)
<b>Total expenditures and encumbrances</b>	<b>141,540,830</b>	<b>141,828,839</b>	<b>138,328,806</b>	<b>3,500,033</b>
<b>Revenues over (under) expenditures and encumbrances</b>	<b>1,430,499</b>	<b>1,176,645</b>	<b>2,372,676</b>	<b>1,196,031</b>
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	(681,000)	(681,000)
<b>Revenues over (under) expenditures, encumbrances and other financing uses</b>	<b>\$ 1,430,499</b>	<b>\$ 1,176,645</b>	<b>\$ 1,691,676</b>	<b>\$ 515,031</b>

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

CITY OF MERIDEN, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

June 30, 2002

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor Funds		Activities
	Water	Sewer	George Hunter Memorial Golf	Totals	Internal Service Fund
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 4,397,852	\$ 2,915,977	\$ -	\$ 7,313,829	\$ 82,061
Receivables (net of allowances for collection losses):					
User charges	1,965,714	1,213,193	-	3,178,907	-
Unbilled services	2,063,679	1,334,227	-	3,397,906	-
Other	1,946	-	18,030	19,976	2,693
Investments	1,910,000	1,550,000	260,000	3,720,000	3,418,037
Other Assets	-	10,478	-	10,478	-
<b>Total current assets</b>	<b>10,339,191</b>	<b>7,023,875</b>	<b>278,030</b>	<b>17,641,096</b>	<b>3,502,791</b>
Noncurrent assets:					
Capital assets (net of accumulated depreciation)	47,283,745	55,071,126	1,318,192	103,673,063	-
<b>Total noncurrent assets</b>	<b>47,283,745</b>	<b>55,071,126</b>	<b>1,318,192</b>	<b>103,673,063</b>	<b>-</b>
<b>Total assets</b>	<b>57,622,936</b>	<b>62,095,001</b>	<b>1,596,222</b>	<b>121,314,159</b>	<b>3,502,791</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	1,302,105	548,007	45,520	1,895,632	310,024
Claims incurred but not reported	-	-	-	-	2,343,428
Due to other funds	-	-	24,226	24,226	-
Bond anticipation notes	256,853	165,561	31,957	454,371	-
Bonds payable - current	868,200	409,792	6,500	1,284,492	-
<b>Total current liabilities</b>	<b>2,427,158</b>	<b>1,123,360</b>	<b>108,203</b>	<b>3,658,721</b>	<b>2,653,452</b>
Noncurrent liabilities:					
Bonds payable	3,417,401	2,164,854	93,816	5,676,071	-
Bond anticipation notes payable	948,747	611,539	118,043	1,678,329	-
Claims incurred but not reported	-	-	-	-	1,274,847
Advance from general fund	-	-	866,510	866,510	-
<b>Total noncurrent liabilities</b>	<b>4,366,148</b>	<b>2,776,393</b>	<b>1,078,369</b>	<b>8,220,910</b>	<b>1,274,847</b>
<b>Total liabilities</b>	<b>6,793,306</b>	<b>3,899,753</b>	<b>1,186,572</b>	<b>11,879,631</b>	<b>3,928,299</b>
<b>NET ASSETS</b>					
Invested in capital assets (net of related debt)	41,792,544	51,719,352	996,298	94,508,194	-
Unrestricted	9,037,086	6,475,895	(586,648)	14,926,333	(425,508)
<b>Total net assets</b>	<b>\$ 50,829,630</b>	<b>\$ 58,195,247</b>	<b>\$ 409,650</b>	<b>\$ 109,434,527</b>	<b>\$ (425,508)</b>

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

CITY OF MERIDEN, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS (DEFICIT) -  
 PROPRIETARY FUNDS

For the Year Ended June 30, 2002

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor Funds	Totals	Activities
	Water	Sewer	George Hunter Memorial Fund		Internal Service Fund
<b>OPERATING REVENUES</b>					
Charges for services	\$ 6,623,898	\$ 4,334,964	\$ 729,640	\$ 11,688,502	\$ 15,018,677
Fiscal Division	737,478	-	-	737,478	-
Miscellaneous	59,339	17,036	22,964	99,339	1,621,401
<b>Total operating revenues</b>	<b>7,420,715</b>	<b>4,352,000</b>	<b>752,604</b>	<b>12,525,319</b>	<b>16,640,078</b>
<b>OPERATING EXPENSES</b>					
Salaries, benefits and claims	1,502,239	1,595,827	370,781	3,468,847	16,356,360
Materials and supplies	271,431	794,572	171,028	1,237,031	270,836
Depreciation	1,443,300	1,797,276	76,294	3,316,870	-
Utilities	555,984	520,760	-	1,076,744	-
Administration and operation	3,207,688	880,694	60,493	4,148,875	73,359
<b>Total operating expenses</b>	<b>6,980,642</b>	<b>5,589,129</b>	<b>678,596</b>	<b>13,248,367</b>	<b>16,700,555</b>
<b>Operating income (loss)</b>	<b>440,073</b>	<b>(1,237,129)</b>	<b>74,008</b>	<b>(723,048)</b>	<b>(60,477)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest income	112,858	69,882	-	182,740	13,698
Interest expense	(220,495)	(100,347)	(6,979)	(327,821)	-
<b>Total nonoperating revenues (expenses)</b>	<b>(107,637)</b>	<b>(30,465)</b>	<b>(6,979)</b>	<b>(145,081)</b>	<b>13,698</b>
<b>Change in net assets</b>	<b>332,436</b>	<b>(1,267,594)</b>	<b>67,029</b>	<b>(868,129)</b>	<b>(46,779)</b>
<b>NET ASSETS (DEFICIT), beginning, as restated</b>	<b>50,497,194</b>	<b>59,462,841</b>	<b>342,621</b>	<b>110,302,656</b>	<b>(378,729)</b>
<b>NET ASSETS (DEFICIT), ending</b>	<b>\$ 50,829,630</b>	<b>\$ 58,195,247</b>	<b>\$ 409,650</b>	<b>\$ 109,434,527</b>	<b>\$ (425,508)</b>

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

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CITY OF MERIDEN, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
Year Ended June 30, 2002

	Business-Type Activities - Enterprise Funds		
	Major		Non-Major
	Water	Sewer	George Hunter Memorial Fund
<b>Cash Flows From Operating Activities</b>			
Receipts from customers and users	\$ 7,382,814	\$ 4,631,208	\$ 746,470
Payments to suppliers	(3,773,814)	(1,567,631)	(137,244)
Payments to employees	(1,480,197)	(2,176,155)	(379,325)
<b>Net cash provided by operating activities</b>	<b>2,128,803</b>	<b>887,422</b>	<b>229,901</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Principal payments on debt	(881,199)	(409,793)	(99,315)
Interest paid on debt	(220,495)	(100,347)	(6,979)
Proceeds from notes payable	1,205,600	777,100	150,000
Purchase of property and equipment	(1,448,226)	(54,063)	(168,000)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(1,344,320)</b>	<b>212,897</b>	<b>(124,294)</b>
<b>Cash Flows From Investing Activities</b>			
Purchases of investments	(1,910,000)	(1,550,000)	(260,000)
Interest received on investments	112,858	69,882	-
<b>Net cash used in investing activities</b>	<b>(1,797,142)</b>	<b>(1,480,118)</b>	<b>(260,000)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,012,659)</b>	<b>(379,799)</b>	<b>(154,393)</b>
<b>Cash and Cash Equivalents</b>			
Beginning	5,410,511	3,295,776	154,393
Ending	<b>\$ 4,397,852</b>	<b>\$ 2,915,977</b>	<b>\$ -</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>			
Operating income (loss)	\$ 440,073	\$ (1,237,129)	\$ 74,008
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation	1,443,300	1,797,276	76,294
Changes in assets and liabilities:			
(Increase) decrease in receivable accounts	(1,488)	279,277	(6,134)
Increase in other receivables	(40,696)	(69)	-
Decrease in other assets	4,283	-	-
Increase (decrease) in accounts payable	283,331	48,067	(19,611)
Increase in advance to general fund	-	-	105,344
<b>Net cash provided by operating activities</b>	<b>\$ 2,128,803</b>	<b>\$ 887,422</b>	<b>\$ 229,901</b>

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

	Governmental Activities	
Totals	Internal Service Fund	
\$ 12,760,492	\$ 16,838,331	
(5,478,689)	(16,176,657)	
(4,035,677)	-	
<u>3,246,126</u>	<u>661,674</u>	
(1,390,307)	-	
(327,821)	-	
2,132,700	-	
(1,670,289)	-	
<u>(1,255,717)</u>	<u>-</u>	
(3,720,000)	(780,569)	
182,740	13,698	
<u>(3,537,260)</u>	<u>(766,871)</u>	
(1,546,851)	(105,197)	
<u>8,860,680</u>	<u>187,258</u>	
<u>\$ 7,313,829</u>	<u>\$ 82,061</u>	
\$ (723,048)	\$ (60,477)	
3,316,870	-	
271,655	198,253	
(40,765)	-	
4,283	-	
311,787	523,898	
105,344	-	
<u>\$ 3,246,126</u>	<u>\$ 661,674</u>	

**CITY OF MERIDEN, CONNECTICUT**

**STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS**

**June 30, 2002**

	Pension Trust Funds	Private Purpose Trust Fund	Agency Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 17,307,740	\$ 186,401	\$ 876,522
Investments, at fair value			
U.S. government obligations	35,230,957	-	-
Corporate bonds	30,878,461	-	-
Corporate stocks	105,191,279	-	-
<b>Total investments</b>	<b>171,300,697</b>	<b>-</b>	<b>-</b>
Accrued interest and dividends	159,993	-	-
<b>Total assets</b>	<b>188,768,430</b>	<b>186,401</b>	<b>876,522</b>
<b>LIABILITIES</b>			
Amounts held as agent	-	-	876,522
<b>Net Assets Held in Trust for Pension Benefits and Other Purposes</b>	<b>\$ 188,768,430</b>	<b>\$ 186,401</b>	<b>\$ -</b>

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



**CITY OF MERIDEN, CONNECTICUT**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS**  
**For the Year Ended June 30, 2002**

	Pension Trust Funds	Private Purpose Trust Fund
<b>Additions</b>		
Contributions		
Employer	\$ 3,870,485	\$ -
Plan members	2,048,759	-
Private donations	40,000	1,252
<b>Total contributions</b>	<u>5,959,244</u>	<u>1,252</u>
Investment Income		
Net (depreciation) in fair value of investments	(24,805,350)	-
Interest and dividends	6,388,935	12,193
	<u>(18,416,415)</u>	<u>12,193</u>
Less investment expenses:		
Investment management fees	2,206,531	-
	<u>2,206,531</u>	<u>-</u>
<b>Net investment income (loss)</b>	<u>(20,622,946)</u>	<u>12,193</u>
<b>Total additions (reductions)</b>	<u>(14,663,702)</u>	<u>13,445</u>
<b>Deductions</b>		
Benefits	10,720,474	-
Other	259,062	25,394
<b>Total deductions</b>	<u>10,979,536</u>	<u>25,394</u>
<b>Change in net assets</b>	<u>(25,643,238)</u>	<u>(11,949)</u>
<b>Net Assets</b>		
Beginning of year	<u>214,411,668</u>	<u>198,350</u>
End of year	<u>\$ 188,768,430</u>	<u>\$ 186,401</u>

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

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2002**

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**Note 1. Reporting Entity, Description of Funds and Account Groups, and Summary of Significant Reporting Policies**

**Reporting entity**

The City of Meriden, Connecticut (the "City") was incorporated in 1867. The City covers an area of 23.8 square miles, and is located midway between Hartford and New Haven. The City operates under a Council/Manager form of government. The City Manager is appointed by the Council and serves as the Chief Executive Officer.

The City provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning, and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments except that a liability for earned but unpaid employee compensation was not recorded. The following is a summary of the more significant accounting policies used by the City.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations 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. The criteria provided in Statement No. 14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity," have been considered and there are no agencies or entities which should be, but are not, combined with the financial statements of the City.

**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

## CITY OF MERIDEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2002

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Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a 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 have been met.

Governmental fund financial statements are reported using the 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 revenues to be available if they are collected within 60 days of the end of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. 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 City's policy for the recognition of a liability and expenditure in the General Fund, for compensation earned at year end, but paid subsequent to year end is not in accordance with accounting principles generally accepted in the United States of America which require a liability and expenditure be recorded when incurred. If this liability had been recognized in accordance with accounting principles generally accepted in the United States of America, the General Fund fund balance would be reduced by approximately \$8,315,000 as of June 30, 2002, and the General Fund expenditures would be increased by approximately \$523,000 for the year then ended.

Property taxes when levied for, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City, or specifically identified.

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

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The City reports the following major governmental funds.

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

The *Bonded Projects Fund* accounts for financial resources to be used for capital expenditures or for the acquisition or construction of capital facilities, improvements and/or equipment. Most of the capital outlays are financed by the issuance of general obligation bonds. Other sources include capital grants, current tax revenues and low interest state loans.

The City reports the following major proprietary funds:

The *Water Fund* accounts for the operation of the City's water supply system. It is independent in terms of its relationship to other City functions. Its operations are financed from direct charges to the users of the service.

The *Sewer Authority Fund* accounts for the operations of the City's wastewater treatment system. The City, through U.S. Filter Operating Services, Inc. ("U.S. Filter") operates its own sewage treatment plant, sewage pumping stations, and collection system. It is independent in terms of its relationship to other City functions. U.S. Filter finances all aspects of the sewage system operations and recovers such costs through direct charges to the users of the service.

Additionally, the City reports the following fund types:

*Internal Service Fund* accounts for employee health insurance provided to other departments of the City, primarily the Board of Education.

The *private-purpose trust fund* is used to account for assets held by the City as a trustee capacity or as an agent on behalf of others.

The *pension trust funds* account for the activities of the City's four defined benefit pension plans, which accumulate resources for pension benefit payments to qualified employees.

The *agency funds* account for monies held as a custodian for outside groups and agencies.

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.

## **CITY OF MERIDEN, CONNECTICUT**

### **NOTES TO FINANCIAL STATEMENTS, Continued** **June 30, 2002**

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As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Water and Sewer Funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Accounting estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Actual results could differ from those estimates.

#### **Property taxes**

Property taxes consist of real estate, personal property and motor vehicle taxes. They are assessed as of October 1 and are levied for and enforceable on the following July 1. Real estate taxes are payable in quarterly installments, July 1, October 1, January 1 and April 1. Personal property taxes are due in two installments, July 1 and the following January 1. Motor vehicle taxes are payable on July 1 and supplemental motor vehicle taxes are payable on January 1. Liens are filed on delinquent real estate taxes within one year.

#### **Cash equivalents**

Cash equivalents are money market accounts and certificates of deposit with original maturities of three months or less.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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**Investments**

Investments are stated at fair value using quoted market prices.

**Inventories**

Inventories of the governmental fund types are stated at lower of cost or market cost using the consumption method on the first-in, first-out basis.

**Loans receivable**

The City records loans receivable in the Neighborhood Preservation Revolving Loan Program special revenue fund and the Bonded Project capital project fund as the loan proceeds are advanced. An allowance for estimated uncollectible amounts of \$450,780 is provided.

**Capital assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), 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 \$25,000 for equipment and \$100,000 for infrastructure and an estimated useful life in excess of two years. Purchased and constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair 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.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2002**

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

Assets	Years
Buildings	40-50
Building improvements	20
Distribution and collection systems	50-100
Public domain infrastructure	50
Infrastructure	30
Machinery and equipment	5-20

**Compensated absences**

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only for amounts expected to be paid with available resources, for example, as a result of employee resignations and retirements.

**Long-term obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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**Pension accounting**

***Pension Trust Funds:***

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

***Governmental Funds:***

The net pension obligation, the cumulative difference between annual pension cost and the City's contributions to the plans since 1986, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 27 and is recognized in the General Long-Term Debt Account Group. Expenditures are recognized when they are paid or are expected to be paid with current available resources.

***Funding Policy:***

The City makes annual contributions at the discretion of the City Council.

**Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as a reservation of fund balance as they do not constitute expenditures or liabilities.

**Estimated unbilled usage**

An estimate has been recorded for utility services provided but not billed as of the end of the year.

**Advances**

Advances to and advances from governmental funds represent noncurrent portions of interfund receivables and payables. The governmental fund making the advance establishes a fund balance reserve equal to the amount of the advance.



CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

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**Fund Equity and Net Assets**

In the Government-Wide Financial Statements, net assets are classified in the following categories:

*Invested in Capital Assets, Net of Related Debt* – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

*Restricted Net Assets* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Assets* – This category represents the net assets of the City, which are not restricted for any project or other purpose.

In the fund financial statements, fund balances of governmental funds are classified in two separate categories.

*Reserved Fund Balance* – indicates that portion of fund equity which has been legally segregated or specific purposes.

*Unreserved Fund Balance* – indicates that portion of fund equity which is available for appropriation and expenditure in future periods.

**Note 2. Reconciliation of Government-Wide and Fund Financial Statements**

**Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds, and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$153,294,136 difference are as follows:

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2002

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Bonds payable	\$ 56,166,510
Bond anticipation notes	38,121,672
Accrued interest payable	2,268,655
Capital leases payable	326,903
Claims, judgments and other	32,202,241
Compensated absences	17,922,000
Accrued payroll	8,315,378
Deferred revenue, unrelated to debt	<u>(2,029,223)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 153,294,136</u>

**Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds, and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details of this \$5,926,401 difference are as follows:

Capital outlay	\$ 12,691,4500
Depreciation expense	<u>(6,765,049)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 5,926,401</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$27,485,129 difference are as follows:

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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Debt issued or incurred:	
Issuance of bond anticipation notes	\$ 38,121,672
Principal repayments:	
General obligation debt	(10,554,258)
Payment of capital lease	<u>(82,285)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 27,485,129</u>

Another element of that reconciliation states that “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 governmental funds.” The details of this \$(13,686,298) difference are as follows:

Accrued interest	\$ (657,717)
Payroll accrual	(523,378)
Claims and judgments	14,923,205
Pension liability	(53,812)
Other	<u>(2,000)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (13,686,298)</u>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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**Note 3. Budgets and Budgetary Accounting**

**General Fund**

The City's general budget policies are as follows:

- A. The head of every department, office and agency submits to the Finance Director, at such date as he determines, estimates of revenues and expenditures for the following year.
- B. The City Manager reviews these estimates and may revise them as he deems advisable, except that in the case of the department of education, he has the authority to revise only the total estimated expenditures.
- C. On or before March 1, not later than 120 days prior to the beginning of the fiscal year, the City Manager submits to the City Council a balanced annual budget.
- D. The City Council shall hold one (1) public hearing on the budget to obtain public comments not later than seventy-five (75) days prior to the beginning of the fiscal year.
- E. Within twenty (20) days after the final public hearing the City Council shall adopt the budget. The budget is legally enacted through passage of an ordinance.
- F. The Mayor shall have veto power on a line item basis only, and submit veto message within five (5) days of the adoption of the budget by the City Council.
- G. The City Council may override any line item veto by a two-thirds (2/3) vote of the entire body.
- H. Budget referendum on the adopted budget must be held if a petition is filed within thirty days of the adoption of the final approved budget.
- I. The City Manager is authorized to transfer budgeted amounts within departments. However, any transfer between departments or additional appropriations, must be approved by the City Council. Additional appropriations by the City Council may not exceed 1 1/2% of the general fund budget as established for the current year, without levying a special tax. There were additional appropriations of approximately \$288,000 during the year ended June 30, 2002.
- J. The Board of Education may transfer unexpended balances from one account to another within its total line appropriation. A number of such transfers occurred during the year.

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

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K. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures of the current year. If an appropriation is not encumbered, it lapses at year-end and may not be used by the department.

L. A reconciliation of General Fund revenues as presented in accordance with GAAP and revenues presented on the budgetary basis is as follows:

Revenues and transfers, budgetary basis	\$ 140,701,482
On-behalf payments paid directly by the State of Connecticut Teachers' Retirement System	<u>3,066,000</u>
Revenues and transfers in, as reported	<u>\$ 143,767,482</u>

M. A reconciliation of expenditures of the General Fund as reported, expenditures and transfers out and encumbrances presented on the budgetary basis is as follows:

Expenditures, encumbrances and transfers out, budgetary basis	\$ 139,009,806
On-behalf payments paid directly by the State of Connecticut Teachers' Retirement System	3,066,000
Encumbrances	
June 30, 2001	21,046
June 30, 2002	<u>(15,421)</u>
Expenditures and transfers out, as reported	<u>\$ 142,081,431</u>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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**Special revenue funds**

The City does not adopt annual budgets for the special revenue funds. Budgets for the various special revenue funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. Such budgets are nonlapsing and may comprise more than one fiscal year.

**Capital projects funds**

Legal authorization for expenditures of the capital projects funds is provided by the related bond ordinances and/or intergovernmental grant agreements or Connecticut General Statutes. Capital appropriations for construction or for other permanent improvements, from whatever source derived, do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned. If three fiscal years pass without any expenditure or encumbrance of the appropriation being made, the project is deemed to have been abandoned.

**Note 4. Deposits and Investments**

The following is a summary of cash and cash equivalents as of June 30, 2002:

Deposits	\$ 31,175,180
* Tax Exempt Proceeds Fund/Mutual Funds	<u>2,685,186</u>
<b>Total cash and cash equivalents</b>	<b><u>\$ 33,860,366</u></b>

\* These amounts are not subject to investment risk categorization since the City does not own identifiable securities, but invests as a shareholder of the investment pool.

As of June 30, 2002, the carrying amount of the City's deposits totaled \$33,860,366 with a bank balance of \$34,311,538.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2002**

The insured and collateral status of the year-end bank balance was as follows:

Covered by federal depository insurance or by collateral held by the City's agent in the City's name	\$ 788,767
Uninsured and uncollateralized, except as described below	<u>33,522,771</u>
	<u>\$ 34,311,538</u>

The uninsured and uncollateralized balance is partially protected under provisions of the Connecticut General Statutes, which provide for protection against loss in excess of deposit insurance through assessment against segregated collateral required to be maintained by all qualified public depositories in the amount of 10% to 25% of their outstanding public deposits depending on the bank's financial strength as shown by its risk-based capital ratio. At June 30, 2002, approximately \$3,352,000 of uninsured deposits were collateralized under these statutes. It is unclear whether the collateral required for public deposits would stand if challenged by the FDIC since there is no perfected security agreement between the depository and the depositor as required by Federal laws.

The level of the City's deposits varies significantly throughout the year as a result of higher cash flow during certain periods of the year. As a result, uninsured, uncollateralized amounts at those times were significantly higher than at year end.

The City's investments as of June 30, 2002 consisted of the following:

Type of Investment	Fund Type	Market/ Carrying Amount	Credit Risk Category
Repurchase Agreement	General Fund	\$ 7,200,000	1
Repurchase Agreement	Capital Project	2,195,000	1
Corporate Debt	Special Revenue	531,265	3
Common Stock	Special Revenue	1,082,974	3
Mutual Funds	Special Revenue	179,841	*
Corporate Debt	Pension Trust/Healthcare	30,878,461	3
Common Stock	Pension Trust/Healthcare	105,191,279	3
Treasury bills	Pension Trust/Healthcare	35,230,957	3
Repurchase Agreement	Enterprise Fund	3,720,000	1
Repurchase Agreement	Internal Service Fund	3,418,067	1
		<u>\$ 189,627,844</u>	

\* Mutual funds and money market funds are excluded from this risk classification because specific securities related to the City cannot be identified.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2002**

City investments are categorized above to give an indication of the level of risk assumed at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered, with securities held by the broker's or dealer's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name. Mutual funds are not categorized because they are not evidenced by securities that exist in physical or book entry form.

State statutes allow the City to invest in obligations of the United States, including its agencies; in obligations of any state or of any political subdivisions, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The pension and other trust funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee, with the care of a prudent investor.

**Note 5. Receivables By Fund Type**

Receivables at June 30, 2002, including the applicable allowance for collection losses, are as follows:

	<u>Governmental Funds</u>		<u>Proprietary Funds</u>			<u>Totals</u>
	<u>General</u>	<u>Bonded Projects</u>	<u>Water</u>	<u>Sewer</u>	<u>Nonmajor and Other Funds</u>	
Current Receivables:						
Property taxes	\$ 7,500,499	\$ -	\$ -	\$ -	\$ -	\$ 7,500,499
Accounts receivable	1,015,792	125,103	-	-	-	1,140,895
Unbilled services	-	-	2,063,679	1,515,327	-	3,579,006
Usage receivable	-	-	2,246,714	1,213,193	-	3,459,907
Federal and state governments	1,162,283	-	-	-	647,528	1,809,811
Loans receivable	-	1,234,538	-	-	2,803,897	4,038,435
Other	866,510	-	1,946	-	-	868,456
<b>Total gross receivables</b>	<b>10,545,084</b>	<b>1,359,641</b>	<b>4,312,339</b>	<b>2,728,520</b>	<b>3,451,425</b>	<b>22,397,009</b>
Less: allowance for collection losses	3,460,086	200,000	281,000	181,100	250,780	4,372,966
<b>Total net receivables</b>	<b>\$ 7,084,998</b>	<b>\$ 1,159,641</b>	<b>\$ 4,031,339</b>	<b>\$ 2,547,420</b>	<b>\$ 3,200,645</b>	<b>\$ 18,024,043</b>



CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

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**Note 6. Interfund Receivables, Payables and Transfers**

As of June 30, 2002, interfund receivables and payables that resulted from various interfund transactions were as follows:

	General	George Hunter Memorial Golf Course	Nonmajor and Other Funds	Totals
Due to:				
Bonded projects	\$ -	\$ -	\$ 81,672	\$ 81,672
Nonmajor and other funds	544,094	24,226	176,906	745,226
<b>Total</b>	<u>\$ 544,094</u>	<u>\$ 24,226</u>	<u>\$ 258,578</u>	<u>\$ 826,898</u>

All interfund balances resulted from the time lag between date payments occur between funds for various activities.

Interfund transfers during the year ended June 30, 2002 were as follows:

	Nonmajor and Other Funds
Transfers out:	
General fund	\$ 681,000
Bonded projects	237,118
<b>Total</b>	<u>\$ 918,118</u>

Transfers are used to account for unrestricted revenue collected mainly in the General Fund to finance various programs accounted for in other funds in accordance with budget authorizations.

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

Capital Assets

Capital asset activity for the year ended June 30, 2002 was as follows:

	Beginning Balance, as Restated	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 17,634,411	\$ 99,000	\$ -	\$ 17,733,411
Construction in progress	-	5,729,270	-	5,729,270
Total capital assets, not being depreciated	17,634,411	5,828,270	-	23,462,681
Capital assets, being depreciated:				
Land improvements	7,397,593	-	-	7,397,593
Buildings and improvements	119,851,986	2,484,000	-	122,335,986
Machinery and equipment	8,945,031	487,000	-	9,432,031
Infrastructure	53,928,380	3,618,380	-	57,546,760
Vehicles	7,304,901	274,000	-	7,578,901
Total capital assets being depreciated	197,427,891	6,863,380	-	204,291,271
Less accumulated depreciation for:				
Land improvements	3,880,076	365,916	-	4,245,992
Buildings and improvements	38,477,791	2,676,641	-	41,154,432
Machinery and equipment	4,446,272	663,778	-	5,110,050
Infrastructure	27,310,992	2,393,654	-	29,704,646
Vehicles	4,360,722	665,060	-	5,025,782
Total accumulated depreciation	78,475,853	6,765,049	-	85,240,902
Total capital assets, being depreciated, net	118,952,038	98,331	-	119,050,369
Governmental activities capital assets, net	\$ 136,586,449	\$ 5,926,601	\$ -	\$ 142,513,050

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

	Beginning Balance, As Restated	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 816,675	\$ -	\$ -	\$ 816,675
Construction in progress	2,324,389	793,546	1,117,204	2,000,731
Total capital assets, not being depreciated	<u>3,141,064</u>	<u>793,546</u>	<u>1,117,204</u>	<u>2,817,406</u>
Capital assets, being depreciated:				
Land improvements	668,423	-	-	668,423
Buildings and improvements	38,350,946	208,098	-	38,559,044
Infrastructure	113,973,763	1,065,786	-	115,039,549
Machinery and equipment	11,664,658	245,998	-	11,910,656
Vehicles	1,489,082	270,000	-	1,759,082
Total capital assets, being depreciated	<u>166,146,872</u>	<u>1,789,882</u>	<u>-</u>	<u>167,936,754</u>
Less accumulated depreciation for:				
Land improvements	455,307	31,658	-	486,965
Buildings and improvements	17,349,423	951,853	-	18,301,276
Infrastructure	36,821,712	1,758,702	-	38,580,414
Machinery and equipment	8,252,167	418,207	-	8,670,374
Vehicles	885,619	156,450	-	1,042,069
Total accumulated depreciation	<u>63,764,228</u>	<u>3,316,870</u>	<u>-</u>	<u>67,081,098</u>
Total capital assets, being depreciated, net	<u>102,382,644</u>	<u>(1,526,988)</u>	<u>-</u>	<u>100,855,656</u>
Business activities capital assets, net	<u>\$ 105,523,708</u>	<u>\$ (733,442)</u>	<u>\$ 1,117,204</u>	<u>\$ 103,673,062</u>

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2002

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

**Governmental Activities:**

General government	\$ 327,059
Education	2,524,652
Public safety	684,682
Public works	2,981,615
Human services	<u>247,041</u>

Total depreciation expense – governmental activities \$ 6,765,049

**Business-type activities:**

Sewer Authority	\$ 1,443,300
Water Fund	1,797,276
George Hunter Memorial Golf Course	<u>76,294</u>

Total depreciation expense – business-type activities \$ 3,316,870

**Note 7. Bond Anticipation Notes and Subsequent Event**

The City had \$50,575,000 of bond anticipation notes outstanding as of June 30, 2002. In August 2002, outstanding bond anticipation notes of \$39,800,000 were repaid through the issuance of \$39,800,000 of general obligation bonds. The balance is expected to be repaid from specific appropriations and future long-term borrowings.

Bond anticipation note transactions for the year ended June 30, 2002 were as follows:

Outstanding, June 30, 2001	\$ 19,000,000
New borrowings	50,575,000
Repayments	<u>(19,000,000)</u>
Outstanding, June 30, 2002	<u>\$ 50,575,000</u>

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2002

**Note 8. Long-Term Obligations**

Long-term liability activity for the year ended June 30, 2002 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 65,895,768	\$ -	\$ 9,729,258	\$ 56,166,510	\$ 10,288,017
Bond anticipation notes	-	48,442,300	-	48,442,300	10,320,628
<b>Total bonds and notes payable</b>	<b>65,895,768</b>	<b>48,442,300</b>	<b>9,729,258</b>	<b>104,608,810</b>	<b>20,608,645</b>
Capital leases	409,188	-	82,285	326,903	106,182
Claims and judgments	16,121,000	-	14,923,205	1,197,795	180,000
Landfill post-closure monitoring	5,300,000	-	-	5,300,000	759,000
Compensated absences	17,920,000	2,000	-	17,922,000	2,688,300
Net pension obligation	25,650,634	53,812	-	25,704,446	3,856,000
<b>Governmental activity     long-term liabilities</b>	<b>\$ 131,296,590</b>	<b>\$ 48,498,112</b>	<b>\$ 24,734,748</b>	<b>\$ 155,059,954</b>	<b>\$ 28,198,127</b>
<b>Business-type activities:</b>					
Bonds payable:					
General obligation bonds	\$ 6,429,232	\$ -	\$ 1,245,742	\$ 5,183,490	\$ 1,284,492
Bond anticipation notes	-	2,132,700	-	2,132,700	454,371
Notes payable	1,921,665	-	144,592	1,777,073	144,592
<b>Total bonds and notes payable</b>	<b>8,350,897</b>	<b>2,132,700</b>	<b>1,390,334</b>	<b>9,093,263</b>	<b>1,883,455</b>
Compensated absences	843,275	41,694	-	884,969	132,000
<b>Business-type activity     long-term liabilities</b>	<b>\$ 9,194,172</b>	<b>\$ 2,174,394</b>	<b>\$ 1,390,334</b>	<b>\$ 9,978,232</b>	<b>\$ 2,015,455</b>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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**Bonded indebtedness**

General obligation bonds are direct obligations of the City for which full faith and credit are pledged and are payable from taxes levied on all taxable property located in the City. The City has not pledged any assets as collateral for general obligation bonds.

As of June 30, 2002, the outstanding bonded indebtedness of the City was as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>
<b><u>General Obligation Bonds</u></b>		
\$14,005,000 GOB 1985, issue of 4/01/85, due 4/01/2004, interest at 8.5% to 8.6%, annual principal payments of \$275,000	\$ 550,000	\$ -
\$12,950,000 GOB 1987, issue of 7/15/87, due 7/15/2002, interest at 6.0%, annual principal payments of \$180,000	89,460	89,290
\$23,945,000 GOB 1988, issue of 10/01/88, due 10/1/2008, interest at 6.75% to 6.9%, annual principal payments of \$500,000	3,500,000	-
\$12,332,000 GOB 1989, issue of 7/15/89, due 7/15/2009, interest at 5.5% to 7.5%, annual principal payments of \$200,000	1,600,000	-
\$23,600,000 GOB 1991, issue of 7/15/91, due 7/15/2010, interest at 6.4%, annual principal payments of \$50,000	450,000	-
\$20,700,000 GOB 1992, issue of 11/18/92, due 11/18/2007, interest at 6.15%, annual principal payments range from \$700,000 to \$1,500,000	4,845,000	155,000

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>
<b><u>General Obligation Bonds, Continued</u></b>		
\$18,643,000 GOB1994, issue of 10/15/94, due 6/30/2012, interest at 4.9% to 7.0%, annual principal payments range from \$475,000 to \$1,475,000	6,415,000	885,000
\$22,025,000 GOB1996, issue of 8/1/96, due 8/1/2011, interest at 4.25% to 6.25%, annual principal payments range from \$175,000 to \$2,235,000	10,530,000	345,000
\$23,900,000 GOB1998, issue of 2/1/98, due 2/1/2008, interest at 4.1% to 5.0%, annual principal payments of \$2,115,000	12,595,000	590,000
\$24,050,000 GOB1999, issue of 8/1/99, due 8/1/2009, interest at 4.35% to 4.8%, annual principal payments range from \$2,140,000 to \$2,670,000	15,592,050	3,119,200
	<u>\$ 56,166,510</u>	<u>\$ 5,183,490</u>
<b><u>Clean Water Fund Notes</u></b>		
\$2,891,832 Clean Water Fund due 6/30/2012, interest at 2%, annual principal payments ranging from \$144,592 to \$14,283.	<u>\$ -</u>	<u>\$ 1,777,073</u>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

The following is a summary at June 30, 2002, of the future principal and interest requirements for the City's general obligations:

	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2003	\$ 10,288,017	\$ 2,642,653	\$ 12,930,670	\$ 1,284,492	\$ 303,115	\$ 1,587,607
2004	9,193,350	2,147,943	11,341,293	841,650	240,085	1,081,735
2005	8,918,350	1,690,753	10,609,103	841,650	187,041	1,028,691
2006	7,704,000	1,273,539	8,977,539	526,000	142,613	668,613
2007	7,704,000	876,164	8,580,164	527,000	106,998	633,998
2008	5,943,000	507,890	6,450,890	398,698	80,222	478,920
2009	3,208,000	246,379	3,454,379	382,000	39,407	421,407
2010	2,708,000	98,410	2,806,410	382,000	13,227	395,227
2011	275,000	24,201	299,201	-	-	-
2012	224,793	7,013	231,806	-	-	-
	<u>\$ 56,166,510</u>	<u>\$ 9,514,945</u>	<u>\$ 65,681,455</u>	<u>\$ 5,183,490</u>	<u>\$ 1,112,708</u>	<u>\$ 6,296,198</u>

**Business-Type Activities – Clean Water Fund Notes**

	Principal	Interest
2003	\$ 144,592	\$ 37,268
2004	144,592	34,300
2005	144,592	31,329
2006	144,592	28,401
2007	144,592	25,392
2008-2012	722,960	82,397
2013-2017	316,869	15,936
2018	14,284	83
	<u>\$ 1,777,073</u>	<u>\$ 255,106</u>

The State of Connecticut reimburses the City for eligible school bond principal and interest costs. The amount of such reimbursement for the year ended June 30, 2002 was approximately \$2,388,368. Additional payments aggregating approximately \$9,355,632 are expected to be received through the bonds' maturity dates.



**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2002**

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**Capital lease obligations**

Property and equipment with a carrying value of approximately \$514,000 have been acquired under capital lease arrangements. Future minimum payments under capital lease arrangements are as follows:

2003	\$	106,182
2004		106,182
2005		106,182
2006		53,000
Total		<u>371,546</u>
Less amount representing interest		<u>44,643</u>
	\$	<u><u>326,903</u></u>

Authorized but unissued bonds

Under regulations issued by the Internal Revenue Service, effective March 2, 1992, in order for capital projects to be funded through tax-exempt debt, all projects must be appropriated and designated as being funded through debt prior to any expenditures on these projects.

The City has authorized but unissued bonds relating to capital projects at June 30, 2002 as follows:

Sewers	\$	1,484,664
General purpose		38,462,293
Schools		36,428,800
<b>Total</b>	\$	<u><u>76,375,757</u></u>

**Legal Debt Limit**

The City's indebtedness (including authorized but unissued bonds), net of principal reimbursements expected from the State, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Indebtedness</u>	<u>Balance</u>
General purpose <sup>(1)</sup>	\$ 175,788,545	\$ 113,683,793	\$ 62,104,752
Unfunded Pension Benefit Obligation	234,384,726	-	234,384,726
Schools	351,577,089	56,241,400	295,335,689
Sewers	292,980,908	10,327,637	282,653,271
Urban renewal	253,916,787	9,825,000	244,091,787

(1) Excludes Memorial Hospital Bonds of \$825,000; Water Bonds and Notes \$5,166,800; General Obligation Golf Course Bonds \$199,615

## **CITY OF MERIDEN, CONNECTICUT**

### **NOTES TO FINANCIAL STATEMENTS, Continued** **June 30, 2002**

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The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$546,897,694.

#### **Note 9. Commitments and Contingencies**

##### **Lawsuits**

The City is a defendant in various lawsuits including personal injury, negligence and other miscellaneous claims. For certain of these cases, where it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated, a loss contingency has been accrued.

In August 2001, a settlement with respect to personal property tax assessments with Yankee and CL&P was agreed to. The City paid \$9,950,505 and \$4,949,495 to Yankee and CL&P, respectively. To fund the settlement, the City issued \$41,275,000 of bond anticipation notes in August 2001, of which approximately \$15 million was designated for this claim.

##### **Municipal Solid Waste Management Services Contract**

The City has entered into the municipal solid waste management services contract, as amended, (the "service contract") with the Connecticut Resources Recovery Authority (the "Authority") pursuant to which it participates with four other Connecticut Municipalities (the five constituting the "Contracting Municipalities"), in the Wallingford Resource Recovery System (the "System"). The System consists of a mass-burn solid waste, resource recovery steam and electric generation facility (the "facility") located in the Town of Wallingford, and various improvements and facilities related thereto, including landfills. The facility is complete and presently receiving waste from the Contracting Municipalities.

Under the service contract, the City is required to deliver, or cause to be delivered, to the System solid waste generated within its boundaries up to its minimum commitment of 39,500 tons per year and to pay a uniform per ton disposal service payment (the "service payment"). The current fee is \$88 per ton. The aggregate minimum commitment of the five Contracting Municipalities is 125,000 tons per year. The City's service payment commitment is a "put-or-pay" commitment, in that if the aggregate minimum commitment of the Contracting Municipalities is not met by the total deliveries of all the Contracting Municipalities in any year, the City is responsible for its minimum commitment.

The service payment applicable in any contract year is calculated by estimating the net cost of operation, which is the cost of operation less revenues other than service payments, as such terms are defined in the service contract. The sum of all service payments and other payments from the Contracting Municipalities are required to be sufficient to pay or provide for the net cost of operations.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2002**

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Service payments shall be payable so long as the System is accepting solid waste delivered by or on behalf of the City, whether or not such solid waste is processed at the facility. The City has pledged its full faith and credit to the payment of service payments and has also agreed to enforce or levy and collect all taxes, cost sharing or other assessments or charges and take all such other action as may be necessary to provide for the payment of the service payments.

**Note 10. Fund Deficits**

The following funds had fund deficits as of June 30, 2002:

**Special Revenue Funds:**

Community Development Block Grant	\$ 69,179
Railroad Right of Way	10,331

**Internal Service:**

Workers' Compensation	2,304,862
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The fund deficits in the Special Revenue and Internal Service Funds will be funded by future revenues.

**Note 11. Pension Plans**

The City of Meriden administers three single employer, contributory, defined benefit pension plans, which cover substantially all full-time employees except certified personnel at the Board of Education. The three pension plans are part of the City's financial reporting entity and stand-alone plan reports are not available for these plans. Although the assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan, in accordance with the terms of the plan. The three City plans are as follows:

- A. Employees' Retirement Plan
- B. Police Pension Plan
- C. Firefighters' Pension Plan

Provisions of Pension Plans	Employees' Retirement	Police Pension	Firefighters' Pension
Benefit provisions	2% of average annual pay for the highest 3 consecutive years in the last 10 years prior to retirement multiplied by the years of continuous service in the plan, with a maximum of 60% of salary.	One-half of the prevailing rate of pay for the rank held at the time of retirement. Benefits are subsequently increased for cost of living or other emoluments as may be granted to the active members.	One-half of the prevailing rate of pay for the rank held at the time of retirement. Benefits are subsequently increased for cost of living or other emoluments as may be granted to the active members.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

Provisions of Pension Plans	Employees' Retirement	Police Pension	Firefighters' Pension
Eligibility requirements	Vest after 10 years of service.	Vest after 25 years of continuous service.	Vest after 25 years of continuous service.
Early retirement provisions	Age 65, 10 years of service or Rule of 80 - full benefits. Age 55, 10 years service - reduced benefits.	None.	None.
Obligation to contribute:			
Employee	5% of earnings*	5% of earnings	5% of earnings
Employer	Remaining necessary to fund Plan based on City Charter and actuarial studies.	Remaining necessary to fund Plan based on City Charter and actuarial studies.	Remaining necessary to fund Plan based on City Charter and actuarial studies.

\* An additional 1% of earnings is contributed for postemployment healthcare benefits as described in Note 13.

Membership in the Plans consisted of the following:

	7/1/00 Employees' Retirement	7/1/00 Police Pension	7/1/00 Firefighters' Pension
Retirees and beneficiaries receiving benefits	407	103	95
Terminated plan members entitled to, but not yet receiving benefits	58	-	-
Active plan members	582	127	96
Total	1,047	230	191

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

The City's annual pension cost and net pension obligation (asset) for the Plans for the year ended June 30, 2002 were as follows:

	Employees' Retirement	Police Pension	Firefighters' Pension
Annual required contribution	\$ -	\$ 2,440,500	\$ 1,647,793
Interest on net pension obligation (asset)	(31,087)	1,110,703	1,143,555
Adjustment to annual required contribution	38,235	(1,191,506)	(1,226,748)
Annual pension cost	7,148	2,359,697	1,564,600
Contributions made	-	2,238,485	(1,632,000)
Increase (decrease) in net pension obligation (asset)	7,148	121,212	(67,400)
Net pension obligation (asset) beginning of year	(388,590)	12,506,191	13,144,443
Net pension obligation (asset) end of year	\$ (381,442)	\$ 12,627,403	\$ 13,077,043

Three-Year Trend Information:

Employee Retirement

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)	Actual Contribution
6/30/00	\$ 4,625	145.1%	\$ (377,016)	\$ 67,116
6/30/01	\$ 6,199	286.7%	\$ (388,590)	\$ 17,773
6/30/02	\$ 7,148	0%	\$ (381,442)	\$ -

Police Pension

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Actual Contribution
6/30/00	\$ 3,827,504	0%	\$ 11,802,276	\$ -
6/30/01	\$ 1,984,271	64.5%	\$ 12,506,191	\$ 1,280,356
6/30/02	\$ 2,359,697	95.0%	\$ 12,627,403	\$ 2,238,485

Firefighters' Pension

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Actual Contribution
6/30/00	\$ 3,186,707	0%	\$ 12,672,618	\$ -
6/30/01	\$ 1,427,597	67.0%	\$ 13,144,443	\$ 955,772
6/30/02	\$ 1,564,600	104.0%	\$ 13,077,043	\$ 1,632,000

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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The following is a summary of certain significant actuarial assumptions and other information.

	<u>Employees' Retirement</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Valuation Date	7/1/01	7/1/01	7/1/01
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level Dollar, Closed	Level Dollar, Closed	Level Dollar, Closed
Remaining amortization period	20 years	29 years	29 years
Asset valuation method	5-year smoothed * market	5-year smoothed * market	5-year smoothed market
Actuarial assumptions:			
Investment rate of return	8.00%	8.25%	8.25%
Projected salary increases	6.00%	2.5%-5.5%	2.5%-5.5%

\* A one-time adjustment to 100% market value was applied to the July 1, 1999 valuation.

Year Ended June 30,	<u>Employees' Retirement</u>		<u>Police Pension</u>		<u>Firefighters' Pension</u>	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2002	\$ -	-	\$ 2,440,500	91.7%	\$ 1,647,793	99.0%
2001	-	-	2,046,300	62.5%	1,494,200	63.9%
2000	-	-	3,951,500	0%	3,334,200	0%
1999	245,900	87.0%	3,696,100	76.7%	3,450,800	69.3%
1998	181,700	118.5%	3,645,000	75.7%	3,405,500	68.2%
1997	879,100	92.4%	3,672,100	72.2%	3,457,500	64.9%

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Underfunded (Overfunded) (OAAL)	Funded Ratio	Covered Payroll	Underfunded(Overfunded) AAL as a Percentage of Covered Payroll
<u>Employees' Retirement</u>						
July 1, 2000	\$ 109,269,458	\$ 82,598,002	\$ (26,671,456)	132.29%	\$ 21,181,333	(125.92)%
July 1, 1999	N/A	N/A	N/A	N/A	N/A	N/A
July 1, 1998	89,530,600	64,878,200	(24,652,400)	138.00%	20,752,300	(118.79)%
July 1, 1997	N/A	N/A	N/A	N/A	N/A	N/A
July 1, 1996	72,100,300	58,546,000	(13,554,300)	123.15%	18,990,000	(71.38)%
July 1, 1995	N/A	N/A	N/A	N/A	N/A	N/A
<u>Police Pension</u>						
July 1, 2000	47,533,800	62,801,100	15,267,400	75.69%	6,098,900	250.33%
July 1, 1999	* 45,525,200	56,997,300	11,472,600	79.87%	6,150,900	186.52%
July 1, 1998	31,181,100	57,141,300	25,960,200	54.57%	6,138,200	422.92%
July 1, 1997	N/A	N/A	N/A	N/A	N/A	N/A
July 1, 1996	23,942,200	51,111,500	27,169,300	46.84%	4,862,700	558.73%
July 1, 1995	N/A	N/A	N/A	N/A	N/A	N/A
<u>Firefighters' Pension</u>						
July 1, 2000	49,656,100	59,676,600	10,020,500	83.21%	4,463,500	224.50%
July 1, 1999	* 47,360,400	56,017,200	8,656,800	84.55%	4,600,200	188.18%
July 1, 1998	32,626,200	56,236,600	23,610,400	58.02%	4,462,500	529.08%
July 1, 1997	N/A	N/A	N/A	N/A	N/A	N/A
July 1, 1996	25,622,500	51,562,800	25,940,200	49.69%	4,251,800	610.10%
July 1, 1995	N/A	N/A	N/A	N/A	N/A	N/A

\* Reflects one-time adjustment to market.

**Connecticut State Teachers' Retirement System**

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. The financial statements of the Plan are available from the Connecticut State Teachers' Retirement Board, 21 Grand Street, Hartford, CT 06105.

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7% of their annual earnings to the plan. The City does not, and is not legally responsible to, contribute to the plan.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

The State of Connecticut contributes based on actuarially determined amounts. The funding level is determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the City has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$3,066,000 for the year ended June 30, 2002.

**SCHEDULE OF PLAN NET ASSETS**

**June 30, 2002**

	Employees' Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 7,218,114	\$ 4,834,385	\$ 4,645,604	\$ 609,637	\$ 17,307,740
Accrued interest and dividends receivable	111,782	20,649	27,562	-	159,993
Investments, at fair value:					
U.S. government obligations	18,941,994	8,192,271	7,798,277	356,717	35,289,259
Corporate debt	22,537,095	4,041,876	3,875,068	424,421	30,878,460
Common and preferred equities	58,278,033	23,310,225	22,448,918	1,095,802	105,132,978
<b>Total investments</b>	<b>99,757,122</b>	<b>35,544,372</b>	<b>34,122,263</b>	<b>1,876,940</b>	<b>171,300,697</b>
<b>Net Assets Held in Trust for Pension Benefits</b>	<b>\$ 107,087,018</b>	<b>\$ 40,399,406</b>	<b>\$ 38,795,429</b>	<b>\$ 2,486,577</b>	<b>\$ 188,768,430</b>



CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

SCHEDULE OF CHANGES IN PLAN NET ASSETS  
Year Ended June 30, 2002

	Employees' Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>Additions</b>					
Contributions					
Employer	\$ -	\$ 1,632,000	\$ 2,238,485	\$ -	\$ 3,870,485
Plan members	965,394	259,457	341,211	482,697	2,048,759
Donations and other	40,000	-	-	-	40,000
<b>Total additions</b>	<b>1,005,394</b>	<b>1,891,457</b>	<b>2,579,696</b>	<b>482,697</b>	<b>5,959,244</b>
Investment Income (loss)					
Net depreciation in fair value of investments	(11,891,793)	(6,080,425)	(6,603,900)	(229,232)	(24,805,350)
Interest and dividends	3,945,138	1,214,728	1,154,774	74,295	6,388,935
	(7,946,655)	(4,865,697)	(5,449,126)	(154,937)	(18,416,415)
Less investment expenses	743,665	745,528	704,368	12,970	2,206,531
<b>Net investment loss</b>	<b>(8,690,320)</b>	<b>(5,611,225)</b>	<b>(6,153,494)</b>	<b>(167,907)</b>	<b>(20,622,946)</b>
<b>Total additions (reductions)</b>	<b>(7,684,926)</b>	<b>(3,719,768)</b>	<b>(3,573,798)</b>	<b>314,790</b>	<b>(14,663,702)</b>
<b>Deductions</b>					
Benefits	4,430,615	2,951,805	3,037,054	301,000	10,720,474
Other	171,956	60,464	26,642	-	259,062
<b>Total deductions</b>	<b>4,602,571</b>	<b>3,012,269</b>	<b>3,063,696</b>	<b>301,000</b>	<b>10,979,536</b>
<b>Change in net assets</b>	<b>(12,287,497)</b>	<b>(6,732,037)</b>	<b>(6,637,494)</b>	<b>13,790</b>	<b>(25,643,238)</b>
<b>Net Assets Held in Trust for Pension</b>					
<b>Benefits</b>					
Beginning of year	119,374,515	47,131,443	45,432,923	2,472,787	214,411,668
End of year	\$ 107,087,018	\$ 40,399,406	\$ 38,795,429	\$ 2,486,577	\$ 188,768,430

**Note 12. Postemployment Healthcare Plan**

The City of Meriden administers the Employee Retirement Healthcare Plan (ERHCP), a single employer defined benefit postemployment healthcare plan. ERHCP provides a healthcare premium subsidy retirees of the City who retire under the provisions of the Employee Retirement Plan.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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The ERHCP is available to all employees who retire with at least 15 years of service. Authority to establish and amend benefit provisions is granted through the City Charter.

ERHCP membership consisted of the following at July 1, 1998, the date of the last actuarial valuation:

Retirees and beneficiaries receiving healthcare benefits	127
Terminated plan members entitled to but not yet receiving healthcare benefits	-
Active plan members	<u>599</u>
Total	<u>726</u>

ERHCP's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized when due and healthcare premium subsidies are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value.

Plan members are required to contribute 1% of their annual covered salary to the plan. Administrative costs are financed through investment earnings.

**Note 13. Other Postemployment Benefits**

The City provides postemployment benefits for police and fire department retirees. This benefit is provided per a stipulated judgment entered into on June 1, 1982. The judgment requires the City to pay to the retiree the cost of insurance premiums on behalf of each retired policeman and fireman and their respective dependents, in an amount equal to one half (1/2) of the total premium attributed to each active policeman and fireman and their respective dependents.

For fiscal year 2002, the payments aggregated approximately \$730,000 based on general fund appropriations. The approximate number of participants eligible to receive these benefits was 105 for police retirees and 97 for fire department retirees.

The City also provides benefits to certain retired members and their families of the police and fire department for claims resulting from hypertension and heart disease, as required by provision of the Connecticut General Statutes. Approximately 21 retirees and their families are currently receiving benefits under this provision and expenditures are recognized and funded on a pay as you go basis. Benefits paid in the year ended June 30, 2002 approximated \$571,000.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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**Note 14. Risk Management**

The City is exposed to various risks of loss including torts, theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; employee health; and natural disasters. The City generally obtains commercial insurance for these risks, but has chosen to retain the risks for workers' compensation and employee health and medical claims. Under the City's current policy, the Meriden health insurance fund covers all employee claims up to \$200,000 per claim with a stop-loss policy covering amounts exceeding the limit. The City also purchases aggregate stop-loss coverage for claims in excess of 120% of expected claim level. The City purchases commercial insurance for claims in excess of coverage provided by the workers' compensation fund with an individual claim maximum of \$500,000 and a \$5,000,000 aggregate maximum per year. Settled claims, for all types of commercial coverage, have not exceeded coverage in any of the past three years.

The workers' compensation fund is funded by the General Fund, sewer fund, water fund and golf fund. Payments to the fund are estimated based on the number and dollar amount of claims over the past five years.

The health insurance fund is funded by monthly contributions from all funds incurring payroll charges. Blue Cross/Blue Shield, administrator of the claims process, provides the City with suggested rates for various types of coverage. The City uses monthly employee counts and suggested rates to compute fund contributions.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims incurred but not reported. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors.

Under Public Act 89-342, health insurance for retired teachers, a subsidy equal to the equivalent flat dollar premium amount for Blue Cross 65/Blue Shield 65 is paid by the State directly to the local school districts, where it is applied to reduce premium payments of the retired member/spouse covered by the local school district. The retired member/spouse is required to pay the difference directly to the local school district. The funding for the subsidy is provided by the members' 1% supplemental contributions, which, since July 1, 1989, have been directed to a dedicated health insurance fund. There is no cost to the City.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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Changes in the balances of claims liabilities during the past years are as follows:

Fiscal Year Ended	Claims Payable July 1, 2003	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30, 2003
Medical:				
2002	\$ 1,574,274	\$ 15,070,341	\$ 15,055,990	\$ 1,588,625
2001	1,439,532	14,273,183	14,138,441	1,574,274
Workers' Compensation:				
2002	1,807,512	1,450,574	1,228,436	2,029,650
2001	1,656,656	853,503	702,647	1,807,512

**Note 15. Closure and Postclosure Care Cost**

State and federal laws and regulations require the City to place a final cover on its closed landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The estimated closure and postclosure care cost of \$5,300,000, is based on an estimate of the current cost of acquiring equipment, facilities and services required to close, monitor and maintain the landfill as of June 30, 2002. However, the actual cost of closure and postclosure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

**Note 16. Restatements**

As of July 1, 2001, the City implemented the following Governmental Accounting Standards Board pronouncements:

Statements

- ◆ No. 34 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.*
- ◆ No. 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues – An amendment of GASB No. 33*
- ◆ No. 37 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*
- ◆ No. 38. – *Certain Financial Statement Note Disclosures*

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2002

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Interpretation

- ◆ No. 6 – *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*

The above pronouncements are all related to the new financial reporting requirements for all state and local governments. These pronouncements are scheduled for a phased implementation (based on the size of the government) through fiscal years ending 2005. The City was required to implement the new requirements for the fiscal year ending June 30, 2002.

The more significant of the changes affecting the City as required by the new standards include:

- ◆ Management’s discussion and analysis;
- ◆ Basic financial statements that include:
  - ◆ Government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting;
  - ◆ Fund financial statements, consisting of a series of statements that focus on a government’s major governmental funds and enterprise funds;
  - ◆ Schedules to reconcile the fund financial statements to the government-wide financial statements; and
  - ◆ Notes to the basic financial statements.

As a result of implementing these pronouncements for the fiscal year ended June 30, 2002, the following restatements were made to beginning fund balance and net asset accounts:

*Governmental Funds financial statements.* The beginning net assets of the Lorenzo Fuller Award, Charlotte Yale Ives, C.P. Bradley Park Fund, Walter Hubbard Park Fund and Library Trust Fund, which were previously reported as trust and agency funds, were reclassified to special revenue funds.

Fund balance (deficit) as of June 30, 2001	\$ (8,321,757)
Add: reclassified to special revenue funds	<u>2,478,870</u>
Fund balance (deficit), restated, as of July 1, 2001	<u>\$ (5,842,887)</u>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2002**

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*Government-wide financial statements.* Beginning net assets for governmental activities was determined as follows:

Fund balances of general, special revenue, debt service and capital project funds as of June 30, 2001	\$ (5,842,887)
Add: governmental capital assets, including general fixed assets and infrastructure as of June 30, 2001	215,062,302
Deduct: accumulated depreciation as of June 30, 2001 on above governmental capital assets	(78,475,853)
Deduct: governmental internal service fund net assets (deficits) as of June 30, 2001	(378,729)
Deduct: general obligation bonds payable and other long-term debt as of June 30, 2001	(132,121,590)
Deduct: accrued interest payable on general obligation bonds and other long-term liabilities as of June 30, 2001	(9,402,938)
Add: property tax receivable, deferred revenue and miscellaneous receivables	22,814,947
Add: pension assets	<u>388,590</u>
Governmental activities net assets, restated, as of July 1, 2001	<u>\$ 12,043,842</u>

Beginning net assets for business-type activities was determined as follows:

Retained earnings of proprietary funds as of June 30, 2001	\$ 77,810,901
Add: infrastructure assets, net of accumulated depreciation	<u>32,491,755</u>
Business-type activities net assets, restated as of July 1, 2001	<u>\$ 110,302,656</u>

**COMBINING FUND STATEMENTS AND SCHEDULES**





**General Fund**

## **General Fund**

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND REVENUES - BUDGETARY BASIS -  
BUDGET AND ACTUAL

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>PROPERTY TAXES</b>				
Current year's levy	\$ 76,915,300	\$ 76,915,300	\$ 74,752,793	\$ (2,162,507)
Prior years' levies	3,100,000	3,100,000	3,413,325	313,325
Motor vehicle supplement	1,000,000	1,000,000	1,159,631	159,631
Personal property tax audit	-	-	61,950	61,950
<b>Total taxes, interest and lien fees</b>	<b>81,015,300</b>	<b>81,015,300</b>	<b>79,387,699</b>	<b>(1,627,601)</b>
<b>INTERGOVERNMENTAL</b>				
State property pilot	570,384	570,384	571,516	1,132
Circuit court rent and fees	584,244	584,244	584,244	-
Public Act 217A - private schools	122,003	122,003	112,153	(9,850)
In lieu of taxes 080 Pilot-6	150,000	150,000	143,150	(6,850)
In lieu of taxes nonprofit institutions	1,207,370	1,207,370	1,187,616	(19,754)
LOCIP reimbursement	524,461	524,461	530,004	5,543
Town aid roads	482,629	482,629	416,249	(66,380)
Public Act 461 manufacturers inventory	2,100,125	2,100,125	1,893,610	(206,515)
Transportation non-public schools	288,006	288,006	290,909	2,903
Interest subsidy - school bonds	488,917	488,917	488,917	-
In lieu of taxes - boats	8,815	8,815	8,815	-
Transit district	105,510	139,665	156,749	17,084
State of CT Elderly Freeze	1,317,767	1,317,767	1,292,478	(25,289)
Telephone access line	968,000	968,000	1,025,197	57,197
School building grants	1,846,409	1,846,409	1,863,840	17,431
Transportation	808,176	808,176	780,919	(27,257)
Special education	500,000	500,000	1,160,816	660,816
Education for the blind	80,000	80,000	176,479	96,479
State Pequot Grant	2,396,984	2,396,984	2,321,354	(75,630)
State education ECS Grant	40,204,975	40,204,975	40,303,180	98,205
State Aviation Pilot	54,288	54,288	26,860	(27,428)
Public Act 97-261 Pilot Municipal	6,000	6,000	-	(6,000)
Surplus Revenue Sharing	524,651	524,651	445,953	(78,698)
Welfare reimbursement	-	-	9,390	9,390
<b>Total intergovernmental</b>	<b>55,339,714</b>	<b>55,373,869</b>	<b>55,790,398</b>	<b>416,529</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND REVENUES - BUDGETARY BASIS -  
BUDGET AND ACTUAL, Continued  
For the Year Ended June 30, 2002**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>CHARGES FOR SERVICES</b>				
<b>Police Department:</b>				
Parking tag fund	55,000	55,000	25,907	(29,093)
Licenses and permits	6,500	6,500	5,599	(901)
Administrative charges	30,000	30,000	25,706	(4,294)
Abandoned motor vehicles	6,000	6,000	4,725	(1,275)
Alarm fees	27,000	27,000	9,000	(18,000)
<b>Total police department</b>	<b>124,500</b>	<b>124,500</b>	<b>70,937</b>	<b>(53,563)</b>
<b>Building Department:</b>				
Building department fees	803,000	803,000	605,286	(197,714)
<b>City Clerk:</b>				
City Clerk fees	504,000	504,000	700,637	196,637
<b>Tax Collector:</b>				
Interest	1,700,000	1,700,000	1,407,391	(292,609)
Lien fees	29,300	29,300	31,318	2,018
<b>Total tax collector</b>	<b>1,729,300</b>	<b>1,729,300</b>	<b>1,438,709</b>	<b>(290,591)</b>
<b>Water Department:</b>				
Tax collector service	104,583	104,583	104,583	-
Engineering services	273,908	273,908	273,908	-
<b>Total water department</b>	<b>378,491</b>	<b>378,491</b>	<b>378,491</b>	<b>-</b>
<b>Sewer Department:</b>				
Tax collector service	104,583	104,583	104,583	-
Engineering services	273,908	273,908	273,908	-
<b>Total sewer department</b>	<b>378,491</b>	<b>378,491</b>	<b>378,491</b>	<b>-</b>
<b>Health Department:</b>				
Licenses and fees	26,872	26,872	28,796	1,924
<b>Parks and Recreation:</b>				
Recreation fees	3,600	3,600	2,940	(660)
Concession leases	2,750	2,750	1,500	(1,250)
<b>Total parks and recreation</b>	<b>6,350</b>	<b>6,350</b>	<b>4,440</b>	<b>(1,910)</b>
<b>Library:</b>				
Fines - lost and damaged books	17,180	17,180	12,983	(4,197)
<b>Total charges for services</b>	<b>3,968,184</b>	<b>3,968,184</b>	<b>3,618,770</b>	<b>(349,414)</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND REVENUES - BUDGETARY BASIS -  
BUDGET AND ACTUAL, Continued**  
For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>INVESTMENT INCOME</b>				
<b>Income from investments:</b>				
General Fund	325,000	325,000	353,372	28,372
Bonded projects fund	450,000	450,000	376,870	(73,130)
<b>Total investment income</b>	<b>775,000</b>	<b>775,000</b>	<b>730,242</b>	<b>(44,758)</b>
<b>OTHER REVENUE</b>				
Miscellaneous				
Reimbursement - enterprise fund	160,000	160,000	-	(160,000)
Interest - Joseph E. Coe Estate	4,755	4,755	13,683	8,928
VMMC P & I reimbursement	345,950	345,950	345,950	-
Other revenues	650,000	650,000	630,243	(19,757)
Sale of surplus property	400,000	400,000	62,032	(337,968)
YMCA reimbursement	49,488	49,488	49,488	-
Parking Commission revenue	129,360	129,360	72,977	(56,383)
Tax lien sale	133,578	133,578	-	(133,578)
<b>Total other revenue</b>	<b>1,873,131</b>	<b>1,873,131</b>	<b>1,174,373</b>	<b>(698,758)</b>
<b>TOTAL REVENUES</b>	<b>\$ 142,971,329</b>	<b>\$ 143,005,484</b>	<b>\$ 140,701,482</b>	<b>\$ (2,304,002)</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
 BUDGETARY BASIS - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>GENERAL GOVERNMENT</b>				
<b>Court of Common Council:</b>				
Elected officials	\$ 81,688	\$ 81,688	\$ 69,352	\$ 12,336
Codification	3,500	3,500	-	3,500
Office expenditures and supplies	35,000	35,000	31,932	3,068
Administration	38,500	38,500	36,473	2,027
MMEA	69,586	69,586	73,070	(3,484)
Tax Relief	1	1	-	1
Meetings and memberships	25,000	25,000	21,924	3,076
<b>Total Court of Common Council</b>	<b>253,275</b>	<b>253,275</b>	<b>232,751</b>	<b>20,524</b>
<b>City Manager:</b>				
Employee Assistance Program	-	-	8,500	(8,500)
Administration	207,082	207,082	201,146	5,936
MMEA	69,585	69,585	69,547	38
Deferred compensation	8,500	8,500	-	8,500
Vehicle maintenance	7,800	7,800	5,383	2,417
Management non-union	30,000	30,000	-	30,000
Office expenditures and supplies	13,800	13,800	13,731	69
Membership and meetings	37,174	37,174	37,007	167
Property management	2,000	2,000	837	1,163
<b>Total City Manager</b>	<b>375,941</b>	<b>375,941</b>	<b>336,151</b>	<b>39,790</b>
<b>Law:</b>				
Administration	94,001	94,001	107,266	(13,265)
MMEA	65,557	65,557	65,622	(65)
Streets and sidewalks	30,000	30,000	8,321	21,679
Attorney fees	700,000	700,000	617,637	82,363
Foreclosure activities	-	-	43,030	(43,030)
Office expenditures and supply	17,000	17,000	22,543	(5,543)
Membership and meetings	3,000	3,000	2,942	58
Deferred compensation	8,500	8,500	8,500	-
CWA	178,919	178,919	176,024	2,895
<b>Total Law</b>	<b>1,096,977</b>	<b>1,096,977</b>	<b>1,051,885</b>	<b>45,092</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
 BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Personnel:</b>				
Administration	71,156	71,156	73,188	(2,032)
MMEA	40,063	40,063	40,082	(19)
EAP services	10,100	10,100	9,100	1,000
Training	6,000	6,000	7,320	(1,320)
Tuition reimbursement	10,000	10,000	6,867	3,133
Alcohol/drug testing	6,625	6,625	4,200	2,425
Recruitment	6,000	6,000	-	6,000
Office expenditures and supply	8,800	8,800	7,698	1,102
Meetings and memberships	4,500	4,500	4,500	-
Attorney fees	75,000	75,000	53,894	21,106
<b>Total Personnel</b>	<b>238,244</b>	<b>238,244</b>	<b>206,849</b>	<b>31,395</b>
<b>Library:</b>				
Vehicle maintenance	2,000	2,000	175	1,825
Miscellaneous part time	23,660	23,660	22,985	675
Administrative	71,225	71,225	74,019	(2,794)
MMEA	604,525	604,525	586,164	18,361
Public utilities	71,600	71,600	47,550	24,050
Telephones	8,580	8,580	4,276	4,304
Security service	756	756	401	355
Other purchased services	95,000	95,000	93,635	1,365
Building supplies and materials	35,000	35,000	31,202	3,798
Library	140,000	140,000	139,694	306
Office expenditures and supplies	25,000	25,000	24,739	261
Memberships and meetings	1,200	1,200	1,200	-
CWA	620,808	620,808	612,479	8,329
<b>Total Library</b>	<b>1,699,354</b>	<b>1,699,354</b>	<b>1,638,519</b>	<b>60,835</b>
<b>City Clerk:</b>				
Elected official	59,004	59,004	59,004	-
Overtime contingency	4,000	4,000	14,065	(10,065)
Other non-union	24,000	24,000	23,320	680
MMEA	174,374	174,374	169,034	5,340
Land records	72,000	72,000	73,500	(1,500)
Vital statistics	6,000	6,000	2,688	3,312
Office expenditures and supplies	11,000	11,000	13,309	(2,309)
Membership and meetings	2,000	2,000	1,890	110
Restoration	3,000	3,000	2,485	515
<b>Total City Clerk</b>	<b>355,378</b>	<b>355,378</b>	<b>359,295</b>	<b>(3,917)</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Aviation:</b>				
Airport taxes	28,132	28,673	28,673	-
Office expenditures and supplies	400	400	171	229
Aviation maintenance	21,000	20,459	19,151	1,308
Other purchased services	3,000	3,000	-	3,000
<b>Total Aviation</b>	<b>52,532</b>	<b>52,532</b>	<b>47,995</b>	<b>4,537</b>
<b>Elections:</b>				
Primaries	-	38,000	26,990	11,010
Membership and meetings	2,000	2,000	491	1,509
Elected officials	40,621	40,621	40,621	-
Other non-union	1,700	1,700	1,700	-
MMEA	41,876	41,876	40,727	1,149
Office expenditures and supplies	10,000	10,000	5,322	4,678
Elections	40,000	40,000	34,366	5,634
<b>Total Elections</b>	<b>136,197</b>	<b>174,197</b>	<b>150,217</b>	<b>23,980</b>
<b>Finance:</b>				
Administrative	91,314	91,314	93,706	(2,392)
Vehicle maintenance	-	-	2,400	(2,400)
Overtime contingency	2,000	2,000	751	1,249
MMEA	188,436	188,436	176,933	11,503
CWA	137,598	137,598	137,507	91
Telephone	126,677	126,677	88,098	38,579
Office expenditures and supplies	22,400	22,400	15,731	6,669
Contingency	500,000	661,919	286,984	374,935
Membership and meetings	3,518	3,518	3,473	45
General office supplies	1	1	3,679	(3,678)
Rainy Day Fund	400,000	400,000	-	400,000
<b>Total Finance</b>	<b>1,471,944</b>	<b>1,633,863</b>	<b>809,262</b>	<b>824,601</b>
<b>Insurance:</b>				
Boilers and machinery	7,500	7,500	7,500	-
Bond money and securities	12,000	12,000	12,000	-
Fire and vandalism	100,000	100,000	100,000	-
Liability insurance	400,000	400,000	646,040	(246,040)
Workers' compensation	270,598	270,598	270,598	-
Police professional liability	36,000	36,000	36,000	-
Public official liability	18,671	18,671	18,671	-
Second Injury Fund	12,000	12,000	12,000	-
Workers' Compensation excess liability	32,952	32,952	32,952	-
Attorney fees	457,090	457,090	457,090	-
<b>Total Insurance</b>	<b>1,346,811</b>	<b>1,346,811</b>	<b>1,592,851</b>	<b>(246,040)</b>



CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued**  
For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Employee Benefits:</b>				
Life insurance	52,951	52,951	52,624	327
Longevity	34,219	34,219	35,402	(1,183)
Severance	46,000	46,000	-	46,000
Unemployment compensation	125,000	75,000	53,945	21,055
Unused sick leave	167,446	167,446	177,046	(9,600)
Hypertension	490,004	580,641	571,025	9,616
Social security	1,678,422	1,678,422	1,706,700	(28,278)
Police benefits	1,081,124	1,081,124	933,739	147,385
Police pension funding	255,347	255,347	240,000	15,347
Police retiree medical benefit	237,643	237,643	228,000	9,643
Police social security medicare	72,820	72,820	73,084	(264)
Police retirement	1,776,532	1,776,532	1,764,000	12,532
Police medical	1,221,430	1,221,430	859,514	361,916
Police life	21,048	21,048	22,011	(963)
Police with compensation and hypertension	75,855	75,855	67,702	8,153
Fire benefits	921,348	921,348	826,387	94,961
Police vision pool	10,000	10,000	8,791	1,209
Police hearing pool	8,000	8,000	-	8,000
Fire pension funding	204,686	204,686	192,000	12,686
Fire retiree medical benefits	199,154	199,154	180,000	19,154
Fire social security	35,748	35,748	37,664	(1,916)
Fire retirement	1,272,204	1,272,204	1,260,000	12,204
Fire medical	927,100	927,100	654,186	272,914
Fire life	14,854	14,854	16,229	(1,375)
Fire with compensation and hypertension	136,343	123,206	86,232	36,974
Hepatitis B shot	1	1	-	1
Police certification bonus	72,000	66,600	66,600	-
Police longevity	38,100	35,900	59,831	(23,931)
Fire longevity	27,192	25,992	-	25,992
Fire vision pool	2,500	4,500	-	4,500
Fire hearing pool	2,500	500	-	500
Uniforms guards	4,780	4,780	3,260	1,520
City medical benefits	2,379,284	2,379,284	1,838,424	540,860
Education medical benefits	8,552,796	8,552,796	8,546,472	6,324
AmeriCorps	49,659	30,959	22,618	8,341
Headstart	35,858	35,858	34,952	906
CASA medical	12,834	12,834	9,162	3,672
<b>Total Employee Benefits</b>	<b>22,242,782</b>	<b>22,242,782</b>	<b>20,627,600</b>	<b>1,615,182</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued**  
**For the Year Ended June 30, 2002**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Finance General Administration:</b>				
Transit	152,145	182,235	166,837	15,398
Economic Development	40,000	40,000	40,000	-
Pupil transportation	558,762	558,762	558,762	-
Advertising, printing, binding	13,000	13,000	1,828	11,172
Street lighting	573,848	573,848	568,543	5,305
Water	110,000	110,000	82,906	27,094
Hydrants	61,360	61,360	61,360	-
Sewers	57,000	57,000	38,609	18,391
Rod and Gun Fish Club	1,000	1,000	1,000	-
Cultural Diversity Fund	7,000	7,000	4,601	2,399
Hoopin OT	1,000	1,000	1,517	(517)
EMS Council	1,000	1,000	-	1,000
Park maintenance	7,500	7,500	6,250	1,250
Maloney scholarship	20,100	20,100	20,000	100
Veterans' organization	67,900	67,900	63,363	4,537
AIC materials only	500	500	-	500
Andrews Homestead	1,000	1,000	-	1,000
Ambulance	118,000	118,000	118,000	-
Nerden Day Camp	49,803	49,803	49,802	1
Day care	7,500	7,500	7,500	-
C med	123,964	123,964	88,827	35,137
Audit	66,900	66,900	59,076	7,824
Probate court	23,000	23,000	18,766	4,234
Zoning expenditures and supplies	16,000	16,000	11,268	4,732
Police Explorers	5,500	5,500	4,741	759
Solomon Goffe House	1,000	1,000	1,001	(1)
Downtown revitalization	15,000	15,000	7,166	7,834
Handicapped commission	1,000	1,000	328	672
Daffodil festival	30,000	30,000	30,126	(126)
Regional mental health	1,000	1,000	1,000	-
Repay housing authority	11,411	11,411	11,411	-
Textbook loan	38,000	38,000	37,279	721
Meriden Symphony	15,000	15,000	15,000	-
Special events and celebrations	35,000	35,000	37,926	(2,926)
Conservation committee	500	500	484	16
Marketing promotion	200,000	200,000	200,000	-
Flood supplies	15,979	15,979	1,119	14,860

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Finance General Administration, Continued:</b>				
AmeriCorps	35,000	35,000	35,000	-
Day Camp	15,000	15,000	11,250	3,750
Camp Vol. Program	10,000	10,000	7,500	2,500
Evening of Celebration	7,760	7,760	7,760	-
Meriden Scholastic Scholars	46,000	46,000	34,500	11,500
Neighborhood associations	30,000	30,000	5,955	24,045
Web site	5,000	5,000	3,190	1,810
Silver City boxing	5,000	5,000	5,000	-
Teen satellite programs	225,000	225,000	221,874	3,126
Gallery 53	10,000	10,000	10,000	-
Curtis Utilization	88,167	88,167	88,000	167
Guiffrida Camp	9,200	9,200	8,967	233
Washington Park Drum Corps	2,000	2,000	-	2,000
State Police Museum	5,000	5,000	-	5,000
Feline Population Control	20,000	20,000	-	20,000
<b>Total Finance General Administration</b>	<b>2,960,799</b>	<b>2,990,889</b>	<b>2,755,392</b>	<b>235,497</b>
<b>Purchasing:</b>				
Overtime contingency	500	500	174	326
MMEA	159,517	170,117	168,735	1,382
CWA	73,944	73,944	73,899	45
Office expenditures and supplies	4,800	4,800	4,695	105
Memberships, meetings and other	2,500	2,500	2,468	32
Petty cash	1	1	(138)	139
Storeroom	1	1	164	(163)
<b>Total Purchasing</b>	<b>241,263</b>	<b>251,863</b>	<b>249,997</b>	<b>1,866</b>
<b>Tax Collector:</b>				
Overtime contingency	4,500	4,500	1,118	3,382
MMEA	219,747	219,747	209,646	10,101
CWA	117,874	117,874	116,086	1,788
Office expenditures and supplies	57,500	57,500	58,498	(998)
Memberships and meetings	1,850	1,850	1,812	38
Miscellaneous part-time	1,260	1,260	-	1,260
<b>Total Tax Collector</b>	<b>402,731</b>	<b>402,731</b>	<b>387,160</b>	<b>15,571</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued**  
For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Data Processing</b>				
CWA	109,959	109,959	109,778	181
Administrative	73,570	73,570	76,456	(2,886)
Overtime contingency	2,000	2,000	-	2,000
MMEA	126,476	126,476	127,222	(746)
Training	10,000	10,000	9,870	130
Rental of equipment	213,880	213,880	211,729	2,151
Office expenditures and supplies	17,000	17,000	13,460	3,540
Software	15,000	15,000	13,418	1,582
Memberships and meetings	2,000	2,000	1,709	291
Telephones	69,600	69,600	54,612	14,988
<b>Total Data Processing</b>	<b>639,485</b>	<b>639,485</b>	<b>618,254</b>	<b>21,231</b>
<b>Assessor:</b>				
Audit	30,000	30,000	7,385	22,615
MMEA	167,536	167,536	151,950	15,586
CWA	119,641	119,641	124,169	(4,528)
Revaluation	542,000	542,000	530,792	11,208
Office expenditures and supplies	10,000	10,000	10,448	(448)
Membership and meetings	1,000	1,000	755	245
<b>Total Assessor</b>	<b>870,177</b>	<b>870,177</b>	<b>825,499</b>	<b>44,678</b>
<b>Board of Tax Relief:</b>				
Miscellaneous part-time	1,500	1,500	3,000	(1,500)
Other expenditures and supplies	750	750	1,075	(325)
<b>Total Board of Tax Relief</b>	<b>2,250</b>	<b>2,250</b>	<b>4,075</b>	<b>(1,825)</b>
<b>Planning:</b>				
Administrative	80,310	80,310	82,677	(2,367)
Overtime	14,000	14,000	5,989	8,011
MMEA	377,130	377,130	376,726	404
CWA	148,345	148,345	148,255	90
Vehicle maintenance	5,000	5,000	5,743	(743)
Design review board	250	250	196	54
Office expenditures and supplies	7,000	7,000	4,683	2,317
Memberships and meetings	3,500	3,500	2,812	688
Unsafe buildings	2,000	2,000	-	2,000
Attorney fees	1,000	1,000	-	1,000
<b>Total Planning</b>	<b>638,535</b>	<b>638,535</b>	<b>627,081</b>	<b>11,454</b>
<b>Inland Wetlands:</b>				
Other purchased services	1,500	1,500	1,157	343
Office expenditures and supplies	700	700	535	165
Memberships and meetings	200	200	150	50
<b>Total Inland Wetlands</b>	<b>2,400</b>	<b>2,400</b>	<b>1,842</b>	<b>558</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Park:</b>				
Miscellaneous part-time	40,880	40,880	83,513	(42,633)
Administrative	90,943	90,943	93,619	(2,676)
Overtime contingency	47,000	47,000	90,078	(43,078)
Public works	657,758	657,758	625,079	32,679
CWA	62,203	62,203	62,164	39
Parks and rec. exp. and supplies	65,000	65,000	61,601	3,399
Vehicle maintenance	50,000	50,000	56,525	(6,525)
Heat, energy and lights	80,000	80,000	87,030	(7,030)
Park maintenance vandalism	18,000	18,000	13,001	4,999
Vandalism	5,000	5,000	5,000	-
Security	15,000	15,000	8,089	6,911
Memberships and meetings	1,500	1,500	890	610
Tree removal and replacement	5,000	5,000	1,705	3,295
Solomon Goffe House	1,500	1,500	-	1,500
<b>Total Park</b>	<b>1,139,784</b>	<b>1,139,784</b>	<b>1,188,294</b>	<b>(48,510)</b>
<b>Recreation:</b>				
Other non-union	75,000	75,000	91,207	(16,207)
Public works	72,500	72,500	62,450	10,050
MMEA	69,635	69,635	69,750	(115)
Recreation program expense	10,000	10,000	9,990	10
Concerts	4,000	4,000	4,000	-
League subsidy	30,000	30,000	29,400	600
Office expenditures and supplies	10,200	10,200	9,086	1,114
Memberships and meetings	750	750	700	50
CWA	42,380	42,380	43,462	(1,082)
Holiday display replacement	6,000	6,000	5,525	475
Overtime	4,000	4,000	11,339	(7,339)
Silver Fins wages	-	-	3,797	(3,797)
<b>Total Recreation</b>	<b>324,465</b>	<b>324,465</b>	<b>340,706</b>	<b>(16,241)</b>
<b>Parking Administrative</b>				
Vehicle maintenance	-	750	1,242	(492)
Parking administrative	25,580	25,580	29,699	(4,119)
Parking payroll	68,188	66,688	64,716	1,972
Parking benefits	-	-	-	-
Parking maintenance	3,250	2,500	2,354	146
Parking telephones	1,200	1,200	401	799
Parking utilities	17,000	17,000	16,395	605
Parking general	1,500	3,000	2,274	726
<b>Total Parking Administrative</b>	<b>116,718</b>	<b>116,718</b>	<b>117,081</b>	<b>(363)</b>
<b>Total General Government</b>	<b>36,608,042</b>	<b>36,848,651</b>	<b>34,168,755</b>	<b>2,679,896</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
 BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>EDUCATION</b>				
<b>Board of Education:</b>				
Certified salaries	39,594,666	39,146,022	39,146,022	-
Classified salaries	8,507,977	8,329,547	8,329,547	-
Life/disability	101,485	43,024	43,024	-
Social security	372,660	365,217	365,217	-
Longevity	46,309	43,322	43,322	-
Severance	50,000	19,092	19,092	-
Retirement	98,773	100,542	100,542	-
Instruction	43,000	40,206	40,206	-
Instructional program improvement	188,818	244,954	244,954	-
Other professional technical services	1,254,760	1,220,232	1,220,232	-
Public utilities	946,301	844,890	844,890	-
Repairs and maintenance	1,257,487	1,524,043	1,524,043	-
Pupil transportation	3,125,276	3,028,261	2,870,153	158,108
Other insurance and judgments	16,000	16,000	15,722	278
Communications and printing	468,900	469,179	469,190	(11)
Tuitions	8,130,510	8,153,089	8,153,089	-
Travel	139,733	162,688	162,688	-
Other purchased services	112,765	112,765	67,103	45,662
Instructional supplies	417,248	485,601	485,601	-
Maintenance supplies	510,411	853,276	853,276	-
Heat and energy	401,244	401,244	287,602	113,642
Transportation supplies	15,000	15,734	15,734	-
Textbooks	523,747	523,747	399,016	124,731
Library books	103,675	103,675	94,365	9,310
Other supplies and materials	581,496	581,496	515,592	65,904
Equipment replacement	-	96,808	96,808	-
New equipment	-	83,586	83,586	-
Dues and fees	44,483	44,483	26,149	18,334
<b>Total Board of Education</b>	<b>67,052,724</b>	<b>67,052,723</b>	<b>66,516,765</b>	<b>535,958</b>
<b>School Building Committee:</b>				
Salary clerical	1,080	1,080	664	416
Com, Adv, Print & Bind	144	144	-	144
Other purchased services	288	288	234	54
<b>Total School Building Committee</b>	<b>1,512</b>	<b>1,512</b>	<b>898</b>	<b>614</b>
<b>Total Education</b>	<b>67,054,236</b>	<b>67,054,235</b>	<b>66,517,663</b>	<b>536,572</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued**  
For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>PUBLIC SAFETY</b>				
<b>Police:</b>				
Administrative	139,139	139,139	137,218	1,921
Overtime contingency	500,000	500,000	858,610	(358,610)
MMEA	373,947	373,947	372,610	1,337
Police	6,793,189	6,793,189	6,256,588	536,601
CWA	255,914	255,914	209,142	46,772
Vehicle maintenance	152,500	165,144	202,385	(37,241)
Communications and finance	64,100	64,100	117,107	(53,007)
Training	133,000	133,000	131,711	1,289
South Central Justice	10,000	10,000	9,025	975
Auxiliary police	7,500	514	514	-
Canine unit	10,000	10,000	4,898	5,102
Police expenditures and supplies	82,250	89,236	95,330	(6,094)
Memberships and meetings	3,500	3,500	3,491	9
Police private duty	1	1	10,364	(10,363)
Public works	57,512	57,512	54,715	2,797
MIS technology	120,000	120,000	119,672	328
Bicycle Patrol	4,000	4,000	3,972	28
Hostage Crisis	40,000	40,000	39,957	43
<b>Total Police</b>	<b>8,746,552</b>	<b>8,759,196</b>	<b>8,627,309</b>	<b>131,887</b>
<b>Fire:</b>				
Office expenditures and supplies	20,000	22,000	21,306	694
Administrative	154,582	154,582	157,901	(3,319)
Overtime contingency	450,000	450,000	631,991	(181,991)
Public works	52,875	52,875	52,844	31
Fire	4,692,807	4,692,807	4,657,312	35,495
MMEA	73,592	73,592	62,978	10,614
Vehicle maintenance	65,900	65,900	57,581	8,319
Communications and maintenance	24,600	22,600	18,871	3,729
Training	10,000	10,000	7,125	2,875
Physicals	40,000	40,000	27,920	12,080
Maintenance supplies	30,000	30,000	26,458	3,542
Heat energy lights	70,000	70,000	66,216	3,784
Fire equipment	48,000	48,000	46,773	1,227
Memberships and meetings	6,000	6,000	4,400	1,600
<b>Total Fire</b>	<b>5,738,356</b>	<b>5,738,356</b>	<b>5,839,676</b>	<b>(101,320)</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>South Meriden Fire Department:</b>				
Firefighter physicals	10,000	10,000	5,860	4,140
Hepatitis vaccine	1,500	1,500	158	1,342
Vehicle maintenance	5,200	5,200	5,218	(18)
Communications and maintenance	5,500	5,500	4,385	1,115
Training	4,100	4,100	3,503	597
Maintenance supplies	700	700	700	-
Heat, energy, lights	5,000	5,000	6,735	(1,735)
Food	2,700	2,700	2,700	-
Office expenditures and supplies	500	500	890	(390)
Fire equipment	15,000	15,000	14,957	43
Membership and meetings	500	500	490	10
Fire prevention and education	300	300	300	-
<b>Total South Meriden Fire Department</b>	<b>51,000</b>	<b>51,000</b>	<b>45,896</b>	<b>5,104</b>
<b>Public Safety Dispatch:</b>				
Office expenditures and supplies	3,500	3,500	2,541	959
MMEA	471,245	453,592	443,697	9,895
Training	4,000	4,000	3,069	931
Overtime contingency	150,000	182,323	222,437	(40,114)
Communications and printing	9,400	9,400	8,377	1,023
Fire	60,996	60,996	61,701	(705)
<b>Total Public Safety Dispatch</b>	<b>699,141</b>	<b>713,811</b>	<b>741,822</b>	<b>(28,011)</b>
<b>Civil Preparedness:</b>				
Miscellaneous part-time	8,250	8,250	8,250	-
Civil preparedness	2,000	2,000	699	1,301
Office expenditures and supplies	3,400	3,400	1,455	1,945
<b>Total Civil Preparedness</b>	<b>13,650</b>	<b>13,650</b>	<b>10,404</b>	<b>3,246</b>
<b>Total Public Safety</b>	<b>15,248,699</b>	<b>15,276,013</b>	<b>15,265,107</b>	<b>10,906</b>



CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>PUBLIC WORKS</b>				
<b>Engineering:</b>				
Overtime	5,000	10,000	9,411	589
MMEA	377,426	377,426	347,110	30,316
CWA	211,444	206,444	167,620	38,824
Vehicle maintenance	7,500	7,500	4,870	2,630
Office expenditures and supplies	10,000	10,000	8,003	1,997
Membership and meetings	2,500	2,500	1,683	817
<b>Total Engineering</b>	<b>613,870</b>	<b>613,870</b>	<b>538,697</b>	<b>75,173</b>
<b>Garage and Warehouse:</b>				
Overtime contingency	15,000	15,000	14,540	460
Public works	321,877	321,877	321,618	259
MMEA	42,557	42,557	45,070	(2,513)
Repairs and maintenance	5,500	5,500	6,018	(518)
Office expenditures and supplies	7,000	7,000	4,707	2,293
Memberships and meetings	1,775	1,775	-	1,775
Garage materials	1	1	5,697	(5,696)
<b>Total Garage and Warehouse</b>	<b>393,710</b>	<b>393,710</b>	<b>397,650</b>	<b>(3,940)</b>
<b>Traffic Engineering:</b>				
Street lighting	10,000	10,000	8,431	1,569
CWA	73,944	73,944	73,898	46
Part time summer help	11,200	11,200	9,840	1,360
Overtime contingency	15,000	15,000	21,354	(6,354)
MMEA	182,448	182,448	182,016	432
Vehicle maintenance	12,000	12,000	16,860	(4,860)
Safety equipment	1,000	1,000	960	40
Signalization	60,000	60,000	67,538	(7,538)
Signs and alarms	30,000	30,000	29,944	56
Alarm system	2,000	2,000	1,678	322
Office expenditures and supplies	1,000	1,000	707	293
Memberships and meetings	1,000	1,000	435	565
<b>Total Traffic Engineering</b>	<b>399,592</b>	<b>399,592</b>	<b>413,661</b>	<b>(14,069)</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Highway:</b>				
Office expenditures and supplies	8,500	8,500	5,785	2,715
Overtime contingency	32,000	32,000	38,688	(6,688)
Public works	685,722	685,722	672,599	13,123
MMEA	-	-	1,650	(1,650)
CWA	137,593	137,593	137,507	86
Snow and ice control	350,000	350,000	212,036	137,964
Vehicle maintenance	125,000	125,000	227,847	(102,847)
Street maintenance supplies	12,000	12,000	10,928	1,072
Sidewalk, basin construction	4,000	4,000	3,947	53
Street construction	30,000	30,000	30,000	-
Storm drain construction	5,000	5,000	4,986	14
Brook dredging	4,000	4,000	3,831	169
Memberships and meetings	725	725	250	475
Bulky Waste	10,000	10,000	10,000	-
Clothing	6,000	6,000	5,758	242
<b>Total Highway</b>	<b>1,410,540</b>	<b>1,410,540</b>	<b>1,365,812</b>	<b>44,728</b>
<b>Landfill Operations:</b>				
Overtime contingency	-	-	13,246	(13,246)
Monitoring	30,000	30,000	24,106	5,894
Vehicle maintenance	12,500	12,500	30,586	(18,086)
Other purchased services	8,000	8,000	8,000	-
Office expenditures and supplies	2,500	2,500	1,129	1,371
<b>Total Landfill Operations</b>	<b>53,000</b>	<b>53,000</b>	<b>77,067</b>	<b>(24,067)</b>
<b>Waste Collection Second District</b>				
Office expenditures and supplies	225	225	-	225
Dumping fees	472,000	472,000	460,414	11,586
Contract	386,145	386,145	386,145	-
<b>Total Waste Collection Second District</b>	<b>858,370</b>	<b>858,370</b>	<b>846,559</b>	<b>11,811</b>
<b>Bulky Waste Collection Bureau</b>				
Overtime contingency	1,500	1,500	1,450	50
Vehicle maintenance	13,000	13,000	18,549	(5,549)
Office expenditures and supplies	2,300	2,300	546	1,754
Public works	240,467	240,467	253,724	(13,257)
MMEA	43,705	43,705	43,676	29
Dumping fees	390,000	390,000	240,008	149,992
Clothing allowance	1,500	1,500	1,503	(3)
<b>Total Bulky Waste Collection Bureau</b>	<b>692,472</b>	<b>692,472</b>	<b>559,456</b>	<b>133,016</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Building Maintenance:</b>				
Overtime contingency	34,000	34,000	30,816	3,184
Public works	257,066	257,066	272,355	(15,289)
CWA	57,013	57,013	56,978	35
Vehicle maintenance	500	500	703	(203)
Maintenance supplies	35,000	35,000	31,581	3,419
Heat, energy, lights	340,000	340,000	364,913	(24,913)
<b>Total Building Maintenance</b>	<b>723,579</b>	<b>723,579</b>	<b>757,346</b>	<b>(33,767)</b>
<b>Total Public Works</b>	<b>5,145,133</b>	<b>5,145,133</b>	<b>4,956,248</b>	<b>188,885</b>
<b>HUMAN SERVICES</b>				
<b>Health Department:</b>				
Certified salaries	352,129	352,129	318,409	33,720
Miscellaneous part-time	6,325	6,325	3,300	3,025
Administration	79,806	79,806	82,153	(2,347)
Overtime contingency	1,600	1,600	563	1,037
Public health nurses	824,978	845,065	830,820	14,245
MMEA	596,305	596,305	562,592	33,713
CWA	135,534	135,534	137,224	(1,690)
Vehicle maintenance	3,800	3,800	3,547	253
Other purchased services	1	1	-	1
Office expenditures and supplies	10,800	10,800	10,714	86
Environmental supplies	11,690	11,690	10,282	1,408
Health supplies	9,700	9,700	8,858	842
Public Act 10 217A supplies	8,000	8,000	7,905	95
Memberships and meetings	3,000	3,000	2,806	194
Special projects	1	1	(296)	297
Rabies exposure	300	300	-	300
Lead program	2,000	2,000	1,645	355
Emergency fund sewer	1	1	139	(138)
<b>Total Health Department</b>	<b>2,045,970</b>	<b>2,066,057</b>	<b>1,980,661</b>	<b>85,396</b>
<b>Social Services:</b>				
General assistance	5,000	5,000	-	5,000
Office expenditures and supplies	50	50	50	-
Evictions	60,000	60,000	57,415	2,585
<b>Total Social Services</b>	<b>65,050</b>	<b>65,050</b>	<b>57,465</b>	<b>7,585</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Senior Affairs:</b>				
CWA	67,767	67,767	67,725	42
Memberships and meetings	300	300	200	100
Other non-union	22,880	22,880	25,484	(2,604)
MMEA	334,580	334,580	324,846	9,734
Vehicle maintenance	8,000	8,000	10,822	(2,822)
Office expenditures and supplies	12,000	12,000	10,843	1,157
Elderly nutrition	34,073	34,073	32,555	1,518
<b>Total Senior Affairs</b>	<b>479,600</b>	<b>479,600</b>	<b>472,475</b>	<b>7,125</b>
<b>Youth Services Bureau:</b>				
Overtime contingency	200	200	394	(194)
Memberships and meetings	500	500	500	-
MMEA	47,733	47,733	47,709	24
Office expenditures and supplies	1,500	1,500	1,498	2
Youth activities	1,500	1,500	1,498	2
CWA	58,803	58,803	58,978	(175)
<b>Total Youth Services Bureau</b>	<b>110,236</b>	<b>110,236</b>	<b>110,577</b>	<b>(341)</b>
<b>Total Human Services</b>	<b>2,700,856</b>	<b>2,720,943</b>	<b>2,621,178</b>	<b>99,765</b>
<b>DEBT SERVICE</b>				
Principal bonds	10,761,600	10,761,600	10,752,850	8,750
Interest	3,258,148	3,258,148	3,257,488	660
BAN interest	764,116	764,116	789,518	(25,402)
<b>Total Debt Service</b>	<b>14,783,864</b>	<b>14,783,864</b>	<b>14,799,856</b>	<b>(15,992)</b>
<b>TRANSFERS</b>				
Transfers out	-	-	681,000	(681,000)
<b>TOTAL</b>	<b>\$ 141,540,830</b>	<b>\$ 141,828,839</b>	<b>\$ 139,009,806</b>	<b>\$ 2,819,033</b>

**Nonmajor Governmental Funds**

## *Nonmajor Governmental Funds*

### *Special Revenue Funds*

**Special Revenue Funds** - are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Airport Improvement** - is used to account for grant funds for airport improvements.

**Community Development Block Grant** - is used to account for expenditures related to the Federal Block Grant.

**Day Care Center** - is used to account for operations of the Meriden Day Care Center which is partially funded by State Grants.

**Health Department WIC Program** - is used to account for grants from the State Department of Social Services.

**Insurance Reserve Fund** - is used to account for unexpended insurance claim funds that are transferred from the General Fund.

**Neighborhood Mobile Health** - is used to account for grant funds from the State Health Department.

**Special Projects-Health** - is used to account for various grants from the State of Connecticut.

**Tri-Town Medical Transportation** - is used to account for grant funds from the State of Connecticut.

**Neighborhood Preservation Program** - is used to account for revolving loan funds.

**Asset Forfeiture Fund** - is used to account for drug seizure money from the State and Federal Governments.

**Recycling Fund** - is used to account for tipping fees collected from the trash haulers.

**State & Federal Education Grants** - is used to account for education related grants from State and Federal Governments.

**Underage Drinking** – is used to account for programs to curb underage drinking.

**Transit Welfare to Work** - is used to account for grants relating to back to work programs.

**Dog Fund** - is used to account for revenue from dog license fees and related expenditures.

**Landfill Reclamation** - is used to account for dump tipping fees and to pay for landfill closing.

**Cafeteria** - is used to account for operations of the school lunch program.

**Meriden Public School Rental** - is used to account for rental activities related to the schools.

**Adult Evening School** - is used to account for activities related to the Adult Education program.

**Safe Neighborhoods** - is used to account for grants used to subsidize hiring of additional police officers.

**Railroad Right-of-Way** - is used to account for the renovation of the Railroad Canopy and Railroad Avenue area.

**Drivers Education Training** - is used to account for activities relating to the drivers education program.

**Student Fund** - is used by the schools for various miscellaneous activities.

**AmeriCorps** - is used to hire youths to perform community service work.

**Summer Youth Initiative** - is used to account for a grant from the government to employ youths.

**Law Enforcement Block Grant** - is used to account for a grant from the government for law enforcement.

**Lorenzo Fuller Award** – is used to account for a scholarship fund given to a high school.

**Charlotte Yale Ives** – is used to account for supportive health services to needy families.

**Downtown Property Management** - is used to account for management of City owned property in the downtown area.

**School Readiness** - is used to account for grant funds from the State Department of Education for school readiness and child day care programs.

**Cops More 98** – is used to account for grants for law enforcement.

**C.P. Bradley Park Fund** – is used to account for funds used to care for the public parks of the City.

**Walter Hubbard Park Fund** – is used to account for the care and maintenance of Hubbard Park.

**Library Trust Fund** – is used to account for the donations and additional funds for the library.

## ***Capital Projects Funds***

**Capital Project Funds** - are used to account for the acquisition of major capital facilities other than those financed by proprietary funds.

**Parks and Recreation Capital and Non-Recurring Fund** - this fund is used to account for the financial resources used for various parks and recreation projects.

**Capital and Non-Recurring Fund** - this fund is used to account for capital items funded through grants and special appropriations.



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CITY OF MERIDEN, CONNECTICUT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2002

	Special Revenue				
	Airport Improvement	Community Development Block Grant	Day Care Center	Health Department WIC Program	Insurance Reserve Fund
<b>ASSETS</b>					
Cash and cash equivalents	\$ 14,744	\$ -	\$ 95,537	\$ 45,409	\$ 95,158
Intergovernmental receivable	-	-	-	12,909	-
Loans receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Investments	-	-	-	-	-
Other assets	-	-	-	-	-
<b>Total assets</b>	<b>\$ 14,744</b>	<b>\$ -</b>	<b>\$ 95,537</b>	<b>\$ 58,318</b>	<b>\$ 95,158</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
Liabilities					
Accounts payable and accrued liabilities	\$ -	\$ 69,179	\$ 6,483	\$ 1,072	\$ -
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	40,000	-
<b>Total liabilities</b>	<b>-</b>	<b>69,179</b>	<b>6,483</b>	<b>41,072</b>	<b>-</b>
Fund balances (deficits)					
Reserved for loans receivable	-	-	-	-	-
Reserved for donor's intentions	-	-	-	-	-
Unreserved and undesignated	14,744	(69,179)	89,054	17,246	95,158
<b>Total fund balances (deficits)</b>	<b>14,744</b>	<b>(69,179)</b>	<b>89,054</b>	<b>17,246</b>	<b>95,158</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 14,744</b>	<b>\$ -</b>	<b>\$ 95,537</b>	<b>\$ 58,318</b>	<b>\$ 95,158</b>

Special Revenue							
Neighborhood Mobile Health	Special Projects- Health	Tri-Town Medical Transportation	Neighborhood Preservation Program	Asset Forfeiture Fund	Recycling Fund	State & Federal Education Grants	Underage Drinking
\$ -	\$ 507,419	\$ 51,828	\$ 351,028	\$ 108,958	\$ -	\$ 1,389,092	\$ 6,307
-	72,674	1,238	6,253	-	-	-	-
-	-	-	2,553,117	-	-	-	-
-	40,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	14,654	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 634,747</u>	<u>\$ 53,066</u>	<u>\$ 2,910,398</u>	<u>\$ 108,958</u>	<u>\$ -</u>	<u>\$ 1,389,092</u>	<u>\$ 6,307</u>
\$ -	\$ 34,175	\$ 13,094	\$ -	\$ 56,911	\$ -	\$ -	\$ -
-	-	-	-	-	-	1,389,092	-
-	-	-	-	-	-	-	-
-	34,175	13,094	-	56,911	-	1,389,092	-
-	-	-	2,553,117	-	-	-	-
-	-	-	-	-	-	-	-
-	600,572	39,972	357,281	52,047	-	-	6,307
-	600,572	39,972	2,910,398	52,047	-	-	6,307
<u>\$ -</u>	<u>\$ 634,747</u>	<u>\$ 53,066</u>	<u>\$ 2,910,398</u>	<u>\$ 108,958</u>	<u>\$ -</u>	<u>\$ 1,389,092</u>	<u>\$ 6,307</u>

CITY OF MERIDEN, CONNECTICUT

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, Continued  
 June 30, 2002

	Special Revenue				
	Transit Welfare to Work	Dog Fund	Landfill Reclamation	Cafeteria	Meriden Public School Rental
<b>ASSETS</b>					
Cash and cash equivalents	\$ 14,573	\$ 20,932	\$ 38,296	\$ 174,726	\$ 67,312
Intergovernmental receivable	4,000	3,122	2,600	224,752	-
Loans receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Investments	-	-	-	-	-
Other assets	-	-	350	-	-
<b>Total assets</b>	<b>\$ 18,573</b>	<b>\$ 24,054</b>	<b>\$ 41,246</b>	<b>\$ 399,478</b>	<b>\$ 67,312</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
Liabilities					
Accounts payable and accrued liabilities	\$ 12,384	\$ 6,769	\$ -	\$ 9,101	\$ 138
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>12,384</b>	<b>6,769</b>	<b>-</b>	<b>9,101</b>	<b>138</b>
Fund balances (deficits)					
Reserved for loans receivable	-	-	-	-	-
Reserved for donor's intentions	-	-	-	-	-
Unreserved and undesignated	6,189	17,285	41,246	390,377	67,174
<b>Total fund balances (deficits)</b>	<b>6,189</b>	<b>17,285</b>	<b>41,246</b>	<b>390,377</b>	<b>67,174</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 18,573</b>	<b>\$ 24,054</b>	<b>\$ 41,246</b>	<b>\$ 399,478</b>	<b>\$ 67,312</b>

Special Revenue							
Adult Evening School	Safe Neighborhoods	Railroad Right-of-Way	Drivers Education Training	Student Fund	AmeriCorps	Summer Youth Initiative	Law Enforcement Block Grant
\$ 77,894	\$ 5,292	\$ -	\$ 17,479	\$ -	\$ -	\$ 25,612	\$ 31,245
-	-	-	13,313	13,060	16,059	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 77,894</u>	<u>\$ 5,292</u>	<u>\$ -</u>	<u>\$ 30,792</u>	<u>\$ 13,060</u>	<u>\$ 16,059</u>	<u>\$ 25,612</u>	<u>\$ 31,245</u>
\$ 1,840	\$ -	\$ 10,331	\$ 1,115	\$ 2,065	\$ 9,215	\$ -	\$ 10,440
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,840</u>	<u>-</u>	<u>10,331</u>	<u>1,115</u>	<u>2,065</u>	<u>9,215</u>	<u>-</u>	<u>10,440</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
76,054	5,292	(10,331)	29,677	10,995	6,844	25,612	20,805
<u>76,054</u>	<u>5,292</u>	<u>(10,331)</u>	<u>29,677</u>	<u>10,995</u>	<u>6,844</u>	<u>25,612</u>	<u>20,805</u>
\$ 77,894	\$ 5,292	\$ -	\$ 30,792	\$ 13,060	\$ 16,059	\$ 25,612	\$ 31,245

CITY OF MERIDEN, CONNECTICUT

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, Continued  
 June 30, 2002

	Special Revenue			
	Lorenzo Fuller Award	Charlotte Yale Ives	Downtown Property Management	School Readiness
<b>ASSETS</b>				
Cash and cash equivalents	\$ 6,879	\$ 4,498	\$ 25,533	\$ 105,343
Intergovernmental receivable	-	-	-	277,548
Loans receivable, net	-	-	-	-
Due from other funds	-	-	-	-
Investments	-	-	-	-
Other assets	-	-	-	-
<b>Total assets</b>	<b>\$ 6,879</b>	<b>\$ 4,498</b>	<b>\$ 25,533</b>	<b>\$ 382,891</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ 765	\$ -	\$ 244,485
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>765</b>	<b>-</b>	<b>244,485</b>
Fund balances (deficits)				
Reserved for loans receivable	-	-	-	-
Reserved for donor's intentions	1,017	3,000	-	-
Unreserved and undesignated	5,862	733	25,533	138,406
<b>Total fund balances (deficits)</b>	<b>6,879</b>	<b>3,733</b>	<b>25,533</b>	<b>138,406</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 6,879</b>	<b>\$ 4,498</b>	<b>\$ 25,533</b>	<b>\$ 382,891</b>

Special Revenue Funds				Capital Projects		Totals
Cops More 98	C.P. Bradley Park Fund	Walter Hubbard Park Fund	Library Trust Fund	Parks and Recreation Capital and Non-Recurring	Capital and Non-Recurring	
\$ 25	\$ 205,770	\$ 76,171	\$ 215,985	\$ 2,118	\$ 3,290	\$ 3,784,453
-	-	-	-	-	-	647,528
-	-	-	-	-	-	2,553,117
-	-	-	-	-	705,226	745,226
-	1,067,567	500,129	226,384	-	-	1,794,080
-	-	-	-	-	-	15,004
<u>\$ 25</u>	<u>\$ 1,273,337</u>	<u>\$ 576,300</u>	<u>\$ 442,369</u>	<u>\$ 2,118</u>	<u>\$ 708,516</u>	<u>\$ 9,539,408</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,123	\$ 579,685
-	-	-	-	-	-	1,389,092
-	-	-	-	-	218,578	258,578
-	-	-	-	-	308,701	2,227,355
-	-	-	-	-	-	2,553,117
-	50,000	50,000	75,915	-	-	179,932
25	1,223,337	526,300	366,454	2,118	399,815	4,579,004
<u>25</u>	<u>1,273,337</u>	<u>576,300</u>	<u>442,369</u>	<u>2,118</u>	<u>399,815</u>	<u>7,312,053</u>
<u>\$ 25</u>	<u>\$ 1,273,337</u>	<u>\$ 576,300</u>	<u>\$ 442,369</u>	<u>\$ 2,118</u>	<u>\$ 708,516</u>	<u>\$ 9,539,408</u>

CITY OF MERIDEN, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (DEFICITS) - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2002**

	Special Revenue				
	Airport Improvement	Community Development Block Grant	Day Care Center	Health Department WIC Program	Insurance Reserve Fund
<b>REVENUES</b>					
Intergovernmental	\$ -	\$ 1,167,740	\$ 159,300	\$ 303,932	\$ -
Charges for services	-	126,824	269,463	-	-
Investment income	-	-	-	-	-
Net depreciation in fair value of investments	-	-	-	-	-
Other	-	-	10,103	-	-
<b>Total revenues</b>	<b>-</b>	<b>1,294,564</b>	<b>438,866</b>	<b>303,932</b>	<b>-</b>
<b>EXPENDITURES</b>					
General	-	-	-	-	-
Education	-	-	445,132	-	-
Human services	-	1,318,551	-	299,839	25,000
Public safety	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>1,318,551</b>	<b>445,132</b>	<b>299,839</b>	<b>25,000</b>
<b>Revenue over (under) expenditures</b>	<b>-</b>	<b>(23,987)</b>	<b>(6,266)</b>	<b>4,093</b>	<b>(25,000)</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue and other financing sources over (under) expenditures</b>	<b>-</b>	<b>(23,987)</b>	<b>(6,266)</b>	<b>4,093</b>	<b>(25,000)</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>14,744</b>	<b>(45,192)</b>	<b>95,320</b>	<b>13,153</b>	<b>120,158</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 14,744</b>	<b>\$ (69,179)</b>	<b>\$ 89,054</b>	<b>\$ 17,246</b>	<b>\$ 95,158</b>



Special Revenue							
Neighborhood Mobile Health	Special Projects- Health	Tri-Town Medical Transportation	Neighborhood Preservation Program	Asset Forfeiture Fund	Recycling Fund	State & Federal Education Grants	Underage Drinking
\$ -	\$ 881,711	\$ 823	\$ -	\$ 165,796	\$ -	\$ 8,436,359	\$ 37,500
-	103,038	120,121	7,085	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	984,749	120,944	7,085	165,796	-	8,436,359	37,500
1,540	-	-	51,550	-	-	-	-
-	-	-	-	-	-	8,436,359	-
-	878,667	126,116	-	-	32,840	-	-
-	-	-	-	207,348	-	-	32,097
-	-	-	-	-	-	-	-
1,540	878,667	126,116	51,550	207,348	32,840	8,436,359	32,097
(1,540)	106,082	(5,172)	(44,465)	(41,552)	(32,840)	-	5,403
-	-	-	237,118	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	237,118	-	-	-	-
(1,540)	106,082	(5,172)	192,653	(41,552)	(32,840)	-	5,403
1,540	494,490	45,144	2,717,745	93,599	32,840	-	904
\$ -	\$ 600,572	\$ 39,972	\$ 2,910,398	\$ 52,047	\$ -	\$ -	\$ 6,307

CITY OF MERIDEN, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (DEFICITS) - NONMAJOR GOVERNMENTAL FUNDS, Continued**  
For the Year Ended June 30, 2002

	Special Revenue				
	Transit Welfare to Work	Dog Fund	Land Reclamation	Cafeteria	Meriden Public School Rental
<b>REVENUES</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,339,055	\$ -
Charges for services	74,598	38,858	-	1,291,481	101,031
Investment income	-	-	5,650	-	-
Net depreciation in fair value of investments	-	-	-	-	-
Other	-	3,916	-	80,011	-
<b>Total revenues</b>	<b>74,598</b>	<b>42,774</b>	<b>5,650</b>	<b>2,710,547</b>	<b>101,031</b>
<b>EXPENDITURES</b>					
General	-	-	-	-	-
Education	-	-	-	2,622,263	70,987
Human services	71,034	-	-	-	-
Public safety	-	22,957	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>71,034</b>	<b>22,957</b>	<b>-</b>	<b>2,622,263</b>	<b>70,987</b>
<b>Revenue over (under) expenditures</b>	<b>3,564</b>	<b>19,817</b>	<b>5,650</b>	<b>88,284</b>	<b>30,044</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue and other financing sources over (under) expenditures</b>	<b>3,564</b>	<b>19,817</b>	<b>5,650</b>	<b>88,284</b>	<b>30,044</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>2,625</b>	<b>(2,532)</b>	<b>35,596</b>	<b>302,093</b>	<b>37,130</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 6,189</b>	<b>\$ 17,285</b>	<b>\$ 41,246</b>	<b>\$ 390,377</b>	<b>\$ 67,174</b>

Special Revenue							
Adult Evening School	Safe Neighborhoods	Railroad Right-of-Way	Drivers Education Training	Student Fund	AmeriCorps	Summer Youth Initiative	Law Enforcement Block Grant
\$ -	\$ 97,380	\$ -	\$ -	\$ -	\$ 224,690	\$ 60,000	\$ 44,374
76,934	-	-	41,433	28,908	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	12,175	4,320	-	25,481
76,934	97,380	-	41,433	41,083	229,010	60,000	69,855
-	-	-	-	-	-	-	-
89,116	-	-	-	18,765	-	-	-
-	-	-	-	-	248,244	35,041	-
-	118,999	-	29,372	-	-	-	95,069
-	-	-	-	-	-	-	-
89,116	118,999	-	29,372	18,765	248,244	35,041	95,069
(12,182)	(21,619)	-	12,061	22,318	(19,234)	24,959	(25,214)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(12,182)	(21,619)	-	12,061	22,318	(19,234)	24,959	(25,214)
88,236	26,911	(10,331)	17,616	(11,323)	26,078	653	46,019
\$ 76,054	\$ 5,292	\$ (10,331)	\$ 29,677	\$ 10,995	\$ 6,844	\$ 25,612	\$ 20,805

CITY OF MERIDEN, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (DEFICITS) - NONMAJOR GOVERNMENTAL FUNDS, Continued**  
For the Year Ended June 30, 2002

	Special Revenue			
	Lorenzo Fuller Award	Charlotte Yale Inves	Downtown Property Management	School Readiness
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,797,581
Charges for services	-	-	41,654	-
Investment income	279	182	-	-
Net depreciation in fair value of investments	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<b>279</b>	<b>182</b>	<b>41,654</b>	<b>1,797,581</b>
<b>EXPENDITURES</b>				
General	-	765	-	-
Education	-	-	-	1,663,180
Human services	-	-	36,333	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>765</b>	<b>36,333</b>	<b>1,663,180</b>
<b>Revenue over (under) expenditures</b>	<b>279</b>	<b>(583)</b>	<b>5,321</b>	<b>134,401</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenue and other financing sources over (under) expenditures</b>	<b>279</b>	<b>(583)</b>	<b>5,321</b>	<b>134,401</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>6,600</b>	<b>4,316</b>	<b>20,212</b>	<b>4,005</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 6,879</b>	<b>\$ 3,733</b>	<b>\$ 25,533</b>	<b>\$ 138,406</b>

Special Revenue				Capital Projects		Totals
Cops More 98	C.P. Bradley Park Fund	Walter Hubbard Park Fund	Library Trust Fund	Parks and Recreation Capital and Non-Recurring	Capital and Non-Recurring	
\$ 42,072	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,758,313
-	-	-	-	-	-	2,321,428
-	29,968	20,160	1,281	-	-	57,520
-	(149,898)	(51,215)	163,882	-	-	(37,231)
-	-	-	-	-	-	136,006
42,072	(119,930)	(31,055)	165,163	-	-	17,236,036
-	16,661	8,363	165,102	-	-	243,981
-	-	-	-	-	-	13,345,802
-	-	-	-	-	-	3,071,665
42,047	-	-	-	-	-	547,889
-	-	-	-	-	812,910	812,910
42,047	16,661	8,363	165,102	-	812,910	18,022,247
25	(136,591)	(39,418)	61	-	(812,910)	(786,211)
-	-	-	-	-	681,000	918,118
-	-	-	-	-	-	-
-	-	-	-	-	681,000	918,118
25	(136,591)	(39,418)	61	-	(131,910)	131,907
-	1,409,928	615,718	442,308	2,118	531,725	7,180,146
\$ 25	\$ 1,273,337	\$ 576,300	\$ 442,369	\$ 2,118	\$ 399,815	\$ 7,312,053

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**Internal Service Funds**

## ***Internal Service Funds***

**Internal Service Funds** – are used for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. The City has two such funds.

**Workers' Compensation Fund** – is a self-insurance fund used to account for workers' compensation activities.

**Meriden Health Insurance** – is a self-insurance fund used to account for the employees' health insurance activities.



**CITY OF MERIDEN, CONNECTICUT**

**COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS**

**June 30, 2002**

	Workers' Compensation Fund	Meriden Health Insurance	Totals
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 31,871	\$ 50,190	\$ 82,061
Investments	-	3,418,037	3,418,037
Accounts receivable	-	2,693	2,693
<b>Total current assets</b>	<b>31,871</b>	<b>3,470,920</b>	<b>3,502,791</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	307,083	-	307,083
Retiree funds payable	-	2,941	2,941
Claims payable	754,803	1,588,625	2,343,428
<b>Total current liabilities</b>	<b>1,061,886</b>	<b>1,591,566</b>	<b>2,653,452</b>
<b>Noncurrent Liabilities</b>			
Long-term claims payable	1,274,847	-	1,274,847
<b>Total noncurrent liabilities</b>	<b>2,336,733</b>	<b>1,591,566</b>	<b>3,928,299</b>
<b>Net Assets (Deficit)</b>			
Unrestricted (deficit)	\$ (2,304,862)	\$ 1,879,354	\$ (425,508)

**CITY OF MERIDEN CONNECTICUT**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET ASSETS (DEFICIT)  
INTERNAL SERVICE FUNDS  
For the Year Ended June 30, 2002**

	Workers' Compensation Fund	Meriden Health Insurance	Totals
<b>OPERATING REVENUES</b>			
Charges for services	\$ 923,069	\$ 14,095,608	\$ 15,018,677
Other revenue	48,834	1,572,567	1,621,401
<b>Total operating revenues</b>	<b>971,903</b>	<b>15,668,175</b>	<b>16,640,078</b>
<b>OPERATING EXPENSES</b>			
Claims incurred	1,228,436	15,055,990	16,284,426
Administration	73,359	-	73,359
Salaries and benefits	71,934	-	71,934
Other expenses	270,836	-	270,836
<b>Total operating expenses</b>	<b>1,644,565</b>	<b>15,055,990</b>	<b>16,700,555</b>
<b>Operating income (loss)</b>	<b>(672,662)</b>	<b>612,185</b>	<b>(60,477)</b>
<b>NONOPERATING REVENUES</b>			
Investment income	608	13,090	13,698
<b>Changes in net assets</b>	<b>(672,054)</b>	<b>625,275</b>	<b>(46,779)</b>
<b>NET ASSETS (DEFICIT), beginning of year</b>	<b>(1,632,808)</b>	<b>1,254,079</b>	<b>(378,729)</b>
<b>NET ASSETS (DEFICIT), end of year</b>	<b>\$ (2,304,862)</b>	<b>\$ 1,879,354</b>	<b>\$ (425,508)</b>

CITY OF MERIDEN, CONNECTICUT

STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2002

	Workers' Compensation Fund	Meriden Health Insurance	Totals
<b>Cash Flows From Operating Activities</b>			
Receipts from customers and users	\$ 1,033,928	\$ 15,804,403	\$ 16,838,331
Payments to suppliers	(1,135,018)	(15,041,639)	(16,176,657)
<b>Net cash provided by (used in) operating activities</b>	<b>(101,090)</b>	<b>762,764</b>	<b>661,674</b>
<b>Cash Flows From Investing Activities</b>			
Interest received on investments	608	13,090	13,698
Purchase of investments	-	(780,569)	(780,569)
<b>Net cash provided by investing activities</b>	<b>608</b>	<b>(767,479)</b>	<b>(766,871)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(100,482)</b>	<b>(4,715)</b>	<b>(105,197)</b>
<b>Cash and Cash Equivalents</b>			
Beginning	132,353	54,905	187,258
Ending	\$ 31,871	\$ 50,190	\$ 82,061
<b>Reconciliation to Combined Balance Sheet</b>			
Cash and cash equivalents	\$ 31,871	\$ 50,190	\$ 82,061
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>			
Operating income (loss)	\$ (672,662)	\$ 612,185	\$ (60,477)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Changes in assets and liabilities:			
Decrease in receivable accounts	62,025	136,228	198,253
Increase in accrued expenses/accounts payable	287,409	-	287,409
Increase in claims payable	222,138	14,351	236,489
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (101,090)</b>	<b>\$ 762,764</b>	<b>\$ 661,674</b>

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**Fiduciary Funds**

## ***Fiduciary Funds***

**Trust and Agency Funds** – are used to account for assets held in a trustee capacity for others, and include Expendable Trusts, Pension Trusts and Postemployment Funds, Non-Expendable Trusts and Agency Funds.

**Pension Trust and Postemployment Funds** – utilize the accrual basis of accounting and are used for the accumulation of resources to be used for retirement benefits. The City's Pension Trust Funds are listed below:

Employees Retirement  
Firefighters' Pension  
Police Pension  
Postemployment Healthcare Plan

**Private Purpose Trust Funds** – utilize the accrual basis of accounting and are used for various purposes. The principal must be maintained intact and invested. The City's Private Purpose Funds are listed below:

Board of Education Prize Fund  
Acabhuk Scholarship Fund  
Senior Center Scholarship Fund  
Platt and Maloney Scholarship Fund

**Agency Funds** – utilize the accrual basis of accounting. Agency funds are custodial in nature (assets equal liabilities) and are used to account for senior activities and performance bonds. The City's Agency Funds are listed below:

Project RAVE  
Senior Trips  
Student Activity Fund  
Performance Bonds

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**CITY OF MERIDEN, CONNECTICUT**

**STATEMENT OF FIDUCIARY NET ASSETS  
COMBINING FIDUCIARY FUNDS**

**June 30, 2002**

	Pension Trust Funds				
	Employees Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 7,218,114	\$ 4,834,385	\$ 4,645,604	\$ 609,637	\$ 17,307,740
Investments	99,757,122	35,544,372	34,122,263	1,876,940	171,300,697
Accounts receivable	111,782	20,649	27,562	-	159,993
<b>Total assets</b>	<b>107,087,018</b>	<b>40,399,406</b>	<b>38,795,429</b>	<b>2,486,577</b>	<b>188,768,430</b>
<b>LIABILITIES</b>					
Due to students	-	-	-	-	-
<b>Net Assets Held in Trust</b>	<b>\$ 107,087,018</b>	<b>\$ 40,399,406</b>	<b>\$ 38,795,429</b>	<b>\$ 2,486,577</b>	<b>\$ 188,768,430</b>



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Private Purpose Trust Funds				
Board of Education Prize Fund	Acabhuk Scholarship Fund	Senior Center Scholarship Fund	Platt & Maloney Scholarship Fund	Total Private Purpose Trust Funds
\$ 55,420	\$ 6,995	\$ 2,291	\$ 121,695	\$ 186,401
-	-	-	-	-
-	-	-	-	-
55,420	6,995	2,291	121,695	186,401
-	-	-	-	-
\$ 55,420	\$ 6,995	\$ 2,291	\$ 121,695	\$ 186,401

(Continued)

**CITY OF MERIDEN, CONNECTICUT**

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**

**FIDUCIARY FUNDS, Continued**

**June 30, 2002**

	Agency Funds					Totals
	Project	Senior	Student	Performance	Total	
	RAVE	Trips	Activity Fund	Bonds	Agency Funds	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 3,491	\$ 5,600	\$ 411,095	\$ 456,336	\$ 876,522	\$ 18,370,663
Investments	-	-	-	-	-	171,300,697
Accounts receivable	-	-	-	-	-	159,993
<b>Total assets</b>	<b>3,491</b>	<b>5,600</b>	<b>411,095</b>	<b>456,336</b>	<b>876,522</b>	<b>189,831,353</b>
<b>LIABILITIES</b>						
Due to students	3,491	5,600	411,095	456,336	876,522	876,522
<b>Net Assets Held in Trust</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 188,954,831</b>

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CITY OF MERIDEN, CONNECTICUT

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended June 30, 2002

	Pension Trust Funds				
	Employees' Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>Additions</b>					
Contributions					
Employer	\$ -	\$ 1,632,000	\$ 2,238,485	\$ -	\$ 3,870,485
Plan members	965,394	259,457	341,211	482,697	2,048,759
Donations and other	40,000	-	-	-	40,000
<b>Total additions</b>	<b>1,005,394</b>	<b>1,891,457</b>	<b>2,579,696</b>	<b>482,697</b>	<b>5,959,244</b>
Investment Income (loss)					
Net depreciation in fair value of investments	(11,891,793)	(6,080,425)	(6,603,900)	(229,232)	(24,805,350)
Interest and dividends	3,945,138	1,214,728	1,154,774	74,295	6,388,935
	(7,946,655)	(4,865,697)	(5,449,126)	(154,937)	(18,416,415)
Less investment expense	743,665	745,528	704,368	12,970	2,206,531
<b>Net investment income (loss)</b>	<b>(8,690,320)</b>	<b>(5,611,225)</b>	<b>(6,153,494)</b>	<b>(167,907)</b>	<b>(20,622,946)</b>
<b>Total additions (reductions)</b>	<b>(7,684,926)</b>	<b>(3,719,768)</b>	<b>(3,573,798)</b>	<b>314,790</b>	<b>(14,663,702)</b>
<b>Deductions</b>					
Benefits	4,430,615	2,951,805	3,037,054	301,000	10,720,474
Other deductions	171,956	60,464	26,642	-	259,062
<b>Total deductions</b>	<b>4,602,571</b>	<b>3,012,269</b>	<b>3,063,696</b>	<b>301,000</b>	<b>10,979,536</b>
<b>Net change in net assets</b>	<b>(12,287,497)</b>	<b>(6,732,037)</b>	<b>(6,637,494)</b>	<b>13,790</b>	<b>(25,643,238)</b>
<b>Net Assets Held in Trust for Pension</b>					
<b>Benefits</b>					
Beginning of year	119,374,515	47,131,443	45,432,923	2,472,787	214,411,668
End of year	\$ 107,087,018	\$ 40,399,406	\$ 38,795,429	\$ 2,486,577	\$ 188,768,430

Private Purpose Trust Funds						
Board of Education Price Fund	Acabhuk Scholarship Fund	Senior Center Scholarship Fund	Platt & Maloney Scholarship Fund	Total Private Purpose Trust Funds		Totals
\$ -	\$ -	\$ -	\$ -	\$ -		\$ 3,870,485
-	-	-	-	-		2,048,759
-	-	1,252	-	1,252		41,252
-	-	1,252	-	1,252		5,960,496
-	-	-	-	-		(24,805,350)
3,278	229	21	8,665	12,193		6,401,128
3,278	229	21	8,665	12,193		(18,404,222)
-	-	-	-	-		2,206,531
3,278	229	21	8,665	12,193		(20,610,753)
3,278	229	1,273	8,665	13,445		(14,650,257)
-	-	-	-	-		10,720,474
2,330	325	1,000	21,739	25,394		284,456
2,330	325	1,000	21,739	25,394		11,004,930
948	(96)	273	(13,074)	(11,949)		(25,655,187)
54,472	7,091	2,018	134,769	198,350		214,610,018
\$ 55,420	\$ 6,995	\$ 2,291	\$ 121,695	\$ 186,401		\$ 188,954,831

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**Capital Assets Used in the Operation  
of Governmental Funds**





CITY OF MERIDEN, CONNECTICUT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -  
SCHEDULE BY SOURCE

June 30, 2002

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Governmental funds capital assets, net of related  
accumulated depreciation:

Land	\$	17,733,411
Land improvements		3,151,601
Buildings and improvements		81,181,554
Machinery and equipment		4,321,981
Infrastructure		27,842,114
Vehicles		2,553,119
Construction in progress		5,729,070
<b>Total governmental funds capital assets</b>	<b>\$</b>	<b><u>142,512,850</u></b>

Investments in governmental funds capital assets by function:

**Total governmental funds capital assets** \$ 142,512,850

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**Other Schedules**



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**CITY OF MERIDEN, CONNECTICUT**

**SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING  
GENERAL FUND  
For the Year Ended June 30, 2002**

Grand List Year	Uncollected Balance July 1, 2001	Current Year Levy	Lawful Corrections	Transfers to (Recoveries from) Suspense	Balance to be Collected
1985	\$ -	\$ -	\$ -	\$ -	\$ -
1985 *	-	-	-	163	163
1986	28,998	-	1,727	1,896	32,621
1986 *	-	-	-	754	754
1987	36,654	-	(961)	1,947	37,640
1987 *	-	-	(116)	735	619
1988	38,123	-	89	3,124	41,336
1988 *	-	-	(108)	786	678
1989	50,525	-	(720)	3,202	53,007
1989 *	24	-	(24)	423	423
1990	56,217	-	8,357	5,850	70,424
1990 *	-	-	-	929	929
1991	818,220	-	(741,234)	10,607	87,593
1991 *	-	-	-	1,025	1,025
1992	545,212	-	(474,994)	7,180	77,398
1992 *	63	-	(176)	700	587
1993	645,183	-	(289,225)	(253,091)	102,867
1993 *	29,140	-	(891)	(27,586)	663
1994	748,528	-	(360,152)	(233,449)	154,927
1994 *	32,626	-	(189)	(30,358)	2,079
1995	1,336,676	-	(703,546)	(296,129)	337,001
1995 *	37,849	-	(54)	(36,689)	1,106
1996	1,383,090	-	(681,675)	(317,255)	384,160
1996 *	53,508	-	(9,728)	(40,436)	3,344
1997	1,620,485	-	(759,093)	(286,084)	575,308
1997 *	44,719	-	(779)	(39,234)	4,706
1998	2,220,849	-	(832,212)	-	1,388,637
1998 *	65,887	-	(1,314)	-	64,573
1999	3,678,480	-	(702,249)	-	2,976,231
1999 *	232,587	-	(4,961)	-	227,626
2000	-	78,353,923	(1,359,633)	-	76,994,290
2000 *	-	1,427,332	(40,462)	-	1,386,870
	<u>\$ 13,703,643</u>	<u>\$ 79,781,255</u>	<u>\$ (6,954,323)</u>	<u>\$ (1,520,990)</u>	<u>\$ 85,009,585</u>

\* Supplemental tax levy

Collections

Taxes		Interest		Lien Fees		Total		Uncollected Balance June 30, 2002	
\$	-	\$	-	\$	-	\$	-	\$	-
	163		436		-		599		-
	1,256		2,269		-		3,525		31,365
	754		2,644		-		3,398		-
	2,359		5,799		19		8,177		35,281
	619		1,499		-		2,118		-
	3,646		7,753		24		11,423		37,690
	678		1,477		-		2,155		-
	5,806		13,201		24		19,031		47,201
	423		862		-		1,285		-
	6,974		12,939		24		19,937		63,450
	929		1,619		-		2,548		-
	10,943		15,726		-		26,669		76,650
	1,025		1,753		-		2,778		-
	7,085		9,935		24		17,044		70,313
	587		849		-		1,436		-
	20,280		25,570		144		45,994		82,587
	663		805		-		1,468		-
	64,596		68,423		696		133,715		90,331
	2,079		2,164		-		4,243		-
	112,851		100,343		1,152		214,346		224,150
	1,106		994		-		2,100		-
	151,658		111,187		1,656		264,501		232,502
	3,344		2,409		-		5,753		-
	285,292		150,516		2,997		438,805		290,016
	4,706		2,513		-		7,219		-
	478,280		184,429		5,616		668,325		910,357
	19,830		6,591		-		26,421		44,743
	1,525,355		298,934		15,790		1,840,079		1,450,876
	138,368		23,466		-		161,834		89,258
	74,091,271		377,360		3,200		74,471,831		2,903,019
	1,160,253		13,311		-		1,173,564		226,617
\$	78,103,179	\$	1,447,776	\$	31,366	\$	79,582,321	\$	6,906,406

**CITY OF MERIDEN, CONNECTICUT**

**REPORT OF COLLECTIONS OF USE CHARGES - SEWER AUTHORITY**  
**For the Year Ended June 30, 2002**

Grand List Year	Uncollected Balance July 1, 2001	Current Year Levy	Corrections			Adjusted Amount Collectible
			Additions	Deletions	Adjustments	
1981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1982	-	-	-	-	-	-
1983	-	-	-	-	-	-
1984	-	-	-	-	-	-
1985	-	-	819	(819)	-	-
1986	-	-	344	(344)	-	-
1987	3,666	-	-	(291)	-	3,375
1988	9,787	-	-	(386)	-	9,401
1989	18,375	-	-	(3,736)	-	14,639
1990	10,247	-	-	(5,494)	-	4,753
1991	22,597	-	-	(14,460)	-	8,137
1992	44,433	-	-	(19,815)	-	24,618
1993	26,019	-	-	(18,009)	-	8,010
1994	42,830	-	-	(19,732)	-	23,098
1995	44,712	-	-	(20,319)	-	24,393
1996	37,608	-	-	(16,184)	-	21,424
1997	39,520	-	-	(16,881)	-	22,639
1998	52,130	-	-	(19,494)	-	32,636
1999	70,504	-	-	(19,098)	-	51,406
2000	145,658	-	242	(11,763)	-	134,137
2001	1,063,767	-	59,697	(33,172)	-	1,090,292
2002	-	4,108,519	3,092	(7,754)	-	4,103,857
	<u>\$ 1,631,853</u>	<u>\$ 4,108,519</u>	<u>\$ 64,194</u>	<u>\$ (227,751)</u>	<u>\$ -</u>	<u>\$ 5,576,815</u>



Collections				
Sewer Use Charges	Interest	Lien Fees	Total	Uncollected Balance June 30, 2002
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	3,375
-	-	-	-	9,401
197	71	24	292	14,442
1,049	1,418	106	2,573	3,704
1,807	3,779	96	5,682	6,330
7,423	3,445	120	10,988	17,195
445	763	72	1,280	7,565
598	8,704	96	9,398	22,500
1,806	2,040	240	4,086	22,587
2,232	2,264	336	4,832	19,192
1,742	1,533	360	3,635	20,897
2,942	1,751	558	5,251	29,694
19,868	6,699	2,043	28,610	31,538
79,637	26,774	7,855	114,266	54,500
1,008,047	60,896	44,033	1,112,976	82,245
3,077,155	21,975	11,559	3,110,689	1,026,702
<u>\$ 4,204,948</u>	<u>\$ 142,112</u>	<u>\$ 67,498</u>	<u>\$ 4,414,558</u>	<u>\$ 1,371,867</u>

CITY OF MERIDEN, CONNECTICUT

REPORT OF COLLECTIONS OF USE CHARGES - WATER FUND

For the Year Ended June 30, 2002

Grand List Year	Uncollected Balance July 1, 2001	Current Year Levy	Corrections			Adjusted Amount Collectible
			Additions	Deletions	Adjustments	
1986	\$ -	\$ -	\$ 280	\$ (280)	\$ -	\$ -
1987	3,261	-	-	(259)	-	3,002
1988	9,478	-	-	(364)	-	9,114
1989	22,317	-	-	(4,521)	-	17,796
1990	15,322	-	-	(7,858)	-	7,464
1991	29,595	-	-	(17,390)	-	12,205
1992	52,813	-	-	(26,914)	-	25,899
1993	43,752	-	-	(29,200)	-	14,552
1994	61,991	-	-	(27,303)	-	34,688
1995	66,546	-	-	(29,128)	-	37,418
1996	55,127	-	-	(23,612)	-	31,515
1997	60,411	-	-	(24,240)	-	36,171
1998	73,529	-	-	(22,849)	-	50,680
1999	78,362	-	-	(10,865)	-	67,497
2000	179,439	-	48	(7,484)	-	172,003
2001	1,571,366	-	1,134	(19,329)	-	1,553,171
2002	-	6,242,878	7,692	(12,295)	-	6,238,275
	\$ 2,323,309	\$ 6,242,878	\$ 9,154	\$ (263,891)	\$ -	\$ 8,311,450

Collections					Uncollected Balance June 30, 2002
Water Use Charges	Interest	Lien Fees	Total		
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	3,002
-	-	-	-	-	9,114
70	21	24	115	-	17,726
751	1,631	96	2,478	-	6,713
2,324	5,123	96	7,543	-	9,881
1,758	14,179	120	16,057	-	24,141
973	894	72	1,939	-	13,579
1,117	13,158	96	14,371	-	33,571
2,264	2,685	240	5,189	-	35,154
3,056	3,168	336	6,560	-	28,459
2,990	2,328	383	5,701	-	33,181
4,483	1,974	453	6,910	-	46,197
19,173	6,951	2,101	28,225	-	48,324
101,584	29,962	7,803	139,349	-	70,419
1,441,720	67,417	43,400	1,552,537	-	111,451
4,708,712	21,975	11,435	4,742,122	-	1,529,563
<u>\$ 6,290,975</u>	<u>\$ 171,466</u>	<u>\$ 66,655</u>	<u>\$ 6,529,096</u>	<u>\$ 2,020,475</u>	

CITY OF MERIDEN, CONNECTICUT

SCHEDULE OF EXPENSES AND TRANSFERS - BUDGETARY BASIS - BUDGET AND ACTUAL  
SEWER AUTHORITY

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>OPERATING EXPENSES</b>				
Memberships and meetings	\$ 6,000	\$ 6,000	\$ 3,040	\$ 2,960
Overtime	129,165	129,165	121,590	7,575
Labor public works	550,041	550,041	538,916	11,125
Administration:				
MMEA	43,705	43,705	71,872	(28,167)
CWA	366,801	366,801	364,651	2,150
Employee benefits	318,619	318,619	317,167	1,452
Hepatitis B shot	4,000	4,000	913	3,087
Repairs and maintenance	248,000	248,000	213,955	34,045
Engineering services	273,908	273,908	273,908	-
Fiscal division services	347,500	347,500	347,500	-
Sewer expense and supplies	865,000	865,000	691,781	173,219
Pump station operation and maintenance	66,000	66,000	30,927	35,073
Insurance	183,138	183,138	181,630	1,508
Claims	10,000	10,000	8,903	1,097
New items sewer equipment	25,000	25,000	99,752	(74,752)
Capital outlay	-	-	-	-
Utilities	553,000	553,000	520,760	32,240
Call Before You Dig	10,000	10,000	-	10,000
Vehicle maintenance	68,000	-	-	-
Audit fees	8,554	-	4,588	(4,588)
<b>Total operating expenses</b>	<b>4,076,431</b>	<b>3,999,877</b>	<b>3,791,853</b>	<b>208,024</b>
<b>NONOPERATING EXPENSES AND TRANSFERS</b>				
Debt service - principal	627,192	627,192	409,792	217,400
Debt service - interest	84,232	84,232	100,347	(16,115)
BAN interest	44,698	-	-	-
<b>Total nonoperating expenses and transfers</b>	<b>756,122</b>	<b>711,424</b>	<b>510,139</b>	<b>201,285</b>
<b>Total expenses</b>	<b>\$ 4,832,553</b>	<b>\$ 4,711,301</b>	<b>\$ 4,301,992</b>	<b>\$ 409,309</b>

CITY OF MERIDEN, CONNECTICUT

SCHEDULE OF EXPENSES AND TRANSFERS - BUDGETARY BASIS - BUDGET AND ACTUAL  
WATER FUND

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>OPERATING EXPENSES</b>				
Fiscal Division:				
Overtime	\$ 15,000	\$ 15,000	\$ 2,616	\$ 12,384
Public works	134,968	134,968	119,353	15,615
MMEA	58,514	58,514	58,370	144
CWA	57,353	57,353	56,978	375
Employee benefits	117,000	117,000	109,325	7,675
Vehicle maintenance	8,841	8,841	3,804	5,037
Other purchased services	39,120	39,120	33,911	5,209
Office expense and supplies	1,100	1,100	747	353
Meter materials	15,000	15,000	14,442	558
Attorney fees	24,000	24,000	(62,365)	86,365
Tax collector services	209,166	209,166	209,166	-
Water meters	30,000	30,000	28,164	1,836
Liability insurance	27,416	27,416	41,223	(13,807)
Hepatitis B shots	-	-	-	-
<b>Total Fiscal Division</b>	<b>737,478</b>	<b>737,478</b>	<b>615,734</b>	<b>121,744</b>
<b>WATER</b>				
Overtime	162,500	162,500	154,134	8,366
Capital outlay	1,245,237	1,245,237	685,335	559,902
Public works	1,207,471	1,207,471	1,063,267	144,204
MMEA	91,759	91,759	91,698	61
CWA	202,036	202,036	199,740	2,296
Employee benefits	650,283	650,283	603,000	47,283
Taxes to other towns	87,180	87,180	75,343	11,837
Public utilities	582,163	582,163	555,984	26,179
Repairs and maintenance	10,000	10,000	8,776	1,224
Vehicle maintenance	104,500	104,500	76,201	28,299
Audit and attorney	13,554	13,554	13,234	320
Water purchased	101,400	101,400	85,806	15,594
Engineering services	273,908	273,908	273,908	-
Fiscal division services	389,978	389,978	389,978	-
Office expense and supplies	63,364	63,364	27,904	35,460
Maintenance:				-
Mains and accessories	25,000	25,000	20,599	4,401
Reservoir	30,000	30,000	13,919	16,081
Pump stations	35,000	35,000	28,135	6,865
Service-materials	5,000	5,000	(12,402)	17,402
Treatment expense	414,250	414,250	355,726	58,524
Water equipment	12,700	12,700	9,273	3,427
Hydrants-materials	5,000	5,000	3,416	1,584

CITY OF MERIDEN, CONNECTICUT

SCHEDULE OF EXPENSES AND TRANSFERS - BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 WATER FUND

For the Year Ended June 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>WATER, Continued</b>				
Memberships and meetings	4,500	4,500	4,345	155
Insurance	135,426	135,426	185,156	(49,730)
New mains and accessories	1	1	-	1
Repair trenches	11,000	11,000	9,132	1,868
Hepatitis	-	-	-	-
Call Before You Dig	25,000	25,000	-	25,000
CT Health Service User Fee	-	-	-	-
Watershed Land Acquisition Study	-	-	-	-
<b>Total Water</b>	<b>5,888,210</b>	<b>5,888,210</b>	<b>4,921,607</b>	<b>966,603</b>
<b>Total operating expenses</b>	<b>6,625,688</b>	<b>6,625,688</b>	<b>5,537,341</b>	<b>1,088,347</b>
<b>NONOPERATING EXPENSES</b>				
Debt service - principal	881,200	881,200	881,199	1
Debt service - interest	229,557	229,557	220,494	9,063
Interest	34,000	-	-	-
<b>Total nonoperating expenses and transfers</b>	<b>1,144,757</b>	<b>1,110,757</b>	<b>1,101,693</b>	<b>9,064</b>
<b>Total expenses</b>	<b>\$ 7,770,445</b>	<b>\$ 7,736,445</b>	<b>\$ 6,639,034</b>	<b>\$ 1,097,411</b>

CITY OF MERIDEN, CONNECTICUT

**SCHEDULE OF EXPENSES - BUDGETARY BASIS - BUDGET AND ACTUAL**  
**GEORGE HUNTER MEMORIAL GOLF COURSE**  
**For the Year Ended June 30, 2002**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>OPERATING EXPENSES</b>				
Liability and general insurance	\$ 54,236	\$ 54,236	\$ 49,380	\$ 4,856
Miscellaneous part-time	133,632	133,632	112,676	20,956
Overtime	10,236	10,236	9,773	463
Public works	79,312	79,312	80,524	(1,212)
CWA	59,987	59,987	57,104	2,883
Employee benefits	58,795	58,795	61,324	(2,529)
Golf expense and supplies	165,005	165,005	146,058	18,947
Golf security services	2,000	2,000	1,920	80
Golf pro	11,000	11,000	11,000	-
Capital equipment	61,800	61,800	38,822	22,978
Memberships and meetings	3,370	3,370	-	3,370
Clubhouse expense	32,809	32,809	24,970	7,839
<b>Total operating expenses</b>	<b>672,182</b>	<b>672,182</b>	<b>593,551</b>	<b>78,631</b>
<b>NONOPERATING EXPENSES</b>				
Debt service - interest	660	660	6,979	(6,319)
Bond payments	8,750	8,750	8,750	-
<b>Total nonoperating expenses</b>	<b>9,410</b>	<b>9,410</b>	<b>15,729</b>	<b>(6,319)</b>
<b>Total expenses</b>	<b>\$ 681,592</b>	<b>\$ 681,592</b>	<b>\$ 609,280</b>	<b>\$ 72,312</b>

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**Statistical Section**



**A. GENERAL FUND REVENUES, EXPENDITURES AND FUND BALANCE**

**CITY OF MERIDEN, CONNECTICUT**

**GENERAL FUND REVENUES AND TRANSFERS BY SOURCE**

**Last Ten Fiscal Years (GAAP BASIS)**

**(Thousands)**

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Fiscal Year	Property Taxes	Intergovernmental	Other	Total
1992-1993	\$ 58,250	\$ 38,273	\$ 4,461	\$ 100,984
1993-1994	57,892	40,969	4,853	103,714
1994-1995	62,369	42,238	7,974	112,581
1995-1996	66,821	44,952	5,791	117,564
1996-1997	63,673	47,542	4,927	116,142
1997-1998	64,507	48,473	4,501	117,481
1998-1999	64,949	51,028	5,191	121,168
1999-2000	67,005	54,205	6,691	127,901
2000-2001	77,363	58,055	5,827	141,245
2001-2002	79,388	58,856	10,444	148,688

## CITY OF MERIDEN, CONNECTICUT

### GENERAL FUND EXPENDITURES AND TRANSFERS OUT BY FUNCTION

Last Ten Fiscal Years

(Thousands)

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Fiscal Year	General Government	Education	Public Safety	Public Works	Human Services	Debt Service	Total
1992-1993	\$ 21,774	\$ 46,319	\$ 10,201	\$ 5,031	\$ 4,842	\$ 12,757	\$ 100,924
1993-1994	22,872	47,963	10,542	6,188	4,888	14,170	106,623
1994-1995	26,744	47,890	11,216	4,912	4,517	12,944	108,223
1995-1996	27,682	51,292	11,562	5,687	3,877	14,383	114,483
1996-1997	28,252	54,377	12,071	5,211	3,326	13,120	116,357
1997-1998	28,728	55,807	12,534	5,102	2,483	15,192	119,846
1998-1999	31,389	58,730	13,088	5,142	2,431	17,073	127,853
1999-2000	27,025	62,026	13,962	4,852	2,486	14,890	125,241
2000-2001	33,761	64,468	14,741	5,352	2,510	17,316	138,148
2001-2002	34,174	69,584	15,265	4,956	2,621	14,800	141,400

**CITY OF MERIDEN, CONNECTICUT**

**SUMMARY OF REVENUES, EXPENDITURES, TRANSFERS AND  
CHANGES IN FUND BALANCE (DEFICIT) - GENERAL FUND  
Last Ten Fiscal Years (GAAP BASIS)**

	1992-1993	1993-1994	1994-1995	1995-1996
<b>REVENUES AND TRANSFERS</b>				
Property taxes	\$ 58,249,660	\$ 57,891,601	\$ 62,369,244	\$ 66,821,102
Intergovernmental	38,273,491	40,969,252	42,237,682	44,952,222
Other revenue and transfers	4,461,271	4,852,818	7,974,031	5,845,446
<b>Total revenues and transfers</b>	<b>100,984,422</b>	<b>103,713,671</b>	<b>112,580,957</b>	<b>117,618,770</b>
<b>EXPENDITURES AND TRANSFERS</b>				
General government	21,773,579	22,872,403	26,744,148	27,681,694
Education	46,319,122	47,962,472	47,890,373	51,291,852
Public safety	10,201,415	10,541,826	11,216,204	11,561,924
Public works	5,030,996	6,187,837	4,911,853	5,687,321
Human Services	4,842,088	4,887,919	4,516,491	3,877,604
Debt service	12,756,588	14,170,200	12,943,903	14,382,693
<b>Total expenditures</b>	<b>100,923,788</b>	<b>106,622,657</b>	<b>108,222,972</b>	<b>114,483,088</b>
<b>Revenues, transfers, and other financing sources over (under) expenditures and other financing uses</b>	<b>60,634</b>	<b>(2,908,986)</b>	<b>4,357,985</b>	<b>3,135,682</b>
<b>FUND BALANCE (DEFICIT), beginning</b>	<b>1,985,180</b>	<b>2,045,814</b>	<b>(863,172)</b>	<b>3,494,813</b>
<b>FUND BALANCE (DEFICIT), ending</b>	<b>\$ 2,045,814</b>	<b>\$ (863,172)</b>	<b>\$ 3,494,813</b>	<b>\$ 6,630,495</b>

1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002
\$ 63,672,601	\$ 64,506,758	\$ 64,948,840	\$ 67,004,837	\$ 77,363,055	\$ 79,387,699
47,541,527	48,473,245	51,028,144	54,204,986	58,055,306	58,856,398
4,928,164	4,500,168	5,191,437	7,059,676	5,827,509	10,444,285
116,142,292	117,480,171	121,168,421	128,269,499	141,245,870	148,688,382
28,252,398	28,728,008	31,389,384	27,392,317	33,536,892	34,855,210
54,377,310	55,807,188	58,729,805	62,026,715	64,467,649	69,583,833
12,070,649	12,534,128	13,088,297	13,961,527	14,741,369	15,265,107
5,210,701	5,101,786	5,142,299	4,852,324	5,351,824	4,956,248
3,326,170	2,482,980	2,431,339	2,485,720	2,510,468	2,621,178
13,119,342	15,191,816	17,071,535	14,890,455	17,315,907	14,799,855
116,356,570	119,845,906	127,852,659	125,609,058	137,924,109	142,081,431
(214,278)	(2,365,735)	(6,684,238)	2,660,441	3,321,761	6,606,951
6,630,495	6,416,217	4,050,482	(2,633,756)	26,685	3,348,446
\$ 6,416,217	\$ 4,050,482	\$ (2,633,756)	\$ 26,685	\$ 3,348,446	\$ 9,955,397

**CITY OF MERIDEN, CONNECTICUT**

**GENERAL FUND BALANCE (DEFICIT) COMPARED TO ANNUAL EXPENDITURES  
Last Ten Fiscal Years**

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<b>Fiscal Year Ending June 30th</b>	<b>Undesignated Fund Balance (Deficit)</b>	<b>Annual Expenditures GAAP Basis</b>	<b>Balance as % of Expenditures</b>
1993	\$ 1,910,201	\$ 100,923,788	1.89 %
1994	(889,503)	106,622,657	(0.83) %
1995	3,494,813	108,222,972	3.23 %
1996	2,982,840	114,483,088	2.61 %
1997	2,151,423	116,356,570	1.85 %
1998	(769,626)	119,845,906	(0.64) %
1999	(8,234,766)	127,852,659	(6.44) %
2000	(747,022)	125,609,058	(0.59) %
2001	1,896,234	137,924,109	1.37 %
2002	9,073,446	142,081,431	6.39 %



## **B. PROPERTY VALUES AND TAXES**

**CITY OF MERIDEN, CONNECTICUT**

**PROPERTY TAX RATES (MILLS)  
Last Ten Fiscal Years**

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<u>Tax List</u>	<u>Year</u>	<u>Dist. 1</u>	<u>Dist. 2*</u>	<u>Total</u>
October 1, 1991	1992-93	64.50	6.00	70.50
October 1, 1992	1993-94	45.10	4.30	49.40
October 1, 1993	1994-95	35.80	2.50	38.30
October 1, 1994	1995-96	35.80	2.50	38.30
October 1, 1995	1996-97	35.80	2.50	38.30
October 1, 1996	1997-98	35.80	2.10	37.90
October 1, 1997	1998-99	35.80	2.10	37.90
October 1, 1998	1999-00	35.80	2.10	37.90
October 1, 1999	2000-01	40.40	2.10	42.50
October 1, 2000	2001-02	36.00	1.80	37.80

\* District 2 required to pay District 1 taxes – differences covers garbage collection. District 1 does not have to pay District 2 taxes.

**CITY OF MERIDEN, CONNECTICUT**

**TAXABLE GRAND LIST (000'S)**

**Last Ten Fiscal Years**

	Grand List as of Oct. 1	Real Residential Property	Commercial and Industrial Real Property	All Land	Personal Property	Motor Vehicle	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List
*	1992	\$ 750,288	\$ 242,885	\$ 510,951	\$ 105,951	\$ 128,098	\$ 1,738,173	\$ 34,109	\$ 1,704,064
	1993	730,730	275,478	516,708	116,336	151,563	1,790,815	52,275	1,738,540
	1994	733,637	252,643	509,104	118,771	162,649	1,776,804	54,892	1,721,912
	1995	731,248	243,892	507,253	197,916	183,960	1,864,269	71,151	1,793,118
	1996	731,637	245,812	507,088	211,215	188,153	1,883,905	79,258	1,804,647
	1997	734,043	249,787	508,521	239,141	188,702	1,920,194	86,381	1,833,813
	1998	737,051	260,885	510,315	279,207	199,610	1,987,068	100,557	1,886,511
	1999	1,140,721	375,463	12,733	265,384	217,850	2,012,151	95,922	1,916,229
	2000	1,145,722	379,821	12,497	269,011	230,707	2,037,758	96,222	1,941,536
	2001	1,343,075	578,369	9,680	251,675	237,155	2,419,954	90,129	2,329,825

\* Revaluation year

CITY OF MERIDEN, CONNECTICUT

PROPERTY TAX LEVIES AND COLLECTIONS – GENERAL FUND  
Last Ten Years

Fiscal Year Ended 6/30	Taxable Grand List	District	Tax Rate (in mills)	Total Adjusted Tax Levy Before Lawful Collections	% Collected as of 6/30 Each Year
1993	\$ 909,139,000	First Second	64.50 6.00	\$ 60,496,623	93.50
1994	1,703,945,000 <sup>(1)</sup>	First Second	45.10 4.30	60,720,224	93.30
1995	1,738,540,000	First Second	35.80 2.50	62,443,977	94.00
1996	1,721,912,000	First Second	35.80 2.50	62,746,772	94.60
1997	1,793,118,310	First Second	35.80 2.50	65,600,945	93.10
1998	1,804,647,490	First Second	35.80 2.10	65,923,290	93.70
1999	1,833,812,830	First Second	35.80 2.10	66,813,524	93.30
2000	1,886,510,860	First Second	35.80 2.10	68,779,625	95.00
2001	1,916,269,649	First Second	40.40 2.10	78,808,547	94.40
2002	1,941,535,686	First Second	36.00 1.80	78,356,632	95.90

(1) Two year revaluation phase-in.

CITY OF MERIDEN, CONNECTICUT

PRINCIPAL TAXPAYERS

Taxpayer	Nature of Business	Assessment <sup>1</sup>	Percent of Net Taxable Grand List
Meriden Square #3 LLC et al	Shopping Center	\$ 49,320,460	2.12 %
Meriden Square Partnership	Shopping Center	26,374,110	1.13
Connecticut Light & Power <sup>2</sup>	Public Utility	23,733,260	1.02
Yankee Gas <sup>2</sup>	Public Utility	20,606,310	0.89
Urstadt Biddle Properties, Inc	Shopping Center	15,109,080	0.65
C S C Outsourcing, Inc	Telecommunications Data Center	14,502,220	0.62
Cingular, SNET Mobility Inc	Telecommunications Company	14,404,820	0.62
Carabetta Enterprises, Inc <sup>3</sup>	Real Estate Developer	13,777,640	0.59
T I Group Automotive Systems	Auto Parts Manufacturer	13,301,080	0.57
May Department Stores	Retail Sales	11,058,610	0.48
CUNO, Inc	Filter Manufacturer	10,972,020	0.47
Flexo Converters USA Inc	Bag Manufacturer	8,489,260	0.36
SBC/SNET Real Estate, Inc	Telephone Company	8,330,700	0.36
Target	Retail Sales	8,254,130	0.35
Fusco-Meriden Assoc. LMT Partnership	Real Estate Developer	8,231,200	0.35
Continental Grand LP	Telecommunications, Real Estate	8,041,670	0.35
Canberra/Packard Bioscience	Manufacturer	7,750,170	0.33
Sears	Retail Sales	7,538,400	0.32
JEM Inc.	Real Estate Developer	7,476,770	0.32
<b>Total</b>		<u>\$ 277,271,910</u>	<u>11.90 %</u>

(1) Based on net taxable grand list for October 1, 2001 of \$2,329,824,832.

(2) On April 20, 2001, Yankee Gas Services Company (“Yankee”) and the Connecticut Light and Power Company (“CL&P”) obtained a judgment against the City of Meriden (the “City”) from property tax appeals for each of the grand list years 1991 through 1999.

Yankee and CL&P challenged the adjustments made by the Assessor to their personal property tax filings in each of the grand list years in question. In making the adjustments, the City determined the present value for Yankee’s and CL&P’s personal property subject to tax using a replacement cost new less depreciation (“RCNLD”) method. The trial court found that this overvalued the property and the relief available was for the court to revalue the property “de novo.” In determining value “de novo,” the trial court determined original cost less depreciation (“OCLD”) to be the most appropriate method of valuation, and further found the fair market value of Plaintiffs’ personal property to be “as filed” by Plaintiffs, notwithstanding Meriden’s submitted evidence that Plaintiffs’ filings were inaccurate and deficient. The trial court ordered the City to pay Yankee and CL&P a total amount, as of April 20, 2001, of \$15,626,860, plus the amount of any “excess” that the Plaintiffs paid with respect to the second installment of taxes on the 1999 grand list.

On May 7, 2001, Meriden filed an appeal with the Appellate Court. On June 27, 2001, the trial court granted in part the motion filed by Meriden seeking a stay pending appeal. While the trial court found that no automatic stay was available under the appellate rules, the court exercised its discretion, directing that a stay issue with respect to all years at issue in the litigation, provided that Meriden make monthly payments on the running of interest in the amount of eight percent (8%) commencing on July 15, 2001. Meriden has filed with the Appellate Court a motion for review of the stay order. The stay was granted until the motion is heard.

The City negotiated a settlement with the plaintiffs for a total payment by the City of \$14.9 million and the correction of assessments related to the 2000 grand list year.

- <sup>(3)</sup> Carabetta Enterprises Inc. and Meadow Haven (the “Taxpayers”) are among the related Carabetta companies which jointly filed a petition for relief under Chapter 11 of the Bankruptcy Code in June 1992. The City filed a proof of claim for \$1,493,033.40 in delinquent taxes, water and sewer charges, interest and penalties owed to it by the Taxpayers at the time of such filing. In addition to the delinquencies which are subject to the proof of claims, the Taxpayers owe the City of Meriden subsequent delinquent taxes, water and sewer charges, interest and penalties. Resolution of the total amount owed to the City is expected to be part of the confirmed plan of reorganization of the Carabetta companies to be approved by the bankruptcy court. Filed tax liens of the Taxpayers were included in the bulk tax lien sale. Because of the bankruptcy proceedings and the assignment transactions, the final amount of the taxes owed, as well as the allocation of payments to the City and the Assignee, remain unresolved.

Source: Assessor’s Office, City of Meriden

## **C. LONG-TERM DEBT**

**CITY OF MERIDEN, CONNECTICUT**

**RATIO OF BONDED DEBT TO ASSESSED VALUE AND NET BONDED  
DEBT PER CAPITA**

**Last Ten Fiscal Years**

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Fiscal Year	Bonded Debt	Net Assessed Value (000's)	Ratio of Net Bonded Debt To Net Assessed Value	Population	Debt Per Capita
1993	\$ 82,396,473	\$ 909,139	9.06%	59,479	\$ 1,385
1994	74,586,880	1,703,945	4.38%	59,479	1,254
1995	83,289,463	1,738,540	4.79%	59,479	1,400
1996	70,106,579	1,721,912	4.07%	59,479	1,179
1997	69,790,110	1,793,118	3.89%	59,479	1,173
1998	82,199,848	1,804,647	4.55%	59,479	1,382
1999	89,406,345	1,833,813	4.88%	59,479	1,503
2000	79,324,702	1,886,511	4.20%	59,479	1,334
2001	73,150,000	1,916,270	3.82%	58,244	1,256
2002	61,350,000	1,941,536	3.16%	58,244	1,053



**CITY OF MERIDEN, CONNECTICUT**

**RATIO OF DEBT SERVICE EXPENDITURES FOR GENERAL  
BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES**

**Last Ten Fiscal Years**

Fiscal Year Ended 6/30	Total General Fund Expenditures	Long-Term Debt Service			Ratio of Total Debt Service To Total Expenditures
		Principal	Interest	Total	
1993	\$ 100,923,788	\$ 7,520,150	\$ 5,236,438	\$ 12,756,588	12.64%
1994	106,622,657	8,817,825	5,352,375	14,170,200	13.29%
1995	108,222,972	8,772,750	4,171,153	12,943,903	11.96%
1996	114,483,088	9,532,659	4,850,034	14,382,693	12.56%
1997	116,356,570	9,039,865	4,079,477	13,119,342	11.28%
1998	119,845,906	9,971,482	5,220,334	15,191,816	12.68%
1999	127,852,659	12,922,705	4,148,830	17,071,535	13.35%
2000	125,609,058	10,874,360	4,016,095	14,890,455	11.85%
2001	137,261,101	12,694,500	4,621,407	17,315,907	12.61%
2002	142,081,431	10,752,850	4,047,005	14,799,855	10.42%

**CITY OF MERIDEN, CONNECTICUT**

**CHANGES IN NOTE INDEBTEDNESS  
For the Year Ended June 30, 2002**

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Description	Date of Note	Maturity Date	Interest Rate (Percent)	Balance 6/30/01	Additional Borrowings	Retired During Year	Balance 6/30/02
State Street Bank and Trust	8/9/00	8/8/01	4.75	\$ 8,000,000	\$ -	\$ 8,000,000	\$ -
State Street Bank and Trust	8/9/00	8/8/01	4.75	8,100,000	-	8,100,000	-
State Street Bank and Trust	6/21/01	8/8/01	3.65	2,900,000	-	2,900,000	-
State Street Bank and Trust	8/8/01	8/8/02	3.25	-	41,275,000	-	41,275,000
State Street Bank and Trust	2/19/02	8/8/02	2.25	-	9,300,000	-	9,300,000
				<u>\$ 19,000,000</u>	<u>\$50,575,000</u>	<u>\$19,000,000</u>	<u>\$ 50,575,000</u>

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**CITY OF MERIDEN, CONNECTICUT**

**CHANGES IN BOND INDEBTEDNESS  
For the Year Ended June 30, 2002**

Description	Date of Issue	Interest Rate %	Original Amount	O/S 7/1/01	Issued 7/1/01-6/30/02	Retired 01-02
GPIB	04/01/85	8.5, 8.6	\$ 5,250,000	\$ 825,000	\$ -	\$ 275,000
GPIB	07/15/87	6.0	12,950,000	360,000	-	180,000
GPIB	10/01/88	6.75, 6.9, 7.0	23,945,000	4,000,000	-	500,000
GPIB	07/15/89	5.5, 6.0, 6.1, 6.2, 6.25, 6.3 6.4, 6.5, 6.8, 7.5	12,332,000	1,800,000	-	200,000
GPIB	01/15/91	6.4, 6.5	23,600,000	500,000	-	50,000
GPIB	03/15/91	6.0, 6.1, 6.25	1,209,000	-	-	-
SCHOOL GPIB	11/18/92	4.625, 4.875, 5.0, 5.25, 5.35, 5.50, 5.625	2,996,000	480,000	-	240,000
REVITALIZATION	11/18/92	5.875, 6.0, 6.125, 6.5	10,710,000	4,900,000	-	700,000
GPIB	11/18/92	6.625	6,994,000	1,170,000	-	610,000
GPIB	10/15/94	4.9, 5.0, 5.2, 5.3, 5.4, 5.75, 5.6, 5.8, 7.0	17,775,000	8,275,000	-	1,475,000
GPIB	10/15/94	8.35, 8.65, 8.7, 8.75, 8.9, 9.0, 9.05 9.1, 9.15, 9.5	868,000	550,000	-	50,000
GPIB	08/01/96	4.25, 4.4, 4.6, 4.7 4.8, 4.9, 6.25	170,000	102,000	-	102,000
GPIB	08/01/96	4.25, 4.4, 4.6, 4.7 4.8, 4.9, 6.25	10,332,000	6,090,000	-	1,065,000
GPIB	08/01/96	4.25, 4.4, 4.6, 4.7 4.8, 4.9, 6.25	11,523,000	6,918,000	-	1,068,000
GPIB	02/01/98	4.1,4.2,4.25 4.3,5.0	11,108,000	6,875,000	-	1,340,000
GPIB	02/01/98	4.1,4.2,4.25 4.3,5.0	12,792,000	8,925,000	-	1,275,000
GPIB	08/01/99	4.35,4.45,4.55,4.6 4.65,4.75,4.8	24,050,000	21,380,000	-	2,670,000
			<u>\$ 188,604,000</u>	<u>\$ 73,150,000</u>	<u>\$ -</u>	<u>\$ 11,800,000</u>

Note: Excludes Clean Water Fund notes of \$2,066,256.

O/S 06/30/02	General Fund	Water	Sewer	Golf	Memorial Hospital	Totals
\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000	\$ 550,000
180,000	180,000	-	-	-	-	180,000
3,500,000	3,500,000	-	-	-	-	3,500,000
1,600,000	1,600,000	-	-	-	-	1,600,000
450,000	450,000	-	-	-	-	450,000
-	-	-	-	-	-	-
240,000	240,000	-	-	-	-	240,000
4,200,000	4,200,000	-	-	-	-	4,200,000
560,000	405,000	55,000	100,000	-	-	560,000
6,800,000	5,915,000	750,000	135,000	-	-	6,800,000
500,000	500,000	-	-	-	-	500,000
-	-	-	-	-	-	-
5,025,000	4,680,000	240,000	105,000	-	-	5,025,000
5,850,000	5,850,000	-	-	-	-	5,850,000
5,535,000	4,945,000	375,000	215,000	-	-	5,535,000
7,650,000	7,650,000	-	-	-	-	7,650,000
18,710,000	15,592,050	2,865,600	242,600	9,750	-	18,710,000
<u>\$ 61,350,000</u>	<u>\$ 55,707,050</u>	<u>\$ 4,285,600</u>	<u>\$ 797,600</u>	<u>\$ 9,750</u>	<u>\$ 550,000</u>	<u>\$ 61,350,000</u>

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## **D. DEMOGRAPHIC DATA**

**CITY OF MERIDEN, CONNECTICUT**

**DEMOGRAPHIC DATA**

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**POPULATION AND DENSITY\***

<u>Year</u>	<u>Population</u>	<u>% Change</u>	<u>Density**</u>
1960	51,850	17.6	2,160
1970	55,959	7.9	2,332
1980	57,118	2.1	2,380
1990	59,479	4.1	2,478
2000	58,244	(2.1)	2,427

\* U.S. Department of Commerce, Bureau of the Census, Census of Population and Housing 1950-2000.

\*\* Population per square mile (area 24 square miles)



## **E. MISCELLANEOUS STATISTICS**

**CITY OF MERIDEN, CONNECTICUT**

**MISCELLANEOUS STATISTICS**

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Calendar Year Ended	Single	Apartment	Commercial Industrial	Municipal	Other	Total
1992	\$ 2,051,875	\$ -	\$ 12,145,055	\$ 2,278,700	\$ 9,044,164	\$ 25,519,794
1993	2,364,125	-	8,956,361	90,346	11,804,141	23,214,973
1994	2,869,003	-	9,786,826	80,000	10,580,414	23,316,243
1995	2,518,377	90,560	4,617,771	-	9,370,631	16,597,339
1996	2,626,987	-	36,532,304	11,530,000	5,514,554	56,203,845
1997	2,729,193	-	37,340,554	1,227,500	28,323,894	69,621,141
1998	3,095,485	872,100	4,621,152	276,500	19,813,529	28,678,766
1999	3,284,110	980,700	23,809,105	1,949,000	27,547,892	57,570,807
2000	3,975,200	-	1,298,000	11,169,000	29,397,729	45,839,929
2001	4,652,075	-	10,720,776	-	15,637,095	31,009,946
2002	4,943,790	-	18,991,239	2,749,000	6,622,832	33,306,861

