

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



**FISCAL YEAR ENDED JUNE 30, 2003**  
**DEPARTMENT OF FINANCE**  
**MERIDEN, CONNECTICUT**



**CITY OF MERIDEN, CONNECTICUT**

**Comprehensive  
Annual Financial Report**

**For**

**The Fiscal Year Ended**

**June 30, 2003**

**Prepared by:**

**City of Meriden Finance Department**



**CITY OF MERIDEN, CONNECTICUT**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

February 20, 2004

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, 2003, 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, 2003, 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, 2003, 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 established an Information Technology Zone (ITZ) in July of 2002, which provides tax incentives for high-tech companies that move their businesses to Meriden. This incentive allows 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 City has submitted grant applications to the U.S. Environmental Protection Agency to fund environmental testing on contaminated commercial sites to reposition brownfield sites for future development activities.

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 abandoned Factory II on Cooper Street. Phase I and Phase II environment assessments have been completed on the site.

The City's Comprehensive Economic Development Strategy (CEDS) was approved by the US Economic Development Administration in 2000. EDA approved the City's Annual Report.

The City is working closely with Meriden Economic Resource Group's Center City Initiative Study. BL Companies, a planning and engineering company, has produced the study prioritizing redevelopment projects in the downtown for future implementation. The State has provided

\$250,000 to develop a more detailed plan needed to secure additional state and federal funds to redevelop 58 acres in the downtown.

An evaluation and condition survey of the city-owned Legere buildings, located at 9-11, 13-17 and 25 and 33 Colony Street, was done. The City plans to publicly solicit developers interested in owning and refurbishing these properties.

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

The total site for the NRG Electric Generating Plant, a 544 Megawatt gas-fired electric plant, is about 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's home-town 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 dollars.

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.

Casertano built a 20,000 square foot commercial greenhouse on Raven Drive.

Cournoyer has begun construction of a 5,300 square foot office/garage for DataLink Company in South Meriden.

### ***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 150 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 100% occupied. Its tenant mix includes, among other stores, Old Navy, Linens 'N Things, Chuck E. Cheese's, Michael's Crafts, and Burlington Coat Factory.

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 have completed 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 has opened 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 has 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 will be completed in May 2004. The project 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 2,000 and has begun construction on a 46,250 square foot (29 bed) addition.

### ***Residential Development***

The Hidden Valley Subdivision is a 57-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;
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 \$24,489,000 in federal funds under the Community Development Block Grant for fiscal years 1976 through 2002.

Under the Community Development Program, the City has made a major commitment to preserving and rehabilitating Meriden’s inner-city neighborhoods. To date, some \$13.7 million of Community Development funds has been coupled with more that \$5 million of private funds and \$1.6 million of City bond funds to implement the rehabilitation and maintenance of inner-city housing.

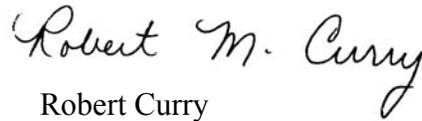
Other Community Development projects have included both a wide range of physical development activities such as a new Senior Citizens Center, a West Side Firehouse, a handicapped facility, a St. Vincent DePaul Homeless Shelter, the American Silver Museum, the demolition of hazardous structures, and a 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-

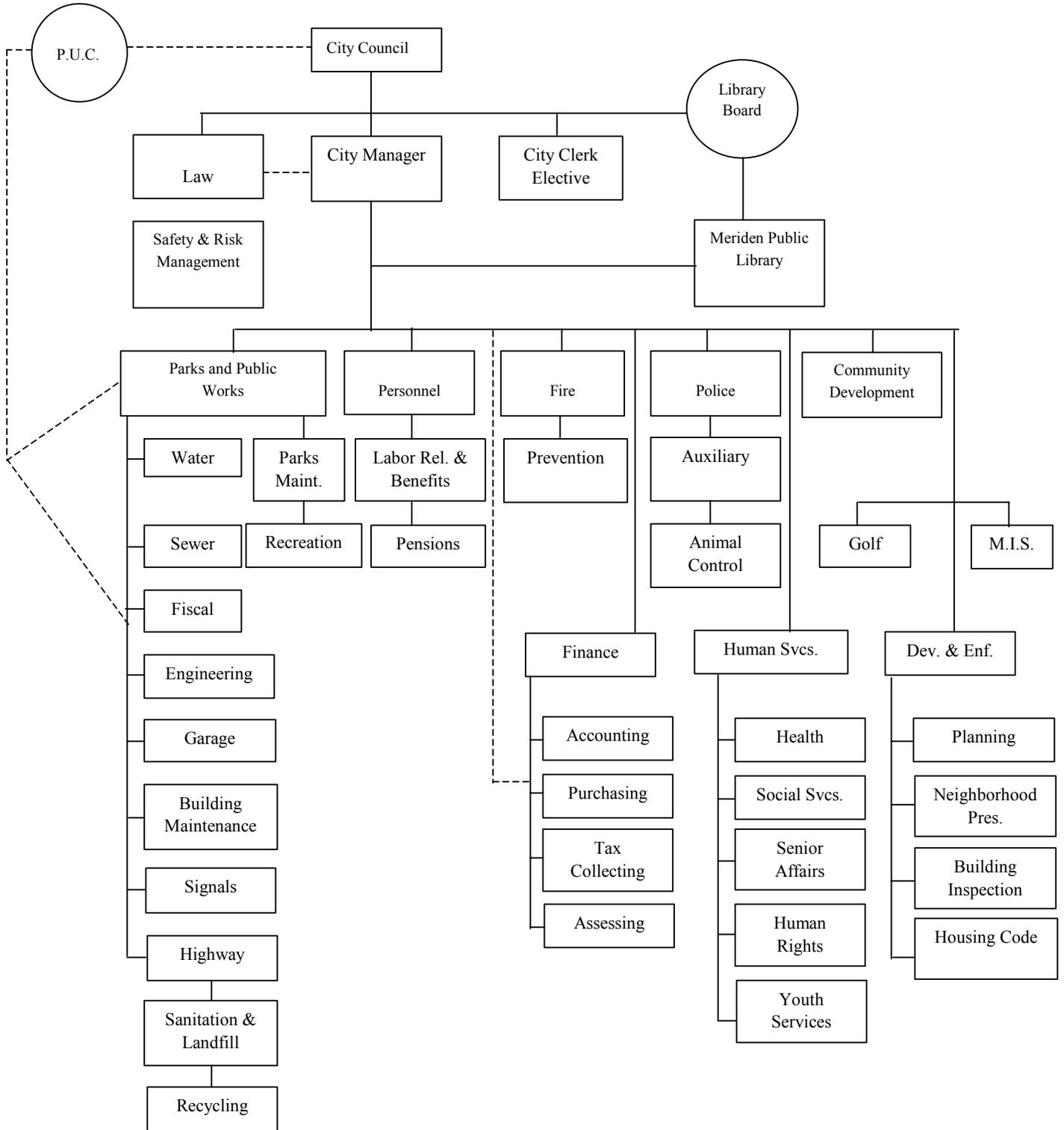
core”. A consortium of social service agencies have organized the Gang Prevention Coalition to address youth problems. The City has utilized twenty Americorps workers to organize 28 inner-city neighborhood associations. Lastly, the City has received a \$1.4 million State grant to hire ten new police 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.

Sincerely,

A handwritten signature in cursive script that reads "Robert M. Curry". The signature is written in black ink and is positioned above the printed name and title.

Robert Curry  
Director of Finance

# ORGANIZATIONAL CHART



## PRINCIPAL CITY OFFICIALS

<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	10 years
Finance Director/Treasurer	Robert Curry	Appointed	1 year
Superintendent of Schools	Mary N. Cortright	Appointed - indefinite	Newly appointed
Mayor	Mark Benigni	Popularly elected	2 years

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**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, 2003, 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.

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 \$9,180,000, and General Fund expenditures would have been increased by approximately \$865,000.

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, 2003, 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, 2003, 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 December 31, 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 13 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 third 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  
December 31, 2003

**City of Meriden, Connecticut**  
**Management's Discussion and Analysis**  
**June 30, 2003**

As management of the City of Meriden, Connecticut 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, 2003. 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 \$120.3 million. Total net assets for Governmental Activities at fiscal year-end were \$12.4 million and total net assets for Business-Type Activities were \$107.9 million.
- ◆ On a government-wide basis, during the year, the City's net assets increased by \$5.3 million or 5%, from \$115 million to \$120.3 million. Net assets increased by \$6.8 million for Governmental Activities and decreased by \$1.5 million for Business-Type Activities. Government-wide expenses were \$176.5 million, while revenues were \$182 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 \$6.0 million, a decrease of \$200,000 from the prior fiscal year.
- ◆ At the end of the current fiscal year, the total fund balance for the general fund alone was \$9.6 million, a increase of \$4.6 million from the prior fiscal year. Of the total General Fund fund balance as of June 30, 2003, \$6.7 million represents unreserved General Fund fund balance. Unreserved General Fund fund balance at year-end represents 4.5% of total General Fund expenditures (\$147.9 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 \$9,180,000.

**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.

## 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, as such 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 a fee 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 of Meriden, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City of Meriden 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 of Meriden maintains 38 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 Capital 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, 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, Hubbard Park Fund, Liberty Trust Fund. 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 of Meriden 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 statement of revenues, expenditures and encumbrances on a budgetary basis can be found on page 20.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) 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 fund is 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 three 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 28-63 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 total assets exceeded its liabilities by \$120.3 million on June 30, 2003.

### CITY OF MERIDEN, CONNECTICUT NET ASSETS (\$000's)

	June 30, 2002			June 30, 2003		
	Primary Government			Primary Government		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Current and other assets	\$ 38,342	\$ 17,641	\$ 55,983	\$ 44,455	\$ 16,620	\$ 61,075
Non-current assets	7,337	-	7,337	6,591	-	6,591
Capital assets	142,513	103,673	246,186	141,934	102,530	244,464
<b>Total Assets</b>	<b>188,192</b>	<b>121,314</b>	<b>309,506</b>	<b>192,980</b>	<b>119,150</b>	<b>312,130</b>
Current liabilities	55,734	3,051	58,785	29,827	1,014	30,841
Long-term liabilities	126,862	8,829	135,691	150,675	10,244	160,919
<b>Total Liabilities</b>	<b>182,596</b>	<b>11,880</b>	<b>194,476</b>	<b>180,502</b>	<b>11,258</b>	<b>191,760</b>
Net Assets:						
Invested in capital assets, net of related debt	37,844	94,508	132,352	42,360	93,251	135,611
Unrestricted	(32,248)	14,926	(17,322)	(29,882)	14,641	(15,241)
<b>Total Net Assets</b>	<b>\$ 5,596</b>	<b>\$ 109,434</b>	<b>\$ 115,030</b>	<b>\$ 12,478</b>	<b>\$ 107,892</b>	<b>\$ 120,370</b>

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.

**CITY OF MERIDEN, CONNECTICUT  
CHANGES IN NET ASSETS (000's)**

	June 30, 2002			June 30, 2003		
	Primary Government			Primary Government		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 6,468	\$ 12,525	\$ 18,993	\$ 11,873	\$ 13,534	\$ 25,407
Operating grants and contributions	57,941	-	57,941	60,335	-	60,335
Capital grants and contributions	2,402	-	2,402	2,045	-	2,045
General Revenues:						
Property taxes	72,155	-	72,155	86,176	-	86,176
Grants not restricted to specific programs	9,732	-	9,732	7,533	-	7,533
Unrestricted investment earnings	637	182	819	508	(93)	415
Transfers	-	-	-	10	(10)	-
<b>Total Revenues</b>	<b>149,335</b>	<b>12,707</b>	<b>162,042</b>	<b>168,480</b>	<b>13,431</b>	<b>181,911</b>
<b>Expenses:</b>						
General government	21,904	-	21,904	15,518	-	15,518
Education	88,865	-	88,865	100,467	-	100,467
Public safety	24,873	-	24,873	25,072	-	25,072
Public works	8,725	-	8,725	9,399	-	9,399
Human services	6,595	-	6,595	6,761	-	6,761
Interest on long-term debt	4,821	-	4,821	4,381	-	4,381
WPCA sewer	-	5,689	5,689	-	6,018	6,018
Water	-	7,201	7,201	-	8,180	8,180
Hunter Golf Course	-	686	686	-	775	775
<b>Total Expenses</b>	<b>155,783</b>	<b>13,576</b>	<b>169,359</b>	<b>161,598</b>	<b>14,973</b>	<b>176,571</b>
Change in net assets	(6,448)	(869)	(7,317)	6,882	(1,542)	5,340
Net assets - beginning as restated	12,044	110,303	122,347	5,596	109,434	115,030
Net assets - ending	\$ 5,596	\$ 109,434	\$ 115,030	\$ 12,478	\$ 107,892	\$ 120,370

The City's net assets increased by \$5.3 million during the fiscal year, with net assets of Governmental Activities increasing \$6.8 million and Business-type Activities decreasing by \$1.5 million.

## **Governmental Activities**

More than 51% of the revenues were derived from property taxes, followed by 42% from State and Federal Government program revenues, then 7% from other revenues.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2003 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 19.9%.
- ◆ A new agreement in lieu of taxes with NRG Electrical Generating Plant provided \$4.9 million in new revenue for fiscal year 2003, approximately \$2 million more than budgeted.
- ◆ Revenue from intergovernmental funds decreased from the prior fiscal year by \$1.3 million due to the State's mid-year budget reductions.

For Governmental Activities, more than 62.1% of the City's expenditures relate to education, 15.5% relate to public safety, 9.8% to general government, more than 5.8% relate to public works, 4.1% to human services, 2.7% to interest payments on long term debt and the remaining relates 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 4.32%, 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 \$1.542 million.

## **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 \$6.01 million, a decrease from \$6.2 million as of June 30, 2002.

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 \$6.8 million while total fund balance reached \$9.67 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 4.5% of total General Fund expenditures, while total fund balance represents 6.5% of that same amount.

As stated earlier, the fund balance of the City of Meriden's General Fund increased by \$4.6 million during the current fiscal year. Key factors in this increase are as follows:

- ◆ Property tax revenues recorded for fiscal year 2003 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 19.9%.
- ◆ The NRG Electrical Generating Plant provided \$4.9 million in new revenues. A thirty-year agreement in lieu of taxes was successfully negotiated to provide this revenue.

The Bonded Projects Fund has a total fund deficit of \$10.8 million, up from a deficit of \$6.1 million in the prior year. The increase in the deficit is explained by bond proceeds not yet received in the current year.

The Other Governmental Funds have a total fund balance of \$7.2 million, down from \$7.3 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 were recorded, the General Fund fund balance would be reduced by approximately \$9,180,000 as of June 30, 2003, and the General Fund expenditures would be increased by approximately \$865,000 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 \$50.4 million with unrestricted net assets of \$8.6 million. The Water Fund experienced a net operating loss during the year of \$390,000.

Net assets of the Water Pollution Control Authority and Hunter Golf Course were \$57.3 million and \$269,000, respectively. Unrestricted net assets of the Water Pollution Control Authority were \$6.9 million while the Hunter Golf Course had (\$800,502) in unrestricted net assets (deficit). The Water Pollution Control Authority experienced an operating loss \$925,000. The Hunter Golf Course had an operating loss of \$124,000, with revenues just over \$650,000.

### **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was \$648,240. The original budget included a contingency of \$707,704 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.

- ◆ \$475,000 for additional Board of Education expenses.
- ◆ \$122,000 to the Police Department for vehicle maintenance.
- ◆ \$51,000 additional appropriations for the settlement of labor contracts.

During the year, actual revenues, on a budgetary basis were \$149.6 million, which was less than budgetary estimates by \$465,000. Actual tax revenues were less than budget by \$1.3 million. Actual investment income was approximately \$489,000, short of the \$602,000 that had been anticipated. The budget for investment income was predicated upon prevailing short-term interest rates in the Spring 2002, and did not anticipate the sharp decline in interest rates. 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 \$145.0 million, exceeding actual revenues on a budgetary basis by \$4.7 million. The final net increase in unreserved fund balance on a budgetary basis was \$4.7 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, 2003, amount to \$244.4 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 second year the City of Meriden has reported its' investment in capital assets.

#### CITY OF MERIDEN, CONNECTICUT CAPITAL ASSETS, net of depreciation (\$000's)

	June 30, 2002			June 30, 2003		
	Primary Government			Primary Government		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 17,733	\$ 817	\$ 18,550	\$ 17,943	\$ 817	\$ 18,760
Land improvements	3,152	181	3,333	3,761	152	3,913
Buildings and improvements	81,182	20,258	101,440	79,374	19,307	98,681
Infrastructure	27,842	76,459	104,301	28,691	75,368	104,059
Machinery and equipment	4,322	3,240	7,562	4,244	4,308	8,552
Vehicles	2,553	717	3,270	2,779	565	3,344
Construction in progress	5,729	2,001	7,730	5,142	2,013	7,155
<b>Total</b>	<b>\$ 142,513</b>	<b>\$ 103,673</b>	<b>\$ 246,186</b>	<b>\$ 141,934</b>	<b>\$ 102,530</b>	<b>\$ 244,464</b>

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

- ◆ School improvements and renovations at Lincoln Middle School.
- ◆ Improvements and renovations to Amtrak Rail Station canopy.
- ◆ Water Division master control and monitoring system and other major Water infrastructure improvements.
- ◆ 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.

**Long-term debt.** At the end of the current fiscal year, the City of Meriden had total bonded debt outstanding of \$90 million. 100% of this debt is backed by the full faith and credit of the City.

**CITY OF MERIDEN, CONNECTICUT  
OUTSTANDING DEBT (\$000's)**

	June 30, 2002			June 30, 2003		
	Primary Government			Primary Government		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
General obligation bonds	\$ 56,167	\$ 5,183	\$ 61,350	\$ 84,724	\$ 5,246	\$ 89,970
Bond anticipation notes	48,442	2,133	50,575	14,850	2,400	17,250
Notes payable	-	1,777	1,777	-	1,632	1,632
<b>Total</b>	<b>\$ 104,609</b>	<b>\$ 9,093</b>	<b>\$ 113,702</b>	<b>\$ 99,574</b>	<b>\$ 9,278</b>	<b>\$ 108,852</b>

The City of Meriden's total debt decreased by \$4.4 million or 4.3% during the 2002-2003 fiscal year. During the current fiscal year, the City issued \$39.8 million in bonds and \$17.3 million in bond anticipation notes. The City also issued \$9.6 million in bonds to refund 1992 and 1994 bonds, saving the City more than \$300,000 in future interest costs.

The City of Meriden maintains a BAA1 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 \$593,369,742. As of June 30, 2003, the City recorded general obligation bonds of \$84.7 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 Note 9.

**Economic Factors**

The City of Meriden has not been immune from the effects of the national economic downturn. As of December 2002, the unemployment rate for the Meriden Labor Market Area was 5.7%, up from 5.1% in the prior year. This compares with the New Haven Labor Market of 4.4%. Connecticut's overall unemployment rate stands at 4.5%, compared with 4.4% 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.

## **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.

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## **Basic Financial Statements**



CITY OF MERIDEN, CONNECTICUT

STATEMENT OF NET ASSETS

June 30, 2003

	Primary Governmental		
	Governmental Activities	Proprietary Activities	Total*
<b>Assets</b>			
Cash and cash equivalents	\$ 20,656,424	\$ 12,087,386	\$ 32,743,810
Investments	9,908,740	-	9,908,740
Receivables:			
Property taxes - net of allowance for uncollectible property taxes of \$2,856,000	3,988,770	-	3,988,770
Use charges-net of allowance for uncollectible use charges of \$462,100	-	2,543,389	2,543,389
Accounts receivable	2,737,328	181,488	2,918,816
Loans receivable, net	3,665,662	-	3,665,662
Federal and state governments	1,010,781	-	1,010,781
Estimated unbilled usage	-	3,886,186	3,886,186
Internal balances	2,078,020	(2,078,020)	-
Inventories and other assets	36,028	-	36,028
Net pension asset	373,587	-	373,587
Noncurrent assets:			
Capital assets, net of accumulated depreciation	141,933,807	102,529,725	244,463,532
Intergovernmental	6,590,915	-	6,590,915
<b>Total assets</b>	<b>192,980,062</b>	<b>119,150,154</b>	<b>312,130,216</b>
<b>Liabilities</b>			
Accounts payable and other accrued liabilities	18,383,131	1,979,460	20,362,591
Retainage payable	379,872	-	379,872
Cash overdraft	5,272,196	-	5,272,196
Deferred revenue	951,221	-	951,221
Claims incurred but not reported	4,840,368	-	4,840,368
Noncurrent liabilities:			
Due within one year	34,978,724	3,559,645	38,538,369
Due in more than one year	115,696,263	5,719,036	121,415,299
<b>Total liabilities</b>	<b>180,501,775</b>	<b>11,258,141</b>	<b>191,759,916</b>
<b>Net Assets</b>			
Investment in capital assets, net of related debt	42,360,007	93,251,044	135,611,051
Unrestricted	(29,881,720)	14,640,969	(15,240,751)
<b>Total net assets</b>	<b>\$ 12,478,287</b>	<b>\$ 107,892,013</b>	<b>\$ 120,370,300</b>

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

\* After internal balance have been eliminated.

CITY OF MERIDEN, CONNECTICUT

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2003

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	\$ (15,517,857)	\$ 8,656,285	\$ 9,557	\$ 1,576,824	\$ (5,275,191)	\$ -	\$ (5,275,191)
Education	(100,467,019)	1,598,535	57,391,431	468,224	(41,008,829)	-	(41,008,829)
Public safety	(25,072,404)	112,267	166,717	-	(24,793,420)	-	(24,793,420)
Public works	(9,398,994)	787,750	189,572	-	(8,421,672)	-	(8,421,672)
Human services	(6,761,413)	718,752	2,577,296	-	(3,465,365)	-	(3,465,365)
Interest on long-term debt	(4,379,847)	-	-	-	(4,379,847)	-	(4,379,847)
<b>Total governmental activities</b>	<b>(161,597,534)</b>	<b>11,873,589</b>	<b>60,334,573</b>	<b>2,045,048</b>	<b>(87,344,324)</b>	<b>-</b>	<b>(87,344,324)</b>
Business-type activities:							
Sewer Authority	(6,018,226)	5,092,888	-	-	-	(925,338)	(925,338)
Water Authority	(8,180,214)	7,790,270	-	-	-	(389,944)	(389,944)
George Hunter Memorial Golf Course	(774,464)	650,413	-	-	-	(124,051)	(124,051)
<b>Total business-type activities</b>	<b>(14,972,904)</b>	<b>13,533,571</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,439,333)</b>	<b>(1,439,333)</b>
<b>Total primary government</b>	<b>\$ (176,570,438)</b>	<b>\$ 25,407,160</b>	<b>\$ 60,334,573</b>	<b>\$ 2,045,048</b>	<b>(87,344,324)</b>	<b>(1,439,333)</b>	<b>(88,783,657)</b>
General revenues:							
Property taxes					86,175,690	-	86,175,690
Grants and contributions not restricted to specific programs					7,532,883	-	7,532,883
Unrestricted investment earnings					508,270	(93,181)	415,089
Transfers					10,000	(10,000)	-
<b>Total general revenues and transfers</b>					<b>94,226,843</b>	<b>(103,181)</b>	<b>94,123,662</b>
Change in net assets					6,882,519	(1,542,514)	5,340,005
Net assets - beginning					5,595,768	109,434,527	115,030,295
Net assets - ending					<b>\$ 12,478,287</b>	<b>\$ 107,892,013</b>	<b>\$ 120,370,300</b>

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

CITY OF MERIDEN, CONNECTICUT

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**June 30, 2003**

	General	Bonded Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 7,321,616	\$ 5,619,686	\$ 4,057,135	\$ 16,998,437
Investments	7,650,000	-	1,744,135	9,394,135
Receivables (net of allowances for collection losses):				
Property taxes	3,988,770	-	-	3,988,770
Accounts receivable	524,220	75,917	-	600,137
State and Federal governments	725,659	-	527,843	1,253,502
Loans receivable	-	831,190	2,834,472	3,665,662
Advance to golf fund	964,946	-	-	964,946
Other assets	36,028	-	24,765	60,793
Due from other funds	92,676	1,274,977	257,644	1,625,297
<b>Total assets</b>	<b>\$ 21,303,915</b>	<b>\$ 7,801,770</b>	<b>\$ 9,445,994</b>	<b>\$ 38,551,679</b>
<b>Liabilities</b>				
Accounts payable	\$ 8,199,276	\$ 3,333,239	\$ 1,085,828	\$ 12,618,343
Retainage payable	-	379,872	-	379,872
Due to other funds	199,317	92,676	220,230	512,223
Deferred revenues	3,227,850	-	951,222	4,179,072
Bond anticipation notes payable	-	14,849,900	-	14,849,900
<b>Total liabilities</b>	<b>11,626,443</b>	<b>18,655,687</b>	<b>2,257,280</b>	<b>32,539,410</b>
<b>Fund balances (deficits)</b>				
Reserved for:				
Encumbrances	-	6,497,557	-	6,497,557
Flood control	1,935,000	-	-	1,935,000
Loans receivable	-	831,190	2,834,472	3,665,662
Reserve for long-term advances	964,946	-	-	964,946
Donors intentions	-	-	238,170	238,170
Unreserved, reported in:				
General fund	6,777,526	-	-	6,777,526
Special revenue funds	-	-	4,068,669	4,068,669
Capital projects funds	-	(18,182,664)	47,403	(18,135,261)
<b>Total fund balances (deficits)</b>	<b>9,677,472</b>	<b>(10,853,917)</b>	<b>7,188,714</b>	<b>6,012,269</b>
<b>Total liabilities and fund balances</b>	<b>\$ 21,303,915</b>	<b>\$ 7,801,770</b>	<b>\$ 9,445,994</b>	

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

Capital assets, net of accumulated depreciation of \$92,275,676 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.	141,933,807
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	8,954,520
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.	(518,707)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	<u>(143,903,602)</u>

Net assets of governmental activities \$ 12,478,287

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, 2003

	General	Bonded Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 84,906,039	\$ -	\$ -	\$ 84,906,039
State and Federal governments	57,538,170	1,576,824	15,273,755	74,388,749
Charges for services	7,176,325	-	1,883,732	9,060,057
Investment income	503,392	-	4,878	508,270
Other revenues	2,224,153	51,600	697,483	2,973,236
<b>Total revenues</b>	<b>152,348,079</b>	<b>1,628,424</b>	<b>17,859,848</b>	<b>171,836,351</b>
<b>EXPENDITURES</b>				
Current:				
General government	35,533,421	-	173,038	35,706,459
Public safety	16,147,749	-	254,121	16,401,870
Public works	5,401,140	-	-	5,401,140
Human Services	2,722,687	-	2,832,883	5,555,570
Education	73,736,502	-	14,171,925	87,908,427
Debt service:				
Principal retirements	10,378,350	-	-	10,378,350
Interest and other charges	4,030,565	-	-	4,030,565
Capital outlay	-	6,102,141	797,239	6,899,380
<b>Total expenditures</b>	<b>147,950,414</b>	<b>6,102,141</b>	<b>18,229,206</b>	<b>172,281,761</b>
<b>Revenues over (under) expenditures</b>	<b>4,397,665</b>	<b>(4,473,717)</b>	<b>(369,358)</b>	<b>(445,410)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	10,000	-	247,701	257,701
Transfers out	-	(247,701)	-	(247,701)
Proceeds refunding bonds	8,274,210	-	-	8,274,210
Payment to escrow	(8,038,900)	-	-	(8,038,900)
<b>Total other financing sources (uses)</b>	<b>245,310</b>	<b>(247,701)</b>	<b>247,701</b>	<b>245,310</b>
<b>Changes in fund balances</b>	<b>4,642,975</b>	<b>(4,721,418)</b>	<b>(121,657)</b>	<b>(200,100)</b>
<b>FUND BALANCES (Deficit), beginning</b>	<b>5,034,497</b>	<b>(6,132,499)</b>	<b>7,310,371</b>	<b>6,212,369</b>
<b>FUND BALANCES (Deficit), ending</b>	<b>\$ 9,677,472</b>	<b>\$ (10,853,917)</b>	<b>\$ 7,188,714</b>	<b>\$ 6,012,269</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) - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

**For the Year Ended June 30, 2003**

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

Net change in fund balances (deficits) – total governmental funds	\$	(200,100)
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.		(582,243)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(425,991)
Change in pension assets.		(7,855)
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.		9,651,371
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.		(1,459,464)
The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.		<u>(93,199)</u>
Change in net assets of governmental activities	\$	<u>6,882,519</u>

CITY OF MERIDEN, CONNECTICUT

**STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES -  
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND  
For the Year Ended June 30, 2003**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 84,557,767	\$ 84,557,767	\$ 83,293,551	\$ (1,264,216)
Intergovernmental	56,059,429	56,059,429	54,846,924	(1,212,505)
Charges for services	3,842,563	3,842,563	3,597,996	(244,567)
Investment income	602,216	602,216	489,358	(112,858)
Other revenues	4,116,382	4,116,382	7,416,250	3,299,868
<b>Total revenues</b>	<b>149,178,357</b>	<b>149,178,357</b>	<b>149,644,079</b>	<b>465,722</b>
<b>EXPENDITURES</b>				
Current:				
General government	38,212,660	38,228,150	35,512,492	2,715,658
Education	70,923,094	71,398,094	71,033,085	365,009
Public safety	16,291,672	16,418,302	16,153,249	265,053
Public works	5,542,191	5,542,191	5,401,140	141,051
Human services	2,770,311	2,801,431	2,722,112	79,319
Debt service:				
Principal retirements	10,545,080	10,545,080	10,378,350	166,730
Interest and other charges	4,251,585	4,251,585	3,795,255	456,330
<b>Total expenditures and encumbrances</b>	<b>148,536,593</b>	<b>149,184,833</b>	<b>144,995,683</b>	<b>4,189,150</b>
<b>Revenues over (under) expenditures and encumbrances</b>	<b>641,764</b>	<b>(6,476)</b>	<b>4,648,396</b>	<b>4,654,872</b>
<b>OTHER FINANCING USES</b>				
Transfers in	-	-	10,000	10,000
<b>Revenues over (under) expenditures, encumbrances and other financing uses</b>	<b>\$ 641,764</b>	<b>\$ (6,476)</b>	<b>\$ 4,658,396</b>	<b>\$ 4,664,872</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, 2003

	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	\$ 7,208,564	\$ 4,652,121	\$ 226,701	\$ 12,087,386	\$ 3,657,987
Receivables, net of allowances for collection losses:					
User charges	1,498,802	1,044,587	-	2,543,389	-
Unbilled services	2,130,638	1,755,548	-	3,886,186	-
Other	18,932	127,764	34,792	181,488	149,068
Investments	-	-	-	-	514,605
<b>Total current assets</b>	<b>10,856,936</b>	<b>7,580,020</b>	<b>261,493</b>	<b>18,698,449</b>	<b>4,321,660</b>
Noncurrent assets:					
Capital assets, net of accumulated depreciation	47,305,327	53,988,636	1,235,762	102,529,725	-
<b>Total noncurrent assets</b>	<b>47,305,327</b>	<b>53,988,636</b>	<b>1,235,762</b>	<b>102,529,725</b>	<b>-</b>
<b>Total assets</b>	<b>58,162,263</b>	<b>61,568,656</b>	<b>1,497,255</b>	<b>121,228,174</b>	<b>4,321,660</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	1,181,598	725,039	72,823	1,979,460	166,172
Claims incurred but not reported	-	-	-	-	2,750,176
Due to other funds	1,088,848	-	24,226	1,113,074	-
Bond anticipation notes	1,419,100	981,000	-	2,400,100	-
Bonds payable - current	829,040	316,588	13,917	1,159,545	-
<b>Total current liabilities</b>	<b>4,518,586</b>	<b>2,022,627</b>	<b>110,966</b>	<b>6,652,179</b>	<b>2,916,348</b>
Noncurrent liabilities:					
Bonds payable	3,284,160	2,282,293	152,583	5,719,036	-
Claims incurred but not reported	-	-	-	-	1,924,019
Advance from general fund	-	-	964,946	964,946	-
<b>Total noncurrent liabilities</b>	<b>3,284,160</b>	<b>2,282,293</b>	<b>1,117,529</b>	<b>6,683,982</b>	<b>1,924,019</b>
<b>Total liabilities</b>	<b>7,802,746</b>	<b>4,304,920</b>	<b>1,228,495</b>	<b>13,336,161</b>	<b>4,840,367</b>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	41,773,027	50,408,755	1,069,262	93,251,044	-
Unrestricted	8,586,490	6,854,981	(800,502)	14,640,969	(518,707)
<b>Total net assets</b>	<b>\$ 50,359,517</b>	<b>\$ 57,263,736</b>	<b>\$ 268,760</b>	<b>\$ 107,892,013</b>	<b>\$ (518,707)</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, 2003

	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	\$ 6,891,808	\$ 5,068,096	\$ 619,208	\$ 12,579,112	\$ 16,324,823
Fiscal Division	757,783	-	-	757,783	-
Miscellaneous	140,679	24,792	31,205	196,676	2,285,708
<b>Total operating revenues</b>	<b>7,790,270</b>	<b>5,092,888</b>	<b>650,413</b>	<b>13,533,571</b>	<b>18,610,531</b>
<b>OPERATING EXPENSES</b>					
Salaries, benefits and claims	1,327,886	1,747,166	366,602	3,441,654	18,521,749
Materials and supplies	322,972	894,850	192,591	1,410,413	123,238
Depreciation	1,597,969	1,806,807	82,430	3,487,206	-
Utilities	590,369	554,384	-	1,144,753	-
Administration and operation	4,341,018	1,015,019	132,841	5,488,878	66,380
<b>Total operating expenses</b>	<b>8,180,214</b>	<b>6,018,226</b>	<b>774,464</b>	<b>14,972,904</b>	<b>18,711,367</b>
<b>Operating loss</b>	<b>(389,944)</b>	<b>(925,338)</b>	<b>(124,051)</b>	<b>(1,439,333)</b>	<b>(100,836)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest income	119,937	79,493	-	199,430	7,637
Interest expense	(200,106)	(85,666)	(6,839)	(292,611)	-
Transfers out	-	-	(10,000)	(10,000)	-
<b>Total nonoperating revenues (expenses)</b>	<b>(80,169)</b>	<b>(6,173)</b>	<b>(16,839)</b>	<b>(103,181)</b>	<b>7,637</b>
<b>Change in net assets</b>	<b>(470,113)</b>	<b>(931,511)</b>	<b>(140,890)</b>	<b>(1,542,514)</b>	<b>(93,199)</b>
<b>NET ASSETS (DEFICIT), beginning</b>	<b>50,829,630</b>	<b>58,195,247</b>	<b>409,650</b>	<b>109,434,527</b>	<b>(425,508)</b>
<b>NET ASSETS (DEFICIT), ending</b>	<b>\$ 50,359,517</b>	<b>\$ 57,263,736</b>	<b>\$ 268,760</b>	<b>\$ 107,892,013</b>	<b>\$ (518,707)</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, 2003

	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	\$ 8,173,237	\$ 4,712,409	\$ 633,651
Payments to suppliers	(4,120,832)	(2,312,345)	(220,733)
Payments to employees	(1,493,072)	(1,711,564)	(345,562)
<b>Net cash provided by operating activities</b>	<b>2,559,333</b>	<b>688,500</b>	<b>67,356</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Principal payments on debt	(2,573,800)	(1,276,865)	(243,816)
Interest paid on debt	(200,106)	(85,666)	(6,839)
Proceeds from notes payable	2,614,900	1,505,000	160,000
Purchase of property and equipment	(1,619,552)	(724,318)	-
Transfers out	-	-	(10,000)
<b>Net cash used in capital and related financing activities</b>	<b>(1,778,558)</b>	<b>(581,849)</b>	<b>(100,655)</b>
<b>Cash Flows From Investing Activities</b>			
Sale of investments	1,910,000	1,550,000	260,000
Interest received on investments	119,937	79,493	-
<b>Net cash provided by investing activities</b>	<b>2,029,937</b>	<b>1,629,493</b>	<b>260,000</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,810,712</b>	<b>1,736,144</b>	<b>226,701</b>
<b>Cash and Cash Equivalents</b>			
Beginning	4,397,852	2,915,977	-
Ending	<b>\$ 7,208,564</b>	<b>\$ 4,652,121</b>	<b>\$ 226,701</b>
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities</b>			
Operating loss	\$ (389,944)	\$ (925,338)	\$ (124,051)
Adjustments to reconcile operating loss to net cash provided by operating activities			
Depreciation	1,597,969	1,806,807	82,430
Changes in assets and liabilities:			
(Increase) decrease in receivable accounts	399,953	(252,715)	-
Increase in other receivables	(16,986)	(117,286)	(16,762)
Increase in due to other funds	1,088,848	-	-
Increase (decrease) in accounts payable	(120,507)	177,032	27,303
Increase in advance to general fund	-	-	98,436
<b>Net cash provided by operating activities</b>	<b>\$ 2,559,333</b>	<b>\$ 688,500</b>	<b>\$ 67,356</b>

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

		Governmental Activities
Totals		Internal Service Fund
\$ 13,519,297	\$	18,464,156
(6,653,910)		(17,799,300)
(3,550,198)		-
<u>3,315,189</u>		<u>664,856</u>
(4,094,481)		-
(292,611)		-
4,279,900		-
(2,343,870)		-
(10,000)		-
<u>(2,461,062)</u>		<u>-</u>
3,720,000		2,903,433
199,430		7,637
<u>3,919,430</u>		<u>2,911,070</u>
4,773,557		3,575,926
7,313,829		82,061
<u>\$ 12,087,386</u>	<u>\$</u>	<u>3,657,987</u>
\$ (1,439,333)	\$	(100,836)
3,487,206		-
147,238		(146,375)
(151,034)		-
1,088,848		-
83,828		912,067
98,436		-
<u>\$ 3,315,189</u>	<u>\$</u>	<u>664,856</u>

**CITY OF MERIDEN, CONNECTICUT**

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

**June 30, 2003**

	Pension Trust Funds	Private Purpose Trust Fund	Agency Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 27,591,092	\$ 257,206	\$ 893,848
Investments, at fair value			
U.S. government obligations	28,060,443	-	-
Corporate bonds	18,785,974	-	-
Corporate stocks	68,290,568	-	-
Equity funds	6,403,014	-	-
Mutual funds	31,286,122	-	-
<b>Total investments</b>	<b>152,826,121</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>180,417,213</b>	<b>257,206</b>	<b>893,848</b>
<b>LIABILITIES</b>			
Amounts held as agent	39,724	-	893,848
<b>Net Assets Held in Trust for Pension Benefits and Other Purposes</b>	<b>\$ 180,377,489</b>	<b>\$ 257,206</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, 2003

	Pension Trust Funds	Private Purpose Trust Fund
<b>Additions</b>		
Contributions		
Employer	\$ 4,123,200	\$ -
Plan members	2,323,483	-
Private donations	-	56,575
<b>Total contributions</b>	<u>6,446,683</u>	<u>56,575</u>
Investment Income		
Net depreciation in fair value of investments	(7,982,898)	-
Interest and dividends	5,665,733	25,219
	<u>(2,317,165)</u>	<u>25,219</u>
Less investment management fees	883,067	-
<b>Net investment income (loss)</b>	<u>(3,200,232)</u>	<u>25,219</u>
<b>Total additions</b>	<u>3,246,451</u>	<u>81,794</u>
<b>Deductions</b>		
Benefits	11,209,396	-
Other	427,996	10,989
<b>Total deductions</b>	<u>11,637,392</u>	<u>10,989</u>
<b>Change in net assets</b>	(8,390,941)	70,805
<b>Net Assets</b>		
Beginning of year	<u>188,768,430</u>	<u>186,401</u>
End of year	<u>\$ 180,377,489</u>	<u>\$ 257,206</u>

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

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2003**

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**Note 1. Summary of Significant Accounting 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.

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.

The following is a summary of the more significant accounting policies used by 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.

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.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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**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 an enforceable legal claim exists and when levied for. 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 except for as described below. However, debt service expenditures, as well as expenditures related to compensated absences, landfill closure costs and claims and judgments, are recorded only when payment is due or from available resources.

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 \$9,180,000 as of June 30, 2003, and the General Fund expenditures would be increased by approximately \$865,000 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.

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. 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, 2003

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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 Fund* accounts for the operations of the City's wastewater treatment system. The City operates its own sewage treatment plant, sewage pumping stations, and collection system. Its operations are financed through direct charges to the users of the service.

Additionally, the City reports the following fund types:

The *Internal Service Fund* accounts for employee health insurance provided to other departments of the City.

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

The *pension trust funds* account for the activities of the City's three 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.

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.

## **CITY OF MERIDEN, CONNECTICUT**

### **NOTES TO FINANCIAL STATEMENTS, Continued** **June 30, 2003**

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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 City'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.

#### **Investments**

Investments are stated at fair value using quoted market prices.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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**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, 2003**

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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, 2003**

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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 (asset), 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. Annual pension cost expenditures are recognized when they are paid or are expected to be paid with current available resources. The liability is typically paid out of the general fund. The pension (asset) obligation is recorded as a noncurrent asset/liability in the government-wide financial statements.

***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, 2003

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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.

*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.

*Undesignated and 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 \$143,903,602 difference are as follows:

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2003

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Bonds payable	\$ 84,723,900
Accrued interest payable	2,126,268
Capital leases payable	239,814
Claims, judgments and other	32,377,373
Compensated absences	18,484,000
Accrued payroll	9,180,097
Deferred revenue, unrelated to debt	<u>(3,227,850)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 143,903,602</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 \$582,243 difference are as follows:

Capital outlay	\$ 6,518,478
Depreciation expense	<u>(7,100,721)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (582,243)</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 \$9,651,371 difference are as follows:

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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Debt issued or incurred:	
Issuance of general obligation debt	\$ 8,274,210
Principal repayments:	
General obligation debt	(17,838,492)
Payment of capital lease	<u>(87,089)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 9,651,371</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 \$(1,459,464) difference are as follows:

Accrued interest	\$ 142,387
Payroll accrual	(864,719)
Claims and judgments	(302,205)
Pension liability	127,073
Other	<u>(562,000)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (1,459,464)</u>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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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 \$648,000 during the year ended June 30, 2003.
- 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, 2003

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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	\$ 149,654,079
On-behalf payments paid directly by the State of Connecticut Teachers' Retirement System	<u>2,704,000</u>
Revenues and transfers in, GAAP basis	<u>\$ 152,358,079</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	\$ 144,995,683
On-behalf payments paid directly by the State of Connecticut Teachers' Retirement System	2,704,000
Net Refunding Activity	235,310
Encumbrances	
June 30, 2002	15,421
June 30, 2003	<u>-</u>
Expenditures and transfers out, as reported	<u>\$ 147,950,414</u>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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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 non-lapsing 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, 2003:

Deposits	\$ 56,304,450
* Tax Exempt Proceeds Fund/Mutual Funds	<u>5,181,506</u>
<b>Total cash and cash equivalents</b>	<b><u>\$ 61,485,956</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, 2003, the carrying amount of the City's deposits totaled \$56,304,450 with a bank balance of \$62,340,132.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2003**

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	\$ 700,000
Uninsured and uncollateralized, except as described below	<u>61,640,132</u>
	<u>\$ 62,340,132</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, 2003, approximately \$6,164,000 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, 2003 consisted of the following:

Type of Investment	Fund Type	Market/ Carrying Amount	Credit Risk Category
Repurchase Agreement	General Fund	\$ 7,650,000	3
Corporate Debt	Special Revenue	520,792	3
Common Stock	Special Revenue	1,037,373	3
Mutual Funds	Special Revenue	185,970	*
Repurchase Agreement	Internal Service Fund	514,605	3
U.S. Government Obligations	Pension Trust Fund	28,060,443	3
Corporate Bonds	Pension Trust Fund	18,785,974	3
Corporate Stocks	Pension Trust Fund	68,290,568	3
Equity Funds	Pension Trust Fund	6,403,014	3
Mutual Funds	Pension Trust Fund	31,286,122	*
		<u>\$ 162,734,861</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, 2003**

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 - Fund Basis**

Receivables on the fund basis at June 30, 2003, including the applicable allowance for collection losses, are as follows:

	<b>Governmental Funds</b>			<b>Enterprise Funds</b>		<b>Totals</b>
	<b>General</b>	<b>Bonded Projects</b>	<b>Nonmajor and Other Funds</b>	<b>Water</b>	<b>Sewer</b>	
Current Receivables:						
Property taxes	\$ 6,844,770	\$ -	\$ -	\$ -	\$ -	\$ 6,844,770
Accounts receivable	524,220	75,917	-	18,932	127,764	746,833
Unbilled services	-	-	-	2,130,638	1,755,548	3,886,186
Usage receivable	-	-	-	1,779,802	1,225,687	3,005,489
Federal and state governments	725,659	-	527,843	-	-	1,253,502
Loans receivable	-	1,007,190	3,085,252	-	-	4,092,442
<b>Total gross receivables</b>	<b>8,094,649</b>	<b>1,083,107</b>	<b>3,613,095</b>	<b>3,929,372</b>	<b>3,108,999</b>	<b>19,829,222</b>
Less allowance for collection losses	2,856,000	176,000	250,780	281,000	181,100	3,744,880
<b>Total net receivables</b>	<b>\$ 5,238,649</b>	<b>\$ 907,107</b>	<b>\$ 3,362,315</b>	<b>\$ 3,648,372</b>	<b>\$ 2,927,899</b>	<b>\$ 16,084,342</b>

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2003

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

As of June 30, 2003, interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due From				Totals
	General	Water Fund	Bonded Projects	Nonmajor and Other Funds	
Due to:					
General fund	\$ -	\$ 5,899	\$ -	\$ 193,418	\$ 199,317
Bonded projects	92,676	-	-	-	92,676
Water fund	-	-	1,094,747	-	1,094,747
Nonmajor and other funds	-	-	180,230	40,000	220,230
George Hunter Memorial Golf Golf Course	-	-	-	24,226	24,226
<b>Total</b>	<b>\$ 92,676</b>	<b>\$ 5,899</b>	<b>\$ 1,274,977</b>	<b>\$ 257,644</b>	<b>\$ 1,631,196</b>

All interfund balances resulted from the time lag between date payments occur between funds for various activities, which include capital outlay.

Interfund transfers during the year ended June 30, 2003 were as follows:

	Nonmajor and Other Funds	General Fund	Total
Transfers out:			
George Hunter Memorial Fund	\$ -	\$ 10,000	\$ 10,000
Bonded projects	247,701	-	247,701
<b>Total</b>	<b>\$ 247,701</b>	<b>\$ 10,000</b>	<b>\$ 257,701</b>

Transfers are used to account for unrestricted revenue collected mainly in the Special Revenue Fund to finance various programs accounted for in other funds.

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2003

**Note 7. Capital Assets**

Capital asset activity for the year ended June 30, 2003 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 17,733,411	\$ 209,775	\$ -	\$ 17,943,186
Construction in progress	5,729,270	3,158,395	3,745,512	5,142,153
Total capital assets, not being depreciated	<u>23,462,681</u>	<u>3,368,170</u>	<u>3,745,512</u>	<u>23,085,339</u>
Capital assets, being depreciated:				
Land improvements	7,397,593	1,026,895	-	8,424,488
Buildings and improvements	122,336,986	922,676	-	123,259,662
Machinery and equipment	9,432,031	579,174	-	10,011,205
Infrastructure	57,546,760	3,444,822	-	60,991,582
Vehicles	7,578,901	923,253	64,947	8,437,207
Total capital assets, being depreciated	<u>204,292,271</u>	<u>6,896,820</u>	<u>64,947</u>	<u>211,124,144</u>
Less accumulated depreciation for:				
Land improvements	4,245,992	417,260	-	4,663,252
Buildings and improvements	41,154,432	2,730,770	-	43,885,202
Machinery and equipment	5,110,050	657,341	-	5,767,391
Infrastructure	29,703,646	2,597,616	-	32,301,262
Vehicles	5,025,782	697,734	64,947	5,658,569
Total accumulated depreciation	<u>85,239,902</u>	<u>7,100,721</u>	<u>64,947</u>	<u>92,275,676</u>
Total capital assets, being depreciated, net	<u>119,052,369</u>	<u>(203,901)</u>	<u>-</u>	<u>118,848,468</u>
Governmental activities capital assets, net	<u>\$ 142,515,050</u>	<u>\$ 3,164,269</u>	<u>\$ 3,745,512</u>	<u>\$ 141,933,807</u>

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2003

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 816,675	\$ -	\$ -	\$ 816,675
Construction in progress	2,000,732	640,911	628,354	2,013,289
Total capital assets, not being depreciated	<u>2,817,407</u>	<u>640,911</u>	<u>628,354</u>	<u>2,829,964</u>
Capital assets, being depreciated:				
Land improvements	668,423	-	-	668,423
Buildings and improvements	38,559,044	-	-	38,559,044
Infrastructure	115,039,549	690,892	-	115,730,441
Machinery and equipment	11,910,656	1,615,951	-	13,526,607
Vehicles	1,759,082	24,467	-	1,783,549
Total capital assets, being depreciated	<u>167,936,754</u>	<u>2,331,310</u>	<u>-</u>	<u>170,268,064</u>
Less accumulated depreciation for:				
Land improvements	486,965	29,895	-	516,860
Buildings and improvements	18,301,276	951,030	-	19,252,306
Infrastructure	38,580,214	1,781,894	-	40,362,108
Machinery and equipment	8,670,374	547,792	-	9,218,166
Vehicles	1,042,268	176,595	-	1,218,863
Total accumulated depreciation	<u>67,081,097</u>	<u>3,487,206</u>	<u>-</u>	<u>70,568,303</u>
Total capital assets, being depreciated, net	<u>100,855,657</u>	<u>(1,155,896)</u>	<u>-</u>	<u>99,699,761</u>
Business activities capital assets, net	<u>\$ 103,673,064</u>	<u>\$ (514,985)</u>	<u>\$ 628,354</u>	<u>\$ 102,529,725</u>

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2003

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

**Governmental Activities:**

General government	\$ 74,891
Education	2,477,948
Public safety	725,855
Public works	3,217,444
Human services	604,583

Total depreciation expense – governmental activities \$ 7,100,721

**Business-type activities:**

Sewer Authority	\$ 1,597,969
Water Fund	1,806,807
George Hunter Memorial Golf Course	82,430

Total depreciation expense – business-type activities \$ 3,487,206

**Note 8. Bond Anticipation Notes and Subsequent Event**

The City had \$17,250,000 of bond anticipation notes outstanding as of June 30, 2003. In August 2003, outstanding bond anticipation notes of \$17,250,000 were repaid through the issuance of \$34,534,000 of new bond anticipation notes due August 2004. 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, 2003 were as follows:

Outstanding, June 30, 2002	\$ 50,575,000
New borrowings	17,250,000
Repayments	<u>50,575,000</u>
Outstanding, June 30, 2003	<u>\$ 17,250,000</u>

Of the amounts outstanding, \$14,849,900 is recorded in the Bonded Project Fund, and \$2,400,100 is recorded in the Business-type activities.

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2003

**Note 9. Long-Term Obligations**

Long-term liability activity for the year ended June 30, 2003 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 56,166,510	\$ 46,395,882	\$ 17,838,492	\$ 84,723,900	\$ 12,500,047
Bond anticipation notes	38,121,672	-	38,121,672	-	-
<b>Total bonds and notes payable</b>	<b>94,288,182</b>	<b>46,395,882</b>	<b>55,960,164</b>	<b>84,723,900</b>	<b>12,500,047</b>
Capital leases	326,903	-	87,089	239,814	92,177
Claims and judgments	1,197,795	302,205	-	1,500,000	225,000
Landfill post-closure monitoring	5,300,000	-	-	5,300,000	759,000
Compensated absences	17,922,000	630,000	68,000	18,484,000	2,772,600
Net pension obligation	25,704,446	-	127,073	25,577,373	3,780,000
<b>Governmental activity     long-term liabilities</b>	<b>\$ 144,739,326</b>	<b>\$ 47,328,087</b>	<b>\$ 56,242,326</b>	<b>\$ 135,825,087</b>	<b>\$ 20,128,824</b>
<b>Business-type activities:</b>					
Bonds payable:					
General obligation bonds	\$ 5,183,490	\$ 1,879,800	\$ 1,817,190	\$ 5,246,100	\$ 1,014,953
Notes payable	1,777,073	-	144,592	1,632,481	144,592
<b>Total bonds and notes payable</b>	<b>6,960,563</b>	<b>1,879,800</b>	<b>1,961,782</b>	<b>6,878,581</b>	<b>1,159,545</b>
Compensated absences	884,969	186,226	35,602	1,035,593	155,000
<b>Business-type activity     long-term liabilities</b>	<b>\$ 7,845,532</b>	<b>\$ 2,066,026</b>	<b>\$ 1,997,384</b>	<b>\$ 7,914,174</b>	<b>\$ 1,314,545</b>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2003**

**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, 2003, 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	\$ 275,000	\$ -
\$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	3,000,000	-
\$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	1,400,000	-
\$23,600,000 GOB 1991, issue of 7/15/91, due 7/15/2010, interest at 6.4%, annual principal payments of \$50,000	400,000	-
\$22,025,000 GOB 1996, 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	8,599,000	276,000
\$23,900,000 GOB 1998, issue of 2/1/98, due 2/1/2008, interest at 4.1% to 5.0%, annual principal payments of \$2,115,000	10,195,000	375,000
\$24,050,000 GOB 1999, 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	13,324,700	2,715,300

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2003

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>
<b><u>General Obligation Bonds, Continued</u></b>		
\$39,200,000 GOB 2002, issue of 8/1/02, due 8/1/2023, interest at 1.427% to 4.620%, annual principal payments range from \$350,000 to \$3,340,000.	37,936,400	1,263,600
\$600,000 GOB 2002, issue of 8/1/02, due 8/1/2013, interest at 2.25% to 5.3%, annual principal payments of \$60,000.	600,000	-
\$9,090,000 GOB 2003, issue of 4/15/03, due 10/15/03, interest at 0.0% to 3.625%, annual principal payments range from \$480,000 to \$2,240,000.	8,473,800	616,200
\$520,000 GOB 2003, issue of 4/15/03, due 10/15/03, interest at 0.0% to 3.625%, annual principal payments range from \$55,000 to \$65,000.	520,000	-
	<u>\$ 84,723,900</u>	<u>\$ 5,246,100</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>\$ 1,632,481</u>

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

The following is a summary at June 30, 2003, of the future principal and interest requirements for the City's general obligations:

	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2004	\$ 12,500,047	\$ 4,315,074	\$ 16,815,121	\$ 1,014,953	\$ 232,438	\$ 1,247,391
2005	12,171,747	3,016,744	15,188,491	1,003,253	168,141	1,171,394
2006	11,049,397	2,501,676	13,551,073	680,603	132,914	813,517
2007	11,014,397	1,963,501	12,977,898	680,603	100,914	781,517
2008	9,227,897	1,471,213	10,699,110	612,103	70,860	682,963
2009	5,785,217	1,078,527	6,863,744	459,783	45,027	504,810
2010	5,270,217	832,435	6,102,652	459,783	23,845	483,628
2011	2,827,217	675,024	3,502,241	77,783	12,128	89,911
2012	2,777,217	568,171	3,345,388	77,783	9,366	87,149
2013	2,552,217	451,671	3,003,888	77,783	6,022	83,805
2014	1,779,666	353,872	2,133,538	20,334	3,691	24,025
2015	1,779,666	285,577	2,065,243	20,334	2,910	23,244
2016	1,779,666	215,503	1,995,169	20,334	2,110	22,444
2017	1,779,666	143,204	1,922,870	20,334	1,284	21,618
2018	679,666	92,055	771,721	20,334	432	20,766
2019	350,000	70,088	420,088	-	-	-
2020	350,000	54,906	404,906	-	-	-
2021	350,000	39,375	389,375	-	-	-
2022	350,000	23,625	373,625	-	-	-
2023	350,000	7,875	357,875	-	-	-
	<u>\$ 84,723,900</u>	<u>\$ 18,160,116</u>	<u>\$ 102,884,016</u>	<u>\$ 5,246,100</u>	<u>\$ 812,082</u>	<u>\$ 6,058,182</u>

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

	Principal	Interest
2004	\$ 144,592	\$ 34,300
2005	144,592	31,329
2006	144,592	28,401
2007	144,592	25,392
2008	144,592	82,397
2009-2013	722,960	15,936
2014-2018	186,561	83
	<u>\$ 1,632,481</u>	<u>\$ 217,838</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, 2003 was approximately \$2,765,000. Additional payments aggregating approximately \$6,591,000 are expected to be received through the bonds' maturity dates.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2003**

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2003 General Obligation Bond - In-Substance Defeasance

On April 15, 2003, the City issued \$9,619,000 of general obligation bonds with interest rates ranging from 2.5% to 5.0% of which refunding was used to advance refund portions of the outstanding principal amounts of general obligation bonds of the City dated November 15, 1992 and October 15, 1994 (the "Refunding Bonds"). Of the net proceeds of \$9,890,874 (after payment of \$154,000 in underwriters fees and other costs), \$9,825,230 was placed in an irrevocable trust fund under an Escrow Agreement dated April 2003 between the City and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of non-callable direct obligations of the United States of America ("Government Obligations"). The Government Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunding Bonds on the dates the payments are due.

The City advance refunded the above bonds to reduce total debt service payments over the next 15 years by approximately \$300,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and net debt) of \$305,000.

The balance in the escrow was approximately \$9.8 million at June 30, 2003. The balance of the defeased bonds was approximately \$9.8 million at June 30, 2003. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

**Capital lease obligations**

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

2004	\$	106,182
2005		106,182
2006		53,000
Total		<u>265,364</u>
Less amount representing interest		<u>25,550</u>
	\$	<u><u>239,814</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.

## CITY OF MERIDEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2003

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The City has authorized but unissued bonds relating to capital projects at June 30, 2003 as follows:

Sewers	\$ 3,423,628
General purpose	34,986,513
Schools	59,860,400
<b>Total</b>	<b>\$ 98,270,541</b>

### 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:

Category	Debt Limit	Indebtedness	Balance
General purpose <sup>(1)</sup>	\$ 190,725,989	\$ 105,679,197	\$ 85,046,792
Unfunded Pension Benefit Obligation	254,301,318	-	254,301,318
Schools	381,451,977	79,311,400	302,140,577
Sewers	317,876,648	7,003,510	310,873,138
Urban renewal	275,493,095	9,155,115	266,337,980

(1) Excludes Memorial Hospital Bonds of \$275,000; Water Bonds and Notes of \$5,532,300; General Obligation Golf Course Bonds of \$166,500

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$593,369,742.

### Note 10. 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.

#### 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

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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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.

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 11. Fund Deficits**

The following funds had fund deficits as of June 30, 2003:

**Special Revenue Funds:**

Community Development Block Grant	\$	2,440
School Readiness		7,166
Railroad Right of Way		10,331
Student Fund		69
Americorps		40,083
Summer Youth Initiative		1,468
Safe Neighborhood		6,527

**Internal Service:**

Workers' Compensation		3,420,430
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<b>Bonded Projects</b>		<b>10,853,917</b>
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The fund deficits in the Special Revenue and Internal Service Funds will be funded by future revenues. The Capital Project Fund deficit will be funded by future bond issuances.

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2003

**Note 12. 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.
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.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

Membership in the Plans consisted of the following at July 1, 2002:

	Employees' Retirement	Police Pension	Firefighters' Pension
Retirees and beneficiaries receiving benefits	390	106	98
Terminated plan members entitled to, but not yet receiving benefits	65	-	-
Active plan members	599	124	96
Total	<u>1,054</u>	<u>230</u>	<u>194</u>

The City's annual pension cost and net pension obligation (asset) for the Plans for the year ended June 30, 2003 were as follows:

	Employees' Retirement	Police Pension	Firefighters' Pension
Annual required contribution	\$ -	\$ 2,489,520	\$ 1,682,036
Interest on net pension obligation (asset)	(30,515)	1,042,235	1,079,211
Adjustment to annual required contribution	(38,370)	(1,122,700)	(1,174,175)
Annual pension cost	<u>7,855</u>	<u>2,409,055</u>	<u>1,587,072</u>
Contributions made	-	2,448,000	1,675,200
Increase (decrease) in net pension obligation (asset)	7,855	(38,945)	(88,128)
Net pension obligation (asset) beginning of year	(381,442)	12,627,403	13,077,043
Net pension obligation (asset) end of year	<u>\$ (373,587)</u>	<u>\$ 12,588,458</u>	<u>\$ 12,988,915</u>

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2003

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Three-Year Trend Information:

Employees' Retirement

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)	Actual Contribution
6/30/01	\$ 6,199	286.7%	\$ (388,590)	\$ 17,773
6/30/02	\$ 7,148	0%	\$ (381,442)	\$ -
6/30/03	\$ 7,855	0%	\$ (373,587)	\$ -

Police Pension

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Actual Contribution
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
6/30/03	\$ 2,409,055	101.6%	\$ 12,588,458	\$ 2,448,000

Firefighters' Pension

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Actual Contribution
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
6/30/03	\$ 1,587,072	105.5%	\$ 12,988,915	\$ 1,675,200

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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

	<u>Employees'</u> <u>Retirement</u>	<u>Police Pension</u>	<u>Firefighters'</u> <u>Pension</u>
Valuation Date	7/1/02	7/1/02	7/1/02
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	18 years	27 years	27 years
Asset valuation method	5-year smoothed market	5-year smoothed market	5-year smoothed market
Actuarial assumptions:			
Investment rate of return	8.00%	8.00%	8.00%
Projected salary increases	5.5%	3.25%-5.25%	3.25%-5.25%

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
2003	\$ -	-	\$ 2,489,520	98.3%	\$ 1,682,036	99.5%
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%

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Underfunded (Overfunded) AAL	Funded Ratio	Covered Payroll	Underfunded (Overfunded) AAL as a Percentage of Covered Payroll
<u>Employees' Retirement</u>						
July 1, 2002	\$ 118,086,359	\$ 95,327,362	\$ (22,758,997)	123.87%	\$ 23,977,682	(94.92)%
July 1, 2001	N/A	N/A	N/A	N/A	N/A	N/A
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)%
<u>Police Pension</u>						
July 1, 2002	\$ 46,554,515	\$ 70,304,895	\$ 23,750,380	66.22%	\$ 6,771,911	350.72%
July 1, 2001	N/A	N/A	N/A	N/A	N/A	N/A
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	418.53%
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%
<u>Firefighters' Pension</u>						
July 1, 2002	\$ 48,479,287	\$ 61,095,615	\$ 12,616,328	79.35%	\$ 5,147,294	245.11%
July 1, 2001	N/A	N/A	N/A	N/A	N/A	N/A
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%

\* 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.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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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.

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 \$2,704,000 for the year ended June 30, 2003.

**SCHEDULE OF PLAN NET ASSETS**  
**June 30, 2003**

	Employees' Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 15,129,769	\$ 5,691,778	\$ 6,450,012	\$ 319,533	\$ 27,591,092
Investments, at fair value	86,877,878	30,005,377	34,251,244	1,691,622	152,826,121
<b>LIABILITIES</b>					
Other liabilities	5,955	12,460	21,309	-	39,724
<b>Net Assets Held in Trust for Pension Benefits</b>	<b>\$ 102,001,692</b>	<b>\$ 35,684,695</b>	<b>\$ 40,679,947</b>	<b>\$ 2,011,155</b>	<b>\$ 180,377,489</b>

CITY OF MERIDEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2003

**SCHEDULE OF CHANGES IN PLAN NET ASSETS**  
**Year Ended June 30, 2003**

	Employees' Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>Additions</b>					
Contributions					
Employer	\$ -	\$ 1,675,200	\$ 2,448,000	\$ -	\$ 4,123,200
Plan members	1,072,224	309,461	405,686	536,112	2,323,483
<b>Total contributions</b>	<b>1,072,224</b>	<b>1,984,661</b>	<b>2,853,686</b>	<b>536,112</b>	<b>6,446,683</b>
Investment Income					
Net appreciation (depreciation) in fair value of investments	(4,014,091)	(4,541,652)	1,267,676	(694,831)	(7,982,898)
Interest and dividends	3,154,870	1,158,565	1,292,888	59,410	5,665,733
	(859,221)	(3,383,087)	2,560,564	(635,421)	(2,317,165)
Less investment management fees	495,258	178,551	199,931	9,327	883,067
<b>Net investment income (loss)</b>	<b>(1,354,479)</b>	<b>(3,561,638)</b>	<b>2,360,633</b>	<b>(644,748)</b>	<b>(3,200,232)</b>
<b>Total additions (reductions)</b>	<b>(282,255)</b>	<b>(1,576,977)</b>	<b>5,214,319</b>	<b>(108,636)</b>	<b>3,246,451</b>
<b>Deductions</b>					
Benefits	4,534,075	3,077,000	3,231,536	366,786	11,209,397
Other	268,996	60,734	98,265	-	427,995
<b>Total deductions</b>	<b>4,803,071</b>	<b>3,137,734</b>	<b>3,329,801</b>	<b>366,786</b>	<b>11,637,392</b>
<b>Change in net assets</b>	<b>(5,085,326)</b>	<b>(4,714,711)</b>	<b>1,884,518</b>	<b>(475,422)</b>	<b>(8,390,941)</b>
<b>Net Assets Held in Trust for Pension</b>					
<b>Benefits</b>					
Beginning of year	107,087,018	40,399,406	38,795,429	2,486,577	188,768,430
End of year	\$ 102,001,692	\$ 35,684,695	\$ 40,679,947	\$ 2,011,155	\$ 180,377,489

**Note 13. 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 to retirees of the City who retire under the provisions of the Employees' Retirement Plan.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2003**

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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, 2002, the date of the last actuarial valuation:

Retirees and beneficiaries receiving healthcare benefits	390
Terminated plan members entitled to but not yet receiving healthcare benefits	65
Active plan members	<u>599</u>
Total	<u>1,054</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 14. 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 2003, the payments aggregated approximately \$791,000 based on general fund appropriations. The approximate number of participants eligible to receive these benefits was 105 for police retirees and 100 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, 2003 approximated \$571,000.

**CITY OF MERIDEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2003**

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**Note 15. 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, 2003**

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

Fiscal Year Ended June 30,	Claims Payable Beginning	Claims and Changes in Estimates	Claims Paid	Claims Payable Ending
Medical:				
2003	\$ 1,588,625	\$ 15,970,224	\$ 16,237,842	\$ 1,321,007
2002	1,574,274	15,070,341	15,055,990	1,588,625
Workers' Compensation:				
2003	\$ 2,029,650	\$ 3,593,232	\$ 2,269,694	\$ 3,353,188
2002	1,807,512	1,450,574	1,228,436	2,029,650

**Note 16. 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, 2003. 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 17. Issued But Not Effective Professional Standards**

The Governmental Accounting Standards Board (GASB) has issued two statements not yet implemented by the City. The statements which might impact the City are as follows:

- ◆ Statement No. 39, "Determining Whether Certain Organizations are Component Units," an amendment of GASB Statement No. 14 issued May 2002, will be effective for the fiscal year ending June 30, 2004. Statement No. 39 provides new guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government.
- ◆ Statement No. 40, "Deposit and Investment Risk Disclosures," issued March 31, 2003, will be effective for the fiscal year ending June 30, 2005. Statement No. 40 imposes new standards for disclosing deposits and investments. The Statement addresses common deposit and investment risks related to credit risk, interest rate risk, and foreign currency risk. The Statement's effect on the financial statements will limit the deposit and investment disclosure to categorizing deposits that are not covered by depository insurance and investment securities that are uninsured.

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**Supplemental and Combining  
Nonmajor 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 AND TRANSFERS IN - BUDGETARY BASIS -  
BUDGET AND ACTUAL

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>PROPERTY TAXES</b>				
Current year's levy	\$ 80,580,022	\$ 80,580,022	\$ 79,435,640	\$ (1,144,382)
Prior years' levies	2,977,745	2,977,745	2,408,056	(569,689)
Motor vehicle supplement	1,000,000	1,000,000	1,160,414	160,414
Personal property tax suspense	-	-	289,441	289,441
<b>Total taxes, interest and lien fees</b>	<b>84,557,767</b>	<b>84,557,767</b>	<b>83,293,551</b>	<b>(1,264,216)</b>
<b>INTERGOVERNMENTAL</b>				
State property pilot	519,381	519,381	515,642	(3,739)
Circuit court rent and fees	532,884	532,884	584,244	51,360
Public Act 217A - private schools	102,836	102,836	96,177	(6,659)
In lieu of taxes 080 Pilot-6	137,335	137,335	163,841	26,506
In lieu of taxes nonprofit institutions	1,148,805	1,148,805	1,142,025	(6,780)
LOCIP reimbursement	530,004	530,004	-	(530,004)
Town aid roads	416,249	416,249	189,572	(226,677)
Public Act 461 manufacturers inventory	1,549,635	1,549,635	1,019,973	(529,662)
Transportation non-public schools	290,909	290,909	244,410	(46,499)
Interest subsidy - school bonds	409,756	409,756	382,505	(27,251)
In lieu of taxes - boats	8,815	8,815	8,815	-
Transit district	139,665	139,665	153,623	13,958
State of CT Elderly Freeze	1,186,079	1,186,079	1,180,063	(6,016)
Telephone access line	1,025,196	1,025,196	868,321	(156,875)
School building grants	1,863,840	1,863,840	1,782,359	(81,481)
Transportation	780,919	780,919	902,094	121,175
Special education	850,000	850,000	744,724	(105,276)
Education for the blind	100,000	100,000	135,878	35,878
State Pequot Grant	2,308,197	2,308,197	1,773,197	(535,000)
State Education ECS Grant	42,111,084	42,111,084	42,915,524	804,440
State Aviation Pilot	40,340	40,340	39,715	(625)
Public Act 97-261 Pilot Municipal	7,500	7,500	-	(7,500)
Welfare reimbursement	-	-	4,222	4,222
<b>Total intergovernmental</b>	<b>56,059,429</b>	<b>56,059,429</b>	<b>54,846,924</b>	<b>(1,212,505)</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND REVENUES AND TRANSFERS IN - BUDGETARY BASIS -  
BUDGET AND ACTUAL, Continued  
For the Year Ended June 30, 2003**

	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	25,000	25,000	27,751	2,751
Licenses and permits	6,500	6,500	6,552	52
Administrative charges	25,500	25,500	23,830	(1,670)
Abandoned motor vehicles	6,000	6,000	4,575	(1,425)
Alarm fees	27,000	27,000	5,600	(21,400)
<b>Total police department</b>	<b>90,000</b>	<b>90,000</b>	<b>68,308</b>	<b>(21,692)</b>
<b>Building Department:</b>				
Building department fees	849,215	849,215	192,629	(656,586)
<b>City Clerk:</b>				
City Clerk fees	682,808	682,808	898,606	215,798
<b>Tax Collector:</b>				
Interest	1,365,000	1,365,000	1,586,271	221,271
Lien fees	30,686	30,686	26,216	(4,470)
<b>Total tax collector</b>	<b>1,395,686</b>	<b>1,395,686</b>	<b>1,612,487</b>	<b>216,801</b>
<b>Water Department:</b>				
Tax collector service	108,622	108,622	108,622	-
Engineering services	281,778	281,778	281,778	-
<b>Total water department</b>	<b>390,400</b>	<b>390,400</b>	<b>390,400</b>	<b>-</b>
<b>Sewer Department:</b>				
Tax collector service	108,622	108,622	108,622	-
Engineering services	281,778	281,778	281,778	-
<b>Total sewer department</b>	<b>390,400</b>	<b>390,400</b>	<b>390,400</b>	<b>-</b>
<b>Health Department:</b>				
Licenses and fees	25,746	25,746	27,264	1,518
<b>Parks and Recreation:</b>				
Recreation fees	3,600	3,600	3,990	390
Concession leases	1,500	1,500	-	(1,500)
<b>Total parks and recreation</b>	<b>5,100</b>	<b>5,100</b>	<b>3,990</b>	<b>(1,110)</b>
<b>Library:</b>				
Fines - lost and damaged books	13,208	13,208	13,912	704
<b>Total charges for services</b>	<b>3,842,563</b>	<b>3,842,563</b>	<b>3,597,996</b>	<b>(244,567)</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND REVENUES AND TRANSFERS IN - BUDGETARY BASIS -  
BUDGET AND ACTUAL, Continued  
For the Year Ended June 30, 2003**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>INVESTMENT INCOME</b>				
<b>Income from investments:</b>				
General Fund	298,591	298,591	346,889	48,298
Bonded projects fund	303,625	303,625	142,469	(161,156)
<b>Total investment income</b>	<b>602,216</b>	<b>602,216</b>	<b>489,358</b>	<b>(112,858)</b>
<b>OTHER REVENUE</b>				
Miscellaneous				
Reimbursement - enterprise fund	160,000	160,000	-	(160,000)
Interest - Joseph E. Coe Estate	6,500	6,500	14,034	7,534
VMMC P & I reimbursement	322,300	322,300	322,300	-
Other revenues	250,000	250,000	1,994,529	1,744,529
Sale of surplus property	250,000	250,000	26,862	(223,138)
YMCA reimbursement	48,113	48,113	66,418	18,305
Parking Commission revenue	129,360	129,360	69,668	(59,692)
Yankee Gas payment	2,950,109	2,950,109	4,922,439	1,972,330
<b>Total other revenue</b>	<b>4,116,382</b>	<b>4,116,382</b>	<b>7,416,250</b>	<b>3,299,868</b>
<b>TRANSFERS IN</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>
<b>TOTAL REVENUES</b>	<b>\$ 149,178,357</b>	<b>\$ 149,178,357</b>	<b>\$ 149,654,079</b>	<b>\$ 475,722</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
 BUDGETARY BASIS - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2003

	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	\$ 79,488	\$ 79,488	\$ 67,788	\$ 11,700
Codification	3,500	3,500	300	3,200
Office expenditures and supplies	35,000	35,000	34,657	343
Administration	30,000	30,000	29,423	577
MMEA	75,828	75,828	72,613	3,215
Tax Relief	1	1	-	1
Meetings and memberships	26,890	26,890	26,182	708
<b>Total Court of Common Council</b>	<b>250,707</b>	<b>250,707</b>	<b>230,963</b>	<b>19,744</b>
<b>City Manager:</b>				
Administration	218,598	218,598	221,325	(2,727)
MMEA	71,673	71,673	71,637	36
Deferred compensation	8,500	8,500	8,500	-
Vehicle maintenance	7,800	7,800	7,283	517
Management non-union	30,000	30,000	-	30,000
Office expenditures and supplies	21,000	21,980	15,109	6,871
Membership and meetings	45,409	45,409	43,343	2,066
<b>Total City Manager</b>	<b>402,980</b>	<b>403,960</b>	<b>367,197</b>	<b>36,763</b>
<b>Law:</b>				
Administration	180,353	183,258	177,669	5,589
MMEA	127,463	127,463	131,293	(3,830)
Streets and sidewalks	50,000	50,000	49,068	932
Attorney fees	125,000	125,000	109,777	15,223
Foreclosure activities	-	-	34,257	(34,257)
Office expenditures and supply	20,000	20,000	21,976	(1,976)
Membership and meetings	3,200	3,200	3,070	130
Deferred compensation	8,500	8,500	8,500	-
CWA	109,448	109,448	101,348	8,100
<b>Total Law</b>	<b>623,964</b>	<b>626,869</b>	<b>636,958</b>	<b>(10,089)</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
 BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Personnel:</b>				
Administration	118,291	121,956	88,577	33,379
MMEA	40,060	40,060	41,767	(1,707)
EAP services	12,500	12,500	6,020	6,480
Training	6,000	6,000	2,384	3,616
Tuition reimbursement	10,000	10,000	7,936	2,064
Alcohol/drug testing	6,000	6,000	3,292	2,708
Recruitment	500	500	441	59
Office expenditures and supply	10,800	10,800	12,765	(1,965)
Meetings and memberships	4,500	4,500	3,714	786
Attorney fees	75,000	75,000	97,756	(22,756)
<b>Total Personnel</b>	<b>283,651</b>	<b>287,316</b>	<b>264,652</b>	<b>22,664</b>
<b>Library:</b>				
Vehicle maintenance	2,000	2,000	488	1,512
Grounds maintenance	3,000	3,000	1,748	1,252
Miscellaneous part time	25,480	25,480	25,523	(43)
Administrative	74,074	77,778	77,707	71
MMEA	612,453	612,453	623,817	(11,364)
Public utilities	75,807	75,807	48,844	26,963
Telephones	8,580	8,580	4,369	4,211
Security service	700	700	28	672
Other purchased services	100,000	100,000	90,975	9,025
Building supplies and materials	35,000	35,000	32,255	2,745
Library	149,000	149,000	136,383	12,617
Office expenditures and supplies	30,000	30,000	24,277	5,723
Memberships and meetings	2,000	2,000	955	1,045
CWA	652,590	652,592	640,277	12,315
<b>Total Library</b>	<b>1,770,684</b>	<b>1,774,390</b>	<b>1,707,646</b>	<b>66,744</b>
<b>City Clerk:</b>				
Elected official	59,004	59,004	64,597	(5,593)
Overtime contingency	6,000	6,000	8,847	(2,847)
Other non-union	29,000	29,000	24,345	4,655
MMEA	179,509	179,509	186,176	(6,667)
Land records	74,000	74,000	88,934	(14,934)
Vital statistics	8,000	8,000	8,000	-
Office expenditures and supplies	13,000	13,000	14,006	(1,006)
Membership and meetings	2,200	2,200	2,130	70
Restoration	3,000	3,000	3,000	-
<b>Total City Clerk</b>	<b>373,713</b>	<b>373,713</b>	<b>400,035</b>	<b>(26,322)</b>

CITY OF MERIDEN, CONNECTICUT

**GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
For the Year Ended June 30, 2003**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Aviation:</b>				
Airport taxes	30,120	30,120	33,367	(3,247)
Office expenditures and supplies	400	400	201	199
Aviation maintenance	22,000	22,000	18,559	3,441
Other purchased services	3,000	3,000	950	2,050
<b>Total Aviation</b>	<b>55,520</b>	<b>55,520</b>	<b>53,077</b>	<b>2,443</b>
<b>Elections:</b>				
Primaries	40,000	40,000	29,647	10,353
Membership and meetings	2,000	2,000	916	1,084
Elected officials	41,500	41,500	42,072	(572)
Other non-union	1,700	1,700	1,700	-
MMEA	43,277	43,277	40,053	3,224
Office expenditures and supplies	17,200	17,200	16,690	510
Elections	40,000	40,000	39,763	237
<b>Total Elections</b>	<b>185,677</b>	<b>185,677</b>	<b>170,841</b>	<b>14,836</b>
<b>Finance:</b>				
Administrative	129,813	133,563	131,970	1,593
Overtime contingency	4,000	4,000	1,409	2,591
MMEA	184,243	184,243	180,197	4,046
CWA	161,099	161,099	122,492	38,607
Telephone	117,933	117,933	129,265	(11,332)
Office expenditures and supplies	22,401	22,401	23,882	(1,481)
Contingency	707,704	684,852	301,907	382,945
Membership and meetings	4,582	4,582	4,645	(63)
<b>Total Finance</b>	<b>1,331,775</b>	<b>1,312,673</b>	<b>895,767</b>	<b>416,906</b>
<b>Insurance:</b>				
Boilers and machinery	8,087	8,087	5,443	2,644
Bond money and securities	13,000	13,000	7,221	5,779
Fire and vandalism	139,700	139,700	70,868	68,832
Liability insurance	852,449	852,449	944,159	(91,710)
Workers' compensation	838,075	838,075	838,075	-
Police professional liability	50,000	50,000	34,242	15,758
Public official liability	58,522	58,522	45,932	12,590
Second Injury Fund	123,063	123,063	123,063	-
Workers' Compensation excess liability	49,374	49,374	31,552	17,822
<b>Total Insurance</b>	<b>2,132,270</b>	<b>2,132,270</b>	<b>2,100,555</b>	<b>31,715</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
 BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Employee Benefits:</b>				
Life insurance	56,622	56,622	57,789	(1,167)
Longevity	34,381	34,381	39,066	(4,685)
Severance	100,000	100,000	-	100,000
Unemployment compensation	125,000	125,000	81,369	43,631
Unused sick leave	182,358	182,358	207,434	(25,076)
Hypertension	622,921	622,921	570,590	52,331
Social security	1,721,556	1,721,556	1,830,873	(109,317)
Police benefits	1,108,917	1,108,917	826,520	282,397
Police pension funding	250,000	250,000	249,600	400
Police retiree medical benefit	385,621	385,621	385,200	421
Police social security medicare	74,534	74,534	73,117	1,417
Police retirement	1,813,543	1,813,543	1,813,200	343
Police medical	1,278,004	1,278,004	916,375	361,629
Police life	24,879	24,879	23,142	1,737
Police with compensation and hypertension	99,355	99,355	85,176	14,179
Fire benefits	1,000,230	1,000,230	777,944	222,286
Police vision pool	6,000	6,000	13,257	(7,257)
Police hearing pool	4,000	4,000	-	4,000
Fire pension funding	250,000	250,000	228,800	21,200
Fire retiree medical benefits	397,100	397,100	416,800	(19,700)
Fire social security	38,978	38,978	42,480	(3,502)
Fire retirement	1,030,227	1,030,227	1,029,600	627
Fire medical	986,497	986,497	681,119	305,378
Fire life	17,341	17,341	16,826	515
Fire with compensation and hypertension	109,016	109,016	69,735	39,281
Hepatitis B shot	1	1	-	1
Police certification bonus	72,000	72,000	75,000	(3,000)
Police longevity	40,200	40,200	62,771	(22,571)
Fire longevity	28,473	28,473	-	28,473
Fire vision pool	3,000	3,000	-	3,000
Fire hearing pool	2,500	2,500	-	2,500
Uniforms guards	5,170	5,170	4,274	896
City medical benefits	2,472,683	2,472,683	1,706,512	766,171
Education medical benefits	9,173,481	9,173,481	9,174,265	(784)
AmeriCorps	28,787	28,787	37,753	(8,966)
Headstart	45,444	45,444	17,814	27,630
CASA medical	12,613	12,613	5,162	7,451
<b>Total Employee Benefits</b>	<b>23,601,432</b>	<b>23,601,432</b>	<b>21,519,563</b>	<b>2,081,869</b>

CITY OF MERIDEN, CONNECTICUT

GENERAL FUND EXPENDITURES, ENCUMBRANCES AND TRANSFERS OUT -  
 BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Finance General Administration:</b>				
Transit	183,790	183,790	163,602	20,188
Pupil transportation	579,353	579,353	579,353	-
Advertising, printing, binding	15,000	15,000	-	15,000
Street lighting	592,800	592,800	540,403	52,397
Water	100,000	100,000	110,668	(10,668)
Hydrants	61,960	61,960	123,920	(61,960)
Sewers	55,000	55,000	57,844	(2,844)
Rod and Gun Fish Club	1,000	1,000	-	1,000
Cultural Diversity Fund	7,000	7,000	-	7,000
Hoopin OT	1,000	1,000	-	1,000
EMS Council	1,000	1,000	-	1,000
Park maintenance	-	7,500	5,850	1,650
Maloney scholarship	22,100	22,100	22,000	100
Veterans' organization	69,565	69,565	68,356	1,209
AIC materials only	500	500	66	434
Andrews Homestead	1,000	1,000	-	1,000
Ambulance	125,000	125,000	125,000	-
Nerden Day Camp	50,004	50,004	50,004	-
Day care	7,500	7,500	9,291	(1,791)
C med	115,632	115,632	129,528	(13,896)
Audit	66,740	66,740	66,357	383
Probate court	22,500	22,500	18,487	4,013
Zoning expenditures and supplies	16,000	17,000	11,500	5,500
Solomon Goffe House	1,000	1,000	420	580
Handicapped commission	1,000	1,000	60	940
Daffodil festival	30,000	30,000	30,009	(9)
Regional mental health	1,000	1,000	1,000	-
Repay housing authority	11,411	11,411	11,411	-
Textbook loan	38,000	38,000	36,997	1,003
Meriden Symphony	15,000	15,000	15,000	-
Special events and celebrations	35,000	35,000	34,896	104
Conservation committee	1,750	750	261	489
Marketing promotion	300,000	300,000	300,000	-
Flood supplies	17,677	17,677	795	16,882
Cemetary maintenance	7,500	7,500	7,500	-
TROC	4,496	4,496	3,050	1,446
Employment training	30,000	30,000	15,000	15,000
Regional growth partners	17,474	17,474	17,474	-

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Finance General Administration, Continued:</b>				
Humane Society	9,000	9,000	7,207	1,793
Friends of Library	18,000	18,000	18,000	-
Spec. Comm. Health Programming	3,000	3,000	-	3,000
Miscellaneous zoning part-time	-	-	398	(398)
Redevelopment maintenance	-	-	14,750	(14,750)
Transportation	-	-	3,916	(3,916)
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	8,160	8,160	8,160	-
Meriden Scholastic Scholars	46,000	46,000	39,500	6,500
Neighborhood associations	30,000	30,000	1,000	29,000
Web site	-	-	21,588	(21,588)
Silver City boxing	5,000	5,000	-	5,000
Teen satellite programs	225,000	225,000	240,525	(15,525)
Gallery 53	10,000	10,000	10,000	-
Curtis Utilization	88,000	88,000	88,000	-
Guiffrida Camp	-	9,200	8,289	911
Washington Park Drum Corps	2,000	2,000	-	2,000
<b>Total Finance General Administration</b>	<b>3,109,912</b>	<b>3,126,612</b>	<b>3,071,185</b>	<b>55,427</b>
<b>Purchasing:</b>				
Overtime contingency	500	500	490	10
MMEA	169,138	169,138	173,674	(4,536)
CWA	76,191	76,191	76,139	52
Office expenditures and supplies	4,800	4,800	4,254	546
Memberships, meetings and other	3,000	3,000	2,492	508
Petty cash	1	1	264	(263)
Storeroom	1	1	-	1
<b>Total Purchasing</b>	<b>253,631</b>	<b>253,631</b>	<b>257,313</b>	<b>(3,682)</b>
<b>Tax Collector:</b>				
Overtime contingency	4,500	4,500	815	3,685
MMEA	179,952	179,952	212,466	(32,514)
CWA	166,961	166,961	121,327	45,634
Office expenditures and supplies	65,000	65,000	60,022	4,978
Memberships and meetings	2,000	2,000	1,495	505
Miscellaneous part-time	1,260	1,260	-	1,260
<b>Total Tax Collector</b>	<b>419,673</b>	<b>419,673</b>	<b>396,125</b>	<b>23,548</b>

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Data Processing</b>				
CWA	118,071	118,071	117,903	168
Administrative	76,512	80,338	80,265	73
Overtime contingency	2,000	2,000	18	1,982
MMEA	126,264	126,264	136,123	(9,859)
Training	10,000	10,000	6,965	3,035
Rental of equipment	228,820	228,820	227,326	1,494
Office expenditures and supplies	47,000	47,000	38,299	8,701
Software	15,000	15,000	13,066	1,934
Memberships and meetings	2,000	2,000	2,000	-
Telephones	68,850	68,850	67,547	1,303
<b>Total Data Processing</b>	<b>694,517</b>	<b>698,343</b>	<b>689,512</b>	<b>8,831</b>
<b>Assessor:</b>				
Audit	20,000	20,000	6,690	13,310
MMEA	167,105	167,105	168,071	(966)
CWA	127,753	127,753	128,537	(784)
Revaluation	13,000	13,000	11,458	1,542
Office expenditures and supplies	12,000	12,000	12,440	(440)
Membership and meetings	1,600	1,600	1,701	(101)
<b>Total Assessor</b>	<b>341,458</b>	<b>341,458</b>	<b>328,897</b>	<b>12,561</b>
<b>Board of Tax Relief:</b>				
Miscellaneous part-time	750	750	750	-
Other expenditures and supplies	750	750	750	-
<b>Total Board of Tax Relief</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>
<b>Planning:</b>				
Administrative	80,310	80,310	84,628	(4,318)
Overtime	14,000	14,000	4,899	9,101
MMEA	379,305	379,305	390,174	(10,869)
CWA	172,418	172,418	153,116	19,302
Vehicle maintenance	5,500	5,500	8,185	(2,685)
Design review board	250	250	169	81
Office expenditures and supplies	7,000	7,000	6,535	465
Memberships and meetings	4,000	4,000	3,935	65
Unsafe buildings	2,000	2,000	-	2,000
Attorney fees	1,000	1,000	-	1,000
Miscellaneous part-time intern	1,500	1,500	1,500	-
<b>Total Planning</b>	<b>667,283</b>	<b>667,283</b>	<b>653,141</b>	<b>14,142</b>
<b>Inland Wetlands:</b>				
Other purchased services	1,500	1,500	1,000	500
Office expenditures and supplies	700	700	642	58
Memberships and meetings	200	200	150	50
<b>Total Inland Wetlands</b>	<b>2,400</b>	<b>2,400</b>	<b>1,792</b>	<b>608</b>

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Park:</b>				
Miscellaneous part-time	65,000	65,000	70,584	(5,584)
Administrative	93,671	96,481	96,427	54
Overtime contingency	60,000	60,000	96,486	(36,486)
Public works	672,132	672,132	676,644	(4,512)
CWA	62,587	62,587	64,042	(1,455)
Parks and rec. exp. and supplies	65,000	65,000	59,676	5,324
Vehicle maintenance	55,000	55,000	65,881	(10,881)
Heat, energy and lights	90,000	90,000	96,727	(6,727)
Park maintenance vandalism	18,000	18,000	17,367	633
Vandalism	5,000	5,000	4,997	3
Security	15,000	15,000	10,353	4,647
Memberships and meetings	1,500	1,500	1,340	160
Tree removal and replacement	10,000	10,000	4,408	5,592
Downtown	15,000	15,000	-	15,000
<b>Total Park</b>	<b>1,227,890</b>	<b>1,230,700</b>	<b>1,264,932</b>	<b>(34,232)</b>
<b>Recreation:</b>				
Other non-union	75,000	75,000	111,090	(36,090)
Public works	79,354	79,354	80,687	(1,333)
MMEA	73,071	73,071	73,575	(504)
Recreation program expense	10,000	10,000	10,000	-
Concerts	4,000	4,000	4,000	-
League subsidy	30,000	30,000	30,000	-
Office expenditures and supplies	10,200	10,200	11,209	(1,009)
Memberships and meetings	750	750	750	-
CWA	45,574	45,574	46,727	(1,153)
Holiday display replacement	6,000	6,000	6,000	-
Overtime	6,000	6,000	6,511	(511)
Guiffrida Camp	9,200	9,200	-	9,200
<b>Total Recreation</b>	<b>349,149</b>	<b>349,149</b>	<b>380,549</b>	<b>(31,400)</b>
<b>Parking Administrative</b>				
Vehicle maintenance	1,000	1,000	1,108	(108)
Parking administrative	500	500	-	500
Parking payroll	74,305	74,305	66,045	8,260
Parking maintenance	4,000	4,000	1,849	2,151
Parking telephones	1,600	1,600	154	1,446
Parking utilities	17,000	17,000	16,689	311
Parking general	2,500	2,500	2,328	172
CWA	31,969	31,969	32,119	(150)
<b>Total Parking Administrative</b>	<b>132,874</b>	<b>132,874</b>	<b>120,292</b>	<b>12,582</b>
<b>Total General Government</b>	<b>38,212,660</b>	<b>38,228,150</b>	<b>35,512,492</b>	<b>2,715,658</b>

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>EDUCATION</b>				
<b>Board of Education:</b>	70,921,582	71,396,582	71,032,502	364,080
<b>Total Board of Education</b>	<b>70,921,582</b>	<b>71,396,582</b>	<b>71,032,502</b>	<b>364,080</b>
<b>School Building Committee:</b>				
Salary clerical	1,080	1,080	508	572
Com, Adv, Print & Bind	144	144	-	144
Other purchased services	288	288	75	213
<b>Total School Building Committee</b>	<b>1,512</b>	<b>1,512</b>	<b>583</b>	<b>929</b>
<b>Total Education</b>	<b>70,923,094</b>	<b>71,398,094</b>	<b>71,033,085</b>	<b>365,009</b>
<b>PUBLIC SAFETY</b>				
<b>Police:</b>				
Administrative	155,000	159,250	166,213	(6,963)
Overtime contingency	740,000	740,000	600,767	139,233
MMEA	378,706	378,706	406,714	(28,008)
Police	6,993,057	6,993,057	6,725,332	267,725
CWA	275,126	275,126	236,372	38,754
Vehicle maintenance	161,000	283,380	225,124	58,256
Communications and finance	79,250	79,250	83,820	(4,570)
Training	150,000	150,000	141,238	8,762
South Central Justice	10,000	10,000	9,825	175
Auxiliary police	7,500	7,500	-	7,500
Canine unit	12,000	12,000	10,373	1,627
Police expenditures and supplies	88,000	88,000	77,147	10,853
Memberships and meetings	8,900	8,900	4,226	4,674
Police private duty	1	1	-	1
Public works	76,482	76,482	59,295	17,187
MIS technology	201,632	201,632	195,545	6,087
Bicycle Patrol	5,000	5,000	4,928	72
Hostage Crisis	10,000	10,000	9,789	211
Accreditation	10,000	10,000	9,173	827
Crime Prevention	15,000	15,000	14,101	899
Police Explorers	5,500	5,500	5,500	-
<b>Total Police</b>	<b>9,382,154</b>	<b>9,508,784</b>	<b>8,985,482</b>	<b>523,302</b>
<b>Fire:</b>				
Office expenditures and supplies	20,000	20,000	24,521	(4,521)
Administrative	158,445	132,445	99,751	32,694
Overtime contingency	685,000	685,000	787,169	(102,169)
Public works	54,592	80,592	79,426	1,166
Fire	4,761,812	4,761,812	5,006,049	(244,237)
MMEA	71,552	71,552	69,710	1,842
Vehicle maintenance	75,000	75,000	55,379	19,621

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Fire:</b>				
Communications and maintenance	25,000	25,000	14,496	10,504
Training	32,000	32,000	21,502	10,498
Physicals	40,000	40,000	25,173	14,827
Maintenance supplies	34,000	34,000	30,307	3,693
Heat energy lights	70,000	70,000	76,391	(6,391)
Fire equipment	57,000	57,000	48,578	8,422
Memberships and meetings	7,500	7,500	4,187	3,313
<b>Total Fire</b>	<b>6,091,901</b>	<b>6,091,901</b>	<b>6,342,639</b>	<b>(250,738)</b>
<b>South Meriden Fire Department:</b>				
Firefighter physicals	10,000	8,000	4,474	3,526
Hepatitis vaccine	1,500	1,500	97	1,403
Vehicle maintenance	5,200	5,200	5,314	(114)
Communications and maintenance	6,555	6,555	6,319	236
Training	4,100	4,100	3,804	296
Maintenance supplies	700	700	674	26
Heat, energy, lights	6,000	10,000	10,993	(993)
Food	2,700	2,700	2,700	-
Office expenditures and supplies	500	500	427	73
Fire equipment	24,265	22,265	21,846	419
Membership and meetings	1,000	1,000	918	82
Fire prevention and education	300	300	300	-
<b>Total South Meriden Fire Department</b>	<b>62,820</b>	<b>62,820</b>	<b>57,866</b>	<b>4,954</b>
<b>Public Safety Dispatch:</b>				
Office expenditures and supplies	5,500	5,500	2,539	2,961
MMEA	499,956	499,956	492,743	7,213
Training	4,000	4,000	1,153	2,847
Overtime contingency	160,000	160,000	191,576	(31,576)
Communications and printing	9,400	9,400	5,525	3,875
Fire	62,691	62,691	64,320	(1,629)
<b>Total Public Safety Dispatch</b>	<b>741,547</b>	<b>741,547</b>	<b>757,856</b>	<b>(16,309)</b>
<b>Civil Preparedness:</b>				
Miscellaneous part-time	8,250	8,250	8,250	-
Civil preparedness	2,000	2,000	50	1,950
Office expenditures and supplies	3,000	3,000	1,106	1,894
<b>Total Civil Preparedness</b>	<b>13,250</b>	<b>13,250</b>	<b>9,406</b>	<b>3,844</b>
<b>Total Public Safety</b>	<b>16,291,672</b>	<b>16,418,302</b>	<b>16,153,249</b>	<b>265,053</b>

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>PUBLIC WORKS</b>				
<b>Engineering:</b>				
Overtime	5,000	5,000	9,395	(4,395)
MMEA	389,455	389,455	378,772	10,683
CWA	216,903	216,903	141,587	75,316
Vehicle maintenance	7,500	7,500	5,003	2,497
Office expenditures and supplies	10,000	10,000	8,211	1,789
Membership and meetings	2,500	2,500	2,122	378
<b>Total Engineering</b>	<b>631,358</b>	<b>631,358</b>	<b>545,090</b>	<b>86,268</b>
<b>Garage and Warehouse:</b>				
Overtime contingency	15,000	15,000	7,995	7,005
Public works	354,110	354,110	279,474	74,636
MMEA	44,575	44,575	46,884	(2,309)
Repairs and maintenance	5,500	5,500	8,684	(3,184)
Office expenditures and supplies	7,000	7,000	5,346	1,654
Memberships and meetings	2,000	2,000	2,000	-
Garage materials	1	1	-	1
<b>Total Garage and Warehouse</b>	<b>428,186</b>	<b>428,186</b>	<b>350,383</b>	<b>77,803</b>
<b>Traffic Engineering:</b>				
Street lighting	10,000	10,000	6,121	3,879
CWA	75,712	75,712	76,503	(791)
Part time summer help	11,200	11,200	8,460	2,740
Overtime contingency	18,000	18,000	16,881	1,119
MMEA	185,330	185,330	192,077	(6,747)
Vehicle maintenance	12,000	12,000	12,421	(421)
Safety equipment	1,000	1,000	1,009	(9)
Signalization	62,000	62,000	52,857	9,143
Signs and alarms	35,000	35,000	33,620	1,380
Alarm system	2,000	2,000	514	1,486
Office expenditures and supplies	1,000	1,000	880	120
Memberships and meetings	2,000	2,000	215	1,785
<b>Total Traffic Engineering</b>	<b>415,242</b>	<b>415,242</b>	<b>401,558</b>	<b>13,684</b>

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Highway:</b>				
Office expenditures and supplies	8,500	8,500	7,942	558
Overtime contingency	32,000	32,000	35,699	(3,699)
Public works	683,724	683,724	683,308	416
CWA	142,476	142,476	141,648	828
Snow and ice control	375,000	375,000	695,970	(320,970)
Vehicle maintenance	190,000	190,000	185,648	4,352
Street maintenance supplies	12,000	12,000	9,206	2,794
Sidewalk, basin construction	4,000	4,000	3,490	510
Street construction	30,000	30,000	27,378	2,622
Storm drain construction	10,000	10,000	6,863	3,137
Brook dredging	40,000	40,000	31	39,969
Memberships and meetings	1,000	1,000	1,000	-
Bulky Waste	20,000	20,000	19,719	281
Clothing	6,000	6,000	5,848	152
<b>Total Highway</b>	<b>1,554,700</b>	<b>1,554,700</b>	<b>1,823,750</b>	<b>(269,050)</b>
<b>Landfill Operations:</b>				
Overtime contingency	14,200	14,200	23,122	(8,922)
Monitoring	30,000	30,000	22,387	7,613
Vehicle maintenance	12,500	12,500	15,001	(2,501)
Other purchased services	8,000	8,000	1,446	6,554
Office expenditures and supplies	2,500	2,500	1,057	1,443
<b>Total Landfill Operations</b>	<b>67,200</b>	<b>67,200</b>	<b>63,013</b>	<b>4,187</b>
<b>Waste Collection Second District</b>				
Office expenditures and supplies	225	225	175	50
Dumping fees	500,000	500,000	494,282	5,718
Contract	398,381	398,381	397,382	999
<b>Total Waste Collection Second District</b>	<b>898,606</b>	<b>898,606</b>	<b>891,839</b>	<b>6,767</b>
<b>Bulky Waste Collection Bureau</b>				
Overtime contingency	1,500	1,500	4,420	(2,920)
Vehicle maintenance	15,000	15,000	7,179	7,821
Office expenditures and supplies	2,300	2,300	1,321	979
Public works	320,636	320,636	280,573	40,063
MMEA	43,701	43,701	44,986	(1,285)
Dumping fees	400,000	400,000	210,375	189,625
Clothing allowance	2,340	2,340	2,136	204
<b>Total Bulky Waste Collection Bureau</b>	<b>785,477</b>	<b>785,477</b>	<b>550,990</b>	<b>234,487</b>

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Building Maintenance:</b>				
Overtime contingency	34,000	34,000	52,117	(18,117)
Public works	283,198	283,198	237,498	45,700
CWA	58,724	58,724	58,914	(190)
Vehicle maintenance	500	500	911	(411)
Maintenance supplies	35,000	35,000	25,438	9,562
Heat, energy, lights	350,000	350,000	399,639	(49,639)
<b>Total Building Maintenance</b>	<b>761,422</b>	<b>761,422</b>	<b>774,517</b>	<b>(13,095)</b>
<b>Total Public Works</b>	<b>5,542,191</b>	<b>5,542,191</b>	<b>5,401,140</b>	<b>141,051</b>
<b>HUMAN SERVICES</b>				
<b>Health Department:</b>				
Certified salaries	361,063	361,063	339,300	21,763
Miscellaneous part-time	7,525	7,525	4,500	3,025
Administration	82,199	86,309	86,230	79
Overtime contingency	1,600	1,600	2,618	(1,018)
Public health nurses	849,889	876,899	898,244	(21,345)
MMEA	602,076	602,076	561,927	40,149
CWA	139,610	139,610	134,794	4,816
Vehicle maintenance	3,800	3,800	4,027	(227)
Other purchased services	1	1	-	1
Office expenditures and supplies	11,000	11,000	10,711	289
Environmental supplies	11,690	11,690	9,358	2,332
Health supplies	9,700	9,700	6,809	2,891
Public Act 10 217A supplies	9,000	9,000	7,651	1,349
Memberships and meetings	4,000	4,000	1,880	2,120
Special projects	1	1	-	1
Rabies exposure	300	300	-	300
Lead program	6,000	6,000	1,915	4,085
Emergency fund sewer	1	1	-	1
<b>Total Health Department</b>	<b>2,099,455</b>	<b>2,130,575</b>	<b>2,069,964</b>	<b>60,611</b>
<b>Social Services:</b>				
General assistance	5,000	5,000	4,028	972
Office expenditures and supplies	50	50	46	4
Evictions	61,950	61,950	62,583	(633)
<b>Total Social Services</b>	<b>67,000</b>	<b>67,000</b>	<b>66,657</b>	<b>343</b>

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Senior Affairs:</b>				
CWA	69,805	69,805	69,758	47
Memberships and meetings	500	500	435	65
Other non-union	25,000	25,000	23,049	1,951
MMEA	334,962	334,962	319,094	15,868
Vehicle maintenance	10,000	10,000	13,545	(3,545)
Office expenditures and supplies	12,000	12,000	12,161	(161)
Elderly nutrition	34,000	34,000	30,341	3,659
<b>Total Senior Affairs</b>	<b>486,267</b>	<b>486,267</b>	<b>468,383</b>	<b>17,884</b>
<b>Youth Services Bureau:</b>				
Overtime contingency	478	478	321	157
Memberships and meetings	750	750	695	55
MMEA	47,736	47,736	49,144	(1,408)
Office expenditures and supplies	1,500	1,500	1,555	(55)
Youth activities	2,500	2,500	2,450	50
CWA	64,625	64,625	62,943	1,682
<b>Total Youth Services Bureau</b>	<b>117,589</b>	<b>117,589</b>	<b>117,108</b>	<b>481</b>
<b>Total Human Services</b>	<b>2,770,311</b>	<b>2,801,431</b>	<b>2,722,112</b>	<b>79,319</b>
<b>DEBT SERVICE</b>				
Principal bonds	10,545,080	10,545,080	10,378,350	166,730
Interest	2,724,936	2,724,936	2,724,708	228
BAN interest	1,526,649	1,526,649	1,070,547	456,102
<b>Total Debt Service</b>	<b>14,796,665</b>	<b>14,796,665</b>	<b>14,173,605</b>	<b>623,060</b>
<b>TOTAL</b>	<b>\$ 148,536,593</b>	<b>\$ 149,184,833</b>	<b>\$ 144,995,683</b>	<b>\$ 4,189,150</b>

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## **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, 2003

	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	\$ 194,974	\$ 33,980	\$ 127,129	\$ 43,758	\$ 95,659
Intergovernmental receivable	-	-	-	11,929	-
Loans receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Investments	-	-	-	-	-
Other assets	-	-	-	-	-
<b>Total assets</b>	<b>\$ 194,974</b>	<b>\$ 33,980</b>	<b>\$ 127,129</b>	<b>\$ 55,687</b>	<b>\$ 95,659</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
Liabilities					
Accounts payable and accrued liabilities	\$ -	\$ 36,420	\$ 5,981	\$ 468	\$ -
Deferred revenue	-	-	-	-	-
Due to other funds	180,230	-	-	40,000	-
<b>Total liabilities</b>	<b>180,230</b>	<b>36,420</b>	<b>5,981</b>	<b>40,468</b>	<b>-</b>
Fund balances (deficits)					
Reserved for loans receivable	-	-	-	-	-
Reserved for donor's intentions	-	-	-	-	-
Unreserved and undesignated	14,744	(2,440)	121,148	15,219	95,659
<b>Total fund balances (deficits)</b>	<b>14,744</b>	<b>(2,440)</b>	<b>121,148</b>	<b>15,219</b>	<b>95,659</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 194,974</b>	<b>\$ 33,980</b>	<b>\$ 127,129</b>	<b>\$ 55,687</b>	<b>\$ 95,659</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
\$ -	\$ 609,727	\$ 53,124	\$ 326,931	\$ 17,721	\$ -	\$ 1,236,980	\$ 13,966
-	61,108	4,342	7,136	-	-	13,197	-
-	-	-	2,834,472	-	-	-	-
-	40,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	14,654	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 725,489</u>	<u>\$ 57,466</u>	<u>\$ 3,168,539</u>	<u>\$ 17,721</u>	<u>\$ -</u>	<u>\$ 1,250,177</u>	<u>\$ 13,966</u>
\$ -	\$ 40,668	\$ 14,031	\$ -	\$ -	\$ -	\$ 298,955	\$ 4,793
-	-	-	-	-	-	951,222	-
-	-	-	-	-	-	-	-
-	40,668	14,031	-	-	-	1,250,177	4,793
-	-	-	2,834,472	-	-	-	-
-	-	-	-	-	-	-	-
-	684,821	43,435	334,067	17,721	-	-	9,173
-	684,821	43,435	3,168,539	17,721	-	-	9,173
<u>\$ -</u>	<u>\$ 725,489</u>	<u>\$ 57,466</u>	<u>\$ 3,168,539</u>	<u>\$ 17,721</u>	<u>\$ -</u>	<u>\$ 1,250,177</u>	<u>\$ 13,966</u>

CITY OF MERIDEN, CONNECTICUT

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, Continued  
 June 30, 2003

	Special Revenue				
	Transit Welfare to Work	Dog Fund	Landfill Reclamation	Cafeteria	Meriden Public School Rental
<b>ASSETS</b>					
Cash and cash equivalents	\$ 7,510	\$ 20,008	\$ 46,696	\$ 196,191	\$ 92,035
Intergovernmental receivable	17,670	4,010	1,500	271,925	-
Loans receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Investments	-	-	-	-	-
Other assets	-	10,111	-	-	-
<b>Total assets</b>	<b>\$ 25,180</b>	<b>\$ 34,129</b>	<b>\$ 48,196</b>	<b>\$ 468,116</b>	<b>\$ 92,035</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
Liabilities					
Accounts payable and accrued liabilities	\$ 18,991	\$ 19,226	\$ -	\$ 44,987	\$ -
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>18,991</b>	<b>19,226</b>	<b>-</b>	<b>44,987</b>	<b>-</b>
Fund balances (deficits)					
Reserved for loans receivable	-	-	-	-	-
Reserved for donor's intentions	-	-	-	-	-
Unreserved and undesignated	6,189	14,903	48,196	423,129	92,035
<b>Total fund balances (deficits)</b>	<b>6,189</b>	<b>14,903</b>	<b>48,196</b>	<b>423,129</b>	<b>92,035</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 25,180</b>	<b>\$ 34,129</b>	<b>\$ 48,196</b>	<b>\$ 468,116</b>	<b>\$ 92,035</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	
\$ 112,788	\$ -	\$ -	\$ 15,529	\$ -	\$ -	\$ -	\$ 28,911	
-	-	-	254	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 112,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,911</u>	
\$ 333	\$ 6,527	\$ 10,331	\$ -	\$ 69	\$ 40,083	\$ 1,468	\$ 10,918	
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>333</u>	<u>6,527</u>	<u>10,331</u>	<u>-</u>	<u>69</u>	<u>40,083</u>	<u>1,468</u>	<u>10,918</u>	
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
112,455	(6,527)	(10,331)	15,783	(69)	(40,083)	(1,468)	17,993	
<u>112,455</u>	<u>(6,527)</u>	<u>(10,331)</u>	<u>15,783</u>	<u>(69)</u>	<u>(40,083)</u>	<u>(1,468)</u>	<u>17,993</u>	
\$ 112,788	\$ -	\$ -	\$ 15,783	\$ -	\$ -	\$ -	\$ 28,911	

CITY OF MERIDEN, CONNECTICUT

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, Continued  
 June 30, 2003

	Special Revenue					
	Lorenzo Fuller Award	Charlotte Yale Ives	Downtown Property Management	School Readiness	Reading Video	CP National Science Foundation
	<b>ASSETS</b>					
Cash and cash equivalents	\$ 7,134	\$ 3,871	\$ 19,829	\$ 198,104	\$ 9,557	\$ 206
Intergovernmental receivable	-	-	-	134,772	-	-
Loans receivable, net	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 7,134</b>	<b>\$ 3,871</b>	<b>\$ 19,829</b>	<b>\$ 332,876</b>	<b>\$ 9,557</b>	<b>\$ 206</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>						
<b>Liabilities</b>						
Accounts payable and accrued liabilities	\$ -	\$ 686	\$ -	\$ 340,042	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>686</b>	<b>-</b>	<b>340,042</b>	<b>-</b>	<b>-</b>
<b>Fund balances (deficits)</b>						
Reserved for loans receivable	-	-	-	-	-	-
Reserved for donor's intentions	1,017	3,000	-	-	-	-
Unreserved and undesignated	6,117	185	19,829	(7,166)	9,557	206
<b>Total fund balances (deficits)</b>	<b>7,134</b>	<b>3,185</b>	<b>19,829</b>	<b>(7,166)</b>	<b>9,557</b>	<b>206</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 7,134</b>	<b>\$ 3,871</b>	<b>\$ 19,829</b>	<b>\$ 332,876</b>	<b>\$ 9,557</b>	<b>\$ 206</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	
\$ 31,002	\$ 212,775	\$ 76,663	\$ 222,259	\$ 2,118	\$ -	\$ 4,057,135
-	-	-	-	-	-	527,843
-	-	-	-	-	-	2,834,472
-	-	-	-	-	217,644	257,644
-	1,060,881	474,456	208,798	-	-	1,744,135
-	-	-	-	-	-	24,765
<u>\$ 31,002</u>	<u>\$ 1,273,656</u>	<u>\$ 551,119</u>	<u>\$ 431,057</u>	<u>\$ 2,118</u>	<u>\$ 217,644</u>	<u>\$ 9,445,994</u>
\$ 12,689	\$ -	\$ 5,802	\$ -	\$ -	\$ 172,360	\$ 1,085,828
-	-	-	-	-	-	951,222
-	-	-	-	-	-	220,230
<u>12,689</u>	<u>-</u>	<u>5,802</u>	<u>-</u>	<u>-</u>	<u>172,360</u>	<u>2,257,280</u>
-	-	-	-	-	-	2,834,472
-	50,000	50,000	134,153	-	-	238,170
18,313	1,223,656	495,317	296,904	2,118	45,284	4,116,072
<u>18,313</u>	<u>1,273,656</u>	<u>545,317</u>	<u>431,057</u>	<u>2,118</u>	<u>45,284</u>	<u>7,188,714</u>
<u>\$ 31,002</u>	<u>\$ 1,273,656</u>	<u>\$ 551,119</u>	<u>\$ 431,057</u>	<u>\$ 2,118</u>	<u>\$ 217,644</u>	<u>\$ 9,445,994</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, 2003**

	Special Revenue				
	Airport Improvement	Community Development Block Grant	Day Care Center	Health Department WIC Program	Insurance Reserve Fund
<b>REVENUES</b>					
Intergovernmental	\$ -	\$ 1,135,694	\$ 322,621	\$ 328,733	\$ -
Charges for services	-	-	201,507	-	-
Investment income	-	-	-	-	-
Net depreciation in fair value of investments	-	-	-	-	-
Other	-	-	26,540	-	500
<b>Total revenues</b>	<b>-</b>	<b>1,135,694</b>	<b>550,668</b>	<b>328,733</b>	<b>500</b>
<b>EXPENDITURES</b>					
General	-	-	-	-	-
Education	-	-	518,574	-	-
Human services	-	1,068,956	-	330,760	-
Public safety	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>1,068,956</b>	<b>518,574</b>	<b>330,760</b>	<b>-</b>
<b>Revenue over (under) expenditures</b>	<b>-</b>	<b>66,738</b>	<b>32,094</b>	<b>(2,027)</b>	<b>500</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in fund balances</b>	<b>-</b>	<b>66,738</b>	<b>32,094</b>	<b>(2,027)</b>	<b>500</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>14,744</b>	<b>(69,178)</b>	<b>89,054</b>	<b>17,246</b>	<b>95,159</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 14,744</b>	<b>\$ (2,440)</b>	<b>\$ 121,148</b>	<b>\$ 15,219</b>	<b>\$ 95,659</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
\$ -	\$ 782,805	\$ 36,492	\$ -	\$ 26,830	\$ -	\$ 9,184,805	\$ 10,100
-	128,369	90,766	9,320	-	-	-	2,100
-	11	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	9,006	4,791	1,120	-	-	-	-
-	920,191	132,049	10,440	26,830	-	9,184,805	12,200
-	-	-	-	-	-	-	633
-	-	-	-	-	-	9,184,805	-
-	835,942	128,587	-	-	-	-	-
-	-	-	-	61,156	-	-	8,701
-	-	-	-	-	-	-	-
-	835,942	128,587	-	61,156	-	9,184,805	9,334
-	84,249	3,462	10,440	(34,326)	-	-	2,866
-	-	-	247,701	-	-	-	-
-	-	-	247,701	-	-	-	-
-	84,249	3,462	258,141	(34,326)	-	-	2,866
-	600,572	39,973	2,910,398	52,047	-	-	6,307
\$ -	\$ 684,821	\$ 43,435	\$ 3,168,539	\$ 17,721	\$ -	\$ -	\$ 9,173

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, 2003

	Special Revenue				
	Transit Welfare to Work	Dog Fund	Land Reclamation	Cafeteria	Meriden Public School Rental
<b>REVENUES</b>					
Intergovernmental	\$ 75,606	\$ -	\$ -	\$ 1,442,495	\$ -
Charges for services	-	36,458	-	1,227,846	86,270
Investment income	-	-	-	-	695
Net depreciation in fair value of investments	-	-	-	-	-
Other	-	-	6,950	67,213	-
<b>Total revenues</b>	<b>75,606</b>	<b>36,458</b>	<b>6,950</b>	<b>2,737,554</b>	<b>86,965</b>
<b>EXPENDITURES</b>					
General	-	-	-	-	-
Education	-	-	-	2,703,117	62,104
Human services	75,606	-	-	-	-
Public safety	-	38,840	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>75,606</b>	<b>38,840</b>	<b>-</b>	<b>2,703,117</b>	<b>62,104</b>
<b>Revenue over (under) expenditures</b>	<b>-</b>	<b>(2,382)</b>	<b>6,950</b>	<b>34,437</b>	<b>24,861</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in fund balances</b>	<b>-</b>	<b>(2,382)</b>	<b>6,950</b>	<b>34,437</b>	<b>24,861</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>6,189</b>	<b>17,285</b>	<b>41,246</b>	<b>388,692</b>	<b>67,174</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 6,189</b>	<b>\$ 14,903</b>	<b>\$ 48,196</b>	<b>\$ 423,129</b>	<b>\$ 92,035</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
\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 289,351	\$ -	\$ 48,609
65,214	-	-	-	17,698	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	5,786	-	5,401
65,214	40,000	-	-	17,698	295,137	-	54,010
-	-	-	-	-	-	-	-
28,813	-	-	-	28,762	-	-	-
-	-	-	-	-	342,064	27,080	-
-	51,819	-	13,894	-	-	-	56,822
-	-	-	-	-	-	-	-
28,813	51,819	-	13,894	28,762	342,064	27,080	56,822
36,401	(11,819)	-	(13,894)	(11,064)	(46,927)	(27,080)	(2,812)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
36,401	(11,819)	-	(13,894)	(11,064)	(46,927)	(27,080)	(2,812)
76,054	5,292	(10,331)	29,677	10,995	6,844	25,612	20,805
\$ 112,455	\$ (6,527)	\$ (10,331)	\$ 15,783	\$ (69)	\$ (40,083)	\$ (1,468)	\$ 17,993

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, 2003

	Special Revenue				
	Lorenzo Fuller Award	Charlotte Yale Inves	Downtown Property Management	School Readiness	Reading Video
<b>REVENUES</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,498,880	\$ 9,557
Charges for services	-	-	18,184	-	-
Investment income	255	138	-	1,298	-
Net depreciation in fair value of investments	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenues</b>	<b>255</b>	<b>138</b>	<b>18,184</b>	<b>1,500,178</b>	<b>9,557</b>
<b>EXPENDITURES</b>					
General	-	686	-	-	-
Education	-	-	-	1,645,750	-
Human services	-	-	23,888	-	-
Public safety	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>686</b>	<b>23,888</b>	<b>1,645,750</b>	<b>-</b>
<b>Revenue over (under) expenditures</b>	<b>255</b>	<b>(548)</b>	<b>(5,704)</b>	<b>(145,572)</b>	<b>9,557</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in fund balances</b>	<b>255</b>	<b>(548)</b>	<b>(5,704)</b>	<b>(145,572)</b>	<b>9,557</b>
<b>FUND BALANCES (DEFICITS), beginning</b>	<b>6,879</b>	<b>3,733</b>	<b>25,533</b>	<b>138,406</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS), ending</b>	<b>\$ 7,134</b>	<b>\$ 3,185</b>	<b>\$ 19,829</b>	<b>\$ (7,166)</b>	<b>\$ 9,557</b>

Special Revenue					Capital Projects		Totals
CP National Science Foundation	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	
\$ -	\$ 41,177	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,273,755
-	-	-	-	-	-	-	1,883,732
756	-	3,026	-	7,826	-	-	14,005
-	-	-	(9,127)	-	-	-	(9,127)
-	-	-	-	127,468	-	442,708	697,483
756	41,177	3,026	(9,127)	135,294	-	442,708	17,859,848
550	-	2,707	21,856	146,606	-	-	173,038
-	-	-	-	-	-	-	14,171,925
-	-	-	-	-	-	-	2,832,883
-	22,889	-	-	-	-	-	254,121
-	-	-	-	-	-	797,239	797,239
550	22,889	2,707	21,856	146,606	-	797,239	18,229,206
206	18,288	319	(30,983)	(11,312)	-	(354,531)	(369,358)
-	-	-	-	-	-	-	247,701
-	-	-	-	-	-	-	247,701
206	18,288	319	(30,983)	(11,312)	-	(354,531)	(121,657)
-	25	1,273,337	576,300	442,369	2,118	399,815	7,310,371
\$ 206	\$ 18,313	\$ 1,273,656	\$ 545,317	\$ 431,057	\$ 2,118	\$ 45,284	\$ 7,188,714

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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, 2003**

	Workers' Compensation Fund	Meriden Health Insurance	Totals
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 58,610	\$ 3,599,377	\$ 3,657,987
Investments	-	514,605	514,605
Accounts receivable	37,378	111,690	149,068
<b>Total current assets</b>	<b>95,988</b>	<b>4,225,672</b>	<b>4,321,660</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	163,230	-	163,230
Retiree funds payable	-	2,942	2,942
Claims payable	1,429,169	1,321,007	2,750,176
<b>Total current liabilities</b>	<b>1,592,399</b>	<b>1,323,949</b>	<b>2,916,348</b>
<b>Noncurrent Liabilities</b>			
Long-term claims payable	1,924,019	-	1,924,019
<b>Total noncurrent liabilities</b>	<b>1,924,019</b>	<b>-</b>	<b>1,924,019</b>
<b>Total liabilities</b>	<b>3,516,418</b>	<b>1,323,949</b>	<b>4,840,367</b>
<b>Net Assets (Deficit)</b>			
Unrestricted (deficit)	\$ (3,420,430)	\$ 2,901,723	\$ (518,707)

**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, 2003**

	Workers' Compensation Fund	Meriden Health Insurance	Totals
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,309,255	\$ 15,015,568	\$ 16,324,823
Other revenue	47,661	2,238,047	2,285,708
<b>Total operating revenues</b>	<b>1,356,916</b>	<b>17,253,615</b>	<b>18,610,531</b>
<b>OPERATING EXPENSES</b>			
Claims incurred	2,269,694	16,237,842	18,507,536
Administration	66,380	-	66,380
Salaries and benefits	14,213	-	14,213
Other expenses	123,238	-	123,238
<b>Total operating expenses</b>	<b>2,473,525</b>	<b>16,237,842</b>	<b>18,711,367</b>
<b>Operating income (loss)</b>	<b>(1,116,609)</b>	<b>1,015,773</b>	<b>(100,836)</b>
<b>NONOPERATING REVENUES</b>			
Investment income	1,041	6,596	7,637
<b>Changes in net assets</b>	<b>(1,115,568)</b>	<b>1,022,369</b>	<b>(93,199)</b>
<b>NET ASSETS (DEFICIT), beginning of year</b>	<b>(2,304,862)</b>	<b>1,879,354</b>	<b>(425,508)</b>
<b>NET ASSETS (DEFICIT), end of year</b>	<b>\$ (3,420,430)</b>	<b>\$ 2,901,723</b>	<b>\$ (518,707)</b>

CITY OF MERIDEN, CONNECTICUT

STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2003

	Workers' Compensation Fund	Meriden Health Insurance	Totals
<b>Cash Flows From Operating Activities</b>			
Receipts from customers and users	\$ 1,319,538	\$ 17,144,618	\$ 18,464,156
Payments to suppliers	(1,293,840)	(16,505,460)	(17,799,300)
<b>Net cash provided by operating activities</b>	<b>25,698</b>	<b>639,158</b>	<b>664,856</b>
<b>Cash Flows From Investing Activities</b>			
Interest received on investments	1,041	6,596	7,637
Sale of investments	-	2,903,433	2,903,433
<b>Net cash provided by investing activities</b>	<b>1,041</b>	<b>2,910,029</b>	<b>2,911,070</b>
<b>Net increase in cash and cash equivalents</b>	<b>26,739</b>	<b>3,549,187</b>	<b>3,575,926</b>
<b>Cash and Cash Equivalents</b>			
Beginning	31,871	50,190	82,061
Ending	<u>\$ 58,610</u>	<u>\$ 3,599,377</u>	<u>\$ 3,657,987</u>
<b>Reconciliation to Combined Balance Sheet</b>			
Cash and cash equivalents	<u>\$ 58,610</u>	<u>\$ 3,599,377</u>	<u>\$ 3,657,987</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>			
Operating income (loss)	\$ (1,116,609)	\$ 1,015,773	\$ (100,836)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Changes in assets and liabilities:			
Decrease in receivable accounts	(37,378)	(108,997)	(146,375)
(Increase) in receivable accounts	(143,853)	-	(143,853)
(Decrease) in accrued expenses/accounts payable	1,323,538	(267,618)	1,055,920
<b>Net cash provided by operating activities</b>	<u>\$ 25,698</u>	<u>\$ 639,158</u>	<u>\$ 664,856</u>

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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, 2003**

	Pension Trust Funds				
	Employees Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 15,129,769	\$ 5,691,778	\$ 6,450,012	\$ 319,533	\$ 27,591,092
Investments	86,877,878	30,005,377	34,251,244	1,691,622	152,826,121
<b>Total assets</b>	<b>102,007,647</b>	<b>35,697,155</b>	<b>40,701,256</b>	<b>2,011,155</b>	<b>180,417,213</b>
<b>LIABILITIES</b>					
Due to students	-	-	-	-	-
Other liabilities	5,955	12,460	21,309	-	39,724
<b>Total liabilities</b>	<b>5,955</b>	<b>12,460</b>	<b>21,309</b>	<b>-</b>	<b>39,724</b>
<b>Net Assets Held in Trust</b>	<b>\$ 102,001,692</b>	<b>\$ 35,684,695</b>	<b>\$ 40,679,947</b>	<b>\$ 2,011,155</b>	<b>\$ 180,377,489</b>

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
\$ 111,718	\$ 6,804	\$ 1,657	\$ 137,027	\$ 257,206
-	-	-	-	-
111,718	6,804	1,657	137,027	257,206
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 111,718	\$ 6,804	\$ 1,657	\$ 137,027	\$ 257,206

(Continued)

**CITY OF MERIDEN, CONNECTICUT**

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**

**FIDUCIARY FUNDS, Continued**

**June 30, 2003**

	Agency Funds				
	Project RAVE	Senior Trips	Student Activity Fund	Performance Bonds	Total Agency Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 5,727	\$ 4,690	\$ 422,940	\$ 460,491	\$ 893,848
Investments	-	-	-	-	-
<b>Total assets</b>	<b>5,727</b>	<b>4,690</b>	<b>422,940</b>	<b>460,491</b>	<b>893,848</b>
<b>LIABILITIES</b>					
Due to students	5,727	4,690	422,940	-	433,357
Other liabilities	-	-	-	460,491	460,491
<b>Total liabilities</b>	<b>5,727</b>	<b>4,690</b>	<b>422,940</b>	<b>460,491</b>	<b>893,848</b>
<b>Net Assets Held in Trust</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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CITY OF MERIDEN, CONNECTICUT

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended June 30, 2003

	Pension Trust Funds				
	Employees' Retirement	Firefighters' Pension	Police Pension	Post- employment Healthcare Plan	Total Pension Trust Funds
<b>Additions</b>					
Contributions					
Employer	\$ -	\$ 1,675,200	\$ 2,448,000	\$ -	\$ 4,123,200
Plan members	1,072,224	309,461	405,686	536,112	2,323,483
Donations and other	-	-	-	-	-
<b>Total additions</b>	<b>1,072,224</b>	<b>1,984,661</b>	<b>2,853,686</b>	<b>536,112</b>	<b>6,446,683</b>
Investment Income (loss)					
Net depreciation in fair value of investments	(4,014,091)	(4,541,652)	1,267,676	(694,831)	(7,982,898)
Interest and dividends	3,154,870	1,158,565	1,292,888	59,410	5,665,733
	(859,221)	(3,383,087)	2,560,564	(635,421)	(2,317,165)
Less investment expense	495,258	178,551	199,931	9,327	883,067
<b>Net investment income (loss)</b>	<b>(1,354,479)</b>	<b>(3,561,638)</b>	<b>2,360,633</b>	<b>(644,748)</b>	<b>(3,200,232)</b>
<b>Total additions (reductions)</b>	<b>(282,255)</b>	<b>(1,576,977)</b>	<b>5,214,319</b>	<b>(108,636)</b>	<b>3,246,451</b>
<b>Deductions</b>					
Benefits	4,534,075	3,077,000	3,231,536	366,786	11,209,397
Other deductions	268,996	60,734	98,265	-	427,995
<b>Total deductions</b>	<b>4,803,071</b>	<b>3,137,734</b>	<b>3,329,801</b>	<b>366,786</b>	<b>11,637,392</b>
<b>Net change in net assets</b>	<b>(5,085,326)</b>	<b>(4,714,711)</b>	<b>1,884,518</b>	<b>(475,422)</b>	<b>(8,390,941)</b>
<b>Net Assets Held in Trust for Pension</b>					
<b>Benefits</b>					
Beginning of year	107,087,018	40,399,406	38,795,429	2,486,577	188,768,430
End of year	\$ 102,001,692	\$ 35,684,695	\$ 40,679,947	\$ 2,011,155	\$ 180,377,489

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
\$ -	\$ -	\$ -	\$ -	\$ -		\$ 4,123,200
-	-	-	-	-		2,323,483
55,233	-	1,342	-	56,575		56,575
55,233	-	1,342	-	56,575		6,503,258
-	-	-	-	-		(7,982,898)
4,317	139	24	20,739	25,219		5,690,952
4,317	139	24	20,739	25,219		(2,291,946)
-	-	-	-	-		883,067
4,317	139	24	20,739	25,219		(3,175,013)
59,550	139	1,366	20,739	81,794		3,328,245
-	-	-	-	-		11,209,397
3,252	330	2,000	5,407	10,989		438,984
3,252	330	2,000	5,407	10,989		11,648,381
56,298	(191)	(634)	15,332	70,805		(8,320,136)
55,420	6,995	2,291	121,695	186,401		188,954,831
\$ 111,718	\$ 6,804	\$ 1,657	\$ 137,027	\$ 257,206		\$ 180,634,695

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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  
BY CATEGORY**

**June 30, 2003**

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Governmental funds capital assets	
Land	\$ 17,943,186
Land improvements	8,424,488
Buildings and improvements	123,259,662
Machinery and equipment	10,011,205
Infrastructure	60,991,582
Vehicles	8,437,207
Construction in progress	5,142,153
<b>Total governmental funds capital assets</b>	<b>\$ 234,209,483</b>

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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, 2003**

Grand List Year	Uncollected Balance July 1, 2002	Current Year Levy	Lawful Corrections	Transfers to (Recoveries from) Suspense	Balance to be Collected
1987	\$ 35,281	\$ -	\$ (83)	\$ 2,023	\$ 37,221
1987 *	-	-	-	767	767
1988	37,691	-	(4,116)	12,162	45,737
1988 *	1	-	-	35	36
1989	47,201	-	(10,158)	53,251	90,294
1989 *	26	-	-	859	885
1990	63,450	-	(11,983)	44,360	95,827
1990 *	(1)	-	-	213	212
1991	76,650	-	(4,447)	41,190	113,393
1991 *	-	-	(107)	725	618
1992	70,313	-	(5,465)	22,178	87,026
1992 *	65	-	-	374	439
1993	82,587	-	(7,440)	32,548	107,695
1993 *	518	-	(81)	959	1,396
1994	90,331	-	(11,629)	32,832	111,534
1994 *	80	-	(227)	1,686	1,539
1995	224,150	-	(32,421)	52,447	244,176
1995 *	26	-	(50)	1,245	1,221
1996	232,502	-	(38,468)	52,855	246,889
1996 *	4,699	-	(162)	2,205	6,742
1997	290,016	-	(28,374)	33,541	295,183
1997 *	200	-	(47)	3,420	3,573
1998	910,357	-	(63,081)	-	847,276
1998 *	44,743	-	(4,985)	-	39,758
1999	1,450,876	-	(131,508)	-	1,319,368
1999 *	89,258	-	(1,475)	-	87,783
2000	2,903,019	-	(295,957)	-	2,607,062
2000 *	226,617	-	(8,534)	-	218,083
2001	-	83,897,156	(572,333)	-	83,324,823
2001 *	-	1,409,270	(29,013)	-	1,380,257
	<u>\$ 6,880,656</u>	<u>\$ 85,306,426</u>	<u>\$ (1,262,144)</u>	<u>\$ 391,875</u>	<u>\$ 91,316,813</u>

\* Supplemental tax levy

Collections

Taxes	Interest	Lien Fees	Total	Uncollected Balance June 30, 2003
\$ 1,940	\$ 4,717	\$ -	\$ 6,657	\$ 35,281
767	1,613	-	2,380	-
7,889	17,647	24	25,560	37,848
35	82	-	117	1
48,100	92,094	48	140,242	42,194
859	1,842	-	2,701	26
37,739	74,360	48	112,147	58,088
213	428	-	641	(1)
51,905	91,278	72	143,255	61,488
618	1,010	-	1,628	-
36,149	57,914	72	94,135	50,877
374	609	-	983	65
49,125	70,119	120	119,364	58,570
879	1,325	-	2,204	517
45,036	55,432	144	100,612	66,498
1,458	1,842	-	3,300	81
79,652	79,198	720	159,570	164,524
1,196	1,304	-	2,500	25
86,506	71,714	960	159,180	160,383
2,043	1,797	-	3,840	4,699
101,021	66,053	1,296	168,370	194,162
3,373	2,495	24	5,892	200
202,078	100,126	2,040	304,244	645,198
3,197	1,730	-	4,927	36,561
522,602	183,261	6,002	711,865	796,766
23,495	7,701	-	31,196	64,288
1,430,804	275,666	14,464	1,720,934	1,176,258
130,482	20,825	-	151,307	87,601
80,439,724	366,990	2,030	80,808,744	2,885,099
1,162,784	13,068	-	1,175,852	217,473
<b>\$ 84,472,043</b>	<b>\$ 1,664,240</b>	<b>\$ 28,064</b>	<b>\$ 86,164,347</b>	<b>\$ 6,844,770</b>

**CITY OF MERIDEN, CONNECTICUT**

**REPORT OF COLLECTIONS OF USE CHARGES - SEWER AUTHORITY**  
**For the Year Ended June 30, 2003**

Grand List Year	Uncollected Balance July 1, 2002	Current Year Levy	Corrections			Adjusted Amount Collectible
			Additions	Deletions	Adjustments	
1987	\$ 3,374	\$ -	\$ -	\$ -	\$ (3,374)	\$ -
1988	9,401	-	-	-	(9,401)	-
1989	14,442	-	-	-	(14,442)	-
1990	3,704	-	-	-	(3,073)	631
1991	6,330	-	-	-	(3,855)	2,475
1992	17,196	-	-	-	(4,015)	13,181
1993	7,565	-	-	(241)	(2,415)	4,909
1994	22,500	-	-	(271)	(2,448)	19,781
1995	22,588	-	-	(371)	(1,611)	20,606
1996	19,192	-	-	(635)	(2,372)	16,185
1997	20,897	-	-	(255)	(1,492)	19,150
1998	29,694	-	-	(9,420)	(1,537)	18,737
1999	31,538	-	-	(7,861)	(3,442)	20,235
2000	54,500	-	-	(8,123)	(2,487)	43,890
2001	82,246	-	552	(8,627)	(3,886)	70,285
2002	1,026,703	-	1,705	(8,055)	(3,515)	1,016,838
2003	-	4,511,398	2,747	-	(5,948)	4,508,197
	<u>\$ 1,371,870</u>	<u>\$ 4,511,398</u>	<u>\$ 5,004</u>	<u>\$ (43,859)</u>	<u>\$ (69,313)</u>	<u>\$ 5,775,100</u>

Collections				
Sewer Use Charges	Interest	Lien Fees	Total	Uncollected Balance June 30, 2003
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	631
135	51	48	234	2,340
7,147	13,458	72	20,677	6,034
176	160	72	408	4,733
13,978	13,128	144	27,250	5,803
16,188	21,137	192	37,517	4,418
9,846	11,361	216	21,423	6,339
11,212	10,733	339	22,284	7,938
3,562	5,148	480	9,190	15,175
2,298	1,728	621	4,647	17,937
14,716	5,758	1,155	21,629	29,174
48,747	13,168	5,002	66,917	21,538
910,308	50,537	40,365	1,001,210	106,530
3,511,100	25,290	10,866	3,547,256	997,097
<u>\$ 4,549,413</u>	<u>\$ 171,657</u>	<u>\$ 59,572</u>	<u>\$ 4,780,642</u>	<u>\$ 1,225,687</u>

CITY OF MERIDEN, CONNECTICUT

REPORT OF COLLECTIONS OF USE CHARGES - WATER FUND

For the Year Ended June 30, 2003

Grand List Year	Uncollected Balance July 1, 2002	Current Year Levy	Corrections			Adjusted Amount Collectible
			Additions	Deletions	Adjustments	
1987	\$ 3,002	\$ -	\$ -	\$ -	\$ (3,002)	\$ -
1988	9,114	-	-	-	(9,114)	-
1989	17,727	-	-	-	(17,727)	-
1990	6,713	-	-	-	(4,651)	2,062
1991	9,881	-	-	-	(5,113)	4,768
1992	24,141	-	-	-	(5,878)	18,263
1993	13,578	-	-	(17)	(4,669)	8,892
1994	33,572	-	-	(373)	(3,385)	29,814
1995	35,154	-	-	(529)	(2,270)	32,355
1996	28,459	-	-	(910)	(3,402)	24,147
1997	33,181	-	-	(362)	(2,145)	30,674
1998	46,196	-	-	(8,970)	(2,205)	35,021
1999	48,323	-	-	(11,638)	(4,973)	31,712
2000	70,419	-	-	(12,106)	(3,565)	54,748
2001	111,451	-	112	(12,831)	(5,570)	93,162
2002	1,529,561	-	493	(12,007)	(4,987)	1,513,060
2003	-	6,833,004	3,657	-	(8,527)	6,828,134
	\$ 2,020,472	\$ 6,833,004	\$ 4,262	\$ (59,743)	\$ (91,183)	\$ 8,706,812

Collections					Uncollected Balance June 30, 2003
Water Use Charges	Interest	Lien Fees	Total		
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
-	-	-	-	-	-
963	776	48	1,787	1,099	1,099
1,238	1,206	144	2,588	3,530	3,530
10,956	6,357	168	17,481	7,307	7,307
1,072	612	145	1,829	7,820	7,820
20,980	16,108	240	37,328	8,834	8,834
24,939	31,652	288	56,879	7,416	7,416
15,741	17,421	312	33,474	8,406	8,406
17,431	16,285	432	34,148	13,243	13,243
10,714	10,346	572	21,632	24,307	24,307
4,583	3,237	672	8,492	27,129	27,129
11,500	4,958	1,259	17,717	43,248	43,248
62,731	16,706	4,949	84,386	30,431	30,431
1,372,384	70,094	39,972	1,482,450	140,676	140,676
5,371,778	41,659	10,860	5,424,297	1,456,356	1,456,356
<u>\$ 6,927,010</u>	<u>\$ 237,417</u>	<u>\$ 60,061</u>	<u>\$ 7,224,488</u>	<u>\$ 1,779,802</u>	

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>OPERATING EXPENSES</b>				
Memberships and meetings	\$ 6,000	\$ 6,000	\$ 2,693	\$ 3,307
Overtime	117,652	117,652	104,333	13,319
Labor public works	585,750	585,750	564,551	21,199
Administration:				
MMEA	45,011	45,011	44,999	12
CWA	375,631	375,631	343,378	32,253
Employee benefits	353,023	353,023	321,415	31,608
Hepatitis B shot	5,000	5,000	3,064	1,936
Repairs and maintenance	211,800	211,800	248,237	(36,437)
Engineering	281,778	281,778	281,778	-
Fiscal Division Services	349,000	349,000	358,583	(9,583)
Pump station operation and maintenance	66,000	66,000	49,308	16,692
Sewer expense and supplies	865,000	865,000	896,856	(31,856)
Insurance	294,975	294,975	368,490	(73,515)
Claims	10,000	10,000	4,250	5,750
New items sewer equipment	25,000	25,000	-	25,000
Capital outlay	-	-	53,650	(53,650)
Utilities	560,000	560,000	554,384	5,616
Call Before You Dig	10,000	10,000	-	10,000
Vehicle maintenance	88,886	88,886	-	88,886
Audit fees	8,554	8,554	11,444	(2,890)
Allocation General Fund	358,583	358,583	-	358,583
Disposal Bio Solids	483,707	483,707	-	483,707
<b>Total operating expenses</b>	<b>5,101,350</b>	<b>5,101,350</b>	<b>4,211,413</b>	<b>889,937</b>
<b>NONOPERATING EXPENSES AND TRANSFERS</b>				
Debt service - principal	412,092	412,092	409,792	2,300
Debt service - interest	68,403	68,403	62,589	5,814
BAN interest	26,486	26,486	23,076	3,410
<b>Total nonoperating expenses and transfers</b>	<b>506,981</b>	<b>506,981</b>	<b>495,457</b>	<b>11,524</b>
<b>Total expenses</b>	<b>\$ 5,608,331</b>	<b>\$ 5,608,331</b>	<b>\$ 4,706,870</b>	<b>\$ 901,461</b>

CITY OF MERIDEN, CONNECTICUT

**SCHEDULE OF EXPENSES AND TRANSFERS - BUDGETARY BASIS - BUDGET AND ACTUAL  
WATER FUND  
For the Year Ended June 30, 2003**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>OPERATING EXPENSES</b>				
Fiscal Division:				
Overtime	\$ 15,000	\$ 15,000	\$ 2,245	\$ 12,755
Public works	138,866	138,866	122,791	16,075
MMEA	61,037	61,037	61,971	(934)
CWA	59,093	59,093	58,690	403
Employee benefits	116,891	116,891	110,537	6,354
Vehicle maintenance	8,841	8,841	10,821	(1,980)
Other purchased services	39,120	39,120	35,613	3,507
Office expense and supplies	1,100	1,100	898	202
Meter materials	15,000	15,000	12,034	2,966
Attorney fees	24,000	24,000	24,481	(481)
Tax collector services	217,244	217,244	217,244	-
Water meters	6,500	6,500	4,702	1,798
Liability insurance	54,691	54,691	52,644	2,047
Hepatitis B shots	400	400	-	400
<b>Total Fiscal Division</b>	<b>757,783</b>	<b>757,783</b>	<b>714,671</b>	<b>43,112</b>
<b>WATER</b>				
Overtime	162,500	162,500	160,494	2,006
Capital outlay	718,186	718,186	458,825	259,361
Public works	1,225,792	1,225,792	1,064,617	161,175
MMEA	94,485	94,485	114,461	(19,976)
CWA	209,997	209,997	208,511	1,486
Employee benefits	677,061	677,061	811,157	(134,096)
Taxes to other towns	97,200	97,200	76,306	20,894
Public utilities	633,500	633,500	590,369	43,131
Repairs and maintenance	10,000	10,000	8,835	1,165
Vehicle maintenance	104,500	104,500	202,689	(98,189)
Audit and attorney	13,560	13,560	11,100	2,460
Water purchased	101,400	101,400	96,266	5,134
Engineering services	281,778	281,778	281,778	-
Fiscal division services	399,200	399,200	399,200	-
Office expense and supplies	63,400	63,400	58,977	4,423
Maintenance:				
Mains and accessories	25,000	25,000	17,990	7,010
Reservoir	30,000	30,000	23,869	6,131
Pump stations	35,000	35,000	31,528	3,472
Service-materials	5,000	5,000	(2,062)	7,062
Treatment expense	414,250	414,250	376,838	37,412
Water equipment	12,700	12,700	8,212	4,488
Hydrants-materials	5,000	5,000	2,308	2,692

CITY OF MERIDEN, CONNECTICUT

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

For the Year Ended June 30, 2003

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>WATER, Continued</b>				
Memberships and meetings	4,500	4,500	3,384	1,116
Insurance	229,309	229,309	272,325	(43,016)
New mains and accessories	1	1	-	1
Repair trenches	11,000	11,000	10,017	983
Hepatitis	2,000	2,000	-	2,000
Call Before You Dig	25,000	25,000	-	25,000
<b>Total Water</b>	<b>5,591,319</b>	<b>5,591,319</b>	<b>5,287,994</b>	<b>303,325</b>
<b>Total operating expenses</b>	<b>6,349,102</b>	<b>6,349,102</b>	<b>6,002,665</b>	<b>346,437</b>
<b>NONOPERATING EXPENSES</b>				
Debt service - principal	868,200	868,200	868,200	-
Debt service - interest	187,006	187,006	170,214	16,792
Interest	40,326	40,326	29,892	10,434
<b>Total nonoperating expenses and transfers</b>	<b>1,095,532</b>	<b>1,095,532</b>	<b>1,068,306</b>	<b>27,226</b>
<b>Total expenses</b>	<b>\$ 7,444,634</b>	<b>\$ 7,444,634</b>	<b>\$ 7,070,971</b>	<b>\$ 373,663</b>

CITY OF MERIDEN, CONNECTICUT

**SCHEDULE OF EXPENSES - BUDGETARY BASIS - BUDGET AND ACTUAL**  
**GEORGE HUNTER MEMORIAL GOLF COURSE**  
**For the Year Ended June 30, 2003**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Budget	Final		
<b>OPERATING EXPENSES</b>				
Liability and general insurance	\$ 61,236	\$ 61,236	\$ 61,236	\$ -
Miscellaneous part-time	103,312	103,312	119,715	(16,403)
Overtime	10,236	10,236	12,044	(1,808)
Public works	116,022	116,022	109,798	6,224
CWA	56,076	56,076	54,429	1,647
Employee benefits	66,695	66,695	67,365	(670)
Golf expense and supplies	194,584	194,584	192,591	1,993
Golf security services	-	-	2,079	(2,079)
Capital equipment	50,196	50,196	48,321	1,875
Memberships and meetings	3,640	3,640	3,250	390
Clubhouse expense	32,341	32,341	21,206	11,135
<b>Total operating expenses</b>	<b>694,338</b>	<b>694,338</b>	<b>692,034</b>	<b>2,304</b>
<b>NONOPERATING EXPENSES</b>				
Debt service - interest	1,963	1,963	6,839	(4,876)
Bond payments	3,250	3,250	-	3,250
<b>Total nonoperating expenses</b>	<b>5,213</b>	<b>5,213</b>	<b>6,839</b>	<b>(1,626)</b>
<b>Total expenses</b>	<b>\$ 699,551</b>	<b>\$ 699,551</b>	<b>\$ 698,873</b>	<b>\$ 678</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
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
2002-2003	84,906	57,538	9,669	152,113

## CITY OF MERIDEN, CONNECTICUT

### GENERAL FUND EXPENDITURES AND TRANSFERS OUT BY FUNCTION Last Ten Fiscal Years (GAAP Basis) (Thousands)

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Fiscal Year	General Government	Education	Public Safety	Public Works	Human Services	Debt Service	Total
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
2002-2003	35,533	73,736	16,148	5,401	2,723	14,174	147,715

**CITY OF MERIDEN, CONNECTICUT**

**SUMMARY OF REVENUES, EXPENDITURES, TRANSFERS AND  
CHANGES IN FUND BALANCE (DEFICIT) - GENERAL FUND**

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

	1993-1994	1994-1995	1995-1996	1996-1997
<b>REVENUES AND TRANSFERS</b>				
Property taxes	\$ 57,891,601	\$ 62,369,244	\$ 66,821,102	\$ 63,672,601
Intergovernmental	40,969,252	42,237,682	44,952,222	47,541,527
Other revenue and transfers	4,852,818	7,974,031	5,845,446	4,928,164
<b>Total revenues and transfers</b>	<b>103,713,671</b>	<b>112,580,957</b>	<b>117,618,770</b>	<b>116,142,292</b>
<b>EXPENDITURES AND TRANSFERS</b>				
General government	22,872,403	26,744,148	27,681,694	28,252,398
Education	47,962,472	47,890,373	51,291,852	54,377,310
Public safety	10,541,826	11,216,204	11,561,924	12,070,649
Public works	6,187,837	4,911,853	5,687,321	5,210,701
Human Services	4,887,919	4,516,491	3,877,604	3,326,170
Debt service	14,170,200	12,943,903	14,382,693	13,119,342
<b>Total expenditures</b>	<b>106,622,657</b>	<b>108,222,972</b>	<b>114,483,088</b>	<b>116,356,570</b>
<b>Change in fund balance</b>	<b>(2,908,986)</b>	<b>4,357,985</b>	<b>3,135,682</b>	<b>(214,278)</b>
<b>FUND BALANCE (DEFICIT), beginning</b>	<b>2,045,814</b>	<b>(863,172)</b>	<b>3,494,813</b>	<b>6,630,495</b>
<b>FUND BALANCE (DEFICIT), ending</b>	<b>\$ (863,172)</b>	<b>\$ 3,494,813</b>	<b>\$ 6,630,495</b>	<b>\$ 6,416,217</b>

1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
\$ 64,506,758	\$ 64,948,840	\$ 67,004,837	\$ 77,363,055	\$ 79,387,699	\$ 84,906,039
48,473,245	51,028,144	54,204,986	58,055,306	58,856,398	57,538,170
4,500,168	5,191,437	7,059,676	5,827,509	5,523,385	9,913,880
117,480,171	121,168,421	128,269,499	141,245,870	143,767,482	152,358,089
28,728,008	31,389,384	27,392,317	33,536,892	34,855,210	35,533,421
55,807,188	58,729,805	62,026,715	64,467,649	69,583,833	73,736,502
12,534,128	13,088,297	13,961,527	14,741,369	15,265,107	16,147,749
5,101,786	5,142,299	4,852,324	5,351,824	4,956,248	5,401,140
2,482,980	2,431,339	2,485,720	2,510,468	2,621,178	2,722,687
15,191,816	17,071,535	14,890,455	17,315,907	14,799,855	14,173,605
119,845,906	127,852,659	125,609,058	137,924,109	142,081,431	147,715,104
(2,365,735)	(6,684,238)	2,660,441	3,321,761	1,686,051	4,642,975
6,416,217	4,050,482	(2,633,756)	26,685	3,348,446	5,034,497
\$ 4,050,482	\$ (2,633,756)	\$ 26,685	\$ 3,348,446	\$ 5,034,497	\$ 9,677,472

**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>
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	5,034,497	142,081,431	3.54 %
2003	9,677,472	147,950,414	6.54 %

## **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, 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	35.80	2.10	37.90
October 1, 2000	2001-02	40.40	2.10	42.50
October 1, 2001	2002-03	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
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
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	35.80 2.10	78,808,547	94.40
2002	1,941,535,686	First Second	40.40 2.10	78,356,632	95.90
2003	2,329,824,832	First Second	36.00 1.80	84,733,897	96.30

(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	26,443,255	1.13
Connecticut Light & Power	Public Utility	24,253,050	1.04
Yankee Gas	Public Utility	18,061,580	0.78
Urstadt Biddle Properties, Inc	Shopping Center	15,109,080	0.65
Carabetta Enterprises, Inc	Real Estate Developer	13,770,300	0.59
CUNO, Inc	Filter Manufacturer	12,016,080	0.52
C S C Outsourcing, Inc	Telecommunications Data Center	11,427,870	0.49
May Department Stores	Retail Sales	10,691,530	0.46
Cingular, SNET Mobility Inc	Telecommunications Company	9,536,000	0.41
T I Group Automotive Systems	Auto Parts Manufacturer	9,292,320	0.40
SBC/SNET Real Estate, Inc	Telephone Company	8,330,700	0.36
Canberra/Packard Bioscience	Manufacturer	8,264,570	0.35
Fusco-Meriden Assoc. LMT Partnership	Real Estate Developer	8,231,200	0.35
Flexo Converters USA Inc	Bag Manufacturer	8,140,790	0.35
Computer Sciences Corp.	Telecommunications Real Estate	8,041,670	0.34
Sears	Retail Sales	8,007,860	0.34
Target	Retail Sales	7,499,140	0.32
JEM Inc.	Real Estate Developer	7,312,620	0.31
	<b>Total</b>	<b>\$ 263,750,075</b>	<b>11.31 %</b>

<sup>(1)</sup> Based on net taxable grand list for October 1, 2002 of \$2,331,434,357.

Source: Assessor's Office, City of Meriden

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## **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
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
2003	89,970,000	2,329,825	3.86%	56,451	1,594

**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	
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%
2003	147,715,104	10,378,350	3,795,255	14,173,605	9.60%

**CITY OF MERIDEN, CONNECTICUT**

**CHANGES IN NOTE INDEBTEDNESS  
For the Year Ended June 30, 2003**

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Description	Date of Note	Maturity Date	Interest Rate (Percent)	Balance 6/30/02	Additional Borrowings	Retired During Year	Balance 6/30/03
State Street Bank and Trust	8/9/02	8/8/03	2.25	\$ -	\$17,250,000	\$ -	\$17,250,000
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>\$ 50,575,000</u>	<u>\$17,250,000</u>	<u>\$50,575,000</u>	<u>\$ 17,250,000</u>

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**CITY OF MERIDEN, CONNECTICUT**

**CHANGES IN BOND INDEBTEDNESS**

**For the Year Ended June 30, 2003**

Description	Date of Issue	Interest Rate %	Original Amount	O/S 7/1/02	Issued 7/1/02-6/30/03	Retired 02-03
GPIB	04/01/85	8.5, 8.6	\$ 5,250,000	\$ 550,000	\$ -	\$ 275,000
GPIB	07/15/87	6.0	12,950,000	180,000	-	180,000
GPIB	10/01/88	6.75, 6.9, 7.0	23,945,000	3,500,000	-	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	1,600,000	-	200,000
GPIB	01/15/91	6.4, 6.5	23,600,000	450,000	-	50,000
SCHOOL GPIB	11/18/92	4.625, 4.875, 5.0 5.25, 5.35, 5.50, 5.625	2,996,000	240,000	-	240,000
REVITALIZATION	11/18/92	5.875, 6.0, 6.125, 6.5	10,710,000	4,200,000	-	4,200,000
GPIB	11/18/92	6.625	6,994,000	560,000	-	560,000
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	6,800,000	-	6,800,000
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	500,000	-	500,000
GPIB	08/01/96	4.25, 4.4, 4.6, 4.7 4.8, 4.9, 6.25	10,332,000	5,025,000	-	1,065,000
GPIB	08/01/96	4.25, 4.4, 4.6, 4.7 4.8, 4.9, 6.25	11,523,000	5,850,000	-	935,000
GPIB	02/01/98	4.1,4.2,4.25 4.3,5.0	11,108,000	5,535,000	-	1,340,000
GPIB	02/01/98	4.1,4.2,4.25 4.3,5.0	12,792,000	7,650,000	-	1,275,000
GPIB	08/01/99	4.35,4.45,4.55,4.6 4.65,4.75,4.8	24,050,000	18,710,000	-	2,670,000
GPIB	08/01/02	1.427 to 4.62	39,200,000	-	39,200,000	-
GPIB	08/01/02	2.25 to 4.53	600,000	-	600,000	-
GPIB	04/15/03	0.0 to 3.625	9,610,000	-	9,610,000	-
			<u>\$ 236,635,000</u>	<u>\$ 61,350,000</u>	<u>\$ 49,410,000</u>	<u>\$ 20,790,000</u>

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

O/S 06/30/03	General Fund	Water	Sewer	Golf	Memorial Hospital	Totals
\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ 275,000	\$ 275,000
-	-	-	-	-	-	-
3,000,000	3,000,000	-	-	-	-	3,000,000
1,400,000	1,400,000	-	-	-	-	1,400,000
400,000	400,000	-	-	-	-	400,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,960,000	3,684,000	192,000	84,000	-	-	3,960,000
4,915,000	4,915,000	-	-	-	-	4,915,000
4,195,000	3,820,000	225,000	150,000	-	-	4,195,000
6,375,000	6,375,000	-	-	-	-	6,375,000
16,040,000	13,324,700	2,500,400	208,400	6,500	-	16,040,000
39,200,000	37,936,400	674,300	429,300	160,000	-	39,200,000
600,000	600,000	-	-	-	-	600,000
9,610,000	9,276,000	283,000	51,000	-	-	9,610,000
<u>\$ 89,970,000</u>	<u>\$ 84,731,100</u>	<u>\$ 3,874,700</u>	<u>\$ 922,700</u>	<u>\$ 166,500</u>	<u>\$ 275,000</u>	<u>\$ 89,970,000</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
2001	56,451	(3.1)	2,352

\* 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
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
2003						-

