

# **City of New Britain Connecticut**



## **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2009

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

OF THE

**CITY OF NEW BRITAIN  
CONNECTICUT**

FISCAL YEAR ENDED JUNE 30, 2009



Robert Curry, Director of Finance

Prepared by Finance Department

**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**JUNE 30, 2009**

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# **Introductory Section**

**CITY OF NEW BRITAIN, CONNECTICUT  
PRINCIPAL OFFICIALS**

**MAYOR**

Timothy T. Stewart

**TREASURER**

Teresa Sapieha-Yanchak

**TOWN COUNCIL**

Michael Trueworthy, Mayor ProTem  
Phil Sherwood, Majority Leader  
Paul Catanzaro, Assistant Majority Leader  
Adam Platosz, Assistant Majority Leader  
Tonilynn Collins, Majority Whip  
Louis Salvio, Minority Leader  
Mark Bernacki, Assistant Minority Leader  
Shirley Black  
Silvia Cruz  
Eva Magnuszewski, Assistant Majority Leader  
Lawrence Hermanowski  
Roy Centeno  
Mary Marrocco  
Carlo Carlozzi, Jr.  
Wilfredo Pabon

**ADMINISTRATION**

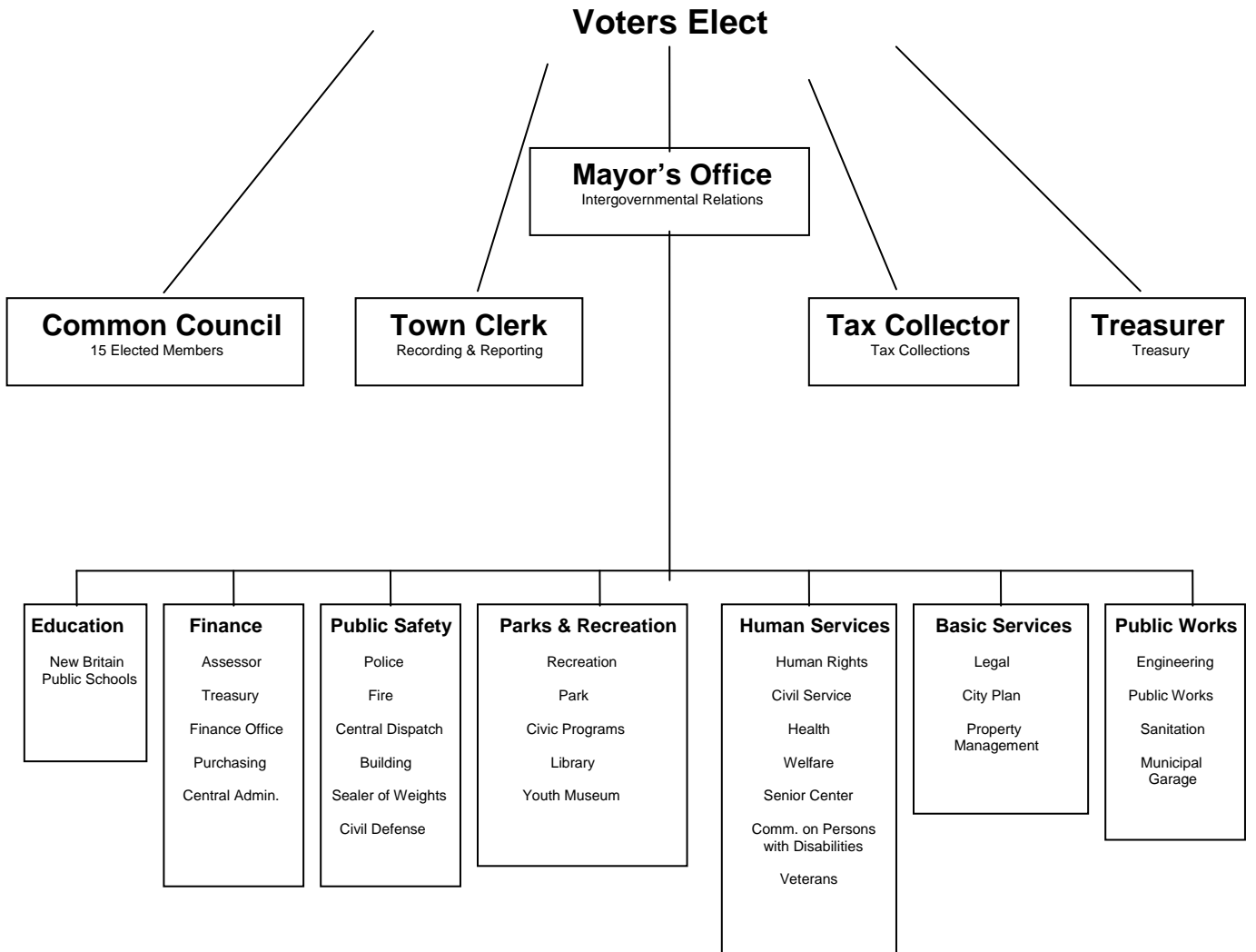
Corporation Counsel	Joseph Skelly
Town Clerk	Peter J. Denuzze
Tax Collector	Cheryl Blogoslawski
Assessor	Michael Konik
Director of Finance	Robert Curry
Director of Health	Eugene Ciccone
Director of Personnel	Karen Levine
Director of Parks and Recreation	William A. DeMaio
Director of Public Works	Mark Moriarty
Director of Youth Services	Christopher Montes
Director of Licenses, Permits and Inspections	Frank M. Wiatr
Director of Water	Gilbert Bligh
Director of Municipal Development	Kenneth Malinowski

**BOARD OF EDUCATION**

Brian K. Riley  
Sharon Beloin-Saavedra  
Paul Carver  
James Sanders  
Patricia Staskelunas-Coyle  
Aram Ayalon  
Anthony Kane  
Judy Grego  
Luisa Leal  
Dr. Doris Kurtz, Superintendent of Schools

**ORGANIZATIONAL CHART**

**ORGANIZATION OF CITY GOVERNMENT**



## CITY OF NEW BRITAIN, CONNECTICUT



December 20, 2009

To the Mayor, Members of the Common Council and Citizens of the City of New Britain:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of New Britain for the fiscal year ended June 30, 2009.

This report consists of management's representations concerning the finances of the City of New Britain. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of New Britain has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of New Britain's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of New Britain's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City of New Britain's financial statements have been audited by Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of New Britain for the fiscal year ended June 30, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent audit concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of New Britain's financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.



The independent audit of the financial statements of the City of New Britain was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are located within the City’s CAFR.

GAAP require 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 New Britain’s MD&A can be found immediately following the independent auditors’ report.

### **The Reporting Entity and Its Services**

The City of New Britain covers 13.3 square miles and was first settled as part of the Town of Berlin in 1680. It was incorporated as a separate Town in 1850 and chartered as a City in 1871. New Britain has access to Interstate 91, a major north-south highway, and Interstate 84, an east-west route connecting New England and New York via Routes 9 and 72, a limited access highway which runs through the City. Direct highway access to Hartford has been improved with the completion of the northern leg of the Central Connecticut Expressway (Route 9).

A major private sector initiative, the creation of a special taxing district in the downtown core, enables property owners to pool their money toward special downtown projects. The New Britain Downtown District continues a multi-faceted program of streetscape improvements, coordinated management (maintenance and security) and marketing.

New Britain offers a variety of housing and is committed to neighborhood preservation. Walnut Hill, a National Historic District overlooking the heart of the City, features a 98-acre park, displaying some of America’s rarest 19th century architecture. Over the past decade, older homes in the community have been completely renovated by their owners using a variety of specialty loan and grant programs. In addition, New Britain offers more than 800 housing units to its senior citizens.

The Stanley Works, a Fortune 500 company, has located its world headquarters facility at a site along Interstate 84. In addition, the City has benefited from the recent growth of many small businesses representing a variety of sectors. TD Banknorth, a national leader in the financial sector has recently located its corporate headquarters in downtown New Britain. Webster Bank has also recently located offices in the North West section of town. Continued growth of City-based corporations will increase both employment and tax revenue.

New Britain is also home to the Rock Cats (the Double A baseball affiliate of the Minnesota Twins) playing in a sports facility built to the standards established by the professional major leagues, the Museum of American Art (which recently underwent a 43,000 square foot, \$26 million renovation/expansion) and Central Connecticut State University with its schools of Education, Technology, and Business (which is the largest in the state).

The City offers nine major parks (A.W. Stanley, Stanley Quarter, Walnut Hill, Willow Brook, Osgood, Martha Hart, Washington, Chesley and Hungerford). Stanley Quarter Park is New England's largest public skate park with multi levels, two quarter pipes, stairs, grinding rails and pyramids. Some additional attractions offered in many of the City's parks include: paddle boats, aqua cycles, fun-yaks, a children's fishing pond, soccer fields, playgrounds, jogging tracks and outdoor ice skating.

Residents have a variety of medical facilities to call upon, including the 436- bed Hospital of Central Connecticut, the 200 bed Hospital for Special Care (formerly New Britain Memorial Hospital) for the chronically ill, and numerous modern clinics providing out-patient services. The Hospital for Special Care has completed a \$36 million expansion of its facility while the Hospital of Central Connecticut has completed a \$55.8 million expansion of its facility. The University of Connecticut Health Center and Hospital is within three miles of the City line in the adjacent Town of Farmington.

### **Form of Government**

New Britain became a consolidated City and Town in 1905 with a Mayor-Council-Commission form of Government. The Mayor and Council serve concurrent two-year terms and operate under a Charter adopted in 1961 with several subsequent revisions.

The Common Council, the legislative body elected biennially at large, consists of 15 Aldermen, 5 elected at large and 10 on a five-district basis (2 each). The other elected officials are City and Town Clerk, Collector of Taxes, Treasurer and three members of the Board of Tax Review.

The Mayor presides at meetings of the Common Council and makes appointments to Boards and Commissions as provided in the Charter or as created by ordinance. The Mayor is an ex-officio member of all bipartisan Boards and Commissions. All department heads report directly to the Mayor.

### **Major Initiatives**

The City of New Britain is committed to the well-being and quality of life for its residents. However, due to the demands of City residents, the current administration has continued to make tax reduction and grand list growth a primary goal. One way to accomplish this goal is to expand the City's economic development efforts, while at the same time, monitoring, reviewing and validating all City expenditures, both operating and capital, to ensure fiscal conservatism.

In line with these objectives, the City has continued to sell properties to employers and entrepreneurs who are building and expanding to create new jobs for New Britain's workers. The development of 60 acres of land on the former Pinnacle Heights Housing site is nearing completion. This will provide a significant boost to our City's grand list and provide more jobs within our community. Additionally, the first major project in the City's downtown master plan, the construction of a new police headquarters, has begun. This innovative development will serve as a catalyst for further growth in the center of the City.

You only have to look out the windows of City Hall to see the signs of hope and promise for the City's downtown area. Several vacant buildings have been remodeled and converted into luxury apartments, a theatre and a restaurant which have all brought a vibrant night life to New Britain for the first time in years.

This past year, record stretches of streets and crumbling sidewalks have been repaved and replaced under our new multi-year street paving program. This program will be continued for several more years.

### **Financial Information**

The Finance Department includes Accounting, Tax Assessment, Tax Collection, City Treasurer, Purchasing, Data Processing and Risk Management. The Accounting Division maintains, monitors and controls accounting records for City funds and account groups and has responsibility for banking relations and all bank accounts, as well as investment accounts for collecting or disbursing City funds. Bank and investment accounts are evaluated daily through on-line communication software.

The City is in the process of installing a new state of the art accounting system. Consideration was given to the adequacy of internal accounting controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Budgetary Controls**

The accounts of the City are organized in funds and account groups. Each fund operates with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Budgetary control of disbursements and encumbrances against appropriations is maintained by department, division or major activity. The City also maintains an encumbrance accounting system as one technique towards accomplishing budgetary control.

## **Pension Programs**

All full-time City employees, except for the certified employees of the Consolidated School District, the regular members of the Police Department hired prior to April 1, 2000 and the regular members of the Fire Department hired prior to July 1, 1995, are covered under a contributory pension plan administered by the Municipal Employees' Retirement Fund ("MERF"), a State of Connecticut multiple employer Public Employee Retirement System. Regular members of the Police and Fire Departments hired prior to April 1, 2000 and July 1, 1995 respectively, participate in contributory pension plans known as the Police Benefit Fund and the Firemen's Pension Plan. The certified faculty and administrative personnel of the Board of Education participate in the contributory defined benefit plan established under Chapter 167a of the Connecticut General Statutes that is administered by the Connecticut State Teacher's Retirement Board.

MERF is the administrator of a cost sharing multiple employer public employee retirement system ("PERS") established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERF is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund.

The City is the administrator of a single-employer public employee retirement system PERS established and administered by the City to provide pension benefits for its Police and Fire Department employees. Benefits and contributions under this retirement system are established by the City and may be amended only by the City Council. The PERS is considered to be part of the City's financial reporting entity and is included in the City's financial reports as pension trust funds.

## **Cash Management**

Eligible investments for Connecticut municipalities are governed by the Connecticut General Statutes. All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. Investments are carried at fair value.

The City's investments of operating funds include investments in the State of Connecticut Short-Term Investment Fund (STIF). Investment in Citizens Bank represents a typical money market account. Financial Investors Trust invest 100% of assets in money market mutual funds that are guaranteed by the U.S. Government or an agency or instrumentality of the U.S. Government. The City's investment with Fidelity Investments is in the Government Class I fund, which invests only in U.S. Government securities and repurchase agreements for these securities.

## **Debt Administration**

At year end, the City had a number of debt issues outstanding. These included \$177,324 of general obligation bonds. Under current state statutes, the City's general obligation bonded debt issuances are subject to a legal limitation based on seven times total tax collections plus state reimbursement for revenue loss. As of June 30, 2009, the City's net general obligation bonded debt of \$177 was well below the legal limit of \$740.

## **Risk Management**

The City has not experienced any significant changes in the number and cost of insurance claims.

The City is self-insured with regards to the following types of coverage:

Workers' Compensation (including Police and Firefighter Hypertension) - \$1 million/occurrence. Excess coverage with statutory limits applies beyond the retainage.

General Liability - \$500,000/occurrence; excess coverage applies up to \$1 million/occurrence, \$2 million aggregate, \$3 million excess.

Employee Fiduciary Bonds (except for the Treasurer, Tax Collector, Finance Director, Accounting Manager and Accounting Assistant).

Employee Medical Benefits for Board of Education and City employees with the exception of Health Organization Coverage (HMO). Stop loss coverage applies after the City has paid \$200,000 individual claims. There is no aggregate stop loss.

First dollar Auto Liability coverage on all vehicles is placed with Argonaut Insurance Company; excess Auto Liability coverage is placed with Argonaut Insurance Company. All risk property coverage is purchased from Allianz Specialty Insurance Inc. Coverage provides replacement value for buildings and contents. Coverage for vacant and unoccupied buildings for which rehabilitation or sale is anticipated is provided by Admiral Insurance Company on an actual cash basis. Vacant property liability is provided by Nautilus Insurance Company.

The Corporation Counsel's Office is diligently defending the City's interest in all legal matters. The City has appropriated in the fiscal year 2009 annual budget \$390,000 to assist in current and future claim defense and settlement. The City's potential liability of active claims is reviewed and updated annually by an independent actuary and such liability is made part of the City's financial statements.

## **Independent Audit**

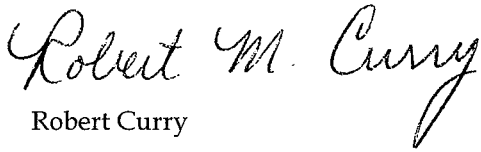
State Statute and the City Charter require an annual audit by an independent certified public accountant. The Statute further prescribes that each municipality's annual report shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP). This report has been prepared in accordance with these standards. The auditors' opinion has been included in this report.

## **Acknowledgements**

The City has received the Certificate of Achievement for Excellence in Financial Reporting since the Fiscal Year of June 30, 2001. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

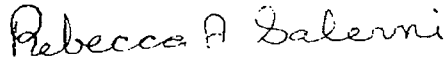
The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff. I would like to express my appreciation to the staff of the finance department and to all those who have contributed to this report. Special appreciation is conveyed to the representatives from Blum, Shapiro & Company, P.C. We also appreciate the continuing support of city leadership and the people of New Britain who are committed to fiscal integrity and financial leadership.

Respectfully submitted,



Robert Curry

Finance Director



Rebecca Salerni

Deputy Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of New Britain  
Connecticut

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

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



A handwritten signature in black ink, appearing to read "M. L. Post".

President

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

Executive Director

## **Financial Section**





Accounting | Tax | Business Consulting

## Independent Auditors' Report

To The Honorable Mayor and Members of the  
Common Council of the City of New Britain  
City of New Britain, 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 New Britain, Connecticut, as of and for the year ended June 30, 2009, 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'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 Standard*, 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of New Britain, Connecticut, as of June 30, 2009 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Blum, Shapiro & Company, P.C.

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Westport • Waterbury • New York

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Management's discussion and analysis on pages 3 through 11 and budgetary comparison information on pages 58 through 61 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2009 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

*Blum, Shapiro & Company, P.C.*

December 20, 2009

## CITY OF NEW BRITAIN, CONNECTICUT

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2009

This discussion and analysis of the City of New Britain, Connecticut's (City) financial performance is provided by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2009. Please read this MD&A in conjunction with the transmittal letter and the City's financial statements, Exhibits I to IX.

#### **Financial Highlights**

- The City's net assets decreased as a result of this year's operations. While net assets of our business-type activities increased by \$4.1 million, or nearly 9%, net assets of our governmental activities decreased by \$6.1 million, or 5.7%.
- In its governmental activities, the City had revenues of \$261 million and expenses of \$267 million; thus decreasing the net assets of governmental activities by \$6 million.
- In the City's business-type activities, revenues were \$13 million while expenses were \$9 million; thus increasing the net assets of the business-type funds by \$4 million.
- The General Fund reported a fund balance this year of \$10.0 million.
- The tax collection rate of the current levy was 95.96%

#### **Overview of the Financial Statements**

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are presented in Exhibit III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

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

The analysis of the City as a whole begins on Exhibits I and II. The statement of net assets and the statement of activities report information about the City as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes in them. The City's net assets the difference between assets and liabilities is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's capital assets, to assess the overall health of the City.

In the statement of net assets and the statement of activities, we divide the City into two types of activities:

- *Governmental activities* - Most of the City's basic services are reported here, including education, public safety, public works, health and welfare, parks, recreation and libraries, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.

- *Business-type activities* - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Water Department is reported here.

## **Fund Financial Statements**

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by Charter. However, the City Council establishes many other funds to help control and manage financial activities for particular purposes (like the Sewer Fund) or to show that it is meeting legal responsibilities for using grants, and other money (like grants received from the State and Federal Governments for education). The City's funds are divided into three categories; governmental, proprietary and fiduciary.

- *Governmental funds (Exhibits III and IV)* - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation included with the fund financial statements.
- *Proprietary funds (Exhibits V, VI and VII)* - When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of activities. In fact the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Self-Insurance Internal Service Fund.
- *Fiduciary funds (Exhibits VIII and IX)* - The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## **Government-Wide Financial Analysis**

The City's combined net assets are lower than they were one year ago decreasing from \$152 million to \$150 million. The analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

**TABLE 1**  
**NET ASSETS**  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Current assets	\$ 94,810	\$ 109,818	\$ 24,717	\$ 22,965	\$ 119,527	\$ 132,783
Capital assets:						
Capital assets not being depreciated	143,828	127,769	3,602	3,574	147,430	131,343
Capital assets being depreciated, net	<u>126,608</u>	<u>127,540</u>	<u>61,678</u>	<u>62,904</u>	<u>188,286</u>	<u>190,444</u>
Total assets	<u>365,246</u>	<u>365,127</u>	<u>89,997</u>	<u>89,443</u>	<u>455,243</u>	<u>454,570</u>
Long-term debt outstanding	209,861	208,205	39,084	42,226	248,945	250,431
Other liabilities	<u>55,253</u>	<u>50,678</u>	<u>834</u>	<u>1,294</u>	<u>56,087</u>	<u>51,972</u>
Total liabilities	<u>265,114</u>	<u>258,883</u>	<u>39,918</u>	<u>43,520</u>	<u>305,032</u>	<u>302,403</u>
Net Assets:						
Invested in capital assets, net of debt	152,453	147,314	26,456	25,400	178,909	172,714
Restricted	2,381	2,714			2,381	2,714
Unrestricted (deficit)	<u>(54,702)</u>	<u>(43,784)</u>	<u>23,623</u>	<u>20,523</u>	<u>(31,079)</u>	<u>(23,261)</u>
Total Net Assets	\$ <u>100,132</u>	\$ <u>106,244</u>	\$ <u>50,079</u>	\$ <u>45,923</u>	\$ <u>150,211</u>	\$ <u>152,167</u>

Net assets of the City's governmental activities decreased by 5.7% (\$100 million compared to \$106 million). Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - totaled \$(54.7) million at June 30, 2009.

This decrease in governmental net assets resulted primarily due to the following factors:

- Offset by increase in capital assets
- Not using contingency
- AR for Sale of Property did not perform in fiscal year (\$5.5 mil)
- State reduced funding in fiscal year (\$1.1 mil) Education and non-education.
- City hiring freeze resulted in an expenditure savings of \$2 mil.
- OPEB contribution not needed to meet the City's annual required contribution of \$1.3 mil.

The net assets of business-type activities increased by nearly 9% (\$50 million compared to \$46 million) in 2009.

This increase in business-type activities resulted primarily due to the following factors:

- Conservative spending;
- Increase in bulk Water purchases from outside Water companies.

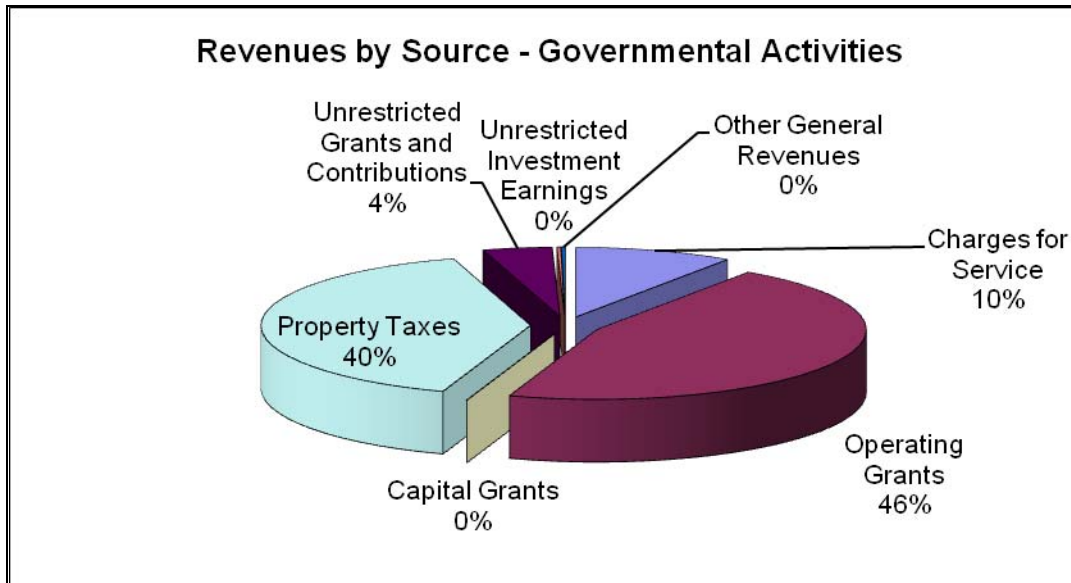
**TABLE 2**  
**CHANGES IN NET ASSETS**  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 24,987	\$ 22,242	\$ 13,055	\$ 13,946	\$ 38,042	\$ 36,188
Operating grants and contributions	119,868	164,686			119,868	164,686
Capital grants and contributions	25	30			25	30
General revenues:						
Property taxes	105,220	96,133			105,220	96,133
Grants and contributions not restricted to specific programs	10,889	14,897			10,889	14,897
Unrestricted investment earnings (losses)	(600)	1,150	135		(465)	1,150
Other general revenues	615	696			615	696
Total revenues	<u>261,004</u>	<u>299,834</u>	<u>13,190</u>	<u>13,946</u>	<u>274,194</u>	<u>313,780</u>
Program expenses:						
General government	13,414	12,547			13,414	12,547
Public safety	36,142	33,466			36,142	33,466
Public works	26,500	10,436			26,500	10,436
Health and welfare	8,763	8,707			8,763	8,707
Parks, recreation and libraries	12,249	9,275			12,249	9,275
Education	159,235	204,322			159,235	204,322
Interest on long-term debt	10,813	10,032			10,813	10,032
Water			9,034	11,048	9,034	11,048
Total program expenses	<u>267,116</u>	<u>288,785</u>	<u>9,034</u>	<u>11,048</u>	<u>276,150</u>	<u>299,833</u>
Increase in net assets before transfers	(6,112)	11,049	4,156	2,898	(1,956)	13,947
Transfers	-	3,000			-	3,000
Increase in Net Assets	<u>\$ (6,112)</u>	<u>\$ 14,049</u>	<u>\$ 4,156</u>	<u>\$ 2,898</u>	<u>\$ (1,956)</u>	<u>\$ 16,947</u>

The City's total revenues were \$274 million. The total cost of all programs and services was \$276 million. Our analysis below separately considers the operations of governmental and business-type activities.

## Governmental Activities

Revenues for governmental activities totaled \$261 million; property taxes (40%), operating grants (46%) and charges for services (10%) are the major revenue sources contributing 96% of the City's revenues.



Expenses for governmental activities were \$267 million of which 53% were supported by program revenues, and 47% were supported from general revenues. Expenses by function include education (59%), public safety (14%), public works (10%), and parks and recreation (5%) made up 88% of the total governmental expenses.

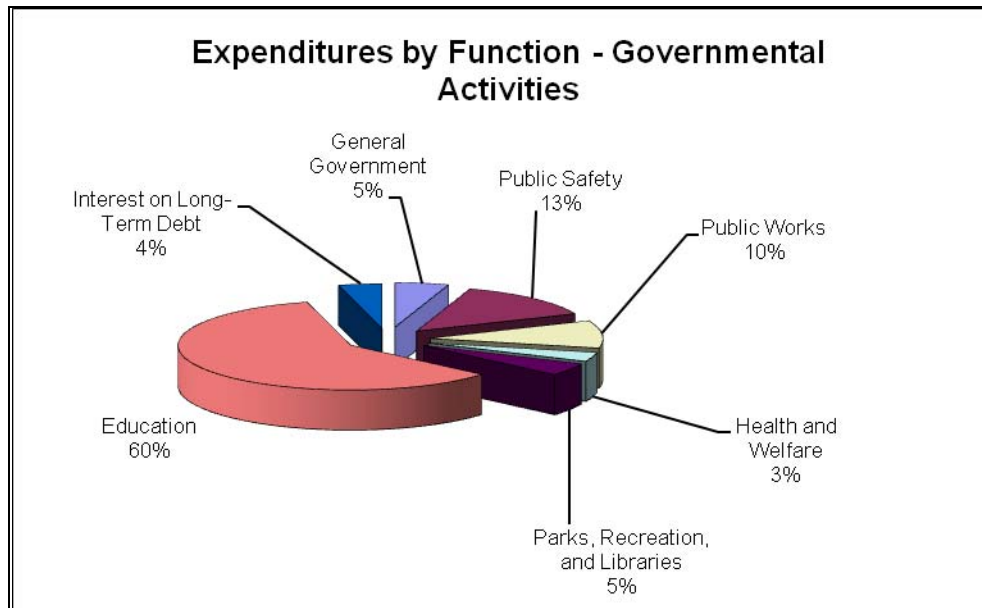
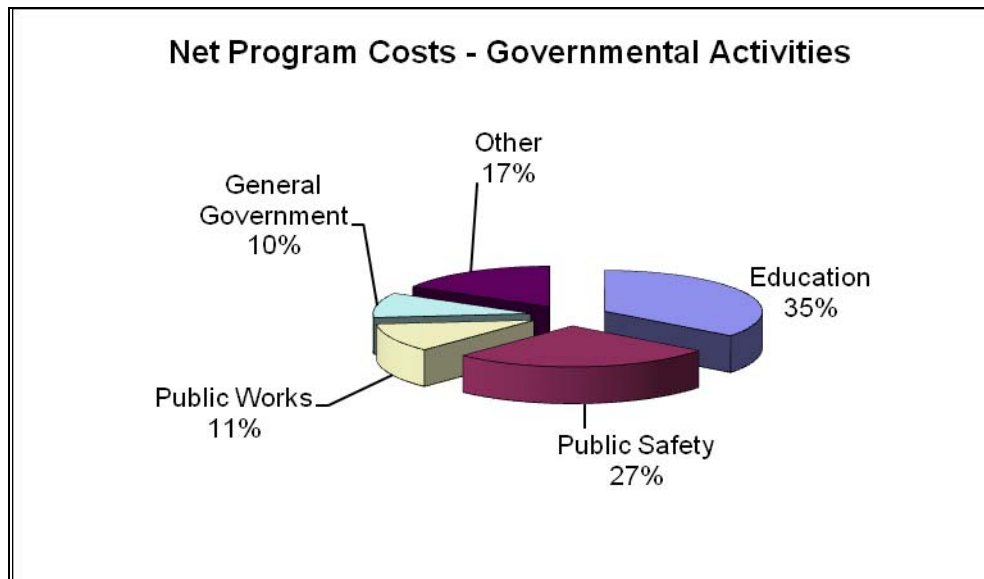


Table 3 presents the cost of each of the City’s four largest programs - education, public safety, public works, and parks and recreation - as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City’s taxpayers by each of these functions.

**TABLE 3  
GOVERNMENTAL ACTIVITIES  
(In Thousands)**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Education	\$ 159,235	\$ 204,322	\$ 43,125	\$ 56,182
Public safety	36,142	33,466	32,869	29,871
Public works	26,500	10,436	13,816	(12,723)
General Government	13,414	12,547	12,006	11,032
All others	31,825	28,014	20,420	17,465
Totals	<u>\$ 267,116</u>	<u>\$ 288,785</u>	<u>\$ 122,236</u>	<u>\$ 101,827</u>



**Business-Type Activities**

Revenues and expenses of the City’s business-type activities amounted to \$13 million and \$9 million, respectively. Net assets increased by nearly 9% (from \$46 million to \$50 million). A major factor for this increase was additional revenues from the bulk sales of water to outside water companies as well as conservative spending. Major budget under runs were for power, overtime, and repairs. The City contracted to buy electric power at a greatly reduces rate and there was less pipe breakage.

**City Funds Financial Analysis**

**Governmental Funds**

As the City completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of negative \$10.4 million, which is a decrease from last year’s total of \$4.7 million. Included in this year’s total change in fund balance, is a decrease of \$3 million in the General Fund, which is a result of a decrease in the amount of encumbrances. A decrease of over \$5 million in the City’s other governmental funds which is a result of less intergovernmental revenue of \$4 million, an increase of \$4 million in



user fees, a decrease of \$1 million in miscellaneous fees, and an increase in expenditures and transfers of over \$2 million, and a decrease of \$7 million in the Capital Projects Fund. The decrease in the capital projects fund balance can be attributed to the fact that the City borrowed more than previous years and also received less intergovernmental revenue. Spending on capital projects also decreased by \$11 million compared to last year.

### **Proprietary Funds**

The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the Water Enterprise Fund amounted to \$23.6 million and those for the internal service funds amounted to negative \$4.2 million. The increase in unrestricted net assets for the Water Enterprise Fund was \$3.1 million was a result of additional bulk water sales to outside water companies, lower energy costs, and less pipe breakage. The decrease in net assets for the internal service funds was \$5.9 million. This is the result of charges to other funds decreasing by \$4 million, decreases of investment income of \$1 million, decrease in actuarial values of 1 million, and a 2.5 million increase in transfers. Other factors concerning the finance of these two funds have already been addressed in the discussion of the City of New Britain's business-type activities.

### **General Fund Budgetary Highlights**

- Variances between the original budget and the final amended budget occurred as a result of revised revenue projections both on the part of the State as well as locally for items such as prior year tax levies, licenses, services and other fees. Variances also occurred within the expenditure budget as a result of city wide hiring freeze that amounts to \$2 mil in cost savings.
- Due to the State revenue reductions in previous years, the budget for fiscal year 2009 was conservative. Despite that, State funding was lower than originally anticipated.

The City's General Fund balance of \$10 million reported on Exhibit III differs from the General Fund's budgetary fund balance of nearly \$7.2 million. This is principally because budgetary fund balance includes \$2.8 million in outstanding encumbrances at year end which are reported as expenditures for budgetary purposes.

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

#### **Capital Assets**

At June 30, 2009, the City had \$335.7 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and water and sewer lines - Table 4. This amount represents a net increase (including additions and deductions) of \$13.9 million, or 4.3% over last year.

**TABLE 4  
CAPITAL ASSETS AT YEAR-END (Net of Depreciation)  
(In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Land	\$ 27,449	\$ 23,670	\$ 1,977	\$ 1,977	\$ 29,426	\$ 25,647
Construction in progress	116,379	104,099	1,625	1,625	118,004	105,724
Buildings and improvements	77,609	82,407			77,609	82,407
Equipment	2,700	2,435			2,700	2,435
Vehicles	6,716	7,622			6,716	7,622
Infrastructure	39,583	35,076			39,583	35,076
Water filtration assets			61,678	62,876	61,678	62,876
<b>Totals</b>	<b>\$ 270,436</b>	<b>\$ 255,309</b>	<b>\$ 65,280</b>	<b>\$ 66,478</b>	<b>\$ 335,716</b>	<b>\$ 321,787</b>

For governmental type funds this year's major additions included various street projects which have continued throughout the year.

The City's fiscal-year 2009-10 capital budget calls for it to spend approximately \$4 million. More detailed information about the City's capital assets is presented in Note 5 to the financial statements.

**Long-Term Debt**

At June 30, 2009, the City had \$191,074 in bonds and notes outstanding versus \$192,945 last year - a decrease of .97% - as shown in Table 5.

**TABLE 5  
OUTSTANDING DEBT, AT YEAR-END  
(In Thousands)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
General obligation bonds (Backed by the City)	\$ 177,324	\$ 178,775	\$ 13,750	\$ 14,170	\$ 191,074	\$ 192,945
Less deferred amount:						
For issuance discounts on refunding	<u>(1,150)</u>	<u>(1,245)</u>	<u>          </u>	<u>          </u>	<u>(1,150)</u>	<u>(1,245)</u>
Total general obligation bonds	176,174	177,530	13,750	14,170	189,924	191,700
Self-liquidating bonds and notes (backed by specific tax and free revenues)	<u>          </u>	<u>          90</u>	<u>          </u>	<u>          </u>	<u>          -</u>	<u>          90</u>
Total	<u>\$ 176,174</u>	<u>\$ 177,620</u>	<u>\$ 13,750</u>	<u>\$ 14,170</u>	<u>\$ 189,924</u>	<u>\$ 191,790</u>

During the fiscal year the City issued certain bonds as follows:

Outstanding General Obligation Pension Bonds - Federally Taxable, issued February 24, 1998. This issued allowed the City to reduce its total debt service payments by \$765 and to obtain an economic gain (the difference between the present City of New Britain, CT, General Obligation Bonds, Series 2009, dated and issued March 25, 2009, with an interest rate of 3% to 4.5% in the amount of \$13,385.

The City's general obligation bond rating from both Standard and Poor's and Fitch, both national rating agencies, is A. The City's other debt, principally self liquidating bonds and notes carry the highest rating. The State limits the amount of general obligation debt that cities can issue based on formula determined under State Statutes based on type of debt and tax base. The City's outstanding general obligation debt is significantly below this \$740 million state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 8 to the financial statements.

### **Economic Factors and Next Year's Budgets and Rates**

The City's elected and appointed officials considered many factors when setting the fiscal-year 2009 budget tax rates, and fees that will be charged for the business-type activities. One of those factors is the economy. Unemployment in the City now stands at 11.50% versus 8.1% a year ago. This compares with the State's unemployment rate of 8.0% and the national rate of 9.5%.

These indicators were taken into account when adopting the General Fund budget for 2009-10. Amounts available for appropriation in the General Fund budget are \$214 million, a decrease of 1.2% over the final 2009 budget of \$219 million.

### **Contacting the City's Financial Management**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, City of New Britain, 27 West Main Street, New Britain, Connecticut 06051.

# **Basic Financial Statements**

**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2009**  
**(In Thousands)**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 23,844	\$ 18,211	\$ 42,055
Investments	19,858		19,858
Receivables, net	48,014	5,845	53,859
Internal balances	550	(550)	
Other deferred asset		1,211	1,211
Inventory	123		123
Net pension assets	2,032		2,032
Net OPEB asset	389		389
Capital assets:			
Capital assets not being depreciated	143,828	3,602	147,430
Capital assets being depreciated, net	126,608	61,678	188,286
Total assets	<u>365,246</u>	<u>89,997</u>	<u>455,243</u>
Liabilities:			
Accounts and other payables	22,235	834	23,069
Bond anticipation notes	27,455		27,455
Unearned revenue	3,026		3,026
Unamortized bond premium	2,537		2,537
Noncurrent liabilities:			
Due within one year	16,913	2,347	19,260
Due in more than one year	192,948	36,737	229,685
Total liabilities	<u>265,114</u>	<u>39,918</u>	<u>305,032</u>
Net Assets:			
Invested in capital assets, net of related debt	152,453	26,456	178,909
Restricted for:			
Trust purposes:			
Expendable	2,381		2,381
Unrestricted	(54,702)	23,623	(31,079)
Total Net Assets	<u>\$ 100,132</u>	<u>\$ 50,079</u>	<u>\$ 150,211</u>

The accompanying notes are an integral part of the financial statements

**CITY OF NEW BRITAIN, CONNECTICUT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 13,414	\$ 1,376	\$ 32	\$	\$ (12,006)	\$	\$ (12,006)
Public safety	36,142	2,743	530		(32,869)		(32,869)
Public works	26,500	10,240	2,419	25	(13,816)		(13,816)
Health and welfare	8,763	1,921	5,740		(1,102)		(1,102)
Parks, recreation and libraries	12,249	2,872	397		(8,980)		(8,980)
Education	159,235	5,835	110,275		(43,125)		(43,125)
Interest on long-term debt	10,813		475		(10,338)		(10,338)
Total governmental activities	267,116	24,987	119,868	25	(122,236)	-	(122,236)
Business-type activities							
Water	9,034	13,055				4,021	4,021
Total	\$ 276,150	\$ 38,042	\$ 119,868	\$ 25	(122,236)	4,021	(118,215)
General revenues:							
Property taxes					105,220		105,220
Grants and contributions not restricted to specific programs					10,889		10,889
Unrestricted investment losses					(600)	135	(465)
Miscellaneous					615		615
Total general revenues					116,124	135	116,259
Change in net assets					(6,112)	4,156	(1,956)
Net Assets at Beginning of Year					106,244	45,923	152,167
Net Assets at End of Year					\$ 100,132	\$ 50,079	\$ 150,211

The accompanying notes are an integral part of the financial statements

**CITY OF NEW BRITAIN, CONNECTICUT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2009**  
**(In Thousands)**

	<u>General</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>BOE State and Federal Grants</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 11,615	\$	299	7,689	\$ 4,241	\$ 23,844
Investments					2,705	2,705
Accounts receivables, net	24,460		33	3,451	11,302	39,246
Due from other funds	14,191				2,507	16,698
Inventories					123	123
Total Assets	<u>\$ 50,266</u>	<u>\$ -</u>	<u>\$ 332</u>	<u>11,140</u>	<u>\$ 20,878</u>	<u>\$ 82,616</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 16,232	\$	6	1,194	\$ 1,332	\$ 18,764
Due to other funds	3,500		3,093	7,247	2,699	16,539
Deferred revenue	20,519			2,667	7,040	30,226
Bond anticipation notes payable and other interim financing			27,455			27,455
Total liabilities	<u>40,251</u>	<u>-</u>	<u>30,554</u>	<u>11,108</u>	<u>11,071</u>	<u>92,984</u>
Fund balances:						
Reserved	2,803		12,619		2,504	17,926
Unreserved, reported in:						
General Fund	7,212					7,212
Special Revenue Funds				32	7,303	7,335
Capital Project Funds			(42,841)			(42,841)
Total fund balances	<u>10,015</u>	<u>-</u>	<u>(30,222)</u>	<u>32</u>	<u>9,807</u>	<u>(10,368)</u>
Total Liabilities and Fund Balances	<u>\$ 50,266</u>	<u>\$ -</u>	<u>\$ 332</u>	<u>11,140</u>	<u>\$ 20,878</u>	<u>\$ 82,616</u>

(Continued on next page)

**CITY OF NEW BRITAIN, CONNECTICUT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)**  
**JUNE 30, 2009**  
**(In Thousands)**

Reconciliation of the Balance Sheet - Governmental Funds  
to the Statement of Net Assets:

Amounts reported for governmental activities in the statement of net assets (Exhibit I) are different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$	(10,368)
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 459,912	
Less accumulated depreciation	<u>(189,476)</u>	
Net capital assets		270,436

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

Net pension asset		2,032
Net OPEB asset		389
Property tax receivables greater than 60 days		9,644
Interest receivable on property taxes		8,772
Housing loans receivable		6,438
Interest on housing loans		24
Receivable from the state for school construction projects		10,875

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 reported with governmental activities in the statement of net assets.

(4,223)

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

Bonds and notes payable		(176,174)
Clean water notes payable		(4,615)
Interest payable on bonds and notes		(2,685)
Compensated absences		(7,876)
Unamortized bond premium		<u>(2,537)</u>

Net Assets of Governmental Activities (Exhibit I)	\$	<u><u>100,132</u></u>
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The accompanying notes are an integral part of the financial statements



**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
(In Thousands)

	<u>General</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>BOE State and Federal Grants</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 104,141	\$	\$	\$	\$	\$ 104,141
Intergovernmental	106,705		1,300	19,074	7,759	134,838
Licenses, fees and charges for goods and services	7,280				11,581	18,861
Investment earnings	758				226	984
Investment Losses					(721)	(721)
Miscellaneous	1,025		407	1,024	807	3,263
Total revenues	<u>219,909</u>		<u>1,707</u>	<u>20,098</u>	<u>19,652</u>	<u>261,366</u>
Expenditures:						
Current:						
General government	5,429				174	5,603
Public safety	33,361				1,044	34,405
Public works	12,725		17,184		6,197	36,106
Health and welfare	2,021				7,241	9,262
Education	129,357		3,932	20,543	5,655	159,487
Parks and recreation	7,623				3,365	10,988
Capital outlay			1,127			1,127
Debt and sundry		25,809	537			26,346
Total expenditures	<u>190,516</u>	<u>25,809</u>	<u>22,780</u>	<u>20,543</u>	<u>23,676</u>	<u>283,324</u>
Excess (Deficiency) of Revenues over Expenditures	<u>29,393</u>	<u>(25,809)</u>	<u>(21,073)</u>	<u>(445)</u>	<u>(4,024)</u>	<u>(21,958)</u>
Other Financing Sources (Uses):						
Transfers in	849	25,809			527	27,185
Transfers out	(33,367)				(849)	(34,216)
Issuance of bonds			13,385			13,385
Premium on long-term debt issued			537			537
Total other financing sources (uses)	<u>(32,518)</u>	<u>25,809</u>	<u>13,922</u>		<u>(322)</u>	<u>6,891</u>
Net Change in Fund Balances	(3,125)	-	(7,151)	(445)	(4,346)	(15,067)
Fund Balances at Beginning of Year	<u>13,140</u>	<u>-</u>	<u>(23,071)</u>	<u>477</u>	<u>14,153</u>	<u>4,699</u>
Fund Balances at End of Year	<u>\$ 10,015</u>	<u>\$ -</u>	<u>\$ (30,222)</u>	<u>32</u>	<u>\$ 9,807</u>	<u>\$ (10,368)</u>

(Continued on next page)

**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(In Thousands)**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:

Net change in fund balances - total governmental funds (Exhibit IV)	\$	(15,067)
---	----	----------

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay and other expenditures		26,500
Depreciation expense		(10,562)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus the change in net assets differs from the change in fund balance by the cost of the assets sold.		(811)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts		(2,797)
Property tax receivable - accrual basis change		445
Property tax interest and lien revenue - accrual basis change		634
Housing loans receivable		1,787
Housing loans interest		10

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 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 amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Bond principal payments		14,926
Payments on clean water fund notes		310
Issuance of bonds and notes		(13,385)
Bond premium		(537)

Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in the governmental funds:

Compensated absences		(2,444)
Accrued interest		249
Amortization of deferred charge on refunding		(95)
Amortization of bond premium		143
Net OPEB expense		484
Net pension expense		5

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

		<u>(5,907)</u>
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Change in Net Assets of Governmental Activities (Exhibit II)

	\$	<u><u>(6,112)</u></u>
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The accompanying notes are an integral part of the financial statements

**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS**  
**JUNE 30, 2009**  
(In Thousands)

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Water Enterprise Fund</b>	<b>Internal Service Fund</b>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 18,211	\$ 17,153
Investments		17,153
Other deferred asset	1,211	
Receivables:		
Other, net of allowance for uncollectible	5,845	215
Due from other funds		1,307
Total current assets	25,267	18,675
Noncurrent assets:		
Capital assets, net	65,280	
Total assets	90,547	18,675
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	834	784
Compensated absences	98	
Due to other funds	550	918
Current portion of bonds and notes payable	2,249	
Total current liabilities	3,731	1,702
Noncurrent liabilities:		
Bonds and notes payable	36,573	
Compensated absences	164	
Claim reserves		21,196
Total liabilities	40,468	22,898
Net Assets:		
Invested in capital assets, net of related debt	26,456	
Unrestricted	23,623	(4,223)
Total Net Assets	\$ 50,079	\$ (4,223)

The accompanying notes are an integral part of the financial statements

**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
(In Thousands)

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Water Enterprise Fund</u>	<u>Internal Service Fund</u>
Operating Revenues:		
Charges for services and goods	\$ 13,055	\$
Charges to other funds		11,566
Other		5,865
Total operating revenues	<u>13,055</u>	<u>17,431</u>
Operating Expenses:		
Cost of sales, services and administration	5,033	
Administration and general expense		873
Depreciation expense	1,481	
Claims incurred		27,560
Total operating expenses	<u>6,514</u>	<u>28,433</u>
Operating Income (Loss)	<u>6,541</u>	<u>(11,002)</u>
Nonoperating Revenue (Expenses):		
Income on investments	135	(873)
Decrease in actuarial claims reserve		(1,063)
Interest expense	(2,520)	
Net nonoperating expenses	<u>(2,385)</u>	<u>(1,936)</u>
Change in Net Assets Before Transfers	4,156	(12,938)
Transfers:		
Transfers in		<u>7,031</u>
Change in Net Assets	4,156	(5,907)
Total Net Assets at Beginning of Year	<u>45,923</u>	<u>1,684</u>
Total Net Assets at End of Year	<u>\$ 50,079</u>	<u>\$ (4,223)</u>

The accompanying notes are an integral part of the financial statements

**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
(In Thousands)

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>	
	<u>Water</u>	<u>Enterprise Fund</u>	<u>Internal</u>	<u>Service Fund</u>
Cash Flows from Operating Activities:				
Cash received from charges to other funds	\$		\$	17,145
Cash received from customers		12,365		
Cash received from other operating activities				5,768
Cash paid for premiums and other operating expenses		(6,315)		(792)
Cash payments for claims made				(27,560)
Net cash provided by (used in) operating activities		<u>6,050</u>		<u>(5,439)</u>
Cash Flows from Noncapital Financing Activities:				
Transfers from other funds				7,031
Transfers to other funds				(2,447)
Net cash provided by noncapital financing activities		<u>-</u>		<u>4,584</u>
Cash Flows from Capital Financing Activities:				
Acquisition of capital assets		(283)		
Payment of loan obligation		(2,254)		
Interest paid on capital debt		(2,520)		
Net cash used in capital financing activities		<u>(5,057)</u>		<u>-</u>
Cash Flows from Investing Activities:				
Income on investments		135		673
Purchase of investments				(3,146)
Sale of investments				2,224
Net cash provided by (used in) investing activities		<u>135</u>		<u>(249)</u>
Net Increase (Decrease) in Cash and Cash Equivalents		1,128		(1,104)
Cash and Cash Equivalents at Beginning of Year		<u>17,083</u>		<u>1,104</u>
Cash and Cash Equivalents at End of Year	\$	<u><u>18,211</u></u>	\$	<u><u>-</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)		<u>6,541</u>		<u>(11,002)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation		1,481		
Change in assets and liabilities:				
(Increase) decrease in accounts receivable		(602)		245
(Increase) decrease in due from other funds				4,593
(Increase) decrease in other deferred asset		46		
Increase (decrease) in accounts payable and accrued expenses		(1,348)		84
Increase (decrease) in due to other funds		(68)		641
Total adjustments		<u>(491)</u>		<u>5,563</u>
Net Cash Provided by (Used in) Operating Activities	\$	<u><u>6,050</u></u>	\$	<u><u>(5,439)</u></u>
Noncash Investment Activities:				
Net increase in fair value of investments	\$	<u><u>-</u></u>	\$	<u><u>(1,546)</u></u>

The accompanying notes are an integral part of the financial statements

**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS**  
**JUNE 30, 2009**  
**(In Thousands)**

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Agency Funds</u>
Assets:			
Cash and cash equivalents	\$	\$	\$ 166
Investments:			
Investments, at fair value:			
U.S securities	7,254		
Mutual funds	100,745	859	482
Corporate bonds/securities	15,920		
Common stock	4,657		
Certificates of deposit			76
Interfund receivable	<u>2</u>		
 Total Assets	 128,578	 \$ 859	 \$ <u><u>724</u></u>
Liabilities:			
Due to beneficiaries			<u>\$ 724</u>
 Total Liabilities	 <u>-</u>	 <u>-</u>	 <u>\$ 724</u>
Net Assets:			
Held in Trust for Pension and Other Post Retirement Benefits	<u>\$ 128,578</u>	<u>\$ 859</u>	

The accompanying notes are an integral part of the financial statements

**CITY OF NEW BRITAIN, CONNECTICUT**  
**STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(In Thousands)**

	<b>Pension Trust Funds</b>	<b>OPEB Trust Fund</b>
	<u>          </u>	<u>          </u>
Additions:		
Contributions:		
Employer	\$      300	\$      4,421
Employee	660	
Total contributions	<u>          960</u>	<u>          4,421</u>
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	(23,204)	108
Interest and dividends	4,886	9
Miscellaneous	75	
Total investment income (loss)	<u>         (18,243)</u>	<u>          117</u>
Less investment expense	(526)	
Net investment income (loss)	<u>         (18,769)</u>	<u>          117</u>
Net additions (reductions)	<u>         (17,809)</u>	<u>          4,538</u>
Deductions:		
Benefits	10,588	3,676
Administration	88	3
Total deductions	<u>         10,676</u>	<u>          3,679</u>
Net Increase (Decrease)	(28,485)	859
Net Assets at Beginning of Year	<u>         157,063</u>	<u>          -</u>
Net Assets at End of Year	<u>\$         128,578</u>	<u>\$          859</u>

The accompany notes are an integral part of the financial statements

# THE CITY OF NEW BRITAIN, CONNECTICUT

## NOTES TO FINANCIAL STATEMENTS

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(amounts expressed in thousands)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of New Britain (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the City are described below.

#### A. Reporting Entity

##### Primary Government

The City of New Britain, Connecticut (the City) became a consolidated City in 1905 with a Mayor-Council-Commission form of government. The Mayor and Council serve concurrent two-year terms and operate under a Charter adopted in 1961, with the latest revision in 2002. The Common Council, the legislative body, consists of fifteen (15) Aldermen elected biennially at large. Other elected officials include the City and Town Clerk, Collector of Taxes, Treasurer and three members of the Board of Tax Review.

The municipal budget is prepared by the Board of Finance and Taxation and the Mayor who submits his recommendation to the Common Council for adoption.

All department heads report directly to the Mayor.

The City has the power to incur indebtedness by issuing bonds or notes as provided by Charter and Connecticut General Statutes.

The City operates and maintains a public water supply system, known as the City of New Britain Water Department.

The City has a Redevelopment Agency that operates as a function of the Commission on Community and Neighborhood Development (the Commission). The Commission is also charged with the responsibility of administering the City's Small Cities Programs.

The City provides the following services as authorized by its Charter: Education, Water, Sewer, Refuse, Public Works, Public Safety, Parks, Recreation, Libraries and Health and Human Services.

##### Joint Ventures

The City is a participant in two joint ventures as described below.

##### **Tunxis Recycling Operating Committee**

The City is a participant with twelve other cities and towns in a joint venture, the Tunxis Recycling Operating Committee (TROC). The TROC is responsible for the development, operations and management of a solid waste recycling program for all participating communities. The governing board consists of City officials appointed by each of the participating municipalities, and assumes all the management decisions. The City has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the intercommunity agreement dated as of August 31, 1990. Expenditures of \$89 were incurred in 2008-09 related to the City's participation in TROC.



Unreserved fund balance of the General Fund for fiscal year ended June 30, 2009 as reflected in the Committee's financial statements is \$1,123. A complete set of financial statements for TROC can be obtained from the TROC's administrative office at 43 Enterprise Drive, Bristol, Connecticut.

### **Bristol Resource Recovery Facility Operating Committee**

The City is a participant with thirteen other cities and towns in a joint venture, the Bristol Resource Recovery Facility (BRRFOC). The BRRFOC was created pursuant to an Inter-Community Agreement to exercise certain rights on behalf of the contracting municipalities in dealing with the trash to energy plant built by Ogden Martin Systems of Bristol, Inc., now known as Covanta Bristol, Inc. (Covanta). The governing board consists of City officials appointed by each of the participating municipalities, and assumes all the management decisions. The City has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the Intercommunity Agreement dated as of August 15, 1985. These obligations deal with guarantees to meet certain tonnage requirements. The City expenditures to the BRRFOC amounted to \$3,026 this year.

Unreserved fund balance for fiscal year ended June 30, 2009 as reflected in the BRRFOC's financial statements is \$12,816. A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut.

On April 2005, the Committee issued \$41,920 in Solid Waste Revenue Refunding Bonds (Covanta Bristol, Inc. Project - 2005 series) with interest rates varying from 3.00% to 5.00%. The proceeds of the bonds, in addition to other funds made available as part of the transaction and the allowed investment earnings thereon, were used to current refund \$46,670 of outstanding revenue bonds of the Committee. The proceeds from the original bonds were loaned by the Authority to Ogden Martin Systems of Bristol, Inc. now known as Covanta Bristol, Inc. Under the Service Agreement, the service fee is an obligation of the Contracting Municipalities to which each has pledged its full faith and credit. Should any Contracting Municipality default in its obligation to pay the service fee, the other Contracting Municipalities shall have an obligation to continue to pay the aggregate service fee. If the Company does not perform its obligations under the service agreement, and Covanta fails to perform such obligations pursuant to its guarantee, the Contracting Municipalities have certain rights to terminate the service agreement and, upon termination, would no longer be obligated to pay the service fee. The current balance of the bonds outstanding is \$30,140.

### **Jointly Governed Organizations**

#### **The Mattabassett District**

The Mattabassett District is a quasi-municipal district established in accordance with State statutes to provide sewer treatment services for the Towns of Berlin, Cromwell and the City of New Britain. A twelve-person Board of Directors is appointed by the member towns with New Britain appointing the majority of members seven, Berlin appoints three members and Cromwell appoints two members. The Board of Directors is responsible for hiring, firing, purchasing, administration, budget adoption and fiscal operations. The District may issue bonds in its own name. The Mattabassett District levies its annual assessment, which the City is obligated to pay.

#### **B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. 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.

The various types included in the financial statements are described below:

### **Governmental Funds**

Governmental funds are those through which most governmental functions typically are financed.

*General Fund* is the primary operating fund of the City. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service, and interest income.

*Special Revenue Funds* account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities.

*Capital Project Funds* account for all financial resources used for the acquisition or construction of major capital facilities not being financed by proprietary funds.

*Debt Service Funds* account for the payment of principal and interest on general long-term debt of the City.

### **Proprietary Funds**

Proprietary funds are used to account for activities that are similar to those often found in the private sector. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. The following are the City's proprietary funds:

*Enterprise Funds* account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Water Enterprise Fund is the City's only enterprise fund.

*Internal Service Funds* account for the financing of goods or services provided by one department to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds are comprised of the Special Reserve Fund, the Health Insurance Fund, the Workers' Compensation Fund and the General Accident Casualty and Liability Fund.

## **Fiduciary Funds**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

*Pension Trust Fund* accounts for the New Britain police and fire retirement system.

*OPEB Trust Fund* accounts for other post employment benefits for retired employees.

*Agency Funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The school system Student Activity Fund and the Contractor's Bond Fund are the City's agency funds.

### **C. 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, except for agency funds which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, charges for services, 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

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

The Debt Service Fund accounts for the payment of principal and interest on long-term debt of the City.

The Capital Projects Fund is used to account for the financial resources for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

The City reports the following major proprietary funds:

The Water Enterprise Fund accounts for all activities related to the transmission and distribution of drinking water.

Additionally, the City reports the following fund types:

The Internal Service Funds account for the risk management activities for the City.

The Pension Trust Fund accounts for the activities of the New Britain police and fire retirement system, which accumulates resources for pension benefit payments to qualified City employees.

The OPEB Trust Fund accounts for the activities of the Town and Board of Education for other post employment benefits payments to qualified retired employees.

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 City 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 payments in lieu of taxes and other charges between certain City's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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.

#### **D. Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the City are reported at fair value.

#### **E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide

financial statements as “internal balances.” All trade and property tax receivables are shown net of an allowance for uncollectibles.

The City’s property taxes are levied each June on 70% of the assessed value listed on the prior October 1 Grand List for all taxable property located in the City. Although taxes are levied in June, the legal right to attach property does not exist until July 1 and, as such, taxes are due and payable in two installments on July 1 and January 1 following the date of the Grand List. Additional property taxes are assessed for motor vehicles and are payable in one installment due July 1. Taxes are overdue on August 1, and interest is levied at 1-1/2% per month. The City files liens against property if taxes, which are due July 1, remain unpaid on the following June 30.

The City has established a reserve in the amount of \$751 for property taxes receivable that are deemed to be uncollectible.

## **F. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

## **G. 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, other than infrastructure assets, are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of 5 years. The government reports infrastructure on a subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through backtracking (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the government values these capital assets at the estimated fair value of the item at the date of its donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	25-50
Building improvements	20
Machinery and equipment	5-20
Vehicles	5
Infrastructure	10-65

#### **H. Compensated Absences**

Under the terms of its various union contracts, City and Board of Education employees are permitted to accumulate earned but unused sick pay benefits and, with approval, vacation benefits. The accumulated liability for sick time and vacation, as reported in the governmental funds, at the end of fiscal year was valued at \$7,876. The City and Board of Education compensated absences is generally liquidated by the General Fund.

#### **I. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types, 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 any significant applicable bond premium or discount. Significant 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.

#### **J. Interest Rate Swap Agreements and Options**

The City has entered into an interest rate swap agreement and an option to enter into an interest rate swap agreement to modify interest rates on outstanding debt. Other than the net interest expenditures and revenue resulting from these agreements, no amounts are recorded in the financial statements (see Note 8).

#### **K. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

## **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **A. Budgetary Information**

The City uses the following procedures in establishing the budgetary data included in the financial statements for the General Fund, the City's only budgeted fund.

City department heads are required to submit to the Mayor estimates in detail of the amounts of money required by their department for the ensuing fiscal year. For these submissions, the Mayor and the Board of Finance and Taxation shall prepare an annual budget of the City. The proposed budget shall include the rate of taxation, a statement of bonds to mature and interest payable as well as the capital budget. The final vote of the Common Council to approve the Mayor's proposed budget for the ensuing fiscal year shall be by majority vote. If the Mayor shall disapprove, he shall issue a veto message and a two thirds vote of the Common Council shall be required to override the veto.

Advisory budgets for Special Revenue Funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. In some instances such budgets comprehend more than one fiscal year and are comprehending a fiscal period which does not coincide with the City's fiscal year. Such budgets are not legally adopted by the City.

Legal authorization for Capital Projects Fund spending is provided by the related bond ordinances and/or intergovernmental grant agreements.

Special appropriations requiring an increase in estimated income and expenditures in any fund shall be approved by two-thirds vote of the Common Council. A transfer of monies external to a departmental budget shall be authorized by a majority vote of the Common Council. The Mayor shall be authorized to transfer monies within a department budget upon written request. The limit for any individual line item transfer shall depend on its classification, which is spelled out in the ordinance.

The City's budgeting system requires accounting for certain transactions be on a basis other than generally accepted accounting principles (GAAP basis). A major difference between the budget and GAAP basis is that encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued, and, accordingly, encumbrances outstanding at year-end are recorded in budgetary reports as expenditures in the current year, whereas, on a GAAP basis, encumbrances are recorded as reservations of fund balance.

Unencumbered appropriations lapse at year-end with the exception of the Capital Projects Fund.

Also, in accordance with the provision of Governmental Accounting Standards Board Statement No. 24, the City has reported "on-behalf" payments made by the State of Connecticut into the teachers' retirement system in the governmental funds.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

## B. Deficit Fund Equity

The following funds have a deficit fund balance/net assets at June 30, 2009:

	<u>Amount</u>
Nonmajor:	
Special Revenue Funds:	
Stanley Quarter Park	\$ 89
New Britain Marketing Collaborative	6
Public Safety	68
Centralized and Distribution Services	71
YSB Care Unit	1
Weed and Seed	12
Highway Safety Grant	32
School Rental Account	44
Youthbuild	14
Business Outreach Center	155
Emergency Shelter Grant	16
Redevelopment Commission	6
Capital Projects Fund	30,222
Internal Service Funds:	
Special Reserve Fund	277
Health Insurance Fund	1,768
Workers' Compensation	2,002
General Accident and Liability	176

The Special Revenue Funds and Internal Service Funds deficit balances will be eliminated by program income. In the Capital Projects Fund, bonding and State grants will be used to fund the deficit balance.

## 3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository" as defined by Statute or in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an "out of state bank," as defined by the Statutes, which is not a "qualified public depository."

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.



The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

**Deposits**

*Deposit Custodial Credit Risk* - Custodial credit risk is the risk that, in the event of a bank failure, the City’s deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk-based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$32,119 of the City’s bank balance of \$33,635 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 28,757
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>3,362</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 32,119</u></u>

**Cash Equivalents**

At June 30, 2009, the City’s cash equivalents amounted to \$17,132. The following table provides a summary of the City’s cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard and Poor’s</u>	<u>Fitch Ratings</u>
StateTax Exempt Proceeds Fund*		
State Short-Term Investment Fund (STIF)	AAAm	
Financial Investors Trust Portfolio Money Market Fund	AAAm	
MBIA, Inc. - Cooperative Liquid Assets Securities System (CLASS)		AAA

\*Not rated

**Investments**

As of June 30, 2009, the City had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
			<u>Less Than 1</u>	<u>1 - 10</u>	<u>More Than 10</u>
Interest-bearing investments:					
U.S. Treasury Tips	NA	\$ 397	\$	\$ 397	\$
U.S. Treasury bonds	NA	9,425	211	8,710	504
Corporate bonds/securities	AAA	9,923		3,452	6,471
Corporate bonds/securities	AA- to AA+	793		651	142
Corporate bonds/securities	A- to A+	4,553		3,789	764
Corporate bonds/securities	BBB to BBB+	2,701	40	2,024	637
Corporate bonds/securities	BB- to BB+	1,030		910	120
Corporate bonds/securities	B- to B+	642		642	
Corporate bonds/securities	**	4,829		1,613	3,216
Certificates of deposit*	NA	76	76		
Total		34,369	\$ 327	\$ 22,188	\$ 11,854
Other investments:					
Common stock		10,459			
Mutual funds		105,023			
Total Investments		\$ 149,851			

\* Subject to coverage by Federal Depository Insurance and collateralization.

\*\*Not available

N/A Not applicable

*Interest Rate Risk* - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk - Investments* - As indicated above, State Statutes limit the investment options of cities and towns. The City has no investment policy that would further limit its investment choices.

*Concentration of Credit Risk* - The City has no policy limiting an investment in any one issuer that is in excess of 5% of the City's total investments.

*Custodial Credit Risk* - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investments to or buys them for the City), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk. At June 30, 2009, the Town had \$10,459 in uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the City's name.

#### 4. RECEIVABLES

Receivables as of year end for the City's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>BOE State and Federal Grants</u>	<u>Nonmajor and Other Funds</u>	<u>Business Activities Water Enterprise</u>	<u>Total</u>
Receivables:						
Interest	\$	*	\$	\$	* \$ 61	\$ 61
Taxes	11,412					11,412
Water					3,141	3,141
Sewer				2,804		2,804
Accounts	2,923	33		772	2,960	6,688
Intergovernmental	10,875		3,451	1,260		15,586
Housing loans				6,681		6,681
Gross receivables	<u>25,210</u>	<u>33</u>	<u>3,451</u>	<u>11,517</u>	<u>6,162</u>	<u>46,373</u>
Less allowance for uncollectibles:	<u>(750)</u>				<u>** (317)</u>	<u>(1,067)</u>
Net Total Receivables	<u>\$ 24,460</u>	<u>\$ 33</u>	<u>\$ 3,451</u>	<u>\$ 11,517</u>	<u>\$ 5,845</u>	<u>\$ 45,306</u>

\* Accrued interest on property taxes and long-term housing loans in the amount of \$8,772 and \$24 are not included in the fund financial statements.

\*\* Allowance for uncollectible amounts related to loan receivables of \$243 is not included in the fund financial statements.

Revenues are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to:	
Property taxes	\$ 750
Water receivables	317
Loan receivables	<u>243</u>
Total	<u>\$ 1,310</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 9,644	\$
Housing loans	6,681	
School building grants	10,875	
Grant drawdowns prior to meeting all eligibility requirements		<u>3,026</u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 27,200</u>	<u>\$ 3,026</u>

## 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 23,670	\$ 3,779	\$	\$ 27,449
Construction in progress	104,099	20,884	(8,604)	116,379
Total capital assets not being depreciated	<u>127,769</u>	<u>24,663</u>	<u>(8,604)</u>	<u>143,828</u>
Capital assets being depreciated:				
Buildings	183,194			183,194
Machinery and equipment	13,040	1,143		14,183
Vehicles	18,317	742	(811)	18,248
Infrastructure	91,903	8,556		100,459
Total capital assets being depreciated	<u>306,454</u>	<u>10,441</u>	<u>(811)</u>	<u>316,084</u>
Less accumulated depreciation for:				
Buildings	100,787	4,798		105,585
Machinery and equipment	10,937	546		11,483
Vehicles	10,311	1,221		11,532
Infrastructure	56,879	3,997		60,876
Total accumulated depreciation	<u>178,914</u>	<u>10,562</u>	<u>-</u>	<u>189,476</u>
Total capital assets being depreciated, net	<u>127,540</u>	<u>(121)</u>	<u>(811)</u>	<u>126,608</u>
Governmental Activities Capital Assets, Net	<u>\$ 255,309</u>	<u>\$ 24,542</u>	<u>\$ (9,415)</u>	<u>\$ 270,436</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,977	\$	\$	\$ 1,977
Construction in progress	<u>1,625</u>	<u></u>	<u></u>	<u>1,625</u>
Total capital assets not being depreciated	<u>3,602</u>	<u>-</u>	<u>-</u>	<u>3,602</u>
Capital assets being depreciated:				
Source of supply	5,386			5,386
Pumping plant	2,826			2,826
Water treatment plant	648			648
Filter plant	55,695			55,695
Transmission and distribution	13,017	111	(7)	13,121
General plant and administrative equipment	<u>1,944</u>	<u>149</u>	<u>(78)</u>	<u>2,015</u>
Total capital assets being depreciated	<u>79,516</u>	<u>260</u>	<u>(85)</u>	<u>79,691</u>
Less accumulated depreciation for:				
Source of supply	2,332	53		2,385
Pumping plant	1,491	54		1,545
Water treatment plant	87	12		99
Filter plant	4,416	1,114		5,530
Transmission and distribution	7,107	210	(7)	7,310
General plant and administrative	<u>1,207</u>	<u>38</u>	<u>(101)</u>	<u>1,144</u>
Total accumulated depreciation	<u>16,640</u>	<u>1,481</u>	<u>(108)</u>	<u>18,013</u>
Total capital assets being depreciated, net	<u>62,876</u>	<u>(1,221)</u>	<u>23</u>	<u>61,678</u>
Business-Type Activities Capital Assets, Net	<u>\$ 66,478</u>	<u>\$ (1,221)</u>	<u>\$ 23</u>	<u>\$ 65,280</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:

General government	\$ 1,941
Public safety	460
Public works	4,571
Health and social services	40
Parks and recreation	1072
Education	<u>2478</u>

Total Depreciation Expense - Governmental Activities \$ 10,562

Business-type activities:

Enterprise Fund - water depreciation expense	
business-type activities	<u>\$ 1,481</u>

## Construction Commitments

The City has active construction projects as of June 30, 2009. The following is a summary of capital projects as of June 30, 2009:

<u>Project</u>	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>
Public buildings	\$ 76,697	\$ 60,026
Schools	73,820	69,687
Infrastructure	96,528	52,466
Parks and recreation	6,450	4,364
Miscellaneous	24,223	8,412
Total	<u>\$ 277,718</u>	<u>\$ 194,955</u>

## 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. A summary of interfund balances as of June 30, 2009 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Internal Service Fund	\$ 918
	Nonmajor Fund	2,699
	BOE State and Federal Grants	7,247
	Capital Projects Fund	3,093
	Enterprise Fund	234
Nonmajor Fund	General Fund	2,191
	Enterprise Fund	316
Fiduciary Fund	General Fund	2
Internal Service Fund	General Fund	1,307
Total		<u>\$ 18,007</u>

All interfund receivables and payables are the result of regularly recurring transactions and represent temporary balances.

Interfund transfers:

	<u>Transfers In</u>			
	<u>General Fund</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Transfers</u>
Transfers Out:				
General	\$	\$ 25,809	\$ 7,558	\$ 33,367
Nonmajor governmental	849			849
Total	<u>\$ 849</u>	<u>\$ 25,809</u>	<u>\$ 7,558</u>	<u>\$ 34,216</u>

All transfers represent routine transactions that occur annually to move resources from one fund to another.

## 7. BOND ANTICIPATION NOTES AND INTERIM FINANCING

The following bond anticipation notes and other interim financing obligations, which serve as temporary financing for certain Capital Projects, were outstanding at June 30, 2009:

Description	Fund	Rate	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
2009 bond anticipation notes	Capital Projects Fund	3.00%	03/30/2010	\$	\$ 27,455	\$	\$ 27,455
2008 bond anticipation notes	Capital Projects Fund	4.00%	03/31/2009	19,255		19,255	-
				\$ 19,255	\$ 27,455	\$ 19,255	\$ 27,455

## 8. LONG-TERM DEBT

A schedule of bond indebtedness as of June 30, 2009 is as follows:

	Interest Rate (%)	Original Issue	Date of Issue	Date of Maturity	Balance Outstanding
Consolidated School District:					
1993 Series A	3.8% - 6.0%	\$ 13,300	02/01/93	10/01/12	\$ 2,940
1993 Series B	3.8% - 6.0%	13,075	02/01/93	04/01/12	2,160
1994 Series	4.0% - 5.0%	17,700	02/01/94	02/04/14	4,425
1996 Series	4.4% - 5.0%	4,325	03/15/96	04/15/11	375
1997 Series	4.4% - 5.1%	13,115	04/15/97	04/15/13	2,510
2000 Series A	5.0% - 5.3%	5,600	04/12/00	04/01/14	2,225
2002 Refunding Series	2.0% - 5.0%	1,830	11/04/02	05/01/14	971
2006 Series	5.0% - 4.125%	11,000	04/15/06	04/15/21	8,798
2007 Series	5.0% - 3.75%	6,600	04/05/07	04/15/22	5,720
2008 Series A	2.8% - 5.0%	1,750	04/01/08	04/01/28	1,661
2008 Series B	2.8% - 5.0%				
Refunding Bonds		6,275	04/01/08	04/01/35	5,220
2009 Series	3.0% - 4.5%	3,975	03/25/09	04/01/24	3,975
Subtotal		98,545			40,980
Public Improvement:					
1992 Series	4.6% - 6.5%	8,285	02/01/92	02/01/12	1,200
1993 Series B	3.8% - 6.0%	16,210	02/01/93	04/01/12	2,700
1997 Series	4.4% - 5.1%	8,925	04/15/97	04/15/13	540
2002 Refunding Series	2.0% - 5.0%	2,240	11/04/02	05/01/14	1,189
2006 Series	5.0% - 4.125%	6,460	04/15/06	04/15/21	5,167
2007 Series	5.0% - 3.75%	6,975	04/05/07	04/15/22	6,045
2008 Series A	2.8% - 5.0%	11,215	04/01/08	04/01/28	10,652
2008 Series B					
Refunding Bonds	2.8% - 5.0%	9,120	04/01/08	04/01/35	8,480
2009 Series	3.0% - 4.5%	9,410	03/25/09	04/01/24	9,410
Subtotal		78,840			45,383

	<u>Interest Rate (%)</u>	<u>Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Balance Outstanding</u>
General Obligation Pension Bonds: 1998 Series	5.72% - 6.64%	\$ <u>66,000</u>	02/01/98	02/01/26	\$ <u>49,046</u>
General Obligation Taxable Worker's Compensation Bonds: 2000 Series	Variable	<u>7,000</u>	06/01/00	06/01/10	<u>700</u>
MERF Bonds of 2005 2005 Series	4.93%	<u>1,450</u>	07/28/05	06/01/23	<u>1,215</u>
General Obligation Pension Bonds: 2008 Series C Refunding Bonds	6.371%	<u>40,700</u>	05/30/08	02/01/26	<u>40,000</u>
Total General Fund Debt		\$ <u><u>292,535</u></u>			\$ <u><u>177,324</u></u>

General Fund Long-Term Bonded Debt

The City uses all of the above general long-term bonded debt for the acquisition and construction of capital assets except for the General Obligation Pension Bonds of 1998 and the MERF Bonds of 2005.



Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 178,775	\$ 13,385	\$ (14,836)	\$ 177,324	\$ 14,785
Less deferred amounts:					
For issuance discounts on refunding	(1,245)		95	(1,150)	
Total general obligation bonds	177,530	13,385	(14,741)	176,174	14,785
Self liquidating bonds	90		(90)	-	
Total bonds payable	177,620	13,385	(14,831)	176,174	14,785
Notes payable:					
Clean Water notes	4,925		(310)	4,615	310
OPEB obligation	95		(95)	-	
Compensated absences	5,432	2,445	(1)	7,876	1,818
Risk management	20,133	32,165	(31,102)	21,196	
Governmental Activities Long-Term Liabilities	<u>\$ 208,205</u>	<u>\$ 47,995</u>	<u>\$ (46,339)</u>	<u>\$ 209,861</u>	<u>\$ 16,913</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities:					
Bonds payable	\$ 14,170		\$ (420)	\$ 13,750	\$ 415
Notes payable:					
Clean Water notes	26,908		(1,836)	25,072	1,834
Compensated absences	1,148		(886)	262	98
Business-Type Activities Long-Term Liabilities	<u>\$ 42,226</u>	<u>\$ -</u>	<u>\$ (3,142)</u>	<u>\$ 39,084</u>	<u>\$ 2,347</u>

## Debt Limit

The City's indebtedness does not exceed the legal debt limitations as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 237,922	\$ 168,172	\$ 69,750
Schools	475,844	81,222	394,622
Sewers	396,537	20,072	376,465
Urban renewal	343,665		343,665
Pension deficit	317,230		317,230

The total overall statutory debt limitation for the City is equal to seven times annual receipts from taxation (\$740,202).

The indebtedness above includes \$159,994 of authorized bonds which were unissued as of June 30, 2009. The Water Department Enterprise Fund is used to account for the operations of the City of New Britain Water Department in a manner similar to private business enterprises. Under Section 7-374B of the General Statutes of Connecticut, water bonds are treated as self-liquidating debt and are excluded in determining the net bonded debt.

Subway bonds represent debt related to constructing and maintaining underground conduits for electric light and telephone wires and cables. The bonds are general obligations of the City, which are financed by assessments levied against the utility companies which use the system. Under Section 7-374B of the General Statutes, the bonds are treated as self-liquidating and are excluded in determining the net bonded debt.

The maturities relating to all bonds and serial notes of the governmental activities of the City as June 30, 2009 are as follows:

<b>Year Ending June 30,</b>	<b>Principal General Obligation</b>	<b>Principal Clean Water Notes</b>	<b>Interest General Obligation</b>	<b>Interest Clean Water Notes</b>	<b>Total</b>
2010	\$ 14,785	\$ 310	\$ 9,849	\$ 89	\$ 25,033
2011	14,305	310	9,118	83	23,816
2012	14,405	310	8,387	78	23,180
2013	11,945	310	7,646	71	19,972
2014	9,895	310	7,068	64	17,337
2015	8,910	310	6,536	58	15,814
2016	8,855	310	6,051	53	15,269
2017	9,195	310	5,569	46	15,120
2018	9,545	310	5,049	40	14,944
2019	9,925	310	4,507	35	14,777
2020	10,330	310	3,938	27	14,605
2021	9,730	310	3,279	21	13,340
2022	9,080	310	2,631	16	12,037
2023	8,605	250	2,084	9	10,948
2024	8,949	183	1,548	5	10,685
2025	8,530	59	994	2	9,585
2026	9,050	59	449	1	9,559
2027	645	34	61		740
2028	640		30		670
<b>Total</b>	<b>\$ 177,324</b>	<b>\$ 4,615</b>	<b>\$ 84,794</b>	<b>\$ 698</b>	<b>\$ 267,431</b>

Note: Due to a variable interest rate on the 2000 Series C issue of federally taxable bonds, the interest payments are computed based on the current interest rate of 3.6%. This rate will change on a yearly basis.

The maturities relating to all bonds and serial notes of the business-type activities of the City as of June 30, 2009 are as follows:

<b>Year Ending June 30,</b>	<b>Principal Clean Water Notes</b>	<b>Principal General Obligation</b>	<b>Interest Clean Water Notes</b>	<b>Interest General Obligation</b>	<b>Total</b>
2010	\$ 1,834	\$ 415	\$ 615	\$ 638	\$ 3,502
2011	1,834	405	567	627	3,433
2012	1,834	410	521	611	3,376
2013	1,834	465	474	594	3,367
2014	1,834	515	428	574	3,351
2015	1,834	560	381	549	3,324
2016	1,834	560	335	521	3,250
2017	1,834	560	287	493	3,174
2018	1,834	560	241	465	3,100
2019	1,834	560	194	437	3,025
2020	1,834	565	147	409	2,955
2021	1,834	565	101	380	2,880
2022	1,464	560	57	357	2,438
2023	1,200	555	26	333	2,114
2024	400	550	2	308	1,260
2025		550		282	832
2026		550		256	806
2027		545		230	775
2028		545		204	749
2029		545		178	723
2030		540		152	692
2031		540		127	667
2032		535		101	636
2033		535		76	611
2034		530		50	580
2035		530		25	555
<b>Total</b>	<b>\$ 25,072</b>	<b>\$ 13,750</b>	<b>\$ 4,376</b>	<b>\$ 8,977</b>	<b>\$ 52,175</b>

## **Interest Rate Swap Agreements**

Effective April 29, 2008, the City entered into an interest rate swap with Deutsche Bank (the Institution) with respect to its \$40,000,000 Series 1998 General Obligation Bonds Federally Taxable issued on February 24, 1998, having the following terms and conditions:

Beginning May 1, 2008 and until the termination of the swap, which is February 1, 2026, the Institution will pay the City a floating rate equal to the 1-month LIBOR Index and the City will pay the Institution a fixed rate of 6.371% compounded weekly and payable monthly. This transaction replaced a similar swap with AMBAC Financial Services, Limited Partnership, with largely the same terms.

The City has the option of early termination of the swap agreement.

Effective September 14, 2006, and later amended on April 13, 2007, the City entered into an interest rate swap with Deutsche Bank (the Institution) with respect to its \$40,000,000 Series 1998 General Obligation Bonds Federally Taxable issued on February 24, 1998, having the following terms and conditions:

On September 14, 2006, the Institution paid the City \$1,843,240 in the form of an up-front payment under the terms of the interest rate swap agreement. Beginning February 1, 2008 and until the termination of the swap, which is February 1, 2026, the Institution will pay the City a floating rate equal to 78% of the 10-year LIBOR Index and the City will pay the Institution a floating rate equal to 100% of the 1-month LIBOR Index compounded monthly and payable annually.

The City has the option of early termination of the swap agreement.

Effective January 1, 2008, the City entered into several interest rate locks with Deutsche Bank (the Institution), having the following terms and conditions:

On April 1, 2010, the Institution will begin paying the City a floating rate equal to the SIFMA Index on the notional amount of the City's anticipated \$12,000,000 Series 2010 General Obligation Bonds, and the City will pay the Institution a fixed rate of 3.579% compounded weekly and payable monthly.

On April 1, 2011, the Institution will begin paying the City a floating rate equal to the SIFMA Index on the notional amount of the City's anticipated \$14,000,000 Series 2011 General Obligation Bonds, and the City will pay the Institution a fixed rate of 3.807% compounded weekly and payable monthly.

The City shall have the option of early termination of the swap.

## **9. FUND BALANCES/NET ASSETS**

The following is a description of the various reserve accounts used to indicate that a portion of equity is legally segregated for a specific purpose and is unavailable for appropriation:

### **A. Fund Balance and Net Assets Reserved**

Reserved for Encumbrances - represents outstanding purchase orders at year end on contracts which the Town intends to honor.

Reserved for Inventory - the balance of inventory accounts has been reserved to indicate that the portion of fund balance represented is not available for appropriation or expenditure.

Reserved for Employees' Pension Benefits - represents the amount of funds accumulated in the Pension Trust Fund to pay for pension benefits.

Reserved Net Assets for Internal Service Fund - represents amounts in the Risk Management Fund which are legally reserved for self-insured losses.

Reserved for Other Post Employment Benefits - represents the amount of funds accumulated in the OPEB Trust Fund to pay for other post employment benefits.

Fund balance/net asset reserves are as follows:

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Capital Projects</u>	<u>Fiduciary</u>
Encumbrances	\$ 2,803	\$	\$ 12,619	\$
Inventory		123		
Trust purposes		2,381		
Pension benefits				128,578
Other post employment benefits				859
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 2,803</u>	<u>\$ 2,504</u>	<u>\$ 12,619</u>	<u>\$ 129,437</u>

### B. Fund Balance - Designations

Nonmajor Governmental - The following programs have designated a portion of fund balance in the governmental funds to be used for future purposes:

Cemetery Fund	\$ 101
Conversation on race	1
Recreation Amusement	4
Darius Miller Walnut Hill	32
	<hr/>
Total	<u>\$ 138</u>

## 10. RISK MANAGEMENT

Insurance coverages are purchased by the City for the following exposures:

- Property damage
- Auto liability
- Boiler and machinery exposures

**Property Damage:** Purchased insurance covers physical loss or damage to City property (other than vehicles). Generally, the deductible is \$25; different deductibles apply to certain classes of property and types of loss. The City maintains a blanket building and contents policy on a 90% co-insurance coverage basis.

**Auto Liability:** The insured limit of coverage is \$3,000 with no deductible; uninsured/underinsured motorists' coverage is \$40, no deductible. The policy provides liability coverage for both vehicles and mobile equipment.

**Boiler and Machinery Exposures:** Insurance coverage includes direct damage limit per accident of \$40 the deductible is \$25. This policy provides coverage for damage resulting from sudden and accidental breakdown of boilers, refrigeration and air conditioning equipment, pressure vessels, piping and accessory equipment.

## Self-Insurance Plans

The City is self-insured, or maintains large risk retentions, with regard to the following types of coverage:

- Medical Health Insurance
- General Liability
- Workers' compensation (including Policemen and Firemen Hypertension)
- Employee Fiduciary Bonds (except for the Tax Collector, Treasurer and selected Treasury/Finance personnel)

The City has opted to manage certain of its risks internally and set aside assets for claim settlement in its Internal Service Funds. The Internal Service Funds are used to account for the City's medical, workers' compensation and general accident, casualty and liability risks. During 1994, the City adopted Statement No. 10, as amended by Statement No. 17, of the Government Accounting Standards Board.

The City's medical self-insurance program is administered by Blue Cross/Blue Shield. Under the medical plan, the City self-insures individual coverage up to a maximum of \$200 for major medical, and for hospitalization for the contract year July 1, 2008 to June 30, 2009. The City has obtained coverage which insures claims in excess of these amounts. When a claim is submitted, the administrator processes and pays the claims from funds accumulated by the City in an internal service fund. The internal service fund is funded annually by the City's General Fund and the Board of Education based upon information provided by the administrator using an actuarial method to determine such information. The charges by the internal service fund to the City's General Fund are to be adjusted over future contract years so that internal service fund revenues and expenses are approximately equal over such period of time. The City's medical claim liability of approximately \$2,069 is reported in the internal service fund at June 30, 2009, and is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The City's self-insurance program for general accident, casualty and liability is administered internally. When a claim is submitted, the City processes and pays the claim from funds now accumulated by the City in an internal service fund. The General Liability Internal Service Fund was funded in 1994 to the extent that the City's financial resources would be required during the next twelve months. The charges by the General Liability Internal Service Fund to other funds will be adjusted over future years so that internal service revenues and expenses are approximately equal over such period of time. The City currently carries excess general liability insurance coverage, which reflects a self-insured retention of \$500. The City retains the first \$500 per occurrence; coverage is provided by the insurer for the next \$3,000 per occurrence/\$4,000 aggregate. The insurance coverage includes a stop loss feature, providing coverage after the City has paid \$1,300 cumulative accident year claims. Separate policies for special risks are carried by the City to complement the self-insured program; these include:

- Owners, landlords and tenants liability coverage for the Fafnir property and for foreclosed properties
- Liability coverage for the Terrific Toys program

The City's self-insurance program for workers' compensation is administered internally. When a claim is submitted, the City processes and pays the claim from funds now accumulated by the City in an internal service fund. The Workers' Compensation Internal Service Fund was funded in 1994 to the extent that the City's financial resources would be required during the next twelve months. The charges by the Workers' Compensation Internal Service Fund to other funds will be adjusted over future years so that internal service revenues and expenses are approximately equal over such period of time. The City's aggregate workers' compensation claim liability of approximately \$16 million has been recorded in the workers' compensation internal service fund. The City currently carries excess workers' compensation insurance coverage. The City retains the first \$1,000 per accident; limits are statutory.

Settled claims have not exceeded the commercial coverages in any of the previous three years.

The changes in the claim reserves for the fiscal years ended June 30, 2009 and June 30, 2008 are as follows:

	June 30, 2009			June 30, 2008		
	Medical	Workers' Compensation	General Accident Casualty and Liability	Medical	Workers' Compensation	General Accident Casualty and Liability
Beginning of year claim reserve	\$ 2,014	\$ 16,117	\$ 2,002	\$ 1,920	\$ 16,117	\$ 2,002
Current year incurred claims and changes in prior year estimate	25,716	1,782	62	25,951	1,938	86
Claim payments	(25,661)	(646)	(190)	(25,857)	(1,938)	(86)
End of Year Claim Reserve	\$ <u>2,069</u>	\$ <u>17,253</u>	\$ <u>1,874</u>	\$ <u>2,014</u>	\$ <u>16,117</u>	\$ <u>2,002</u>

**11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

**Overview**

Substantially all City employees except for the certified employees of the Consolidated School District and the regular members of the Police and Fire Departments are covered under a contributory pension plan administered by the Municipal Employees' Retirement Fund (MERF), a State of Connecticut Multiple Employer Public Employee Retirement System. Regular members of the Police and Fire Departments participate in contributory pension plans known as the Police Benefit Fund and the Firemen's Pension Plan. The certified faculty and administrative personnel of the Board of Education participate in the contributory defined benefit plan established under Section 10.183 of the Connecticut General Statutes that is administered by the Connecticut State Teachers' Retirement Board.

**Municipal Employees' Retirement Fund (MERF)**

MERF is the administrator of a cost sharing multiple employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERF is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106 or by calling (860) 702-3480.

Any local government authority in the State of Connecticut, including towns, cities, boroughs, regional school districts, housing authorities or other special districts, may elect to participate for one or more of its departments, including elective officers; only teachers who are covered under the Connecticut State Teachers' Retirement System are ineligible.

Plan provisions are set by statute of the State of Connecticut. MERF provides retirement benefits, as well as death and disability benefits. Annual cost of living increases commence each July immediately after retirement with a minimum 2.5% to maximum of 6% up to 65 years of age after which COLAs will remain at a minimum of 3% to a maximum of 5%. All benefits vest after five years of continuous service. Members who retire after age 55 with ten years of service or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life, in an amount for each year of service equal to:

- If not covered by Social Security: 2% of the average of earnings for the three highest paid years of service.



- If covered by Social Security: 1-1/6% of the average of earnings not in excess of the taxable wage base for the ten highest paid years, plus 2% of the average of earnings for the three highest paid years of service which is in excess of the average of earnings not in excess of the taxable wage base for the ten highest paid years.

**Funding Policy**

Covered employees are required by State statute to contribute 2¼% of earnings upon which Social Security tax is paid plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute the amounts necessary to finance the remaining costs of the Plan. The contribution requirements of the City are established and may be amended by the State Retirement System.

The current rate is 7.5% of covered payroll. The City’s and employee contributions to MERF for the years ended June 30, 2009, 2008 and 2007 are as follows:

<b>Fiscal Year Ended</b>	<b>City Contribution Amount</b>	<b>Employee Contribution Amount</b>	<b>Total Contribution Amount</b>	<b>Total Payroll Covered by the MERF</b>
June 30, 2007	\$ 3,078	2,150	5,228	43,012
June 30, 2008	2,111	1,434	3,545	28,647
June 30, 2009	2,193	1,467	3,660	29,359

**Employee Retirement System**

**Plan Description**

The City is the administrator of a single-employer public employee retirement system (PERS) established and administered by the City to provide pension benefits for its Police and Fire Department employees. Benefits and contributions under this retirement system are established by the City and may be amended only by the City Council. The PERS is considered to be part of the City’s financial reporting entity and is included in the City’s financial reports as pension trust funds. A separate stand-alone financial report for the PERS is not issued by the City.

Under the plans, all City police employees hired on or before, July 1, 2000 are eligible; those hired after this date shall be enrolled in the Connecticut Municipal Employees’ Retirement Fund B. All Fire Department employees hired on, or before, July 1, 1995 are eligible; those hired after July 1, 1995 shall be enrolled in the Connecticut Municipal Employees’ Retirement Fund B. Consequently these are “closed plans.” Police Department and Fire Department employees are 100% vested after ten years of service. If an employee leaves covered employment or dies before he or she is vested, accumulated employee contributions are refunded without interest. The retirement benefit is calculated at 50% (2-1/2% per year for the first 20 years) of the compensation being paid to an active member of the same grade as that at which the member retired except that firemen may contribute at the level of a lieutenant’s pay and retire at that grade and patrolmen may contribute at the level of a sergeant’s pay and retire at that grade. An additional 1/2% of pay is added for each of the next five years of allowable service plus 1% for each year of allowable service over 25 years to a maximum of 80%.

The financial information of the PERS is as follows:

**Statement of Plan Net Assets**

	<b>Employee Retirement Funds</b>		
	<b>Firemens' Benefit Plan</b>	<b>Police Benefit Plan</b>	<b>Total</b>
Assets:			
Investments	67,769	60,807	128,576
Due from other funds		2	2
Total	<u>67,769</u>	<u>60,809</u>	<u>128,578</u>
Net assets:			
Reserved for employee retirement	\$ <u>67,769</u>	<u>60,809</u>	<u>128,578</u>

**Statement of Changes in Plan Net Assets**

	<b>Employee Retirement Funds</b>		
	<b>Firemens' Benefit Plan</b>	<b>Police Benefit Plan</b>	<b>Total</b>
Additions:			
Contributions:			
Employer	\$ 215	\$ 85	\$ 300
Plan members	315	345	660
Total contribution	<u>530</u>	<u>430</u>	<u>960</u>
Investment income (loss):			
Net depreciation			
in fair value of investments	(9,868)	(13,336)	(23,204)
Interest and dividends	2,697	2,189	4,886
Miscellaneous	46	29	75
Total investment loss	<u>(7,125)</u>	<u>(11,118)</u>	<u>(18,243)</u>
Investment expense	<u>(336)</u>	<u>(190)</u>	<u>(526)</u>
Net investment loss	<u>(7,461)</u>	<u>(11,308)</u>	<u>(18,769)</u>
Total reductions	<u>(6,931)</u>	<u>(10,878)</u>	<u>(17,809)</u>
Deductions:			
Benefits	5,121	5,467	10,588
Administration	37	51	88
Total deductions	<u>5,158</u>	<u>5,518</u>	<u>10,676</u>
Net decrease	(12,089)	(16,396)	(28,485)
Net assets held in trust for pension benefits, beginning of year	<u>79,858</u>	<u>77,205</u>	<u>157,063</u>
Net Assets Held in Trust for Pension Benefits, End of Year	\$ <u>67,769</u>	<u>60,809</u>	<u>128,578</u>

As of the most recent actuarial valuation, PERS membership consisted of:

	<u>Fire</u>	<u>Police</u>
Retirees and beneficiaries currently receiving benefits	167	182
Active members	75	77
Terminated-vested	<u>          </u>	<u>4</u>
Total	<u>242</u>	<u>263</u>

Summary of Significant Accounting Policies and Plan Asset Matters

**Basis of Accounting:** PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefit payments and refunds are payable when due and payable in accordance with the terms of the PERS.

**Methods Used to Value Investments:** All funds are invested through an investment agreement with Fleet Investment Services and Paine Webber and are reported at fair value.

Funding Policy and Progress

The employees hired prior to July 1, 1990 shall receive full escalation of pension benefits and contribute 7% of their salaries. Employees hired on or after July 1, 1990 receive no escalation of pension benefits and contribute 5-1/2% of their salaries. The City is required to contribute the remaining amounts necessary to finance the coverage for its employees. For the fiscal year ended June 30, 2009, these required contributions were \$215 and \$85 for the fire and police plans, respectively. Benefits and contributions are established by the City and may be amended only by the City Council and Union negotiation.

Annual Pension Cost and Net Pension Obligations

The City's annual pension cost and net pension obligation to the PERS for the current year were as follows:

	<u>Fire</u>	<u>Police</u>
Annual required contribution	\$ 211	\$ 85
Interest on net pension obligation	(118)	(34)
Adjustment to annual required contribution	<u>118</u>	<u>33</u>
Annual pension cost	211	84
Contributions made	<u>(215)</u>	<u>(85)</u>
Decrease in net pension obligation	(4)	(1)
Net Pension Asset, Beginning of Year	<u>(1,581)</u>	<u>(446)</u>
Net Pension Asset, End of Year	<u>\$ (1,585)</u>	<u>\$ (447)</u>

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

	<u>Fire</u>	<u>Police</u>
Actuarial Valuation Date	January 1, 2009	January 1, 2009
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll-Closed	Level Percentage of Payroll-Closed
Remaining Amortization Period	19 years	19 years
Asset Valuation Method	90% of Market	90% of Market
Actuarial Assumptions:		
Investment rate of return	7.5%	7.5%
Projected Salary Increases*	3.5%	3.75%

\*Includes inflation at 4%

Trend Information

Fire Plan

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
6/30/2007	\$ 425	\$ 739	174%	\$ (1,578)
6/30/2008	208	211	101	(1,581)
6/30/2009	211	215	102	(1,585)

Police Plan

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
6/30/2007	\$ 391	\$ 419	107%	\$ (445)
6/30/2008	84	85	101	(446)
6/30/2009	84	85	101	(447)

Pension Plan Required Supplementary Information

*Schedule of Funding Progress*

Fire Plan

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (b)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL) (c)</u>	<u>Covered Payroll (d)</u>	<u>UAAL as % of Covered Payroll (c/d)</u>
03/01/2005	\$ 78,249	\$ 70,151	\$ (8,098)	\$ 6,502	(124.5)%
01/01/2007	83,474	74,781	8,693	5,698	152.6
01/01/2009	82,462	78,501	(3,961)	4,971	(79.7)

Police Plan

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (b)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL) (c)</u>	<u>Covered Payroll (d)</u>	<u>UAAL as % of Covered Payroll (c/d)</u>
03/01/2005	\$ 77,963	\$ 71,971	\$ (5,992)	\$ 6,640	\$ (90.2)%
01/01/2007	83,762	74,590	9,172	6,356	144.3
01/01/2009	79,361	80,340	978	5,829	16.8

*Schedule of Employer Contributions*

Fire Plan

	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/2004	\$ 234	431%
6/30/2005	234	125
6/30/2006	234	256
6/30/2007	433	174
6/30/2008	211	101
6/30/2009	211	101

Police Plan

	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/2004	\$ 650	110%
6/30/2005	650	99
6/30/2006	650	93
6/30/2007	394	107
6/30/2008	85	101
6/30/2009	85	101

**Single-Employer Defined Benefit Pension Plan**

In addition to the above PERS, the City is currently paying benefits to three groups of retirees by means of annual appropriations. This program covers those individuals whose pension payments commenced prior to November 1972. Since no active employees are included, their benefits are not advance funded but paid as they come due from General Fund appropriations, i.e., on a “pay-as-you-go” basis. The unfunded liability for this plan is decreasing rapidly since the average age is 84 years.

There are 10 retirees, 16 beneficiaries and no active employees covered by this plan.

**Summary of Significant Accounting Policies and Plan Asset Matters**

The annual required contribution (ARC) and the annual pension cost represent the actual benefits paid out during the year.

Funding Policy

Funds are budgeted in the General Fund to cover pension benefits paid each year. Annual contributions are equal to the annual benefit payments. Benefits and contributions were established by City Charter.

Annual Pension Cost and Net Pension Obligation

The City's annual pension cost, which is equal to the annual benefit payments, for the current year amounted to \$751. The "pay-as-you-go" Plan does not have a net pension obligation as of June 30, 2009.

Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2007	\$ 787	\$ 787	100%	N/A
6/30/2008	738	738	100	N/A
6/30/2009	751	751	100	N/A

Pension Plan Required Supplementary Information

*Schedule of Funding Progress*

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
04/30/1996	\$ -0-	\$ 13,516	\$ 13,516	0.0 %	N/A	N/A
06/30/1997	-0-	12,270	12,270	0.0	N/A	N/A
06/30/2000	* -0-	10,618	10,618	0.0	N/A	N/A

\*latest actuarial valuation date

*Schedule of Employer Contributions*

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
06/30/2004	\$ 1,004	100
06/30/2005	898	100
06/30/2006	831	100
06/30/2007	787	100
06/30/2008	738	100
06/30/2009	751	100

Commonly accepted actuarial formulas and methods were employed for projecting the estimated pension payments for future years, and the computation of the actuarial liabilities for the "pay-as-you-go" plan. Amortization methods and periods, asset valuation methods and projected salary increases are not applicable.

## Post Employment Benefits

### Summary of Significant Accounting Policies

Basis of Accounting - The financial statements of the City's Other Post Employment Benefit Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the City.

Investments are reported at fair value. Investment income is recognized as earned.

### Plan Description

The City, in accordance with various collective bargaining agreements, provides retiree medical benefits for the lifetime of the retired member and covered dependents. The plan covers City, Board of Education, Police and Fire employees as further defined in collective bargaining agreements and other written materials. Eligibility and premium sharing information is detailed in the various collective bargaining agreements. The City does not issue separate stand alone financial statements for the plan.

At July 1, 2006, plan membership consisted of the following:

Active members	1,580
Retired members	361
Spouses of retired members	<u>246</u>
Total Participants	<u><u>2,187</u></u>

### Funding Policy

The City currently pays for postemployment health care benefits on a pay-as-you go basis. As of June 30, 2009, the City has established a trust fund to irrevocably segregate assets to fund the liability associated with the post employment benefits, which is reported as a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the City are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

### City Employees

Generally retirees and their dependents are covered for a period of seven years from the date of retirement. In most cases retirees can continue coverage beyond the seven-year period at their own expense. Cost sharing is based on years of service at retirement as follows:

<u>Years of Service</u>	<u>City Pays</u>
25+	100%
20-24	80%
15-19	60%
10-14	40%

In some cases retirees have access to post retirement health coverage through the City, but at their own expense. In those instances, upon the retiree's death, spousal coverage is available, but at their own expense.

## Board of Education

Teachers - Pre 65 is 100% retiree paid;

Administrator (Local 51) - Pre 65 is 50% retiree and 50% Board cost sharing for a period of two years from the date of retirement. Retirees can continue coverage beyond the two-year period at their own expense. Spouses and dependents are covered and surviving spouses and dependents may continue coverage in accordance with COBRA.

NBSSA/AFSA - is 75% retiree and 25% Board cost sharing for a period of two years from the date of retirement. Retirees can continue coverage beyond the two-year period at their own expense.

AFSCME - Coverage is offered for the first five years from retirement. Cost sharing is the same as for active employees (2006/07, 12% retiree and 88% Board, prior to January 1, 1997, 5% retiree and 95% Board). Beyond the fifth year, retirees are offered COBRA.

## Police

If the date of hire is prior to July 1, 1993, retirees and their dependents are covered for a period of seven years from the date of retirement. Cost sharing is based on years of service at retirement as follow:

<u>Years of Service</u>	<u>City Pays</u>
20+	100%
15-19	80%
10-14	60%
5-9	40%

Retirees can continue coverage beyond the seven-year period at their own expense. If the date of hire is after July, 1993, the retiree has access to post retirement health coverage through the City at their own expense.

## Fire

If the date of hire and retirement is prior to June 23, 2004, the retiree and their dependents are covered for a period of seven years from the date of retirement. Cost sharing is based on years of service at retirement as follows:

<u>Years of Service</u>	<u>City Pays</u>
20+	100%
15-19	80%
5-14	60%



Employees who retire after June 23, 2004 and their dependents are covered for a period of ten years from the date of retirement. Cost sharing is based on years of service at retirement and is the same as above. Retirees can continue coverage beyond the seven or ten-year period at their own expense. If the date of hire is after June 23, 2004 retirees have access to post retirement health coverage through the City at their own expense.

Annual OPEB Cost and Net OPEB Obligations

The City of New Britain's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation (asset):

Annual required contribution (ARC)	\$ 3,935
Interest on OPEB obligation	8
Adjustment to annual required contribution	<u>(6)</u>
Annual OPEB cost (expense)	3,937
Contributions made	<u>4,421</u>
Decrease in net OPEB obligation	(484)
Net OPEB obligation (asset), beginning of year	<u>95</u>
Net OPEB Obligation (Asset), End of Year	<u>\$ (389)</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the fiscal year ended June 30, 2009 is presented below. Data is only presented for two fiscal years ended June 30, 2009 due to the year of implementation:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
6/30/2008	\$ 3,724	\$ 3,629	97.4%	\$ 95
6/30/2009	3,937	4,421	112.3	(389)

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

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
7/1/2006	\$ -0-	\$ 42,853	\$ 42,853	0.0 %	N/A	N/A

Schedule of Employer Contributions

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/09	3,935	112.35 %
6/30/08	3,734	97.50

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

In the July 1, 2006 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include an 8.0% rate of return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The annual healthcare cost trend rate is 9% initially, reduced by decrements to an ultimate rate of 5% after four years.

**Certified Employees of the School District**

All certified employees of the Consolidated School District of New Britain participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has: (1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut or (2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Consolidated School District withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. For the year ended June 30, 2009, the certified employees of the City contributed \$4,583 to this plan, and the total payroll for certified employees covered by this plan for the year was \$63,211.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. These obligations are established under the authority of the Connecticut General Statutes. For the year ended June 30, 2009, the City has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$9,761 as payments made by the State of Connecticut on behalf of the City. This amount is significantly lower than the prior year because the State of Connecticut increased the contribution significantly in the prior year. The City does not have any liability for teacher pensions.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

## Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
7/1/2006	\$ -0-	\$ 42,853	\$ 42,853	0.0 %	N/A	N/A

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

In the July 1, 2006 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include an 8.0% rate of return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The annual healthcare cost trend rate is 9% initially, reduced by decrements to an ultimate rate of 5% after four years.

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## **12. CONTINGENT LIABILITIES**

The City is a defendant in a number of lawsuits. It is the opinion of management that such pending litigation will not be finally determined so as to result in a judgment or judgments against the City which would materially affect its financial position.

**Required Supplementary  
Information**

## CITY OF NEW BRITAIN, CONNECTICUT

## GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
(In Thousands)**

**FOR THE YEAR ENDED JUNE 30, 2009**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property taxes:				
General property taxes	\$ 102,816	\$ 103,085	\$ 102,682	\$ (403)
Interest and liens	1,200	1,200	1,459	259
Miscellaneous	10	10		(10)
Total general property taxes	<u>104,026</u>	<u>104,295</u>	<u>104,141</u>	<u>(154)</u>
Intergovernmental revenues (State):				
State Education for the Blind	150	150	107	(43)
H.E.W. Private Schools	90	90	84	(6)
Special School Transportation	336	336	346	10
Elementary & Secondary Transportation	2,606	2,606	2,603	(3)
Special Education	2,500	2,500	2,998	498
Education Equalization	73,929	73,929	73,168	(761)
State Infraction Distribution	25	25	29	4
Principal Subsidy	2,840	2,840	2,847	7
Interest Subsidy	524	524	475	(49)
DCA Tax Abatements	33	33	29	(4)
Town Aid Road Fund	384	384	382	(2)
Veterans Exemption Reimbursement			31	31
Tax Relief for the Elderly			569	569
State Property Tax Relief	4,241	4,241	4,255	14
Telephone Access Line Tax Relief	274	274	219	(55)
Municipal Video Competition Grant		3	3	
Civil Defense	250	22	33	11
Off Track Betting	260	260	184	(76)
State Pilot Hospital Colleges	3,566	3,566	3,562	(4)
State Pilot Model Housing	325	325	158	(167)
Manufacturers in Distress	90	90	78	(12)
Boat License Distribution	13	13	13	
Bingo	1	1	1	
Disability Exemption			14	14
Manufacturing Equipment Tax Reimbursement	1,100	1,100	1,195	95
Election Ballots	10	10		(10)
Federal Emergency Management Agency				
Legalized Gaming Distribution	3,995	3,544	3,544	
Ham Radio Equipment		3		(3)
Total intergovernmental revenues (State)	<u>97,542</u>	<u>96,869</u>	<u>96,927</u>	<u>58</u>
Intergovernmental revenues (Other than State):				
In lieu of taxes	<u>15</u>	<u>15</u>	<u>17</u>	<u>2</u>
Total intergovernmental revenues	<u>97,557</u>	<u>96,884</u>	<u>96,944</u>	<u>60</u>
Licenses and Permits:				
Building Structures and Equipment	700	700	360	(340)
All other license	260	260	258	(2)
Protection	12	12	12	
Health			55	55
Disposal			1,694	1,694
Planning and Zoning	13	13	11	(2)
Total licenses and permits	<u>985</u>	<u>985</u>	<u>2,390</u>	<u>1,405</u>

(Continued on following page)

## CITY OF NEW BRITAIN, CONNECTICUT

## GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Charges for Services:				
City Hall Commissions Rent	\$ 94	\$ 94	\$ 90	\$ (4)
Town Clerk	1,234	1,484	1,140	(344)
Recreation	777	895	965	70
Public Safety	933	933	1,597	664
Parking	1,956	1,956	1,885	(71)
Public Works - Project Management	425	425	560	135
Health	94	94	47	(47)
Public Works - Rights of Way	3,602	3,602	1,176	(2,426)
Parking tickets	426	426	411	(15)
Assessor	5	5	3	(2)
Senior Center	78	78	16	(62)
Total charges for services	<u>9,624</u>	<u>9,992</u>	<u>7,890</u>	<u>(2,102)</u>
Total licenses, fees and charges for services	<u>10,609</u>	<u>10,977</u>	<u>10,280</u>	<u>(697)</u>
Other Revenue:				
Investment income	1,000	1,000	758	(242)
Miscellaneous	655	668	123	(545)
Sale of real estate property	4,505	4,505	111	(4,394)
Board of Education	275	275	791	516
Total other revenue	<u>6,435</u>	<u>6,448</u>	<u>1,783</u>	<u>(4,665)</u>
Total revenues	218,627	218,604	213,148	(5,456)
Other Financing Sources:				
Transfers in	<u>831</u>	<u>833</u>	<u>849</u>	<u>16</u>
Total Budgeted Revenues and Transfers	<u>\$ 219,458</u>	<u>\$ 219,437</u>	213,997	<u>\$ (5,440)</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			9,761	
Land sale estimate			<u>(3,000)</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Exhibit IV			<u>\$ 220,758</u>	

## CITY OF NEW BRITAIN, CONNECTICUT

## GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
General Government:				
Legislative	\$ 135	\$ 136	\$ 131	\$ 5
Boards and Commissions	21	22	18	4
Judicial	71	74	72	2
Elections	451	434	418	16
Mayor's Office	616	616	374	242
Planning and Zoning	222	244	235	9
Finance	2,883	2,835	2,494	341
Recording and Reporting	576	559	506	53
Legal	1,153	1,111	997	114
Central Services	150	150	84	66
Total	6,278	6,181	5,329	852
Public Safety:				
Police	16,674	18,021	16,482	1,539
Fire	14,370	13,958	13,018	940
Lighting	800	855	855	-
Building	605	617	591	26
Civil Preparedness	71	145	136	9
Central Emergency Dispatch	2,028	1,970	1,698	272
Total	34,548	35,566	32,780	2,786
Public Works:				
Administration	465	397	359	38
Street Services	3,742	3,772	3,293	479
Public Buildings	2,677	2,782	2,533	249
Capital Project	862	886	812	74
Signals and Control	257	264	233	31
Waste Disposal	5,927	5,847	5,388	459
Total	13,930	13,948	12,618	1,330
Parks and Recreation:				
Administration	308	317	303	14
Forestry	209	184	173	11
Horticulture	299	291	275	16
Maintenance	2,554	2,499	2,489	10
Special Projects	6	11	11	-
Recreation Department	814	842	826	16
Willow Brook Sports Complex	189	308	303	5
City Supported Agencies	3,140	3,140	3,138	2
Cultural Organizations	77	68	66	2
Total	7,596	7,660	7,584	76

(Continued on following page)



## CITY OF NEW BRITAIN, CONNECTICUT

## GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Health and Social Services:				
Rights and Opportunities Commission	\$ 102	\$ 104	\$ 88	\$ 16
Civil Service Commission	339	329	261	68
Nursing	363	350	308	42
Environmental Control	304	301	270	31
Administration	210	214	190	24
Social Services	127	135	133	2
Senior Center	573	570	547	23
Handicap Services	132	132	124	8
Veterans Services	80	79	73	6
Total	<u>2,230</u>	<u>2,214</u>	<u>1,994</u>	<u>220</u>
General Administration:				
Pension Contribution	500	500	300	200
Grants and Contributions	13	34		34
Contingency	2,000	620		620
Total	<u>2,513</u>	<u>1,154</u>	<u>300</u>	<u>854</u>
Education	<u>118,809</u>	<u>119,424</u>	<u>119,292</u>	<u>132</u>
Total expenditures	<u>185,904</u>	<u>186,147</u>	<u>179,897</u>	<u>6,250</u>
Other financing uses:				
Transfers out:				
Dog Fund	111	111	111	-
Highway Safety Grant	58	58	58	-
System of care grant	18	18	18	-
Independent living	24	24	24	-
FEMA grant	18	18	18	-
YSB Care Unit	187	187	187	-
High School Athletic	109	109	109	-
Debt Service	25,996	25,911	25,809	102
Insurance Reserve	7,031	7,031	7,031	-
Drug Force Training	2	2	2	-
Total	<u>33,554</u>	<u>33,469</u>	<u>33,367</u>	<u>102</u>
Total	\$ <u>219,458</u>	\$ <u>219,616</u>	213,264	\$ <u>6,352</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for City Teachers are not budgeted.

9,761

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes.

858

Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 223,883

# **Combining and Individual Fund Statements and Schedules**

**General Fund**

## **GENERAL FUND**

The General Fund is the principal fund of the City and is used to account for all activities of the City not included in other specific funds. The General Fund accounts for the normal recurring activities of the City such as the police department, fire department, parks and recreation, public works and the Board of Education. These activities are funded primarily by property taxes levied on individuals and local businesses.

## CITY OF NEW BRITAIN, CONNECTICUT

## GENERAL FUND

## COMPARATIVE BALANCE SHEET

JUNE 30, 2009 AND 2008

(In Thousands)

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 11,615	\$ 17,143
Property taxes receivable, net of allowance for uncollectible accounts	10,662	10,008
Accounts receivable	2,923	5,888
Due from other governments	10,875	13,672
Due from other funds	<u>14,191</u>	<u>21,372</u>
Total Assets	<u>\$ 50,266</u>	<u>\$ 68,083</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 16,232	\$ 20,938
Due to other funds	3,500	11,134
Deferred revenues	<u>20,519</u>	<u>22,871</u>
Total liabilities	<u>40,251</u>	<u>54,943</u>
Fund balance:		
Reserved for encumbrances	2,803	3,661
Unreserved, undesignated	<u>7,212</u>	<u>9,479</u>
Total fund balance	<u>10,015</u>	<u>13,140</u>
Total Liabilities and Fund Balance	<u>\$ 50,266</u>	<u>\$ 68,083</u>

CITY OF NEW BRITAIN, CONNECTICUT

GENERAL FUND

SCHEDULE OF TAX COLLECTIONS

FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

Grand List Year	Mill Rate	Uncollected Taxes July 1, 2008	Net Lawful		Transfers To Suspense	Adjusted Amount Collectible	Collections				Uncollected Taxes June 30, 2009
			Additions	Deductions			Taxes	Interest	Lien Fees	Total	
2007	34.98	\$ 104,502	\$ 563	\$ 1,817	\$	\$ 103,248	\$ 99,078	\$ 585	\$ 9	\$ 99,672	\$ 4,170
2006	45.89	4,095	23	48		4,070	2,405	521	13	2,939	1,665
2005	45.88	1,512	2	28		1,486	538	219	4	761	948
2004	45.89	788	1	10		779	166	97	17	280	613
2003	46.90	418	1	11		408	49	37	7	93	359
2002	46.93	451	1	7		445	18	16	4	38	427
2001	54.76	504		9		495	11	12	2	25	484
2000	50.88	466	1	2		465	8	10	2	20	457
1999	49.98	415	1	1		415	9	12	2	23	406
1998	49.42	377				377	6	11	2	19	371
1997	49.48	349				349	5	10	2	17	344
1996	49.58	350				350	4	9	1	14	346
1995	49.83	340				340	3	6	1	10	337
1994	50.85	267				267	2	3	1	6	265
1993	50.85	221				221	1	2	1	4	220
Total		\$ 115,055	\$ 593	\$ 1,933	\$ -	\$ 113,715	\$ 102,303	\$ 1,550	\$ 68	103,921	\$ 11,412

Property taxes receivable considered available:

June 30, 2008 (809)  
June 30, 2009 1,019

Total Collections \$ 104,131

**Nonmajor  
Governmental Funds**

**NONMAJOR GOVERNMENTAL FUNDS**

**Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are designated or legally restricted to expenditures for specific purposes. The nature and purpose of each Special Revenue Fund is as follows:

<b>Fund</b>	<b>Funding Source</b>	<b>Function</b>
Stanley Quarter Park	Golf fees and Concession income	Operations of Public Golf Course
Lead Paint Reduction	State and Federal grants	Lead paint mitigation
Park Security and Policing	Rental fees	To pay for a park security guard
Cemetery	Lot sales, internments, trust income	Fairview Cemetery operations
Dog	License fees and State grants	Animal Population Control
Sewer Use	User fees and investment earnings	Operation of the sewer systems
New Britain Marketing Collaborative	New Britain Chamber of Commerce and the City's General Fund	Promote the City and its various activities and events
Local Capital Improvement	State grant	Capital Improvement Fund
Board of Education In-Residence Student	Various funding sources	Educational services provided to out of town students
Larvicide Grant	State grant	Preventing the spread of the West Nile Virus
Board of Education State and Federal Grants	State and Federal grants	Education Programs
Lead Poisoning Prevention	State grant	Prevent lead poisoning in City youth
American Savings Grant	The American Savings Foundation	Provides after school programs for the City's youth
FEMA Grant	Federal grant	Disaster relief
Husky Grant	Capital Region Education Council	To educate residents about Husky Grants
Police Explorers Program	Various funding sources	To introduce young men and women to the field of law enforcement
Martin Luther King Brick Sale	Donations	Account for the sale of bricks
Martha Hart Park Lighting Fund	MLB's Baseball Tomorrow Fund	To install lights at Martha Hart Park Little League field
Preventive Health Block Grant	State grant	To create awareness of health issues in high school students
Learn to Serve, After School Grant	State grant	Provides after school programs for the City's youth
Exercise the Right Choice	State grant	After school programs
Exercise the Right Choice II	State grant	After school programs
Grassroots Tennis Grant	State to the Connecticut Tennis Foundation	Indoor tennis programs
National Recreation Trails Grant	Federal grant	Beautification of City parks
Immunization Action Plan	State grant	Infant vaccination program
Bullet Proof Vest Grant	Federal grant	Subsidizes the purchase of bullet proof vests for the City's police officers
Bioterrorism Grant	Federal grant	Assists the City with the development of plans in the event of a bio-terrorist attack
System of Care Grant	State grant passed through Wheeler Clinic	Programs to respond to the mental health needs of City youth
Historical Records Preservation	State grant	Preservation of the City's Records
21 <sup>st</sup> Century Grant	State grant	Provides after school programs for the City's school-age population
American Legion Baseball	Various donations	To account for donations to American Legion Baseball
Public Safety Grants	Capital Region Council of Governments	Maintenance of public safety 911 system
Centralized and Distribution Services	Various funding sources	This fund houses the costs for centralized services, mainly cell phone costs at this point, until these charges are ready to be allocated to the various City funds
Local Property Tax Relief Program	Various funding sources	Tax abatement for low income seniors and veterans
Conversation on Race	State and Federal grants	Interracial awareness program
Victim Services Coordinator Grant	State grant	Provides for overtime expenses for the City's victim service coordinator
Federal Omnibus Appropriation	Federal grant	Reducing crime and improving public safety
Independent Living	State grant	Teach transitional living skills to youth
AIDS Outreach	State grant	HIV prevention, education, testing and support services



<b>Fund</b>	<b>Funding Source</b>	<b>Function</b>
Youth Service Bureau Care Unit	State grant	Help at-risk children and their families
Juvenile Justice Center	Federal and State grants	Prevent City youth from committing delinquent or re-entering the Juvenile Court System
STD Control Program	State grant	STD prevention education and testing
Recreation Donation	Donations from local businesses	Fund various youth activities and scholarship awards
Recreation Amusement	Rental of recreation equipment	For the maintenance and purchase of new equipment
Weed and Seed	Federal grant	Crime reduction, economic growth projects, and neighborhood restoration
Mayor's Golf Tournament	Fees and charges for service	City golf tournament for the benefit of local charities
Health Per Capita	State grant	Augment local public health effort
Highway Safety Grant	State grant	Purchasing intoxilyzers for the City's police department
Drug Investigation	State Drug Asset Forfeiture Fund	Drug education and enforcement.
Senior Citizens Center	Fees and charges for services	Operations of the City's Senior Center
Mobile Data Communication	State, Federal and Local funding	Enhance the City's Emergency Response System
Pulmonary Screening	State grant	Screening for pulmonary disease
Drug Enforcement Training	State grant	Reduction of drug trafficking and drug use
Housing Inspectors DMD	State, Federal and Local funding	Account for the salaries of two housing inspectors
Mayor's Fun Day	State grant	Provides music, activities, food and fun for children of all ages
State Narcotics Task Force	State grant	Reducing drug trafficking
Youth Service Bureau Program Activity	Donations	Youth Service Bureau and Community Services
Infant Mortality	State Grant	To help sick infants and their families
Assistance to CCSU Police Dept	Various funding sources	To assist the CCSU police department
Asthma Initiative Grant	State Grant	To provide awareness on asthma
School Lunch Program	Federal, State and Local	School lunch programs
School Rental Account	Rental fees	Rental of school facilities
High School Athletic	Gate receipts	Purchase athletic equipment and supplies
Adult Education	Federal, State and local	Educational programs for adult residents
Summer School Music	Various funding sources	Summer school music program
Youth Build Program	Federal grant	Training at-risk youth in construction principles and practices for future employment opportunities.
Willow Street Grant	Federal grant	Demolition of housing units transferred to the City
Community and Neighborhood Development	State grant	Provide community and neighborhood development
Business Outreach	State grant	Development costs for the Constructive Workshops business incubator
Emergency Shelter Grant	Federal grant	Housing opportunities for homeless individuals
Community Development Block Grant	Federal grant	Housing and community activities to for low- and moderate-income persons
HOME Project	Federal grant	Acquisition, rehabilitation and creation of housing for low and moderate income persons
Lead Grant	Federal grant	Residences in need of lead removal
State Home Programs	State grant	Rehabilitation of residential units
CHFA Broad Street Demolition	State grant	Demolition activities in the Broad St. Neighborhood Revitalization Zone
Redevelopment Commission	Various funding sources	Activities of the redevelopment commission
Brownfield Pilot	Federal grant	Evaluation of Brownfield sites
Rental	Rental income	DMD properties
EFSP Program	Federal grant	Community and economic development activities
Neighborhood Stabilization Program	Federal grant	Acquisition and rehabilitation of foreclosed property
C.B. Erwin Walnut Hill Park	Investment earnings	The upkeep of Walnut Hill Park
Darius Miller Walnut Hill	Investment earnings	The upkeep of Walnut Hill Park
C.B. Stanley Walnut Hill	Investment earnings	The upkeep of Walnut Hill Park
Parks and Recreation	Investment earnings	The upkeep of Walnut Hill Park and Fairview Cemetery
Darius Miller F/B/O Fairview Cemetery	Investment earnings	The upkeep of Fairview Cemetery

## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDSJUNE 30, 2009  
(In Thousands)

	Special Revenue Funds							
	Stanley Quarter Park	Lead Paint Reduction Program	Park Security and Policing	Cemetery	Dog	Sewer Use	New Britain Marketing Collaborative	Local Capital Improvement
<b>Assets</b>								
Cash and cash equivalents	\$ 283	\$	\$	\$ 926	\$	\$	\$	\$
Investments								
Accounts receivable				19	22	2,804		
Loans receivable								
Due from other governments								104
Due from other funds		45	97		15	316		
Inventory								
<b>Total Assets</b>	<u>\$ 283</u>	<u>\$ 45</u>	<u>\$ 97</u>	<u>\$ 945</u>	<u>\$ 37</u>	<u>\$ 3,120</u>	<u>\$ -</u>	<u>\$ 104</u>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 37	\$ 1	\$	\$ 8	\$ 25	\$ 20	\$	\$
Due to other funds	335			483		817	6	48
Deferred revenue		44						
<b>Total liabilities</b>	<u>372</u>	<u>45</u>	<u>-</u>	<u>491</u>	<u>25</u>	<u>837</u>	<u>6</u>	<u>48</u>
<b>Fund Balances:</b>								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects				101				
Unreserved, undesignated	(89)		97	353	12	2,283	(6)	56
<b>Total fund balance</b>	<u>(89)</u>	<u>-</u>	<u>97</u>	<u>454</u>	<u>12</u>	<u>2,283</u>	<u>(6)</u>	<u>56</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 283</u>	<u>\$ 45</u>	<u>\$ 97</u>	<u>\$ 945</u>	<u>\$ 37</u>	<u>\$ 3,120</u>	<u>\$ -</u>	<u>\$ 104</u>

(Continued on next page)

**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**  
**(In Thousands)**

	<u>Special Revenue Funds</u>								
	<u>BOE In-Residence Student</u>	<u>Larvacide Grant</u>	<u>Lead Poisoning Prevention</u>	<u>American Savings Grant</u>	<u>FEMA Grant</u>	<u>Husky Grant</u>	<u>Police Explorers</u>	<u>Martin Luther King Brick Sale</u>	<u>Martha Hart Park Lighting Fund</u>
<b>Assets</b>									
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
Investments									
Accounts receivable									
Loans receivable									
Due from other governments				25					
Due from other funds			2		7	1	11	5	
Inventory									
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 25</u>	<u>\$ 7</u>	<u>\$ 1</u>	<u>\$ 11</u>	<u>\$ 5</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities:</b>									
Accounts payable	\$	\$	\$ 1	\$	\$	\$ 1	\$	\$	\$
Due to other funds				15					
Deferred revenue					7				
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>1</u>	<u>15</u>	<u>7</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>									
Reserved for inventories									
Reserved for trust purposes									
Unreserved, designated for specific projects									
Unreserved, undesignated			1	10			11	5	
<b>Total fund balance</b>	<u>-</u>	<u>-</u>	<u>1</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>5</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 25</u>	<u>\$ 7</u>	<u>\$ 1</u>	<u>\$ 11</u>	<u>\$ 5</u>	<u>\$ -</u>

(Continued on next page)

CITY OF NEW BRITAIN, CONNECTICUT  
 COMBINING BALANCE SHEET (CONTINUED)  
 NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2009  
 (In Thousands)

	Special Revenue Funds								
	Preventative Health Block Grant	After School Learning Grant	Exercise the Right Choice	Exercise the Right Choice II	Grassroots Tennis Grant	National Recreation Trails Grant	Immunization Action Plan	Bullet Proof Vest Grant	Bioterrorism Grant
<b>Assets</b>									
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
Investments									
Accounts receivable									
Loans receivable									
Due from other governments									
Due from other funds	15	25	5	50			6		12
Inventory									
Total Assets	<u>\$ 15</u>	<u>\$ 25</u>	<u>\$ 5</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 12</u>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities:</b>									
Accounts payable	\$	\$ 1	\$ 2	\$ 3	\$	\$	\$ 2	\$	\$ 1
Due to other funds									
Deferred revenue									
Total liabilities	<u>-</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>1</u>
<b>Fund Balances:</b>									
Reserved for inventories									
Reserved for trust purposes									
Unreserved, designated for specific projects									
Unreserved, undesignated	15	24	3	47			4		11
Total fund balance	<u>15</u>	<u>24</u>	<u>3</u>	<u>47</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>11</u>
Total Liabilities and Fund Balances	<u>\$ 15</u>	<u>\$ 25</u>	<u>\$ 5</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 12</u>

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**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**  
**(In Thousands)**

	<b>Special Revenue Funds</b>								
	<b>System of Care Grant</b>	<b>Historical Records Preservation</b>	<b>21st Century Grant</b>	<b>American Legion Baseball</b>	<b>Public Safety</b>	<b>Centralized and Distribution Services</b>	<b>Local Property Tax Relief Program</b>	<b>Conversation on Race</b>	<b>Victim Services Coordinator Grant</b>
<b>Assets</b>									
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
Investments									
Accounts receivable	9	2							
Loans receivable									
Due from other governments									112
Due from other funds	5	78	152	1			745	5	
Inventory									
<b>Total Assets</b>	<b>\$ 14</b>	<b>\$ 80</b>	<b>\$ 152</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 745</b>	<b>\$ 5</b>	<b>\$ 112</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 3	\$	\$ 3	\$	\$	\$	\$	\$	\$ 2
Due to other funds					68	71			62
Deferred revenue									
<b>Total liabilities</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>68</b>	<b>71</b>	<b>-</b>	<b>-</b>	<b>64</b>
<b>Fund Balances:</b>									
Reserved for inventories									
Reserved for trust purposes									
Unreserved, designated for specific projects								1	
Unreserved, undesignated	11	80	149	1	(68)	(71)	745	4	48
<b>Total fund balance</b>	<b>11</b>	<b>80</b>	<b>149</b>	<b>1</b>	<b>(68)</b>	<b>(71)</b>	<b>745</b>	<b>5</b>	<b>48</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 14</b>	<b>\$ 80</b>	<b>\$ 152</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 745</b>	<b>\$ 5</b>	<b>\$ 112</b>

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**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**  
**(In Thousands)**

		<u>Special Revenue Funds</u>								
		<u>Federal Omnibus Appropriation</u>	<u>Independent Living</u>	<u>Aids Outreach</u>	<u>YSB Care Unit</u>	<u>Juvenile Justice Center</u>	<u>STD Control Program</u>	<u>Recreation Donation</u>	<u>Recreation Amusement</u>	<u>Weed and Seed</u>
<b>Assets</b>										
	Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Investments									
	Accounts receivable		23						1	
	Loans receivable									
	Due from other governments									
	Due from other funds	24	18		3	21	3	93	11	
	Inventory									
⊗	<b>Total Assets</b>	<u>\$ 24</u>	<u>\$ 41</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 21</u>	<u>\$ 3</u>	<u>\$ 93</u>	<u>\$ 12</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances</b>										
<b>Liabilities:</b>										
	Accounts payable	\$	\$ 4	\$	\$ 4	\$ 2	\$	\$	\$	\$
	Due to other funds									2
	Deferred revenue									10
	<b>Total liabilities</b>	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>
<b>Fund Balances:</b>										
	Reserved for inventories									
	Reserved for trust purposes									
	Unreserved, designated for specific projects								4	
	Unreserved, undesignated	24	37		(1)	19	3	93	8	(12)
	<b>Total fund balance</b>	<u>24</u>	<u>37</u>	<u>-</u>	<u>(1)</u>	<u>19</u>	<u>3</u>	<u>93</u>	<u>12</u>	<u>(12)</u>
	<b>Total Liabilities and Fund Balances</b>	<u>\$ 24</u>	<u>\$ 41</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 21</u>	<u>\$ 3</u>	<u>\$ 93</u>	<u>\$ 12</u>	<u>\$ -</u>

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CITY OF NEW BRITAIN, CONNECTICUT  
 COMBINING BALANCE SHEET (CONTINUED)  
 NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2009  
 (In Thousands)

		<u>Special Revenue Funds</u>							
		<u>Mayor's Golf Tournament</u>	<u>Health Per Capita</u>	<u>Highway Safety Grant</u>	<u>Drug Investigation</u>	<u>Senior Citizens Center</u>	<u>Mobile Data Communication</u>	<u>Pulmonary Screening</u>	<u>Drug Enforcement Training</u>
<b>Assets</b>									
	Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
	Investments								
	Accounts receivable								
	Loans receivable								
	Due from other governments								
	Due from other funds	4	110		45	38	453	45	
	Inventory								
70	<b>Total Assets</b>	<u>\$ 4</u>	<u>\$ 110</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 38</u>	<u>\$ 453</u>	<u>\$ 45</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities:</b>									
	Accounts payable	\$	\$ 1	\$ 5	\$	\$	\$	\$	\$
	Due to other funds			27					
	Deferred revenue								
	<b>Total liabilities</b>	<u>-</u>	<u>1</u>	<u>32</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>									
	Reserved for inventories								
	Reserved for trust purposes								
	Unreserved, designated for specific projects								
	Unreserved, undesignated	4	109	(32)	45	38	453	45	
	<b>Total fund balance</b>	<u>4</u>	<u>109</u>	<u>(32)</u>	<u>45</u>	<u>38</u>	<u>453</u>	<u>45</u>	<u>-</u>
	<b>Total Liabilities and Fund Balances</b>	<u>\$ 4</u>	<u>\$ 110</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 38</u>	<u>\$ 453</u>	<u>\$ 45</u>	<u>\$ -</u>

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**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**  
**(In Thousands)**

		<b>Special Revenue Funds</b>								
		<b>Housing Inspectors DMD</b>	<b>Mayor's Fun Day</b>	<b>State Narcotics Task Force</b>	<b>YSB Program Activity</b>	<b>Infant Mortality Grant</b>	<b>Assistance to CCSU Police Department</b>	<b>Asthma Initiative Grant</b>	<b>School Lunch Program</b>	<b>School Rental Account</b>
<b>Assets</b>										
	Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$ 92
	Investments									
	Accounts receivable				1		35			3
	Loans receivable									
	Due from other governments								1,019	
	Due from other funds	2	3		5			10		
	Inventory								123	
71	<b>Total Assets</b>	<b>\$ 2</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 6</b>	<b>\$ -</b>	<b>\$ 35</b>	<b>\$ 10</b>	<b>\$ 1,142</b>	<b>\$ 95</b>
<b>Liabilities and Fund Balances</b>										
<b>Liabilities:</b>										
	Accounts payable	\$ 1	\$	\$	\$	\$	\$	\$ 965	\$	\$ 139
	Due to other funds						31			139
	Deferred revenue									
	<b>Total liabilities</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31</b>	<b>-</b>	<b>965</b>	<b>139</b>
<b>Fund Balances:</b>										
	Reserved for inventories								123	
	Reserved for trust purposes									
	Unreserved, designated for specific projects									
	Unreserved, undesignated	1	3		6		4	10	54	(44)
	<b>Total fund balance</b>	<b>1</b>	<b>3</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>4</b>	<b>10</b>	<b>177</b>	<b>(44)</b>
	<b>Total Liabilities and Fund Balances</b>	<b>\$ 2</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 6</b>	<b>\$ -</b>	<b>\$ 35</b>	<b>\$ 10</b>	<b>\$ 1,142</b>	<b>\$ 95</b>

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**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**  
**(In Thousands)**

	<b>Special Revenue Funds</b>								
	<b>High School Athletic</b>	<b>Adult Education</b>	<b>Summer School Music</b>	<b>Youth Build Program</b>	<b>Willow Street Grant</b>	<b>Community and Neighborhood Development</b>	<b>Business Outreach</b>	<b>Emergency Shelter Grant</b>	<b>Community Development Block Grant</b>
<b>Assets</b>									
Cash and cash equivalents	\$ 151	\$ 63	\$ 28	\$ 11	\$ 10	\$ 22	\$ 30	\$ 15	\$ 1,315
Investments									
Accounts receivable		2			13		1		403
Loans receivable									2,040
Due from other governments									
Due from other funds									185
Inventory									
<b>Total Assets</b>	<b>\$ 151</b>	<b>\$ 65</b>	<b>\$ 28</b>	<b>\$ 11</b>	<b>\$ 23</b>	<b>\$ 22</b>	<b>\$ 31</b>	<b>\$ 15</b>	<b>\$ 3,943</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities:</b>									
Accounts payable	\$	\$	\$	\$	\$	22	93	1	18
Due to other funds							83	30	5
Deferred revenue				25	23		10		2,040
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>23</b>	<b>22</b>	<b>186</b>	<b>31</b>	<b>2,063</b>
<b>Fund Balances:</b>									
Reserved for inventories									
Reserved for trust purposes									
Unreserved, designated for specific projects									
Unreserved, undesignated	151	65	28	(14)	-	(155)	(16)		1,880
<b>Total fund balance</b>	<b>151</b>	<b>65</b>	<b>28</b>	<b>(14)</b>	<b>-</b>	<b>(155)</b>	<b>(16)</b>		<b>1,880</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 151</b>	<b>\$ 65</b>	<b>\$ 28</b>	<b>\$ 11</b>	<b>\$ 23</b>	<b>\$ 22</b>	<b>\$ 31</b>	<b>\$ 15</b>	<b>\$ 3,943</b>

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**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**  
(In Thousands)

	<u>Special Revenue Funds</u>								
	<u>HOME Project</u>	<u>Lead Grant</u>	<u>State Home Programs</u>	<u>CHFA Broad Street Demolition</u>	<u>Redevelopment Commission</u>	<u>Brownfield Pilot</u>	<u>Rental</u>	<u>EFSP Program</u>	<u>Neighborhood Stabilization Program</u>
<b>Assets</b>									
Cash and cash equivalents	\$ 668	\$ 17	\$ 1	\$ 213	\$ 6	\$ 36	\$ 48	\$ 11	\$ 282
Investments									
Accounts receivable	23								
Loans receivable	2,530	2,111							
Due from other governments									
Due from other funds		3	46			2			
Inventory									
73 Total Assets	<u>\$ 3,221</u>	<u>\$ 2,131</u>	<u>\$ 47</u>	<u>\$ 213</u>	<u>\$ 6</u>	<u>\$ 38</u>	<u>\$ 48</u>	<u>\$ 11</u>	<u>\$ 282</u>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 41	\$	\$	\$ 53	\$ 12	\$	\$	\$	\$
Due to other funds	496	17						4	176
Deferred revenue	2,530	2,111	44	160		36			
Total liabilities	<u>3,067</u>	<u>2,128</u>	<u>44</u>	<u>213</u>	<u>12</u>	<u>36</u>	<u>-</u>	<u>4</u>	<u>176</u>
<b>Fund Balances:</b>									
Reserved for inventories									
Reserved for trust purposes									
Unreserved, designated for specific projects									
Unreserved, undesignated	154	3	3		(6)	2	48	7	106
Total fund balance	<u>154</u>	<u>3</u>	<u>3</u>	<u>-</u>	<u>(6)</u>	<u>2</u>	<u>48</u>	<u>7</u>	<u>106</u>
Total Liabilities and Fund Balances	<u>\$ 3,221</u>	<u>\$ 2,131</u>	<u>\$ 47</u>	<u>\$ 213</u>	<u>\$ 6</u>	<u>\$ 38</u>	<u>\$ 48</u>	<u>\$ 11</u>	<u>\$ 282</u>

(Continued on next page)

**CITY OF NEW BRITAIN, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2009**  
**(In Thousands)**

**Special Revenue Funds**

	<b>C.B. Erwin Walnut Hill Park</b>	<b>Darius Miller Walnut Hill</b>	<b>C.B. Stanley Walnut Hill</b>	<b>Parks and Recreation</b>	<b>Darius Miller F/B/O Fairview Cemetery</b>	<b>Total</b>	<b>Interfund Eliminations</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>								
Cash and cash equivalents	\$	\$	\$	\$ 13	\$	\$ 4,241	\$	\$ 4,241
Investments	234	1,096	1,179		196	2,705		2,705
Accounts receivable						3,361		3,361
Loans receivable						6,681		6,681
Due from other governments						1,260		1,260
Due from other funds		1				2,723	(216)	2,507
Inventory						123		123
<b>Total Assets</b>	<b>\$ 234</b>	<b>\$ 1,097</b>	<b>\$ 1,179</b>	<b>\$ 13</b>	<b>\$ 196</b>	<b>\$ 21,094</b>	<b>\$ (216)</b>	<b>\$ 20,878</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
Accounts payable	\$	\$	\$	\$	\$	\$ 1,332	\$	\$ 1,332
Due to other funds						2,915	(216)	2,699
Deferred revenue						7,040		7,040
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,287</b>	<b>(216)</b>	<b>11,071</b>
<b>Fund Balances:</b>								
Reserved for inventories						123		123
Reserved for trust purposes		1,006	1,179		196	2,381		2,381
Unreserved, designated for specific projects		32				138		138
Unreserved, undesignated	234	59		13		7,165		7,165
<b>Total fund balance</b>	<b>234</b>	<b>1,097</b>	<b>1,179</b>	<b>13</b>	<b>196</b>	<b>9,807</b>	<b>-</b>	<b>9,807</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 234</b>	<b>\$ 1,097</b>	<b>\$ 1,179</b>	<b>\$ 13</b>	<b>\$ 196</b>	<b>\$ 21,094</b>	<b>\$ (216)</b>	<b>\$ 20,878</b>

## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds							
	Stanley Quarter Park	Lead Paint Reduction Program	Park Security and Policing	Cemetery	Dog	Sewer Use	New Britain Marketing Collaborative	Local Capital Improvement
Revenues:								
Intergovernmental revenue	\$	\$	\$	\$	\$	\$	\$	\$ 707
Investment earnings								
Investment losses				(141)				
Licenses, fees and charges for goods and services	1,857		54	215	40	4,426		
Other revenues				5				
Total revenues	<u>1,857</u>	<u>-</u>	<u>54</u>	<u>79</u>	<u>40</u>	<u>4,426</u>	<u>-</u>	<u>707</u>
Expenditures:								
General government							30	
Public safety			19		151			
Public works						5,581		616
Health and welfare				444				
Parks, recreation and libraries	1,903							
Education								
Total expenditures	<u>1,903</u>	<u>-</u>	<u>19</u>	<u>444</u>	<u>151</u>	<u>5,581</u>	<u>30</u>	<u>616</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(46)</u>	<u>-</u>	<u>35</u>	<u>(365)</u>	<u>(111)</u>	<u>(1,155)</u>	<u>(30)</u>	<u>91</u>
Other Financing Sources (Uses):								
Transfers in					111			
Transfers out	(75)			(11)		(759)		
Total other financing sources (uses)	<u>(75)</u>	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>111</u>	<u>(759)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(121)	-	35	(376)	-	(1,914)	(30)	91
Fund Balances at Beginning of Year	<u>32</u>	<u>-</u>	<u>62</u>	<u>830</u>	<u>12</u>	<u>4,197</u>	<u>24</u>	<u>(35)</u>
Fund Balances at End of Year	<u><u>(89)</u></u>	<u><u>-</u></u>	<u><u>97</u></u>	<u><u>454</u></u>	<u><u>12</u></u>	<u><u>2,283</u></u>	<u><u>(6)</u></u>	<u><u>56</u></u>

(Continued on next page)

CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds								
	BOE In-Residence Student	Larvacide Grant	Lead Poisoning Prevention	American Savings Grant	FEMA Grant	Husky Grant	Police Explorers	Martin Luther King Brick Sale	Martha Hart Park Lighting Fund
Revenues:									
Intergovernmental revenue	\$	\$	\$ 51	\$	\$ 72	\$ 17	\$	\$	\$ 129
Investment earnings									
Investment losses									
Licenses, fees and charges for goods and services	285								
Other revenues				121			1		
Total revenues	<u>285</u>	<u>-</u>	<u>51</u>	<u>121</u>	<u>72</u>	<u>17</u>	<u>1</u>	<u>-</u>	<u>129</u>
Expenditures:									
General government									
Public safety					90		10		
Public works									
Health and welfare		1	51			17			
Parks, recreation and libraries				90					129
Education	285								
Total expenditures	<u>285</u>	<u>1</u>	<u>51</u>	<u>90</u>	<u>90</u>	<u>17</u>	<u>10</u>	<u>-</u>	<u>129</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>31</u>	<u>(18)</u>	<u>-</u>	<u>(9)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):									
Transfers in					18				
Transfers out									
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(1)	-	31	-	-	(9)	-	-
Fund Balances at Beginning of Year	-	1	1	(21)	-	-	20	5	-
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 5</u>	<u>\$ -</u>

(Continued on next page)

## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds								
	Preventative Health Block Grant	After School Learning Grant	Exercise the Right Choice	Exercise the Right Choice II	Grassroots Tennis Grant	National Recreation Trails Grant	Immunization Action Plan	Bullet Proof Vest Grant	Bioterrorism Grant
Revenues:									
Intergovernmental revenue	\$ 15	\$ 258	\$ 212	\$ 202	\$	\$ 21	\$ 86	\$	\$ 72
Investment earnings									
Investment losses									
Licenses, fees and charges for goods and services									
Other revenues								19	
Total revenues	<u>15</u>	<u>258</u>	<u>212</u>	<u>202</u>	<u>-</u>	<u>21</u>	<u>86</u>	<u>19</u>	<u>72</u>
Expenditures:									
General government									
Public safety								10	
Public works									
Health and welfare	1						84		79
Parks, recreation and libraries		247	273	212		20			
Education									
Total expenditures	<u>1</u>	<u>247</u>	<u>273</u>	<u>212</u>	<u>-</u>	<u>20</u>	<u>84</u>	<u>10</u>	<u>79</u>
Excess (Deficiency) of Revenues over Expenditures	<u>14</u>	<u>11</u>	<u>(61)</u>	<u>(10)</u>	<u>-</u>	<u>1</u>	<u>2</u>	<u>9</u>	<u>(7)</u>
Other Financing Sources (Uses):									
Transfers in									
Transfers out					(2)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	14	11	(61)	(10)	(2)	1	2	9	(7)
Fund Balances at Beginning of Year	<u>1</u>	<u>13</u>	<u>64</u>	<u>57</u>	<u>2</u>	<u>(1)</u>	<u>2</u>	<u>(9)</u>	<u>18</u>
Fund Balances at End of Year	<u>\$ 15</u>	<u>\$ 24</u>	<u>\$ 3</u>	<u>\$ 47</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 11</u>

(Continued on next page)

## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds								
	System of Care Grant	Historical Records Preservation	21st Century Grant	American Legion Baseball	Public Safety	Centralized and Distribution Services	Local Property Tax Relief Program	Conversation on Race	Victim Services Coordinator Grant
Revenues:									
Intergovernmental revenue	\$	\$ 29	\$ 256	\$	\$ 1	\$	\$	\$	\$ 182
Investment earnings									
Investment losses									
Licenses, fees and charges for goods and services									
Other revenues	108					30		1	
Total revenues	<u>108</u>	<u>29</u>	<u>256</u>	<u>-</u>	<u>1</u>	<u>30</u>	<u>-</u>	<u>1</u>	<u>182</u>
Expenditures:									
General government		35				109			
Public safety					69				139
Public works									
Health and welfare	126								
Parks, recreation and libraries			130					1	
Education									
Total expenditures	<u>126</u>	<u>35</u>	<u>130</u>	<u>-</u>	<u>69</u>	<u>109</u>	<u>-</u>	<u>1</u>	<u>139</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(18)</u>	<u>(6)</u>	<u>126</u>	<u>-</u>	<u>(68)</u>	<u>(79)</u>	<u>-</u>	<u>-</u>	<u>43</u>
Other Financing Sources (Uses):									
Transfers in	18								
Transfers out									
Total other financing sources (uses)	<u>18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(6)	126	-	(68)	(79)	-	-	43
Fund Balances at Beginning of Year	<u>11</u>	<u>86</u>	<u>23</u>	<u>1</u>	<u>-</u>	<u>8</u>	<u>745</u>	<u>5</u>	<u>5</u>
Fund Balances at End of Year	<u>\$ 11</u>	<u>\$ 80</u>	<u>\$ 149</u>	<u>\$ 1</u>	<u>\$ (68)</u>	<u>\$ (71)</u>	<u>\$ 745</u>	<u>\$ 5</u>	<u>\$ 48</u>

(Continued on next page)

CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds								
	Federal Omnibus Appropriation	Independent Living	Aids Outreach	YSB Care Unit	Juvenile Justice Center	STD Control Program	Recreation Donation	Recreation Amusement	Weed and Seed
Revenues:									
Intergovernmental revenue	\$ 66	\$ 90	\$	\$ 89	\$	\$ 15	\$	\$	\$
Investment earnings									
Investment losses									
Licenses, fees and charges for goods and services									
Other revenues					63		71	23	
Total revenues	<u>66</u>	<u>90</u>	<u>-</u>	<u>89</u>	<u>63</u>	<u>15</u>	<u>71</u>	<u>23</u>	<u>-</u>
Expenditures:									
General government									
Public safety	42								12
Public works									
Health and welfare		91		276	77	15			
Parks, recreation and libraries							31	29	
Education									
Total expenditures	<u>42</u>	<u>91</u>	<u>-</u>	<u>276</u>	<u>77</u>	<u>15</u>	<u>31</u>	<u>29</u>	<u>12</u>
Excess (Deficiency) of Revenues over Expenditures	<u>24</u>	<u>(1)</u>	<u>-</u>	<u>(187)</u>	<u>(14)</u>	<u>-</u>	<u>40</u>	<u>(6)</u>	<u>(12)</u>
Other Financing Sources (Uses):									
Transfers in		24		187					
Transfers out			(2)						
Total other financing sources (uses)	<u>-</u>	<u>24</u>	<u>(2)</u>	<u>187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	24	23	(2)	-	(14)	-	40	(6)	(12)
Fund Balances at Beginning of Year	<u>-</u>	<u>14</u>	<u>2</u>	<u>(1)</u>	<u>33</u>	<u>3</u>	<u>53</u>	<u>18</u>	<u></u>
Fund Balances at End of Year	<u>\$ 24</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 19</u>	<u>\$ 3</u>	<u>\$ 93</u>	<u>\$ 12</u>	<u>\$ (12)</u>

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CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

		Special Revenue Funds							
		Mayor's Golf Tournament	Health Per Capita	Highway Safety Grant	Drug Investigation	Senior Citizens Center	Mobile Data Communication	Pulmonary Screening	Drug Enforcement Training
Revenues:									
Intergovernmental revenue	\$		\$ 99	\$ 72	\$ 162	\$	\$ 169	\$ 31	\$
Investment earnings									
Investment losses									
Licenses, fees and charges for goods and services						59			
Other revenues		44							
Total revenues		<u>44</u>	<u>99</u>	<u>72</u>	<u>162</u>	<u>59</u>	<u>169</u>	<u>31</u>	<u>-</u>
Expenditures:									
General government									
Public safety				108	178		137		
Public works									
Health and welfare			90					4	
Parks, recreation and libraries		44				40			
Education									
Total expenditures		<u>44</u>	<u>90</u>	<u>108</u>	<u>178</u>	<u>40</u>	<u>137</u>	<u>4</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures		<u>-</u>	<u>9</u>	<u>(36)</u>	<u>(16)</u>	<u>19</u>	<u>32</u>	<u>27</u>	<u>-</u>
Other Financing Sources (Uses):									
Transfers in				58					2
Transfers out									
Total other financing sources (uses)		<u>-</u>	<u>-</u>	<u>58</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
Net Change in Fund Balances		<u>-</u>	<u>9</u>	<u>22</u>	<u>(16)</u>	<u>19</u>	<u>32</u>	<u>27</u>	<u>2</u>
Fund Balances at Beginning of Year		<u>4</u>	<u>100</u>	<u>(54)</u>	<u>61</u>	<u>19</u>	<u>421</u>	<u>18</u>	<u>(2)</u>
Fund Balances at End of Year		<u>\$ 4</u>	<u>\$ 109</u>	<u>\$ (32)</u>	<u>\$ 45</u>	<u>\$ 38</u>	<u>\$ 453</u>	<u>\$ 45</u>	<u>\$ -</u>

(Continued on next page)

## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds									
	Housing Inspectors DMD	Mayor's Fun Day	State Narcotics Task Force	YSB Program Activity	Infant Mortality Grant	Assistance to CCSU Police Department	Asthma Initiative Grant	School Lunch Program	School Rental Account	
Revenues:										
Intergovernmental revenue	\$	\$	\$	\$	\$	8	\$	\$	288	\$
Investment earnings										49
Investment losses										
Licenses, fees and charges for goods and services								4,388		
Other revenues	54	21		16		30	10			
Total revenues	<u>54</u>	<u>21</u>	<u>-</u>	<u>16</u>	<u>8</u>	<u>30</u>	<u>10</u>	<u>4,676</u>	<u>49</u>	
Expenditures:										
General government										
Public safety	54		14			11				
Public works										
Health and welfare				25	8		2			
Parks, recreation and libraries		22								
Education								4,857		66
Total expenditures	<u>54</u>	<u>22</u>	<u>14</u>	<u>25</u>	<u>8</u>	<u>11</u>	<u>2</u>	<u>4,857</u>	<u>66</u>	
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(1)</u>	<u>(14)</u>	<u>(9)</u>	<u>-</u>	<u>19</u>	<u>8</u>	<u>(181)</u>	<u>(17)</u>	
Other Financing Sources (Uses):										
Transfers in										
Transfers out										
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(1)	(14)	(9)	-	19	8	(181)	(17)	
Fund Balances at Beginning of Year	<u>1</u>	<u>4</u>	<u>14</u>	<u>15</u>	<u>-</u>	<u>(15)</u>	<u>2</u>	<u>358</u>	<u>(27)</u>	
Fund Balances at End of Year	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 10</u>	<u>\$ 177</u>	<u>\$ (44)</u>	

(Continued on next page)

## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds								
	High School Athletic	Adult Education	Summer School Music	Youth Build Program	Willow Street Grant	Community and Neighborhood Development	Business Outreach	Emergency Shelter Grant	Community Development Block Grant
Revenues:									
Intergovernmental revenue	\$	\$	\$	\$	\$	\$	\$	140	\$ 1,647
Investment earnings									27
Investment losses									
Licenses, fees and charges for goods and services	217	31	9						
Other revenues									168
Total revenues	<u>217</u>	<u>31</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140</u>	<u>1,842</u>
Expenditures:									
General government									
Public safety									
Public works									
Health and welfare								137	2,505
Parks, recreation and libraries									
Education	379	43	25						
Total expenditures	<u>379</u>	<u>43</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137</u>	<u>2,505</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(162)</u>	<u>(12)</u>	<u>(16)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>(663)</u>
Other Financing Sources (Uses):									
Transfers in	109								
Transfers out									
Total other financing sources (uses)	<u>109</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(53)	(12)	(16)	-	-	-	-	3	(663)
Fund Balances at Beginning of Year	<u>204</u>	<u>77</u>	<u>44</u>	<u>(14)</u>	<u>-</u>	<u>-</u>	<u>(155)</u>	<u>(19)</u>	<u>2,543</u>
Fund Balances at End of Year	<u>\$ 151</u>	<u>\$ 65</u>	<u>\$ 28</u>	<u>\$ (14)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (155)</u>	<u>\$ (16)</u>	<u>\$ 1,880</u>

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## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds								
	HOME Project	Lead Grant	State Home Programs	CHFA Broad Street Demolition	Redevelopment Commission	Brownfield Pilot	Rental	EFSP Program	Neighborhood Stabilization Program
Revenues:									
Intergovernmental revenue	\$ 1,061	\$ 1,196	\$	\$	\$	\$	\$	\$ 16	\$ 300
Investment earnings									
Investment losses									
Licenses, fees and charges for goods and services									
Other revenues						22			
Total revenues	<u>1,061</u>	<u>1,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22</u>	<u>-</u>	<u>16</u>	<u>300</u>
Expenditures:									
General government									
Public safety									
Public works									
Health and welfare	1,968	1,035				6		5	194
Parks, recreation and libraries									
Education									
Total expenditures	<u>1,968</u>	<u>1,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>5</u>	<u>194</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(907)</u>	<u>161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16</u>	<u>-</u>	<u>11</u>	<u>106</u>
Other Financing Sources (Uses):									
Transfers in									
Transfers out									
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(907)	161	-	-	-	16	-	11	106
Fund Balances at Beginning of Year	<u>1,061</u>	<u>(158)</u>	<u>3</u>	<u>-</u>	<u>(6)</u>	<u>(14)</u>	<u>48</u>	<u>(4)</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 154</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ (6)</u>	<u>\$ 2</u>	<u>\$ 48</u>	<u>\$ 7</u>	<u>\$ 106</u>

(Continued on next page)

## CITY OF NEW BRITAIN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Revenue Funds						Interfund Eliminations	Total Nonmajor Governmental Funds
	C.B. Erwin Walnut Hill Park	Darius Miller Walnut Hill	C.B. Stanley Walnut Hill	Parks and Recreation	Darius Miller F/B/O Fairview Cemetery	Total		
Revenues:								
Intergovernmental revenue	\$	\$	\$	\$	\$	\$ 7,759	\$	\$ 7,759
Investment earnings		150				226		226
Investment losses	(51)	(277)	(221)		(31)	(721)		(721)
Licenses, fees and charges for goods and services						11,581		11,581
Other revenues						807		807
Total revenues	<u>(51)</u>	<u>(127)</u>	<u>(221)</u>	<u>-</u>	<u>(31)</u>	<u>19,652</u>	<u>-</u>	<u>19,652</u>
Expenditures:								
General government						174		174
Public safety						1,044		1,044
Public works						6,197		6,197
Health and welfare						7,241		7,241
Parks, recreation and libraries	15	96	73		10	3,365		3,365
Education						5,655		5,655
Total expenditures	<u>15</u>	<u>96</u>	<u>73</u>	<u>-</u>	<u>10</u>	<u>23,676</u>	<u>-</u>	<u>23,676</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(66)</u>	<u>(223)</u>	<u>(294)</u>	<u>-</u>	<u>(41)</u>	<u>(4,024)</u>	<u>-</u>	<u>(4,024)</u>
Other Financing Sources (Uses):								
Transfers in						527		527
Transfers out						(849)		(849)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(322)</u>	<u>-</u>	<u>(322)</u>
Net Change in Fund Balances	(66)	(223)	(294)	-	(41)	(4,346)	-	(4,346)
Fund Balances at Beginning of Year	<u>300</u>	<u>1,320</u>	<u>1,473</u>	<u>13</u>	<u>237</u>	<u>14,153</u>	<u>-</u>	<u>14,153</u>
Fund Balances at End of Year	<u>\$ 234</u>	<u>\$ 1,097</u>	<u>\$ 1,179</u>	<u>\$ 13</u>	<u>\$ 196</u>	<u>\$ 9,807</u>	<u>\$ -</u>	<u>\$ 9,807</u>

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**Capital  
Projects Fund**

## **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to account for the financial resources for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.

Revenues to the Capital Projects Fund consist of the proceeds of long and short-term debt, grants, and transfers from operating funds and the Capital and Nonrecurring Expenditure Fund.

Appropriations are made on a project life basis by the City Council in the form of resolutions or bond ordinances.

The schedule on the following pages displays for each project:

1. The original appropriation as amended.
2. Expenditures for the current fiscal year.
3. Expenditures for all fiscal years.
4. Outstanding encumbrances.
5. The project balance at fiscal year end.

For management reporting purposes, projects are classified into functional areas.

If projects are completed with remaining funded balances, the unexpended balance is transferred to the Capital Reserve Account of the Capital and Nonrecurring Expenditure Fund. The reserve is then used as a source of funding for future projects.

## CITY OF NEW BRITAIN, CONNECTICUT

## CAPITAL PROJECTS FUND

**SCHEDULE EXPENDITURES - ACTUAL VS. APPROPRIATIONS (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)**

<u>Project Description</u>	<u>Amended Budget</u>	<u>Current Year Expenditures and Transfers</u>	<u>Cumulative Expenditures</u>	<u>Encumbered</u>	<u>Available Budget</u>
Capital Equipment Reserve	\$ 22,298	\$ 1,128	\$ 17,169	\$ 38	\$ 5,091
Capital and Nonrecurring	30,341	174	29,084	127	1,130
Subway	470	58	690		(220)
Lincoln, Northend, Vance	43,800	168	43,310		490
New Britain High School	16,595	939	16,382	11	202
Replace school roofs	8,225	582	7,752	25	448
Entrance/Security	1,700	1,671	1,671		29
New Britain High School Code Compliance	3,000	111	111	63	2,826
Smalley Academy Chiller	500	461	461	23	16
City Hall Renovation	33,491		33,642		(151)
Badolato & Szczesny Garage Repairs	5,075	149	372	27	4,676
MERF Pension	1,500		1,448		52
Technology Bond	2,000	190	293	23	1,684
2007 Revaluation	1,200	88	798	6	396
Broad, Beaver, Main and North	6,600	366	5,964	4	632
Main Street Reconstruction	3,250		2,944		306
Arch Street Walkway	4,020	391	3,948	17	55
Police Headquarters Renovation	11,410	551	2,525	223	8,662
EMS Ambulance	3,375	99	3,610		(235)
Golf Driving Range	1,100		1,152		(52)
Storm Water System Improvements	4,750	304	846	1,896	2,008
Environmental Remediation	6,750	329	5,122	119	1,509
Local Capital Improvements	950		334		616
Fafnir Booth Street Industrial Park	8,550	512	8,506	3	41
St Clair, Lester, East Street	2,200	3	2,175	58	(33)
Hart Street Extension	9,500	778	6,750	647	2,103
Street Infrastructure	22,058	4,188	9,828	2,679	9,551
Transfer Station Rehab	6,873	74	84	387	6,402
Broad Street Reconstruction	13,300	1,623	6,319	4,244	2,737
NB Machine Industrial Park	3,600	605	3,333	65	202
Fafnir Smart Park Expansion	3,250	(138)	2,817		433
Downtown Feasibility Study	250	16	242		8
Willow Street Project	5,350	2,786	3,212	845	1,293
Bridge Program	5,775	139	498	59	5,218
Pinnacle Heights	7,946	2,259	5,221	53	2,672
Sewer I and I Improvements	17,775	1,639	13,194	442	4,139
Beaver Street Reconstruction	7,300				7,300
<b>Total</b>	<b>\$ 326,127</b>	<b>\$ 22,243</b>	<b>\$ 241,807</b>	<b>\$ 12,084</b>	<b>\$ 72,236</b>



## **Internal Service Funds**

## **INTERNAL SERVICE FUNDS**

Internal Services Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Special Reserve Fund** - to account for monies reserved for future insurance expenditures.

**Health Insurance Fund** - to account for revenues and expenditures related to the City's Medical Self-Insurance Plan.

**Workers' Compensation Fund** - to account for revenues and expenditures related to the City's Worker's Compensation Plan.

**General Accident Casualty and Liability Fund** - to account for revenues and expenditures related to the City's self-insurance program for general liability coverage.

## CITY OF NEW BRITAIN, CONNECTICUT

## INTERNAL SERVICE FUNDS

## COMBINING BALANCE SHEET

June 30, 2009

(In Thousands)

	<u>Special Reserve Fund</u>	<u>Health Insurance Fund</u>	<u>Workers' Compensation</u>	<u>General Accident Casualty and Liability</u>	<u>Total</u>
<b>Assets</b>					
Investments	\$	\$	\$ 15,713	\$ 1,440	\$ 17,153
Due from other funds		1,049		258	1,307
Accounts receivable		<u>25</u>	<u>190</u>		<u>215</u>
Total Assets	<u>\$ -</u>	<u>\$ 1,074</u>	<u>\$ 15,903</u>	<u>\$ 1,698</u>	<u>\$ 18,675</u>
<b>Liabilities and Net Assets</b>					
Liabilities:					
Accounts payable and accrued expenses	\$	\$ 773	\$ 11	\$	\$ 784
Due to other funds	277		641		918
Claim reserves		<u>2,069</u>	<u>17,253</u>	<u>1,874</u>	<u>21,196</u>
Total liabilities	277	2,842	17,905	1,874	22,898
Net Assets	<u>(277)</u>	<u>(1,768)</u>	<u>(2,002)</u>	<u>(176)</u>	<u>(4,223)</u>
Total Liabilities and Net Assets	<u>\$ -</u>	<u>\$ 1,074</u>	<u>\$ 15,903</u>	<u>\$ 1,698</u>	<u>\$ 18,675</u>

## CITY OF NEW BRITAIN, CONNECTICUT

## INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETSFOR THE YEAR ENDED JUNE 30, 2009  
(In Thousands)

	Special Reserve Fund	Health Insurance Fund	Workers' Compensation	General Accident Casualty and Liability	Total
Operating Revenues:					
Charges to other funds	\$	\$ 10,745	\$ 821	\$ -	\$ 11,566
Other revenues		5,790	3	72	5,865
Total operating revenues	<u>-</u>	<u>16,535</u>	<u>824</u>	<u>72</u>	<u>17,431</u>
Operating Expenses:					
Claims incurred		25,716	1,782	62	27,560
Administrative costs	7	636	220	10	873
Total operating expenses	<u>7</u>	<u>26,352</u>	<u>2,002</u>	<u>72</u>	<u>28,433</u>
Operating Loss	<u>(7)</u>	<u>(9,817)</u>	<u>(1,178)</u>	<u>-</u>	<u>(11,002)</u>
Nonoperating Revenues (Expenses):					
Loss on investments	(346)		(1,068)	(132)	(1,546)
Interest and dividends	49		570	54	673
Increase in actuarial claims reserve		(55)	(1,136)	128	(1,063)
Total nonoperating revenues (expenses)	<u>(297)</u>	<u>(55)</u>	<u>(1,634)</u>	<u>50</u>	<u>(1,936)</u>
Income (Loss) Before Transfers	(304)	(9,872)	(2,812)	50	(12,938)
Other Financing Sources (Uses):					
Transfers from other funds		6,000	950	81	7,031
Change in Net Assets	(304)	(3,872)	(1,862)	131	(5,907)
Net Assets Beginning of Year	<u>27</u>	<u>2,104</u>	<u>(140)</u>	<u>(307)</u>	<u>1,684</u>
Net Assets End of Year	<u>\$ (277)</u>	<u>\$ (1,768)</u>	<u>\$ (2,002)</u>	<u>\$ (176)</u>	<u>\$ (4,223)</u>

## CITY OF NEW BRITAIN, CONNECTICUT

## INTERNAL SERVICE FUNDS

## COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2009

(In Thousands)

	Special Reserve Fund	Health Insurance Fund	Workers' Compensation	General Accident Casualty and Liability	Total
Cash Flows from Operating Activities:					
Cash received from charges to other funds	\$	\$ 14,482	\$ 2,663	\$	\$ 17,145
Cash received from other operating activities		5,765	3		5,768
Cash paid for premiums and other operating expenses	(7)	(531)	(227)	(27)	(792)
Cash payments for claims made		(25,716)	(1,782)	(62)	(27,560)
Net cash provided by (used in) operating activities	<u>(7)</u>	<u>(6,000)</u>	<u>657</u>	<u>(89)</u>	<u>(5,439)</u>
Cash Flows from Noncapital Financing Activities:					
Cash received from other funds		6,000	950	81	7,031
Cash paid to other funds	(2,447)				(2,447)
Net cash provided by (used in) noncapital financing activities	<u>(2,447)</u>	<u>6,000</u>	<u>950</u>	<u>81</u>	<u>4,584</u>
Cash Flows from Investing Activities:					
Interest income	49		570	54	673
Purchase of investments			(3,031)	(115)	(3,146)
Sale of investments	2,224				2,224
Net cash provided by investing activities	<u>2,273</u>	<u>-</u>	<u>(2,461)</u>	<u>(61)</u>	<u>(249)</u>
Net Decrease in Cash and Cash Equivalents	(181)	-	(854)	(69)	(1,104)
Cash and Cash Equivalents Beginning of Year	181	-	854	69	1,104
Cash and Cash Equivalents End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities:					
Operating loss	\$ (7)	\$ (9,817)	\$ (1,178)	\$	\$ (11,002)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:					
(Increase) decrease in due from other funds		3,737	931	(75)	4,593
(Increase) decrease in accounts receivable		(25)	270		245
Increase (decrease) in accounts payable and accrued expenses		105	(7)	(14)	84
Increase (decrease) in due to other funds			641		641
Total adjustments	<u>-</u>	<u>3,817</u>	<u>1,835</u>	<u>(89)</u>	<u>5,563</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (7)</u>	<u>\$ (6,000)</u>	<u>\$ 657</u>	<u>\$ (89)</u>	<u>\$ (5,439)</u>
Noncash Investment Activities:					
Net Increase (Decrease) in the Fair Value of Investments	<u>\$ (346)</u>	<u>\$ -</u>	<u>\$ (1,068)</u>	<u>\$ (132)</u>	<u>\$ (1,546)</u>

## **Fiduciary Funds**

## **FIDUCIARY FUNDS**

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and other governments. Fiduciary Funds are not included in the government-wide statements. The Fiduciary Funds are as follows:

**Pension Trust Funds** - to account for the accumulation of resources to be used for retirement annuity payments in accordance with contract amounts and times in the future. These funds cover all members of the Fire Department and sworn members of the Police Department. Resources are contributed by employees at rates fixed by contract and by the City at amounts determined by an annual actuarial study.

**OPEB Trust Fund** - to account for the activities for both Town and Board of Education for other post employment benefits, which accumulates resources for benefit payments to qualified employees.

**Student Activity Fund** - to account for the collection and payment of expenses for education extra-curricular activities at the high school, middle school, and grammar schools. Annually, the Board of Education transfers funds from their General Fund Budget.

**Contractor's Bond Fund** - to account for all bonds collected from contractors - these bonds will be returned to payee upon successful completion of related construction project.

**CITY OF NEW BRITAIN, CONNECTICUT**  
**PENSION TRUST FUNDS AND OPEB TRUST FUND**  
**COMBINING BALANCE SHEET**

**June 30, 2009**  
**(In Thousands)**

	<u>Pension Trust Funds</u>			<u>OPEB Trust Fund</u>
	<u>Firemen's Pension Fund</u>	<u>Police Benefit Fund</u>	<u>Total</u>	
<b>Assets</b>				
Investments	\$ 67,769	\$ 60,807	\$ 128,576	\$ 859
Due from other funds		<u>2</u>	<u>2</u>	
Total Assets	<u>\$ 67,769</u>	<u>\$ 60,809</u>	<u>\$ 128,578</u>	<u>\$ 859</u>
<b>Liabilities and Net Assets</b>				
Net Assets Held in Trust for Pension Benefits	<u>\$ 67,769</u>	<u>\$ 60,809</u>	<u>\$ 128,578</u>	<u>\$ 859</u>
Total Liabilities and Net Assets	<u>\$ 67,769</u>	<u>\$ 60,809</u>	<u>\$ 128,578</u>	<u>\$ 859</u>



**CITY OF NEW BRITAIN, CONNECTICUT**  
**PENSION TRUST FUNDS AND OPEB TRUST FUND**  
**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2009**  
**(In Thousands)**

	<u>Pension Trust Funds</u>			<u>OPEB Trust Fund</u>
	<u>Firemen's Pension Fund</u>	<u>Police Benefit Fund</u>	<u>Total</u>	
Additions:				
Contributions:				
Employer	\$ 215	\$ 85	\$ 300	\$ 4,421
Employee	315	345	660	
Total contributions	<u>530</u>	<u>430</u>	<u>960</u>	<u>4,421</u>
Investment income (loss):				
Net depreciation fair value of investments	(9,868)	(13,336)	(23,204)	108
Interest and dividends	2,697	2,189	4,886	9
Miscellaneous	46	29	75	
Total investment loss	<u>(7,125)</u>	<u>(11,118)</u>	<u>(18,243)</u>	<u>117</u>
Less investment expense	<u>(336)</u>	<u>(190)</u>	<u>(526)</u>	
Net investment loss	<u>(7,461)</u>	<u>(11,308)</u>	<u>(18,769)</u>	<u>117</u>
Total reductions	<u>(6,931)</u>	<u>(10,878)</u>	<u>(17,809)</u>	<u>4,538</u>
Deductions:				
Benefits	5,121	5,467	10,588	3,676
Administration	37	51	88	3
Total deductions	<u>5,158</u>	<u>5,518</u>	<u>10,676</u>	<u>3,679</u>
Net Decrease	(12,089)	(16,396)	(28,485)	859
Net Assets Beginning of Year	<u>79,858</u>	<u>77,205</u>	<u>157,063</u>	
Net Assets End of Year	<u>\$ 67,769</u>	<u>\$ 60,809</u>	<u>\$ 128,578</u>	<u>\$ 859</u>

## CITY OF NEW BRITAIN, CONNECTICUT

## AGENCY FUNDS

## COMBINING BALANCE SHEET

AS OF JUNE 30, 2009

(In Thousands)

	<u>Contractor's Bond Fund</u>	<u>Student Activity Funds</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 52	\$ 114	\$ 166
Investments	<u>482</u>	<u>76</u>	<u>558</u>
Total Assets	<u>\$ 534</u>	<u>\$ 190</u>	<u>\$ 724</u>
<b>Liabilities and Fund Balance</b>			
Liabilities:			
Due to beneficiaries	\$ <u>534</u>	\$ <u>190</u>	\$ <u>724</u>
Total Liabilities and Fund Balance	<u>\$ 534</u>	<u>\$ 190</u>	<u>\$ 724</u>

## CITY OF NEW BRITAIN, CONNECTICUT

## AGENCY FUNDS

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

## FOR THE YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
<b>Contractor's Bond Fund</b>				
Assets:				
Cash and cash equivalents	\$ 210	\$	\$ 158	\$ 52
Investments	<u>491</u>	<u>37</u>	<u>46</u>	<u>482</u>
Total	<u>\$ 701</u>	<u>\$ 37</u>	<u>\$ 204</u>	<u>\$ 534</u>
Liabilities:				
Due to beneficiaries	<u>\$ 701</u>	<u>\$ 37</u>	<u>\$ 204</u>	<u>\$ 534</u>
<b>Student Activity Funds</b>				
Assets:				
Cash and cash equivalents	\$ 144	\$ 634	\$ 664	\$ 114
Investments	<u>74</u>	<u>2</u>	<u></u>	<u>76</u>
Total	<u>\$ 218</u>	<u>\$ 636</u>	<u>\$ 664</u>	<u>\$ 190</u>
Liabilities:				
Due to beneficiaries	<u>\$ 218</u>	<u>\$ 636</u>	<u>\$ 664</u>	<u>\$ 190</u>
<b>Total All Funds</b>				
Assets:				
Cash and cash equivalents	\$ 354	\$ 634	\$ 822	\$ 166
Investments	<u>565</u>	<u>39</u>	<u>46</u>	<u>558</u>
Total	<u>\$ 919</u>	<u>\$ 673</u>	<u>\$ 868</u>	<u>\$ 724</u>
Liabilities:				
Due to beneficiaries	<u>\$ 919</u>	<u>\$ 673</u>	<u>\$ 868</u>	<u>\$ 724</u>

# **Statistical Section**

## Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

## CITY OF NEW BRITAIN, CONNECTICUT

## NET ASSETS BY COMPONENT

## LAST EIGHT FISCAL YEARS

(In Thousands)

		FISCAL YEAR							
		2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities:									
	Invested in capital assets, net of related debt	\$ 152,453	\$ 147,314	\$ 121,481	\$ 103,955	\$ 87,181	\$ 103,464	\$ 75,845	\$ 70,578
	Restricted	2,381	2,714	2,734	2,687	2,589	2,535	2,821	3,054
	Unrestricted	(54,702)	(43,784)	(32,020)	(27,256)	(27,525)	(55,164)	(47,686)	(49,647)
39	Total governmental activities net assets	<u>100,132</u>	<u>106,244</u>	<u>92,195</u>	<u>79,386</u>	<u>62,245</u>	<u>50,835</u>	<u>30,980</u>	<u>23,985</u>
Business-type activities:									
	Invested in capital assets, net of related debt	26,456	25,400	25,320	23,391	21,575	17,857	19,161	16,638
	Unrestricted	<u>23,623</u>	<u>20,523</u>	<u>17,705</u>	<u>18,377</u>	<u>14,821</u>	<u>16,159</u>	<u>8,882</u>	<u>4,887</u>
	Total business-type activities net assets	<u>50,079</u>	<u>45,923</u>	<u>43,025</u>	<u>41,768</u>	<u>36,396</u>	<u>34,016</u>	<u>28,043</u>	<u>21,525</u>
Primary government:									
	Invested in capital assets, net of related debt	178,909	172,714	146,801	127,346	108,756	121,321	95,006	87,216
	Restricted	2,381	2,714	2,734	2,687	2,589	2,535	2,821	3,054
	Unrestricted	<u>(31,079)</u>	<u>(23,261)</u>	<u>(14,315)</u>	<u>(8,879)</u>	<u>(12,704)</u>	<u>(39,005)</u>	<u>(38,804)</u>	<u>(44,760)</u>
	Total primary government net assets	<u>\$ 150,211</u>	<u>\$ 152,167</u>	<u>\$ 135,220</u>	<u>\$ 121,154</u>	<u>\$ 98,641</u>	<u>\$ 84,851</u>	<u>\$ 59,023</u>	<u>\$ 45,510</u>

## Notes:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002.

## CITY OF NEW BRITAIN, CONNECTICUT

## CHANGES IN NET ASSETS

## LAST EIGHT FISCAL YEARS

(In Thousands)

	FISCAL YEAR							
	2009	2008	2007	2006	2005	2004	2003	2002
Expenses:								
Governmental activities:								
General government	\$ 13,414	\$ 12,547	\$ 12,165	\$ 8,041	\$ 6,413	\$ 4,862	\$ 5,706	\$ 7,707
Public safety	36,142	33,466	33,434	37,152	35,492	34,679	29,398	27,217
Public works	26,500	10,436	22,746	20,445	21,083	17,741	22,828	19,245
Health and welfare	8,763	8,707	6,786	8,373	9,153	10,107	10,286	7,966
Parks, recreation and libraries	12,249	9,275	10,097	11,609	12,334	12,638	13,169	11,802
Education	159,235	204,322	146,783	143,287	139,567	136,052	129,607	129,493
Interest on long-term debt	10,813	10,032	11,876	10,568	12,092	12,226	12,299	13,601
Total governmental activities expenses	<u>267,116</u>	<u>288,785</u>	<u>243,887</u>	<u>239,475</u>	<u>236,134</u>	<u>228,305</u>	<u>223,293</u>	<u>217,031</u>
Business-type activities:								
Water	9,034	11,048	11,034	9,309	9,031	7,112	5,794	6,328
44 Total Primary Government Expenses	<u>\$ 276,150</u>	<u>\$ 299,833</u>	<u>\$ 254,921</u>	<u>\$ 248,784</u>	<u>\$ 245,165</u>	<u>\$ 235,417</u>	<u>\$ 229,087</u>	<u>\$ 223,359</u>
Program Revenues:								
Governmental activities:								
Charges for services	\$ 24,987	\$ 22,242	\$ 18,427	\$ 25,090	\$ 21,248	\$ 19,535	\$ 15,356	\$ 19,287
Operating grants and contributions	119,868	164,686	113,388	115,998	106,747	93,361	94,877	92,470
Capital grants and contributions	25	30	2,193	1,094	1,099	17,844	6,200	8,039
Total governmental activities program revenues	<u>144,880</u>	<u>186,958</u>	<u>134,008</u>	<u>142,182</u>	<u>129,094</u>	<u>130,740</u>	<u>116,433</u>	<u>119,796</u>
Business-type activities:								
Charges for services	13,055	13,946	11,616	14,433	10,999	10,770	9,029	7,436
Capital grants and contributions						2,184	3,153	372
Total business-type activities revenues	<u>13,055</u>	<u>13,946</u>	<u>11,616</u>	<u>14,433</u>	<u>10,999</u>	<u>12,954</u>	<u>12,182</u>	<u>7,808</u>
Total Primary Government Program Revenues	<u>\$ 157,935</u>	<u>\$ 200,904</u>	<u>\$ 145,624</u>	<u>\$ 156,615</u>	<u>\$ 140,093</u>	<u>\$ 143,694</u>	<u>\$ 128,615</u>	<u>\$ 127,604</u>
Net (Expense) Revenue:								
Governmental activities	\$ (122,236)	\$ (101,827)	\$ (109,879)	\$ (97,293)	\$ (107,040)	\$ (97,565)	\$ (106,860)	\$ (97,235)
Business-type activities	<u>4,021</u>	<u>2,898</u>	<u>582</u>	<u>5,124</u>	<u>1,968</u>	<u>5,842</u>	<u>6,388</u>	<u>1,480</u>
Total Primary Government Net Expense	<u>\$ (118,215)</u>	<u>\$ (98,929)</u>	<u>\$ (109,297)</u>	<u>\$ (92,169)</u>	<u>\$ (105,072)</u>	<u>\$ (91,723)</u>	<u>\$ (100,472)</u>	<u>\$ (95,755)</u>

(Continued on next page)

## CITY OF NEW BRITAIN, CONNECTICUT

## CHANGES IN NET ASSETS (CONTINUED)

LAST EIGHT FISCAL YEARS  
(In Thousands)

	FISCAL YEAR							
	2008	2008	2007	2006	2005	2004	2003	2002
General revenues and other changes in net assets:								
Governmental activities:								
Property taxes	\$ 105,220	\$ 96,133	\$ 97,941	\$ 95,192	\$ 98,000	\$ 97,783	\$ 84,956	\$ 78,945
Grants and contributions not restricted to specific purposes	10,889	14,897	17,292	14,603	14,776	20,496	21,807	18,587
Unrestricted investment earnings	(600)	1,150	6,289	4,437	2,900	2,252	3,229	3,117
Total general revenues		3,000						
Miscellaneous	615	696	1,166	202	2,774	966	3,863	1,716
Total governmental activities	<u>116,124</u>	<u>115,876</u>	<u>122,688</u>	<u>114,434</u>	<u>118,450</u>	<u>121,497</u>	<u>113,855</u>	<u>102,365</u>
Business-type activities:								
Unrestricted investment earnings	135		675	579	412	131	110	207
Miscellaneous				(5)			20	(156)
Total business type activities	<u>135</u>	<u>-</u>	<u>675</u>	<u>574</u>	<u>412</u>	<u>131</u>	<u>130</u>	<u>51</u>
Total Primary Government	<u>\$ 116,259</u>	<u>\$ 115,876</u>	<u>\$ 123,363</u>	<u>\$ 115,008</u>	<u>\$ 118,862</u>	<u>\$ 121,628</u>	<u>\$ 113,985</u>	<u>\$ 102,416</u>
Changes in Net Assets:								
Governmental activities	\$ (6,112)	\$ 14,049	\$ 12,809	\$ 17,141	\$ 11,410	\$ 23,932	\$ 6,995	\$ 5,130
Business-type activities	<u>4,156</u>	<u>2,898</u>	<u>1,257</u>	<u>5,698</u>	<u>2,380</u>	<u>5,973</u>	<u>6,518</u>	<u>1,531</u>
Total Primary Government	<u>\$ (1,956)</u>	<u>\$ 16,947</u>	<u>\$ 14,066</u>	<u>\$ 22,839</u>	<u>\$ 13,790</u>	<u>\$ 29,905</u>	<u>\$ 13,513</u>	<u>\$ 6,661</u>

## Notes:

- (1) Schedule prepared on the accrual basis of accounting.
- (2) The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002.



**CITY OF NEW BRITAIN, CONNECTICUT**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(In Thousands)**

	FISCAL YEAR									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General Fund:										
Reserved	\$ 2,803	\$ 3,661	\$ 1,861	\$ 2,990	\$ 1,035	\$ 1,424	\$ 1,274	\$ 1,417	\$ 1,017	\$ 767
Unreserved	<u>7,212</u>	<u>9,479</u>	<u>8,996</u>	<u>8,980</u>	<u>7,989</u>	<u>6,586</u>	<u>5,742</u>	<u>5,177</u>	<u>4,724</u>	<u>2,667</u>
Total General Fund	<u>\$ 10,015</u>	<u>\$ 13,140</u>	<u>\$ 10,857</u>	<u>\$ 11,970</u>	<u>\$ 9,024</u>	<u>\$ 8,010</u>	<u>\$ 7,016</u>	<u>\$ 6,594</u>	<u>\$ 5,741</u>	<u>\$ 3,434</u>
All other governmental funds:										
Reserved	\$ 15,123	\$ 16,586	\$ 17,964	\$ 9,144	\$ 13,783	\$ 19,250	\$ 13,922	\$ 20,414	\$ 7,447	\$ 4,757
Unreserved, reported in:										
Special revenue funds	7,335	11,640	14,288	13,532	14,466	13,158	9,433	12,115	11,256	7,962
Capital projects funds	<u>(42,841)</u>	<u>(36,667)</u>	<u>(31,895)</u>	<u>(21,132)</u>	<u>(34,221)</u>	<u>(24,828)</u>	<u>(13,392)</u>	<u>(20,638)</u>	<u>(1,219)</u>	<u>4,441</u>
Total All Other Governmental Funds	<u>\$ (20,383)</u>	<u>\$ (8,441)</u>	<u>\$ 357</u>	<u>\$ 1,544</u>	<u>\$ (5,972)</u>	<u>\$ 7,580</u>	<u>\$ 9,963</u>	<u>\$ 11,891</u>	<u>\$ 17,484</u>	<u>\$ 17,160</u>

Note: Schedule prepared on the modified accrual basis of accounting.

**CITY OF NEW BRITAIN, CONNECTICUT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**  
(In Thousands)

	FISCAL YEAR									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Revenues:										
Property taxes	\$ 104,141	\$ 95,447	\$ 96,757	\$ 95,175	\$ 96,828	\$ 97,808	\$ 84,084	\$ 78,331	\$ 75,872	\$ 73,547
Intergovernmental	134,838	179,853	136,003	134,949	126,563	135,058	125,259	123,946	110,884	102,561
Licenses, fees and charges for goods and services	18,861	20,641	18,155	18,927	17,121	16,730	14,761	14,218	12,726	13,184
Income on investments	263	778	4,180	4,065	1,585	1,315	2,023	1,726	2,992	3,352
Miscellaneous	3,263	8,029	3,343	2,401	2,932	3,605	9,631	6,040	7,155	5,099
Total revenues	<u>261,366</u>	<u>304,748</u>	<u>258,438</u>	<u>255,517</u>	<u>245,029</u>	<u>254,516</u>	<u>235,758</u>	<u>224,261</u>	<u>209,629</u>	<u>197,743</u>
Expenditures:										
General government	5,603	5,128	4,935	7,151	5,641	4,957	4,781	3,746	3,769	3,808
Public safety	34,405	34,448	33,183	36,118	33,526	33,908	31,328	24,817	24,431	23,694
Public works	36,106	18,294	19,324	17,518	17,193	18,932	17,070	15,382	13,374	13,459
Social services	9,262	8,655	6,966	8,325	9,104	10,442	10,799	7,522	4,184	4,523
Education	159,487	198,898	145,231	141,081	147,599	133,807	126,155	117,298	108,147	102,049
Parks and recreation	10,988	10,291	10,397	10,873	11,503	12,060	12,092	10,564	7,549	7,361
Nondepartmental fixed								9,527	9,087	8,315
Other								335	4,524	6,570
Capital outlay	1,127	23,585	23,549	22,711	9,521	18,049	12,553	17,403	9,664	11,778
Debt service interest	11,510	11,014	10,721	10,623	10,374	11,861	12,379	12,977	13,760	13,452
Debt service principal	14,836	14,360	14,764	14,218	15,477	13,763	13,261	12,522	12,794	11,895
Total expenditures	<u>283,324</u>	<u>324,673</u>	<u>269,070</u>	<u>268,618</u>	<u>259,938</u>	<u>257,779</u>	<u>240,418</u>	<u>232,093</u>	<u>211,283</u>	<u>206,904</u>
Excess of Revenue over (under) Expenditures	<u>(21,958)</u>	<u>(19,925)</u>	<u>(10,632)</u>	<u>(13,101)</u>	<u>(14,909)</u>	<u>(3,263)</u>	<u>(4,660)</u>	<u>(7,832)</u>	<u>(1,654)</u>	<u>(9,161)</u>
Other Financing Sources (Uses):										
Transfers in	27,185	31,959	31,409	36,507	35,963	31,977	40,015	34,615	36,866	34,455
Transfers out	(34,216)	(33,412)	(37,604)	(32,397)	(36,288)	(32,327)	(39,790)	(35,129)	(32,909)	(41,874)
Proceeds from the issuance of notes	13,922	14,863	14,527	19,453	2,696	2,318	2,929			24,680
Total other financing sources (uses)	<u>6,891</u>	<u>13,410</u>	<u>8,332</u>	<u>23,563</u>	<u>2,371</u>	<u>1,968</u>	<u>3,154</u>	<u>(514)</u>	<u>3,957</u>	<u>17,261</u>
Net Change in Fund Balances	<u>\$ (15,067)</u>	<u>\$ (6,515)</u>	<u>\$ (2,300)</u>	<u>\$ 10,462</u>	<u>\$ (12,538)</u>	<u>\$ (1,295)</u>	<u>\$ (1,506)</u>	<u>\$ (8,346)</u>	<u>\$ 2,303</u>	<u>\$ 8,100</u>
Debt Service as a Percentage of Noncapital Expenditures	10.3%	8.7%	10.4%	10.1%	10.3%	10.7%	11.3%	11.9%	13.2%	13.0%

Note: Schedule prepared on the modified accrual basis of accounting.

**CITY OF NEW BRITAIN, CONNECTICUT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Assessed Value	(5) Less BAA	Total Taxable Assessed Value	(6) Total Direct Tax Rate	(7) Estimated Actual Taxable Value	(8) Taxable Assessed Value As a Percentage of Actual Taxable Value
	(3) Residential	(4) Commercial	Industrial									
2009	\$ 1,871,914,475	\$ 1,634,241,985	\$ 95,297,940	\$ 198,383,811	\$ 251,565,967	\$ 1,088,448,853	\$ 2,962,955,325	\$ 19,664,862	\$ 2,943,290,463	34.98	\$ 4,204,700,661	70 %
2008	1,237,817,290	1,200,326,320	74,380,910	196,499,783	243,942,048	863,358,264	2,089,608,087	247,481	2,089,360,606	45.39	2,984,800,866	70
2007	1,231,471,230	1,194,001,000	71,934,920	187,854,214	239,636,127	846,737,477	2,078,160,014	1,358,313	2,076,801,701	45.88	2,966,859,573	70
2006	1,224,954,120	1,118,595,390	75,775,410	180,517,478	227,343,072	771,387,100	2,055,798,370	199,658	2,055,598,712	45.89	2,936,569,589	70
2005	1,220,758,860	1,114,808,760	72,800,030	184,991,249	214,854,609	781,664,870	2,026,548,638	976,387	2,025,572,251	46.90	2,893,674,644	70
2004	1,220,012,760	1,095,622,760	75,704,690	201,694,280	230,495,041	751,501,774	2,072,027,757	17,722,644	2,054,305,113	46.93	2,934,721,590	70
2003	860,539,620	834,129,950	53,451,080	177,021,746	226,141,707	633,048,714	1,518,235,389	120,238	1,518,115,151	54.76	2,168,735,930	70
2002	859,756,110	830,540,710	53,444,520	173,055,330	220,605,348	628,911,303	1,508,490,715	629,871	1,507,860,844	50.88	2,154,086,920	70
2001	858,024,955	806,392,860	49,408,040	171,106,626	209,552,224	609,430,856	1,485,053,849	759,068	1,484,294,781	49.98	2,120,421,116	70
2000	859,329,150	793,549,830	50,026,640	169,105,700	194,086,476	599,089,801	1,467,007,995	263,394	1,466,744,601	49.42	2,095,349,430	70

Source: City of New Britain Office of Tax Assessor

Note:

- (1) The October 1, 2002 Grand List was a revaluation year
- (2) The 2008 fiscal is the 2006 Grand List, 2007 is 2005 and so on
- (3) Residential also includes land and use assessment (i.e. farm, forest, open space)
- (4) Commercial also includes public utility, exempt properties and apartment buildings
- (5) less BAA (Board of Assessment Appeals) changes
- (6) Total Direct Tax Rate = mill rate
- (7) Total Taxable Assessed Value / .70 = Actual Taxable Value
- (8) Taxable Assessed Value as a Percentage of Actual Value = Assessments are 70% of Value

CITY OF NEW BRITAIN, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

2007 AND 1998

Taxpayer	October 1, 2007			October 1, 1998		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Value
CT Light & Power	\$ 42,558,903	1	1.45 %	\$ 14,714,170	2	1.00 %
Stanley Works	27,496,838	2	0.93	43,389,976	1	2.96
Brittany Farms Assoc.	25,706,030	3	0.87	6,934,830	5	0.47
NB-BTMC LLC	15,934,030	4	0.54			
Inland Southeast New Britain LLC	14,689,220	5	0.5			
Farmington Hills 06 LLC	12,896,450	6	0.44			
Conn Natural Gas Corp	12,117,895	7	0.41	7,041,340	4	0.48
Investment Associates	11,672,780	8	0.40	7,077,490	3	0.49
Powerstan Properties LLC	10,771,320	9	0.37			
Creed Monarch Inc.	10,635,556	10	0.36	5,890,500	6	0.4
Newbrite Associates LTD Partnership				5,817,000	7	0.39
Cold Metal Products				3,753,270	10	0.25
Tilcon CT				5,390,290	8	0.36
HSC Community Services				4,396,470	9	0.29
Total	\$ <u>184,479,022</u>		<u>6.27 %</u>	\$ <u>104,405,336</u>		<u>7.09 %</u>

Source: City of New Britain, Office of Tax Assessor

**CITY OF NEW BRITAIN, CONNECTICUT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**

**LAST TEN FISCAL YEARS**  
**(In Thousands)**

<b>Fiscal Year Ended June 30,</b>	<b>Tax Rate In Mills</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected Within the Fiscal Year of the Levy</b>		<b>Collection in Subsequent Years</b>	<b>Total Collections to Date</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2009	34.98	\$ 103,153	\$ 98,983	95.72 %	\$ N/A	\$ 4,170	95.96 %
2008	45.40	95,749	91,654	95.72	N/A	4,095	95.72
2007	45.88	95,916	92,550	96.49	1,854	94,404	98.42
2006	45.89	94,516	91,538	96.85	2,191	93,729	99.17
2005	46.90	96,045	92,975	96.80	2,074	95,049	98.96
2004	46.93	96,709	93,815	97.01	2,202	96,017	99.28
2003	54.76	84,038	80,822	96.17	2,589	83,411	99.25
2002	50.88	77,444	74,664	96.41	2,231	76,895	99.29
2001	49.98	74,903	72,236	96.44	2,201	74,437	99.38
2000	49.42	72,836	70,322	96.55	2,104	72,426	99.44

Source: Tax Collector's Report; Comprehensive Annual Financial Report

## CITY OF NEW BRITAIN, CONNECTICUT

## RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS  
(In Thousands, except per capita)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Ratio of Debt to Taxable Assessed Value	Debt Per Capita
	General Obligation Bonds	Capital Leases	Water				
2009	\$ 181,951	\$ -	\$ 38,822		\$ 220,773	4.33 %	\$ 3,146
2008	183,802	-	41,076		224,878	6.16	3,106
2007	182,985	-	42,743		225,728	6.17	3,062
2006	183,966	-	44,577		228,543	6.27	3,121
2005	178,827	23	33,811		212,661	6.18	2,896
2004	189,184	46	35,044		224,274	6.45	3,105
2003	199,585	67	11,679		211,331	9.21	2,954
2002	209,200	104	17,563		226,867	9.72	3,171
2001	220,955	130	180		221,265	10.43	3,160
2000	232,900	156	-		233,056	11.12	3,311

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

## CITY OF NEW BRITAIN, CONNECTICUT

## STATEMENT OF DEBT LIMITATION

JUNE 30, 2009

(In Thousands)

Total tax collections (including interest and lien fees) received by Treasurer for year ended June 30, 2009					\$ 103,921 *
Reimbursement for revenue loss (year ended June 30, 2009):					
Veterans exemption					31
Disability exemption					14
Tax relief for the elderly (C.G.S. 7-129d) and disability exemptions					570
Manufacturing equipment exemption					1,195
Boat registration reimbursement					<u>13</u>
BASE for Debt Limitation Computation					<u>\$ 105,744</u>
	<u>General</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban</u>	<u>Pension</u>
	<u>Purpose</u>			<u>Renewal</u>	
Debt limitation:					
2-1/4 times base	\$ 237,922	\$	\$	\$	\$
4-1/2 times base		475,844			
3-3/4 times base			396,537		
3-1/4 times base				343,665	
3 times base					317,230
Total debt limitation	<u>237,922</u>	<u>475,844</u>	<u>396,537</u>	<u>343,665</u>	<u>317,230</u>
Indebtedness:					
Bonds payable	136,344	40,980			
Notes payable	26,833	622	4,615		
Bonds authorized - unissued	94,041	50,495	15,457		
Total indebtedness	<u>257,218</u>	<u>92,097</u>	<u>20,072</u>	<u>-</u>	<u>-</u>
Less: self-liquidating indebtedness:					
Sewer: bonds payable					
Statutory exclusion- pension obligation bond	89,046				
School construction grants		10,875			
Total self-liquidating indebtedness	<u>89,046</u>	<u>10,875</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total indebtedness less self-liquidating indebtedness	<u>168,172</u>	<u>81,222</u>	<u>20,072</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 69,750</u>	<u>\$ 394,622</u>	<u>\$ 376,465</u>	<u>\$ 343,665</u>	<u>\$ 317,230</u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation - \$740,202

\*Budgetary basis

## CITY OF NEW BRITAIN, CONNECTICUT

## LEGAL DEBT MARGIN INFORMATION

## LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Debt limitation	\$ 740,202	\$ 681,645	\$ 688,226	\$ 677,215	\$ 689,717	\$ 697,571	\$ 596,015	\$ 555,940	\$ 538,327	\$ 533,434
Total net debt applicable to limit	<u>269,466</u>	<u>256,823</u>	<u>193,391</u>	<u>183,749</u>	<u>192,481</u>	<u>217,058</u>	<u>301,558</u>	<u>246,866</u>	<u>140,900</u>	<u>143,828</u>
Legal debt margin	<u>\$ 470,736</u>	<u>\$ 424,822</u>	<u>\$ 494,835</u>	<u>\$ 493,466</u>	<u>\$ 497,236</u>	<u>\$ 480,513</u>	<u>\$ 294,457</u>	<u>\$ 309,074</u>	<u>\$ 397,427</u>	<u>\$ 389,606</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>36.40%</u>	<u>37.68%</u>	<u>28.10%</u>	<u>27.13%</u>	<u>27.91%</u>	<u>31.12%</u>	<u>50.60%</u>	<u>44.41%</u>	<u>26.17%</u>	<u>26.96%</u>

Source: Comprehensive Annual Financial Reports - Schedule of Debt Limitation

Note: See Table 9 for calculation of current year debt limitation.



**CITY OF NEW BRITAIN, CONNECTICUT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**

<b>Calendar Year</b>	<b>Population (1)</b>	<b>Personal Income (2)</b>	<b>Per Capita Income (3)</b>	<b>Median Age (4)</b>	<b>School Enrollment (5)</b>	<b>Unemployment Rate (6)</b>
2009	70,181	\$ 42,391	20,907	35.0	10,203	11.50 %
2008	72,395	41,056	20,907	35.0	10,344	8.10
2007	72,395	41,056	20,907	35.0	10,654	7.50
2006	71,840	41,056	23,379	33.9	10,950	7.70
2005	71,840	41,056	23,379	33.9	10,947	7.50
2004	71,538	41,056	23,379	33.9	11,024	7.90
2003	71,538	41,056	23,379	33.9	10,803	7.10
2002	71,538	41,056	23,379	33.9	10,718	6.20
2001	70,010	41,056	23,379	33.9	10,558	5.70
2000	70,492	41,056	23,379	33.9	10,295	3.90

(1) Source: State of Connecticut

(2) Source: State of Connecticut

(3) Source: U.S. Census Bureau

(4) Source: New Britain Board of Education

(5) Source: Connecticut Department of Economic and Community Development

## CITY OF NEW BRITAIN, CONNECTICUT

## PRINCIPAL EMPLOYERS

2009 AND 2000

Employer	Nature of Business	2009			2000		
		Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Hospital of Central Connecticut	Hospital	3,600	1	11.03 %	2,000	1	6.17 %
State of CT	Government	2,811	2	8.61	850	6	2.62
City of New Britain	Municipality	2,226	3	6.82	1,880	2	5.8
The Hospital for Special Care	Hospital	1,396	4	4.28	1,200	5	3.7
The Stanley Works	Manufacturing	780	5	2.39	1,500	4	4.63
Tilcon CT	Construction	735	6	2.25	850	7	2.62
Grove Hill Medical Center	Medical Services	430	7	1.32	510	8	1.57
Dattco	Bus Transportation	409	8	1.25		8	
Celebration Foods	Food	400	9	1.23			
Moore Medical	Medical Supplies	350	10	1.07	350	9	1.08
American Savings Bank	Banking				300	10	0.93
Central CT State University	University				1,770	3	5.46
Total		<u>13,137</u>		<u>40.25 %</u>	<u>11,210</u>		<u>34.58 %</u>
Total Employment		<u>31,654</u>			<u>31,637</u>		

Source: City of New Britain, Municipal Development Agency

## CITY OF NEW BRITAIN, CONNECTICUT

## FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

Function/Program	FISCAL YEAR									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Administration, financial and other	132	132	100	108	137	128	65	84	77	76
Police	172	173	173	151	141	164	197	197	194	N/A
Fire	158	156	145	135	142	130	141	139	138	132
Health and welfare	20	21	20	13	19	14	19	24	27	35
90 Parks and recreation	57	60	60	68	70	53	67	61	59	58
Public works, engineering, garage	74	70	71	77	70	64	76	70	71	69
Water	53	53	56	53	57	48	50	48	50	47
Education	<u>1,334</u>	<u>1,386</u>	<u>1,353</u>	<u>1,352</u>	<u>1,339</u>	<u>1,335</u>	<u>1,302</u>	<u>1,331</u>	<u>1,286</u>	<u>1,278</u>
Total	<u><u>2,000</u></u>	<u><u>2,051</u></u>	<u><u>1,978</u></u>	<u><u>1,957</u></u>	<u><u>1,975</u></u>	<u><u>1,936</u></u>	<u><u>1,917</u></u>	<u><u>1,954</u></u>	<u><u>1,902</u></u>	<u><u>1,695</u></u>

**CITY OF NEW BRITAIN, CONNECTICUT**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General government:										
Building permits issued	1,985	2,219	2,366	2,442	1,968	2,178	2,081	2,190	1,939	N/A
Building inspections conducted	4,210	4,373	3,865	4,483	3,672	3,970	4,157	6,959	4,641	N/A
Police:										
Calls for service	51,989	54,432	56,885	59,646	55,284	54,197	56,849	56,849	53,883	55,543
Physical arrests	6,803	6,868	6,161	6,828	6,732	6,878	7,222	7,517	6,870	7,000
Parking violations	18,436	20,621	22,059	26,367	28,126	28,225	28,420	25,250	20,022	7,917
Traffic violations	4,322	4,685	5,422	6,997	5,975	5,116	4,305	4,390	3,191	3,740
Fire:										
Emergency responses	6,871	6,832	6,929	6,320	6,082	2,997	2,976	N/A	N/A	N/A
Fires extinguished	291	522	565	279	296	357	303	N/A	N/A	N/A
Inspections	288	537	351	312	307	343	361	N/A	N/A	N/A
Refuse collection:										
Refuse collected (tons per day)	178	170	186	193	197	199	184	170	185	193
Recyclables collected (tons per day)	10	13	12	11	11	11	12	12	12	12
Other public works:										
Street resurfacing (miles)	12	19	15	9	12	5	4	4	4	8
Potholes repaired	1,406	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Parks and recreation:										
Athletic field permits issued	3,763	2,918	4,958	2,597	2,447	2,859	2,827	3,052	2,994	2,703
Community center admissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Library:										
Volumes in collection	220,974	223,056	231,214	246,891	243,723	254,773	259,773	260,969	255,067	261,530
Total volumes borrowed	394,883	399,119	373,557	312,662	315,649	373,335	346,906	323,881	303,292	309,200
Water:										
New connections	151	196	60	94	86	299	299	420	350	942
Water main breaks	31	25	28	16	24	29	26	24	22	3
Average daily consumption (thousands of gallons)	9,050	10,103	10,100	10,000	11,161	10,293	9,898	9,876	10,539	10,691
Peak daily consumption (thousands of gallons)	11,800	17,900	14,410	12,745	15,700	13,700	14,500	16,360	14,130	14,730
Wastewater:										
Average daily sewage treatment (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transit:										
Total route miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Passengers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**CITY OF NEW BRITAIN, CONNECTICUT**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	2	2	3	3	3	3	3	3	3	3
Patrol units	30	30	30	30	30	30	30	30	30	30
Fire stations	6	6	6	6	6	6	6	6	6	6
Refuse collection:										
Collection trucks	9	7	17	17	15	15	15	15	15	15
Other public works:										
Streets (miles)	163	163	163	163	163	163	163	163	163	163
Highways (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Streetlights	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Traffic signals	71	71	71	70	70	70	70	70	70	70
Parks and recreation:										
Acreage	1,200	1,200	1,200	12	12	12	12	12	12	12
Playgrounds	8	8	8	8	8	8	8	8	8	8
Baseball/softball diamonds	15	15	15	15	15	15	15	15	15	15
Soccer/football fields	9	9	9	9	9	9	9	9	9	9
Water:										
Water mains (miles)	269	269	269	269	269	269	269	269	269	269
Fire hydrants	1,992	1,988	1,977	1,991	1,991	1,991	1,991	1,991	1,991	1,991
Storage capacity (thousands of gallons)	2,742,921	2,857,800	2,858,700	2,742,921	2,742,921	2,742,921	2,742,921	2,742,921	2,742,921	2,742,921
Wastewater:										
Sanitary sewers (miles)	179	187	180	180	180	180	180	180	180	180
Storm sewers (miles)	153	171	152	152	152	152	152	152	152	152