

City of New Britain Connecticut



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

OF THE

**CITY OF NEW BRITAIN
CONNECTICUT**

FISCAL YEAR ENDED JUNE 30, 2010



Robert Curry, Director of Finance

Prepared by Finance Department

CITY OF NEW BRITAIN, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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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

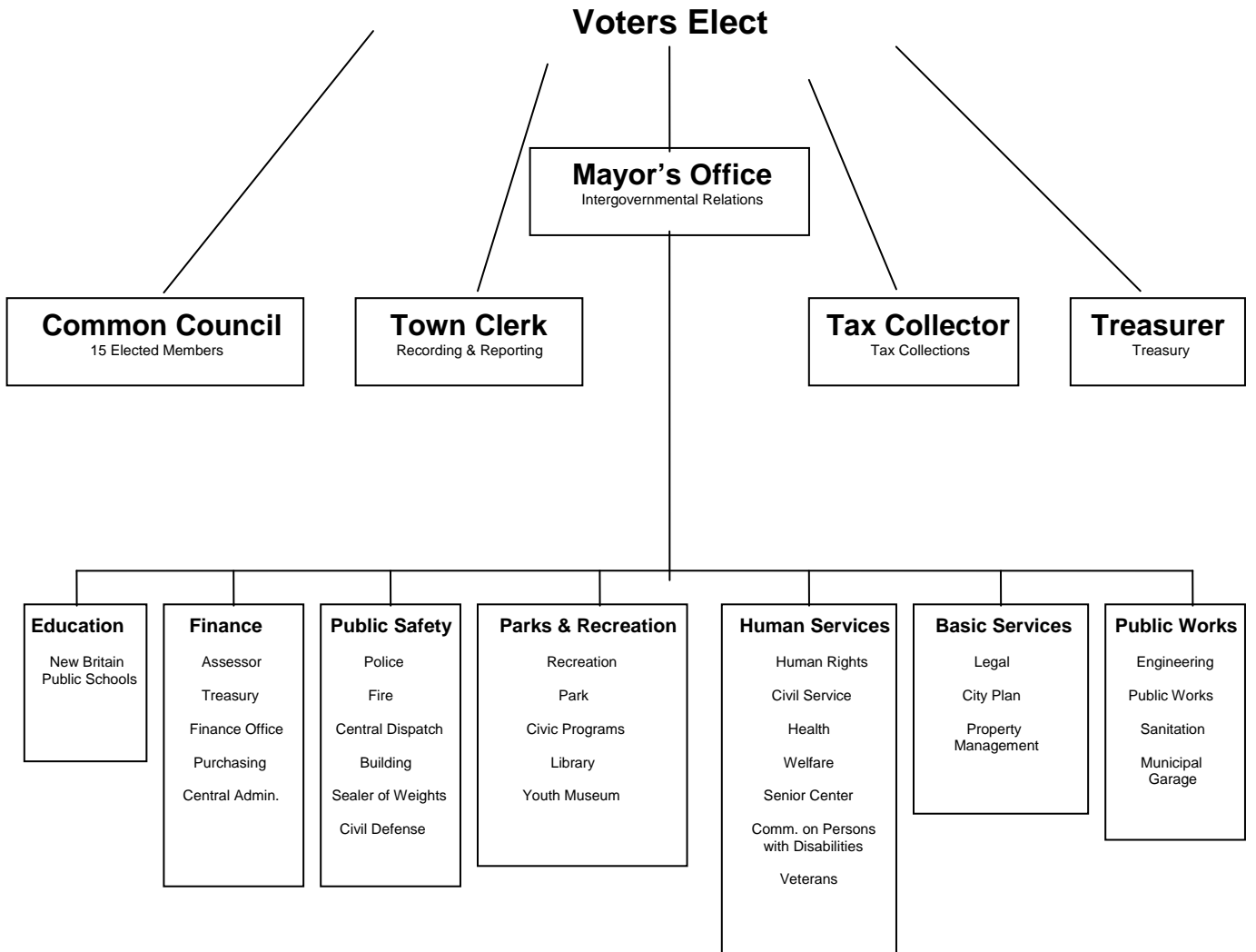
Corporation Counsel	Joseph Skelly
Town Clerk	Peter J. Denuzze
Tax Collector	Cheryl Blogoslawski
Assessor	Michael Konik
Director of Finance	Robert Curry
Director of Health	Eugene Ciccone
Director of Personnel	Karen Levine
Director of Parks and Recreation	William A. DeMaio
Director of Public Works	Mark 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 28, 2010

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, 2010.

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, 2010 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, 2010, 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.

Stanley Black & Decker, 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 Bank, 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 ten major parks (A.W. Stanley, Stanley Quarter, Walnut Hill, Willow Brook, Osgood, Martha Hart, Washington, Chesley, Hungerford, and Willow Street). 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 in progress. 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 has installed 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.

In FY10, the City took a firm stance on budgetary expenditures based on the downturn in the state and national economy. The Mayor issued a memo calling for a hiring freeze of all non-essential positions, a stop to all discretionary overtime, and denying any out of state travel for training or conferences. The Mayor has issued a similar memo for FY 11 and the Finance Department continues to monitor expenses throughout the fiscal year in an effort to keep the costs of running the City down.

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 after April 1, 2000 and the regular members of the Fire Department hired after 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.

MERS is the administrator of a cost sharing multiple employer public employee retirement system ("CMERS") established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERS 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 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 City's public employee retirement system 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.

The City's OPEB liability is calculated to be \$41 million. The City's liability is low because employees generally receive 7 years (10 years for Fire) of health benefits after twenty years of service.

The City's Retiree Benefits Reserve Fund Committee recently approved an Investment Policy Statement regarding the investment of Pension 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. 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.

The City recently prepared an Investment Policy which was sent to the Common Council for approval. It is currently being reviewed the Administration, Finance, & Law Subcommittee.

Debt Administration

At year end, the City had a number of debt issues outstanding. These included \$173,532 (rounded to thousands) 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, 2010, the City's net general obligation bonded debt of \$173 million was well below the legal limit of \$722 million.

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 (not rounded):

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 2010 annual budget \$420,000 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

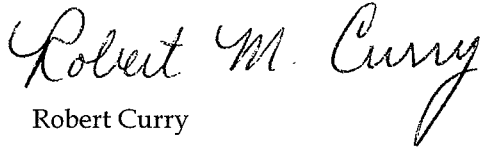
State Statute and the City Charter require an annual audit by an independent certified public accountant. The Statute further prescribes that each municipality's annual report shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP). This report has been prepared in accordance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

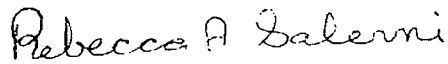
The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff. I would like to express my appreciation to the staff of the finance department and to all those who have contributed to this report. Special appreciation is conveyed 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, 2009

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



President

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, 2010, which collectively comprise the City of New Britain, Connecticut'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 Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic 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, 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, 2010 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2010 on our consideration of the City of New Britain, Connecticut's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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 assessing the results of our audit.

Management's discussion and analysis on pages 3 through 11 and the budgetary comparison information on pages 58 through 61 are not required parts 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 of New Britain, Connecticut'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.

Blum, Shapiro & Company, P.C.

December 28, 2010

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010**

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, 2010. 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 increased as a result of this year's operations. While net assets of our business-type activities increased by \$1.6 million, or nearly 3.2%, net assets of our governmental activities increased by \$5.1 million, or 5.1%.
- In its governmental activities, the City had revenues of \$272 million and expenses of \$267 million; thus increasing the net assets of governmental activities by \$5 million.
- In the City's business-type activities, revenues were \$12.2 million while expenses were \$10.6 million; thus increasing the net assets of the business-type funds by \$1.6 million.
- The General Fund reported a fund balance this year of \$9.0 million.
- The tax collection rate of the current levy was 96.08%.

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 higher than they were one year ago increasing from \$150 million to \$156.9 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	
	2010	2009	2010	2009	2010	2009
Current assets	\$ 92,198	\$ 94,810	\$ 25,399	\$ 24,717	\$ 117,597	\$ 119,527
Noncurrent assets	15,422				15,422	
Capital assets:						
Capital assets not being depreciated	135,313	143,828	3,602	3,602	138,915	147,430
Capital assets being depreciated, net	139,944	126,608	60,154	61,678	200,098	188,286
Total assets	<u>382,877</u>	<u>365,246</u>	<u>89,155</u>	<u>89,997</u>	<u>472,032</u>	<u>455,243</u>
Long-term debt outstanding	224,521	209,861	36,933	39,084	261,454	248,945
Other liabilities	53,136	55,253	522	834	53,658	56,087
Total liabilities	<u>277,657</u>	<u>265,114</u>	<u>37,455</u>	<u>39,918</u>	<u>315,112</u>	<u>305,032</u>
Net Assets:						
Invested in capital assets, net of debt	153,258	152,453	27,181	26,456	180,439	178,909
Restricted	2,483	2,381			2,483	2,381
Unrestricted (deficit)	<u>(50,521)</u>	<u>(54,702)</u>	<u>24,519</u>	<u>23,623</u>	<u>(26,002)</u>	<u>(31,079)</u>
Total Net Assets	<u>\$ 105,220</u>	<u>\$ 100,132</u>	<u>\$ 51,700</u>	<u>\$ 50,079</u>	<u>\$ 156,920</u>	<u>\$ 150,211</u>

Net assets of the City's governmental activities increased by 5.1% (\$105 million compared to \$100 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 \$(50.5) million at June 30, 2010.

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

- Mayor's Five Percent Reduction of all General Fund Departments resulted in an expenditure decrease of over \$2.8 mil.
- The City's employer contributions on behalf of employee benefits were over a \$1 million less than budgeted which was primarily due to better than expected medical claims in FY 10.
- Not using contingency resulted in over \$500,000 remaining at 6/30/10.
- City hiring freeze resulted in an expenditure savings of over \$200,000.
- Energy Auction resulted in lower supplier and distribution costs for the City in FY 10 on. Street Lighting alone decreased over \$76,000 from FY 09 to FY 10.
- 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 3.2% (\$51.7 million compared to \$50 million) in 2010.

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

- Conservative spending;
- Increase in bulk Water purchases from outside Water companies.
- Energy Auction resulted in lower supplier and distribution costs for the Water department in FY 10 on.
- Electricity is a big expenditure for the Water department and the actual cost was almost \$240,000 under budget.

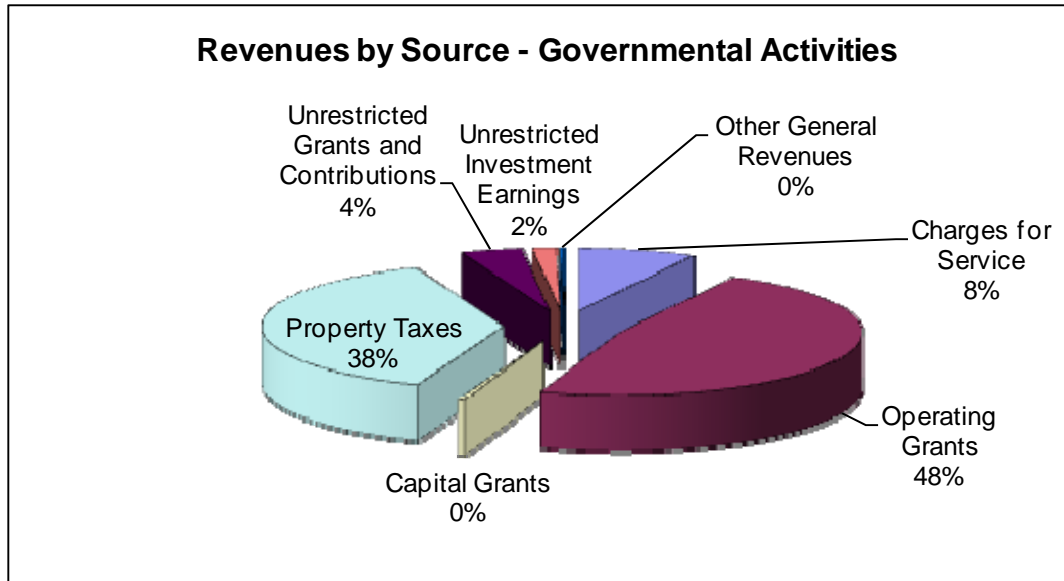
TABLE 2
CHANGES IN NET ASSETS
(In Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$ 21,310	\$ 24,987	\$ 12,394	\$ 13,055	\$ 33,704	\$ 38,042
Operating grants and contributions	129,213	119,868			129,213	119,868
Capital grants and contributions	1,248	25			1,248	25
General revenues:						
Property taxes	104,280	105,220			104,280	105,220
Grants and contributions not restricted to specific programs	11,177	10,889			11,177	10,889
Unrestricted investment earnings (losses)	4,249	(600)	50	135	4,299	(465)
Other general revenues	768	615			768	615
Total revenues	<u>272,245</u>	<u>261,004</u>	<u>12,444</u>	<u>13,190</u>	<u>284,689</u>	<u>274,194</u>
Program expenses:						
General government	8,596	13,414			8,596	13,414
Public safety	40,102	36,142			40,102	36,142
Public works	25,668	26,500			25,668	26,500
Health and welfare	8,643	8,763			8,643	8,763
Parks, recreation and libraries	11,348	12,249			11,348	12,249
Education	163,027	159,235			163,027	159,235
Interest on long-term debt	10,036	10,813			10,036	10,813
Water			10,560	9,034	10,560	9,034
Total program expenses	<u>267,420</u>	<u>267,116</u>	<u>10,560</u>	<u>9,034</u>	<u>277,980</u>	<u>276,150</u>
Increase (decrease) in net assets before transfers	4,825	(6,112)	1,884	4,156	6,709	(1,956)
Transfers	263		(263)		-	-
Increase (Decrease) in Net Assets	<u>\$ 5,088</u>	<u>\$ (6,112)</u>	<u>\$ 1,621</u>	<u>\$ 4,156</u>	<u>\$ 6,709</u>	<u>\$ (1,956)</u>

The City's total revenues were \$284.7 million. The total cost of all programs and services was \$278 million. In FY 10, the State and Federal Government utilized ARRA money directly on behalf of the City of New Britain's BOE for \$10,547,122. This explains both the increase in operating grants and contributions as well as the increase in education expenses in FY 10. Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

Revenues for governmental activities totaled \$272 million; property taxes (38%), operating grants (47%) and charges for services (7.8%) are the major revenue sources contributing nearly 93% of the City's revenues.



Expenses for governmental activities were \$267 million of which 56% were supported by program revenues, and 44% were supported from general revenues. Expenses by function include education (61%), public safety (15%), public works (10%), and parks and recreation (4%) made up 90% of the total governmental expenses.

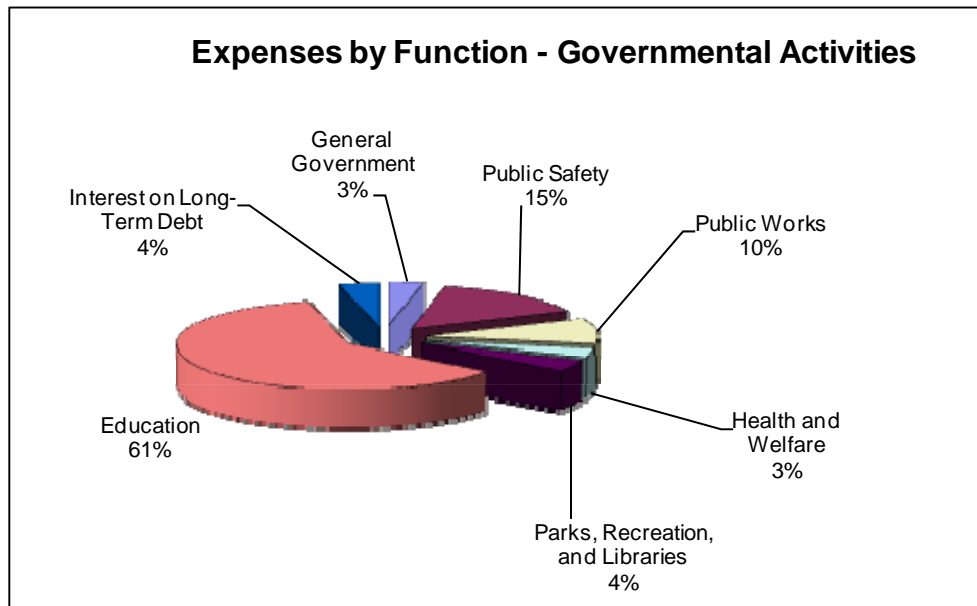
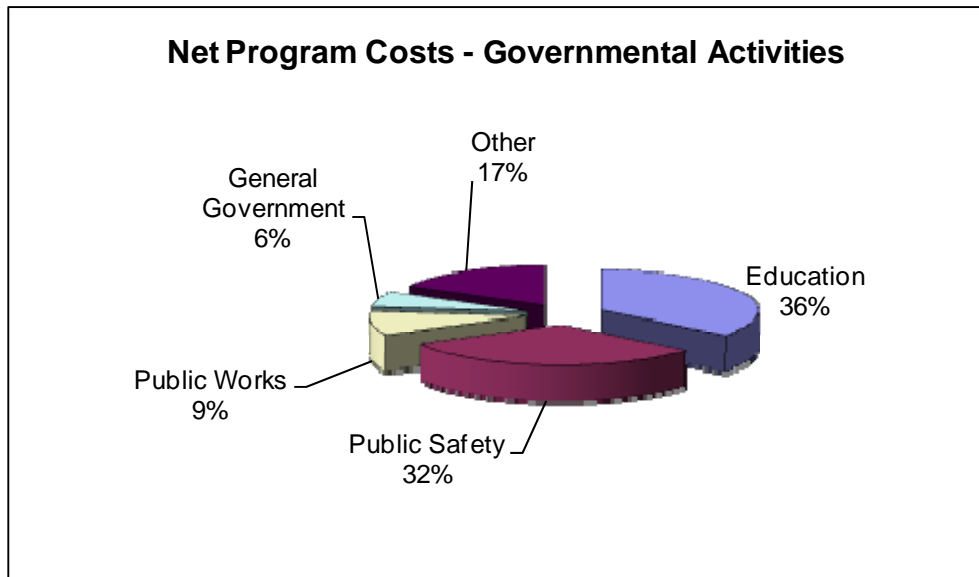


Table 3 presents the cost of each of the City’s four largest programs - education, public safety, public works, and parks and recreation - as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City’s taxpayers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

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

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
Education	\$ 163,027	\$ 159,235	\$ 41,142	\$ 43,125
Public safety	40,102	36,142	37,039	32,869
Public works	25,668	26,500	10,635	13,816
General Government	8,596	13,414	7,327	12,006
All others	30,027	31,825	19,506	20,420
Totals	\$ 267,420	\$ 267,116	\$ 115,649	\$ 122,236



Business-Type Activities

Revenues and expenses of the City’s business-type activities amounted to \$12 million and \$11 million, respectively. Net assets increased by 3.2% (from \$50 million to \$51.7 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 and overtime. The City had an energy auction and it resulted in lower supplier and distribution costs and that was the primary cause for the increase in net assets.

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 \$13.4 million, which is a decrease from last year's total of \$3.0 million. Included in this year's total change in fund balance, is a decrease of \$1 million in the General Fund, which is a result of a decrease in State of CT funding for non-educational grants in an effort to at least flat fund educational grants. A decrease of over \$2 million in the City's other governmental funds was a result of more intergovernmental revenue of \$20 million due primarily to the State government sending the 14.27% of the total Education Cost Sharing Grant (\$10,547,122) (not rounded) directly to the Board of Education from ARRA funding, a decrease of \$1 million in investment earnings, a decrease of \$0.5 million in miscellaneous fees, and an increase in expenditures and transfers of over \$2 million, and a decrease of over \$1 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 to finance its capital projects due to less intergovernmental revenue. Spending on capital projects also decreased by \$12.6 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 \$24.5 million and those for the internal service funds amounted to negative \$2.1 million. The increase in unrestricted net assets for the Water Enterprise Fund was \$0.9 million was a result of additional bulk water sales to outside water companies and lower energy costs. The increase in net assets for the internal service funds was \$2.1 million. This is the result of charges to other funds increasing by \$10 million, increases of investment income of \$2.3 million, increase in actuarial values of 1.3 million, and a 7 million increase in transfers. Other factors concerning the finances 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

- Mayor's Five Percent Reduction of all General Fund Departments resulted in an expenditure decrease of over \$2.8 mil.
- The City's employer contributions on behalf of employee benefits were over a \$1 million less than budgeted which was primarily due to better than expected medical claims in FY 10.

The City's General Fund balance of \$9 million reported on Exhibit III differs from the General Fund's budgetary fund balance of nearly \$7.6 million. This is principally because budgetary fund balance includes \$1.4 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, 2010, the City had \$339 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 \$3.3 million, or 1.0% over last year.

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

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 13,395	\$ 13,395	\$ 1,977	\$ 1,977	\$ 15,372	\$ 15,372
Construction in progress	121,918	116,379	1,625	1,625	123,543	118,004
Buildings and improvements	87,913	91,662			87,913	91,662
Equipment	2,604	2,700			2,604	2,700
Vehicles	5,495	6,716			5,495	6,716
Infrastructure	43,932	39,584			43,932	39,584
Water filtration assets			60,154	61,678	60,154	61,678
Totals	\$ 275,257	\$ 270,436	\$ 63,756	\$ 65,280	\$ 339,013	\$ 335,716

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

The City's fiscal year 2010-11 capital budget calls for it to spend approximately \$3.5 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, 2010, the City had \$186,867 in bonds and notes outstanding versus \$191,074 last year - a decrease of 2.2% - as shown in Table 5.

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

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds (Backed by the City)	\$ 173,532	\$ 177,324	\$ 13,335	\$ 13,750	\$ 186,867	\$ 191,074
Less deferred amount: For issuance discounts on refunding	(1,057)	(1,150)			(1,057)	(1,150)
Total	\$ 172,475	\$ 176,174	\$ 13,335	\$ 13,750	\$ 185,810	\$ 189,924

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

City of New Britain, CT, General Obligation Bonds, Series 2010, dated and issued March 23, 2010, with an interest rate of 2.5% to 5.25% in the amount of \$11,175.

The City's general obligation bond rating from Standard and Poor's and Fitch, both national rating agencies, is A and AA-. 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 2010 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 13.2% versus 11.50% a year ago. This compares with the State's unemployment rate of 9.4% and the national rate of 9.5%.

These indicators were taken into account when adopting the General Fund budget for 2010-11. Amounts available for appropriation in the General Fund budget are \$210 million, a decrease of 3.2% over the final 2010 budget of \$216 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, 2010
(In Thousands)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 22,657	\$ 18,356	\$ 41,013
Investments	20,363		20,363
Receivables, net	46,524	6,202	52,726
Internal balances	375	(375)	
Due from Fiduciary Fund	932		932
Other deferred asset		1,164	1,164
Inventory	6	52	58
Net pension assets	1,341		1,341
Deferred cash outflows under interest rate swaps	15,422		15,422
Capital assets:			
Capital assets not being depreciated	135,313	3,602	138,915
Capital assets being depreciated, net	139,944	60,154	200,098
Total assets	<u>382,877</u>	<u>89,155</u>	<u>472,032</u>
Liabilities:			
Accounts and other payables	18,077	522	18,599
Bond anticipation notes	32,450		32,450
Unearned revenue	2,609		2,609
Noncurrent liabilities:			
Due within one year	17,070	2,332	19,402
Due in more than one year	207,451	34,601	242,052
Total liabilities	<u>277,657</u>	<u>37,455</u>	<u>315,112</u>
Net Assets:			
Invested in capital assets, net of related debt	153,258	27,181	180,439
Restricted for:			
Trust purposes:			
Expendable	2,483		2,483
Unrestricted	(50,521)	24,519	(26,002)
Total Net Assets	<u>\$ 105,220</u>	<u>\$ 51,700</u>	<u>\$ 156,920</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, 2010
(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	\$ 8,596	\$ 1,209	\$ 60	\$	\$ (7,327)	\$	\$ (7,327)
Public safety	40,102	2,593	470		(37,039)		(37,039)
Public works	25,668	12,387	1,398	1,248	(10,635)		(10,635)
Health and welfare	8,643	450	6,185		(2,008)		(2,008)
Parks, recreation and libraries	11,348	3,085	392		(7,871)		(7,871)
Education	163,027	1,586	120,299		(41,142)		(41,142)
Interest on long-term debt	10,036		409		(9,627)		(9,627)
Total governmental activities	267,420	21,310	129,213	1,248	(115,649)	-	(115,649)
Business-type activities							
Water	10,560	12,394				1,834	1,834
Total	\$ 277,980	\$ 33,704	\$ 129,213	\$ 1,248	(115,649)	1,834	(113,815)
General revenues:							
Property taxes					104,280		104,280
Grants and contributions not restricted to specific programs					11,177		11,177
Unrestricted investment income					4,249	50	4,299
Transfers					263	(263)	
Miscellaneous					768		768
Total general revenues					120,737	(213)	120,524
Change in net assets					5,088	1,621	6,709
Net Assets at Beginning of Year					100,132	50,079	150,211
Net Assets at End of Year					\$ 105,220	\$ 51,700	\$ 156,920

The accompanying notes are an integral part of the financial statements

CITY OF NEW BRITAIN, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2010
(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>
ASSETS						
Cash and cash equivalents	\$ 15,925	\$	\$ 202	1,609	\$ 4,291	\$ 22,027
Investments					2,596	2,596
Accounts receivables, net	22,073			2,566	12,564	37,203
Due from other funds	10,789		2,750		2,971	16,510
Inventories					6	6
Total Assets	<u>\$ 48,787</u>	<u>\$ -</u>	<u>\$ 2,952</u>	<u>4,175</u>	<u>\$ 22,428</u>	<u>\$ 78,342</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 14,116	\$	\$ 36	548	\$ 764	\$ 15,464
Due to other funds	7,219		1,723	769	6,096	15,807
Deferred revenue	18,425			2,600	7,004	28,029
Bond anticipation notes payable and other interim financing			32,450			32,450
Total liabilities	<u>39,760</u>	<u>-</u>	<u>34,209</u>	<u>3,917</u>	<u>13,864</u>	<u>91,750</u>
Fund balances:						
Reserved	1,372				2,489	3,861
Unreserved, reported in:						
General Fund	7,655					7,655
Special Revenue Funds				258	6,075	6,333
Capital Project Funds			(31,257)			(31,257)
Total fund balances	<u>9,027</u>	<u>-</u>	<u>(31,257)</u>	<u>258</u>	<u>8,564</u>	<u>(13,408)</u>
Total Liabilities and Fund Balances	<u>\$ 48,787</u>	<u>\$ -</u>	<u>\$ 2,952</u>	<u>4,175</u>	<u>\$ 22,428</u>	<u>\$ 78,342</u>

(Continued on next page)

CITY OF NEW BRITAIN, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2010
(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)	\$	(13,408)
--	----	----------

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$	471,649	
Less accumulated depreciation		<u>(196,392)</u>	
Net capital assets			275,257

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

Net pension asset	1,341
Property tax receivables greater than 60 days	10,187
Interest receivable on property taxes	9,457
Housing loans receivable	6,760
Interest on housing loans	15
Receivable from the state for school construction projects	8,236

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.	(2,079)
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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	(173,532)
Clean water notes payable	(4,305)
Interest payable on bonds and notes	(2,467)
Compensated absences	(7,598)
Net pension obligation	(212)
Net OPEB obligation	(150)
Deferred charges on refunding	1,057
Unamortized bond premium	<u>(3,339)</u>

Net Assets of Governmental Activities (Exhibit I)	\$	<u><u>105,220</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, 2010
(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	\$ 103,052	\$	\$	\$	\$	\$ 103,052
Intergovernmental	94,014		1,224	34,482	12,168	141,888
Licenses, fees and charges for goods and services	9,844				11,166	21,010
Investment earnings	1,523		958		362	2,843
Miscellaneous	373		441	1,548	773	3,135
Total revenues	<u>208,806</u>	<u>-</u>	<u>2,623</u>	<u>36,030</u>	<u>24,469</u>	<u>271,928</u>
Expenditures:						
Current:						
General government	6,406				153	6,559
Public safety	38,781				1,071	39,852
Public works	12,908		13,708		6,899	33,515
Health and welfare	2,324				6,342	8,666
Education	120,254		548	35,804	5,139	161,745
Parks and recreation	7,892				2,960	10,852
Capital outlay			581			581
Debt and sundry		25,175	963			26,138
Total expenditures	<u>188,565</u>	<u>25,175</u>	<u>15,800</u>	<u>35,804</u>	<u>22,564</u>	<u>287,908</u>
Excess (Deficiency) of Revenues over Expenditures	<u>20,241</u>	<u>(25,175)</u>	<u>(13,177)</u>	<u>226</u>	<u>1,905</u>	<u>(15,980)</u>
Other Financing Sources (Uses):						
Transfers in	4,278	25,175	30		302	29,785
Transfers out	(25,507)		(565)		(3,450)	(29,522)
Issuance of bonds			11,715			11,715
Premium on long-term debt issued			963			963
Total other financing sources (uses)	<u>(21,229)</u>	<u>25,175</u>	<u>12,143</u>		<u>(3,148)</u>	<u>12,941</u>
Net Change in Fund Balances	(988)	-	(1,034)	226	(1,243)	(3,039)
Fund Balances at Beginning of Year	<u>10,015</u>	<u>-</u>	<u>(30,223)</u>	<u>32</u>	<u>9,807</u>	<u>(10,369)</u>
Fund Balances at End of Year	<u>\$ 9,027</u>	<u>\$ -</u>	<u>\$ (31,257)</u>	<u>258</u>	<u>\$ 8,564</u>	<u>\$ (13,408)</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, 2010
(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)	\$	(3,039)
---	----	---------

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		12,817
Depreciation expense		(7,536)

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.		(460)
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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		(2,639)
Property tax receivable - accrual basis change		543
Property tax interest and lien revenue - accrual basis change		685
Housing loans receivable		322
Housing loans interest		(9)

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		15,507
Payments on clean water fund notes		310
Issuance of bonds and notes		(11,715)
Bond premium		(963)

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		278
Accrued interest		217
Amortization of deferred charge on refunding		(93)
Amortization of bond premium		161
Net OPEB expense		(539)
Net pension expense		(903)

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.

Change in Net Assets of Governmental Activities (Exhibit II)

	2,144
	<u>\$ 5,088</u>

The accompanying notes are an integral part of the financial statements

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
JUNE 30, 2010
(In Thousands)

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Water Enterprise Fund</u>	<u>Internal Service Fund</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 18,356	\$ 630
Investments		17,767
Other deferred asset	1,164	
Receivables:		
Other, net of allowance for uncollectible	6,202	86
Inventory	52	
Due from other funds		1,508
Total current assets	<u>25,774</u>	<u>19,991</u>
Noncurrent assets:		
Capital assets, net	63,756	
Total assets	<u>89,530</u>	<u>19,991</u>
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	522	146
Compensated absences	93	
Due to other funds	375	904
Current portion of bonds and notes payable	2,239	
Total current liabilities	<u>3,229</u>	<u>1,050</u>
Noncurrent liabilities:		
Bonds and notes payable	34,336	
Compensated absences	265	
Claim reserves		21,020
Total liabilities	<u>37,830</u>	<u>22,070</u>
Net Assets:		
Invested in capital assets, net of related debt	27,181	
Unrestricted	24,519	(2,079)
Total Net Assets	<u>\$ 51,700</u>	<u>\$ (2,079)</u>

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, 2010
(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	\$ 12,394	\$
Charges to other funds		21,745
Other		6,125
Total operating revenues	<u>12,394</u>	<u>27,870</u>
Operating Expenses:		
Cost of sales, services and administration	7,749	
Administration and general expense		1,334
Depreciation expense	1,561	
Claims incurred		26,102
Total operating expenses	<u>9,310</u>	<u>27,436</u>
Operating Income	<u>3,084</u>	<u>434</u>
Nonoperating Revenue (Expenses):		
Income on investments	50	1,406
Decrease in actuarial claims reserve		304
Interest expense	(1,250)	
Net nonoperating revenues (expenses)	<u>(1,200)</u>	<u>1,710</u>
Change in Net Assets Before Transfers	1,884	2,144
Transfers:		
Transfers out	<u>263</u>	<u>-</u>
Change in Net Assets	1,621	2,144
Total Net Assets at Beginning of Year	<u>50,079</u>	<u>(4,223)</u>
Total Net Assets at End of Year	<u>\$ 51,700</u>	<u>\$ (2,079)</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, 2010
(In Thousands)

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Water</u>	<u>Internal</u>
	<u>Enterprise Fund</u>	<u>Service Fund</u>
Cash Flows from Operating Activities:		
Cash received from charges to other funds	\$	\$ 21,544
Cash received from customers	12,032	
Cash received from other operating activities		6,254
Cash paid for premiums and other operating expenses	(8,140)	(2,162)
Cash payments for claims made		(26,102)
Net cash provided by (used in) operating activities	<u>3,892</u>	<u>(466)</u>
Cash Flows from Noncapital Financing Activities:		
Transfers to other funds	(263)	
Net cash used in noncapital financing activities	<u>(263)</u>	<u>-</u>
Cash Flows from Capital Financing Activities:		
Acquisition of capital assets	(35)	
Payment of loan obligation	(2,249)	
Interest paid on capital debt	(1,250)	
Net cash used in capital financing activities	<u>(3,534)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Income on investments	50	1,406
Actuarial claim reserve		304
Purchase of investments		(34)
Sale of investments		(580)
Net cash provided by investing activities	<u>50</u>	<u>1,096</u>
Net Increase in Cash and Cash Equivalents	145	630
Cash and Cash Equivalents at Beginning of Year	<u>18,211</u>	<u>-</u>
Cash and Cash Equivalents at End of Year	<u>\$ 18,356</u>	<u>\$ 630</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:		
Operating income	\$ 3,084	\$ 434
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation	1,561	
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(357)	129
(Increase) decrease in due from other funds		(201)
(Increase) decrease in other deferred asset	47	
(Increase) decrease in inventory	(52)	
Increase (decrease) in accounts payable and accrued expenses	(216)	(814)
Increase (decrease) in due to other funds	(175)	(14)
Total adjustments	<u>808</u>	<u>(900)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 3,892</u>	<u>\$ (466)</u>
Noncash Investment Activities:		
Net increase in fair value of investments	<u>\$ -</u>	<u>\$ 1,406</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, 2010
(In Thousands)

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Agency Funds</u>
Assets:			
Cash and cash equivalents	\$ 4,990	\$ 1	\$ 574
Investments:			
Investments, at fair value:			
Fixed income	38		174
U.S. securities	20,527		
Mutual funds	66,936	971	
Corporate bonds/securities	34,126		
Foreign bonds	847		
Common stock	7,431		
Accounts receivable	<u>375</u>	<u>2</u>	
Total Assets	<u>135,270</u>	<u>974</u>	<u>\$ 748</u>
Liabilities:			
Due to other funds	932		\$
Due to beneficiaries			<u>748</u>
Total Liabilities	<u>932</u>		<u>\$ 748</u>
Net Assets:			
Held in Trust for Pension and Other Post Retirement Benefits	<u>\$ 134,338</u>	<u>\$ 974</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, 2010
(In Thousands)

	Pension Trust Funds	OPEB Trust Fund
	<u> </u>	<u> </u>
Additions:		
Contributions:		
Employer	\$ 296	\$ 3,438
Employee	676	
Total contributions	<u> 972</u>	<u> 3,438</u>
Investment income:		
Net appreciation in fair value of investments	11,865	97
Interest and dividends	3,968	25
Miscellaneous	63	
Total investment income	<u>15,896</u>	<u>122</u>
Less investment expense	(355)	
Net investment income	<u>15,541</u>	<u>122</u>
Net additions	<u>16,513</u>	<u>3,560</u>
Deductions:		
Benefits	10,691	3,438
Administration	62	7
Total deductions	<u>10,753</u>	<u>3,445</u>
Net Increase	5,760	115
Net Assets at Beginning of Year	<u>128,578</u>	<u>859</u>
Net Assets at End of Year	<u>\$ 134,338</u>	<u>\$ 974</u>

The accompany notes are an integral part of the financial statements

THE CITY OF NEW BRITAIN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

(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 \$74 were incurred in 2009-10 related to the City's participation in TROC.

Unreserved fund balance of the General Fund for fiscal year ended June 30, 2010 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 \$3,013 this year.

Unreserved fund balance for fiscal year ended June 30, 2010 as reflected in the BRRFOC's financial statements is \$16,611. 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 \$25,690.

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.

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 BOE State and Federal Grants Fund accounts for educational grant programs funded by the federal and state government and other local agencies.

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.

The Agency Funds account for funds held by the City on behalf of students and others.

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 \$750 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 \$7,598. 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's interest rate swap agreements are considered to be derivative instruments and are subject to GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, which is effective for the year ended June 30, 2010. Previously, only the fair value of interest rate swaps was disclosed. GASB Statement No. 53 requires evaluation of derivative instruments to determine if they are effective hedges, and presentation of the fair value of the derivatives on the statements of net assets. Changes in the fair values of derivative instruments determined to be effective hedges are recognized as deferred inflows or outflows on the statements of net assets, whereas changes in the fair values of derivative instruments that are not effective hedges are reported on the statements of revenues, expenses and changes in fund net assets. The City's interest rate swap agreements have been determined to be effective hedges.

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 reduced appropriations during the fiscal by \$10,547 as a result of changes in intergovernmental grants at the state and federal level as a result of the American Recovery and Reinvestment Act. An additional \$20 was appropriated from unanticipated revenues.

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, 2010:

	<u>Amount</u>
Nonmajor:	
Special Revenue Funds:	
Stanley Quarter Park	\$ 179
Police & Youth Grants	9
New Britain Marketing Collaborative	6
Local Capital Improvement	13
American Savings Grant	13
FEMA Grant	3
Parks & Recreation Special Projects	3
Exercise the Right Choice II	15
Bullet Proof Vest Grant	19
Public Safety	116
Centralized and Distribution Services	151
YSB Care Unit	1
Juvenile Justice Center	1
Highway Safety Grant	64
Housing Inspectors DMD	7
Assistance to CCSU Police Department	8
School Rental Account	54
Business Outreach Center	145
Emergency Shelter Grant	166
Redevelopment Commission	6
EFSP Program	3
Neighborhood Stabilization Program	39
Capital Projects Fund	31,257
Internal Service Funds:	
Special Reserve Fund	277
Health Insurance Fund	744
Workers' Compensation	943
General Accident and Liability	115

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.

C. Overexpended Appropriations

The legal budget was overexpended during the current year. The following items were overexpended:

<u>Department</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Police Department	\$ 19,315	\$ 19,541	\$ (226)
Administration	415	418	(3)
Horticulture	336	339	(3)
Maintenance	2,498	2,501	(3)
Special Projects	3	8	(5)
Willow Brook Sports Complex	256	258	(2)
Capital Nonrecurring	20	30	(10)
Weed & Seed		2	(2)

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*, \$35,144 of the City's bank balance of \$36,726 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 31,480
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>3,664</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 35,144</u>

Cash Equivalents

At June 30, 2010, the City's cash equivalents amounted to \$18,729. 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>
StateTax Exempt Proceeds Fund*	
Wells Fargo Money Market*	
Bank of America Money Market*	
State Short-Term Investment Fund (STIF)	AAAm
Financial Investors Trust Portfolio Money Market Fund	AAAm
Cutwater - Cooperative Liquid Assets Securities System (CLASS)	AAAm

*Not rated

Investments

As of June 30, 2010, 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	N/A	\$ 430	\$	430	\$
U.S. Treasury bonds/notes	N/A	18,916	226	17,510	1,180
Federal agency bonds	N/A	3,148		3,148	
Foreign bonds	AAA	847		420	427
Corporate bonds/securities	AAA	1,876		1,876	
Corporate bonds/securities	A- to A+	9,514	32	3,238	6,244
Corporate bonds/securities	BBB- to BBB	5,704		4,982	722
Corporate bonds/securities	BB- to BB+	3,065		2,952	113
Corporate bonds/securities	B- to B+	2,089		2,089	
Corporate bonds/securities	N/R	82		82	
Corporate bonds/securities	N/A	21,381			21,381
Fixed income	N/A	<u>1,047</u>	<u>1,008</u>	<u>39</u>	
Total		68,099	<u>\$ 1,266</u>	<u>\$ 36,766</u>	<u>\$ 30,067</u>
Other investments:					
Common stock		15,305			
Mutual funds		<u>68,009</u>			
Total Investments		<u>\$ 151,413</u>			

N/A Not applicable

N/R Not rated

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, 2010, the City had \$15,305 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>BOE State and Federal Grants</u>	<u>Nonmajor and Other Funds</u>	<u>Business Activities Water Enterprise</u>	<u>Total</u>
Receivables:					
Interest	\$ 9,457	\$	\$ 15 *	\$ 53	\$ 9,525
Taxes	11,846				11,846
Water				3,159	3,159
Sewer			3,997		3,997
Accounts	2,741		966	3,307	7,014
Intergovernmental	8,236	2,566	1,067		11,869
Housing loans			6,997		6,997
Gross receivables	<u>32,280</u>	<u>2,566</u>	<u>13,042</u>	<u>6,519</u>	<u>54,407</u>
Less allowance for uncollectibles	<u>(750)</u>		<u>(237)</u> **	<u>(317)</u>	<u>(1,304)</u>
Net Total Receivables	<u>\$ 31,530</u>	<u>\$ 2,566</u>	<u>\$ 12,805</u>	<u>\$ 6,202</u>	<u>\$ 53,103</u>

* Accrued interest on property taxes and long-term housing loans in the amount of \$9,457 and \$15 are not included in the fund financial statements.

** Allowance for uncollectible amounts related to loan receivables of \$237 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>237</u>
Total	<u>\$ 1,304</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	\$ 10,187	\$
Housing loans	6,997	
School building grants	8,236	
Grant drawdowns prior to meeting all eligibility requirements	<u> </u>	<u>2,609</u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 25,420</u>	<u>\$ 2,609</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 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	\$ 13,395	\$	\$	\$ 13,395
Construction in progress	116,379	5,539		121,918
Total capital assets not being depreciated	<u>129,774</u>	<u>5,539</u>	<u>-</u>	<u>135,313</u>
Capital assets being depreciated:				
Land improvements	14,053			14,053
Buildings	183,194			183,194
Machinery and equipment	14,183	348	(1,063)	13,468
Vehicles	18,248	93		18,341
Infrastructure	100,459	6,837	(16)	107,280
Total capital assets being depreciated	<u>330,137</u>	<u>7,278</u>	<u>(1,079)</u>	<u>336,336</u>
Less accumulated depreciation for:				
Land improvements	10,205	440		10,645
Buildings	95,380	3,309		98,689
Machinery and equipment	11,483		(619)	10,864
Vehicles	11,532	1,314		12,846
Infrastructure	60,875	2,473		63,348
Total accumulated depreciation	<u>189,475</u>	<u>7,536</u>	<u>(619)</u>	<u>196,392</u>
Total capital assets being depreciated, net	<u>140,662</u>	<u>(258)</u>	<u>(460)</u>	<u>139,944</u>
Governmental Activities Capital Assets, Net	<u>\$ 270,436</u>	<u>\$ 5,281</u>	<u>\$ (460)</u>	<u>\$ 275,257</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	1,625			1,625
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	13,121	95	(44)	13,172
General plant and administrative equipment	2,015		(13)	2,002
Total capital assets being depreciated	<u>79,691</u>	<u>95</u>	<u>(57)</u>	<u>79,729</u>
Less accumulated depreciation for:				
Source of supply	2,385	53		2,438
Pumping plant	1,545	54		1,599
Water treatment plant	99	13		112
Filter plant	5,530	1,115		6,645
Transmission and distribution	7,310	193		7,503
General plant and administrative	1,144	134		1,278
Total accumulated depreciation	<u>18,013</u>	<u>1,562</u>	<u>-</u>	<u>19,575</u>
Total capital assets being depreciated, net	<u>61,678</u>	<u>(1,467)</u>	<u>(57)</u>	<u>60,154</u>
Business-Type Activities Capital Assets, Net	<u>\$ 65,280</u>	<u>\$ (1,467)</u>	<u>\$ (57)</u>	<u>\$ 63,756</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 1,241
Public safety	523
Public works	3,067
Health and social services	24
Parks and recreation	673
Education	<u>2,008</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 7,536</u>
Business-type activities:	
Enterprise Fund - water depreciation expense business-type activities	<u>\$ 1,562</u>

Construction Commitments

The City has active construction projects as of June 30, 2010. The following is a summary of capital projects as of June 30, 2010:

<u>Project</u>	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>
Public buildings	\$ 43,575	\$ 4,310
Schools	83,820	70,236
Infrastructure	89,258	54,099
Parks and recreation	6,450	4,364
Miscellaneous	64,615	33,043
Total	<u>\$ 287,718</u>	<u>\$ 166,052</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, 2010 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Internal Service Fund	\$ 904
	Nonmajor Fund	6,096
	BOE State and Federal Grants	769
	Capital Projects Fund	1,723
	Enterprise Fund	365
	Fiduciary Funds	932
Capital Project Fund	General Fund	2,750
Nonmajor Fund	General Fund	2,961
	Enterprise Fund	10
Internal Service Fund	General Fund	1,508
Total		<u>\$ 18,018</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>Capital Project Fund</u>	<u>Nonmajor Funds</u>	<u>Total Transfers</u>
Transfers Out:					
General	\$	\$ 25,175	\$ 30	\$ 302	\$ 25,507
Capital Project Fund	565				565
Nonmajor governmental	3,450				3,450
Enterprise Funds	263				263
Total	<u>\$ 4,278</u>	<u>\$ 25,175</u>	<u>\$ 30</u>	<u>\$ 302</u>	<u>\$ 29,785</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, 2010:

Description	Fund	Rate	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
2010 bond anticipation notes	Capital Projects Fund	3.00%	03/29/2011	\$	\$ 32,450	\$	\$ 32,450
2009 bond anticipation notes	Capital Projects Fund	3.00%	03/30/2010	27,455		27,455	-
				<u>\$ 27,455</u>	<u>\$ 32,450</u>	<u>\$ 27,455</u>	<u>\$ 32,450</u>

8. LONG-TERM DEBT

A schedule of bond indebtedness as of June 30, 2010 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	\$ 2,205
1993 Series B	3.8% - 6.0%	13,075	02/01/93	04/01/12	1,440
1994 Series	4.0% - 5.0%	17,700	02/01/94	02/04/14	3,540
1996 Series	4.4% - 5.0%	4,325	03/15/96	04/15/11	175
1997 Series	4.4% - 5.1%	13,115	04/15/97	04/15/13	1,740
2000 Series A	5.0% - 5.3%	5,600	04/12/00	04/01/14	1,850
2002 Refunding Series	2.0% - 5.0%	1,830	11/04/02	05/01/14	774
2006 Series	5.0% - 4.125%	11,000	04/15/06	04/15/21	8,065
2007 Series	5.0% - 3.75%	6,600	04/05/07	04/15/22	5,280
2008 Series A	2.8% - 5.0%	1,750	04/01/08	04/01/28	1,575
2008 Series B	2.8% - 5.0%				
Refunding Bonds		12,425	04/01/08	04/01/35	3,990
2009 Series	3.0% - 4.5%	<u>3,975</u>	03/25/09	04/01/24	<u>3,715</u>
Subtotal		<u>104,695</u>			<u>34,349</u>
Public Improvement:					
1992 Series	4.6% - 6.5%	8,285	02/01/92	02/01/12	800
1993 Series B	3.8% - 6.0%	16,210	02/01/93	04/01/12	1,800
1997 Series	4.4% - 5.1%	8,925	04/15/97	04/15/13	360
2002 Refunding Series	2.0% - 5.0%	2,240	11/04/02	05/01/14	947
2007 Series	3.8% - 5.0%	6,975	04/05/07	04/15/22	5,580
2006 Series	5.0% - 4.125%	6,460	04/15/06	04/15/21	1,150
2007 Series	5.0% - 3.75%	6,975	04/05/07	04/15/22	4,010
2008 Series A	2.8% - 5.0%	11,215	04/01/08	04/01/28	10,091
2008 Series B					
Refunding Bonds	2.8% - 5.0%	12,080	04/01/08	04/01/35	7,865
2009 Series	3.0% - 4.5%	9,410	03/25/09	04/01/24	8,785
2010 Series A	2.5% - 5.5%	<u>11,715</u>	03/30/10	03/01/25	<u>11,715</u>
Subtotal		<u>100,490</u>			<u>53,103</u>

	<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>46,080</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>311,885</u></u>			\$ <u><u>173,532</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, 2010 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	\$ 177,324	\$ 11,715	\$ (15,507)	\$ 173,532	\$ 15,024
Less deferred amounts:					
For issuance discounts on refunding	(1,150)		93	(1,057)	
Interest rate swaps	10,731	4,691		15,422	
Bond premiums	<u>2,537</u>	<u>963</u>	<u>(161)</u>	<u>3,339</u>	
Total general obligation bonds	<u>189,442</u>	<u>17,369</u>	<u>(15,575)</u>	<u>191,236</u>	<u>15,024</u>
Notes payable:					
Clean Water notes	4,615		(310)	4,305	310
OPEB (asset) obligation	(389)	539		150	
Compensated absences	7,876	5	(283)	7,598	1,736
Net pension (asset) obligation	(447)	744	(85)	212	
Risk management	<u>21,196</u>		<u>(176)</u>	<u>21,020</u>	
Governmental Activities Long-Term Liabilities	\$ <u><u>222,293</u></u>	\$ <u><u>18,657</u></u>	\$ <u><u>(16,429)</u></u>	\$ <u><u>224,521</u></u>	\$ <u><u>17,070</u></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	\$ 13,750	\$	\$ (415)	\$ 13,335	\$ 405
Notes payable:					
Clean Water notes	25,072		(1,834)	23,238	1,834
Compensated absences	<u>262</u>	<u>98</u>	<u></u>	<u>360</u>	<u>93</u>
Business-Type Activities					
Long-Term Liabilities	<u>\$ 39,084</u>	<u>\$ 98</u>	<u>\$ (2,249)</u>	<u>\$ 36,933</u>	<u>\$ 2,332</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	\$ 232,128	\$ 184,136	\$ 47,992
Schools	464,256	89,685	374,571
Sewers	386,880	15,457	371,423
Urban renewal	335,296		335,296
Pension deficit	309,504		309,504

The total overall statutory debt limitation for the City is equal to seven times annual receipts from taxation (\$722,176).

The indebtedness above includes \$177,612 of authorized bonds which were unissued as of June 30, 2010.

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, 2010 are as follows:

Year Ending June 30,	Principal General Obligation	Principal Clean Water Notes	Interest General Obligation	Interest Clean Water Notes	Total
2011	\$ 15,024	\$ 310	\$ 9,558	\$ 83	\$ 24,975
2012	15,124	310	8,835	78	24,347
2013	12,664	310	8,070	71	21,115
2014	10,609	310	7,468	64	18,451
2015	9,624	310	6,912	58	16,904
2016	9,569	310	6,409	53	16,341
2017	9,909	310	5,895	46	16,160
2018	10,259	310	5,351	40	15,960
2019	10,640	310	4,771	35	15,756
2020	11,045	310	4,162	27	15,544
2021	10,445	310	3,463	21	14,239
2022	9,860	310	2,773	16	12,959
2023	9,385	250	2,186	9	11,830
2024	9,730	183	1,608	5	11,526
2025	9,310	59	1,024	2	10,395
2026	9,050	59	449	1	9,559
2027	645	34	61		740
2028	640		30		670
Total	\$ 173,532	\$ 4,305	\$ 79,025	\$ 609	\$ 257,471

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, 2010 are as follows:

<u>Year Ending June 30,</u>	<u>General Obligation Bonds</u>	<u>Principal Clean Water Notes</u>	<u>Interest General Obligation Bonds</u>	<u>Interest Clean Water Notes</u>	<u>Total</u>
2011	\$ 405	\$ 1,834	\$ 627	\$ 567	\$ 3,433
2012	410	1,834	611	521	3,376
2013	465	1,834	594	474	3,367
2014	515	1,834	574	428	3,351
2015	560	1,834	549	381	3,324
2016	560	1,834	521	335	3,250
2017	560	1,834	493	287	3,174
2018	560	1,834	465	241	3,100
2019	560	1,834	437	194	3,025
2020	565	1,834	409	147	2,955
2021	565	1,834	380	101	2,880
2022	560	1,464	357	57	2,438
2023	555	1,200	333	26	2,114
2024	550	400	308	2	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
Total	\$ <u>13,335</u>	\$ <u>23,238</u>	\$ <u>8,339</u>	\$ <u>3,761</u>	\$ <u>48,673</u>

Interest Rate Swap Agreements (Not Rounded)

Objective - As a means to lower its future borrowing costs, the City entered in three interest rate swaps each in connection with their general obligation bonds. The intention of the swaps was to effectively change the City's interest rate on the bonds from a variable rate to a synthetic fixed rate. The interest rate swaps are considered to be effective cash flow hedges.

Terms - The notional amount of the swaps matches the principal amounts of the associated debt. The City's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to approximately follow anticipated reductions to the associated bond issue's outstanding balance. Under the swaps, the City pays the counterparty a fixed interest rate payment and receives a variable interest rate payment based on the LIBOR rate. Only the net difference in interest payments will be actually exchanged between the parties. No cash was received or paid by the City when the swap transactions were initiated.

Fair Value - All three swaps had negative fair values (representing a liability) as of June 30, 2010, as indicated below. The fair value was estimated using live trading data to construct a series of swap rates that is then used to run a present value calculation.

Credit Risk - As of June 30, 2010, the City was not exposed to credit risk in the event the counterparty fails to perform under the agreement because the swaps represent a liability. The credit ratings of the counterparties are indicated below. The City does not require collateral or other security supporting interest rate swaps subject to credit risk.

Basis Risk - The swap does expose the City to basis risk for any difference between the actual variable rate paid to bondholders and the variable rate paid to the City pursuant to the swap agreement because both amounts are calculated under the same formula.

Termination Risk - The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If at the time of termination the swap has a negative fair value, the City would be liable to the counterparty for a payment approximately equal to the swap's fair value at that time.

The following is a summary of terms of the interest rate swaps held on June 30, 2010 by the City:

	<u>Series 2011</u>	<u>Pension- Fxd</u>	<u>Pension - CMS</u>
Counterparty	Deutsche Bank AG	Deutsche Bank AG	Deutsche Bank AG
Bond Issue	2011	2008C	2008C
Original Notional Amount	\$ 14,000,000	\$ 40,000,000	\$ 40,000,000
Outstanding Notional Amount	\$ 14,000,000	\$ 40,000,000	\$ 40,000,000
Effective Date	4/1/2011	5/1/2008	2/1/2013
Maturity Date	4/1/2026	2/1/2026	2/1/2026
Rate Paid	3.807%	6.371%	100% of 1M LIBOR
Rate Received	SIFMA Index	1M LIBOR	78% OF 10Y LIBOR
Fair Value	(1,036,871)	(13,828,607)	(556,153)
Counterparty Credit Rating:			
Moody's Investors Service	Aa3	Aa3	Aa3
Standard & Poor's	A+	A+	A+

The following is a summary of the changes in fair value of the interest rate swaps for the years ended June 30, 2010 and 2009, which are accounted for as changes in deferred outflows reported in the statements of net assets:

	<u>Series 2011</u>	<u>Pension- Fxd</u>	<u>Pension - CMS</u>
Fair Value, July 1, 2009	(79,588)	(10,651,115)	NA
Change in Fair Value for the year ended June 30, 2010	(957,283)	(3,177,492)	NA
Fair Value, June 30, 2010	(1,036,871)	(13,828,607)	(556,153)

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>Fiduciary</u>
Encumbrances	\$ 1,372	\$	\$
Inventory		6	
Trust purposes		2,483	
Pension benefits			134,338
Other post employment benefits			974
Total	<u>\$ 1,372</u>	<u>\$ 2,489</u>	<u>\$ 135,312</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
Darius Miller Walnut Hill	<u>32</u>
Total	<u>\$ 133</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, 2009 to June 30, 2010. 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 \$1,765 is reported in the internal service fund at June 30, 2010, 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, 2010 and June 30, 2009 are as follows:

	June 30, 2010			June 30, 2009		
	Medical	Workers' Compensation	General Accident Casualty and Liability	Medical	Workers' Compensation	General Accident Casualty and Liability
Beginning of year claim reserve	\$ 2,069	\$ 17,253	\$ 1,874	\$ 2,014	\$ 16,117	\$ 2,002
Current year incurred claims and changes in prior year estimate	24,402	1,615	213	25,716	1,782	62
Claim payments	(24,706)	(1,615)	(85)	(25,661)	(646)	(190)
End of Year Claim Reserve	\$ <u>1,765</u>	\$ <u>17,253</u>	\$ <u>2,002</u>	\$ <u>2,069</u>	\$ <u>17,253</u>	\$ <u>1,874</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, 2010, 2009 and 2008 are as follows:

<u>Fiscal Year Ended</u>	<u>City Contribution Amount</u>	<u>Employee Contribution Amount</u>	<u>Total Contribution Amount</u>	<u>Total Payroll Covered by the MERF</u>
June 30, 2008	\$ 3,312	\$ 2,292	\$ 5,604	\$ 45,808
June 30, 2009	3,389	2,321	5,710	46,446
June 30, 2010	3,773	2,385	6,158	47,716

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

	Firemen's Pension Fund	Police Benefit Fund	Total
Assets			
Cash and cash equivalents	\$ 2,581	\$ 2,409	\$ 4,990
Investments	68,701	61,204	129,905
Accounts receivable	<u>281</u>	<u>94</u>	<u>375</u>
Total Assets	<u>\$ 71,844</u>	<u>\$ 63,801</u>	<u>\$ 135,645</u>
Liabilities and Net Assets			
Liabilities:			
Due to other funds	\$ 485	\$ 447	\$ 932
Net Assets Held in Trust for Pension Benefits	<u>71,078</u>	<u>63,260</u>	<u>134,338</u>
Total Liabilities and Net Assets	<u>\$ 71,563</u>	<u>\$ 63,707</u>	<u>\$ 135,270</u>

Statement of Changes in Plan Net Assets

	Firemen's Pension Fund	Police Benefit Fund	Total
Additions:			
Contributions:			
Employer	\$ 211	\$ 85	\$ 296
Employee	333	343	676
Total contributions	<u>544</u>	<u>428</u>	<u>972</u>
Investment income:			
Net appreciation fair value of investments	5,783	6,082	11,865
Interest and dividends	2,291	1,677	3,968
Miscellaneous	48	15	63
Total investment income	<u>8,122</u>	<u>7,774</u>	<u>15,896</u>
Less investment expense	<u>(199)</u>	<u>(156)</u>	<u>(355)</u>
Net investment income	<u>7,923</u>	<u>7,618</u>	<u>15,541</u>
Total additions	<u>8,467</u>	<u>8,046</u>	<u>16,513</u>
Deductions:			
Benefits	5,125	5,566	10,691
Administration	33	29	62
Total deductions	<u>5,158</u>	<u>5,595</u>	<u>10,753</u>
Net Increase	3,309	2,451	5,760
Net Assets Beginning of Year	<u>67,769</u>	<u>60,809</u>	<u>128,578</u>
Net Assets End of Year	<u>\$ 71,078</u>	<u>\$ 63,260</u>	<u>\$ 134,338</u>

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

	Fire	Police
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, 2010, these required contributions were \$450 and \$743 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	\$ 450	\$ 743
Interest on net pension obligation	(118)	(33)
Adjustment to annual required contribution	<u>123</u>	<u>34</u>
Annual pension cost	455	744
Contributions made	<u>(211)</u>	<u>(85)</u>
Increase in net pension obligation	244	659
Net Pension Asset, Beginning of Year	<u>(1,585)</u>	<u>(447)</u>
Net Pension Obligation (Asset), End of Year	\$ <u>(1,341)</u>	\$ <u>212</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>
6/30/2008	\$ 208	\$ 211	101%	\$ (1,581)
6/30/2009	211	215	102	(1,585)
6/30/2010	455	211	47	(1,341)

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>
6/30/2008	\$ 84	\$ 85	101%	\$ (446)
6/30/2009	84	85	101	(447)
6/30/2010	744	85	11	212

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>
6/30/2005	\$	234	125%
6/30/2006		234	256
6/30/2007		433	174
6/30/2008		211	101
6/30/2009		211	101
6/30/2010		450	46

Police Plan

		<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
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
6/30/2010		743	11

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 \$575. The “pay-as-you-go” Plan does not have a net pension obligation as of June 30, 2010.

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>
6/30/2008	\$ 738	\$ 738	100%	N/A
6/30/2009	751	751	100	N/A
6/30/2010	575	575	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 Liability (AAL)</u>	<u>Unfunded AAL</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAAL 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>
06/30/2005	\$ 898	100
06/30/2006	831	100
06/30/2007	787	100
06/30/2008	738	100
06/30/2009	751	100
06/30/2010	575	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, 2008, plan membership consisted of the following:

Active members	1,752
Retired members	728
Spouses of retired members	<u>136</u>
Total Participants	<u><u>2,616</u></u>

Funding Policy

The City currently pays for postemployment health care benefits on a pay-as-you go basis. As of June 30, 2010, 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) - Effective July 1, 2008 for pre 65 only the Board will contribute up to 50% of the cost up to a maximum of 7,500 per year for three additional years beyond the two year cost-share benefit previously provided. 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 - After eight years of continuous service, two of which in Local 818, retirees shall be offered coverage for the first two years from retirement at the same cost share in effect for active employees (2011-12 14% Retiree/85% Board). The Board will also pay 50% of the cost up to a maximum \$7,500 per year for the cost of the retiree's benefits for three additional years (Pre-65 only).

AFSCME (Local 1186) - 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, 13% 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 ten 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)	\$ 3,983
Interest on OPEB obligation	(31)
Adjustment to annual required contribution	<u>25</u>
Annual OPEB cost (expense)	3,977
Contributions made	<u>3,438</u>
Decrease in net OPEB obligation	539
Net OPEB obligation (asset), beginning of year	<u>(389)</u>
Net OPEB Obligation (Asset), End of Year	<u>\$ 150</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 years ended June 30, 2010 is presented below.

<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)
6/30/2010	3,977	3,438	86.5	150

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
7/1/2008	-0-	41,258	41,258	0.0	N/A	N/A

Schedule of Employer Contributions

<u>Fiscal Year Ended</u>		<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	
6/30/10	\$	3,983	86.47	%
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, 2008 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, 2010, the certified employees of the City contributed \$4,777 to this plan, and the total payroll for certified employees covered by this plan for the year was \$65,885.

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, 2010, the City has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$10,192 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.

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.

13. SUBSEQUENT EVENT

On October 28, 2010, the City issued General Obligation Bonds, Series 2010 B for \$35,000,000, which included \$7,065 of tax-exempt bonds, \$18,000 of Build America Bonds, and \$9,935 of Recovery Zone Economic Development Bonds. The City also issued \$1,840 General Obligation Bonds, Series 2010C on the same date. The bonds bear interest of 3-4% and various maturities of October 1, 2013, October 1, 2014, October 1, 2022, October 1, 2024 and October 1, 2026.

The Federal American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009), enacted February 17, 2009 (the Recovery Act), authorizes state and local governments to issue two general types of taxable Build America Bonds (Taxable BABs) with the federal government providing subsidies for a portion of their borrowing cost. One type of Taxable BAB provides a federal tax credit to the bondholder; the other provides a credit in the form of an interest subsidy payment directly to the issuer (Taxable BABs - Direct Payment). General Obligation Bonds, Series 2010B included \$18,000 of Taxable BABs.

Pursuant to the Recovery Act, the City will receive a cash subsidy payment from the United States Treasury equal to 35% of the interest payable on the General Obligation Bonds, Issue of 2010 on or about each interest payment date. Such subsidy payment will be revenue to the City under the General Bond Resolution. No holders of the General Obligation Bonds, Issue of 2010 will be entitled to a tax credit. The receipt of the subsidy by the City is not a condition of payment of any portion of the principal and interest on the General Obligation Bonds, Issue of 2010. However, if the subsidy payments are reduced or eliminated, the General Obligation Bonds, Series 2010B are subject to extraordinary optional redemption.

**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, 2010

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property taxes:				
General property taxes	\$ 102,738	\$ 102,738	\$ 102,668	\$ (70)
Interest and liens	1,200	1,200	384	(816)
Miscellaneous	5	5		(5)
Total general property taxes	<u>103,943</u>	<u>103,943</u>	<u>103,052</u>	<u>(891)</u>
Intergovernmental revenues (State):				
State Education for the Blind	150	150	81	(69)
H.E.W. Private Schools	84	84	73	(11)
Special School Transportation	350	350	331	(19)
Elementary & Secondary Transportation	2,574	2,574	1,540	(1,034)
Special Education	2,500	2,500	4,287	1,787
Education Equalization	73,929	63,382	62,821	(561)
State Infraction Distribution	25	25	23	(2)
Principal Subsidy	2,840	2,840	2,638	(202)
Interest Subsidy	524	524	409	(115)
DCA Tax Abatements	33	33	31	(2)
Town Aid Road Fund	280	280	382	102
Veterans Exemption Reimbursement			28	28
Tax Relief for the Elderly			598	598
State Property Tax Relief	3,407	3,407	3,411	4
Telephone Access Line Tax Relief	219	219	135	(84)
Municipal Video Competition Grant	3	3	27	24
Civil Defense	25	25		(25)
Off Track Betting	260	260	197	(63)
State Pilot Hospital Colleges	2,794	2,793	2,759	(34)
State Pilot Model Housing	325	325	148	(177)
Manufacturers in Distress	90	90	209	119
Boat License Distribution	13	14	20	6
Bingo	1	1	1	
Disability Exemption			13	13
Manufacturing Equipment Tax Reimbursement	1,100	1,100	1,404	304
Election Ballots	10	10		(10)
Legalized Gaming Distribution	3,277	3,277	2,256	(1,021)
Total intergovernmental revenues (State)	<u>94,813</u>	<u>84,266</u>	<u>83,822</u>	<u>(444)</u>
Intergovernmental revenues (Other than State):				
In lieu of taxes	15	15		(15)
Total intergovernmental revenues	<u>94,828</u>	<u>84,281</u>	<u>83,822</u>	<u>(459)</u>
Licenses and Permits:				
Building Structures and Equipment	720	720	431	(289)
All other license	269	269	264	(5)
Protection	14	14	8	(6)
Health			56	56
Disposal	1,750	1,750	1,707	(43)
Planning and Zoning	10	10	10	
Total licenses and permits	<u>2,763</u>	<u>2,763</u>	<u>2,476</u>	<u>(287)</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, 2010
(In Thousands)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Charges for Services:				
City Hall Commissions Rent	\$ 94	\$ 94	\$ 106	\$ 12
Town Clerk	1,187	1,187	1,084	(103)
Recreation	820	830	942	112
Public Safety	959	959	1,537	578
Parking	2,115	2,115	1,953	(162)
Public Works - Project Management	373	373	454	81
Health	107	107	34	(73)
Sanitation and Fleet	657	657	887	230
Parking tickets	375	375	292	(83)
Assessor	4	4	4	
Senior Center	79	79	75	(4)
Total charges for services	<u>6,770</u>	<u>6,780</u>	<u>7,368</u>	<u>588</u>
Total licenses, fees and charges for services	<u>9,533</u>	<u>9,543</u>	<u>9,844</u>	<u>301</u>
Other Revenue:				
Investment income	200	200	1,523	1,323
Miscellaneous	148	148	231	83
Sale of real estate property	3,475	3,475	56	(3,419)
Board of Education	275	275	123	(152)
Total other revenue	<u>4,098</u>	<u>4,098</u>	<u>1,933</u>	<u>(2,165)</u>
Total revenues	212,402	201,865	198,651	(3,214)
Other Financing Sources:				
Transfers in	<u>4,491</u>	<u>4,501</u>	<u>4,278</u>	<u>(223)</u>
Total Budgeted Revenues and Transfers	<u>\$ 216,893</u>	<u>\$ 206,366</u>	202,929	<u>\$ (3,437)</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.			10,192	
Underliquidation of prior year encumbrances is recorded as miscellaneous revenue for budgetary reporting. This amount is excluded for financial reporting purposes.			<u>(37)</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>\$ 213,084</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, 2010
(In Thousands)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
General Government:				
Legislative	\$ 152	\$ 155	\$ 153	\$ 2
Boards and Commissions	27	28	23	5
Judicial	62	61	61	-
Elections	512	516	483	33
Mayor's Office	651	652	397	255
Planning and Zoning	274	287	271	16
Finance	2,767	2,971	2,947	24
Recording and Reporting	643	644	641	3
Legal	1,238	1,314	1,027	287
Central Services	141	141	85	56
Total	<u>6,467</u>	<u>6,769</u>	<u>6,088</u>	<u>681</u>
Public Safety:				
Police	19,376	19,315	19,541	(226)
Fire	15,986	15,929	15,605	324
Lighting	800	800	779	21
Building	717	718	697	21
Civil Preparedness	172	172	166	6
Central Emergency Dispatch	2,111	2,120	1,993	127
Total	<u>39,162</u>	<u>39,054</u>	<u>38,781</u>	<u>273</u>
Public Works:				
Administration	465	473	453	20
Street Services	3,287	3,315	2,956	359
Public Buildings	2,972	2,973	2,767	206
Capital Project	1,058	1,042	1,017	25
Signals and Control	268	269	235	34
Waste Disposal	5,986	5,972	5,481	491
Total	<u>14,036</u>	<u>14,044</u>	<u>12,909</u>	<u>1,135</u>
Parks and Recreation:				
Administration	388	415	418	(3)
Forestry	253	250	236	14
Horticulture	340	336	339	(3)
Maintenance	2,546	2,498	2,501	(3)
Special Projects	3	3	8	(5)
Recreation Department	922	915	913	2
Willow Brook Sports Complex	259	256	258	(2)
City Supported Agencies	3,165	3,165	3,165	-
Cultural Organizations	61	60	53	7
Total	<u>7,937</u>	<u>7,898</u>	<u>7,891</u>	<u>7</u>

(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, 2010
(In Thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Health and Social Services:				
Rights and Opportunities Commission	\$ 118	\$ 119	\$ 114	\$ 5
Civil Service Commission	352	353	277	76
Nursing	429	430	416	14
Environmental Control	367	376	332	44
Administration	237	238	221	17
Social Services	103	106	103	3
Senior Center	665	664	646	18
Handicap Services	143	144	128	16
Veterans Services	89	90	88	2
Total	<u>2,503</u>	<u>2,520</u>	<u>2,325</u>	<u>195</u>
General Administration:				
Pension Contribution	596	596	296	300
Contingency	750	519		519
Total	<u>1,346</u>	<u>1,115</u>	<u>296</u>	<u>819</u>
Education	<u>119,421</u>	<u>108,874</u>	<u>108,689</u>	<u>185</u>
Total expenditures	<u>190,872</u>	<u>180,274</u>	<u>176,979</u>	<u>3,295</u>
Other financing uses:				
Transfers out:				
Dog Fund	108	108	103	5
Capital Nonrecurring		20	30	(10)
System of care grant	25	26	26	-
YSB Care Unit	200	200	171	29
Other		50		50
Weed & Seed			2	(2)
Debt Service	25,688	25,688	25,175	513
Total	<u>26,021</u>	<u>26,092</u>	<u>25,507</u>	<u>585</u>
Total	\$ <u>216,893</u>	\$ <u>206,366</u>	202,486	\$ <u>3,880</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.

10,192

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.

1,394

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

\$ 214,072

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, 2010 AND 2009

(In Thousands)

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 15,925	\$ 11,615
Property taxes receivable, net of allowance for uncollectible accounts	11,097	10,662
Accounts receivable	2,740	2,923
Due from other governments	8,236	10,875
Due from other funds	<u>10,789</u>	<u>14,191</u>
Total Assets	<u>\$ 48,787</u>	<u>\$ 50,266</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable and accrued expenses	\$ 14,116	\$ 16,232
Due to other funds	7,219	3,500
Deferred revenues	<u>18,425</u>	<u>20,519</u>
Total liabilities	<u>39,760</u>	<u>40,251</u>
Fund balance:		
Reserved for encumbrances	1,372	2,803
Unreserved, undesignated	<u>7,655</u>	<u>7,212</u>
Total fund balance	<u>9,027</u>	<u>10,015</u>
Total Liabilities and Fund Balance	<u>\$ 48,787</u>	<u>\$ 50,266</u>

CITY OF NEW BRITAIN, CONNECTICUT

GENERAL FUND

SCHEDULE OF TAX COLLECTIONS

FOR THE YEAR ENDED JUNE 30, 2010

(In Thousands)

Grand List Year	Mill Rate	Uncollected Taxes July 1, 2009	Net Lawful		Transfers To Suspense	Adjusted Amount Collectible	Collections				Uncollected Taxes June 30, 2010
			Additions	Deductions			Taxes	Interest	Lien Fees	Total	
2008	34.98	\$ 103,152	\$ 189	\$ 1,067	\$	\$ 102,274	\$ 98,267	\$ 607	\$ 8	\$ 98,882	\$ 4,007
2007	34.98	4,170	5	33		4,142	2,408	527	10	2,945	1,734
2006	45.89	1,665	2	15		1,652	557	211	26	794	1,095
2005	45.88	948	1	8		941	197	116	10	323	744
2004	45.89	613		1		612	72	52	7	131	540
2003	46.90	359		1		358	17	15	5	37	341
2002	46.93	427				427	15	15	5	35	412
2001	54.76	484				484	11	16	3	30	473
2000	50.88	457				457	7	11	2	20	450
1999	49.98	406				406	6	10	1	17	400
1998	49.42	371				371	5	10	2	17	366
1997	49.48	344				344	2	5	1	8	342
1996	49.58	346				346	2	5	2	9	344
1995	49.83	337				337	3	6	1	10	334
1994	50.85	265				265	1	3		4	264
Total		\$ 114,344	\$ 197	\$ 1,125	\$ -	\$ 113,416	\$ 101,570	\$ 1,609	\$ 82	103,261	\$ 11,846

Property taxes receivable considered available:

June 30, 2009 (1,019)

June 30, 2010 909

Total Collections \$ 103,151

**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:

Fund	Funding Source	Function
Stanley Quarter Park	Golf fees and Concession income	Operations of Public Golf Course
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
Police and Youth Grants	State and Federal Grants	Police and youth programs
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
Retiree Plan Reimbursement	State grant	Preventing the spread of the West Nile Virus
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
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
Preventive Health Block Grant	State grant	To create awareness of health issues in high school students
Parks & Recreation Special Projects	Various funding sources	To perform tasks for other City departments and agencies
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
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 st 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
Property Management	Rental income	To maintain foreclosed properties that have been acquired by the City.
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

Fund	Funding Source	Function
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
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
Youth Service Bureau Program Activity	Donations	Youth Service Bureau and Community Services
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.
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, 2010
(In Thousands)

	Special Revenue Funds							
	Stanley Quarter Park	Park Security and Policing	Cemetery	Dog	Sewer Use	Police & Youth Grants	New Britain Marketing Collaborative	Local Capital Improvement
Assets								
Cash and cash equivalents	\$ 191	\$	\$ 981	\$	\$	\$	\$	\$
Investments								
Accounts receivable			19	10	3,997			
Loans receivable								
Due from other governments								262
Due from other funds		78		24	9			
Inventory								
Total Assets	\$ 191	\$ 78	\$ 1,000	\$ 34	\$ 4,006	\$ -	\$ -	\$ 262
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ 52	\$	\$ 9	\$ 24	\$ 24	\$	\$	\$
Due to other funds	318		637		3,582	9	6	275
Deferred revenue								
Total liabilities	370	-	646	24	3,606	9	6	275
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects			101					
Unreserved, undesignated	(179)	78	253	10	400	(9)	(6)	(13)
Total fund balance	(179)	78	354	10	400	(9)	(6)	(13)
Total Liabilities and Fund Balances	\$ 191	\$ 78	\$ 1,000	\$ 34	\$ 4,006	\$ -	\$ -	\$ 262

(Continued on next page)

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

JUNE 30, 2010
(In Thousands)

	<u>Special Revenue Funds</u>							
	<u>BOE In-Residence Student</u>	<u>Retiree Plan Reimbursement</u>	<u>Lead Poisoning Prevention</u>	<u>American Savings Grant</u>	<u>FEMA Grant</u>	<u>Police Explorers</u>	<u>Martin Luther King Brick Sale</u>	<u>Preventative Health Block Grant</u>
Assets								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Investments								
Accounts receivable								
Loans receivable								
Due from other governments								
Due from other funds		25	2		4	4	5	15
Inventory								
Total Assets	\$	\$ 25	\$ 2	\$ -	\$ 4	\$ 4	\$ 5	\$ 15
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$	1	2	\$	\$	\$	\$
Due to other funds				11				
Deferred revenue					7			
Total liabilities	-	-	1	13	7	-	-	-
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated		25	1	(13)	(3)	4	5	15
Total fund balance	-	25	1	(13)	(3)	4	5	15
Total Liabilities and Fund Balances	\$	\$ 25	\$ 2	\$ -	\$ 4	\$ 4	\$ 5	\$ 15

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

JUNE 30, 2010
(In Thousands)

	Special Revenue Funds							
	Parks & Recreation Special Projects	Learn to Serve After School Grant	Exercise the Right Choice	Exercise the Right Choice II	Immunization Action Plan	Bullet Proof Vest Grant	Bioterrorism Grant	System of Care Grant
Assets								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Investments								
Accounts receivable								
Loans receivable								
Due from other governments								
Due from other funds		30	11		3		68	8
Inventory								
Total Assets	\$ -	\$ 30	\$ 11	\$ -	\$ 3	\$ -	\$ 68	\$ 8
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$ 1	\$ 7	\$	\$ 3	\$	\$	\$ 3
Due to other funds	3			15		19		
Deferred revenue								
Total liabilities	3	1	7	15	3	19	-	3
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated	(3)	29	4	(15)	-	(19)	68	5
Total fund balance	(3)	29	4	(15)	-	(19)	68	5
Total Liabilities and Fund Balances	\$ -	\$ 30	\$ 11	\$ -	\$ 3	\$ -	\$ 68	\$ 8

(Continued on next page)

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

JUNE 30, 2010
(In Thousands)

	Special Revenue Funds							
	Historical Records Preservation	21st Century Grant	American Legion Baseball	Property Management	Public Safety	Centralized and Distribution Services	Local Property Tax Relief Program	Conversation on Race
Assets								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Investments								
Accounts receivable	1							
Loans receivable								
Due from other governments								
Due from other funds	62	55	1	5			745	5
Inventory								
Total Assets	\$ 63	\$ 55	\$ 1	\$ 5	\$ -	\$ -	\$ 745	\$ 5
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$ 3	\$	\$	\$	\$	\$	\$
Due to other funds					116	151		
Deferred revenue								
Total liabilities	-	3	-	-	116	151	-	-
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated	63	52	1	5	(116)	(151)	745	5
Total fund balance	63	52	1	5	(116)	(151)	745	5
Total Liabilities and Fund Balances	\$ 63	\$ 55	\$ 1	\$ 5	\$ -	\$ -	\$ 745	\$ 5

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

JUNE 30, 2010
(In Thousands)

	Special Revenue Funds							
	Victim Services Coordinator Grant	Federal Omnibus Appropriation	Independent Living	YSB Care Unit	Juvenile Justice Center	STD Control Program	Recreation Donation	Recreation Amusement
Assets								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Investments								
Accounts receivable								
Loans receivable								
Due from other governments	71							
Due from other funds		186		5		3	167	13
Inventory								
Total Assets	\$ 71	\$ 186	\$ -	\$ 5	\$ -	\$ 3	\$ 167	\$ 13
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ 3	\$ 5	\$	\$ 6	\$	\$	\$	\$
Due to other funds	65				1			
Deferred revenue								
Total liabilities	68	5	-	6	1	-	-	-
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated	3	181		(1)	(1)	3	167	13
Total fund balance	3	181	-	(1)	(1)	3	167	13
Total Liabilities and Fund Balances	\$ 71	\$ 186	\$ -	\$ 5	\$ -	\$ 3	\$ 167	\$ 13

(Continued on next page)

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

JUNE 30, 2010
(In Thousands)

	Special Revenue Funds							
	Weed and Seed	Mayor's Golf Tournament	Health Per Capita	Highway Safety Grant	Drug Investigation	Senior Citizens Center	Mobile Data Communication	Pulmonary Screening
Assets								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Investments								
Accounts receivable								3
Loans receivable								
Due from other governments								
Due from other funds		22	131		227	26	780	65
Inventory								
② Total Assets	\$	\$	\$	\$	\$	\$	\$	\$
	-	22	131	-	227	26	780	68
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$	\$	\$	\$	\$	\$	\$
Due to other funds				60				
Deferred revenue								
Total liabilities	-	-	2	64	46	-	-	-
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated		22	129	(64)	181	26	780	68
Total fund balance	-	22	129	(64)	181	26	780	68
Total Liabilities and Fund Balances	\$	\$	\$	\$	\$	\$	\$	\$
	-	22	131	-	227	26	780	68

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

JUNE 30, 2010
(In Thousands)

	Special Revenue Funds							
	Housing Inspectors DMD	Mayor's Fun Day	YSB Program Activity	Assistance to CCSU Police Department	Asthma Initiative Grant	School Lunch Program	School Rental Account	High School Athletic
Assets								
Cash and cash equivalents	\$	\$	\$	\$	\$	674	\$ 140	\$ 86
Investments								
Accounts receivable				35				
Loans receivable								
Due from other governments						734		
Due from other funds			12		18			155
Inventory						6		
70 Total Assets	\$	\$	\$	\$	\$	\$ 1,414	\$ 140	\$ 241
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ 1	\$	\$	\$	\$	360	\$	\$
Due to other funds	6			43			194	
Deferred revenue								
Total liabilities	<u>7</u>	<u>-</u>	<u>-</u>	<u>43</u>	<u>-</u>	<u>360</u>	<u>194</u>	<u>-</u>
Fund Balances:								
Reserved for inventories						6		
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated	<u>(7)</u>	<u>-</u>	<u>12</u>	<u>(8)</u>	<u>18</u>	<u>1,048</u>	<u>(54)</u>	<u>241</u>
Total fund balance	<u>(7)</u>	<u>-</u>	<u>12</u>	<u>(8)</u>	<u>18</u>	<u>1,054</u>	<u>(54)</u>	<u>241</u>
Total Liabilities and Fund Balances	\$	\$	\$	\$	\$	\$ 1,414	\$ 140	\$ 241

(Continued on next page)

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

JUNE 30, 2010
(In Thousands)

	Special Revenue Funds							
	Adult Education	Summer School Music	Youth Build Program	Community and Neighborhood Development	Business Outreach	Emergency Shelter Grant	Community Development Block Grant	HOME Project
Assets								
Cash and cash equivalents	\$ 74	\$ 37	\$	\$ 22	\$ 30	\$ 10	\$ 1,025	\$ 181
Investments								
Accounts receivable							403	23
Loans receivable							2,033	3,044
Due from other governments								
Due from other funds	2						102	
Inventory								
71 Total Assets	<u>\$ 76</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 30</u>	<u>\$ 10</u>	<u>\$ 3,563</u>	<u>\$ 3,248</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$	\$	\$ 22	\$ 92	\$ 1	\$ 35	\$ 45
Due to other funds					83	175	205	144
Deferred revenue							2,031	3,044
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>22</u>	<u>175</u>	<u>176</u>	<u>2,271</u>	<u>3,233</u>
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated	76	37	-	-	(145)	(166)	1,292	15
Total fund balance	<u>76</u>	<u>37</u>	<u>-</u>	<u>-</u>	<u>(145)</u>	<u>(166)</u>	<u>1,292</u>	<u>15</u>
Total Liabilities and Fund Balances	<u>\$ 76</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 30</u>	<u>\$ 10</u>	<u>\$ 3,563</u>	<u>\$ 3,248</u>

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

JUNE 30, 2010
(In Thousands)

	Special Revenue Funds							
	Lead Grant	State Home Programs	CHFA Broad Street Demolition	Redevelopment Commission	Brownfield Pilot	Rental	EFSP Program	Neighborhood Stabilization Program
Assets								
Cash and cash equivalents	\$ 334	\$ 1	\$ 109	\$ 6	\$ 37	\$ 47	\$ 4	\$ 65
Investments								
Accounts receivable	7							
Loans receivable	1,922							
Due from other governments								
Due from other funds	3	46			2			
Inventory								
Total Assets	\$ 2,266	\$ 47	\$ 109	\$ 6	\$ 39	\$ 47	\$ 4	\$ 65
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$	\$	\$ 12	\$	\$	\$ 7	\$ 1
Due to other funds	11		11					103
Deferred revenue	1,922							
Total liabilities	1,933	-	11	12	-	-	7	104
Fund Balances:								
Reserved for inventories								
Reserved for trust purposes								
Unreserved, designated for specific projects								
Unreserved, undesignated	333	47	98	(6)	39	47	(3)	(39)
Total fund balance	333	47	98	(6)	39	47	(3)	(39)
Total Liabilities and Fund Balances	\$ 2,266	\$ 47	\$ 109	\$ 6	\$ 39	\$ 47	\$ 4	\$ 65

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

JUNE 30, 2010
(In Thousands)

Special Revenue 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	Interfund Eliminations	Total Nonmajor Governmental Funds
Assets								
Cash and cash equivalents	\$ 6	\$ 191	\$ 23	\$ 13	\$ 4	\$ 4,291	\$	\$ 4,291
Investments	246	900	1,244		206	2,596		2,596
Accounts receivable						4,498		4,498
Loans receivable						6,999		6,999
Due from other governments						1,067		1,067
Due from other funds		1				3,125	(154)	2,971
Inventory						6		6
73 Total Assets	<u>\$ 252</u>	<u>\$ 1,092</u>	<u>\$ 1,267</u>	<u>\$ 13</u>	<u>\$ 210</u>	<u>\$ 22,582</u>	<u>\$ (154)</u>	<u>\$ 22,428</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$	\$	\$	\$	\$ 764	\$	\$ 764
Due to other funds						6,250	(154)	6,096
Deferred revenue						7,004		7,004
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,018</u>	<u>(154)</u>	<u>13,864</u>
Fund Balances:								
Reserved for inventories						6		6
Reserved for trust purposes		1,006	1,267		210	2,483		2,483
Unreserved, designated for specific projects		32				133		133
Unreserved, undesignated	252	54		13		5,942		5,942
Total fund balance	<u>252</u>	<u>1,092</u>	<u>1,267</u>	<u>13</u>	<u>210</u>	<u>8,564</u>	<u>-</u>	<u>8,564</u>
Total Liabilities and Fund Balances	<u>\$ 252</u>	<u>\$ 1,092</u>	<u>\$ 1,267</u>	<u>\$ 13</u>	<u>\$ 210</u>	<u>\$ 22,582</u>	<u>\$ (154)</u>	<u>\$ 22,428</u>

CITY OF NEW BRITAIN, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010
(In Thousands)

		<u>Special Revenue Funds</u>							
		<u>Stanley Quarter Park</u>	<u>Park Security and Policing</u>	<u>Cemetery</u>	<u>Dog</u>	<u>Sewer Use</u>	<u>Police & Youth Grants</u>	<u>New Britain Marketing Collaborative</u>	<u>Local Capital Improvement</u>
Revenues:									
Intergovernmental revenue	\$								\$ 986
Investment earnings									
Licenses, fees and charges for goods and services		1,907	46	367	38	7,290			
Other revenues									
Total revenues		<u>1,907</u>	<u>46</u>	<u>367</u>	<u>38</u>	<u>7,290</u>	<u>-</u>	<u>-</u>	<u>986</u>
Expenditures:									
General government									
Public safety			65		143		9		
Public works						5,844			1,055
Health and welfare				456					
Parks, recreation and libraries		1,922							
Education									
Total expenditures		<u>1,922</u>	<u>65</u>	<u>456</u>	<u>143</u>	<u>5,844</u>	<u>9</u>	<u>-</u>	<u>1,055</u>
Excess (Deficiency) of Revenues over Expenditures		<u>(15)</u>	<u>(19)</u>	<u>(89)</u>	<u>(105)</u>	<u>1,446</u>	<u>(9)</u>	<u>-</u>	<u>(69)</u>
Other Financing Sources (Uses):									
Transfers in					103				
Transfers out		(75)		(11)		(3,329)			
Total other financing sources (uses)		<u>(75)</u>	<u>-</u>	<u>(11)</u>	<u>103</u>	<u>(3,329)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances		<u>(90)</u>	<u>(19)</u>	<u>(100)</u>	<u>(2)</u>	<u>(1,883)</u>	<u>(9)</u>	<u>-</u>	<u>(69)</u>
Fund Balances at Beginning of Year		<u>(89)</u>	<u>97</u>	<u>454</u>	<u>12</u>	<u>2,283</u>	<u>-</u>	<u>(6)</u>	<u>56</u>
Fund Balances at End of Year	\$	<u><u>(179)</u></u>	<u><u>78</u></u>	<u><u>354</u></u>	<u><u>10</u></u>	<u><u>400</u></u>	<u><u>(9)</u></u>	<u><u>(6)</u></u>	<u><u>(13)</u></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, 2010
(In Thousands)

	<u>Special Revenue Funds</u>							
	<u>BOE In-Residence Student</u>	<u>Retiree Plan Reimbursement</u>	<u>Lead Poisoning Prevention</u>	<u>American Savings Grant</u>	<u>FEMA Grant</u>	<u>Police Explorers</u>	<u>Martin Luther King Brick Sale</u>	<u>Preventative Health Block Grant</u>
Revenues:								
Intergovernmental revenue	\$	\$	\$ 51	\$ 75	\$ 25	\$	\$	\$ 13
Investment earnings								
Licenses, fees and charges for goods and services	396							
Other revenues		25				3		
Total revenues	<u>396</u>	<u>25</u>	<u>51</u>	<u>75</u>	<u>25</u>	<u>3</u>	<u>-</u>	<u>13</u>
Expenditures:								
General government								
Public safety					28	10		
Public works								
Health and welfare			51					13
Parks, recreation and libraries				98				
Education	396							
Total expenditures	<u>396</u>	<u>-</u>	<u>51</u>	<u>98</u>	<u>28</u>	<u>10</u>	<u>-</u>	<u>13</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>25</u>	<u>-</u>	<u>(23)</u>	<u>(3)</u>	<u>(7)</u>	<u>-</u>	<u>-</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>
Net Change in Fund Balances	-	25	-	(23)	(3)	(7)	-	-
Fund Balances at Beginning of Year	<u>-</u>		<u>1</u>	<u>10</u>	<u>-</u>	<u>11</u>	<u>5</u>	<u>15</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ 25</u>	<u>\$ 1</u>	<u>\$ (13)</u>	<u>\$ (3)</u>	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 15</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, 2010
(In Thousands)

	<u>Special Revenue Funds</u>							
	<u>Parks & Recreation Special Projects</u>	<u>Learn to Serve After School Grant</u>	<u>Exercise the Right Choice</u>	<u>Exercise the Right Choice II</u>	<u>Immunization Action Plan</u>	<u>Bullet Proof Vest Grant</u>	<u>Bioterrorism Grant</u>	<u>System of Care Grant</u>
Revenues:								
Intergovernmental revenue	\$	\$ 121	\$ 150	\$	\$ 82	\$ 4	\$ 163	\$
Investment earnings								
Licenses, fees and charges for goods and services								
Other revenues	<u>21</u>							<u>106</u>
Total revenues	<u>21</u>	<u>121</u>	<u>150</u>	<u>-</u>	<u>82</u>	<u>4</u>	<u>163</u>	<u>106</u>
Expenditures:								
General government								
Public safety						23		
Public works								
Health and welfare					86		106	138
Parks, recreation and libraries	24	116	149	62				
Education								
Total expenditures	<u>24</u>	<u>116</u>	<u>149</u>	<u>62</u>	<u>86</u>	<u>23</u>	<u>106</u>	<u>138</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3)</u>	<u>5</u>	<u>1</u>	<u>(62)</u>	<u>(4)</u>	<u>(19)</u>	<u>57</u>	<u>(32)</u>
Other Financing Sources (Uses):								
Transfers in								26
Transfers out								
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26</u>
Net Change in Fund Balances	(3)	5	1	(62)	(4)	(19)	57	(6)
Fund Balances at Beginning of Year	<u>-</u>	<u>24</u>	<u>3</u>	<u>47</u>	<u>4</u>	<u>-</u>	<u>11</u>	<u>11</u>
Fund Balances at End of Year	<u>\$ (3)</u>	<u>\$ 29</u>	<u>\$ 4</u>	<u>\$ (15)</u>	<u>\$ -</u>	<u>\$ (19)</u>	<u>\$ 68</u>	<u>\$ 5</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, 2010
(In Thousands)

	Special Revenue Funds							
	Historical Records Preservation	21st Century Grant	American Legion Baseball	Property Management	Public Safety	Centralized and Distribution Services	Local Property Tax Relief Program	Conversation on Race
Revenues:								
Intergovernmental revenue	\$ 10	\$ 135	\$	\$	\$	\$	\$	\$
Investment earnings								
Licenses, fees and charges for goods and services						30		
Other revenues	<u>16</u>			<u>5</u>				<u>1</u>
Total revenues	<u>26</u>	<u>135</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>30</u>	<u>-</u>	<u>1</u>
Expenditures:								
General government	43					110		
Public safety					48			
Public works								
Health and welfare								
Parks, recreation and libraries		232						1
Education								
Total expenditures	<u>43</u>	<u>232</u>	<u>-</u>	<u>-</u>	<u>48</u>	<u>110</u>	<u>-</u>	<u>1</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(17)</u>	<u>(97)</u>	<u>-</u>	<u>5</u>	<u>(48)</u>	<u>(80)</u>	<u>-</u>	<u>-</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>
Net Change in Fund Balances	(17)	(97)	-	5	(48)	(80)	-	-
Fund Balances at Beginning of Year	<u>80</u>	<u>149</u>	<u>1</u>	<u>-</u>	<u>(68)</u>	<u>(71)</u>	<u>745</u>	<u>5</u>
Fund Balances at End of Year	<u>\$ 63</u>	<u>\$ 52</u>	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ (116)</u>	<u>\$ (151)</u>	<u>\$ 745</u>	<u>\$ 5</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, 2010
(In Thousands)

	Special Revenue Funds							
	Victim Services Coordinator Grant	Federal Omnibus Appropriation	Independent Living	YSB Care Unit	Juvenile Justice Center	STD Control Program	Recreation Donation	Recreation Amusement
Revenues:								
Intergovernmental revenue	\$ 102	\$ 410	\$	\$ 105	\$	\$ 6	\$	\$
Investment earnings								
Licenses, fees and charges for goods and services								
Other revenues				9		7	142	21
Total revenues	<u>102</u>	<u>410</u>	<u>-</u>	<u>114</u>	<u>-</u>	<u>13</u>	<u>142</u>	<u>21</u>
Expenditures:								
General government								
Public safety	147	253						
Public works								
Health and welfare			12	285	20	13		
Parks, recreation and libraries							58	20
Education								
Total expenditures	<u>147</u>	<u>253</u>	<u>12</u>	<u>285</u>	<u>20</u>	<u>13</u>	<u>58</u>	<u>20</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(45)</u>	<u>157</u>	<u>(12)</u>	<u>(171)</u>	<u>(20)</u>	<u>-</u>	<u>84</u>	<u>1</u>
Other Financing Sources (Uses):								
Transfers in				171				
Transfers out			(25)				(10)	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(25)</u>	<u>171</u>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>-</u>
Net Change in Fund Balances	(45)	157	(37)	-	(20)	-	74	1
Fund Balances at Beginning of Year	<u>48</u>	<u>24</u>	<u>37</u>	<u>(1)</u>	<u>19</u>	<u>3</u>	<u>93</u>	<u>12</u>
Fund Balances at End of Year	<u>\$ 3</u>	<u>\$ 181</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ 3</u>	<u>\$ 167</u>	<u>\$ 13</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, 2010
(In Thousands)

		<u>Special Revenue Funds</u>							
		<u>Weed and Seed</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>
Revenues:									
	Intergovernmental revenue	\$ 10		\$ 83	\$ 93	\$ 262		\$ 357	\$ 27
	Investment earnings								
	Licenses, fees and charges for goods and services						39		
	Other revenues		55	21					
	Total revenues	<u>10</u>	<u>55</u>	<u>104</u>	<u>93</u>	<u>262</u>	<u>39</u>	<u>357</u>	<u>27</u>
Expenditures:									
	General government								
	Public safety				125	126		30	
	Public works								
	Health and welfare			84					4
	Parks, recreation and libraries		37				51		
	Education								
	Total expenditures	<u>-</u>	<u>37</u>	<u>84</u>	<u>125</u>	<u>126</u>	<u>51</u>	<u>30</u>	<u>4</u>
Excess (Deficiency) of Revenues over Expenditures		<u>10</u>	<u>18</u>	<u>20</u>	<u>(32)</u>	<u>136</u>	<u>(12)</u>	<u>327</u>	<u>23</u>
Other Financing Sources (Uses):									
	Transfers in	2							
	Transfers out								
	Total other financing sources (uses)	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances		12	18	20	(32)	136	(12)	327	23
Fund Balances at Beginning of Year		<u>(12)</u>	<u>4</u>	<u>109</u>	<u>(32)</u>	<u>45</u>	<u>38</u>	<u>453</u>	<u>45</u>
Fund Balances at End of Year		<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 129</u>	<u>\$ (64)</u>	<u>\$ 181</u>	<u>\$ 26</u>	<u>\$ 780</u>	<u>\$ 68</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, 2010
(In Thousands)

	Special Revenue Funds							
	Housing Inspectors DMD	Mayor's Fun Day	YSB Program Activity	Assistance to CCSU Police Department	Asthma Initiative Grant	School Lunch Program	School Rental Account	High School Athletic
Revenues:								
Intergovernmental revenue	\$	\$	\$	\$ 6	\$	\$ 4,620	\$	\$
Investment earnings							47	
Licenses, fees and charges for goods and services						591		430
Other revenues	38		18		9			
Total revenues	<u>38</u>	<u>-</u>	<u>18</u>	<u>6</u>	<u>9</u>	<u>5,211</u>	<u>47</u>	<u>430</u>
Expenditures:								
General government								
Public safety	46			18				
Public works								
Health and welfare			12		1			
Parks, recreation and libraries		3						
Education						4,334	57	340
Total expenditures	<u>46</u>	<u>3</u>	<u>12</u>	<u>18</u>	<u>1</u>	<u>4,334</u>	<u>57</u>	<u>340</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(8)</u>	<u>(3)</u>	<u>6</u>	<u>(12)</u>	<u>8</u>	<u>877</u>	<u>(10)</u>	<u>90</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>
Net Change in Fund Balances	(8)	(3)	6	(12)	8	877	(10)	90
Fund Balances at Beginning of Year	<u>1</u>	<u>3</u>	<u>6</u>	<u>4</u>	<u>10</u>	<u>177</u>	<u>(44)</u>	<u>151</u>
Fund Balances at End of Year	<u><u>(7)</u></u>	<u><u>-</u></u>	<u><u>12</u></u>	<u><u>(8)</u></u>	<u><u>18</u></u>	<u><u>1,054</u></u>	<u><u>(54)</u></u>	<u><u>241</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, 2010
(In Thousands)

	Special Revenue Funds							
	Adult Education	Summer School Music	Youth Build Program	Community and Neighborhood Development	Business Outreach	Emergency Shelter Grant	Community Development Block Grant	HOME Project
Revenues:								
Intergovernmental revenue	\$	\$	\$	\$	\$	\$ 247	\$ 1,708	\$ 813
Investment earnings							13	
Licenses, fees and charges for goods and services	22	10						
Other revenues			25		10			
Total revenues	<u>22</u>	<u>10</u>	<u>25</u>	<u>-</u>	<u>10</u>	<u>247</u>	<u>1,721</u>	<u>813</u>
Expenditures:								
General government								
Public safety								
Public works								
Health and welfare			11			397	2,309	952
Parks, recreation and libraries								
Education	11	1						
Total expenditures	<u>11</u>	<u>1</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>397</u>	<u>2,309</u>	<u>952</u>
Excess (Deficiency) of Revenues over Expenditures	<u>11</u>	<u>9</u>	<u>14</u>	<u>-</u>	<u>10</u>	<u>(150)</u>	<u>(588)</u>	<u>(139)</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>
Net Change in Fund Balances	11	9	14	-	10	(150)	(588)	(139)
Fund Balances at Beginning of Year	<u>65</u>	<u>28</u>	<u>(14)</u>	<u>-</u>	<u>(155)</u>	<u>(16)</u>	<u>1,880</u>	<u>154</u>
Fund Balances at End of Year	<u>\$ 76</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (145)</u>	<u>\$ (166)</u>	<u>\$ 1,292</u>	<u>\$ 15</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, 2010
(In Thousands)

	Special Revenue Funds							
	Lead Grant	State Home Programs	CHFA Broad Street Demolition	Redevelopment Commission	Brownfield Pilot	Rental	EFSP Program	Neighborhood Stabilization Program
Revenues:								
Intergovernmental revenue	\$ 507						\$ 9	\$ 988
Investment earnings								
Licenses, fees and charges for goods and services								
Other revenues		44	160		37			
Total revenues	<u>507</u>	<u>44</u>	<u>160</u>	<u>-</u>	<u>37</u>	<u>-</u>	<u>9</u>	<u>988</u>
Expenditures:								
General government								
Public safety								
Public works								
Health and welfare	177		62			1	19	1,133
Parks, recreation and libraries								
Education								
Total expenditures	<u>177</u>	<u>-</u>	<u>62</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>19</u>	<u>1,133</u>
Excess (Deficiency) of Revenues over Expenditures	<u>330</u>	<u>44</u>	<u>98</u>	<u>-</u>	<u>37</u>	<u>(1)</u>	<u>(10)</u>	<u>(145)</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>
Net Change in Fund Balances	330	44	98	-	37	(1)	(10)	(145)
Fund Balances at Beginning of Year	<u>3</u>	<u>3</u>	<u>-</u>	<u>(6)</u>	<u>2</u>	<u>48</u>	<u>7</u>	<u>106</u>
Fund Balances at End of Year	<u>\$ 333</u>	<u>\$ 47</u>	<u>\$ 98</u>	<u>\$ (6)</u>	<u>\$ 39</u>	<u>\$ 47</u>	<u>\$ (3)</u>	<u>\$ (39)</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, 2010
(In Thousands)

Special Revenue 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	Interfund Eliminations	Total Nonmajor Governmental Funds
Revenues:								
Intergovernmental revenue	\$	\$	\$	\$	\$	\$ 12,168	\$	\$ 12,168
Investment earnings	31	100	147		24	362		362
Licenses, fees and charges for goods and services						11,166		11,166
Other revenues						773		773
Total revenues	<u>31</u>	<u>100</u>	<u>147</u>	<u>-</u>	<u>24</u>	<u>24,469</u>	<u>-</u>	<u>24,469</u>
Expenditures:								
General government						153		153
Public safety						1,071		1,071
Public works						6,899		6,899
Health and welfare						6,342		6,342
Parks, recreation and libraries	13	105	59		10	2,960		2,960
Education						5,139		5,139
Total expenditures	<u>13</u>	<u>105</u>	<u>59</u>	<u>-</u>	<u>10</u>	<u>22,564</u>	<u>-</u>	<u>22,564</u>
Excess (Deficiency) of Revenues over Expenditures	<u>18</u>	<u>(5)</u>	<u>88</u>	<u>-</u>	<u>14</u>	<u>1,905</u>	<u>-</u>	<u>1,905</u>
Other Financing Sources (Uses):								
Transfers in						302		302
Transfers out						(3,450)		(3,450)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,148)</u>	<u>-</u>	<u>(3,148)</u>
Net Change in Fund Balances	18	(5)	88	-	14	(1,243)	-	(1,243)
Fund Balances at Beginning 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>
Fund Balances at End of Year	<u>\$ 252</u>	<u>\$ 1,092</u>	<u>\$ 1,267</u>	<u>\$ 13</u>	<u>\$ 210</u>	<u>\$ 8,564</u>	<u>\$ -</u>	<u>\$ 8,564</u>

**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, 2010
(In Thousands)**

Project Description	Amended Budget	Current Year Expenditures and Transfers	Cumulative Expenditures	Encumbered	Available Budget
Capital Equipment Reserve	\$ 14,975	\$ 253	\$ 10,370	\$ -	\$ 4,605
Capital and Nonrecurring	30,452	393	29,477	-	975
Subway	471	528	1,218	-	(747)
Lincoln, Northend, Vance	43,800	15	43,325	-	475
New Britain High School	16,595	58	16,440	-	155
Replace school roofs	8,225	23	7,775	-	450
Entrance/Security	1,700	1	1,673	-	27
New Britain High School Code Compliance	3,000	389	500	-	2,500
Smalley Academy Chiller	500	18	479	-	21
Diloretto School Renovation	10,000	44	44	-	9,956
City Hall Renovation	7	-	-	-	7
Badolato & Szczesny Garage Repairs	5,075	705	1,078	-	3,997
MERF Pension	66	-	-	-	66
Technology Bond	2,000	905	1,199	-	801
2007 Revaluation	1,200	3	800	-	400
Broad, Beaver, Main and North	6,600	154	6,118	-	482
Main Street Reconstruction	-	-	-	-	-
Arch Street Walkway	-	-	-	-	-
Police Headquarters Renovation	3,500	545	3,071	-	429
EMS Ambulance	3,375	-	3,611	-	(236)
Golf Driving Range	-	-	-	-	-
Storm Water System Improvements	4,750	1,921	2,767	-	1,983
Environmental Remediation	6,750	501	5,623	-	1,127
Local Capital Improvements	950	-	334	-	616
Fafnir Booth Street Industrial Park	8,550	20	8,525	-	25
St Clair, Lester, East Street	2,200	0	2,175	-	25
Hart Street Extension	9,500	242	6,991	-	2,509
Street Infrastructure	22,058	4,479	14,307	-	7,751
Transfer Station Rehab	6,873	109	194	-	6,679
Broad Street Reconstruction	13,300	1,123	7,442	-	5,858
NB Machine Industrial Park	3,600	-	3,333	-	267
Fafnir Smart Park Expansion	3,250	11	2,829	-	421
Downtown Feasibility Study	250	8	250	-	-
Willow Street Project	5,350	1,822	5,034	-	316
Bridge Program	5,775	273	771	-	5,004
Pinnacle Heights	7,946	366	5,587	-	2,359
Sewer I and I Improvements	17,775	131	13,325	-	4,450
Beaver Street Reconstruction	7,300	200	200	-	7,100
Police Station	35,000	162	162	-	34,838
Adv Refunding	4,700	-	92	-	4,608
Total	\$ 317,418	15,402	\$ 207,119	\$ -	\$ 110,299

Budgetary expenditures are different than GAAP expenditures because:

Bond issuance costs 963

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

\$ 16,365

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, 2010
(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>
Assets					
Cash and cash equivalents	\$	\$	\$ 580	\$ 50	\$ 630
Investments			16,293	1,474	17,767
Due from other funds		1,152		356	1,508
Accounts receivable			<u>79</u>	<u>7</u>	<u>86</u>
Total Assets	<u>\$ -</u>	<u>\$ 1,152</u>	<u>\$ 16,952</u>	<u>\$ 1,887</u>	<u>\$ 19,991</u>
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	\$	\$ 131	\$ 15	\$	\$ 146
Due to other funds	277		627		904
Claim reserves		<u>1,765</u>	<u>17,253</u>	<u>2,002</u>	<u>21,020</u>
Total liabilities	277	1,896	17,895	2,002	22,070
Net Assets	<u>(277)</u>	<u>(744)</u>	<u>(943)</u>	<u>(115)</u>	<u>(2,079)</u>
Total Liabilities and Net Assets	<u>\$ -</u>	<u>\$ 1,152</u>	<u>\$ 16,952</u>	<u>\$ 1,887</u>	<u>\$ 19,991</u>

CITY OF NEW BRITAIN, CONNECTICUT

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETSFOR THE YEAR ENDED JUNE 30, 2010
(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>
Operating Revenues:					
Charges to other funds	\$	\$ 20,067	\$ 1,678	\$	\$ 21,745
Other revenues		6,062		63	6,125
Total operating revenues	<u>-</u>	<u>26,129</u>	<u>1,678</u>	<u>63</u>	<u>27,870</u>
Operating Expenses:					
Claims incurred		24,402	1,615	85	26,102
Administrative costs		1,007	311	16	1,334
Total operating expenses	<u>-</u>	<u>25,409</u>	<u>1,926</u>	<u>101</u>	<u>27,436</u>
Operating Income (Loss)	<u>-</u>	<u>720</u>	<u>(248)</u>	<u>(38)</u>	<u>434</u>
Nonoperating Revenues (Expenses):					
Interest and dividends			1,307	99	1,406
Increase in actuarial claims reserve		304			304
Total nonoperating revenues (expenses)	<u>-</u>	<u>304</u>	<u>1,307</u>	<u>99</u>	<u>1,710</u>
Change in Net Assets	-	1,024	1,059	61	2,144
Net Assets Beginning of Year	<u>(277)</u>	<u>(1,768)</u>	<u>(2,002)</u>	<u>(176)</u>	<u>(4,223)</u>
Net Assets End of Year	<u>\$ (277)</u>	<u>\$ (744)</u>	<u>\$ (943)</u>	<u>\$ (115)</u>	<u>\$ (2,079)</u>

CITY OF NEW BRITAIN, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010
(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>
Cash Flows from Operating Activities:					
Cash received from charges to other funds	\$	\$ 19,964	\$ 1,678	\$ (98)	\$ 21,544
Cash received from other operating activities		6,087	111	56	6,254
Cash paid for premiums and other operating expenses		(1,953)	(321)	112	(2,162)
Cash payments for claims made		(24,402)	(1,615)	(85)	(26,102)
Net cash used in operating activities	<u>-</u>	<u>(304)</u>	<u>(147)</u>	<u>(15)</u>	<u>(466)</u>
Cash Flows from Investing Activities:					
Interest income			1,307	99	1,406
Actuarial claims reserve		304			304
Purchase of investments				(34)	(34)
Sale of investments			(580)		(580)
Net cash provided by investing activities	<u>-</u>	<u>304</u>	<u>727</u>	<u>65</u>	<u>1,096</u>
Net Increase in Cash and Cash Equivalents	-	-	580	50	630
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 580</u>	<u>\$ 50</u>	<u>\$ 630</u>
Reconciliation of Operating Income (Loss) to Net Cash Used in Operating Activities:					
Operating income (loss)	\$ -	\$ 720	\$ (248)	\$ (38)	\$ 434
Adjustments to reconcile operating income (loss) to net cash used in operating activities:					
(Increase) decrease in due from other funds		(103)		(98)	(201)
(Increase) decrease in accounts receivable		25	111	(7)	129
Increase (decrease) in accounts payable and accrued expenses		(946)	4	128	(814)
Increase (decrease) in due to other funds			(14)		(14)
Total adjustments	<u>-</u>	<u>(1,024)</u>	<u>101</u>	<u>23</u>	<u>(900)</u>
Net Cash Used in Operating Activities	<u>\$ -</u>	<u>\$ (304)</u>	<u>\$ (147)</u>	<u>\$ (15)</u>	<u>\$ (466)</u>
Noncash Investment Activities:					
Net Increase in the Fair Value of Investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,307</u>	<u>\$ 99</u>	<u>\$ 1,406</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, 2010
(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>	
Assets				
Cash and cash equivalents	\$ 2,581	\$ 2,409	\$ 4,990	\$ 1
Investments	68,701	61,204	129,905	971
Accounts receivable	<u>281</u>	<u>94</u>	<u>375</u>	<u>2</u>
Total Assets	<u>\$ 71,563</u>	<u>\$ 63,707</u>	<u>\$ 135,270</u>	<u>\$ 974</u>
Liabilities and Net Assets				
Liabilities:				
Due to other funds	\$ 485	\$ 447	\$ 932	
Net Assets Held in Trust for Pension Benefits	<u>71,078</u>	<u>63,260</u>	<u>134,338</u>	<u>974</u>
Total Liabilities and Net Assets	<u>\$ 71,563</u>	<u>\$ 63,707</u>	<u>\$ 135,270</u>	<u>\$ 974</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, 2010
(In Thousands)

	Pension Trust Funds			OPEB Trust Fund
	Firemen's Pension Fund	Police Benefit Fund	Total	
Additions:				
Contributions:				
Employer	\$ 211	\$ 85	\$ 296	\$ 3,438
Employee	333	343	676	
Total contributions	<u>544</u>	<u>428</u>	<u>972</u>	<u>3,438</u>
Investment income:				
Net appreciation fair value of investments	5,783	6,082	11,865	97
Interest and dividends	2,291	1,677	3,968	25
Miscellaneous	48	15	63	
Total investment income	<u>8,122</u>	<u>7,774</u>	<u>15,896</u>	<u>122</u>
Less investment expense	<u>(199)</u>	<u>(156)</u>	<u>(355)</u>	
Net investment income	<u>7,923</u>	<u>7,618</u>	<u>15,541</u>	<u>122</u>
Total additions	<u>8,467</u>	<u>8,046</u>	<u>16,513</u>	<u>3,560</u>
Deductions:				
Benefits	5,125	5,566	10,691	3,438
Administration	33	29	62	7
Total deductions	<u>5,158</u>	<u>5,595</u>	<u>10,753</u>	<u>3,445</u>
Net Increase	3,309	2,451	5,760	115
Net Assets Beginning of Year	<u>67,769</u>	<u>60,809</u>	<u>128,578</u>	<u>859</u>
Net Assets End of Year	<u>\$ 71,078</u>	<u>\$ 63,260</u>	<u>\$ 134,338</u>	<u>\$ 974</u>

CITY OF NEW BRITAIN, CONNECTICUT

AGENCY FUNDS

COMBINING BALANCE SHEET

AS OF JUNE 30, 2010

(In Thousands)

	Contractor's Bond Fund	Student Activity Funds	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and cash equivalents	\$ 360	\$ 214	\$ 574
Investments	<u>174</u>	<u>-</u>	<u>174</u>
Total Assets	<u>\$ 534</u>	<u>\$ 214</u>	<u>\$ 748</u>
Liabilities and Fund Balance			
Liabilities:			
Due to beneficiaries	<u>\$ 534</u>	<u>\$ 214</u>	<u>\$ 748</u>
Total Liabilities and Fund Balance	<u>\$ 534</u>	<u>\$ 214</u>	<u>\$ 748</u>

CITY OF NEW BRITAIN, CONNECTICUT

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2010</u>
Contractor's Bond Fund				
Assets:				
Cash and cash equivalents	\$ 52	\$ 308	\$ -	\$ 360
Investments	<u>482</u>	<u>52</u>	<u>360</u>	<u>174</u>
Total	<u>\$ 534</u>	<u>\$ 360</u>	<u>\$ 360</u>	<u>\$ 534</u>
Liabilities:				
Due to beneficiaries	<u>\$ 534</u>	<u>\$ 360</u>	<u>\$ 360</u>	<u>\$ 534</u>
Student Activity Funds				
Assets:				
Cash and cash equivalents	\$ 114	\$ 684	\$ 584	\$ 214
Investments	<u>76</u>	<u>-</u>	<u>76</u>	<u>-</u>
Total	<u>\$ 190</u>	<u>\$ 684</u>	<u>\$ 660</u>	<u>\$ 214</u>
Liabilities:				
Due to beneficiaries	<u>\$ 190</u>	<u>\$ 684</u>	<u>\$ 660</u>	<u>\$ 214</u>
Total All Funds				
Assets:				
Cash and cash equivalents	\$ 166	\$ 992	\$ 584	\$ 574
Investments	<u>558</u>	<u>52</u>	<u>436</u>	<u>174</u>
Total	<u>\$ 724</u>	<u>\$ 1,044</u>	<u>\$ 1,020</u>	<u>\$ 748</u>
Liabilities:				
Due to beneficiaries	<u>\$ 724</u>	<u>\$ 1,044</u>	<u>\$ 1,020</u>	<u>\$ 748</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							
		2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities:									
	Invested in capital assets, net of related debt	\$ 153,258	\$ 152,453	\$ 147,314	\$ 121,481	\$ 103,955	\$ 87,181	\$ 103,464	\$ 75,845
	Restricted	2,483	2,381	2,714	2,734	2,687	2,589	2,535	2,821
	Unrestricted	(50,521)	(54,702)	(43,784)	(32,020)	(27,256)	(27,525)	(55,164)	(47,686)
26	Total governmental activities net assets	<u>105,220</u>	<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>
Business-type activities:									
	Invested in capital assets, net of related debt	27,181	26,456	25,400	25,320	23,391	21,575	17,857	19,161
	Unrestricted	24,519	23,623	20,523	17,705	18,377	14,821	16,159	8,882
	Total business-type activities net assets	<u>51,700</u>	<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>
Primary government:									
	Invested in capital assets, net of related debt	180,439	178,909	172,714	146,801	127,346	108,756	121,321	95,006
	Restricted	2,483	2,381	2,714	2,734	2,687	2,589	2,535	2,821
	Unrestricted	(26,002)	(31,079)	(23,261)	(14,315)	(8,879)	(12,704)	(39,005)	(38,804)
	Total primary government net assets	<u>\$ 156,920</u>	<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>

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							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:								
Governmental activities:								
General government	\$ 8,596	\$ 13,414	\$ 12,547	\$ 12,165	\$ 8,041	\$ 6,413	\$ 4,862	\$ 5,706
Public safety	40,102	36,142	33,466	33,434	37,152	35,492	34,679	29,398
Public works	25,668	26,500	10,436	22,746	20,445	21,083	17,741	22,828
Health and welfare	8,643	8,763	8,707	6,786	8,373	9,153	10,107	10,286
Parks, recreation and libraries	11,348	12,249	9,275	10,097	11,609	12,334	12,638	13,169
Education	163,027	159,235	204,322	146,783	143,287	139,567	136,052	129,607
Interest on long-term debt	10,036	10,813	10,032	11,876	10,568	12,092	12,226	12,299
Total governmental activities expenses	<u>267,420</u>	<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>
Business-type activities:								
Water	10,560	9,034	11,048	11,034	9,309	9,031	7,112	5,794
∞ Total Primary Government Expenses	<u>\$ 277,980</u>	<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>
Program Revenues:								
Governmental activities:								
Charges for services	\$ 21,310	\$ 24,987	\$ 22,242	\$ 18,427	\$ 25,090	\$ 21,248	\$ 19,535	\$ 15,356
Operating grants and contributions	129,213	119,868	164,686	113,388	115,998	106,747	93,361	94,877
Capital grants and contributions	1,248	25	30	2,193	1,094	1,099	17,844	6,200
Total governmental activities program revenues	<u>151,771</u>	<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>
Business-type activities:								
Charges for services	12,394	13,055	13,946	11,616	14,433	10,999	10,770	9,029
Capital grants and contributions							2,184	3,153
Total business-type activities revenues	<u>12,394</u>	<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>
Total Primary Government Program Revenues	<u>\$ 164,165</u>	<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>
Net (Expense) Revenue:								
Governmental activities	\$ (115,649)	\$ (122,236)	\$ (101,827)	\$ (109,879)	\$ (97,293)	\$ (107,040)	\$ (97,565)	\$ (106,860)
Business-type activities	<u>1,834</u>	<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>
Total Primary Government Net Expense	<u>\$ (113,815)</u>	<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>

(Continued on next page)

CITY OF NEW BRITAIN, CONNECTICUT
CHANGES IN NET ASSETS (CONTINUED)
LAST EIGHT FISCAL YEARS
(In Thousands)

	FISCAL YEAR							
	2010	2009	2008	2007	2006	2005	2004	2003
General revenues and other changes in net assets:								
Governmental activities:								
Property taxes	\$ 104,280	\$ 105,220	\$ 96,133	\$ 97,941	\$ 95,192	\$ 98,000	\$ 97,783	\$ 84,956
Grants and contributions not restricted to specific purposes	11,177	10,889	14,897	17,292	14,603	14,776	20,496	21,807
Unrestricted investment earnings	4,249	(600)	1,150	6,289	4,437	2,900	2,252	3,229
Transfer	263		3,000					
Miscellaneous	768	615	696	1,166	202	2,774	966	3,863
Total governmental activities	<u>120,737</u>	<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>
Business-type activities:								
Unrestricted investment earnings	50	135		675	579	412	131	110
Transfer	(263)				(5)			20
Total business type activities	<u>(213)</u>	<u>135</u>	<u>-</u>	<u>675</u>	<u>574</u>	<u>412</u>	<u>131</u>	<u>130</u>
Total Primary Government	<u>\$ 120,524</u>	<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>
Changes in Net Assets:								
Governmental activities	\$ 5,088	\$ (6,112)	\$ 14,049	\$ 12,809	\$ 17,141	\$ 11,410	\$ 23,932	\$ 6,995
Business-type activities	<u>1,621</u>	<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>
Total Primary Government	<u>\$ 6,709</u>	<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>

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									
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General Fund:										
Reserved	\$ 1,372	\$ 2,803	\$ 3,661	\$ 1,861	\$ 2,990	\$ 1,035	\$ 1,424	\$ 1,274	\$ 1,417	\$ 1,017
Unreserved	<u>7,655</u>	<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>
Total General Fund	<u>\$ 9,027</u>	<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>
All other governmental funds:										
Reserved	\$ 2,489	\$ 15,123	\$ 16,586	\$ 17,964	\$ 9,144	\$ 13,783	\$ 19,250	\$ 13,922	\$ 20,414	\$ 7,447
Unreserved, reported in:										
Special revenue funds	6,333	7,335	11,640	14,288	13,532	14,466	13,158	9,433	12,115	11,256
Capital projects funds	<u>(31,257)</u>	<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>
Total All Other Governmental Funds	<u>\$ (22,435)</u>	<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>

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									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Property taxes	\$ 103,052	\$ 104,141	\$ 95,447	\$ 96,757	\$ 95,175	\$ 96,828	\$ 97,808	\$ 84,084	\$ 78,331	\$ 75,872
Intergovernmental	141,888	134,838	179,853	136,003	134,949	126,563	135,058	125,259	123,946	110,884
Licenses, fees and charges for goods and services	21,010	18,861	20,641	18,155	18,927	17,121	16,730	14,761	14,218	12,726
Income on investments	2,843	263	778	4,180	4,065	1,585	1,315	2,023	1,726	2,992
Miscellaneous	3,135	3,263	8,029	3,343	2,401	2,932	3,605	9,631	6,040	7,155
Total revenues	<u>271,928</u>	<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>
Expenditures:										
General government	6,559	5,603	5,128	4,935	7,151	5,641	4,957	4,781	3,746	3,769
Public safety	39,852	34,405	34,448	33,183	36,118	33,526	33,908	31,328	24,817	24,431
Public works	33,515	36,106	18,294	19,324	17,518	17,193	18,932	17,070	15,382	13,374
Social services	8,666	9,262	8,655	6,966	8,325	9,104	10,442	10,799	7,522	4,184
Education	161,745	159,487	198,898	145,231	141,081	147,599	133,807	126,155	117,298	108,147
Parks and recreation	10,852	10,988	10,291	10,397	10,873	11,503	12,060	12,092	10,564	7,549
Nondepartmental fixed									9,527	9,087
Other									335	4,524
Capital outlay	581	1,127	23,585	23,549	22,711	9,521	18,049	12,553	17,403	9,664
Debt service interest	10,631	11,510	11,014	10,721	10,623	10,374	11,861	12,379	12,977	13,760
Debt service principal	15,507	14,836	14,360	14,764	14,218	15,477	13,763	13,261	12,522	12,794
Total expenditures	<u>287,908</u>	<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>
Excess of Revenue over (under) Expenditures	<u>(15,980)</u>	<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>
Other Financing Sources (Uses):										
Transfers in	29,785	27,185	31,959	31,409	36,507	35,963	31,977	40,015	34,615	36,866
Transfers out	(29,522)	(34,216)	(33,412)	(37,604)	(32,397)	(36,288)	(32,327)	(39,790)	(35,129)	(32,909)
Premiums	963									
Proceeds from the issuance of notes	11,715	13,922	14,863	14,527	19,453	2,696	2,318	2,929		
Total other financing sources (uses)	<u>12,941</u>	<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>
Net Change in Fund Balances	<u>\$ (3,039)</u>	<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>
Debt Service as a Percentage of Noncapital Expenditures										
	9.5%	10.3%	8.7%	10.4%	10.1%	10.3%	10.7%	11.3%	11.9%	13.2%

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									
2010	\$ 1,877,395,685	\$ 1,602,228,125	\$ 103,697,510	\$ 211,468,835	\$ 244,060,703	\$ 1,116,731,072	\$ 2,922,119,786	\$ 2,443,051	\$ 2,919,676,735	34.98	\$ 4,170,966,764	70 %
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

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

2008 AND 1999

Taxpayer	October 1, 2008			October 1, 1999		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Value
CT Light & Power	\$ 40,713,681	1	1.38 %	\$ 13,531,087	2	0.88 %
Stanley Works	23,970,995	2	0.81	42,142,708	1	2.73
Brittany Farms Assoc.	21,865,000	3	0.74	6,934,830	5	0.45
Inland Southeast New Britain LLC	13,158,550	4	0.45			
Farmington Hills 06 LLC	12,887,317	5	0.44			
Conn Natural Gas Corp	12,360,214	6	0.42			
NB-BTMC LLC	11,200,000	7	0.38			
Powerstan Properties LLC	10,771,320	8	0.37			
Investment Associates	9,618,368	9	0.33	7,116,890	4	0.46
HSC Community Services	9,091,058	10	0.31	4,915,571	9	0.32
CT Natural Gas Corp				9,816,365	3	0.64
Creed Monarch				6,697,076	6	0.43
Tilcon CT				5,890,304	7	0.38
Newbrite Associates LTD Partners				5,820,530	8	0.38
				4,519,875	10	0.29
Total	\$ <u>165,636,503</u>		<u>5.63 %</u>	\$ <u>107,385,236</u>		<u>6.96 %</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)

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	34.98	\$ 103,152	\$ 98,267	96.08 %	\$ N/A	\$ 4,007	96.08 %
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

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			
2010	\$ 177,837	\$ -	\$ 36,573	\$ 215,144	4.28 %	\$ 3,080
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

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, 2010

(In Thousands)

Total tax collections (including interest and lien fees) received by Treasurer for year ended June 30, 2010					\$ 103,151 *
Reimbursement for revenue loss (year ended June 30, 2009): Freeze program					<u>17</u>
BASE for Debt Limitation Computation					<u>\$ 103,168</u>
	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension</u>
Debt limitation:					
2-1/4 times base	\$ 232,128	\$	\$	\$	\$
4-1/2 times base		464,256			
3-3/4 times base			386,880		
3-1/4 times base				335,296	
3 times base					309,504
Total debt limitation	<u>232,128</u>	<u>464,256</u>	<u>386,880</u>	<u>335,296</u>	<u>309,504</u>
Indebtedness:					
Bonds payable	139,183	34,349			
Notes payable	29,373	3,077			
Bonds authorized - unissued	<u>101,660</u>	<u>60,495</u>	<u>15,457</u>		
Total indebtedness	<u>270,216</u>	<u>97,921</u>	<u>15,457</u>	<u>-</u>	<u>-</u>
Less: self-liquidating indebtedness:					
Statutory exclusion- pension obligation bond	86,080				
School construction grants		8,236			
Total self-liquidating indebtedness	<u>86,080</u>	<u>8,236</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total indebtedness less self-liquidating indebtedness	<u>184,136</u>	<u>89,685</u>	<u>15,457</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 47,992</u>	<u>\$ 374,571</u>	<u>\$ 371,423</u>	<u>\$ 335,296</u>	<u>\$ 309,504</u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation - \$722,176

*Budgetary basis

CITY OF NEW BRITAIN, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt limitation	\$ 722,176	\$ 740,202	\$ 681,645	\$ 688,226	\$ 677,215	\$ 689,717	\$ 697,571	\$ 596,015	\$ 555,940	\$ 538,327
Total net debt applicable to limit	<u>289,278</u>	<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>
Legal debt margin	<u>\$ 432,898</u>	<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>
Total net debt applicable to the limit as a percentage of debt limit	<u>40.06%</u>	<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>

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

Calendar Year	Population (1)	Personal Income (2)	Per Capita Income (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (6)
2010	69,860	\$ 42,759	\$ 23,557	35.0	10,405	12.40 %
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

(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

2010 AND 2001

	Employer	Nature of Business	2010			2001		
			Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
	Hospital of Central Connecticut	Hospital	2,700	1	8.60 %	1,902	1	5.9 %
	City of New Britain	Government	1,794	2	5.72	1,800	3	5.58
	Central CT State University	University	1,716	3	5.47	1,850	2	5.74
	The Hospital for Special Care	Hospital	1,396	4	4.45	1,250	5	3.88
	State of CT	Manufacturing	1,095	5	3.49	900	6	2.79
104	The Stanley Works	Construction	780	6	2.49	1,500	4	4.65
	Tilcon CT	Medical Services	430	7	1.37	750	7	2.33
	Grove Hill Medical Center	Bus Transportation	430	8	1.37	500	8	1.55
	Dattco	Food	409	9	1.30	350	10	1.09
	Celebration Foods	Medical Supplies	350	10	1.12			
	Moore Medical	Medical Supplies				370	9	0.93
	Total		<u>11,100</u>		<u>35.38 %</u>	<u>11,172</u>		<u>34.44 %</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									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Administration, financial and other	124	132	132	100	108	137	128	65	84	77
Police	165	172	173	173	151	141	164	197	197	194
Fire	154	158	156	145	135	142	130	141	139	138
Health and welfare	18	20	21	20	13	19	14	19	24	27
105 Parks and recreation	53	57	60	60	68	70	53	67	61	59
Public works, engineering, garage	63	74	70	71	77	70	64	76	70	71
Water	52	53	53	56	53	57	48	50	48	50
Education	<u>1,364</u>	<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>
Total	<u>1,993</u>	<u>2,000</u>	<u>2,051</u>	<u>1,978</u>	<u>1,957</u>	<u>1,975</u>	<u>1,936</u>	<u>1,917</u>	<u>1,954</u>	<u>1,902</u>

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

Function/Program	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government:										
Building permits issued	2,296	1,985	2,219	2,366	2,442	1,968	2,178	2,081	2,190	1,939
Building inspections conducted	4,631	4,210	4,373	3,865	4,483	3,672	3,970	4,157	6,959	4,641
Police:										
Calls for service	46,776	51,989	54,432	56,885	59,646	55,284	54,197	56,849	56,849	53,883
Physical arrests	7,021	6,803	6,868	6,161	6,828	6,732	6,878	7,222	7,517	6,870
Parking violations	14,498	18,436	20,621	22,059	26,367	28,126	28,225	28,420	25,250	20,022
Traffic violations	3,315	4,322	4,685	5,422	6,997	5,975	5,116	4,305	4,390	3,191
Fire:										
Emergency responses	6,624	6,871	6,832	6,929	6,320	6,082	2,997	2,976	N/A	N/A
Fires extinguished	297	291	522	565	279	296	357	303	N/A	N/A
Inspections	302	288	537	351	312	307	343	361	N/A	N/A
Refuse collection:										
Refuse collected (tons per day)	177	178	170	186	193	197	199	184	170	185
Recyclables collected (tons per day)	9	10	13	12	11	11	11	12	12	12
Other public works:										
Street resurfacing (miles)	7	12	19	15	9	12	5	4	4	4
Potholes repaired	N/A	1,406	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Parks and recreation:										
Athletic field permits issued	3,300	3,763	2,918	4,958	2,597	2,447	2,859	2,827	3,052	2,994
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	220,384	220,974	223,056	231,214	246,891	243,723	254,773	259,773	260,969	255,067
Total volumes borrowed	415,416	394,883	399,119	373,557	312,662	315,649	373,335	346,906	323,881	303,292
Water:										
New connections	405	151	196	60	94	86	299	299	420	350
Water main breaks	18	31	25	28	16	24	29	26	24	22
Average daily consumption (thousands of gallons)	8,755	9,050	10,103	10,100	10,000	11,161	10,293	9,898	9,876	10,539
Peak daily consumption (thousands of gallons)	1,660	11,800	17,900	14,410	12,745	15,700	13,700	14,500	16,360	14,130
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									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	2	2	2	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	10	9	7	17	17	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
Streetlights		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Traffic signals	71	71	71	71	70	70	70	70	70	70
Parks and recreation:										
Acreage	1,200	1,200	1,200	1,200	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	1,852	1,992	1,988	1,977	1,991	1,991	1,991	1,991	1,991	1,991
Storage capacity (thousands of gallons)	2,857,800	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
Wastewater:										
Sanitary sewers (miles)	179	179	187	180	180	180	180	180	180	180
Storm sewers (miles)	153	153	171	152	152	152	152	152	152	152