

**CITY OF NEW BRITAIN
CONNECTICUT**



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

Fiscal Year Ended June 30, 2023

CITY OF NEW BRITAIN, CONNECTICUT

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FISCAL YEAR ENDED JUNE 30, 2023



Prepared by Finance Department
Jonathan M. Perugini, Director of Finance

**CITY OF NEW BRITAIN, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	I
PRINCIPAL OFFICIALS	VII
ORGANIZATION CHART	VIII

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	12
MANAGEMENT'S DISCUSSION AND ANALYSIS	16

BASIC FINANCIAL STATEMENTS

EXHIBITS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION	I	25
STATEMENT OF ACTIVITIES	II	26

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

BALANCE SHEET	III	27
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	IV	29

PROPRIETARY FUND

STATEMENT OF NET POSITION	V	31
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	VI	32
STATEMENT OF CASH FLOWS	VII	33

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION	VIII	34
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	IX	35

NOTES TO FINANCIAL STATEMENTS	36
-------------------------------	----

**CITY OF NEW BRITAIN, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES — BUDGET AND ACTUAL	RSI-1	99
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES — BUDGET AND ACTUAL	RSI-2	101

PENSION FUNDS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS — POLICE PENSION PLAN	RSI-3	103
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS — FIRE PENSION PLAN	RSI-4	104
SCHEDULE OF EMPLOYER CONTRIBUTIONS — POLICE PENSION PLAN	RSI-5	105
SCHEDULE OF EMPLOYER CONTRIBUTIONS — FIRE PENSION PLAN	RSI-6	106
SCHEDULE OF INVESTMENT RETURNS — PENSION	RSI-7	107
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY — TEACHERS RETIREMENT PLAN	RSI-8	108
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY — MUNICIPAL EMPLOYEES' RETIREMENT PLAN	RSI-9	109
SCHEDULE OF EMPLOYER CONTRIBUTIONS — MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM	RSI-10	110
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS — OPEB	RSI-11	111
SCHEDULE OF EMPLOYER CONTRIBUTIONS — OPEB	RSI-12	112
SCHEDULE OF INVESTMENT RETURNS — OPEB	RSI-13	113
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS — ELECTED OFFICIALS AND PRE-1972 POLICE AND FIRE PLAN	RSI-14	114

**CITY OF NEW BRITAIN, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

SCHEDULE OF EMPLOYER CONTRIBUTIONS — ELECTED OFFICIALS AND PRE-1972 POLICE AND FIRE PLAN	RSI-15	115
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY — TEACHERS RETIREMENT PLAN	RSI-16	116
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES		
GENERAL FUND		
SCHEDULE OF TAX COLLECTIONS	A-1	119
NONMAJOR GOVERNMENTAL FUNDS		
COMBINING BALANCE SHEET	B-1	124
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-2	132
INTERNAL SERVICE FUNDS		
COMBINING BALANCE SHEET	C-1	142
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	C-2	143
COMBINING STATEMENT OF CASH FLOWS	C-3	144
FIDUCIARY FUNDS		
COMBINING BALANCE SHEET	D-1	147
COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION	D-2	148
STATISTICAL SECTION		
	TABLES	
FINANCIAL TRENDS		
NET POSITION BY COMPONENT	1	151
CHANGES IN NET POSITION	2	152
FUND BALANCES — GOVERNMENTAL FUNDS	3	154

**CITY OF NEW BRITAIN, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS	4	155
REVENUE CAPACITY		
ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY	5	156
PRINCIPAL PROPERTY TAXPAYERS	6	157
PROPERTY TAX LEVIES AND COLLECTIONS	7	158
DEBT CAPACITY		
RATIOS OF OUTSTANDING DEBT BY TYPE	8	159
COMPUTATION OF LEGAL DEBT MARGIN	9	160
LEGAL DEBT MARGIN INFORMATION	10	161
DEMOGRAPHIC AND ECONOMIC STATISTICS		
DEMOGRAPHIC AND ECONOMIC STATISTICS	11	162
PRINCIPAL EMPLOYERS	12	163
OPERATING INFORMATION		
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM	13	164
OPERATING INDICATORS BY FUNCTION/PROGRAM	14	165
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM	15	166

INTRODUCTORY SECTION

CITY OF NEW BRITAIN, CONNECTICUT



June 30, 2024

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 annual comprehensive financial report (ACFR) of the City of New Britain for the fiscal year ended June 30, 2023.

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 CliftonLarsonAllen, LLP, 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, 2023, 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 unmodified opinion that the City of New Britain's financial statements for the fiscal year ended June 30, 2023, 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, state and federal mandated “Single Audit” designed to meet the special needs of state and 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 state and federal awards. These reports are located within the City’s ACFR.

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 is Connecticut’s eighth largest municipality, with a population in excess of 74,000. The City itself covers 13.3 square miles and was first settled as a Town of Berlin in 1850. Later, as a result of the industrial revolution, it was chartered as a City in 1871.

Sitting at the geographic center of Connecticut, New Britain is just a two hour drive from both New York City and Boston. Interstate 84, Route 9, and Route 72 all run through the City with multiple access points, and Interstate 91 lies only a few miles away. The City’s location, coupled with its easy access to all points in the state, make it highly attractive to both businesses and individuals alike. New Britain lies only 9.2 miles from Hartford and is part of the capital region economic zone. The City is a member of the Capital Region Council of Governments as its second-largest member, which is expected to enhance its ability to participate in regional planning and maximize state and federal grant dollars, especially those geared toward transit-oriented development. The City was one of ten municipalities nationwide to be named an All-America City in 2016 and 2017 by the National Civic League. The National Civic League evaluators pointed to New Britain’s approach to creating child-friendly environments and its focus on solving community wide challenges as reasons for the award. In June 2020, New Britain was one of only two municipalities to be recognized for achieving the Sustainable CT Certification (the Certification), silver level. The Certification program is managed by the Institute for Sustainable Energy at Eastern Connecticut State University and included initiatives that cities and towns build community connection, social equity, and long term resilience. The City demonstrated significant achievements in a number of initiatives including, but not limited to, redevelopment of brownfields sites, developing an open space plan, supporting arts and creative culture, encouraging smart commuting, tracking energy use, and developing sustainable, affordable housing options. New Britain was designated as a statewide climate leader in October of 2022 by Sustainable CT.

The completion of New England’s first bus rapid transit system, CTfastrak has resulted in huge ridership numbers and an opportunity for the City to build and redevelop along the route through Transit Oriented Development. A \$54 million dollar mixed use development just steps from the CTfastrak hub is currently underway in the City. When completed, the site will boast street level retail shops and workforce housing for professionals who want to live, work, and play in central Connecticut.

One of the most critical impacts of CTFAstrak is that it provides a direct mass transit connection between downtown New Britain and Central Connecticut State University (CCSU). CCSU has been located in New Britain since 1849 and is now the largest institution in Connecticut's state university system. It has a population of 12,500 students and a faculty of nearly 800. CCSU's offerings include degrees in arts & sciences, technology, education, and graduate studies. The CCSU School of Business is the largest in Connecticut, and the institution prides itself on its partnerships with the community. In addition to CCSU, downtown New Britain has welcomed the heartbeat of the main offices of CT State, Connecticut's Community College System, as well as the Charter Oak College administrative offices, both located at 185 Main Street that will create more activity for local ridership and merchants. There continues to be discussions to increase CCSU's presence downtown, which will bring increased pedestrian traffic and create a dedicated ridership on CTFAstrak.

Form of Government

New Britain was incorporated as a town in 1850 and then later as a city in 1871 and operates with a strong Mayor-Council form of government. The Mayor and Council serve concurrent two-year terms and operate under the City's Charter.

The Common Council, the legislative body is elected biennially and consists of 15 Aldermen, with 3 members elected from each of the City's 5 wards (incorporating minority party representation requirements). The other elected officials are City Treasurer, 10 Members of the Board of Education, Registrars of Voters and 3 members of the Board of Assessment Appeals.

In 2022, through the Charter Revision process, the voters of New Britain elected to institute a Chief Operations Officer (COO) to assist with the daily management of the City and to perform any tasks, duties, or functions that are within the scope of the duties of the Office of the Mayor and have been delegated by the Mayor to the COO. The position is currently posted and will be appointed through the City's Civil Service process. Additionally, voters elected to change the title of the Collector of Taxes to Revenue Collector and make both the Revenue Collector and the Town & City Clerk appointed positions (previously elected) to ensure certified and qualified professionals in each position.

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 including the Board of Education. All department heads report directly to the Mayor.

Major Initiatives

The City of New Britain is committed to the well-being, quality of life, and standard of living for its residents. The current administration has continued to make grand list growth a primary goal in order to lower tax rate and drive affordability long-term. 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 responsibility.

In November of 2021, the City of New Britain adopted its ten-year Plan of Conservation and Development. This plan was developed with a large amount of public input. Multiple public hearings were held, and input was also solicited from members of the City's Boards and Commissions, as well as City Hall Staff. The five themes in the plan are: live, grow, play, connect, and sustain. The Mayor's Strategic Plan Committee is tasked with implementing this City-wide plan and is composed of various City officials and meets quarterly.

New Britain is currently seeing an unprecedented amount of development, especially in the downtown area. Over the past few years, approximately \$225 million of private development has been initiated with hundreds of millions of dollars of additional projects on the immediate horizon. The successes of the mixed use developments at 222 Main St, 57 Court St (Courtside Commons), and 145 Columbus Blvd (Columbus Commons), have only increased developers' interests. Construction has been underway at 267 Main Street and 283 Main Street the site of the former Burritt Bank and Amato's Toy Store respectively, to build two brand new state of the art apartment buildings. 267 Main St (The Brit) and 283 Main Street (The Highrailer) will have a combined total of 221 market rate and affordable residential units and will have first floor commercial space ideal for the restaurant industry. Both of these projects are expected to be complete by the end of the year 2024.

Another project on the Main Street Corridor will take place at 177 Main Street and will be known as "The Strand". This 100-unit residential property sits on the former site and will pay homage to the historic Strand Movie theater. It will consist of both market rate and affordable housing units with construction beginning in Q1 of 2024.

102 West Main Street will be undergoing a major renovation which includes adding two stories to an existing structure. There will be 79 market rate and affordable dwelling units and plans include commercial space for up to two restaurants.

Arch Street, which owns the distinction of being designated as "Barrio Latino," has also seen renewed interest in development. In 2023, 67 Arch was renovated into a property known as "The Prohibition" which is home to 12 market rate apartment units, and the first floor houses New Britain's first speakeasy. Right next door at 5-39 Arch Street, the first floor is being renovated for commercial purposes and the second floor, which was previously used as office space, is being renovated into 10 apartments. 266 Arch Street's historic rehabilitation will soon be home to 10 apartments, along with a restaurant and a distillery. In spring of 2025, the City will begin construction on a \$5.3 million Complete Streets project for this corridor.

Over on the East Side of town, 321 Ellis Street is undergoing the largest residential construction project in New Britain. The former site of the Landers, Frary, and Clark factory, the south side of the building will be renovated into 154 low to moderate income housing units, with a percentage set aside for senior living. Construction is expected to last 18-24 months, with an opening occurring sometime in 2025.

Construction in New Britain has not only been reserved for residential and commercial properties, but in our schools as well. Over the last 10 years the city has completed more than \$250 million dollars in renovations to aging buildings in our School District. In September of 2023 Chamberlain School opened the doors to students, introducing them to a \$50 million newly renovated building. Similar projects were recently completed at Smalley, Gaffney, and Diloreto Schools. Plans are currently underway to begin the renovation of Holmes School, a project expected to cost \$70 million which will be receiving a 95 percent reimbursement rate from the State of Connecticut.

The NB FLUSH program is critical to improving the underground infrastructure in New Britain. This program which stands for, Fresh Line Upgrades for Sanitary Health, is a massive investment in repairing and replacing the City's Storm water and sanitary sewer lines, which are over 100 years old. This program aims to reduce the municipal and taxpayer costs associated with storm water infiltration into sanitary sewer lines, protect public health by reducing sewage backups, protect the environment by eliminating wastewater runoff, and promote community growth by increasing sewer capacity for expanded development. NB FLUSH is currently in Phase 3 of 11 proposed phases and when complete is expected to have a cost of over \$100 million.

The Complete Streets Master Plan is another multi-phase project which has been under construction since 2013 and is nearing completion of its eighth and final phase. This project has revitalized downtown New Britain by making improvements to roads and sidewalks, updating lighting fixtures, increasing landscaping, and balancing the needs of pedestrians, bicyclists, and transit riders in a safe environment. In 2022, the City completed the Complete Streets Roadmap, which takes the original master plan into the next ten years decentralizing the work and expanding to other areas of the City. Areas of focus for future streetscape will be: Arch Street, Osgood Avenue, Allen Street, North Street, and Myrtle Street.

The City offers ten major Parks. A.W. Stanley, Stanley Quarter, Chesley, Walnut Hill, Martha Hart, Hungerford, Willow Brook, Willow Street, Washington, and Osgood park which recently underwent a \$12 million renovation project made possible by ARPA Funding. Walnut Hill Park was famously designed by Frederick Law Olmstead, the architect of New York City's Central Park. The City operates two major pools at A.W. Stanley and Willow Brook, as well as "splash pads" at Willow Street, Chesley, and now, Osgood Parks.

In addition to these parks, New Britain owns and operates Stanley Golf Course, which is home to three nine-hole courses, a restaurant and tavern, and a state-of-the-art driving range. The newly renovated driving range is the only driving range at a golf course Connecticut with "Top-Tracer" and is open year-round. Plans are currently underway for construction of a new outdoor banquet facility which will only increase the record high number of visitors that the City sees yearly.

New Britain is host to a variety of medical facilities to call upon, including the 436 bed Hospital of Central Connecticut, owned by Hartford Healthcare (formerly New Britain General Hospital), the 7th largest hospital in the state with approximately 2,200 employees. The 200 bed Hospital for Special Care provides rehabilitation services and elder care. These two medical anchor facilities have fueled the growth of numerous modern clinics and outpatient treatment centers, and New Britain is part of the State's Bioscience Enterprise Corridor Zone that provides economic incentives for small-to-medium sized businesses in the bioscience industry. The Hospital of Central Connecticut completed a new state-of-the-art cancer treatment and research facility in January 2015. The facility is 65,000 square feet and straddles the New Britain-Plainville line. This was the first facility of its kind in Connecticut to be a full partner with Memorial Sloan-Kettering Cancer Center.

New Britain's signature and award winning "Beehive Bridge" located one block from CT Fastrak, was dedicated in early fall of 2019 and has captivated the public's eye for its creative and welcoming design. The bridge inspiration was the flight and dance of the honey bee which pays tribute to the City's seal and its motto that translates from Latin "Industry fills the hive and enjoys the honey." The honeycomb theme and translucent panels also features four bee sculptures. All panels and sculptures have the ability to glow in a variety of color schemes with internal LED lighting. The Beehive Bridge has been awarded the 2020 American Council of Engineering Companies of Connecticut (ACEC) Excellence in Engineering Award and Connecticut Main Street Award for Excellence. The iconic bridge is a gateway to New Britain's Little Poland neighborhood.

New Britain is the home of the Museum of American Art, one of the nation's leading American art collections. The state-of-the-art facility boasts over 5,000 works in its collection and drew over 70,000 patrons last year alone. In addition to the galleries themselves, the Museum has a café, a multipurpose room that seats 200, studios for art classes and a shop. The Museum has an endowment in excess of \$14 million and has just completed its latest expansion project.

New Britain has a rich history of playing host to minor league baseball, which draws thousands of residents, families, and visitors to each game every season. Starting in 1983, New Britain was home to the Red Sox and then Rock Cats from 1997 to 2015. Those teams had affiliations with Major League Baseball clubs the Colorado Rockies, Minnesota Twins, and Boston Red Sox. The City is now home to the New Britain Bees. The team is in its seventh year of play as a member of the Futures Collegiate Baseball League and is still bringing visitors from all over New England to the New Britain Stadium facility.

New Britain is an ethnically diverse city and possesses the second largest Polish-American population nationally, behind Chicago. The Little Poland district of New Britain is the City's most vibrant commercial area, and a multi-phase streetscape project is underway to better link that neighborhood with downtown. The Hispanic & Latino community has their own epicenter in the Arch Street area, with eateries and other family-owned businesses taking root.

Financial Information

The Finance Department includes Accounting, Tax Assessment, Tax Collection, City Treasurer, Purchasing, Data Processing, Risk Management and Police Administration. The Accounting Division maintains, monitors and controls accounting records for City funds 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's state of the art accounting system. 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 judgments 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. 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. Additionally, 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 \$60.4 million. The City's liability is relatively low because employees generally receive 7 years (10 years for Fire) of health benefits after twenty years of service.

Financial Policies

Several key policies have been developed and implemented that significantly affect the financial transactions of the City. The Fund Balance Policy is a safeguard to ensure that if the undesignated fund balance drops below five percent (5%) of operating expenditures, there will be a mechanism in place to increase the fund balance over a specified period of time. The OPEB Policy was implemented to ensure proper funding of the City's OPEB trust fund. In addition, there are several policies that have been adopted to ensure proper investment of the City's funds, including the pension trust fund.

Debt Administration

At year-end, the City had a number of debt issues outstanding. These included \$315.5 million 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, 2023, the City's net general obligation bonded debt of \$495.8 million was well below the legal limit of \$948.5 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 (not including Police and Firefighter Hypertension) - \$1 million/occurrence. Excess coverage with statutory limits applies beyond the retainage.

General Liability (including law enforcement liability) – \$500,000/occurrence; excess coverage applies up to \$1 million/occurrence, \$2 million aggregate, \$9 million excess.

Employee Dishonest coverage limit of \$500,000 (including Tax Collector limit of \$200,000 & excluding individually bonded Treasurer limit of \$125,000).

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. The City has 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 placed with Lexington Insurance Company. 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 2023 annual budget \$250,000 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

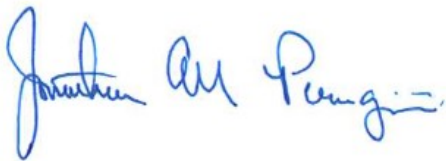
State Statute and the City Charter require an annual audit by an independent certified public accountant. The Statute further prescribes that each municipality's annual report shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP). This report has been prepared in accordance 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 the Finance Department staff who persevered in the face of massive staff turnover. Special appreciation is conveyed to the representatives from CliftonLarsonAllen, LLP. 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,



Jonathan M. Perugini
Director of Finance

**CITY OF NEW BRITAIN, CONNECTICUT
PRINCIPAL OFFICIALS
AS OF JUNE 30, 2023**

MAYOR

Erin E. Stewart

TREASURER

Daniel M. Salerno

CITY COUNCIL

Robert Smedley, President Pro Tempore

Howard Dyson, Majority Leader

Aram Ayalon, Minority Leader

Wilfred Pabon, Assistant Majority Leader

Angel Segarra, Assistant Minority Leader

Paul Catanzaro

Desiree Costa

Jerrell Hargraves

Matthew Malinowski

Luz Ortiz-Luna

Alden Russell

Kris Rutkowski

Iris Sanchez

Peter Scirpo

Michael Thompson

ADMINISTRATION

Corporation Counsel

Town Clerk

Tax Collector

Assessor

Chief of Fire

Chief of Police

Director of Planning & Development

Director of Finance

Director of Health and Building Services

Director of Human Resources

Director of Recreation and Community Services

Director of Public Works

Director of Support Services

Director of Water

Gennaro Bizzarro

Mark Bernacki

Cheryl Blogoslawski

Michael Konik

Raul Ortiz

Matthew Marino

John Benjamin

Jonathan M. Perugini

Sergio Lupo

Linda Guard

Erik Barbieri

Mark Moriarty

Jonathan Delgadillo

Ray Esponda

BOARD OF EDUCATION

Gayle Sanders-Connolly, President

Merrill Gay, Vice President

Joseph Listro, Secretary

Anthony Cane

Monica Dawkins

Anthony Kane

Matthew Marino

Annie Parker

Diana Reyes

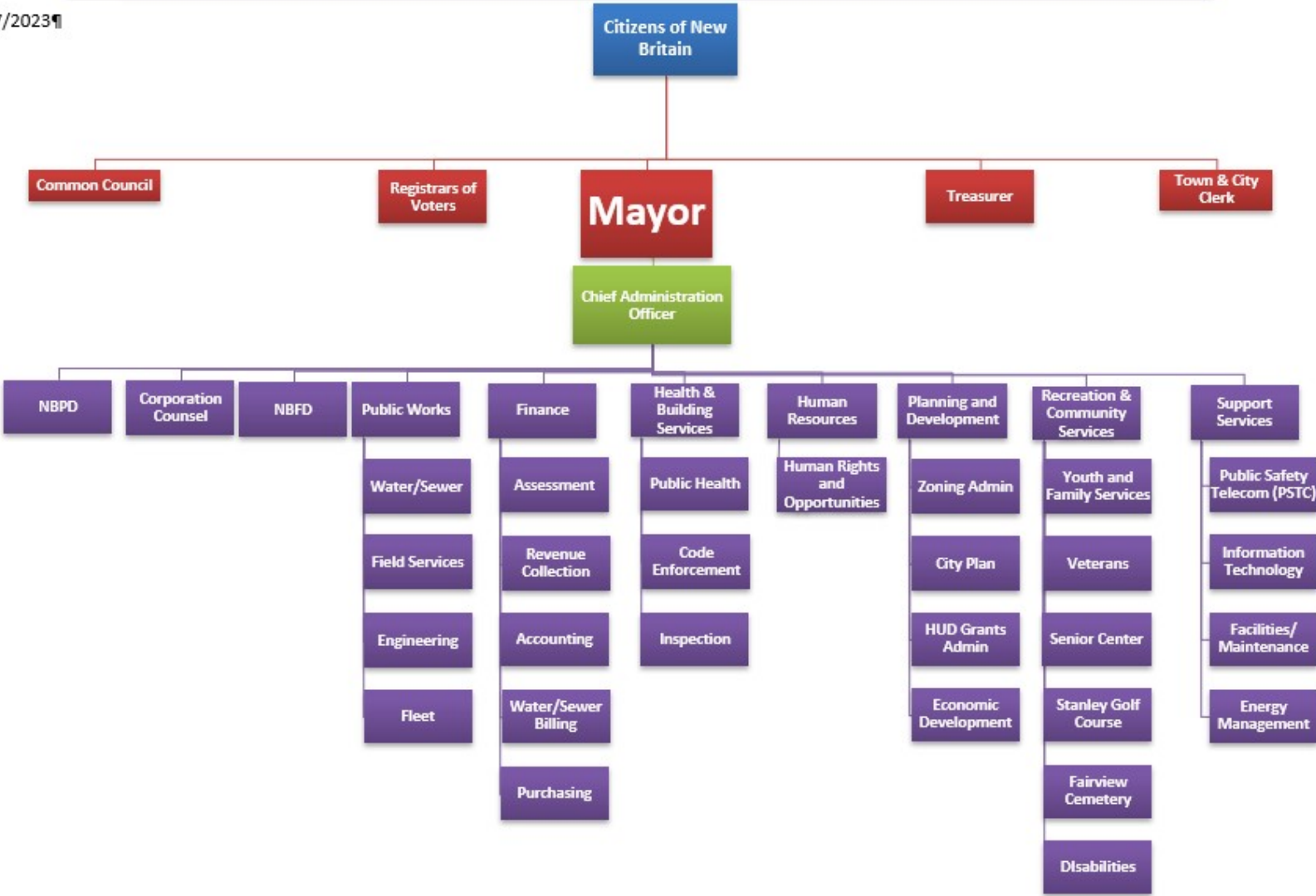
Tina Santana

Anthony Gasper, Superintendent of Schools

Ann Alfano, Chief Financial Officer

City of New Britain Organization Chart

Rev. 2/7/2023



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the
Common Council
City of New Britain, Connecticut

Report on the Audit of the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the City of New Britain, Connecticut's basic financial statements as listed in the table of contents.

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, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of New Britain, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Honorable Mayor and Members of the
Common Council
City of New Britain, Connecticut

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of New Britain, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of New Britain, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of New Britain, Connecticut's ability to continue as a going concern for a reasonable period of time.

Honorable Mayor and Members of the
Common Council
City of New Britain, Connecticut

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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 combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

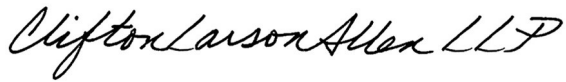
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Honorable Mayor and Members of the
Common Council
City of New Britain, Connecticut

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2024, on our consideration of the City of New Britain, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of New Britain, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of New Britain, Connecticut's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
June 30, 2024

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

This discussion and analysis of the City of New Britain, Connecticut's (the City) financial performance is provided by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2023. Please read this MD&A in conjunction with the transmittal letter and the City's financial statements, Exhibits I to IX.

Financial Highlights

- The net position of the governmental activities decreased by \$812 thousand.
- In its governmental activities, the City had revenues of \$452.3 million and expenses of \$455.0 million.
- The net position of the business-type activities increased by \$980k.
- In the City's business-type activities, revenues were \$14.5 million while expenses were \$11.7 million.
- The General Fund reported a fund balance of \$25.1 million (\$7.1m assigned and \$17.9m unassigned).
- The tax collection rate for the current levy was 96.35%.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The statement of net position 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 position 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 position and changes in them. The City's net position, 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 position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other nonfinancial 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.

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

In the statement of net position 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 (such as the Sewer Fund) or to show that it is meeting legal responsibilities for using grants and other money (such as 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 position 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 position 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 position and changes in fiduciary net position. 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.

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

Government-Wide Financial Analysis

The City's combined net position is lower than it was one year ago, decreasing from \$46.3 million to \$46.5 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**TABLE 1
SUMMARY STATEMENT OF NET POSITION**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Assets:						
Current Assets	\$ 265,615	\$ 290,741	\$ 10,692	\$ 9,425	\$ 276,307	\$ 300,166
Noncurrent Assets						
Capital Assets:						
Capital Assets not Being Depreciated	94,251	50,856	2,597	1,977	96,848	52,833
Capital Assets Being Depreciated, Net	345,154	354,177	46,356	47,850	391,510	402,027
Total Assets	<u>705,020</u>	<u>695,774</u>	<u>59,645</u>	<u>59,252</u>	<u>764,665</u>	<u>755,026</u>
Deferred Outflows of Resources	124,200	70,727	641	693	124,841	71,420
Liabilities:						
Long-Term Debt Outstanding	697,939	589,247	5,454	6,202	703,393	595,449
Other Liabilities	109,289	125,700	753	644	110,042	126,344
Total Liabilities	<u>807,228</u>	<u>714,947</u>	<u>6,207</u>	<u>6,846</u>	<u>813,435</u>	<u>721,793</u>
Deferred Inflows of Resources	29,596	58,346	-	-	29,596	58,346
Net Position:						
Net Investment in Capital Assets	138,377	100,763	44,340	44,488	182,717	145,251
Restricted	36,629	39,287	-	-	36,629	39,287
Unrestricted (Deficit)	(182,610)	(146,842)	9,739	8,611	(172,871)	(138,231)
Total Net Position	<u>\$ (7,604)</u>	<u>\$ (6,792)</u>	<u>\$ 54,079</u>	<u>\$ 53,099</u>	<u>\$ 46,475</u>	<u>\$ 46,307</u>

Net position of the City's governmental activities decreased in FY23 ((\$7.6) million compared to (\$6.8 million). Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – totaled \$(182.6) million at June 30, 2023.

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

- There is an increase in liabilities with noncurrent liabilities that are due in more than one year increasing from net pension liabilities.

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

**TABLE 2
SUMMARY STATEMENT OF ACTIVITIES**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	\$ 28,027	\$ 29,818	\$ 14,504	\$ 11,774	\$ 42,531	\$ 41,592
Operating Grants and Contributions	204,776	218,014	-	-	204,776	218,014
Capital Grants and Contributions	54,143	16,270	-	-	54,143	16,270
General Revenues:						
Property Taxes	134,462	136,283	-	-	134,462	136,283
Grants and Contributions not Restricted to Specific Programs	25,512	18,950	-	-	25,512	18,950
Unrestricted Investment Earnings	4,412	(3,618)	11	3	4,423	(3,615)
Other General Revenues	1,005	821	-	-	1,005	821
Total Revenues	452,337	416,538	14,515	11,777	466,852	428,315
Program Expenses:						
General Government	33,315	26,371	-	-	33,315	26,371
Public Safety	98,178	66,767	-	-	98,178	66,767
Public Works	34,491	26,612	-	-	34,491	26,612
Health and Welfare	7,154	7,270	-	-	7,154	7,270
Parks, Recreation, and Libraries	11,450	11,673	-	-	11,450	11,673
Education	256,544	244,436	-	-	256,544	244,436
Interest on Long-Term Debt	13,875	12,773	-	-	13,875	12,773
Water	-	-	11,677	10,383	11,677	10,383
Total Program Expenses	455,007	395,902	11,677	10,383	466,684	406,285
Increase (Decrease) in Net Position Before Transfers	(2,670)	20,636	2,838	1,394	168	22,030
Transfers	1,858	1,355	(1,858)	(1,355)	-	-
Change in Net Position	(812)	21,991	980	39	168	22,030
Net Position - Beginning of Year	(6,792)	(28,783)	53,099	-	46,307	(28,783)
Restatement	-	-	-	53,060	-	53,060
Net Position - End of Year	\$ (7,604)	\$ (6,792)	\$ 54,079	\$ 53,099	\$ 46,475	\$ 46,307

The City's combined revenues were \$466.9 million. The total cost of all programs and services was \$466.7 million.

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

Revenues for governmental activities totaled \$452.3 million; property taxes (29.7%), operating grants (45.3%) and charges for services (6.2%) are the major revenue sources – contributing approximately 81.2% of the City's revenues.

Expenses for governmental activities were \$455.0 million, of which 63.2% were supported by program revenues and 36.3% were supported from general revenues. Expenses by function include education (56.38%), public safety (21.58%), public works (7.58%), and parks, recreation, and libraries (2.52%), which made up 88.06% 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 general government – as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the final burden that was placed on the City's taxpayers by each of these functions.

**TABLE 3
GOVERNMENTAL ACTIVITIES**

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
Education	\$ 256,544	\$ 244,436	\$ 32,944	\$ 22,366
Public Safety	98,178	66,767	91,324	59,896
Public Works	34,491	26,612	12,054	5,888
General Government	33,315	26,371	7,702	20,182
All Others	32,479	31,716	24,037	23,468
Totals	<u>\$ 455,007</u>	<u>\$ 395,902</u>	<u>\$ 168,061</u>	<u>\$ 131,800</u>

Business-Type Activities

Revenues and expenses of the City's business-type activities amounted to \$14.5 million and \$11.7 million, respectively. Net position increased by \$980k.

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 \$93 million, which is an increase of \$18 million from last year's total of \$75 million.

The slight increase in the fund balance in the General Fund of \$751k can be attributed the General Fund operations roughly breaking even at year end after all the transfers mentioned below under the General Fund Budgetary Highlights.

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

The increase in fund balance in the Capital Projects Funds of \$19.4M is related to timing of the intergovernmental revenues and expenditures. The old Smalley School Project was recognized in FY23 as revenue along with timing of revenue and expenditures of the Chamberlain School project still under construction.

The insignificant decrease in fund balance in the BOE State and Federal Grants Funds of \$113k represents well executed timing of grants reimbursements against its expenditures.

The no change in the fund balance of the ARPA Funds can be attributed to money coming in from the Federal Government for ARPA projects is related to the recognition of unearned revenues as earned revenue at the time the expenditures are recorded.

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 position of the Water Enterprise Fund amounted to \$9.7 million and those for the Internal Service funds amounted to \$9.1 million.

The slight increase in the unrestricted net position in the Water Enterprise Fund of \$980k can be attributed to the Enterprise Fund operations related to establish a new clean water fees for the future Storm water projects.

The significant decrease in unrestricted net position for the Internal Service Funds was due to the Board of Education not fully funding their medical insurance contributions. The net position in the Special Reserve Fund decreased by \$4.1 Million as medical insurance contributions of \$20.5 Million were not enough to cover the \$24.6 Million in medical claims incurred.

General Fund Budgetary Highlights

- Tax collections remained high and had a slight increase in the collection rate of 96.35%
- \$500k was transferred into the City's BOE Non-Operating Account.
- \$220k was transferred into an account to fund the replacement of City Hall's Roof and Windows.
- \$50k was transferred into an account to fund the new downtown parking infrastructure.
- \$948k was transferred into an account for Tax Stabilization

Capital Asset and Debt Administration

Capital Assets

At June 30, 2023, the City had \$488.4 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 \$33.5 million, or 7.4% over last year.

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

**TABLE 4
CAPITAL ASSETS**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 13,417	\$ 13,417	\$ 1,977	\$ 1,977	\$ 15,394	\$ 15,394
Construction in Progress	80,834	37,439	620	-	81,454	37,439
Buildings and Improvements	236,020	242,995	-	-	236,020	242,995
Equipment	9,015	9,320	-	-	9,015	9,320
Vehicles	5,368	4,803	-	-	5,368	4,803
Infrastructure	94,751	97,059	-	-	94,751	97,059
Water Filtration Assets	-	-	46,356	47,850	46,356	47,850
Totals	\$ 439,405	\$ 405,033	\$ 48,953	\$ 49,827	\$ 488,358	\$ 454,860

For governmental-type funds, this year's major additions included construction in progress of Chamberlain School, NBHS ADA Compliance project, Osgood Park improvements, Broadband project, Whites Bridge project, Stanley Loop Trail project, and continued downtown rehabilitation project.

More detailed information about the City's capital assets is presented in Note 5 to the financial statements.

Long-Term Debt

At June 30, 2023, the City had \$316.1M in bonds and notes outstanding versus \$325.1M last year – a 2.8 percentage decrease - as shown in Table 5.

**TABLE 5
OUTSTANDING DEBT**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds (Backed by the City)	\$ 314,555	\$ 323,490	\$ 1,585	\$ 1,585	\$ 316,140	\$ 325,075

The City's general obligation bond rating from Standard & Poor's and Fitch all national rating agencies, is A, and A, respectively. 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 \$948.8 million state-imposed limit.

Other obligations include accrued vacation pay, sick leave, net OPEB and pension liabilities. More detailed information about the City's long-term liabilities is presented in Note 7 to the financial statements.

**CITY OF NEW BRITAIN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2023**

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2023 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 at June 30, 2023, stood at 4.9% versus 5.90% a year ago. This compares with the state's unemployment rate of 3.7% and the national rate of 3.8%.

These indicators were taken into account when adopting the General Fund budget for 2022-2023. Amounts available for appropriation in the General Fund were \$25.1 million, an increase of 3.1% over the final 2022 amount of \$24.3 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 POSITION
JUNE 30, 2023
(IN THOUSANDS)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 166,054	\$ 5,144	\$ 171,198
Restricted Cash	7,451	-	7,451
Investments	31,286	12	31,298
Receivables, Net	51,204	5,152	56,356
Due from Fiduciary Fund	9,601	-	9,601
Inventory	19	384	403
Other Assets	-	-	-
Capital Assets:			
Capital Assets not Being Depreciated	94,251	2,597	96,848
Capital Assets Being Depreciated, Net	345,154	46,356	391,510
Total Assets	<u>705,020</u>	<u>59,645</u>	<u>764,665</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	4,001	641	4,642
Changes Related to Pensions	90,532	-	90,532
Changes Related to OPEB	29,667	-	29,667
Total Deferred Outflows of Resources	<u>124,200</u>	<u>641</u>	<u>124,841</u>
LIABILITIES			
Accounts and Other Payables	43,223	753	43,976
Loans Payable	31,982	-	31,982
Unearned Revenue	34,084	-	34,084
Noncurrent Liabilities:			
Due Within One Year	10,489	738	11,227
Due in More than One Year	687,450	4,716	692,166
Total Liabilities	<u>807,228</u>	<u>6,207</u>	<u>813,435</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Refunding	535	-	535
Charges Related to OPEB	23,547	-	23,547
Charges Related to Pensions	5,444	-	5,444
Advanced Property Tax Collections	70	-	70
Total Deferred Inflows of Resources	<u>29,596</u>	<u>-</u>	<u>29,596</u>
NET POSITION			
Net Investment in Capital Assets	138,377	44,340	182,717
Restricted for:			
Grants	21,324	-	21,324
Capital Improvements	12,048	-	12,048
Trust Purposes:			
Nonexpendable	3,257	-	3,257
Unrestricted	<u>(182,610)</u>	<u>9,739</u>	<u>(172,871)</u>
Total Net Position	<u>\$ (7,604)</u>	<u>\$ 54,079</u>	<u>\$ 46,475</u>

See accompanying Notes to Financial Statements.

**CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
GOVERNMENTAL ACTIVITIES							
General Government	\$ 33,315	\$ 2,437	\$ 23,176	\$ -	\$ (7,702)	\$ -	\$ (7,702)
Public Safety	98,178	5,694	811	349	(91,324)	-	(91,324)
Public Works	34,491	14,994	2,247	5,196	(12,054)	-	(12,054)
Health and Welfare	7,154	582	4,214	-	(2,358)	-	(2,358)
Parks, Recreation, and Libraries	11,450	3,043	603	-	(7,804)	-	(7,804)
Education	256,544	1,277	173,725	48,598	(32,944)	-	(32,944)
Interest on Long-Term Debt	13,875	-	-	-	(13,875)	-	(13,875)
Total Governmental Activities	455,007	28,027	204,776	54,143	(168,061)	-	(168,061)
Business-Type Activities:							
Water	11,677	14,504	-	-	-	2,827	2,827
Total Governmental Activities	<u>\$ 466,684</u>	<u>\$ 42,531</u>	<u>\$ 204,776</u>	<u>\$ 54,143</u>	(168,061)	2,827	(165,234)
GENERAL REVENUES							
Property Taxes					134,462		134,462
Grants and Contributions not Restricted to Specific Programs					25,512		25,512
Unrestricted Investment Income					4,412	11	4,423
Miscellaneous					1,005		1,005
Total General Revenues					165,391	11	165,402
Transfers					1,858	(1,858)	-
CHANGE IN NET POSITION					(812)	980	168
Net Position - Beginning of Year					(6,792)	53,099	46,307
NET POSITION - END OF YEAR					<u>\$ (7,604)</u>	<u>\$ 54,079</u>	<u>\$ 46,475</u>

See accompanying Notes to Financial Statements.

**CITY OF NEW BRITAIN, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

	General	Capital Projects Fund	BOE State and Federal Grants	ARPA Funds	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 31,510	\$ 59,303	\$ 11,566	\$ 32,590	\$ 23,267	\$ 158,236
Restricted Cash	-	7,451	-	-	-	7,451
Investments	-	4,597	-	-	4,948	9,545
Accounts and Loans Receivables, Net	29,237	2,134	2,662	-	17,161	51,194
Due from Other Funds	9,601	-	-	-	3,878	13,479
Inventories	-	-	-	-	19	19
Total Assets	\$ 70,348	\$ 73,485	\$ 14,228	\$ 32,590	\$ 49,273	\$ 239,924
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ 19,786	\$ 2,418	\$ 8,386	\$ 2,164	\$ 3,914	\$ 36,668
Due to Other Funds	-	-	3,878	-	-	3,878
Unearned Revenue	-	-	151	30,426	3,507	34,084
Clean Water Loan Payable	-	1,982	-	-	-	1,982
Bond Anticipation Notes Payable	-	30,000	-	-	-	30,000
Total Liabilities	19,786	34,400	12,415	32,590	7,421	106,612
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	25,405	-	-	-	-	25,405
Unavailable Revenue - Sewer Use Fees	-	-	-	-	7,669	7,669
Unavailable Revenue - Loans Receivable	-	-	-	-	3,660	3,660
Unavailable Revenue - Grant Receivable	-	2,134	-	-	1,378	3,512
Advanced Property Tax Collections	70	-	-	-	-	70
Total Deferred Inflows of Resources	25,475	2,134	-	-	12,707	40,316
FUND BALANCES						
Nonspendable	-	-	-	-	3,276	3,276
Restricted	-	12,048	1,813	-	19,511	33,372
Committed	-	28,414	-	-	8,941	37,355
Assigned	7,144	-	-	-	-	7,144
Unassigned	17,943	(3,511)	-	-	(2,583)	11,849
Total Fund Balances	25,087	36,951	1,813	-	29,145	92,996
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 70,348	\$ 73,485	\$ 14,228	\$ 32,590	\$ 49,273	\$ 239,924

See accompanying Notes to Financial Statements.

**CITY OF NEW BRITAIN, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III) \$ 92,996

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because of the following:

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

Governmental Capital Assets	781,780
Less: Accumulated Depreciation	(342,375)
Net Capital Assets	439,405

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

Property Tax Receivables Greater than 60 Days	11,879
Interest Receivable on Property Taxes	13,526
Housing Loans Receivable	3,660
Other Grant Receivables	3,512
Sewer Receivable	7,669
Deferred Outflows Related to Pensions	90,532
Deferred Outflows Related to OPEB	29,667
Deferred Outflows Related to Contributions made Subsequent to the Measurement Date	

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 position.

9,081

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	(314,555)
Clean Water Notes Payable	(682)
Interest Payable on Bonds and Notes	(4,530)
Compensated Absences	(4,944)
Net Pension Liability	(290,806)
Net OPEB Liability	(60,462)
Deferred Amounts on Refunding	3,466
Deferred Discounts on Refundings	813
Unamortized Bond Premium	(8,840)
Deferred Inflows Related to OPEB	(23,547)
Deferred Inflows Related to Pensions	(5,444)

Net Position of Governmental Activities (Exhibit I) \$ (7,604)

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	General	Capital Projects Fund	BOE State and Federal Grants	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes	\$ 135,167	\$ -	\$ -	\$ -	\$ -	\$ 135,167
Intergovernmental	125,219	51,592	80,859	22,793	17,949	298,412
Licenses, Fees, and Charges for Goods and Services	11,033	-	-	-	16,468	27,501
Investment Earnings	2,524	194	-	-	542	3,260
Investment Losses	-	-	-	-	(6)	(6)
Miscellaneous	469	444	-	-	783	1,696
Total Revenues	<u>274,412</u>	<u>52,230</u>	<u>80,859</u>	<u>22,793</u>	<u>35,736</u>	<u>466,030</u>
EXPENDITURES						
Current:						
General Government	9,906	-	-	16,793	17	26,716
Public Safety	64,681	-	-	-	656	65,337
Public Works	15,982	-	-	-	14,264	30,246
Health and Welfare	3,148	-	-	-	5,584	8,732
Education	156,843	-	80,972	-	13,525	251,340
Parks and Recreation	8,832	-	-	-	3,850	12,682
Capital Outlay	-	33,328	-	-	-	33,328
Debt Service	21,973	106	-	-	-	22,079
Total Expenditures	<u>281,365</u>	<u>33,434</u>	<u>80,972</u>	<u>16,793</u>	<u>37,896</u>	<u>450,460</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,953)	18,796	(113)	6,000	(2,160)	15,570
OTHER FINANCING SOURCES (USES)						
Transfers In	8,372	-	-	-	684	9,056
Transfers Out	(668)	(16)	-	(6,000)	(514)	(7,198)
Issuance of Notes Payable	-	605	-	-	-	605
Total Other Financing Sources (Uses)	<u>7,704</u>	<u>589</u>	<u>-</u>	<u>(6,000)</u>	<u>170</u>	<u>2,463</u>
NET CHANGE IN FUND BALANCES	751	19,385	(113)	-	(1,990)	18,033
Fund Balances - Beginning of Year	<u>24,336</u>	<u>17,566</u>	<u>1,926</u>	<u>-</u>	<u>31,135</u>	<u>74,963</u>
FUND BALANCES - END OF YEAR	<u>\$ 25,087</u>	<u>\$ 36,951</u>	<u>\$ 1,813</u>	<u>\$ -</u>	<u>\$ 29,145</u>	<u>\$ 92,996</u>

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Governmental Funds (Exhibit IV)	\$	18,033
<p>Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:</p>		
<p>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:</p>		
Capital Outlay and Other Expenditures		49,092
Depreciation Expense		(14,053)
<p>The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.</p>		
		(58)
<p>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:</p>		
Property Tax Receivable - Accrual Basis Change		(828)
Property Tax Interest and Lien Revenue - Accrual Basis Change		123
Housing Loans Receivable		(270)
Other Grant Receivables		(21,835)
Sewer Receivables		482
Change in Deferred Inflows Related to OPEB		(8,558)
Change in Deferred Inflows Related to Pensions		37,282
<p>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 position. 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:</p>		
Proceeds from Note Payable		(605)
Bond Principal Payments		8,935
Payments on Clean Water Fund Notes		300
<p>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:</p>		
Compensated Absences		462
Accrued Interest		(510)
Amortization of Deferred Charge on Refunding		(887)
Amortization of Bond Premium		789
Amortization of Bond Discounts		(85)
Net OPEB Expense		(11,895)
Net Pension Expense		(106,061)
Change in Deferred Outflows Related to Pensions		35,882
Change in Deferred Outflows Related to OPEB		18,517
<p>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.</p>		
		(5,064)
Change in Net Position of Governmental Activities (Exhibit II)	\$	<u>(812)</u>

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 5,144	\$ 7,818
Investments	12	21,741
Receivables:		
Other, Net of Allowance for Uncollectible Inventory	5,152	10
Total Current Assets	10,692	29,569
Noncurrent Assets:		
Capital Assets, Net	48,953	-
Total Assets	59,645	29,569
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	641	-
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Expenses	753	2,025
Compensated Absences	112	-
Current Portion of Bonds and Notes Payable	626	-
Total Current Liabilities	1,491	2,025
Noncurrent Liabilities:		
Bonds and Notes Payable	4,628	-
Compensated Absences	88	-
Claims Liabilities	-	18,463
Total Noncurrent Liabilities	4,716	18,463
Total Liabilities	6,207	20,488
NET POSITION		
Net Investment in Capital Assets	44,340	-
Unrestricted	9,739	9,081
Total Net Position	\$ 54,079	\$ 9,081

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities <u>Water</u> <u>Enterprise Fund</u>	Governmental Activities <u>Internal</u> <u>Service Funds</u>
OPERATING REVENUES		
Charges for Services and Goods	\$ 14,504	\$ -
Charges to Other Funds	-	33,635
Other	-	2,352
Total Operating Revenues	<u>14,504</u>	<u>35,987</u>
OPERATING EXPENSES		
Cost of Sales, Services, and Administration	9,600	-
Administration and General Expense	-	726
Depreciation Expense	1,944	-
Claims Incurred	-	41,418
Total Operating Expenses	<u>11,544</u>	<u>42,144</u>
OPERATING INCOME (LOSS)	2,960	(6,157)
NONOPERATING REVENUES (EXPENSES)		
Income on Investments	11	1,093
Interest Expense	(133)	-
Net Nonoperating Revenues (Expenses)	<u>(122)</u>	<u>1,093</u>
CHANGE IN NET POSITION BEFORE TRANSFERS AND CONTRIBUTIONS	2,838	(5,064)
TRANSFERS AND CONTRIBUTIONS		
Transfers Out	(1,858)	-
Total Transfers and Contributions	<u>(1,858)</u>	<u>-</u>
CHANGE IN NET POSITION	980	(5,064)
Net Position - Beginning of Year	<u>53,099</u>	<u>14,145</u>
NET POSITION - END OF YEAR	<u>\$ 54,079</u>	<u>\$ 9,081</u>

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities	Governmental Activities
	Water Enterprise Fund	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Charges to Other Funds	\$ -	\$ 33,635
Cash Received from Customers	14,897	-
Cash Received from Other Operating Activities	-	2,346
Cash Paid for Premiums and Other Operating Expenses	(9,425)	(726)
Cash Payments for Claims Made	-	(40,696)
Net Cash Provided (Used) by Operating Activities	<u>5,472</u>	<u>(5,441)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Received from Other Funds	-	20,762
Cash Paid to Other Funds	(1,858)	(20,762)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(1,858)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(1,073)	-
Proceeds from Loan Obligation	620	-
Payment of Loan Obligation	(1,395)	-
Interest Paid on Capital Debt	(133)	-
Net Cash Provided (Used) by Capital Financing Activities	<u>(1,981)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Income on Investments	11	1,093
Purchase of Investments	-	(923)
Net Cash Provided (Used) by Investing Activities	<u>11</u>	<u>170</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,644	(5,271)
Cash and Cash Equivalents - Beginning of Year	<u>3,500</u>	<u>13,089</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,144</u>	<u>\$ 7,818</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 2,960	\$ (6,157)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	1,944	-
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	341	(6)
(Increase) Decrease in Other Deferred Asset	52	-
(Increase) Decrease in Inventory	36	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	139	(427)
Increase (Decrease) in Claims Liability	-	1,149
Total Adjustments	<u>2,512</u>	<u>716</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,472</u>	<u>\$ (5,441)</u>

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Custodial Fund Downtown District</u>
ASSETS		
Cash and Cash Equivalents	\$ 1,190	\$ -
Investments, at Fair Value:		
Mutual Funds - Equities	103,518	-
Mutual Funds - Bonds	39,739	-
Accounts Receivable	6,300	-
Total Assets	<u>150,747</u>	<u>-</u>
LIABILITIES		
Accounts Payable		55
Due to Other Funds	9,601	-
Total Liabilities	<u>9,601</u>	<u>55</u>
NET POSITION		
Restricted for Pension	130,008	-
Restricted for Other Post Retirement Benefits	11,138	-
Restricted for Other Governments	-	(55)
Total Net Position	<u>\$ 141,146</u>	<u>\$ (55)</u>

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Downtown District
ADDITIONS:		
Contributions:		
Employer	\$ 10,721	\$ -
Employee	124	-
Total Contributions	10,845	-
Investment Income:		
Net Change in Fair Value of Investments	13,565	-
Interest and Dividends	3,025	-
Total Investment Income	16,590	-
Less: Investment Expense	(108)	-
Net Investment Income	16,482	-
Payments of Property Tax for Other Governments	-	270
Total Additions	27,327	270
DEDUCTIONS:		
Benefits	20,608	-
Administration	101	-
Payments to Other Entities	-	339
Total Deductions	20,709	339
CHANGE IN NET POSITION	6,618	(69)
Net Position - Beginning of Year	134,528	14
NET POSITION - END OF YEAR	\$ 141,146	\$ (55)

See accompanying Notes to Financial Statements.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 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 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 2016. The Common Council, the legislative body, is elected biennially and consists of fifteen (15) Aldermen with three (3) members elected from each of the City's five (5) wards (incorporating minority party representation requirements). The other elected officials are City Treasurer, ten (10) Members of the Board of Education, Registrars of Voters and three (3) members of the Board of Assessment Appeals.

The municipal budget is prepared by the Board of Finance and Taxation and the Mayor who submits recommendations 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 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 one joint venture as described below.

Bristol Resource Recovery Facility Operating Committee

The City is a participant with 14 other cities and towns in a joint venture, the Bristol Resource Recovery Facility (BRRFOC). 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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Ventures (Continued)

Bristol Resource Recovery Facility Operating Committee (Continued)

A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut 06010.

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, Newington, Rocky Hill, and the Cities of New Britain and Middletown. A 16-person Board of Directors is appointed by the four member towns of Berlin, Cromwell, New Britain, and Middletown appointing five members, Berlin appoints three members, and Cromwell appoints three 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.

Accounting principles generally accepted in the United State of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Town has established two single-employer Public Retirement Systems (PERS) and one postretirement health care benefits (OPEB) plan to provide retirement benefits and post-retirement health care benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. All fiduciary activities are reported only in the fund financial 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.

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.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, including fiduciary component units, 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. 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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

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 120 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 lease liabilities, compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, charges for services, license 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:

General Fund

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 major sources of revenue for this fund are property taxes and governmental grants.

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. The major sources of revenue for this fund are bond proceeds and governmental grants.

BOE State and Federal Grants Fund

The BOE State and Federal Grants Fund accounts for educational grant programs funded by the federal and state governmental and other local agencies. The major source of revenue for this fund is governmental grants.

ARPA Fund

The ARPA Fund accounts for expenditures under the American Rescue Plan Act. The major source of revenue for this fund is from the federal government passed through the state of Connecticut.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City reports the following major proprietary fund:

Water Enterprise Fund

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:

Internal Service Funds

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

Pension and OPEB Trust Fund

The Pension and OPEB 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 and also the activities of the City and Board of Education for other postemployment benefits payments to qualified retired employees.

Custodial Fund

The Custodial Fund accounts for fiduciary activities related to the collection of taxes for the Downtown District.

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. Unrestricted resources are used in the following order: committed, assigned, then unassigned.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Adoption of New Accounting Standards

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

In May 2020, the GASB issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The City adopted the requirements of the guidance effective July 1, 2022, and has concluded that there was no material impact on the entity's net position and changes in net position as a result of adoption of this standard.

E. 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.

F. 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 noncurrent 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. 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 \$4,930 for property taxes receivable and interest receivable that are deemed to be uncollectible.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. 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.

H. 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 five 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 acquisition value 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 reported as an expense rather than capitalized as part of the historical value of the assets constructed.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

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

Buildings	25 to 30 Years
Building Improvements	20 Years
Machinery and Equipment	5 to 20 Years
Vehicles	5 Years
Infrastructure	10 to 65 Years

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding and deferred outflows related to pensions and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pensions and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet and deferred inflows related to pensions and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred inflow of resources related to pensions and OPEB result from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). For governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, sewer fees, and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. 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 \$4,944. The City and Board of Education compensated absences are generally liquidated by the General Fund.

K. Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

L. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

M. 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 position. Bond premiums and discounts 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. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity

Equity in the government-wide financial statements is defined as “net position” and is classified in the following categories:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – Net position is restricted because it is externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This component consists of net position that does not meet the definition of “restricted” or “invested in capital assets.”

Nonspendable Fund Balance – This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Equity of the fund financial statements is defined as “fund balance: and is classified in the following categories:

Restricted Fund Balance – This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (City of New Britain Common Council). A resolution approved by the Common Council of the City of New Britain is required to modify or rescind a fund balance commitment.

Assigned Fund Balance – This balance represents amounts constrained for the intent to be used for a specific purpose by a governing board or official that has been delegated authority to assign amounts by the City Charter. A resolution approved by the Common Council of the City of New Britain is required to modify or rescind a fund balance assignment.

Unassigned Fund Balance – This represents fund balance in the General Fund in excess of nonspendable, restricted, committed, and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Accounting Estimates

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

NOTE 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 that 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.

Additional appropriations for the fiscal year were \$751.

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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

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

Also, in accordance with the provision of GASB 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 are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year-end. There were no open encumbrances at the end of the year.

B. Deficit Fund Equity

The following funds have a deficit fund balance/net position at June 30, 2023:

Nonmajor:

Special Revenue Funds:

Cemetery	\$	1,196
Local Capital Improvement		232
American Savings Grant		5
21st Century After School Grant		84
Exercise the Right Choice II		4
Centralized and Distribution Services		236
Federal Omnibus Appropriation		23
STD Control Program		16
Highway Safety Grant		343
Mayor's Fun Day		100
ARRA Paving Program		51
Business Outreach Center		52
Emergency Shelter Grant		54
Redevelopment Commission		6
Brownfield Pilot		5
EFSP Program		13
Neighborhood Stabilization Program		53
American the Beautiful Forestry		4
Camp Schade		10
Opioid Fund		79
ELC Enhancing Detection		9
Lead Grant		8

Internal Service Funds:

Workers' Compensation	6,556
-----------------------	-------

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Deficit Fund Equity (Continued)

The special revenue funds deficit balances will be eliminated by program income. Internal Service funds deficit balances will be eliminated from future contributions from the General Fund.

C. Expenditures Over Appropriations

The following individual lines within the General Fund budget indicated expenditures that exceeded their appropriations:

<u>Department</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Recording and Reporting	\$ 637	\$ 638	\$ (1)
Police	19,765	19,778	(13)
Fire	16,736	16,739	(3)
Building	697	698	(1)
Street Services	4,774	4,788	(14)
Public Buildings	3,041	3,043	(2)
Waste Disposal	4,879	4,881	(2)
Maintenance	2,245	2,247	(2)
Special Projects	111	116	(5)
Recreation Department	1,764	1,785	(21)
Community Services		1	(1)
Environmental Control	392	394	(2)
Contingency	118	123	(5)
Education	126,384	126,392	(8)

NOTE 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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

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.

A. 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 City 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*, \$184,941 of the City’s bank balance of \$187,461 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$	166,219
Uninsured and Collateral Held by the Pledging Bank’s Trust Department, not in the City’s Name		18,722
Total Amount Subject to Custodial Credit Risk	\$	184,941

The City had no cash equivalents at June 30, 2023.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

B. Investments

As of June 30, 2023, the City had the following investments:

Investment Type	Fair Value	Investment Maturities (Years)		
		Less Than 1	1 - 10	More Than
Interest-Bearing Investments:				
Corporate Bonds	\$ 14,889	\$ 1,072	\$ 13,015	\$ 802
Total	14,889	\$ 1,072	\$ 13,015	\$ 802
Other Investments:				
Mutual Funds - Equities	112,925			
Mutual Funds - Bonds	42,632			
Common Stock	4,109			
Total Investments	\$ 174,555			

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies	Bond Mutual Funds
Aaa	\$ 434	\$ -	\$ -	\$ -
Aa1	-	-	-	-
Aa2	493	-	-	-
Aa3	762	-	-	-
A1	2,574	-	-	-
A2	2,534	-	-	-
A3	2,825	-	-	-
Baa1	2,408	-	-	-
Baa2	2,859	-	-	-
Baa3	-	-	-	-
Unrated	-	-	-	42,632
Total	\$ 14,889	\$ -	\$ -	\$ 42,632

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements).

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

The City has the following recurring fair value measurements as of June 30, 2023:

	June 30, 2023	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Corporate Bonds	\$ 14,889	\$ 14,889	-	-
Mutual Funds	159,666	150,331	9,335	-
Total Investments by Fair Value Level	<u>\$ 174,555</u>	<u>\$ 165,220</u>	<u>\$ 9,335</u>	<u>\$</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The City has no Level 3 investments.

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, 2023, the City had no uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the City's name.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 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:

	General	Capital Projects	BOE State and Federal Grants	Nonmajor and Other Funds	Business Activities Water Enterprise	Total
Receivables:						
Interest	\$ 14,561	\$ -	\$ -	\$ -	\$ -	\$ 14,561
Taxes	17,421	-	-	-	-	17,421
Water Use	-	-	-	-	5,554	5,554
Sewer Use	-	-	-	9,047	-	9,047
Other	2,185	-	-	6,411	-	8,596
Intergovernmental	-	2,134	2,662	4,325	-	9,121
Housing Loans	-	-	-	3,688	-	3,688
Gross Receivables	<u>34,167</u>	<u>2,134</u>	<u>2,662</u>	<u>23,471</u>	<u>5,554</u>	<u>67,988</u>
Less: Allowance for Uncollectibles	<u>(4,930)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(402)</u>	<u>(5,332)</u>
Net Total Receivables	<u>\$ 29,237</u>	<u>\$ 2,134</u>	<u>\$ 2,662</u>	<u>\$ 23,471</u>	<u>\$ 5,152</u>	<u>\$ 62,656</u>

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	\$ 4,930
Water Receivables	402
Total	<u>\$ 5,332</u>

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 13,417	\$ -	\$ -	\$ 13,417
Construction in Progress	37,439	44,139	744	80,834
Total Capital Assets not Being Depreciated	<u>50,856</u>	<u>44,139</u>	<u>744</u>	<u>94,251</u>
Capital Assets Being Depreciated:				
Land Improvements	42,656	83	-	42,739
Buildings	401,040	1,517	-	402,557
Machinery and Equipment	26,831	1,828	679	27,980
Vehicles	28,998	1,645	-	30,643
Infrastructure	183,610	-	-	183,610
Total Capital Assets Being Depreciated	<u>683,135</u>	<u>5,073</u>	<u>679</u>	<u>687,529</u>
Less: Accumulated Depreciation for:				
Land Improvements	23,903	1,424	-	25,327
Buildings	176,798	7,151	-	183,949
Machinery and Equipment	17,511	1,454	-	18,965
Vehicles	24,195	1,716	636	25,275
Infrastructure	86,551	2,308	-	88,859
Total Accumulated Depreciation	<u>328,958</u>	<u>14,053</u>	<u>636</u>	<u>342,375</u>
Total Capital Assets Being Depreciated, Net	<u>354,177</u>	<u>(8,980)</u>	<u>43</u>	<u>345,154</u>
Governmental Activities Capital Assets, Net	<u>\$ 405,033</u>	<u>\$ 35,159</u>	<u>\$ 787</u>	<u>\$ 439,405</u>

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 1,977	\$ -	\$ -	\$ 1,977
Construction in Progress	-	620	-	620
Total Capital Assets not Being Depreciated	1,977	620	-	2,597
Capital Assets Being Depreciated:				
Source of Supply	6,011	-	-	6,011
Pumping Plant	2,826	-	-	2,826
Water Treatment Plant	3,090	49	-	3,139
Filter Plant	57,307	-	-	57,307
Machinery and Equipment	3,190	209	-	3,399
Transmission and Distribution	15,144	192	39	15,297
General Plant and Administrative Equipment	346	-	-	346
Total Capital Assets Being Depreciated	87,914	450	39	88,325
Less: Accumulated Depreciation for:				
Source of Supply	3,270	64	-	3,334
Pumping Plant	2,137	40	-	2,177
Water Treatment Plant	925	111	-	1,036
Filter Plant	20,371	1,147	-	21,518
Machinery and Equipment	2,538	150	-	2,688
Transmission and Distribution	10,631	427	39	11,019
General Plant and Administrative	192	5	-	197
Total Accumulated Depreciation	40,064	1,944	39	41,969
Total Capital Assets Being Depreciated, Net	47,850	(1,494)	-	46,356
Business-Type Activities Capital Assets, Net	\$ 49,827	\$ (874)	\$ -	\$ 48,953

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	\$ 1,291
Public Safety	2,384
Public Works	3,623
Health and Social Services	5
Parks and Recreation	1,105
Education	5,645
Total Depreciation Expense - Governmental Activities	\$ 14,053
Business-Type Activities:	
Enterprise Fund - Water Depreciation Expense	\$ 1,944

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 5 CAPITAL ASSETS (CONTINUED)

Construction Commitments

The City has active construction projects as of June 30, 2023. The following is a summary of capital projects as of June 30, 2023:

<u>Project</u>	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>	<u>Remaining Commitment</u>
Public Buildings	\$ 40,027	\$ 39,566	\$ 461
Schools	242,104	148,870	93,234
Infrastructure	97,082	88,633	8,449
Parks and Recreation	23,250	23,239	11
Other	442,927	305,035	137,892

NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

All interfund receivables and payables are the result of regularly recurring transactions and represent temporary balances. A summary of interfund balances as of June 30, 2023, is presented below:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Pension Trust Funds	9,601
Nonmajor Government Funds	BOE State and Federal Grants	3,878
Total		<u>\$ 13,479</u>

The Pension Trust Funds will reimburse the General Fund in fiscal year 2024 from employee contributions and investment earnings.

Interfund transfers:

The composition of interfund transfers for the year ended June 30, 2023, is as follows:

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers Out</u>
General Fund	\$ -	\$ -	\$ 668	\$ 668
Capital Projects	-	-	16	16
ARPA Fund	6,000	-	-	6,000
Funds	514	-	-	514
Water Fund	1,858	-	-	1,858
Total Transfers In	<u>\$ 8,372</u>	<u>\$ -</u>	<u>\$ 684</u>	<u>\$ 9,056</u>

During the year, transfers are used to (1) move General Fund resources to provide contributions to the Health Foundation Fund, Public Works Fund and Fire Grant Fund, and (2) to transfer Water Fund annual contribution to the General fund.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Further, during the year ended June 30, 2023, the City made the following one-time transfer. A transfer of \$6,000 to move funds from ARPA Fund to the General Fund to provide government services.

NOTE 7 LONG-TERM DEBT

A schedule of bond indebtedness as of June 30, 2023, is as follows:

	Interest Rate %	Original Issue	Date of Issue	Date of Maturity	Balance Outstanding
Consolidated School District:					
2008 Series A	2.8 - 5.0	\$ 1,750	4/1/2008	4/15/2022	\$ 230
2015 Series A	3.0 - 5.0	9,935	3/19/2015	3/1/2035	1,941
2017 Series C	5.0	9,108	3/15/2017	3/15/2037	8,106
2018 Series Refunding	4.032-4.402	16,615	5/15/2018	3/1/2039	16,588
2019 Series	5.0	11,360	12/10/2019	9/1/2044	7,375
2020 Series A	3.0	141	8/19/2020	9/1/2044	141
2020 Series B	0.891-3.250	9,428	8/19/2020	9/1/2042	8,613
2022 Series A	5.0	6,000	6/15/2022	3/1/2047	5,794
2022 Series B	4.0	1,094	6/15/2022	3/1/2047	1,094
2022 Series C	5.331	7,491	6/15/2022	3/1/2047	7,491
Subtotal		72,922			57,373
Public Improvement:					
2008 Series A	2.8 - 5.0	11,215	4/1/2008	4/1/2028	1,471
2008 Series B (2005 Water Refund)	2.8 - 5.0	14,170	4/1/2008	4/1/2035	2,359
2015 Series A	0.82 - 5.0	19,065	1/28/2016	3/1/2035	3,724
2017 Series C	5.0	44,037	3/15/2017	3/15/2037	39,189
2018 Series Refunding	4.032-4.402	75,030	5/15/2018	3/1/2039	74,907
2018 Series B	3.75-5.25	23,320	12/19/2018	9/1/2038	13,120
2018 Series C	3.75-5.25	5,650	12/19/2018	9/1/2038	2,390
2020 Series A	3.0	21,174	08/19/20	09/01/44	21,174
2020 Series B	0.891 - 3.250	29,612	08/19/20	09/01/42	27,052
2022 Series A	5.0	26,950	6/15/2022	3/1/2047	26,021
2022 Series B	4.0	6,401	6/15/2022	3/1/2047	6,401
2022 Series C	5.331	20,604	6/15/2022	3/1/2047	20,604
Subtotal		297,228			238,412
General Obligation Pension Bonds:					
2015 Series A	1.901 - 4.034	56,000	4/15/2015	2/1/2026	18,770
Total Governmental Activities		\$ 426,150			\$ 314,555

General 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 2015.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 7 LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 323,490	\$	\$ 8,935	\$ 314,555	\$ 8,505
Bond Premiums	9,629	-	789	8,840	-
Bond Discounts	(898)	-	(85)	(813)	-
Total General Obligation Bonds	332,221	-	9,639	322,582	8,505
Notes Payable:					
Clean Water Notes	982	-	300	682	222
Other Liabilities:					
Net OPEB Liability	48,567	11,895	-	60,462	-
Compensated Absences	5,406	34	496	4,944	1,762
Net Pension Liability	184,745	106,061	-	290,806	-
Risk Management	17,326	16,801	15,664	18,463	-
	<u>\$ 589,247</u>	<u>\$ 134,791</u>	<u>\$ 26,099</u>	<u>\$ 697,939</u>	<u>\$ 10,489</u>
Business-Type Activities:					
Bonds Payable					
Bonds Payable	\$ 1,585	\$	\$	\$ 1,585	\$ -
Notes Payable:					
Clean Water Notes	4,447	620	1,398	3,669	626
Compensated Absences	170	43	13	200	112
	<u>\$ 6,202</u>	<u>\$ 663</u>	<u>\$ 1,411</u>	<u>\$ 5,454</u>	<u>\$ 738</u>

Expenditures for compensated absences and net pension liabilities will be funded through the General Fund and the Water Enterprise fund. OPEB expense will be funded by the health insurance fund and OPEB Trust Funds.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 7 LONG-TERM DEBT (CONTINUED)

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	\$ 304,983	\$ 272,654	\$ 32,329
Schools	609,966	223,190	386,776
Sewers	508,305	21,418	486,887
Urban Renewal	440,531	-	440,531
Pension Deficit	406,644	-	406,644

The total overall statutory debt limitation for the City is equal to seven times annual receipts from taxation (\$948,836).

The indebtedness above includes \$174,517 of authorized bonds that were unissued as of June 30, 2023, for various projects.

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.

Overlapping Debt

As explained in Note 1, the Mattabassett District has been empowered by the state of Connecticut to issue bonds in its own name. The Mattabassett District has an outstanding of \$83,428 debt issued under the state of Connecticut's Clean Water Revolving Fund Program in connection with the design and construction of a Waste Water Pollution Facility Nitrogen Upgrade Project. As a member of the Mattabassett District, the City is assessed a pro-rate share of 38.69% of the District debt, which is reflected as overlapping debt. As of June 30, 2023, \$42,073 has been drawn upon and \$16,278 represents the City's share of the debt as of that date.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 7 LONG-TERM DEBT (CONTINUED)

The maturities relating to all bonds and serial notes of the governmental activities of the City as of June 30, 2023, are as follows:

Year Ending June 30,	Principal General Obligation	Principal Clean Water Notes	Interest General Obligation	Interest Clean Water Notes	Total
2024	\$ 8,505	\$ 222	\$ 13,718	\$ 12	\$ 22,457
2025	11,865	98	13,407	8	25,378
2026	12,185	98	12,880	6	25,169
2027	12,400	72	12,322	4	24,798
2028	12,565	35	11,815	4	24,419
2029	12,795	35	11,229	3	24,062
2030	13,075	35	10,612	2	23,724
2031	13,250	35	9,994	1	23,280
2032	12,974	35	9,411	1	22,421
2033	13,035	17	8,798	-	21,850
2034	13,750	-	8,171	-	21,921
2035	14,050	-	7,494	-	21,544
2036	14,210	-	6,873	-	21,083
2037	14,400	-	6,216	-	20,616
2038	14,260	-	5,489	-	19,749
2039	13,872	-	4,865	-	18,737
2040	13,925	-	4,151	-	18,076
2041	13,793	-	3,648	-	17,441
2042	13,657	-	3,142	-	16,799
2043	13,520	-	2,641	-	16,161
2044	13,373	-	2,147	-	15,520
2045	13,231	-	1,652	-	14,883
2046	12,820	-	1,265	-	14,085
2047	13,045	-	588	-	13,633
Total	<u>\$ 314,555</u>	<u>\$ 682</u>	<u>\$ 172,528</u>	<u>\$ 41</u>	<u>\$ 487,806</u>

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 7 LONG-TERM DEBT (CONTINUED)

The maturities relating to all bonds and serial notes of the business-type activities of the City as of June 30, 2023, are as follows:

Year Ending June 30,	Principal Clean Water Notes	Revenue and Refunding Bonds	Interest Clean Water Notes	Interest Revenue and Refunding Bonds	Total
2024	\$ 626	\$ -	\$ 65	\$ 117	\$ 808
2025	227	-	59	117	403
2026	227	-	54	117	398
2027	227	-	50	107	384
2028	227	-	45	98	370
2029	226	-	41	89	356
2030	226	-	36	79	341
2031	226	-	32	70	328
2032	226	421	27	61	735
2033	226	535	23	84	868
2034	226	-	18	59	303
2035	226	-	13	34	273
2036	201	-	9	33	243
2037	75	-	6	33	114
2038	75	-	5	33	113
2039	75	3	3	33	114
2040	50	35	2	33	120
2041	32	42	1	32	107
2042	32	48	1	29	110
2043	13	55	-	27	95
2044	-	62	-	24	86
2045	-	69	-	21	90
2046	-	240	-	17	257
2047	-	75	-	4	79
Total	<u>\$ 3,669</u>	<u>\$ 1,585</u>	<u>\$ 490</u>	<u>\$ 1,351</u>	<u>\$ 7,095</u>

As of June 30, 2023, the amount of defeased debt outstanding from all refunding issues \$91,500. These amounts are removed from the governmental activities and business type activities columns of the statement of net position.

**CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)**

NOTE 7 LONG-TERM DEBT (CONTINUED)

Bond Anticipation Notes and Interim Financing

The following short-term obligations were outstanding at June 30, 2023, in the capital projects fund:

Description	Fund	Rate	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
Bond Anticipation Notes	Capital Projects Fund	0.35%	9/19/2022	30,000	-	30,000	-
Bond Anticipation Notes	Capital Projects Fund	3.49%	9/18/2023	-	30,000	-	30,000
DWSRF 2022-7100*	Capital Projects Fund	2.00%	TBD	335,000	1,090	-	1,425
DWSRF 2022-7099*	Capital Projects Fund	2.00%	TBD	469,000	136	605	-
DWSRF 2022-7108*	Capital Projects Fund	2.00%	TBD	-	557	-	557

*Proceeds from the state of Connecticut under the clean water financing agreement are treated as short-term obligation until such time that a final debt agreement is permanently financed.

As of June 30, 2023, the City has received \$605 of clean water loans which have been converted to long-term loan. The loan was considered short-term until the project is completed and a permanent loan is put in place.

NOTE 8 RISK MANAGEMENT

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

- Property damage
- Auto liability
- Boiler and machinery exposures

A. 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.

B. 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.

C. 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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 8 RISK MANAGEMENT (CONTINUED)

D. 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.

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, 2022, to June 30, 2023. The City has obtained coverage that 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 \$942 is reported in the internal service fund at June 30, 2023.

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 12 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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 8 RISK MANAGEMENT (CONTINUED)

D. Self-Insurance Plans (Continued)

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 12 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 \$14.5 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 and there has not been a significant reduction in coverage in the period July 1, 2020, and June 30, 2023.

The changes in the claims liabilities for the fiscal years ended June 30, 2023 and 2022, are as follows:

	June 30, 2023			June 30, 2022		
	Medical	Workers' Compensation	General Accident Casualty and Liability	Medical	Workers' Compensation	General Accident Casualty and Liability
Beginning of Year Claims Liability	\$ 963	\$ 13,393	\$ 2,970	\$ 611	\$ 12,328	\$ 2,982
Current Year Incurred Claims and Changes in Prior Year Estimate	12,247	4,465	89	12,473	4,249	90
Claim Payments	(12,268)	(3,307)	(89)	(12,121)	(3,184)	(102)
End of Year Claims Liability	\$ 942	\$ 14,551	\$ 2,970	\$ 963	\$ 13,393	\$ 2,970

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Pension Trust Funds

The City is the administrator of a single-employer public employee retirement system (PERS). The City maintains two plans that establish and administer pension benefits for both its Police and Fire Department employees, respectively. 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.

Management of the plans rests with the PERS Board, which consists of five members: the Finance Director, Mayor, Majority and Minority Leaders, and the President of the Board of Finance and Taxation.

B. Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the two defined benefit pension plans. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments

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

Plan Description and Benefits Provided

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 10 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%.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

B. Summary of Significant Accounting Policies (Continued)

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

Retirees and Beneficiaries Currently Receiving Benefits	Police 218	Fire 164
Active Plan Members	9	20
Total	227	184

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, 2023, these required contributions were \$2,725 for the fire and police plans each. Benefits and contributions are established by the City and may be amended only by the City Council and Union negotiation.

C. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS board by a majority vote of its members. It is the policy of the PERS board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy for both plans as of June 30, 2023:

Asset Class	Target Allocation
Core Fixed Income	35.00 %
Short-Term Bonds	1.50
U.S. Large Cap Equity	30.00
Small Cap U.S. Equities	10.00
Developed Foreign Equities	20.00
Commodities	3.50
Total	100.00 %

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

C. Investments (Continued)

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for Fire and Police, was 12.99% and 13.71%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net Pension Liability of the City

The components of the net pension liability of the City at June 30, 2023, were as follows:

	Fire	Police
Total Pension Liability	\$ 119,202	\$ 101,262
Plan Fiduciary Net Position	75,379	54,629
Total Net Pension Liability	\$ 43,823	\$ 46,633
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.24%	53.95%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

	Police	Fire
Inflation	2.50%	2.50%
Salary Increases	3.00%	3.00%
Investment Rate of Return	6.75%	6.75%

Mortality rates were based on the PubS-2010 Healthy Annuitant Mortality Table with generational projection per the MP-2021 ultimate scale.

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2015.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

D. Net Pension Liability of the City (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023, (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return
Core Fixed Income	1.95%
Short-Term Bonds	0.78%
Large Cap U.S. Equities	5.57%
Small Cap U.S. Equities	7.18%
Developed Foreign Equities	7.30%
Commodities	2.56%

Discount Rate

The discount rate used to measure the total pension liability was 6.75% for both fire and police plans. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

D. Net Pension Liability of the City (Continued)

Changes in Pension Liability

	Fire Pension Plan		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - June 30, 2022	\$ 115,936	\$ 71,682	\$ 44,254
Changes for the Year:			
Service Cost	333	-	333
Interest on Total Pension Liability	7,587	-	7,587
Differences Between Expected and Actual Experience	4,748	-	4,748
Changes of Assumptions	(1,530)	-	(1,530)
Employer Contributions	-	2,725	(2,725)
Member Contributions	-	92	(92)
Net Investment Income (Loss)	-	8,799	(8,799)
Benefit Payments, Including Refund to Employee Contributions	(7,872)	(7,872)	-
Administrative Expenses	-	(47)	47
Net Changes	3,266	3,697	(431)
Balances - June 30, 2023	<u>\$ 119,202</u>	<u>\$ 75,379</u>	<u>\$ 43,823</u>

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

D. Net Pension Liability of the City (Continued)

Changes in Pension Liability (Continued)

	Police Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - June 30, 2022	\$ 101,738	\$ 53,481	\$ 48,257
Changes for the Year:			
Service Cost	138	-	138
Interest on Total Pension Liability	6,601	-	6,601
Differences Between Expected and Actual Experience	2,085	-	2,085
Changes in Assumptions	(985)	-	(985)
Employer Contributions	-	2,725	(2,725)
Member Contributions	-	32	(32)
Net Investment Income (Loss)	-	6,754	(6,754)
Benefit Payments, Including Refund to Employee Contributions	(8,315)	(8,315)	-
Administrative Expenses	-	(48)	48
Net Changes	<u>(476)</u>	<u>1,148</u>	<u>(1,624)</u>
Balances - June 30, 2023	<u>\$ 101,262</u>	<u>\$ 54,629</u>	<u>\$ 46,633</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75% for fire and police plans, respectively, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

Fire Plan

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Fire Net Pension Liability	\$ 56,091	\$ 43,823	\$ 33,415

Police Plan

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Police Net Pension Liability	\$ 56,854	\$ 46,633	\$ 37,995

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

E. Schedules of Plan Net Position

	Firemen's Pension Fund	Police Benefit Fund	OPEB Trust Fund	Total
ASSETS				
Cash and Cash Equivalents	\$	\$	\$ 1,190	\$ 1,190
Investments	76,750	57,409	9,098	143,257
Accounts Receivable	2,725	2,725	850	6,300
	<u>79,475</u>	<u>60,134</u>	<u>11,138</u>	<u>150,747</u>
Total Assets	<u>\$ 79,475</u>	<u>\$ 60,134</u>	<u>\$ 11,138</u>	<u>\$ 150,747</u>
LIABILITIES AND NET POSITION				
LIABILITIES				
Accounts Payable	\$	\$	\$ -	\$
Due to Other Funds	4,096	5,505	-	9,601
Total Liabilities	4,096	5,505	-	9,601
NET POSITION RESTRICTED FOR PENSION BENEFITS				
	75,379	54,629	11,138	141,146
Total Liabilities and Net Position	<u>\$ 79,475</u>	<u>\$ 60,134</u>	<u>\$ 11,138</u>	<u>\$ 150,747</u>

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System

A. Plan Description

All full-time employees participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the state of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the state of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates, and other plan provisions. MERS is considered to be part of the state of Connecticut's financial reporting entity and is included in the state's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

B. Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service.

Normal Retirement

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1½% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Benefits are deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System (Continued)

B. Benefit Provisions (Continued)

Disability Retirement - Service Connected

This applies to employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, who began employment prior to July 1, 1996, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.

Disability Retirement - Nonservice Connected

This applies to employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Pre-Retirement Death Benefit

The plan offers a lump-sum return of contributions with interest or if vested and married, the surviving spouse will receive a lifetime benefit.

C. Contributions

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2¼% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base. Effective July 1, 2019, member contribution rates are set to increase by 0.5% of compensation each year for six years.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member. The City's required contribution rate for the year ended June 30, 2023, was 22.63% of annual payroll. Contributions to the pension plan from the City were \$19,070 for the year ended June 30, 2023.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System (Continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the City reports a liability of \$199,255 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2022. The actuarial assumptions used in the June 30, 2022, valuation were based on results of an actuarial experience study for the period July 1, 2012, through June 30, 2017.

The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2023, the City's proportion was 14.49%. The increase in proportion from the prior year was 1.65%.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement period:

Inflation	2.50%
Salary Increase	3.50-10.00%, including inflation
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on:

RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.

RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire.

For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

Future cost-of-living adjustments for members who retire on or after January 1, 2002, are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System (Continued)

E. Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	37.0 %	6.9 %
Public Credit	2.0	2.9
Core fixed income	13.0	0.4
Liquidity Fund	1.0	(0.4)
Risk Mitigation	5.0	0.1
Private Equity	15.0	11.2
Private Credit	10.0	6.2
Real Estate	10.0	6.3
Infra. & Natural Resources	7.0	7.7
Total	<u>100.0 %</u>	

F. Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)**

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System (Continued)

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability, calculated using the current discount rate, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the Net Pension Liability	\$ 275,522	\$ 199,255	\$ 135,290

H. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the City recognized pension expense for the following plans:

	Pension Expense
Police Pension Plan	\$ 4,888
Fire Pension Plan	7,177
MERS	45,353
Elected Officials Plan	238
Teachers Retirement Pension Plan	32,077
Total	\$ 89,733

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Municipal Employees' Retirement System (Continued)

I. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Police Pension Plan Deferred Outflows of Resources	Fire Pension Plan Deferred Outflows of Resources	MERS Deferred Outflows of Resources	Total Deferred Outflows of Resources	MERS Deferred (Inflows) of Resources
Differences Between Expected and Actual Experience	\$ -	\$ -	\$ 26,325	\$ 26,325	(2,778)
City Contributions after the Measurement Date	-	-	19,070	19,070	-
Change in Assumptions	-	-	27,532	27,532	-
City's Employer Change in Proportional Share	-	-	13,574	13,574	(2,666)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	1,511	2,520	-	4,031	-
Total Deferred Outflows of Resources	<u>\$ 1,511</u>	<u>\$ 2,520</u>	<u>\$ 86,501</u>	<u>\$ 90,532</u>	<u>\$ (5,444)</u>

Amounts reported as deferred outflows of resources related to City contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	Police Pension Plan	Fire Pension Plan	MERS	Total
2024	\$ 106	\$ 354	\$ 16,139	\$ 16,599
2025	(340)	(175)	14,437	13,922
2026	2,411	3,167	10,259	15,837
2027	(666)	(826)	21,152	19,660

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System — Pension

A. Plan Description

Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the state Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

B. Benefit Provisions

The plan provides retirement, disability, and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

C. Contributions

Per Connecticut General Statutes, Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

**CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)**

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System — Pension (Continued)

C. Contributions (Continued)

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the state of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the State was \$26,167 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the City		331,885
Total		\$ 331,885

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2022. At June 30, 2023, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2023, the City recognized pension expense and revenue of \$32,077 in Exhibit II for on-behalf amounts for the benefits provided by the state.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System — Pension (Continued)

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00-6.50%, including inflation
Investment Rate of Return	6.90%, net of pension plan expense, including inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.

Cost of Living Allowance

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System — Pension (Continued)

E. Actuarial Assumptions (Continued)

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the state of Connecticut Treasurer's Office are summarized in the following table:

<u>Asset Class</u>	<u>Expected Return</u>	<u>Target Allocation</u>
Domestic Equity Fund	5.40 %	20.00 %
Developed Market Intl. Stock Fund	6.40	11.00
Emerging Market Intl. Stock Fund	8.60	9.00
Core Fixed Income Fund	0.80	13.00
Private Equity	6.50	5.00
Emerging Market Debt Fund	3.80	5.00
High Yield Bond Fund	3.40	3.00
Real Estate Fund	5.20	19.00
Private Equity	9.40	10.00
Alternative Investments	3.10	3.00
Liquidity Fund	(0.40)	2.00
Total		<u>100.00 %</u>

F. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that state contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLAN (CONTINUED)

Connecticut Teachers Retirement System — Pension (Continued)

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The City's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the state of Connecticut.

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

I. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan.

Single-Employer Defined Benefit Pension Plan

In addition to the above plans, 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 and retired elected officials with over 20 years of service (EOPLAN). 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 82 years.

As of the most recent actuarial valuation, EOPLAN membership consisted of 9 retirees with no active employees covered by this plan. Management of the plan rests with the Finance Director and Mayor.

A. Summary of Significant Accounting Policies

The annual required contribution (ARC) and the annual pension cost represent the actual benefits paid out during the year. For the fiscal year ended June 30, 2023, these required contributions totaled \$239. Benefits and contributions are established by the City and may be amended only by the City Council and Union negotiation.

B. Funding Policy and Progress

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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Single-Employer Defined Benefit Pension Plan (Continued)

C. Changes in Total Pension Liability

The total pension liability was determined by an actuarial valuation as of June 30, 2022. The total pension liability as of June 30, 2023, was \$1,095. The changes in the liability during the fiscal year are as follows:

Elected Officials and Pre-72 Police and Fire Employees Plan	Increase (Decrease)
	Total Pension Liability
Balances - June 30, 2022	\$ 1,096
Changes for the Year:	
Interest	35
Effect of Assumptions Changes and Inputs	(61)
Effect of economic/demographic gains or losses	264
Benefit Payments, Including Refund to Employee Contributions	(239)
Balances - June 30, 2023	\$ 1,095

D. Discount Rate

The discount rate used to measure the total pension liability was 3.65%. The discount rate was determined based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

E. Sensitivity of the Total Pension Liability to Changes in the Discount Rate

The following presents the total pension liability of the City's EOPLAN, calculated using the discount rate of 3.65% as well as what the City's pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
EOPLAN Pension Liability	\$ 1,138	\$ 1,095	\$ 1,055

For the year ended June 30, 2023, the City recognized pension expense of \$238. There were no deferred inflows or deferred inflows related to this plan.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Post-Employment Benefits

A. Summary of Significant Accounting Policies

Plan Description

The City is the administrator of a single employer defined benefit OPEB plan. 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.

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.

Management of the City's Other Post-Employment Benefit Plan is vested with the collective members of the Common Council. At July 1, 2022, plan membership consisted of the following:

Active Employees	1,781
Retirees	759
Beneficiaries and Spouses	111
Total	<u><u>2,651</u></u>

B. Funding Policy

The City currently provides for post-employment health care benefits for future health and life insurance benefit expenses. As of June 30, 2013, 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. The City's contribution to the trust is approved during the budgetary process on a yearly basis.

**CITY OF NEW BRITAIN, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023
 (AMOUNTS EXPRESSED IN THOUSANDS)**

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Post-Employment Benefits (Continued)

B. Funding Policy (Continued)

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>
20+	100 %
15 to 19	80 %
10 to 14	60 %
5 to 9	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 (not rounded) 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 (not rounded) 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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Post-Employment Benefits (Continued)

B. Funding Policy (Continued)

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 follows:

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

Retirees can continue coverage beyond the seven-year period at their own expense. If the date of hire is after July 1, 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 10 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 to 19	80 %
5 to 14	60 %

Employees who retire after June 23, 2004, and their dependents are covered for a period of 10 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 7 or 10-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.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Post-Employment Benefits (Continued)

C. Investments

Investment Policy

OPEB Benefit Plan's policy in regard to the allocation of invested assets is established and may be amended by the OPEB board by a majority vote of its members. It is the policy of the OPEB board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The OPEB plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 9.09%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net OPEB Liability of the City

The City's net OPEB liability was measured as of June 30, 2023. The components of the net OPEB liability of the City at June 30, 2023, were as follows:

Total OPEB Liability	\$ 71,600
Plan Fiduciary Net Position	11,138
Net OPEB Liability	<u>\$ 60,462</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	15.56%
---	--------

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	3.00%, average, including inflation
Discount Rate	6.50%
Healthcare Cost Trend Rates	Medical: 6.70% to 3.90% over 60 years Dental: 3.00%
Retirees' Share of Benefit-Related Costs	50% of projected health insurance premiums for retirees

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Post-Employment Benefits (Continued)

D. Net OPEB Liability of the City (Continued)

Mortality rates were based on the Pub-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvement per the MP-2021 Ultimate scale. PubT-2010 was used for BOE Certified employees. PubG-2010 was used for Fire and Police employees.

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2020 – July 1, 2022.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	45.00 %	1.95 %
U.S. Large Caps	40.00	5.57
U.S. Small Caps	5.00	7.18
Foreign Developed Equity	10.00	7.30
Total	100.0 %	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Post-Employment Benefits (Continued)

E. Changes in the Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2023. The components of the net OPEB liability of the City at June 30, 2023, were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances - June 30, 2022	\$ 57,932	\$ 9,365	\$ 48,567
Changes for the Year:			
Service Cost	2,105	-	2,105
Interest on Total OPEB Liability	3,761	-	3,761
Employer Contributions	-	5,271	(5,271)
Net Investment Income (Loss)	-	929	(929)
Benefit Payments	(4,421)	(4,421)	-
Administrative Expenses	-	(6)	6
Net Changes	<u>13,668</u>	<u>1,773</u>	<u>11,895</u>
Balances - June 30, 2023	<u>\$ 71,600</u>	<u>\$ 11,138</u>	<u>\$ 60,462</u>

Total employer contributions to the trust of \$5,271 represents \$4,421 of cash transfers and \$850 of receivables at June 30, 2023.

F. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net OPEB Liability	\$ 65,846	\$ 60,462	\$ 55,670

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Post-Employment Benefits (Continued)

G. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (5.70% Decreasing to 2.90%)	Healthcare Cost Trend Rates (6.70% Decreasing to 3.90%)	1% Increase (7.70% Decreasing to 4.90%)
Net OPEB Liability	\$ 54,860	\$ 60,462	\$ 66,852

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$7,209. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 29,149	\$ (8,854)
Changes in Assumptions	-	(14,693)
Net Difference Between Projected and Actual Earnings	518	-
Total	<u>\$ 29,667</u>	<u>\$ (23,547)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 1,949
2025	1,901
2025	2,159
2025	(792)
2026	(734)
Thereafter	1,637
Total	<u>\$ 6,120</u>

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Other Post-Employment Benefit — Connecticut State Teachers Retirement Plan

A. Plan Description

Teachers, principals, superintendents, or supervisors engaged in service of public schools plus professional employees at state schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the state statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

B. Benefit Provisions

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 (not rounded) per month for a retired member plus an additional \$220 (not rounded) per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of \$440 (not rounded) per month may be paid for a retired member, spouse, or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least \$440 (not rounded) per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees, and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Other Post-Employment Benefit — Connecticut State Teachers Retirement Plan (Continued)

B. Benefit Provisions (Continued)

Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

C. Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, state employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and five years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

**CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)**

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

**Other Post-Employment Benefit — Connecticut State Teachers Retirement Plan
(Continued)**

D. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the state of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The state contributions are not currently actuarially funded. The state appropriates from the General Fund one-third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the state was \$370 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers' pay for one-third of the plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the City was as follows:

City's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability Associated with the City		29,065
Total	\$	29,065

**CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)**

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

**Other Post-Employment Benefit — Connecticut State Teachers Retirement Plan
(Continued)**

**E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to OPEB (Continued)**

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2022. At June 30, 2023, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2023, the City recognized OPEB expenses and revenues of \$1,382 in Exhibit II.

F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Healthcare Cost Trend Rates	Known increases until calendar year 2024 then general trend decreasing to an ultimate rate of 4.50% by 2031
Salary Increases	3.00-6.50%, including inflation
Investment Rate of Return	3.53%, net of OPEB plan investment expense, including inflation
Year Fund Net Position will be Depleted	2027

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2014, to June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 2.17% to 3.53%;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- The assumed age-related annual percentage increases in expected annual per capita health care claim costs were updated;
- Long-term health care cost trend rates were updated; and
- The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Other Post-Employment Benefit – Connecticut State Teachers Retirement Plan
(Continued)

F. Actuarial Assumptions (Continued)

The changes in the benefit terms since the prior year are as follows:

- There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.98%).

G. Discount Rate

The discount rate used to measure the total OPEB liability was 3.53%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2022.

In addition to the actuarial methods and assumptions of the June 30, 2022, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual state contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

**Other Post-Employment Benefit — Connecticut State Teachers Retirement Plan
(Continued)**

H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

The City's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

I. OPEB Plan Fiduciary Net Position

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at www.ct.gov.

J. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 10 FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2023, are as follows:

	General Fund	Capital Projects Fund	BOE State and Federal Grants	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 19	\$ 19
Trust Purposes	-	-	-	3,257	3,257
Restricted for:					
Grants	-	-	1,813	19,511	21,324
Capital Improvements	-	12,048	-	-	12,048
Committed to:					
General Government					
Activities	-	-	-	73	73
Capital Improvements	-	28,414	-	-	28,414
Public Safety Programs	-	-	-	159	159
Sewer Maintenance	-	-	-	6,578	6,578
Social Service Programs	-	-	-	53	53
Recreational Programs	-	-	-	490	490
Educational Programs	-	-	-	1,588	1,588
Assigned to:					
Subsequent Budget	3,659	-	-	-	3,659
Board of Education	3,485	-	-	-	3,485
Unassigned	17,943	(3,511)	-	(2,583)	11,849
	<u>\$ 25,087</u>	<u>\$ 36,951</u>	<u>\$ 1,813</u>	<u>\$ 29,145</u>	<u>\$ 92,996</u>
Total Fund Balances	<u>\$ 25,087</u>	<u>\$ 36,951</u>	<u>\$ 1,813</u>	<u>\$ 29,145</u>	<u>\$ 92,996</u>

NOTE 11 TAX ABATEMENTS

In accordance with Section 22-9 of the Ordinances of the City of New Britain, the City provides abatements on assessment on property for owners of low and moderate income housing. The abatement of taxes will be applied to the property for the following purpose: to reduce rents below the levels which would be achieved in the absence of the abatement, to improve housing quality and design, to effect occupancy by persons and families of verifying income levels, within prescribed limits or provide necessary related facilities or services. Abatement shall terminate at any time when the property for which tax abatement has been granted is not used solely for low and moderate income housing and shall not exceed 39 years. On June 30, 2023, the City has five agreements with vendors under this program. The amount of revenue reduced during the fiscal year for this abatement was \$632.

CITY OF NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(AMOUNTS EXPRESSED IN THOUSANDS)

NOTE 12 DEFERRED COMPENSATION PLAN

Effective October 1, 2011, the City adopted a Deferred Compensation Plan under Section 457(b) of the Internal Revenue Code of 1986 for full time and part-time employees of the City. An employee may make annual contributions from eligible compensation as permitted under the Code. Employer contributions are based on various bargaining agreements. Contributions for the plan for employees and employers are \$339 and \$398, respectively.

NOTE 13 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 that would materially affect its financial position.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW BRITAIN, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property Taxes:				
Current Taxes	\$ 127,193	\$ 126,869	\$ 127,364	\$ 495
Prior Year Levy	3,400	4,410	3,926	(484)
Interest and Liens	1,325	2,162	2,546	384
Supplemental Motor Vehicle	1,450	1,324	1,332	8
Total Property Taxes	133,368	134,765	135,168	403
Intergovernmental Revenues (State):				
Education Equalization	72,351	72,150	72,150	-
Tiered PILOT	9,685	9,685	9,685	-
Disability Exemption	7	7	7	-
Distressed Municipality	119	102	102	-
Municipal Projects	2,865	2,865	2,865	-
MRSA	-	2,110	2,110	-
Emergency Preparedness	36	73	73	-
State Infraction Distribution	15	17	17	-
Interest Subsidy	343	-	-	-
Mashantucket Pequot	1,981	1,981	1,981	-
Municipal Stabilization	2,176	2,176	2,176	-
Municipal Transition MV	6,140	6,140	6,140	-
Off Track Betting	108	103	120	17
BOE Misc	51	28	28	-
Safer	1,800	-	-	-
Other State	-	-	47	47
Inkind	-	-	1	1
Telephone Access Line Tax Relief ...	86	106	106	-
State Pilot Model Housing	92	-	46	46
Town Aid Road Fund	769	776	776	-
Veterans Exemption Reimbursement	15	15	15	-
Dial a Ride	49	16	47	31
Total Intergovernmental Revenues	98,688	98,350	98,492	142
Licenses and Permits:				
Building Structures and Equipment	733	1,272	1,301	29
All Other Licenses	393	396	398	2
Fire Protection	101	236	243	7
Health	95	116	116	-
Disposal	457	483	568	85
Planning and Zoning	8	6	8	2
Total Licenses and Permits	1,787	2,509	2,634	125

**CITY OF NEW BRITAIN, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Charges for Services:				
Town Clerk	\$ 1,332	\$ 1,970	\$ 1,970	\$ -
Recreation	452	454	451	(3)
Public Safety	2,137	3,309	4,104	795
Parking Garage Tickets	1,274	1,198	1,223	25
Property Management	33	40	41	1
Health and Welfare	17	24	25	1
Public Works	130	138	159	21
Senior Center	10	8	8	-
Water Overhead	2,239	2,381	2,243	(138)
Legal	56	57	57	-
Total Charges for Services	7,680	9,579	10,281	702
Total Licenses, Permits, and Charges for Services	9,467	12,088	12,915	827
Other Revenue:				
Investment Income	107	3,404	2,605	(799)
Grants and Contributions	2,711	-	-	-
Sale of Real Estate Property	-	145	145	-
Bottle Deposit Surcharge	136	131	131	-
Fund Balance	-	-	-	-
Total Other Revenue	2,954	3,680	2,881	(799)
Total Revenues	244,477	248,883	249,456	573
Other Financing Sources:				
Transfers In ARPA	6,000	6,000	6,000	-
Transfers In	503	503	503	-
Total Other Financing Sources	6,503	6,503	6,503	-
Total Budgeted Revenues and Transfers	\$ 250,980	\$ 255,386	255,959	\$ 573
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut pension expense to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			26,167	
State of Connecticut OPEB expense (revenue) to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			370	
Amounts netted for budgetary purposes - grant closeouts				
Net effect of revenues for Dog Fund, Board of Education in Residence and YSB Funds not budgeted			288	
Bond and BAN premiums not budgeted				
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ 282,784	

**CITY OF NEW BRITAIN, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
General Government:				
Legislative	\$ 179	\$ 179	\$ 179	\$ -
Boards and Commissions	4	3	3	-
Judicial	119	117	117	-
Elections	503	518	518	-
Mayor's Office	458	459	459	-
Planning and Zoning	461	468	468	-
Finance	4,258	4,444	4,417	27
Recording and Reporting	627	637	638	(1)
Legal	609	606	606	-
Central Services	26	21	21	-
Total	7,244	7,452	7,426	26
Public Safety:				
Police	18,739	19,765	19,778	(13)
Fire	15,561	16,736	16,739	(3)
Lighting	850	1,034	1,034	-
Building	784	697	698	(1)
Civil Preparedness	8	2	2	-
Central Emergency Dispatch	2,772	2,718	2,718	-
Total	38,714	40,952	40,969	(17)
Public Works:				
Administration	173	167	167	-
Street Services	5,169	4,774	4,788	(14)
Public Buildings	3,015	3,041	3,043	(2)
Capital Project	838	822	822	-
Signals and Control	388	387	385	2
Waste Disposal	5,077	4,879	4,881	(2)
Total	14,660	14,070	14,086	(16)
Parks and Recreation:				
Administration	3	7	7	-
Forestry	162	132	132	-
Horticulture	389	250	250	-
Maintenance	2,258	2,245	2,247	(2)
Special Projects	129	111	116	(5)
Recreation Department	1,790	1,764	1,785	(21)
Parks Special Projects	3	1	1	-
City Supported Agencies	3,482	3,482	3,482	-
Community Services	-	-	1	(1)
Cultural Organizations	95	95	95	-
Total	8,311	8,087	8,116	(29)

**CITY OF NEW BRITAIN, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Health and Social Services:				
Rights and Opportunities Commission	\$ 93	\$ 96	\$ 96	\$ -
Civil Service Commission	328	314	314	-
Nursing	456	378	378	-
Environmental Control	521	392	394	(2)
Administration	544	520	517	3
Social Services	4	4	4	-
Senior Center	532	515	515	-
Handicap Services	96	99	99	-
Total	2,574	2,318	2,317	1
General Administration:				
Pension and Benefit Contributions	27,809	28,878	28,652	226
Fringe allocation	2,657	2,682	2,682	-
Contingency	1,723	118	123	(5)
Total	32,189	31,678	31,457	221
Education	126,240	126,384	126,392	(8)
Education Nonlapsing	-	1,715	1,715	-
Debt Service	20,444	21,973	21,973	-
Total Expenditures	250,376	254,629	254,451	178
Other Financing Uses:				
Transfers Out	604	757	757	-
Total	\$ 250,980	\$ 255,386	255,208	\$ 178
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut pension expense to the Connecticut State Teachers' Retirement System for City Teachers are not budgeted			26,167	
State of Connecticut OPEB expense (revenue) to the Connecticut State Teachers' Retirement System for City Teachers are not budgeted			370	
Amounts netted for budgetary purposes - grant closeouts				
Net effect of expenditures for Dog Fund, Board of Education in Residence and YSB Funds not budgeted			288	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ 282,033	

CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND
RELATED RATIOS
POLICE PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:										
Service Cost	\$ 138	\$ 241	\$ 221	\$ 419	\$ 422	\$ 561	\$ 520	\$ 684	\$ 636	\$ 868
Interest	6,601	6,699	6,111	6,266	6,203	6,359	6,258	6,293	6,295	5,996
Differences Between Expected and Actual Experience	2,085	-	3,368	-	1,310	-	1,928	-	4,846	-
Changes of Assumptions	(985)	-	13,502	950	(1,605)	2,600	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(8,315)	(8,278)	(8,263)	(7,945)	(7,806)	(7,518)	(7,281)	(7,184)	(6,945)	(8,010)
Net Change in Total Pension Liability	(476)	(1,338)	14,939	(310)	(1,476)	2,002	1,425	(207)	4,832	(1,146)
Total Pension Liability - Beginning	101,738	103,076	88,137	88,447	89,923	87,921	86,496	86,703	81,871	83,017
Total Pension Liability - Ending	101,262	101,738	103,076	88,137	88,447	89,923	87,921	86,496	86,703	81,871
Plan Fiduciary Net Position:										
Contributions - Employer	2,725	2,475	1,700	1,572	3,627	1,419	994	1,350	1,059	1,058
Contributions - Member	32	44	57	92	121	151	170	180	208	255
Net Investment Income (Loss)	6,754	(10,850)	17,794	2,190	2,930	5,379	8,179	(1,213)	1,803	10,805
Benefit Payments, Including Refunds of Member Contributions	(8,315)	(8,278)	(8,263)	(7,945)	(7,806)	(7,518)	(7,281)	(7,184)	(6,945)	(6,666)
Administrative Expense	(48)	(138)	(30)	(30)	(42)	(24)	(101)	(112)	(34)	(149)
Net Change in Plan Fiduciary Net Position	1,148	(16,747)	11,258	(4,121)	(1,170)	(593)	1,961	(6,979)	(3,909)	5,303
Plan Fiduciary Net Position - Beginning	53,481	70,228	58,970	63,091	64,261	64,854	62,893	69,872	73,781	68,478
Plan Fiduciary Net Position - Ending	54,629	53,481	70,228	58,970	63,091	64,261	64,854	62,893	69,872	73,781
Net Pension Liability - Ending	\$ 46,633	\$ 48,257	\$ 32,848	\$ 29,167	\$ 25,356	\$ 25,662	\$ 23,067	\$ 23,603	\$ 16,831	\$ 8,090
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.95 %	52.57 %	68.13 %	66.91 %	71.33 %	71.46 %	73.76 %	72.71 %	80.59 %	90.12 %
Covered Payroll	\$ 1,393	\$ 2,722	\$ 2,722	\$ 3,158	\$ 3,158	\$ 2,894	\$ 3,101	\$ 3,891	\$ 3,891	\$ 4,576
Net Pension Liability as a Percentage of Covered Payroll	3347.67 %	1772.85 %	1206.76 %	923.59 %	802.91 %	886.73 %	743.94 %	606.60 %	432.56 %	176.79 %

CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND
RELATED RATIOS
FIRE PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:										
Service Cost	\$ 333	\$ 475	\$ 412	\$ 443	\$ 476	\$ 550	\$ 512	\$ 715	\$ 665	\$ 759
Interest	7,587	7,576	7,181	7,212	7,213	7,361	7,246	7,159	7,086	6,263
Differences Between Expected and Actual Experience	4,748	-	(3,700)	-	(2,174)	-	442	-	11,390	-
Changes of Assumptions	(1,530)	-	16,768	1,122	(3,990)	5,225	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(7,872)	(7,634)	(7,455)	(7,474)	(7,508)	(7,356)	(6,057)	(6,965)	(6,685)	(8,001)
Net Change in Total Pension Liability	3,266	417	13,206	1,303	(5,983)	5,780	2,143	909	12,456	(979)
Total Pension Liability - Beginning	115,936	115,519	102,313	101,010	106,993	101,213	99,070	98,161	85,705	86,684
Total Pension Liability - Ending	119,202	115,936	115,519	102,313	101,010	106,993	101,213	99,070	98,161	85,705
Plan Fiduciary Net Position:										
Contributions - Employer	2,725	2,475	1,700	1,572	3,707	1,459	1,238	888	531	532
Contributions - Member	92	111	147	155	176	192	208	207	244	289
Net Investment Income (Loss)	8,799	(14,010)	21,916	2,862	3,694	6,132	8,247	(84)	1,887	11,809
Benefit Payments, Including Refunds of Member Contributions	(7,872)	(7,634)	(7,455)	(7,474)	(7,508)	(7,356)	(6,056)	(6,965)	(6,685)	(6,430)
Administrative Expense	(47)	(167)	(30)	(29)	(29)	(24)	(161)	(230)	(34)	(72)
Net Change in Plan Fiduciary Net Position	3,697	(19,225)	16,278	(2,914)	40	403	3,476	(6,184)	(4,057)	6,128
Plan Fiduciary Net Position - Beginning	71,682	90,907	74,629	77,543	77,503	77,100	73,624	79,808	83,865	77,737
Plan Fiduciary Net Position - Ending	75,379	71,682	90,907	74,629	77,543	77,503	77,100	73,624	79,808	83,865
Net Pension Liability - Ending	\$ 43,823	\$ 44,254	\$ 24,612	\$ 27,684	\$ 23,467	\$ 29,490	\$ 24,113	\$ 25,446	\$ 18,353	\$ 1,840
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.24 %	61.83 %	78.69 %	72.94 %	76.77 %	72.44 %	76.18 %	74.32 %	81.30 %	97.85 %
Covered Payroll	\$ 2,705	\$ 2,960	\$ 2,960	\$ 3,324	\$ 3,324	\$ 3,083	\$ 3,268	\$ 4,105	\$ 4,105	\$ 3,662
Net Pension Liability as a Percentage of Covered-Employee Payroll	1620.07 %	1495.07 %	831.49 %	832.85 %	705.99 %	956.54 %	737.85 %	619.88 %	447.09 %	50.25 %

**CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,410	\$ 3,410	\$ 2,378	\$ 2,378	\$ 1,913	\$ 1,913	\$ 1,413	\$ 1,413	\$ 1,594	\$ 1,594
Contributions in Relation to the Actuarially Determined Contribution	2,725	2,475	1,700	1,572	3,627	1,419	994	1,360	1,059	1,059
Contribution Deficiency (Excess)	\$ 685	\$ 935	\$ 678	\$ 806	\$ (1,714)	\$ 494	\$ 419	\$ 53	\$ 535	\$ 535
Covered Payroll	\$ 1,393	\$ 2,722	\$ 2,722	\$ 3,158	\$ 3,158	\$ 3,101	\$ 3,101	\$ 3,891	\$ 3,891	\$ 4,576
Contributions as a Percentage of Covered-Employee Payroll	195.62 %	90.93 %	62.45 %	49.78 %	114.85 %	45.76 %	32.05 %	34.95 %	27.22 %	23.14 %

Notes to Schedule:

Valuation Date: July 1, 2022
 Measurement Date: June 30, 2023

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent, Closed
Remaining Amortization Period	18 Years
Asset Valuation Method	5 Years Non-asymptotic
Inflation	2.50%
Salary Increases	3.00%
Investment Rate of Return	6.75%
Retirement Age	Graded based on age
Mortality	PubS-2010 Mortality Table with generational projection per the MP-2021 ultimate scale

**CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIRE PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,125	\$ 3,125	\$ 2,231	\$ 2,231	\$ 2,035	\$ 2,035	\$ 1,459	\$ 1,459	\$ 1,138	\$ 1,138
Contributions in Relation to the Actuarially Determined Contribution	2,725	2,475	1,700	1,572	3,707	1,459	1,238	888	531	531
Contribution Deficiency (Excess)	\$ 400	\$ 650	\$ 531	\$ 659	\$ (1,672)	\$ 576	\$ 221	\$ 571	\$ 607	\$ 607
Covered Payroll	\$ 2,705	\$ 2,960	\$ 2,960	\$ 3,324	\$ 3,324	\$ 3,268	\$ 3,268	\$ 4,105	\$ 4,105	\$ 3,662
Contributions as a Percentage of Covered-Employee Payroll	100.74%	83.61%	57.43%	47.29%	111.52%	44.65%	37.88%	21.63%	12.94%	14.50%

Notes to Schedule:

Valuation Date: July 1, 2022
 Measurement Date: June 30, 2023

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent, Closed
Remaining Amortization Period	18 Years
Asset Valuation Method	5 Years Non-asymptotic
Inflation	2.50%
Salary Increases	3.00%
Investment Rate of Return	6.750%
Retirement Age	Graded based on age
Mortality	PubS-2010 Mortality Table with generational projection per the MP-2021 ultimate scale

**CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
PENSION
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense:										
Police	13.71 %	(16.49)%	32.13 %	3.68 %	4.82 %	10.00 %	13.71 %	(1.80)%	2.71 %	16.16 %
Fire	12.99 %	(16.13)%	30.68 %	3.86 %	4.98 %	8.05 %	11.63 %	(0.11)%	2.55 %	15.81 %

CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST NINE FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
City's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the City	331,885	256,608	323,997	304,596	234,861	240,213	253,427	191,636	177,129
Total	<u>\$ 331,885</u>	<u>\$ 256,608</u>	<u>\$ 323,997</u>	<u>\$ 304,596</u>	<u>\$ 234,861</u>	<u>\$ 240,213</u>	<u>\$ 253,427</u>	<u>\$ 191,636</u>	<u>\$ 177,129</u>
City's Covered Payroll	\$ 83,968	\$ 81,763	\$ 75,931	\$ 72,728	\$ 71,227	\$ 79,976	\$ 71,517	\$ 70,143	\$ 68,704
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.06 %	60.77 %	49.24 %	52.00 %	57.69 %	55.93 %	52.26 %	59.50 %	61.51 %

Notes to Schedule

Changes in Benefit Terms	Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	27.8 Years
Asset Valuation Method	4-year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment Related Expense

*Notes:
- This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MUNICIPAL EMPLOYEES' RETIREMENT PLAN
LAST NINE FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017	2016	2015 as Restated
City's Proportion of the Net Pension Liability	14.49 %	12.84 %	12.49 %	11.94 %	11.56 %	10.04 %	10.04 %	10.24 %	8.70 %
City's Proportionate Share of the Net Pension Liability	\$ 199,255	\$ 91,138	\$ 139,003	\$ 123,270	\$ 110,555	\$ 23,414	\$ 33,406	\$ 19,741	\$ 8,578
City's Covered Payroll	\$ 82,609	\$ 69,834	\$ 64,963	\$ 64,920	\$ 64,163	\$ 60,393	\$ 58,700	\$ 56,306	\$ 40,296
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	241.20 %	130.51 %	213.97 %	189.88 %	172.30 %	38.77 %	56.91 %	35.06 %	21.29 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.71 %	82.59 %	71.18 %	72.69 %	73.60 %	91.68 %	88.29 %	92.72 %	90.48 %

*Notes:

- This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

**CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 19,070	\$ 15,912	\$ 12,935	\$ 10,872	\$ 8,622	\$ 8,345	\$ 7,266	\$ 6,949	\$ 5,989	\$ 5,113
Contributions in Relation to the Actuarially Determined Contribution	19,070	15,912	12,935	10,872	8,622	8,345	7,266	6,949	5,989	5,113
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 84,276	\$ 82,609	\$ 69,834	\$ 64,963	\$ 64,920	\$ 64,163	\$ 60,393	\$ 58,700	\$ 56,306	\$ 50,977
Contributions as a Percentage of Covered Payroll	22.63 %	19.26 %	18.52 %	16.74 %	13.28 %	13.01 %	12.03 %	11.84 %	10.64 %	10.03 %

Notes to Schedule:

Valuation Date: June 30, 2022
 Measurement Date: June 30, 2022
 The actuarially determined contributions are calculated as of June 30, for the fiscal year ending two years after the valuation date.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Single Equivalent Amortization Period	20 Years
Asset Valuation Method	5 Years Smoothed Market
Inflation	2.50%
Salary Increases	3.50% - 10.00%, Including Inflation
Investment Rate of Return	7%, Net of Investment Related Expense
Changes in Assumptions:	In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June 30, 2020 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement, and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2017.

CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OPEB
LAST SEVEN FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:							
Service Cost	\$ 2,105	\$ 1,564	\$ 1,905	\$ 1,659	\$ 1,603	\$ 1,244	\$ 1,169
Interest	3,761	3,681	4,925	4,960	3,679	3,640	3,658
Changes of Benefit Terms	-	-	79	-	-	-	-
Differences Between Expected and Actual Experience	24,776	-	(13,774)	-	20,353	-	-
Changes of Assumptions	(12,553)	-	(5,899)	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(4,421)	(4,669)	(7,374)	(7,420)	(4,598)	(4,681)	(5,643)
Net Change in Total OPEB Liability	<u>13,668</u>	<u>576</u>	<u>(20,138)</u>	<u>(801)</u>	<u>21,037</u>	<u>203</u>	<u>(816)</u>
Total OPEB Liability - Beginning	<u>57,932</u>	<u>57,356</u>	<u>77,494</u>	<u>78,295</u>	<u>57,258</u>	<u>57,055</u>	<u>57,871</u>
Total OPEB Liability - Ending	71,600	57,932	57,356	77,494	78,295	57,258	57,055
Plan Fiduciary Net Position:							
Contributions - Employer	5,271	5,380	7,538	8,088	5,309	5,349	6,143
Net Investment Income	929	(1,362)	1,821	245	299	278	353
Benefit Payments, Including Refunds of Member Contributions	(4,421)	(4,669)	(7,374)	(7,420)	(4,598)	(4,681)	(5,643)
Administrative Expense	(6)	(7)	(2)	(2)	(6)	(6)	(4)
Net Change in Plan Fiduciary Net Position	<u>1,773</u>	<u>(658)</u>	<u>1,983</u>	<u>911</u>	<u>1,004</u>	<u>940</u>	<u>849</u>
Plan Fiduciary Net Position - Beginning	<u>9,365</u>	<u>10,023</u>	<u>8,040</u>	<u>7,129</u>	<u>6,125</u>	<u>5,185</u>	<u>4,336</u>
Plan Fiduciary Net Position - Ending	<u>11,138</u>	<u>9,365</u>	<u>10,023</u>	<u>8,040</u>	<u>7,129</u>	<u>6,125</u>	<u>5,185</u>
Net OPEB Liability - Ending	<u>\$ 60,462</u>	<u>\$ 48,567</u>	<u>\$ 47,333</u>	<u>\$ 69,454</u>	<u>\$ 71,166</u>	<u>\$ 51,133</u>	<u>\$ 51,870</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	15.56 %	16.17 %	17.48 %	10.37 %	9.11 %	10.70 %	9.09 %
Covered Payroll	\$ 145,478	\$ 124,327	\$ 124,327	\$ 120,589	\$ 120,589	\$ 115,536	\$ 115,536
Net OPEB Liability as a Percentage of Covered-Employee Payroll	41.56 %	39.06 %	38.07 %	57.60 %	59.02 %	44.26 %	44.90 %

*Note: This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

**CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 5,805	\$ 5,678	\$ 6,986	\$ 6,755	\$ 4,965	\$ 4,784	\$ 6,345	\$ 6,052	\$ 6,671	\$ 6,360
Contributions in Relation to the										
Actuarially Determined Contribution	5,271	5,380	7,538	8,088	5,309	5,349	6,143	5,892	6,240	6,291
Contribution Deficiency (Excess)	\$ 534	\$ 298	\$ (552)	\$ (1,333)	\$ (344)	\$ (565)	\$ 202	\$ 160	\$ 431	\$ 69
Covered Payroll	\$ 145,478	\$ 124,327	\$ 124,327	\$ 120,589	\$ 120,589	\$ 115,536	\$ 115,536	\$ 104,482	N/A	N/A
Contributions as a Percentage of Covered-Employee Payroll	3.62 %	4.33 %	6.06 %	6.71 %	4.40 %	4.63 %	5.32 %	5.64 %	N/A	N/A

Notes to Schedule:

Valuation Date: July 1, 2022
 Measurement Date: June 30, 2023

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent, Closed
Remaining Amortization Period	20 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	3.00%
Investment Rate of Return	6.50%

**CITY OF NEW BRITAIN, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 OPEB
 LAST SEVEN FISCAL YEARS***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense:	9.09 %	(13.51)%	22.66 %	3.44 %	4.84 %	5.36 %	8.12 %

Note: This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS
ELECTED OFFICIALS AND PRE-1972 POLICE AND FIRE PLAN
LAST SEVEN FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability:							
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -
Interest	35	27	29	51	57	62	58
Differences Between Expected and Actual Experience	264	-	(67)	-	155	-	-
Changes of Assumptions	(61)	(71)	209	84	26	(23)	(71)
Benefit Payments, Including Refunds of Member Contributions	<u>(239)</u>	<u>(248)</u>	<u>(245)</u>	<u>(257)</u>	<u>(293)</u>	<u>(285)</u>	<u>(279)</u>
Net Change in Total Pension Liability	(1)	(292)	(74)	(122)	(54)	(246)	(292)
Total Pension Liability - Beginning	<u>1,096</u>	<u>1,388</u>	<u>1,462</u>	<u>1,584</u>	<u>1,638</u>	<u>1,884</u>	<u>2,176</u>
Total Pension Liability - Ending	<u>\$ 1,095</u>	<u>\$ 1,096</u>	<u>\$ 1,388</u>	<u>\$ 1,462</u>	<u>\$ 1,584</u>	<u>\$ 1,638</u>	<u>\$ 1,884</u>
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Valuation Date: June 30, 2022

Measurement Date: June 30, 2023

Discount Rate 3.65%

Notes:

This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the plan.

**CITY OF NEW BRITAIN, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 ELECTED OFFICIALS AND PRE-1972 POLICE AND FIRE PLAN
 LAST TEN FISCAL YEARS
 (IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 239	\$ 248	\$ 245	\$ 257	\$ 293	\$ 285	\$ 311	\$ 105	\$ 366	\$ 465
Contributions in Relation to the Actuarially Determined Contribution	<u>239</u>	<u>248</u>	<u>245</u>	<u>257</u>	<u>293</u>	<u>285</u>	<u>311</u>	<u>105</u>	<u>366</u>	<u>465</u>
Contribution Deficiency (Excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Valuation Date: June 30, 2022
 Measurement Date: June 30, 2023

Methods and Assumptions Used to Determine Contribution Rates:
 Actuarial Cost Method Entry Age Normal
 Salary Increases 3.00%
 Investment Rate of Return 3.65%

**CITY OF NEW BRITAIN, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST SIX FISCAL YEARS***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's Proportion of the Net OPEB Liability	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
City's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the City	<u>29,065</u>	<u>27,957</u>	<u>48,324</u>	<u>47,503</u>	<u>46,950</u>	<u>61,828</u>
Total	<u>\$ 29,065</u>	<u>\$ 27,957</u>	<u>\$ 48,324</u>	<u>\$ 47,503</u>	<u>\$ 46,950</u>	<u>\$ 61,828</u>
City's Covered Payroll	\$ 83,968	\$ 81,763	\$ 75,931	\$ 72,728	\$ 71,227	\$ 79,976
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule:

Changes in Benefit Terms

There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.

Changes of Assumptions

Based on the procedure described in GASB 74, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2022 was updated to equal the SEIR of 3.53% as of June 30, 2022; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience
The assumed age-related annual percentage increases in expected annual per capita health care claims costs were updated; Long-term health care cost trend rates were updated; and
The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.

Actuarial Cost Method
Amortization Method
Remaining Amortization Period
Asset Valuation Method
Investment Rate of Return
Price Inflation

Entry Age
Level Percent of Payroll over an Open Period
30 Years
Market Value of Assets
3.00%, net of investment related expense including price inflation
2.50%

*Notes:

- This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is the principal operating 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
SCHEDULE OF TAX COLLECTIONS
GENERAL FUND
JUNE 30, 2023
(IN THOUSANDS)**

Grand List Year	Mill Rate	Uncollected Taxes July 1, 2022	Net Lawful		Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2023
			Additions	Deductions		Taxes	Interest and Lien Fees	Total	
2021	49.50	\$ -	\$ 135,310	\$ 1,693	\$ 133,617	\$ 128,738	\$ 721	\$ 129,459	\$ 4,879
2020	49.50	5,839	44	1,044	4,839	2,342	662	3,004	2,497
2019	50.50	2,563	34	223	2,374	745	387	1,132	1,629
2018	50.50	1,586	-	10	1,576	346	189	535	1,230
2017	50.50	1,275	-	5	1,270	158	134	292	1,112
2016	50.50	1,021	-	4	1,017	88	92	180	929
2015	49.00	868	-	-	868	65	87	152	803
2014	49.00	844	1	-	845	37	52	89	808
2013	44.12	731	-	-	731	22	44	66	709
2012	36.63	591	-	1	590	19	30	49	571
2011	36.63	520	-	-	520	14	31	45	506
2010	36.63	454	1	-	455	11	28	39	444
2009	34.98	449	1	-	450	13	27	40	437
2008	34.98	434	-	1	433	11	29	40	422
2007	45.89	456	-	-	456	11	32	43	445
2006	45.88	548	-	548	-	-	-	-	-
Total		\$ 18,179	\$ 135,391	\$ 3,529	\$ 150,041	\$ 132,620	\$ 2,545	135,165	\$ 17,421

* Includes motor vehicle supplement

Property taxes receivable considered available:

June 30, 2022 (1,492)
June 30, 2023 1,295

Total Collections \$ 134,968

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are committed 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
Sewer Use	User fees and investment earnings	Operation of the sewer systems
Local Capital Improvement	State grant	Capital Improvement Fund
Retiree Plan Reimbursement	State grant	Retiree Reimbursements
American Savings Grant	The American Savings Foundation	Provides after school programs for the City's youth
Police Explorers Program	Various funding sources	To introduce young men and women to the field of law enforcement
Preventive Health Block Grant	State grant	To create awareness of health issues in high school students
21st Century, 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
Bioterrorism Grant	Federal grant	Assists the City with the development of plans in the event of a bio-terrorist attack
Historical Records Preservation	State grant	Preservation of the City's Records
21st Century Grant	State grant	Provides after school programs for the City's school-age population
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
Conversation on Race	Local, 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
CT Health Foundation	Local and state grants	To promote health initiatives
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
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	Federal and State grants	To purchase goods and services that relate to training and police drug investigation

SPECIAL REVENUE FUNDS

Fund	Funding Source	Function
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
Mayor's Fun Day	State grant	Provides music, activities, food, and fun for children of all ages
Assistance to CCSU Police Dept	Various funding sources	To assist the CCSU police department
ARRA Paving Program	Federal Grant	Pave portions of Corbin Avenue, Ellis Street, Stanley Street and East Street
Public Works Grants	State and Federal Grants	Perform various street and sidewalk improvements throughout the City
Fireworks Fund	Donations	Provide citizens with annual Fourth of July celebration
Youth Service Bureau Program Activity	Donations	Youth Service Bureau and Community Services
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
Student Activities Fund	Various funding sources	School activities and events
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
Busway Bike Trails	State and local funding sources	Activities to promote benefits of biking and safety
Opioid Fund	State grant	Fighting opioid addiction
Parks and Recreation	Investment earnings	The upkeep of Walnut Hill Park and Fairview Cemetery
ELC Enhancing Detection	State grant	To enhance laboratory detection, surveillance response, infometrics, and other workforce capacity.
Arts Fund	Various funding sources	Activities benefiting the arts
America the Beautiful Forestry	Various funding sources	Activities to create and sustain forestry
Camp Schade	Federal grant	Camp programming at Camp Schade
Fire Grant	Local funding sources	Promoting fire safety
Cold Weather Shelter	State grant	Emergency shelter which runs from 12/15 - 3/15

PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earning, not principal, may be used for purposes that support the reporting government's programs.

Fund	Funding Source	Function
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
Darius Miller F/B/O Fairview Cemetery	Investment earnings	The upkeep of Fairview Cemetery

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Stanley Quarter Park	Park Security and Policing	Cemetery	Sewer Use	Local Capital Improvement	Retiree Plan Reimbursement	American Savings Grant	Police Explorers	Preventative Health Block Grant
ASSETS									
Cash and Cash Equivalents	\$ 441	\$ 157	\$ -	\$ 1,271	\$ -	\$ 73	\$ -	\$ 10	\$ 38
Investments	-	-	1,369	-	-	-	-	-	-
Accounts Receivable	-	-	-	9,047	39	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	3,988	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 441</u>	<u>\$ 157</u>	<u>\$ 1,369</u>	<u>\$ 14,306</u>	<u>\$ 39</u>	<u>\$ 73</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 38</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 317	\$ 1	\$ 7	\$ 59	\$ 13	\$ -	\$ 1	\$ 7	\$ -
Due to Other Funds	-	-	2,558	-	258	-	4	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>317</u>	<u>1</u>	<u>2,565</u>	<u>59</u>	<u>271</u>	<u>-</u>	<u>5</u>	<u>7</u>	<u>-</u>
Deferred Inflows of Resources:									
Unavailable Revenue - Sewer Receivable	-	-	-	7,669	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,669</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	38
Committed	124	156	-	6,578	-	73	-	3	-
Unassigned	-	-	(1,196)	-	(232)	-	(5)	-	-
Total Fund Balances	<u>124</u>	<u>156</u>	<u>(1,196)</u>	<u>6,578</u>	<u>(232)</u>	<u>73</u>	<u>(5)</u>	<u>3</u>	<u>38</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 441</u>	<u>\$ 157</u>	<u>\$ 1,369</u>	<u>\$ 14,306</u>	<u>\$ 39</u>	<u>\$ 73</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 38</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	21st Century After School Grant	Exercise the Right Choice	Exercise the Right Choice II	Immunization Action Plan	Bioterrorism Grant	Historical Records Preservation	21st Century Grant	Centralized and Distribution Services	Conversation on Race
ASSETS									
Cash and Cash Equivalents	\$ -	\$ 71	\$ -	\$ 209	\$ 55	\$ 293	\$ 23	\$ -	\$ 9
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	7	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 71</u>	<u>\$ -</u>	<u>\$ 216</u>	<u>\$ 55</u>	<u>\$ 293</u>	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ 9</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ 43	\$ 11	\$ -	\$ -
Due to Other Funds	81	-	4	-	-	-	-	236	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>84</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>43</u>	<u>11</u>	<u>236</u>	<u>-</u>
Deferred Inflows of Resources:									
Unavailable Revenue - Sewer Receivable	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	71	-	216	55	250	12	-	-
Committed	-	-	-	-	-	-	-	-	9
Unassigned	(84)	-	(4)	-	-	-	-	(236)	-
Total Fund Balances	<u>(84)</u>	<u>71</u>	<u>(4)</u>	<u>216</u>	<u>55</u>	<u>250</u>	<u>12</u>	<u>(236)</u>	<u>9</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 71</u>	<u>\$ -</u>	<u>\$ 216</u>	<u>\$ 55</u>	<u>\$ 293</u>	<u>\$ 23</u>	<u>\$ -</u>	<u>\$ 9</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Victim Services Coordinator Grant	Federal Omnibus Appropriation	CT Health Foundation	STD Control Program	Recreation Donation	Recreation Amusement	Health Per Capita	Highway Safety Grant	Drug Investigation
ASSETS									
Cash and Cash Equivalents	\$ 2	\$ -	\$ 1,067	\$ -	\$ 412	\$ 21	\$ 46	\$ -	\$ 792
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	1	-	-	18	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	\$ 2	\$ -	\$ 1,067	\$ -	\$ 413	\$ 21	\$ 46	\$ 18	\$ 792
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ -	\$ 8	\$ -	\$ 1	\$ 105	\$ 2	\$ 2	\$ 1	\$ 22
Due to Other Funds	-	15	-	15	-	-	-	360	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	-	23	-	16	105	2	2	361	22
Deferred Inflows of Resources:									
Unavailable Revenue - Sewer Receivable	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	2	-	-	-	-	44	-	-	770
Committed	-	-	1,067	-	308	19	-	-	-
Unassigned	-	(23)	-	(16)	-	-	-	(343)	-
Total Fund Balances	2	(23)	1,067	(16)	308	19	44	(343)	770
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2	0	\$ 1,067	0	\$ 413	\$ 21	\$ 46	\$ 18,000	\$ 792

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Senior Citizens Center	Mobile Data Communication	Pulmonary Screening	Mayor's Fun Day	Assistance to CCSU Police Department	ARRA Paving Program	Public Works Grants	Fireworks Fund	YSB Program Activity
ASSETS									
Cash and Cash Equivalents	\$ 19	\$ 1,787	\$ 64	\$ -	\$ -	\$ -	\$ 4,643	\$ -	\$ 45
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	100	-	-	1,832	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 19</u>	<u>\$ 1,787</u>	<u>\$ 64</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,475</u>	<u>\$ -</u>	<u>\$ 45</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 2	\$ 7	\$ -	\$ 8	\$ -	\$ 9	\$ 573	\$ -	\$ -
Due to Other Funds	-	-	-	192	-	42	-	-	-
Unearned Revenue	-	-	-	-	-	-	3,507	-	-
Total Liabilities	<u>2</u>	<u>7</u>	<u>-</u>	<u>200</u>	<u>-</u>	<u>51</u>	<u>4,080</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:									
Unavailable Revenue - Sewer Receivable	-	-	-	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	1,378	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,378</u>	<u>-</u>	<u>-</u>
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	1,780	64	-	-	-	1,017	-	45
Committed	17	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(100)	-	(51)	-	-	-
Total Fund Balances	<u>17</u>	<u>1,780</u>	<u>64</u>	<u>(100)</u>	<u>-</u>	<u>(51)</u>	<u>1,017</u>	<u>-</u>	<u>45</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19</u>	<u>\$ 1,787</u>	<u>\$ 64</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,475</u>	<u>\$ -</u>	<u>\$ 45</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	School Lunch Program	School Rental Account	High School Athletic	Adult Education	Summer School Music	Student Activities Fund	Community and Neighborhood Development	Business Outreach	Emergency Shelter Grant
ASSETS									
Cash and Cash Equivalents	\$ 7,247	\$ 118	\$ 194	\$ 178	\$ 28	\$ 541	\$ 9	\$ 18	\$ -
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable	1,505	-	-	-	-	-	-	12	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	3,878	-	-	-	-	-	-	-	-
Inventory	19	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 12,649</u>	<u>\$ 118</u>	<u>\$ 194</u>	<u>\$ 178</u>	<u>\$ 28</u>	<u>\$ 541</u>	<u>\$ 9</u>	<u>\$ 30</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 2,113	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ 9	\$ 82	\$ 11
Due to Other Funds	-	-	-	-	-	-	-	-	43
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>2,113</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9</u>	<u>82</u>	<u>54</u>
Deferred Inflows of Resources:									
Unavailable Revenue -									
Sewer Receivable	-	-	-	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:									
Nonspendable	19	-	-	-	-	-	-	-	-
Restricted	10,517	-	-	-	-	541	-	-	-
Committed	-	113	194	178	28	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(52)	(54)
Total Fund Balances	<u>10,536</u>	<u>113</u>	<u>194</u>	<u>178</u>	<u>28</u>	<u>541</u>	<u>-</u>	<u>(52)</u>	<u>(54)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,649</u>	<u>\$ 118</u>	<u>\$ 194</u>	<u>\$ 178</u>	<u>\$ 28</u>	<u>\$ 541</u>	<u>\$ 9</u>	<u>\$ 30</u>	<u>\$ -</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Community Development Block Grant	HOME Project	Lead Grant	State Home Programs	CHFA Broad Street Demolition	Redevelopment Commission	Brownfield Pilot	Rental	EFSP Program
ASSETS									
Cash and Cash Equivalents	\$ 899	\$ 1,981	\$ -	\$ 47	\$ 98	\$ 6	\$ -	\$ 47	\$ -
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable	886	21	3	-	-	-	2	-	-
Loans Receivable	1,172	1,646	829	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 2,957</u>	<u>\$ 3,648</u>	<u>\$ 832</u>	<u>\$ 47</u>	<u>\$ 98</u>	<u>\$ 6</u>	<u>\$ 2</u>	<u>\$ 47</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 261	\$ 163	\$ 16	\$ -	\$ -	\$ 12	\$ -	\$ -	\$ -
Due to Other Funds	-	-	1	-	-	-	7	-	13
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>261</u>	<u>163</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>7</u>	<u>-</u>	<u>13</u>
Deferred Inflows of Resources:									
Unavailable Revenue - Sewer Receivable	-	-	-	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	-	-	-
Loans Receivable	1,181	1,656	823	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>1,181</u>	<u>1,656</u>	<u>823</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,515	1,829	-	47	98	-	-	-	-
Committed	-	-	-	-	-	-	-	47	-
Unassigned	-	-	(8)	-	-	(6)	(5)	-	(13)
Total Fund Balances	<u>1,515</u>	<u>1,829</u>	<u>(8)</u>	<u>47</u>	<u>98</u>	<u>(6)</u>	<u>(5)</u>	<u>47</u>	<u>(13)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,957</u>	<u>\$ 3,648</u>	<u>\$ 832</u>	<u>\$ 47</u>	<u>\$ 98</u>	<u>\$ 6</u>	<u>\$ 2</u>	<u>\$ 47</u>	<u>\$ -</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Neighborhood Stabilization Program	C.B. Erwin Walnut Hill Park	Busway Bike Trails	Opioid Fund	Parks and Recreation	ELC Enhancing Detection	Arts Fund	America the Beautiful Forestry	Camp Schade
ASSETS									
Cash and Cash Equivalents	\$ -	\$ -	\$ 16	\$ -	\$ 13	\$ -	\$ 8	\$ 3	\$ -
Investments	-	322	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-
Loans Receivable	-	-	-	41	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 322</u>	<u>\$ 16</u>	<u>\$ 41</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 3</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ 9	\$ -	\$ -	\$ 22	\$ -	\$ 2	\$ -	\$ 7	\$ -
Due to Other Funds	44	-	-	98	-	7	-	-	10
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>53</u>	<u>-</u>	<u>-</u>	<u>120</u>	<u>-</u>	<u>9</u>	<u>-</u>	<u>7</u>	<u>10</u>
Deferred Inflows of Resources:									
Unavailable Revenue - Sewer Receivable	-	-	-	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	322	16	-	-	-	-	-	-
Committed	-	-	-	-	13	-	8	-	-
Unassigned	(53)	-	-	(79)	-	(9)	-	(4)	(10)
Total Fund Balances	<u>(53)</u>	<u>322</u>	<u>16</u>	<u>(79)</u>	<u>13</u>	<u>(9)</u>	<u>8</u>	<u>(4)</u>	<u>(10)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 322</u>	<u>\$ 16</u>	<u>\$ 41</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 3</u>	<u>\$ -</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds			Permanent Funds			Total	Interfund Eliminations	Total Nonmajor Governmental Funds
	Fire Grant	Cold Weather Shelter	Special Revenue Subtotal	Darius Miller Walnut Hill	C.B. Stanley Walnut Hill	Darius Miller F/B/O Fairview Cemetery			
ASSETS									
Cash and Cash Equivalents	\$ 262	\$ 6	\$ 23,267	\$ -	\$ -	\$ -	\$ 23,267	\$ -	\$ 23,267
Investments	-	-	1,691	1,387	1,613	257	4,948	-	4,948
Accounts Receivable	-	-	13,473	-	-	-	13,473	-	13,473
Loans Receivable	-	-	3,688	-	-	-	3,688	-	3,688
Due from Other Funds	-	-	7,866	-	-	-	7,866	(3,988)	3,878
Inventory	-	-	19	-	-	-	19	-	19
Total Assets	\$ 262	\$ 6	\$ 50,004	\$ 1,387	\$ 1,613	\$ 257	\$ 53,261	\$ (3,988)	\$ 49,273
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$ -	\$ -	\$ 3,914	\$ -	\$ -	\$ -	\$ 3,914	\$ -	\$ 3,914
Due to Other Funds	-	-	3,988	-	-	-	3,988	(3,988)	-
Unearned Revenue	-	-	3,507	-	-	-	3,507	-	3,507
Total Liabilities	-	-	11,409	-	-	-	11,409	(3,988)	7,421
Deferred Inflows of Resources:									
Unavailable Revenue -									
Sewer Receivable	-	-	7,669	-	-	-	7,669	-	7,669
Grants Receivable	-	-	1,378	-	-	-	1,378	-	1,378
Loans Receivable	-	-	3,660	-	-	-	3,660	-	3,660
Total Deferred Inflows of Resources	-	-	12,707	-	-	-	12,707	-	12,707
Fund Balances:									
Nonspendable	-	-	19	1,387	1,613	257	3,276	-	3,276
Restricted	262	-	19,511	-	-	-	19,511	-	19,511
Committed	-	6	8,941	-	-	-	8,941	-	8,941
Unassigned	-	-	(2,583)	-	-	-	(2,583)	-	(2,583)
Total Fund Balances	262	6	25,888	1,387	1,613	257	29,145	-	29,145
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 262	\$ 6	\$ 50,004	\$ 1,387	\$ 1,613	\$ 257	\$ 53,261	\$ (3,988)	\$ 49,273

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds							
	Stanley Quarter Park	Park Security and Policing	Cemetery	Sewer Use	Local Capital Improvement	Retiree Plan Reimbursement	American Savings Grant	Police Explorers
REVENUES								
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ 189	\$ -	\$ 78	\$ -
Investment Earnings	-	-	28	-	-	-	-	-
Investment Losses	-	-	-	-	-	-	-	-
Licenses, Fees, and Charges for Goods and Services	2,592	61	370	12,125	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	20
Total Revenues	<u>2,592</u>	<u>61</u>	<u>398</u>	<u>12,125</u>	<u>189</u>	<u>-</u>	<u>78</u>	<u>20</u>
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	61	-	-	-	-	-	22
Public Works	-	-	-	10,948	201	-	-	-
Health and Welfare	-	-	586	-	-	-	-	-
Parks, Recreation, and Libraries	2,349	-	-	-	-	-	133	-
Education	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,349</u>	<u>61</u>	<u>586</u>	<u>10,948</u>	<u>201</u>	<u>-</u>	<u>133</u>	<u>22</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	243	-	(188)	1,177	(12)	-	(55)	(2)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	(11)	(503)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(503)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	243	-	(199)	674	(12)	-	(55)	(2)
Fund Balances - Beginning of Year	<u>(119)</u>	<u>156</u>	<u>(997)</u>	<u>5,904</u>	<u>(220)</u>	<u>73</u>	<u>50</u>	<u>5</u>
FUND BALANCES - END OF YEAR	<u>\$ 124</u>	<u>\$ 156</u>	<u>\$ (1,196)</u>	<u>\$ 6,578</u>	<u>\$ (232)</u>	<u>\$ 73</u>	<u>\$ (5)</u>	<u>\$ 3</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Preventative Health Block Grant	21st Century After School Grant	Exercise the Right Choice	Exercise the Right Choice II	Immunization Action Plan	Bioterrorism Grant	Historical Records Preservation	21st Century Grant	Centralized and Distribution Services
REVENUES									
Intergovernmental Revenue	\$ 29	\$ 122	\$ 202	\$ 19	\$ 462	\$ 40	\$ 53	\$ 311	\$ -
Investment Earnings	-	-	-	-	-	-	-	-	-
Investment Losses	-	-	-	-	-	-	-	-	-
Licenses, Fees, and Charges for Goods and Services	-	-	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	-	-
Total Revenues	<u>29</u>	<u>122</u>	<u>202</u>	<u>19</u>	<u>462</u>	<u>40</u>	<u>53</u>	<u>311</u>	<u>-</u>
EXPENDITURES									
General Government	-	-	-	-	-	-	17	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Health and Welfare	10	-	-	-	247	40	-	-	-
Parks, Recreation, and Libraries	-	164	162	19	-	-	-	306	-
Education	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>10</u>	<u>164</u>	<u>162</u>	<u>19</u>	<u>247</u>	<u>40</u>	<u>17</u>	<u>306</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	19	(42)	40	-	215	-	36	5	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	19	(42)	40	-	215	-	36	5	-
Fund Balances - Beginning of Year	<u>19</u>	<u>(42)</u>	<u>31</u>	<u>(4)</u>	<u>1</u>	<u>55</u>	<u>214</u>	<u>7</u>	<u>(236)</u>
FUND BALANCES - END OF YEAR	<u>\$ 38</u>	<u>\$ (84)</u>	<u>\$ 71</u>	<u>\$ (4)</u>	<u>\$ 216</u>	<u>\$ 55</u>	<u>\$ 250</u>	<u>\$ 12</u>	<u>\$ (236)</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Conversation on Race	Victim Services Coordinator Grant	Federal Omnibus Appropriation	CT Health Foundation	STD Control Program	Recreation Donation	Recreation Amusement	Health Per Capita	Highway Safety Grant
REVENUES									
Intergovernmental Revenue	\$ -	\$ -	\$ 272	\$ -	\$ 13	\$ -	\$ -	\$ 143	\$ 129
Investment Earnings	-	-	-	-	-	-	-	-	-
Investment Losses	-	-	-	-	-	-	-	-	-
Licenses, Fees, and Charges for Goods and Services	-	-	-	-	-	-	-	-	-
Other Revenues	5	-	-	-	-	88	9	-	-
Total Revenues	<u>5</u>	<u>-</u>	<u>272</u>	<u>-</u>	<u>13</u>	<u>88</u>	<u>9</u>	<u>143</u>	<u>129</u>
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	204	-	-	-	-	-	147
Public Works	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	4	42	-	-	195	-
Parks, Recreation, and Libraries	5	-	-	-	-	215	18	-	-
Education	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>5</u>	<u>-</u>	<u>204</u>	<u>4</u>	<u>42</u>	<u>215</u>	<u>18</u>	<u>195</u>	<u>147</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	68	(4)	(29)	(127)	(9)	(52)	(18)
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	259	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>259</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	68	255	(29)	(127)	(9)	(52)	(18)
Fund Balances - Beginning of Year	<u>9</u>	<u>2</u>	<u>(91)</u>	<u>812</u>	<u>13</u>	<u>435</u>	<u>28</u>	<u>96</u>	<u>(325)</u>
FUND BALANCES - END OF YEAR	<u>\$ 9</u>	<u>\$ 2</u>	<u>\$ (23)</u>	<u>\$ 1,067</u>	<u>\$ (16)</u>	<u>\$ 308</u>	<u>\$ 19</u>	<u>\$ 44</u>	<u>\$ (343)</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Drug Investigation	Senior Citizens Center	Mobile Data Communication	Pulmonary Screening	Mayor's Fun Day	Assistance to CCSU Police Department	ARRA Paving Program	Public Works Grants	Fireworks Fund
REVENUES									
Intergovernmental Revenue	\$ 240	\$ -	\$ 351	\$ 30	\$ -	\$ 8	\$ 393	\$ 1,618	\$ -
Investment Earnings	-	-	-	-	-	-	-	-	-
Investment Losses	-	-	-	-	-	-	-	-	-
Licenses, Fees, and Charges for Goods and Services	-	19	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	207	-	-	-	-
Total Revenues	<u>240</u>	<u>19</u>	<u>351</u>	<u>30</u>	<u>207</u>	<u>8</u>	<u>393</u>	<u>1,618</u>	<u>-</u>
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	191	-	28	-	-	3	-	-	-
Public Works	-	-	-	-	-	-	94	3,021	-
Health and Welfare	-	-	-	49	-	-	-	-	-
Parks, Recreation, and Libraries	-	28	-	-	184	-	-	-	29
Education	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>191</u>	<u>28</u>	<u>28</u>	<u>49</u>	<u>184</u>	<u>3</u>	<u>94</u>	<u>3,021</u>	<u>29</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	49	(9)	323	(19)	23	5	299	(1,403)	(29)
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	270	54
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>270</u>	<u>54</u>
NET CHANGE IN FUND BALANCES	49	(9)	323	(19)	23	5	299	(1,133)	25
Fund Balances - Beginning of Year	<u>721</u>	<u>26</u>	<u>1,457</u>	<u>83</u>	<u>(123)</u>	<u>(5)</u>	<u>(350)</u>	<u>2,150</u>	<u>(25)</u>
FUND BALANCES - END OF YEAR	<u>\$ 770</u>	<u>\$ 17</u>	<u>\$ 1,780</u>	<u>\$ 64</u>	<u>\$ (100)</u>	<u>\$ -</u>	<u>\$ (51)</u>	<u>\$ 1,017</u>	<u>\$ -</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	YSB Program Activity	School Lunch Program	School Rental Account	High School Athletic	Adult Education	Summer School Music	Student Activities Fund	Community and Neighborhood Development	Business Outreach
REVENUES									
Intergovernmental Revenue	\$ -	\$ 9,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	141	-	-	-	-	-	-	-
Investment Losses	-	-	-	-	-	-	-	-	-
Licenses, Fees, and Charges for Goods and Services	-	95	58	2	14	29	1,082	-	-
Other Revenues	89	-	-	-	-	-	-	-	-
Total Revenues	<u>89</u>	<u>10,001</u>	<u>58</u>	<u>2</u>	<u>14</u>	<u>29</u>	<u>1,082</u>	<u>-</u>	<u>-</u>
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-
Parks, Recreation, and Libraries	-	-	-	-	-	-	-	-	-
Education	82	12,307	6	20	2	49	1,059	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>82</u>	<u>12,307</u>	<u>6</u>	<u>20</u>	<u>2</u>	<u>49</u>	<u>1,059</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7	(2,306)	52	(18)	12	(20)	23	-	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	7	(2,306)	52	(18)	12	(20)	23	-	-
Fund Balances - Beginning of Year	<u>38</u>	<u>12,842</u>	<u>61</u>	<u>212</u>	<u>166</u>	<u>48</u>	<u>518</u>	<u>-</u>	<u>(52)</u>
FUND BALANCES - END OF YEAR	<u>\$ 45</u>	<u>\$ 10,536</u>	<u>\$ 113</u>	<u>\$ 194</u>	<u>\$ 178</u>	<u>\$ 28</u>	<u>\$ 541</u>	<u>\$ -</u>	<u>\$ (52)</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	Emergency Shelter Grant	Community Development Block Grant	HOME Project	Lead Grant	State Home Programs	CHFA Broad Street Demolition	Redevelopment Commission	Brownfield Pilot	Rental
REVENUES									
Intergovernmental Revenue	\$ 179	\$ 2,515	\$ 351	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	2	-	-	-	-	-	-
Investment Losses	-	-	-	-	-	-	-	-	-
Licenses, Fees, and Charges for Goods and Services	-	21	-	-	-	-	-	-	-
Other Revenues	-	110	191	-	-	-	-	-	-
Total Revenues	<u>179</u>	<u>2,646</u>	<u>544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Health and Welfare	194	2,737	431	225	-	-	-	-	-
Parks, Recreation, and Libraries	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>194</u>	<u>2,737</u>	<u>431</u>	<u>225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15)	(91)	113	(225)	-	-	-	-	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	324	-	-	-	-	-	-	-
Transfers Out	-	-	-	(324)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>324</u>	<u>-</u>	<u>(324)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(15)	233	113	(549)	-	-	-	-	-
Fund Balances - Beginning of Year	<u>(39)</u>	<u>1,282</u>	<u>1,716</u>	<u>541</u>	<u>47</u>	<u>98</u>	<u>(6)</u>	<u>(5)</u>	<u>47</u>
FUND BALANCES - END OF YEAR	<u>\$ (54)</u>	<u>\$ 1,515</u>	<u>\$ 1,829</u>	<u>\$ (8)</u>	<u>\$ 47</u>	<u>\$ 98</u>	<u>\$ (6)</u>	<u>\$ (5)</u>	<u>\$ 47</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds								
	EFSP Program	Neighborhood Stabilization Program	C.B. Erwin Walnut Hill Park	Busway Bike Trails	Opioid Fund	Parks and Recreation	ELC Enhancing Detection	Arts Fund	America the Beautiful Forestry
REVENUES									
Intergovernmental Revenue	\$	\$ -	\$ -	\$ -	\$ 215	\$ -	\$ 162	\$ 4	\$ 56
Investment Earnings	-	-	-	-	-	-	-	-	-
Investment Losses	-	-	(6)	-	-	-	-	-	-
Licenses, Fees, and Charges for Goods and Services	-	-	-	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>(6)</u>	<u>-</u>	<u>215</u>	<u>-</u>	<u>162</u>	<u>4</u>	<u>56</u>
EXPENDITURES									
General Government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	261	-	396	-	-
Parks, Recreation, and Libraries	-	-	-	-	-	-	-	-	58
Education	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>261</u>	<u>-</u>	<u>396</u>	<u>-</u>	<u>58</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(6)	-	(46)	-	(234)	4	(2)
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	(6)	-	(46)	-	(234)	4	(2)
Fund Balances - Beginning of Year	<u>(13)</u>	<u>(53)</u>	<u>328</u>	<u>16</u>	<u>(33)</u>	<u>13</u>	<u>225</u>	<u>4</u>	<u>(2)</u>
FUND BALANCES - END OF YEAR	<u>\$ (13)</u>	<u>\$ (53)</u>	<u>\$ 322</u>	<u>\$ 16</u>	<u>\$ (79)</u>	<u>\$ 13</u>	<u>\$ (9)</u>	<u>\$ 8</u>	<u>\$ (4)</u>

**CITY OF NEW BRITAIN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds				Permanent Funds				Interfund Eliminations	Total Nonmajor Governmental Funds
	Camp Schade	Fire Grant	Cold Weather Shelter	Special Revenue Subtotal	Darius Miller Walnut Hill	C.B. Stanley Walnut Hill	Darius Miller F/B/O Fairview Cemetery	Total		
REVENUES										
Intergovernmental Revenue	\$ -	\$ -	\$ -	17,949	\$ -	\$ -	\$ -	17,949	\$ -	\$ 17,949
Investment Earnings	-	-	-	171	158	184	29	542	-	542
Investment Losses	-	-	-	(6)	-	-	-	(6)	-	(6)
Licenses, Fees, and Charges for Goods and Services	-	-	-	-	-	-	-	-	-	-
Other Revenues	-	64	-	16,468	-	-	-	16,468	-	16,468
	-	-	-	783	-	-	-	783	-	783
Total Revenues	-	64	-	35,365	158	184	29	35,736	-	35,736
EXPENDITURES										
General Government	-	-	-	17	-	-	-	17	-	17
Public Safety	-	-	-	656	-	-	-	656	-	656
Public Works	-	-	-	14,264	-	-	-	14,264	-	14,264
Health and Welfare	-	167	-	5,584	-	-	-	5,584	-	5,584
Parks, Recreation, and Libraries	-	-	-	3,670	65	100	15	3,850	-	3,850
Education	-	-	-	13,525	-	-	-	13,525	-	13,525
Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	167	-	37,716	65	100	15	37,896	-	37,896
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(103)	-	(2,351)	93	84	14	(2,160)	-	(2,160)
OTHER FINANCING SOURCES (USES)										
Transfers In	-	101	-	1,008	-	-	-	1,008	(324)	684
Transfers Out	-	-	-	(838)	-	-	-	(838)	324	(514)
Total Other Financing Sources (Uses)	-	101	-	170	-	-	-	170	-	170
NET CHANGE IN FUND BALANCES	-	(2)	-	(2,181)	93	84	14	(1,990)	-	(1,990)
Fund Balances - Beginning of Year	(10)	264	6	28,069	1,294	1,529	243	31,135	-	31,135
FUND BALANCES - END OF YEAR	\$ (10)	\$ 262	\$ 6	25,888	\$ 1,387	\$ 1,613	\$ 257	29,145	\$ -	\$ 29,145

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal Service 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 revenues and expenses related to the BOE's portion of the City's Medical Self-Insurance Plan.

Health Insurance Fund

To account for revenues and expenses related to the City's Medical Self-Insurance Plan.

Workers' Compensation Fund

To account for revenues and expenses related to the City's Workers' Compensation Plan.

General Accident Casualty and Liability Fund

To account for revenues and expenses 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, 2023
(IN THOUSANDS)

	Special Reserve Fund	Health Insurance Fund	Workers' Compensation	General Accident Casualty and Liability	Interfund Elimination	Total
ASSETS						
Cash and Cash Equivalents	\$ 5,888	\$ 256	\$ -	\$ 1,674	\$ -	\$ 7,818
Investments	-	-	18,891	2,850	-	21,741
Due from Other Funds	-	10,859	-	-	(10,859)	-
Accounts Receivable	-	10	-	-	-	10
Total Assets	\$ 5,888	\$ 11,125	\$ 18,891	\$ 4,524	\$ (10,859)	\$ 29,569
LIABILITIES AND NET POSITION						
LIABILITIES						
Accounts Payable and Accrued Expenses	\$ 1,927	\$ 49	\$ 37	\$ 12	\$ -	\$ 2,025
Due to Other Funds	-	-	10,859	-	(10,859)	-
Claims Liabilities	-	942	14,551	2,970	-	18,463
Total Liabilities	1,927	991	25,447	2,982	(10,859)	20,488
NET POSITION - UNRESTRICTED	3,961	10,134	(6,556)	1,542	-	9,081
Total Liabilities and Net Position	\$ 5,888	\$ 11,125	\$ 18,891	\$ 4,524	\$ (10,859)	\$ 29,569

**CITY OF NEW BRITAIN, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Reserve Fund	Health Insurance Fund	Workers' Compensation	General Accident Casualty and Liability	Total
OPERATING REVENUES					
Charges to Other Funds	\$ 20,470	\$ 10,710	\$ 2,455	\$ -	\$ 33,635
Other Revenues		2,250		102	2,352
Total Operating Revenues	<u>20,470</u>	<u>12,960</u>	<u>2,455</u>	<u>102</u>	<u>35,987</u>
OPERATING EXPENSES					
Claims Incurred	24,617	12,247	4,465	89	41,418
Administrative Costs	4	407	291	24	726
Total Operating Expenses	<u>24,621</u>	<u>12,654</u>	<u>4,756</u>	<u>113</u>	<u>42,144</u>
OPERATING INCOME (LOSS)	(4,151)	306	(2,301)	(11)	(6,157)
NONOPERATING REVENUES (EXPENSES)					
Interest and Dividends	-	-	952	141	1,093
CHANGE IN NET POSITION	(4,151)	306	(1,349)	130	(5,064)
Net Position - Beginning of Year	<u>8,112</u>	<u>9,828</u>	<u>(5,207)</u>	<u>1,412</u>	<u>14,145</u>
NET POSITION - END OF YEAR	<u>\$ 3,961</u>	<u>\$ 10,134</u>	<u>\$ (6,556)</u>	<u>\$ 1,542</u>	<u>\$ 9,081</u>

**CITY OF NEW BRITAIN, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Special Reserve Fund	Health Insurance Fund	Workers' Compensation	General Accident Casualty and Liability	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Charges to Other Funds	\$ 20,470	\$ 10,710	\$ 2,455	\$ -	\$ 33,635
Cash Received from Other Operating Activities	-	2,244	-	102	2,346
Cash Paid for Premiums and Other Operating Expenses	(4)	(407)	(291)	(24)	(726)
Cash Payments for Claims Made	(24,948)	(12,403)	(3,268)	(77)	(40,696)
Net Cash Provided (Used) by Operating Activities	(4,482)	144	(1,104)	1	(5,441)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash Received from Other Funds	9,903	-	10,859	-	20,762
Cash Paid to Other Funds	-	(10,859)	(9,903)	-	(20,762)
Net Cash Provided (Used) by Noncapital Financing Activities	9,903	(10,859)	956	-	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Income	-	-	952	141	1,093
Purchase of Investments	-	-	(804)	(119)	(923)
Net Cash Provided (Used) by Investing Activities	-	-	148	22	170
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,421	(10,715)	-	23	(5,271)
Cash and Cash Equivalents - Beginning of Year	467	10,971	-	1,651	13,089
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,888</u>	<u>\$ 256</u>	<u>\$ -</u>	<u>\$ 1,674</u>	<u>\$ 7,818</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (4,151)	\$ 306	\$ (2,301)	\$ (11)	\$ (6,157)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
(Increase) Decrease in Accounts Receivable	-	(6)	-	-	(6)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(331)	(135)	39	-	(427)
Increase (Decrease) in Claims Liability	-	(21)	1,158	12	1,149
Total Adjustments	(331)	(162)	1,197	12	716
Net Cash Provided (Used) by Operating Activities	<u>\$ (4,482)</u>	<u>\$ 144</u>	<u>\$ (1,104)</u>	<u>\$ 1</u>	<u>\$ (5,441)</u>

FIDUCIARY FUNDS

TRUST FUNDS

Pension Trust Funds

To account for the City's single employer defined benefit pension plans that provide pension benefits for police and fire employees.

Other Postemployment Benefit Trust Fund

To account for the accumulation of resources for other postemployment benefit payments to qualified employees for both the City and the consolidated school district.

CITY OF NEW BRITAIN, CONNECTICUT
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023
(IN THOUSANDS)

	Firemen's Pension Fund	Police Benefit Fund	OPEB Trust Fund	Interfund Elimination	Total
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ 1,190	\$ -	\$ 1,190
Investments	76,750	57,409	9,098	-	143,257
Accounts Receivable	2,725	2,725	850	-	6,300
Total Assets	\$ 79,475	\$ 60,134	\$ 11,138	\$ -	\$ 150,747
LIABILITIES AND NET POSITION					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	4,096	5,505	-	-	9,601
Total Liabilities	4,096	5,505	-	-	9,601
NET POSITION HELD IN TRUST FOR PENSION AND OPEB BENEFITS	75,379	54,629	11,138	-	141,146
Total Liabilities and Net Position	\$ 79,475	\$ 60,134	\$ 11,138	\$ -	\$ 150,747

CITY OF NEW BRITAIN, CONNECTICUT
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Firemen's Pension Fund	Police Benefit Fund	OPEB Trust Fund	Total
ADDITIONS:				
Contributions:				
Employer	\$ 2,725	\$ 2,725	\$ 5,271	\$ 10,721
Employee	92	32	-	124
Total Contributions	<u>2,817</u>	<u>2,757</u>	<u>5,271</u>	<u>10,845</u>
Investment Income (Loss):				
Net Change in Fair Value of Investments	7,138	5,498	929	13,565
Interest and Dividends	1,725	1,300	-	3,025
Total Investment Income (Loss)	<u>8,863</u>	<u>6,798</u>	<u>929</u>	<u>16,590</u>
Investment Expense	(64)	(44)	-	(108)
Net Investment Income	<u>8,799</u>	<u>6,754</u>	<u>929</u>	<u>16,482</u>
Total Additions	11,616	9,511	6,200	27,327
DEDUCTIONS:				
Benefits	7,872	8,315	4,421	20,608
Administration	47	48	6	101
Total Deductions	<u>7,919</u>	<u>8,363</u>	<u>4,427</u>	<u>20,709</u>
CHANGE IN NET POSITION	3,697	1,148	1,773	6,618
Net Position - Beginning of Year	<u>71,682</u>	<u>53,481</u>	<u>9,365</u>	<u>134,528</u>
NET POSITION - END OF YEAR	<u>\$ 75,379</u>	<u>\$ 54,629</u>	<u>\$ 11,138</u>	<u>\$ 141,146</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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in Capital Assets	\$ 138,377	\$ 100,763	\$ 122,338	\$ 131,388	\$ 111,159	\$ 132,508	\$ 118,980	\$ 138,395	\$ 138,868	\$ 125,383
Restricted	36,629	39,287	34,998	3,295	3,580	3,466	3,392	3,814	3,311	2,855
Unrestricted	<u>(182,610)</u>	<u>(146,842)</u>	<u>(186,119)</u>	<u>(126,102)</u>	<u>(94,000)</u>	<u>(105,212)</u>	<u>(47,898)</u>	<u>(62,371)</u>	<u>(94,349)</u>	<u>(25,437)</u>
Total Governmental Activities Net Position	(7,604)	(6,792)	(28,783)	8,581	20,739	30,762	74,474	79,838	47,830	102,801
Business-Type Activities:										
Net Investment in Capital Assets	44,340	44,488	44,733	43,744	43,064	42,429	42,120	41,799	41,387	41,058
Unrestricted	<u>9,739</u>	<u>8,611</u>	<u>8,327</u>	<u>9,954</u>	<u>10,295</u>	<u>8,422</u>	<u>8,540</u>	<u>8,710</u>	<u>7,901</u>	<u>6,415</u>
Total Business-Type Activities Net Position	54,079	53,099	53,060	53,698	53,359	50,851	50,660	50,509	49,288	47,473
Primary Government:										
Net Investment in Capital Assets	182,717	145,251	167,071	175,132	154,223	174,937	161,100	180,194	180,255	166,441
Restricted	36,629	39,287	34,998	3,295	3,580	3,466	3,392	3,814	3,311	2,855
Unrestricted	<u>(172,871)</u>	<u>(138,231)</u>	<u>(177,792)</u>	<u>(116,148)</u>	<u>(83,705)</u>	<u>(96,790)</u>	<u>(39,358)</u>	<u>(53,661)</u>	<u>(86,448)</u>	<u>(19,022)</u>
Total Primary Government Net Position	<u>\$ 46,475</u>	<u>\$ 46,307</u>	<u>\$ 24,277</u>	<u>\$ 62,279</u>	<u>\$ 74,098</u>	<u>\$ 81,613</u>	<u>\$ 125,134</u>	<u>\$ 130,347</u>	<u>\$ 97,118</u>	<u>\$ 150,274</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting.

**CITY OF NEW BRITAIN, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
EXPENSES										
Governmental Activities:										
General Government	\$ 33,315	\$ 26,371	\$ 12,945	\$ 14,549	\$ 33,074	\$ 7,405	\$ 10,235	\$ 12,907	\$ 3,687	\$ 15,087
Public Safety	98,178	66,767	93,626	79,373	61,767	70,452	55,681	57,112	56,019	50,893
Public Works	34,491	26,612	33,043	27,892	36,814	26,444	31,637	20,661	28,358	31,236
Health and Welfare	7,154	7,270	7,425	9,448	7,322	6,485	5,953	6,746	6,605	6,633
Parks, Recreation, and Libraries	11,450	11,673	11,613	13,012	9,275	2,115	12,624	13,857	15,804	13,304
Education	256,544	244,436	220,787	204,454	196,522	203,025	167,194	194,594	182,914	185,208
Interest on Long-Term Debt	13,875	12,773	12,266	12,545	7,167	11,490	7,108	14,585	26,172	11,386
Total Governmental Activities Expenses	455,007	395,902	391,725	361,273	351,941	327,416	290,432	320,462	319,559	313,747
Business-Type Activities:										
Water	11,677	10,383	11,202	10,669	9,639	9,274	10,450	9,446	8,922	5,176
Total Primary Government Expenses	466,684	406,285	402,927	371,942	361,580	336,690	300,882	329,908	328,481	318,923
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	2,437	3,124	2,300	1,860	1,787	2,045	2,233	1,966	1,594	1,586
Public Safety	5,694	5,709	4,609	4,712	3,670	3,471	3,726	4,027	3,185	4,207
Public Works	14,994	16,163	14,331	15,125	15,679	13,204	13,512	12,534	12,943	13,385
Health and Welfare	582	752	1,411	548	737	479	484	484	712	684
Parks, Recreation, and Libraries	3,043	2,825	2,622	2,218	2,191	2,415	2,303	2,507	2,820	2,553
Education	1,277	1,245	426	409	1,287	450	529	594	943	744
Operating Grants and Contributions	204,776	218,014	163,948	157,787	146,678	159,712	117,079	147,578	139,486	139,955
Capital Grants and Contributions	54,143	16,270	4,946	5,672	18,625	7,063	3,484	23,232	7,737	5,619
Total Governmental Activities Program Revenues	286,946	264,102	194,593	188,331	190,654	188,839	143,350	192,922	169,420	168,733
Business-Type Activities:										
Charges for Services	14,504	11,774	12,183	12,355	13,498	10,816	11,915	11,912	11,734	10,498
Capital Grants and Contributions	-	-	530	-	-	-	-	-	-	-
Total Business-Type Activities Revenues	14,504	11,774	12,713	12,355	13,498	10,816	11,915	11,912	11,734	10,498
Total Primary Government Program Revenues	301,450	275,876	207,306	200,686	204,152	199,655	155,265	204,834	181,154	179,231
NET EXPENSE (REVENUE)										
Governmental Activities	(168,061)	(131,800)	(197,132)	(172,942)	(161,287)	(138,577)	(147,082)	(127,540)	(150,139)	(145,014)
Business-Type Activities	2,827	1,391	1,511	1,686	3,859	1,542	1,465	2,466	2,812	5,322
Total Primary Government Net Expense	\$ (165,234)	\$ (130,409)	\$ (195,621)	\$ (171,256)	\$ (157,428)	\$ (137,035)	\$ (145,617)	\$ (125,074)	\$ (147,327)	\$ (139,692)

**TABLE 2
(CONTINUED)**

**CITY OF NEW BRITAIN, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues and Other Changes in Net Assets:										
Governmental Activities:										
Property Taxes	\$ 134,462	\$ 136,283	\$ 138,960	\$ 13,946	\$ 134,636	\$ 126,741	\$ 121,948	\$ 127,292	\$ 121,333	\$ 108,112
Grants and Contributions not Restricted to Specific Purposes	25,512	18,950	13,625	13,651	13,035	15,130	18,200	11,528	10,974	11,105
Unrestricted Investment Earnings	4,412	(3,618)	3,398	1,866	245	1,508	2,244	466	1,016	3,562
Transfer										
Miscellaneous	1,005	821	2,053	4,448	1,994	186	185	3,101	1,947	1,341
Total Governmental Activities	<u>165,391</u>	<u>152,436</u>	<u>158,036</u>	<u>33,911</u>	<u>149,910</u>	<u>143,565</u>	<u>142,577</u>	<u>142,387</u>	<u>135,270</u>	<u>124,120</u>
Business-Type Activities:										
Unrestricted Investment Earnings	11	3	5	8	3	4	3	5	3	9
Transfer	-									
Total Business-Type Activities	<u>11</u>	<u>3</u>	<u>5</u>	<u>8</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>5</u>	<u>3</u>	<u>9</u>
Total Primary Government	165,402	152,439	158,041	33,919	149,913	143,569	142,580	142,392	135,273	124,129
Changes in Net Position:										
Governmental Activities	(812)	21,991	(37,741)	(12,158)	(10,023)	6,343	(3,188)	16,097	(13,869)	(14,231)
Business-Type Activities	980	39	161	339	2,508	191	151	1,221	1,815	(1,332)
Total Primary Government	<u>\$ 168</u>	<u>\$ 22,030</u>	<u>\$ (37,580)</u>	<u>\$ (11,819)</u>	<u>\$ (7,515)</u>	<u>\$ 6,534</u>	<u>\$ (3,037)</u>	<u>\$ 17,318</u>	<u>\$ (12,054)</u>	<u>\$ (15,563)</u>

Notes:
(1) Schedule prepared on the accrual basis of accounting.

**CITY OF NEW BRITAIN, CONNECTICUT
FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	7,144	4,711	4,550	4,500	2,143	9,208	17,294	3,165	-	-
Unassigned	17,943	19,625	19,582	17,777	22,853	17,239	18,838	25,235	11,277	4,965
Total General Fund	\$ 25,087	\$ 24,336	\$ 24,132	\$ 22,277	\$ 24,996	\$ 26,447	\$ 36,132	\$ 28,400	\$ 11,277	\$ 4,965
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	3,276	3,225	4,143	3,295	3,580	3,466	3,392	3,033	3,212	3,095
Restricted	33,372	36,221	26,546	37,990	28,621	27,387	16,946	15,361	14,969	10,102
Committed	37,355	49,549	24,630	14,870	31,941	13,630	17,105	4,714	2,827	1,796
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(6,094)	(38,368)	(32,075)	(29,226)	(35,393)	(16,215)	(16,049)	(45,955)	(40,755)	(36,955)
Total All Other Governmental Funds	\$ 67,909	\$ 50,627	\$ 23,244	\$ 26,929	\$ 28,749	\$ 28,268	\$ 21,394	\$ (22,847)	\$ (19,747)	\$ (21,962)

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)
(UNAUDITED)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
REVENUES										
Property Taxes	\$ 135,167	\$ 135,977	\$ 137,817	\$ 136,692	\$ 134,949	\$ 124,516	\$ 124,302	\$ 122,687	\$ 119,390	\$ 108,353
Intergovernmental	298,412	227,808	184,459	176,426	177,300	180,212	177,793	182,139	154,502	157,325
Licenses, Fees, and Charges for Goods and Services	27,501	28,153	24,906	23,806	23,280	21,626	21,740	21,909	20,312	23,803
Income on Investments	3,254	(1,287)	2,234	1,398	2,107	1,107	890	205	192	774
Miscellaneous	1,696	2,792	1,861	5,433	3,772	2,013	669	3,055	5,793	1,904
Total Revenues	<u>466,030</u>	<u>393,443</u>	<u>351,277</u>	<u>343,755</u>	<u>341,408</u>	<u>329,474</u>	<u>325,394</u>	<u>329,995</u>	<u>300,189</u>	<u>292,159</u>
EXPENDITURES										
General Government	26,716	11,857	9,008	6,393	6,484	6,576	6,121	5,294	5,792	5,574
Public Safety	65,337	60,381	58,094	45,301	48,189	41,586	41,338	34,532	33,478	32,834
Public Works	30,246	27,790	28,845	27,039	26,814	23,335	20,678	21,386	18,587	21,794
Social Services	8,732	7,775	8,311	6,301	6,888	5,780	4,959	6,014	5,709	4,524
Education	251,340	238,263	208,017	199,397	186,424	201,949	200,048	186,620	180,080	177,987
Parks and Recreation	12,682	11,273	10,950	10,483	10,048	9,905	9,836	10,132	10,135	8,822
Other	-	-	-	-	-	-	-	-	-	-
Capital Outlay	33,328	31,741	10,161	16,320	45,128	11,509	12,451	19,159	39,041	25,558
Debt Service Interest	5,499	2,333	5,915	34,030	29,308	28,491	23,062	18,356	16,885	29,803
Debt Service Principal	16,580	16,580	16,580	16,580	16,580	16,580	16,580	16,580	16,580	16,580
Total Expenditures	<u>450,460</u>	<u>407,993</u>	<u>355,881</u>	<u>361,844</u>	<u>375,863</u>	<u>345,711</u>	<u>335,073</u>	<u>318,073</u>	<u>326,287</u>	<u>323,476</u>
EXCESS OF REVENUE OVER/UNDER EXPENDITURES	15,570	(14,550)	(4,604)	(18,089)	(34,455)	(16,237)	(9,679)	11,922	(26,098)	(31,317)
OTHER FINANCING SOURCES (USES)										
Transfers In	9,056	5,578	3,729	9,030	3,184	4,737	2,436	2,430	2,053	11,750
Transfers Out	(7,198)	(4,223)	(2,374)	(7,675)	(1,830)	(3,382)	(1,119)	(1,180)	(1,053)	(5,087)
Premiums	-	4,044	-	835	3,161	-	7,846	7,587	4,794	-
Discounts	-	(37)	(880)	-	-	(425)	-	-	-	-
Proceeds from the Issuance of Bonds and Notes	605	68,541	60,355	11,360	28,970	91,645	74,720	44,545	79,300	-
Payment to Refund Bond Escrow Agent	-	(31,766)	(58,433)	-	-	(79,149)	(22,231)	(51,169)	(50,581)	-
Total Other Financing Sources (Uses)	<u>2,463</u>	<u>42,137</u>	<u>2,397</u>	<u>13,550</u>	<u>33,485</u>	<u>13,426</u>	<u>61,652</u>	<u>2,213</u>	<u>34,513</u>	<u>6,663</u>
NET CHANGE IN FUND BALANCES	<u>\$ 18,033</u>	<u>\$ 27,587</u>	<u>\$ (2,207)</u>	<u>\$ (4,539)</u>	<u>\$ (970)</u>	<u>\$ (2,811)</u>	<u>\$ 51,973</u>	<u>\$ 14,135</u>	<u>\$ 8,415</u>	<u>\$ (24,654)</u>
Debt Service as a Percentage of Noncapital Expenditures	5.50 %	5.08 %	6.38 %	17.4 %	13.8 %	13.0 %	13.6 %	13.5 %	12.7 %	15.5 %

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

**CITY OF NEW BRITAIN, CONNECTICUT
 ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (IN THOUSANDS)
 (UNAUDITED)**

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									(8) Taxable Assessed Value As a Percentage of Actual Taxable Value
2023	\$ 1,554,657,121	\$ 1,847,225,394	\$ 106,049,080	\$ 354,052,218	\$ 423,517,080	\$ 1,283,605,465	\$ 3,001,895,428	\$ 555,975	\$ 3,001,339,453	49.50	\$ 4,287,627,790	70 %
2022	1,550,037,620	1,819,937,976	105,721,000	350,741,840	328,812,209	1,259,867,053	2,895,383,592	162,541	2,895,221,051	49.50	4,136,030,073	70
2021	1,546,429,890	1,794,548,875	105,911,610	337,827,820	310,434,144	1,241,410,280	2,853,742,059	168,843	2,853,573,216	50.50	4,076,533,166	70
2020	1,538,810,600	1,802,651,334	106,368,640	344,180,970	300,815,011	1,241,410,280	2,851,416,275	876,968	2,850,539,307	50.50	4,072,199,010	70
2019	1,535,825,240	1,765,042,054	107,369,390	305,820,230	298,383,485	1,199,265,530	2,813,174,869	2,349,048	2,810,825,821	50.50	4,015,465,459	70
2018	1,461,911,655	1,626,983,136	101,468,370	284,509,484	292,548,385	1,120,158,690	2,647,262,340	806,845	2,646,455,495	50.50	3,780,650,707	70
2017	1,458,581,000	1,626,528,220	101,828,520	269,632,550	281,369,967	1,122,062,650	2,615,877,607	263,907	2,615,613,700	50.50	3,736,591,000	70
2016	1,444,269,350	1,590,717,930	103,204,000	254,227,753	274,233,911	1,095,274,570	2,571,378,374	3,370,319	2,568,008,055	49.00	3,668,582,936	70
2015	1,454,112,610	1,554,791,310	94,988,420	233,843,033	269,962,738	1,057,820,460	2,549,877,651	429,399	2,549,448,252	49.00	3,642,068,931	70
2014	1,442,331,690	1,527,554,750	96,517,900	232,308,663	269,408,233	1,017,141,130	2,550,980,106	8,931,154	2,542,048,952	44.12	3,631,498,503	70

Source: City of New Britain Office of Tax Assessor

Note:

- (1) The October 1, 2012 and 2017 Grand Lists were revaluation years
- (2) The 2023 fiscal is the 2021 Grand List, 2022 is 2020 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

The City of New Britain has no overlapping property tax rates

**CITY OF NEW BRITAIN, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
OCTOBER 1, 2021, AND OCTOBER 1, 2012
(IN THOUSANDS)
(UNAUDITED)**

Taxpayer	October 1, 2021			Taxpayer	October 1, 2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
CT Light & Power	\$ 90,434,420	1	5.82%	CT Light & Power	\$ 56,560,238	1	2.22%
Pebblebrook Apartments LLC	22,750,000	2	1.47%	Pebblebrook Apartments LLC	20,865,530	2	0.82%
Connecticut Natural Gas	18,623,020	3	1.20%	Stanley Black & Decker Inc	18,431,308	3	0.72%
Stanley Black & Decker Inc	14,985,961	4	0.97%	Connecticut Natural Gas Corp	13,211,657	4	0.52%
Corwest Plaza Power, LLC	14,984,340	5	0.98%	Investment Associates LTP	11,704,623	5	0.46%
Jubilee Equities LLC	13,770,731	6	0.94%	Inland Southeast New Britain LLC	11,232,130	6	0.44%
Healthcare Portfolio III DST	13,023,920	7	0.89%	NB-BTMC LLC	10,888,850	7	0.43%
BA Leasings BSC LLC	11,791,360	8	0.82%	Farmington Hills 06 LLC	10,282,590	8	0.40%
NB-BTMC, LLC	11,165,000	9	0.77%	Webster Bank	9,026,249	9	0.35%
Corbin Pinnacle LLC	10,651,600	10	0.74%	Paramount Plaza At New Brite LLC	8,840,440	10	0.35%
Total	\$ 222,180,352		14.60%	Total	\$ 171,043,615		6.71%

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)
(UNAUDITED)**

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
2023	49.50	\$ 133,500	\$ 128,738	96.43 %	N/A	\$ 128,738	96.43 %
2022	49.50	134,716	129,171	95.88	2,983	129,171	98.10%
2021	50.50	135,125	130,247	96.39	2,316	130,247	98.10%
2020	50.50	134,451	129,572	96.37	2,565	132,137	98.28%
2019	50.50	133,608	128,879	96.46	3,143	132,022	98.81%
2018	50.50	123,675	119,490	96.62	2,995	122,485	99.04%
2017	50.50	122,530	119,144	97.24	2,383	121,527	99.18%
2016	49.00	121,394	117,265	96.60	3,228	120,493	99.26%
2015	49.00	120,101	115,575	96.23	3,718	119,293	99.33%
2014	44.12	106,331	103,465	97.30	2,253	105,718	99.42%

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

Note: The City of New Britain has no overlapping property tax rates.

**CITY OF NEW BRITAIN, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(IN THOUSANDS, EXCEPT PER CAPITA)
(UNAUDITED)**

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Ratio of Debt to Taxable Assessed Value	Percentage of Personal Income	Debt Per Capita	Population	Debt Per Water	
	General Obligation Bonds and Other Notes	Capital Leases	Water						Customer	Customers
2023	\$ 325,553	\$ -	\$ 5,254	\$ 330,807	7.59%	10.29%	\$ 4,398	74,022	\$ 297	17,718
2022	299,832	-	6,791	306,623	7.25%	8.86%	4,120	72,767	388	17,495
2021	307,015	-	6,791	313,806	7.53%	9.35%	4,219	72,767	387	17,557
2020	309,329	-	9,307	318,636	7.60%	9.42%	4,109	75,277	512	18,168
2019	315,084	-	11,289	326,373	7.85%	10.33	4,324	72,876	620	18,196
2018	300,353	-	10,583	310,936	7.94%	9.85	4,121	72,876	583	18,157
2017	298,631	-	12,417	311,048	7.99%	10.11	4,092	72,988	705	17,601
2016	254,808	-	14,251	269,059	6.95%	8.60	3,486	73,095	788	18,095
2015	255,064	-	16,085	271,149	7.00%	8.74	3,488	73,122	890	18,068
2014	213,576	-	17,919	231,495	5.88%	7.34	2,923	73,055	995	18,018

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

CITY OF NEW BRITAIN, CONNECTICUT
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2023
(IN THOUSANDS)
(UNAUDITED)

Total Tax Collections (Including Interest and Lien Fees) Received by Treasurer for Year Ended June 30, 2022	\$ 135,525 *
Reimbursement for Revenue Loss	<u>23</u>
BASE for Debt Limitation Computation	<u><u>\$ 135,548</u></u>

	General Purpose	Schools	Sewers	Urban Renewal	Pension
Debt Limitation:					
2-1/4 Times Base	\$ 304,983	\$ -	\$ -	\$ -	\$ -
4-1/2 Times Base	-	609,966	-	-	-
3-3/4 Times Base	-	-	508,305	-	-
3-1/4 Times Base	-	-	-	440,531	-
3 Times Base	-	-	-	-	406,644
Total Debt Limitation	<u>304,983</u>	<u>609,966</u>	<u>508,305</u>	<u>440,531</u>	<u>406,644</u>
Indebtedness:					
Bonds and Notes Payable	257,182	57,374	681	-	-
Bond Anticipation Notes	-	30,000	-	-	-
Overlapping Debt	-	-	16,278	-	-
Bonds Authorized - Unissued	<u>34,242</u>	<u>135,816</u>	<u>4,459</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>291,424</u>	<u>223,190</u>	<u>21,418</u>	<u>-</u>	<u>-</u>
Less: Self-Liquidating Indebtedness					
Statutory Exclusion-Pension Obligation Bond	<u>18,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Self-Liquidating Indebtedness	<u>18,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Indebtedness Less Self-Liquidating Indebtedness	<u>272,654</u>	<u>223,190</u>	<u>21,418</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 32,329</u>	<u>\$ 386,776</u>	<u>\$ 486,887</u>	<u>\$ 440,531</u>	<u>\$ 406,644</u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation - \$948,836

*Budgetary Basis

**CITY OF NEW BRITAIN, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limitation	\$ 948,514	\$ 936,341	\$ 943,008	\$ 943,008	\$ 873,411	\$ 876,477	\$ 876,477	\$ 860,587	\$ 839,153	\$ 763,280
Total Net Debt Applicable to Limit	518,165	477,868	335,390	335,390	344,840	347,154	396,987	289,479	299,222	331,956
Legal Debt Margin	<u>\$ 430,349</u>	<u>\$ 458,473</u>	<u>\$ 607,618</u>	<u>\$ 607,618</u>	<u>\$ 528,571</u>	<u>\$ 529,323</u>	<u>\$ 479,490</u>	<u>\$ 571,108</u>	<u>\$ 539,931</u>	<u>\$ 431,324</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>54.63 %</u>	<u>51.04 %</u>	<u>35.57 %</u>	<u>35.57 %</u>	<u>39.48 %</u>	<u>39.61 %</u>	<u>45.29 %</u>	<u>33.64 %</u>	<u>35.66 %</u>	<u>43.49 %</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
(UNAUDITED)**

Calendar Year	Population (1)	Personal Income (1)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2023	74,022	\$ 3,729,154,338	\$ 50,379	33.0	9,717	4.90 %
2022	72,767	3,383,592,733	46,499	33.8	9,681	10.90
2021	72,767	3,383,592,733	46,499	33.8	9,630	10.90
2020	75,277	3,282,905,247	43,611	34.0	10,037	13.30
2019	72,876	3,049,423,344	41,844	34.0	10,133	5.20
2018	72,876	3,049,423,344	41,844	34.0	10,002	5.80
2017	72,983	2,952,875,516	40,457	34.0	10,065	6.80
2016	73,095	2,961,443,925	40,515	33.0	9,874	8.20
2015	73,122	2,917,421,556	39,898	33.0	10,017	7.70
2014	73,055	2,910,365,090	20,655	33.0	10,053	8.90

(1) Connecticut Economic Research Center, Inc. CERC Town Profile 2021

(2) Source: Consolidated School District of New Britain

(3) Source: CT Dept. of Labor

**CITY OF NEW BRITAIN, CONNECTICUT
PRINCIPAL EMPLOYERS
2023 AND 2014
(UNAUDITED)**

2023					2014				
Employer	Nature of Business	Employees	Rank	Percentage of Total City Employment	Employer	Nature of Business	Employees	Rank	Percentage of Total City Employment
Hospital of Central CT	Hospital	3,100	1	8.98 %	Hospital of Central CT	Hospital	2,900	1	8.95%
City of New Britain	Municipality	1,910	2	5.53	City of New Britain	Municipality	1,781	2	5.49%
Central CT State University	University	1,654	3	4.79	Central CT State University	University	1,657	3	5.11%
Hospital for Special Care	Hospital	1,231	4	3.56	State of CT	Government	1,095	4	3.38%
Stanley-Black & Decker	Manufacturing	600	5	1.74	Hospital for Special Care	Hospital	1,080	5	3.33%
Starling Physicians	Health Care	326	6	0.94	Stanley-Black & Decker	Manufacturing	890	6	2.75%
CMHA	Medical	325	7	0.94	Tilcon CT	Construction	553	7	1.71%
Creed Monarch	Manufacturing	275	8	0.80	Webster Bank	Banking	524	8	1.62%
Guida's Dairy	Dairy	240	9	0.69	Grove Hill Medical Center	Health Care	495	9	1.53%
Costco	Retail	225	10	0.65	Dattco	Transportation	450	10	1.39%
Total		<u>9,886</u>		<u>28.62 %</u>	Total		<u>11,425</u>		<u>35.24%</u>
Total Employment		<u>34,539</u>			Total Employment		<u>32,420</u>		

Source: City of New Britain, Economic Development

**CITY OF NEW BRITAIN, CONNECTICUT
 FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Function/Program	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Administration, Financial and Other	75	72	77	80	83	81	111	112	112	112
Police	165	206	184	184	186	192	187	182	182	182
Fire	130	127	131	131	124	129	131	132	132	132
Health and Welfare	15	16	15	15	12	11	12	10	10	10
Parks and Recreation	20	18	13	14	16	16	16	38	38	38
Public Works, Engineering, Garage	97	92	95	96	99	93	62	43	43	43
Water	53	47	48	47	42	44	42	40	40	40
Education	1,471	1,356	1,356	1,341	1,330	1,298	1,280	1,257	1,257	1,224
Total	2,026	1,934	1,919	1,908	1,892	1,864	1,841	1,814	1,814	1,781

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

Function/Program	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government:										
Building Permits Issued	2,812	2,799	1,142	1,142	1,084	1,158	1,118	1,157	1,073	992
Building Inspections Conducted	3,785	1,710	1,088	1,088	1,003	1,102	1,033	918	857	1,026
Police:										
Calls for Service	39,441	40,225	40,563	36,903	41,755	43,697	63,911	92,161	83,389	74,295
Physical Arrests	3,098	3,292	3,801	4,062	4,788	5,396	4,622	5,117	5,542	4,341
Parking Violations	4,567	1,529	3,907	5,669	6,497	7,818	7,438	8,437	12,626	12,915
Traffic Violations	2,873	3,229	3,178	4,261	7,207	6,835	3,590	9,459	5,532	4,243
Fire:										
Emergency Responses	7,261	5,968	6,220	6,724	7,381	6,600	5,611	5,874	6,350	6,047
Fires Extinguished	174	202	170	124	129	105	138	129	463	404
Inspections	1,328	1,480	1,021	1,428	1,294	891	865	767	292	207
Refuse Collection:										
Refuse Collected (tons per day)	86	86	84	90	77	81	80	83	122	157
Recyclables Collected (tons per day)	16	16	16	16	17	16	16	16	16	16
Other Public Works:										
Street Resurfacing (miles)	9	9	8	8	2	9	5	6	10	10
Potholes Repaired	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Parks and Recreation:										
Athletic Field Permits Issued	2,807	2,205	2,222	1,439	2,152	5,040	3,910	3,305	3,123	2,820
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	204,871	202,444	208,767	226,676	237,312	238,017	246,117	249,104	242,255	234,883
Total Volumes Borrowed	232,902	234,532	211,415	211,205	284,872	297,888	308,175	334,763	261,727	361,682
Water:										
New Connections	9	9	8	8	8	26	11	12	6	
Water Main Breaks	26	26	27	17	30	25	35	26	35	13
Average Daily Consumption (thousands of gallons)	8,384	8,384	8,350	8,350	8,841	9,305	9,382	9,706	9,301	9,056
Peak Daily Consumption (thousands of gallons)	10,381	10,381	11,601	11,601	11,412	11,996	11,892	12,329	11,817	12,659
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
(UNAUDITED)**

Function/Program	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	2	2	2	2	2	2	2	2	2	2
Patrol Units	46	46	46	46	46	47	45	45	37	38
Fire Stations	6	6	6	6	6	6	6	6	6	6
Refuse Collection:										
Collection Trucks	11	11	11	11	10	8	10	11	11	11
Other Public Works:										
Streets (Miles)	193	193	193	193	193	193	185	185	185	185
Highways (Miles)	33	33	33	33	33	33	15	15	15	15
Streetlights	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Traffic Signals	67	67	67	64	66	69	69	69	71	71
Parks and Recreation:										
Acreage	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Playgrounds	10	8	8	8	8	8	8	8	8	8
Baseball/Softball Diamonds	18	15	15	15	15	15	15	15	15	15
Soccer/Football Fields	8	10	10	10	10	10	10	10	9	9
Water:										
Water Mains (Miles)	274	274	274	274	274	274	274	274	248	248
Fire Hydrants	2,086	2,086	2,082	2,080	2,078	2,078	2,097	2,096	1,864	1,863
Storage Capacity (thousands of gallons)	2,742,921	2,742,921	2,742,921	2,742,921	2,742,921	2,742,921	2,857,800	2,857,800	2,857,800	2,857,800
Wastewater:										
Sanitary Sewers (Miles)	179	179	179	179	179	179	179	179	179	179
Storm Sewers (Miles)	154	154	154	154	154	154	154	154	154	154