

**CITY OF MERIDEN
CONNECTICUT**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FISCAL YEAR ENDED JUNE 30, 2019

**CITY OF MERIDEN, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

DEPARTMENT OF FINANCE

**MICHAEL LUPKAS, CPFO
DIRECTOR OF FINANCE**

**CITY OF MERIDEN
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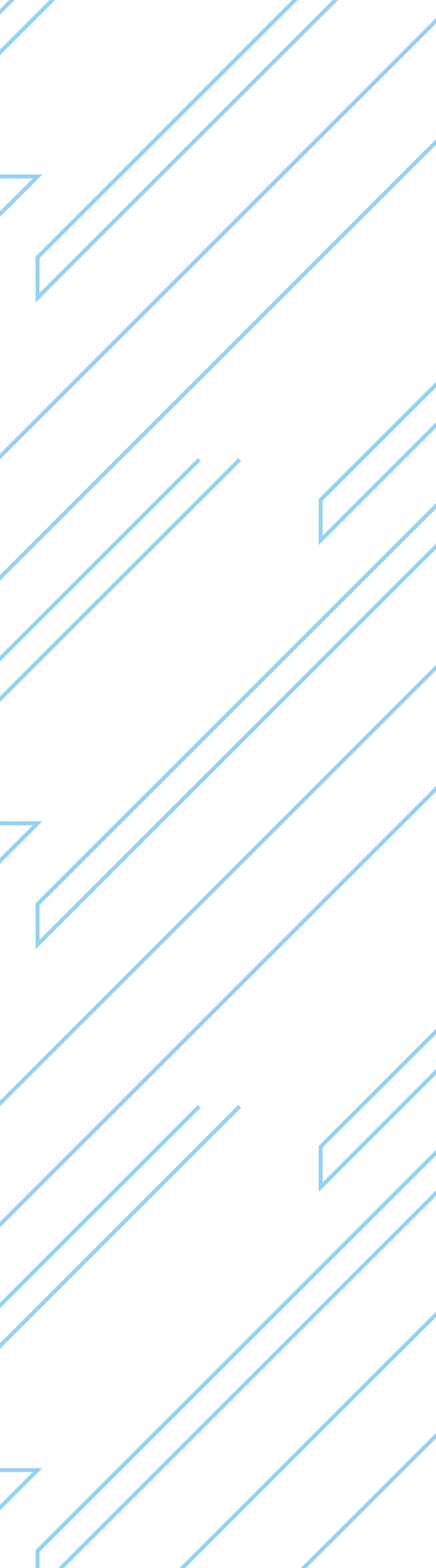
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Introductory Section



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

November 11, 2019

To the Honorable Mayor, Members of the City Council,
and Citizens of the City of Meriden:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Blum, Shapiro & Company, P.C., Certified Public Accountants, have issued an unmodified opinion of the City of Meriden's financial statements for the year ended June 30, 2019. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Description of the Municipality

Meriden was settled in 1661, incorporated as a town in 1806, and as a city in 1867. The Town and City were consolidated in 1922. The City, which covers an area of 24.0 square miles, had a population of 60,841 in 2019. Meriden is located midway between the cities of Hartford and New Haven within New Haven County at the crossroads of Interstate 91, Interstate 691, State Rt. 15 (Wilbur Cross Parkway) and U.S. Rt. 5. Interstate 691 links Interstate 91 and Interstate 84.

The City includes a unique mix of historic buildings and neighborhoods, affordable housing to working families, more affluent suburban style developments, modern business facilities, a major mall, the largest municipal park in Connecticut (Hubbard Park) and prominent natural scenic ridge top areas. There is local transit service, Amtrak, the Hartford Line, and interstate buses all provide passenger transportation connecting the City to major metropolitan centers. Freight service is provided by Conrail and a number of trucking companies. The Meriden-Markham Municipal Airport provides both freight and limited passenger service.

Manufacturing firms produce a diversified product line, which includes electronic components, biopharmaceuticals, printing presses, aircraft and spacecraft components, industrial filters and antipollution equipment, industrial equipment, lighting fixtures, metal alloys, auto parts and video/data transmission equipment.

Form of Government

The City of Meriden has operated under a Council/Manager form of government since December 3, 1979.

Under the City Charter, the legislative branch consists of 12 elected members forming the City Council who have exclusive legislative and fiscal powers. The Council may, by resolution, regulate the internal operation of boards, commissions and offices, which it fills by appointment. The citizens elect the City Council and Mayor. The City Council appoints the City Manager.

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

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

ECONOMIC CONDITIONS AND DEVELOPMENT

Meriden's development points to a stable, slowly growing economy. The average annual growth rate for approved commercial/industrial site plan development is 95,529 square feet. This is the growth rate of land use approvals of applications in the three most recent fiscal years (2017, 2018 and 2019).

SITE PLAN DEVELOPMENT PROJECTS APPROVED BY PLANNING COMMISSION / DIRECTOR IN FISCAL YEARS 2017-2019

Type of Use/Business	2017 Building Sq. Ft.	2018 Building Sq. Ft.	2019 Building Sq. Ft.	Total 2017-2019 Sq. Ft.
Commercial Office / Service	3,600	10,000	55,177	68,777
Commercial Retail	12,790	11,829	10,003	34,622
Industrial / Light Industrial	45,000	22,000	116,188	183,188
TOTAL COMMERCIAL/INDUSTRIAL	61,390	43,829	181,368	286,587
Institutional	13,050	3,290	18,162	34,502
TOTAL NON-RESIDENTIAL	74,440	47,119	199,530	321,089
	2017 Units	2018 Units	2019 Units	Total 2017-2019 Units
Multi-Family Residential	42	111	4	157

Constructed residential units are indicated below:

RESIDENTIAL NEW CONSTRUCTION PERMITS ISSUED AND CONSTRUCTION BEGUN IN FY 2017-2019

Type	FY2017 Units	FY2018 Units	FY2019 Units	Total FY2017-FY2019 Units
Single Family Residential	6	10	7	23
TOTAL RESIDENTIAL	6	10	7	23

COMPREHENSIVE PLANNING

The City is actively implementing its long term Plan of Conservation & Development (“POCD”). The Plan addressed the following aspects of City function:

1. Land Use
2. Economic Development
3. Open Space
4. Housing
5. Infrastructure
6. Quality of Life, etc.

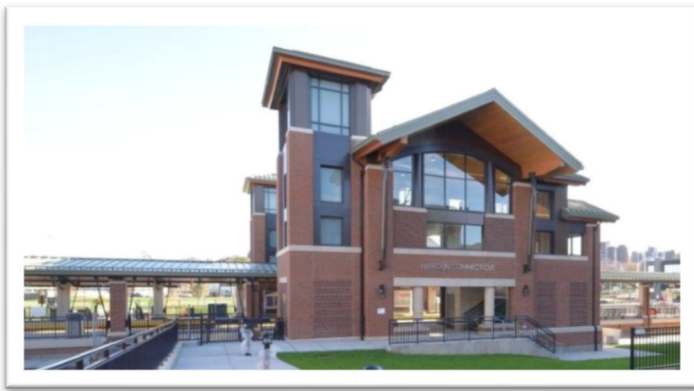
The Plan includes the following vision statement as the guiding objective of the Plan:

“There will be a diversity of cultures in Meriden’s slowly growing population; a learning, working citizenry that shop and convene together in places like an expanded and rejuvenated downtown, where residents and employees can enjoy a pleasing stroll between the historic downtown and the new City Center, and visitors to the mall can continue to the downtown and Hubbard Park for seasonal activities and festivals. There will be a balanced range of housing with a prideful majority of homeownership including a larger segment of higher value single detached homes. Condominiums and apartments will be located near convenient services; their overall quality will be improved as declining structures are renovated or removed. The City will be fiscally stable as neighborhoods and developed areas like Research Parkway retain their value and new development adequately contributes to quality services and infrastructure.”

The Planning Department is currently updating the long term Plan of Conservation & Development (“POCD”) and it is expected to be completed in 2020. The City is actively implementing its previous POCD. Adopted in 2009 by the City Planning Commission and the City Council, the POCD includes specific actions to promote its objectives, including targeted investments, regulatory changes and economic development. In 2016, a review of progress implementing the POCD found that 33 Plan Actions were completed, and another 40 actions were in the process of being completed.

TRANSIT ORIENTED DEVELOPMENT (“TOD”)

The Transit Oriented Development (“TOD”) Plan was the major special study completed in 2012, as part of the implementation of the POCD. The planned increase in rail service and several underdeveloped properties provide opportunities for a full transit center, future high density mixed use development and a central park that can support flood control.



1 Meriden Transit Center



2 Meriden Commons 161 State Street

The Transit Oriented Development (“TOD”) Plan is being implemented on several fronts. First, the Meriden Green park and flood control plan was completed in 2016 and is open for public use. Three acres of the Meriden Green site are set aside for future economic development. The Meriden Transit Center, a \$20 million multi modal facility owned and operated by the Connecticut Department of Transportation, was substantially completed in 2017 and formally opened for service in April 2018. The new station includes a commuter parking garage, surface parking lot, and a new rail station with a pedestrian up and over, and extended platforms.

- The improvements support public transit bus service, Amtrak service, and commuter rail service, known as the “Hartford Line”, to New Haven and Hartford that commenced in June 2018.
- Two new mixed-use private developments, including a 63-unit mixed-use development at 24 Colony Street and a 75-unit mixed-use development at 161 State Street are completed.
- Two additional mixed-use developments totaling 157 housing units are fully funded, permitted, and are in the construction stage.

Additional information can be found on the website <http://www.meriden2020.com/Downtown-Redevelopment/mixed-use-development-projects/>.

Just outside of downtown, the City advanced redevelopment plans for the former Meriden Wallingford hospital site that includes a 245,000 square foot building occupying two city blocks, a former parking garage, and land totaling 5.64 acres. Just to the east of the former hospital site is 116 Cook Avenue, a 73,000 square foot former medical office building on 10 acres that includes the former Insilco Factory H site. The City selected a master developer for both sites through a competitive bid process in 2017. Site cleanup funds have been awarded by the State of Connecticut. This project had commenced in 2018 and will be substantially completed by the winter of 2019.

NEIGHBORHOOD PLANNING:

The City continued its efforts to ensure the preservation and the improvement of the quality of life in our distinct and historical neighborhoods. The preservation effort is primarily addressed through the Neighborhood Code Enforcement Walk. This continuing program includes six inner core neighborhoods covering 525 acres and 20 miles of street. Code violations reviewed include building, zoning, housing and health codes. More specifically, the major issues addressed are painting, drainage, overgrown grass, garbage and debris, abandoned vehicles, illegal apartments, etc.

ENVIRONMENTAL PLANNING

A major priority of the City is the Harbor Brook Flood Control and Linear Trail project. This critical flood control project will protect most of the City through detention, improvement and creation of floodway, removal of obstructions and redirecting portions of the brook. The Falcon Field detention basin located on Westfield Road and the Meriden Green detention basin have been completed. The City has already improved some bridges and culverts in the last couple of years, and is implementing plans for the remaining necessary work. Major developments, including Meriden Commons, were built or are in design with existing interim flood conditions and the understanding that the continued flood control efforts would remove them from the floodplain.

Presently under construction is the installation of culverts under the Amtrak bridge.

Nearing the construction phase are:

- the bridge replacements at Cooper Street and at Center Street
- channel widening from Hanover Street to Cook Avenue
- design work for the second phase of the Meriden Green is ongoing
- channel work from Cook Avenue to the Meriden Green
- the Cedar Street Bridge

Meriden's Linear Trail Master Plan goal is to have a trail system that connects the Meriden Green and the Transit Center to the rest of the City and to other regional trail networks. In 2014, the first two-mile section of the Meriden Linear Trail system, consisting of the Quinnipiac Gorge Trail, constructed in 2007 and the Hanover Pond trail section constructed 2012, was designated as an official Connecticut Greenway. The trail system will progress toward downtown in 2020, with construction starting on the 1/2-mile on-road section of trail from the northern terminus of the Hanover Pond Trail along Coe Avenue to Bradley Avenue. Construction will also be in 2020 on 1-mile of off-road and on-road trails as part of the Harbor Brook channel reconstruction project from Hanover Street north of Grove to Cook Avenue. Design is underway to incorporate linear trails into the phases of Harbor Brook channel improvements currently under design, from Cooper Street to the Meriden Green, and from the Meriden Green northerly to Broad Street. In addition, the City and adjoining towns are exploring regional planning studies to link the Meriden trail system to the larger Connecticut Loop Trail and eventually to the East Coast Greenway.

The Conservation Commission, the Inland Wetlands and Watercourse Commission and Planning staffs are active in preserving environmentally sensitive land throughout the City. In 2015, the Meriden Land Trust preserved the "Bilger Farm", one of the last active farms in Meriden. The City Council designated 71 additional acres of permanent Open Space of a large undeveloped property owned by the City, commonly known as Cathole Mountain in 2011. In recognition of the City's "outstanding" efforts in the development, maintenance and protection of trail systems, the Connecticut Forest and Park Association designed the City as a "Connecticut Trail Town."

The City continues to monitor and preserve the City's tree inventory through the effort of the Tree Warden.

In addition, the Inland Wetlands and Watercourse Commission and staff continue to oversee and limit development of the City's wetland areas.

The City has continued to make progress with environmental cleanup of two important, centrally located sites:

1. 11 Crown Street – demolition of the site and soil cleanup was substantially completed in 2018. The City has collaborated with a private developer to construct an 81-unit mixed-use development on the site in 2018-2019. Construction of this development will be substantially completed by the spring of 2020.
2. 177 State Street – cleanup of the site was completed in the spring of 2017 in advance of construction of the Meriden Commons development. The City transferred the site to the Meriden Housing Authority in 2017 for the purposes of developing a two-phased mixed-use development and the demolition of the Mills public housing project. Transfer of the adjacent parcel, 62 Cedar Street, was completed in 2018 to facilitate a second phase of the Meriden Commons development project. Meriden Commons II is well on its way to being completed in 2020.
3. Meriden Green - The site is across from the train center. Meriden is a designated stop on the planned New Haven-Hartford-Springfield rail service. The park project was completed in the July of 2016.
4. Factory "H" - which is located on Cook Avenue at the southerly entrance to the Transit Oriented Development zoning district. Demolition of the obsolete Factory "H" structures was completed in the summer of 2012.

These properties have redevelopment proposals that are advancing. Adjacent and nearby properties will present many development opportunities.

ECONOMIC DEVELOPMENT

The goal of the Economic Development Office is to sustain and grow the tax base, foster job growth, and create economic activity across our community. Key economic development activities include managing the City's business incentive programs, repurposing brownfield sites, marketing and outreach, and fostering transit-oriented development. This requires going out into the community, meeting with businesses, recruiting businesses, and fostering relationships in the community and throughout the state.

Incentive Programs

The office of Economic Development manages the City's business incentive programs that are designed to assist businesses that locate or expand in Meriden. A more detailed description of the available incentive programs can be found on <http://www.meridenbiz.com/incentives/>.

The incentives include:

- **Meriden's Enterprise Zone ("EZ") State Incentives / State Urban Jobs M-55 Program:** Meriden has a State-designated Enterprise Zone, which provides tax incentives to manufacturers and warehousing and distribution companies that locate to or expand in Meriden's Enterprise Zone. Fifty percent of these tax abatements are reimbursed by the State.
 - During FY 2018-2019, the City approved three applicants for personal property and four applicants for real estate.
- **Meriden's Enterprise Zone - City of Meriden Incentives:** Companies locating to or expanding in the Enterprise Zone that do not qualify for the State's EZ program may qualify for Enterprise Zone incentives under the Meriden Enterprise Zone incentive program.
 - During FY 2018-2019, the City approved three applications for personal property and one application for real estate.
- **Urban Jobs State Incentive Program:** Manufacturing and warehousing/distribution companies located outside of the Enterprise Zone may qualify for the same benefits as those located within the Enterprise Zone. Fifty percent of these tax abatements are reimbursed by the State.
- **Meriden's Information Technology Zone ("ITZ") Incentives:** Meriden has an Information Technology Zone tax incentive program offering real property tax assessment deferrals to property owners who improve their buildings to house IT companies. IT companies locating in the buildings may also receive personal property tax abatements.
 - During FY 2018-2019, the City approved one IT Zone application for personal property.
- **Meriden's Manufacturing Assistance Program ("MAP"):** Meriden offers subordinate financing to manufacturers planning to expand their operations in the City or who wish to locate to Meriden. The loans are for real estate acquisition or improvements and are only offered in conjunction with private financing. Eight manufacturers have taken advantage of this program to date. One loan is current and one additional loan has been approved. Seven loans have been paid back in full. The program supports the expansion and retention of the City's manufacturing base. This program also offers a relocation incentive up to \$15,000 per business for companies relocating to Meriden.
- **Commercial Property Assessed Clean Energy ("C-PACE"):** A State of Connecticut Energy Program allowing commercial and industrial building owners to finance qualifying energy efficiency and clean energy improvements through placing a voluntary assessment on their property tax bill. Meriden has entered into an agreement with the Connecticut Energy Finance and Investment Authority to participate in this program. To date two property owners are participating in the C-PACE program.

- **East Main Street Incentive:** In 2015, the City adopted the East Main Street Incentive to encourage private investment in underutilized and vacant properties, increase traffic to existing businesses, and improve the economic vitality of Meriden's east side. The incentive provides tax abatements related to the improvement of underutilized and vacant properties zoned commercial and located along East Main Street from Bee Street to the Middlefield town line. Several new commercial/retail developments have taken advantage of this incentive including Family Dollar (1324 East Main Street), JD Byrider (1187 East Main Street), Taino's Smokehouse (1388 East Main Street) and Huxley's restaurant (1376 East Main Street).
 - During FY 2018-2019, the City approved three applications for real estate.

Brownfields Redevelopment

Meriden is engaged in a long-term commitment to assess and clean up brownfield sites in the community and return them to active reuse. Since 1992, the City has evaluated 23 brownfield sites totaling over 36 acres of land. Cleanup of 11 sites has been completed or is ongoing. Since 2002, the City has leveraged over \$30 million for assessment, cleanup and remediation activities of those sites. These grants have supported the creation of more available land for housing and commercial development.

Marketing and Outreach

Meriden is in its 15th year of a marketing campaign focusing on business retention and business development. The "Meriden 2020: Bringing It/Together" campaign was launched in 2015 to include electronic and print media campaigns allowing the City to update and maintain online communications, including meridenbiz.com and meriden2020.com websites and to develop and implement a marketing plan for the use of the 2,000 hours/year of electronic billboard space.

The City's Economic Development Office continues to contract with CoStar Inc., to provide real-time, on-line access to commercial property databases listing all commercial and industrial properties available for lease or sale in the Meriden/New Haven region. The database enables staff to provide real-time "for lease" and "for sale" information to companies wishing to locate to or expand in the City. The database also provides real estate analysis (vacancy rates, lease histories, property trends/photos, and floor plans by building) for distribution to prospects, market research companies and site selection consultants.

Commercial/Industrial Development

Recently, several industrial and commercial businesses have undertaken major expansion projects in Meriden. Highlights include the following:

- Taino's Smokehouse Prime, 1388 East Main Street - This 8,500 sf. repurposed a long vacant restaurant property that was scheduled for demolition. The owner invested heavily with state-of-the-art cooking and smoking equipment and advertising as a unique "Open fire pit". The venue has been a huge success and is attracting customers from throughout New England. The project was completed in 2019.
- 1376 East Main Street, Huxley's Bookmark Café New 4,500 sf restaurant was completed in 2019.
- 11 Crown Street / 2 South Colony. New construction of 81-unit mixed-use development. Total development cost \$30 million to be completed in 2020/2021.
- 161/177 State Street - Meriden Commons Phase 2. New construction of 76-unit mixed-use development with 1,500 sf commercial space to be completed in 2020. Total development cost \$30 million.
- 161/177 State Street - Meriden Commons Phase 1. New construction of 75-unit mixed-use development with 5,500 sf commercial space has been completed in 2018. Total development cost \$24 million.
- 300 Research Parkway - Plimpton Hills. Repurpose of vacant 35,000 sf commercial/office building into plumbing supply retail/office. Completed in 2018.

- 30 Pomeroy Ave.-FW Webb. Major renovation of former car dealership into retail plumbing supply and showroom. Completed in 2018.
- 518 Broad Street. New construction 7,000 sf auto parts retail store. Completed in 2018.
- CVS. 143 South Broad Street. New construction of a 14,000 sf retail pharmacy. Completed in 2016.
- Aperture Optical. 170 Pond View Dr. Repurpose of a vacant 20,000 sf commercial facility into an office and manufacturing facility. Completed in 2016.
- Family Dollar. 1326 East Main Street. New construction of a 9,250 sf commercial retail facility. Completed in 2016.

Municipal and Public Facility Development

The following represent highlights to the City's recent municipal and public facility development:

The City has completed several significant field reconstruction projects including soccer and softball fields at Columbus Park, soccer fields at DeZinno Field, baseball fields at Habershon Park, softball fields at Nessing Field, and baseball fields at Thomas Hooker School. A new irrigation system was added for the Hubbard Park bandshell field.

In addition to the Meriden Green project described below, the City has completed improvements to City Park that is located near the City center, funded through a combination of City, State and private foundation grants. The Meriden Green park and flood control project was completed in September 2016 and is now open to the public providing 14 acres of open space and floodwater detention in downtown.

The City also completed an addition to the Library parking lot, repair of its elevator and will complete other interior and exterior Library projects shortly, all projects were partially funded through State Library grant funds. The City has nine CNG powered passenger vehicles, one van and traffic sign truck. Cost differential in the purchase price have been funded through grants from the State. The City is considering the installation of a second CNG fueling station for use by private businesses that have expressed an interest in such a facility. The City has installed four electric vehicle-charging stations, which are open to the public, and purchased one dedicated electric vehicle. Funds for this project were provided by the CT Department of Energy and Environmental Protection.

The City purchased the streetlight network from Eversource and installed new LED lamps. Phase I (cobra style overhead lighting) and Phase II (decorative lighting) has been completed. Phase III (parking lot and sport lighting) is under design. The cost for the project was funded through the Capital Improvement Program. Rebates from Eversource are assisting in the reduction of the overall cost of the project.

The City completed work on a \$19 million Broad Brook water treatment plant upgrade in 2016. In 2010, the City completed a \$46 million comprehensive upgrade to its municipal sewer treatment facility. The facility has expanded capacity, improved water pollution results, reduced nitrogen levels (allowing the City to be a seller of nitrogen credits rather than a purchaser of credits) and reduced electricity usage. These projects were funded through grants and low interest loans to be repaid through user fees. For more information, refer to the section entitled "Clean Water Fund Program" and "Drinking Water Fund Program" contained herein.

Construction has begun at the Department of Public Utilities on a \$48.9 million phosphorus removal project for the Water Pollution Control Facility, which includes upgrades to the remote pump stations within the collection system. This project was funded through grants and low interest loans and will be repaid through user fees. Additionally, the supervisory control and data acquisition (SCADA) system for both the Water and Sewer Divisions is in the process of being updated. This \$2.2 million design build will improve the overall communication and performance of this important operational component.

The City purchased a new \$1.2 million fire ladder truck, funded 50% through federal Fire Act funds. The City has taken delivery of the new truck. The City has completed renovations to its emergency communications center, including a new fourth public safety answering point, funded through State grant and City funds.

In 2018, the City completed sidewalk reconstruction, including drainage improvements and bump out removals along West Main Street from Cook Avenue to Colony Street, and along Colony Street from West Main Street to Columbia Avenue. This project was funded by a combination of City funds and grants from the Office of Policy Management and Department of Community Development. The City also completed the \$3 million Pratt Street Gateway project from Broad Street to East Main Street in downtown Meriden, funded using State LOTCIP funds. Design is continuing on the downtown traffic signal modernization and upgrade program, with construction starting in 2020 using approximately \$3 million in CMAQ funding. Four additional signals are also in design for replacement adjacent to downtown.

The City has continued work on the Harbor Brook Flood Control Project. The project, when completed, will reduce the floodplain from 225 to 95 acres and the number of properties and structures in the floodplain from over 300 to 50. The project consists of two flood storage basins, 5 miles of channel improvements and 13 bridge replacements or upgrades. The two flood storage basins, Falcon Park on Westfield Road and Meriden Green, were completed in 2012 and 2014, respectively.

The Meriden Green project transformed an underutilized City brownfield property in the City Center into a flood control area that will detain 53-acre feet of water in high storm conditions and allow use of the property as a central park and green space in normal conditions. The park features amenities such as a performance amphitheater, public plazas, a great lawn area, an iconic pedestrian bridge and nearly a three-acre footprint for economic development purposes. An extension of the Meriden Green is in preliminary design, which will increase the storm water detention capacity, as well as additional recreational opportunities downtown.

Presently under construction is the Amtrak Railroad Bridge Relief Culvert project, which consists of installing two 5' pipes under the railroad bridge. The project began in Spring 2019, and is scheduled for completion in Spring 2020. The contract amount is \$2.8 million; with \$1 million additional for construction inspection and Amtrak related costs. The project is funded with a combination of City and a \$2.4 million FEMA grant.

Slated for construction in 2020 are the Cooper Street and Center Street bridges, and the channel work from Bradley Avenue to Cooper Street. The Cooper Bridge is a \$2.5 million project, with funding planned from either LOTCIP or the DOT Local Bridge Program. Center Street is a \$3 million project, with a combination of City and State funds. The Channel work is estimated to cost \$8.5 million, with nearly \$7 million from State grants and the remainder using City funds. The Cedar St. Bridge has completed preliminary design and is anticipated to start construction in 2021.

In design are the channel sections of Harbor Brook between Cooper Street to the Amtrak Bridge, the Amtrak Bridge to Perkins Square, and Cedar St to Center Street. Designs are anticipated to be completed by 2021. At this time, these sections are funded for design but not construction.

The \$107 million "like new" renovation of Francis T Maloney High School and the \$111 million "like new" renovation of Orville Platt High School where substantially completed when the City added a phase three to each project to re-build the running tracks and associated athletic fields at each high school. Both of these tracks should be completed by mid-spring 2020. These projects are expected to have eligible expenditures reimbursed at a grant funding rate of 77%.

The City is currently engaged in a \$1.2 million re-roofing project of its Hanover Elementary School. This project is expected to receive a State grant reimbursement rate of 75.36% and is expected to be completed in January 2020.

Residential Development

During 2018 and 2019 residential development activity continued to progress. Several major residential developments, including a 63-unit development at 24 Colony Street, 151-unit development at Meriden Commons I and II, and 81-unit development at 11 Crown Street are either completed and occupied or expected to be completed by the end of 2019.

Comprehensive Planning and Future Mixed Use Developments

The Planning Department is currently updating the long term Plan of Conservation & Development (“POCD”) and it is expected to be completed in 2020. The City is actively implementing its previous POCD. Adopted in 2009 by the City Planning Commission and the City Council, the POCD includes specific actions to promote its objectives, including targeted investments, regulatory changes and economic development. In 2016, a review of progress implementing the POCD found that 33 Plan Actions were completed, and another 40 actions were in the process of being completed.

The City’s comprehensive planning implementation efforts continue to be concentrated in the areas of Land Use, Neighborhood Planning, targeted Open Space, and Economic Development. A major City proposal in 2012 was to rezone over 540 residential properties in nine areas of the City from R-2 Two/Three Family Residential to R-1 Single Family Residential. Staff research indicated that the nine areas were primarily composed of single-family homes, and revising zoning would help to maintain the neighborhoods. Following a public hearing, the City Council changed the Zoning Map designation for these properties. A recent review of these areas indicates the neighborhoods are stable or improving – specifically in areas previously showing a decline.

The Transit-Oriented Development (“TOD”) Plan has started to be implemented. To ensure that new high quality development is facilitated, the Planning Director has worked closely with the City Manager and Economic Development to review and advise the major mixed use TOD building projects. The first project approved was a four-story building which includes first floor retail space, 63 units of mixed income housing and a 273 space multi-story parking garage to accommodate the transit center and rail service. The project was completed in 2016. The residential portion of the development is fully occupied. The second development to begin was Meriden Commons I, which includes 75 mixed-income apartments and 5,500 square feet of first floor retail space.

Beyond the downtown area, planning to develop large sites for mid to long-term economic development has continued. A focus of such efforts in 2016 is a large City owned site on South Mountain Road and a former hospital site in the TOD zone. The former Meriden Wallingford Hospital site includes a 245,000 square foot building occupying two city blocks, a former parking garage, and land totaling 5.64 acres. In addition, the Planning Department, along with the Economic Development Office, completed the study, “First Mile, Last Mile” to evaluate the area’s mass transit bus service and how coordination with the new commuter rail line could benefit City residents and those who work within the City.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (“CDBG”)

The primary function of the City’s Community Development Office (CD Office) is to administer the City’s CDBG program. CDBG funds contribute to the funding of three City departments and numerous local non-profit agencies that provide services to low and moderate-income persons, and funds the NPP Residential loan program for income eligible homeowners. The office assists in the management of other municipal grants in transportation, hazard mitigation, energy, open space, economic development, Brownfields and public safety.

Key accomplishments of the CDBG Program during the 2019 Fiscal Year included:

- Funding 28 public service programs run by 23 separate organizations that served over 45,000 low and moderate-income Meriden residents.
- Conducting 5,300 code enforcement inspections in the CDBG target areas.
- Repairing 6 residential structures totaling 10 total housing units through the NPP loan program
- Replacement of deteriorated sidewalks along Grove Street between Washington Street and Grove Court

The City of Meriden is considered a federal entitlement community under the Housing and Community Development Act of 1974, as amended in 1977 and 1982, and a state-designated “distressed” municipality pursuant to Section 32-9j of the Connecticut General Statutes. During FY 2019, the City of Meriden received \$1,053,112 in HUD CDBG “entitlement” funds, which were used to promote decent housing, suitable living environments and economic opportunities for Meriden’s low and moderate-income persons. Programs funded in FY 2019 with CDBG funds include a portion of the City’s code enforcement activities, youth services, and public services for the elderly, homeless, handicapped and at-risk youth, along with façade improvement projects in the City’s downtown area. CDBG funds are also used to support a revolving loan program that funds housing rehabilitation projects through the Neighborhood Preservation Program.

During FY 2019, the Community Development office in partnership with the Economic Development Department managed over \$7 million in federal and state grants related to assessment, remediation and demolition projects including attending project meetings, processing payments, submitting reimbursements requests and submitting reports as required. This included \$6 million in funds from the CT Department of Economic & Community Development for projects at 1 King Place and at the former Meriden Mills housing complex, both of which are located in the TOD district. These grants are vital to the implementation of long-term economic and community development goals for the City of Meriden.

Awards

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement of Excellence in Financial Reporting to the City of Meriden, Connecticut for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the fifteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. Each member has my sincere appreciation for their contributions made in the preparation of this report, in particular, Frank Ocskasy Jr., Director of Accounting, Agnes Puzio, Accountant II, and Margaret Leighton, Accountant I. I would also like to thank Donna Carnot and Kristin Culver from the Board of Education business office.

This comprehensive annual financial report reflects a commitment to the citizens of Meriden, the Honorable Mayor, the City Council and all concerned readers of this report to provide information in conformance with the highest standards of accountability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael Lupkas". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Michael Lupkas, CPFO
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Meriden
Connecticut**

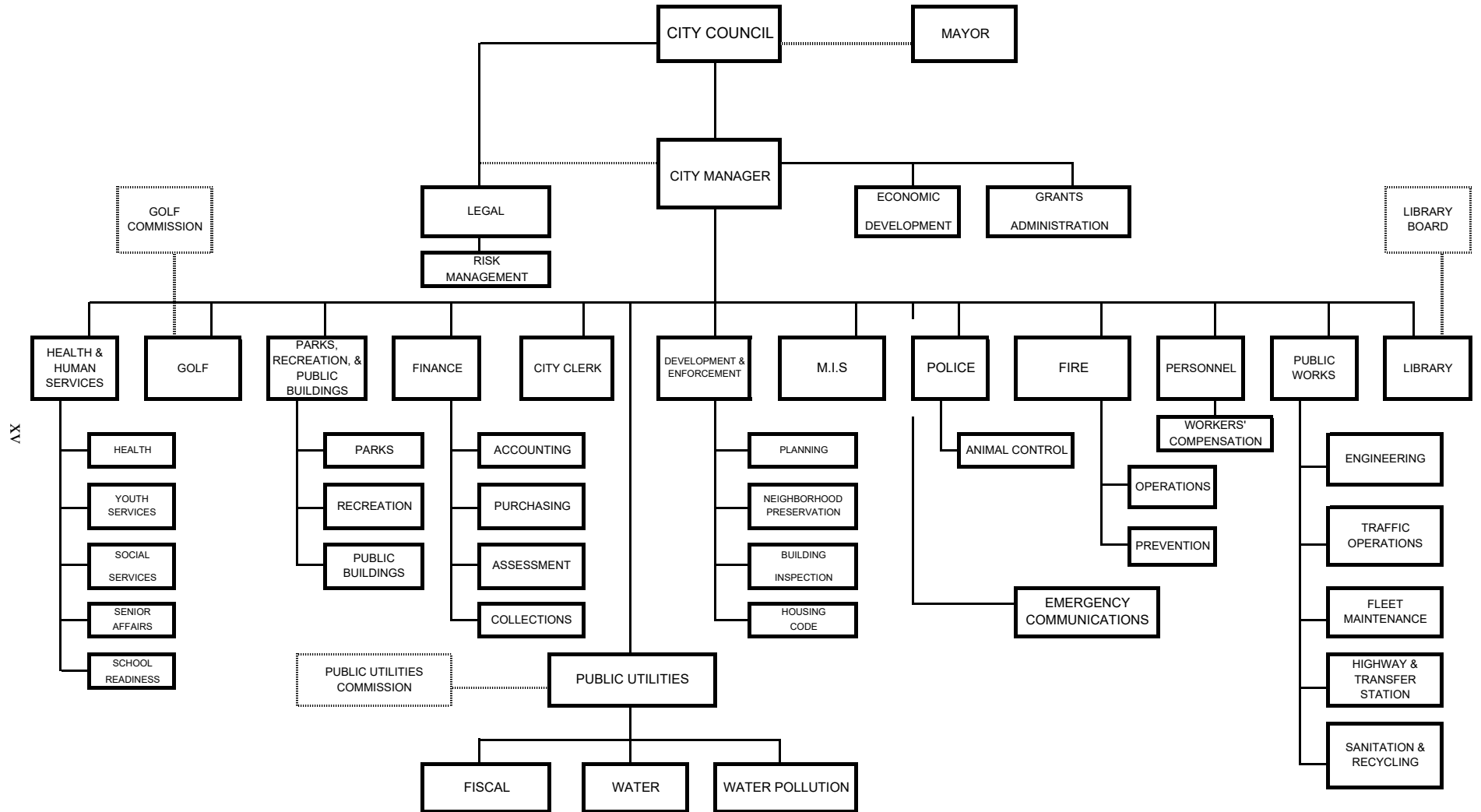
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

**CITY OF MERIDEN
ORGANIZATIONAL CHART**



CITY OF MERIDEN, CONNECTICUT

PRINCIPAL OFFICIALS
JUNE 30, 2019

MAYOR

Kevin M. Scarpati

CITY COUNCIL

Michael P. Cardona, Deputy Mayor
David D. Lowell, Majority Leader
Daniel Brunet, Minority Leader
Catherine R. Battista, Deputy Majority Leader
Walter A. Shamock, Deputy Minority Leader
Joseph Carabetta III, City Councilor
Miguel Castro, City Councilor
Brian P. Daniels, City Councilor
Bruce Fontanella, City Councilor
Larue A. Graham, City Councilor
Sonya R. Jelks, City Councilor
Bob Williams, Jr., City Councilor

CITY MANAGER

Timothy Coon

ADMINISTRATION

City Clerk
Director of Finance
Police Chief
Fire Chief
Corporation Counsel
City Attorney
Director of Development and Enforcement
Director of Economic Development
Director of Emergency Communications
Director of Health and Human Services
Director of Parks and Recreation
Director of Personnel
Director of Public Works
Director of Public Utilities
Library Director
Golf Course Facilities Manager

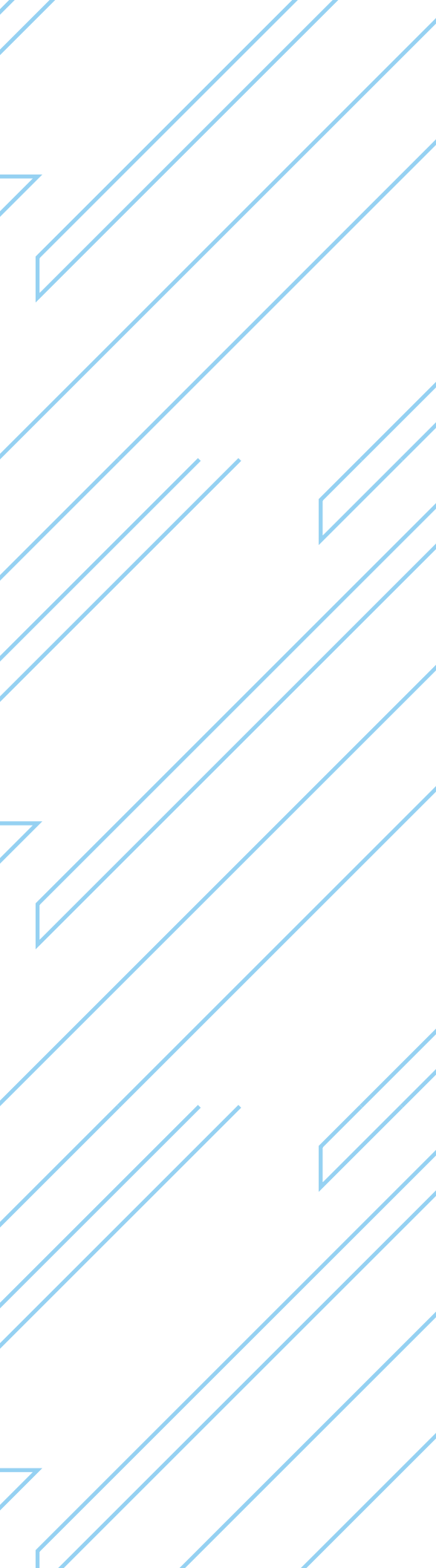
Denise Grandy
Michael Lupkas
Jeffry Cossette
Kenneth Morgan
Michael Quinn
Stephanie Dellolio
Renata Bertotti
Joseph Feest
Doree Price
Lea Crown
Chris Bourdon
Robert Scalise
Howard Weissberg
Richard Meskill
Melissa Fournier
Thomas DeVaux

BOARD OF EDUCATION

Mark A. Hughes, President
Dr. Steven J. O'Donnell, V. President
Pamela S. Bahre, Treasurer
Robert E. Kosienski Jr., Secretary
Allan E. Pronovost
Marisol Estrada
Kim A. Carbone-Pandiani
Wanda Eddy

BOARD OF EDUCATION ADMINISTRATION

Dr. Mark Benigni, Superintendent of Schools
Michael Grove, Assistant Superintendent for Technology and Operations
Louis Bronk, Assistant Superintendent for Personnel and Talent Development
Barbara Haeffner, Director of Teaching and Innovation
Patricia Sullivan-Kowalski, Senior Director of Student Supports and Special Education



Financial Section

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Meriden, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Meriden, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Meriden, Connecticut, as of June 30, 2019 and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Meriden, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 auditing standards generally accepted in the United States of America. 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2019 on our consideration of the City of Meriden, 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 Meriden, 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 Meriden, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
November 11, 2019

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

As management of the City of Meriden, Connecticut, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Meriden for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal, as well as the City's basic financial statements that follow this section.

Financial Highlights

- On a government-wide basis, the assets and deferred outflows of the City of Meriden exceeded its liabilities and deferred inflows of resources resulting in total net position at the close of the fiscal year of \$167.8 million. Total net position for Governmental Activities at fiscal year-end was \$89.8 million and total net position for Business-Type Activities was \$78.0 million. (Exhibit I)
- On a government-wide basis, during the year, the City's net position decreased by \$3.0 million or 1.7%, from \$170.8 million to \$167.8 million. Net position decreased by \$1.0 million for Governmental Activities and decreased by \$2.0 million for Business-Type Activities. Governmental Activities expenses were \$255.7 million, while revenues were \$254.7 million. The decrease in governmental activities net position is primarily due to the reduction in capital assets and an increase in pension and OPEB deferred inflows of resources. (Exhibit II)
- At the close of the year, the City of Meriden's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$49.6 million, a decrease of \$5.5 million from the prior fiscal year. The decrease is primarily attributable to the spending of bond proceeds in the current period resulting in a deficiency of revenues over expenditures of \$6.0 million in the Bonded Projects Fund. (Exhibit IV)
- At the end of the current fiscal year, the total fund balance for the General Fund was \$17.0 million, an increase of \$0.7 million from the prior fiscal year. The increase is primarily attributable to an increase in transfers in from the bonded projects fund. Of the total General Fund, fund balance as of June 30, 2019, \$15.5 million represents unassigned General Fund fund balance. Unassigned General Fund fund balance at year-end represents 7.4% of total General Fund expenditures and transfers out (\$210.5 million), which is an increase of 0.7% from the prior year. (Exhibit III, Exhibit IV)

Overview of the Financial Statements

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

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

Government-Wide Financial Statements

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

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

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

- Governmental activities of the City of Meriden encompass most of the City's basic services and include governmental and community services, administration, public safety, health and welfare, operations and education. Property taxes, charges for services and state and federal grants finance most of these activities.
- Business-type activities of the City of Meriden include the Water Pollution Control Authority, Water Division, and the George Hunter Memorial Golf Course. They are reported here as the City charges a fee to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net position and statement of activities) can be found on Exhibits I and II of this report.

Fund Financial Statements

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

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

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

The City of Meriden maintains 34 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Bonded Projects Fund, which are considered major funds. Data from the other 32 governmental funds are combined into a single, aggregated column and is presented as nonmajor governmental funds.

Individual fund data for each of these nonmajor governmental funds is provided in the combining balance sheet on Exhibit B-1 and in the combining statement of revenues, expenditures and changes in fund balance on Exhibit B-2.

The City of Meriden adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the authorized budget. The statement of revenues, expenditures and changes in fund balance on a budgetary basis can be found on Exhibit V.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances) can be found on Exhibits III and IV of this report.

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

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

The City of Meriden adopts annual appropriated budgets for its Proprietary Funds. A budgetary comparison statement has been provided for the proprietary funds to demonstrate compliance with the authorized budget. The proprietary fund financial statements can be found on Exhibits VI-VIII of this report.

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-85 of this report.

The notes to this report also contain certain supplementary information concerning the City of Meriden's pension plan such as the net pension liability, employer contributions and investment returns on pension assets. Required supplementary information can be found on pages 86-99 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. City of Meriden total net position is \$167.8 million on June 30, 2019. Governmental activities assets exceeded liabilities by \$89.8 million. Business-type activities total net position is \$78.0 million on June 30, 2019.

City of Meriden, Connecticut Statement of Net Position (\$000s) Primary Government

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 80,070	\$ 88,450	\$ 18,683	\$ 21,374	\$ 98,753	\$ 109,824
Capital assets, net of accumulated depreciation	404,572	407,528	130,289	132,810	534,861	540,338
Total assets	<u>484,642</u>	<u>495,978</u>	<u>148,972</u>	<u>154,184</u>	<u>633,614</u>	<u>650,162</u>
Deferred outflow of resources	11,054	9,499	1,304	1,148	12,358	10,647
Current liabilities	34,772	41,821	5,369	5,222	40,141	47,043
Long-term liabilities outstanding	364,695	370,398	66,453	69,887	431,148	440,285
Total liabilities	<u>399,467</u>	<u>412,219</u>	<u>71,822</u>	<u>75,109</u>	<u>471,289</u>	<u>487,328</u>
Deferred inflow of resources	6,436	2,477	417	220	6,853	2,697
Net Position:						
Net investment in capital assets	292,794	297,247	67,580	68,830	360,374	366,077
Restricted	1,047	1,034			1,047	1,034
Unrestricted	<u>(204,048)</u>	<u>(207,500)</u>	<u>10,457</u>	<u>11,173</u>	<u>(193,591)</u>	<u>(196,327)</u>
Total Net Position	<u>\$ 89,793</u>	<u>\$ 90,781</u>	<u>\$ 78,037</u>	<u>\$ 80,003</u>	<u>\$ 167,830</u>	<u>\$ 170,784</u>

A portion of net position was restricted at June 30, 2019 as a result of the Wallingford Regional Solid Waste Reserve (\$.5 million), Flood Control (\$.5 million), and the corpus of various trusts (\$.1 million). Governmental Accounting Standards Board (GASB) Statement 46, *Net Assets Restricted by Enabling Legislation - An Amendment to GASB Statement 34* pertains to the Wallingford Regional Solid Waste Reserve.

By far the largest portion of the City of Meriden’s net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Meriden’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

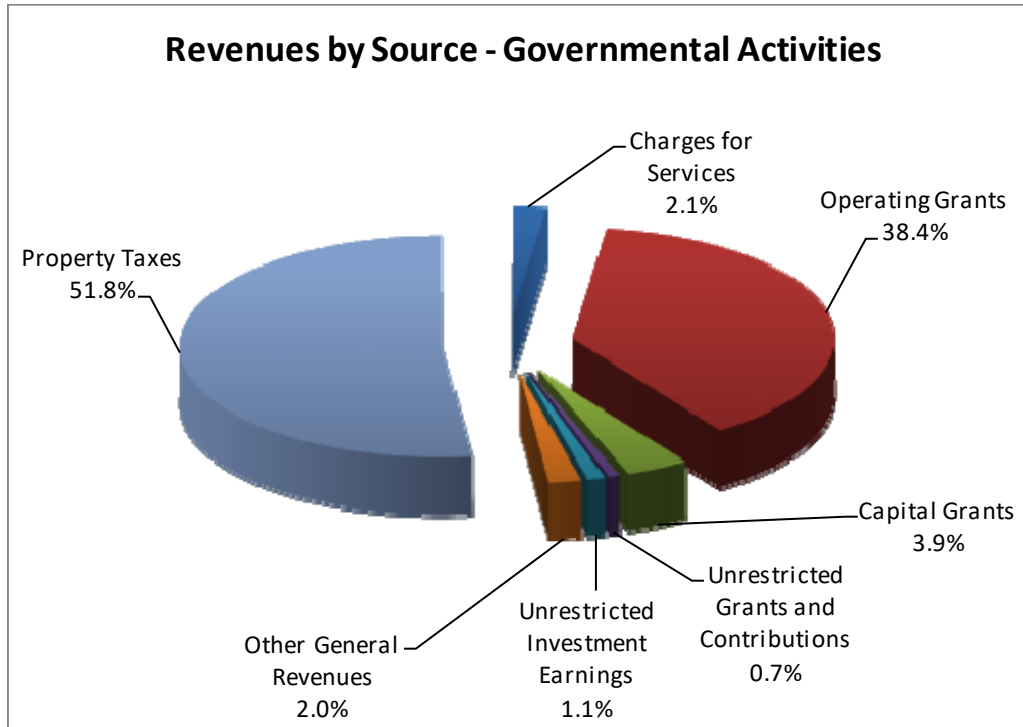
City of Meriden, Connecticut
Changes in Net Position (\$000s)
Primary Government

	Governmental		Business-Type		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 5,339	\$ 5,678	\$ 21,723	\$ 21,849	\$ 27,062	\$ 27,527
Operating grants and contributions	97,670	110,277			97,670	110,277
Capital grants and contributions	9,925	7,413	389	1,087	10,314	8,500
General revenues:						
Property taxes	131,892	124,596			131,892	124,596
Grants not restricted to specific programs	1,839	2,160			1,839	2,160
Unrestricted investment earnings	2,827	1,277	75	120	2,902	1,397
Miscellaneous income	5,174	4,140	1,437	1,356	6,611	5,496
Total revenues	254,666	255,541	23,624	24,412	278,290	279,953
Expenses:						
General government	21,891	21,494			21,891	21,494
Education	145,067	156,578			145,067	156,578
Public safety	52,179	49,296			52,179	49,296
Public works	14,976	11,772			14,976	11,772
Human services	10,426	10,033			10,426	10,033
Cultural and recreation	6,603	7,329			6,603	7,329
Interest on long-term debt	4,513	2,352			4,513	2,352
Sewer Authority			11,404	11,403	11,404	11,403
Water Authority			12,853	12,982	12,853	12,982
George Hunter Golf Course			1,333	1,205	1,333	1,205
Total expenses	255,655	258,854	25,590	25,590	281,245	284,444
Change in Net Position	(989)	(3,313)	(1,966)	(1,178)	(2,955)	(4,491)
Net Position at Beginning of Year	90,781	94,094	80,003	81,181	170,784	175,275
Net Position at End of Year	\$ 89,792	\$ 90,781	\$ 78,037	\$ 80,003	\$ 167,829	\$ 170,784

The City’s net position decreased by \$3.0 million during the fiscal year, with net position of governmental activities decreasing by \$1.0 million and business-type activities decreasing by \$2.0 million.

Governmental Activities

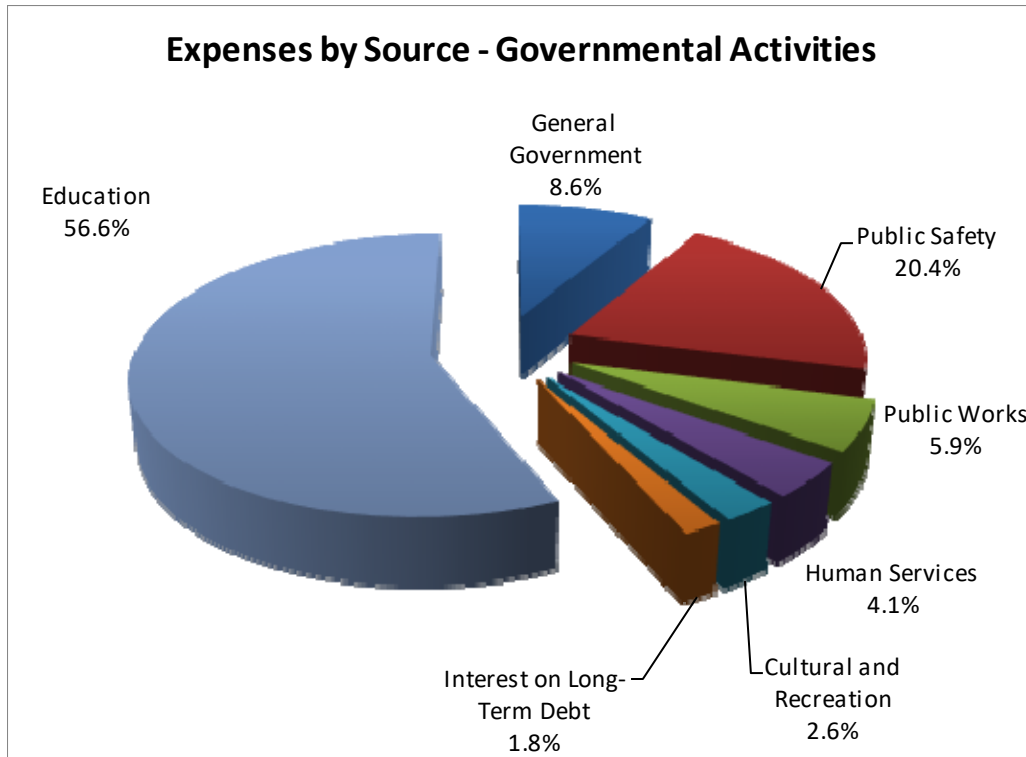
51.8% of the revenues were derived from property taxes, followed by 42.3% from State and Federal Government operating and capital grant programs, and 2.1% from charges for services.



Major revenue factors included:

- Operating grants and contributions decreased by \$12.6 million from 2018 which is primarily due to a reduction of State Teachers Retirement OPEB on-behalf payments of \$14.1 million.
- Property taxes increased by \$7.3 million primarily attributable to an improved collection rate coupled with an increase in current year levied amounts compared to 2018.
- Capital grants and contributions increased by \$2.5 million from 2018 which is primarily due to the reduction of Platt High School construction grants (\$3.0 Million) and Roger Sherman Roof Replacement construction grants (\$.4 million) as these projects near completion coupled with an increase in activity associated with the Local Transportation Capital Improvement Program (LOTICIP) grant (\$1.3 million) and brownfield remediation grants (\$3.9 million).
- Interest revenues increased by \$1.5 million primarily attributable to improved market conditions.

- For Governmental Activities, 56.6% of the City's expenses relate to education, 20.4% relate to public safety, 8.6% to general government, 5.9% to public works, 4.1% to health and human services, 2.6% to culture and recreation and 1.8% on interest on long-term debt.



Major expense factors include:

- A decrease of \$15.1 million in State Teacher Retirement Board pension and OPEB on-behalf payments.
- Public safety expenses for fiscal year 2019 increased by \$2.9 million or 5.9% primarily due to increases in pension related deferred inflows.
- Increases in employee wages, resulting from general wage increases, ranged from 0% to 2.25% depending on the employee group. Some employees also received negotiated step increases.

Business-Type Funds

Business-type activities capital grants and contributions decreased by \$0.7 million due to decreases in grant funding. Other revenue categories were consistent from 2018 to 2019 as combined they decreased by only 90 thousand which represents a 0.4% change.

Business-type activities expenses were extremely consistent from 2018 to 2019. The combined amount of \$25.6 million is unchanged from 2018 to 2019.

Financial Analysis of the City's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the City's financing requirements.

The General Fund is the chief operating fund of the City of Meriden. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$15.5 million while total fund balance was \$17.0 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 7.4% of total General Fund expenditures and transfers out (\$210.5 million), while total fund balance represents 8.1% of that same amount.

As stated earlier, the fund balance of the City of Meriden's General Fund increased by \$.7 million during the current fiscal year. This fund balance increase is primarily attributable to an increase in transfers in from the bonded projects fund.

The Bonded Projects Fund has a total fund balance of \$25.7 million, a decrease of \$7.5 million from the prior year. This decrease is directly attributable to the spending of bond proceeds in the current period.

The Nonmajor Governmental Funds have a total fund balance of \$7.0 million, up from \$5.6 million in the prior year. The \$1.4 million increase is primarily attributable to the receipt of Meriden Green Improvement funds (\$.5 million), the accumulation of unspent funds in the capital and non-recurring fund (\$.2 million), and receipt of unspent funds in the library trust (\$.3 million), miscellaneous grants and programs (\$.2 million), and capital grants and program funds (\$.2 million), respectively.

Proprietary Funds

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

Net position of the Water Fund at the end of the year was \$34.1 million, with unrestricted net position of \$8.1 million. The Water Fund experienced an operating loss of \$0.7 million, which was primarily attributable to increases in other operating expenses.

Net position of the Sewer Fund was \$44.3 million. Unrestricted net position was \$5.4 million. The Sewer Fund experienced an operating loss of \$1.2 million, which was primarily attributable to increases in other operating expenses.

The George Hunter Memorial Golf Course Fund had a deficit in net position at the end of the year of \$.3 million. The Golf Fund net position deficit remained unchanged from 2018 to 2019, primarily attributable to capital contributions provided by the Governmental Activities in the amount of \$.3 million.

General Fund Budgetary Highlights

There were additional appropriations in fiscal year 2019 totaling \$4.2 million, primarily attributable to revisions in tax levies in the current and previous grand list year for Eversource. The original budget included a contingency of \$0.5 million that was budgeted in the General Fund expenses to cover certain items, including unsettled labor contracts and other unanticipated expenses.

During the year, actual revenues on a budgetary basis were \$198.7 million, which was \$.3 million lower than the final budget as adjusted. Property taxes fell short of the budgetary expectation by \$1.0 million, other revenues exceeded expectations by \$.4 million, and investment income exceeded expectations by \$.3 million.

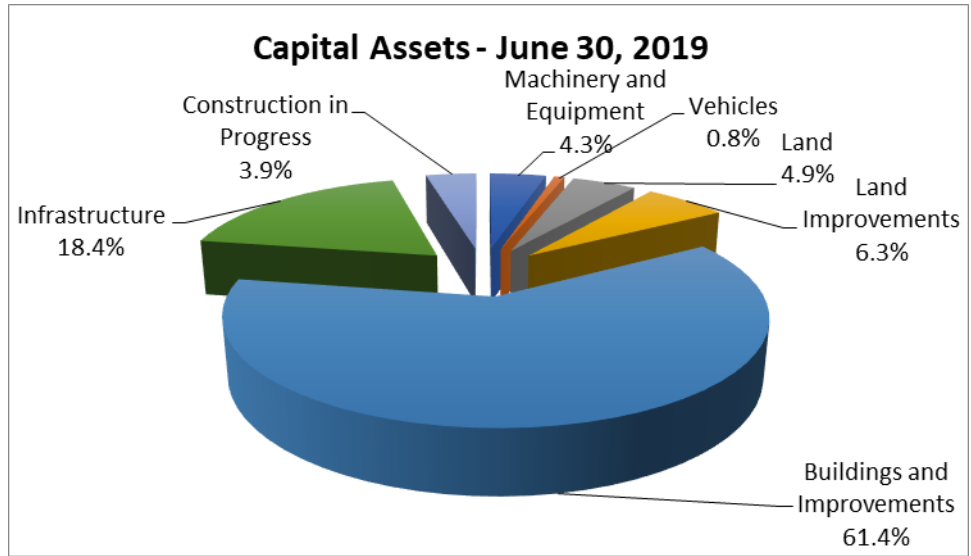
Actual revenues and other financing sources on a budgetary basis totaled \$199.7 million, \$.7 million more than actual expenditures and other financing uses on a budgetary basis of \$199.0 million.

Capital Asset and Debt Administration

Capital Assets. The City of Meriden's investment in capital assets for its governmental and business-type activities as of June 30, 2019 amount to \$534.9 million (net of accumulated depreciation). This investment in capital assets includes land, building and system improvements, machinery and equipment, park facilities, roads, sewers and bridges.

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 25,071	\$ 25,057	\$ 1,138	\$ 1,138	\$ 26,209	\$ 26,195
Land improvements	16,588	17,644	17,129	17,745	33,717	35,389
Buildings and improvements	288,577	297,443	39,734	41,736	328,311	339,179
Infrastructure	44,002	42,796	54,515	55,875	98,517	98,671
Machinery and equipment	11,727	12,930	11,400	13,043	23,127	25,973
Vehicles	3,889	3,817	349	410	4,238	4,227
Construction in progress	14,718	7,841	6,024	2,863	20,742	10,704
Total	\$ <u>404,572</u>	\$ <u>407,528</u>	\$ <u>130,289</u>	\$ <u>132,810</u>	\$ <u>534,861</u>	\$ <u>540,338</u>

**City of Meriden, Connecticut
 Capital Assets (Net of Depreciation) (\$000s)
 Primary Government**



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

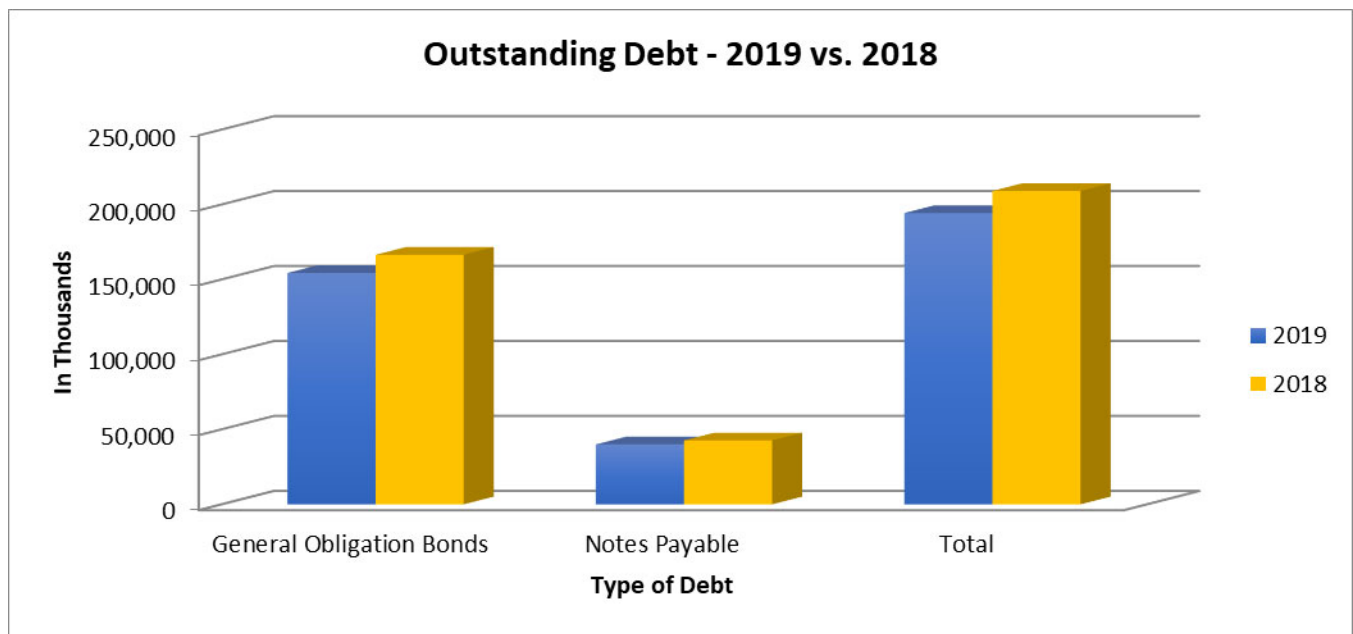
- \$6.4 million in construction activities associated with brownfield remediation activities
- \$4.5 million for Public Works Projects (Road Construction, Paving, Improvements, Flood Control)
- \$3.5 million in sewer phosphorous design and SCADA upgrades
- \$1.4 million in Platt High School construction
- \$.9 million in fire truck purchases/improvements
- \$.8 million in water distribution and facility improvements
- \$.6 million in school boiler replacements
- \$.3 million in golf course improvements

Additional information on the City of Meriden’s capital assets can be found in Note 5 on pages 44-45 of this report.

Long-Term Debt. At the end of the current fiscal year, the City of Meriden had total bonded debt outstanding of \$194.4 million. All of this debt is backed by the full faith and credit of the City.

Outstanding Debt (\$000s)
General Obligation and Revenue Bonds

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 135,765	\$ 146,448	\$ 18,611	\$ 20,042	\$ 154,376	\$ 166,490
Notes payable			39,983	42,622	39,983	42,622
Total	\$ 135,765	\$ 146,448	\$ 58,594	\$ 62,664	\$ 194,359	\$ 209,112



The City of Meriden’s bonded debt decreased by \$14.7 million or 7.0% during fiscal year 2019. This was attributable to the payment of expected debt obligations in the current year.

The City of Meriden has received an underlying rating of AA from S&P Global Ratings and AA- from Fitch Ratings.

In reviewing the City’s financial management, S&P Global Ratings considers Meriden’s management practices “strong” under its FMA methodology, indicating practices that are strong, well embedded, and likely sustainable.” This is the highest level for “Financial Management Assessment.”

The overall statutory debt limit for the City of Meriden is equal to seven times annual receipts from taxation or \$874.9 million. As of June 30, 2019, the City recorded long-term debt of \$184.1 million related to Governmental Activities and none related to Business-Type Activities that are paid through taxes, well below its statutory debt limits.

Additional information on the City of Meriden’s long-term debt can be found in Note 8 on pages 48-54 of this report.

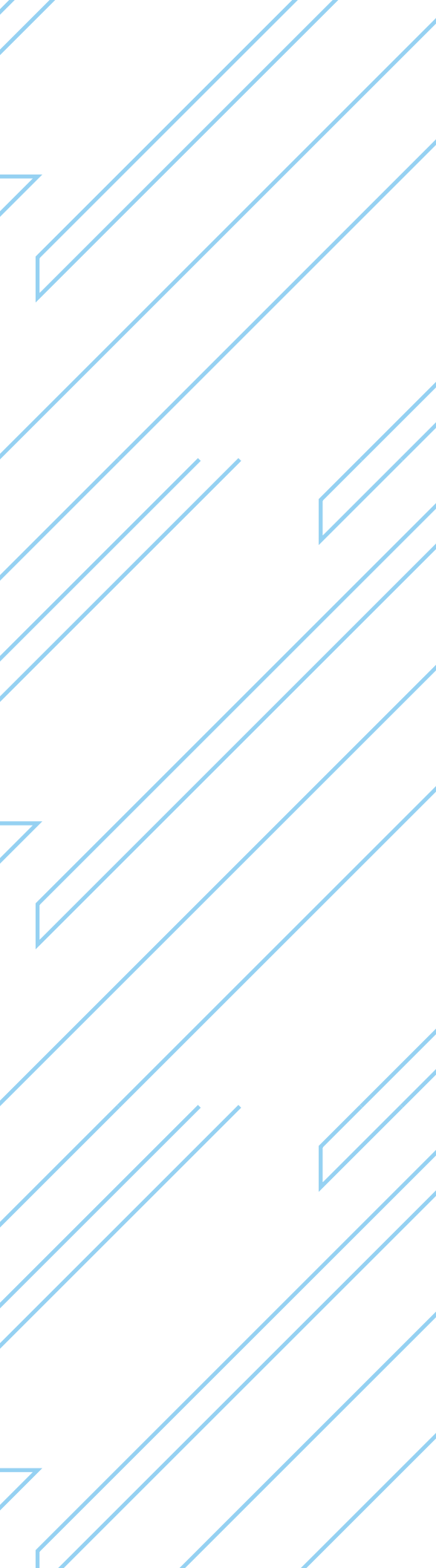
Economic Factors (Updated through September 2019)

As of September 2019, the unemployment rate for Meriden was 4.4%, a decrease from 5.1% in the prior year. Although Meriden's unemployment rate is above the September 2019 State of Connecticut, which had an unemployment rate of 3.6%, Meriden's unemployment rate in September 2019 remained lower than larger Connecticut cities including the City of Hartford at 6.4%, the City of Waterbury at 5.4%, and the City of Bridgeport at 5.0%.

The City of Meriden's reliance on property taxes has helped it weather the national economic downturn. Meriden's income stream is rather stable, even during a recession. Moreover, the City's high-quality tax base lends even more stability to the City's revenue. To foster economic development and continued expansion of the tax base, the City administers several business incentive programs, including Enterprise Zone, the Manufacturing Assistance Loan Program, and the C-PACE program, designed to attract, retain and grow business entities in Meriden.

Requests for Information

The financial report is designed to provide a general overview of the City of Meriden's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City Hall Room 212, 142 East Main Street, Meriden, Connecticut 06450.



Basic Financial Statements

**CITY OF MERIDEN, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2019**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	\$ 41,009,467	\$ 8,873,408	\$ 49,882,875
Investments	24,468,186	1,203,832	25,672,018
Receivables, net	14,079,031	8,792,966	22,871,997
Internal balances	186,910	(186,910)	-
Inventory	280,563		280,563
Other assets	45,501		45,501
Capital assets, nondepreciable	39,789,082	7,162,072	46,951,154
Capital assets, net of accumulated depreciation	<u>364,782,962</u>	<u>123,126,730</u>	<u>487,909,692</u>
Total assets	<u>484,641,702</u>	<u>148,972,098</u>	<u>633,613,800</u>
Deferred Outflows of Resources:			
Related to pension	6,914,171	643,463	7,557,634
Related to OPEB	2,898,852	146,747	3,045,599
Deferred charge on refunding	1,240,879	513,990	1,754,869
Total deferred outflows of resources	<u>11,053,902</u>	<u>1,304,200</u>	<u>12,358,102</u>
Liabilities:			
Accounts payable and accrued liabilities	19,321,046	1,023,392	20,344,438
Accrued interest		188,059	188,059
Unearned revenue	637,183		637,183
Noncurrent liabilities:			
Due within one year	14,812,359	4,157,385	18,969,744
Due in more than one year	<u>364,695,323</u>	<u>66,452,768</u>	<u>431,148,091</u>
Total liabilities	<u>399,465,911</u>	<u>71,821,604</u>	<u>471,287,515</u>
Deferred Inflows of Resources:			
Related to pension	3,158,310	317,992	3,476,302
Related to OPEB	1,964,958	99,470	2,064,428
Advance property tax collections	1,312,962		1,312,962
Total deferred inflows of resources	<u>6,436,230</u>	<u>417,462</u>	<u>6,853,692</u>
Net Position:			
Net investment in capital assets	292,794,765	67,579,824	360,374,589
Restricted:			
Solid Waste Reserve	462,257		462,257
Expendable - Flood Control	480,001		480,001
Nonexpendable - purposes of trust	104,540		104,540
Unrestricted	<u>(204,048,100)</u>	<u>10,457,408</u>	<u>(193,590,692)</u>
Total Net Position	<u>\$ 89,793,463</u>	<u>\$ 78,037,232</u>	<u>\$ 167,830,695</u>

The accompanying notes are an integral part of the financial statements

**CITY OF MERIDEN, CONNECTICUT
STATEMENT OF ACTIVITIES
JUNE 30, 2019**

Function/Program Activities	Program Revenues				Net Revenue (Expense) and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 21,890,801	\$ 3,024,183	\$ 1,450,250	\$ 8,405,117	\$ (9,011,251)	\$	\$ (9,011,251)
Education	145,065,929	293,609	87,545,787		(57,226,533)		(57,226,533)
Public safety	52,177,629	79,271	93,225	66,196	(51,938,937)		(51,938,937)
Public works	14,975,621	1,770,825	104,375	1,453,473	(11,646,948)		(11,646,948)
Human services	10,426,159	138,707	8,089,978		(2,197,474)		(2,197,474)
Culture and recreation	6,603,256	31,940	385,918		(6,185,398)		(6,185,398)
Interest on long-term debt	4,513,432				(4,513,432)		(4,513,432)
Total governmental activities	<u>255,652,827</u>	<u>5,338,535</u>	<u>97,669,533</u>	<u>9,924,786</u>	<u>(142,719,973)</u>	<u>-</u>	<u>(142,719,973)</u>
Business-type activities:							
Sewer Authority	11,404,343	9,609,384		116,565		(1,678,394)	(1,678,394)
Water Authority	12,852,971	11,083,191		23,028		(1,746,752)	(1,746,752)
George Hunter Golf Course	1,333,471	1,029,930		249,857		(53,684)	(53,684)
Total business-type activities	<u>25,590,785</u>	<u>21,722,505</u>	<u>-</u>	<u>389,450</u>	<u>-</u>	<u>(3,478,830)</u>	<u>(3,478,830)</u>
Total	\$ <u>281,243,612</u>	\$ <u>27,061,040</u>	\$ <u>97,669,533</u>	\$ <u>10,314,236</u>	<u>(142,719,973)</u>	<u>(3,478,830)</u>	<u>(146,198,803)</u>
General revenues:							
Property taxes					131,892,367		131,892,367
Grants and contributions not restricted to specific programs					1,839,203		1,839,203
Unrestricted investment earnings					2,826,629	75,188	2,901,817
Miscellaneous income					5,173,747	1,438,374	6,612,121
Total general revenues					<u>141,731,946</u>	<u>1,513,562</u>	<u>143,245,508</u>
Change in net position					(988,027)	(1,965,268)	(2,953,295)
Net Position at Beginning of Year					<u>90,781,490</u>	<u>80,002,500</u>	<u>170,783,990</u>
Net Position at End of Year					<u>\$ 89,793,463</u>	<u>\$ 78,037,232</u>	<u>\$ 167,830,695</u>

The accompanying notes are an integral part of the financial statements

CITY OF MERIDEN, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>General</u>	<u>Bonded Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 3,008,106	\$ 27,598,265	\$ 5,738,420	\$ 36,344,791
Investments	16,120,792		2,498,645	18,619,437
Receivables, net of allowance for uncollectibles	5,756,213	1,522,351	5,198,299	12,476,863
Inventory	122,669		157,894	280,563
Other assets	13,056		523	13,579
Due from other funds	<u>11,676,732</u>			<u>11,676,732</u>
Total Assets	<u>\$ 36,697,568</u>	<u>\$ 29,120,616</u>	<u>\$ 13,593,781</u>	<u>\$ 79,411,965</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 12,305,469	\$ 515,595	\$ 2,568,001	\$ 15,389,065
Due to other funds	73,507	2,772,166	1,665,313	4,510,986
Unearned revenue	10,081	161,392	465,710	637,183
Total liabilities	<u>12,389,057</u>	<u>3,449,153</u>	<u>4,699,024</u>	<u>20,537,234</u>
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	4,892,842			4,892,842
Unavailable revenue - loans receivable	1,142,582		1,895,937	3,038,519
Advance property tax collections	1,312,962			1,312,962
Total deferred inflows of resources	<u>7,348,386</u>	<u>-</u>	<u>1,895,937</u>	<u>9,244,323</u>
Fund Balances:				
Nonspendable	135,725		262,434	398,159
Restricted	962,164	25,671,463	4,518,115	31,151,742
Committed	381,445		2,218,271	2,599,716
Unassigned	15,480,791			15,480,791
Total fund balances	<u>16,960,125</u>	<u>25,671,463</u>	<u>6,998,820</u>	<u>49,630,408</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 36,697,568</u>	<u>\$ 29,120,616</u>	<u>\$ 13,593,781</u>	<u>\$ 79,411,965</u>

(Continued on next page)

CITY OF MERIDEN, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2019

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

Fund balances - total governmental funds (Exhibit III)	\$ 49,630,408
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 646,672,912	
Less accumulated depreciation	<u>(242,100,868)</u>	
Net capital assets		404,572,044

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

Property tax receivables greater than 60 days	4,892,842
Loans receivable greater than 60 days	3,038,519
Deferred outflows related to pension	6,914,171
Deferred outflows related to OPEB	2,898,852

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.

(5,202,007)

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

Bonds payable	(135,764,700)
Notes payable	(975,000)
Bond premium	(4,596,246)
Deferred charge on refunding	1,240,879
Interest payable on bonds and notes	(1,283,361)
Capital lease	(335,903)
Compensated absences	(16,899,442)
Landfill post-closure monitoring	(220,000)
OPEB liability	(55,133,985)
Pollution remediation	(9,674,050)
Deferred inflows related to pension	(3,158,310)
Deferred inflows related to OPEB	(1,964,958)
Net pension liability	(147,081,290)
Claims and judgments	<u>(1,105,000)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 89,793,463</u>
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The accompanying notes are an integral part of the financial statements

**CITY OF MERIDEN, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>General</u>	<u>Bonded Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes, interest and lien fees	\$ 131,453,692	\$	\$	\$ 131,453,692
Federal and state government	70,235,010	1,215,442	37,983,069	109,433,521
Charges for services	4,937,438		401,097	5,338,535
Investment income	1,047,853	734,893	631,857	2,414,603
Other local revenues	1,925,317	37,464	3,210,966	5,173,747
Total revenues	<u>209,599,310</u>	<u>1,987,799</u>	<u>42,226,989</u>	<u>253,814,098</u>
Expenditures:				
Current:				
General government	43,947,628		551,343	44,498,971
Public safety	24,296,629		149,462	24,446,091
Public works	7,942,584		99,829	8,042,413
Health and welfare	4,298,034		6,277,962	10,575,996
Culture and recreation	4,028,440		226,768	4,255,208
Education	109,170,629		25,863,143	135,033,772
Debt service:				
Principal retirement	10,683,300		75,000	10,758,300
Interest and other charges	5,400,106		29,254	5,429,360
Capital outlay		7,977,635	8,259,098	16,236,733
Total expenditures	<u>209,767,350</u>	<u>7,977,635</u>	<u>41,531,859</u>	<u>259,276,844</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(168,040)</u>	<u>(5,989,836)</u>	<u>695,130</u>	<u>(5,462,746)</u>
Other Financing Sources (Uses):				
Transfers in	1,534,590		716,550	2,251,140
Transfers out	(716,550)	(1,534,590)		(2,251,140)
Total other financing sources (uses)	<u>818,040</u>	<u>(1,534,590)</u>	<u>716,550</u>	<u>-</u>
Net Change in Fund Balances	650,000	(7,524,426)	1,411,680	(5,462,746)
Fund Balances at Beginning of Year	<u>16,310,125</u>	<u>33,195,889</u>	<u>5,587,140</u>	<u>55,093,154</u>
Fund Balances at End of Year	<u>\$ 16,960,125</u>	<u>\$ 25,671,463</u>	<u>\$ 6,998,820</u>	<u>\$ 49,630,408</u>

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CITY OF MERIDEN, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (5,462,746)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	15,659,802
Depreciation expense	(18,561,812)
Loss on disposal of capital assets	(54,428)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property taxes collected after 60 days	463,961
Loan principal collected	(3,479)
Change in interest and liens receivable	(25,286)
Change in deferred outflows related to pension	130,397
Change in deferred outflows related to OPEB	1,626,388

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on bonds and notes	10,758,300
Capital lease payments	82,262

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

Change in accrued interest on bonds and notes	516,596
Amortization of premium on refunding	518,562
Amortization of deferred charge on refunding	(201,489)
Change in long-term compensated absences	1,680,575
Change in landfill post-closure monitoring	73,979
Change in pollution remediation obligation	(87,000)
Change in net pension liability	(7,298,551)
Change in OPEB obligation	(404,383)
Change in deferred inflows related to pension	(949,535)
Change in deferred inflows related to OPEB	(1,903,491)
Change in claims and judgments	520,000

The net expense of the internal service funds is reported with governmental activities.	<u>1,933,351</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ (988,027)</u>
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The accompanying notes are an integral part of the financial statements

CITY OF MERIDEN, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes, interest and lien fees	\$ 129,002,809	\$ 132,439,035	\$ 131,453,692	\$ (985,343)
Intergovernmental revenues	59,310,233	59,538,348	59,474,008	(64,340)
Charges for services	4,864,567	4,864,567	4,937,438	72,871
Investment income	359,133	798,688	1,047,457	248,769
Other revenues	1,320,785	1,380,785	1,820,960	440,175
Total revenues	<u>194,857,527</u>	<u>199,021,423</u>	<u>198,733,555</u>	<u>(287,868)</u>
Expenditures:				
Current:				
General government	39,028,150	42,548,366	42,183,465	364,901
Finance	1,781,415	1,684,433	1,684,418	15
Public safety	23,811,725	24,238,500	24,238,474	26
Public works	8,063,293	7,939,056	7,939,028	28
Health and welfare	2,845,516	2,595,050	2,595,038	12
Culture and recreation	4,180,681	4,028,452	4,028,445	7
Education	99,884,840	100,112,609	100,112,609	-
Debt service:				
Principal retirement	10,083,300	10,083,300	10,083,300	-
Interest and other charges	5,400,107	5,400,107	5,400,107	-
Total expenditures	<u>195,079,027</u>	<u>198,629,873</u>	<u>198,264,884</u>	<u>364,989</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(221,500)</u>	<u>391,550</u>	<u>468,671</u>	<u>77,121</u>
Other Financing Sources (Uses):				
Transfers in	365,000	365,000	934,590	569,590
Transfers out	<u>(143,500)</u>	<u>(756,550)</u>	<u>(716,550)</u>	<u>40,000</u>
Total other financing sources (uses)	<u>221,500</u>	<u>(391,550)</u>	<u>218,040</u>	<u>609,590</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>686,711</u>	<u>\$ 686,711</u>
Fund Balance at Beginning of Year			<u>15,925,375</u>	
Fund Balance at End of Year			<u>\$ 16,612,086</u>	

The accompanying notes are an integral part of the financial statements

CITY OF MERIDEN, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2019

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor Fund	Total	Internal Service Funds
	Water	Sewer	George Hunter Memorial Golf Course		
Assets:					
Current assets:					
Cash and cash equivalents	\$ 5,521,784	\$ 3,072,727	\$ 278,897	\$ 8,873,408	\$ 4,664,676
Investments	603,737	600,095		1,203,832	5,848,749
Accounts receivable, net	4,340,585	4,450,728	1,653	8,792,966	132,165
Due from other funds	2,054,211	1,139	790,323	2,845,673	
Other assets				-	31,923
Total current assets	<u>12,520,317</u>	<u>8,124,689</u>	<u>1,070,873</u>	<u>21,715,879</u>	<u>10,677,513</u>
Noncurrent assets:					
Capital assets, nondepreciable	2,421,629	4,740,443		7,162,072	
Capital assets, net of accumulated depreciation	<u>55,068,515</u>	<u>65,246,862</u>	<u>2,811,353</u>	<u>123,126,730</u>	
Total noncurrent assets	<u>57,490,144</u>	<u>69,987,305</u>	<u>2,811,353</u>	<u>130,288,802</u>	<u>-</u>
Total assets	<u>70,010,461</u>	<u>78,111,994</u>	<u>3,882,226</u>	<u>152,004,681</u>	<u>10,677,513</u>
Deferred Outflows of Resources:					
Deferred charge on refunding	433,761	80,229		513,990	
Related to pension	424,747	152,512	66,204	643,463	
Related to OPEB	107,160	32,426	7,161	146,747	
Total deferred outflows of resources	<u>965,668</u>	<u>265,167</u>	<u>73,365</u>	<u>1,304,200</u>	<u>-</u>
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	421,461	518,306	83,625	1,023,392	365,475
Accrued interest	132,833	54,847	379	188,059	
Due to other funds			3,032,583	3,032,583	5,508,833
Current portion of claims incurred but not reported				-	2,574,022
Current portion of bonds payable	953,000	476,800	2,900	1,432,700	
Current portion of notes payable	877,458	1,814,128		2,691,586	
Current portion of compensated absences	21,437	2,497	9,165	33,099	
Total current liabilities	<u>2,406,189</u>	<u>2,866,578</u>	<u>3,128,652</u>	<u>8,401,419</u>	<u>8,448,330</u>
Noncurrent liabilities:					
Claims incurred but not reported					7,431,190
Bonds payable, less current portion	10,707,700	6,437,600	32,300	17,177,600	
Notes payable, less current portion	15,778,806	21,512,871		37,291,677	
Premium on bonds	589,726	423,001		1,012,727	
Compensated absences	595,243	537,109	200,631	1,332,983	
Net pension liability	4,519,517	1,622,805	704,445	6,846,767	
OPEB liability	2,038,101	616,712	136,201	2,791,014	
Total noncurrent liabilities	<u>34,229,093</u>	<u>31,150,098</u>	<u>1,073,577</u>	<u>66,452,768</u>	<u>7,431,190</u>
Total liabilities	<u>36,635,282</u>	<u>34,016,676</u>	<u>4,202,229</u>	<u>74,854,187</u>	<u>15,879,520</u>
Deferred Inflows of Resources:					
Related to pension	209,904	75,370	32,718	317,992	
Related to OPEB	72,637	21,979	4,854	99,470	
Total deferred inflows of resources	<u>282,541</u>	<u>97,349</u>	<u>37,572</u>	<u>417,462</u>	<u>-</u>
Net Position:					
Net investment in capital assets	25,968,219	38,828,670	2,782,935	67,579,824	
Unrestricted	8,090,087	5,434,466	(3,067,145)	10,457,408	(5,202,007)
Total Net Position	<u>\$ 34,058,306</u>	<u>\$ 44,263,136</u>	<u>\$ (284,210)</u>	<u>\$ 78,037,232</u>	<u>\$ (5,202,007)</u>

The accompanying notes are an integral part of the financial statements

**CITY OF MERIDEN, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund	Total	Internal Service Funds
	Water	Sewer	George Hunter Memorial Golf Course		
Operating Revenues:					
Charges for services	\$ 11,083,191	\$ 9,609,384	\$ 1,029,930	\$ 21,722,505	\$ 33,576,859
Miscellaneous	957,731	430,504	50,139	1,438,374	2,250,969
Total operating revenues	<u>12,040,922</u>	<u>10,039,888</u>	<u>1,080,069</u>	<u>23,160,879</u>	<u>35,827,828</u>
Operating Expenses:					
Salaries and benefits	4,091,316	2,137,082	521,655	6,750,053	
Medical claims				-	32,667,816
Materials and supplies	1,267,051	1,144,377	426,042	2,837,470	
Utilities	851,763	1,092,140		1,943,903	
Administration and operation	1,748,526	791,616		2,540,142	217,876
Depreciation	2,662,592	4,124,351	165,527	6,952,470	
Other	1,471,120	1,400,027	180,577	3,051,724	1,420,811
Total operating expenses	<u>12,092,368</u>	<u>10,689,593</u>	<u>1,293,801</u>	<u>24,075,762</u>	<u>34,306,503</u>
Operating Income (Loss)	<u>(51,446)</u>	<u>(649,705)</u>	<u>(213,732)</u>	<u>(914,883)</u>	<u>1,521,325</u>
Nonoperating Revenues (Expenses):					
Interest income	25,101	47,575	2,512	75,188	412,026
Interest expense	<u>(760,603)</u>	<u>(714,750)</u>	<u>(39,670)</u>	<u>(1,515,023)</u>	
Total nonoperating revenues (expenses)	<u>(735,502)</u>	<u>(667,175)</u>	<u>(37,158)</u>	<u>(1,439,835)</u>	<u>412,026</u>
Income (Loss) Before Contributions	(786,948)	(1,316,880)	(250,890)	(2,354,718)	1,933,351
Contributions:					
Capital grants and contributions	<u>23,028</u>	<u>116,565</u>	<u>249,857</u>	<u>389,450</u>	
Change in Net Position	(763,920)	(1,200,315)	(1,033)	(1,965,268)	1,933,351
Net Position at Beginning of Year	<u>34,822,226</u>	<u>45,463,451</u>	<u>(283,177)</u>	<u>80,002,500</u>	<u>(7,135,358)</u>
Net Position at End of Year	<u>\$ 34,058,306</u>	<u>\$ 44,263,136</u>	<u>\$ (284,210)</u>	<u>\$ 78,037,232</u>	<u>\$ (5,202,007)</u>

The accompanying notes are an integral part of the financial statements

**CITY OF MERIDEN, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund	Total	Internal Service Funds
	Water	Sewer	George Hunter Memorial Golf Course		
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ 12,118,983	\$ 10,135,602	\$ 1,084,144	\$ 23,338,729	\$ 35,937,039
Payments to suppliers	(5,260,108)	(4,317,099)	(599,939)	(10,177,146)	(34,242,392)
Payments to employees	(3,704,590)	(1,890,404)	(425,794)	(6,020,788)	
Net receipts from interfund transactions	1,709,173	2,597,989	19,460	4,326,622	(1,137,420)
Net cash provided by (used in) operating activities	<u>4,863,458</u>	<u>6,526,088</u>	<u>77,871</u>	<u>11,467,417</u>	<u>557,227</u>
Cash Flows from Capital and Related Financing Activities:					
Receipts of capital grants and contributions	23,028	116,565	249,857	389,450	
Purchase of capital assets	(1,398,516)	(2,830,541)	(202,365)	(4,431,422)	
Principal payments of bonds	(951,100)	(476,700)	(3,900)	(1,431,700)	
Principal payments of clean water fund loans	(860,096)	(1,778,236)		(2,638,332)	
Interest paid on capital debt	(810,495)	(766,464)	(39,734)	(1,616,693)	
Net cash provided by (used in) capital and related financing activities	<u>(3,997,179)</u>	<u>(5,735,376)</u>	<u>3,858</u>	<u>(9,728,697)</u>	<u>-</u>
Cash Flows from Investing Activities:					
Sale of investments	1,160	23,781	2,512	27,453	
Purchases of investments				-	110,827
Net cash provided by (used in) investing activities	<u>1,160</u>	<u>23,781</u>	<u>2,512</u>	<u>27,453</u>	<u>110,827</u>
Net Increase (Decrease) in Cash and Cash Equivalents	867,439	814,493	84,241	1,766,173	668,054
Cash and Cash Equivalents at Beginning of Year	<u>4,654,345</u>	<u>2,258,234</u>	<u>194,656</u>	<u>7,107,235</u>	<u>3,996,622</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,521,784</u>	<u>\$ 3,072,727</u>	<u>\$ 278,897</u>	<u>\$ 8,873,408</u>	<u>\$ 4,664,676</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating income (loss)	\$ (51,446)	\$ (649,705)	\$ (213,732)	\$ (914,883)	\$ 1,521,325
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	2,662,592	4,124,351	165,527	6,952,470	
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	78,061	95,714	4,075	177,850	109,211
(Increase) decrease in due from other funds	1,709,173	2,597,989	(16,782)	4,290,380	
Increase (decrease) in accounts payable and accrued items	78,352	111,061	6,680	196,093	64,111
Increase (decrease) in compensated absences	(430,474)	6,747	8,092	(415,635)	
Increase (decrease) in net pension liability	527,794	27,920	95,072	650,786	
Increase (decrease) in OPEB liability	309,465	214,361	(3,772)	520,054	
Increase (decrease) in due to other funds			36,242	36,242	(1,137,420)
(Increase) decrease in deferred outflows of resources	(160,719)	(43,334)	(19,582)	(223,635)	
Increase (decrease) in deferred inflows of resources	140,660	40,984	16,051	197,695	
Total adjustments	<u>4,914,904</u>	<u>7,175,793</u>	<u>291,603</u>	<u>12,382,300</u>	<u>(964,098)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 4,863,458</u>	<u>\$ 6,526,088</u>	<u>\$ 77,871</u>	<u>\$ 11,467,417</u>	<u>\$ 557,227</u>

The accompanying notes are an integral part of the financial statements

CITY OF MERIDEN, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2019

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds	Agency Funds
Assets:			
Cash and cash equivalents	\$ 10,683,103	\$ 208,084	\$ 1,984,907
Investments, at fair value:			
U.S. government securities	453,236	58,232	
Equities	9,151,679		
Mutual funds	174,559,718		
Certificates of deposit		96,430	
Alternative investments	107,814,193		325,070
Total investments	<u>291,978,826</u>	<u>154,662</u>	<u>325,070</u>
Accounts receivable	<u>30,086</u>		
Total assets	<u>302,692,015</u>	<u>362,746</u>	<u>2,309,977</u>
Liabilities:			
Deposits held for others			2,307,356
Other liabilities	3,167		2,621
Due to other funds	1,470,003		
Total liabilities	<u>1,473,170</u>	<u>-</u>	<u>2,309,977</u>
Net Position:			
Restricted for Pension Benefits and Other Purposes	<u>\$ 301,218,845</u>	<u>\$ 362,746</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

**CITY OF MERIDEN, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds
	<u>Trust Funds</u>	<u>Trust Funds</u>
Additions:		
Contributions:		
Employer	\$ 16,400,412	\$
Plan members	4,873,346	
Total contributions	<u>21,273,758</u>	<u>-</u>
Investment earnings:		
Net change in fair value of investments	14,160,094	
Interest and dividends	5,204,137	17,429
Total investment earnings	<u>19,364,231</u>	<u>17,429</u>
Less investment expenses:		
Investment management fees	1,102,499	
Net investment earnings	<u>18,261,732</u>	<u>17,429</u>
Total additions	<u>39,535,490</u>	<u>17,429</u>
Deductions:		
Benefits	31,535,351	20,301
Administrative expense	84,903	
Other	432,508	
Total deductions	<u>32,052,762</u>	<u>20,301</u>
Change in Net Position	7,482,728	(2,872)
Net Position at Beginning of Year	<u>293,736,117</u>	<u>365,618</u>
Net Position at End of Year	<u>\$ 301,218,845</u>	<u>\$ 362,746</u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Meriden, Connecticut (the City) was settled in 1661, incorporated as a Town in 1806 and as a City in 1867. It operates under a Council/Manager form of government. The City Manager is appointed by the Council and serves as the Chief Executive Officer.

The City provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning and general administrative services to its residents.

As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government. Discretely presented component units are presented in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. Based on these criteria, there are no component units requiring inclusion in these financial statements.

B. Basis of Presentation

The financial statements of 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 of the City's accounting policies are described below.

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 primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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. Agency funds, however, have no measurement focus.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, special assessments, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to long-term liabilities such as debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The City reports the following major governmental funds:

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

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

The City reports the following major proprietary funds:

The *Water Fund* accounts for the operations of the City's water supply system. Its operations are financed from direct charges to the users of the service.

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

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Additionally, the City reports the following fund types:

The *Internal Service Funds* account for employee health insurance and workers' compensation insurance provided to departments of the City and Board of Education.

The *Private Purpose Trust Funds* accounts for assets held by the City in a trustee capacity for various scholarship and cemetery trusts.

The *Pension and Other Employee Benefits Trust Funds* are used to account for activities of the City's three defined benefit plans that accumulate resources for pension benefit payments to qualified employees. As part of these trust funds, an amount is segregated to pay for retiree health benefits. These funds are also presented with the pension trust funds. These funds are also used to account for the activities for both City and Board of Education for other post employment benefits (e.g., health insurance, life insurance) that accumulate resources for other post employment benefit payments to qualified employees.

The *Agency Funds* account for monies held on behalf of outside groups such as student activity funds, senior trip funds, performance bonds, and South Meriden Volunteer Fire Department Award Program.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds 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.

C. Cash Equivalents

For purposes of reporting cash flows, all savings, checking, money market accounts and certificates of deposit with an original maturity of less than 90 days are considered to be cash equivalents.

D. Investments

Investments are stated at fair value.

**CITY OF MERIDEN, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019**

E. Inventories

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

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, including those for the Water and Sewer Funds, are shown net of an allowance for uncollectible accounts.

An estimate has been recorded for utility service provided, but not billed, at the end of the fiscal year.

G. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$20,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value rather than at fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings	40-50
Building improvements	7-30
Infrastructure	65
Machinery and equipment	5-30
Vehicles	7

H. 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 pension 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 pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB 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 a deferred inflow of resources for advance property tax collections and for differences between expected and actual experience related to pensions and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes 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 pension and OPEB results from differences between expected and actual experience, these amounts are deferred and included in pension and OPEB 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). Also, 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 the following sources: property taxes 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.

I. Compensated Absences

Under the terms of its various union contracts, City and Board of Education employees are granted vacation and sick time in varying amounts based on length of service. Certain employees may also carry over a limited number of unused vacation and sick days to subsequent years based on the terms of an employment or union contract. In the event of termination, these employees are paid for accumulated vacation and sick time. The City recognizes a liability for the vested portion, as well as the unvested portion, to the extent expected to be paid, as compensated absences. Compensated absences are reported in governmental funds only if they have matured.

J. 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.

K. Net Other Post Employment (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.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net 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 the 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.

M. 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

Restrictions are externally imposed on net position 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.

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Unrestricted Net Position

This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

Nonspendable Fund Balance

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

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. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by the Director of Purchasing for the City, who has been delegated authority to assign amounts by the City Charter.

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.

The City has a written minimum fund balance policy that states that the goal of the City is that uncommitted fund balance of the City equal one month’s expenditures or 8.33% of the City’s most recent approved operating budget. The City has revised the policy to conform to the language contained in the Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

N. Property Taxes

Property taxes are levied on all taxable assessed property on the grand list of October 1 prior to the beginning of the fiscal year. Real estate taxes are payable in four quarterly installments (July 1, October 1, January 1 and April 1). Personal property taxes are payable semi-annually (July 1 and January 1) and motor vehicle taxes are due in one single payment on July 1. Liens are filed on delinquent real estate taxes within one year. Statutory interest at the rate of 1.5% per month accrues on all overdue taxes. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of appraised market value. The City files a lien on the property for taxes that were due July 1 and remain unpaid on the following May 1.

**CITY OF MERIDEN, CONNECTICUT
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Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The City defines the current period to mean within 60 days after year end. Property taxes receivable not expected to be collected during the available period are reflected in deferred revenue in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The annual budget is adopted by the City Council and employed for management control of the General Fund, Water Fund, Sewer Fund and Golf Fund.

The budget process is as follows:

- a. At least 180 days prior to the beginning of the fiscal year, the manager of each department, office and agency submits to the Director of Finance, at such date he determines, estimates of revenues and expenditures for the following year.
- b. At least 180 days prior to the beginning of the fiscal year, the City Manager reviews these estimates and may revise them as he deems advisable, except that in the case of the department of education, he has the authority to revise only the total estimated expenditures.
- c. On or before March 1, not later than 120 days prior to the beginning of the fiscal year, the City Manager submits to the City Council a balanced annual budget.
- d. The City Council shall hold one (1) public hearing on the budget to obtain public comments not later than seventy five (75) days prior to the beginning of the fiscal year.
- e. Within 20 days after the final public hearing, the City Council shall adopt a budget. The budget is legally enacted through passage of an ordinance.
- f. The Mayor shall have veto power on a line item basis only, and must submit any veto message within five (5) days after the Council has adopted the budget.
- g. The City Council may override any line item veto by a two-thirds (2/3) vote of the entire body.
- h. Budget referendum on the adopted budget must be held if a petition is filed within thirty days of the adoption of the final approved budget.

**CITY OF MERIDEN, CONNECTICUT
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- i. Budget transfers or additional appropriations must be approved by the City Council. Additional appropriations by the City Council may not exceed 1-1/2% of the General Fund budget as established for the current year, without levying a special tax.

Additional appropriations for the General Fund were \$4,163,896. Additional appropriations from net position of \$42,865 were approved for the Water Fund and \$1,295 for the Sewer Fund.

- j. The Board of Education may transfer unexpended balances from one account to another within its line appropriation. A number of such transfers occurred during the year.
- k. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or commitment is issued, and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures of the current year.

The City's budgeting system requires accounting for certain transactions to be on a basis other than GAAP. The major difference between the budgetary and GAAP basis is that encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order, contract or commitment is issued, and, accordingly, encumbrances outstanding at year end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are recorded as either assigned, committed or restricted fund balance.

A reconciliation of revenues, expenditures and fund balance of the General Fund between the accounting treatment required by GAAP and budgetary requirements is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Fund Balance
	<u> </u>	<u> </u>	<u> </u>
Balance, budgetary basis	\$ 199,668,145	\$ 198,981,434	\$ 16,612,086
Excess cost grant (net for budgetary)	816,263	816,263	
Premium netted for budgetary purposes	600,000	600,000	
State Teachers' Retirement pension expense	20,185,931	20,185,931	
State Teachers' Retirement OPEB expense (revenue)	(11,944,188)	(11,944,188)	
State of Connecticut WIC on-behalf payment	1,702,996	1,702,996	
Funds consolidated for GASB 54 purposes	<u>104,753</u>	<u>141,464</u>	<u>348,039</u>
Balance, GAAP Basis	<u>\$ 211,133,900</u>	<u>\$ 210,483,900</u>	<u>\$ 16,960,125</u>

**CITY OF MERIDEN, CONNECTICUT
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B. Deficit Fund Equity

For the year ended June 30, 2019, the following funds had deficit balances:

Nonmajor Enterprise Fund:		
George Hunter Memorial Golf Course	\$	284,210
Internal Service Fund:		
Workers' Compensation Fund		4,939,783
Meriden Health Insurance		262,224

These amounts will be funded through local general fund contributions or future revenues.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposit will not be returned. The 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.

**CITY OF MERIDEN, CONNECTICUT
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Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$53,753,895 of the City's bank balance of \$67,362,435 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 48,383,162
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>5,370,733</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 53,753,895</u>

Cash Equivalents

At June 30, 2019, the City's cash equivalents amounted to \$4,362,768. The following table provides a summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>S & P Global</u>
State Short-Term Investment Fund (STIF)	AAAm
TD Bank	*
RBC Wealth Management	*
Stifel Nicolaus & Company, Incorporated	*

* Not rated

Investments

As of June 30, 2019, the City had the following investments:

	<u>Fair Value</u>	<u>Investment Maturities (Years)</u>		
		<u>Less than 1</u>	<u>1-10</u>	<u>More than 10</u>
Interest-bearing investments:				
Certificates of Deposit	\$ 11,044,615	\$ 2,600,890	\$ 8,443,725	\$
U.S. Government Securities	511,468	453,236	58,232	
Municipal Bonds	7,035,198		7,035,198	
Corporate Bonds	<u>3,735,476</u>	<u>645,117</u>	<u>3,090,359</u>	
Total	22,326,757	<u>\$ 3,699,243</u>	<u>\$ 18,627,514</u>	<u>\$ -</u>
Other investments:				
Mutual Funds	175,451,273			
Common Stock	12,430,318			
Alternative Investments	<u>107,922,228</u>			
Total Investments	<u>\$ 318,130,576</u>			

**CITY OF MERIDEN, CONNECTICUT
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<u>Average Rating</u>	<u>Corporate Bonds</u>	<u>Municipal Bonds</u>	<u>U.S. Government Securities</u>	<u>Certificates of Deposit</u>
Aaa	\$ 205,909	\$	\$ 511,468	\$
Aa1	104,322	591,605		
Aa2	103,095	2,401,481		
Aa3	103,162	1,372,835		
A1	681,649	2,339,732		
A2	537,101	329,545		
A3	654,005			
Baa1	570,299			
Baa2	645,089			
Baa3	13,834			
Unrated	117,011			11,044,615
Total	\$ <u>3,735,476</u>	\$ <u>7,035,198</u>	\$ <u>511,468</u>	\$ <u>11,044,615</u>

Interest Rate Risk

The City's investment policy states that the weighted average maturity of the portfolio shall not exceed 12 years and the maturity of any single issue shall not exceed 30 years. To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. It is the City's policy to invest only in securities that meet the ratings requirements set by General State Statute Chapter 112, Section 7-400. In addition, per policy, a depository's long-term debt must be rated at least C by Thompson Bank Watch and A- by Standard & Poor's, A3 by Moody's or A- by Fitch; and its short-term debt must be rated at least TBW-1 by Thomson Bank Watch and A-1 by Standard & Poors, P-1 by Moody's or F-1 by Fitch or the depository's total risk-based capital ratio must exceed ten percent (10%).

Concentration of Credit Risk

The City's investment policy states that the exposure of the portfolio to any one issuer, other than securities of the U.S. government or agencies, shall not exceed 8% of the fair value of the fixed income portfolio.

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, 2019, the City did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the City's name.

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Pension

The investments of the City's pension funds have their own policies and limitations on investments.

Investment managers and advisors must discharge their responsibilities in accordance with the fiduciary provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and supporting regulations, unless specifically exempted by a vote of the Board.

Equity investments in any one company by any one advisor shall be limited at purchase of 10% of the total assets under management and/or 5% of the company's total outstanding equity. Corporate fixed income investments shall be limited to the first four quality grades as established by one or more of the nationally recognized bond rating services, except by a specific vote of the Board to permit inclusion of some lesser-rated issues within an investment grade portfolio. In no event should the debt securities of any corporation exceed 10% of the assets under management of any one advisor.

There shall be no investments in:

- Securities of foreign issuers, other than those of the Canadian government, and also excepting American Depository Receipts (ADRs) of foreign securities, and further excepting foreign securities purchased by an investment advisor specifically designated by the Board as an "international" or "global" manager;
- Securities issued by a participating employer, except to the extent permitted under ERISA;
- Private placements, without affirmative Board approval;
- Real estate, other than securities of exchange-traded or non-traded Real Estate Investment Trusts.

Uninvested cash balances should be kept at a minimum through the prompt investment of available funds in short-term or more permanent security holdings.

Each investment advisor, consultant, custodian or contractor shall be required to be available for at least one annual meeting with the Meriden Retirement Board. Results based on a total rate of return (including both realized and unrealized capital gains and losses) will be evaluated for each advisor to the Board over a complete market cycle. However, the Board retains the right (and obligation) to address issues of lagging performance at any time during a contract cycle.

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Fair Value

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). The City has the following recurring fair value measurements as of June 30, 2019:

	<u>June 30, 2019</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
U.S. Government securities	\$ 511,468	\$	\$ 511,468	\$
Municipal bonds	7,035,198		7,035,198	
Corporate bonds	3,735,476		3,735,476	
Common stock	12,430,318	12,430,318		
Mutual funds	175,451,273	175,451,273		
Alternative investments	<u>60,847,581</u>	<u>89,375</u>		<u>60,758,206</u>
Total investments by fair value level	260,011,314	\$ <u>187,970,966</u>	\$ <u>11,282,142</u>	\$ <u>60,758,206</u>
Investments measured at net asset value (NAV):				
Private equity holdings	47,074,647			
Certificates of deposit	<u>11,044,615</u>			
Total Investments	\$ <u>318,130,576</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. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using consensus pricing.

Private equity funds - international are valued as described in the following schedule.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Central Park Group WP Private Equity XI, LLC	\$ 3,010,121	\$ 744,529	Restricted	N/A
Central Park Group WP Energy, LLC	1,265,538	328,356	Restricted	N/A
Central Park Group Brookfield Opportunistic Real Estate, LLC	2,707,732	653,400	Restricted	N/A
Central Park Group Carlyle Equity Opportunity Fund II, LLC	1,634,534	419,788	Restricted	N/A
iCapital-KV Seed C Access Fund, L.P.	807,045	66,400	Restricted	N/A
Greenspring Opportunities IV, L.P.	1,987,125	156,000	Restricted	N/A
Oak Hill Capital Partners IV (Onshore Tax Exempt), L.P.	1,540,753	702,612	Restricted	N/A
Portfolio Advisors Secondary Fund III, L.P.	863,422	259,492	Restricted	N/A
Aetos Capital Distressed Investment Strategies Fund, LLC	4,943,388	-	Quarterly	60 Days
Aetos Capital Long/Short Strategies Fund, LLC	12,473,061	-	Quarterly	60 Days
Aetos Capital Multi-Strategy Arbitrage Fund, LLC	7,453,511	-	Quarterly	60 Days
Alkeon Growth PW Partners, LP	8,388,417	-	Quarterly	20 days
	<u>\$ 47,074,647</u>	<u>\$ 3,330,577</u>		

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

4. RECEIVABLES

The receivables as of June 30, 2019 for the City's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowance for uncollectible accounts are as follows:

	Governmental and Fiduciary Type Funds			
	General Fund	Bonded Projects Fund	Nonmajor, Internal Service, and Fiduciary Funds	Total
Property taxes	\$ 8,141,360	\$	\$	\$ 8,141,360
Interest and liens	7,736,773			7,736,773
Accounts	279,713		159,878	439,591
Intergovernmental	23,157	1,522,351	3,274,649	4,820,157
Loans			2,167,735	2,167,735
Other			30,086	30,086
Gross receivables	<u>16,181,003</u>	<u>1,522,351</u>	<u>5,632,348</u>	<u>23,335,702</u>
Less allowance for collection losses	<u>10,424,790</u>		<u>271,798</u>	<u>10,696,588</u>
Net Total Receivables	<u>\$ 5,756,213</u>	<u>\$ 1,522,351</u>	<u>\$ 5,360,550</u>	<u>\$ 12,639,114</u>
	Business-Type Funds			
	Water Authority	Sewer Authority	Nonmajor Fund	Total
Use charges	\$ 1,185,582	\$ 1,218,605	\$	\$ 2,404,187
Interest and liens	92,844	88,053		180,897
Assessments		116,100		116,100
Unbilled	3,200,344	3,163,657		6,364,001
Other	9,943	3,327	1,653	14,923
Gross receivables	<u>4,488,713</u>	<u>4,589,742</u>	<u>1,653</u>	<u>9,080,108</u>
Less allowance for collection losses	<u>148,128</u>	<u>139,014</u>		<u>287,142</u>
Net Total Receivables	<u>\$ 4,340,585</u>	<u>\$ 4,450,728</u>	<u>\$ 1,653</u>	<u>\$ 8,792,966</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 25,057,458	\$ 52,434	\$ 38,965	\$ 25,070,927
Construction in progress	7,841,000	7,922,533	1,045,378	14,718,155
Total capital assets not being depreciated	<u>32,898,458</u>	<u>7,974,967</u>	<u>1,084,343</u>	<u>39,789,082</u>
Capital assets being depreciated:				
Land improvements	33,033,094	253,515		33,286,609
Buildings and improvements	406,808,234	2,219,032		409,027,266
Machinery and equipment	24,060,166	630,383	173,163	24,517,386
Vehicles	17,146,543	1,118,882	124,852	18,140,573
Infrastructure	117,403,595	4,508,401		121,911,996
Total capital assets being depreciated	<u>598,451,632</u>	<u>8,730,213</u>	<u>298,015</u>	<u>606,883,830</u>
Less accumulated depreciation for:				
Land improvements	15,388,834	1,309,661		16,698,495
Buildings and improvements	109,365,674	11,085,214		120,450,888
Machinery and equipment	11,130,217	1,817,858	157,700	12,790,375
Vehicles	13,329,204	1,047,088	124,852	14,251,440
Infrastructure	74,607,679	3,301,991		77,909,670
Total accumulated depreciation	<u>223,821,608</u>	<u>18,561,812</u>	<u>282,552</u>	<u>242,100,868</u>
Total capital assets being depreciated, net	<u>374,630,024</u>	<u>(9,831,599)</u>	<u>15,463</u>	<u>364,782,962</u>
Governmental Activities Capital Assets, Net	<u>\$ 407,528,482</u>	<u>\$ (1,856,632)</u>	<u>\$ 1,099,806</u>	<u>\$ 404,572,044</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,138,531			\$ 1,138,531
Construction in progress	2,862,575	3,697,281	536,315	6,023,541
Total capital assets not being depreciated	<u>4,001,106</u>	<u>3,697,281</u>	<u>536,315</u>	<u>7,162,072</u>
Capital assets being depreciated:				
Land improvements	25,373,590	647,762		26,021,352
Buildings and improvements	81,579,449	25,863		81,605,312
Machinery and equipment	33,219,888	115,971		33,335,859
Vehicles	2,778,263	59,093		2,837,356
Infrastructure	123,407,608	421,767		123,829,375
Total capital assets being depreciated	<u>266,358,798</u>	<u>1,270,456</u>	<u>-</u>	<u>267,629,254</u>
Less accumulated depreciation for:				
Land improvements	7,628,666	1,263,952		8,892,618
Buildings and improvements	39,843,244	2,028,918		41,872,162
Machinery and equipment	20,177,279	1,758,630		21,935,909
Vehicles	2,368,703	119,210		2,487,913
Infrastructure	67,532,162	1,781,760		69,313,922
Total accumulated depreciation	<u>137,550,054</u>	<u>6,952,470</u>	<u>-</u>	<u>144,502,524</u>
Total capital assets being depreciated, net	<u>128,808,744</u>	<u>(5,682,014)</u>	<u>-</u>	<u>123,126,730</u>
Business-Type Activities Capital Assets, Net	<u>\$ 132,809,850</u>	<u>\$ (1,984,733)</u>	<u>\$ 536,315</u>	<u>\$ 130,288,802</u>

**CITY OF MERIDEN, CONNECTICUT
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Depreciation expense was charged to functions/programs of the government as follows:

Governmental activities:	
General government	\$ 490,402
Education	10,849,793
Public safety	1,154,601
Library	51,884
Public works	4,969,976
Recreation	948,863
Human services	<u>96,293</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 18,561,812</u></u>
Business-type activities:	
Water Authority	\$ 2,662,592
Sewer Authority	4,124,351
Golf Course	<u>165,527</u>
 Total Depreciation Expense - Business-Type Activities	 <u><u>\$ 6,952,470</u></u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The outstanding balances between funds result mainly from the timing between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. The composition of interfund balances as of June 30, 2019 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 1,665,313
	Internal Service Fund	5,508,833
	OPEB Trust Funds	1,470,003
	Nonmajor Proprietary Fund	<u>3,032,583</u>
		<u>11,676,732</u>
Water Fund	Bonded Projects Fund	<u>2,054,211</u>
Sewer Fund	Bonded Projects Fund	<u>1,139</u>
Nonmajor Proprietary Fund	Bonded Projects Fund	716,816
	General Fund	<u>73,507</u>
		<u>790,323</u>
		<u><u>\$ 14,522,405</u></u>

For the most part, all balances are expected to be repaid within a year.

**CITY OF MERIDEN, CONNECTICUT
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During the year, transfers are used to 1) provide resources from the bonded projects fund to the general fund for debt service relief, 2) provide local match spending requirements from the general fund to nonmajor funds for grants requiring local spending and 3) provide funding for capital non-recurring items from the general fund to the capital non-recurring fund.

	Transfers In		
	General Fund	Nonmajor Governmental Funds	Total Transfers Out
Transfers out:			
General Fund	\$	\$ 716,550	\$ 716,550
Bonded Projects Fund	<u>1,534,590</u>		<u>1,534,590</u>
Total Transfers In	<u>\$ 1,534,590</u>	<u>\$ 716,550</u>	<u>\$ 2,251,140</u>

7. LEASES

Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of energy efficient lighting. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The gross amounts of assets acquired under capital leases, by major asset class, are shown below:

Buildings and improvements	\$ 452,441
Less accumulated depreciation	<u>(64,096)</u>
Total	<u>\$ 388,345</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2020	\$ 82,262
2021	82,262
2022	82,262
2023	82,262
2024	<u>6,855</u>
Present Value of Minimum Lease Payments	<u>\$ 335,903</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2019 was as follows:

	Beginning Balance		Increases		Decreases	Ending Balance	Due Within One Year
Governmental Activities:							
General obligation bonds	\$ 146,448,000	\$		\$	10,683,300	\$ 135,764,700	\$ 10,687,300
Premium on bonds	5,114,808				518,562	4,596,246	
Notes payable	1,050,000				75,000	975,000	75,000
Capital leases	418,165				82,262	335,903	82,262
Compensated absences	18,580,017		1,122,746		2,803,321	16,899,442	812,775
Worker's compensation	2,508,548		251,459		185,985	2,574,022	858,007
Heart and hypertension	5,017,096		3,503,410		3,372,462	5,148,044	1,716,015
Landfill post-closure monitoring	293,979				73,979	220,000	70,000
Net pension liability	139,782,739		7,298,551			147,081,290	
OPEB liability	54,729,602		404,383			55,133,985	
Pollution remediation	9,587,050		787,000		700,000	9,674,050	
Claims and judgments	1,625,000		131,000		651,000	1,105,000	511,000
Total Governmental Activities Long-Term Liabilities	\$ 385,155,004	\$	13,498,549	\$	19,145,871	\$ 379,507,682	\$ 14,812,359
Business-Type Activities:							
General obligation bonds	\$ 20,042,000	\$		\$	1,431,700	\$ 18,610,300	\$ 1,432,700
Premium on bonds	1,112,047				99,320	1,012,727	
Compensated absences	1,781,717		112,555		528,190	1,366,082	33,099
Net pension liability	6,195,981		650,786			6,846,767	
OPEB liability	2,270,960		520,054			2,791,014	
Clean water/drinking water notes	42,621,595				2,638,332	39,983,263	2,691,586
Total Business-Type Activities Long-Term Liabilities	\$ 74,024,300	\$	1,283,395	\$	4,697,542	\$ 70,610,153	\$ 4,157,385

For the governmental activities, compensated absences, net pension liabilities and net other post employment benefits liabilities are generally liquidated by the General Fund.

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations of the City for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the City. Certain general obligation bonds are to be repaid by revenues of the enterprise funds.

**CITY OF MERIDEN, CONNECTICUT
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General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Annual Principal</u>	<u>Balance Outstanding June 30, 2019</u>
Governmental:						
General purpose:						
General obligation, Series A	5/4/10	8/1/22	3-5%	11,627,000	Various \$	1,410,000
General obligation, Series B	5/4/10	8/1/23	3-5%	21,142,000	Various	6,389,000
General obligation	12/18/12	8/1/28	1-2.65%	6,400,000	Various	5,976,000
General obligation	1/31/13	2/15/33	1-3%	24,423,203	Various	18,315,000
General obligation, Series A	9/8/14	3/1/34	3-5%	47,515,700	Various	38,731,400
General obligation, Series B	9/8/14	3/1/24	2-3%	2,864,000	Various	1,598,300
General obligation	11/1/16	5/1/36	3-5%	59,643,302	Various	53,361,000
General obligation	11/15/16	5/15/30	3-5%	10,606,000	Various	9,984,000
Total governmental activities						<u>135,764,700</u>
Business-Type:						
General purpose:						
General obligation, Series B	5/4/10	8/1/23	3-5%	5,558,000	Various	2,921,000
General obligation	12/18/12	8/1/28	1-2.65%	3,500,000	Various	3,269,000
General obligation	1/31/13	2/15/33	1-3%	1,056,797	Various	795,000
General obligation, Series A	9/8/14	3/1/34	3-5%	2,789,300	Various	2,273,600
General obligation, Series B	9/8/14	3/1/24	2-3%	630,000	Various	351,700
General obligation	11/1/16	5/1/36	3-5%	8,596,698	Various	7,099,000
General obligation	11/15/16	5/15/30	3-5%	2,019,000	Various	1,901,000
Total business-type activities						<u>18,610,300</u>
Total Outstanding						<u>\$ 154,375,000</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Annual debt service requirements to maturity for general obligation bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2020	\$ 10,687,300	\$ 4,913,882	\$ 1,432,700	\$ 684,279
2021	9,904,300	4,442,925	1,485,700	620,116
2022	9,897,300	4,011,908	1,487,700	555,343
2023	9,517,200	3,568,642	1,492,800	485,505
2024	9,184,200	3,172,203	1,495,800	416,662
2025	8,917,800	2,792,826	1,427,200	354,439
2026	9,153,000	2,455,513	1,432,000	302,087
2027	9,141,000	2,150,238	1,424,000	255,093
2028	9,123,000	1,872,964	1,412,000	211,686
2029	9,109,000	1,589,939	1,401,000	167,661
2030	8,027,000	1,302,099	813,000	130,251
2031	7,069,000	1,027,244	631,000	101,493
2032	7,069,000	808,444	631,000	82,168
2033	7,067,900	589,644	632,100	62,843
2034	5,763,700	370,877	576,300	43,485
2035	3,067,000	187,854	418,000	25,603
2036	3,067,000	95,844	418,000	13,063
Total	\$ 135,764,700	\$ 35,353,046	\$ 18,610,300	\$ 4,511,777

**CITY OF MERIDEN, CONNECTICUT
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Water Fund Loans Payable

Clean Water Fund Loans

The State of Connecticut under the Clean Water Fund Program issued the project loan obligation. The loan proceeds financed the sanitary sewer construction projects. The obligation will be paid from future user fees.

Drinking Water Fund Loans

The Drinking Water Fund Program issued a permanent funding obligation loan, which is recorded in the Water Fund, for the year ended June 30, 2019. The loan proceeds are being used to finance the upgrade to the Broad Brook Treatment Plant. The obligation will be paid from future user fees.

Project loan obligations payable to the State of Connecticut mature as follows:

Year Ending June 30	Clean Water Notes		Drinking Water Notes		Total Business-Type	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 1,814,127	\$ 22,965	\$ 877,459	\$ 325,111	\$ 2,691,586	\$ 348,076
2021	1,850,744	21,261	895,169	307,400	2,745,913	328,661
2022	1,888,100	19,523	913,238	289,332	2,801,338	308,855
2023	1,926,210	17,749	931,671	270,898	2,857,881	288,647
2024	1,965,090	15,940	950,476	252,093	2,915,566	268,033
2025	2,004,754	14,094	969,661	232,909	2,974,415	247,003
2026	2,045,218	12,211	989,233	213,337	3,034,451	225,548
2027	2,086,500	10,290	1,009,200	193,370	3,095,700	203,660
2028	2,128,615	8,330	1,029,570	172,999	3,158,185	181,329
2029	2,171,579	6,331	1,050,351	152,218	3,221,930	158,549
2030	2,215,411	4,291	1,071,552	131,018	3,286,963	135,309
2031	1,177,268	2,210	1,093,180	109,389	2,270,448	111,599
2032	53,381	312	1,115,246	87,324	1,168,627	87,636
2033			1,089,528	65,014	1,089,528	65,014
2034			1,062,807	43,707	1,062,807	43,707
2035			1,084,259	22,255	1,084,259	22,255
2036			509,034	3,349	509,034	3,349
2037			14,631	37	14,632	37
	<u>\$ 23,326,997</u>	<u>\$ 155,507</u>	<u>\$ 16,656,265</u>	<u>\$ 2,871,760</u>	<u>\$ 39,983,263</u>	<u>\$ 3,027,267</u>

**CITY OF MERIDEN, CONNECTICUT
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HUD Loan

The United States Department of Housing and Urban Development issued the City a Section 108 Loan on October 14, 2011, which carries interest at 0.2% above London Interbank Offered Rate (LIBOR). The loan proceeds financed part of the demolition and cleanup of Factory H. The obligation will be paid from future CDBG allocations.

Project loan obligations payable to the United States Department of Housing and Urban Development mature as follows:

		HUD Note	
		<u>Principal</u>	<u>Interest</u>
2020	\$	75,000	\$ 27,821
2021		75,000	26,134
2022		75,000	24,255
2023		75,000	22,282
2024		75,000	20,179
2025		75,000	17,978
2026		75,000	15,739
2027		75,000	13,451
2028		75,000	11,130
2029		75,000	8,764
2030		75,000	6,337
2031		75,000	3,855
2032		75,000	1,297
		<u>\$ 975,000</u>	<u>\$ 199,222</u>

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2019 is \$48,115,887, which is net of all expected grant revenue. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Landfill Post-Closure Monitoring

State and federal laws and regulations require that the City perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The liability for the landfill post-closure care, aggregating \$220,000, is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfills as of June 30, 2019. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations. Costs will be funded through future property taxes and/or state and federal grants. The landfill was considered to be at capacity and was closed during 1991.

Pollution Remediation

"Factory H" includes two City parcels (77 Cooper Street and 104 Butler Street), which have contaminated soils. The liability is made up of \$10,352,000 less estimated recoveries from the State and Federal government of \$2,600,000. Management has estimated this liability taking into account data based on estimates from the engineering department. Major assumptions were made since the remediation of the Factory H site will be fully integrated into the Harbor Brook Flood Control project and redevelopment plans for the site, which are yet to be finalized. Costs are likely to change based on the final flood control design, site re-use and redevelopment plans, as well as other factors. It is assumed that no active groundwater remediation will be required, environmental land use restrictions will be placed on the site, and operations and maintenance of the engineered control will be minimal, similar to that approved for the Meriden Green (formerly the HUB project). The obligation is an estimate and is subject to revision because of price increases or reductions, changes in technology, or changes in applicable laws or regulations. As of June 30, 2019, the City has received \$800,000 from the United States Environmental Protection Agency, a loan of \$1,500,000 from the United States Department of Housing and Urban Development and \$300,000 from the State of Connecticut Department of Economic and Community Development.

Remediation of the Meriden Green (formerly the Meriden HUB) which is located at 1-77 State Street and 50 East Main Street was completed in June 2016. The work was completed in accordance with the environmental reports prepared for the City by AECOM entitled "Remedial Action Plan, Meriden HUB Site, dated June 2012". The work included the construction of an Engineered Control (EC) cap to gain compliance with the Connecticut Remediation Standard Regulations (RSR) Direct Exposure Criteria (DEC) for soil/fill that remains on-site following completion of the flood control storage area. An Environmental Land Use Restriction has been completed and will remain in perpetuity to ensure that there will be no disturbance of the Engineered Control (EC) cap and materials beneath the cap.

116 Cook Avenue has contaminated soil and hazardous building materials contributing to the contamination. The liability is made up of \$2,098,000 less estimated recoveries from the Federal government (HUD and US EPA) of \$523,950. Management has estimated this liability taking into account data based on estimates from their consulting firm. The current estimate of environmental liabilities for 116 Cook Avenue is based on environmental reports prepared for the City by Tighe and Bond, including "Phase III Environmental Site Assessment report, dated July 2012", and an "Opinion of Probable Demolition Costs, dated July 2012". Further remediation costs associated with soils below the existing building slab are unknown and may require further remediation depending on the future land use. The City assumes removal of all known environmental hazards in five to seven years. The obligation is an estimate and is subject to revision because of price increases or reductions, changes in technology, or changes in applicable laws or regulations. As of June 30, 2019, the City utilized \$523,950 in federal funds to remove hazardous building materials and universal waste and to remove an underground storage tank (UST) from the site.

**CITY OF MERIDEN, CONNECTICUT
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The City acquired 11 Crown Street in May 2014 for redevelopment purposes. In 2014, the City retained Tighe and Bond to complete Phase II/III Environmental Assessments and a Remedial Action plan for the site. Cleanup costs (soil remediation and hazardous building materials) include engineering, oversight and monitoring. As of June 30, 2019, the City was awarded and used a \$1.98 million state grant from the CT Department of Economic and Community Development to complete building demolition and site remediation. All remediation work was substantially completed in June 2018 and close out of the environmental documentation is in process. Following site remediation, the site will be transferred to a private developer beginning in 2019 under a long-term lease agreement. Ongoing liability will require one year of groundwater monitoring after the site redevelopment is completed after 2020. The estimated cost of groundwater monitoring is less than \$20,000 total. Grant funds may be used for this purpose.

The City acquired 177 State Street in May 2014 for redevelopment purposes. In 2014, the City retained AECOM to complete Phase II/III Environmental Assessments and a Remedial Action plan for the site. Cleanup costs include engineering, oversight and monitoring. The liability is made up of \$565,812 less recoveries from the State of \$565,812. Management has estimated this liability taking into account data based on actual cleanup costs. As of June 30, 2019, the City was awarded and completed soil remediation utilizing a \$597,000 state grant from the CT Department of Economic and Community Development to complete site remediation. All remediation work is completed. The site was transferred to a private developer in April 2017. Ongoing liability will require one year of groundwater monitoring after the site redevelopment is completed after 2020. The estimated cost of groundwater monitoring is less than \$20,000 total.

The City acquired the former Meriden Wallingford hospital site, located at 1 King Place, in January 2014 in a tax foreclosure. In 2014, the City was awarded \$180,000 to further assess the building and property and \$221,000 in state forgivable loans for cleanup. In 2018, the City was awarded a \$2 million grant and a \$2 million loan from the State of Connecticut and a \$200,000 grant from the USEPA for site remediation. As of June 30, 2019, site cleanup is ongoing and is expected to be completed in 9-12 months. Abatement of hazardous building materials is \$3.4 million based contracts awarded. Additional costs for soils cleanup and contingency is estimated at \$800,000 based on prior engineer's estimates. The City has selected a private developer to purchase the site following site cleanup in 2019 or 2020.

The City acquired the former Mills Memorial Housing Complex, located at 144 Pratt Street, in May 2018 as a part of a property swap with the Meriden Housing Authority. Under the agreement, the City took title to 144 Pratt Street and transferred 177 State Street and 62 Cedar Street to the Meriden Housing Authority for future development. In 2014, the City was awarded \$180,000 from the State of Connecticut to assess the building and property and in 2015 was awarded \$2,000,000 from the State of Connecticut for abatement and demolition. As of June 30, 2019, demolition is completed. Abatement of hazardous building materials is \$2.21 million based contracts awarded. Additional costs for soils cleanup and contingency are likely. The City will incorporate the site into the Harbor Brook Flood control plan following demolition.

Claims and Judgments

There are various suits and claims pending against the City, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could materially affect the City's financial position. Management has estimated a liability of \$1,105,000 at June 30, 2019.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Debt Limitation

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

<u>Category</u>	<u>Debt Limitation</u>	<u>Indebtedness</u>	<u>Balance</u>
General purposes	\$ 281,246	\$ 91,320	\$ 189,926
Schools	562,491	47,426	515,065
Urban renewal	406,244		406,244
Sewers	468,743	45,348	423,395
Pension bonding	374,994		374,994

In no case shall total indebtedness exceed seven times annual receipts from taxation \$874,986.

9. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2019 are as follows:

	<u>General Fund</u>	<u>Bonded Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$ 122,669	\$	\$ 157,894	\$ 280,563
Prepaid expenditures	13,056		523	13,579
Permanent fund principal			104,017	104,017
Restricted for:				
Flood control	480,001			480,001
Wallingford Regional Solid Waste Reserve	462,257			462,257
Federal and State grants	19,906		1,678,389	1,698,295
Bonds		25,671,463		25,671,463
Park trusts			1,943,497	1,943,497
Library trusts			757,272	757,272
Education trusts			8,414	8,414
Health trusts			560	560
Capital and nonrecurring			129,983	129,983
Committed to:				
Special assessment project			98,083	98,083
Education			795,890	795,890
Planning and development			58,323	58,323
Anti-blight			153,680	153,680
Airport improvement			15,141	15,141
Dog fund			31,227	31,227
Capital and nonrecurring			295,311	295,311
Meriden Green improvement			509,369	509,369
Insurance refunds	216,349			216,349
Tree preservation	2,985			2,985
Downtown property management	104,938			104,938
Vehicle replacement	57,173			57,173
Public safety			261,247	261,247
Unassigned	15,480,791			15,480,791
Total Fund Balances	\$ 16,960,125	\$ 25,671,463	\$ 6,998,820	\$ 49,630,408

Significant encumbrances of \$7,345,150 are included in the bonded projects fund and \$898,819 are included in the nonmajor funds as of June 30, 2019.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; employee health; and natural disasters. The City generally obtains commercial insurance for these risks, but has chosen to retain the risks of workers' compensation and employee health and medical claims. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2019.

The workers' compensation fund purchases a self-insured retention workers' compensation excess policy for claims exceeding \$600,000. All other claims are funded by the General Fund, Sewer Authority, Water Authority and George Hunter Memorial Golf Fund. Payments to the fund are estimated based on payroll amounts, job classification rates, experience and second injury fund assessments.

The City's Health Insurance Fund purchases a stop loss policy for claims in excess of \$250,000 per claim. The City also purchases the aggregate maximum per year. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The health insurance fund is funded by contributions from all funds incurring payroll charges. The health benefits consultant provides the City with suggested rates for various types of coverage. The BOE and City enterprise funds use employee counts and suggested rates to compute fund contributions.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. Changes in the claims liability for the past two years are as follows:

	Accrued Liability Beginning of Fiscal Year		Current Year Claims and Changes in Estimates		Accrued Liability Claim Payments		Accrued Liability End of Fiscal Year
Workers' Compensation and Heart and Hypertension							
2018-19	\$ 7,525,644	\$	3,558,447	\$	3,362,025	\$	7,722,066
2017-18	7,312,856		3,400,800		3,188,012		7,525,644
Health Insurance							
2018-19	\$ 2,337,468	\$	29,109,369	\$	29,163,691	\$	2,283,146
2017-18	2,089,165		28,806,411		28,558,108		2,337,468

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

11. EMPLOYEE RETIREMENT PLANS

A. Pension Trust Fund

The City administers three single-employer, contributory, defined benefit public employee retirement system (PERS) plans to provide pension benefits for its employees. The PERS is considered to be a part of the City's financial reporting entity and is included in the City's financial reports as Pension Trust Funds. Stand-alone plan reports are not available for these plans. Although the assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan, in accordance with the terms of the plan.

Management of the plans rest with the Pension Board, which consists of eleven members: three elected by plan members, six appointed by City Council and the City Treasurer and Personnel Director who both serve as ex-officio members.

Plan Description and Benefits Provided

Substantially all full-time employees of the City are eligible to participate. Participants in the State Teachers' Retirement System are excluded. The Plans' provisions are as follows:

Provisions	Employees' Retirement Plan	Police Pension Plan	Firefighters' Pension Plan
Benefit	<p>Firefighters and BOE employees receive 2% of average final pay (average of three highest calendar years out of the last ten) multiplied by the years of continuous service in the plan, with a maximum of 60% of salary.</p> <p>Police and nonBOE City employees receive 2% of average final pay for the first 20 years, plus 2½% of average final pay multiplied by years of service for years 21-32 thereafter, with a maximum of 70% of salary.</p>	<p>2% of base pay times years of service up to 20 years plus 1.6% of base pay times years of service in excess of 20 and less than 30 years plus 50% of current emoluments.</p>	<p>2.2% of base pay times the years of service up to 30 years plus 50% of emoluments.</p>
Eligibility requirements	Vested after 10 years of service.	Earlier of 20 years of service or age 65.	Earlier of 25 years of service or age 65.
Cost of living adjustment	<p>Retirement prior to July 1, 1989: No COLA adjustments.</p> <p>Retirement after July 1, 1989 and prior to July 1, 2000: 3% every other year beginning after the later of 3 years from retirement age or age 65 with a lifetime cap of 50% of original pension.</p> <p>Retirement after July 1, 2000: 2% each year beginning after the later of 2 years from retirement date or age 62. For police and firefighters with 25 years of service the COLA begins 1 year from date of retirement with a lifetime cap of 50% of original pension.</p>	<p>Retirement prior to January 1, 2003: based on increases to base pay for the rank held at retirement.</p> <p>Retirement after January 1, 2003 (25 or more years of service): 3% of base pay, excluding emoluments.</p> <p>Retirement after January 1, 2003 (between 20-25 years of service): 2% of base pay, excluding emoluments.</p> <p>Retirement after January 1, 2003 (less than 20 years of service): none.</p>	<p>Retirement prior to January 1, 2003: based on increase in base pay for the rank held at retirement.</p> <p>Retirement after January 1, 2003 (with at least 25 years of service): 3% of base pay, excluding emoluments.</p>
Early retirement provisions	City and police employees - 10 years of service and age 55. Firefighters- none.	None.	None.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

<u>Provisions</u>	<u>Employees' Retirement Plan</u>	<u>Police Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Contributions	<p>NonBOE City employees 11% of earnings (includes 7% of earnings to pension and 4% of earnings as contributed for post-employment healthcare benefits).</p> <p>BOE employees - 8% of earnings (includes 4% of earnings to pension and 4% of earnings as contributed for post-employment healthcare benefits).</p> <p>Police employees - (hired prior to July 1, 2012) - 10% of earnings (includes 6% of earnings to pension and 4% of earnings as contributed for post-employment healthcare benefits).</p> <p>Police employees - (hired after July 1, 2012) - 7% of earnings (includes 4.5% of earnings to pension and 2.5% of earnings as contributed for post-employment healthcare benefits).</p> <p>Fire employees - 6% of earnings (includes 4% of earnings to pension and 2% of earnings contributed for post-employment healthcare benefits).</p> <p>Employer - remaining necessary to fund Plan based on City Charter and actuarial studies.</p>	<p>Employee - 8% of earnings (includes 6% of earnings to pension and 2% of earnings as contributed for post-employment healthcare benefits).</p> <p>Employer - remaining necessary to fund Plan based on City Charter and actuarial studies.</p>	<p>Employee - 8% of earnings (includes 6% of earnings to pension and 2% of earnings as contributed for post-employment healthcare benefits).</p> <p>Employer - remaining necessary to fund Plan based on City Charter and actuarial studies.</p>

At July 1, 2018, Plan membership consisted of the following:

	<u>Employees' Retirement Plan</u>	<u>Police Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Retirees and beneficiaries currently receiving benefits	497	149	121
Vested terminated employees	98	1	
Active participants	491	35	41
Total Participants	<u>1,086</u>	<u>185</u>	<u>162</u>

The Employees' Retirement Plan was closed to nonpublic safety personnel as of July 1, 2011. The Police and Firefighter's plans were closed to new entrants as of March 18, 2003. During fiscal year 2019, the City's retirement incentive plan resulted in 58 additional retirements.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the three 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 market value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Administrative Costs

Administrative costs of the Plan are financed through investment earnings.

The individual plan net position at June 30, 2019 and changes in net position for the year then ended are as follows:

	Pension Trust Funds			
	Employees' Retirement Plan	Police Pension Fund	Firefighters' Pension Plan	Total Pension Trust Funds
Assets:				
Cash and cash equivalents	\$ 5,518,556	\$ 1,919,446	\$ 1,640,966	\$ 9,078,968
Interest receivable	14,255	5,280	4,017	23,552
Investments, at fair value:				
U.S. government securities	251,798	114,405	87,033	453,236
Equities	4,642,228	1,938,913	1,475,021	8,056,162
Mutual funds	90,745,125	35,078,411	26,685,764	152,509,300
Alternative investments	52,398,856	24,236,368	18,552,734	95,187,958
Total investments	<u>148,038,007</u>	<u>61,368,097</u>	<u>46,800,552</u>	<u>256,206,656</u>
Total assets	<u>153,570,818</u>	<u>63,292,823</u>	<u>48,445,535</u>	<u>265,309,176</u>
Liabilities:				
Other liabilities	<u>1,055</u>	<u>1,056</u>	<u>1,056</u>	<u>3,167</u>
Net Position:				
Restricted for Pension Benefits	<u>\$ 153,569,763</u>	<u>\$ 63,291,767</u>	<u>\$ 48,444,479</u>	<u>\$ 265,306,009</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

	Pension Trust Funds			
	Employees' Retirement Plan	Police Pension Fund	Firefighters' Pension Plan	Total Pension Trust Funds
Additions:				
Contributions:				
Employer	\$ 4,061,085	\$ 4,769,583	\$ 3,201,799	\$ 12,032,467
Plan members	3,223,093	168,428	209,021	3,600,542
Total contributions	<u>7,284,178</u>	<u>4,938,011</u>	<u>3,410,820</u>	<u>15,633,009</u>
Investment earnings:				
Net increase in fair value of investments	7,603,341	3,153,996	2,250,192	13,007,529
Dividends and interest	<u>2,698,761</u>	<u>1,089,945</u>	<u>839,720</u>	<u>4,628,426</u>
Total investment earnings	10,302,102	4,243,941	3,089,912	17,635,955
Less investment expenses:				
Investment management fees	<u>613,471</u>	<u>273,240</u>	<u>215,788</u>	<u>1,102,499</u>
Net investment earnings	<u>9,688,631</u>	<u>3,970,701</u>	<u>2,874,124</u>	<u>16,533,456</u>
Total additions	<u>16,972,809</u>	<u>8,908,712</u>	<u>6,284,944</u>	<u>32,166,465</u>
Deductions:				
Benefits	11,664,799	7,743,367	6,168,027	25,576,193
Administration	27,100	27,103	27,100	81,303
Other	<u>303,186</u>	<u>126,521</u>	<u>2,801</u>	<u>432,508</u>
Total deductions	<u>11,995,085</u>	<u>7,896,991</u>	<u>6,197,928</u>	<u>26,090,004</u>
Change in net position	4,977,724	1,011,721	87,016	6,076,461
Net Position at Beginning of Year	<u>148,592,039</u>	<u>62,280,046</u>	<u>48,357,463</u>	<u>259,229,548</u>
Net Position at End of Year	<u>\$ 153,569,763</u>	<u>\$ 63,291,767</u>	<u>\$ 48,444,479</u>	<u>\$ 265,306,009</u>

**CITY OF MERIDEN, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019**

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 as of January 10, 2012, reaffirmed January 12, 2016:

<u>Asset Class</u>	<u>Target</u>	
Equity - domestic	45	%
Equity - international	12	
Fixed Income	18	
Real Estate	3	
Hedge Funds	4	
Managed Futures	10	
Private Equity	6	
Cash	<u>2</u>	
 Total	 <u><u>100</u></u>	 %

Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

City	6.42%
Police	6.30%
Firefighters’	6.09%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Net Pension Liability

The components of the net pension liability of the City at June 30, 2019 were as follows:

	<u>Employees'</u>	<u>Police</u>	<u>Firefighters'</u>	<u>Total</u>
Total pension liability	\$ 208,883,809	\$ 120,699,878	\$ 89,650,380	\$ 419,234,067
Plan fiduciary net position	<u>153,569,763</u>	<u>63,291,767</u>	<u>48,444,479</u>	<u>265,306,009</u>
City's Net Pension Liability	<u>\$ 55,314,046</u>	<u>\$ 57,408,111</u>	<u>\$ 41,205,901</u>	<u>\$ 153,928,058</u>

Plan fiduciary net position as a percentage
of the total liability

73.52 %	52.44 %	54.04 %
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Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Employees'</u>	<u>Police</u>	<u>Firefighters'</u>
Inflation	2.60%	2.60%	2.60%
Salary increases	2.60%, per annum (compounded) plus a graded scale of 7% at age 20 down to 0% at age 60 and beyond, including inflation	2.60%, per annum (compounded) plus a graded scale of 7% at age 20 down to 0% at age 60 and beyond, including inflation	2.60%, per annum (compounded) plus a graded scale of 7% at age 20 down to 0% at age 60 and beyond, including inflation
Investment rate of return	7.375%, net of pension plan investment expense	7.375%, net of pension plan investment expense	7.375%, net of pension plan investment expense

Mortality rates were based on RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2018.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

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, 2019 (see the discussion of the pension plan’s investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Real Rate of Return</u>	
Equity - domestic	5.8	%
Equity - international	6	
Fixed Income	2.5	
Real Estate	4.3	
Hedge Funds	4.9	
Managed Futures	4.5	
Private Equity	10.7	
Commodities	2.3	
Cash	0.5	

Discount Rate

The discount rate used to measure the total pension liability was 7.375%, down from 7.75% a year ago. 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 MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Changes in the Net Pension Liability

	Employees'		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2018	\$ 199,043,602	\$ 148,592,039	\$ 50,451,563
Changes for the year:			
Service cost	3,625,638		3,625,638
Interest on total pension liability	15,263,289		15,263,289
Differences between expected and actual experience	(1,737,165)		(1,737,165)
Changes in assumptions	4,353,244		4,353,244
Employer contributions		4,061,085	(4,061,085)
Member contributions		3,223,093	(3,223,093)
Net investment income		9,688,631	(9,688,631)
Benefit payments, including refund of employee contributions	(11,664,799)	(11,664,799)	-
Administrative expenses		(27,100)	27,100
Other changes		(303,186)	303,186
Net changes	<u>9,840,207</u>	<u>4,977,724</u>	<u>4,862,483</u>
Balances as of June 30, 2019	<u>\$ 208,883,809</u>	<u>\$ 153,569,763</u>	<u>\$ 55,314,046</u>

	Police		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2018	\$ 118,262,259	\$ 62,280,046	\$ 55,982,213
Changes for the year:			
Service cost	891,166		891,166
Interest on total pension liability	8,939,933		8,939,933
Differences between expected and actual experience	(2,385,985)		(2,385,985)
Changes in assumptions	2,735,872		2,735,872
Employer contributions		4,769,583	(4,769,583)
Member contributions		168,428	(168,428)
Net investment income		3,970,701	(3,970,701)
Benefit payments	(7,743,367)	(7,743,367)	-
Administrative expenses		(27,103)	27,103
Other changes		(126,521)	126,521
Net changes	<u>2,437,619</u>	<u>1,011,721</u>	<u>1,425,898</u>
Balances as of June 30, 2019	<u>\$ 120,699,878</u>	<u>\$ 63,291,767</u>	<u>\$ 57,408,111</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Firefighters'

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2018	\$ 87,902,407	\$ 48,357,463	\$ 39,544,944
Changes for the year:			
Service cost	626,248		626,248
Interest on total pension liability	6,626,420		6,626,420
Differences between expected and actual experience	(1,318,025)		(1,318,025)
Changes in assumptions	1,981,357		1,981,357
Employer contributions		3,201,799	(3,201,799)
Member contributions		209,021	(209,021)
Net investment income		2,874,124	(2,874,124)
Benefit payments	(6,168,027)	(6,168,027)	-
Administrative expenses		(27,100)	27,100
Other changes		(2,801)	2,801
Net changes	<u>1,747,973</u>	<u>87,016</u>	<u>1,660,957</u>
Balances as of June 30, 2019	<u>\$ 89,650,380</u>	<u>\$ 48,444,479</u>	<u>\$ 41,205,901</u>

All Plans Combined

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2018	\$ 405,208,268	\$ 259,229,548	\$ 145,978,720
Changes for the year:			
Service cost	5,143,052		5,143,052
Interest on total pension liability	30,829,642		30,829,642
Differences between expected and actual experience	(5,441,175)		(5,441,175)
Changes in assumptions	9,070,473		9,070,473
Employer contributions		12,032,467	(12,032,467)
Member contributions		3,600,542	(3,600,542)
Net investment income		16,533,456	(16,533,456)
Benefit payments	(25,576,193)	(25,576,193)	-
Administrative expenses		(81,303)	81,303
Other changes		(432,508)	432,508
Net changes	<u>14,025,799</u>	<u>6,076,461</u>	<u>7,949,338</u>
Balances as of June 30, 2019	<u>\$ 419,234,067</u>	<u>\$ 265,306,009</u>	<u>\$ 153,928,058</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

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 7.375%, 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:

Employees'

	<u>1% Decrease (6.375%)</u>	<u>Current Discount Rate (7.375%)</u>	<u>1% Increase (8.375%)</u>
Net Pension Liability	\$ 79,454,602	\$ 55,314,046	\$ 34,931,986

Police

	<u>1% Decrease (6.375%)</u>	<u>Current Discount Rate (7.375%)</u>	<u>1% Increase (8.375%)</u>
Net Pension Liability	\$ 71,716,969	\$ 57,408,111	\$ 45,546,817

Firefighters'

	<u>1% Decrease (6.375%)</u>	<u>Current Discount Rate (7.375%)</u>	<u>1% Increase (8.375%)</u>
Net Pension Liability	\$ 51,110,551	\$ 41,205,901	\$ 32,879,137

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

For the year ended June 30, 2019, the City recognized pension expense as follows:

	<u>Employees'</u>	<u>Police</u>	<u>Firefighters'</u>	<u>Total</u>
Pension Expense	\$ 8,708,890	\$ 7,175,524	\$ 4,887,613	\$ 20,772,027

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Employees'	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 779,159	\$ (1,871,618)
Changes of assumptions	3,531,877	(697,382)
Net difference between projected and actual earning on pension plan investments	<u>887,414</u>	
Total	<u>\$ 5,198,450</u>	<u>\$ (2,569,000)</u>

	Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (216,908)
Changes of assumptions	248,716	
Net difference between projected and actual earning on pension plan investments	<u>531,533</u>	
Total	<u>\$ 780,249</u>	<u>\$ (216,908)</u>

	Firefighters'	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (690,394)
Changes of assumptions	1,037,854	
Net difference between projected and actual earning on pension plan investments	<u>541,081</u>	
Total	<u>\$ 1,578,935</u>	<u>\$ (690,394)</u>

**CITY OF MERIDEN, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019**

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>	<u>Employees'</u>	<u>Police</u>	<u>Firefighters'</u>
2020	\$ 2,058,626	\$ 921,083	\$ 1,045,148
2021	(499,442)	(340,858)	(218,152)
2022	98,965	(165,582)	(91,973)
2023	823,222	148,698	153,518
2024	148,079		

B. Pension Plan - Money Purchase Pension Plan

The City is the administrator of the money purchase pension plan, a single employer, defined contribution pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan covers substantially all City employees hired after July 1, 2011. The plan was amended effective July 1, 2012 to reflect changes applicable to newly hired police officers and on July 1, 2016 to reflect changes applicable to newly hired fire fighters. Contributions are established and amended by the approval of the City Council. The plan is intended to be a governmental plan, as defined in Section 414(d) of the Internal Revenue Code.

Summary Plan Description

Any employee hired on or after July 1, 2011 (i) who is not eligible to participate in any defined benefit plan maintained or contributed to by the City, (ii) is not eligible to participate in the State Teacher's Retirement System during the time such individual is an employee, or (iii) is not employed pursuant to a collective bargaining agreement with the Police or Fire departments unless such collective bargaining agreement provides for participation in this plan. Any employee of the Board of Education hired prior to July 1, 2011 who was not eligible to participate in any defined benefit plan maintained by the City shall be eligible to participate in this plan. Normal retirement will be on the member's sixty-fifth (65th) birthday. A police officer or a firefighter who attains age 65 shall be retired automatically by the City, effective the first day of the month following his 65th birthday. A City employee will be fully vested after 10 years of service. The vesting percentage will be an accumulating 20% per year for years 6-10. Any nonvested City contributions and related interest thereon of employees who leave employment are reserved in a forfeiture account to offset future City contributions. Plan provisions and the authority to amend the provisions are established by City ordinance.

Employee Obligations

All participating members shall make a mandatory contribution in the amount of 5% of the member's compensation and the City will reduce the member's compensation otherwise payable currently by that percentage, credit the amount to the Employee Contribution Account on behalf of the member and contribute such amount to the Funding Vehicle. With respect to employees other than employees of the Board of Education, effective the first pay period following the date the member has been credited with 10 years of service, the amount of such employee contributions shall increase to 6% of the member's compensation. Notwithstanding the foregoing, each member who is a police officer hired on or after July 1, 2012 shall make a mandatory contribution in the amount of 10% of the member's non-base pay, including private duty compensation.

Employer Obligations

The City shall make a contribution in an amount equal to 5% of the member's compensation. With respect to employees other than employees of the Board of Education, effective the first pay period following the date the member has been credited with 10 years of service, the amount of such City contributions shall increase to 6% of the member's compensation. City contributions shall be allocated as of the last day of each week to a member's City Contribution Account, provided that the member is employed on such date. Notwithstanding the foregoing, the City shall make a contribution on behalf of police officers hired on or after July 1, 2012 of 3% of the member's non-base pay, but excluding private duty pay. The amount of City contributions at any time shall be reduced by the amount of forfeitures available at that time to be allocated to the member's City Contribution Account. Employer contributions are calculated and paid each pay period.

Contribution Requirements/Contributions Made

The total City contribution during the year ended June 30, 2019 was \$600,630 and represented 5% of covered payroll. The employees' required contributions were \$713,070 and represented 6% of covered payroll.

C. Connecticut Teachers Retirement System - Pension

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.

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.

**CITY OF MERIDEN, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019**

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.

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.

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.

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.

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

At June 30, 2019, 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		<u>179,858,436</u>
Total	\$	<u><u>179,858,436</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2019, the City has no proportionate share of the net pension liability.

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For the year ended June 30, 2019, the City recognized pension expense and revenue of \$20,185,931 in Exhibit II.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increased rates (5% for females and 8% for males) over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

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 MERIDEN, CONNECTICUT
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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 target asset allocation and 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>
Large Cap U.S. equities	21.0%	7.3%
Developed non-U.S. equities	18.0%	7.5%
Emerging markets (Non-U.S.)	9.0%	8.6%
Core fixed income	7.0%	1.7%
Inflation linked bond fund	3.0%	1.3%
Emerging market bond	5.0%	4.8%
High yield bonds	5.0%	3.7%
Real estate	7.0%	5.9%
Private equity	11.0%	10.9%
Alternative investments	8.0%	0.7%
Liquidity fund	6.0%	0.4%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 8.00%. 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 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.

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.

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.

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.

12. POSTEMPLOYMENT HEALTHCARE PLAN - CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION

A. Postemployment Healthcare Trust Fund

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Postemployment Healthcare Plan (PHP) 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 Plan.

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

Plan Description

The PHP is a single-employer defined benefit healthcare plan administered by the City. The PHP is considered a single OPEB Plan. Benefits provided consist of medical, dental and prescription benefits to eligible retirees and their spouses. City employees hired prior to July 1, 2011 are eligible to participate in the plan. Benefit provisions are established through negotiations between the City and the various unions representing the employees.

The plan is considered to be part of the City's financial reporting entity and is included in the City's financial report as an OPEB trust fund. A portion of the employees' pension contributions is required to be recognized in these healthcare plan pension funds: the Employees Healthcare Plan, the Police Healthcare Plan and the Firefighters' Healthcare Plan. The plan does not issue a stand-alone financial report.

Management of the post employment benefits plan, including policy oversight, rests is vested with the Pension Board, Town Manager and Director of Finance. Policy oversight is provided by the OPEB Committee, which Pension Board consists of eleven members: five who specialize in the employee benefits field, two from the Town Council, two from the Board of Education and two alternate members. three elected by plan members, six appointed by City Council, and the City Treasurer and Personnel

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At July 1, 2018, plan membership consisted of the following:

	City			Board of Education		Total
	Police	Fire	Other	Teachers	Other	
Active employees	273	99	124	679	286	1,461
Retired employees*	197	64	60	59	120	500
Total Participants	470	163	184	738	406	1,961

* Counts do not include spouses of retirees

Funding Policy

The contribution requirements of plan members and the City are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits also are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

City	4.00% of salary
Non-Teacher BOE	4.00% of salary
Police (in City Plan) hired prior to July 1, 2012	4.00% of salary
Police (in Police Plan)	2.50% of salary
Fire	2.00% of salary
Teachers	2.00% of salary

For the year ended June 30, 2019, plan members contributed \$1,272,804. The City is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the City in order to prefund benefits.

Employer contributions to the plan were \$4,367,945, which represents 80.3% of the actuarially determined annual contribution.

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The individual plan net position at June 30, 2019 and changes in net position for the year then ended are as follows:

	OPEB Trust Funds					
	City OPEB Fund	Police OPEB Fund	Firefighters' OPEB Fund	BOE Noncertified OPEB Plan	BOE Certified OPEB Fund	Total OPEB Trust Funds
Assets:						
Cash and cash equivalents	\$ 562,606	\$ 225,188	\$ 193,052	\$ 135,213	\$ 488,076	\$ 1,604,135
Receivables:						
Interest receivable	1,982	1,273	1,092	764	1,423	6,534
	<u>1,982</u>	<u>1,273</u>	<u>1,092</u>	<u>764</u>	<u>1,423</u>	<u>6,534</u>
Investments, at fair value:						
Common stock	332,403	213,454	182,994	128,167	238,499	1,095,517
Mutual funds	6,690,553	4,296,375	3,683,256	2,579,744	4,800,490	22,050,418
Alternative investments	3,831,061	2,460,136	2,109,060	1,477,181	2,748,797	12,626,235
Total investments	<u>10,854,017</u>	<u>6,969,965</u>	<u>5,975,310</u>	<u>4,185,092</u>	<u>7,787,786</u>	<u>35,772,170</u>
Total assets	<u>11,418,605</u>	<u>7,196,426</u>	<u>6,169,454</u>	<u>4,321,069</u>	<u>8,277,285</u>	<u>37,382,839</u>
Liabilities:						
Internal balances		639,365	750,782	79,856		1,470,003
Total liabilities	<u>-</u>	<u>639,365</u>	<u>750,782</u>	<u>79,856</u>	<u>-</u>	<u>1,470,003</u>
Net Position:						
Held in Trust for OPEB Benefits	<u>\$ 11,418,605</u>	<u>\$ 6,557,061</u>	<u>\$ 5,418,672</u>	<u>\$ 4,241,213</u>	<u>\$ 8,277,285</u>	<u>\$ 35,912,836</u>

	OPEB Trust Funds					
	City OPEB Fund	Police OPEB Fund	Firefighters' OPEB Fund	BOE Noncertified OPEB Plan	BOE Certified OPEB Fund	Total OPEB Trust Funds
Additions:						
Contributions:						
Employer	\$ 1,126,423	\$ 421,569	\$ 136,226	\$ 867,565	\$ 1,816,162	\$ 4,367,945
Plan members	824,124	76,558	69,674	302,448		1,272,804
Total contributions	<u>1,950,547</u>	<u>498,127</u>	<u>205,900</u>	<u>1,170,013</u>	<u>1,816,162</u>	<u>5,640,749</u>
Investment earnings:						
Net increase in fair value of investments	350,164	224,443	192,414	134,766	250,778	1,152,565
Dividends and interest	174,230	112,300	96,274	67,430	125,477	575,711
Total investment earnings	<u>524,394</u>	<u>336,743</u>	<u>288,688</u>	<u>202,196</u>	<u>376,255</u>	<u>1,728,276</u>
Total additions	<u>2,474,941</u>	<u>834,870</u>	<u>494,588</u>	<u>1,372,209</u>	<u>2,192,417</u>	<u>7,369,025</u>
Deductions:						
Benefits	2,311,392	564,433	326,137	1,221,770	1,535,426	5,959,158
Administration	2,500	400	200	250	250	3,600
Total deductions	<u>2,313,892</u>	<u>564,833</u>	<u>326,337</u>	<u>1,222,020</u>	<u>1,535,676</u>	<u>5,962,758</u>
Change in net assets	161,049	270,037	168,251	150,189	656,741	1,406,267
Net Position at Beginning of Year	<u>11,257,556</u>	<u>6,287,024</u>	<u>5,250,421</u>	<u>4,091,024</u>	<u>7,620,544</u>	<u>34,506,569</u>
Net Position at End of Year	<u>\$ 11,418,605</u>	<u>\$ 6,557,061</u>	<u>\$ 5,418,672</u>	<u>\$ 4,241,213</u>	<u>\$ 8,277,285</u>	<u>\$ 35,912,836</u>

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Investments

Investment Policy

OPEB Benefits Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. Pension Board’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, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 5.10 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the City

The City’s net OPEB liability was measured as of June 30, 2019. The components of the net OPEB liability of the City at June 30, 2019, were as follows:

Total OPEB liability	\$	93,837,835
Plan fiduciary net position		<u>35,912,836</u>
Net OPEB Liability	\$	<u><u>57,924,999</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		38.27%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Salary increases	5.0%, average, including inflation
Investment rate of return	7.375%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	7.25% for 2018, decreasing 0.5% per year to an ultimate rate of 4.60% for 2024 and later years

Mortality for the City and BOE is based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2018. For Police and Fire, it is based RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2018.

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The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008 - July 1, 2014.

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, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected
Equity - Domestic	45.00 %	5.75 %
Equity - International	12.00	6.00
Fixed Income	18.00	2.50
Real Estate	3.00	4.25
Hedge Funds	4.00	4.90
Managed Futures	10.00	4.50
Private Equity	6.00	10.70
Commodities	0.00	2.30
Cash	2.00	0.50
Total	100 %	

Discount Rate

The discount rate used to measure the total OPEB liability was 7.375%, down from 7.75% a year ago. 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 MERIDEN, CONNECTICUT
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Changes in the Total OPEB Liability

	Employees'		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of July 1, 2018	\$ 91,507,131	\$ 34,506,569	\$ 57,000,562
Changes for the year:			
Service cost	2,249,987		2,249,987
Interest on total OPEB liability	7,039,568		7,039,568
Differences between expected and actual experience	1,284,356		1,284,356
Changes in assumptions	(2,284,049)		(2,284,049)
Employer contributions		4,367,945	(4,367,945)
Member contributions		1,272,804	(1,272,804)
Net investment income		1,728,276	(1,728,276)
Benefit payments, including refund of employee contributions	(5,959,158)	(5,959,158)	-
Administrative expenses		(3,600)	3,600
Net changes	2,330,704	1,406,267	924,437
Balances as of June 30, 2019	\$ 93,837,835	\$ 35,912,836	\$ 57,924,999

Sensitivity of the Total 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 (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Net OPEB Liability	\$ 69,986,592	\$ 57,924,999	\$ 47,879,839

**CITY OF MERIDEN, CONNECTICUT
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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 (6.25% Decreasing to 3.60%)	Healthcare cost Trend Rates (7.25% Decreasing to 4.60%)	1% Increase (8.25% Decreasing to 5.60%)
Net OPEB Liability	\$ 46,182,199	\$ 57,924,999	\$ 72,309,421

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

For the year ended June 30, 2019, the City recognized OPEB expense of \$5,572,458. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Employees'	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,346,623	\$
Changes of assumptions		(2,064,428)
Net difference between projected and actual earning on OPEB plan investments	<u>698,976</u>	
Total	<u>\$ 3,045,599</u>	<u>\$ (2,064,428)</u>

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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>	
2020	\$ 214,121
2021	214,121
2022	214,119
2023	230,123
2024	43,377
Thereafter	<u>65,310</u>
	<u>\$ 981,171</u>

B. Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

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.

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 \$110 per month for a retired member plus an additional \$110 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 and has not increased since July 1996. A subsidy amount of \$220 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 \$220 per month towards coverage under a local school district plan.

**CITY OF MERIDEN, CONNECTICUT
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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. 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 \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

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.

**CITY OF MERIDEN, CONNECTICUT
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Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

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.

Employees

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

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

At June 30, 2019, 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	<u>35,954,874</u>
Total	<u>\$ 35,954,874</u>

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The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2019, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2019, the City recognized OPEB expense and revenue of (\$11,944,188) in Exhibit II.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Health care costs trend rate:	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2019

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

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 (0.27%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.87%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

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.

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

13. CONTINGENCIES AND COMMITMENTS

Contingent Liabilities

The City has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, City management believes such disallowances, if any, will not be material.

The City may be subject to rebate penalties to the federal government relating to various bond and note issues. The City expects such amounts, if any, to be immaterial.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

Construction Commitments

The government has active construction projects as of June 30, 2019. At year end, the government's commitments with contractors are as follows:

<u>Project</u>	<u>Commitment</u>
Economic Development - Rehab/Demo	\$ 802,666
Downtown Improvements	3,472,060
Platt School Addition and Replacement	1,193,870
Public Safety Improvements/Equipment	112,132
City Building Repair/Upgrade	106,013
Water Treatment Plant Upgrade	39,409
School Roof Replacement	16,881
Citywide Drainage	312,090
Citywide Road/Sidewalk Reconstruction	951,002
City Parks Upgrades	29,720
Landfill	14,300
Maloney School Addition and Replacement	24,634
Flood Control	20,923
Bridges	1,053,556
WPCF - Facility/Collection Improvements	231,409
Upgrade/Replace Pump Stations	3,015
Wells	68,538
Vehicles	58,625
Golf Course Improvements	102
Water SCADA	496,431
Sewer SCADA	1,087,740
WPCF - Phosphorous Upgrade	43,185,632
Plan of Conservation & Development	<u>56,092</u>
	<u>\$ 53,336,840</u>

The commitments are being financed with bonds, bond anticipation notes and state and federal grants.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019**

14. TAX ABATEMENTS

As of June 30, 2019, the City provides tax abatements through multiple programs:

- Distressed Municipality
- Commercial/Residential Property Incentive
- East Main Street Incentive Zone
- Enterprise Zone

Program	Distressed Municipality	Commercial/Residential Property Incentive	East Main Street Incentive Zone	Enterprise Zone
Purpose	To incentivize investment in manufacturing	To provide affordable housing	Encourage private investment in underutilized and vacant properties, increase traffic to existing businesses along East Main Street and improve the economic vitality of Meriden's east side	Promote economic activity in state-designated Enterprise Zone
Tax being abated	Real Property, Personal Property	Real Property	Real Property and Manufacturing Machinery and Equipment	Real Property, Personal Property
Authority under which agreements are entered into	C.G.S. Sec 12-81, Sec 32-9	C.G.S. Sec. 8-215	C.G.S. Sec 12-65(b) City of Meriden Resolution	Real Estate improvement abatements, City Code Sec. Ch 19-1. Personal Property City Code Sec. 19-5
Eligibility criteria for tax abatement	30% of new employees must be residents of the Enterprise Zone or residents of the municipality in which the plant is located and eligible under the Workforce Investment Act.	Develop a building	Improvements subject to various thresholds in various categories such as office use, retail use, manufacturing use etc. for property located in certain sections of Meriden	Improvements to property located in a state-designated Enterprise Zone
How recipient's tax are reduced	credit against taxes	credit against taxes	credit against taxes	credit against taxes
How the tax abatement is determined	5-year 80% abatement of local property taxes on all qualifying real and personal property	15-year or 17-year 80% abatement of real property taxes	100% of the tax in the various categories	Real Property 7 years. New personal property equipment. Exemption is: Year 1 and 2 - 100%, Year 3 - 50%
Provisions for recapturing abated taxes, if any	None Noted	None Noted	None Noted	None Noted
Other commitments made by the government	None Noted	None Noted	None Noted	None Noted
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced as a result of the abatement agreement.	544,170	272,085	-	16,727
Other	<p>An 80% tax abatement for 5 years on the increased real property taxes resulting from new construction or expanded space. For companies that wish to lease the space, you must lease it for 5 years with an option to purchase or renew the lease for 5 more years. The landlord must pass any tax abatement to you in your lease.</p> <p>An 80% real property tax abatement for 5 years on the existing real estate taxes of a qualified vacant building. If you move into a vacant building/space, the entire tax burden could be eligible for the incentive.</p> <p>An 80% personal property tax abatement for 5 years on any personal property new to Meriden's grand list</p>			



Required Supplementary Information

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CITY
LAST SIX FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Service cost	\$ 3,625,638	\$ 3,625,638	\$ 4,197,148	\$ 4,323,062	\$ 4,197,148	\$ 4,260,041
Interest	15,263,289	14,708,323	14,549,089	13,890,604	13,383,258	12,718,166
Differences between expected and actual experience	(1,737,165)		1,714,155		(2,112,998)	
Changes of assumptions	4,353,244		(1,534,241)			
Benefit payments, including refunds of member contributions	(11,664,799)	(10,699,435)	(10,171,401)	(9,553,855)	(8,960,559)	(8,256,310)
Net change in total pension liability	<u>9,840,207</u>	<u>7,634,526</u>	<u>8,754,750</u>	<u>8,659,811</u>	<u>6,506,849</u>	<u>8,721,897</u>
Total pension liability - beginning	<u>199,043,602</u>	<u>191,409,076</u>	<u>182,654,326</u>	<u>173,994,515</u>	<u>167,487,666</u>	<u>158,765,769</u>
Total pension liability - ending	<u>208,883,809</u>	<u>199,043,602</u>	<u>191,409,076</u>	<u>182,654,326</u>	<u>173,994,515</u>	<u>167,487,666</u>
Plan fiduciary net position						
Contributions - employer	4,061,085	4,058,052	3,316,370	3,264,731	2,307,742	2,316,905
Contributions - member	3,223,093	2,053,469	2,076,909	2,086,049	2,099,957	2,096,283
Net investment income (loss)	9,688,631	14,305,503	12,750,329	(2,815,325)	1,307,142	18,083,974
Benefit payments, including refunds of member contributions	(11,664,799)	(10,699,435)	(10,171,401)	(9,553,855)	(8,960,559)	(8,256,310)
Administrative expense	(27,100)	(25,118)	(38,998)	(30,816)	(29,710)	(29,362)
Other	(303,186)	(332,992)	(536,118)	(510,786)	(231,874)	(308,727)
Net change in plan fiduciary net position	<u>4,977,724</u>	<u>9,359,479</u>	<u>7,397,091</u>	<u>(7,560,002)</u>	<u>(3,507,302)</u>	<u>13,902,763</u>
Plan fiduciary net position - beginning	<u>148,592,039</u>	<u>139,232,560</u>	<u>131,835,469</u>	<u>139,395,471</u>	<u>142,902,773</u>	<u>129,000,010</u>
Plan fiduciary net position - ending	<u>153,569,763</u>	<u>148,592,039</u>	<u>139,232,560</u>	<u>131,835,469</u>	<u>139,395,471</u>	<u>142,902,773</u>
Net Pension Liability - Ending	<u>\$ 55,314,046</u>	<u>\$ 50,451,563</u>	<u>\$ 52,176,516</u>	<u>\$ 50,818,857</u>	<u>\$ 34,599,044</u>	<u>\$ 24,584,893</u>
Plan fiduciary net position as a percentage of the total pension liability	73.52%	74.65%	72.74%	72.18%	80.11%	85.32%
Covered payroll	\$ 34,673,843	\$ 35,780,810	\$ 35,780,810	\$ 39,460,000	\$ 38,311,000	\$ 41,094,000
Net pension liability as a percentage of covered payroll	159.53%	141.00%	145.82%	128.79%	90.31%	59.83%

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

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE
LAST SIX FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Service cost	\$ 891,166	\$ 891,166	\$ 959,988	\$ 988,788	\$ 959,988	\$ 1,078,300
Interest	8,939,933	8,787,537	8,856,455	8,676,168	8,483,287	8,304,594
Differences between expected and actual experience	(2,385,985)		(5,236,845)		194,089	
Changes of assumptions	2,735,872		5,709,426			
Benefit payments	<u>(7,743,367)</u>	<u>(7,682,367)</u>	<u>(7,395,323)</u>	<u>(7,370,307)</u>	<u>(7,144,344)</u>	<u>(6,921,764)</u>
Net change in total pension liability	2,437,619	1,996,336	2,893,701	2,294,649	2,493,020	2,461,130
Total pension liability - beginning	<u>118,262,259</u>	<u>116,265,923</u>	<u>113,372,222</u>	<u>111,077,573</u>	<u>108,584,553</u>	<u>106,123,423</u>
Total pension liability - ending	<u>120,699,878</u>	<u>118,262,259</u>	<u>116,265,923</u>	<u>113,372,222</u>	<u>111,077,573</u>	<u>108,584,553</u>
Plan fiduciary net position:						
Contributions - employer	4,769,583	4,769,583	4,464,984	4,441,422	4,227,288	4,201,553
Contributions - member	168,428	174,763	198,574	332,597	331,956	359,530
Net investment income (loss)	3,970,701	6,039,634	5,288,257	(1,409,597)	575,432	8,188,947
Benefit payments	(7,743,367)	(7,682,367)	(7,395,323)	(7,370,307)	(7,144,344)	(6,921,764)
Administrative expense	(27,103)	(25,118)	(38,997)	(30,815)	(29,710)	(29,361)
Other	<u>(126,521)</u>	<u>(13,845)</u>	<u>(14,103)</u>	<u>(2,050)</u>	<u>(7,771)</u>	<u>(2,171)</u>
Net change in plan fiduciary net position	1,011,721	3,262,650	2,503,392	(4,038,750)	(2,047,149)	5,796,734
Plan fiduciary net position - beginning	<u>62,280,046</u>	<u>59,017,396</u>	<u>56,514,004</u>	<u>60,552,754</u>	<u>62,599,903</u>	<u>56,803,169</u>
Plan fiduciary net position - ending	<u>63,291,767</u>	<u>62,280,046</u>	<u>59,017,396</u>	<u>56,514,004</u>	<u>60,552,754</u>	<u>62,599,903</u>
Net Pension Liability - Ending	<u>\$ 57,408,111</u>	<u>\$ 55,982,213</u>	<u>\$ 57,248,527</u>	<u>\$ 56,858,218</u>	<u>\$ 50,524,819</u>	<u>\$ 45,984,650</u>
Plan fiduciary net position as a percentage of the total pension liability	52.44%	52.66%	50.76%	49.85%	54.51%	57.65%
Covered payroll	\$ 3,190,078	\$ 3,915,359	\$ 3,915,359	\$ 3,904,000	\$ 3,790,000	\$ 4,302,000
Net pension liability as a percentage of covered payroll	1799.58%	1429.81%	1462.15%	1456.41%	1333.11%	1068.91%

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

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS'
LAST SIX FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Service cost	\$ 626,248	\$ 626,248	\$ 628,936	\$ 647,804	\$ 628,936	\$ 769,596
Interest	6,626,420	6,540,595	6,751,800	6,647,913	6,501,155	6,385,020
Differences between expected and actual experience	(1,318,025)		(3,286,413)		528,080	
Changes of assumptions	1,981,357		1,862,117			
Benefit payments	<u>(6,168,027)</u>	<u>(5,954,841)</u>	<u>(5,954,632)</u>	<u>(6,001,021)</u>	<u>(5,690,074)</u>	<u>(5,439,284)</u>
Net change in total pension liability	1,747,973	1,212,002	1,808	1,294,696	1,968,097	1,715,332
Total pension liability - beginning	<u>87,902,407</u>	<u>86,690,405</u>	<u>86,688,597</u>	<u>85,393,901</u>	<u>83,425,804</u>	<u>81,710,472</u>
Total pension liability - ending	<u>89,650,380</u>	<u>87,902,407</u>	<u>86,690,405</u>	<u>86,688,597</u>	<u>85,393,901</u>	<u>83,425,804</u>
Plan fiduciary net position:						
Contributions - employer	3,201,799	3,201,799	3,054,069	3,040,690	2,823,649	2,808,242
Contributions - member	209,021	231,994	234,116	324,312	337,587	360,575
Net investment income (loss)	2,874,124	4,711,063	4,255,684	(1,122,881)	467,255	6,653,019
Benefit payments	(6,168,027)	(5,954,841)	(5,954,632)	(6,001,021)	(5,690,074)	(5,439,284)
Administrative expense	(27,100)	(25,118)	(38,998)	(30,815)	(29,710)	(29,361)
Other	<u>(2,801)</u>	<u>(12,833)</u>	<u>(14,105)</u>	<u>(2,050)</u>	<u>(7,771)</u>	<u>(1,002)</u>
Net change in plan fiduciary net position	87,016	2,152,064	1,536,134	(3,791,765)	(2,099,064)	4,352,189
Plan fiduciary net position - beginning	<u>48,357,463</u>	<u>46,205,399</u>	<u>44,669,265</u>	<u>48,461,030</u>	<u>50,560,094</u>	<u>46,207,905</u>
Plan fiduciary net position - ending	<u>48,444,479</u>	<u>48,357,463</u>	<u>46,205,399</u>	<u>44,669,265</u>	<u>48,461,030</u>	<u>50,560,094</u>
Net Pension Liability - Ending	<u>\$ 41,205,901</u>	<u>\$ 39,544,944</u>	<u>\$ 40,485,006</u>	<u>\$ 42,019,332</u>	<u>\$ 36,932,871</u>	<u>\$ 32,865,710</u>
Plan fiduciary net position as a percentage of the total pension liability	54.04%	55.01%	53.30%	51.53%	56.75%	60.60%
Covered payroll	\$ 3,515,276	\$ 3,831,328	\$ 3,831,328	\$ 3,533,000	\$ 3,430,000	\$ 3,554,000
Net pension liability as a percentage of covered payroll	1172.20%	1032.15%	1056.68%	1189.34%	1076.76%	924.75%

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

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CITY
LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined employer contribution	\$ 4,044,454	\$ 4,044,454	\$ 3,284,920	\$ 3,218,884	\$ 2,307,742	\$ 2,302,606	\$ 2,038,150	\$ 1,898,009	\$ 479,981	\$ 354,382
Contributions in relation to the actuarially determined contribution	4,061,085	4,058,052	3,316,370	3,264,731	2,307,742	2,316,905	2,056,897	1,906,102	489,450	362,432
Contribution Deficiency (Excess)	<u>\$ (16,631)</u>	<u>\$ (13,598)</u>	<u>\$ (31,450)</u>	<u>\$ (45,847)</u>	<u>\$ -</u>	<u>\$ (14,299)</u>	<u>\$ (18,747)</u>	<u>\$ (8,093)</u>	<u>\$ (9,469)</u>	<u>\$ (8,050)</u>
Covered payroll	\$ 34,673,843	\$ 35,780,810	\$ 35,780,810	\$ 39,460,000	\$ 38,311,000	\$ 41,094,000	\$ 39,897,000	\$ 38,734,928	\$ 34,128,961	\$ 34,128,961
Contributions as a percentage of covered payroll	11.71%	11.34%	9.27%	8.27%	6.02%	5.64%	5.16%	4.92%	1.43%	1.06%

Notes to Schedule

Valuation date: July 1, 2018
Measurement date: June 30, 2019
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age
Amortization method: Level dollar, closed
Remaining amortization period: 19 years
Asset valuation method: 5-year smoothed market
Inflation: 2.60%
Salary increases: 2.60%, per annum (compounded) plus a graded scale of 7% at age 20 down to 0% at age 60 and beyond
Investment rate of return: 7.375%, net of pension plan investment expense
Retirement age:
City:
- Later of 10 years of service and age 65
- Any combination of years of service and age equaling 80, with a minimum of 10 years of service
Police:
- Completion of 25 years of service
- Any combination of years of service and age equaling 80, with a minimum of 10 years of service
- Age 65
Firefighters:
- Completion of 25 years of service
- Age 65

Mortality: RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2018.

**CITY OF MERIDEN, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 POLICE
 LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarially determined employer contribution	\$ 4,769,583	\$ 4,769,583	\$ 4,464,984	\$ 4,441,422	\$ 4,227,288	\$ 4,201,533	\$ 4,066,540	\$ 4,028,938	\$ 3,683,113	\$ 3,646,850
Contributions in relation to the actuarially determined contribution	<u>4,769,583</u>	<u>4,769,583</u>	<u>4,464,984</u>	<u>4,441,422</u>	<u>4,227,288</u>	<u>4,201,553</u>	<u>4,066,540</u>	<u>4,028,938</u>	<u>3,683,113</u>	<u>3,646,850</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(20)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 3,190,078	\$ 3,915,359	\$ 3,915,359	\$ 3,904,000	\$ 3,790,000	\$ 4,302,000	\$ 4,382,000	\$ 4,462,636	\$ 5,027,254	\$ 5,027,254
Contributions as a percentage of covered payroll	149.51%	121.82%	114.04%	113.77%	111.54%	97.67%	92.80%	90.28%	73.26%	72.54%

Notes to Schedule

Valuation date: July 1, 2018
 Measurement date: June 30, 2019
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age
 Amortization method Level dollar, closed
 Remaining amortization period 24 years
 Asset valuation method 5-year smoothed market
 Inflation 2.60%
 Salary increases 2.60%
 Investment rate of return 7.375%, net of pension plan investment expense

Retirement age Earlier of:
 - 20 years of service
 - Age 65 and 10 years of service

Mortality RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2018.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS'
LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined employer contribution	\$ 3,201,799	\$ 3,201,799	\$ 3,054,069	\$ 3,040,690	\$ 2,823,649	\$ 2,808,242	\$ 2,643,414	\$ 2,620,905	\$ 2,441,615	\$ 2,419,234
Contributions in relation to the actuarially determined contribution	3,201,799	3,201,799	3,054,069	3,040,690	2,823,649	2,808,242	2,643,414	2,620,905	2,441,615	2,419,234
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,515,276	\$ 3,831,328	\$ 3,831,328	\$ 3,533,000	\$ 3,430,000	\$ 3,554,000	\$ 3,902,000	\$ 4,349,943	\$ 4,800,571	\$ 4,800,571
Contributions as a percentage of covered payroll	91.08%	83.57%	79.71%	86.07%	82.32%	79.02%	67.75%	60.25%	50.86%	50.39%

Notes to Schedule

Valuation date: July 1, 2018

Measurement date: June 30, 2019

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	24 years
Asset valuation method	5-year smoothed market
Inflation	2.60%
Salary increases	2.60%, per annum (compounded) plus a graded scale of 7% at age 20 down to 0% at age 60 and beyond
Investment rate of return	7.375%, net of pension plan investment expense
Retirement age	Earlier of: - 25 years of service - Age 65

Mortality RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2018.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
LAST SIX FISCAL YEARS***

	City					
	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	6.42%	10.19%	9.42%	(2.42%)	0.76%	13.97%
	Police					
	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	6.30%	10.43%	9.54%	(2.38%)	0.92%	14.68%
	Firefighters'					
	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	6.09%	10.43%	9.77%	(2.38%)	0.93%	(14.72%)

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

**CITY OF MERIDEN, CONNECTICUT
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS RETIREMENT PLAN
 LAST FIVE FISCAL YEARS***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City's proportion of the net pension liability	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	<u>137,743,578</u>	<u>149,024,816</u>	<u>193,009,397</u>	<u>182,945,968</u>	<u>179,858,436</u>
Total	<u>\$ 137,743,578</u>	<u>\$ 149,024,816</u>	<u>\$ 193,009,397</u>	<u>\$ 182,945,968</u>	<u>\$ 179,858,436</u>
City's covered payroll	\$ 52,602,518	\$ 53,762,278	\$ 55,056,900	\$ 55,913,234	\$ 56,350,874
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%
Plan fiduciary net position as a percentage of the total pension liability	61.51%	59.50%	52.26%	55.93%	57.69%

Notes to Schedule

<p>Changes in benefit terms Changes of assumptions</p>	<p>Beginning January 1, 2018, member contributions increased from 6% to 7% of salary. During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of 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, 2015.</p>
<p>Actuarial cost method Amortization method Single equivalent amortization period Asset valuation method Investment rate of return</p>	<p>Entry age Level percent of salary, closed 17.6 years 4-year smoothed market 8.00%, net of investment related expense</p>

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

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OPEB
LAST THREE FISCAL YEARS*

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total OPEB liability:			
Service cost	\$ 2,137,397	\$ 2,196,175	\$ 2,249,987
Interest	6,267,766	6,643,615	7,039,568
Differences between expected and actual experience	1,724,320	1,464,765	1,284,356
Changes of assumptions			(2,284,049)
Benefit payments	<u>(4,422,318)</u>	<u>(4,565,426)</u>	<u>(5,959,158)</u>
Net change in total OPEB liability	5,707,165	5,739,129	2,330,704
Total OPEB liability - beginning	<u>80,060,837</u>	<u>85,768,002</u>	<u>91,507,131</u>
Total OPEB liability - ending	<u>85,768,002</u>	<u>91,507,131</u>	<u>93,837,835</u>
Plan fiduciary net position:			
Contributions - employer	4,569,770	2,556,023	4,367,945
Contributions - member	1,446,777	1,487,302	1,272,804
Net investment income	3,592,134	2,577,615	1,728,276
Benefit payments	(4,422,318)	(4,565,426)	(5,959,158)
Administrative expense		<u>(63,080)</u>	<u>(3,600)</u>
Net change in plan fiduciary net position	5,186,363	1,992,434	1,406,267
Plan fiduciary net position - beginning	<u>27,327,772</u>	<u>32,514,135</u>	<u>34,506,569</u>
Plan fiduciary net position - ending	<u>32,514,135</u>	<u>34,506,569</u>	<u>35,912,836</u>
Net OPEB Liability - Ending	<u>\$ 53,253,867</u>	<u>\$ 57,000,562</u>	<u>\$ 57,924,999</u>
Plan fiduciary net position as a percentage of the total OPEB liability	37.91%	37.71%	38.27%
Covered payroll	\$ 102,161,945	\$ 104,971,399	\$ 103,892,574
Net OPEB liability as a percentage of covered payroll	52.13%	54.30%	55.75%

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

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB
LAST TEN FISCAL YEARS

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution (1)	\$ 10,871,305	\$ 11,043,833	\$ 11,081,681	\$ 7,694,428	\$ 7,725,338	\$ 7,680,809	\$ 7,513,565	\$ 7,728,391	\$ 5,424,655	\$ 5,440,438
Contributions in relation to the actuarially determined contribution	<u>3,218,187</u>	<u>3,351,825</u>	<u>5,613,907</u>	<u>5,726,019</u>	<u>5,483,979</u>	<u>6,215,192</u>	<u>4,683,520</u>	<u>4,569,770</u>	<u>2,556,023</u>	<u>4,367,945</u>
Contribution Deficiency (Excess)	\$ <u>7,653,118</u>	\$ <u>7,692,008</u>	\$ <u>5,467,774</u>	\$ <u>1,968,409</u>	\$ <u>2,241,359</u>	\$ <u>1,465,617</u>	\$ <u>2,830,045</u>	\$ <u>3,158,621</u>	\$ <u>2,868,632</u>	\$ <u>1,072,493</u>
Covered payroll	\$ 94,310,588	\$ 94,310,588	\$ 95,772,885	\$ 95,772,885	\$ 95,450,755	\$ 95,450,755	\$ 99,427,684	\$ 102,161,945	\$ 104,971,399	\$ 103,892,574
Contributions as a percentage of covered payroll	3.41%	3.55%	5.86%	5.98%	5.75%	6.51%	4.71%	4.47%	2.43%	4.20%

(1) Actuarially Determined Contributions prior to fiscal year ended June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45

Notes to Schedule

Valuation date: July 1, 2018
Measurement date: June 30, 2019

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	2.60%
Healthcare cost trend rates	8.25% initial, decreasing 0.5% per year to an ultimate rate of 4.60%
Salary increases	5.0%, average, including inflation
Investment rate of return	7.375%, net of pension plan investment expense, including inflation
Retirement age	In the 2018 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actual experience
Mortality	City and BOE Retirements: RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2018. Police and Fire Retirements: RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2018.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OPEB
LAST THREE FISCAL YEARS***

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	12.15%	7.98%	5.10%

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


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

	<u>2018</u>	<u>2019</u>
City's proportion of the net OPEB liability	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>47,088,200</u>	<u>35,954,874</u>
Total	<u>\$ 47,088,200</u>	<u>\$ 35,954,874</u>
City's covered payroll	\$ 55,913,234	\$ 56,350,874
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%	1.49%

Notes to Schedule

Changes in benefit terms	Effective July 1, 2018, Medicare Advantage Plan was added to available options, changed the base plan to the Medicare Advantage Plan for the purposes of determining retiree subsidies and/or cost sharing amounts, and introduced a two-year waiting period for re-enrollment in a System-sponsored Plan for those who cancel their coverage or choose not to enroll after the effective date.
Changes of assumptions	<p>The expected rate of return on assets was changed from 2.75% to 3.00% to better reflect the anticipated returns on cash and other high quality short-term fixed income investments.</p> <p>Based on the procedure described in GASB 75, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2018 was updated to equal the Municipal Bond Index Rate as of June 30, 2018. The System selected the 3.87% discount rate used to measure the Total OPEB Liability as of the June 30, 2018 measurement date.</p> <p>Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on July 1, 2018.</p> <p>The assumed age-related annual percentage increases in expected annual per capita health care claim costs were updated to better reflect the expected differences between the Medicare Supplement and Medicare Advantage Plan amounts as part of the plan change that became effective on July 1, 2018.</p> <p>Long-term health care cost trend rates were updated to better reflect the anticipated impact of changes in medical inflation, utilization, leverage in the plan design, improvements in technology, and fees and charges on expected claims and retiree contributions in future periods.</p> <p>The percentage of retired members who are not currently participating in the Plan, but are expected to elect coverage for themselves and their spouses under a System-sponsored health care plan option in the future, was updated to better reflect anticipated plan experience.</p> <p>The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options, as well as the portion who are expected to migrate to the Medicare Advantage Plan over the next several years, were updated to better reflect anticipated plan experience after the plan change that became effective on July 1, 2018.</p> <p>The post-disability mortality table was updated to extend the period of projected mortality improvements from 2017 to 2020. This change was made to better reflect anticipated post-disablement plan experience.</p> <p>The percentages of deferred, vested members who will become ineligible for future health care benefits because they are expected to withdraw their contributions from the System was updated to better reflect anticipated plan experience.</p>
Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization period	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	4.25%, net of investment related expense including price inflation

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



**Supplemental, Combining
and Individual Fund
Statements and Schedules**



General Fund

GENERAL FUND

The General Fund is the general operating fund of the City. It is used to account for all unrestricted resources, except those required to be accounted for in another fund. It accounts for all activities in relation to the normal recurring operations of the City. These activities are funded principally by property taxes, user fees and grants from other governmental units.

There are also funds that do not meet the definition of a special revenue fund in accordance with GASB 54, which are combined with the General Fund. Schedule A-1 applies only to the General Fund.

Foreclosure Fund - To account for expenditures and costs recovered related to collections on foreclosed properties.

Insurance Reserve Fund - To account for unexpected insurance claim funds.

Tree Preservation Fund - To account for funds collected and designated for tree preservation.

Downtown Property Management Fund - To account for management of City-owned property in the downtown area.

Vehicle Replacement Fund - To account for vehicle purchases.

CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property taxes:				
Property Taxes Current Year	\$ 123,923,376	\$ 125,741,645	\$ 125,324,891	\$ (416,754)
Property Taxes Prior Years	2,414,812	4,032,769	3,231,724	(801,045)
Property Taxes MV Supplement	1,587,606	1,587,606	1,839,827	252,221
Property Taxes Suspense	1,250	1,250		(1,250)
Tax Collector Interest	1,053,815	1,053,815	1,036,032	(17,783)
Tax Collector Lien Fees	21,950	21,950	21,218	(732)
Total property taxes	<u>129,002,809</u>	<u>132,439,035</u>	<u>131,453,692</u>	<u>(985,343)</u>
Intergovernmental:				
E911 Quarterly	12,117	12,117	11,984	(133)
State Education ECS Grant	54,033,711	54,261,826	54,066,659	(195,167)
Special Education	761,986	761,986	615,777	(146,209)
State Property Pilot	258,466	258,466	258,466	-
Pa 217A Private Schools	30,721	30,721	35,783	5,062
State Pilot Hospitals & Colleges	772,912	772,912	772,912	-
Town Aid To Roads	663,740	663,740	662,689	(1,051)
State Pequot / Mohegan Grant	698,609	698,609	698,609	-
Reimbursed Exemptions	115,771	115,771	340,866	225,095
Transit District	255,000	255,000	316,894	61,894
Telecommunications Personal Property	191,253	191,253	177,422	(13,831)
Municipal Stabilization Grant	622,306	622,306	622,306	-
Municipal Fund Revenue Sharing Grant	893,641	893,641	893,641	-
Total intergovernmental	<u>59,310,233</u>	<u>59,538,348</u>	<u>59,474,008</u>	<u>(64,340)</u>
Charges for services:				
Police Parking Tag Fund	50,000	50,000	36,560	(13,440)
Licenses & Permits	11,650	11,650	25,526	13,876
Parking Commission Revenue	197,100	197,100	147,391	(49,709)
Fines Lost & Damaged Books	10,425	10,425	6,903	(3,522)
Salary - Administrative Charges	77,950	77,950	102,907	24,957
Abandoned Motor Vehicles			1,478	1,478
Alarm Fees	17,625	17,625	17,725	100
Building Department Fees	965,500	965,500	1,065,822	100,322
Anti-Blight Fines	5,000	5,000		(5,000)
City Clerk Fees	1,467,825	1,467,825	1,508,821	40,996
Health Licenses & Fees	81,975	81,975	81,998	23
Recreation Fees	12,125	12,125	12,957	832
Park Concession Leases	15,000	15,000	12,080	(2,920)
Cost Allocation Enterprise Funds	1,700,000	1,700,000	1,700,000	-
Bulky Waste Fees	49,925	49,925	70,825	20,900
Circuit Court Rent & Fees	77,892	77,892	23,542	(54,350)
Hispanos Unidos, Inc. Rental	5,000	5,000	5,000	-
Aviation Rent & Fees	114,800	114,800	113,503	(1,297)
Aviation - Land Use Rent	4,775	4,775	4,400	(375)
Total charges for services	<u>4,864,567</u>	<u>4,864,567</u>	<u>4,937,438</u>	<u>72,871</u>
Investment income:				
Income From Investment - General	350,000	789,555	1,038,343	248,788
Interest - Coe Estate	9,133	9,133	9,114	(19)
Total investment income	<u>359,133</u>	<u>798,688</u>	<u>1,047,457</u>	<u>248,769</u>

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**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Miscellaneous revenues:				
Tax Collector Fees	\$ 400	\$ 400	\$	\$ (400)
Billboard Rental	79,500	79,500	83,525	4,025
Tax Collector DMV Fees	76,025	76,025	78,737	2,712
Aviation - Fuel Sales	331,520	331,520	229,926	(101,594)
Aviation - Ramp Fees	1,175	1,175	3,360	2,185
Other Revenue	53,582	53,582	277,009	223,427
Sale Of Surplus Property	50,000	110,000	170,591	60,591
Rent - Meriden Humane Society	2,400	2,400	2,400	-
PILOT - Meriden Commons			14,461	14,461
Fire Recruitment Revenue	12,000	12,000		(12,000)
Misc. Revenue - Rental Income	17,500	17,500	16,770	(730)
Misc. Revenue - Police	39,500	39,500	39,251	(249)
Misc. Revenue - Engineering	21,600	21,600	21,832	232
Misc. Revenue - Planning	20,350	20,350	15,481	(4,869)
Misc. Revenue - Assessment & Collection	1,000	1,000	1,452	452
Misc. Revenue - Fire	1,000	1,000	62,391	61,391
Misc. Revenue - Recycling	3,300	3,300	4,483	1,183
Misc. Revenue - Purchasing			44	44
Misc. Revenue - Thomas Edison	36,400	36,400	37,866	1,466
Misc. Revenue - Aircraft Registration	4,360	4,360	3,400	(960)
Principal Revenue - Irrigation Loan	56,006	56,006	56,252	246
Interest Revenue - Irrigation Loan	38,317	38,317	38,255	(62)
Bank Of America Pcard Rebates	47,450	47,450	54,349	6,899
Rebates Archimedes Screw	36,000	36,000	124,920	88,920
Rebates Solar-Fields	191,000	191,000	201,870	10,870
Police Vehicle Outside O/T	200,400	200,400	282,335	81,935
Total miscellaneous revenues	<u>1,320,785</u>	<u>1,380,785</u>	<u>1,820,960</u>	<u>440,175</u>
Other financing sources:				
Transfers In - Health Fund	200,000	200,000		(200,000)
Transfers In - Bond Fund - Interest	165,000	165,000	734,590	569,590
Transfers In - Bond Fund - Debt Service Recapture			200,000	200,000
Total other financing sources	<u>365,000</u>	<u>365,000</u>	<u>934,590</u>	<u>569,590</u>
Total revenues and other financing sources	<u>195,222,527</u>	<u>199,386,423</u>	<u>199,668,145</u>	<u>281,722</u>

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Expenditures:				
General government:				
Contingency	\$ 267,655	\$ 364,861	\$	\$ 364,861
City council:				
Salary - Elected Officials	71,388	71,388	71,388	-
Salary - Salary - Administrative	49,277	50,126	50,126	-
Salary - Overtime Contingency		9,420	9,420	-
Salary - MME	70,414	70,534	70,534	-
Council Of Governments	17,400	20,300	20,300	-
Office Expenses & Supplies	23,400	24,393	24,393	-
Meetings & Memberships	3,000	2,614	2,614	-
Total city council	234,879	248,775	248,775	-
City manager:				
Salary - Administrative	165,454	138,694	138,694	-
Salary - MME	96,194	91,862	91,862	-
Salary - Overtime Contingency		857	857	-
Deferred Compensation	8,247	6,585	6,585	-
Vehicle Maintenance	3,600	3,300	3,300	-
Management Non Union	40,000			-
Recruitment		13,299	13,299	-
Office Expenses & Supplies	10,000	8,021	8,021	-
Meetings & Memberships	44,800	45,544	45,544	-
Total city manager	368,295	308,162	308,162	-
Legal:				
Salary - Seasonal Workers	3,000	3,098	3,097	1
Salary - Administrative	267,813	262,420	262,419	1
Overtime		851	851	-
Salary - MME	140,828	127,502	127,502	-
Vehicle Maintenance	2,400	2,400	2,400	-
Safety & Risk Claims	8,000	4,976	4,975	1
Legal Fees & Deductibles	425,000	650,893	650,892	1
Assessment Appeals Fees	40,000	59,673	59,673	-
Office Expenses & Supplies	26,600	29,560	29,560	-
Meetings & Memberships	4,500	5,429	5,428	1
Total legal	918,141	1,146,802	1,146,797	5
Personnel:				
Salary - Seasonal Workers	5,000	19,619	19,618	1
Salary - Administrative	168,462	126,087	126,087	-
Overtime	1	1		1
Salary - MME	59,193	58,392	58,392	-
Vehicle Maintenance	2,400	1,400	1,400	-
EAP Services	4,964	9,962	9,962	-
Fees	2,000	5,600	5,600	-
Training	1,500			-
Tuition Reimbursement	15,000	19,353	19,353	-
Physicals	1,500	698	698	-
Alcohol/Drug Testing	6,600	7,900	7,900	-
Office Expenses & Supplies	5,000	3,747	3,747	-
Meetings & Memberships	2,500			-
Total personnel	274,120	252,759	252,757	2
City clerk:				
Salary - Elected Officials	73,201	79,405	79,405	-
Overtime	1,000	6,189	6,189	-
Other Non-Union		11,424	11,424	-
Salary - MME	266,668	218,263	218,263	-
Land Records	45,000	39,181	39,180	1
Vital Statistics	3,500	3,413	3,413	-
Office Expenses & Supplies	14,250	15,393	15,392	1
Elections	7,500	10,028	10,027	1
Meetings & Memberships	2,800	1,725	1,725	-
Total city clerk	413,919	385,021	385,018	3

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Aviation:				
Salary - Seasonal Workers	\$ 14,286	\$ 14,011	\$ 14,011	\$ -
Overtime	1,500	1,528	1,528	-
Salary - Supervisors	51,321	52,121	52,121	-
Other Purchased Services	1,500			-
Office Expenses & Supplies	4,000	3,074	3,074	-
Aviation Maintenance	54,500	38,446	38,446	-
Fuel Costs	296,000	164,999	164,999	-
Banking Services		42	41	1
Total aviation	<u>423,107</u>	<u>274,221</u>	<u>274,220</u>	<u>1</u>
Elections:				
Salary - Elected Officials	60,022	61,327	61,327	-
Salary - Seasonal Workers		4,667	4,666	1
Overtime		434	434	-
Salary - Other Non-Union	47,000	45,557	45,556	1
Primaries	65,000	85,465	85,465	-
Office Expenses & Supplies	11,000	10,951	10,951	-
Elections	70,000	62,669	62,668	1
Meetings & Memberships	2,000	1,416	1,415	1
Total elections	<u>255,022</u>	<u>272,486</u>	<u>272,482</u>	<u>4</u>
Insurance:				
Boilers & Machinery	22,059			-
Bonds Money & Securities	2,651			-
Fire & Vandalism	181,417			-
Liability Insurance	828,746	1,281,291	1,281,291	-
Police Professional Liability	132,611			-
Public Official Liability	55,895	8,644	8,644	-
Workers Compensation Indemnity	2,604,264	2,483,318	2,483,318	-
Workers Compensation Excess Liability Insurance	232,270	214,282	214,282	-
Total insurance	<u>4,059,913</u>	<u>3,987,535</u>	<u>3,987,535</u>	<u>-</u>

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Employee benefits:				
City Medical Benefits	\$ 8,098,465	\$ 11,441,273	\$ 11,441,273	\$ -
Post Retirement Benefits (OPEB)	300,000	900,000	900,000	-
Life Insurance	120,000	115,075	115,074	1
Longevity	74,450	70,645	70,644	1
Employee Retirement	3,468,753	3,709,713	3,709,713	-
Defined Contribution Plan	700,000	393,747	393,747	-
Police Defined Contribution Plan	25,000	16,917	16,916	1
Fire Defined Contribution Plan	10,000	2,897	2,896	1
Unemployment Compensation	170,000	145,108	145,108	-
Unused Sick Leave	356,675	353,470	353,469	1
Social Security	3,230,684	3,353,591	3,353,590	1
Police Benefits	851,000	1,017,603	1,017,603	-
Police Retirement	4,769,583	4,769,583	4,769,583	-
Fire Benefits	1,190,000	1,372,496	1,372,496	-
Fire Retirement	3,201,799	3,201,799	3,201,799	-
Police Longevity	44,223	49,600	49,600	-
Fire Longevity	39,267	40,113	40,112	1
Uniforms Guards	1,000	1,271	1,271	-
Total employee benefits	26,650,899	30,954,901	30,954,894	7
Finance general administration:				
Transit	295,000	302,912	302,912	-
Pupil Transportation	1,104,177	919,976	919,975	1
Water	225,000	199,731	199,731	-
Hydrants	65,000	65,000	65,000	-
Sewers	191,850	147,713	147,712	1
Maloney Scholarship	24,000	18,000	18,000	-
Veterans Organization	14,000	15,415	15,414	1
Ambulance	153,735	196,166	196,166	-
Emergency Medical Dispatch	45,177	41,950	41,950	-
Nerden RTC Day Camp	40,000	40,000	40,000	-
Audit	81,000	69,875	69,874	1
Probate Court	15,000	13,920	13,920	-
Zoning Expenses & Supplies	5,800	4,866	4,865	1
Housing Authority	11,411	11,411	11,411	-
Textbooks	15,000	14,992	14,992	-
Special Events Veterans Day	1,500	2,024	2,023	1
Special Events Mayor's Cleanup	1,000	765	764	1
Special Events Memorial Day Parade	2,500	2,500	2,500	-
Special Events Fly In Airport	2,000	2,000	2,000	-
Special Events Puerto Rican Festival	2,000	2,000	2,000	-
Special Events Miscellaneous	1,000	1,000	999	1
Special Events Daffodil Festival	85,362	70,917	70,917	-
Meriden Scholastic Scholarship	40,000	27,000	27,000	-
Neighborhood Associations	3,500	3,306	3,306	-
Youth Activities	80,000	74,375	74,375	-
Project Graduation	1,000			-
Linear Trail Advisory Committee	1,000	962	962	-
Supportive Contribution - Golf	50,000	50,000	50,000	-
Total finance general administration	2,557,012	2,298,776	2,298,768	8

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Capital equipment:				
Capital Equipment - MIS	\$ 220,000	\$ 6,905	\$ 6,905	\$ -
Capital Equipment		424	424	-
Capital Equipment - Police	11,150			-
Capital Equipment - Bullet Proof Vest	(11,900)			-
Capital Equipment - Emergency Communications	44,000			-
Capital Equipment - Engineering	6,100			-
Capital Equipment - Garage	25,000			-
Capital Equipment - Traffic	54,700			-
Capital Equipment - Highway	2,500			-
Capital Equipment - Facilities	70,000			-
Total capital equipment	<u>421,550</u>	<u>7,329</u>	<u>7,329</u>	<u>-</u>
Management information systems:				
Overtime	500	10,447	10,447	-
Salary - MME	88,894	56,259	56,258	1
Salary - Supervisors	294,663	315,122	315,121	1
Rentals	322,750	365,837	365,837	-
Telephones	155,400	130,641	130,640	1
Training	12,500	15,126	15,126	-
Video Services	21,000	12,600	12,600	-
Office Expenses & Supplies	6,800	6,892	6,891	1
Software	8,000	7,185	7,185	-
Meetings & Memberships	2,750	3,107	3,106	1
Total management information systems	<u>913,257</u>	<u>923,216</u>	<u>923,211</u>	<u>5</u>
Development and enforcement:				
Salary - Administrative	125,427	135,934	135,933	1
Overtime	3,000	1,012	1,012	-
Salary - MME	464,178	416,654	416,653	1
Salary - Supervisors	267,459	244,980	244,980	-
Gasoline	3,000	2,876	2,875	1
Vehicle Maintenance	5,200	5,180	5,180	-
Office Expenses & Supplies	16,000	17,083	17,082	1
Meetings & Memberships	4,000	5,211	5,210	1
Total development and enforcement	<u>888,264</u>	<u>828,930</u>	<u>828,925</u>	<u>5</u>
Parking:				
Payroll	77,498	52,167	52,167	-
Salary - Supervisors	54,292	29,775	29,775	-
Salary - Overtime Contingency		10,944	10,944	-
Maintenance	2,000	2,000	2,000	-
Gasoline	900			-
Vehicle Maintenance	250	126	126	-
General Expenses	2,500	1,952	1,952	-
Total parking	<u>137,440</u>	<u>96,964</u>	<u>96,964</u>	<u>-</u>
Economic Development:				
Administrative	169,677	122,732	122,732	-
Economic Development	75,000	74,896	74,896	-
Total economic development	<u>244,677</u>	<u>197,628</u>	<u>197,628</u>	<u>-</u>
Total general government	<u>39,028,150</u>	<u>42,548,366</u>	<u>42,183,465</u>	<u>364,901</u>

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Finance:				
Finance:				
Salary - Seasonal Workers	\$	\$ 914	\$ 914	\$ -
Salary - Administrative	136,174	138,517	138,516	1
Overtime	1,000	530	529	1
Salary - MME	158,703	137,601	137,600	1
Salary - Supervisors	272,791	254,202	254,202	-
Vehicle Maintenance	2,400	2,400	2,400	-
Office Expenses & Supplies	29,000	26,367	26,367	-
Banking Fees	59,000	49,975	49,974	1
Meetings & Memberships	4,750	2,073	2,072	1
General Office Supplies	1	1		1
Total finance	<u>663,819</u>	<u>612,580</u>	<u>612,574</u>	<u>6</u>
Purchasing:				
Overtime	800	228	228	-
Salary - MME	134,863	146,903	146,902	1
Salary - Supervisors	118,281	124,145	124,144	1
Office Expenses & Supplies	5,215	8,936	8,936	-
Meetings & Memberships	3,600	712	712	-
Storeroom	1	1		1
Total purchasing	<u>262,760</u>	<u>280,925</u>	<u>280,922</u>	<u>3</u>
Tax collector:				
Salary - Seasonal Workers		657	656	1
Overtime	4,500	1,975	1,975	-
Salary - MME	204,400	179,575	179,575	-
Salary - Supervisors	166,232	170,103	170,102	1
Office Expenses & Supplies	71,200	97,215	97,215	-
Meetings & Memberships	1,425	600	599	1
Total tax collector	<u>447,757</u>	<u>450,125</u>	<u>450,122</u>	<u>3</u>
Tax assessor:				
Overtime	2,500	17,819	17,819	-
Salary - MME	190,781	135,124	135,123	1
Salary - Supervisors	187,393	163,540	163,539	1
Salary - Misc. Part-Time	2,500	2,000	2,000	-
Gasoline	200	160	159	1
Vehicle Maintenance	175	3	3	-
Audit	3,000			-
Revaluation	8,000	7,750	7,750	-
Office Expenses & Supplies	10,275	12,829	12,829	-
Meetings & Memberships	2,255	1,578	1,578	-
Total tax assessor	<u>407,079</u>	<u>340,803</u>	<u>340,800</u>	<u>3</u>
Total finance	<u>1,781,415</u>	<u>1,684,433</u>	<u>1,684,418</u>	<u>15</u>
Public safety:				
Police:				
Salary - Administrative	183,119	307,638	307,637	1
Overtime	1,496,555	1,199,760	1,199,759	1
Salary - Other Non Union	109,970	85,695	85,695	-
Salary - Public Works	60,920	71,720	71,719	1
Salary - MME	633,427	640,701	640,701	-
Salary - Police Patrol	9,017,223	9,191,853	9,191,852	1
Salary - Supervisors	125,936	103,232	103,232	-
Salary - Crossing Guards	220,320	226,871	226,870	1

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Public safety (continued):				
Salary - Part-Time	\$ 4,000	\$ 4,001	\$ 4,000	\$ 1
Gasoline	175,000	171,867	171,866	1
Vehicle Maintenance	150,000	161,741	161,740	1
Communications & Maintenance	76,000	60,095	60,095	-
Training	210,000	186,331	186,330	1
South Central Justice	12,325	12,325	12,325	-
Explorers / Auxiliary Police	7,000			-
Canine Unit	6,000	4,186	4,185	1
Bicycle Patrol	3,000	2,544	2,544	-
Police Expenses & Supplies	98,300	93,420	93,420	-
Accreditation	500	50	50	-
Crime Prevention	5,000	1,500	1,499	1
Hostage Crisis	20,000	18,488	18,487	1
MIS Technology	275,000	269,264	269,263	1
Body Camera / Taser Expense	131,000	130,897	130,896	1
Meetings & Memberships	6,000	7,081	7,081	-
Overtime - Neighborhood Initiative		83,572	83,571	1
Overtime - School Resource Officers		56,228	56,227	1
Police Private Duty	1	130,480	130,479	1
Total police	13,026,596	13,221,540	13,221,523	17
Fire:				
Salary - Seasonal Workers	4,000	8,664	8,664	-
Salary - Administrative	223,702	227,555	227,555	-
Overtime	955,905	1,282,311	1,282,311	-
Salary - Public Works	87,413	85,466	85,466	-
Salary - Fire	7,434,823	7,479,601	7,479,600	1
Salary - MME	113,749	119,317	119,316	1
Gasoline	44,500	49,462	49,461	1
Vehicle Maintenance	82,500	85,035	85,035	-
Communications & Maintenance	37,000	24,893	24,892	1
Training	40,000	16,260	16,260	-
Physicals	40,500	47,474	47,474	-
Recruitment	2,000	118	117	1
Maintenance Supplies	41,300	29,421	29,421	-
Office Expenses & Supplies	17,000	16,350	16,350	-
Fire Equipment	81,250	86,926	86,926	-
Personnel Protective Equipment	77,500	77,760	77,760	-
Meetings & Memberships	10,500	5,418	5,418	-
Total fire	9,293,642	9,642,031	9,642,026	5
Emergency communications:				
Salary - Administrative	176,547	101,166	101,166	-
Overtime	275,000	447,695	447,694	1
Salary - Dispatch	928,040	733,220	733,220	-
Vehicle Maintenance	2,400	2,400	2,400	-
C-Med	24,500	23,848	23,848	-
Communications & Maintenance	5,000	3,083	3,082	1
Training	30,000	16,425	16,424	1
Office Expenses & Supplies	20,000	18,892	18,891	1
Total emergency communications	1,461,487	1,346,729	1,346,725	4
South Meriden volunteer fire:				
SMVFD Merit Plan	30,000	28,200	28,200	-
Total public safety	23,811,725	24,238,500	24,238,474	26

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**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Public Works:				
Engineering:				
Capital Equipment	\$	\$ 6,116	\$ 6,116	\$ -
Salary - Administrative	122,362	124,963	124,962	1
Overtime	5,500	5,615	5,614	1
Salary - MME	455,224	433,565	433,565	-
Salary - Supervisors	208,488	180,533	180,533	-
Salary - Seasonal Workers		5,778	5,777	1
Gasoline	8,300	7,212	7,211	1
Vehicle Maintenance	6,800	4,867	4,867	-
Office Expenses & Supplies	10,300	10,407	10,406	1
Software	7,600	6,505	6,505	-
Meetings & Memberships	2,650	1,928	1,928	-
Total engineering	827,224	787,489	787,484	5
Garage and warehouse:				
Overtime	3,000	6,298	6,298	-
Salary - Seasonal Workers		1,666	1,666	-
Salary - Public Works	409,280	363,628	363,628	-
Salary - MME	61,884	60,591	60,590	1
Repairs & Maintenance Service	5,000	3,440	3,440	-
Gasoline	1,900	866	866	-
Vehicle Maintenance	2,300	2,299	2,299	-
Office Expenses & Supplies	6,500	3,373	3,372	1
Meetings & Memberships	500	130	130	-
Garage Materials	1	14,479	14,478	1
Inventory Over/Short		(49)	(49)	-
CNG Fueling Station	7,300	4,588	4,587	1
Total garage and warehouse	497,665	461,309	461,305	4
Traffic engineering:				
Salary - Part-Time	16,000	21,136	21,136	-
Overtime	12,800	7,322	7,321	1
Salary - MME	223,693	202,816	202,815	1
Salary - Supervisors	108,583	106,203	106,202	1
Gasoline	10,000	7,694	7,694	-
Vehicle Maintenance	12,000	10,329	10,329	-
Safety Equipment	3,500	3,557	3,557	-
Signalization	58,000	47,336	47,335	1
Signs & Lines	40,000	41,966	41,966	-
Street Lighting	275,000	305,026	305,025	1
Alarm Systems	900	15	14	1
Office Expense	1,750	1,313	1,313	-
Meetings & Memberships	1,200	1,418	1,418	-
Total traffic engineering	763,426	756,131	756,125	6
Highway safety:				
Snow & Ice Control	675,000	588,981	588,981	-
Overtime	36,200	37,932	37,931	1
Salary - Public Works	1,120,433	1,063,475	1,063,475	-
Salary - Supervisors	91,334	91,084	91,083	1
Gasoline	95,000	84,900	84,900	-
Vehicle Maintenance	195,000	131,883	131,883	-
Street Maintenance Supplies	16,000	15,272	15,271	1
Sidewalk Basin Construction	3,000	2,958	2,958	-
Storm Drain Construction	6,500	6,523	6,523	-
Roadside Bulky Waste	500	392	392	-
Safety & Health Plan	3,000	1,346	1,346	-

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Highway safety (continued):				
Office Expenses & Supplies	\$ 6,000	\$ 6,113	\$ 6,112	\$ 1
Clothing	6,500	6,001	6,000	1
Soil / Catch Basin Disposal	49,900	41,558	41,558	-
Meetings & Memberships	250			-
Total highway safety	<u>2,304,617</u>	<u>2,078,418</u>	<u>2,078,413</u>	<u>5</u>
Transfer station:				
Overtime	21,000	16,536	16,536	-
Monitoring	77,000	69,780	69,780	-
Recycling - Hazardous Waste	40,000	12,905	12,905	-
Gasoline	4,000	5,176	5,176	-
Vehicle Maintenance	18,000	16,885	16,884	1
Other Purchased Services	1,000			-
Office Expenses & Supplies	2,500	343	343	-
Total transfer station	<u>163,500</u>	<u>121,625</u>	<u>121,624</u>	<u>1</u>
Waste collection:				
Dumping Fees	566,930	609,638	609,637	1
Contract	853,500	840,126	840,126	-
Recycling - Hazardous Waste		1,577	1,576	1
Office Expenses & Supplies	500	275	275	-
Total waste collection	<u>1,420,930</u>	<u>1,451,616</u>	<u>1,451,614</u>	<u>2</u>
Bulky waste:				
Gasoline	3,100	2,861	2,861	-
Vehicle Maintenance	4,800	2,001	2,000	1
Dump Fees	87,000	122,249	122,249	-
Office Expenses & Supplies	1,000	1,494	1,494	-
Total bulky waste	<u>95,900</u>	<u>128,605</u>	<u>128,604</u>	<u>1</u>
Building maintenance:				
Salary - Part-Time	40,673	32,589	32,589	-
Overtime	45,000	46,889	46,889	-
Salary - Public Works	385,824	395,947	395,947	-
Salary - Supervisors	91,334	90,541	90,541	-
Gasoline	1,500	1,624	1,623	1
Vehicle Maintenance	2,000	1,453	1,453	-
Repairs & Upgrades	286,700	304,170	304,169	1
Maintenance Supplies	43,000	35,744	35,743	1
Heat, Energy, & Lights	1,094,000	1,244,906	1,244,905	1
Total building maintenance	<u>1,990,031</u>	<u>2,153,863</u>	<u>2,153,859</u>	<u>4</u>
Total public works	<u>8,063,293</u>	<u>7,939,056</u>	<u>7,939,028</u>	<u>28</u>
Health and welfare:				
Health:				
Certified Salaries	144,901	122,665	122,665	-
Salary - Part-Time	5,160	5,160	5,160	-
Salary - Administrative	111,736	113,658	113,658	-
Overtime	62	4,895	4,895	-
Salary - Public Health Nurses	1,000,406	972,491	972,490	1
Salary - MME	675,900	624,133	624,132	1
Salary - Supervisors	296,151	228,111	228,110	1
Gasoline	1,750	1,668	1,668	-
Vehicle Maintenance	3,400	3,620	3,620	-
Office Expenses & Supplies	9,000	8,904	8,904	-

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Health and welfare (continued):				
Health:				
Environmental Supplies	\$ 4,000	\$ 2,973	\$ 2,973	\$ -
Health Supplies	9,500	11,439	11,438	1
P.A. 10-217A Supplies	3,000	2,926	2,926	-
Lead Program	4,000	2,449	2,448	1
Special Projects	1	1		1
Meetings & Memberships	3,500	2,726	2,725	1
Total health	<u>2,272,467</u>	<u>2,107,819</u>	<u>2,107,812</u>	<u>7</u>
Social services:				
Evictions	40,000	24,000	24,000	-
Senior center:				
Salary - Seasonal Workers		1,776	1,775	1
Salary - Other Non-Union	29,000	27,421	27,420	1
Salary - MME	364,435	301,647	301,647	-
Salary - Supervisors	95,714	95,452	95,451	1
Salary - Overtime Contingency	1,000	1,675	1,675	-
Elderly Nutrition	8,750	5,924	5,923	1
Gasoline	12,000	10,874	10,874	-
Vehicle Maintenance	5,900	5,900	5,900	-
Office Expenses & Supplies	14,750	12,050	12,049	1
Meetings & Memberships	1,500	512	512	-
Total senior center	<u>533,049</u>	<u>463,231</u>	<u>463,226</u>	<u>5</u>
Total health and welfare	<u>2,845,516</u>	<u>2,595,050</u>	<u>2,595,038</u>	<u>12</u>
Culture and recreation:				
Library:				
Salary - Part-Time	71,500	57,137	57,136	1
Salary - Administrative	103,967	105,756	105,756	-
Overtime		1,420	1,419	1
Salary - MME	729,432	682,321	682,321	-
Salary - Supervisors	897,807	831,059	831,059	-
Gasoline	600	188	187	1
Vehicle Maintenance	1,800	503	503	-
Security Service	700	700	700	-
Other Purchased Services	80,000	88,060	88,059	1
Building Supplies & Materials	14,579	14,148	14,148	-
Library Books & Materials	165,000	156,899	156,899	-
Office Expenses & Supplies	27,100	23,599	23,598	1
Meetings & Memberships	2,500	2,424	2,424	-
Total library	<u>2,094,985</u>	<u>1,964,214</u>	<u>1,964,209</u>	<u>5</u>
Parks:				
Salary - Part-Time	50,000	83,834	83,834	-
Salary - Administrative	104,286	106,301	106,300	1
Overtime	70,373	67,830	67,829	1
Salary - Public Works	1,167,979	1,112,237	1,112,237	-
Salary - Supervisors	86,015	92,225	92,225	-

(Continued on next page)

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING
SOURCES (USES) - BUDGET AND ACTUAL - NON- GAAP BUDGETARY BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Parks (continued):				
Expenses & Supplies	\$ 87,000	\$ 88,628	\$ 88,628	\$ -
Meriden Green Maintenance	30,000	30,491	30,491	-
Cemetery Maintenance	5,000	5,000	5,000	-
Gasoline	42,000	49,444	49,444	-
Vehicle Maintenance	68,000	61,045	61,045	-
Security	(1,000)			-
Meetings & Memberships	2,000	2,000	2,000	-
Downtown	3,500	3,500	3,500	-
Tree Removal & Replacement	10,000	11,361	11,361	-
Turf Management	25,000	23,648	23,648	-
Total parks	<u>1,750,153</u>	<u>1,737,544</u>	<u>1,737,542</u>	<u>2</u>
Recreation:				
Overtime	1,000	2,992	2,992	-
Salary - Other Non-Union	130,000	126,900	126,900	-
Salary - MME	127,643	119,557	119,557	-
Recreation Program Expense	14,000	14,498	14,498	-
League Subsidy	30,000	30,000	30,000	-
Safety Surface Replacement	4,400	4,194	4,194	-
Office Expenses & Supplies	6,000	6,573	6,573	-
Fireworks Display	20,000	19,425	19,425	-
Meetings & Memberships	2,500	2,555	2,555	-
Total recreation	<u>335,543</u>	<u>326,694</u>	<u>326,694</u>	<u>-</u>
Total culture and recreation	<u>4,180,681</u>	<u>4,028,452</u>	<u>4,028,445</u>	<u>7</u>
Education:				
Board of Education	99,883,340	100,111,455	100,111,455	-
School building committee:				
Salary Expense	1,500	1,154	1,154	-
Total education	<u>99,884,840</u>	<u>100,112,609</u>	<u>100,112,609</u>	<u>-</u>
Debt service:				
Principal retirement:				
Principal Bonds	10,083,300	10,083,300	10,083,300	-
Interest:				
Interest Bonds	5,400,107	5,400,107	5,400,107	-
Total debt service	<u>15,483,407</u>	<u>15,483,407</u>	<u>15,483,407</u>	<u>-</u>
Other financing uses:				
Transfers out:				
Transfer Out - Dog Fund	10,000			-
Meriden Green Financial Assurance Fund	67,500	65,000	65,000	-
Transfer Out - Misc. Grants	66,000	166,000	126,000	40,000
Transfers Out - Capital		525,550	525,550	-
Total transfers out	<u>143,500</u>	<u>756,550</u>	<u>716,550</u>	<u>40,000</u>
Total expenditures and other financing uses	<u>195,222,527</u>	<u>199,386,423</u>	<u>198,981,434</u>	<u>404,989</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$ <u>-</u>	\$ <u>-</u>	\$ <u>686,711</u>	\$ <u>686,711</u>

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND
COMBINING BALANCE SHEET SCHEDULE
JUNE 30, 2019**

	<u>General</u>	<u>Foreclosure Fund</u>	<u>Insurance Reserve Fund</u>	<u>Tree Preservation Fund</u>	<u>Downtown Property Management Fund</u>	<u>Vehicle Replacement Fund</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS								
Cash and cash equivalents	\$ 2,600,297	\$	\$ 242,361	\$ 2,985	\$ 105,290	\$ 57,173	\$	\$ 3,008,106
Investments	16,120,792							16,120,792
Receivables, net of allowance for uncollectibles	5,756,213							5,756,213
Inventory	122,669							122,669
Other assets	13,056							13,056
Due from other funds	11,710,138						(33,406)	11,676,732
Total Assets	<u>\$ 36,323,165</u>	<u>\$ -</u>	<u>\$ 242,361</u>	<u>\$ 2,985</u>	<u>\$ 105,290</u>	<u>\$ 57,173</u>	<u>\$ (33,406)</u>	<u>\$ 36,697,568</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 12,279,105	\$	\$ 26,012	\$	\$ 352	\$	\$	\$ 12,305,469
Due to other funds	73,507	33,406					(33,406)	73,507
Unearned revenue	10,081							10,081
Total liabilities	<u>12,362,693</u>	<u>33,406</u>	<u>26,012</u>	<u>-</u>	<u>352</u>	<u>-</u>	<u>(33,406)</u>	<u>12,389,057</u>
Deferred Inflows of Resources:								
Unavailable revenue - property taxes	4,892,842							4,892,842
Unavailable revenue - loans receivable	1,142,582							1,142,582
Advance property tax collections	1,312,962							1,312,962
Total deferred inflows of resources	<u>7,348,386</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,348,386</u>
Fund Balances:								
Reserved for:								
Nonspendable	135,725							135,725
Restricted	962,164							962,164
Committed			216,349	2,985	104,938	57,173		381,445
Unassigned	15,514,197	(33,406)						15,480,791
Total fund balances	<u>16,612,086</u>	<u>(33,406)</u>	<u>216,349</u>	<u>2,985</u>	<u>104,938</u>	<u>57,173</u>	<u>-</u>	<u>16,960,125</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 36,323,165</u>	<u>\$ -</u>	<u>\$ 242,361</u>	<u>\$ 2,985</u>	<u>\$ 105,290</u>	<u>\$ 57,173</u>	<u>\$ (33,406)</u>	<u>\$ 36,697,568</u>

**CITY OF MERIDEN, CONNECTICUT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>General</u>	<u>Foreclosure Fund</u>	<u>Insurance Reserve Fund</u>	<u>Tree Preservation Fund</u>	<u>Downtown Property Management Fund</u>	<u>Vehicle Replacement Fund</u>	<u>Transfer Elimination</u>	<u>Total</u>
Revenues:								
Property taxes, interest and lien fees	\$ 131,453,692	\$	\$	\$	\$	\$	\$	\$ 131,453,692
Federal and state government	70,235,010							70,235,010
Charges for services	4,937,438							4,937,438
Investment income	1,047,457				396			1,047,853
Other local revenues	1,820,960	6,815	66,391		31,151			1,925,317
Total revenues	<u>209,494,557</u>	<u>6,815</u>	<u>66,391</u>	<u>-</u>	<u>31,547</u>	<u>-</u>	<u>-</u>	<u>209,599,310</u>
Expenditures:								
Current:								
General government	43,867,875	31,684			48,069			43,947,628
Public safety	24,238,474		58,155					24,296,629
Public works	7,939,028		3,556					7,942,584
Health and welfare	4,298,034							4,298,034
Culture and recreation	4,028,440							4,028,440
Education	109,170,629							109,170,629
Debt service:								
Principal retirement	10,683,300							10,683,300
Interest and other charges	5,400,106							5,400,106
Total expenditures	<u>209,625,886</u>	<u>31,684</u>	<u>61,711</u>	<u>-</u>	<u>48,069</u>	<u>-</u>	<u>-</u>	<u>209,767,350</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(131,329)</u>	<u>(24,869)</u>	<u>4,680</u>	<u>-</u>	<u>(16,522)</u>	<u>-</u>	<u>-</u>	<u>(168,040)</u>
Other Financing Sources (Uses):								
Transfers in	1,534,590							1,534,590
Transfers out	<u>(716,550)</u>							<u>(716,550)</u>
Total other financing sources	<u>818,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>818,040</u>
Net Change in Fund Balances	686,711	(24,869)	4,680	-	(16,522)	-	-	650,000
Fund Balances at Beginning of Year	<u>15,925,375</u>	<u>(8,537)</u>	<u>211,669</u>	<u>2,985</u>	<u>121,460</u>	<u>57,173</u>		<u>16,310,125</u>
Fund Balances at End of Year	<u>\$ 16,612,086</u>	<u>\$ (33,406)</u>	<u>\$ 216,349</u>	<u>\$ 2,985</u>	<u>\$ 104,938</u>	<u>\$ 57,173</u>	<u>\$ -</u>	<u>\$ 16,960,125</u>



Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specified purposes.

Document Preservation - To account for the City Clerk's document preservation program, which is funded through fees and State grants.

Community Development Block Grant - To account for the revenues and expenditures related to the Federal Block Grant.

Day Care Center - To account for the operations of the Meriden Day Care Center, which is partially funded by State grants.

Women, Infant and Children Program - To account for grants from the State Department of Social Services.

Education Grants and Programs - To account for education related grants from the state and federal governments.

Health Grants and Programs - To account for revenues and various grants from the State of Connecticut.

Neighborhood Preservation Program - To account for revolving loan funds.

Asset Forfeiture - To account for drug seizure money from the state and federal governments.

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

Law Enforcement Block Grant - To account for a grant from the federal government for law enforcement.

Dog - To account for revenue from dog license fees and related expenditures.

Public School Lunch - To account for the operations of the school lunch program.

Public School Rental - To account for rental of school facilities.

Adult Evening School - To account for the activities of the Adult Education Program.

Anti-Blight - To account for funds used in a human services program.

Smoke Detector - To account for funds collected for fire prevention programs.

Miscellaneous Grants and Programs - To account for revenues and expenses for grants received for miscellaneous purposes.

Library Trust - To account for donations and additional funds for the library.

Meriden Green Improvement - To account for funds associated with the maintenance, preservation, and improvement of the Meriden Green.

CAPITAL PROJECT FUNDS

Capital Project Funds - Capital Project Funds are used to account for financial resources that are restricted or committed for capital outlays including the acquisition or construction of capital facilities and other capital assets.

Parks and Recreation Capital and Nonrecurring - To account for the financial resources used for various parks and recreation projects.

Capital and Nonrecurring - To account for the financial resources used for various capital projects.

Airport Improvement - To account for the activity funds for airport improvements.

Brownfield Assessment - To account for funds used in a local environmental hazard study.

Factory H Demolition - To account for grants related to the demolition of Factory H.

Miscellaneous Capital Project Grants - To account for grants for various capital projects.

Land Acquisition - To account for funds restricted for the acquisition of land.

Planning Commission Subdivision Development - To account for funds collected from developers for sidewalk construction.

PERMANENT FUNDS

Permanent Funds - Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used.

Walter Hubbard Park - To account for the care and maintenance of Hubbard Park.

C.P. Bradley Park - To account for the care and maintenance of C.P. Bradley Park.

Lorenzo Fuller Award - To account for a scholarship fund given to the high school.

Charlotte Yale Ives - To account for supportive health service for needy families.

CITY OF MERIDEN, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	Special Revenue Funds							
	Document Preservation	Community Development Block Grant	Day Care Center	Women, Infant and Children Program	Education Grants and Programs	Health Grants and Programs	Neighborhood Preservation (CDBG)	Neighborhood Preservation (Bonded)
ASSETS								
Cash and cash equivalents	\$ 45,913	\$	\$ 103,086	\$ 135,566	\$ 1,680,637	\$ 200,000	\$ 234,159	\$ 67,720
Investments								
Accounts receivable	224	207,118			357,603	21,810	1,709,702	186,235
Inventory								
Other assets					523			
Total Assets	\$ 46,137	\$ 207,118	\$ 103,086	\$ 135,566	\$ 2,038,763	\$ 221,810	\$ 1,943,861	\$ 253,955
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$	\$ 69,483	\$ 37,098	\$ 42,222	\$ 1,618,128	\$ 28,532	\$ 1,458	\$
Unearned revenue				93,344	259,932	8,487		
Due to other funds		137,635				101,894		
Total liabilities	-	207,118	37,098	135,566	1,878,060	138,913	1,458	-
Deferred Inflows of Resources:								
Unavailable revenue - loans receivable							1,709,702	186,235
Fund Balances:								
Nonspendable					523			
Restricted	46,137		65,988		160,180	82,897	232,701	67,720
Committed								
Total fund balances	46,137	-	65,988	-	160,703	82,897	232,701	67,720
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 46,137	\$ 207,118	\$ 103,086	\$ 135,566	\$ 2,038,763	\$ 221,810	\$ 1,943,861	\$ 253,955

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CITY OF MERIDEN, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	Special Revenue Funds								
	Asset Forfeiture	School Readiness	Law Enforcement Block Grant	Dog	Public School Lunch	Public School Rental	Adult Evening School	Anti-Blight	Smoke Detector
ASSETS									
Cash and cash equivalents	\$ 178,346	\$ 125,785	\$ 25,830	\$ 30,211	\$ 386,043	\$ 354,863	\$ 98,525	\$ 153,680	\$ 2,519
Investments									
Accounts receivable		321,583	6,754	3,929	861,982				
Inventory					157,894				
Other assets									
Total Assets	<u>\$ 178,346</u>	<u>\$ 447,368</u>	<u>\$ 32,584</u>	<u>\$ 34,140</u>	<u>\$ 1,405,919</u>	<u>\$ 354,863</u>	<u>\$ 98,525</u>	<u>\$ 153,680</u>	<u>\$ 2,519</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable and accrued liabilities	\$	\$ 331,033	\$ 1,135	\$ 2,913	\$ 179,957	\$	\$	\$	\$
Unearned revenue			16,106						
Due to other funds									
Total liabilities	<u>-</u>	<u>331,033</u>	<u>17,241</u>	<u>2,913</u>	<u>179,957</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:									
Unavailable revenue - loans receivable									
Fund Balances:									
Nonspendable					157,894				
Restricted	178,346				841,901				2,519
Committed		116,335	15,343	31,227	226,167	354,863	98,525	153,680	
Total fund balances	<u>178,346</u>	<u>116,335</u>	<u>15,343</u>	<u>31,227</u>	<u>1,225,962</u>	<u>354,863</u>	<u>98,525</u>	<u>153,680</u>	<u>2,519</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 178,346</u>	<u>\$ 447,368</u>	<u>\$ 32,584</u>	<u>\$ 34,140</u>	<u>\$ 1,405,919</u>	<u>\$ 354,863</u>	<u>\$ 98,525</u>	<u>\$ 153,680</u>	<u>\$ 2,519</u>

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CITY OF MERIDEN, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	Special Revenue Funds			Capital Project Funds				
	Misc. Grants and Programs	Library Trust	Meriden Green Improvement	P & R Capital and Nonrecurring	Capital and Nonrecurring	Airport Improvement	Brownfield Assessment	Factory H Demolition
ASSETS								
Cash and cash equivalents	\$ 226,644	\$ 757,272	\$	\$	\$ 329,686	\$	\$ 731	\$
Investments			505,960					
Accounts receivable	46,974		3,409			142,167	1,328,809	
Inventory								
Other assets								
Total Assets	<u>\$ 273,618</u>	<u>\$ 757,272</u>	<u>\$ 509,369</u>	<u>\$ -</u>	<u>\$ 329,686</u>	<u>\$ 142,167</u>	<u>\$ 1,329,540</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 14,053	\$	\$	\$	\$ 34,375	\$ 134	\$ 27,900	\$
Unearned revenue	13,661						2,748	
Due to other funds						126,892	1,298,892	
Total liabilities	<u>27,714</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,375</u>	<u>127,026</u>	<u>1,329,540</u>	<u>-</u>
Deferred Inflows of Resources:								
Unavailable revenue - loans receivable								
Fund Balances:								
Nonspendable								
Restricted		757,272						
Committed	245,904		509,369		295,311	15,141		
Total fund balances	<u>245,904</u>	<u>757,272</u>	<u>509,369</u>	<u>-</u>	<u>295,311</u>	<u>15,141</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 273,618</u>	<u>\$ 757,272</u>	<u>\$ 509,369</u>	<u>\$ -</u>	<u>\$ 329,686</u>	<u>\$ 142,167</u>	<u>\$ 1,329,540</u>	<u>\$ -</u>

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CITY OF MERIDEN, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019

	Capital Project Funds			Permanent Funds					Total
	Misc. Capital Project Grants	Land Acquisition	Planning Commission Subdivision Development	Walter Hubbard Park	C.P. Bradley Park	Lorenzo Fuller Award	Charlotte Yale Ives	Eliminating Entries	
ASSETS									
Cash and cash equivalents	\$ 373,695	\$ 98,083	\$ 58,323	\$ 25,499	\$ 45,579	\$ 18	\$ 7	\$	\$ 5,738,420
Investments				766,455	1,213,264	9,413	3,553		2,498,645
Accounts receivable									5,198,299
Inventory									157,894
Other assets									523
Total Assets	\$ 373,695	\$ 98,083	\$ 58,323	\$ 791,954	\$ 1,258,843	\$ 9,431	\$ 3,560	\$ -	\$ 13,593,781
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable and accrued liabilities	\$ 172,280	\$	\$	\$	\$ 7,300	\$	\$	\$	\$ 2,568,001
Unearned revenue	71,432								465,710
Due to other funds									1,665,313
Total liabilities	243,712	-	-	-	7,300	-	-	-	4,699,024
Deferred Inflows of Resources:									
Unavailable revenue - loans receivable									1,895,937
Fund Balances:									
Nonspendable				50,000	50,000	1,017	3,000		262,434
Restricted	129,983			741,954	1,201,543	8,414	560		4,518,115
Committed		98,083	58,323						2,218,271
Total fund balances	129,983	98,083	58,323	791,954	1,251,543	9,431	3,560	-	6,998,820
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 373,695	\$ 98,083	\$ 58,323	\$ 791,954	\$ 1,258,843	\$ 9,431	\$ 3,560	\$ -	\$ 13,593,781

**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue Funds							
	Document Preservation	Community Development Block Grant	Day Care Center	Women, Infant and Children Program	Education Grants and Programs	Health Grants and Programs	Neighborhood Preservation (CDBG)	Neighborhood Preservation (Bonded)
Revenues:								
Intergovernmental revenues	\$ 6,500	\$ 843,940	\$ 441,095	\$ 949,289	\$ 16,817,099	\$ 801,210	\$	\$
Charges for services	25,793					56,709		
Investment income								
Other					2,664,201		55,152	25,000
Total revenues	<u>32,293</u>	<u>843,940</u>	<u>441,095</u>	<u>949,289</u>	<u>19,481,300</u>	<u>857,919</u>	<u>55,152</u>	<u>25,000</u>
Expenditures:								
General government	17,065	429,965					101,021	
Public safety								
Public works		99,829						
Health and welfare		168,837	439,375	949,289		783,572		
Culture and recreation		41,055						
Capital outlay								
Education					19,606,059			
Debt service:								
Principal retirement								
Interest and other charges								
Total expenditures	<u>17,065</u>	<u>739,686</u>	<u>439,375</u>	<u>949,289</u>	<u>19,606,059</u>	<u>783,572</u>	<u>101,021</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>15,228</u>	<u>104,254</u>	<u>1,720</u>	<u>-</u>	<u>(124,759)</u>	<u>74,347</u>	<u>(45,869)</u>	<u>25,000</u>
Other Financing Sources (Uses):								
Transfers in								
Transfers out		(104,254)						
Total other financing sources (uses)	<u>-</u>	<u>(104,254)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Fund Balance	15,228	-	1,720	-	(124,759)	74,347	(45,869)	25,000
Fund Balances at Beginning of Year	<u>30,909</u>	<u>-</u>	<u>64,268</u>	<u>-</u>	<u>285,462</u>	<u>8,550</u>	<u>278,570</u>	<u>42,720</u>
Fund Balances at End of Year	<u>\$ 46,137</u>	<u>\$ -</u>	<u>\$ 65,988</u>	<u>\$ -</u>	<u>\$ 160,703</u>	<u>\$ 82,897</u>	<u>\$ 232,701</u>	<u>\$ 67,720</u>

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CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019

	Special Revenue Funds								
	Asset Forfeiture	School Readiness	Law Enforcement Block Grant	Dog	Public School Lunch	Public School Rental	Adult Evening School	Anti-Blight	Smoke Detector
Revenues:									
Intergovernmental revenues	\$ 66,196	\$ 3,916,171	\$ 11,453	\$	\$ 6,065,263	\$	\$	\$	\$
Charges for services				24,986	198,864	30,954	63,791		
Investment income					1,531				
Other			3,269		69,549				
Total revenues	<u>66,196</u>	<u>3,916,171</u>	<u>14,722</u>	<u>24,986</u>	<u>6,335,207</u>	<u>30,954</u>	<u>63,791</u>	<u>-</u>	<u>-</u>
Expenditures:									
General government								942	
Public safety	471		11,454	11,210					
Public works									
Health and welfare		3,928,484							
Culture and recreation									
Capital outlay									
Education					6,184,821	39,036	33,227		
Debt service:									
Principal retirement									
Interest and other charges									
Total expenditures	<u>471</u>	<u>3,928,484</u>	<u>11,454</u>	<u>11,210</u>	<u>6,184,821</u>	<u>39,036</u>	<u>33,227</u>	<u>942</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>65,725</u>	<u>(12,313)</u>	<u>3,268</u>	<u>13,776</u>	<u>150,386</u>	<u>(8,082)</u>	<u>30,564</u>	<u>(942)</u>	<u>-</u>
Other Financing Sources (Uses):									
Transfers in									
Transfers out									
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Fund Balance	65,725	(12,313)	3,268	13,776	150,386	(8,082)	30,564	(942)	-
Fund Balances at Beginning of Year	<u>112,621</u>	<u>128,648</u>	<u>12,075</u>	<u>17,451</u>	<u>1,075,576</u>	<u>362,945</u>	<u>67,961</u>	<u>154,622</u>	<u>2,519</u>
Fund Balances at End of Year	<u>\$ 178,346</u>	<u>\$ 116,335</u>	<u>\$ 15,343</u>	<u>\$ 31,227</u>	<u>\$ 1,225,962</u>	<u>\$ 354,863</u>	<u>\$ 98,525</u>	<u>\$ 153,680</u>	<u>\$ 2,519</u>

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**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue Funds			Capital Project Funds				
	Misc. Grants and Programs	Library Trust	Meriden Green Improvement	P & R Capital and Nonrecurring	Capital and Nonrecurring	Airport Improvement	Brownfield Assessment	Factory H Demolition
Revenues:								
Intergovernmental revenues	\$ 73,734	\$	\$	\$	\$	136,244	5,376,400	\$
Charges for services								
Investment income			509,369					
Other	48,827	339,086				5,591		228
Total revenues	<u>122,561</u>	<u>339,086</u>	<u>509,369</u>	<u>-</u>	<u>-</u>	<u>141,835</u>	<u>5,376,400</u>	<u>228</u>
Expenditures:								
General government								
Public safety	126,327							
Public works								
Health and welfare	8,405							
Culture and recreation		99,259						
Capital outlay				123	379,275	154,808	5,376,400	
Education								
Debt service:								
Principal retirement								75,000
Interest and other charges								29,254
Total expenditures	<u>134,732</u>	<u>99,259</u>	<u>-</u>	<u>123</u>	<u>379,275</u>	<u>154,808</u>	<u>5,376,400</u>	<u>104,254</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(12,171)</u>	<u>239,827</u>	<u>509,369</u>	<u>(123)</u>	<u>(379,275)</u>	<u>(12,973)</u>		<u>(104,026)</u>
Other Financing Sources (Uses):								
Transfers in	191,000				525,550			104,254
Transfers out								
Total other financing sources (uses)	<u>191,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>525,550</u>	<u>-</u>	<u>-</u>	<u>104,254</u>
Change in Fund Balance	178,829	239,827	509,369	(123)	146,275	(12,973)	-	228
Fund Balances at Beginning of Year	67,075	517,445	-	123	149,036	28,114	-	(228)
Fund Balances at End of Year	<u>\$ 245,904</u>	<u>\$ 757,272</u>	<u>\$ 509,369</u>	<u>\$ -</u>	<u>\$ 295,311</u>	<u>\$ 15,141</u>	<u>\$ -</u>	<u>\$ -</u>

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**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019**

	Capital Project Funds			Permanent Funds				Eliminating Entries	Total
	Misc. Capital Project Grants	Land Acquisition	Planning Commission Subdivision Development	Walter Hubbard Park	C.P. Bradley Park	Lorenzo Fuller Award	Charlotte Yale Ives		
Revenues:									
Intergovernmental revenues	\$ 2,478,475	\$	\$	\$	\$	\$	\$	\$	\$ 37,983,069
Charges for services									401,097
Investment income				62,151	58,485	233	88		631,857
Other			63						3,210,966
Total revenues	<u>2,478,475</u>	<u>-</u>	<u>63</u>	<u>62,151</u>	<u>58,485</u>	<u>233</u>	<u>88</u>	<u>-</u>	<u>42,226,989</u>
Expenditures:									
General government		2,350							551,343
Public safety									149,462
Public works									99,829
Health and welfare									6,277,962
Culture and recreation				21,446	65,008				226,768
Capital outlay	2,348,492								8,259,098
Education									25,863,143
Debt service:									
Principal retirement									75,000
Interest and other charges									29,254
Total expenditures	<u>2,348,492</u>	<u>2,350</u>	<u>-</u>	<u>21,446</u>	<u>65,008</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,531,859</u>
Excess (Deficiency) of Revenues over Expenditures	<u>129,983</u>	<u>(2,350)</u>	<u>63</u>	<u>40,705</u>	<u>(6,523)</u>	<u>233</u>	<u>88</u>	<u>-</u>	<u>695,130</u>
Other Financing Sources (Uses):	12,421								
Transfers in								(104,254)	716,550
Transfers out								104,254	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>716,550</u>
Change in Fund Balance	129,983	(2,350)	63	40,705	(6,523)	233	88	-	1,411,680
Fund Balances at Beginning of Year	-	100,433	58,260	751,249	1,258,066	9,198	3,472	-	5,587,140
Fund Balances at End of Year	<u>\$ 129,983</u>	<u>\$ 98,083</u>	<u>\$ 58,323</u>	<u>\$ 791,954</u>	<u>\$ 1,251,543</u>	<u>\$ 9,431</u>	<u>\$ 3,560</u>	<u>\$ -</u>	<u>\$ 6,998,820</u>



Internal Service Funds

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

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

Workers' Compensation Fund - To account for the self-insured operations of workers' compensation activities.

Meriden Health Insurance - To account for the self-insured operations of health insurance claims and charges for employees' health insurance.

**CITY OF MERIDEN, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2019**

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Fund	Meriden Health Insurance	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 2,782,283	\$ 1,882,393	\$ 4,664,676
Investments		5,848,749	5,848,749
Accounts receivable		132,165	132,165
Other assets		31,923	31,923
Total assets	<u>2,782,283</u>	<u>7,895,230</u>	<u>10,677,513</u>
Liabilities:			
Current liabilities:			
Accounts payable		365,475	365,475
Current portion of claims incurred but not reported	2,574,022		2,574,022
Due to other funds		5,508,833	5,508,833
Total current liabilities	<u>2,574,022</u>	<u>5,874,308</u>	<u>8,448,330</u>
Noncurrent liabilities:			
Claims incurred but not reported, less current portion	<u>5,148,044</u>	<u>2,283,146</u>	<u>7,431,190</u>
Total liabilities	<u>7,722,066</u>	<u>8,157,454</u>	<u>15,879,520</u>
Total Net Position	<u>\$ (4,939,783)</u>	<u>\$ (262,224)</u>	<u>\$ (5,202,007)</u>

**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019**

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Fund	Meriden Health Insurance	Total
Operating Revenues:			
Charges for services	\$ 3,807,390	\$ 29,769,469	\$ 33,576,859
Other revenues	47,512	2,203,457	2,250,969
Total operating revenues	<u>3,854,902</u>	<u>31,972,926</u>	<u>35,827,828</u>
Operating Expenses:			
Claims	3,558,447	29,109,369	32,667,816
Administrative	67,722	150,154	217,876
Other expenses	33	1,420,778	1,420,811
Total operating expenses	<u>3,626,202</u>	<u>30,680,301</u>	<u>34,306,503</u>
Operating Income	228,700	1,292,625	1,521,325
Nonoperating Revenues:			
Investment income	<u> </u>	412,026	412,026
Change in Net Position	228,700	1,704,651	1,933,351
Net Position at Beginning of Year	<u>(5,168,483)</u>	<u>(1,966,875)</u>	<u>(7,135,358)</u>
Net Position at End of Year	<u>\$ (4,939,783)</u>	<u>\$ (262,224)</u>	<u>\$ (5,202,007)</u>

**CITY OF MERIDEN, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Fund	Meriden Health Insurance	Total
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 3,854,902	\$ 32,082,137	\$ 35,937,039
Receipts for interfund services provided		(1,137,420)	(1,137,420)
Payments to suppliers	(103,370)	(1,613,306)	(1,716,676)
Payments to vendors	(3,362,025)	(29,163,691)	(32,525,716)
Net cash provided by (used in) operating activities	<u>389,507</u>	<u>167,720</u>	<u>557,227</u>
Cash Flows from Investing Activities:			
Purchase of investments		<u>110,827</u>	<u>110,827</u>
Net Increase (Decrease) in Cash and Cash Equivalents	389,507	278,547	668,054
Cash and Cash Equivalents at Beginning of Year	<u>2,392,776</u>	<u>1,603,846</u>	<u>3,996,622</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,782,283</u>	<u>\$ 1,882,393</u>	<u>\$ 4,664,676</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ 228,700	\$ 1,292,625	\$ 1,521,325
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Change in assets and liabilities:			
(Increase) decrease in accounts receivable		109,211	109,211
Increase (decrease) in accounts payable	(35,615)	(42,374)	(77,989)
Increase (decrease) in claims payable	196,422	(54,322)	142,100
Increase (decrease) in due to other funds		(1,137,420)	(1,137,420)
Total adjustments	<u>160,807</u>	<u>(1,124,905)</u>	<u>(964,098)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 389,507</u>	<u>\$ 167,720</u>	<u>\$ 557,227</u>



Fiduciary Funds

FIDUCIARY FUNDS

PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

Pension Trust Funds - To account for the City's activity in defined benefit plans that accumulate resources for pension benefit payments to qualified employees.

OPEB Trust Funds - To account for the City's activity in the other post employment benefit plans that accumulate resources for other post employment benefit payments to qualified employees.

PRIVATE PURPOSE TRUST FUNDS

East Cemetery Trust Fund - To account for the receipts and disbursements related to the Katherine H. Hamlin Cemetery Trust and various East Cemetery Escrow Trusts.

Scholarship Trust Fund - To account for the receipts and disbursements of various Board of Education scholarships.

AGENCY FUNDS

Agency Funds - To account for monies held for third parties. Agency funds are custodial in nature (assets equal liabilities) and are used to account for senior activities, student activities and performance bonds. The City's Agency Funds are as follows:

- Senior Trips Activities Fund
- Student Activity Fund
- Performance Bonds
- Police Evidence Fund
- License to Work Fund
- South Meriden Volunteer Firefighters' Award Program

**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
 JUNE 30, 2019**

	Pension Trust Funds	OPEB Trust Funds	Total Pension and Other Employee Benefit Trust Funds
Assets:			
Cash and cash equivalents	\$ 9,078,968	\$ 1,604,135	\$ 10,683,103
Investments, at fair value:			
U.S. government securities	453,236		453,236
Equities	8,056,162	1,095,517	9,151,679
Mutual funds	152,509,300	22,050,418	174,559,718
Alternative investments	95,187,958	12,626,235	107,814,193
Total investments	<u>256,206,656</u>	<u>35,772,170</u>	<u>291,978,826</u>
Accounts receivable	<u>23,552</u>	<u>6,534</u>	<u>30,086</u>
Total assets	<u>265,309,176</u>	<u>37,382,839</u>	<u>302,692,015</u>
Liabilities:			
Other liabilities	3,167		3,167
Due to other funds		1,470,003	1,470,003
Total liabilities	<u>3,167</u>	<u>1,470,003</u>	<u>1,473,170</u>
Net Position:			
Restricted for Pension Benefits and Other Purposes	<u>\$ 265,306,009</u>	<u>\$ 35,912,836</u>	<u>\$ 301,218,845</u>

**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019**

	Pension Trust Funds	OPEB Trust Funds	Total Pension and Other Employee Benefit Trust Funds
Additions:			
Contributions:			
Employer	\$ 12,032,467	\$ 4,367,945	\$ 16,400,412
Plan members	3,600,542	1,272,804	4,873,346
Total contributions	<u>15,633,009</u>	<u>5,640,749</u>	<u>21,273,758</u>
Investment earnings:			
Net increase in fair value of investments	13,007,529	1,152,565	14,160,094
Interest and dividends	4,628,426	575,711	5,204,137
Total investment earnings	<u>17,635,955</u>	<u>1,728,276</u>	<u>19,364,231</u>
Less investment expenses			
Investment management fees	1,102,499		1,102,499
Net investment earnings	<u>16,533,456</u>	<u>1,728,276</u>	<u>18,261,732</u>
Total additions	<u>32,166,465</u>	<u>7,369,025</u>	<u>39,535,490</u>
Deductions:			
Benefits	25,576,193	5,959,158	31,535,351
Administrative expense	81,303	3,600	84,903
Other	432,508		432,508
Total deductions	<u>26,090,004</u>	<u>5,962,758</u>	<u>32,052,762</u>
Change in Net Position	6,076,461	1,406,267	7,482,728
Net Position at Beginning of Year	<u>259,229,548</u>	<u>34,506,569</u>	<u>293,736,117</u>
Net Position at End of Year	<u>\$ 265,306,009</u>	<u>\$ 35,912,836</u>	<u>\$ 301,218,845</u>

**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2019**

	East Cemetery Trust Fund	Scholarship Trust Fund	Total Private Purpose Trust Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and cash equivalents	\$ 117,644	\$ 90,440	\$ 208,084
Investments, at fair value:			
U.S. government securities		58,232	58,232
Certificates of deposit		96,430	96,430
Total investments	<u> -</u>	<u>154,662</u>	<u>154,662</u>
Total assets	<u>117,644</u>	<u>245,102</u>	<u>362,746</u>
Net Position:			
Restricted for Pension			
Benefits and Other Purposes	<u>\$ 117,644</u>	<u>\$ 245,102</u>	<u>\$ 362,746</u>

**CITY OF MERIDEN, CONNECTICUT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019**

	East Cemetery Trust Fund	Scholarship Trust Fund	Total Private Purpose Trust Funds
	<u> </u>	<u> </u>	<u> </u>
Additions:			
Interest and dividends	\$ 235	\$ 17,194	\$ 17,429
Total additions	<u>235</u>	<u>17,194</u>	<u>17,429</u>
Deductions:			
Benefits	<u> </u>	<u>20,301</u>	<u>20,301</u>
Total deductions	<u>-</u>	<u>20,301</u>	<u>20,301</u>
Change in Net Position	235	(3,107)	(2,872)
Net Position at Beginning of Year	<u>117,409</u>	<u>248,209</u>	<u>365,618</u>
Net Position at End of Year	<u>\$ 117,644</u>	<u>\$ 245,102</u>	<u>\$ 362,746</u>

**CITY OF MERIDEN, CONNECTICUT
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2019</u>
Senior Trips Activities Fund				
Assets:				
Cash and cash equivalents	\$ 6,342	\$ 17,920	\$ 20,685	\$ 3,577
Liabilities:				
Deposits held for others	\$ 4,083	\$ 17,920	\$ 18,426	\$ 3,577
Accounts payable	2,259		2,259	-
Total Liabilities	\$ 6,342	\$ 17,920	\$ 20,685	\$ 3,577
Student Activity Fund				
Assets:				
Cash and cash equivalents	\$ 685,302	\$ 1,361,935	\$ 1,314,619	\$ 732,618
Liabilities:				
Deposits held for others	\$ 685,302	\$ 1,361,935	\$ 1,314,619	\$ 732,618
Performance Bonds				
Assets:				
Cash and cash equivalents	\$ 1,125,250	\$ 213,811	\$ 294,097	\$ 1,044,964
Liabilities:				
Deposits held for others	\$ 1,125,250	\$ 213,811	\$ 294,097	\$ 1,044,964
Police Evidence Fund				
Assets:				
Cash and cash equivalents	\$ 82,060	\$ 61,996	\$ 50,978	\$ 93,078
Accounts receivable	4,524		4,524	-
Total Assets	\$ 86,584	\$ 61,996	\$ 55,502	\$ 93,078
Liabilities:				
Deposits held for others	\$ 86,584	\$ 59,375	\$ 55,502	\$ 90,457
Accounts Payable		2,621		2,621
Total Liabilities	\$ 86,584	\$ 61,996	\$ 55,502	\$ 93,078

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**CITY OF MERIDEN, CONNECTICUT
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2019</u>
License to Work Fund				
Assets:				
Cash and cash equivalents	\$ 96,250	\$ 12,500	\$ 5,000	\$ 103,750
Liabilities:				
Deposits held for others	\$ 93,750	\$ 12,500	\$ 2,500	\$ 103,750
Accounts payable	2,500		2,500	
Total Liabilities	\$ 96,250	\$ 12,500	\$ 5,000	\$ 103,750
South Meriden Volunteer Firefighters' Award Program				
Assets:				
Cash and cash equivalents	\$ 7,955	\$	\$ 1,035	\$ 6,920
Investments	370,835	1,943	47,708	325,070
Total Assets	\$ 378,790	\$ 1,943	\$ 48,743	\$ 331,990
Liabilities:				
Deposits held for others	\$ 378,790	\$ 1,943	\$ 48,743	\$ 331,990
Total				
Assets:				
Cash and cash equivalents	\$ 2,003,159	\$ 1,668,162	\$ 1,686,414	\$ 1,984,907
Investments	370,835	1,943	47,708	325,070
Accounts receivable	4,524		4,524	
Total Assets	\$ 2,378,518	\$ 1,670,105	\$ 1,738,646	\$ 2,309,977
Liabilities:				
Deposits held for others	\$ 2,373,759	\$ 1,667,484	\$ 1,733,887	\$ 2,307,356
Accounts payable	4,759	2,621	4,759	2,621
Total Liabilities	\$ 2,378,518	\$ 1,670,105	\$ 1,738,646	\$ 2,309,977



Other Schedules

CITY OF MERIDEN, CONNECTICUT
PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2019

Grand List of October 1,	Uncollected Balance July 1, 2018	Current Year Levy	Lawful Corrections	Balance to be Collected	Collections			Uncollected Balance June 30, 2019	
					Taxes	Interest	Liens		Total
2002	\$ 346,424	\$	\$ (346,424)	\$ -	\$	\$	\$	\$ -	
2003	337,287		(1,018)	336,269	2,184	5,806		7,990	334,085
2004	496,610		(1,064)	495,546	2,354	5,859		8,213	493,192
2005	387,806		(874)	386,932	2,770	6,679		9,449	384,162
2006	244,628		(1,258)	243,370	3,511	7,178		10,689	239,859
2007	253,493		(1,243)	252,250	4,669	10,243	24	14,936	247,581
2008	260,450		(1,336)	259,114	3,609	6,296	24	9,929	255,505
2009	299,948		(4,611)	295,337	4,016	6,005	48	10,069	291,321
2010	283,191		(7,250)	275,941	11,352	16,737	72	28,161	264,589
2011	351,000		(6,192)	344,808	16,450	18,748	72	35,270	328,358
2012	401,784		(7,140)	394,644	21,888	18,274	168	40,330	372,756
2013	481,960		(8,483)	473,477	37,719	26,936	360	65,015	435,758
2014	568,849		(11,087)	557,762	74,101	43,588	576	118,265	483,661
2015	782,718		(23,158)	759,560	258,509	95,046	2,306	355,861	501,051
2016	2,391,008		1,234,619	3,625,627	2,878,530	277,214	13,574	3,169,318	747,097
Total prior years	7,887,156	-	813,481	8,700,637	3,321,662	544,609	17,224	3,883,495	5,378,975
2017		128,916,275	1,155,072	130,071,347	127,308,962	491,423	3,994	127,804,379	2,762,385
Total	\$ 7,887,156	\$ 128,916,275	\$ 1,968,553	\$ 138,771,984	\$ 130,630,624	\$ 1,036,032	\$ 21,218	\$ 131,687,874	\$ 8,141,360

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF COLLECTIONS OF USE CHARGES - SEWER AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2019

Fiscal Year	Uncollected Balance July 1, 2018	Current Year Charges	Corrections		Balance to be Collected	Collections				Uncollected Balance June 30, 2019
			Additions	Deductions		Sewer Use Charges	Interest	Liens	Total	
2004 and prior	\$ 77	\$	\$	\$	\$ 77	\$	\$	\$	\$ -	\$ 77
2005	28				28				-	28
2009	1,053				1,053				-	1,053
2010	1,420				1,420	78	102	28	208	1,342
2011	1,800				1,800	180	256	(32)	404	1,620
2012	4,285				4,285	667	803	52	1,522	3,618
2013	4,444				4,444	2,406	2,910	84	5,400	2,038
2014	7,255				7,255	1,951	1,857	176	3,984	5,304
2015	9,533				9,533	3,531	2,537	288	6,356	6,002
2016	15,302				15,302	9,650	4,791	624	15,065	5,652
2017	66,596		173	364	66,405	44,295	13,777	1,677	59,749	22,110
2018	1,165,490		24,812	38,525	1,151,777	1,091,891	79,030	11,622	1,182,543	59,886
Total prior years	1,277,283	-	24,985	38,889	1,263,379	1,154,649	106,063	14,519	1,275,231	108,730
2019		9,646,429	6,129	54,321	9,598,237	8,488,362	76,230	28,010	8,592,602	1,109,875
Total	\$ 1,277,283	\$ 9,646,429	\$ 31,114	\$ 93,210	\$ 10,861,616	\$ 9,643,011	\$ 182,293	\$ 42,529	\$ 9,867,833	\$ 1,218,605

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF COLLECTIONS OF USE CHARGES - WATER AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2019**

Fiscal Year	Uncollected Balance July 1, 2018	Current Year Charges	Corrections		Balance to be Collected	Collections				Uncollected Balance June 30, 2019
			Additions	Deductions		Water Use Charges	Interest	Liens	Total	
2004 and prior	\$ 87	\$	\$	\$	\$ 87	\$	\$	\$	\$ -	\$ 87
2005	31				31				-	31
2007	(1)		1		-				-	-
2008	500			500	-				-	-
2009	3,016			500	2,516				-	2,516
2010	3,255			500	2,755	40	64	68	172	2,715
2011	4,211			500	3,711	93	132	128	353	3,618
2012	4,082			500	3,582	569	695	92	1,356	3,013
2013	4,262			500	3,762	2,170	2,058	204	4,432	1,592
2014	7,195			500	6,695	2,063	1,775	256	4,094	4,632
2015	9,439				9,439	3,455	2,233	288	5,976	5,984
2016	16,929				16,929	8,926	4,473	694	14,093	8,003
2017	64,817		122	420	64,519	44,087	13,692	2,054	59,833	20,432
2018	1,139,880		24,380	24,842	1,139,418	1,080,568	72,986	18,949	1,172,503	58,850
Total prior years	1,257,703	-	24,503	28,762	1,253,444	1,141,971	98,108	22,733	1,262,812	111,473
2019		9,958,737	2,377	52,783	9,908,331	8,834,222	72,975	28,733	8,935,930	1,074,109
Total	\$ 1,257,703	\$ 9,958,737	\$ 26,880	\$ 81,545	\$ 11,161,775	\$ 9,976,193	\$ 171,083	\$ 51,466	\$ 10,198,742	\$ 1,185,582

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENSES - BUDGETARY BASIS -
BUDGET AND ACTUAL - SEWER AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Operating Revenues:				
Sewer connection and use charges	\$ 9,272,268	\$ 9,272,268	\$ 9,603,953	\$ 331,685
Miscellaneous income	427,628	427,628	438,588	10,960
Total operating revenues	<u>9,699,896</u>	<u>9,699,896</u>	<u>10,042,541</u>	<u>342,645</u>
Operating Expenses:				
Overtime	95,000	95,000	82,681	12,319
Wages - public works	734,534	734,534	704,175	30,359
Wages - MME	64,449	64,449	52,007	12,442
Wages - supervisor	457,481	460,690	460,689	1
Furlough contingency	(14,442)			-
Employee benefits	770,840	632,753	597,599	35,154
Utilities	984,000	1,103,894	1,103,892	2
Repairs and maintenance	105,500	105,500	93,617	11,883
Vehicle maintenance	15,000	15,000	13,990	1,010
Audit fees	18,500	18,500	14,667	3,833
Medical expenses	5,000	5,000	2,299	2,701
Fiscal division services	791,616	791,616	791,616	-
General fund services	650,432	650,432	541,910	108,522
Claims				-
Supplies	410,000	507,592	433,477	74,115
Biosolid disposals	775,000	775,000	690,340	84,660
Pumping station operations	38,000	38,000	14,043	23,957
Capital outlay	1	1,296	1,175	121
Memberships and meeting	11,000	11,000	9,524	1,476
Insurance	779,324	681,732	681,732	-
Total operating expenses	<u>6,691,235</u>	<u>6,691,988</u>	<u>6,289,433</u>	<u>402,555</u>
Nonoperating Revenues (Expenses):				
Interest on investments	12,200	12,200	47,575	35,375
Debt service - principal	(2,254,934)	(2,254,935)	(2,254,935)	-
Debt service - interest	(765,927)	(766,468)	(766,467)	1
Total nonoperating expenses	<u>(3,008,661)</u>	<u>(3,009,203)</u>	<u>(2,973,827)</u>	<u>35,376</u>
Other Financing Sources (Uses):				
Contribution from net position		1,295		(1,295)
Excess of Revenues over Expenses	\$ <u>-</u>	\$ <u>-</u>	779,281	\$ <u>779,281</u>
Budgetary revenues and expenses are different than GAAP because:				
Depreciation expense			(4,124,351)	
Capital grants and contributions			116,565	
Debt service principal payments			2,254,935	
Bond premium amortization and deferred refunding amount			22,722	
Change in accrued interest on bonds			28,995	
Change in deferred inflows, outflows, and net liability - pension			(27,114)	
Change in deferred inflows, outflows, and net liability - OPEB			(212,817)	
Other GAAP recognized expenses			(38,531)	
Total Deficiency of Revenues and Expenses as of the Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds - Exhibit VII				\$ <u>(1,200,315)</u>

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENSES - BUDGETARY BASIS -
BUDGET AND ACTUAL - WATER AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Operating Revenues:				
Water sales and charges	\$ 11,232,693	\$ 11,232,693	\$ 11,083,191	\$ (149,502)
Miscellaneous income	929,195	929,195	957,731	28,536
Total operating revenues	<u>12,161,888</u>	<u>12,161,888</u>	<u>12,040,922</u>	<u>(120,966)</u>
Operating Expenses:				
Administration	126,088	138,873	138,872	1
Overtime	173,100	182,802	181,362	1,440
Wages - public works	1,881,263	1,910,847	1,271,027	639,820
Wages - MME	211,659	218,386	218,177	209
Wages - supervisor	296,444	311,505	311,505	-
Furlough contingency	(28,913)			-
Employee benefits	1,443,263	1,379,324	1,153,173	226,151
Gasoline	55,000	54,921	50,729	4,192
Taxes paid to other towns	62,885	63,088	63,088	-
Utilities	875,000	875,000	804,358	70,642
Repairs and maintenance	25,000	25,000	15,415	9,585
Vehicle maintenance	70,200	70,200	43,003	27,197
Attorney fees	9,000	9,000	(2,440)	11,440
Audit fees	18,500	18,500	14,667	3,833
Water purchased	90,000	90,000	47,405	42,595
Other purchased services	60,000	60,000	47,389	12,611
Medical expense	4,650	4,650	3,884	766
Fiscal division services	878,461	878,461	878,461	-
General fund services	1,390,007	1,266,009	1,158,090	107,919
Safe Water Primacy Assessment		45,253	45,253	-
Maintenance of mains	35,000	35,003	35,002	1
Maintenance of reservoirs	45,000	45,000	26,768	18,232
Maintenance of pump station	40,000	40,000	21,862	18,138
Maintenance of meters	12,000	12,000	10,559	1,441
Supplies	55,450	70,122	67,884	2,238
Services - materials	7,500	7,500	(5,777)	13,277
Treatment expenses	535,000	597,630	597,630	-
Water equipment	31,000	31,000	21,438	9,562
Hydrants and mains - materials	15,000	15,000	14,774	226
Repairs - trenches	75,000	76,111	76,110	1
Capital outlay	80,000	122,865	17,503	105,362
Memberships and meeting	20,000	20,000	19,833	167
Insurance	955,137	916,505	916,505	-
Total operating expenses	<u>9,547,694</u>	<u>9,590,555</u>	<u>8,263,509</u>	<u>1,327,046</u>
Nonoperating Revenues (Expenses):				
Interest on investments	7,500	7,500	25,101	17,601
Debt service - principal	(1,811,198)	(1,811,200)	(1,811,197)	3
Debt service - interest	(810,496)	(810,498)	(810,495)	3
Total nonoperating expenses	<u>(2,614,194)</u>	<u>(2,614,198)</u>	<u>(2,596,591)</u>	<u>17,607</u>
Other Financing Sources (Uses):				
Contribution from net position		42,865		(42,865)
Excess of Revenues over Expenses	<u>\$ -</u>	<u>\$ -</u>	1,180,822	<u>\$ 1,180,822</u>
Budgetary revenues and expenses are different than GAAP because:				
Depreciation expense			(2,662,592)	
Capital grants and contributions			23,028	
Debt service principal payments			1,811,197	
Bond premium amortization and deferred refunding amount			9,521	
Change in accrued interest on bonds			40,371	
Change in deferred inflows, outflows, and net liability - pension			(504,008)	
Change in deferred inflows, outflows, and net liability - OPEB			(313,192)	
Other GAAP recognized expenses			(349,067)	
Total Deficiency of Revenues and Expenses as of the Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds - Exhibit VII				<u>\$ (763,920)</u>

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENSES - BUDGETARY BASIS -
BUDGET AND ACTUAL - GEORGE HUNTER MEMORIAL GOLF COURSE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues:				
Golf fees	\$ 1,044,093	\$ 1,044,093	\$ 971,262	\$ (72,831)
Total operating revenues	<u>1,044,093</u>	<u>1,044,093</u>	<u>971,262</u>	<u>(72,831)</u>
Operating Expenses:				
Wages - part-time	89,190	89,190	86,672	2,518
Wages - overtime	14,250	14,250	13,060	1,190
Wages - public works	118,850	117,855	125,566	(7,711)
Wages - supervisors	99,510	99,510	99,237	273
Furlough contingency	(2,510)			-
Employee benefits	128,158	109,349	109,348	1
Golf supplies and expenses	191,437	188,571	197,244	(8,673)
Golf professional expenses	296,430	296,430	288,937	7,493
Club house expenses	15,800	34,005	34,004	1
Liability and general insurance	46,100	47,780	47,780	-
Capital outlay	15,000	15,000	14,038	962
Memberships and meeting	1,500	1,775	1,775	-
Total operating expenses	<u>1,013,715</u>	<u>1,013,715</u>	<u>1,017,661</u>	<u>(3,946)</u>
Nonoperating Revenues (Expenses):				
Debt service - principal	(3,900)	(3,900)	(3,900)	-
Debt service - interest	(1,478)	(1,478)	(1,477)	1
General Fund debt payback	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total nonoperating expenses	<u>(30,378)</u>	<u>(30,378)</u>	<u>(30,377)</u>	<u>1</u>
Deficiency of Revenues over Expenses	\$ <u>-</u>	\$ <u>-</u>	(76,776)	\$ <u>(76,776)</u>
Budgetary revenues and expenses are different than GAAP because:				
Depreciation expense			(165,527)	
Capital grants and contributions			249,857	
Debt service principal payments			3,900	
Change in accrued interest on bonds			61	
General Fund debt payback			25,000	
Change in deferred inflows, outflows, and net liability - pension			(90,752)	
Change in deferred inflows, outflows, and net liability - OPEB			2,981	
Other GAAP recognized revenues			111,319	
Other GAAP recognized expenses			<u>(61,096)</u>	
Total Deficiency of Revenues and Expenses as of the Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds - Exhibit VII			\$ <u>(1,033)</u>	



Statistical Section

STATISTICAL SECTION

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 MERIDEN, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN YEARS
(In Thousands)
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities:										
Net investment in capital assets	\$ 292,795	\$ 297,247	\$ 288,360	\$ 283,492	\$ 237,700	\$ 187,903	\$ 130,773	\$ 122,787	\$ 101,928	\$ 113,033
Restricted	1,046	1,034	1,361	1,359	1,357	1,357	1,356	952	1,347	1,257
Unrestricted	<u>(204,048)</u>	<u>(207,500)</u>	<u>(195,627)</u> **	<u>(180,447)</u> *	<u>(171,203)</u>	<u>(173,100)</u> *	<u>(69,494)</u>	<u>(62,882)</u>	<u>(40,973)</u>	<u>(51,488)</u>
Total Governmental Activities Net Position	<u>\$ 89,793</u>	<u>\$ 90,781</u>	<u>\$ 94,094</u>	<u>\$ 104,404</u>	<u>\$ 67,854</u>	<u>\$ 16,160</u>	<u>\$ 62,635</u>	<u>\$ 60,857</u>	<u>\$ 62,302</u>	<u>\$ 62,802</u>
Business-Type Activities:										
Net investment in capital assets	\$ 67,580	\$ 68,830	\$ 67,843	\$ 83,376	\$ 80,266	\$ 78,893	\$ 81,045	\$ 81,563	\$ 89,259	\$ 91,927
Unrestricted	<u>10,457</u>	<u>11,173</u>	<u>13,338</u> **	<u>1,708</u> *	<u>11,682</u>	<u>13,279</u>	<u>12,734</u>	<u>15,870</u>	<u>11,855</u>	<u>10,671</u>
Total Business-Type Activities Net Position	<u>\$ 78,037</u>	<u>\$ 80,003</u>	<u>\$ 81,181</u>	<u>\$ 85,084</u>	<u>\$ 91,948</u>	<u>\$ 92,172</u>	<u>\$ 93,779</u>	<u>\$ 97,433</u>	<u>\$ 101,114</u>	<u>\$ 102,598</u>
Primary Government:										
Net investment in capital assets	\$ 360,375	\$ 366,077	\$ 356,203	\$ 366,868	\$ 317,966	\$ 266,796	\$ 211,818	\$ 204,350	\$ 191,187	\$ 204,960
Restricted	1,046	1,034	1,361	1,359	1,357	1,357	1,356	952	1,347	1,257
Unrestricted	<u>(193,591)</u>	<u>(196,327)</u>	<u>(182,289)</u>	<u>(178,739)</u>	<u>(159,521)</u>	<u>(159,821)</u>	<u>(56,760)</u>	<u>(47,012)</u>	<u>(29,118)</u>	<u>(40,817)</u>
Total Primary Government Net Position	<u>\$ 167,830</u>	<u>\$ 170,784</u>	<u>\$ 175,275</u>	<u>\$ 189,488</u>	<u>\$ 159,802</u>	<u>\$ 108,332</u>	<u>\$ 156,414</u>	<u>\$ 158,290</u>	<u>\$ 163,416</u>	<u>\$ 165,400</u>

* Note: Balance was restated for implementation of GASB 68.

** Note: Balance was restated for implementation of GASB 75.

**CITY OF MERIDEN, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN YEARS
(In Thousands)
(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses:										
Governmental activities:										
General government	\$ 21,891	\$ 21,492	\$ 20,257	\$ 10,476	\$ 12,020	\$ 15,303	\$ 13,392	\$ 35,202	\$ 30,816	\$ 29,931
Education	145,067	156,578	155,752	142,710	137,161	141,547	132,521	136,298	138,091	132,771
Public safety	52,178	49,296	53,345	59,490	54,674	42,606	44,424	24,364	23,810	24,051
Public works	14,976	11,772	18,596	11,788	12,378	14,168	14,604	10,705	9,249	9,866
Human services	10,426	10,033	12,478	12,553	13,029	11,513	10,560	8,053	8,652	9,233
Culture and recreation	6,603	7,329	7,154	7,121	7,180	5,721	6,689	5,408	5,075	4,414
Interest on long-term debt	4,513	2,352	5,279	4,151	4,228	3,340	2,957	3,052	3,024	2,806
Total governmental activities expenses	<u>255,654</u>	<u>258,852</u>	<u>272,861</u>	<u>248,289</u>	<u>240,670</u>	<u>234,198</u>	<u>225,147</u>	<u>223,082</u>	<u>218,717</u>	<u>213,072</u>
Business-type activities:										
Sewer Authority	11,404	11,403	11,587	12,262	11,374	11,206	11,441	10,816	9,659	7,951
Water Authority	12,853	12,982	13,462	14,717	11,674	11,073	11,334	9,882	10,256	10,546
George Hunter Golf Course	1,333	1,205	1,361	1,760	1,468	1,135	1,184	1,303	1,126	976
Total business-type activities expenses	<u>25,590</u>	<u>25,590</u>	<u>26,410</u>	<u>28,739</u>	<u>24,516</u>	<u>23,414</u>	<u>23,959</u>	<u>22,001</u>	<u>21,041</u>	<u>19,473</u>
Total Primary Government Expenses	<u>\$ 281,244</u>	<u>\$ 284,442</u>	<u>\$ 299,271</u>	<u>\$ 277,028</u>	<u>\$ 265,186</u>	<u>\$ 257,612</u>	<u>\$ 249,106</u>	<u>\$ 245,083</u>	<u>\$ 239,758</u>	<u>\$ 232,545</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 3,024	\$ 2,479	\$ 2,446	\$ 2,784	\$ 2,643	\$ 2,108	\$ 1,959	\$ 1,955	\$ 2,522	\$ 2,246
Education	294	813	894	1,143	1,139	1,029	1,048	1,061	1,047	1,143
Public safety	79	81	96	78	79	77	75	47	50	46
Public works	1,771	2,151	2,078	2,011	1,982	1,919	1,865	1,813	1,737	1,691
Human services	139	129	171	189	204	292	314	243	289	378
Culture and recreation	32	24	22	25	29	27	29	43	33	34
Operating grants and contributions	97,670	110,276	112,423	104,644	100,182	100,071	94,358	94,000	89,914	87,388
Capital grants and contributions	9,924	7,413	18,776	48,613	63,460	41,292	10,379	4,094	3,744	2,543
Total governmental activities	<u>112,933</u>	<u>123,366</u>	<u>136,906</u>	<u>159,487</u>	<u>169,718</u>	<u>146,815</u>	<u>110,027</u>	<u>103,256</u>	<u>99,336</u>	<u>95,469</u>
Business-type activities:										
Charges for services:										
Sewer Authority	9,609	9,527	8,513	8,079	8,128	8,629	8,228	8,615	8,507	6,459
Water Authority	11,083	11,267	11,000	9,533	10,171	10,433	9,065	8,255	8,935	8,719
George Hunter Golf Course	1,030	1,055	1,020	1,103	946	982	958	1,074	779	787
Capital grants and contributions	390	1,087	343	1,400	3,744	128	284		161	2,676
Total business-type activities	<u>22,112</u>	<u>22,936</u>	<u>20,876</u>	<u>20,115</u>	<u>22,989</u>	<u>20,172</u>	<u>18,535</u>	<u>17,944</u>	<u>18,382</u>	<u>18,641</u>
Total Primary Government Program Revenues	<u>\$ 135,045</u>	<u>\$ 146,302</u>	<u>\$ 157,782</u>	<u>\$ 179,602</u>	<u>\$ 192,707</u>	<u>\$ 166,987</u>	<u>\$ 128,562</u>	<u>\$ 121,200</u>	<u>\$ 117,718</u>	<u>\$ 114,110</u>
Net Revenues (Expenses):										
Governmental activities	\$ (142,721)	\$ (135,486)	\$ (135,955)	\$ (88,802)	\$ (70,952)	\$ (87,383)	\$ (115,120)	\$ (119,826)	\$ (119,381)	\$ (117,603)
Business-type activities	<u>(3,478)</u>	<u>(2,654)</u>	<u>(5,534)</u>	<u>(8,624)</u>	<u>(1,527)</u>	<u>(3,242)</u>	<u>(5,424)</u>	<u>(4,057)</u>	<u>(2,659)</u>	<u>(832)</u>
Total Primary Government Net Expenses	<u>\$ (146,199)</u>	<u>\$ (138,140)</u>	<u>\$ (141,489)</u>	<u>\$ (97,426)</u>	<u>\$ (72,479)</u>	<u>\$ (90,625)</u>	<u>\$ (120,544)</u>	<u>\$ (123,883)</u>	<u>\$ (122,040)</u>	<u>\$ (118,435)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 131,892	\$ 124,596	\$ 123,890	\$ 120,490	\$ 117,045	\$ 113,452	\$ 108,622	\$ 110,885	\$ 109,377	\$ 106,619
Grants and contributions not restricted to specific programs	1,839	2,160	1,685	1,758	1,728	1,752	1,801	1,873	2,598	2,720
Unrestricted investment earnings	2,827	1,277	1,026	877	856	1,327	680	914	1,218	856
Miscellaneous income	5,174	4,139	1,608	2,227	3,017	2,904	5,795	3,654	7,391	3,073
Transfers										836
Total governmental activities	<u>141,732</u>	<u>132,172</u>	<u>128,209</u>	<u>125,352</u>	<u>122,646</u>	<u>119,435</u>	<u>116,898</u>	<u>117,326</u>	<u>120,584</u>	<u>114,104</u>
Business-type activities:										
Unrestricted investment earnings	75	120	56	29	66	76	69	92	85	70
Miscellaneous income	1,438	1,356	1,741	1,731	1,237	1,558	1,702	1,337	1,024	1,043
Transfers										(836)
Total business-type activities	<u>1,513</u>	<u>1,476</u>	<u>1,797</u>	<u>1,760</u>	<u>1,303</u>	<u>1,634</u>	<u>1,771</u>	<u>1,429</u>	<u>1,109</u>	<u>277</u>
Total Primary Government	<u>\$ 143,245</u>	<u>\$ 133,648</u>	<u>\$ 130,006</u>	<u>\$ 127,112</u>	<u>\$ 123,949</u>	<u>\$ 121,069</u>	<u>\$ 118,669</u>	<u>\$ 118,755</u>	<u>\$ 121,693</u>	<u>\$ 114,381</u>
Change in Net Position:										
Governmental activities	\$ (989)	\$ (3,314)	\$ (7,746)	\$ 36,550	\$ 51,694	\$ 32,052	\$ 1,778	\$ (2,500)	\$ 1,203	\$ (3,499)
Business-type activities	<u>(1,965)</u>	<u>(1,178)</u>	<u>(3,737)</u>	<u>(6,864)</u>	<u>(224)</u>	<u>(1,608)</u>	<u>(3,653)</u>	<u>(2,628)</u>	<u>(1,550)</u>	<u>(555)</u>
Total Primary Government	<u>\$ (2,954)</u>	<u>\$ (4,492)</u>	<u>\$ (11,483)</u>	<u>\$ 29,686</u>	<u>\$ 51,470</u>	<u>\$ 30,444</u>	<u>\$ (1,875)</u>	<u>\$ (5,128)</u>	<u>\$ (347)</u>	<u>\$ (4,054)</u>

TABLE 3

CITY OF MERIDEN, CONNECTICUT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)
(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 982
Unreserved										13,321
Nonspendable	136	148	139	137	149	131	126	134	133	
Restricted	962	947	933	943	938	948	1,010	520	825	
Committed	381	393	420	401	285	405	637	580	547	
Unassigned	15,481	14,822	16,839	16,665	16,296	16,043	15,725	16,024	16,761	
Total General Fund	\$ <u>16,960</u>	\$ <u>16,310</u>	\$ <u>18,331</u>	\$ <u>18,146</u>	\$ <u>17,668</u>	\$ <u>17,527</u>	\$ <u>17,498</u>	\$ <u>17,258</u>	\$ <u>18,266</u>	\$ <u>14,303</u>
All other governmental funds:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 6,923
Unreserved, reported in:										
Special revenue funds										3,725
Capital projects funds										(12,326)
Permanent funds										1,391
Nonspendable	262	212	539	491	491	517	520	537	522	
Restricted	30,190	37,262	57,975	3,818	39,182	5,795	4,465	3,787	6,171	
Committed	2,218	1,309	2,579	2,284	1,843	785	19,609	1,178	1,526	
Unassigned			(37)	(329)		(12,552)		(4,264)	4,813	
Total All Other Governmental Funds	\$ <u>32,670</u>	\$ <u>38,783</u>	\$ <u>61,056</u>	\$ <u>6,264</u>	\$ <u>41,516</u>	\$ <u>(5,455)</u>	\$ <u>24,594</u>	\$ <u>1,238</u>	\$ <u>13,032</u>	\$ <u>(287)</u>
Total	\$ <u>49,630</u>	\$ <u>55,093</u>	\$ <u>79,387</u>	\$ <u>24,410</u>	\$ <u>59,184</u>	\$ <u>12,072</u>	\$ <u>42,092</u>	\$ <u>18,496</u>	\$ <u>31,298</u>	\$ <u>14,016</u>

Note: The government applied GASB 54 in Fiscal 2011, which accounts for the fund balance categories being different than in previous years.

CITY OF MERIDEN, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)
(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Property taxes, interest and lien fees	\$ 131,454	\$ 124,978	\$ 124,071	\$ 120,780	\$ 117,379	\$ 114,075	\$ 113,887	\$ 109,910	\$ 108,759	\$ 106,583
Federal and state government	109,434	119,849	131,038	153,125	164,576	141,474	106,500	100,238	96,231	92,650
Charges for services	5,339	5,677	5,706	6,231	6,075	5,453	5,290	5,163	5,678	5,538
Investment income	2,415	966	693	711	678	766	581	533	741	743
Other revenues	5,172	4,167	3,456	4,118	3,813	2,973	5,908	3,384	7,405	3,481
Total revenues	253,814	255,637	264,964	284,965	292,521	264,741	232,166	219,228	218,814	208,995
Expenditures:										
Current:										
General government	44,500	39,455	39,099	39,050	37,765	34,735	37,906	35,154	30,815	29,900
Public safety	24,446	23,542	24,226	23,889	23,268	22,715	22,614	21,853	21,840	21,052
Public works	8,042	8,010	6,875	6,612	7,439	6,877	7,025	7,017	6,835	6,798
Health and welfare	10,576	9,923	11,017	11,117	12,443	8,255	8,401	7,817	8,281	8,232
Culture and recreation	4,255	4,328	4,681	4,518	4,517	4,259	4,306	4,168	4,020	3,980
Education	135,034	148,995	147,666	137,765	133,925	133,770	127,605	128,009	126,494	123,442
Debt service:										
Principal	10,758	11,398	10,394	10,183	9,123	8,309	8,672	8,959	9,542	10,986
Interest	5,429	7,737	4,365	5,357	2,950	3,265	2,938	3,237	3,055	3,413
Capital outlay	16,237	15,571	38,183	81,248	66,638	72,490	14,224	17,217	8,002	8,902
Total expenditures	259,277	268,959	286,506	319,739	298,068	294,675	233,691	233,431	218,884	216,705
Deficiency of Revenues over Expenditures	(5,463)	(13,322)	(21,542)	(34,774)	(5,547)	(29,934)	(1,525)	(14,203)	(70)	(7,710)
Other Financing Sources (Uses):										
Transfers in	2,251	3,559	1,690	2,765	1,719	1,430	372	484	608	1,712
Transfers out	(2,251)	(3,559)	(1,690)	(2,765)	(1,719)	(1,430)	(372)	(484)	(608)	(876)
Bond issuance			59,644		50,380		24,423	1,500	18,764	
Bond premium			4,804		2,280		609			
Issuance of refunding bonds			10,606				6,400			32,769
Premium on refunding bonds		452	1,466				145			3,490
Payment to escrow		(11,425)					(6,453)			(36,040)
Total other financing sources (uses)	-	(10,973)	76,520	-	52,660	-	25,124	1,500	18,764	1,055
Net Change in Fund Balances	\$ (5,463)	\$ (24,295)	\$ 54,978	\$ (34,774)	\$ 47,113	\$ (29,934)	\$ 23,599	\$ (12,703)	\$ 18,694	\$ (6,655)
Debt Service as a Percentage of Noncapital Expenditures	6.6%	7.6%	5.9%	6.5%	5.2%	5.2%	5.3%	5.6%	5.9%	6.9%

**CITY OF MERIDEN, CONNECTICUT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (In Thousands)**

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial/Industrial Property</u>	<u>Tax Exempt Property</u>	<u>City-wide Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Assessed Value as a Percentage of Actual Value</u>	<u>Estimated Actual Tax Value</u>
2019	\$ 1,837,075	\$ 765,327	\$ 110,918	\$ 3,181,029	41.04	70%	\$ 4,544,327
2018 *	1,834,034	785,703	105,632	3,204,402	39.92	70%	4,577,717
2017	2,005,036	713,988	79,078	3,307,941	37.47	70%	4,725,630
2016	2,062,045	660,026	70,752	3,289,089	36.63	70%	4,698,699
2015	2,059,909	666,466	64,436	3,291,848	35.74	70%	4,702,640
2014	2,001,846	825,224	230,230	3,447,307	34.99	70%	4,924,724
2013 *	2,011,418	842,711	230,411	3,479,853	34.70	70%	4,971,219
2012	2,426,231	843,535	279,450	3,877,407	29.83	70%	5,539,153
2011	2,422,965	845,647	236,110	3,866,337	29.53	70%	5,523,339
2010	2,419,387	844,179	230,017	3,864,377	28.85	70%	5,520,539

Source: City of Meriden Tax Assessor

* Revaluation year

**CITY OF MERIDEN, CONNECTICUT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Rates per \$1,000 of Assessed Value)**

Fiscal Year	City Direct Rate			Overlapping Rates		Total Direct & Overlapping Rates
	Basic Rate	General Obligation Debt Service	Total Direct Rate	Sanitation Removal District	Total Overlapping Rate	
2019	35.99	5.05	41.04	2.17	2.17	43.21
2018	33.81	6.11	39.92	2.14	2.14	42.06
2017	33.11	4.36	37.47	2.23	2.23	39.70
2016	31.92	4.71	36.63	2.14	2.14	38.77
2015	32.06	3.68	35.74	2.09	2.09	37.83
2014	31.40	3.59	34.99	2.10	2.10	37.09
2013	31.13	3.57	34.70	1.82	1.82	36.52
2012	26.44	3.39	29.83	1.90	1.90	31.73
2011	26.10	3.43	29.53	1.74	1.74	31.27
2010	24.93	3.92	28.85	1.93	1.93	30.78

Source: City of Meriden Tax Collector

*The overlapping rate is only applicable to some property owners within the City of Meriden.

Although the direct rate applies to all property owners, the Sanitation Removal District applies to approximately one-quarter (26%) of the property owners whose property is located within the district's geographic boundaries.

**CITY OF MERIDEN, CONNECTICUT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Fiscal Year Ended June 30, 2019			Taxpayer	Fiscal Year Ended June 30, 2010		
	Assessment	Rank	Percentage of Total City Taxable Assessed Value		Assessment	Rank	Percentage of Total City Taxable Assessed Value
Connecticut Light & Power	\$ 70,387,620	1	2.21 %	Connecticut Light & Power	\$ 52,629,410	3	1.36 %
Meriden Square Partnership	58,008,207	2	1.82				
Yankee Gas	41,183,150	3	1.29				
TLS Group	28,284,410	4	0.89				
211 Pomeroy LLC	19,123,050	5	0.60				
Meriden Square #3 LLC et al	18,818,699	6	0.59	Meriden Square #3 LLC et al	73,662,140	1	1.91
Radio Frequency Systems, Inc.	17,622,780	7	0.55	Radio Frequency Systems, Inc.	24,885,520	4	0.64
Carabetta Enterprises, Inc.	12,900,780	8	0.41	Carabetta Enterprises, Inc.	15,157,490	7	0.39
Flexo Converters USA Inc.	11,949,520	9	0.38				
Radio Frequency Sys Inc.	11,530,820	10	0.36				
	<u>\$ 289,809,036</u>		<u>9.10 %</u>	Computer Sciences Corp.	53,678,280	2	1.39
				Urstadt Biddle Properties, Inc.	23,665,670	5	0.61
				Yankee Gas	20,125,840	6	0.52
				Newbury Village Development	12,694,710	8	0.33
				Denmeri Associates LP	10,984,320	9	0.28
				TC Meriden LLC	10,370,710	10	0.27
					<u>\$ 297,854,090</u>		<u>7.70 %</u>

Source: City of Meriden Tax Assessor

**CITY OF MERIDEN, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Original Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2019	\$ 130,071,347	\$ 127,308,962	97.88%	\$	\$ 127,308,962	97.88%
2018	125,203,281	121,577,654	97.10%	2,878,530	124,456,184	99.40%
2017	123,265,329	120,721,441	97.94%	2,042,837	122,764,278	99.59%
2016	119,621,624	117,093,329	97.89%	2,044,634	119,137,963	99.60%
2015	116,353,974	113,706,112	97.72%	2,212,104	115,918,216	99.63%
2014	113,715,590	110,777,791	97.42%	2,565,043	113,342,834	99.67%
2013	113,392,474	110,334,477	97.30%	2,729,639	113,064,116	99.71%
2012	109,948,425	107,069,554	97.38%	2,614,282	109,683,836	99.76%
2011	108,567,738	105,858,662	97.50%	2,417,755	108,276,417	99.73%
2010	105,875,121	103,229,589	97.50%	2,390,027	105,619,616	99.76%

Source: City of Meriden Tax Collector

CITY OF MERIDEN, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
(In Thousands)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities			Total Primary Government (2)	Percentage of Personal Income	Aggregate Personal Income (3)	Population (3)	Per Capita (3)	
	General Obligation Bonds	Capital Leases	Notes Payable	Resources Restricted for Debt Payments (1)	Water Bonds	Sewer Bonds						Golf Course Bonds
2019	\$ 140,361	\$ 336	\$ 975	\$	\$ 35,578	\$ 23,993	\$ 35	\$ 201,278	10.21 %	\$ 1,972,000	60	33
2018	151,563	418	1,050		30,787	32,950	39	216,807	10.99	1,972,000	60	33
2017	178,849		1,125		33,386	36,705	776	250,841	12.72	1,972,000	60	33
2016	113,246		1,200		28,585	33,254	69	176,354	8.94	1,972,000	61	32
2015	123,857		1,275		13,227	35,466	85	173,910	8.82	1,972,000	61	32
2014	80,533		1,350		12,757	35,872	82	130,594	6.62	1,972,000	61	32
2013	89,056		1,425		12,547	37,944	97	141,069	7.15	1,972,000	61	32
2012	71,879		1,500		12,940	39,477	109	125,905	6.38	1,972,000	61	32
2011	81,087				14,185	42,059	125	137,456	6.97	1,972,000	59	33
2010	72,115				14,347	37,319	122	123,903	6.28	1,972,000	59	33

(1) Includes intergovernmental grants receivable from the State Department of Education and restrictions from enabling legislation

(2) All of the City of Meriden's debt is considered general obligation with no other revenues specifically pledged

(3) U.S. Bureau of Economic Analysis

**CITY OF MERIDEN, CONNECTICUT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Bonded Debt (thousands)	Net Assessed Value (thousands)	Ratio of Net Bonded Debt to Net Assessed Value	Population	Debt Per Capita
2019	\$ 159,984	\$ 3,070,111	5.21	60,841	* \$ 2,630
2018	** 172,717	3,098,770	5.57	59,927	2,882
2017	204,494	3,228,863	6.33	59,622	3,430
2016	128,827	3,218,337	4.00	61,119	2,108
2015	140,914	3,227,412	4.37	60,691	2,322
2014	95,787	3,217,077	2.98	60,456	1,584
2013	** 105,975	3,249,442	3.26	60,868	1,741
2012	88,961	3,597,957	2.47	60,868	1,462
2011	100,014	3,630,227	2.76	60,868	1,643
2010	89,444	3,634,360	2.46	59,186	1,511

* Source: U.S. Census Bureau's (USCB) Population Estimates Program

** Revaluation year

**CITY OF MERIDEN, CONNECTICUT
DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

Total Tax Collections, Including Interest and Lien Fees, for June 30, 2018	\$ 124,929
Reimbursement for Revenue Loss on: Tax relief for elderly and disabled	<u>69</u>
Base	<u>\$ 124,998</u>

	<u>General Long-Term Debt</u>				
	<u>General Purposes</u> (2.25 x base)	<u>Schools</u> (4.50 x base)	<u>Urban Renewal</u> (3.25 x base)	<u>Sewers</u> (3.75 x base)	<u>Pension Bonding</u> (3.00 x base)
Debt Limitation: Statutory debt limits by function	\$ <u>281,246</u>	\$ <u>562,491</u>	\$ <u>406,244</u>	\$ <u>468,743</u>	\$ <u>374,994</u>
Debt:					
Notes payable	975				
Bonds payable	69,703	66,062		6,914	
Bonds authorized but unissued**	<u>20,642</u>	<u>(18,636)</u>		<u>38,434</u>	
	<u>91,320</u>	<u>47,426</u>	<u>-</u>	<u>45,348</u>	<u>-</u>
Debt Limitation in Excess of Debt*	<u>\$ 189,926</u>	<u>\$ 515,065</u>	<u>\$ 406,244</u>	<u>\$ 423,395</u>	<u>\$ 374,994</u>

*In no event shall total debt exceed seven times annual receipts from taxation. The maximum amount permitted under this formula would be approximately \$874,986.

**At June 30, 2019, the City has \$21.6 million of debt in excess of the amount authorized related to the Platt and Maloney High School Renovation projects. This excess is fully expected to be reimbursed through State School Building Construction Grants.

**CITY OF MERIDEN, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(In Thousands)**

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt limitation	\$ 874,986	\$ 871,710	\$ 848,400	\$ 827,176	\$ 799,316	\$ 798,819	\$ 771,316	\$ 765,877	\$ 749,462	\$ 729,330
Total net debt applicable to limit	<u>138,746</u>	<u>157,819</u>	<u>170,670</u>	<u>135,481</u>	<u>133,340</u>	<u>133,910</u>	<u>130,069</u>	<u>129,058</u>	<u>131,935</u>	<u>94,205</u>
Legal Debt Margin	<u>\$ 736,240</u>	<u>\$ 713,891</u>	<u>\$ 677,730</u>	<u>\$ 691,695</u>	<u>\$ 665,976</u>	<u>\$ 664,909</u>	<u>\$ 641,247</u>	<u>\$ 636,819</u>	<u>\$ 617,527</u>	<u>\$ 635,125</u>
Total net debt applicable to the limit as a percentage of debt limit	15.9%	18.1%	20.1%	16.4%	16.7%	16.8%	16.9%	16.9%	17.6%	12.9%

Notes: The State of Connecticut General Statutes require that in no event shall the total debt of the City exceed seven (7) times the annual receipts from taxation. The calculation of the current year debt limit can be found on Table 11 of this report.

The City has no overlapping debt.

**CITY OF MERIDEN, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

<u>Fiscal Year</u>	<u>Population</u>		<u>Median Family Income</u>	<u>Unemployment Rate</u>
2019	60,841	\$	57,350	4.4 %
2018	59,927		55,547	5.1
2017	59,622		54,588	5.5
2016	61,119		54,588	5.6
2015	60,691		53,831	7.0
2014	60,456		53,831	8.3
2013	60,868		52,788	9.8
2012	60,868		52,788	10.0
2011	60,868		52,788	10.8
2010	59,186		52,788	10.4

Sources: Department of Labor, State of Connecticut, U.S. Census Bureau and the State Department of Economic and Community Development

TABLE 14

**CITY OF MERIDEN, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

2019				2010			
Employer	Employees	Rank	Percentage of Total Employment	Employer	Employees	Rank	Percentage of Total Employment
City of Meriden	1,801	1	5.8%				
Midstate Medical Center	1,296	2	4.1%	Midstate Medical Center	945	2	3.2%
YMCA	471	3	1.5%				
Hunters	380	4	1.2%				
Carabatta Management	320	5	1.0%				
3m Purification	280	6	0.9%				
RFS Cable	240	7	0.8%				
Miron Technologies, Inc.	235	8	0.8%				
BOSCOV	145	9	0.5%				
Target	140	10	0.4%				
				Southern New England Telephone	1,470	1	5.0%
				State of Connecticut	870	3	2.9%
				Walbro Automotive	641	4	2.2%
				Bob's Stores	360	5	1.2%
				CUNO, Inc.	357	6	1.2%
				Filene's	300	7	1.0%
				J.C. Penney Co., Inc.	215	8	0.7%
				Sears Roebuck and Co.	215	8	0.7%
				AGC, Inc.	213	10	0.7%
Totals	<u>5,308</u>		<u>17.0%</u>	Totals	<u>5,586</u>		<u>18.8%</u>

Source: Connecticut Department of Labor, City of Meriden Economic Development Office

**CITY OF MERIDEN, CONNECTICUT
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDED JUNE 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government	149	160	172	156	158.5	167.5	166.5	169.5	165	165.5
Public Safety:										
Police										
Officers	122	121	113	121	122	121	120	118	117	118
Civilians	23	26	20	29	27	24	18.5	18.5	35.5	32
Fire:										
Firefighters and officers	100	100	100	95.5	100	98	99	100	97	96
Civilians	2	3	3	3	3	3	3	3	3	3
Emergency Communications	13	14	14.5	17.5	16	17	18	13	13	14
Highways and Streets:										
Engineering	10.5	8.5	10.5	10.5	9	9	9.5	12	11.5	12
Maintenance	24	28.5	39.5	42.5	29.5	30	27	28	29	28
Culture and Recreation	39	39	45.5	30.5	33.5	45.5	43.5	47.5	29.5	36
Golf	14	14	13.5	13	13	10	11	12	12	15
Water	29	33	33.5	31.5	31	30.5	32	33	33	34
Sewer	16	17	16	17	15	17	15	14	17	16
Total	<u>541.5</u>	<u>564.0</u>	<u>581.0</u>	<u>567.0</u>	<u>557.5</u>	<u>572.5</u>	<u>563.0</u>	<u>568.5</u>	<u>562.5</u>	<u>569.5</u>

Source: City of Meriden Payroll System

**CITY OF MERIDEN, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/TYPE
LAST TEN FISCAL YEARS**

Function / Operating Indicator	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<u>Police</u>										
Cases Investigated	10,382	10,382	8,895	10,972	11,097	11,298	14,363 B)	n/a B)	27,872 B)	35,973
Calls for Service	45,034	45,034	40,585	45,826	44,705	41,116	44,279 B)	56,178 B)		
Arrests	3,002	3,002	3,173	3,373	3,428	3,495	3,012	3,592	3,809	3,491
Traffic Citations	2,419	2,419	2,153	3,023	3,764	3,426	2,723	3,071	4,233	5,958
Parking Citations	1,639	1,639	1,607	1,781	1,981	1,465	1,105	1,050	2,063	1,442
<u>Fire</u>										
Emergency Responses	8,304	7,967	7,314	8,016	7,710	7,692	7,738	8,650	7,256	7,299
Non-emergency Responses	660	1,457	1,378	1,510	1,642	1,471	1,403	1,656	1,574	1,612
Inspections	998	1,537	1,518	1,283	2,307	3,359	4,091	4,123	2,409	1,774
Fire Investigations (C)	124	94	100	121	70	73	63			
<u>Refuse Collection</u>										
Refuse Collected (Tons)	18,047	18,005	17,890	18,000	30,253	28,929	30,297	32,175	32,067	32,702
Recyclables Collected (Tons)	N/A	N/A H)	1,276	2,800	1,105 F)	2,426	2,775	2,797	2,521	1,813
<u>Other Public Works</u>										
Street Resurfacing (Miles)	4.3	6.16	9.27	6.82	4.26	5.75	5.68	2.04	2.5	2.17
Potholes Repaired	6,400	6,225	6,450	5,284	6,406	7,654	4,792 E)	800	800	785
<u>Library</u>										
Volumes in Collection (Print)	151,592	183,214	212,888	206,436	249,190	245,620	239,686	234,772	235,134	232,783
Volumes in Collection (Non-print)	15,362	24,707	20,966	16,002	20,857	19,239	18,111	16,707	15,332	14,028
Total Volumes Borrowed	203,871	225,598	218,291	238,710	242,368	251,687	246,198	232,141	231,325	248,017
Annual Library Visits	204,111	261,087	284,587	281,655	288,000	312,442	308,801	307,904	292,421	278,629
<u>Water</u>										
Average Daily Production (thousands of gallons)	5.427	5.205	5.178	5.318	5.001	5.234	5.379	5.560	5.720	5.422
Average Daily Demand (thousands of gallons)	5.427	5.205	5.178	5.318	5.001	5.234	5.379	5.560	5.720	5.422
<u>Wastewater</u>										
Average Daily Treatment (thousands of gallons)	10.0	10.0	9.0	9.0	9.0	10.0	11.0	12.0	12.0	13.0
<u>Transit</u>										
Total Route Miles	22,085	23,343	23,936	24,495	25,243	27,600 A)	27,600 A)	27,600 A)	27,600 A)	27,600
Passengers	6,954	10,488	10,068	10,514	12,847	15,233	17,549	18,274	18,734	18,638
<u>Human Services</u>										
Environmental Inspections and Responses	2,099	2,433	2,941	4,736	3,208	2,919	2,616 D)	2,988	3,621	3,251
Health and Clinic Services Provided	3,087	4,225	3,829	2,858	4,203	4,272	4,892 D)	4,385	4,913	9,366
School Health Services Provided	99,741	99,338	106,083	104,392	83,113	96,690	91,814 D)	134,031	147,718	158,557
Social Service Worker Clients	1,144	1,300	1,258	1,037	381	683	1,102 D)	1,211	1,953	1,683
Youth Program Participants	524	672	274	345	648 G)	5,429	2,081 D)	11,673	11,087	10,498
Senior Program Participants	20,855	24,357	25,278	26,792	20,721	20,400	20,400 D)	8,922	15,287	17,973

Sources: Various City of Meriden Departments

- A) Change in formula used by the State of Connecticut implemented in 2010.
 B) New police software implemented in 2011 uses new criteria to calculate investigations.
 C) New in 2013 - Fire Investigations completed by the Fire Marshals Office required by State Statute
 D) Calculation methods were changed in 2013
 E) New pothole machine was purchased
 F) Includes inner city only (excludes outer district trash haulers)
 G) Decrease in number is due to not conducting educational programming in Meriden Public Schools
 H) Amount no longer required to be tracked per DEEP.

TABLE 17

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

Function	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Police stations	1	1	1	1	1	1	1	1	1	1
Police sub-stations	3	3	3	3	3	3	3	3	3	2
Fire stations	6	5	5	5	5	5	5	5	5	5
Volunteer Fire stations	1	1	1	1	1	1	1	1	1	1
Municipal buildings	10	10	10	10	10	10	10	10	10	10
Schools	13	13	13	13	13	13	13	13	13	13
High Schools	2	2	2	2	2	2	2	2	2	2
Elementary Schools	8	8	8	8	8	8	8	8	8	8
Middle Schools	2	2	2	2	2	2	2	2	2	2
Magnet Schools	1	1	1	1	1	1	1	1	1	1
Parks and recreation										
Fields - Municipal	11	11	11	11	11	11	11	11	11	11
Fields - Schools	9	9	9	9	9	9	9	9	9	9
Water										
Water mains (Municipal) (feet)	1,225,161	1,297,632	1,280,788	1,279,148	1,278,060	1,276,601	1,275,235	1,218,960	1,218,120	1,217,120
Fire hydrants (Municipal)	1,509	1,509	1,495	1,493	1,493	1,493	1,493	1,496	1,544	1,544
Fire hydrants (Private)	347	347	340	340	340	340	339	282	275	275
Wastewater										
Sewer line (feet)	1,130,259	1,130,259	1,126,675	1,126,560	1,126,179	1,123,712	1,111,214	1,111,026	1,111,026	1,111,026
Highway										
Paved miles	187.83	187.83	187.83	187.83	187.83	187.83	187.36	187.45	187.45	187.45
Unimproved miles	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58

Sources: Various City of Meriden Departments