



STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT
OFFICE OF FINANCE

FY 2022-23 MUNICIPAL AUDIT QUESTIONNAIRE

❖ This Questionnaire is required to be submitted to OPM with the audit reports of municipalities and audited agencies (as defined under Section 7-391 of the Connecticut General Statutes).

Name of Auditee City of Meriden, Connecticut

Fiscal Period under Audit June 30, 2023

CliftonLarsonAllen, LLP
(Audit Firm Name)

David Flint, CPA Digitally signed by David Flint, CPA
Date: 2024.01.31 08:42:09 -05'00'
(Signature)

January 31, 2024
(Date)

This Questionnaire was reviewed with and a copy given to:

Kevin McNabola on January 31, 2024
Name of Municipal Official Date

Chief Financial Officer 203-630-4138
Title of Municipal Official Telephone

	<u>YES</u>	<u>NO</u>	<u>NA</u>
1. Did you inform the town, city or Borough clerk of that part of Section 7-394 of the General Statutes which provides that within one week after receiving the audit report he/she shall cause to be published a legal notice in a newspaper having a substantial circulation in the municipality that the report is on file in said clerk's office?	_____	_____	_____
2. Did you obtain a letter from municipal counsel with respect to unpaid or pending judgments and as to any other legal proceeding affecting the municipality's finances?	_____	_____	_____
3. Were financial statements and/or books and records of the entity made available within a reasonable time after the close of the fiscal year?	_____	_____	_____
4. Did the entity issue tax anticipation notes (TANs) or revenue anticipation notes (RANs) during the fiscal year?	_____	_____	_____
5. Was a separate management letter issued in addition to the Internal Control Report? If so, it must be submitted to the Office of Policy and Management with the audit report.	_____	_____	_____
6. Were municipal officials (including the chief elected or executive official and governing body of the municipal entity) made aware of findings and recommendations resulting from the audit?	_____	_____	_____
7. Did you clearly identify in the report each repeated audit finding and identify the fiscal year in which the finding initially occurred?	_____	_____	_____
8. Were there any audit findings repeated from both of the two most prior fiscal year ended audits? (FY 2021 and 2022)	_____	_____	_____
9. Were municipal officials made aware of section 2(c) of P.A. 23-197 for a public meeting to be held when the OPM Secretary makes certain findings based upon the review of the audit report?	_____	_____	_____
10. Federal Single Audit Act as Amended, 1996; Uniform Guidance for Federal Awards (Title 2 of CFR, 12/26/13)			
(a) Did you conduct a Single Audit of Federal Financial Assistance expended by the entity for FY 2022-23?	_____	_____	_____
(b) Is a copy of the Single Audit included in the reporting package submitted?	_____	_____	_____

YES NO NA

11. State Single Audit (SSA) Act (C.G.S. 4-230 to 4-236) and Regulations to the SSA Act

- | | | | | |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|-------|
| (a) | Did you conduct a Single Audit of state financial assistance expended by the entity for FY 2022-23 or a program-specific audit of the entity's sole state program? | _____ | _____ | _____ |
| (b) | Is a copy of the State Single Audit or program-specific audit included in the reporting package submitted? | _____ | _____ | _____ |
| (c) | If applicable, did officials prepare a Corrective Action Plan (CAP) in sufficient time for inclusion in the audit report package [C.G.S. Sec.4-233(d)] to be filed with OPM as the cognizant state agency? | _____ | _____ | _____ |
| (d) | Did you upload the corrective action plan with the audit report package on OPM's Electronic Audit Reporting System? | _____ | _____ | _____ |

**CITY OF MERIDEN
CONNECTICUT**



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FISCAL YEAR ENDED JUNE 30, 2023

**CITY OF MERIDEN, CONNECTICUT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**DEPARTMENT OF FINANCE
KEVIN MCNABOLA, MBA/MPA
CHIEF FINANCIAL OFFICER**

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

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	I
ORGANIZATIONAL CHART	XV
LIST OF PRINCIPAL OFFICIALS	XVI

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5

BASIC FINANCIAL STATEMENTS

	EXHIBITS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS		
STATEMENT OF NET POSITION	I	19
STATEMENT OF ACTIVITIES	II	20
FUND FINANCIAL STATEMENTS		
GOVERNMENTAL FUNDS		
BALANCE SHEET	III	21
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	IV	23
PROPRIETARY FUND		
STATEMENT OF NET POSITION	V	25
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	VI	26
STATEMENT OF CASH FLOWS	VII	27
FIDUCIARY FUNDS		
STATEMENT OF FIDUCIARY NET POSITION	VIII	28
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	IX	29
NOTES TO FINANCIAL STATEMENTS		30

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

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES – BUDGET AND ACTUAL	RSI-1	96
-----------------------------------------------------------------------------	--------------	-----------

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL	RSI-2	99
------------------------------------------------------------------------------	--------------	-----------

PENSION FUNDS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS – CITY PENSION PLAN	RSI-3A	112
----------------------------------------------------------------------------------------------------	---------------	------------

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS – POLICE PENSION PLAN	RSI-3B	113
------------------------------------------------------------------------------------------------------	---------------	------------

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS – FIREFIGHTERS’ PENSION PLAN	RSI-3C	114
-------------------------------------------------------------------------------------------------------------	---------------	------------

SCHEDULE OF EMPLOYER CONTRIBUTIONS – CITY PENSION PLAN	RSI-4A	115
---------------------------------------------------------------	---------------	------------

SCHEDULE OF EMPLOYER CONTRIBUTIONS – POLICE PENSION PLAN	RSI-4B	116
-----------------------------------------------------------------	---------------	------------

SCHEDULE OF EMPLOYER CONTRIBUTIONS – FIREFIGHTERS’ PENSION PLAN	RSI-4C	117
------------------------------------------------------------------------	---------------	------------

SCHEDULE OF INVESTMENT RETURNS	RSI-5	118
---------------------------------------	--------------	------------

SCHEDULE OF THE CITY’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – TEACHERS RETIREMENT PLAN	RSI-6	119
-----------------------------------------------------------------------------------------------------------	--------------	------------

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS – OTHER POSTEMPLOYMENT BENEFITS	RSI-7	120
-----------------------------------------------------------------------------------------------------	--------------	------------

SCHEDULE OF EMPLOYER CONTRIBUTIONS – OTHER POSTEMPLOYMENT BENEFITS	RSI-8	121
---------------------------------------------------------------------------	--------------	------------

SCHEDULE OF INVESTMENT RETURNS – OTHER POSTEMPLOYMENT BENEFITS	RSI-9	122
-----------------------------------------------------------------------	--------------	------------

SCHEDULE OF THE CITY’S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – TEACHERS RETIREMENT PLAN	RSI-10	123
--------------------------------------------------------------------------------------------------------	---------------	------------

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

COMBINING BALANCE SHEET	A-1	125
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE	A-2	126

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET	B-1	129
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-2	133

PROPRIETARY FUNDS – INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION	C-1	138
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	C-2	139
COMBINING STATEMENT OF CASH FLOWS	C-3	140

FIDUCIARY FUNDS

COMBINING STATEMENT OF FIDUCIARY NET POSITION – PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS	D-1	141
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS	D-2	142
COMBINING STATEMENT OF FIDUCIARY NET POSITION – PRIVATE PURPOSE TRUST FUNDS	D-3	143
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – PRIVATE PURPOSE TRUST FUNDS	D-4	144
COMBINING STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS	D-5	145
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS	D-6	146

OTHER SCHEDULES

PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING	F	147
SCHEDULE OF COLLECTIONS OF USE CHARGES – SEWER AUTHORITY	G-1	148
SCHEDULE OF COLLECTIONS OF USE CHARGES – WATER AUTHORITY	G-2	149

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

STATISTICAL SECTION

TABLES

FINANCIAL TRENDS

NET POSITION BY COMPONENT	1	151
CHANGES IN NET POSITION	2	152
FUND BALANCES – GOVERNMENTAL FUNDS	3	153
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4	154

REVENUE CAPACITY

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	5	155
DIRECT AND OVERLAPPING PROPERTY TAX RATES	6	156
PRINCIPAL PROPERTY TAXPAYERS	7	157
PROPERTY TAX LEVIES AND COLLECTIONS	8	158

DEBT CAPACITY

RATIOS OF OUTSTANDING DEBT BY TYPE	9	159
RATIOS OF GENERAL BONDED DEBT OUTSTANDING	10	160
DEBT LIMITATION	11	161
LEGAL DEBT MARGIN INFORMATION	12	162

DEMOGRAPHIC AND ECONOMIC STATISTICS

DEMOGRAPHIC AND ECONOMIC STATISTICS	13	163
PRINCIPAL EMPLOYERS	14	164

OPERATING INFORMATION

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM	15	165
OPERATING INDICATORS BY FUNCTION/TYPE	16	166
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM	17	167

INTRODUCTORY SECTION



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

January 19, 2023

To the Honorable Mayor, Members of the City Council,
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, 2023.

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.

Clifton Larson Allen LLP, Certified Public Accountants, have issued an unmodified opinion of the City of Meriden's financial statements for the year ended June 30, 2023. 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 by resolution has the ability to 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 128,969 square feet. This is the growth rate of land use approvals of applications in the three most recent fiscal years (2020, 2021 and 2022).

SITE PLAN DEVELOPMENT PROJECTS APPROVED BY PLANNING COMMISSION / DIRECTOR IN FISCAL YEARS 2020-2023

TYPE OF USE/BUSINESS	FY2020 BUILDING SQ. FT.	FY2021 BUILDING SQ. FT.	FY2022 BUILDING SQ. FT.	FY2023 BUILDING SQ. FT.	TOTAL 2020-2023 SQ. FT.
Commercial Office/Service	56,435	10,890	17,973	8,310	93,608
Commercial Retail	350	1,500	12,815	6,441	21,106
Industrial/Light Industrial	5,400	181,033	100,512	259,436	546,381

	2020	2021	2022	2023	TOTAL
COMMERCIAL/INDUSTRIAL	62,185	193,423	131,300	274,187	661,095
Institutional	21,832	239,294	50,000	0	311,126
TOTAL NON-RESIDENTIAL	84,017	432,717	181,300	0	698,034
	2020 UNITS	2021 UNITS	2022 UNITS	2023 UNITS	
Multi-Family Residential	112	0	404	258	774

Approved residential development has decreased year over year. Constructed residential units are indicated below.

RESIDENTIAL NEW CONSTRUCTION PERMITS ISSUED AND CONSTRUCTION BEGUN IN FY 2020-2023

TYPE	FY2020 UNITS	FY2021 UNITS	FY2022 UNITS	FY2023 UNITS	FY2020-2023 UNITS
Multi-Family Residential (Building Dept. does not track Multi-Family permits separately)	0	0	0	0	0
Single Family Residential	5	14	13	18	50
TOTAL RESIDENTIAL	5	14	13	18	50

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:

“Based on public outreach and research completed to update chapters of the POCD, the following have emerged as the overarching goals for Meriden:

*Meriden is an attractive **place to live and work**. Encourage the growth of **Competitive businesses** and jobs, regional health and other institutions, and help to maintain **attractive and safe** residential neighborhoods.*

Support redevelopment and **attract quality businesses and market-rate housing downtown** that will increase activity and bring new vitality to the area around the train station and Meriden Green.

Provide resources that will increase the quality of life of all of Meriden’s residents.

Maximize the value and use of the City’s extensive community resources, such as its public parks, community facilities, historic assets, prominent views, forested open spaces, and water resources.

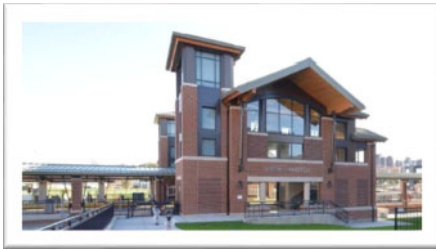
Create a **positive identity** for the City and improve Meriden’s image in the region.

Improve **communication between the City and residents** to encourage active participation in City initiatives, and to promote events and opportunities in Meriden.”

The City of Meriden adopted an updated long-term Plan of Conservation & Development (“POCD”) in February 2020 and is actively implementing its POCD through specific actions to promote its objectives, including targeted investments, regulatory changes, and economic development.

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 is set aside for future economic development.

The development group Colony Projects LLC out of New Haven has purchased five buildings in our TOD and have plans to develop them. They are looking to keep retail on the first floor and apartments. The approved plans will redevelop approximately 80,000 GSF with 71 new apartment units, 11,000 SF modernized commercial space and 4,000 NSF of residential amenity space spread out through all five buildings. They have funding secured and hope to start in 2024.

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 new 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 is continuing to 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 is seeking funds to demolish the structures at 116 Cook Ave and the site of the former Meriden Wallingford hospital to provide economically viable development parcels. We are in conversation with a regional sports complex management company to do a feasibility study on the 1 King site for an indoor activity Center. 116 Cook Avenue will become the home of our new Senior Center and Health Department. The city is still working through the planning stages.

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 exterior conditions, overgrown grass, garbage and debris, abandoned vehicles, illegal apartments, etc.

The City has obtained \$5 million in additional funding for programs such as lead abatement to improve the quality of life, health, and safety for residents of Meriden's older housing stock.

ENVIRONMENTAL PLANNING

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

1. 116 Cook Avenue - 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. A \$2,000,000 DECD Brownfields grant was received for remediation of 116 Cook Avenue.
2. 100 Hanover Street – The City has acquired the property, and a \$385,000 DEEP Open Space grant application was submitted to remediate and demolish 100 Hanover Street. Work was completed in 2022-23.

3. 51-53 South Colony Street – \$800,000 EPA Brownfields grant application was submitted for remediation of 51-53 South Colony Street. Work scheduled to be completed in 2024.

4. Meriden Green - The site is across from the transit center. Meriden is a designated stop on the planned New Haven-Hartford-Springfield rail service. The park project was completed in July of 2016. An expansion project has been set to take place on the former Meriden Mills Memorial housing site parallel to the Meriden Green. The site is expected to have a sensory garden on site with an educational space, a wheelchair accessible touch garden and a streamside exploration trail.

5. 289 & 290 Pratt Street- The City of Meriden received a \$1.8 million Brownfields Grant for the cleanup of both sites. 289 Pratt Street is anticipated to be the future home of a 92-unit apartment building with the first floor containing commercial spaces.

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 found at <http://www.meridenbiz.com/incentives/>.

- **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 2022-23, there were no new City approvals on applications for personal property or applications 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 2022-23, there were no new City approvals on applications for personal property or any applications for real estate.
- **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 2022-23 there were no new applications

- **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.
 - In 2022, the City approved one \$500,000 award for Thompson Chocolate.

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 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.

East Main Street Incentive

In 2020, the city renewed and expanded the East Main Street to include Research Parkway, to the Wallingford town line, including Pomeroy Avenue, and portions of Ives Avenue, Corporate Court, Pondview Drive, Deerfield Lane.

West Main Street Incentive

In 2020, the city adopted the West main Street Incentive to encourage private investment in underutilized and vacant properties, increase traffic to existing businesses along West Main Street, Colony Street, and North & South Colony Street, and all properties within the Adaptive Reuse Overlay Zone, to improve the economic vitality of Meriden's sites. The property or equipment must be or will be located on West Main Street, from Colony intersection to Smithfield Avenue. North Colony from the Berlin Town Line, through Colony Street, to South Colony, to the Wallingford Town line. All properties must be commercially zoned in C1, C2, C3, and C4, or M1, M2, and M3. One new applicant at 121 Colony Street doubled size of commercial building.

Manufacturing Incentive

Any manufacturing company currently operating one facility in town shall be eligible for a tax abatement on the second facility or if the manufacturer has two facilities in town and has purchased a third location within the City of Meriden, they will be eligible for the abatement. The additional location must have been purchased within a year of the current resolution that was passed (December 6, 2021).

City-Wide Incentive

Businesses must be making improvements for office use, retail use, manufacturing use, warehouse use, storage use, distribution use, information technology, recreational facilities or transportation facilities.

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. The 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 has revamped its marketing outreach and consolidated to Meridenbiz.com as our website. We have integrated a new slogan of “Opportunity Awaits” in Meriden and are using this across all of our media outlets. The City has hired a media company to work with us on our message. DiscoverMeriden.com has also been revamped this year. This is a local calendar for events and businesses to advertise on with a broad reach. This year we have also added access to three more digital boards, bringing our total to four that help us get our messages out to the public. We continue to partner with nonprofits and other organization to highlight events in our city. We have used national site selection publications to capitalize on our central location. We have hired a media company to work with us on our message.

Commercial/Industrial Development

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

- 850 Murdock Ave – Construction of a 158,333 sf distribution warehouse. Construction completed in 2022.
- 460 Lewis Ave – Conversion of a 179,975 sf Macys building that is part of the Meriden Mall to retail healthcare services. Interior demolition has begun and construction is anticipated to be completed in 2024.
- 1125 East Main Street – Popeye’s – Construction of a 2,350 restaurant completed in 2022.
- 275 Research Parkway – Conversion of an existing hotel to a 165 residential units. Completed in 2023.
- 99 Broad Street – Construction of a 60,000 sf self-storage facility completed in 2023.
- 752 East Main Street - Achieve Financial Credit Union – Complete renovation of 1,215 sf vacant commercial building and site reconstruction. Completed in 2022.
- 71 Chamberlain Highway – Addition of 4,070 sf to the existing warehouse. Completed in 2023.
- 850 Murdock Ave – Construction of a 130,016 sf industrial building scheduled to be completed in 2024.
- 1051 Research Parkway – Construction of a 45,500 sf industrial building scheduled to be completed in 2024.
- 1415 N. Colony Rd – Addition of 4,500 sf to the existing commercial building. Completed in 2023.
- 1544 East Main – 32-unit Multi-Family Development scheduled to be completed in 2024.
- 100 Pomeroy Ave – 8-unit Multi-Family Development scheduled to be completed in 2024.
- 1149 East Main Street – Hotel Conversion 124-unit to 85 apartments scheduled to be completed in 2024.

- Complete 33 Main Street – 24-unit Multi-Family Development to scheduled in 2024.
- 85 Tremont Street – Modification of Special Exception 80-82 units to scheduled to be complete in 2024.

Municipal and Public Facility Development

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

LINEAR TRAILS AND PARKS

In November 2007, the City opened a nature walk/bike recreation trail along the Quinnipiac River, the first phase of a linear trail planned to transect the City diagonally from the southwest to the northeast. It is heavily utilized and popular. It was designated as an official Connecticut Greenway in 2012. Phase II of the trail system, funded by a combination of federal and state funding, was completed in 2013 and was designated an official Connecticut Greenway in June 2014. Phase III of the trail system was completed in late 2023 and design for Phase IV, which will bring the trail close to the City center which was approved in the City’s 2015 Capital Improvement Plan. Funding will be sought through the Regional Council of Governments TIP program.

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 downtown.

The Coe Ave on-road trail from Platt High School to Bradley Ave was completed, funded via \$400k Community Connectivity Grant. The next phase of this trail, from Bradley Ave to Grove Rd, was completed in late 2023 via a \$600k Community Connectivity Grant.

RECREATION

In 2008, the City completed construction of Falcon Field, a new state of the art municipal artificial turf football and soccer field facility. The facility, funded by a State grant, hosts numerous events including statewide playoff games and is rented to private and public users. In 2010, the City completed an irrigation project at Hunter Memorial Golf Course, funded through user fees paid into the golf enterprise fund. City athletic field upgrades, including irrigation, replacement fencing, and new lighting, were completed in 2011, bringing to a close the City’s five-year park and recreation plan for that period. The Park and Recreation Task Force was reconvened in 2011, resulting in a new five-year plan beginning in 2012. 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. In 2023, the City added a new concrete skate park at City Park, new artificial surface baseball & softball fields at North End Field, new post-tensioned concrete pickle ball, basketball, & tennis courts at Washington Park, and a new basketball court at Columbus Park.

FACILITIES

New high-efficiency boilers were installed in City Hall in 2009 through the American Recovery and Reinvestment Act (“ARRA”) funding. Similar high-efficiency systems were installed in the Meriden Public Library (“Library”), funded by a combination of state and local sources. Energy costs in both facilities have been reduced by approximately \$75,000 per year. 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 of which projects were partially funded through State Library grant funds. Additionally, replacement of oil-fired boilers in four City elementary schools, over the next three years, is currently underway. A backup power generator, funded by a State of Connecticut Department of Public Utility Control grant, was added to City Hall in 2009. The City has been awarded a \$2.3 million grant in FEMA Hazard Mitigation to replace all its public utility back-up generators.

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 were completed in 2021. These projects are expected to have eligible expenditures reimbursed at a grant-funding rate of 77%.

Solar carports are slated for design at both the Police parking lot and Highway facility. Both high schools are in design for rooftop solar installations. All of these projects will involve no upfront costs for the City, and the City will realize benefits in reduced monthly utility costs over the next 20 years.

STREETLIGHTS AND TRAFFIC SIGNALS

Beginning in 2008, the City replaced its traffic signal lights with LED lighting, resulting in energy cost savings.

The City purchased the street light network from Eversource and installed new LED lamps. Phase I (cobra style overhead lighting), Phase II (decorative lighting), Phase III (parking lot and sports lighting) have been completed. The cost of the project was funded through the Capital Improvement Program and rebates from Eversource are assisting in reducing the overall cost of the project.

Downtown signal replacements are underway as part of a \$3M Congestion Mitigation and Air Quality Grant. The project is 90 % complete with light timing adjustments and punch list items remaining. The project is expected to be complete by February 2024.

PUBLIC UTILITIES (WATER AND SEWER)

Construction began in 2019 at the Department of Public Utilities on a \$55.6 million Water Pollution Control Facility and Remote Pump Station Upgrades project for phosphorus removal and improvements to pumping facilities within the collection system. A substantial portion of the work has been completed to date except for an additional change order that will address the high flow storage and treatment of excess amounts of water during significant rain events to avoid overflow concerns. This project was funded through grants and low interest loans and will be repaid through user fees.

Upcoming Water Division projects include the upgrading the East Road Pump Station, replacing the cover of the Carpenter Tank and replacement of the Elmere Water Treatment Plant along with regulatory compliance projects related to EPA revisions to the Lead and Copper Rule. Sewer Division projects include cleaning and lining efforts in the collection system.

FLEET AND FUEL

The City has a compressed natural gas fueling station, which was installed using ARRA funds obtained as a sub-recipient to the Clean Cities coalition. The City has eight CNG powered passenger vehicles, one van, and one traffic sign truck. Cost differential in the purchase price of these vehicles was funded through grants from the State. The City has installed eight (generation 2) electric vehicle-charging stations, which are available to the public. Eversource Energy provided funds for this project.

ROAD AND SIDEWALK CONSTRUCTION

The City has been awarded nearly \$3 million in CMAQ funding approval to undertake a traffic signal modernization and upgrade program and approximately \$3 million in LOTCIP funds to upgrade Pratt Street in downtown Meriden.

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 2021 using approximately \$3 million in CMAQ funding. Four additional signals are also in design for replacement adjacent to downtown.

The Pratt St gateway was completed in 2018 with a \$3 million LOTCIP grant from ConnDOT. This project connects the Route 5 corridor and I-691 with downtown Meriden, the transit center and the Meriden Green.

The construction of the downtown traffic signal modernization and 2 way conversion project that began in late 2021 is expected to be completed in early 2024. This \$3.5 million project is funded 20% by City and 80% by CMAQ funding.

The construction of the downtown pavement reconstruction project is in recently completed. This project was funded with a \$1.8 million LOTCIP grant. Roadways include Colony St., State St., Church St., S. Grove St., Butler St., West Main St., and Hanover St.

CDBG funding was used to pay for the reconstruction of sidewalk on Bunker Ave, Sherman Ave, Griswold Street and Catlin Street. This work began in 2022 and was completed in 2023. Additional sidewalk improvements are proposed utilizing ARPA funding in 2024. Locations for this work include Washington Park Place, Silver Street, and Warren Street.

FLOOD CONTROL

The City has continued work on the Harbor Brook Flood Control Project. In 2012, the City was awarded permits from the State Department of Energy and Environmental Protection, and the Army Corps of Engineers for the entire Harbor Brook flood control master plan. The State of Connecticut has completed work on the Cook Avenue Bridge and the installation of the Columbus Avenue Relief Culvert has been completed. The City completed construction of detention projects at Westfield Road (Falcon Field) and at the Meriden Green. 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 the 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. The final cost of the Meriden Green project is in excess of \$14 million. The City of Meriden received \$615,000 in US Environmental Protection Agency funds, \$4 million in Urban Act, Brownfields Pilot and other funds administered by the State of Connecticut Department of Economic and Community Development (DECD), and \$8.8 million in funds provided through the Connecticut Department of Energy and Environmental Protection (DEEP). The City of Meriden provided local funds for construction administration and flood control engineering services. Construction of the Amtrak Railroad Bridge Bypass Culvert is complete. Channel improvements between Bradley/Coe Avenues and Cooper Street, Cooper Street bridge replacement, will be completed in 2024. The Dog's Misery Swamp Mitigation project, invasive species management at Brookside Park, and the Center Street Bridge project is complete.

Completion of the Harbor Brook project will reduce the floodplain from 225 to 95 acres and the number of properties and structures in the floodplain from over 300 to 50.

Construction of the Amtrak Railroad Bridge Relief Culvert project, which consists of installing two 5' pipes under the railroad bridge, was completed in 2020. The contract amount was \$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.

Cedar St Bridge project will be completed in December of 2023. The Center Street bridges project and the channel work from Bradley Avenue to Cooper Street will commence in the spring of 2024. The Cooper Bridge is a \$3.4 million project, with funding from the DOT Local Bridge Program. Cedar St is a \$3.8 million project, funded through LOTCIP. Center Street is a \$5 million project, with a combination of City and State funds.

The Channel work is estimated to cost \$13 million, with nearly \$7 million from State grants and the remainder using City funds.

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. Design for Perkins Square is complete and pending Amtrak approval.

The Kensington Ave Bridge was completed in 2021, at a cost of \$1.6million, funded by the City of Meriden. Signal improvements are also complete.. The \$4 million project was funded at 50% through the State Local Bridge Program.

Residential Development

During 2022-23 residential development activity continued to progress. Residential development activity primarily involved new residential developments and two hotel-to-apartment conversion. In addition, there was one adaptive reuse of an existing commercial/institutional building in the TOD-Historic Commercial zone. Single-family residential construction also saw a modest increase during this period.

Comprehensive Planning and Future Mixed Use Developments

The City is actively implementing its long term Plan of Conservation & Development ("POCD"). Adopted in 2020 by the City Planning Commission and the City Council,

The POCD includes specific Plan Actions to promote its objectives, including targeted investments, regulatory changes, and economic development.

In 2022-2024, the Plan of Conservation will continue to support redevelopment to attract quality business and mark-rate housing downtown that will increase activity and bring new vitality to the area around the train station and Meriden Green.

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 ongoing in-house City project has been the update of the City is zoning regulations to make them more user-friendly while consolidating applications to require fewer meetings while maintaining the same level of review and standards.

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 Neighborhood Preservation Program - a residential forgivable 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 2023 Fiscal Year included:

- Funded 23 public service programs run by 21 NPO organizations that served over 59,000 low and moderate-income Meriden residents.
- Conducted 1,994 code enforcement inspections in the CDBG target areas.
- Optimized Neighborhood Preservation Program Administration aimed to streamline the workflows associated with the processing of applications, and ensure timeliness completion of awarded projects.
- Replacement of deteriorated sidewalks along Catlin St to Griswold St
- Provided supportive services to 1,225 persons with special needs

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 329j of the Connecticut General Statutes. During FY 2023, the City of Meriden received \$979,930 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.

Relevant Budget & Financial Planning Activities

The City develops an annual operating budget and long-term capital plans annually. The operating budget includes major drivers of expenses and revenues, such as: payroll, pension, insurance, and the debt service associated with the 5 year capital plan, along with municipal funding from the State of Connecticut. The 5 year capital plan is made for infrastructure improvements and other capital projects and is financed through the issuance of bonds for a period not to exceed the useful life of the project.

Medical Insurance costs for both current and retired employees and contributions to the pension Fund are two areas of the budget, which make up significant costs; however, since 2011 the City has transitioned away from the Defined Benefit Plans to a less costly 401a and 457 Plans.

The legal level of budgetary control (i.e....the legal level at which management cannot overspend the budget without the approval of the governing body is at the line item level). Budgetary transfers are completed at the account or line item level. Additional appropriations must be approved by City Council. Additional Appropriations by the City Council may not exceed 1 ½ of the General Fund budget as established for the current year, without levying a special tax.

The Finance Department conducts Quarterly reviews and presents to the Finance Committee and City Council. In addition, budgetary transfers are routinely presented to City Council for approval during the course of the year and again at the end of the Fiscal Year.

The City Council has the statutory authority to approve the Annual Budget each year by Council Resolution.

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, 2022. This was the eighteenth 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.

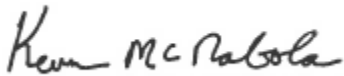
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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 and Agnes Puzio who worked countless hours in preparing the Audit. I would also like to thank Donna Carnot and Kristin Natlo from the Board of Education business office.

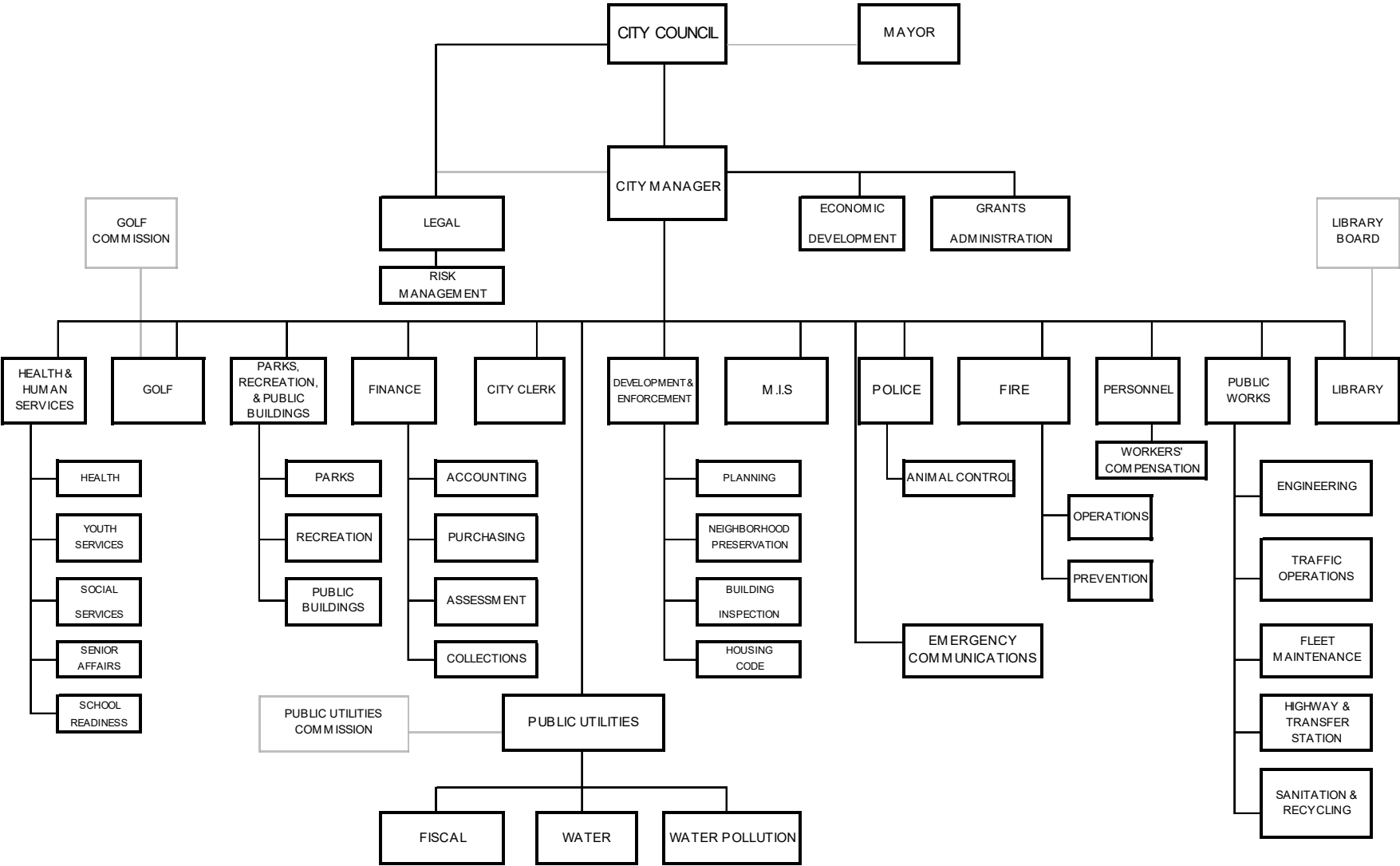
This comprehensive annual financial report reflects a commitment to the citizens of Meriden, the Honorable Mayor, the City Council and all concerned readers of this report to provide information in conformance with the highest standards of accountability.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kevin McNabola".

Kevin McNabola, Chief Financial Officer
City of Meriden

**CITY OF MERIDEN, CONNECTICUT
ORGANIZATIONAL CHART
JUNE 30, 2023**



**CITY OF MERIDEN, CONNECTICUT
PRINCIPAL OFFICIALS
JUNE 30, 2023**

MAYOR

Kevin M. Scarpati

CITY COUNCIL

Bruce Fontanella, Deputy Mayor
Sonya R. Jelks, Majority Leader
Daniel Brunet, Minority Leader
Larue A. Graham, Deputy Majority Leader
Michael S. Rohde, Deputy Majority Leader
Bob Williams, Jr., Deputy Minority Leader
Michael J. Zakrzewski, City Councilor
Michael Carabetta, City Councilor
Ray R. Ouellet, City Councilor
Yvette Cortez, City Councilor
Joseph Scaramuzzo, City Councilor
Chad Cardillo, City Councilor

CITY MANAGER

Emily Holland (Acting Capacity)

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
Information Technologies Manager
Director of Parks and Recreation
Director of Personnel
Director of Public Works
Director of Public Utilities
Library Director
Golf Course Facilities Manager

Michael P. Cardona
Kevin McNabola
Roberto Rosado
Kenneth Morgan
Matthew McGoldrick
Emily Holland
Monica Sims
Joseph Feest
David Boyce
Lea Crown
Charles Carrozza
Chris Bourdon
Josephine Agnello-Veley
John Lawlor
Richard Meskill
Rebecca Starr
Thomas DeVaux

BOARD OF EDUCATION

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Allan E. Pronovost, Treasurer
Dr. Steven J. O'Donnell, Secretary
Sheri L. Amechi
Siobhan K. Maloney-Bazinet
Nickimmy C. Hayes
Enileika Lopez-Riddle
Tony A. Martorelli

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Michael Grove, Assistant Superintendent for Finance and Operations
Louis Bronk, Assistant Superintendent for Personnel and Talent Development
Barbara Haeffner, Assistant Superintendent for Teaching and Innovation
Patricia Sullivan-Kowalski, Assistant Superintendent for Student Supports and Special Education

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Meriden, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Meriden, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Meriden, Connecticut, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

During fiscal year ended June 30, 2023, the City of Meriden, Connecticut adopted GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. The guidance requires the recognition of a Subscription Based Information Technology Arrangement asset and corresponding liability. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Meriden, Connecticut's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2024, 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

West Hartford, Connecticut
January 25, 2024

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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, 2023. 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 \$161.7 million. Total net position for Governmental Activities at fiscal year-end was \$76.9 million and total net position for Business-Type Activities was \$84.8 million. (Exhibit I)
- On a government-wide basis, during the year, the City's net position decreased by \$12.4 million or 7.1%, from \$174.1 million to \$161.7 million. Net position decreased by \$10.7 million for Governmental Activities and decreased by \$1.7 million for Business-Type Activities. Governmental Activities expenses were \$326.1 million, while revenues were \$315.4 million. The decrease in Governmental Activities net position is primarily due to increases in Net Pension and Net OPEB liabilities. Business-Type Activities expenses were \$27.7 million, while revenues were \$26.0 million. The decrease in Business-Type Activities is also primarily attributable to increases in Net Pension and Net OPEB liabilities.
- 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 \$58.1 million, an increase of \$9.3 million from the prior fiscal year. The increase is primarily attributable to the issuance of \$21.2 million of bond issuances net of spending of previously issued bond proceeds in the current period resulting in an excess of revenues over expenditures of \$4.3 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 \$27.9 million, an increase of \$3.9 million from the prior fiscal year. The increase is primarily attributable to increased revenue activity associated with tax collections, investment income, and intergovernmental grants. Of the total General Fund, fund balance as of June 30, 2023, \$26.7 million represents unassigned General Fund fund balance. Unassigned General Fund fund balance at year-end represents 11.5% of total General Fund expenditures and transfers out (\$232.7 million), which is an increase of 1.5% 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.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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 because 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.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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 33 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, the Bonded Projects Fund, the Miscellaneous Capital Project Grants, and the Education Grants and Programs Fund, which are considered major funds. Data from the other 29 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 balances on Exhibit B-2.

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.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

Proprietary Funds (Continued)

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 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 funds is also provided as a separate column in the proprietary fund financial statements. The proprietary fund financial statements can be found on Exhibits V-VII 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, one employee benefit trust fund, two private purpose trust funds, and two custodial 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 VIII and IX 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 34-99 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 102-129 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 \$161.7 million on June 30, 2023. Governmental activities assets exceeded liabilities by \$76.9 million. Business-type activities total net position is \$84.8 million on June 30, 2023.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and Other Assets	\$ 140,120	\$ 128,128	\$ 41,901	\$ 37,429	\$ 182,021	\$ 165,557
Capital Assets, Net of Accumulated Depreciation	410,656	395,357	153,564	154,493	564,220	549,850
Total Assets	<u>550,776</u>	<u>523,485</u>	<u>195,465</u>	<u>191,922</u>	<u>746,241</u>	<u>715,407</u>
Deferred Outflow of Resources	43,644	34,636	4,233	3,649	47,877	38,285
Liabilities:						
Current Liabilities	74,466	69,205	31,820	8,568	106,286	77,773
Long-Term Liabilities Outstanding	431,225	392,216	82,561	100,047	513,786	492,263
Total Liabilities	<u>505,691</u>	<u>461,421</u>	<u>114,381</u>	<u>108,615</u>	<u>620,072</u>	<u>570,036</u>
Deferred Inflow of Resources	<u>11,767</u>	<u>9,037</u>	<u>542</u>	<u>531</u>	<u>12,309</u>	<u>9,568</u>
Net Position:						
Net Investment in Capital Assets	224,211	270,252	96,146	97,474	320,357	367,726
Restricted	54,080	29,235	-	-	54,080	29,235
Unrestricted	(201,329)	(211,824)	(11,371)	(11,049)	(212,700)	(222,873)
Total Net Position	<u>\$ 76,962</u>	<u>\$ 87,663</u>	<u>\$ 84,775</u>	<u>\$ 86,425</u>	<u>\$ 161,737</u>	<u>\$ 174,088</u>

A portion of net position was restricted at June 30, 2023, because of unspent bond proceeds (\$20.3 million), various trust funds (\$2.7 million), federal and state grants (\$2.6 million), and Flood Control (\$0.5 million).

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
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	\$ 6,488	\$ 6,734	\$ 23,344	\$ 23,112	\$ 29,832	\$ 29,846
Operating Grants and Contributions	148,177	127,805	-	-	148,177	127,805
Capital Grants and Contributions	10,894	11,181	689	2,939	11,583	14,120
General Revenues:						
Property Taxes	136,861	135,298	-	-	136,861	135,298
Grants Not Restricted to Specific Programs	4,932	1,909	-	-	4,932	1,909
Unrestricted Investment Earnings	3,454	(1,247)	122	(44)	3,576	(1,291)
Miscellaneous Income	4,605	4,352	1,863	1,329	6,468	5,681
Total Revenues	315,411	286,032	26,018	27,336	341,429	313,368
Expenses:						
General Government	28,495	22,816	-	-	28,495	22,816
Education	189,742	174,350	-	-	189,742	174,350
Public Safety	67,754	50,898	-	-	67,754	50,898
Public Works	19,893	21,942	-	-	19,893	21,942
Human Services	8,899	7,682	-	-	8,899	7,682
Cultural and Recreation	8,253	7,247	-	-	8,253	7,247
Interest on Long-Term Debt	3,076	4,049	-	-	3,076	4,049
Sewer Authority	-	-	12,159	12,043	12,159	12,043
Water Authority	-	-	13,885	12,957	13,885	12,957
George Hunter Golf Course	-	-	1,624	1,397	1,624	1,397
Total Expenses	326,112	288,984	27,668	26,397	353,780	315,381
Change in Net Position	(10,701)	(2,952)	(1,650)	939	(12,351)	(2,013)
Net Position at Beginning of Year	87,663	90,615	86,425	85,486	174,088	176,101
Net Position at End of Year	\$ 76,962	\$ 87,663	\$ 84,775	\$ 86,425	\$ 161,737	\$ 174,088

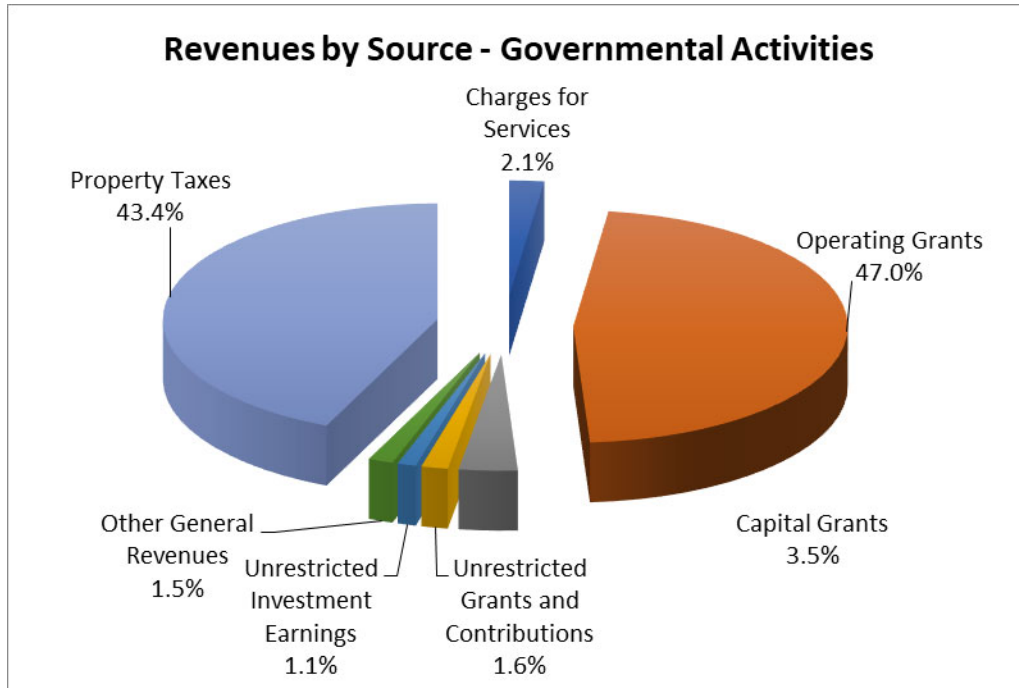
The City's net position decreased by \$12.3 million during the fiscal year, with net position of governmental activities decreasing by \$10.7 million and business-type activities increasing by \$1.6 million, primarily attributable to increases in Net Pension and Net OPEB liabilities.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental Activities

Major revenue sources include 50.5% from State and Federal Government operating and capital grant programs, followed by 43.4% from property taxes, and then 2.1% from charges for services.



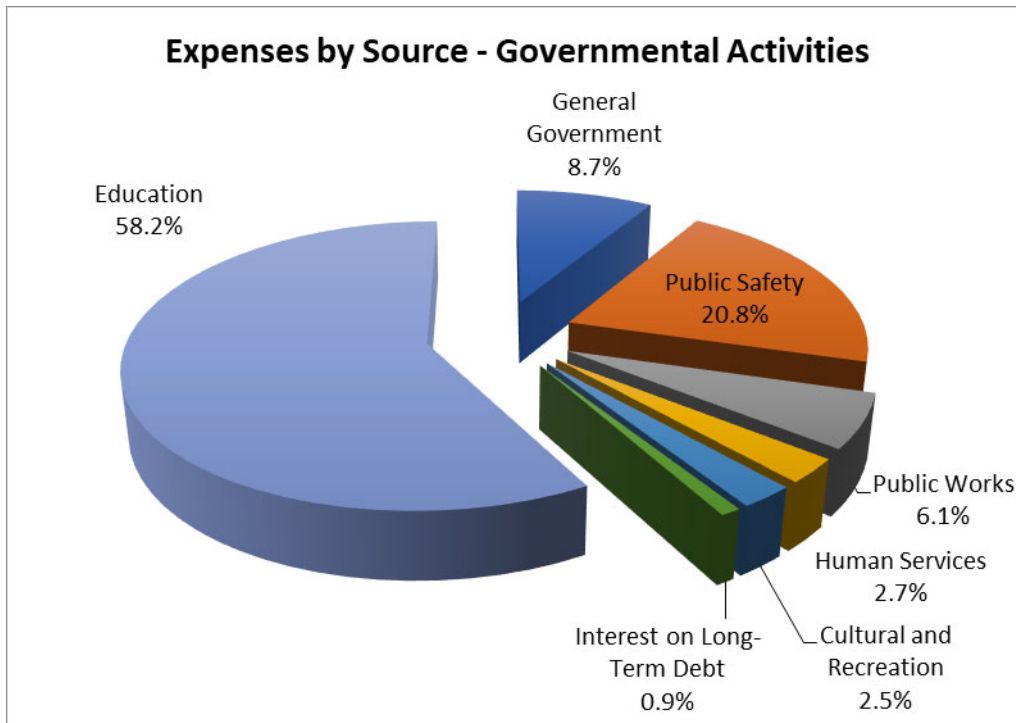
Major revenue factors include:

- Operating grants and contributions increased by \$20.4 million from 2022, which is primarily due to an increase in State Teachers Retirement OPEB on-behalf payments of \$13.1 million, \$2.2 million in increased activity in alliance district grants, \$1.8 million in increased activity with an education connectivity grant, and \$1.4 million in additional funding programs through the Elementary and Secondary School Emergency Relief (ESSER) Fund.
- Unrestricted investment earnings increased by \$4.7 million from 2022, due to improved market conditions resulting in higher investment portfolio returns than in 2022.
- Grants not restricted to specific programs increased by \$3.0 million from 2022, which is primarily attributable to a motor vehicle mill rate cap-funding program of \$3.3 million not received in the prior year.
- For Governmental Activities, 58.2% of the City's expenses relate to education, 20.8% relate to public safety, 8.7% to general government, 6.1% to public works, 2.7% to human services, 2.5% to cultural and recreation, and 1.0% on interest on long-term debt.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental Activities (Continued)



Major expense factors include:

- An increase of \$13.1 million in State Teacher Retirement Board pension and OPEB on-behalf payments.
- Additional alliance district grant, education connectivity grant, and ESSER grant related grant expenses of \$2.2 million, \$1.8 million, and \$1.4 million, respectively.
- An increase of \$16.9 million in public safety expenses and \$5.7 million in general government expenses which are primarily attributable to increases in Net Pension and Net OPEB liabilities.
- 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 \$2.2 million due to decreases in grant funding associated with the phosphorus sewer plant upgrade.

Business-type activities miscellaneous revenue increased by \$0.5 million due to an energy efficiency rebate from Eversource related to upgrades at the WPCF phosphorus plant.

Business-type activities expenses were relatively consistent from 2022 to 2023 for the Sewer Fund and the George Hunter Golf Course Fund, increasing by \$116 thousand and increasing by \$227 thousand, respectively. Expenses for the Water Fund in 2023 increased by \$0.9 million, or 7.2% from 2022, primarily attributable to employee wages and benefits.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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 \$26.7 million while total fund balance was \$27.9 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 11.5% of total General Fund expenditures and transfers out (\$232.7 million), while total fund balance represents 12.0% of that same amount.

As stated earlier, the fund balance of the City of Meriden's General Fund increased by \$3.9 million during the current fiscal year. The increase is primarily attributable to increased revenue activity associated with tax collections, investment income, and intergovernmental grants.

The Bonded Projects Fund has a total fund balance of \$20.3 million, an increase of \$4.3 million from the prior year. The increase is primarily attributable to the issuance of \$21.2 million of bond issuances net of spending of previously issued bond proceeds in the current period resulting in an excess of revenues over expenditures of \$4.3 million.

The Miscellaneous Capital Project Grants Fund continues to have a fund balance deficit of \$0.2 million. This deficit is directly attributable to a building purchase made that will be repaid over time through rental payments from tenants and annual contributions from the Board of Education.

The Educational Grants and Programs Fund has a total fund balance of \$0.5 million, consistent with the prior year balance of \$0.3 million.

The Nonmajor Governmental Funds have a total fund balance of \$9.5 million, up from \$8.9 million in the prior year. The \$0.6 million increase is primarily attributable to the elimination of the deferral of \$0.6 million in grant receivables in the airport improvement fund.

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 \$31.0 million, with unrestricted net position of \$6.7 million. The Water Fund experienced an operating loss of \$0.7 million, which was primarily attributable to increases in salaries and benefits operating expenses.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)

Proprietary Funds (Continued)

Net position of the Sewer Fund at fiscal year-end was \$53.6 million. Unrestricted net position deficit was \$16.0 million. The Sewer Fund experienced an operating loss of \$0.6 million, which was primarily attributable to increases in salaries and benefits operating expenses.

The George Hunter Memorial Golf Course Fund had a negligible net position at fiscal year-end. The Golf Fund experienced an operating income of \$0.1 million due to higher than expected operating revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no additional appropriations to the \$208.9 million budget in fiscal year 2023. The original budget included a contingency of \$0.4 million that was budgeted in the General Fund expenditures to cover certain items, including unsettled labor contracts and other unanticipated expenditures. Actual expenditures on a budgetary basis were \$208.7 million, which was \$0.2 million under the original budget. Significant budget overruns occurred on overtime costs within the fire and emergency communications departments offset by underruns in several other expenditure classifications.

During the year, actual revenues on a budgetary basis were \$212.5 million, which exceeded the original budget by \$3.6 million. Property taxes exceeded budgetary expectations by \$0.6 million, intergovernmental revenues exceeded budget by \$0.6 million, charges for services revenues exceeded budgetary expectations by \$0.1 million, and investment income exceeded budgetary expectations by \$2.3 million.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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, 2023, amount to \$564.2 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.

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 26,415	\$ 26,415	\$ 1,183	\$ 1,183	\$ 27,598	\$ 27,598
Land Improvements	21,525	20,688	12,838	14,168	34,363	34,856
Buildings and Improvements	249,459	260,748	32,427	33,847	281,886	294,595
Infrastructure	64,469	48,940	47,375	49,160	111,844	98,100
Machinery and Equipment	7,273	7,723	11,119	10,627	18,392	18,350
Vehicles	2,778	2,665	230	123	3,008	2,788
Lease Assets	344	537	267	-	611	537
SBITA Assets	3,980	-	-	-	3,980	-
Construction In Progress	34,413	27,641	48,125	45,385	82,538	73,026
Total	<u>\$ 410,656</u>	<u>\$ 395,357</u>	<u>\$ 153,564</u>	<u>\$ 154,493</u>	<u>\$ 564,220</u>	<u>\$ 549,850</u>

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

- \$24.6 million for public works projects (road construction, paving, improvements, flood control)
- \$9.3 million in library renovations
- \$3.9 million in sewer system and phosphorus plant upgrades
- \$1.3 million in airport runway and gate/fencing construction projects
- \$1.6 million in water distribution and facility improvements
- \$1.1 million in vehicle purchases
- \$0.6 million in ERP and telecommunications equipment
- \$0.5 million in self-contained breathing apparatus (SCBA) equipment

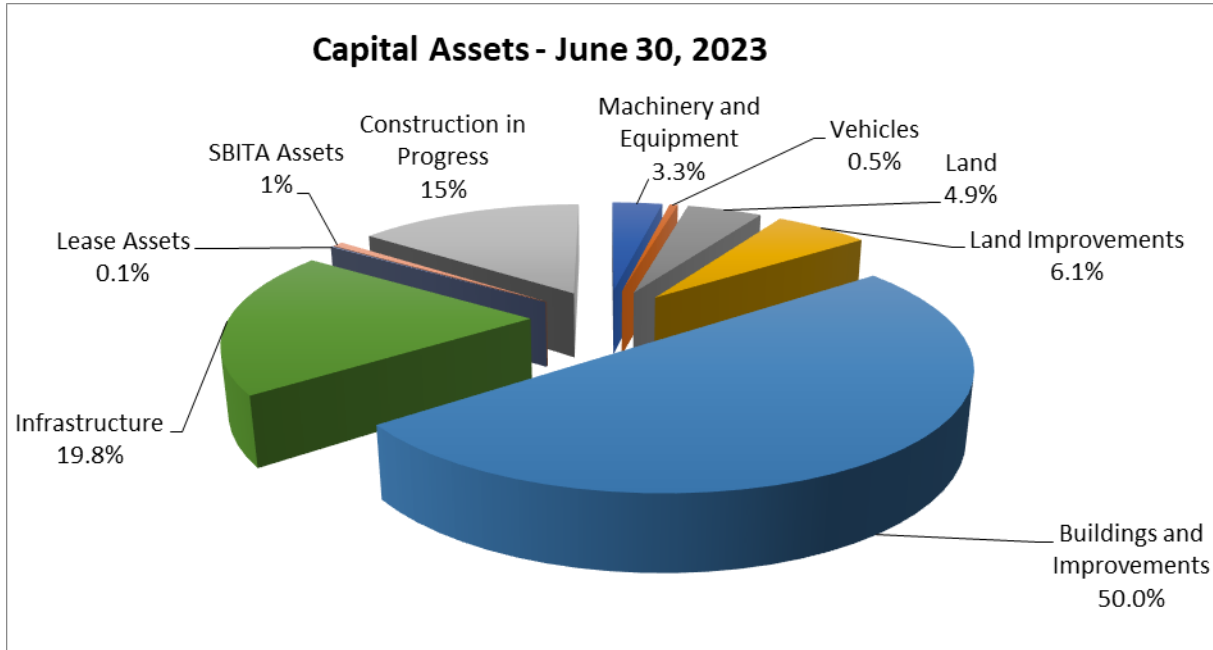
Major capital asset events during the current fiscal year included the following disposals:

- \$7.2 million in capitalization of CIP related to various bridges and linear trails
- \$0.1 million in various City machinery and equipment disposals

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Capital Assets (Continued)



Additional information on the City of Meriden's capital assets can be found in Note 5 on pages 54-55 of this report.

Long-Term Debt

At the end of the current fiscal year, the City of Meriden had total bonded debt outstanding of \$212.2 million. All of this debt is backed by the full faith and credit of the City.

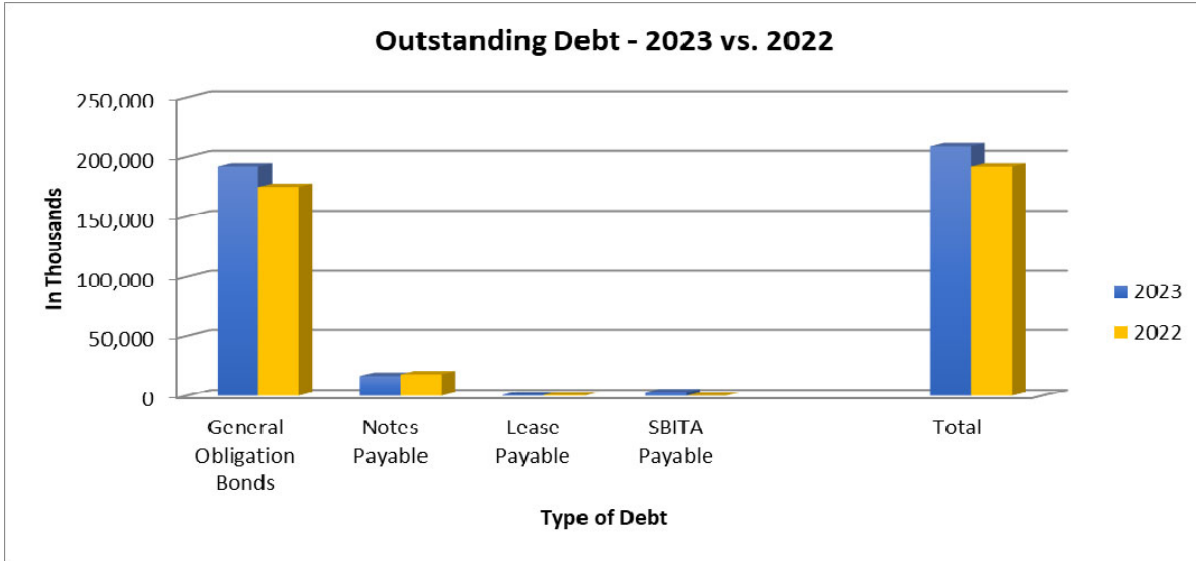
**Outstanding Debt (\$000s)
General Obligation and Revenue Bonds**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 139,226	\$ 128,015	\$ 52,939	\$ 46,399	\$ 192,165	\$ 174,414
Notes Payable	2,547	2,815	13,876	14,898	16,423	17,713
Lease Payable	352	543	279	-	631	543
SBITA Payable	2,990	-	-	-	2,990	-
Total	\$ 145,115	\$ 131,373	\$ 67,094	\$ 61,297	\$ 212,209	\$ 192,670

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt (Continued)



The City of Meriden has bonded debt increased by \$19.5 million or 10.1% during fiscal year 2023. This was primarily attributable to the issuance of \$21.2 million of general obligation bonds in fiscal year 2023 and the recognition of \$3.0 million in SBITA liabilities.

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 \$945.6 million. As of June 30, 2023, the City recorded long-term debt of \$145.7 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 7 on pages 56-63 of this report.

**CITY OF MERIDEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt (Continued)

Economic Factors (Updated through November 2023)

As of November 2023, the unemployment rate for Meriden was 3.9%, a decrease from 4.4% in the prior year. Although Meriden's unemployment rate is above the November 2023 State of Connecticut, which had an unemployment rate of 3.5%, Meriden's unemployment rate in November 2023 remained considerably lower than larger Connecticut cities including the City of Bridgeport at 4.9%, the City of Waterbury at 5.3%, and the City of Hartford at 5.6%.

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. The City also provided a significant amount of ARPA grant funds to various businesses and non-profit organizations within the City to foster economic development as well.

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, 2023
(IN THOUSANDS)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 82,419	\$ 33,068	\$ 115,487
Investments	26,646	1,237	27,883
Receivables, Net	15,338	9,029	24,367
Due from Pension Trust	10,155	-	10,155
Due from OPEB Trust	3,769	-	3,769
Internal Balances	1,433	(1,433)	-
Supplies	328	-	328
Prepaid Items	32	-	32
Capital Assets, Nondepreciable	60,828	49,308	110,136
Capital Assets, Net of Accumulated Depreciation/Amortization	349,828	104,256	454,084
Total Assets	<u>550,776</u>	<u>195,465</u>	<u>746,241</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pension	27,925	3,112	31,037
Related to OPEB	15,672	855	16,527
Deferred Charge on Refunding	47	266	313
Total Deferred Outflows of Resources	<u>43,644</u>	<u>4,233</u>	<u>47,877</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	24,206	1,933	26,139
Accrued Interest	1,369	614	1,983
Unearned Revenue	34,029	-	34,029
Noncurrent Liabilities:			
Due Within One Year	14,862	29,273	44,135
Due in More Than One Year	431,225	82,561	513,786
Total Liabilities	<u>505,691</u>	<u>114,381</u>	<u>620,072</u>
DEFERRED INFLOWS OF RESOURCES			
Related to Pension	86	12	98
Related to OPEB	9,082	495	9,577
Advance Property Tax Collections	1,429	-	1,429
Deferred Charge on Refunding	185	-	185
Related to Leases	985	35	1,020
Total Deferred Inflows of Resources	<u>11,767</u>	<u>542</u>	<u>12,309</u>
NET POSITION			
Net Investment in Capital Assets	224,211	96,146	320,357
Restricted:			
Trust Purposes - Expendable	2,091	-	2,091
Trust Purposes - Nonexpendable	104	-	104
Grants	2,598	-	2,598
Capital Projects	48,168	-	48,168
Other Purposes	1,119	-	1,119
Unrestricted	(201,329)	(11,371)	(212,700)
Total Net Position	<u>\$ 76,962</u>	<u>\$ 84,775</u>	<u>\$ 161,737</u>

See accompanying Notes to Financial Statements.

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

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 28,495	\$ 3,910	\$ 4,962	\$ 6,216	\$ (13,407)	\$ -	\$ (13,407)
Education	189,742	206	136,187	85	(53,264)	-	(53,264)
Public Safety	67,754	267	93	56	(67,338)	-	(67,338)
Public Works	19,893	1,798	420	4,537	(13,138)	-	(13,138)
Human Services	8,899	115	6,245	-	(2,539)	-	(2,539)
Culture and Recreation	8,253	192	270	-	(7,791)	-	(7,791)
Interest on Long-Term Debt	3,076	-	-	-	(3,076)	-	(3,076)
Total Governmental Activities	<u>326,112</u>	<u>6,488</u>	<u>148,177</u>	<u>10,894</u>	<u>(160,553)</u>	<u>-</u>	<u>(160,553)</u>
BUSINESS-TYPE ACTIVITIES							
Sewer Authority	12,159	10,145	-	689	-	(1,325)	(1,325)
Water Authority	13,885	11,616	-	-	-	(2,269)	(2,269)
George Hunter Golf Course	1,624	1,583	-	-	-	(41)	(41)
Total Business-Type Activities	<u>27,668</u>	<u>23,344</u>	<u>-</u>	<u>689</u>	<u>-</u>	<u>(3,635)</u>	<u>(3,635)</u>
Total	<u>\$ 353,780</u>	<u>\$ 29,832</u>	<u>\$ 148,177</u>	<u>\$ 11,583</u>	<u>(160,553)</u>	<u>(3,635)</u>	<u>(164,188)</u>
GENERAL REVENUES							
Property Taxes					136,861	-	136,861
Grants and Contributions Not Restricted to Specific Programs					4,932	-	4,932
Unrestricted Investment Earnings (Loss)					3,454	122	3,576
Miscellaneous Income					4,605	1,863	6,468
Total General Revenues					<u>149,852</u>	<u>1,985</u>	<u>151,837</u>
CHANGE IN NET POSITION							
Net Position - Beginning of Year					87,663	86,425	174,088
NET POSITION - END OF YEAR							
					<u>\$ 76,962</u>	<u>\$ 84,775</u>	<u>\$ 161,737</u>

See accompanying Notes to Financial Statements.

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

ASSETS	General	Bonded Projects	Miscellaneous Capital Project Grants and Programs	Education Grants and Programs	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 4,754	\$ 24,398	\$ 34,597	\$ 2,494	\$ 6,468	\$ 72,711
Investments	19,240	-	-	-	2,576	21,816
Receivables, Net of Allowance for Uncollectibles	21,781	2,487	159	1,860	2,785	29,072
Supplies	130	-	-	-	198	328
Prepaid Items	25	-	-	1	-	26
Due from Other Funds	2,321	-	-	-	-	2,321
Total Assets	\$ 48,251	\$ 26,885	\$ 34,756	\$ 4,355	\$ 12,027	\$ 126,274
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ 11,541	\$ 4,247	\$ 1,354	\$ 3,513	\$ 1,192	\$ 21,847
Due to Other Governments	-	-	-	-	5	5
Due to Other Funds	-	-	-	-	876	876
Unearned Revenue	5	-	33,455	316	253	34,029
Total Liabilities	11,546	4,247	34,809	3,829	2,326	56,757
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	5,656	-	-	-	-	5,656
Unavailable Revenue - Loans Receivable	864	-	-	-	147	1,011
Other Receivables	-	2,362	-	-	-	2,362
Related to Leases	839	-	147	-	-	986
Advance Property Tax Collections	1,429	-	-	-	-	1,429
Total Deferred Inflows of Resources	8,788	2,362	147	-	147	11,444
FUND BALANCES						
Nonspendable	155	-	-	1	302	458
Restricted	513	20,276	-	525	4,770	26,084
Committed	580	-	-	-	4,482	5,062
Unassigned	26,669	-	(200)	-	-	26,469
Total Fund Balances	27,917	20,276	(200)	526	9,554	58,073
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 48,251	\$ 26,885	\$ 34,756	\$ 4,355	\$ 12,027	\$ 126,274

See accompanying Notes to Financial Statements.

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

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III)	\$ 58,073
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Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

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

Governmental Capital Assets	725,420
Less: Accumulated Depreciation/Amortization	(314,764)
Net Capital Assets	410,656

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	5,656
Other Receivables	2,362
Loans Receivable	1,011
Deferred Outflows Related to Pension	27,925
Deferred Outflows Related to OPEB	15,672
Deferred Charge on Refunding	47

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.

7,028

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

Bonds Payable	(139,226)
Notes Payable	(2,547)
Bond Premium	(9,914)
Deferred Charge on Refunding	(185)
Interest Payable on Bonds and Notes	(1,369)
SBITA Payable	(2,990)
Lease Payable	(352)
Compensated Absences	(16,276)
Landfill Post-Closure Monitoring	(728)
Net OPEB Liability	(55,094)
Pollution Remediation	(12,370)
Deferred Inflows Related to Pension	(86)
Deferred Inflows Related to OPEB	(9,082)
Net Pension Liability	(200,201)
Claims and Judgments	(1,048)
	(1,048)

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)	\$ 76,962
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\$ 76,962

See accompanying Notes to Financial Statements.

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

	General	Bonded Projects	Miscellaneous Capital Project Grants and Programs	Education Grants and Programs	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes, Interest, and Lien Fees	\$ 136,674	\$ -	\$ -	\$ -	\$ -	\$ 136,674
Federal and State Government	89,188	8,862	6,291	41,099	19,105	164,545
Charges for Services	5,828	-	-	-	461	6,289
Investment Income (Loss)	2,445	573	-	-	200	3,218
Other Local Revenues	1,641	31	206	1,139	1,788	4,805
Total Revenues	<u>235,776</u>	<u>9,466</u>	<u>6,497</u>	<u>42,238</u>	<u>21,554</u>	<u>315,531</u>
EXPENDITURES						
Current:						
General Government	47,380	-	-	-	67	47,447
Public Safety	28,418	-	-	-	253	28,671
Public Works	9,223	-	-	-	564	9,787
Health and Welfare	4,848	-	-	-	3,628	8,476
Culture and Recreation	4,107	-	-	-	324	4,431
Education	123,221	-	-	41,600	14,580	179,401
Debt Service:						
Principal Retirement	10,140	-	-	-	75	10,215
Interest and Other Charges	4,988	-	-	-	22	5,010
Capital Outlay	-	27,088	6,291	-	1,612	34,991
Total Expenditures	<u>232,325</u>	<u>27,088</u>	<u>6,291</u>	<u>41,600</u>	<u>21,125</u>	<u>328,429</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,451	(17,622)	206	638	429	(12,898)
OTHER FINANCING SOURCES (USES)						
Bond Issuance	-	21,240	-	-	-	21,240
Bond Premium	-	971	-	-	-	971
Transfers In	814	411	-	-	326	1,551
Transfers Out	(341)	(700)	-	(384)	(126)	(1,551)
Total Other Financing Sources (Uses)	<u>473</u>	<u>21,922</u>	<u>-</u>	<u>(384)</u>	<u>200</u>	<u>22,211</u>
NET CHANGE IN FUND BALANCES	3,924	4,300	206	254	629	9,313
Fund Balances - Beginning of Year	<u>23,993</u>	<u>15,976</u>	<u>(406)</u>	<u>272</u>	<u>8,925</u>	<u>48,760</u>
FUND BALANCES - END OF YEAR	<u>\$ 27,917</u>	<u>\$ 20,276</u>	<u>\$ (200)</u>	<u>\$ 526</u>	<u>\$ 9,554</u>	<u>\$ 58,073</u>

See accompanying Notes to Financial Statements.

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

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Governmental Funds (Exhibit IV)	\$	9,313
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Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:

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/amortization expense.

Capital Outlay		34,854
Depreciation/Amortization Expense		(19,555)

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		130
Loan Principal Collected		(107)
Change in Interest and Liens Receivable		57
Change in Other Receivables		(5,923)
Change in Deferred Outflows Related to Pension		3,642
Change in Deferred Outflows Related to OPEB		5,376
Amortization of Deferred Charge on Refunding		(10)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, 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.

General Obligation Bonds Issued		(21,240)
SBITA Payables Issued		(3,711)
Lease Payables Issued		(70)
Principal Payments on Bonds and Notes		10,297
Premium on Bonds Issued		(970)
SBITA Payments		721
Lease Payments		261

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		140
Amortization of Premium		1,822
Amortization of Deferred Charge on Refunding		19
Change in Long-Term Compensated Absences		(522)
Change in Landfill Post-Closure Monitoring		37
Change in Pollution Remediation Obligation		(357)
Change in Net Pension Liability		(24,817)
Change in Net OPEB Liability		(2,702)
Change in Deferred Inflows Related to Pension		287
Change in Deferred Inflows Related to OPEB		(2,410)
Change in Claims and Judgments		(283)

The net expense of the internal service funds is reported with governmental activities.		5,020
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Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II)	\$	(10,701)
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See accompanying Notes to Financial Statements.

CITY OF MERIDEN, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor Fund		Activities
	Water	Sewer	George Hunter Memorial Golf Course	Total	Internal Service Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 23,426	\$ 9,081	\$ 561	\$ 33,068	\$ 9,708
Investments	620	617	-	1,237	4,830
Accounts Receivable, Net	4,439	4,518	72	9,029	191
Prepaid Items	-	-	-	-	7
Total Current Assets	<u>28,485</u>	<u>14,216</u>	<u>633</u>	<u>43,334</u>	<u>14,736</u>
Noncurrent Assets:					
Capital Assets, Nondepreciable	1,757	47,551	-	49,308	-
Capital Assets, Net of Accumulated Depreciation	<u>49,497</u>	<u>52,312</u>	<u>2,447</u>	<u>104,256</u>	<u>-</u>
Total Noncurrent Assets	<u>51,254</u>	<u>99,863</u>	<u>2,447</u>	<u>153,564</u>	<u>-</u>
Total Assets	79,739	114,079	3,080	196,898	14,736
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charge on Refunding Related to Pension	143	123	-	266	-
Related to OPEB	2,093	720	299	3,112	-
Total Deferred Outflows of Resources	<u>587</u>	<u>214</u>	<u>54</u>	<u>855</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>2,823</u>	<u>1,057</u>	<u>353</u>	<u>4,233</u>	<u>-</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	427	1,397	109	1,933	9
Accrued Interest	239	375	-	614	-
Due to Other Funds	-	-	1,433	1,433	12
Current Portion of Claims Incurred But Not Reported	-	-	-	-	4,126
Interim Funding Obligation	-	23,805	-	23,805	-
Current Portion of Bonds Payable	1,804	2,528	3	4,335	-
Current Portion of Notes Payable	950	91	-	1,041	-
Current Portion of Lease Payable	-	-	51	51	-
Current Portion of Compensated Absences	36	5	-	41	-
Total Current Liabilities	<u>3,456</u>	<u>28,201</u>	<u>1,596</u>	<u>33,253</u>	<u>4,147</u>
Noncurrent Liabilities:					
Claims Incurred But Not Reported	-	-	-	-	3,561
Bonds Payable, Less Current Portion	24,814	28,484	21	53,319	-
Notes Payable, Less Current Portion	12,088	747	-	12,835	-
Lease Payable, Less Current Portion	-	-	228	228	-
Compensated Absences	480	345	74	899	-
Net Pension Liability	8,254	2,841	1,179	12,274	-
OPEB Liability	2,064	751	191	3,006	-
Total Noncurrent Liabilities	<u>47,700</u>	<u>33,168</u>	<u>1,693</u>	<u>82,561</u>	<u>3,561</u>
Total Liabilities	51,156	61,369	3,289	115,814	7,708
DEFERRED INFLOWS OF RESOURCES					
Related to Pension	8	3	1	12	-
Related to OPEB	340	124	31	495	-
Related to Leases	12	-	23	35	-
Total Deferred Inflows of Resources	<u>360</u>	<u>127</u>	<u>55</u>	<u>542</u>	<u>-</u>
NET POSITION					
Net Investment in Capital Assets	24,370	69,632	2,144	96,146	-
Unrestricted	6,676	(15,992)	(2,055)	(11,371)	7,028
Total Net Position	<u>\$ 31,046</u>	<u>\$ 53,640</u>	<u>\$ 89</u>	<u>\$ 84,775</u>	<u>\$ 7,028</u>

See accompanying Notes to Financial Statements.

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

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Water	Sewer	George Hunter Memorial Golf Course	Total	
OPERATING REVENUES					
Charges for Services	\$ 11,616	\$ 10,145	\$ 1,583	\$ 23,344	\$ 36,182
Miscellaneous	919	892	52	1,863	2,487
Total Operating Revenues	<u>12,535</u>	<u>11,037</u>	<u>1,635</u>	<u>25,207</u>	<u>38,669</u>
OPERATING EXPENSES					
Salaries and Benefits	4,656	2,667	579	7,902	-
Medical Claims	-	-	-	-	32,577
Materials and Supplies	1,539	1,799	596	3,934	-
Utilities	809	1,080	-	1,889	-
Administration and Operation	1,829	766	-	2,595	165
Depreciation	2,837	3,573	196	6,606	-
Other	1,572	1,709	220	3,501	1,141
Total Operating Expenses	<u>13,242</u>	<u>11,594</u>	<u>1,591</u>	<u>26,427</u>	<u>33,883</u>
OPERATING INCOME (LOSS)	(707)	(557)	44	(1,220)	4,786
NONOPERATING REVENUES (EXPENSES)					
Investment Income (Expense)	77	45	-	122	234
Interest Expense	(643)	(565)	(33)	(1,241)	-
Total Nonoperating Revenues (Expenses)	<u>(566)</u>	<u>(520)</u>	<u>(33)</u>	<u>(1,119)</u>	<u>234</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS	(1,273)	(1,077)	11	(2,339)	5,020
CONTRIBUTIONS					
Capital Grants and Contributions	-	689	-	689	-
CHANGE IN NET POSITION	(1,273)	(388)	11	(1,650)	5,020
Net Position - Beginning of Year	<u>32,319</u>	<u>54,028</u>	<u>78</u>	<u>86,425</u>	<u>2,008</u>
NET POSITION - END OF YEAR	<u>\$ 31,046</u>	<u>\$ 53,640</u>	<u>\$ 89</u>	<u>\$ 84,775</u>	<u>\$ 7,028</u>

See accompanying Notes to Financial Statements.

**CITY OF MERIDEN, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Fund		Internal Service Funds
	Water	Sewer	George Hunter Memorial Golf Course	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 12,619	\$ 11,105	\$ 1,616	\$ 25,340	\$ 38,574
Payments to Suppliers	(6,486)	(5,667)	(961)	(13,114)	(35,858)
Payments to Employees	(4,073)	(2,251)	(442)	(6,766)	-
Net Receipts from Interfund Transactions	-	-	31	31	(802)
Net Cash Provided by Operating Activities	<u>2,060</u>	<u>3,187</u>	<u>244</u>	<u>5,491</u>	<u>1,914</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Receipts of Capital Grants and Contributions	-	689	-	689	-
Purchase of Capital Assets	(1,594)	(3,805)	(277)	(5,676)	-
Issuance of General Obligation Bonds	9,105	1,200	-	10,305	-
Issuance of Leases	-	-	279	279	-
Premium on General Obligation Bonds	416	55	-	471	-
Principal Payments of Bonds	(1,366)	(2,396)	(3)	(3,765)	-
Principal Payments of Clean Water Fund Loans	(932)	(90)	-	(1,022)	-
Interest Paid on Capital Debt	(840)	(1,186)	(34)	(2,060)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>4,789</u>	<u>(5,533)</u>	<u>(35)</u>	<u>(779)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale of Investments	-	-	-	-	(7)
Interest Income (Expense)	-	(1)	-	(1)	-
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>(7)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>6,849</u>	<u>(2,347)</u>	<u>209</u>	<u>4,711</u>	<u>1,907</u>
Cash and Cash Equivalents - Beginning of Year	<u>16,577</u>	<u>11,428</u>	<u>352</u>	<u>28,357</u>	<u>7,801</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 23,426</u>	<u>\$ 9,081</u>	<u>\$ 561</u>	<u>\$ 33,068</u>	<u>\$ 9,708</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ (707)	\$ (557)	\$ 44	\$ (1,220)	\$ 4,786
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	2,837	3,573	196	6,606	-
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:					
(Increase) Decrease in Accounts Receivable	114	68	27	209	(95)
Increase (Decrease) in Accounts Payable and Accrued Items	(737)	(313)	(145)	(1,195)	(1,975)
Increase (Decrease) in Compensated Absences	(7)	3	1	(3)	-
Increase (Decrease) in Net Pension Liability	932	430	154	1,516	-
Increase (Decrease) in OPEB Liability	(34)	121	33	120	-
Increase (Decrease) in Due to Other Funds	-	-	31	31	(802)
(Increase) Decrease in Deferred Outflows - Pension	(206)	(98)	(35)	(339)	-
(Increase) Decrease in Deferred Outflows - OPEB	(175)	(90)	(23)	(288)	-
(Increase) Decrease in Deferred Charge on Refunding	28	15	-	43	-
Increase (Decrease) in Deferred Inflows - Pension	(28)	(9)	(4)	(41)	-
Increase (Decrease) in Deferred Inflows - OPEB	73	44	11	128	-
Increase (Decrease) in Deferred Inflows - Lease Receivable	(30)	-	(46)	(76)	-
Total Adjustments	<u>2,767</u>	<u>3,744</u>	<u>200</u>	<u>6,711</u>	<u>(2,872)</u>
Net Cash Provided by Operating Activities	<u>\$ 2,060</u>	<u>\$ 3,187</u>	<u>\$ 244</u>	<u>\$ 5,491</u>	<u>\$ 1,914</u>

See accompanying Notes to Financial Statements.

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

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds	Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 31,498	\$ 184	\$ 328
Investments, at Fair Value:			
U.S. Government Securities	-	42	-
Certificates of Deposit	-	58	-
Equities	13,739	-	-
Mutual Funds	182,311	-	-
Alternative Investments	107,444	-	-
Total Investments	<u>303,494</u>	<u>100</u>	<u>-</u>
Accounts Receivable	<u>28</u>	<u>-</u>	<u>1</u>
Total Assets	335,020	284	329
LIABILITIES			
Accounts Payable	22	-	-
Due to Primary Government	13,924	-	-
Total Liabilities	<u>13,946</u>	<u>-</u>	<u>-</u>
NET POSITION			
Restricted for Pension Benefits	280,524	-	-
Restricted for OPEB Benefits	40,550	-	-
Restricted for Other Purposes	<u>-</u>	<u>284</u>	<u>329</u>
Total Net Position	<u>\$ 321,074</u>	<u>\$ 284</u>	<u>\$ 329</u>

See accompanying Notes to Financial Statements.

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

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds	Custodial Funds
ADDITIONS			
Contributions:			
Employer	\$ 20,941	\$ 4	\$ -
Plan Members	5,027	-	-
Total Contributions	<u>25,968</u>	<u>4</u>	<u>70</u>
Investment Earnings:			
Net Change in Fair Value of Investments	21,360	-	-
Interest and Dividends	3,942	9	-
Total Investment Earnings (Loss)	<u>25,302</u>	<u>9</u>	<u>-</u>
Less Investment Expenses:			
Investment Management Fees	215	-	-
Net Investment Earnings (Loss)	<u>25,087</u>	<u>9</u>	<u>-</u>
Total Additions	51,055	13	70
DEDUCTIONS			
Benefits	41,439	26	-
Administrative Expense	121	-	-
Other	865	-	11
Total Deductions	<u>42,425</u>	<u>26</u>	<u>11</u>
CHANGE IN NET POSITION	8,630	(13)	59
Net Position - Beginning of Year	<u>312,444</u>	<u>297</u>	<u>270</u>
NET POSITION - END OF YEAR	<u>\$ 321,074</u>	<u>\$ 284</u>	<u>\$ 329</u>

See accompanying Notes to Financial Statements.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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

Fiduciary Component Units

The City has established a single-employer Public Retirement Systems (PERS), a postretirement retiree health plan (OPEB), and the South Meriden Volunteer Firefighters' Award Program to provide retirement benefits and postretirement health care benefits to employees and their beneficiaries. The City is required to make contributions to the pension and OPEB plans.

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

B. Government-Wide and Fund Financial Statements

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

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements.

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

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, with the exception of grant revenues which are considered available if they are collected 120 days of the end of the fiscal year.

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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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:

General Fund

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.

Bonded Projects 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.

Miscellaneous Capital Project Grants and Programs Fund

The Miscellaneous Capital Project Grants and Programs Fund is used to account for various capital project grants and programs proceeds and expenditures.

Education Grants and Programs Fund

The Education Grants and Programs Fund is used to account for various federal and state education grants.

The City reports the following major proprietary funds:

Water Fund

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.

Sewer Fund

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, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the City reports the following fund types:

Internal Service Funds

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

Private Purpose Trust Funds

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

Pension and Other Employee Benefits Trust Funds

The Pension and Other Employee Benefits Trust Funds are used to account for the fiduciary activities of the City's three defined benefit plans that accumulate resources for pension benefit payments to qualified employees and also the South Meriden Volunteer Firefighters' Award Program. 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 postemployment benefits (e.g., health insurance, life insurance) that accumulate resources for other postemployment benefit payments to qualified employees.

Custodial Funds

The Custodial Funds are used to account for fiduciary activities related to various self-funding City programs.

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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Custodial Funds (Continued)

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.

D. Adoption of New Accounting Standards

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

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

The City adopted the requirements of the guidance effective July 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the City reporting a SBITA asset and a SBITA liability as disclosed in Note 5 and Note 7.

E. 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.

F. Investments

Investments are stated at fair value.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Supplies

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

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

H. 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.

I. 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 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

Property, plant and equipment of the City is depreciated using the straight-line method over the following estimated useful lives (not rounded).

Land Improvements	20 Years
Buildings	40 to 50 Years
Building Improvements	7 to 30 Years
Infrastructure	65 Years
Machinery and Equipment	5 to 30 Years
Vehicles	7 Years

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the lease term.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the subscription term.

J. 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 assets that applies to future 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 can result from differences between expected and actual experience, changes in assumptions, projected versus actual investment earnings or other inputs. With the exception of differences between projected and actual earnings, which are required to be recognized over a five-year period, 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 (participating active employees and vested former employees).

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources (Continued)

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 assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports a deferred inflow of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB can result from differences between expected and actual experience, changes in assumptions, projected versus actual investment earnings, or other inputs. With the exception of differences between projected and actual earnings, which are required to be recognized over a five-year period, 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 (participating active employees and vested former employees). The City also reports deferred inflow(s) of resources related to advanced property tax collections and leases in the government-wide statement of net position and in the governmental funds. 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 property taxes, interest on property taxes, loans and other receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

K. 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.

L. 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Net Pension Liability (Continued)

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

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types 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.

N. Net Other Post Employment (OPEB) Liability

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.

O. 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Equity (Continued)

Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

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.

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*.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. 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.

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.

Q. Accounting Estimates

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

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

- 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.
- 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.

There were no additional appropriations in the General Fund for the current year.

- 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

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, expenditures are not reported until the encumbrances are liquidated.

B. Deficit Fund Equity

For the year ended June 30, 2023, the following fund(s) had deficit balance(s):

Miscellaneous Capital Project Grants	\$	200
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These amounts will be funded through local general fund contributions or future revenues.

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

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

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

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

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

A. Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$137,126 of the City’s bank balance of \$151,992 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 123,242
Uninsured and Collateral Held by the Pledging Bank’s Trust Department, Not in the Town’s Name	13,884
Total Amount Subject to Custodial Credit Risk	\$ 137,126

Credit Risk – Cash Equivalents

At June 30, 2023, the City’s cash equivalents amounted to \$4,811 . Credit Risk is the risk that an issuer of an investment will not fulfill its obligation to the holder. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The following table provides a summary of the City’s cash equivalents as rated by Standard and Poor’s (S&P):

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

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

A. Deposits (Continued)

Credit Risk – Cash Equivalents (Continued)

	<u>S&P Global</u>
State Short-Term Investment Fund (STIF)	AAAm
Northern Capital	*
US Bank	*
ICMA - RC	*
Webster	*

* Not rated

STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

B. Investments

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

	<u>Investment Maturities (Years)</u>			
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1-10</u>	<u>More than 10</u>
Interest-Bearing Investments:				
Certificates of Deposit	\$ 13,074	\$ 3,696	\$ 9,378	\$ -
U.S. Government Securities	4,496	2,542	1,954	-
Municipal Bonds	3,688	1,797	1,891	-
Corporate Bonds	2,972	261	2,711	-
Total	<u>24,230</u>	<u>\$ 8,296</u>	<u>\$ 15,934</u>	<u>\$ -</u>
Other Investments:				
Mutual Funds	182,786			
Common Stock	16,985			
Alternative Investments	107,476			
Total Investments	<u>\$ 331,477</u>			

<u>Average Rating</u>	<u>Corporate Bonds</u>	<u>Municipal Bonds</u>	<u>U.S. Government Securities</u>	<u>Certificates of Deposit</u>	<u>Mutual Funds</u>
Aaa	\$ 72	\$ 660	\$ 2,542	\$ -	\$ -
Aa1	-	-	1,843	-	-
Aa2	180	1,489	-	-	-
Aa3	83	1,539	-	-	-
A1	465	-	-	-	-
A2	490	-	-	-	-
A3	463	-	-	-	-
Baa1	641	-	-	-	-
Baa2	535	-	-	-	-
Baa3	43	-	-	-	-
Unrated	-	-	111	13,074	182,786
Total	<u>\$ 2,972</u>	<u>\$ 3,688</u>	<u>\$ 4,496</u>	<u>\$ 13,074</u>	<u>\$ 182,786</u>

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

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

B. Investments (Continued)

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 & Poor's, P 1 by Moody's or F 1 by Fitch or the depository's total risk-based capital ratio must exceed 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. Information regarding concentration of investments that represent more than 5% of the total investment portfolio for pension and other postemployment benefits is detailed in Notes 10 and 11, respectively.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investments to or buys them for the City), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk. At June 30, 2023, the City 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

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

C. 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 nontraded 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

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

D. Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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, 2023:

	June 30, 2023	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ 4,496	\$ -	\$ 4,496	\$ -
Municipal Bonds	3,688	-	3,688	-
Corporate Bonds	2,972	-	2,972	-
Common Stock	16,985	16,985	-	-
Mutual Funds	182,786	182,786	-	-
Alternative Investments	38,737	-	-	38,737
Total Investments by Fair Value Level	249,664	<u>\$ 199,771</u>	<u>\$ 11,156</u>	<u>\$ 38,737</u>
Investments Measured at the Net Asset Value (NAV):				
Private Equity Holdings	68,739			
Certificates of Deposit	13,074			
Total Investments	<u>\$ 331,477</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The alternative investments classified in Level 3 are not actively traded and significant observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. The valuation process for alternative investments takes into consideration factors such as interest rate changes, movement in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral and market dislocation.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

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

D. Fair Value (Continued)

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

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table (in thousands).

	Fair Value	Net Commitments	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period	Investment Type
747 Stuyvesant VII LP	\$ 2,313	\$ 4,750	\$ 2,613	Restricted	N/A	Equity
Cpg Brookfield Opp Real Est LLC	2,117	2,970,000	1,562,941	Restricted	N/A	Real Estate
Cpg Carlyle Eq Opp Fd LLC	229	3,250,000	794,554	Restricted	N/A	Equity
Cpg Wp Energy LLC	721	1,492	90	Restricted	N/A	Equity
Cpg Wp Private Equity Xi LLC	1,520	3,250	745	Restricted	N/A	Equity
Harbourvest 2019 Global Fund LP	4,393	4,750	1,496	Restricted	N/A	Equity
Harbourvest 2021 Global Feeder Fd LP	3,271	7,000	4,003	Restricted	N/A	Equity
iCapital-KV Seed C Access Fn LP	2,007	650,000	27,400	Restricted	N/A	Equity
Ironwood Institutional Ltd	31,297	30,350	-	Semi-Annual	95 Days	Equity
Oak Hill Capital Partners IV LP	1,026	2,000	86	Restricted	N/A	Equity
Portfolio Adv Sec Fd II LP	337	2,000	59	Restricted	N/A	Equity
Stepstone Vc Opportunities IV, LP	2,270	1,950	-	Restricted	N/A	Equity
TA Realty Core Property Fund LP	17,238	17,600	-	Quarterly	45 Days	Real Estate
Total	<u>\$ 68,739</u>	<u>\$ 82,012</u>	<u>\$ 11,476</u>			

Equity Hedge Funds

This type includes investments in hedge funds that invest both long and short primarily in U.S. common stock. Management of each hedge fund has the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position. The fair values of the investments in this type have been determined using the NAV per share of the investments.

Real Estate Funds

This type includes real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 4 RECEIVABLES

The receivables as of June 30, 2023 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					Total
	General Fund	Bonded Projects Fund	Miscellaneous Capital Project Grants and Programs	Education Grants and Programs	Nonmajor, Internal Service, and Fiduciary Funds	
Property Taxes	\$ 8,867	\$ -	\$ -	\$ -	\$ -	\$ 8,867
Interest and Liens	7,344	-	-	-	-	7,344
Accounts	519	-	4	-	200	723
Intergovernmental	36	2,487	-	1,860	2,629	7,012
Pension Trust Funds	10,155	-	-	-	-	10,155
OPEB Trust Funds	3,769	-	-	-	-	3,769
Leases Receivable	891	-	155	-	-	1,046
Loans	-	-	-	-	147	147
Other	-	-	-	-	29	29
Gross Receivables	<u>31,581</u>	<u>2,487</u>	<u>159</u>	<u>1,860</u>	<u>3,005</u>	<u>39,092</u>
Less: Allowance for Collection Losses	9,800	-	-	-	-	9,800
Net Total Receivables	<u>\$ 21,781</u>	<u>\$ 2,487</u>	<u>\$ 159</u>	<u>\$ 1,860</u>	<u>\$ 3,005</u>	<u>\$ 29,292</u>

	Business-Type Funds			
	Water Authority	Sewer Authority	Nonmajor Fund	Total
Use Charges	\$ 1,056	\$ 1,137	\$ -	\$ 2,193
Interest and Liens	71	78	-	149
Assessments	-	32	-	32
Unbilled	3,393	3,374	-	6,767
Leases Receivable	12	-	24	36
Other	2	2	48	52
Gross Receivables	<u>4,534</u>	<u>4,623</u>	<u>72</u>	<u>9,229</u>
Less: Allowance for Collection Losses	95	105	-	200
Net Total Receivables	<u>\$ 4,439</u>	<u>\$ 4,518</u>	<u>\$ 72</u>	<u>\$ 9,029</u>

The City, acting as lessor, leases land, buildings, cell tower space and advertising space under long-term, noncancelable lease agreements. The leases expire at various dates through 2043. During the year ended June 30, 2023, the Town recognized \$63 and \$14 in lease revenue and interest revenue, respectively, pursuant to these contracts.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 5 CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets Not Being Depreciated:					
Land	\$ 26,415	\$ -	\$ -	\$ -	\$ 26,415
Construction in Progress	27,641	13,881	-	(7,109)	34,413
Total Capital Assets Not Being Depreciated	54,056	13,881	-	(7,109)	60,828
Capital Assets Being Depreciated:					
Land Improvements	41,792	2,068	-	439	44,299
Buildings and Improvements	414,719	-	-	-	414,719
Machinery and Equipment	25,279	874	45	-	26,108
Vehicles	17,347	937	72	-	18,212
Infrastructure	136,678	12,352	-	6,670	155,700
Total Capital Assets Being Depreciated	635,815	16,231	117	7,109	659,038
Less Accumulated Depreciation - Capital Assets:					
Land Improvements	21,104	1,670	-	-	22,774
Buildings and Improvements	153,971	11,289	-	-	165,260
Machinery and Equipment	17,556	1,324	45	-	18,835
Vehicles	14,682	824	72	-	15,434
Infrastructure	87,738	3,493	-	-	91,231
Total Accumulated Depreciation - Capital Assets	295,051	18,600	117	-	313,534
Lease Assets Being Depreciated:					
Lease Asset - Machinery and Equipment	546	70	-	-	616
Lease Asset - Buildings and Improvements	149	-	-	-	149
Total Lease Assets Being Depreciated	695	70	-	-	765
Less Accumulated Depreciation - Lease Assets:					
Lease Asset - Machinery and Equipment	109	213	-	-	322
Lease Asset - Buildings and Improvements	49	50	-	-	99
Total Accumulated Depreciation - Lease Assets	158	263	-	-	421
SBITA Assets Being Depreciated:					
Subscription-Based IT Arrangements	-	4,789	-	-	4,789
Less Accumulated Depreciation - SBITA Assets:					
Subscription-Based IT Arrangements	-	809	-	-	809
Total Capital Assets Being Depreciated/Amortized, Net	341,301	1,418	-	7,109	349,828
Capital Assets, Net	<u>\$ 395,357</u>	<u>\$ 15,299</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 410,656</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 5 CAPITAL ASSETS (CONTINUED)

Business-Type Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets Not Being Depreciated:					
Land	\$ 1,183	\$ -	\$ -	\$ -	\$ 1,183
Construction in Progress	45,385	2,854	-	(114)	48,125
Total Capital Assets Not Being Depreciated	46,568	2,854	-	(114)	49,308
Capital Assets Being Depreciated:					
Land Improvements	27,026	-	-	-	27,026
Buildings and Improvements	81,117	-	-	-	81,117
Machinery and Equipment	34,503	2,373	-	114	36,990
Vehicles	2,576	173	-	-	2,749
Infrastructure	123,829	-	-	-	123,829
Total Capital Assets Being Depreciated	269,051	2,546	-	114	271,711
Less Accumulated Depreciation For:					
Land Improvements	12,858	1,330	-	-	14,188
Buildings and Improvements	47,270	1,420	-	-	48,690
Machinery and Equipment	23,876	1,995	-	-	25,871
Vehicles	2,453	66	-	-	2,519
Infrastructure	74,669	1,785	-	-	76,454
Total Accumulated Depreciation	161,126	6,596	-	-	167,722
Lease Assets Being Depreciated:					
Lease Asset - Machinery and Equipment	-	277	-	-	277
Less Accumulated Depreciation - Lease Assets:					
Lease Asset - Machinery and Equipment	-	10	-	-	10
Total Capital Assets Being Depreciated, Net	107,925	(3,783)	-	114	104,256
Capital Assets, Net	<u>\$ 154,493</u>	<u>\$ (929)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,564</u>

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

Governmental Activities:

General Government	\$ 984
Education	11,574
Public Safety	864
Library	47
Public Works	5,233
Recreation	856
Human Services	114
Total Depreciation/Amortization Expense	<u>\$ 19,672</u>

Business-Type Activities:

Water Authority	\$ 2,837
Sewer Authority	3,573
Golf Course	196
Total Depreciation/Amortization Expense	<u>\$ 6,606</u>

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 6 DUE FROM OTHER FUNDS, DUE TO OTHER FUNDS, 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, 2023 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 876
General Fund	Internal Service Fund	12
General Fund	Nonmajor Proprietary Fund	1,433
Total		<u>\$ 2,321</u>

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

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 nonrecurring items from the general fund to the capital nonrecurring fund.

	Transfers In			Total Transfers Out
	General Fund	Bonded Projects	Nonmajor Governmental Funds	
Transfers Out:				
General Fund	\$ -	\$ 15	\$ 326	\$ 341
Bonded Projects Fund	700	-	-	700
Education Grants and Programs	-	384	-	384
Nonmajor Governmental	114	12	-	126
Total Transfers In	<u>\$ 814</u>	<u>\$ 411</u>	<u>\$ 326</u>	<u>\$ 1,551</u>

NOTE 7 LONG-TERM DEBT

Changes in Long-Term Liabilities

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

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 128,015	\$ 21,240	\$ 10,029	\$ 139,226	\$ 10,795
Premium on Bonds	10,766	970	1,822	9,914	-
Notes Payable	2,815	-	268	2,547	193
Compensated Absences	15,754	1,394	872	16,276	933
Workers' Compensation	2,649	-	313	2,336	779
Heart and Hypertension	4,766	29	1,790	3,005	1,001
Landfill Post-Closure Monitoring	765	40	77	728	52
Lease Payable	543	70	261	352	247
SBITA Payable	-	3,711	721	2,990	437
Net Pension Liability	175,384	24,817	-	200,201	-
OPEB Liability	52,392	2,702	-	55,094	-
Pollution Remediation	12,013	357	-	12,370	-
Claims and Judgments	765	721	438	1,048	425
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 406,627</u>	<u>\$ 56,051</u>	<u>\$ 16,591</u>	<u>\$ 446,087</u>	<u>\$ 14,862</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 7 LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Business-Type Activities:					
General Obligation Bonds	\$ 46,399	\$ 10,305	\$ 3,765	\$ 52,939	\$ 4,335
Premium on Bonds	5,184	471	940	4,715	-
Compensated Absences	943	45	48	940	41
Lease Payable	-	280	1	279	51
Net Pension Liability	10,758	1,516	-	12,274	-
OPEB Liability	2,886	120	-	3,006	-
Drinking Water Notes	13,970	-	932	13,038	950
Clean Water Notes *	928	-	90	838	91
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 81,068</u>	<u>\$ 12,737</u>	<u>\$ 5,776</u>	<u>\$ 88,029</u>	<u>\$ 5,468</u>

* In addition to the notes payable above, the City has a short-term note payable (Interim Funding Obligation on the Proprietary Fund Statement of Net Position) of \$23,805 to the state of Connecticut under the Clean Water Fund Program. The note carries a 2% interest rate, and the principal also becomes payable upon the permanent financing of the short-term note payable.

For the governmental activities, compensated absences, net pension liabilities and net other postemployment 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
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 7 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

General obligation bonds currently outstanding are as follows:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principal	Balance Outstanding June 30, 2023
Governmental:						
General Purpose:						
General Obligation, Series B	9/8/14	3/1/24	2-3%	\$ 2,864	Various	\$ 320
General Obligation	11/1/16	5/1/36	3-5%	60,304	Various	39,878
General Obligation	11/15/16	5/15/30	3-5%	10,606	Various	6,675
General Obligation	6/4/20	6/30/29	5%	9,490	Various	6,330
General Obligation, Series B	6/24/20	7/1/40	3-5%	29,390	Various	26,455
General Obligation, Refunding C	12/9/20	2/15/33	5%	15,165	Various	12,951
General Obligation, Refunding A	2/9/22	3/15/34	4-5%	27,082	Various	25,377
General Obligation, Series A	6/15/43	6/15/43	3-5%	21,240	Various	21,240
Total Governmental Activities						<u>139,226</u>
Business-Type:						
General Purpose:						
General Obligation, Series B	9/8/14	3/1/24	2-3%	630	Various	70
General Obligation	11/1/16	5/1/36	3-5%	7,936	Various	5,427
General Obligation	11/15/16	5/15/30	3-5%	2,019	Various	1,270
General Obligation	6/4/20	6/30/29	5%	5,010	Various	3,460
General Obligation, Series B	6/24/20	7/1/40	3-5%	19,220	Various	17,295
General Obligation, Refunding C	12/9/20	2/15/33	5%	660	Various	564
General Obligation, Refunding A	2/9/22	3/15/34	4-5%	16,698	Various	14,548
General Obligation, Series A	6/15/43	6/15/43	3-5%	10,305	Various	10,305
Total Business-Type Activities						<u>52,939</u>
Total Outstanding						<u>\$ 192,165</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 10,795	\$ 5,358	\$ 4,335	\$ 2,117
2025	10,554	4,855	4,346	1,916
2026	11,176	4,327	4,459	1,698
2027	11,246	3,808	4,549	1,481
2028	11,312	3,317	4,643	1,264
2029	11,383	2,822	4,737	1,042
2030	10,352	2,364	4,248	834
2031	9,432	1,945	3,093	644
2032	9,460	1,615	2,090	524
2033	9,460	1,309	2,090	456
2034	8,142	1,010	2,053	392
2035	5,592	744	1,903	333
2036	5,592	591	1,903	285
2037	2,525	431	1,485	236
2038	2,525	360	1,485	196
2039	2,520	288	1,490	156
2040	2,525	216	1,490	115
2041	2,525	142	1,490	73
2042	1,055	84	525	42
2043	1,055	42	525	21
Total	<u>\$ 139,226</u>	<u>\$ 35,628</u>	<u>\$ 52,939</u>	<u>\$ 13,825</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 7 LONG-TERM DEBT (CONTINUED)

Notes 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, 2023. 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.

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) as of November 17, 2011. The loan proceeds financed part of the demolition and cleanup of Factory H. The obligation will be paid from future CDBG allocations.

DECD Loan

The State of Connecticut Department of Economic and Community Development issued a loan to the City under the provisions of the BROWNFIELD STATUTE (C.G.S. Sec. 32-765) on March 1, 2016, which carries interest at 1.0%. The loan proceeds financed a portion of the remediation of the former Meriden Wallingford Hospital located at 1 King Place, Meriden CT.

Notes payable currently outstanding are as follows:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principal	Balance Outstanding June 30, 2023
Governmental:						
HUD 108 Note 2011-A	11/17/11	8/1/31	LIBOR+.2%	\$ 1,500	\$ 75	\$ 675
DECD Loan - Project 2015080001	3/1/20	3/1/36	1%	232	Various	199
DECD Brownfield Loan - Project 20190800750001	5/1/22	5/1/39	1%	1,771	Various	1,667
Eversource Phase 1 Agreement	2/15/18	7/15/23	0%	452	82	6
Total Governmental Activities						<u>2,547</u>
Business-Type:						
Clean Water Fund Note 209-CSL	12/31/12	12/31/31	2%	1,786	Various	839
Drinking Water Fund Note 2012-7008	12/31/13	12/31/32	2%	1,597	Various	830
Drinking Water Fund Note 2014-7034	11/30/16	11/30/35	2%	17,300	Various	11,190
Drinking Water Fund Note 2016-7041	1/31/17	8/31/36	2%	1,430	Various	1,017
Total Business-Type Activities						<u>13,876</u>
Total Outstanding						<u>\$ 16,423</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 7 LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Annual debt service requirements to maturity for notes payable are as follows:

Year	Total Governmental		Total Business-Type	
	Principal	Interest	Principal	Interest
2024	\$ 193	\$ 38	\$ 1,041	\$ 268
2025	188	35	1,062	247
2026	189	32	1,084	225
2027	190	29	1,106	203
2028	191	25	1,129	21
2029	192	22	1,151	158
2030	194	17	1,175	135
2031	195	14	1,198	111
2032	196	10	1,169	87
2033	122	8	1,090	65
2034	123	6	1,063	44
2035	125	5	1,084	22
2036	122	4	509	3
2037	110	3	15	-
2038	112	2	-	-
2039	105	1	-	-
Total	<u>\$ 2,547</u>	<u>\$ 251</u>	<u>\$ 13,876</u>	<u>\$ 1,589</u>

Leases Payable

The City leases buildings and equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2028.

Total future minimum lease payments under lease agreements are as follows:

Year Ending June 30,	Governmental		
	Principal	Interest	Total
2024	\$ 247	\$ 7	\$ 254
2025	105	1	106
Total	<u>\$ 352</u>	<u>\$ 8</u>	<u>\$ 360</u>

Year Ending June 30,	Business-Type		
	Principal	Interest	Total
2024	\$ 51	\$ 10	\$ 61
2025	53	8	61
2026	56	5	61
2027	58	3	61
2028	61	-	61
Total	<u>\$ 279</u>	<u>\$ 26</u>	<u>\$ 305</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 7 LONG-TERM DEBT (CONTINUED)

Leases Payable (Continued)

Right-to-use assets acquired through outstanding leases, by underlying asset class, are as follows:

Governmental	
Machinery and Equipment	\$ 616
Buildings and Improvements	149
Less: Accumulated Amortization	<u>(421)</u>
Total	<u>\$ 344</u>

Business-Type	
Machinery and Equipment	\$ 277
Less: Accumulated Amortization	<u>(10)</u>
Total	<u>\$ 267</u>

SBITAs Payable

The City has entered into subscription based-information technology arrangements (SBITAs) for software used in the operation of the City. The SBITA arrangements expire at various dates through 2029 and provide for renewal options.

Total future minimum payments under SBITA agreements are as follows:

Governmental			
Year Ending June 30,	Principal	Interest	Total
2024	\$ 437	\$ 119	\$ 556
2025	415	101	516
2026	341	84	425
2027	345	69	414
2028	360	53	413
Thereafter	1,092	62	1,154
Total	<u>\$ 2,990</u>	<u>\$ 488</u>	<u>\$ 3,478</u>

SBITA assets acquired through outstanding contracts, by underlying asset class, are as follows:

Governmental	
Subscription-Based Information	
Technology Arrangements	\$ 4,789
Less: Accumulated Amortization	<u>(809)</u>
Total	<u>\$ 3,980</u>

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2023 is \$41,350, 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.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 7 LONG-TERM DEBT (CONTINUED)

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 \$ 728 , 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, 2023. 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 less estimated recoveries from the State and Federal government of \$2,600 plus an estimation for inflation of \$2,449. Management has estimated this liability based on data 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, 2023, the City has received \$800 from the United States Environmental Protection Agency, a loan of \$1,500 from the United States Department of Housing and Urban Development and \$300 from the State of Connecticut Department of Economic and Community Development.

116 Cook Avenue has contaminated soil and hazardous building materials contributing to the contamination. The liability is made up of \$2,098 less estimated recoveries from the Federal government (HUD and US EPA) of \$524 plus and estimation for inflation of \$595. 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 of Meriden 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 of Meriden 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, 2023, the City utilized \$524 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
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 7 LONG-TERM DEBT (CONTINUED)

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 \$1,048 at June 30, 2023.

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	\$ 303,941	\$ 116,889	\$ 187,052
Schools	607,883	28,860	579,023
Urban Renewal	439,026	-	439,026
Sewers	506,569	65,076	441,493
Pension Bonding	405,255	-	405,255

In no case shall total indebtedness exceed seven times annual receipts from taxation. The maximum amount permitted under this formula would be approximately.

NOTE 8 FUND BALANCE

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

	<u>General Fund</u>	<u>Bonded Projects Fund</u>	<u>Miscellaneous Capital Project Grants</u>	<u>Education Grants and Programs</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund Balances:						
Nonspendable:						
Inventory	\$ 130	\$ -	\$ -	\$ -	\$ 198	\$ 328
Prepaid Expenditures	25	-	-	1	-	26
Permanent Fund Principal	-	-	-	-	104	104
Restricted for:						
Flood Control	480	-	-	-	-	480
Federal and State Grants	33	-	-	525	2,040	2,598
Bonds	-	20,276	-	-	-	20,276
Park Trusts	-	-	-	-	2,081	2,081
Library Trusts	-	-	-	-	639	639
Education Trusts	-	-	-	-	9	9
Health Trusts	-	-	-	-	1	1
Committed to:						
Special Assessment Project	-	-	-	-	98	98
Education	-	-	-	-	2,133	2,133
Planning and Development	-	-	-	-	59	59
Anti-Blight	-	-	-	-	299	299
Airport Improvement	-	-	-	-	10	10
Dog Fund	-	-	-	-	47	47
Capital and Nonrecurring	-	-	-	-	831	831
Meriden Green Improvement	-	-	-	-	525	525
Public Safety	-	-	-	-	480	480
Insurance Refunds	82	-	-	-	-	82
Tree Preservation	3	-	-	-	-	3
Downtown Property Management	262	-	-	-	-	262
Vehicle Replacement	233	-	-	-	-	233
Unassigned	26,669	-	(200)	-	-	26,469
Total Fund Balances	<u>\$ 27,917</u>	<u>\$ 20,276</u>	<u>\$ (200)</u>	<u>\$ 526</u>	<u>\$ 9,554</u>	<u>\$ 58,073</u>

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 8 FUND BALANCE (CONTINUED)

Significant encumbrances of \$9,200 and \$5,874 are included in the Bonded Projects Fund and Miscellaneous Capital Project Grants and Programs Fund, respectively, as of June 30, 2023.

NOTE 9 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, 2023.

The workers' compensation fund purchases a self-insured retention workers' compensation excess policy for claims exceeding \$600. 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 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 claim's liability estimate.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 9 RISK MANAGEMENT (CONTINUED)

Changes in the claim's 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:				
2022-23	\$ 7,415	\$ 110	\$ 2,184	\$ 5,341
2021-22	6,910	2,679	2,174	7,415
Health Insurance:				
2022-23	2,247	32,467	32,368	2,346
2021-22	2,430	31,231	31,413	2,247

NOTE 10 EMPLOYEE RETIREMENT PLANS

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.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

A. 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:

<u>Provisions</u>	<u>Employees' Retirement Plan</u>	<u>Police Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Benefit	<p>Firefighters and BOE employees receive 2% of average final pay (average of three highest consecutive 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 non-BOE City employees receive 2% of average final pay for the first 20 years, plus 2.5% of average final pay multiplied by years of service for years 21-32 thereafter.</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 20 years, plus 50% of current emoluments.</p>
Eligibility Requirements	<p>City: 10 years of service and age 65, or any combination of years of service and age equaling 80, with a minimum 10 years of service.</p> <p>Police and Fire: 25 years of service, age 65, or (Police only) any combination of years of service and age equaling 80, with a minimum 10 years of service.</p>	<p>20 years of service or age 65 and at least 10 years.</p>	<p>25 years of service or age 65 and at least 25 years.</p>
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 three 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 two years from retirement date or age 62 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 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>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

A. Plan Description and Benefits Provided (Continued)

<u>Provisions</u>	<u>Employees' Retirement Plan</u>	<u>Police Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Cost of Living Adjustment (Continued)	<p>For police hired after 7/1/12: 2% each year beginning two years from the date of retirement or age 62, with a lifetime cap of 50% of original pension.</p> <p>For police with 25 years of service: 3% beginning one year from date of retirement with a lifetime cap of 50% of original pension.</p>	<p>Retirement after January 1, 2003 (between 20-25 years of service): 2% of base pay, excluding emoluments.</p> <p>Retirement on a disability pension: 2% of base pay, excluding emoluments.</p> <p>Retirement after January 1, 2003 (less than 20 years of service): None.</p>	
Early Retirement Provisions	<p>City employees and police – 10 years of service and age 55.</p> <p>Firefighters- None.</p>	None.	None.
Contributions	<p>Non BOE City employees 11% of earnings, split between Pension and OPEB at the City's discretion.</p> <p>BOE employees – 8% of earnings, split between Pension and OPEB at the City's discretion.</p> <p>Police employees (hired before July 1, 2012)- 7 to 8% of earnings, based on effective date.</p> <p>Police employees (hired after July 1, 2012)- 7 to 9% of earnings, based on effective date.</p> <p>Firefighters – 6% of earnings, split between Pension and OPEB at the City's discretion.</p> <p>Employer – remaining necessary to fund Plan based on City Charter and actuarial studies.</p>	<p>Employee - 8% of earnings, split between Pension and OPEB at the City's discretion.</p> <p>Employer - remaining necessary to fund Plan based on City Charter and actuarial studies.</p>	<p>Employee - 8% of earnings, split between Pension and OPEB at the City's discretion</p> <p>Employer - remaining necessary to fund Plan based on City Charter and actuarial studies.</p>

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

A. Plan Description and Benefits Provided (Continued)

At July 1, 2022, Plan membership consisted of the following (not rounded):

	Employees' Retirement Plan	Police Pension Plan	Firefighters' Pension Plan
Retirees and Beneficiaries Currently Receiving Benefits	569	155	122
Vested Terminated Employees	107	-	-
Active Participants	383	15	30
Total Participants	1,059	170	152

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.

B. 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.

Measurement Date

June 30, 2023

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

B. Summary of Significant Accounting Policies (Continued)

Plan Net Position

The individual plan net position at June 30, 2023 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	\$ 13,453	\$ 17,505	\$ 528	\$ 31,486
Receivables	15	10	-	25
Investments, at Fair Value:				
Equities	6,800	2,123	2,544	11,467
Mutual Funds	91,489	28,726	34,423	154,638
Alternative Investments	52,691	18,131	21,839	92,661
Total Investments	<u>150,980</u>	<u>48,980</u>	<u>58,806</u>	<u>258,766</u>
Total Assets	164,448	66,495	59,334	290,277
Liabilities:				
Accounts Payable	11	6	3	20
Due to Primary Government	-	-	10,155	10,155
Total Liabilities	<u>11</u>	<u>6</u>	<u>10,158</u>	<u>10,175</u>
Net Position:				
Restricted for Pension Benefits	<u>\$ 164,437</u>	<u>\$ 66,489</u>	<u>\$ 49,176</u>	<u>\$ 280,102</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

B. Summary of Significant Accounting Policies (Continued)

	Pension Trust Funds			
	Employees' Retirement Plan	Police Pension Fund	Firefighters' Pension Plan	Total Pension Trust Funds
	(in Thousands)			
Additions:				
Contributions:				
Employer	\$ 7,877	\$ 5,255	\$ 3,795	\$ 16,927
Plan Members	2,042	70	180	2,292
Total Contributions	<u>9,919</u>	<u>5,325</u>	<u>3,975</u>	<u>19,219</u>
Investment Earnings:				
Net Increase in Fair				
Value of Investments	10,893	4,297	3,190	18,380
Dividends and Interest	1,997	791	587	3,375
Total Investment Earnings	<u>12,890</u>	<u>5,088</u>	<u>3,777</u>	<u>21,755</u>
Less Investment Expenses:				
Investment Management Fees	125	51	39	215
Net Investment Earnings	<u>12,765</u>	<u>5,037</u>	<u>3,738</u>	<u>21,540</u>
Total Additions	<u>22,684</u>	<u>10,362</u>	<u>7,713</u>	<u>40,759</u>
Deductions:				
Benefits	16,623	9,361	7,020	33,004
Administration	30	30	30	90
Other	830	24	11	865
Total Deductions	<u>17,483</u>	<u>9,415</u>	<u>7,061</u>	<u>33,959</u>
Change in Net Position	5,201	947	652	6,800
Net Position - Beginning of Year	<u>159,236</u>	<u>65,542</u>	<u>48,524</u>	<u>273,302</u>
Net Position - End of Year	<u>\$ 164,437</u>	<u>\$ 66,489</u>	<u>\$ 49,176</u>	<u>\$ 280,102</u>

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

C. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of January 10, 2012, reaffirmed January 12, 2016:

<u>Asset Class</u>	<u>Target Allocation</u>
Core Fixed Income	10.00 %
U.S. Dynamic Bonds	7.50 %
Global Bonds	2.50
Domestic Large Cap Equity	25.00
Domestic Small Cap Equity	7.00
International Developed Equity	15.50
International Emerging Markets Equity	7.50
Private Real Estate	5.00
Broad Real Estate	5.00
Hedge Funds	10.00
Private Equity	5.00
Total	<u>100.00 %</u>

Concentrations

The following investments represent 5% or more of total Plan assets as of June 30, 2023:

Investments:	
Ironwood Institutional Ltd.	\$ 31,297
Ta Realty Core Property Fund	17,238
Earnest Partners International Fund	26,669

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

City	7.63 %
Police	7.87
Firefighters	7.91

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, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

D. Net Pension Liability

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

	Employees'	Police	Firefighters'	Total
Total Pension Liability	\$ 264,865	\$ 129,230	\$ 98,484	\$ 492,579
Plan Fiduciary Net Position	164,437	66,489	49,176	280,102
City's Net Pension Liability	<u>\$ 100,428</u>	<u>\$ 62,741</u>	<u>\$ 49,308</u>	<u>\$ 212,477</u>

Plan Fiduciary Net Position as a Percentage of the Total Liability	62.08 %	51.45 %	49.93 %
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Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2022, rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Employees'</u>	<u>Police</u>	<u>Firefighters'</u>
Inflation	2.40%	2.40%	2.40%
Salary increases	2.40%, per annum (compounded) plus a graded scale of 7.85% at hire date down to 0% at 16 completed years of service and beyond, including inflation	2.40%, per annum (compounded) plus a graded scale of 7.65% at hire date down to 0.15% at 6-13 completed years of service, including inflation	2.40%, per annum (compounded) plus a graded scale of 7.65% at hire date down to 0.15% at 6-13 completed years of service, including inflation
Investment rate of return	7.25%, net of pension plan investment expense	7.25%, net of pension plan investment expense	7.25%, net of pension plan investment expense

Mortality for the Employees' Plan is based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Table for General Employees, projected to the valuation date with Scale MP-2021. For Police and Fire, it is based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Table for Safety Employees, projected to the valuation date with Scale MP-2021.

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.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

D. Net Pension Liability (Continued)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Fixed Income	1.10 %
U.S. Dynamic Bonds	1.10
Global Bonds	0.70
Domestic Large Cap Equity	4.50
Domestic Small Cap Equity	4.80
International Developed Equity	7.30
International Emerging Markets Equity	8.60
Private Real Estate	4.80
Broad Real Estate	3.40
Hedge Funds	5.20
Private Equity	7.60

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2023 was 7.25%. 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, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

D. Net Pension Liability (Continued)

Changes in the Net Pension Liability
Employees'

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2022	\$ 244,917	\$ 159,236	\$ 85,681
Changes for the Year:			
Service Cost	3,633	-	3,633
Interest on Total Pension Liability	17,428	-	17,428
Change in Benefit Terms	840		840
Differences Between Expected and Actual Experience	4,419	-	4,419
Changes in Assumptions	10,251	-	10,251
Employer Contributions	-	7,877	(7,877)
Member Contributions	-	2,042	(2,042)
Net Investment Income	-	12,765	(12,765)
Benefit Payments, Including Refund of Employee Contributions	(16,623)	(16,623)	-
Administrative Expenses	-	(30)	30
Other Changes	-	(830)	830
Net Changes	<u>19,948</u>	<u>5,201</u>	<u>14,747</u>
Balances as of June 30, 2023	<u>\$ 264,865</u>	<u>\$ 164,437</u>	<u>\$ 100,428</u>

Police

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2022	\$ 123,488	\$ 65,542	\$ 57,946
Changes for the Year:			
Service Cost	558	-	558
Interest on Total Pension Liability	8,660	-	8,660
Differences Between Expected and Actual Experience	1,283	-	1,283
Changes in Assumptions	4,602	-	4,602
Employer Contributions	-	5,255	(5,255)
Member Contributions	-	70	(70)
Net Investment Income	-	5,037	(5,037)
Benefit Payments	(9,361)	(9,361)	-
Administrative Expenses	-	(30)	30
Other Changes	-	(24)	24
Net Changes	<u>5,742</u>	<u>947</u>	<u>4,795</u>
Balances as of June 30, 2023	<u>\$ 129,230</u>	<u>\$ 66,489</u>	<u>\$ 62,741</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

D. Net Pension Liability (Continued)

Changes in the Net Pension Liability (Continued)

Firefighters'

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2022	\$ 91,040	\$ 48,524	\$ 42,516
Changes for the Year:			
Service Cost	541	-	541
Interest on Total Pension Liability	6,390	-	6,390
Differences Between Expected and Actual Experience	2,090	-	2,090
Changes in Assumptions	5,443	-	5,443
Employer Contributions	-	3,795	(3,795)
Member Contributions	-	180	(180)
Net Investment Income	-	3,738	(3,738)
Benefit Payments	(7,020)	(7,020)	-
Administrative Expenses	-	(30)	30
Other Changes	-	(11)	11
Net Changes	<u>7,444</u>	<u>652</u>	<u>6,792</u>
Balances as of June 30, 2023	<u>\$ 98,484</u>	<u>\$ 49,176</u>	<u>\$ 49,308</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, 2022	\$ 459,445	\$ 273,302	\$ 186,143
Changes for the Year:			
Service Cost	4,732	-	4,732
Interest on Total Pension Liability	32,478	-	32,478
Change in Benefit Terms	840	-	840
Differences Between Expected and Actual Experience	7,792	-	7,792
Changes in Assumptions	20,296	-	20,296
Employer Contributions	-	16,927	(16,927)
Member Contributions	-	2,292	(2,292)
Net Investment Income	-	21,540	(21,540)
Benefit Payments	(33,004)	(33,004)	-
Administrative Expenses	-	(90)	90
Other Changes	-	(865)	865
Net Changes	<u>33,134</u>	<u>6,800</u>	<u>26,334</u>
Balances as of June 30, 2023	<u>\$ 492,579</u>	<u>\$ 280,102</u>	<u>\$ 212,477</u>

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

D. Net Pension Liability (Continued)

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 current discount rate, 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'

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 130,677	\$ 100,428	\$ 74,923

Police

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 77,260	\$ 62,741	\$ 50,617

Firefighters'

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 60,018	\$ 49,308	\$ 40,293

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

For the year ended June 30, 2023, the City recognized pension expense as follows:

	Employees'	Police	Firefighters'	Total
Pension Expense	\$ 18,919	\$ 10,829	\$ 9,202	\$ 38,950

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Trust Fund (Continued)

D. Net Pension Liability (Continued)

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

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

	Employees'	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 12,137	\$ (98)
Changes of Assumptions	8,478	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	4,848	-
Total	\$ 25,463	\$ (98)
	Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ -
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	1,908	-
Total	\$ 1,908	\$ -
	Firefighters'	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 597	\$ -
Changes of Assumptions	1,555	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	1,514	-
Total	\$ 3,666	\$ -

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

Year Ending June 30,	Employees'	Police	Firefighters'
2024	\$ 8,800	\$ 199	\$ 2,436
2025	6,101	(360)	(302)
2026	8,317	2,155	1,598
2027	2,147	(86)	(66)

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

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.

A. 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.

B. 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 nonbase pay, including private duty compensation.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Plan – Money Purchase Pension Plan (Continued)

C. 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 nonbase 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.

D. Contribution Requirements/Contributions Made

The total City contribution during the year ended June 30, 2023 was \$1,151 and represented 3-5% of covered payroll. The employees' required contributions were \$1,468 and represented 6% of covered payroll.

Pension Plan – South Meriden Volunteer Firefighters' Award Program

The City is the administrator of a defined contribution program for the benefit of the South Meriden Volunteer Firefighters. The plan is 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 was enacted effective January 1, 2012. Contributions are established and amended by the approval of the City Council.

A. Summary Plan Description

Any individual who was a Volunteer as of January 1, 2012 shall become a participant in the plan for the plan year commencing on that date. An individual who was not a volunteer as of January 1, 2012 shall become a participant on the plan on the first eligibility date on which one year of service is completed.

B. Employer Obligations

The City may make a contribution in an amount equal to a schedule as defined in the agreement based upon the position level of each volunteer.

C. Contribution Requirements/Contributions Made

The total City contribution during the year ended June 30, 2023 was \$32.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

C. Contributions

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

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

C. Contributions (Continued)

Employer (School Districts)

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

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

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the State was \$19,309 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

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

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

City's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the City		244,910
Total		\$ 244,910

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

For the year ended June 30, 2023, the City recognized pension expense and revenue of \$23,671 in Exhibit II.

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

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

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

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

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

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

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

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Long-Term Rate of Return

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

The current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer’s Office are summarized in the following table:

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

F. Discount Rate

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

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

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

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

H. Pension Plan Fiduciary Net Position

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

I. Other Information

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

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION

Postemployment Healthcare Trust Fund

A. 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.

The measurement date is June 30, 2023.

B. 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.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Postemployment Healthcare Trust Fund (Continued)

B. Plan Description (Continued)

Management of the postemployment benefits plan, including policy oversight, rests is vested with the Pension Board, City 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 City 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 Director who both serve as ex-officio members.

At July 1, 2022, plan membership consisted of the following (not rounded):

Active Employees	1,445
Retired Employees*	533
Total Participants	<u>1,978</u>

* Counts do not include spouses of retirees

C. 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, 2023, plan members contributed \$2,735. 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 \$3,983, which represents approximately 79% of the actuarially determined annual contribution.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Postemployment Healthcare Trust Fund (Continued)

C. Funding Policy (Continued)

The plan net position at June 30, 2023 and changes in net position for the year then ended are as follows (in thousands):

	OPEB Trust Funds
Assets:	
Receivables:	
Interest Receivable	\$ 3
Total Receivables	3
Investments, at Fair Value:	
Common Stock	1,989
Mutual Funds	27,601
Alternative Investments	14,728
Total Investments	44,318
Total Assets	44,321
Liabilities:	
Accounts Payable	2
Due to Primary Government	3,769
Total Liabilities	3,771
Net Position:	
Held in Trust for OPEB Benefits	\$ 40,550

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Postemployment Healthcare Trust Fund (Continued)

C. Funding Policy (Continued)

	OPEB Trust Funds
Additions:	
Contributions:	
Employer	\$ 3,983
Plan Members	2,735
Total Contributions	6,718
Investment Earnings:	
Net Increase in Fair	
Value of Investments	2,935
Dividends and Interest	567
Total Investment Earnings	3,502
Total Additions	10,220
Deductions:	
Benefits	8,361
Administration	31
Total Deductions	8,392
Change in Net Assets	1,828
Net Position - Beginning of Year	38,722
Net Position - End of Year	\$ 40,550

D. 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.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Postemployment Healthcare Trust Fund (Continued)

D. Investments (Continued)

Concentrations

The following investments represent 5% or more of total Plan assets as of June 30, 2023 (in thousands):

Investments:		
Ironwood Institutional Ltd.	\$	3,919
Ta Realty Core Property Fund LP		2,302
Earnest Partners International Fund		3,893

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 9.24 %. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net OPEB Liability of the City

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

Total OPEB Liability	\$	98,649
Plan Fiduciary Net Position		40,550
Net OPEB Liability	\$	<u>58,099</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	41.11%
-------------------------------------------------------------------------	--------

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2022, rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary Increases	0.00%-7.85%, Plus Inflation of 2.40%
Investment Rate of Return	7.25%, Net of OPEB Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	6.50%, Decreasing 0.20% Per Year to an Ultimate Rate of 4.40% for 2033 and Later Years (Prior - 6.50%, Decreasing 0.25% Per Year to an Ultimate Rate of 4.40% for 2029 and Later Years)

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Postemployment Healthcare Trust Fund (Continued)

E. Net OPEB Liability of the City (Continued)

Actuarial Assumptions (Continued)

Mortality is based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety, and Teachers), projected to the valuation date with Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 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, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	10.00 %	1.10 %
U.S. Global Fixed Income	7.50	1.10
Global Bonds	2.50	0.70
Domestic Large Cap Equity	25.00	4.50
Domestic Small Cap Equity	7.00	4.80
International Developed Equity	15.50	7.30
International Emerging Markets Equity	7.50	8.60
Private Real Estate	5.00	4.80
Broad Real Assets	5.00	3.40
Hedge Funds	10.00	5.20
Private Equity	5.00	7.60
Total	100.00 %	

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25%. 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
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Postemployment Healthcare Trust Fund (Continued)

F. Changes in the total OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2022	\$ 93,999	\$ 38,722	\$ 55,277
Changes for the Year:			
Service Cost	1,715	-	1,715
Interest on Total OPEB Liability	6,642	-	6,642
Differences Between Expected and Actual Experience	(3,770)	-	(3,770)
Changes in Assumptions	8,424,000	-	8,424,000
Employer Contributions	-	3,983	(3,983)
Member Contributions	-	2,735	(2,735)
Net Investment Income	-	3,502	(3,502)
Benefit Payments, Including Refund of Employee Contributions	(8,361)	(8,361)	-
Administrative Expenses	-	(31)	31
Net Changes	<u>4,650</u>	<u>1,828</u>	<u>2,822</u>
Balances as of June 30, 2023	<u>\$ 98,649</u>	<u>\$ 40,550</u>	<u>\$ 58,099</u>

G. 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 (in thousands):

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net OPEB Liability	\$ 69,893	\$ 58,099	\$ 48,186

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Postemployment Healthcare Trust Fund (Continued)

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

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

	1% Decrease (5.50% Decreasing to 3.40%)	Healthcare Cost Trend Rates (6.50% Decreasing to 4.40%)	1% Increase (7.50% Decreasing to 5.40%)
Net OPEB Liability	\$ 46,434	\$ 58,099	\$ 72,265

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

For the year ended June 30, 2023, the City recognized OPEB expense of \$3,677. At June 30, 2023, 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	\$ 8,363	\$ (5,409)
Changes of Assumptions	7,679	(4,168)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	485	-
Total	\$ 16,527	\$ (9,577)

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

Year Ending June 30,	Amount
2022	\$ 586
2023	182
2024	2,100
2025	593
2026	674
Thereafter	2,815
Total	\$ 6,950

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan

A. Plan Description

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

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

B. Benefit Provisions

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

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

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

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

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

B. Benefit Provisions (Continued)

Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

Survivor Health Care Coverage

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

C. Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 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.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

D. Contributions

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2023, the amount of “on-behalf” contributions made by the State was \$273 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

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

City's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability		
Associated with the City		21,448
Total	\$	<u>21,448</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

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

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

For the year ended June 30, 2023, the City recognized OPEB expense and revenue of \$1,292 in Exhibit II.

F. Actuarial Assumptions

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

Inflation	2.50%
Healthcare Costs Trend Rate	Known increases until calendar year 2024 then general trend decreasing to an ultimate rate of 4.50% by 2031
Salary Increases	3.00% to 6.50%, Including Inflation
Investment Rate of Return	3.53%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position Will Be Depleted	2027

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

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

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

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

CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

F. Actuarial Assumptions (Continued)

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

- There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440 (not rounded).

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

G. Discount Rate

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

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

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

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

**CITY OF MERIDEN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 11 POSTEMPLOYMENT HEALTHCARE PLAN – CITY OF MERIDEN AND MERIDEN BOARD OF EDUCATION (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

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

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

I. OPEB Plan Fiduciary Net Position

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

J. Other Information

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

NOTE 12 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, 2023
(IN THOUSANDS)**

NOTE 12 CONTINGENCIES AND COMMITMENTS (CONTINUED)

Construction Commitments

The government has active construction projects as of June 30, 2023. At year end, the government's commitments with contractors are as follows:

<u>Project</u>	<u>Commitment</u>
Economic Development - Rehab/Demo	\$ 21
Downtown Improvements	20
IT Equipment / Upgrades	358
Public Safety Improvements/Equipment	788
City Building & Equipment Repair/Upgrades	910
Water Treatment Plant Upgrades	179
Airport	60
School / BOE Improvements	1,937
Citywide Drainage	65
Citywide Road/Sidewalk Reconstruction	10,091
City Parks Upgrades	97
Vehicles	527
Linear Trails	183
Flood Control	20
Bridges	290
WPCF - Facility/Collection Improvements	599
Water SCADA	144
Sewer SCADA	859
Dams	40
WPCF - Phosphorus Upgrade	4,948
Total	<u>\$ 22,136</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, 2023
(IN THOUSANDS)**

NOTE 13 TAX ABATEMENTS

As of June 30, 2023, the City provides tax abatements through multiple programs:

- Distressed Municipality
- Local Incentive Programs

Program	Various Local Incentive Programs
Purpose	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
Tax being abated	Real Property and Manufacturing Machinery and Equipment
Authority under which agreements are entered into	C.G.S. Sec 12-65(b) City of Meriden Resolution
Eligibility criteria for tax abatement	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
How recipient's tax are reduced	Credit against taxes
How the tax abatement is determined	100% of the tax in the various categories
Provisions for recapturing abated taxes, if any	None Noted
Other commitments made by the government	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.	\$ 108
Other	These programs are abated at 80 to 100% of value. Some have PILOT for payment of taxes based on percentage of rent. These vary based on contract with taxpayer.

REQUIRED SUPPLEMENTARY INFORMATION

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes:				
Property Taxes Current Year	\$ 130,542	\$ 130,542	\$ 131,209	\$ 667
Property Taxes Prior Years	2,425	2,425	2,533	108
Property Taxes MV Supplement	1,853	1,853	1,539	(314)
Tax Collector Interest	1,241	1,241	1,371	130
Tax Collector Lien Fees	17	17	22	5
Total Property Taxes	136,078	136,078	136,674	596
Intergovernmental:				
E911 Quarterly	13	13	20	7
State Education ECS Grant	54,085	54,085	53,672	(413)
Special Education	1,140	1,140	1,211	71
Tiered PILOT Program	2,281	2,281	2,281	-
State Bottle Bill Revenue	90	90	-	(90)
Select PILOT Account	80	80	105	25
Town Aid to Roads	663	663	669	6
State Pequot / Mohegan Grant	699	699	699	-
Reimbursed Exemptions	314	314	42	(272)
Transit District	260	260	270	10
Telecommunications Personal Property	178	178	176	(2)
Miscellaneous State Grants	-	-	1,265	1,265
Miscellaneous Federal Grants	-	-	12	12
Motor Vehicle Mill Rate Cap	3,289	3,289	3,289	-
Municipal Stabilization Grant	622	622	622	-
Municipal Fund Revenue Sharing Grant	1,663	1,663	1,663	-
Total Intergovernmental	65,377	65,377	65,996	619
Charges for Services:				
Police Parking Tag Fund	36	36	9	(27)
Licenses and Permits	56	56	39	(17)
Parking Commission Revenue	90	90	98	8
Fire Marshal Fees	130	130	184	54
Fines Lost and Damaged Books	1	1	-	(1)
Salary - Administrative Charges	106	106	153	47
Alarm Fees	14	14	2	(12)
Building Department Fees	1,055	1,055	1,097	42
City Clerk Fees	1,865	1,865	1,985	120
Health Licenses and Fees	81	81	81	-
Recreation Fees	15	15	16	1
Park Concession Leases	50	50	54	4
Cost Allocation Enterprise Funds	1,700	1,700	1,700	-
Bulky Waste Fees	220	220	98	(122)
Circuit Court Rent and Fees	24	24	24	-
Hispanos Unidos, Inc. Rental	5	5	5	-
Aviation Rent and Fees	283	283	277	(6)
Aviation - Land Use Rent	5	5	6	1
Total Charges for Services	5,736	5,736	5,828	92

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES (CONTINUED)				
Investment Income:				
Income From Investment - General	\$ 125	\$ 125	\$ 2,435	\$ 2,310
Interest - Coe Estate	9	9	10	1
Total Investment Income	<u>134</u>	<u>134</u>	<u>2,445</u>	<u>2,311</u>
Miscellaneous Revenues:				
Billboard Rental	84	84	90	6
Tax Collector DMV Fees	79	79	76	(3)
Aviation - Fuel Sales	310	310	354	44
Aviation - Ramp Fees	2	2	1	(1)
Other Revenue	58	58	(388)	(446)
Sale Of Surplus Property	75	75	12	(63)
Rent - Meriden Humane Society	4	4	5	1
PILLOT - Meriden Commons	59	59	155	96
Fire Recruitment Revenue	12	12	16	4
Misc. Revenue - Rental Income	17	17	17	-
Misc. Revenue - Police	42	42	63	21
Misc. Revenue - Engineering	27	27	28	1
Misc. Revenue - Planning	25	25	25	-
Misc. Revenue - Assessment and Collection	1	1	3	2
Misc. Revenue - Fire	-	-	1	1
Misc. Revenue - Recycling	8	8	11	3
Misc. Revenue - Aircraft Registration	4	4	4	-
Principal Revenue - Irrigation Loan	73	73	73	-
Interest Revenue - Irrigation Loan	32	32	32	-
Bank Of America Pcard Rebates	64	64	68	4
Rebates Archimedes Screw	65	65	74	9
Rebates Solar-Fields	140	140	258	118
Police Vehicle Outside O/T	353	353	489	136
Total Miscellaneous Revenues	<u>1,534</u>	<u>1,534</u>	<u>1,467</u>	<u>(67)</u>
OTHER FINANCING SOURCES				
Transfers In - Fund 122	25	25	-	(25)
Transfers In - Other Funds	-	-	114	114
Total Other Financing Sources	<u>25</u>	<u>25</u>	<u>114</u>	<u>89</u>
Total Revenues and Other Financing Sources	<u>\$ 208,884</u>	<u>\$ 208,884</u>	212,524	<u>\$ 3,640</u>

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers pension is not budgeted.			\$ 19,309	\$ -
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers OPEB is not budgeted.			273	-
Funds consolidated for GASB 54 purposes			174	-
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes.			1,457	-
State of Connecticut WIC payment			2,153	
Debt Transactions Not Budgeted For:				
Premium Netted for Budgetary Purposes			<u>700</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds Exhibit IV			<u>\$ 236,590</u>	

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

EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Contingency	\$ 397	\$ 228	\$ -	\$ 228
City Council:				
Salary - Elected Officials	72	73	73	-
Salary - Salary - Administrative	53	54	54	-
Salary - Overtime Contingency	10	13	13	-
Salary - MME	76	76	76	-
Council Of Governments	20	21	21	-
Office Expenses and Supplies	23	19	19	-
Meetings and Memberships	3	3	3	-
Total City Council	257	259	259	-
City Manager:				
Salary - Administrative	250	218	218	-
Salary - MME	81	73	73	-
Salary - Seasonal Workers	17	17	17	-
Salary - Overtime Contingency	1	4	4	-
Deferred Compensation	8	8	8	-
Vehicle Maintenance	6	-	-	-
Management Non Union	40	14	14	-
Travel Allowance	-	5	5	-
Office Expenses and Supplies	34	6	6	-
Meetings and Memberships	68	76	76	-
Total City Manager	505	421	421	-
Legal:				
Salary - Seasonal Workers	3	1	1	-
Salary - Administrative	264	269	269	-
Salary - Overtime Contingency	1	-	-	-
Salary - MME	127	127	127	-
Travel Allowance	-	2	2	-
Vehicle Maintenance	2	-	-	-
Safety and Risk Claims	5	4	4	-
Legal Fees and Deductibles	375	162	162	-
Foreclosure Activities	40	4	4	-
Outside Counsel	145	185	185	-
Assessment Appeals Fees	65	45	45	-
Office Expenses and Supplies	26	25	25	-
Meetings and Memberships	5	1	1	-
Total Legal	1,058	825	825	-

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
General Government (Continued):				
Personnel:				
Salary - Seasonal Workers	\$ 4	\$ -	\$ -	\$ -
Salary - Administrative	187	191	191	-
Overtime	-	2	2	-
Salary - MME	57	51	51	-
Travel Allowance	2	2	2	-
EAP Services	10	5	5	-
Fees	2	1	1	-
Training	30	5	5	-
Tuition Reimbursement	20	21	21	-
Physicals	8	7	7	-
Alcohol/Drug Testing	8	8	8	-
Office Expenses and Supplies	3	4	4	-
Meetings and Memberships	1	1	1	-
Total Personnel	<u>332</u>	<u>298</u>	<u>298</u>	<u>-</u>
City Clerk:				
Salary - Elected Officials	83	85	85	-
Overtime	4	1	1	-
Other Non-Union	52	52	52	-
Salary - MME	227	262	262	-
Codification	5	5	5	-
Land Records	67	66	66	-
Vital Statistics	3	3	3	-
Office Expenses and Supplies	11	12	12	-
Elections	9	6	6	-
Meetings and Memberships	3	1	1	-
Total City Clerk	<u>464</u>	<u>493</u>	<u>493</u>	<u>-</u>
Aviation:				
Salary - Seasonal Workers	23	23	23	-
Overtime	2	3	3	-
Salary - Supervisors	75	75	75	-
Other Purchased Services	12	10	10	-
Office Expenses and Supplies	5	5	5	-
Aviation Maintenance	110	132	132	-
Fuel Costs	248	271	271	-
Total Aviation	<u>475</u>	<u>519</u>	<u>519</u>	<u>-</u>
Elections:				
Salary - Elected Officials	64	66	66	-
Salary - Seasonal Workers	5	4	4	-
Overtime	-	-	-	-
Salary - Other Non-Union	35	41	41	-
Primaries	60	69	69	-
Office Expenses and Supplies	15	9	9	-
Elections	70	98	98	-
Meetings and Memberships	2	-	-	-
Total Elections	<u>251</u>	<u>287</u>	<u>287</u>	<u>-</u>

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
General Government (Continued):				
Insurance:				
Boilers and Machinery	\$ -	\$ -	\$ -	\$ -
Bonds Money and Securities	41	17	17	-
Fire and Vandalism	393	399	399	-
Liability Insurance	1,192	1,094	1,094	-
Police Professional Liability	257	186	186	-
Public Official Liability	85	76	76	-
Workers' Compensation Indemnity	2,866	2,866	2,866	-
Workers' Compensation Excess Liability Insurance	272	260	260	-
Total Insurance	5,106	4,898	4,898	-
Employee Benefits:				
City Medical Benefits	8,771	8,856	8,856	-
Post Retirement Benefits (OPEB)	400	400	400	-
Life Insurance	141	142	142	-
Longevity	42	37	37	-
Employee Retirement	7,332	7,332	7,332	-
Defined Contribution Plan	931	997	997	-
Police Defined Contribution Plan	30	39	39	-
Fire Defined Contribution Plan	15	18	18	-
Unemployment Compensation	130	75	75	-
Unused Sick Leave	240	244	244	-
Social Security	3,720	3,948	3,948	-
Police Benefits	1,250	1,063	1,063	-
Police Retirement	5,255	5,255	5,255	-
Fire Benefits	1,319	1,450	1,450	-
Fire Retirement	3,795	3,795	3,795	-
Police Longevity	50	38	38	-
Fire Longevity	38	38	38	-
Uniforms Guards	9	2	2	-
Total Employee Benefits	33,468	33,729	33,729	-
Finance General Administration:				
Transit	303	212	212	-
Pupil Transportation	361	362	362	-
Water	200	227	227	-
Hydrants	65	-	-	-
Sewers	148	145	145	-
Maloney Scholarship	24	21	21	-
Veterans Organization	18	17	17	-
Ambulance	164	171	171	-
Emergency Medical Dispatch	42	39	39	-
Nerden RTC Day Camp	40	40	40	-
Audit	107	105	105	-
Probate Court	15	20	20	-
Zoning Expenses and Supplies	5	9	9	-

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
General Government (Continued):				
Finance General Administration (Continued):				
Special Events Veterans Day	\$ 2	\$ 1	\$ 1	\$ -
Special Events Mayor's Cleanup	1	1	1	-
Special Events Memorial Day Parade	3	-	-	-
Special Events Miscellaneous	1	1	1	-
Special Events Daffodil Festival	71	77	77	-
Special Events and Celebrations	-	8	8	-
Conservation Committee	1	-	-	-
Meriden Scholastic Scholarship	30	34	34	-
Neighborhood Associations	4	3	3	-
Youth Activities	80	70	70	-
Project Graduation	1	-	-	-
Linear Trail Advisory Committee	1	1	1	-
Supportive Contribution - MMBC	72	27	27	-
Total Finance General Administration	1,759	1,591	1,591	-
Management Information Systems:				
Overtime	5	12	12	-
MME	55	55	55	-
Salary - Supervisors	436	436	436	-
Software Licenses and Operations	543	509	509	-
Copiers and Copy Costs	53	52	52	-
Gasoline	1	-	-	-
Vehicle Maintenance	1	-	-	-
Telephones	161	158	158	-
Training	10	7	7	-
Video Services	4	3	3	-
Office Expenses and Supplies	7	7	7	-
Software	8	2	2	-
Meetings and Memberships	3	3	3	-
Total Management Information Systems	1,287	1,244	1,244	-

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
General Government (Continued):				
Development and Enforcement:				
Miscellaneous Part Time	\$ 8	\$ 95	\$ 95	\$ -
Salary - Administrative	118	127	127	-
Overtime	4	41	41	-
Salary - MME	482	301	301	-
Salary - Supervisors	289	205	205	-
Travel Allowance	-	2	2	-
Gasoline	3	3	3	-
Vehicle Maintenance	4	3	3	-
Purchased Services	-	9	9	-
Office Expenses and Supplies	17	16	16	-
Meetings and Memberships	6	4	4	-
Total Development and Enforcement	931	806	806	-
Economic Development:				
Administrative	172	168	168	-
Travel Allowance	2	2	2	-
Office Expenses and Supplies	5	4	4	-
Economic Development	100	43	43	-
Membership and Meetings	6	2	2	-
Total Economic Development	285	219	219	-
Total General Government	46,575	45,817	45,589	228
Finance:				
Finance:				
Salary - Seasonal Workers	-	-	-	-
Salary - Administrative	138	141	141	-
Overtime	2	3	3	-
Salary - MME	180	176	176	-
Salary - Supervisors	319	320	320	-
Travel Allowance	2	2	2	-
Office Expenses and Supplies	27	25	25	-
Banking Fees	50	6	6	-
Meetings and Memberships	5	3	3	-
Total Finance	723	676	676	-

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

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Finance (Continued):				
Purchasing:				
Overtime	\$ -	\$ 6	\$ 6	\$ -
Salary - MME	132	98	98	-
Salary - Supervisors	115	100	100	-
Office Expenses and Supplies	5	3	3	-
Meetings and Memberships	5	-	-	-
Total Purchasing	257	207	207	-
Tax Collector:				
Overtime	4	1	1	-
Salary - MME	220	186	186	-
Salary - Supervisors	202	191	191	-
Office Expenses and Supplies	70	78	78	-
Meetings and Memberships	2	1	1	-
Total Tax Collector	498	457	457	-
Tax Assessor:				
Overtime	6	9	9	-
Salary - MME	173	145	145	-
Salary - Supervisors	213	213	213	-
Salary - Misc. Part-Time	3	37	37	-
Vehicle Maintenance	-	1	1	-
Office Expenses and Supplies	12	21	21	-
Meetings and Memberships	9	8	8	-
Total Tax Assessor	416	434	434	-
Total Finance	1,894	1,774	1,774	-
Public Safety:				
Police:				
Salary - Administrative	376	384	384	-
Overtime	1,275	1,453	1,453	-
Salary - Other Non Union	134	117	117	-
Salary - Public Works	87	87	87	-
Salary - MME	658	632	632	-
Salary - Police Patrol	9,997	10,346	10,346	-
Salary - Supervisors	73	73	73	-
Salary - Crossing Guards	220	171	171	-

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Public Safety (Continued):				
Police (Continued):				
Salary - Part-Time	\$ 4	\$ 4	\$ 4	\$ -
Gasoline	180	206	206	-
Vehicle Maintenance	140	161	161	-
Communications and Maintenance	85	76	76	-
Training	419	412	412	-
South Central Justice	12	12	12	-
Explorers / Auxiliary Police	7	7	7	-
Canine Unit	7	6	6	-
Bicycle Patrol	-	-	-	-
Police Expenses and Supplies	116	130	130	-
Accreditation	11	1	1	-
Crime Prevention	89	-	-	-
Hostage Crisis	37	39	39	-
MIS Technology	235	209	209	-
Body Camera / Taser Expense	317	284	284	-
Meetings and Memberships	6	8	8	-
Overtime - Neighborhood Initiative	250	103	103	-
Overtime - School Resource Officers	70	26	26	-
Police Private Duty	-	50	50	-
Total Police	14,805	14,997	14,997	-
Fire:				
Salary - Seasonal Workers	5	6	6	-
Salary - Administrative	352	338	338	-
Overtime	1,350	2,008	2,008	-
Salary - Public Works	82	82	82	-
Salary - Fire	8,452	8,286	8,286	-
Salary - MME	131	131	131	-
Gasoline	40	65	65	-
Vehicle Maintenance	100	134	134	-
Communications and Maintenance	36	20	20	-
Training	45	47	47	-
Physicals	35	33	33	-
Recruitment	2	15	15	-
Maintenance Supplies	35	31	31	-
Office Expenses and Supplies	20	21	21	-
Fire Equipment	70	71	71	-
Personnel Protective Equipment	81	97	97	-
Meetings and Memberships	5	6	6	-
Total Fire	10,841	11,391	11,391	-

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Public Safety (Continued):				
Emergency Communications:				
Salary - Administrative	\$ 187	\$ 181	\$ 181	\$ -
Overtime	439	891	891	-
Salary - Dispatch	825	762	762	-
Travel Allowance	2	2	2	-
C-Med	26	25	25	-
Communications and Maintenance	11	11	11	-
Training	28	22	22	-
Office Expenses and Supplies	25	21	21	-
Total Emergency Communications	1,543	1,915	1,915	-
South Meriden Volunteer Fire:				
SMVFD Merit Plan	28	32	32	-
Total Public Safety	27,217	28,335	28,335	-
Public Works:				
Engineering:				
Salary - Administrative	197	136	136	-
Overtime	10	8	8	-
Salary - MME	453	469	469	-
Salary - Supervisors	241	249	249	-
Inspections - Dams and Bridges	7	61	61	-
Salary - Seasonal Workers	45	6	6	-
Gasoline	7	8	8	-
Vehicle Maintenance	3	4	4	-
Office Expenses and Supplies	8	9	9	-
Software	3	1	1	-
Meetings and Memberships	3	20	20	-
Total Engineering	977	971	971	-

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

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works (Continued):				
Garage and Warehouse:				
Overtime	\$ 3	\$ 3	\$ 3	\$ -
Salary - Public Works	405	407	407	-
Salary - MME	56	55	55	-
Salary - Supervisors	104	74	74	-
Repairs and Maintenance Service	7	7	7	-
Gasoline	1	25	25	-
Vehicle Maintenance	2	5	5	-
Office Expenses and Supplies	6	6	6	-
Meetings and Memberships	2	2	2	-
Garage Materials	-	1	1	-
Inventory Over/Short	-	19	19	-
CNG Fueling Station	10	8	8	-
Total Garage and Warehouse	596	612	612	-
Traffic Engineering:				
Salary - Part-Time	7	32	32	-
Overtime	10	3	3	-
Salary - MME	300	300	300	-
Salary - Supervisors	45	-	-	-
Gasoline	10	11	11	-
Vehicle Maintenance	11	12	12	-
Safety Equipment	5	4	4	-
Signalization	50	48	48	-
Signs and Lines	38	36	36	-
Street Lighting	330	320	320	-
Alarm Systems	1	1	1	-
Office Expense	2	2	2	-
Meetings and Memberships	3	2	2	-
Total Traffic Engineering	812	771	771	-
Highway Safety:				
Snow and Ice Control	525	620	620	-
Overtime	86	65	65	-
Salary - Public Works	1,233	1,130	1,130	-
Salary - Supervisors	110	110	110	-
Gasoline	80	74	74	-
Vehicle Maintenance	180	193	193	-
Street Maintenance Supplies	17	17	17	-
Sidewalk Basin Construction	6	6	6	-
Storm Drain Construction	10	9	9	-
Roadside Bulky Waste	1	-	-	-
Safety and Health Plan	3	27	27	-
Office Expenses and Supplies	6	5	5	-
Clothing	7	6	6	-
Soil / Catch Basin Disposal	50	32	32	-
Meetings and Memberships	3	2	2	-
Total Highway Safety	2,317	2,296	2,296	-

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

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works (Continued):				
Transfer Station:				
Overtime	\$ 41	\$ 15	\$ 15	\$ -
Monitoring	65	77	77	-
Recycling - Hazardous Waste	36	12	12	-
Gasoline	6	5	5	-
Vehicle Maintenance	25	23	23	-
Other Purchased Services	-	-	-	-
Office Expenses and Supplies	3	2	2	-
Total Transfer Station	<u>176</u>	<u>134</u>	<u>134</u>	<u>-</u>
Waste Collection:				
Dumping Fees	920	833	833	-
Contract	960	961	961	-
Total Waste Collection	<u>1,880</u>	<u>1,794</u>	<u>1,794</u>	<u>-</u>
Bulky Waste:				
Salary - Public Works	-	9	9	-
Gasoline	3	1	1	-
Vehicle Maintenance	5	3	3	-
Dump Fees	102	248	248	-
Office Expenses and Supplies	1	-	-	-
Total Bulky Waste	<u>111</u>	<u>261</u>	<u>261</u>	<u>-</u>
Building Maintenance:				
Overtime	56	52	52	-
Salary - Public Works	604	555	555	-
Salary - Supervisors	97	97	97	-
Gasoline	2	2	2	-
Vehicle Maintenance	3	-	-	-
Repairs and Upgrades	260	305	305	-
Maintenance Supplies	45	47	47	-
Heat, Energy, and Lights	1,120	1,323	1,323	-
Total Building Maintenance	<u>2,187</u>	<u>2,381</u>	<u>2,381</u>	<u>-</u>
Total Public Works	9,056	9,220	9,220	-

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

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Health and Welfare:				
Health:				
Salary - Part-Time	\$ 6	\$ 6	\$ 6	\$ -
Salary - Administrative	125	128	128	-
Overtime	4	13	13	-
Salary - Public Health Nurses	1,158	923	923	-
Salary - MME	735	719	719	-
Salary - Supervisors	241	243	243	-
Travel Allowance	2	2	2	-
Gasoline	2	2	2	-
Vehicle Maintenance	2	-	-	-
Office Expenses and Supplies	9	6	6	-
Environmental Supplies	4	4	4	-
Health Supplies	12	12	12	-
Lead Program	4	4	4	-
Meetings and Memberships	3	3	3	-
Total Health	2,307	2,065	2,065	-
Social Services:				
Evictions	30	36	36	-
Senior Center:				
Salary - Other Non-Union	25	25	25	-
Salary - MME	500	434	434	-
Salary - Supervisors	106	102	102	-
Salary - Overtime Contingency	1	1	1	-
Elderly Nutrition	8	8	8	-
Gasoline	10	7	7	-
Vehicle Maintenance	3	3	3	-
Office Expenses and Supplies	13	13	13	-
Meetings and Memberships	1	1	1	-
Total Senior Center	667	594	594	-
Total Health and Welfare	3,004	2,695	2,695	-

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

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Culture and Recreation:				
Library:				
Salary - Part-Time	\$ 7	\$ 24	\$ 24	\$ -
Salary - Administrative	102	-	-	-
Overtime	2	4	4	-
Salary - MME	583	540	540	-
Salary - Supervisors	800	615	615	-
Library Mall Lease	90	92	92	-
Gasoline	1	1	1	-
Security Service	1	1	1	-
Other Purchased Services	82	187	187	-
Building Supplies and Materials	9	45	45	-
Library Books and Materials	171	148	148	-
Office Expenses and Supplies	25	22	22	-
Meetings and Memberships	5	5	5	-
Total Library	1,878	1,684	1,684	-
Parks:				
Salary - Part-Time	80	71	71	-
Salary - Administrative	112	114	114	-
Overtime	101	100	100	-
Salary - Public Works	1,307	1,302	1,302	-
Salary - Supervisors	101	101	101	-
Travel Allowance	-	2	2	-
Expenses and Supplies	85	87	87	-
Meriden Green Maintenance	30	29	29	-
Cemetery Maintenance	10	8	8	-
Gasoline	45	50	50	-
Vehicle Maintenance	70	81	81	-
Meetings and Memberships	2	2	2	-
Downtown	4	3	3	-
Tree Removal and Replacement	10	19	19	-
Litter Control	10	5	5	-
Turf Management	25	26	26	-
Total Parks	1,992	2,000	2,000	-
Recreation:				
Overtime	3	5	5	-
Salary - Other Non-Union	130	158	158	-
Salary - Public Works	-	-	-	-
Salary - MME	143	180	180	-
Recreation Program Expense	16	25	25	-
League Subsidy	25	24	24	-
Safety Surface Replacement	4	2	2	-
Office Expenses and Supplies	7	6	6	-
Fireworks Display	20	20	20	-
Meetings and Memberships	3	3	3	-
Total Recreation	351	423	423	-
Total Culture and Recreation	4,221	4,107	4,107	-

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Education:				
Board of Education	\$ 102,182	\$ 102,182	\$ 102,182	\$ -
Debt Service:				
Principal Retirement:				
Principal Bonds	9,440	9,440	9,440	-
Interest:				
Interest Bonds	4,969	4,988	4,988	-
Total Debt Service	14,409	14,428	14,428	-
OTHER FINANCING USES				
Transfers Out:				
Transfer Out - Dog Fund	10	10	10	-
Transfers Out - Capital	316	316	316	-
Total Transfers Out	326	326	326	-
Total Expenditures and Other Financing Uses	<u>\$ 208,884</u>	<u>\$ 208,884</u>	208,656	<u>\$ 228</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut On-Behalf Payments to the Connecticut State Teachers' Retirement System for Town Teachers Pension is Not Budgeted			19,309	
State of Connecticut On-Behalf Payments to the Connecticut State Teachers' Retirement System for Town Teachers OPEB is Not Budgeted			273	
Funds Consolidated for GASB 54 Purposes			118	
State of Connecticut Grants for Special Education Excess Costs are Netted for Budgetary Purposes			1,457	
State of Connecticut WIC Payment			2,153	
Debt Transactions Not Budgeted for:				
Premium Netted for Budgetary Purposes			700	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 232,666</u>	

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:										
Service Cost	\$ 3,633	\$ 3,633	\$ 3,903	\$ 3,903	\$ 3,626	\$ 3,626	\$ 4,197	\$ 4,323	\$ 4,197	\$ 4,260
Interest	17,428	17,109	15,438	15,153	15,263	14,708	14,549	13,891	13,383	12,718
Change in Benefit Terms	840	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	4,419	-	23,036	-	(1,737)	-	1,714	-	(2,113)	-
Changes of Assumptions	10,251	-	309	-	4,353	-	(1,534)	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(16,623)	(16,066)	(15,473)	(14,913)	(11,665)	(10,699)	(10,171)	(9,554)	(8,961)	(8,256)
Net Change in Total Pension Liability	19,948	4,676	27,213	4,143	9,840	7,635	8,755	8,660	6,507	8,722
Total Pension Liability - Beginning	244,917	240,241	213,027	208,884	199,044	191,409	182,654	173,995	167,488	158,766
Total Pension Liability - Ending	264,865	244,917	240,241	213,027	208,884	199,044	191,409	182,654	173,995	167,488
Plan Fiduciary Net Position:										
Contributions - Employer	7,877	6,745	5,724	5,722	4,061	4,058	3,316	3,265	2,308	2,317
Contributions - Member	2,042	1,955	1,883	1,887	3,223	2,053	2,077	2,086	2,100	2,096
Net Investment Income (Loss)	12,765	(14,884)	41,214	3,146	9,689	14,306	12,750	(2,815)	1,307	18,084
Benefit Payments, Including Refunds of Member Contributions	(16,623)	(16,066)	(15,473)	(14,913)	(11,665)	(10,699)	(10,171)	(9,554)	(8,961)	(8,256)
Administrative Expense	(30)	(28)	(28)	(28)	(27)	(25)	(39)	(31)	(30)	(29)
Other	(830)	(313)	(314)	(563)	(303)	(333)	(536)	(511)	(232)	(309)
Net Change in Plan Fiduciary Net Position	5,201	(22,591)	33,005	(4,748)	4,978	9,359	7,397	(7,560)	(3,507)	13,903
Plan Fiduciary Net Position - Beginning	159,236	181,827	148,822	153,570	148,592	139,233	131,835	139,395	142,903	129,000
Plan Fiduciary Net Position - Ending	164,437	159,236	181,827	148,822	153,570	148,592	139,233	131,835	139,395	142,903
Net Pension Liability - Ending	\$ 100,428	\$ 85,681	\$ 58,414	\$ 64,206	\$ 55,314	\$ 50,452	\$ 52,177	\$ 50,819	\$ 34,599	\$ 24,585
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.08 %	65.02 %	75.69 %	69.86 %	73.52 %	74.65 %	72.74 %	72.18 %	80.11 %	85.32 %
Covered Payroll	\$ 32,329	\$ 30,602	\$ 30,602	\$ 34,674	\$ 34,674	\$ 35,781	\$ 35,781	\$ 39,460	\$ 38,311	\$ 41,094
Net Pension Liability as a Percentage of Covered Payroll	310.64 %	279.98 %	190.88 %	185.17 %	159.53 %	141.00 %	145.82 %	128.79 %	90.31 %	59.83 %

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:										
Service Cost	\$ 558	\$ 558	\$ 764	\$ 764	\$ 891	\$ 891	\$ 960	\$ 989	\$ 960	\$ 1,078
Interest	8,660	8,657	8,734	8,660	8,940	8,788	8,856	8,676	8,483	8,305
Differences Between Expected and Actual Experience	1,283,000	-	26	-	(2,386)	-	(5,237)	-	194	-
Changes of Assumptions	4,602,000	-	467	-	2,736	-	5,709	-	-	-
Benefit Payments	(9,361)	(8,995)	(8,612)	(8,235)	(7,743)	(7,682)	(7,395)	(7,370)	(7,144)	(6,922)
Net Change in Total Pension Liability	5,742	220	1,379	1,189	2,438	1,996	2,894	2,295	2,493	2,461
Total Pension Liability - Beginning	123,488	123,268	121,889	120,700	118,262	116,266	113,372	111,078	108,585	106,123
Total Pension Liability - Ending	129,230	123,488	123,268	121,889	120,700	118,262	116,266	113,372	111,078	108,585
Plan Fiduciary Net Position:										
Contributions - Employer	5,255	5,255	5,025	5,025	4,770	4,770	4,465	4,441	4,227	4,202
Contributions - Member	70	89	111	138	168	175	199	333	332	360
Net Investment Income (Loss)	5,037	(5,890)	17,001	1,755	3,971	6,040	5,288	(1,410)	575	8,189
Benefit Payments	(9,361)	(8,995)	(8,612)	(8,235)	(7,743)	(7,682)	(7,395)	(7,370)	(7,144)	(6,922)
Administrative Expense	(30)	(28)	(28)	(28)	(27)	(25)	(39)	(31)	(30)	(29)
Other	(24)	(120)	(12)	(202)	(127)	(14)	(14)	(2)	(8)	(2)
Net Change in Plan Fiduciary Net Position	947	(9,689)	13,486	(1,547)	1,012	3,263	2,503	(4,039)	(2,047)	5,797
Plan Fiduciary Net Position - Beginning	65,542	75,231	61,744	63,292	62,280	59,017	56,514	60,553	62,600	56,803
Plan Fiduciary Net Position - Ending	66,489	65,542	75,231	61,744	63,292	62,280	59,017	56,514	60,553	62,600
Net Pension Liability - Ending	\$ 62,741	\$ 57,946	\$ 48,037	\$ 60,144	\$ 57,408	\$ 55,982	\$ 57,249	\$ 56,858	\$ 50,525	\$ 45,985
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.45 %	53.08 %	61.03 %	50.66 %	52.44 %	52.66 %	50.76 %	49.85 %	54.51 %	57.65 %
Covered Payroll	\$ 1,473	\$ 2,277	\$ 2,277	\$ 3,190	\$ 3,190	\$ 3,915	\$ 3,915	\$ 3,904	\$ 3,790	\$ 4,302
Net Pension Liability as a Percentage of Covered Payroll	4259.40 %	2544.67 %	2109.53 %	1885.35 %	1799.58 %	1429.81 %	1462.15 %	1456.41 %	1333.11 %	1068.91 %

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
FIREFIGHTERS' PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:										
Service Cost	\$ 541	\$ 542	\$ 617	\$ 617	\$ 626	\$ 626	\$ 629	\$ 648	\$ 629	\$ 770
Interest	6,390	6,389	6,452	6,423	6,626	6,541	6,752	6,648	6,501	6,385
Differences Between Expected and Actual Experience	2,090	-	578	-	(1,318)	-	(3,286)	-	528	-
Changes of Assumptions	5,443	-	(97)	-	1,981	-	1,862	-	-	-
Benefit Payments	(7,020)	(6,838)	(6,824)	(6,468)	(6,168)	(5,955)	(5,955)	(6,001)	(5,690)	(5,439)
Net Change in Total Pension Liability	7,444	93	726	571	1,748	1,212	2	1,295	1,968	1,715
Total Pension Liability - Beginning	91,040	90,947	90,222	89,650	87,902	86,690	86,689	85,394	83,426	81,710
Total Pension Liability - Ending	98,484	91,040	90,947	90,222	89,650	87,902	86,690	86,689	85,394	83,426
Plan Fiduciary Net Position:										
Contributions - Employer	3,795	3,795	3,515	3,514	3,202	3,202	3,054	3,041	2,824	2,808
Contributions - Member	180	181	187	193	209	232	234	324	338	361
Net Investment Income (Loss)	3,738	(4,381)	12,791	542	2,874	4,711	4,256	(1,123)	467	6,653
Benefit Payments	(7,020)	(6,838)	(6,824)	(6,468)	(6,168)	(5,955)	(5,955)	(6,001)	(5,690)	(5,439)
Administrative Expense	(30)	(28)	(28)	(28)	(27)	(25)	(39)	(31)	(30)	(29)
Other	(11)	(5)	(12)	(26)	(3)	(13)	(14)	(2)	(8)	(1)
Net Change in Plan Fiduciary Net Position	652	(7,276)	9,628	(2,273)	87	2,152	1,536	(3,792)	(2,099)	4,352
Plan Fiduciary Net Position - Beginning	48,524	55,800	46,172	48,444	48,357	46,205	44,669	48,461	50,560	46,208
Plan Fiduciary Net Position - Ending	49,176	48,524	55,800	46,172	48,444	48,357	46,205	44,669	48,461	50,560
Net Pension Liability - Ending	<u>\$ 49,308</u>	<u>\$ 42,516</u>	<u>\$ 35,147</u>	<u>\$ 44,050</u>	<u>\$ 41,206</u>	<u>\$ 39,545</u>	<u>\$ 40,485</u>	<u>\$ 42,019</u>	<u>\$ 36,933</u>	<u>\$ 32,866</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	49.93 %	53.30 %	61.35 %	51.18 %	54.04 %	55.01 %	53.30 %	51.53 %	56.75 %	60.60 %
Covered Payroll	\$ 2,866	\$ 3,000	\$ 3,000	\$ 3,515	\$ 3,515	\$ 3,831	\$ 3,831	\$ 3,533	\$ 3,430	\$ 3,554
Net Pension Liability as a Percentage of Covered Payroll	1720.45 %	1417.16 %	1171.54 %	1253.09 %	1172.20 %	1032.15 %	1056.68 %	1189.34 %	1076.76 %	924.75 %

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Employer Contribution	\$ 7,835	\$ 7,835	\$ 5,699	\$ 5,699	\$ 4,044	\$ 4,044	\$ 3,285	\$ 3,219	\$ 2,308	\$ 2,303
Contributions in Relation to the Actuarially Determined Contribution	<u>7,877</u>	<u>6,745</u>	<u>5,724</u>	<u>5,722</u>	<u>4,061</u>	<u>4,058</u>	<u>3,316</u>	<u>3,265</u>	<u>2,308</u>	<u>2,317</u>
Contribution Deficiency (Excess)	<u>\$ (41)</u>	<u>\$ 1,090</u>	<u>\$ (25)</u>	<u>\$ (24)</u>	<u>\$ (17)</u>	<u>\$ (14)</u>	<u>\$ (31)</u>	<u>\$ (46)</u>	<u>\$ -</u>	<u>\$ (14)</u>
Covered Payroll	\$ 32,329	\$ 30,602	\$ 30,602	\$ 34,674	\$ 34,674	\$ 35,781	\$ 35,781	\$ 39,460	\$ 38,311	\$ 41,094
Contributions as a Percentage of Covered Payroll	24.36 %	22.04 %	18.70 %	16.50 %	11.71 %	11.34 %	9.27 %	8.27 %	6.02 %	5.64 %

Notes to Schedule:

Valuation Date: July 1, 2022
 Measurement Date: June 30, 2023
 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: 25 Years
- Asset Valuation Method: Five-Year Smoothed Market
- Inflation: 2.40%
- Salary Increases: 0.00%-7.85%, Plus Inflation of 2.40%
- Investment Rate of Return: 7.25%, Net of Pension Plan Investment and Administrative 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

Mortality: City Retirements - Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for General Employees, projected to the valuation date with Scale MP-2021.
 (Prior City Retirements - RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2020.)
 Disabilities - Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Disabled Retirees, projected to the valuation date with Scale MP-2021.
 (Prior Disabilities - RP-2014 Adjusted to 2006 Disabled Mortality Table, projected to the valuation date with Scale MP-2020.)
 Survivors - Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Contingent Survivors, projected to the valuation date with Scale MP-2021.
 (Prior Survivors - RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2020.)

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Employer Contribution	\$ 5,255	\$ 5,255	\$ 5,025	\$ 5,025	\$ 4,770	\$ 4,770	\$ 4,465	\$ 4,441	\$ 4,227	\$ 4,202
Contributions in Relation to the Actuarially Determined Contribution	5,255	5,255	5,025	5,025	4,770	4,770	4,465	4,441	4,227	4,202
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 1,473	\$ 2,277	\$ 2,277	\$ 3,190	\$ 3,190	\$ 3,915	\$ 3,915	\$ 3,904	\$ 3,790	\$ 4,302
Contributions as a Percentage of Covered Payroll	356.75 %	230.76 %	220.68 %	157.52 %	149.51 %	121.82 %	114.04 %	113.77 %	111.54 %	97.68 %

Notes to Schedule:

Valuation Date: July 1, 2022
 Measurement Date: June 30, 2023
 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: 20 Years
- Asset Valuation Method: Five-Year Smoothed Market
- Inflation: 2.40%
- Salary Increases: 0.15%-7.65%, Plus Inflation of 2.40%
- Investment Rate of Return: 7.25%, Net of Pension Plan Investment and Administrative Expense
- Retirement Age: Earlier of:
 - 20 years of service
 - Age 65 and 10 years of service

Mortality: Retirement: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Safety Employees, projected to the valuation date with Scale MP- (Prior Retirement - RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2020.)
 Disabilities: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Safety Employees for disabled, projected to the valuation date with Scale MP-2021.
 (Prior Disabilities - RP-2014 Adjusted to 2006 Disabled Mortality Table, projected to the valuation date with Scale MP-2020.)
 Survivors: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Safety Employees for survivors, projected to the valuation date with Scale MP-2021.
 (Prior Survivors - RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2020.)

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Employer Contribution	\$ 3,795	\$ 3,795	\$ 3,515	\$ 3,514	\$ 3,202	\$ 3,202	\$ 3,054	\$ 3,041	\$ 2,824	\$ 2,808
Contributions in Relation to the Actuarially Determined Contribution	3,795	3,795	3,515	3,514	3,202	3,202	3,054	3,041	2,824	2,808
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,866	\$ 3,000	\$ 3,000	\$ 3,515	\$ 3,515	\$ 3,831	\$ 3,831	\$ 3,533	\$ 3,430	\$ 3,554
Contributions as a Percentage of Covered Payroll	132.41 %	126.49 %	117.15 %	99.97 %	91.08 %	83.57 %	79.71 %	86.07 %	82.32 %	79.02 %

Notes to Schedule:

Valuation Date: July 1, 2022
 Measurement Date: June 30, 2023
 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 Normal
- Amortization Method: Level Dollar, Closed
- Remaining Amortization Period: 20 Years
- Asset Valuation Method: Five-Year Smoothed Market
- Inflation: 2.40%
- Salary Increases: 0.15%-7.65%, Plus inflation of 2.40%
- Investment Rate of Return: 7.25%, Net of Pension Plan Investment and Administrative Expense
- Retirement Age: Earlier of:
 - 25 years of service
 - Age 65

Mortality: Retirement - Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Safety Employees, projected to the valuation date with Scale MP-2021.
 (Prior Retirement: RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2020.)
 Disabilities - Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Safety Employees for disabled, projected to the valuation date with Scale MP-2021.
 (Prior Disabilities: RP-2014 Adjusted to 2006 Disabled Mortality Table, projected to the valuation date with Scale MP-2020.)
 Survivors - Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Safety Employees for survivors, projected to the valuation date with Scale MP-2021.
 (Prior Survivors: RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2020.)

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

	City									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	7.63 %	(8.52)%	28.14 %	1.72 %	6.42 %	10.19 %	9.42 %	(2.42)%	0.76 %	13.97 %

	Police									
	2023	2022	2021	2020	2023	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	7.87 %	(8.17)%	28.22 %	2.51 %	6.30 %	10.43 %	9.54 %	(2.38)%	0.92 %	14.68 %

	Firefighters'									
	2023	2022	2021	2020	2023	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	7.91 %	(8.06)%	28.56 %	1.09 %	6.09 %	10.43 %	9.77 %	(2.38)%	0.93 %	14.72 %

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	-	-	-	-	-	-	-	-	-
City's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the City	244,910	196,306	247,859	233,262	179,858	182,946	193,009	149,025	137,744
Total	<u>\$ 244,910</u>	<u>\$ 196,306</u>	<u>\$ 247,859</u>	<u>\$ 233,262</u>	<u>\$ 179,858</u>	<u>\$ 182,946</u>	<u>\$ 193,009</u>	<u>\$ 149,025</u>	<u>\$ 137,744</u>
City's Covered Payroll	\$ 61,059	\$ 60,336	\$ 57,716	\$ 56,186	\$ 56,351	\$ 55,913	\$ 55,057	\$ 53,762	\$ 52,603
City's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule:

Changes in Benefit Terms	Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Pay, Closed, Grading to a Level Dollar Amortization Method for the June 30, 2024 Valuation
Single Equivalent Amortization Period	27.8 years
Asset Valuation Method	Four-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.50%, including inflation
Investment Rate of Return	6.90%, Net of Investment Related Expense

Notes:

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

CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS
LAST SEVEN FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:							
Service Cost	\$ 1,715	\$ 1,642	\$ 1,898	\$ 1,830	\$ 2,250	\$ 2,196	\$ 2,137
Interest	6,642	6,362	7,039	6,716	7,040	6,644	6,268
Differences Between Expected and Actual Experience	(3,770)	4,706	(2,782)	5,324	1,284	1,465	1,724
Changes of Assumptions	8,424	-	(4,106)	(118)	(2,284)	-	-
Benefit Payments	(8,361)	(9,474)	(9,498)	(9,378)	(5,959)	(4,565)	(4,422)
Net Change in Total OPEB Liability	4,650	3,236	(7,449)	4,374	2,331	5,739	5,707
Total OPEB Liability - Beginning	93,999	90,763	98,212	93,838	91,507	85,768	80,061
Total OPEB Liability - Ending	98,649	93,999	90,763	98,212	93,838	91,507	85,768
Plan Fiduciary Net Position:							
Contributions - Employer	3,983	4,667	4,626	6,654	4,368	2,556	4,570
Contributions - Member	2,735	2,895	3,057	1,074	1,273	1,487	1,447
Net Investment Income (Loss)	3,502	(4,340)	12,086	571	1,728	2,578	3,592
Benefit Payments	(8,361)	(9,474)	(9,498)	(9,378)	(5,959)	(4,565)	(4,422)
Administrative Expense	(31)	(34)	(62)	(36)	(4)	(63)	-
Net Change in Plan Fiduciary Net Position	1,828	(6,286)	10,210	(1,115)	1,406	1,992	5,186
Plan Fiduciary Net Position - Beginning	38,722	45,008	34,798	35,913	34,507	32,514	27,328
Plan Fiduciary Net Position - Ending	40,550	38,722	45,008	34,798	35,913	34,507	32,514
Net OPEB Liability - Ending	<u>\$ 58,099</u>	<u>\$ 55,277</u>	<u>\$ 45,756</u>	<u>\$ 63,414</u>	<u>\$ 57,925</u>	<u>\$ 57,001</u>	<u>\$ 53,254</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	41.11 %	41.19 %	49.59 %	35.43 %	38.27 %	37.71 %	37.91 %
Covered Payroll	\$ 113,452	\$ 112,952	\$ 110,305	\$ 106,594	\$ 103,893	\$ 104,971	\$ 102,162
Net OPEB Liability as a Percentage of Covered Payroll	51.21 %	48.94 %	41.48 %	59.49 %	55.75 %	54.30 %	52.13 %

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

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution (1)	\$ 5,011	\$ 4,986	\$ 5,439	\$ 5,387	\$ 5,440	\$ 5,425	\$ 7,728	\$ 7,514	\$ 7,681	\$ 7,725
Contributions in Relation to the Actuarially Determined Contribution	<u>3,983</u>	<u>4,667</u>	<u>4,626</u>	<u>6,654</u>	<u>4,368</u>	<u>2,556</u>	<u>4,570</u>	<u>4,684</u>	<u>6,215</u>	<u>5,484</u>
Contribution Deficiency (Excess)	<u>\$ 1,028</u>	<u>\$ 319</u>	<u>\$ 813</u>	<u>\$ (1,267)</u>	<u>\$ 1,072</u>	<u>\$ 2,869</u>	<u>\$ 3,159</u>	<u>\$ 2,830</u>	<u>\$ 1,466</u>	<u>\$ 2,241</u>
Covered Payroll	\$ 113,452	\$ 112,952	\$ 110,305	\$ 106,594	\$ 103,893	\$ 104,971	\$ 102,162	\$ 99,428	\$ 95,451	\$ 95,451
Contributions as a Percentage of Covered Payroll	3.51 %	4.13 %	4.19 %	6.24 %	4.20 %	2.43 %	4.47 %	4.71 %	6.51 %	5.75 %

(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, 2022
Measurement Date: June 30, 2023

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	24 Years
Asset Valuation Method	Plan Assets equal the Market Value of Assets
Inflation	2.40%
Healthcare Cost Trend Rates	6.50% Initial, Decreasing 0.20% Per Year to an Ultimate Rate of 4.40% for 2033 and later (Prior - 6.50% Initial, Decreasing 0.25% Per Year to an Ultimate Rate of 4.40% for 2029 and later)
Salary Increases	0.00%-7.85%, Plus Inflation of 2.40%
Investment Rate of Return	7.25%, Net of OPEB Plan Investment Expense, Including Inflation
Retirement Age	Varies by group
Mortality	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2021. (Prior City and BOE Retirements - RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2020.) (Prior Police and Fire Retirements - RP-2014 Adjusted to 2006 Blue Collar Mortality Table, projected to the valuation date with Scale MP-2020.)

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OTHER POSTEMPLOYMENT BENEFITS
LAST SEVEN FISCAL YEARS*
(IN THOUSANDS)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	9.24 %	(9.86)%	35.63 %	1.64 %	5.10 %	7.98 %	12.15 %

*Note: This schedule is intended to show information for 10 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 SIX FISCAL YEARS*
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	-	-	-	-	-	-
City's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the City	21,448	21,387	36,968	36,379	35,955	47,088
Total	<u>\$ 21,448</u>	<u>\$ 21,387</u>	<u>\$ 36,968</u>	<u>\$ 36,379</u>	<u>\$ 35,955</u>	<u>\$ 47,088</u>
City's Covered Payroll	\$ 61,059	\$ 60,336	\$ 57,716	\$ 56,186	\$ 56,351	\$ 55,913
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule:

<p>Changes in Benefit Terms</p> <p>Changes of Assumptions</p>	<p>There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440. Based on the procedure described in GASB 74, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2022 was updated to equal the SEIR of 3.53% as of June 30, 2022;</p> <p>Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;</p> <p>The assumed age-related annual percentage increases in expected annual per capita health care claims costs were updated;</p> <p>Long-term health care cost trend rates were updated; and</p> <p>The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.</p>
<p>Actuarial Cost Method</p> <p>Amortization Method</p> <p>Remaining Amortization Period</p> <p>Asset Valuation Method</p> <p>Investment Rate of Return</p> <p>Price Inflation</p>	<p>Entry age</p> <p>Level percent of payroll over an open period</p> <p>30 years</p> <p>Market value of assets</p> <p>3.00%, net of investment related expense including price inflation</p> <p>2.50%</p>

Notes:

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

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
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2023
(IN THOUSANDS)**

ASSETS	General	Foreclosure Fund	Insurance Reserve Fund	Tree Preservation Fund	Downtown Property Management Fund	Vehicle Replacement Fund	Total
Cash and Cash Equivalents	\$ 4,159	\$ -	\$ 96	\$ 3	\$ 263	\$ 233	\$ 4,754
Investments	19,240	-	-	-	-	-	19,240
Receivables, Net of Allowance for Uncollectibles	21,781	-	-	-	-	-	21,781
Inventory	130	-	-	-	-	-	130
Other Assets	25	-	-	-	-	-	25
Due from Other Funds	2,321	-	-	-	-	-	2,321
Total Assets	\$ 47,656	\$ -	\$ 96	\$ 3	\$ 263	\$ 233	\$ 48,251
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 11,526	\$ -	\$ 14	\$ -	\$ 1	\$ -	\$ 11,541
Unearned Revenue	5	-	-	-	-	-	5
Total Liabilities	11,531	-	14	-	1	-	11,546
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Taxes	5,656	-	-	-	-	-	5,656
Unavailable Revenue - Loans Receivable Related to Leases	864	-	-	-	-	-	864
Advance Property Tax Collections	1,429	-	-	-	-	-	1,429
Total Deferred Inflows of Resources	8,788	-	-	-	-	-	8,788
FUND BALANCES							
Nonspendable	155	-	-	-	-	-	155
Restricted	513	-	-	-	-	-	513
Committed	-	-	82	3	262	233	580
Unassigned	26,669	-	-	-	-	-	26,669
Total Fund Balances	27,337	-	82	3	262	233	27,917
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 47,656	\$ -	\$ 96	\$ 3	\$ 263	\$ 233	\$ 48,251

CITY OF MERIDEN, CONNECTICUT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	General	Foreclosure Fund	Insurance Reserve Fund	Tree Preservation Fund	Downtown Property Management Fund	Vehicle Replacement Fund	Total
REVENUES							
Property Taxes, Interest, and Lien Fees	\$ 136,674	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136,674
Federal and State Government	89,188	-	-	-	-	-	89,188
Charges for Services	5,828	-	-	-	-	-	5,828
Investment Income (Loss)	2,445	-	-	-	-	-	2,445
Other Local Revenues	1,467	-	129	-	45	-	1,641
Total Revenues	235,602	-	129	-	45	-	235,776
EXPENDITURES							
Current:							
General Government	47,363	-	-	-	16	1	47,380
Public Safety	28,335	-	83	-	-	-	28,418
Public Works	9,220	-	3	-	-	-	9,223
Health and Welfare	4,848	-	-	-	-	-	4,848
Culture and Recreation	4,107	-	-	-	-	-	4,107
Education	123,221	-	-	-	-	-	123,221
Debt Service:							
Principal Retirement	10,140	-	-	-	-	-	10,140
Interest and Other Charges	4,988	-	-	-	-	-	4,988
Total Expenditures	232,222	-	86	-	16	1	232,325
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,380	-	43	-	29	(1)	3,451
OTHER FINANCING SOURCES (USES)							
Transfers In	814	-	-	-	-	-	814
Transfers Out	(326)	-	-	-	-	(15)	(341)
Total Other Financing Sources	488	-	-	-	-	(15)	473
NET CHANGE IN FUND BALANCES	3,868	-	43	-	29	(16)	3,924
Fund Balances - Beginning of Year	23,469	-	39	3	233	249	23,993
FUND BALANCES - END OF YEAR	\$ 27,337	\$ -	\$ 82	\$ 3	\$ 262	\$ 233	\$ 27,917

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.

Health Grants and Programs – To account for revenues and various health grants.

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.

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.

Student Activities – To account for activities of the students in the school system.

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.

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.

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 City of Meriden parks.

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
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023
(IN THOUSANDS)**

	Special Revenue Funds						
	Document Preservation	Community Development Block Grant	Day Care Center	Women, Infant and Children Program	Health Grants and Programs	Neighborhood Preservation (CDBG)	Neighborhood Preservation (Bonded)
ASSETS							
Cash and Cash Equivalents	\$ 47	\$ -	\$ 139	\$ 55	\$ 218	\$ 297	\$ 25
Investments	-	-	-	-	-	-	-
Accounts Receivable	1	492	-	2	189	147	-
Supplies	-	-	-	-	-	-	-
Total Assets	<u>\$ 48</u>	<u>\$ 492</u>	<u>\$ 139</u>	<u>\$ 57</u>	<u>\$ 407</u>	<u>\$ 444</u>	<u>\$ 25</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ -	\$ 82	\$ 73	\$ 52	\$ 14	\$ 4	\$ -
Unearned Revenue	-	-	-	4	147	-	-
Due to Other Governments	-	-	-	-	-	\$ 5	-
Due to Other Funds	-	410	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>492</u>	<u>73</u>	<u>56</u>	<u>161</u>	<u>9</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Loans Receivable	-	-	-	-	-	147	-
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	48	-	66	1	246	288	25
Committed	-	-	-	-	-	-	-
Total Fund Balances	<u>48</u>	<u>-</u>	<u>66</u>	<u>1</u>	<u>246</u>	<u>288</u>	<u>25</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 48</u>	<u>\$ 492</u>	<u>\$ 139</u>	<u>\$ 57</u>	<u>\$ 407</u>	<u>\$ 444</u>	<u>\$ 25</u>

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

	Special Revenue Funds							
	Asset Forfeiture	School Readiness	Dog	Public School Lunch	Public School Rental	Adult Evening School	Anti-Blight	Smoke Detector
ASSETS								
Cash and Cash Equivalents	\$ 221	\$ 704	\$ 59	\$ 956	\$ 132	\$ 103	\$ 299	\$ 3
Investments	-	-	-	-	-	-	-	-
Accounts Receivable	-	122	3	1,144	-	-	-	-
Supplies	-	-	-	198	-	-	-	-
Total Assets	<u>\$ 221</u>	<u>\$ 826</u>	<u>\$ 62</u>	<u>\$ 2,298</u>	<u>\$ 132</u>	<u>\$ 103</u>	<u>\$ 299</u>	<u>\$ 3</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Liabilities	\$ -	\$ 696	\$ 15	\$ 141	\$ -	\$ -	\$ -	\$ -
Unearned Revenue	-	7	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>703</u>	<u>15</u>	<u>141</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Loans Receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	198	-	-	-	-
Restricted	221	-	-	1,142	-	-	-	3
Committed	-	123	47	817	132	103	299	-
Total Fund Balances	<u>221</u>	<u>123</u>	<u>47</u>	<u>2,157</u>	<u>132</u>	<u>103</u>	<u>299</u>	<u>3</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 221</u>	<u>\$ 826</u>	<u>\$ 62</u>	<u>\$ 2,298</u>	<u>\$ 132</u>	<u>\$ 103</u>	<u>\$ 299</u>	<u>\$ 3</u>

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

	Special Revenue Funds				Capital Project Funds			
	Misc. Grants and Programs	Student Activities	Library Trust	Meriden Green Improvement	Capital and Nonrecurring	Airport Improvement	Brownfield Assessment	Factory H Demolition
ASSETS								
Cash and Cash Equivalents	\$ 453	\$ 958	\$ 639	\$ -	\$ 847	\$ 13	\$ -	\$ -
Investments	-	-	-	523	-	-	-	-
Accounts Receivable	136	-	-	2	-	301	246	-
Supplies	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 589</u>	<u>\$ 958</u>	<u>\$ 639</u>	<u>\$ 525</u>	<u>\$ 847</u>	<u>\$ 314</u>	<u>\$ 246</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Liabilities	\$ 14	\$ -	\$ -	\$ -	\$ 16	\$ 84	\$ -	\$ -
Unearned Revenue	95	-	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	220	246	-
Total Liabilities	<u>109</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16</u>	<u>304</u>	<u>246</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	639	-	-	-	-	-
Committed	480	958	-	525	831	10	-	-
Total Fund Balances	<u>480</u>	<u>958</u>	<u>639</u>	<u>525</u>	<u>831</u>	<u>10</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 589</u>	<u>\$ 958</u>	<u>\$ 639</u>	<u>\$ 525</u>	<u>\$ 847</u>	<u>\$ 314</u>	<u>\$ 246</u>	<u>\$ -</u>

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

	Capital Project Funds		Permanent Funds					Eliminating Entries	Total
	Land Acquisition	Planning Commission Subdivision Development	Walter Hubbard Park	C.P. Bradley Park	Lorenzo Fuller Award	Charlotte Yale Ives			
ASSETS									
Cash and Cash Equivalents	\$ 98	\$ 59	\$ 41	\$ 102	\$ -	\$ -	\$ -	\$ -	\$ 6,468
Investments	-	-	779	1,260	10	4	-	-	2,576
Accounts Receivable	-	-	-	-	-	-	-	-	2,785
Supplies	-	-	-	-	-	-	-	-	198
Total Assets	<u>\$ 98</u>	<u>\$ 59</u>	<u>\$ 820</u>	<u>\$ 1,362</u>	<u>\$ 10</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,027</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1,192
Unearned Revenue	-	-	-	-	-	-	-	-	253
Due to Other Governments	-	-	-	-	-	-	-	-	5
Due to Other Funds	-	-	-	-	-	-	-	-	876
Total Liabilities	-	-	-	1	-	-	-	-	2,326
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	147
FUND BALANCES									
Nonspendable	-	-	50	50	1	3	-	-	302
Restricted	-	-	770	1,311	9	1	-	-	4,770
Committed	98	59	-	-	-	-	-	-	4,482
Total Fund Balances	<u>98</u>	<u>59</u>	<u>820</u>	<u>1,361</u>	<u>10</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>9,554</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 98</u>	<u>\$ 59</u>	<u>\$ 820</u>	<u>\$ 1,362</u>	<u>\$ 10</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,027</u>

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

	Special Revenue Funds						
	Document Preservation	Community Development Block Grant	Day Care Center	Women, Infant and Children Program	Health Grants and Programs	Neighborhood Preservation (CDBG)	Neighborhood Preservation (Bonded)
REVENUES							
Intergovernmental Revenues	\$ 8	\$ 1,242	\$ 1,095	\$ 923	\$ 1,142	\$ -	\$ -
Charges for Services	25	-	-	-	34	-	-
Investment Income (Loss)	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	<u>33</u>	<u>1,242</u>	<u>1,095</u>	<u>923</u>	<u>1,176</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
General Government	21	-	-	-	-	46	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	545	-	-	-	-	-
Health and Welfare	-	600	1,095	885	1,011	-	-
Culture and Recreation	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-	-
Total Expenditures	<u>21</u>	<u>1,145</u>	<u>1,095</u>	<u>885</u>	<u>1,011</u>	<u>46</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>12</u>	<u>97</u>	<u>-</u>	<u>38</u>	<u>165</u>	<u>(46)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	(97)	-	(37)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(97)</u>	<u>-</u>	<u>(37)</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE	12	-	-	1	165	(46)	-
Fund Balances - Beginning of Year	<u>36</u>	<u>-</u>	<u>66</u>	<u>-</u>	<u>81</u>	<u>334</u>	<u>25</u>
FUND BALANCES - END OF YEAR	<u>\$ 48</u>	<u>\$ -</u>	<u>\$ 66</u>	<u>\$ 1</u>	<u>\$ 246</u>	<u>\$ 288</u>	<u>\$ 25</u>

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

	Special Revenue Funds							
	Asset Forfeiture	School Readiness	Dog	Public School Lunch	Public School Rental	Adult Evening School	Anti-Blight	Smoke Detector
REVENUES								
Intergovernmental Revenues	\$ 58	\$ 4,537	\$ -	\$ 7,855	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	13	153	40	15	58	-
Investment Income (Loss)	-	-	-	7	-	-	-	-
Other	-	-	-	97	-	-	-	-
Total Revenues	<u>58</u>	<u>4,537</u>	<u>13</u>	<u>8,112</u>	<u>40</u>	<u>15</u>	<u>58</u>	<u>-</u>
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	76	-	15	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Education	-	4,536	-	8,420	124	14	-	-
Debt Service:								
Principal Retirement	-	-	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-	-	-
Total Expenditures	<u>76</u>	<u>4,536</u>	<u>15</u>	<u>8,420</u>	<u>124</u>	<u>14</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(18)</u>	<u>1</u>	<u>(2)</u>	<u>(308)</u>	<u>(84)</u>	<u>1</u>	<u>58</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	10	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>(18)</u>	<u>1</u>	<u>8</u>	<u>(308)</u>	<u>(84)</u>	<u>1</u>	<u>58</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>239</u>	<u>122</u>	<u>39</u>	<u>2,465</u>	<u>216</u>	<u>102</u>	<u>241</u>	<u>3</u>
FUND BALANCES - END OF YEAR	<u>\$ 221</u>	<u>\$ 123</u>	<u>\$ 47</u>	<u>\$ 2,157</u>	<u>\$ 132</u>	<u>\$ 103</u>	<u>\$ 299</u>	<u>\$ 3</u>

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

	Special Revenue Funds				Capital Project Funds			
	Misc. Grants and Programs	Student Activities	Library Trust	Meriden Green Improvement	Capital and Nonrecurring	Airport Improvement	Brownfield Assessment	Factory H Demolition
REVENUES								
Intergovernmental Revenues	\$ 287	\$ -	\$ -	\$ -	\$ -	\$ 1,922	\$ 36	\$ -
Charges for Services	123	-	-	-	-	-	-	-
Investment Income (Loss)	-	-	7	1	-	-	-	-
Other	39	1,535	92	-	-	23	-	-
Total Revenues	449	1,535	99	1	-	1,945	36	-
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	162	-	-	-	-	-	-	-
Public Works	19	-	-	-	-	-	-	-
Health and Welfare	37	-	-	-	-	-	-	-
Culture and Recreation	67	-	126	-	-	-	-	-
Capital Outlay	-	-	-	-	230	1,346	36	-
Education	-	1,486	-	-	-	-	-	-
Debt Service:								
Principal Retirement	-	-	-	-	-	-	-	75
Interest and Other Charges	-	-	-	-	-	-	-	22
Total Expenditures	285	1,486	126	-	230	1,346	36	97
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	164	49	(27)	1	(230)	599	-	(97)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	316	-	-	97
Transfers Out	(77)	-	-	-	(12)	-	-	-
Total Other Financing Sources (Uses)	(77)	-	-	-	304	-	-	97
CHANGE IN FUND BALANCE	87	49	(27)	1	74	599	-	-
Fund Balances - Beginning of Year	393	909	666	524	757	(589)	-	-
FUND BALANCES - END OF YEAR	\$ 480	\$ 958	\$ 639	\$ 525	\$ 831	\$ 10	\$ -	\$ -

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

	Capital Project Funds			Permanent Funds				Eliminating Entries	Total
	Land Acquisition	Planning Commission Subdivision Development	Walter Hubbard Park	C.P. Bradley Park	Lorenzo Fuller Award	Charlotte Yale Ives			
REVENUES									
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,105	
Charges for Services	-	-	-	-	-	-	-	461	
Investment Income (Loss)	-	-	62	123	-	-	-	200	
Other	-	1	1	-	-	-	-	1,788	
Total Revenues	-	1	63	123	-	-	-	21,554	
EXPENDITURES									
General Government	-	-	-	-	-	-	-	67	
Public Safety	-	-	-	-	-	-	-	253	
Public Works	-	-	-	-	-	-	-	564	
Health and Welfare	-	-	-	-	-	-	-	3,628	
Culture and Recreation	-	-	48	83	-	-	-	324	
Capital Outlay	-	-	-	-	-	-	-	1,612	
Education	-	-	-	-	-	-	-	14,580	
Debt Service:									
Principal Retirement	-	-	-	-	-	-	-	75	
Interest and Other Charges	-	-	-	-	-	-	-	22	
Total Expenditures	-	-	48	83	-	-	-	21,125	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	1	15	40	-	-	-	429	
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	(97)	326	
Transfers Out	-	-	-	-	-	-	97	(126)	
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	200	
CHANGE IN FUND BALANCE	-	1	15	40	-	-	-	629	
Fund Balances - Beginning of Year	98	58	805	1,321	10	4	-	8,925	
FUND BALANCES - END OF YEAR	\$ 98	\$ 59	\$ 820	\$ 1,361	\$ 10	\$ 4	\$ -	\$ 9,554	

NONMAJOR PROPRIETARY 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, 2023
(IN THOUSANDS)

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Fund	Meriden Health Insurance	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 9,708	\$ -	\$ 9,708
Investments	-	4,830	4,830
Accounts Receivable	-	191	191
Other Assets	-	7	7
Total Assets	<u>9,708</u>	<u>5,028</u>	<u>14,736</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	-	9	9
Current Portion of Claims Incurred But Not Reported	1,780	2,346	4,126
Due to Other Funds	-	12	12
Total Current Liabilities	<u>1,780</u>	<u>2,367</u>	<u>4,147</u>
Noncurrent Liabilities:			
Claims Incurred But Not Reported, Less Current Portion	<u>3,561</u>	<u>-</u>	<u>3,561</u>
Total Liabilities	<u>5,341</u>	<u>2,367</u>	<u>7,708</u>
Total Net Position	<u>\$ 4,367</u>	<u>\$ 2,661</u>	<u>\$ 7,028</u>

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

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Fund	Meriden Health Insurance	Total
OPERATING REVENUES			
Charges for Services	\$ 4,201	\$ 31,981	\$ 36,182
Other Revenues	10	2,477	2,487
Total Operating Revenues	<u>4,211</u>	<u>34,458</u>	<u>38,669</u>
OPERATING EXPENSES			
Claims	110	32,467	32,577
Administrative	120	45	165
Other Expenses	-	1,141	1,141
Total Operating Expenses	<u>230</u>	<u>33,653</u>	<u>33,883</u>
OPERATING INCOME	3,981	805	4,786
NONOPERATING REVENUES			
Investment Income (Loss)	<u>-</u>	<u>234</u>	<u>234</u>
CHANGE IN NET POSITION	3,981	1,039	5,020
Net Position - Beginning of Year	<u>386</u>	<u>1,622</u>	<u>2,008</u>
NET POSITION - END OF YEAR	<u>\$ 4,367</u>	<u>\$ 2,661</u>	<u>\$ 7,028</u>

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

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Fund	Meriden Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 4,211	\$ 34,363	\$ 38,574
Receipts for Interfund Services Provided	-	(802)	(802)
Payments to Suppliers	(120)	(1,186)	(1,306)
Payments to Vendors	(2,184)	(32,368)	(34,552)
Net Cash Provided (Used) by Operating Activities	<u>1,907</u>	<u>7</u>	<u>1,914</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Sales of Investments	-	(7)	(7)
Net Cash Used by Investing Activities	<u>-</u>	<u>(7)</u>	<u>(7)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,907	-	1,907
Cash and Cash Equivalents - Beginning of Year	<u>7,801</u>	<u>-</u>	<u>7,801</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 9,708</u>	<u>\$ -</u>	<u>\$ 9,708</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 3,981	\$ 805	\$ 4,786
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	-	(95)	(95)
Increase (Decrease) in Claims Payable	(2,074)	99	(1,975)
Increase (Decrease) in Due to Other Funds	-	(802)	(802)
Total Adjustments	<u>(2,074)</u>	<u>(798)</u>	<u>(2,872)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,907</u>	<u>\$ 7</u>	<u>\$ 1,914</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 postemployment benefit payments to qualified employees.

South Meriden Volunteer Firefighters’ Award Program – To account for the City’s activity in the defined contribution plan that accumulated resources for pension benefits to employees that have contributed.

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.

CUSTODIAL FUNDS

Police Evidence Fund – To account for assets seized in arrests that will be turned over to the state of Connecticut.

License to Work Fund – To account for refundable deposits made by contractors to obtain a license to work in the City’s right of way. Deposits are refundable upon request providing all work is complete, bonds are released, and the warranty period has been fulfilled.

CITY OF MERIDEN, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	Pension Trust Funds	OPEB Trust Funds	South Meriden Volunteer Firefighters' Award Program	Total Pension and Other Employee Benefit Trust Funds
ASSETS				
Cash and Cash Equivalents	\$ 31,486	\$ -	\$ 12	\$ 31,498
Investments, at Fair Value:				
Equities	11,467	1,989	283	13,739
Mutual Funds	154,638	27,601	72	182,311
Alternative Investments	92,661	14,728	55	107,444
Total Investments	<u>258,766</u>	<u>44,318</u>	<u>410</u>	<u>303,494</u>
Accounts Receivable	25	3	-	28
Total Assets	<u>290,277</u>	<u>44,321</u>	<u>422</u>	<u>335,020</u>
LIABILITIES				
Accounts Payable	20	2	-	22
Due to Primary Government	10,155	3,769	-	13,924
Total Liabilities	<u>10,175</u>	<u>3,771</u>	<u>-</u>	<u>13,946</u>
NET POSITION				
Restricted for Pension:				
Benefits and Other Purposes	<u>\$ 280,102</u>	<u>\$ 40,550</u>	<u>\$ 422</u>	<u>\$ 321,074</u>

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

	Pension Trust Funds	OPEB Trust Funds	South Meriden Volunteer Firefighters' Award Program	Total Pension and Other Employee Benefit Trust Funds
ADDITIONS				
Contributions:				
Employer	\$ 16,927	\$ 3,983	\$ 31	\$ 20,941
Plan Members	2,292	2,735		5,027
Total Contributions	<u>19,219</u>	<u>6,718</u>	<u>31</u>	<u>25,968</u>
Investment Earnings:				
Net Change in Fair Value of Investments	18,380	2,935	45	21,360
Interest and Dividends	3,375	567		3,942
Total Investment Earnings	<u>21,755</u>	<u>3,502</u>	<u>45</u>	<u>25,302</u>
Less Investment Expenses:				
Investment Management Fees	215			215
Net Investment Earnings	<u>21,540</u>	<u>3,502</u>	<u>45</u>	<u>25,087</u>
Total Additions	40,759	10,220	76	51,055
DEDUCTIONS				
Benefits	33,004	8,361	74	41,439
Administrative Expense	90	31		121
Other	865			865
Total Deductions	<u>33,959</u>	<u>8,392</u>	<u>74</u>	<u>42,425</u>
CHANGE IN NET POSITION	6,800	1,828	2	8,630
Net Position - Beginning of Year	<u>273,302</u>	<u>38,722</u>	<u>420</u>	<u>312,444</u>
NET POSITION - END OF YEAR	<u>\$ 280,102</u>	<u>\$ 40,550</u>	<u>\$ 422</u>	<u>\$ 321,074</u>

CITY OF MERIDEN, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	East Cemetery Trust Fund	Scholarship Trust Fund	Total Private Purpose Trust Funds
ASSETS			
Cash and Cash Equivalents	\$ 120	\$ 64	\$ 184
Investments, at Fair Value:			
U.S. Government Securities	-	42	42
Certificates of Deposit	-	58	58
Total Investments	<u>-</u>	<u>100</u>	<u>100</u>
Total Assets	<u>120</u>	<u>164</u>	<u>284</u>
NET POSITION			
Restricted for Pension: Benefits and Other Purposes	<u>\$ 120</u>	<u>\$ 164</u>	<u>\$ 284</u>

CITY OF MERIDEN, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	East Cemetery Trust Fund	Scholarship Trust Fund	Total Private Purpose Trust Funds
ADDITIONS			
Contributions	\$ -	\$ 4	\$ 4
Investment Earnings (Losses):			
Interest and Dividends	-	9	9
Total Additions	-	13	13
DEDUCTIONS			
Benefits	-	26	26
CHANGE IN NET POSITION	-	(13)	(13)
Net Position - Beginning of Year	120	177	297
NET POSITION - END OF YEAR	<u>\$ 120</u>	<u>\$ 164</u>	<u>\$ 284</u>

CITY OF MERIDEN, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	Police Evidence Fund	License to Work Fund	Total Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 164	\$ 164	\$ 328
Accounts Receivable	-	1	1
Total Assets	<u>164</u>	<u>165</u>	<u>329</u>
NET POSITION			
Restricted	<u>\$ 164</u>	<u>\$ 165</u>	<u>\$ 329</u>

CITY OF MERIDEN, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Police Evidence Fund	License to Work Fund	Total Custodial Funds
ADDITIONS			
Other	\$ 56	\$ 14	\$ 70
DEDUCTIONS			
Other	<u>10</u>	<u>1</u>	<u>11</u>
CHANGE IN NET POSITION	46	13	59
Net Position - Beginning of Year	<u>118</u>	<u>152</u>	<u>270</u>
NET POSITION - END OF YEAR	<u><u>\$ 164</u></u>	<u><u>\$ 165</u></u>	<u><u>\$ 329</u></u>

OTHER SCHEDULES

**CITY OF MERIDEN, CONNECTICUT
PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

Grand List of October 1,	Uncollected Balance July 1, 2022	Current Year Levy	Lawful Corrections	Balance to be Collected	Collections				Uncollected Balance June 30, 2023
					Taxes	Interest	Liens	Total	
2006	\$ 233	\$ -	\$ (233)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2007	236	-	-	236	3	7	-	10	233
2008	245	-	-	245	3	7	-	10	242
2009	281	-	-	281	3	6	-	9	278
2010	242	-	-	242	4	4	-	8	238
2011	295	-	-	295	2	9	-	11	293
2012	338	-	-	338	6	8	-	14	332
2013	373	-	-	373	8	13	-	21	365
2014	378	-	(1)	377	11	15	-	26	366
2015	346	-	(1)	345	18	21	-	39	327
2016	384	-	(15)	369	14	27	-	41	355
2017	538	-	(17)	521	42	37	-	79	479
2018	627	-	(18)	609	158	90	1	249	451
2019	927	-	(11)	916	373	138	2	513	543
2020	3,018	-	(22)	2,996	1,854	343	13	2,210	1,142
Total Prior Years	8,461	-	(318)	8,143	2,499	725	16	3,240	5,644
2021	-	136,585	(695)	135,890	132,667	646	6	133,319	3,223
Total	\$ 8,461	\$ 136,585	\$ (1,013)	\$ 144,033	\$ 135,166	\$ 1,371	\$ 22	\$ 136,559	\$ 8,867

**CITY OF MERIDEN, CONNECTICUT
 SCHEDULE OF COLLECTIONS OF USE CHARGES
 SEWER AUTHORITY
 YEAR ENDED JUNE 30, 2023
 (IN THOUSANDS)**

Fiscal Year	Uncollected Balance July 1, 2022	Current Year Charges	Corrections		Balance to be Collected	Collections				Uncollected Balance June 30, 2023
			Additions	Deductions		Sewer Use Charges	Interest	Liens	Total	
2009	\$ 1	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1
2010	1	-	-	-	1	-	-	-	-	1
2011	1	-	-	-	1	-	-	-	-	1
2012	4	-	-	-	4	-	-	-	-	4
2013	2	-	-	-	2	-	-	-	-	2
2014	2	-	-	-	2	-	-	-	-	2
2015	2	-	-	-	2	-	-	-	-	2
2016	1	-	-	-	1	-	-	-	-	1
2017	3	-	-	-	3	1	1	-	2	2
2018	2	-	-	-	2	-	-	-	-	2
2019	5	-	-	-	5	4	2	-	6	1
2020	27	-	-	1	26	22	11	1	34	4
2021	94	-	-	1	93	84	24	3	111	9
2022	1,159	-	-	24	1,135	1,092	89	13	1,194	43
Total Prior Years	1,304	-	-	26	1,278	1,203	127	17	1,347	75
2023	-	10,085	28	-	10,113	9,051	79	31	9,161	1,062
Total	<u>\$ 1,304</u>	<u>\$ 10,085</u>	<u>\$ 28</u>	<u>\$ 26</u>	<u>\$ 11,391</u>	<u>\$ 10,254</u>	<u>\$ 206</u>	<u>\$ 48</u>	<u>\$ 10,508</u>	<u>\$ 1,137</u>

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF COLLECTIONS OF USE CHARGES
WATER AUTHORITY
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

Fiscal Year	Uncollected Balance July 1, 2022	Current Year Charges	Corrections		Balance to be Collected	Collections				Uncollected Balance June 30, 2023
			Additions	Deductions		Water Use Charges	Interest	Liens	Total	
2009	\$ 3	\$ -	\$ -	\$ -	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ 3
2010	3	-	-	-	3	-	-	-	-	3
2011	3	-	-	-	3	-	-	-	-	3
2012	3	-	-	-	3	-	-	-	-	3
2013	1	-	-	-	1	-	-	-	-	1
2014	2	-	-	-	2	-	-	-	-	2
2015	2	-	-	-	2	-	-	-	-	2
2016	3	-	-	-	3	-	-	-	-	3
2017	1	-	-	-	1	-	-	-	-	1
2018	2	-	-	-	2	1	1	-	2	1
2019	5	-	-	1	4	3	2	-	5	1
2020	25	-	-	1	24	21	10	1	32	3
2021	81	-	-	1	80	72	21	3	96	8
2022	1,087	-	-	3	1,084	1,055	77	20	1,152	29
Total Prior Years	1,221	-	-	6	1,215	1,152	111	24	1,287	63
2023	-	10,489	1	16	10,474	9,481	79	37	9,597	993
Total	<u>\$ 1,221</u>	<u>\$ 10,489</u>	<u>\$ 1</u>	<u>\$ 22</u>	<u>\$ 11,689</u>	<u>\$ 10,633</u>	<u>\$ 190</u>	<u>\$ 61</u>	<u>\$ 10,884</u>	<u>\$ 1,056</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 FISCAL YEARS
(IN THOUSANDS)
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in Capital Assets	\$ 224,211	\$ 270,252	\$ 258,270	\$ 296,586	\$ 292,795	\$ 297,247	\$ 288,360	\$ 283,492	\$ 237,700	\$ 187,903
Restricted	54,080	29,235	43,637	17,437	1,046	1,034	1,361	1,359	1,357	1,357
Unrestricted	<u>(201,329)</u>	<u>(211,824)</u>	<u>(211,293)</u>	<u>(228,766)</u>	<u>(204,048)</u>	<u>(207,500)</u>	<u>(195,627)**</u>	<u>(180,447)*</u>	<u>(171,203)</u>	<u>(173,100)</u>
Total Governmental Activities										
Net Position	<u>\$ 76,962</u>	<u>\$ 87,663</u>	<u>\$ 90,614</u>	<u>\$ 85,257</u>	<u>\$ 89,793</u>	<u>\$ 90,781</u>	<u>\$ 94,094</u>	<u>\$ 104,404</u>	<u>\$ 67,854</u>	<u>\$ 16,160</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 96,146	\$ 97,474	\$ 82,644	\$ 85,741	\$ 67,580	\$ 68,830	\$ 67,843	\$ 83,376	\$ 80,266	\$ 78,893
Unrestricted	<u>(11,371)</u>	<u>(11,049)</u>	<u>2,842</u>	<u>(4,245)</u>	<u>10,457</u>	<u>11,173</u>	<u>13,338**</u>	<u>1,708*</u>	<u>11,682</u>	<u>13,279</u>
Total Business-Type Activities										
Net Position	<u>\$ 84,775</u>	<u>\$ 86,425</u>	<u>\$ 85,486</u>	<u>\$ 81,496</u>	<u>\$ 78,037</u>	<u>\$ 80,003</u>	<u>\$ 81,181</u>	<u>\$ 85,084</u>	<u>\$ 91,948</u>	<u>\$ 92,172</u>
Primary Government:										
Net Investment in Capital Assets	\$ 320,357	\$ 367,726	\$ 340,914	\$ 382,327	\$ 360,375	\$ 366,077	\$ 356,203	\$ 366,868	\$ 317,966	\$ 266,796
Restricted	54,080	29,235	43,637	17,437	1,046	1,034	1,361	1,359	1,357	1,357
Unrestricted	<u>(212,700)</u>	<u>(222,873)</u>	<u>(208,451)</u>	<u>(233,011)</u>	<u>(193,591)</u>	<u>(196,327)</u>	<u>(182,289)</u>	<u>(178,739)</u>	<u>(159,521)</u>	<u>(159,821)</u>
Total Primary Government										
Net Position	<u>\$ 161,737</u>	<u>\$ 174,088</u>	<u>\$ 176,100</u>	<u>\$ 166,753</u>	<u>\$ 167,830</u>	<u>\$ 170,784</u>	<u>\$ 175,275</u>	<u>\$ 189,488</u>	<u>\$ 159,802</u>	<u>\$ 108,332</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 FISCAL YEARS
(IN THOUSANDS)
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities:										
General Government	\$ 28,495	\$ 22,816	\$ 19	\$ 21	\$ 22	\$ 21	\$ 20	\$ 10	\$ 12	\$ 15
Education	189,742	174,350	186	164	145	157	156	143	137	142
Public Safety	67,754	50,898	46	51	52	49	53	59	55	43
Public Works	19,893	21,942	18	16	15	12	19	12	12	14
Human Services	8,899	7,682	7	6	10	10	12	13	13	12
Culture and Recreation	8,253	7,247	6	7	7	7	7	7	7	6
Interest on Long-Term Debt	3,076	4,049	4	4	5	2	5	4	4	3
Total Governmental Activities Expenses	326,112	288,984	286	270	256	259	273	248	241	234
Business-Type Activities:										
Sewer Authority	12,159	12,043	11	12	11	11	12	12	11	11
Water Authority	13,885	12,957	13	12	13	13	13	15	12	11
George Hunter Golf Course	1,624	1,397	1	1	1	1	1	2	1	1
Total Business-Type Activities Expenses	27,668	26,397	26	26	26	26	26	29	25	23
Total Primary Government Expenses	\$ 353,780	\$ 315,381	\$ 312	\$ 296	\$ 281	\$ 284	\$ 299	\$ 277	\$ 265	\$ 258
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	\$ 3,910	\$ 4,088	\$ 3,639	\$ 2,644	\$ 3,024	\$ 2,479	\$ 2,446	\$ 2,784	\$ 2,643	\$ 2,108
Education	206	266	831	194	294	813	894	1,143	1,139	1,029
Public Safety	267	295	119	178	79	81	96	78	79	77
Public Works	1,798	1,900	1,792	1,770	1,771	2,151	2,078	2,011	1,982	1,919
Human Services	115	91	149	141	139	129	171	189	204	292
Culture and Recreation	192	94	58	25	32	24	22	25	29	27
Operating Grants and Contributions	148,177	127,805	139,390	115,958	97,670	110,276	112,423	104,644	100,182	100,071
Capital Grants and Contributions	10,894	11,181	6,131	4,186	9,924	7,413	18,776	48,613	63,460	41,292
Total Governmental Activities	165,559	145,720	152,109	125,096	112,933	123,366	136,906	159,487	169,718	146,815
Business-Type Activities:										
Charges for Services:										
Sewer Authority	10,145	10,016	9,338	10,047	9,609	9,527	8,513	8,079	8,128	8,629
Water Authority	11,616	11,671	10,579	11,679	11,083	11,267	11,000	9,533	10,171	10,433
George Hunter Golf Course	1,583	1,425	1,535	1,059	1,030	1,055	1,020	1,103	946	982
Capital Grants and Contributions	689	2,939	6,714	5,030	390	1,087	343	1,400	3,744	128
Total Business-Type Activities	24,033	26,051	28,166	27,815	22,112	22,936	20,876	20,115	22,989	20,172
Total Primary Government Program Revenues	\$ 189,592	\$ 171,771	\$ 180,275	\$ 152,911	\$ 135,045	\$ 146,302	\$ 157,782	\$ 179,602	\$ 192,707	\$ 166,987
Net Revenues (Expenses):										
Governmental Activities	\$ (160,553)	\$ (143,264)	\$ (134,066)	\$ (144,468)	\$ (142,721)	\$ (135,486)	\$ (135,955)	\$ (88,802)	\$ (70,952)	\$ (87,383)
Business-Type Activities	(3,635)	(346)	2,490	1,751	(3,478)	(2,654)	(5,534)	(8,624)	(1,527)	(3,242)
Total Primary Government Net Expenses	\$ (164,188)	\$ (143,610)	\$ (131,576)	\$ (142,717)	\$ (146,199)	\$ (138,140)	\$ (141,489)	\$ (97,426)	\$ (72,479)	\$ (90,625)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes	\$ 136,861	\$ 135,298	\$ 132,948	\$ 131,064	\$ 131,892	\$ 124,596	\$ 123,890	\$ 120,490	\$ 117,045	\$ 113,452
Grants and Contributions Not Restricted to Specific Programs	4,932	1,909	1,893	1,870	1,839	2,160	1,685	1,758	1,728	1,752
Unrestricted Investment Earnings	3,454	(1,247)	1,600	2,533	2,827	1,277	1,026	877	856	1,327
Miscellaneous Income	4,605	4,352	2,983	3,614	5,174	4,139	1,608	2,227	3,017	2,904
Transfers										
Total Governmental Activities	149,852	140,312	139,424	139,081	141,732	132,172	128,209	125,352	122,646	119,435
Business-Type Activities:										
Unrestricted Investment Earnings	122	(44)	17	81	75	120	56	29	66	76
Miscellaneous Income	1,863	1,329	1,482	1,627	1,438	1,356	1,741	1,731	1,237	1,558
Transfers										
Total Business-Type Activities	1,985	1,285	1,499	1,708	1,513	1,476	1,797	1,760	1,303	1,634
Total Primary Government	\$ 151,837	\$ 141,597	\$ 140,923	\$ 140,789	\$ 143,245	\$ 133,648	\$ 130,006	\$ 127,112	\$ 123,949	\$ 121,069
Change in Net Position:										
Governmental Activities	\$ (10,701)	\$ (2,952)	\$ 5,358	\$ (5,387)	\$ (989)	\$ (3,314)	\$ (7,746)	\$ 36,550	\$ 51,694	\$ 32,052
Business-Type Activities	(1,650)	939	4	3	(2)	(1)	(4)	(7)	(1)	(2)
Total Primary Government	\$ (12,351)	\$ (2,013)	\$ 9,347	\$ (1,928)	\$ (2,954)	\$ (4,492)	\$ (11,483)	\$ 29,686	\$ 51,470	\$ 30,444

**CITY OF MERIDEN, CONNECTICUT
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Nonspendable	\$ 155	\$ 429	\$ 141	\$ 131	\$ 136	\$ 148	\$ 139	\$ 137	\$ 149	\$ 131
Restricted	513	522	959	1,109	962	947	933	943	938	948
Committed	580	524	424	413	381	393	420	401	285	405
Unassigned	26,669	22,518	21,441	15,980	15,481	14,822	16,839	16,665	16,296	16,043
Total General Fund	<u>\$ 27,917</u>	<u>\$ 23,993</u>	<u>\$ 22,965</u>	<u>\$ 17,633</u>	<u>\$ 16,960</u>	<u>\$ 16,310</u>	<u>\$ 18,331</u>	<u>\$ 18,146</u>	<u>\$ 17,668</u>	<u>\$ 17,527</u>
All Other Governmental Funds:										
Nonspendable	\$ 303	\$ 370	\$ 326	\$ 339	\$ 262	\$ 212	\$ 539	\$ 491	\$ 491	\$ 517
Restricted	25,571	20,921	40,772	15,859	30,190	37,262	57,975	3,818	39,182	5,795
Committed	4,482	4,471	3,752	2,664	2,218	1,309	2,579	2,284	1,843	785
Unassigned	(200)	(995)	(367)	-	-	-	(37)	(329)	-	(12,552)
Total All Other Governmental Funds	<u>\$ 30,156</u>	<u>\$ 24,767</u>	<u>\$ 44,483</u>	<u>\$ 18,862</u>	<u>\$ 32,670</u>	<u>\$ 38,783</u>	<u>\$ 61,056</u>	<u>\$ 6,264</u>	<u>\$ 41,516</u>	<u>\$ (5,455)</u>
Total	<u>\$ 58,073</u>	<u>\$ 48,760</u>	<u>\$ 67,448</u>	<u>\$ 36,495</u>	<u>\$ 49,630</u>	<u>\$ 55,093</u>	<u>\$ 79,387</u>	<u>\$ 24,410</u>	<u>\$ 59,184</u>	<u>\$ 12,072</u>

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
REVENUES										
Property Taxes, Interest, and Lien Fees	\$ 136,674	\$ 135,198	\$ 132,915	\$ 130,621	\$ 131,454	\$ 124,978	\$ 124,071	\$ 120,780	\$ 117,379	\$ 114,075
Federal and State Government	164,545	137,553	126,484	114,166	119,057	110,489	131,038	153,125	164,576	141,474
Charges for Services	6,289	6,598	5,714	4,953	5,339	5,677	5,706	6,231	6,075	5,453
Investment Income	3,218	(790)	952	1,676	2,415	966	693	711	678	766
Other Revenues	4,805	4,476	3,870	3,616	5,172	4,167	3,456	4,118	3,813	2,973
Total Revenues	315,531	283,035	269,935	255,032	263,437	246,277	264,964	284,965	292,521	264,741
EXPENDITURES										
Current:										
General Government	47,447	44,487	42,698	42,342	44,500	39,455	39,099	39,050	37,765	34,735
Public Safety	28,671	27,680	26,016	25,285	24,446	23,542	24,226	23,889	23,268	22,715
Public Works	9,787	9,004	8,732	8,899	8,042	8,010	6,875	6,612	7,439	6,877
Health and Welfare	8,476	7,731	7,491	6,378	10,576	9,923	11,017	11,117	12,443	8,255
Culture and Recreation	4,431	4,190	4,020	4,209	4,255	4,328	4,681	4,518	4,517	4,259
Education	179,401	169,623	156,740	148,453	144,657	139,635	147,666	137,765	133,925	133,770
Debt Service:										
Principal	10,215	10,624	8,561	10,762	10,758	11,398	10,394	10,183	9,123	8,309
Interest	5,010	5,383	4,885	5,036	5,429	7,737	4,365	5,357	2,950	3,265
Capital Outlay	34,991	23,185	12,870	18,626	16,237	15,571	38,183	81,248	66,638	72,490
Total Expenditures	328,429	301,907	272,013	269,990	268,900	259,599	286,506	319,739	298,068	294,675
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,898)	(18,872)	(2,078)	(14,958)	(5,463)	(13,322)	(21,542)	(34,774)	(5,547)	(29,934)
OTHER FINANCING SOURCES (USES)										
Transfers In	1,551	2,290	1,825	2,684	2,251	3,559	1,690	2,765	1,719	1,430
Transfers Out	(1,551)	(2,290)	(1,825)	(2,684)	(2,251)	(3,559)	(1,690)	(2,765)	(1,719)	(1,430)
Bond Issuance	21,240	-	29,390	-	-	-	59,644	-	50,380	-
Bond Premium	971	-	2,642	-	-	-	4,804	-	2,280	-
Issuance of Refunding Bonds	-	27,082	15,165	9,490	-	-	10,606	-	-	-
Premium on Refunding Bonds	-	4,534	2,224	-	-	452	1,466	-	-	-
Payment to Escrow	-	(31,431)	(17,240)	(10,857)	-	(11,425)	-	-	-	-
Note Proceeds	-	-	-	1,727	-	-	-	-	-	-
Issuance of Capital Lease	-	-	-	1,462	-	-	-	-	-	-
Total Other Financing Sources (Uses)	22,211	185	32,181	1,822	-	(10,973)	76,520	-	52,660	-
NET CHANGE IN FUND BALANCE	\$ 9,313	\$ (18,687)	\$ 30,103	\$ (13,136)	\$ (5,463)	\$ (24,295)	\$ 54,978	\$ (34,774)	\$ 47,113	\$ (29,934)
Debt Service as a Percentage of Noncapital Expenditures	5.2 %	5.7 %	5.1 %	6.3 %	6.6 %	7.6 %	6.0 %	6.5 %	5.2 %	5.2 %

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

Fiscal Year	Residential Property	Commercial/Industrial Property	Tax Exempt Property	City-Wide Assessed Value	Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value	Estimated Actual Tax Value
2023 *	\$ 2,476,775	\$ 853,312	\$ 130,378	\$ 4,157,356	32.99	70 %	\$ 5,939,080
2022	1,857,439	779,765	138,031	3,335,288	40.86	70	4,764,697
2021	1,851,314	792,268	143,728	3,309,696	40.86	70	4,728,137
2020	1,841,158	764,018	115,039	3,241,280	40.86	70	4,630,400
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

Source: City of Meriden Tax Assessor

* Revaluation year

**CITY OF MERIDEN, CONNECTICUT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATES PER \$1,000 OF ASSESSED VALUE)**

Fiscal Year	City Direct Rate			Overlapping Rates		Total Direct and Overlapping Rates
	Basic Rate	General Obligation Debt Service	Total Direct Rate	Sanitation Removal District	Total Overlapping Rate	
2023	29.32	3.67	32.99	2.03	2.03	35.02
2022	36.80	4.06	40.86	2.67	2.67	43.53
2021	36.73	4.13	40.86	2.67	2.67	43.53
2020	35.92	4.94	40.86	2.18	2.18	43.04
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

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 TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Fiscal Year Ended June 30, 2023			Taxpayer	Fiscal Year Ended June 30, 2014		
	Assessment	Rank	Percentage of Total City Taxable Assessed Value		Assessment	Rank	Percentage of Total City Taxable Assessed Value
Eversource (CL&P)	\$ 89,066	1	2.14 %	Connecticut Light & Power	\$ 61,117	2	1.77 %
Yankee Gas	55,868	2	1.34	Yankee Gas	24,352	5	0.71
Radio Frequency Systems Inc	29,333	3	0.71	Radio Frequency Systems, Inc.	18,010	8	0.52
TLS Group	26,919	4	0.65				
BW Meriden LLC	23,924	5	0.58	Carabetta Enterprises, Inc.	13,021	9	0.38
Carabetta Enterprises Inc	19,567	6	0.47				
CUE MERRITT Ltd	18,683	7	0.45				
Meriden Realty	16,012	8	0.39	Meriden Square Partnership	61,374	1	1.78
Sky 103 LLC	14,383	9	0.35	Computer Sciences Corp.	29,063	3	0.84
Harbor Limited Partnership	14,095	10	0.34	Urstadt Biddle Properties, Inc.	22,050	4	0.64
				Meriden Square #3 LLC et al	19,992	6	0.58
				Newbury Properties de LLC	15,960	7	0.46
				Merritt Station LLC	11,130	10	0.32
Total	\$ 307,849		7.40 %	Total	\$ 276,069		8.00 %

Source: City of Meriden Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections and Corrections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Levy
2023	\$ 135,890	\$ 132,667	97.63 %	\$ -	\$ 132,667	97.63 %
2022	134,681	131,663	97.76	1,876	133,539	99.15
2021	132,312	129,477	0.98	2,292	131,769	99.59
2020	130,520	127,231	97.48	2,839	130,069	99.65
2019	130,071	127,309	97.88	2,283	129,592	99.63
2018	125,203	121,578	97.10	3,271	124,848	99.72
2017	123,265	120,721	97.94	2,217	122,938	99.73
2016	119,622	117,093	97.89	2,162	119,256	99.69
2015	116,354	113,706	97.72	2,283	115,989	99.69
2014	113,716	110,778	97.42	2,606	113,384	99.71

Source: City of Meriden Tax Collector

**CITY OF MERIDEN, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities				Total Primary Government (1)	Percentage of Personal Income	Aggregate Personal Income (2)	Population (2)	Per Capita (2)
	General Obligation Bonds	Notes Payable	Leases Payable	SBITAs Payable	Water Bonds/Notes	Sewer Bonds/Notes	Golf Course Bonds/Notes	Leases Payable					
2023	\$ 149,140	\$ 2,547	\$ 352	\$ 2,990	\$ 39,656	\$ 31,850	\$ 24	\$ 279	\$ 226,838	11.50	\$ 1,972,000	60	33
2022	138,781	2,815	543	-	32,708	33,748	26	-	208,621	10.58	1,972,000	60	33
2021	150,386	1,224	-	-	35,386	36,672	29	-	223,697	11.34	1,972,000	60	33
2020	128,293	1,386	-	-	27,061	28,365	31	-	185,136	9.39	1,972,000	60	33
2019	140,361	1,311	-	-	35,578	23,993	35	-	201,278	10.21	1,972,000	60	33
2018	151,563	1,468	-	-	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

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

(2) 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 (Not Rounded)		Debt Per Capita
2023	**	\$ 206,794	\$ 4,026,978	5.14	59,512	*	\$ 3,475
2022		190,364	3,197,257	5.94	60,517		3,146
2021		187,928	3,165,968	5.94	59,676		3,149
2020		146,459	3,126,241	4.68	59,864		2,447
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

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

** Revaluation year

**CITY OF MERIDEN, CONNECTICUT
DEBT LIMITATION
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

Total Tax Collections, Including Interest and Lien Fees, for the prior year, June 30, 2022	\$ 135,033
Reimbursement for Revenue Loss on: Tax Relief for Elderly and Disabled Base	52
	\$ 135,085

	General Long-Term Debt				
	General Purposes	Schools	Urban Renewal	Sewers	Pension Bonding
	(2.25 x base)	(4.50 x base)	(3.25 x base)	(3.75 x base)	(3.00 x base)
Debt Limitation: Statutory Debt Limits by Function	\$ 303,941	\$ 607,883	\$ 439,026	\$ 506,569	\$ 405,255
Debt:					
Notes Payable	2,547	-	-	838	-
Bonds Payable	92,040	47,186	-	27,967	-
Lease Payable	352	-	-	-	-
SBITA Payable	2,990	-	-	-	-
Bonds Authorized But Unissued**	18,960	(18,326)	-	36,271	-
Total	116,889	28,860	-	65,076	-
Debt Limitation in Excess of Debt*	\$ 187,052	\$ 579,023	\$ 439,026	\$ 441,493	\$ 405,255

* In no event shall total debt exceed seven times annual receipts from taxation. The maximum amount permitted under this formula would be approximately \$945,595.

**At June 30, 2022, the City has \$18.3 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 FISCAL YEARS
(IN THOUSANDS)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limitation	\$ 945,595	\$ 932,876	\$ 932,876	\$ 921,914	\$ 874,986	\$ 871,710	\$ 848,400	\$ 827,176	\$ 799,316	\$ 798,819
Total Net Debt Applicable to Limit	210,825	257,679	171,885	141,280	138,746	157,819	170,670	135,481	133,340	133,910
Legal Debt Margin	<u>\$ 734,770</u>	<u>\$ 675,197</u>	<u>\$ 760,991</u>	<u>\$ 780,634</u>	<u>\$ 736,240</u>	<u>\$ 713,891</u>	<u>\$ 677,730</u>	<u>\$ 691,695</u>	<u>\$ 665,976</u>	<u>\$ 664,909</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	22.3 %	27.6 %	18.4 %	15.3 %	15.9 %	18.1 %	20.1 %	16.4 %	16.7 %	16.8 %

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 CALENDAR YEARS**

Fiscal Year	Population (not rounded)	Median Family Income (not rounded)	Unemployment Rate
2023	59,512	58,472	4.3 %
2022	60,517	58,472	6.0
2021	59,676	58,843	8.9
2020	59,864	57,886	8.7
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

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

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

2023				2014			
Employer	Employees	Rank	Percentage of Total Employment	Employer	Employees*	Rank	Percentage of Total Employment*
City of Meriden	2,171	1	6.8 %	Midstate Medical Center	1000-4999	1	
Midstate Medical Center	1,300	2	4.1	Carabetta Management	250-499	6	
Meriden YMCA	620	3	2.0	Hunter's Ambulance Service	250-499	7	
Carabetta Management	506	4	1.6				
Hartford Healthcare EMS	385	5	1.2	Canberra	250-499	5	
3M Purification	285	6	0.9	RFS Cable	1-249	9	
Mirion Technologies, Inc.	200	7	0.6	AT&T	500-999	2	
Ragozzino Foods	155	8	0.5	Bob's Stores Corp	250-499	4	
Boscov	145	9	0.5	CUNO, Inc.	250-499	7	
RFS Cable	134	10	0.4	Target Corporation	1-249	8	
				Verizon Wireless	1-249	10	
Totals	<u>5,901</u>		<u>18.6 %</u>	Totals	<u>-</u>		<u>0.0%</u>

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

*Legal reasons prevent disclosure of actual employees

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

	Fiscal Year Ended June30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government	149.5	143.5	148.5	151.5	149.0	160.0	172.0	156.0	158.5	167.5
Public Safety:										
Police:										
Officers	125.0	125.0	121.0	116.0	122.0	121.0	113.0	121.0	122.0	121.0
Civilians	21.0	21.5	23.5	24.5	23.0	26.0	20.0	29.0	27.0	24.0
Fire:										
Firefighters and Officers	100.0	100.0	100.0	99.0	100.0	100.0	100.0	95.5	100.0	98.0
Civilians	3.0	3.0	3.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0
Emergency Communications	18.0	16.5	12.0	12.5	13.0	14.0	14.5	17.5	16.0	17.0
Highways and Streets:										
Engineering	13.0	13.0	11.5	11.5	10.5	8.5	10.5	10.5	9.0	9.0
Maintenance	27.5	25.0	27.0	28.0	24.0	28.5	39.5	42.5	29.5	30.0
Culture and Recreation	31.0	36.5	30.5	30.0	39.0	39.0	45.5	30.5	33.5	45.5
Golf	12.0	11.0	10.5	11.0	14.0	14.0	13.5	13.0	13.0	10.0
Water	32.0	31.0	31.0	33.0	29.0	33.0	33.5	31.5	31.0	30.5
Sewer	17.0	19.0	17.0	16.0	16.0	17.0	16.0	17.0	15.0	17.0
Total	<u>549.0</u>	<u>545.0</u>	<u>535.5</u>	<u>535.0</u>	<u>541.5</u>	<u>564.0</u>	<u>581.0</u>	<u>567.0</u>	<u>557.5</u>	<u>572.5</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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:										
Cases Investigated	19,709	11,913	12,277	13,773	10,382	10,382	8,895	10,972	11,097	11,298
Calls for Service	38,702	47,063	49,077	51,481	45,034	45,034	40,585	45,826	44,705	41,116
Arrests	2,556	2,426	2,410	2,981	3,002	3,002	3,173	3,373	3,428	3,495
Traffic Citations	1,675	2,108	1,603	2,405	2,419	2,419	2,153	3,023	3,764	3,426
Parking Citations	498	680	723	1,425	1,639	1,639	1,607	1,781	1,981	1,465
Fire:										
Emergency Responses	9,317	8,040	7,432	7,249	8,304	7,967	7,314	8,016	7,710	7,692
Nonemergency Responses	724	684	499	550	660	1,457	1,378	1,510	1,642	1,471
Inspections	2,252	2,296	1,946	996	998	1,537	1,518	1,283	2,307	3,359
Fire Investigations (C)	137	161	125	98	124	94	100	121	70	73
Refuse Collection:										
Refuse Collected (Tons)	8,499	7,881	7,588 ^{J)}	18,047 ^{I)}	18,047	18,005	17,890	18,000	30,253 ^{F)}	28,929
Recyclables Collected (Tons)	1,405	N/A	N/A	N/A	N/A	N/A ^{H)}	1,276	2,800	1,105 ^{F)}	2,426
Other Public Works:										
Street Resurfacing (Miles)	12	12	7.5	7.53	4.3	6.16	9.27	6.82	4.26	5.75
Potholes Repaired	6,100	5,458	4,343	5,800	6,400	6,225	6,450	5,284	6,406	7,654
Library:										
Volumes in Collection (Print)	70,995	70,046	106,305	123,710	151,592	183,214	212,888	206,436	249,190	245,620
Volumes in Collection (Nonprint)	13,937	13,832	13,891	14,559	15,362	24,707	20,966	16,002	20,857	19,239
Total Volumes Borrowed	53,149	75,409	107,376	159,274	203,871	225,598	218,291	238,710	242,368	251,687
Annual Library Visits	44,121	34,700 ^{N)}	16,725 ^{M)}	156,482	204,111	261,087	284,587	281,655	288,000	312,442
Water:										
Average Daily Production (millions of gallons)	5	5	5.368	5.635	5.427	5.205	5.178	5.318	5.001	5.234
Average Daily Demand (millions of gallons)	5	5	5.368	5.635	5.427	5.205	5.178	5.318	5.001	5.234
Wastewater:										
Average Daily Treatment (millions of gallons)	11	11	10.2	11.5	10.0	10.0	9.0	9.0	9.0	10.0
Transit:										
Total Route Miles	64,812	45,076	24,006	41,736	22,085	23,343	23,936	24,495	25,243	27,600 ^{A)}
Passengers	6,486	3,568	717	5,585	6,954	10,488	10,068	10,514	12,847	15,233
Human Services:										
Environmental Inspections and Responses	2,095	1,941	2,332	2,377	2,099	2,433	2,941	4,736	3,208	2,919
Health and Clinic Services Provided	3,647	3,692	15,051 ^{K)}	2,639	3,087	4,225	3,829	2,858	4,203	4,272
School Health Services Provided	77,177	59,037	27,348	37,883	99,741	99,338	106,083	104,392	83,113	96,690
Social Service Worker Clients	1,465	1,526	1,828	1,316	1,144	1,300	1,258	1,037	381	683
Youth Program Participants	102	99	129	595	524	672	274	345	648 ^{G)}	5,429
Senior Program Participants	17,542	13,633	4,257 ^{L)}	14,043	20,855	24,357	25,278	26,792	20,721	20,400

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.

I) Data not available due to Covanta plant changes and Covid-19 related issues

J) Outer district and commercial activity amounts not available.

K) Health and Clinic Services included Covid-19 vaccinations

L) Senior Center was closed to the public - programs were held virtually. The library was closed for four months as well.

M) The library was closed to the public for four months, then appointments were required to allow patrons access only for computer use resulting in decreased visitation.

N) The main library closed to the public on January 10, 2022 for renovation. The temporary location reopened approximately three months later in a much smaller space with reduced services. The collection was reduced in size to save on moving and storage costs during the time the library is being renovated.

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

Function	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Sub-Stations	2	2	3	3	3	3	3	3	3	3
Fire Stations	6	6	6	6	6	5	5	5	5	5
Volunteer Fire Stations	1	1	1	1	1	1	1	1	1	1
Municipal Buildings	12	12	12	12	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	0	8	8	8	8	8	8	8	8	8
Middle Schools	3	3	3	2	2	2	2	2	2	2
Magnet Schools	0	0	0	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	1,225,161	1,225,161	1,225,161	1,225,161	1,297,632	1,280,788	1,279,148	1,278,060	1,276,601
Fire Hydrants (Municipal)	11,518	1,514	1,512	1,510	1,509	1,509	1,495	1,493	1,493	1,493
Fire Hydrants (Private)	348	347	347	347	347	347	340	340	340	340
Wastewater										
Sewer Line (Feet)	1,138,861	1,133,318	1,129,622	1,129,392	1,130,259	1,130,259	1,126,675	1,126,560	1,126,179	1,123,712
Highway										
Paved Miles	187.83	187.83	187.83	187.83	187.83	187.83	187.83	187.83	187.83	187.83
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

CITY OF MERIDEN, CONNECTICUT
STATE SINGLE AUDIT REPORT
JUNE 30, 2023



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**CITY OF MERIDEN, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2023**

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT	1
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	4
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	7
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	11



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the City of Meriden, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the City of Meriden, Connecticut's major state programs for the year ended June 30, 2023. The City of Meriden, Connecticut's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Meriden, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Meriden, Connecticut and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the City of Meriden, Connecticut's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Meriden, Connecticut's state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Meriden, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Meriden, Connecticut's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Meriden, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Meriden, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of the City of Meriden, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

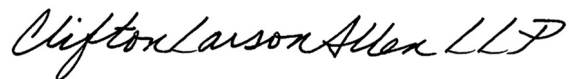
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the 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, 2023, and the related notes to the financial statements, which collectively comprise the City of Meriden, Connecticut's basic financial statements. We have issued our report thereon dated January 25, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

West Hartford, Connecticut
January 25, 2024

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/ Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
Department of Education			
Talent Development	11000-SDE64370-12552		\$ 16,137
Non Sheff Transportation	11000-SDE64370-12632		14,300
Family Resource Centers	11000-SDE64370-16110		203,450
Child Nutrition State Match	11000-SDE64370-16211		44,963
Health Foods Initiative	11000-SDE64370-16212		85,207
Adult Education	11000-SDE64370-17030		\$ 511,547
Adult Education	11000-SDE64370-17030		36,722
Total Adult Education			<u>548,269</u>
Alliance District	11000-SDE64370-17041-82164		15,368,137
Bilingual Education	11000-SDE64370-17042		163,200
Priority School Districts	11000-SDE64370-17043-82052		966,663
School Breakfast Program	11000-SDE64370-17046		34,607
After School Programs	11000-SDE64370-17084		261,878
Extended School Hours	11000-SDE64370-17108		157,554
School Accountability	11000-SDE64370-17109		<u>185,904</u>
Total Department of Education		<u>\$ -</u>	<u>18,050,269</u>
Department of Social Services			
Medicaid	11000-DSS60000-16020	<u>-</u>	<u>238,547</u>
Connecticut State Library			
Connecticard Payments	11000-CSL66051-17010		345
Historic Document Preservation	12060-CSL66094-35150		7,500
Total Connecticut State Library		<u>-</u>	<u>7,845</u>
Department of Children and Families			
Community Based Prevention Program	11000-DCF91141-16092		7,299
Youth Service Bureaus	11000-DCF91141-17052		40,698
Youth Service Bureau Enhancement	11000-DCF91141-17107		<u>12,991</u>
Total Department of Children and Families		<u>-</u>	<u>60,988</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/ Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
Department of Energy and Environmental Protection			
Community Conservation and Development	13019-DEP43720-41239	\$ -	\$ 3,071,231
Department of Transportation			
Bus Operations	12001-DOT57931-12175		323,161
Town Aid Road - Municipal	12052-DOT57131-43455	\$ 334,496	
Town Aid Road - STO	13033-DOT57131-43459	334,496	
Total Town Aid Road			668,992
Local Bridge Program	13033-DOT57191-43456		2,519,163
Local Transportation Capital Improvement Program	13033-DOT57197-43584		719,685
Local Transportation Capital Improvement Program	13033-DOT57197-43584		1,819,153
Total Local Transportation Capital Improvement Program			2,538,838
Total Department of Transportation		-	6,050,154
Department of Public Health			
Local and Districts Departments of Health	11000-DPH48558-17009		90,032
X-Ray Screen & Tuberculosis Care	12004-DPH48666-16112		191
Noncash Vaccines - State (CHIP)	12060-DPH48500-90618		10,909
Total Department of Public Health		-	101,132
Department of Emergency Services and Public Protection			
School Security Infrastructure	12052-DPS32161-43546		247,774
Drug Asset Forfeiture Revolving Account	12060-DPS32155-35142		935
Municipal Police Officer Training and Education	12060-DPS32201-35477		1,800
Enhanced 911 Telecommunications Fund	12060-DPS32741-35190		20,395
Total Department of Emergency Services and Public Protection		-	270,904
Judicial Branch			
Youth Services Prevention	11000-JUD96114-12559		10,000
Office of Early Childhood			
Early Care and Education - Child Day Care	11000-OEC64841-16274	1,094,778	1,094,778
Child Care Quality Enhancement	11000-OEC64845-16158		28,337
Early Care and Education - School Readiness	11000-OEC64845-16274	3,921,143	4,020,887
Total Office of Early Childhood		5,015,921	5,144,002

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/ Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
Office of Policy and Management			
Reimbursement Property Tax Disability Exemption	11000-OPM20600-17011		\$ 11,112
Property Tax Relief For Veterans	11000-OPM20600-17024		30,966
Tiered PILOT	11000-OPM20600-17111		1,795,433
Local Capital Improvement	12050-OPM20600-40254		546,941
Municipal Grants-In-Aid	12052-OPM20600-43587		1,663,015
Municipal Revenue Sharing	12060-OPM20600-35458		1,264,961
MRSA - Tiered PILOT	12060-OPM20600-35691		485,166
Total Office of Policy and Management		\$ -	5,797,594
Airport Authority			
Airport Improvement Grants - State	13033-APT59516-41389		40,009
Forestry Grant	12060-DEP44165-35402		22,653
West Main Street Improvements	12052-ECD46510-43228		190,556
Total		-	253,218
Total State Financial Assistance Before Exempt Programs		5,015,921	39,055,884
Exempt Programs			
Department of Education			
Education Cost Sharing	11000-SDE64370-17041-82010		53,671,809
Excess Cost - Student Based	11000-SDE64370-17047		2,668,186
Total Department of Education		-	56,339,995
Department of Administrative Services			
School Construction Grants	13010-DAS27635-43744	-	84,768
Office of Policy and Management			
Municipal Transition	11000-OPM20600-17103		3,288,592
Municipal Stabilization Grant	11000-OPM20600-17104		622,306
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005-13045		698,609
Total Office of Policy and Management		-	4,609,507
Total Exempt Programs		-	61,034,270
Total State Financial Assistance		\$ 5,015,921	\$ 100,090,154

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the City of Meriden, Connecticut, under programs of the state of Connecticut for the year ended June 30, 2023. Various departments and agencies of the state of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the state of Connecticut. Because the Schedule presents only a selected portion of the operations of the City of Meriden, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the City of Meriden, Connecticut.

Basis of Accounting

The accounting policies of the City of Meriden, Connecticut, conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

NOTE 2 LOAN PROGRAMS

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the schedule of expenditures of state financial assistance shall include loans and loan activities. The following is a summary of the various loan program activity for the year ended June 30, 2023:

Department of Energy and Environmental Protection:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance Beginning</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Ending</u>
CWF Note (209-CSL)	12/31/2012	2.00 %	\$ 1,785,546	\$ 928,399	\$ -	\$ 89,636	\$ 838,763
Interim Funding Obligation (CWF 710-DC)	12/31/2019	2.00	<u>30,429,393</u>	<u>23,805,365</u>	-	-	<u>23,805,365</u>
			<u>\$ 32,214,939</u>	<u>\$ 24,733,764</u>	<u>\$ -</u>	<u>\$ 89,636</u>	<u>\$ 24,644,128</u>

**CITY OF MERIDEN, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2023**

NOTE 2 LOAN PROGRAMS (CONTINUED)

Department of Public Health:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance Beginning</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Ending</u>
DWF Note (2012-7008)	12/31/2013	2.00 %	\$ 1,597,153	\$ 909,036	\$ -	\$ 78,592	\$ 830,444
DWF Note (2014-7034)	11/30/2016	2.00	17,299,858	11,976,487	-	786,162	11,190,325
DWF Note (2016-7041)	1/31/2017	2.00	1,429,943	1,084,876	-	66,917	1,017,959
			<u>\$ 20,326,954</u>	<u>\$ 13,970,399</u>	<u>\$ -</u>	<u>\$ 931,671</u>	<u>\$ 13,038,728</u>

Department of Economic Community Development:

Brownfield Remediation Program:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance Beginning</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Ending</u>
DECD Brownfield Loan - Project 2015080001	3/1/2020	1.00 %	\$ 232,045	\$ 213,534	\$ -	\$ 14,555	\$ 198,979
DECD Brownfield Loan - Project 20190800750001	5/1/2022	1.00	1,770,567	1,762,640	-	95,991	1,666,649
			<u>\$ 2,002,612</u>	<u>\$ 1,976,174</u>	<u>\$ -</u>	<u>\$ 110,546</u>	<u>\$ 1,865,628</u>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, 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 the 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, 2023 and the related notes to the financial statements, which collectively comprise the City of Meriden, Connecticut's basic financial statements, and have issued our report thereon dated January 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Meriden, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Meriden, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Meriden, Connecticut's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Meriden, Connecticut’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control 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 or on compliance. This 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 and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

West Hartford, Connecticut
January 25, 2024

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

State Financial Assistance

1. Internal control over major programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(is) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? _____ yes x no

The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
<u>Department of Education:</u>		
Alliance District	11000-SDE64370-17041-82164	\$ 15,368,137
<u>Office of Policy and Management:</u>		
Municipal Grants-In-Aid	12052-OPM20600-43587	1,663,015
<u>Office of Early Childhood:</u>		
Early Care and Education - Child Day Care	11000-OEC64841-16274	1,094,778
Early Care and Education - School Readiness	11000-OEC64845-16274	4,020,887
<u>Department of Energy and Environmental Protection:</u>		
Community Conservation and Development	13019-DEP43720-41239	3,071,231
<u>Department of Transportation:</u>		
Local Transportation Capital Improvement Program	13033-DOT57197-43584	2,538,838
Local Bridge Program	13033-DOT57191-43456	2,519,163

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 781,118

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – State Financial Assistance

Our audit did not disclose any matters required to be reported in accordance with the State Single Audit Act.

**CITY OF MERIDEN, CONNECTICUT
FEDERAL SINGLE AUDIT REPORT
JUNE 30, 2023**



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**CITY OF MERIDEN, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2023**

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	4
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	9
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	10
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	12



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Meriden, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Meriden, Connecticut's major federal programs for the year ended June 30, 2023. The City of Meriden, Connecticut's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Meriden, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Meriden, Connecticut and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Meriden, Connecticut's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Meriden, Connecticut's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Meriden, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Meriden, Connecticut's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Meriden, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Meriden, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Meriden, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the 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, 2023, and the related notes to the financial statements, which collectively comprise the City of Meriden, Connecticut's basic financial statements. We have issued our report thereon dated January 25, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

West Hartford, Connecticut
January 25, 2024

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
United States Department of Agriculture				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	Noncash	\$ 251,093	
National School Lunch Program	10.555	12060-SDE64370-20560	<u>4,638,929</u>	
Total National School Lunch Program				\$ 4,890,022
School Breakfast Program	10.553	12060-SDE64370-20508		1,606,768
Summer Food Service Program for Children	10.559	12060-SDE64370-20540	542,157	
Summer Food Service Program for Children	10.559	12060-SDE64370-20548	<u>55,916</u>	
Total Summer Food Service Program for Children				598,073
Fresh Fruit and Vegetable Program	10.582	12060-SDE64370-22051		<u>30,994</u>
Total Child Nutrition Cluster				7,125,857
Child and Adult Care Food Program	10.558	12060-SDE64370-20518	120,024	
Child and Adult Care Food Program	10.558	12060-SDE64370-20544	<u>7,673</u>	
Total Child and Adult Care Food Program				127,697
Child Nutrition Discretionary Grants Limited Availability	10.579	12060-SDE64370-22386		24,732
State Administrative Expenses for Child Nutrition	10.560	12060-SDE64370-23126		213,351
P-EBT Local Admin	10.649	12060-SDE64370-29802		13,178
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	Noncash		2,030,973
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	12060-DPH48872-20892	\$ 270,535	852,985
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	12060-DPH48872-21915		<u>31,598</u>
Total Special Supplemental Nutrition Program for Women, Infants, and Children				<u>2,915,556</u>
Total United States Department of Agriculture			<u>270,535</u>	<u>10,420,371</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
United States Department of Transportation				
<i>Passed Through the State of Connecticut Department of Transportation:</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	12062-DOT57513-20559	\$ 17,462	
National Priority Safety Programs	20.616	12062-DOT57513-22600	<u>22,655</u>	
Total Highway Safety Cluster				\$ 40,117
Highway Planning and Construction	20.205	12062-DOT57141-22108		684,250
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091		5,370
<i>Direct:</i>				
Airport Improvement Program	20.106			<u>1,284,567</u>
Total United States Department of Transportation			<u>\$ -</u>	<u>2,014,304</u>
United States Department of Education				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Special Education Cluster (IDEA):				
Special Education - Grants to States	84.027	12060-SDE64370-20977-2023	1,897,059	
Special Education - Grants to States	84.027	12060-SDE64370-20977-2022	423,061	
Special Education - Grants to States	84.027	12060-SDE64370-20977-2021	<u>15,000</u>	
Total Special Education - Grants to States				2,335,120
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2023	60,627	
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2022	<u>16,372</u>	
Total Special Education - Preschool Grants				76,999
Total Special Education Cluster (IDEA)				<u>2,412,119</u>
COVID 19 - Education Stabilization Fund:				
COVID 19 - American Rescue Plan - ESSER	84.425u	12060-SDE64370-23083-2022	351,237	
COVID 19 - American Rescue Plan - ESSER	84.425u	12060-SDE64370-29636-2021	8,779,306	
COVID 19 - American Rescue Plan - ESSER	84.425u	12060-SDE64370-29684-2022	<u>32,980</u>	
Total COVID 19 - American Rescue Plan - ESSER				9,163,523
COVID 19 - ARP ESSER Homeless Children and Youth (HCY) I	84.425w	12060-SDE64370-29650-2021	235	
COVID 19 - ARP ESSER Homeless Children and Youth (HCY) II	84.425w	12060-SDE64370-29650-2021	<u>68,771</u>	
Total COVID 19 - ARP ESSER Homeless Children and Youth				69,006
COVID 19 - ESSER K-12 Fund	84.425d	12060-SDE64370-29571-2021	4,272,780	
COVID 19 - ESSER K-12 Fund	84.425d	12060-SDE64370-29571-2020	<u>479</u>	
Total COVID 19 - ESSER K-12 Fund				4,273,259
Total COVID 19 - Education Stabilization Fund				<u>13,505,788</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2023	\$ 2,263,129	
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2022	<u>1,222,790</u>	
Total Title I Grants to Local Educational Agencies				\$ 3,485,919
Career and Technical Education - Basic Grants to States	84.048	12060-SDE64370-20742-2023		178,105
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2023	302,863	
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2022	<u>168,680</u>	
Total Improving Teacher Quality State Grants				471,543
Title IV - Student Support	84.424	12060-SDE64370-22854-2023	250,458	
Title IV - Student Support	84.424	12060-SDE64370-22854-2022	<u>25,941</u>	
Total Title IV - Student Support				276,399
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2023	85,525	
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2022	<u>61,576</u>	
Total English Language Acquisition State Grants				147,101
Education for Homeless Children and Youth	84.196	12060-SDE64370-20770-2022		<u>12,000</u>
Total United States Department of Education			<u>\$ -</u>	<u>20,488,974</u>
United States Department of Justice				
<i>Direct:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738		50,567	
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12060-OPM20350-21921	<u>22,603</u>	
Total Edward Byrne Memorial Justice Assistance Grant Program				73,170
<i>Direct:</i>				
Equitable Sharing Program	16.922			35,618
Bulletproof Vest Partnership Program	16.607			<u>12,641</u>
Total United States Department of Justice			<u>-</u>	<u>121,429</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
United States Department of Housing and Urban Development				
<i>Direct:</i>				
CDBG - Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants	14.218		\$ 89,868	\$ 1,241,683
United States Department of Health and Human Services				
<i>Passed Through the Agency on Aging of South Central Connecticut:</i>				
<i>Aging Cluster:</i>				
Special Programs for the Aging - Title III, Part B	93.044			45,164
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Preventive Health and Health Services Block Grant	93.758	12060-DPH48856-22664	\$ 2,591	
Preventive Health and Health Services Block Grant	93.758	12060-DPH48882-22664	14,840	
Total Preventive Health and Health Services Block Grant				17,431
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	12060-DPH48551-29582		80,672
Immunization Cooperative Agreements	93.268	Non-Cash		111,214
<i>Direct:</i>				
Substance Abuse and Mental Health Services	93.243			470,109
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421			144,803
Total United States Department of Health and Human Services			-	869,393
United States Department of the Treasury				
<i>Passed Through the State of Connecticut Department of Education:</i>				
COVID 19 - SLFRF Priority School Districts and Faith Acts	21.027	12060-SDE64370-29733		72,046
COVID 19 - SLFRF Learner Engagement LEAP	21.027	12060-SDE64370-28089-2023		75,000
<i>Passed Through the State of Connecticut Office of Early Childhood:</i>				
COVID 19 - SLFRF School Readiness	21.027	12060-OEC64845-28227	457,408	487,588
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	12060-OPM20600-29669	1,248,241	5,425,371
Total COVID 19 - Coronavirus State and Local Fiscal Recovery Funds				6,060,005

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
United States Environmental Protection Agency				
<i>Direct:</i>				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818			\$ 35,996
United States Election Assistance Commission				
<i>Passed Through the State of Connecticut Office of the Secretary of State:</i>				
Help America Vote Act Requirements Payments	90.401	12060-SOS12500-21465		12,281
United States Federal Communications Commission				
<i>Direct:</i>				
COVID 19 - Emergency Connectivity Fund Program	32.009	ECF202108052	\$ 680,000	
COVID 19 - Emergency Connectivity Fund Program	32.009	ECF202206132	1,103,196	
Total COVID 19 - Emergency Connectivity Fund Program				1,783,196
Total Expenditures of Federal Awards			\$ 2,066,052	\$ 43,047,632

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF MERIDEN, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Meriden, Connecticut, under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the City of Meriden, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the City of Meriden, Connecticut.

Basis of Accounting

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. Under these principles certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2 INDIRECT COST RECOVERY

The City of Meriden, Connecticut, has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited, in accordance with the 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, the 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, 2023, and the related notes to the financial statements, which collectively comprise the City of Meriden, Connecticut's basic financial statements, and have issued our report thereon dated January 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Meriden, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Meriden, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Meriden, Connecticut's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

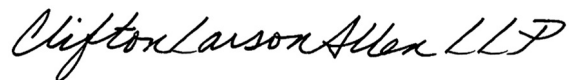
Honorable Mayor and Members of the City Council
City of Meriden, Connecticut

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Meriden, Connecticut’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

West Hartford, Connecticut
January 25, 2024

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.425D / 84.425U / 84.425W 10.553 / 10.555 / 10.559 / 10.582 10.557	COVID 19 – Education Stabilization Fund Child Nutrition Cluster Special Supplemental Nutrition Program For Women, Infants, and Children
32.009	COVID 19 – Emergency Connectivity Fund Program
21.027	COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$1,291,429

Auditee qualified as low-risk auditee? x yes _____ no

**CITY OF MERIDEN, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



Management
City of Meriden, Connecticut

In planning and performing our audit of the financial statements of City of Meriden, Connecticut as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below. This letter does not affect our report on the financial statements dated January 25, 2024.

1. Conflict of Interest Policy

We reviewed the Conflict of Interest section of the City's Code of Ethics, and obtained forms for City Councilors to ensure that they reviewed the Code of Ethics.

We noted the following issues:

- The language in section 21-8 parts H/I of the Code of Ethics is ambiguous in nature as to what is and is not allowed.
- There is no form for councilors or employees to disclose potential conflicts of interest.

Recommendation - We recommend the language in these Code of Ethics sections be updated to remove ambiguous language on whether employees/public officials can engage in related party transactions with the City. We further recommend that the Code of Ethics include a section for the signer to disclose any potential conflicts of interest so this information can be available in order to avoid any conflicts of interest on future procurements.

2. Information Technology Policies and Procedures

Controls over information technology are critical to the City's financial process and to accurate financial reporting. There is currently no formal Information Technology (IT) policy in place and processes and controls over IT could be more formally documented.

Recommendation - The City should formally document and memorialize their IT policies and procedures, specifically including their process for the removal of employees from the financial software upon termination.

3. Public Works Grant Receivables Not Requested For Reimbursement Timely

We determined that there are a number of large grant receivable balances for which reimbursement was not requested or received within the period of availability subsequent to year end. These are primarily for Public Works related grants.

Recommendation - The City departments overseeing Public Works related grants should be requesting reimbursement for grants in a timely manner to assist with cash flow and avoid any receivables becoming uncollectible.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, the City Council, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

West Hartford, Connecticut
January 25, 2024