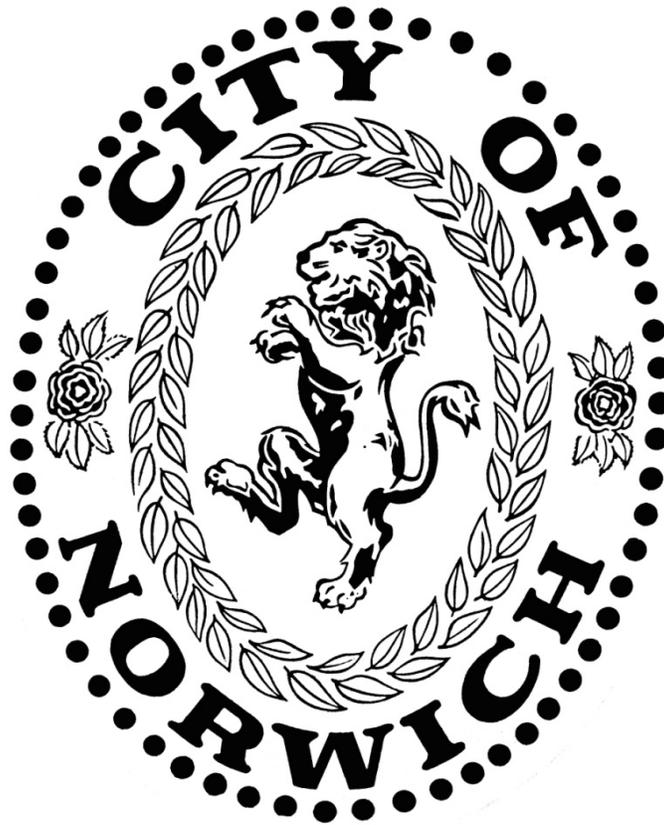


**CITY OF NORWICH, CONNECTICUT**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**



**FISCAL YEAR ENDED JUNE 30, 2025**  
**DEPARTMENT OF FINANCE**  
**UNION SQUARE**  
**NORWICH, CONNECTICUT**

**Annual Comprehensive  
Financial Report  
of the  
  
City of Norwich,  
Connecticut**

Fiscal Year Ended June 30, 2025

Prepared By:

City of Norwich Finance Department

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## **INTRODUCTORY SECTION**



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December 4, 2025

To the Citizens, Honorable Mayor and Members of the City Council  
City of Norwich  
Norwich, Connecticut

I am pleased to submit the Annual Comprehensive Financial Report ("ACFR") of the City of Norwich (the "City") for the fiscal year ended June 30, 2025. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's management is responsible for establishing and maintaining an internal control structure designed to ensure that its assets are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to manage spending within prescribed budget limitations and for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

State Statute and the City Charter require an annual audit by an independent certified public accountant. The statute further prescribes that each municipality's annual report shall be prepared in accordance with accounting principles generally accepted in the United States of America. This report has been prepared according to these standards. The auditors' unmodified opinion is included in this report.

The City is required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act and U.S. Office of Management and Budget's "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (commonly called "Uniform Guidance"). Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditors' reports on the internal control over financial reporting and compliance with applicable laws and regulations, are issued under separate covers and are not included in this report. The City is also required to undergo a State single audit. Information related to this State single audit will be issued separately.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the management discussion and analysis ("MD&A").

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## **Profile of Government**

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Norwich, founded in 1659, is Connecticut's 25<sup>th</sup> largest city by population. The City was incorporated in May 1784. The Town and City were consolidated on January 1, 1952. Norwich covers an area of 27.1 square-miles located 40 miles southeast of Hartford surrounded by Montville, Preston, Lisbon, Sprague, Franklin and Bozrah.

The City is approximately three hours from New York City by rail or highway transportation. Providence, Rhode Island is approximately an hour from the City and Boston is approximately two hours away. The City is served by interstate, intrastate and local bus lines. The City is served by Interstate 395 from north to south connecting Norwich with 1-95 and 1-90 to Boston and New York. Route 2 links the City with Hartford and 1-91. State Route 82 connects downtown Norwich with 1-395. Rail transportation and freight service is available to major points including New York, Boston, Providence and Montreal. Air services are available at Groton-New London Airport to the south, Green Airport (Providence) to the east and Bradley Airport to the north. Norwich Harbor provides a 600-foot turning basin connecting the Thames River and Long Island Sound.

The City operates under a Charter adopted in 1952, which was most recently revised on November 3, 2015. The City operates under a Council/Manager form of government. The City Manager is appointed by the City Council and serves as the Chief Executive Officer. The City Manager serves at the pleasure of the City Council and is responsible to the City Council for the supervision and administration of City departments. The City Council consists of six members and one Mayor, all elected at large. Elections are held during odd calendar years as provided by state statute.

This report includes all funds of the City. The City provides a full range of services to its citizens. These services include public safety, street maintenance and sanitation, health and human services, public parks and recreation, library, education, public improvements, planning, zoning, water, gas, electric, sewer and general administrative services.

The City Council is required to adopt a final budget no later than the second Monday in June for the following fiscal year. This annual budget serves as the foundation for the City of Norwich's financial planning and control. The budget sets the annual spending limits for each department and the property tax mill rate. After the budget is set, departments may transfer resources within their department with the approval of the City Manager. Additional appropriations or transfers between departments require approval by the City Council.

## **Local Economy**

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The City pursues economic and physical stabilization and revitalization. The City has maintained the quality of services to its citizens while having the 17<sup>th</sup> lowest per capita tax burdens in the State at \$2,158 for fiscal year 2022.

The Mayor is responsible and accountable for economic development. The overriding goal for the City is to increase its grand list through activities which enhance community life, attract newcomers to the City, reduces reliance on government agencies, and attract economic development investment from the State of Connecticut. Objectives identified to achieve this goal include revitalizing downtown, adaptively reusing existing structures, increasing availability of viable commercial and industrial properties, maintaining the existing infrastructure and attracting new educational institutions into the City.

The City's economic development activities are assisted by Norwich Community Development Corporation (NCDC), a private not-for-profit corporation established in 1964 to improve the economic well-being of the City.

The Mayor works closely with NCDC as an independent non-profit that is neither directly nor indirectly controlled by the City or any other governmental entity, but by Norwich City Council resolution, is the economic development arm of the City. Many activities are underway which support these objectives and will move the community toward the City's primary economic development goals.

The City along with NCDC have been awarded a Bronze Certification by the Connecticut Economic Development Association (CEDAS) for effective and efficient land use planning and economic development policies and procedures and NCDC was recognized as the CEDAS Economic Development Agency of the Year for 2025. These acknowledgements point to the growth and change manifest in the business development and infrastructure rehabilitation currently occurring in the City. Significant revitalization of infrastructure and small business assistance has boosted our local economy which (according to data published by CT DOL on September 4, 2024) has experienced the greatest post-pandemic growth in the Connecticut Town Economic Indicator of any town or city in the state with a population of over 20,000.

## Commercial/ Industrial Activity

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### Business Park North (Occum Industrial Center)

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NCDC acquired 384 acres in the Occum section of Norwich in December 2022 for \$3.55 million to be used as a second business park, just north of the existing Stanley Israelite Business Park. The current industrial park hovers at 90% occupied. NCDC was awarded \$11.9 million in State grants in March 2023 to help build out road and utility infrastructure to enable development of the park. Since that time, an approved subdivision has been filed with the City and marketing of parcels is underway, with five current active negotiations including one pending Purchase and Sales agreement for nearly 50% of the available land. Additionally, the road and utility work is on track to commence by the end of 2025. NCDC estimates that at full build-out Occum Industrial Park will attract \$300 million of private investment, more than 1,000 employment opportunities, and nearly \$7,000,000 in net public benefit from personal property taxes, real estate taxes and utility revenues to the City.

### Marina

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Patten Marina Holdings acquired the lease for the downtown marina in October 2023. Since the acquisition, Patten has invested nearly \$300,000 into renovations in addition to over \$1,000,000 that the City was awarded in State and Federal funding for this public-private partnership. As a result, the marina has seen: (1) a reopened onsite restaurant (which has experienced over 40% revenue growth), (2) the demolition and removal of toxic blight from vacant structures, and (3) the reinstallation of an on-site fuel solution for boaters, missing for over a decade. As a result of this progress, in their first two years, marina slip occupancy is up 200%. Over the next three years, significant public-private investment will continue to enhance this strategic municipal asset increasing downtown visitation by local and regional tourists and boaters.

### Crossings at 345

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Mattern Construction was selected by RFP to be the developer/owner of the former YMCA building in downtown. The City was awarded a \$2 million Connecticut Community Communities Challenge Grant to assist with the redevelopment of the property from the DECD in April of 2022. The City also received grant and loan assistance from the Capital Region Council of Governments and for brownfield remediation funding. The brownfield remediation was completed in September 2024 and Mattern anticipates completing the rehabilitation and construction of the space in early 2026 with the relocation of Mattern's headquarters into the building, as well as the creation of eight residential units, and five commercial spaces.

### 85 Main Street

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In March 2020, the developer received approval from the Commission on the City Plan to renovate a historic contributing building located in the Downtown Norwich National Historic District to include 42 residential units

and 10,288 square-feet of commercial tenant space. The City Council approved ARPA funds managed by NDCDC which will allow for a \$400,000 loan and a \$400,000 grant to be provided to the owners to make code corrections as part of an \$8.8 million renovation to the property. The developer commenced construction in September 2022, certificates of occupancy for the residential units were issued in February 2025, and residential occupancy is 98%. Two first floor spaces for food service use are under design.

### Thames Plaza

Spectra Construction and Development purchased a former downtown bank and office building and development is underway to convert this 30,000 square foot building on the downtown waterfront into 61 apartments by the end of 2026 at an estimated cost of \$4,750,000.

### Norwich Revitalization Program

The Norwich Revitalization Program is a \$3.5 million ARPA-funded small business effort to rehabilitate unused, vacant space to expand and attract new business and rehabilitate occupied space by funding code corrections and building envelope repair to retain business. As a result, 19 small businesses, more than half of which are MBWE owned-operated, have been retained, attracted, expanded or developed. This effort has secured 116 jobs and revitalized or reactivated 90,528 square feet of previously blighted or unused retail space. This program created an overall investment of \$5,388,745 in the community with \$3,521,766 in private funding being matched by \$1,866,979 in public ARPA funds for an overall public investment of \$20/sq ft in the rehabilitated space and \$16,000 per job created in the Norwich economy.

### Former Hale Mill Property

In June 2018, a New York development firm purchased the 10-acre Hale Mill property in the Yantic section of Norwich for \$826,000. The new owner is a \$34 million destination-themed, Hilton Tapestry branded 151-room hotel operation with a restaurant, banquet space, and a pool in the 1864 former textile mill. The City Council approved a tax abatement ordinance and approved up to \$400,000 in ARPA funding towards the project. The developers began construction in August 2022 and expect to complete the project by August 2026.

### Cannabis Cultivation and Retail

The City was identified as a Disproportionately Impacted Area. As such, two cannabis cultivators, one micro-cultivator, one food & beverage manufacturer, and two retail operators have chosen to locate in the City. Each is a multi-state cannabis cultivation operator and, in the aggregate, will bring nearly 250,000 square-feet of plant manufacturing to the City which represents over 150 new jobs and significant utility usage. The indoor grow operators are locating in the former Mr. Big's department store on Eighth Street in Greeneville, a former manufacturing facility on Forest Drive, and in the future, on a former driving range. Each will require approximately \$20 million investment to reach full operational capability. As for cannabis retail sales, Zen Leaf opened its retail operation in July 2023 and Rejoice Dispensary opened in May 2025. Retail operations are subject to a 3% municipal tax on gross receipts, resulting in approximately \$130,000 a year in revenue to the City.

### 201 Main Street

Heritage Properties, the owners of the Wauregan Hotel, purchased the former Reid & Hughes department store property and invested approximately \$5.5 million to convert it into 17 apartments and first-floor retail space. Current occupancy of the Wauregan is 100% and demand for downtown space is on the rise. NDCDC was awarded \$550,000 in brownfield remediation grant funds through the Connecticut Community Investment Fund 2030, and the City used \$300,000 of ARPA funds to assist with this project. Heritage Properties celebrated a ribbon-cutting in July 2025 and expects that the apartments and retail spaces to be filled by the end of 2025 with current occupancy at 50% within one month of opening.

## Regional Activity

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### Electric Boat

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General Dynamics Electric Boat (EB), is the region's largest employer and the nation's largest manufacturer of submarines, servicing the U.S. Navy. EB has sourced contracts that will maintain their production facilities and personnel needs for decades. A component of this work involves a new class of submarine, the Columbia class, for which a new production facility is needed. General Dynamics Electric Boat currently has a workforce of more than 19,500 employees at its three primary locations in Groton and New London, Connecticut, and Quonset Point, Rhode Island and expects to hire 5,000 employees per year for the next several years to meet the demands of its contracts.

The Columbia class program includes 12 ballistic missile submarines to replace the Navy's 14 aging Ohio-class submarines. EB was awarded a \$9.47 billion contract in November 2020 for the first two Columbia class submarines. The first submarine is scheduled for delivery to the Navy in 2027, and the second one in 2029.

### Wind Turbine Assembly Facility

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The 184-acre New London Pier is being used as a wind turbine assembly facility. The Connecticut Port Authority worked with terminal operator, Gateway Terminal, and Ørsted and Eversource to redevelop State Pier in New London into a state-of-the-art heavy-lift capable port facility which could bring approximately 400 offshore wind-related jobs to the area. The \$310 million project was completed in 2023. The downstream impact on Norwich is demand for new industrial space. Three offshore wind projects commissioned by Connecticut, New York and Rhode Island – a total of approximately 160 turbines, with an output of 1,760 MW (enough to power over a million homes) – are scheduled for assembly and delivery from New London. The first of these projects, the South Fork Wind, was fully operational in March 2024. The two larger projects, Revolution Wind and Sunrise Wind, are expected to be completed by the end of 2025.

### Housing Market

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The City has 18,722 housing units, including single family homes, apartments, duplexes, condominiums, townhouses and mobile homes. Norwich is the largest municipality in Southeastern Connecticut and is in New London County. According to the Eastern Connecticut Association of Realtors, during calendar year 2024, 349 single-family homes, 76 multi-family homes, 30 mobile homes and 86 condos sold in Norwich. The median sales price for a single-family home during this period was \$276,500.

As part of the City's investment to stabilize the housing stock, Norwich has committed federal and state resources towards neighborhood preservation. The Office of Community Development uses Federal Housing & Urban Development funds to rehabilitate approximately 24 units of housing each year. In 2024 \$240,000 was allocated to the CDBG Housing Rehabilitation Program, and for 2025 the allocation increased to \$250,000. These funds were leveraged on a case-by-case basis with funds from the HUD Lead Based Hazard Control/Healthy Homes, mentioned below, to maximize the value of the improvements to the properties for both Homeowners and the City. These funds address health, safety and code issues impacting properties. In addition to addressing health and safety issues, rehabilitation aids in increasing property values (approximately 13% average increase in values).

The City was awarded a Lead Based Paint Hazard Control/Healthy Homes grant for \$3.1 million in fall of 2024. These funds will further improve owner occupied and investor housing units.

## State of Connecticut Projects

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### Route 82 Redesign

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The State of Connecticut Department of Transportation (CTDOT) proposed a two-phase reconstruction of Route 82 in August 2015. This project was approved by the Norwich City Council which cleared the way for CTDOT to begin preliminary design work. Field surveying and preliminary engineering have been completed. As a result of input from a June 2022 informational meeting, the preliminary design is being reviewed to explore the possibility of fewer roundabouts. Construction may start by 2027. The preliminary design includes the replacement of several traffic signals with roundabouts and the installation of a median divider. The intent of these changes is to reduce accidents and improve the flow of traffic.

### Major City Initiatives

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#### Road Improvements

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The residents of the City passed \$5 million bond referendum items in 2013, 2017 and 2019 for infrastructure improvements. Voters most recently approved the \$6 million infrastructure bond referendum item on the November 2023 ballot. In addition to bond funding, the City secured a \$2.1 million Local Transportation and Capital Improvement Program grant for the reconstruction of Dunham Street, a 0.75-mile urban collector road connecting West Main Street to West Thames Street. Construction was completed in the summer of 2022. The City received a \$400,000 Connectivity Grant for constructing a modern roundabout at the intersection of Franklin Street and Main Street. This project was completed in October 2021 and has improved traffic flow and pedestrian movement. Recently, the City and the Town of Montville have secured a \$2.1 million grant for the reconstruction of the southern mile of New London Turnpike.

#### Sherman Street, Sunnyside Street, and Pleasant Street Bridge Rehabilitations

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The Public Works Department previously secured approximately \$12 million in Federal and state grant money to pursue rehabilitation projects to all four of these bridges. Construction for the replacement of the Sherman Street bridges started in June of 2022. Both bridges were replaced, and a 600-foot section of Asylum Street was also reconstructed to allow raising the bridges by 18-inches, making them less prone to flooding. Construction was completed in the summer of 2024.

#### New London Turnpike Bridge Replacement

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The Public Works Department has secured an \$800,000 Congressionally Directed Spending grant to provide the design for replacement of this bridge. Design began in the summer of 2025.

### Uncas Leap

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Located along a gorge carved out by the Yantic River, Uncas Leap is a natural resource with a cultural legacy. The neighborhood surrounding the falls is also an important part of the City's industrial heritage. City agencies, the Mohegan Tribe, and numerous stakeholder groups have been working together to improve this resource; to protect it and share it with future generations. In 2018, the Uncas Leap Heritage Area was recognized by the American Planning Association as one of five finalists for the People's Choice designation for Great Places in America.

Over the years, the City has received several grants to further the project. DECD and Federal Environmental Protection Agency (EPA) grants awarded to the City assisted with addressing environmental and structural concerns, and master planning to create a unique heritage park. Additionally, the Norwich City Council approved the use of Federal CDBG funds to demolish a blighted and dangerous on-site brick mill building with the concurrence of the State Historic Preservation Office (SHPO). The City purchased 232 Yantic Street and

demolished a blighted residential structure to install an eight-space parking lot for the park. SHPO approved deconstruction of the granite mill building allowed for the a future community gathering space within the existing ruin.

The Norwich City Council allocated \$2.8 million dollars of ARPA funds towards the continued design and development of the site into a Heritage Park, including amenities proposed within the Master Plan; such as an amphitheater, bathrooms, walkways, viewing platforms, lighting, and accessible parking. Construction started in August of 2023 and the site dedication ceremony and opening occurred in November 2024; creating a regional tourism draw.

### American Rescue Plan Act

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In addition to the funding allocated towards the Uncas Leap project and various economic development initiatives, the Norwich City Council has also allocated ARPA funds to several other initiatives such as recreation facilities improvements and social services programs. The City received a total of \$28.8 million of ARPA funds to be spent by 2026.

### School Initiatives

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#### *Programs*

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Norwich Public Schools is designated as an Alliance School District, fostering partnerships with the Connecticut Department of Education to drive innovative instruction. While Moriarty and Wequonnoc Elementary Schools, as well as Kelly and Global Middle Schools, previously benefited from Magnet funding, this support has ended. Consequently, magnet school transportation and staffing are no longer available; however, many magnet themes continue to be integrated into the curriculum.

All pre-kindergarten classrooms are in five of the seven elementary schools. The Norwich Transition Academy at Case Street School provides a tailored learning program for students aged 18-22, focusing on smooth transitions to adulthood.

NPS launched the Rose City School Program in FY2025. This therapeutic initiative will be staffed by experienced providers to support students with disabilities who face social-emotional and behavioral challenges. This year, we aim to establish two elementary classrooms, with plans to expand to a middle school program next year. Students will benefit from individualized learning, counseling, and inclusive opportunities. We are also accepting out-of-district referrals for this program.

Additionally, all elementary schools within the district offer full-day kindergarten, and every student in Norwich Public Schools enjoys free breakfast and lunch. Each school features an afterschool program, providing students with access to a complimentary dinner.

#### *Facilities*

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Norwich voters approved a \$385 million bond ordinance referendum in November 2022. The project includes the consolidation of the school district's seven elementary schools into four new, larger schools on the sites of the former Greenville, Stanton, Moriarty, and Uncas schools; either renovating-as-new or replacing Teachers' Memorial School; and renovating Huntington School as the new home for the City's adult education program and the Board of Education administrative offices.

## Norwich Public Utilities (NPU)

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Each year, Norwich Public Utilities (NPU) provides the City with a payment of 10% of its gross revenues from the revenue from natural gas, electric and water utilities. In Fiscal Year 2026, the payment from NPU to the City will be approximately \$9.259 million.

Over the past ten years, NPU payments to the City have totaled nearly \$90 million, which reduces Norwich taxpayers' burdens by an estimated 4.4 mills per year.

NPU was proud to be the first utility in Connecticut to offer a low-income discount rate for its electric customers. Qualified customers are provided with a 10% discount on their electric portion of their bills each month. In its first year, the Community Assistance Rate (CAR) saved 2,152 customers an aggregate of \$309,409.

### *Water Division*

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NPU has been working on a critical, multi-year effort to upgrade and improve private water service lines to individual residences in Norwich that contain lead. In 2025, NPU conducted 150 basement inspections and 400 test pit inspections. These inspections will continue into 2026 as NPU works to have Norwich certified as a 'non-lead community'.

NPU is progressing with projects that will improve the aeration and mixing systems in three water tanks that will improve water quality.

### *Electric Division*

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NPU is among 118 of the nation's more than 2,000 public power utilities that have earned the Reliable Public Power Provider designation from the American Public Power Association (APPA) for providing reliable and safe electrical service. The designation, which is for three years, was most recently awarded to NPU in 2021. This significant achievement recognizes public power utilities that demonstrate proficiency in four disciplines: reliability, safety, workforce development, and system improvements.

NPU has secured approximately \$800,000 from the State of Connecticut for a study to evaluate options for either relocating the Bean Hill Substation to prevent the flooding of the facility in the future. NPU's preliminary design for the new substation is complete and will be submitted to the CT Siting Council.

### *Wastewater*

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In November 2023, NPU broke ground on the large-scale upgrade of its wastewater treatment plant. The project, which has a budget of approximately \$200 million, will be the largest construction project in the history of Norwich, and bring critically important infrastructure upgrades to Norwich and the region. NPU has secured more than \$74 million in grant funding from the State of Connecticut for this project. Substantial progress was made in 2025, and the project is approximately 40% complete.

Working with Senators Blumenthal and Murphy, NPU secured \$1.6 million to support the re-lining of older sewer mains in the Greenville section of Norwich. The funding, a federal appropriation through the Environmental Protection Agency (EPA) will allow this critical work to continue and improve water quality in the Shetucket and Thames Rivers and well as Long Island Sound. This work is currently out to bid and NPU anticipates construction to get underway in 2026.

## *Natural Gas Division*

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In April 2023, NPU was awarded \$10 million by the Pipeline and Hazardous Materials Safety Administration (PHMSA - part of the U.S. Department of Transportation) to modernize a significant portion of its natural gas infrastructure. In April of 2024, NPU was awarded an additional \$10.9 million from PHMSA to complete additional upgrades. This will be a multi-year effort that will ultimately improve the safety and efficiency of NPU's system, while also providing environmental benefits to the region by reducing the number of natural gas leaks into the atmosphere.

Work funded by the first grant – installing more than 2.5 miles of new gas main - has been completed with additional service connection and paving work to be completed; work funded by the second grant will begin in 2027.

## **Long-Term Financial Planning & Relevant Financial Policies**

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### Unassigned Fund Balance

The City Council adopted by ordinance a formal General Fund Unassigned Fund Balance (“UFB”) policy in December 2014. This policy identifies a target fund balance range of 12% to 17% of annual General Fund expenditures and operating transfers.

The UFB may be used for absorbing operating deficits at any time. If UFB goes over 17%, the Council may appropriate the excess to:

- fund capital improvements beyond the level required by the Charter
- transfer funds to the bonded projects fund to finance authorized, but unissued projects
- retire existing debt early
- make extra contributions into the Pension or OPEB funds

In June 2021, the City Council voted to add a policy for a nonlapsing account for unexpended education funds. This policy allows the BOE to request that an unexpended General Fund appropriation be deposited into the nonlapsing account. The funds may be later used to offset future BOE operating deficits, or pay for improvements to school facilities, equipment, or programs which would not increase ongoing operating costs.

### Capital Improvements

City departments submit a five-year capital improvement plan each year. The City Manager and City Council weigh the needs of the City and either include the most crucial projects in the capital budget or introduce bond ordinances to finance the projects. Norwich's Charter requires that the City budget at least the value of two percent of the previous General Fund appropriations in capital projects each year.

### Debt Management

In addition to statutory debt limitations, the City further restricts debt by 1) not allowing debt service expenditures to grow at a rate greater than all other General Fund expenditures and, 2) limiting net indebtedness to 15% of the City's taxable assessed value.

### Pension & Other Post-Employment Benefits Funding

The City has committed to funding the City Employee Pension Trust Fund, Volunteer Firefighters Relief Fund, and OPEB Fund. Starting with fiscal year 2014-15, the City reviewed its assumptions for these plans, lowered the assumed rate of return, and shortened amortization periods. As a result, the liabilities and actuarially

determined employer contributions for these plans will be higher than they would have been under the previous sets of assumptions. The city shall contribute the amount recommended by its actuary each fiscal year unless the amount varies by more than 10% +/- from the previous year. This variance shall be calculated by division (e.g., NPU, Norwich Public Schools, Police, Fire, Volunteer Fire, and all other General City). If the contribution recommended by the actuary is less than 90% of the previous year's contribution, then the city shall contribute an amount equal to 90% of the previous year's contribution. If the contribution recommended by the actuary is greater than 110% of the previous year's contribution, then the city shall contribute an amount equal to 110% of the previous year's contribution.

In November 2021, the voters of the City of Norwich approved a \$145 million pension obligation bond referendum. The City Council also voted to amend the pension funding policies for pensions and created a pension reserve fund as a further hedge against volatility while the City has pension obligation bonds outstanding. The pension obligation bonds were sold in February 2022.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada ("GFOA") has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Norwich, Connecticut, for its annual comprehensive financial report each year since the fiscal year ended June 30, 1993. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive financial report. The report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

The GFOA has awarded the City a "Distinguished Budget Presentation Award" for its budget document each year since the fiscal year which began July 1, 2000. The budgets submitted had to satisfy four different criteria: the budget as a Policy Document, the budget as a Financial Plan, the budget as an Operations Guide and the budget as a Communications Device. The award earned by the City is the highest form of recognition in budgeting.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire Finance Department staff and members of other departments who assisted in its compilation. I would like to express my appreciation to all members of the City who assisted in its preparation. The combined support of you, the City Manager and the City Council, who remain committed to fiscal integrity and financial leadership, is also appreciated.

Respectfully submitted,



Joshua A. Pothier, CPA, CPFO  
Comptroller



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Norwich  
Connecticut**

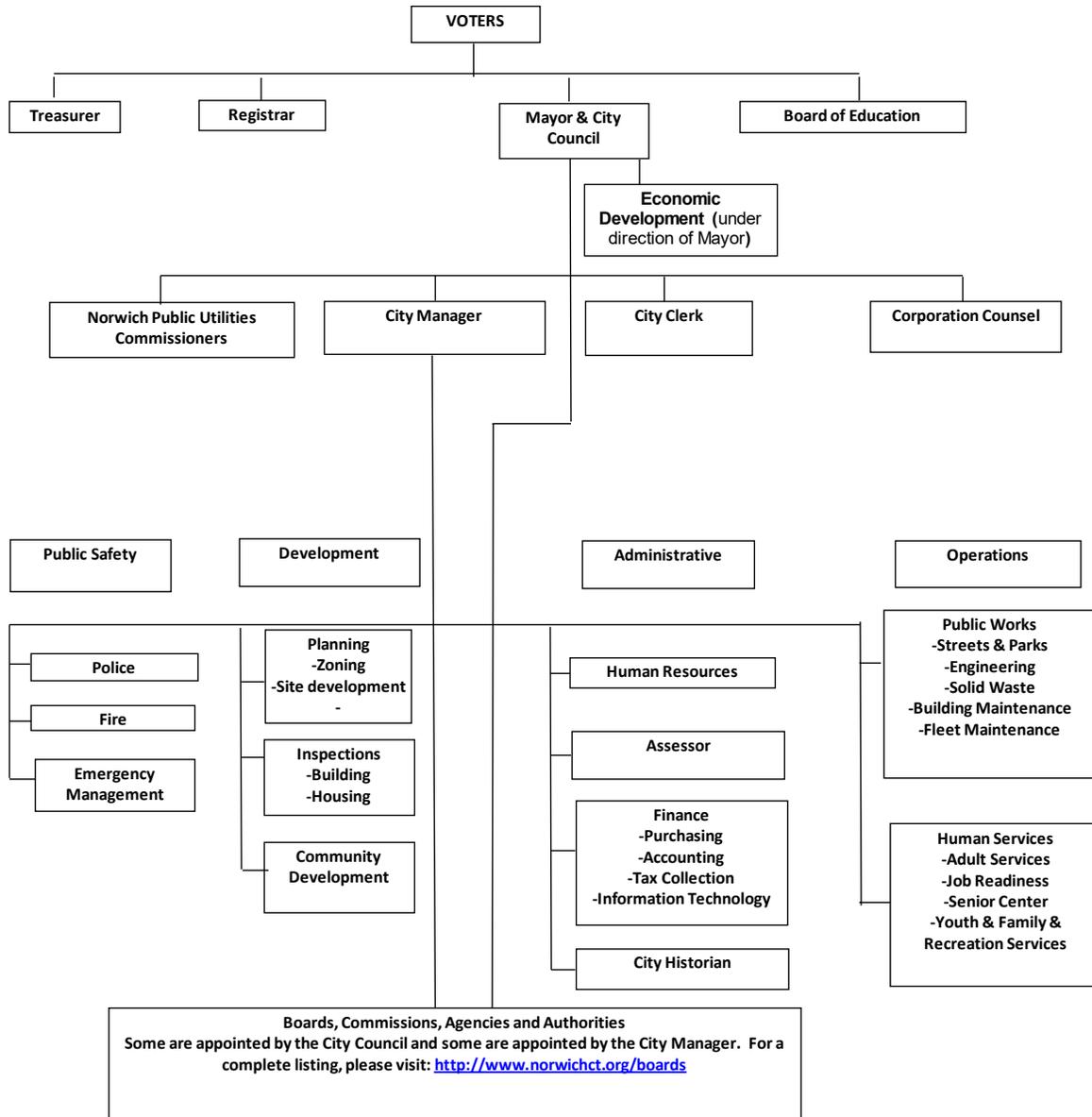
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

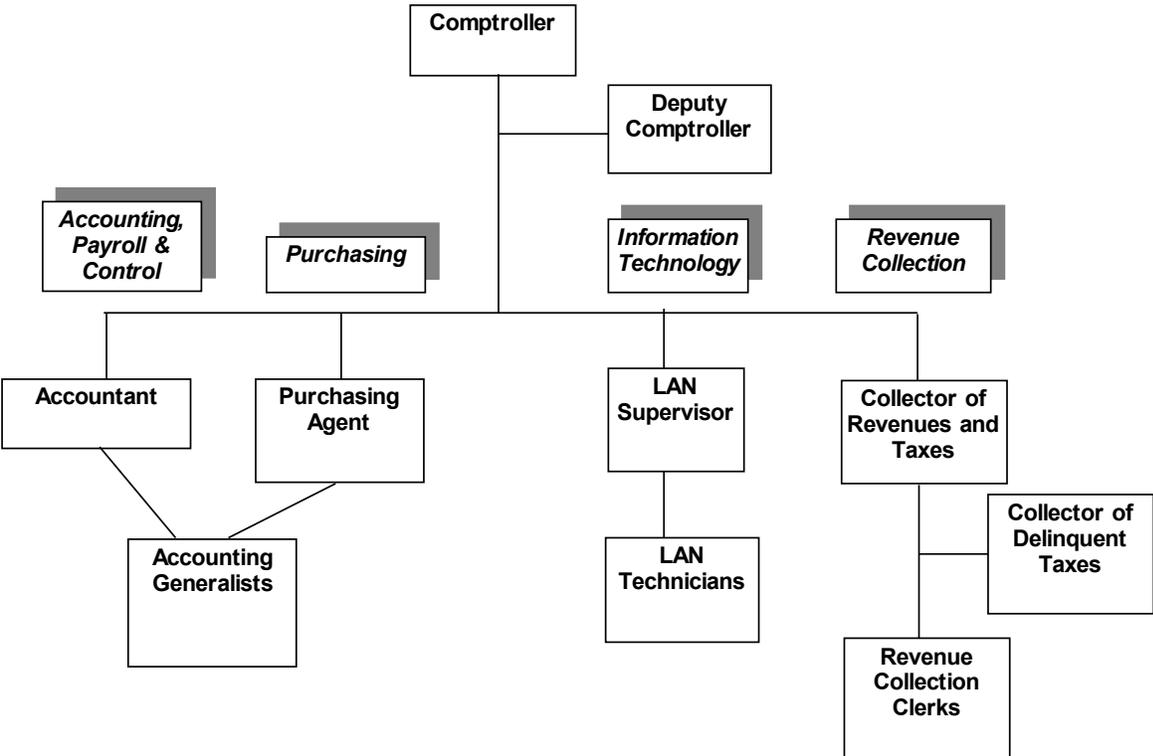
*Christopher P. Morill*

Executive Director/CEO

Organization Chart



# City of Norwich Finance Department Organization Chart



## City Officials

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### Elected City Officials & NPU Commissioners

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	<u>Term Length</u>	<u>Term Expires</u>
<i>City Council</i>		
Peter A. Nystrom, Mayor (R)	4 Years	12/2/25
Joseph A. DeLucia, President Pro Tempore (D)	2 Years	12/2/25
Mark Bettencourt (D)	2 Years	12/2/25
Stacy L. Gould (R)	2 Years	12/2/25
Shiela Hayes (D)	2 Years	12/2/25
William L. Nash (R)	2 Years	12/2/25
Swarnjit Bhatia Singh (D)	2 Years	12/2/25

### *Board of Education*

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Mark H. Kulos, Chairperson (D)	2 Years	12/2/25
John Iovino, Vice Chairperson (D)	2 Years	12/2/25
Carline Charmelus, Secretary (D)	2 Years	12/2/25
Christine Distasio (R)	2 Years	12/2/25
Heather Fowler (R)	2 Years	12/2/25
Christopher Milton (R)	2 Years	12/2/25
Ella Myles (D)	2 Years	12/2/25
Gregory Perry (D)	2 Years	12/2/25
Kevin Saythany (D)	2 Years	12/2/25

### *Treasurer*

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Robert Buckley (R)	2 Years	12/2/25
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### *Registrar of Voters*

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JoAnn Merolla-Martin (D)	4 Years	1/3/29
Dianne Slopak (R)	4 Years	1/3/29

### *Appointed NPU Commissioners*

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Ashon Avent, Chairperson (D)	5 Years	3/1/29
William Warzecha, Vice Chairperson (D)	5 Years	3/1/26
Stewart Peil, Secretary (R)	5 Years	3/1/27
Robert A. Staley (R)	5 Years	3/1/28
Gerald Martin (R)	5 Years	3/1/30

Directory of City Administrative Officials

<b>Title</b>	<b>Name</b>	<b>Phone Number</b>
<b>City Manager</b>	John Salomone	(860) 823-3750
<b>Assessor</b>	William Lee	(860) 823-3722
<b>Building Inspector</b>	Daniel Coley	(860) 823-3775
<b>City Clerk</b>	Roseanne Muscarella	(860) 823-3734
<b>City Planner</b>	Deanna Rhodes	(860) 823-3767
<b>Collector of Taxes &amp; Revenues</b>	Karlene Deal	(860) 823-3760
<b>Comptroller</b>	Joshua A. Pothier	(860) 823-3720
<b>Deputy Comptroller</b>	Orla McKiernan	(860) 823-3813
<b>Corporation Counsel</b>	Michael E. Driscoll	(860) 889-3321
<b>Emergency Management Director</b>	Samuel Wilson	(860) 892-6080
<b>Engineer</b>	Jeffrey Dewey	(860) 823-3798
<b>Fire Chief, Norwich (CCD)</b>	Samuel Wilson	(860) 892-6080
<b>Fire Chief, East Great Plain VFD</b>	John Coleman	(860) 886-0392
<b>Fire Chief, Laurel Hill VFD</b>	Aaron Westervelt	(860) 892-1973
<b>Fire Chief, Occum VFD</b>	Scott Eggert	(860) 822-8285
<b>Fire Chief, Taftville VFD</b>	Timothy Jencks	(860) 887-6676
<b>Fire Chief, Yantic VFD</b>	Robert Allen	(860) 887-2221
<b>Health Director</b>	Patrick McCormack, MPH	(860) 823-1189
<b>Housing Authority Director</b>	Jeffrey Arn	(860) 887-1605
<b>Human Resources Director</b>	Robert Scalise	(860) 823-3786
<b>Human Services Director</b>	Kate Milde	(860) 823-3778
<b>Information Technology Manager</b>	Raymond LaRose	(860) 859-4404
<b>Police Chief</b>	Patrick Daley	(860) 886-5561
<b>Public Utilities Manager</b>	Chris LaRose	(860) 887-2555
<b>Public Works Director</b>	Brian Long	(860) 823-3789
<b>Purchasing Agent</b>	Robert Castronova	(860) 823-3706
<b>Senior Center Manager</b>	Michael Wolak	(860) 889-5960
<b>Superintendent of Schools</b>	Susan Lessard	(860) 823-6284
<b>Youth, Family &amp; Recreation Services Manager</b>	Erin Haggan	(860) 823-3782
<b>Zoning Enforcement Officer</b>	Richard Shuck	(860) 823-3752

## FINANCIAL SECTION



## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council  
City of Norwich, 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 Norwich, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Norwich, 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 Norwich, Connecticut, as of June 30, 2025, 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 Norwich, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

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 Norwich, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Norwich, 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 Norwich, 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, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 Norwich, Connecticut's basic financial statements. The combining and individual fund statements and schedules and the supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2025, on our consideration of the City of Norwich, 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 Norwich, 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 City of Norwich, Connecticut’s internal control over financial reporting and compliance.

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

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 4, 2025

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

This discussion and analysis of the City of Norwich, Connecticut's (the City) financial performance is offered by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2025. Please read this MD&A in conjunction with the transmittal letter and the City's financial statements, Exhibits I to IX.

**FINANCIAL HIGHLIGHTS**

- On a government-wide basis, the assets and deferred outflows of resources (\$613.2 million) of the City exceeded its liabilities and deferred inflows of resources (\$396.8 million), resulting in total net position at the close of the fiscal year of \$216.4 million. Total net position for governmental activities at fiscal year-end was \$46.6 million, and total net position for business-type activities was \$169.7 million. Total unrestricted net *deficit* at June 30, 2025 was \$58.2 million.
- On a government-wide basis, during the year, the City's net position increased by \$35.9 million from \$180.5 million to \$216.4 million. Governmental activities net position increased by \$11.4 million and net position increased by \$24.5 million for business-type activities. Governmental activities expenses were \$216.2 million, while total revenues including transfers were \$217.1 million.
- At the close of the year, the City's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$120.1 million, an increase of \$1.9 million from the prior fiscal year. Of the total fund balance as of June 30, 2025, \$114.1 million represents the combined unrestricted fund balance in the General, Special Revenue, Debt Service and Capital Projects funds.
- At the end of the current fiscal year, the total fund balance for the General Fund was \$22.4 million, an increase of \$2.1 million from the prior fiscal year. As of June 30, 2025, \$22.3 of the \$22.4 million fund balance is unassigned, representing 14.6% of total General Fund actual expenditures and operating transfers on a budgetary basis.
- The City's governmental activities total bonded debt increased by \$2.2 million during the current fiscal year because of the issuance of \$10.6 million in new bonds and the paydown of \$8.4 million on existing bonds.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-Wide Financial Statements**

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

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

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

In the statement of net position and the statement of activities, the City is divided into two types of activities:

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

*Business-Type Activities* - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Department of Public Utilities ("DPU"), Golf Course Authority, Stadium Authority and Ice Rink Authority are reported here.

***Fund Financial Statements***

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

*Governmental Funds (Exhibits III and IV)* - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation included with the fund financial statements.

*Proprietary Funds (Exhibits V, VI and VII)* - When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

*Fiduciary Funds (Exhibits VIII and IX)* - The City is the trustee, or fiduciary, for its employees' pension and other benefit plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position.

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The City's combined net position increased from a year ago from \$180.5 million to \$216.4 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**Table 1  
NET POSITION  
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Assets:</b>						
Current and Other Assets	\$ 159,976	\$ 158,819	\$ 33,895	\$ 25,647	\$ 193,871	\$ 184,466
Capital Assets	152,807	140,405	248,163	195,277	400,970	335,682
Total Assets	<u>312,783</u>	<u>299,224</u>	<u>282,058</u>	<u>220,924</u>	<u>594,841</u>	<u>520,148</u>
<b>Deferred Outflows of Resources</b>	13,602	22,301	4,725	9,022	18,327	31,323
<b>Liabilities:</b>						
Long-Term Debt Outstanding	227,230	244,323	80,358	57,746	307,588	302,069
Unearned Revenue	3,323	9,886	396	349	3,719	10,235
Other Liabilities	17,733	15,229	21,990	21,437	39,723	36,666
Total Liabilities	<u>248,286</u>	<u>269,438</u>	<u>102,744</u>	<u>79,532</u>	<u>351,030</u>	<u>348,970</u>
<b>Deferred Inflows of Resources</b>	<u>31,469</u>	<u>16,825</u>	<u>14,319</u>	<u>5,199</u>	<u>45,788</u>	<u>22,024</u>
<b>Net Position:</b>						
Net Investment in Capital Assets	92,051	89,257	175,743	151,169	267,794	240,426
Restricted	6,056	5,989	826	251	6,882	6,240
Unrestricted	(51,477)	(59,984)	(6,849)	(6,205)	(58,326)	(66,189)
Total Net Position	<u>\$ 46,630</u>	<u>\$ 35,262</u>	<u>\$ 169,720</u>	<u>\$ 145,215</u>	<u>\$ 216,350</u>	<u>\$ 180,477</u>

Net position of the City's governmental activities increased by \$11.4 million to \$46.6 million. The capital assets for the Sherman Street Bridge and construction-in-process for the multiple school construction projects account for most of this increase, as most of their funding is from State and Federal grants. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased from (\$60.0) million at June 30, 2024 to (\$51.4) million at the end of this year. The unrestricted net position of business-type activities decreased from (\$6.2) million compared to (\$6.8) million in 2025.

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

**Table 2  
CHANGES IN NET POSITION  
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 6,921	\$ 6,195	\$ 107,848	\$ 104,360	\$ 114,769	\$ 110,555
Operating Grants and Contributions	85,351	78,188	-	-	85,351	78,188
Capital Grants and Contributions	8,592	15,487	23,456	11,525	32,048	27,012
General Revenues:						
Property Taxes	101,964	92,190	-	-	101,964	92,190
Grants and Contributions not Restricted to Specific Purposes	9,208	10,296	-	-	9,208	10,296
Unrestricted Investment Earnings	3,753	3,794	-	-	3,753	3,794
Other General Revenues	1,299	2,637	2,122	1,441	3,421	4,078
<b>Total Revenues</b>	<b>217,088</b>	<b>208,787</b>	<b>133,426</b>	<b>117,326</b>	<b>350,514</b>	<b>326,113</b>
<b>Program Expenses:</b>						
General Government	11,052	9,534	-	-	11,052	9,534
Public Safety	32,046	42,142	-	-	32,046	42,142
Social Services	4,340	4,738	-	-	4,340	4,738
Public Works	18,944	18,330	-	-	18,944	18,330
Education	142,017	140,232	-	-	142,017	140,232
Interest on Long-Term Debt	7,760	6,103	-	-	7,760	6,103
Department of Public Utilities	-	-	96,592	93,113	96,592	93,113
Other Enterprise Funds	-	-	1,890	1,924	1,890	1,924
<b>Total Program Expenses</b>	<b>216,159</b>	<b>221,079</b>	<b>98,482</b>	<b>95,037</b>	<b>314,641</b>	<b>316,116</b>
<b>Excess (Deficiency) Before Transfers</b>	<b>929</b>	<b>(12,292)</b>	<b>34,944</b>	<b>22,289</b>	<b>35,873</b>	<b>9,997</b>
Transfers	10,439	9,138	(10,439)	(9,138)	-	-
<b>Increase (Decrease) In Net Position</b>	<b>11,368</b>	<b>(3,154)</b>	<b>24,505</b>	<b>13,151</b>	<b>35,873</b>	<b>9,997</b>
Net Position - Beginning of Year	35,262	38,416	145,215	132,064	180,477	170,480
<b>Net Position - End of Year</b>	<b>\$ 46,630</b>	<b>\$ 35,262</b>	<b>\$ 169,720</b>	<b>\$ 145,215</b>	<b>\$ 216,350</b>	<b>\$ 180,477</b>

The City's total revenues were \$350.5 million. The total cost of all programs and services was \$314.6 million. Our analysis below separately considers the operations of governmental and business-type activities.

**Governmental Activities**

Governmental activities increased the City's net position by \$11.4 million during the year. Total revenues of \$217.1 million and \$10.4 million in transfers from the City's business-type activities provided funding for the City's \$216.2 million of governmental program expenses incurred during the year.

The City's revenues increased \$8.3 million (\$217.1 million compared to \$208.8 million) which was primarily caused by the increase in property taxes, building permits, conveyance taxes and interest.

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

Total program expenses were \$216.2 million as compared with \$221.1 million reported last year. The large decrease is primarily attributable to public safety expenses.

Table 3 presents the cost of each of the City's five largest programs - general government, public safety, social services, public works and education - as well as each program's net cost (total cost minus revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

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

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
General Government	\$ 11,052	\$ 9,534	\$ 3,208	\$ 1,520
Public Safety	32,046	42,142	24,588	31,151
Social Services	4,340	4,738	2,574	2,794
Public Works	18,944	18,330	14,989	10,987
Education	142,017	140,232	62,176	68,654
All Others	7,760	6,103	7,760	6,103
Totals	<u>\$ 216,159</u>	<u>\$ 221,079</u>	<u>\$ 115,295</u>	<u>\$ 121,209</u>

***Business-Type Activities***

Revenues of the City's business-type activities (see Table 2) increased by \$16.1 million during the year (\$133.4 million in 2025 compared to \$117.3 million in 2024) and expenses increased by \$3.4 million. Overall net position increased \$24.5 million in 2025. For the DPU, revenues in 2025 increased primarily because of capital grants for the Wastewater Treatment Plan project and rate increases for all four divisions. DPU expenses in 2025 increased with the increase in costs of purchasing electricity and gas.

**CITY FUNDS FINANCIAL ANALYSIS**

***Governmental Funds***

As the City completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$120.1 million, which is an increase of \$1.9 million from last year's total of \$118.2 million. Included in this year's total change in fund balance is an increase of \$2.1 million in the City's General Fund. The primary reasons for the General Fund's increase are higher than anticipated property tax, conveyance tax, building permit and interest income and savings from positions being vacant for a portion of the year. Please see the general fund activities analysis in RSI-1 and RSI-2 for further detail.

The Debt Service Fund reported a fund balance of \$58.2 million at June 30, 2025. The fund balance decreased by \$2.7 million during the year due to paydown of a long-term interfund receivable from DPU for its portion of the Gas Line Extension Bonds and Pension Obligation Bond debt.

The Education Grants Fund's fund balance \$0.3 million was essentially unchanged from the previous year.

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

The General Government Grants & Programs fund, in which the City records activity for the American Rescue Plan Act grant in addition to other grants, had a fund deficit of (\$96), a \$241 increase from the prior year. The increase is largely due to the improvement of collections of grant reimbursements within 60 days after fiscal year-end.

The other nonmajor governmental funds have a total fund balance of \$39.4 million - a \$2.0 million increase from last year.

***Proprietary Funds***

Net position of the DPU was \$162.1 million, as compared to \$137.6 million in the prior year, and City's other nonmajor enterprise funds' net position decreased by \$0.1 million to \$7.6 million.

Unrestricted net deficit of the DPU was (\$5.1) million, and a deficit of (\$1.8) million for the other nonmajor enterprise funds. The DPU had operating revenues of \$106.1 million from user fees, and other enterprise funds had \$1.8 million. The total increase in net position for the fiscal year ended June 30, 2025 was \$24.6 million. The change in the DPU net position is largely attributable to the capital grants for the Wastewater Treatment Plan project.

***General Fund Budgetary Highlights***

During the year, actual revenues and other financing sources on a budgetary basis were \$154.5 million, which was \$0.8 million higher than budgetary estimates. The variance was caused primarily by higher than anticipated delinquent property tax collections, conveyance taxes, interest income and building permit revenues. Please see the general fund activities analysis in RSI-1 for further detail.

Actual expenditures on a budgetary basis and other financing uses totaled \$152.3 million, which were lower than actual revenues and other financing sources on a budgetary basis by \$2.1 million and lower than the original appropriation by \$1.3 million.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets***

At June 30, 2025, the City had \$401.0 million invested in a broad range of capital assets, including land, building and system improvements, machinery and equipment, park facilities, roads, software, sewers and bridges - Table 4. This amount represents a net increase (including additions, deductions and depreciation) of \$65.3 million, or 19.5%, compared to last year. The largest causes of the increase was the construction in progress for the Wastewater Treatment Plant and the Stanton and Greeneville schools.

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 27,391	\$ 28,508	\$ 3,365	\$ 3,365	\$ 30,756	\$ 31,873
Buildings and Improvements	49,007	50,702	31,652	32,815	80,659	83,517
Vehicles, Machinery, Equipment, Pumping and Distributions Systems Technology Upgrade and Road Infrastructure	12,218	12,327	119,642	116,989	131,860	129,316
Construction in Progress	26,537	25,570	-	-	26,537	25,570
Right-To-Use Lease Assets	37,401	23,038	92,952	41,380	130,353	64,418
SBITA Assets	253	260	360	374	613	634
Totals	<u>\$ 152,807</u>	<u>\$ 140,405</u>	<u>\$ 248,163</u>	<u>\$ 195,277</u>	<u>\$ 400,970</u>	<u>\$ 335,682</u>

This year's major capital asset additions included the following (in thousands):

NPU Fleet Vehicles	\$ 1,001
NPU State of CT - DOT - Utility Relocations	552
NPU Gas Service Installations	654
NPU Electric Transformers & Distribution Devices	1,184
NPU Electric Distribution Line & Service Installations	598
NPU Primary Electric Distribution Circuit Upgrades	1,438
NPU DWSRF - Caribou/Nemczuk Water Distribution System	1,587
NPU Wastewater Collection Main Installations	672
NPU Greenville CIPP Phase II Wastewater Main Replacement	753
NPU Wastewater Treatment Plant Construction	48,810
Stanton School Construction	4,440
Greenville School Construction	3,702
Moriarty School Construction	1,692
Uncas School Construction	1,706
Sherman Street Bridge	1,666
Total	<u>\$ 70,455</u>

The City's fiscal-year 2026 capital budget calls for spending \$3.1 million for road overlays, public works vehicles, information technology equipment, police vehicles, fire equipment and other projects. More detailed information about the City's capital assets is presented in Note 8 to the financial statements.

**Long-Term Debt**

At June 30, 2025, the City had total bonds, notes, leases, and subscription-based information technology arrangements (SBITA) outstanding of \$253.7 million. The general obligation bond debt is backed by the full faith and credit of the City. The City's outstanding long-term debt had a net increase of \$2.2 million during fiscal 2025 primarily because of the new Clean Water Fund notes issued for the Wastewater Treatment Plan project and bonds issued for the school construction projects.

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 189,375	\$ 187,151	\$ -	\$ -	\$ 189,375	\$ 187,151
Notes Payable	-	-	-	67	-	67
Serial Notes Payable	-	-	63,669	34,334	63,669	34,334
Lease Liability	245	260	374	406	619	666
SBITA Liability	-	-	47	127	47	127
Total	<u>\$ 189,620</u>	<u>\$ 187,411</u>	<u>\$ 64,090</u>	<u>\$ 34,934</u>	<u>\$ 253,710</u>	<u>\$ 222,345</u>

In November 2024, Standard & Poor's assigned an AA rating on Norwich's \$10.6 million general obligation bond issue and affirmed this rating on the rest of Norwich's debt outstanding as of that date. In February 2025, Moody's affirmed Norwich's rating of Aa3.

State statutes limit the amount of general obligation debt a governmental entity may issue up to seven times its annual receipts from taxation. The current debt limitation for the City of Norwich is \$651.1 million. The City's outstanding general obligation debt is at 47.54% of this limitation. Table 9 presents more detailed information about the debt limitation.

Other obligations include net OPEB obligation, accrued vacation pay and sick leave, and risk management claims. More detailed information about the City's long-term liabilities is presented in Note 9 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

As of August 2025, the unemployment rate for Norwich was 4.1%, up from 2.9% in the prior year. Connecticut's overall unemployment rate stood at 3.8%, compared with 2.5% for the same time last year. Until recently the State of Connecticut's education and non-education formula grants had not kept pace with inflation for many years. State legislators have been working on increasing non-property tax revenue streams to municipalities like Norwich; such as increases to the City's Mashantucket-Pequot/Mohegan and PILOT grants as well as local shares of cannabis sales tax. The City has not lost sight of controlling costs as it continues to negotiate lower cost long-term employee benefits and seek efficiencies. As an example, the City sold \$145 million of pension obligation bonds in February 2022 which could potentially save City taxpayers and NPU ratepayers several millions of dollars over the next 25 years. Other initiatives are noted in the transmittal letter. Additionally, voters approved a \$385 million bond referendum in November 2022 to consolidate its seven elementary schools into four new buildings, renovate-as-new or replace Teachers' Memorial Middle School, and repurpose a school as the home of Norwich Public Schools' administrative offices. The conservative estimated net cost of these projects of \$153 million compares favorably to the estimated cost of \$225 million to repair all the existing schools.

The fiscal year 2026 General Fund budget calls for \$154.4 million in revenues and expenditures, a 0.51% increase over fiscal year 2025. Non-education expenditures decreased by 0.64% and education expenditures increased by 1.00%. On the revenue side, because of loss of some State grant funds, the fiscal year 2026 General Fund mill rate increased 1.52 mills, or 4.61%, from 32.99 to 34.51. No unassigned fund balance was used to balance the budget.

**CITY OF NORWICH, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

In the City's business-type activities, the Norwich Public Utilities projects an 8.76% increase in revenues from fiscal year 2026 to 2026 from \$108.7 million to \$118.2 million. This increase is based on projected normalized sales and includes Board approved rate increases in the gas, water, sewer, and electric divisions. Norwich Public Utilities budgeted \$94.9 million in capital improvements including \$82.3 million towards the wastewater treatment plant improvements.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the Comptroller, 100 Broadway, Norwich, Connecticut 06360-4431.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF NORWICH, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 60,484	\$ 63,354	\$ 123,838
Investments	22,199	-	22,199
Receivables, Net	18,399	24,814	43,213
Internal Balances	58,894	(58,894)	-
Supplies	-	2,990	2,990
Other Assets	-	1,631	1,631
Capital Assets:			
Assets Not Being Depreciated	64,792	96,317	161,109
Assets Being Depreciated, Net	88,015	151,846	239,861
Total Assets	312,783	282,058	594,841
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows - Pensions	6,335	3,035	9,370
Deferred Outflows - OPEB	6,478	1,690	8,168
Deferred Charge on Refunding	789	-	789
Total Deferred Outflows of Resources	13,602	4,725	18,327
<b>LIABILITIES</b>			
Accounts and Other Payables	17,733	21,990	39,723
Unearned Revenue	3,323	396	3,719
Noncurrent Liabilities:			
Due Within One Year	13,985	6,687	20,672
Due in More Than One Year	213,245	73,671	286,916
Total Liabilities	248,286	102,744	351,030
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows - Leases	5,086	3,907	8,993
Deferred Inflows - Pensions	17,497	8,968	26,465
Deferred Inflows - OPEB	8,886	1,444	10,330
Total Deferred Inflows of Resources	31,469	14,319	45,788
<b>NET POSITION</b>			
Net Investment in Capital Assets	92,051	175,743	267,794
Restricted for:			
Permanent Trust Purposes - Expendable	2,354	-	2,354
Permanent Trust Purposes - Nonexpendable	33	-	33
Capital Improvements	2,803	-	2,803
Other	866	-	866
Energy Conservation	-	826	826
Unrestricted	(51,477)	(6,849)	(58,326)
Total Net Position	\$ 46,630	\$ 169,720	\$ 216,350

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025  
(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
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 11,052	\$ 3,033	\$ 3,718	\$ 1,093,000	\$ (3,208)	\$ -	\$ (3,208)
Public Safety	32,046	311	1,567	5,580	(24,588)	-	(24,588)
Social Services	4,340	525	1,241	-	(2,574)	-	(2,574)
Public Works	18,944	2,036	-	1,919	(14,989)	-	(14,989)
Education	142,017	1,016	78,825	-	(62,176)	-	(62,176)
Interest on Long-Term Debt	7,760	-	-	-	(7,760)	-	(7,760)
Total Governmental Activities	216,159	6,921	85,351	8,592	(115,295)	-	(115,295)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Department of Public Utilities	96,592	106,087	-	23,283	-	32,778	32,778
Nonmajor Enterprise Funds:							
Golf Course Authority	1,441	1,569	-	173	-	301	301
Stadium Authority	359	109	-	-	-	(250)	(250)
Ice Rink Authority	90	83	-	-	-	(7)	(7)
Total Business-Type Activities	98,482	107,848	-	23,456	-	32,822	32,822
Total	\$ 314,641	\$ 114,769	\$ 85,351	\$ 32,048	(115,295)	32,822	(82,473)
<b>GENERAL REVENUES AND TRANSFERS</b>							
					101,964	-	101,964
					9,208	-	9,208
					3,753	-	3,753
					1,299	2,122	3,421
					10,439	(10,439)	-
					126,663	(8,317)	118,346
<b>CHANGE IN NET POSITION</b>							
					11,368	24,505	35,873
					35,262	145,215	180,477
<b>NET POSITION - END OF YEAR</b>							
					\$ 46,630	\$ 169,720	\$ 216,350

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2025  
(IN THOUSANDS)**

<b>ASSETS</b>	General	Debt Service	Education Grants	General Government Grants and Programs	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 58,366	\$ -	\$ -	\$ -	\$ 2,117	\$ 60,483
Investments	19,901	-	-	-	2,299	22,200
Receivables, Net	8,792	-	501	504	7,946	17,743
Due from Other Funds	1,243	58,211	1,939	3,235	38,485	103,113
<b>Total Assets</b>	<b>\$ 88,302</b>	<b>\$ 58,211</b>	<b>\$ 2,440</b>	<b>\$ 3,739</b>	<b>\$ 50,847</b>	<b>\$ 203,539</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts and Other Payables	\$ 7,410	\$ -	\$ 1,956	\$ 420	\$ 5,032	\$ 14,818
Due to Other Funds	50,252	-	110	-	234	50,596
Unearned Revenue	-	-	116	3,147	58	3,321
<b>Total Liabilities</b>	<b>57,662</b>	<b>-</b>	<b>2,182</b>	<b>3,567</b>	<b>5,324</b>	<b>68,735</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue - Property Taxes	2,548	-	-	-	74	2,622
Unavailable Revenue - Special Assessments	684	-	-	-	142	826
Unavailable Revenue - Loans Receivable	-	-	-	-	4,484	4,484
Unavailable Revenue - Grants Receivable	159	-	-	268	1,174	1,601
Unavailable Revenue - Other	87	-	-	-	12	99
Unavailable Revenue - Leases	4,805	-	-	-	280	5,085
<b>Total Deferred Inflows of Resources</b>	<b>8,283</b>	<b>-</b>	<b>-</b>	<b>268</b>	<b>6,166</b>	<b>14,717</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	33	33
Restricted	-	-	-	-	6,023	6,023
Committed	-	58,211	258	-	21,140	79,609
Assigned	67	-	-	-	12,323	12,390
Unassigned	22,290	-	-	(96)	(162)	22,032
<b>Total Fund Balances</b>	<b>22,357</b>	<b>58,211</b>	<b>258</b>	<b>(96)</b>	<b>39,357</b>	<b>120,087</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 88,302</b>	<b>\$ 58,211</b>	<b>\$ 2,440</b>	<b>\$ 3,739</b>	<b>\$ 50,847</b>	<b>\$ 203,539</b>

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2025  
(IN THOUSANDS)**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Fund Balances - Total Governmental Funds	\$	120,087
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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		279,186
Less: Accumulated Depreciation and Amortization		(126,379)
Net Capital Assets		152,807

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

Property Tax Receivables Greater than 60 Days		2,622
Loans Receivable		4,470
Accounts and Other Receivables		3,188
Deferred Outflows:		
Deferred Outflow of Resources Related to Pensions		6,335
Deferred Outflow of Resources Related to OPEB		6,478
Deferred Charge on Refunding		789

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.

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

Bonds and Notes Payable		(186,625)
Unamortized Bond Premium		(2,750)
Interest Payable on Bonds and Notes		(2,549)
Lease Obligations		(245)
Compensated Absences		(3,718)
Landfill Closure		(129)
Net Pension Liability		(5,190)
Net OPEB Liability		(22,923)
Deferred Inflow of Resources Related to Pensions		(17,497)
Deferred Inflow of Resources Related to OPEB		(8,886)

Net Position of Governmental Activities (Exhibit I)

\$ 46,630

**CITY OF NORWICH, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	General	Debt Service	Education Grants	General Government Grants and Programs	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property Taxes, Interest, and Liens	\$ 96,980	\$ -	\$ -	\$ -	\$ 5,361	\$ 102,341
Intergovernmental Revenues	55,622	-	24,889	6,871	11,988	99,370
Charges for Services	3,640	-	176	-	1,922	5,738
Licenses, Permits, and Fees	1,224	-	-	-	-	1,224
Investment Income	2,857	-	-	-	1,708	4,565
Other	308	1,819	28	74	738	2,967
Total Revenues	160,631	1,819	25,093	6,945	21,717	216,205
<b>EXPENDITURES</b>						
Current:						
General Government	5,994	-	-	1,040	572	7,606
Public Safety	20,284	-	-	1,953	8,689	30,926
Social Services	2,243	-	-	100	1,965	4,308
Public Works	13,129	-	-	638	603	14,370
Education	108,423	-	24,921	-	5,441	138,785
Other	2,987	-	-	-	-	2,987
Capital Outlay	283	-	-	3,175	18,955	22,413
Debt Service						
Principal	-	8,725	-	-	-	8,725
Interest	-	5,777	-	-	-	5,777
Total Expenditures	153,343	14,502	24,921	6,906	36,225	235,897
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	7,288	(12,683)	172	39	(14,508)	(19,692)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	7,181	10,004	-	202	6,657	24,044
Transfers Out	(12,320)	-	-	-	(1,286)	(13,606)
Issuance of General Obligation Bonds	-	-	-	-	10,600	10,600
Bond Premiums	-	-	-	-	542	542
Total Other Financing Sources (Uses)	(5,139)	10,004	-	202	16,513	21,580
<b>NET CHANGE IN FUND BALANCES</b>	2,149	(2,679)	172	241	2,005	1,888
Fund Balances - Beginning of Year	20,208	60,890	86	(337)	37,352	118,199
<b>FUND BALANCES - END OF YEAR</b>	\$ 22,357	\$ 58,211	\$ 258	\$ (96)	\$ 39,357	\$ 120,087

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV)	\$	1,888
Amounts reported for governmental activities in the Statement of Activities (Exhibit II) are different because:		
Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense:		
Capital Outlay		22,288
Depreciation and Amortization Expense		(7,848)
In the Statement of Activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.		
		(2,038)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Property Tax Receivable - Accrual Basis Change		(377)
Loan Repayments		84
Accounts and Other Receivables - Accrual Basis Change		1,422
Change in Deferred Outflows:		
Deferred Outflow of Resources Related to Pensions		(6,655)
Deferred Outflow of Resources Related to OPEB		(1,941)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized and deferred in the Statement of Activities. The details of these differences in the treatment of long-term debt and related items are as follows:		
Issuance of Bonds		(10,600)
Premium on Bonds		(542)
Bond Principal Payments		8,725
Amortization of Deferred Charge on Refunding		(103)
Amortization of Premiums		193
Capital Lease Principal Payments		15
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 the governmental funds:		
Compensated Absences		(454)
Accrued Interest		(2,071)
Landfill Postclosure Care		24
Change in Net Pension Liability		16,677
Change in Net OPEB Liability		2,541
Change in Deferred Inflows:		
Deferred Inflow of Resources Related to Pensions		(11,867)
Deferred Inflow of Resources Related to OPEB		815
Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.		
		1,192
Change in Net Position of Governmental Activities (Exhibit II)	\$	11,368

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities			Governmental
	Department of Public Utilities	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 63,354	\$ -	\$ 63,354	\$ -
Receivables, Net	20,861	11	20,872	8
Lease Receivable	89	83	172	-
Due from Other Funds	-	108	108	6,377
Supplies	2,990	-	2,990	-
Other Assets	1,631	-	1,631	-
Total Current Assets	<u>88,925</u>	<u>202</u>	<u>89,127</u>	<u>6,385</u>
Noncurrent Assets:				
Lease Receivable	610	3,160	3,770	-
Capital Assets, Net	238,589	9,574	248,163	-
Total Noncurrent Assets	<u>239,199</u>	<u>12,734</u>	<u>251,933</u>	<u>-</u>
Total Assets	<u>328,124</u>	<u>12,936</u>	<u>341,060</u>	<u>6,385</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows - Pensions	3,035	-	3,035	-
Deferred Outflows - OPEB	1,690	-	1,690	-
Total Deferred Outflows of Resources	<u>4,725</u>	<u>-</u>	<u>4,725</u>	<u>-</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	16,658	740	17,398	360
Notes Payable	3,393	-	3,393	-
Compensated Absences	2,789	-	2,789	-
Risk Management Claims	330	-	330	2,406
Lease Liability	83	45	128	-
SBITA Liability	47	-	47	-
Cash Advances from Other Funds	2,707	-	2,707	-
Due to Other Funds	26	765	791	-
Due to Other Governments	-	3	3	-
Unearned Revenue	-	395	395	9
Total Current Liabilities	<u>26,033</u>	<u>1,948</u>	<u>27,981</u>	<u>2,775</u>
Noncurrent Liabilities:				
Customer Deposits	4,589	-	4,589	-
Notes Payable	60,276	-	60,276	-
Compensated Absences	4,117	-	4,117	-
Risk Management Claims	1,006	-	1,006	3,244
Lease Liability	76	170	246	-
Cash Advances from Other Funds	55,504	-	55,504	-
Net Pension Liability	181	-	181	-
Net OPEB Liability	7,845	-	7,845	-
Total Noncurrent Liabilities	<u>133,594</u>	<u>170</u>	<u>133,764</u>	<u>3,244</u>
Total Liabilities	<u>159,627</u>	<u>2,118</u>	<u>161,745</u>	<u>6,019</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows - Leases	663	3,244	3,907	-
Deferred Inflows - Pensions	8,968	-	8,968	-
Deferred Inflows - OPEB	1,444	-	1,444	-
Total Deferred Outflows of Resources	<u>11,075</u>	<u>3,244</u>	<u>14,319</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	166,384	9,359	175,743	-
Restricted for Energy Conservation	826	-	826	-
Unrestricted	(5,063)	(1,785)	(6,848)	366
Total Net Position	<u>\$ 162,147</u>	<u>\$ 7,574</u>	<u>\$ 169,721</u>	<u>\$ 366</u>

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities			Governmental
	Department of Public Utilities	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 104,635	\$ 1,471	\$ 106,106	\$ 24,555
Use of Property	518	-	518	-
Other Services	934	98	1,032	-
Rent	-	192	192	-
Total Operating Revenues	<u>106,087</u>	<u>1,761</u>	<u>107,848</u>	<u>24,555</u>
<b>OPERATING EXPENSES</b>				
Purchased Gas and Electric	32,730	-	32,730	-
Operations and Maintenance	21,704	1,437	23,141	-
General and Administrative	19,296	-	19,296	-
Depreciation and Amortization	10,327	444	10,771	-
Pension Expense	3,008	-	3,008	-
Customer Accounts	3,058	-	3,058	-
Gross Revenue and Property Taxes	2,333	-	2,333	-
OPEB Expense	982	-	982	-
Claims	-	-	-	18,660
Premiums and Administrative Charges	-	-	-	4,703
Total Operating Expenses	<u>93,438</u>	<u>1,881</u>	<u>95,319</u>	<u>23,363</u>
<b>OPERATING INCOME (LOSS)</b>	12,649	(120)	12,529	1,192
<b>NONOPERATING INCOME (EXPENSE)</b>				
Interest Income	1,815	(1)	1,814	-
Interest Expense	(3,154)	(9)	(3,163)	-
Gain on Disposal of Capital Assets	12	-	12	-
Other Nonoperating Revenue	296	-	296	-
Total Nonoperating Income (Expense)	<u>(1,031)</u>	<u>(10)</u>	<u>(1,041)</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	11,618	(130)	11,488	1,192
Capital Contributions	23,283	173	23,456	-
Transfers Out	(10,317)	(121)	(10,438)	-
<b>CHANGE IN NET POSITION</b>	24,584	(78)	24,506	1,192
Net Position - Beginning of Year	<u>137,563</u>	<u>7,652</u>	<u>145,215</u>	<u>(826)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 162,147</u>	<u>\$ 7,574</u>	<u>\$ 169,721</u>	<u>\$ 366</u>

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities			Governmental
	Department	Nonmajor	Total	Internal
	of Public Utilities	Enterprise Funds		Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Charges for Services	\$ 103,369	\$ 1,878	\$ 105,247	\$ 9,499
Cash Receipts for Interfund Services Provided	-	-	-	14,024
Cash Paid to Vendors	(62,584)	(991)	(63,575)	(23,523)
Cash Paid to Employees for Services	(25,872)	(627)	(26,499)	-
Cash Received from Other Nonoperating Revenues	296	-	296	-
Net Cash Provided (Used) by Operating Activities	15,209	260	15,469	-
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Transfers to Other Funds	(10,318)	-	(10,318)	-
Customer Deposits	257	-	257	-
Transfers from (to) Other Funds	(7)	(121)	(128)	-
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(10,068)	(121)	(10,189)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital Contributions	23,283	-	23,283	-
Purchases of Capital Assets	(54,903)	(85)	(54,988)	-
Proceeds from Sale of Capital Assets	114	-	114	-
Lease Payments Received	(309)	-	(309)	-
Proceeds from Notes Payable	31,568	-	31,568	-
Principal Payment on Notes Payable	(2,300)	-	(2,300)	-
Payments on Leases	(231)	(45)	(276)	-
Payments on SBITAs	(80)	-	(80)	-
Interest Payment on Debt	(3,154)	-	(3,154)	-
Interest Payments on Leases	-	(8)	(8)	-
Capital Advances (Repayments) from Other Funds	(2,679)	-	(2,679)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(8,691)	(138)	(8,829)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Income on Investments	1,815	(1)	1,814	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(1,735)	-	(1,735)	-
Cash and Cash Equivalents - Beginning of Year	65,089,000	-	65,089	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 63,354,000</u>	<u>\$ -</u>	<u>\$ 63,354</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Business-Type Activities			Governmental Activities
	Department of Public Utilities	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 12,650	\$ (120)	\$ 12,530	\$ 1,192
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation/Amortization Expense	10,327	444	10,771	-
Other Nonoperating Revenues	296	-	296	-
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:				
Change in Deferred Outflow of Resources Related to Pensions	3,615	-	3,615	-
Change in Deferred Outflow of Resources Related to OPEB	682	-	682	-
Change in Net Pension Liability	(8,064)	-	(8,064)	-
Change in Net OPEB Liability	(270)	-	(270)	-
Change in Deferred Inflow of Resources Related to Leases	299	-	299	-
Change in Deferred Inflow of Resources Related to Pensions	5,871	-	5,871	-
Change in Deferred Inflow of Resources Related to OPEB	(294)	-	(294)	-
(Increase) Decrease in Receivables	(3,017)	8	(3,009)	4
(Increase) Decrease in Inventories and Other Assets	(780)	-	(780)	-
(Increase) Decrease in Due from Other Funds	-	139	139	(1,033)
Increase (Decrease) in Due to Other Funds	-	(95)	(95)	-
Increase (Decrease) in Unearned Revenues	-	46	46	(3)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(6,106)	(162)	(6,268)	(160)
Total Adjustments	<u>2,559</u>	<u>380</u>	<u>2,939</u>	<u>(1,192)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 15,209</u>	<u>\$ 260</u>	<u>\$ 15,469</u>	<u>\$ -</u>
<b>NONCASH CAPITAL AND FINANCING ACTIVITIES</b>				
Capital Asset Contributions	\$ 23,283	\$ 173	\$ -	\$ -
Leases	-	252	-	-
Total Noncash Capital and Financing Activities	<u>\$ 23,283</u>	<u>\$ 425</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Pension and Other Employee Benefit Trust Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 5,127
Investments:	
U.S. Government Securities	31,529
U.S. Government Agencies	16,175
Corporate Bonds	32,612
Mutual Funds	281,932
Common Stock	70,513
Real Estate	8,271
Accounts Receivable	1,238
Total Assets	447,397
<b>LIABILITIES</b>	
Accounts and Other Payables	170
<b>NET POSITION</b>	
Restricted for OPEB Benefits	43,958
Restricted for Pension Benefits	403,269
Total Net Position	\$ 447,227

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Pension and Other Employee Benefit Trust Funds
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 9,984
Plan Members	6,119
Total Contributions	16,103
Investment Income:	
Net Change in Fair Value of Investments	39,440
Interest and Dividends	11,840
Total Investment Income	51,280
Less Investment Expense	(1,130)
Net Investment Income	50,150
Total Additions	66,253
<b>DEDUCTIONS</b>	
Benefits	27,542
Administration	736
Lump Sum Distributions and Withdrawals	640
Total Deductions	28,918
<b>CHANGE IN NET POSITION</b>	37,335
Net Position - Beginning of Year	409,892
<b>NET POSITION - END OF YEAR</b>	\$ 447,227

See accompanying Notes to Financial Statements.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The City was incorporated in May 1784. The City and Town consolidated on January 1, 1952. The City covers an area of 27.1 square miles and is located 40 miles southeast of Hartford. The City operates under a Council/Manager form of government. The City Manager is appointed by the Council and serves as the Chief Executive Officer.

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

**General Fund**

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

**Debt Service Fund**

The Debt Service Fund accounts for financial resources transferred in from other funds to fund debt service obligations.

**Education Grants Fund**

The Education Grants Fund accounts for all the educational grants administered by the Board of Education.

**General Government Grants and Programs**

The General Government Grants and Programs Fund accounts for various other grants administered by the City.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

The City reports the following major proprietary fund:

**Department of Public Utilities**

The Department of Public Utilities accounts for the operation of the City's water, sewer, electric, and gas divisions. It is independent in terms of its relationship to other City functions. Its operations are financed from direct charges to the users of the service for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Additionally, the City reports the following fund types:

**Internal Service Fund**

The Internal Service Fund accounts for employee health insurance provided to other departments of the City and the City's self-insured workers' compensation program.

**Pension and Other Employee Benefit Trust Funds**

The Pension and Other Employee Benefit Trust Funds account for the activities of the City's two defined benefit pension plans, which accumulate resources for pension benefit payments to qualified retired employees and also the activities of the City's other postemployment benefit plan, which accumulate resources for medical and life insurance benefits provided to qualified retired employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain City functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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. Deposits and Investments**

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

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

Investments for the City are reported at fair value.

**E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i. e. , the current portion of interfund loans) or "advances to/from other funds" (i. e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property taxes on all property are assessed as of October 1 prior to the beginning of the fiscal year and become legally due and payable on the following July 1 and January 1. If taxes are unpaid as of June 30 following the payable date, a lien is placed on the real property. Property assessments are made at 70% of the market value. Property taxes receivable are recorded on the due date. Taxes not paid within 30 days of the due date are subject to an interest charge of one and one-half percent per month. The City is not a part of any overlapping government which assesses separate property taxes.

**F. Supplies and Prepaid Items**

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

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

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure, assets (e. g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation.

Right-of-use lease assets are initially measured as the sum of 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. Subscription-based information technology arrangement (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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Buildings	40 to 50 Years
Building Improvements	20 Years
Infrastructure, Public Doman Infrastructure, and Distribution and Collection Systems	20 to 50 Years
Machinery and Equipment	5 to 20 Years
Right-of-Use Lease Asset	2 to 10 Years
SBITA	2 to 5 Years

**H. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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.

**CITY OF NORWICH, CONNECTICUT**  
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**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Deferred Outflows/Inflows of Resources (Continued)**

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).

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 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.

**I. Compensated Absences**

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**J. Net Pension Liability**

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plans' fiduciary net position. The pension plans' fiduciary net position is determined using the same valuation methods that are used by the pension plans for purposes of preparing their statements 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.

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Net OPEB Liability**

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

**L. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount.

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

**M. Fund Balance and Net Position**

In the government-wide financial statements and in proprietary fund types, net position is classified in the following categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation/amortization and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

*Restricted Net Position* – This category represents the net position of the City, which is restricted by externally imposed constraints placed on net position by grantors, contributors or laws and regulations of other governments.

*Unrestricted Net Position* – This category represents the net position of the City, which is not restricted for any project or other purpose.

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Fund Balance and Net Position (Continued)**

In the fund financial statements, fund balances of governmental funds are classified in five separate categories. The five categories, and their general meanings, are as follows:

*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 (City Council). A fund balance commitment is established, modified, and/or rescinded by ordinance.

*Assigned Fund Balance* – This balance represents the resources to be used to liquidate encumbered purchase orders and amounts appropriated for subsequent budget years. Encumbrances are authorized by an approval process, which includes the department head, the purchasing agent, and the comptroller. Appropriations for subsequent budget years are approved by ordinance by the City Council.

*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 Council adopted by ordinance a formal General Fund Unassigned Fund Balance (UFB) policy in December 2014. This policy identifies a target fund balance range of 12% to 17% of annual General Fund expenditures and transfers out.

The UFB may be used for absorbing operating deficits at any time. If UFB goes over 17%, the Council may appropriate the excess to:

- fund capital improvements beyond the level required by the Charter
- transfer funds to the bonded projects fund to finance authorized, but unissued projects
- retire existing debt early
- make extra contributions into the Pension or OPEB funds

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Fund Balance and Net Position (Continued)**

In June 2021, the City Council voted to add a policy for a nonlapsing account for unexpended education funds. This policy allows the BOE to request that an unexpended General Fund appropriation be deposited into the nonlapsing account which the City is treating as a Special Revenue Fund. The funds may be later used to offset future BOE operating deficits, or pay for improvements to school facilities, equipment, or programs which would not increase ongoing operating costs.

The City is assumed to use restricted resources first if both restricted and unrestricted resources are to be used for the same purpose.

**N. Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows, and deferred inflows including disclosures of contingent assets and liabilities and reported revenues expenditures/expenses during the fiscal year.

**O. Adoption of New Accounting Standards**

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. This statement aims to achieve a unified model for recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The City adopted this standard effective July 1, 2024. There was no material effect on the City's financial statements.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

In October, the City Manager, through the Comptroller's Office, distributes budget instructions to department heads. On or before a date set by the City Manager, the head of every department, office, or agency must submit a written proposed budget for the following year to the City Manager. The City Manager and Comptroller review these proposals and may revise them as deemed advisable, except in the case of the Department of Education where the City Manager has the authority to revise only the total estimated expenditures. The City Manager and Comptroller compare proposed expenditures to expected revenues and prepare a proposed budget for presentation to the City Council.

As required by City Charter, on or before the first Monday in April, the City Manager submits a balanced annual budget, as well as appropriation and tax levy ordinances to the City Council. Between the presentation of the budget and the first public hearing, department heads are given the opportunity to make presentations in support of their proposed budget. The City Council holds a first public hearing on the budget prior to the third Monday in April, but not sooner than one week after the submission of the budget. This hearing is to listen to citizens' comments on the budget. The Council meets by the second Monday in May to take initial action on the budget. A second public hearing is then held regarding the Council's proposed changes, prior to the third Monday in May.

After the second public hearing, the Council may revise expenditures, except that it may not reduce appropriations for debt service and may revise only the total estimated expenditures for the Department of Education. The Council adopts the budget, appropriation, and tax levy ordinances by the second Monday of June; if it fails to do so, the budget as submitted by the City Manager stands.

The General Fund and the Fire Districts nonmajor governmental fund have legally adopted budgets.

Except for encumbrance accounting, the on-behalf contributions from the state of Connecticut into the TRB Pension and OPEB plans as well as some intergovernmental grant revenues, the budget is prepared on the modified accrual basis of accounting. The legal level of control, the level at which expenditures may not exceed appropriations, is at the department level.

The City Manager may transfer unexpended balances within a department, office, or agency; the Council may transfer unexpended balances between departments at the City Manager's request within the last three months of the fiscal year. The Comptroller oversees revenues and expenditures according to the budget established by the City Council. The Board of Education may transfer unexpended balances between accounts within its total line appropriation. Additional appropriations may be made upon the City Manager's recommendation, provided the Comptroller certifies the availability of a sufficient General Fund surplus. During 2025, additional appropriations of \$96 were made from the fund balance of the Fire District.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reflected in budgetary reports as expenditures of the current year. If an appropriation is not encumbered, it lapses at year end and may not be used by the department.

**B. Deficit Fund Balance**

Certain individual funds had fund balance/net position deficits at June 30, 2025 as follows:

Major Governmental Funds:	
General Government Grants and Programs	\$ 96 *
Nonmajor Governmental Funds:	
Youth Services	25 *
Economic Development	3 *
Community Development Fund	5 *
Property Rehabilitation	172 *
Internal Service Funds:	
Workers' Compensation	823 *

\* Deficit will be reduced by future operating surpluses or, if necessary, future contributions from the General Fund adopted as part of the budget process.

**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 NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

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

**A. Deposits**

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the City’s deposit will not be returned. The City has a formal investment policy. Under this policy, the Treasurer shall mitigate concentration of credit risk on deposits by spreading deposits among different financial institutions. Because the benefits of lower fees and higher rates of return often outweigh the attendant risks of carrying large balances with a few financial institutions, the Treasurer will use their judgment rather than target percentages to guide their deposit strategy. For other investments, no more than 10% of the funds covered under this policy may be invested in securities from any one federal, state, or local political subdivision or agency. 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*, \$82,999 of the City’s bank balance of \$111,072 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 74,531
Uninsured and Collateral Held by the Pledging Bank’s Trust Department, not in the City’s Name	8,468
Total Amount Subject to Custodial Credit Risk	\$ 82,999

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Cash Equivalents**

At June 30, 2025, the City's cash equivalents amounted to \$40,632. The following table provides a summary of the City's cash equivalents (excluding U.S. Government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAA/m

**NOTE 4 INVESTMENTS**

As of June 30, 2025, the City had the following investments:

Fair Value	Investment Maturities (Years)		
	Less Than 1	1 - 10	More Than 10
<b>Interest-Bearing Investments:</b>			
Certificate of Deposit	\$ 18,895	\$ 18,895	\$ -
U.S. Government Securities	32,663	6,164	20,854
U.S. Government Agencies	16,175	-	322
Corporate Bonds	32,717	2,836	26,443
Total	100,450	<u>\$ 27,895</u>	<u>\$ 47,619</u>
<b>Other Investments:</b>			
Mutual Funds	282,168		
Common Stock	72,343		
Private Equity - Real Estate	8,271		
Total Investments	<u>\$ 463,232</u>		

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 INVESTMENTS (CONTINUED)**

Presented below is the rating of investments for each debt investment type:

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies	Certificate of Deposit
Aaa	\$ 13	\$ 32,663	\$ -	\$ -
Aa1	27	-	-	-
Aa2	74	-	-	-
Aa3	196	-	-	-
A1	3,939	-	-	-
A2	3,936	-	-	-
A3	260	-	-	-
Baa1	3,374	-	-	-
Baa2	5,729	-	-	-
Baa3	8,024	-	-	-
Ba1	4,989	-	-	-
Ba2	488	-	-	-
Ba3	593	-	-	-
B1	1,075	-	-	-
B2	-	-	-	-
Unrated	-	-	16,175	18,895
Totals	\$ 32,717	\$ 32,663	\$ 16,175	\$ 18,895

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The City has the following recurring fair value measurements as of June 30, 2025:

	June 30, 2025	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Debt Securities:				
U.S. Government Securities	\$ 32,663	\$ 32,663	\$ -	\$ -
U.S. Government Agencies	16,175	16,175	-	-
Corporate Bonds	32,717	32,717	-	-
Equity Securities:				
Common Stock	72,343	72,343	-	-
Mutual Funds	282,168	282,168	-	-
Total Investments by Fair Value Level	436,066	\$ 436,066	\$ -	\$ -
Investments Recorded at Amortized Cost:				
Certificate of Deposit	18,895			
Investments Recorded at Net Asset Value				
Private Equity - Real Estate	8,271			
Total Investments	\$ 463,232			

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 INVESTMENTS (CONTINUED)**

**Interest Rate Risk**

The Employees' Pension Plan formal investment policy states that for fixed income investments, no issues may be purchased with a maturity that exceeds the maximum maturity in the applicable benchmark index. Maturity duration is managed to remain within plus or minus 25% of the applicable benchmark index. The City does not further limit its other investment maturities as a means of managing its exposure to fair value losses arising from increasing rates.

**Credit Risk – Investments**

As indicated above, State Statutes limit the investment options of cities and towns. The Employees' Pension Plan formal investment policy does not allow for investment in any company that has filed for bankruptcy without prior Personnel and Pension Board approval. For domestic equities, investments must be with companies that meet a specified minimum capitalization threshold at the date of purchase. For fixed income instruments, the average quality of the portfolio must exceed minimum rating levels at all times as defined in the investment policy and must meet or exceed a credit rating of BBB-/Baa3. The City's investment policy governing other investments limits holdings to highly rated fixed income instruments, mutual funds, and government investment pools.

**Concentration of Credit Risk**

The Employees' Pension Plan formal investment policy includes provisions for domestic equities stating that the cost of an individual security in a portfolio at the date of purchase may not exceed 5% of the total market value of that portfolio. Fixed income instruments with a single issuer (excluding U. S. Government and Government Agencies) may not exceed 5% of the market value of that portfolio. The City's investment policy governing other investments does not permit direct equity or fixed income investments in private-sector companies.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 INVESTMENTS (CONTINUED)**

**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 has a formal investment policy. Under this policy, the Treasurer shall mitigate concentration of credit risk on deposits by spreading deposits among different financial institutions. Because the benefits of lower fees and higher rates of return often outweigh the attendant risks of carrying large balances with a few financial institutions, the Treasurer will use their judgment rather than target percentages to guide their deposit strategy. For other investments, no more than 10% of the funds covered under this policy may be invested in securities from any one federal, state, or local political subdivision or agency. The City's individual investments in U. S. government obligations, equities and corporate bonds are uninsured and unregistered securities held by a counterparty, or by its trust department or agent that are not in the City's name. The City's investments are held in open-end mutual funds which, because they are pooled investments rather than separate identifiable securities, are not subject to custodial risk determination. The City will only deposit funds in institutions rated within one of the top three rating categories of any nationally recognized rating service. Financial institutions in which the City deposits funds shall be accepted by City Council resolution. For financial institutions which have not been ranked by a nationally recognized rating service, the Treasurer shall assess the financial capacity and creditworthiness of the institution before recommending it to the City Council for approval.

**NOTE 5 RECEIVABLES**

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

	General	Education Grants	Department of Public Utilities	General Government Grants and Programs	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	Total
Receivables:							
Taxes	\$ 4,042	\$ -	\$ -	\$ -	\$ 120	\$ -	\$ 4,162
Intergovernmental	-	501	6,781	504	2,850	-	10,636
User Charges	-	-	18,392	-	-	11	18,403
Leases	4,795	-	699	-	276	3,243	9,013
Assessments	684	-	-	-	-	-	684
Loans	-	-	-	-	4,470	-	4,470
Accounts and Other	341	-	-	-	456	8	805
Gross Receivables	9,862	501	25,872	504	8,172	3,262	48,173
Less Allowance for Uncollectibles:							
Taxes	(1,070)	-	-	-	(19)	-	(1,089)
User Charges	-	-	(4,312)	-	-	-	(4,312)
Accounts and Other	-	-	-	-	(207)	-	(207)
Total Allowance	(1,070)	-	(4,312)	-	(226)	-	(5,608)
Net Total Receivables	\$ 8,792	\$ 501	\$ 21,560	\$ 504	\$ 7,946	\$ 3,262	\$ 42,565

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. The City also operates a cash pool in the General Fund, and there are bonded projects in one fund that benefit another fund.

A summary of interfund balances as of June 30, 2025 is presented below.

	Due from Other Funds	Due to Other Funds
General Fund	\$ 1,243	\$ 50,252
Debt Service Fund	58,211	-
Education Grants	1,939	110
General Government Grants and Programs	3,235	-
Nonmajor Governmental	38,485	234
Department of Public Utilities	-	58,237
Nonmajor Enterprise	108	765
Internal Service Funds	6,377	-
Total	<u>\$ 109,598</u>	<u>\$ 109,598</u>

Included within the balances above are \$58,210 of long-term interfund advances receivable by the Debt Service Fund from the Department of Public Utilities. These advances are primarily for the construction of gas-related infrastructure and the Department's portion of the pension obligation bonds and are to be repaid over the term of the corresponding debt.

A summary of interfund transfers is presented below:

	Transfers In				Total
	General	Debt Service Expenditure	Grants and Programs	Nonmajor Governmental	
Transfers Out:					
General Fund	\$ -	\$ 8,986	\$ 74	\$ 3,260	\$ 12,320
Department of Public Utilities	7,018	-	-	3,299	10,317
Nonmajor Governmental	140	1,018	128	-	1,286
Nonmajor Enterprise	23	-	-	98	121
Total	<u>\$ 7,181</u>	<u>\$ 10,004</u>	<u>\$ 202</u>	<u>\$ 6,657</u>	<u>\$ 24,044</u>

Transfers from the General Fund to other nonmajor governmental funds are in support of the City's capital improvement program, debt service and other special revenue programs accounted for outside of the General Fund. Transfers from nonmajor governmental funds to the General Fund are derived primarily from net income generated from private duty police services accounted for outside of the General Fund. Transfers from nonmajor governmental funds to the bond expenditure fund are for debt service payments. The Department of Public Utilities annually transfers 10% of gross revenues derived from gas, electric, and water sales to the General Fund and the Fire Districts Fund.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7 LEASES**

**A. Lessor**

The City, acting as lessor, leases various property under long-term, noncancelable lease agreements. The leases expire at various dates through 2056. During the year ended June 30, 2025, the City recognized \$179 in lease revenue pursuant to these contracts.

The Ice Rink Authority, acting as lessor, leases property under a long-term, noncancelable lease agreement. The lease expires in 2064. During the year ended June 30, 2025, the Ice Rink Authority recognized \$85 in lease revenue pursuant to these contracts.

The Department of Public Utilities, acting as lessor, leases space on and/or adjacent to two water tanks for the purpose of the tenants' transmission and reception of communications signals under long-term, noncancelable lease agreements. The leases expire at various dates through June 30, 2036, inclusive of renewal options ranging from ten to fifteen years from transition date of July 1, 2021. During the year ended June 30, 2025, the Department of Public Utilities recognized \$115 in lease revenue pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 203	\$ 15	\$ 173	\$ 23
2027	440	54	179	23
2028	243	26	184	23
2029	241	33	190	23
2030	240	40	196	22
Thereafter	3,704	2,468	3,020	3,047
Total	<u>\$ 5,071</u>	<u>\$ 2,636</u>	<u>\$ 3,942</u>	<u>\$ 3,161</u>

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7 LEASES (CONTINUED)**

**B. Lessee**

The City, Department of Public Utilities, and Golf Course Authority leases equipment, land, and office equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through June 30, 2059 and provide for renewal options ranging from two to five years.

Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases.

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

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 15	\$ 1	\$ 128	\$ 27
2027	13	2	116	22
2028	12	2	56	17
2029	12	3	55	14
2030	11	3	19	4
Thereafter	182	237	-	-
Total	<u>\$ 245</u>	<u>\$ 248</u>	<u>\$ 374</u>	<u>\$ 84</u>

Right-to-use lease assets acquired through outstanding contracts are shown below:

Right-to-Use Lease Assets:	
Land	\$ 336
Equipment	295
Less: Accumulated Amortization	(271)
Total	<u>\$ 360</u>

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 8 CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 28,508	\$ 921	\$ (2,038)	\$ -	\$ 27,391
Construction in Progress	23,038	17,000	-	(2,637)	37,401
Total Capital Assets Not Being Depreciated	51,546	17,921	(2,038)	(2,637)	64,792
Capital Assets Being Depreciated:					
Buildings and Improvements	108,989	812	-	832	110,633
Vehicles, Machinery, and Equipment	39,603	1,941	(311)	290	41,523
Technology Upgrade and Infrastructure	58,845	1,614	-	1,515	61,974
Total Capital Assets Being Depreciated	207,437	4,367	(311)	2,637	214,130
Less Accumulated Depreciation for:					
Buildings and Improvements	(58,287)	(3,339)	-	-	(61,626)
Vehicles, Machinery, and Equipment	(27,276)	(2,340)	311	-	(29,305)
Technology Upgrade and Infrastructure	(33,275)	(2,162)	-	-	(35,437)
Total Accumulated Depreciation	(118,838)	(7,841)	311	-	(126,368)
Right to Use - Lease Asset:					
Land	264	-	-	-	264
Less Accumulated Amortization:					
Land	(4)	(7)	-	-	(11)
Total Capital Assets Being Depreciated, Net	88,859	(3,481)	-	2,637	88,015
Governmental Activities Capital Assets, Net	<u>\$ 140,405</u>	<u>\$ 14,440</u>	<u>\$ (2,038)</u>	<u>\$ -</u>	<u>\$ 152,807</u>

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 8 CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 3,365	\$ -	\$ -	\$ -	\$ 3,365
Construction in Progress	41,380	63,398	-	(11,826)	92,952
Total Capital Assets Not Being Depreciated	44,745	63,398	-	(11,826)	96,317
Capital Assets Being Depreciated:					
Structures and Improvements	70,781	-	(48)	393	71,126
Intangible Plant	4,319	-	-	-	4,319
Machinery, Equipment, Pumping, and Distribution Systems	285,054	273	(2,375)	11,433	294,385
Total Capital Assets Being Depreciated	360,154	273	(2,423)	11,826	369,830
Less Accumulated Depreciation for:					
Structures and Improvements	(37,966)	(1,555)	47	-	(39,474)
Intangible Plant	(432)	(216)	-	-	(648)
Machinery, Equipment, Pumping, and Distribution Systems	(171,952)	(8,736)	2,274	-	(178,414)
Total Accumulated Depreciation	(210,350)	(10,507)	2,321	-	(218,536)
Right to Use - Lease Asset:					
Land	500	-	(164)	-	336
Equipment	256	252	(213)	-	295
Total Right to Use - Lease Asset	756	252	(377)	-	631
Less Accumulated Amortization:					
Land	(171)	(57)	-	-	(228)
Equipment	(211)	(45)	213	-	(43)
Total Accumulated Amortization	(382)	(102)	213	-	(271)
Subscription Based Information					
Technology Arrangement (SBITA)					
Assets:					
SBITA	561	-	-	-	561
Less Accumulated Amortization:					
SBITA	(207)	(162)	-	-	(369)
Total Capital Assets Being Depreciated, Net	150,532	(10,246)	(266)	11,826	151,846
Business-Type Activities					
Capital Assets, Net	\$ 195,277	\$ 53,152	\$ (266)	\$ -	\$ 248,163

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 8 CAPITAL ASSETS (CONTINUED)**

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

Governmental Activities:

General Government	\$ 387
Public Safety	1,569
Social Services	4,054
Public Works	128
Education	1,710
Total Depreciation and Amortization Expense - Governmental Activities	\$ 7,848

Business-Type Activities:

Department of Public Utilities	\$ 10,327
Golf Course Authority	176
Stadium Authority	186
Ice Rink Authority	82
Total Depreciation and Amortization Expense - Business-Type Activities	\$ 10,771

**Construction Commitments**

The City has active construction projects as of June 30, 2025. At year-end, the City's commitments with contractors on active authorizations are as follows:

Project	Cumulative Authorization	Current Expenditures	Cumulative Expenditures	Balance June 30, 2025
Radio Network Replacement *	\$ 1,400	\$ 100	\$ 100	\$ 1,300
PHMSA - Gas Distribution Replacement Phase I *	10,000	3,103	3,187	6,813
Occum Industrial Center Gas Distribution Upgrades *	1,200	11	11	1,189
Primary Electric Distribution Circuit Upgrades *	550	313	427	123
10th St Substation Breaker Bus Overhaul	500	149	149	351
DEEP Grant - Bean Hill Substation Floodproofing *	650	117	117	533
Bean Hill Substation Relocation *	50,100	79	82	50,018
Groton Water Main Interconnect *	850	181	785	65
DWSRF - Industrial Park Water Tank Upgrade *	3,000	49	52	2,948
DWSRF - Richard Brown Water Tank Upgrade *	2,000	52	55	1,945
DWSRF - Lead Service Water Line Replacement *	5,750	576	1,115	4,635
DWSRF - Norwichtown Well PFAS Treatment System *	7,500	2	30	7,470
DWSRF - Yantic Water Tank Upgrade *	5,200	106	183	5,017
DWSRF - Bozrah Utility Bridge & Water Main Replacement *	2,900	-	2	2,898
DWSRF - Route 2 Galvanized Water Main Replacement *	2,400	2	2	2,398
DWSRF - W. Town St 24" Water Main Replacement *	3,700	2	2	3,698
CWF - South Thames/Cove St Wastewater Force Main *	6,750	800	2,500	4,250
CWF - Long-Term Control Plan *	2,000	158	158	1,842
EPA - Greenville CIPP Phase III Wastewater Main Replacement *	2,100	103	105	1,995
Wastewater Treatment Plant Construction *	200,000	48,810	83,007	116,993
Sherman Street Bridge	13,126	1,666	13,126	-
Motorola CAD RMS Project	4,100	37	3,680	420
Stanton School Construction	65,281	4,440	6,019	59,262
Greenville School Construction	78,286	3,702	5,216	73,070
Moriarty School Construction	73,931	1,692	1,750	72,181
Uncas School Construction	73,931	1,706	1,751	72,180
Teachers' Memorial Construction	69,153	44	44	69,109
Total	\$ 686,358	\$ 68,000	\$ 123,655	\$ 562,703

\* As an enterprise fund, the Department of Public Utilities does not encumber project spending, instead annual project spending is approved through the budget process. Due to the timing of spending and projects, the same work can be approved in multiple year(s)/budget(s) as capital project budgets are not cumulative. Due to this significant difference in budgeting/project approval, the Department of Public Utilities has provided Estimated Project Costs in place of "Cumulative Authorization."

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 9 LONG-TERM DEBT**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 184,750	\$ 10,600	\$ 8,725	\$ 186,625	\$ 9,090
Add Unamortized Premiums	2,401	542	193	2,750	190
Total Bonds Payable	<u>187,151</u>	<u>11,142</u>	<u>8,918</u>	<u>189,375</u>	<u>9,280</u>
Compensated Absences	3,264	454	-	3,718	2,262
Lease Liability	260	-	15	245	15
Landfill Closure	153	-	24	129	22
Net Pension Liability	21,867	-	16,677	5,190	-
Net OPEB Liability	25,464	-	2,541	22,923	-
Risk Management Claims	<u>6,164</u>	<u>18,660</u>	<u>19,174</u>	<u>5,650</u>	<u>2,406</u>
 Total Governmental Activities Long-Term Liabilities	 <u>\$ 244,323</u>	 <u>\$ 30,256</u>	 <u>\$ 47,349</u>	 <u>\$ 227,230</u>	 <u>\$ 13,985</u>
<b>Business-Type Activities:</b>					
Notes Payable - Direct Borrowing:					
Notes Payable	\$ 67	\$ -	\$ 67	\$ -	\$ -
State of Connecticut - Serial Notes	<u>34,334</u>	<u>31,568</u>	<u>2,233</u>	<u>63,669</u>	<u>3,393</u>
Total Notes Payable	<u>34,401</u>	<u>31,568</u>	<u>2,300</u>	<u>63,669</u>	<u>3,393</u>
Compensated Absences	5,575	3,555	2,224	6,906	2,789
Lease Liability	406	252	284	374	128
SBITA Liability	127	-	80	47	47
Workers' Compensation	878	458	-	1,336	330
Net Pension Liability	8,245	-	8,064	181	-
Net OPEB Liability	<u>8,114</u>	<u>-</u>	<u>269</u>	<u>7,845</u>	<u>-</u>
 Total Business-Type Activities Long-Term Liabilities	 <u>\$ 57,746</u>	 <u>\$ 35,833</u>	 <u>\$ 13,221</u>	 <u>\$ 80,358</u>	 <u>\$ 6,687</u>

The governmental activities net pension liability and the net OPEB liability have primarily been liquidated with General Fund resources.

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 9 LONG-TERM DEBT (CONTINUED)**

A schedule of bonds outstanding at June 30, 2025 is presented below:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2025
<b>Governmental Activities:</b>					
<b>General Purpose Bonds Payable:</b>					
General Purpose - Series A	3/3/2015	8/1/2034	3.0-4.0	\$ 5,600	\$ 2,500
General Purpose - Series A	3/1/2016	8/1/2035	2.0-2.6	6,300	3,030
General Purpose - Series B	3/1/2016	8/1/2025	2.0-3.0	2,500	250
General Purpose - Series A	3/1/2017	8/1/2036	3.0-4.0	4,450	2,650
<b>Refunding - (Partial 12/02/2009 Series A) Bonds -</b>					
Series A	3/1/2017	8/1/2036	3.0-4.0	2,825	2,825
General Purpose - Series B	3/1/2017	8/1/2036	1.0-3.9	1,000	600
General Purpose - Series A	12/6/2018	8/1/2038	3.0-5.0	7,970	5,880
General Purpose - Series A	12/5/2019	8/1/2039	2.0-5.0	3,575	2,835
General Purpose - Series A	10/28/2020	8/1/2040	3.0-5.0	1,205	960
General Purpose - Series B	10/28/2020	8/1/2040	2.0-5.1	15,920	9,370
Pension Obligation Bonds	2/25/2022	8/1/2046	1.4-3.3	145,000	132,095
General Purpose - Series A	12/29/2022	8/1/2043	4.0-5.0	9,200	8,280
General Purpose - Series A	12/14/2023	8/1/2044	4.0	5,000	4,750
General Purpose - Series A	12/5/2024	8/1/2049	4.0	10,600	10,600
<b>Total</b>					<b>\$ 186,625</b>
<b>Business-Type Activities:</b>					
<b>State of Connecticut Serial Notes Payable:</b>					
Clean Water Act 625-D	12/31/2012	12/31/2031	2.00	\$ 1,865	\$ 683
Clean Water Act 495-C	5/31/2013	6/1/2032	2.00	5,748	2,231
Clean Water Act 625-D1	5/31/2015	12/31/2031	2.00	2,510	1,030
Clean Water Act 707-Pd	2/26/2021	1/31/2041	2.00	1,655	1,290
Clean Water Act 743-D	10/31/2023	9/30/2043	2.00	2,061	1,854
Clean Water Act 743-D	3/31/2025	3/31/2045	2.00	29,224	28,859
Clean Water Act 743-C	*	*	*	*	11,871
Drinking Water State Revolving Fund 200801-C	7/1/2009	7/1/2029	2.27	450	88
Drinking Water State Revolving Fund 2010-8005	3/31/2010	12/31/2029	2.06	145	33
Drinking Water State Revolving Fund 2010-8006	3/31/2010	6/30/2030	2.06	326	82
Drinking Water State Revolving Fund 2010-7005	4/30/2014	10/31/2032	2.00	160	64
Drinking Water State Revolving Fund 2010-7006	4/30/2014	4/30/2032	2.00	148	56
Drinking Water State Revolving Fund 2014-7027	6/30/2015	12/31/2034	2.27	506	240
Drinking Water State Revolving Fund 2014-7036	5/31/2016	11/30/2036	2.00	4,052	2,110
Drinking Water State Revolving Fund 2015-7037	10/12/2016	9/30/2034	2.00	1,528	785
Drinking Water State Revolving Fund 2017-7056	2/28/2019	6/30/2028	2.00	2,695	1,774
Drinking Water State Revolving Fund 2019-7069	12/31/2020	6/30/2040	2.00	2,477	1,858
Drinking Water State Revolving Fund 2019-7072	8/31/2019	2/28/2039	2.00	1,582	1,081
Drinking Water State Revolving Fund 2019-7081	11/30/2020	6/30/2040	2.00	2,414	1,810
Drinking Water State Revolving Fund 2019-7077	9/30/2022	9/30/2041	2.00	5,824	4,860
Drinking Water State Revolving Fund 2022-7104	3/31/2023	9/30/2042	2.00	131	113
Drinking Water State Revolving Fund 2024-7130	5/30/2025	11/30/2044	2.00	677	677
Drinking Water State Revolving Fund 2024-5002	*	*	*	*	220
<b>Total</b>					<b>\$ 63,669</b>

\* Loan is not permanently financed at this time.

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 9 LONG-TERM DEBT (CONTINUED)**

The annual debt service requirements of the governmental activities bonded indebtedness is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 9,090	\$ 6,030	\$ 15,120
2027	8,840	5,734	14,574
2028	8,915	5,491	14,406
2029	9,010	5,240	14,250
2030	9,115	4,986	14,101
2031 - 2035	42,390	21,083	63,473
2036 - 2040	39,850	14,391	54,241
2041 - 2045	40,930	7,166	48,096
2046 - 2048	18,485	806	19,291
Total	<u>\$ 186,625</u>	<u>\$ 70,926</u>	<u>\$ 257,551</u>

The annual debt service requirements of the City's bond and notes payable of business-type activities are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 3,393	\$ 1,002	\$ 4,395
2027	3,384	933	4,317
2028	3,396	866	4,262
2029	3,405	797	4,202
2030	3,393	729	4,122
2031 - 2035	14,839	2,695	17,534
2036 - 2040	11,956	1,195	13,151
2041 - 2045	7,812	538	8,350
Subtotal	<u>51,578</u>	<u>8,756</u>	<u>60,334</u>
State of Connecticut - Serial Notes not Permanently Financed as of June 30, 2025	<u>12,091</u>	<u>-</u>	<u>12,091</u>
Total	<u>\$ 63,669</u>	<u>\$ 8,756</u>	<u>\$ 72,425</u>

The City's outstanding clean water notes contains a provision that, in event of default, the State may declare, by notice to the City, that the principal of and interest accrued on any outstanding amounts are immediately due and payable in full, automatically, without further notices or demand of any kind.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 9 LONG-TERM DEBT (CONTINUED)**

**Landfill Closure and Postclosure Care Cost – Governmental Activity**

State and federal laws and regulations require that the City place a final cover on its closed landfill and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The current estimated total cost of the landfill closure and postclosure care of \$128 is based on the amount estimated to be paid for all equipment, facilities, and services required to close, monitor, and maintain the complete landfill site as of June 30, 2025. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The Landfill Closure fund has been used to liquidate landfill closure and postclosure liabilities, but the General Fund will be used to pay for future monitoring costs.

**Subscription-Based Information Technology Arrangements**

The City has entered into subscription-based information technology arrangements (SBITAs) for various items under long-term, noncancelable SBITA agreements. The SBITAs expire at various dates through 2029 and provide for renewal options.

Total future minimum payments under SBITA agreements are as follows:

<u>Year Ending June 30,</u>	Business-Type Activities	
	Principal	Interest
2026	\$ 83	\$ 5
2027	68	2
2028	6	-
2029	2	-
Total	\$ 159	\$ 7

SBITAs acquired through outstanding contracts are shown below.

Subscription Based Information Technology Arrangements	\$ 561
Less: Accumulated Amortization	(369)
Total	\$ 192

**Bonds Authorized/Unissued**

Bonds authorized/unissued with outstanding debt at June 30, 2025 are as follows:

Description	Authorized	Bonded	Grants	Authorized Unissued
Dodd Stadium Capital Improvements (2018)	\$ 800	\$ 450	\$ -	\$ 350
Infrastructure Improvement Program (2019)	5,000	4,330	-	670
School Construction Program (2022)	385,000	20,000	240,000	125,000
Infrastructure Improvement Program (2023)	6,000	-	-	6,000
Purchase of Downtown Building and Lots (2024)	800	-	-	800
Total	\$ 397,600	\$ 24,780	\$ 240,000	\$ 132,820

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 9 LONG-TERM DEBT (CONTINUED)**

**Debt Limitations**

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General Purpose	\$ 209,291	\$ 28,214	\$ 181,077
Schools	418,581	146,856	271,725
Sewers	348,818	1,351	347,467
Urban Renewal	302,309	1,030	301,279
Pension Deficit	279,054	132,095	146,959

The total of the City's net statutory indebtedness of \$309.5 million does not exceed the legal debt limitation of \$651.1 million (seven times the base for debt limitation computation).

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 10 FUND BALANCE**

**A. Fund Balance**

The components of fund balance at June 30, 2025 are as follows:

	General Fund	Bond Expenditure Fund	Education Grants	General Government Grants and Programs	Nonmajor Governmental Funds	Total
Fund Balances:						
Nonspendable:						
Trust	\$ -	\$ -	\$ -	\$ -	\$ 33	\$ 33
Restricted for:						
Trust:						
Cemetery Trusts	-	-	-	-	2,334	2,334
Parks and Gardens Trusts	-	-	-	-	19	19
Fred Abbot Summer Concert	-	-	-	-	1	1
Fire Districts	-	-	-	-	348	348
Student Activities	-	-	-	-	44	44
Opioid Remediation	-	-	-	-	243	243
Cannabis	-	-	-	-	190	190
Lead Paint Abatement	-	-	-	-	41	41
Capital Improvements	-	-	-	-	2,803	2,803
Committed to:						
Public Safety:						
Police Grants and Programs	-	-	-	-	154	154
Public Works:						
Public Parking	-	-	-	-	321	321
Other	-	-	-	-	317	317
Social Services:						
Recreation	-	-	-	-	903	903
Human Services	-	-	-	-	38	38
Senior Center	-	-	-	-	74	74
General Government:						
Revolving Loan	-	-	-	-	319	319
Pension Reserve Fund	-	-	-	-	15,683	15,683
Other	-	-	-	-	1,172	1,172
Education:						
School Lunch	-	-	-	-	2,091	2,091
Adult Education	-	-	-	-	28	28
Other	-	-	258	-	40	298
Debt Service	-	58,211	-	-	-	58,211
Assigned to:						
Encumbrances:						
General Government	30	-	-	-	-	30
Public Safety	28	-	-	-	-	28
Public Works	9	-	-	-	-	9
Capital Projects	-	-	-	-	12,323	12,323
Unassigned	22,290	-	-	(96)	(162)	22,032
Total Fund Balances	<u>\$ 22,357</u>	<u>\$ 58,211</u>	<u>\$ 258</u>	<u>\$ (96)</u>	<u>\$ 39,357</u>	<u>\$ 120,087</u>

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 10 FUND BALANCE (CONTINUED)**

**B. Department of Public Utilities – Restricted Net Position**

Connecticut Municipal Electric Energy Cooperative (CMEEC) administers a Municipal Energy and Load Conservation Fund (the Fund) on behalf of its cooperative members, including the Norwich Department of Public Utilities (the Department). The Fund was established to comply with provisions of House Bill 7501, Public Act No. 05-1 requiring CMEEC to establish and administer the Fund. CMEEC includes a charge of 4.8 mills per kilowatt hour in the monthly purchase power costs of wholesale electricity sold to the Department for deposit into the Fund. Disbursements from the Fund are required to be made pursuant to a comprehensive electric conservation and load management plan. Funds held by CMEEC as of June 30, 2025 on behalf of the Department were \$826. Investment income that is earned on the Department's deposits along with the Fund's authorized expenses is recorded in the Department's statement of activities. The funds held by CMEEC on behalf of the Department are recorded as an asset on the Department's statement of net position and have been restricted.

**C. Encumbrances**

As discussed in Note 2. A., budgetary information, under the budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were \$67 within the General Fund for various reasons and \$12,323 within the Nonmajor Governmental Funds for capital projects. The encumbrances for capital projects will be satisfied with the receipt of interfund receivables and intergovernmental receivables. The interfund receivables will be funded with budgeted transfers from the general fund.

**NOTE 11 TAX ABATEMENTS**

As of June 30, 2025, the City provides tax abatements through multiple programs:

- Connecticut Enterprise Zone Program
- Uniform Tax Deferral Process
- Wauregan Hotel Development Tax Abatement Agreement
- Housing Development Zone Program
- Distressed Municipalities

The Connecticut Enterprise Zone (EZ) Program provides real property tax abatements to encourage economic development in designated areas within a Targeted Investment Community of which the City has been designated, under Connecticut General Statutes Section 32-71 and City of Norwich Ordinance 7-91 and 7-94. Eligible businesses include manufacturers, warehouse distributors and certain designated service-related business. An EZ business applicant must complete a preliminary application to determine if all eligibility criteria will be met. After the request of the preliminary application has been met, the business applicant is required to submit a formal application to the Department of Economic and Community Development.

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 11 TAX ABATEMENTS (CONTINUED)**

A seven-year abatement ranging from 100% to 0% (phased in over the abatement) of local property taxes on qualifying real and personal property, is subject to the property being new to the grand list of the municipality as a direct result of a business expansion or renovation project or, in the case of an existing building, having met the vacancy requirement. The property tax abatement is for a full seven-year period and takes effect with the start of the first full assessment year following the issuance of a "Certificate of Eligibility." For the fiscal year ended June 30, 2025, taxes abated through this program total \$21. There are no provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients under this program.

The Uniform Tax Deferral Process provides real property tax abatements on certain commercial property development in the City under Connecticut General Statutes Section 12-65c through 12-65e and the City of Norwich Ordinance 7-22. Abatements are obtained pursuant to a contract between the City and the owner of any such property. The contract shall provide the terms of such abatement, the moneys equal to the amount of such abatement and the criteria by which the property is required to be used for to receive the abatement. For the fiscal year ended June 30, 2025, taxes abated through this program total \$169. The contract includes provisions for cease and potential recapture of abatements if property is used for a purpose other than the one specified in the agreement. No other commitments have been made by the City to the abatement recipients under this program.

The Wauregan Hotel Development (WHD) tax abatement agreement was created to provide real property tax abatements for the rehabilitation of certain deteriorated property within the City pursuant of Connecticut General Statutes Section 8-215 and City of Norwich Ordinance 7-21. Under the terms of the agreement the rehabilitated property is to be used for low-income housing and abatement obtained pursuant to a contract between the City and the owner of the property. The property owner will receive an abatement of all taxes but is responsible for paying the City a payment in lieu of taxes equal to 20% of net operating income on the property. Continuation of the agreement is conditioned upon continued compliance with the provisions of the agreement and is terminated upon sale or transfer of the property for any other purpose unless the City has consented thereto. For the fiscal year ended June 30, 2025, taxes abated through this program total \$115. There are no provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients under this program.

The Housing Development Zone tax abatement agreements provide real property tax abatements for improvements to commercial and residential real estate in Housing Development Zones pursuant of Connecticut General Statutes Section 8-380. Under the terms of the agreements, qualifying developments in Housing Development zones provide an abatement over an eleven-year period where the assessment is increased incrementally from 0% to 100%. For the fiscal year ended June 30, 2025, taxes abated through this program total \$460. There are no provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients under this program.

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 11 TAX ABATEMENTS (CONTINUED)**

The Distressed Municipalities tax abatement program provides real and personal property tax abatements to encourage investment in manufacturing. To be eligible, 30% of new employees must be residents of the Enterprise Zone or residents of the municipality in which the plant is located and eligible under the Workforce Investment Act. The program includes five-year 80% abatement of local property taxes on all qualifying real and personal property. For the fiscal year ended June 30, 2025, taxes abated through this program total \$156. No other commitments have been made by the City to the abatement recipients under this program.

**NOTE 12 RISK MANAGEMENT**

The City is exposed to various risks of loss related to public official liability, police professional liability, theft or impairment of assets, errors and omissions, injury to employees, natural disasters, and owners and contractors protective liability.

It is the policy of the City to self-insure for employee health insurance programs. To this end, the City created an internal service fund to which the various City funds “pay premiums” and from which employee medical claims are paid. Claims are accrued as incurred. The City also purchased “stop loss” insurance to limit its losses to \$175 per person in 2025 for hospitalization and prescriptions with a maximum aggregate for all claims of approximately \$22,454.

The City self-insures for workers’ compensation benefits. The City purchases commercial insurance for claims in excess of coverage provided by the workers’ compensation account with an individual claim maximum of \$600 and a \$10,000 aggregate maximum per year.

The workers’ compensation costs are funded by the General Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors.

Changes in the balances of claim liabilities during the past two years are as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
Medical:				
2024 - 2025	\$ 1,341	\$ 16,876	\$ 16,876	\$ 1,341
2023 - 2024	1,107	16,403	16,169	1,341
Workers’ Compensation:				
2024 - 2025	4,823	1,784	2,298	4,309
2023 - 2024	4,559	2,172	1,908	4,823

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 12 RISK MANAGEMENT (CONTINUED)**

The City purchases commercial insurance for all other risks of loss, including blanket and umbrella policies. Settled claims have not exceeded coverage in any of the past three years.

The Department of Public Utilities accounts for the self-insured component of workers' compensation benefits for the Department's employees within the Department of Public Utilities Enterprise Fund. The Department has accrued \$1,336 for estimated unpaid accrued losses on reported claims as of June 30, 2025.

**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

**City of Norwich Retirement System**

**A. Plan Description and Benefits Provided**

The City is the administrator of the City's Consolidated Pension Plan, a single-employer contributory defined benefit public employee retirement system (PERS) established and administered by the City to provide pension benefits to all full-time noncertified employees. The Plan is considered to be part of the City's financial reporting entity and is included in the City's financial reports as a pension trust fund. The plan does not issue a stand-alone report.

Management of the plans rest with the Personnel and Pension Board, which consists of five members (two members elected by plan members and three appointed by City Council). The City Treasurer shall have the care and custody of all pension funds and, with the approval of the Personnel and Pension Board, shall have the power to invest and reinvest the same in securities legal for investment of trust funds under the general statutes. The City Treasurer, with the approval of the Personnel and Pension Board, may designate and appoint a corporate trustee or trustees to manage the pension funds.

The City provides all retirement, death, and disability benefits through a single employer, contributory defined benefit plan. Under the plan, all full-time salaried City employees, noncertified employees of the Board of Education and all full-time uniformed and investigatory employees classified as Police Officers and Firefighters are eligible after a probationary period.

**B. Union Coalition**

**2018 Agreement**

The members of the City Hall Employees, City Hall Supervisors, Public Works Employees, Public Works Supervisors, 911 Dispatchers, City nonunion and elected employees, Public Utilities Supervisory and Professional Employees, Public Utilities Technical and Clerical Employees, Public Utilities Water Distribution Employees, Public Schools Para-educators, Public Schools Custodians/ Maintainers, Public Schools Administrative Assistants, and Public Schools Nurses joined the 2018 coalition agreement for pension benefits.

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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Retirement System (Continued)**

**B. Union Coalition (Continued)**

2018 Agreement (Continued)

Under this agreement, employees are 100% vested in a pension to begin at age 60 if they terminate employment after 10 years of continuous service or after 25 years of service and attainment of age 55 or after 34 years of service regardless of age. Also, any employee terminating employment after age 50 with 25 years of service is eligible for a pension at a reduced percentage. Employees hired prior to January 1, 2018 receive a retirement benefit of 2.2% of average final earnings during the highest three years out of the last 10 consecutive year period with a maximum of 74.8% of average earnings. Employees hired on or after January 1, 2018 receive a retirement benefit of 1.95% of average final earnings during the highest three years out of the last 10 consecutive year period with a maximum of 66.3% of average earnings.

Employees contribute 8.5% of their wages to the plan.

**C. Police**

Employees hired on or before July 1, 2014 may retire after 20 years of service, regardless of age. Employees shall be paid 50% of the average compensation received of the highest three years of their last 10 years of service. Employees shall receive an additional 2.20% for each year after 20 years for a maximum of 30 years or 72% of their average compensation received of the highest three years of their last 10 years of service, which additional years of service over 20 years shall be at the employee's option.

Employees hired after July 1, 2014 may retire after 25 years of service, regardless of age. Employees shall be paid 50% of the average compensation received of the highest three years of their last 10 years of service. Employees shall receive an additional 2.50% for each year after 25 years for a maximum of 30 years or 62.5%.

Employees contribute 8.5% of their wages to the plan.

**D. Firefighters**

Employees hired prior to July 1, 2013 may retire after 20 years of service, regardless of age. Employees shall be paid 48% of their average pay received of the highest three years of their last 10 years of service. Employees shall receive an additional 2.20% for each year after 20 years for a maximum of 30 years or 70%.

Employees hired on or after July 1, 2013 may retire after 25 years of service, regardless of age. Employees shall be paid 59% of their average pay received of the highest three years of their last 10 years of service. Employees shall receive an additional 2.20% for each year after 25 years for a maximum of 30 years or 70%.

Employees generally contribute 9.5% of their wages to the plan.

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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Retirement System (Continued)**

**E. Plan Membership**

At July 1, 2024, the plan members consisted of (table not in thousands):

Retirees and Beneficiaries Currently Receiving Benefits	531
Terminated Employees Not Yet Receiving Benefits	47
Active Plan Members	<u>707</u>
Total	<u><u>1,285</u></u>

**F. Summary of Significant Accounting Policies, Plan Changes, and Plan Asset Matters**

**Basis of Accounting**

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plan. Plan member contributions are recognized in the period in which they are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**Method Used to Value Investments**

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

**Funding Policy**

The contribution requirements of plan members and the City are established and may be amended by the City legislature. Benefits and contributions are established by the City and may be amended only by the City Charter and union negotiation. The City's funding policy provides for periodic employer contributions at actuarially determined rates. The City's current contribution percentage is 12.73% of covered payroll.

Administrative costs of the plan are financed through investment earnings.

**G. Investments**

**Investment Policy**

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Personnel and Pension Board by a majority vote of its members. It is the policy of the Personnel and 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. 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.

**CITY OF NORWICH, CONNECTICUT  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Retirement System (Continued)**

**G. Investments (Continued)**

Investment Policy (Continued)

The following was the Board's adopted asset allocation policy as of June 30, 2025.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
U.S. Core Fixed Income	30.00 %	2.20 %
U.S. Large Cap Equity	35.00	3.78
U.S. Small & Mid Cap Equity	14.00	3.62
Foreign Developed Equity	17.00	4.79
Private Real Estate Property	4.00	4.57
Total	100.00 %	

\* Long-Term Returns are geometric means.

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**H. Net Pension Liability of the City**

The components of the net pension liability of the City at June 30, 2025 were as follows:

Total Pension Liability	\$ 401,094
Plan Fiduciary Net Position	(399,038)
Net Pension Liability	\$ 2,056

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.49%
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**I. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary Increases	Based on Age
Investment Rate of Return	6.25%, Net of Investment-Related Expenses

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Retirement System (Continued)**

**I. Actuarial Assumptions (Continued)**

Mortality rates were based on the Pub-2010 table with generational projection per MP-2021 Ultimate Scale.

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 are developed. Best estimates of the real rates of return for each major asset class are included along with the pension plan's long-term target asset allocation. Since the term rates shown above are geometric averages, the impact of asset allocation and rebalancing is not reflected in the expected return. An expected rate of return of 6.25% was used.

**J. Discount Rate**

The discount rate used to measure the total pension liability was 6.25%. 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.

**K. Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2024	\$ 394,243	\$ 367,516	\$ 26,727
Changes for the Year:			
Service Cost	8,357	-	8,357
Interest on Total Pension Liability	24,436	-	24,436
Differences Between Expected and Actual Experience	(2,332)	-	(2,332)
Employer Contributions	-	6,007	(6,007)
Member Contributions	-	4,516	(4,516)
Net Investment Income	-	44,676	(44,676)
Benefit Payments, Including Refund of Employee Contributions	(23,610)	(23,609)	(1)
Administrative Expenses	-	(68)	68
Net Changes	<u>6,851</u>	<u>31,522</u>	<u>(24,671)</u>
Balances as of June 30, 2025	<u>\$ 401,094</u>	<u>\$ 399,038</u>	<u>\$ 2,056</u>

**CITY OF NORWICH, CONNECTICUT  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Retirement System (Continued)**

**L. 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:

	1% Decrease in Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase in Discount Rate (7.25%)
Net Pension Liability	\$ 51,558	\$ 2,056	\$ (39,092)

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

For the year ended June 30, 2025, the City recognized pension expense of \$9,114. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Governmental Activities	Business-Type Activities Department of Public Utilities	Total
<b>Deferred Outflows of Resources:</b>			
Differences Between Expected and Actual Experience	\$ 1,637	\$ 563	\$ 2,200
Changes of Assumptions	4,598	2,472	7,070
Total	\$ 6,235	\$ 3,035	\$ 9,270
<b>Deferred Inflows of Resources:</b>			
Differences Between Expected and Actual Experience	\$ 1,445	\$ 507	\$ 1,952
Changes of Assumptions	487	307	794
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	15,187	8,154	23,341
Total	\$ 17,119	\$ 8,968	\$ 26,087

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

	Governmental Activities	Business-Type Activities Department of Public Utilities	Total
<u>Year Ended June 30,</u>			
2026	\$ 4,721	\$ 2,286	\$ 7,007
2027	(6,534)	(3,479)	(10,013)
2028	(5,877)	(3,121)	(8,998)
2029	(3,194)	(1,619)	(4,813)
Total	\$ (10,884)	\$ (5,933)	\$ (16,817)

**CITY OF NORWICH, CONNECTICUT  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters’ Relief Plan**

**A. Plan Description and Benefits Provided**

The City is the administrator of a Volunteer Firefighters Relief Plan (Plan), a single-employer benefit plan established and administered by the City to provide pension benefits to volunteers. The Plan is considered to be a part of the City’s financial reporting entity and is included in the financial reports as a Pension Trust Fund. Stand-alone reports are not available for this plan.

Management of the plans rests with the Volunteer Firefighters’ Relief Fund Committee (VFFRF Committee), which consists of twelve members. Five members are appointed by the City Council, one is appointed by the Personnel and Pension Board, and one is the immediate past President of the VFFRF Committee. The City Treasurer shall have the care and custody of all pension funds and with the approval of the Committee, shall have the power to invest and reinvest the same in securities legal for investment of trust funds under the general statutes. The City Treasurer, with the approval of the Committee, may designate and appoint a corporate trustee or trustees to manage the pension funds.

Volunteers will begin receiving benefits when they are at least 55 years old and have at least 20 years of credited service. A plan member may purchase a year of credited service if he/she has responded to at least the lesser of 20% of all emergency calls or 150 calls as well as attending the lesser of 20% of his/her department’s training sessions and drills or 20 hours of training or drills during the plan year. “Retirees” from the plan receive a monthly benefit of \$30 (not in thousands) multiplied by the years of credited service to a maximum of 40 years and a maximum monthly benefit of \$1200 (not in thousands).

The contribution requirements of plan members and the City are established and may be amended by the City Council. Members are required to contribute \$360 (not in thousands) for each calendar year of credited service.

At January 1, 2024, the plan members consisted of (table not in thousands):

Inactive Plan Members or Beneficiaries Currently	
Receiving Benefits	54
Inactive Plan Members Entitled to but Not Yet	
Receiving Benefits	78
Active Plan Members	59
Total	191

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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters' Relief Plan (Continued)**

**B. Summary of Significant Accounting Policies, Plan Changes and Plan Asset Matters**

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plan. Plan member contributions are recognized in the period in which they are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

The plan reports investments at fair value. Investment income is recognized as earned.

Plan Expenses

Expenses of administering the plan are paid for by the City's annual contribution to the plan.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City legislature. Members are required to contribute \$360 (not in thousands) for each calendar year of credited service.

**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 VFFRF Committee by a majority vote of its members. It is the policy of the VFFRF Committee 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 VFFRF Committee's adopted asset allocation policy as of June 30, 2025.

**CITY OF NORWICH, CONNECTICUT  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters' Relief Plan (Continued)**

**C. Investments (Continued)**

Investment Policy (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
U.S. Government Bonds	12.00 %	1.62 %
U.S. Credit Bonds	15.00	2.61
U.S. High Yield Bonds	3.00	3.48
U.S. Large Caps	35.00	3.78
U.S. Mid Caps	8.00	3.73
U.S. Small Caps	6.00	4.22
Foreign Developed Equity	13.60	4.79
Emerging Markets Equity	3.40	5.73
Private Real Estate Property	4.00	4.57
Total Portfolio	100.00 %	

\* Long-Term Returns are geometric means.

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.30%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**D. Net Pension Liability of the City**

The components of the net pension liability of the City at June 30, 2025 were as follows:

Total Pension Liability	\$ 7,546
Plan Fiduciary Net Position	(4,231)
Net Pension Liability	\$ 3,315

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.07%
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**CITY OF NORWICH, CONNECTICUT  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters' Relief Plan (Continued)**

**E. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of January 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary Increases	Based on Age
Investment Rate of Return	6.25%, Net of Investment-Related Expenses

Mortality rates were based on PubS-2010 Mortality Table with generational projection per the MP-2021 Ultimate Scale.

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 are developed. Best estimates of the real rates of return for each major asset class are included along with the pension plan's long-term target asset allocation. Since the term rates shown above are geometric averages, the impact of asset allocation and rebalancing is not reflected in the expected return. An expected rate of return of 6.25% was used.

**F. Discount Rate**

The discount rate used to measure the total pension liability was 6.25%. 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 NORWICH, CONNECTICUT  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters' Relief Plan (Continued)**

**G. Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2024	\$ 7,294	\$ 3,909	\$ 3,385
Changes for the Year:			
Service Cost	75	-	75
Interest on Total Pension Liability	446	-	446
Differences Between Expected and Actual Experience	(228)	-	(228)
Changes of Benefit Terms	434	-	434
Employer Contributions	-	333	(333)
Member Contributions	-	18	(18)
Net Investment Income	-	452	(452)
Benefit Payments, Including Refund of Employee Contributions	(475)	(475)	-
Administrative Expenses	-	(6)	6
Net Changes	<u>252</u>	<u>322</u>	<u>(70)</u>
Balances as of June 30, 2025	<u>\$ 7,546</u>	<u>\$ 4,231</u>	<u>\$ 3,315</u>

**H. 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:

	1% Decrease in Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase in Discount Rate (7.25%)
Net Pension Liability	\$ 4,221	\$ 3,315	\$ 2,565

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters' Relief Plan (Continued)**

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

For the year ended June 30, 2025, the City recognized pension expense of \$494. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 50	\$ 170
Changes of Assumptions	50	29
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	179
Total	<u>\$ 100</u>	<u>\$ 378</u>

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

<u>Year Ended June 30,</u>	Governmental Activities
2026	\$ 42
2027	(143)
2028	(135)
2029	(42)
Total	<u>\$ (278)</u>

**CITY OF NORWICH, CONNECTICUT**  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters' Relief Plan (Continued)**

**J. Schedule of Plan Net Position – June 30, 2025**

	City Employee Pension Trust Fund	Volunteer Fire Pension Trust Fund	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,449	\$ 64	\$ 4,513
Investments:			
U.S. Government Securities	26,775	-	26,775
U.S. Government Agencies	13,725	-	13,725
Corporate Bonds	27,994	-	27,994
Mutual Funds	257,214	4,181	261,395
Common Stock	60,093	-	60,093
Real Estate	8,271	-	8,271
Accounts Receivable	602	-	602
Total Assets	<u>399,123</u>	<u>4,245</u>	<u>403,368</u>
<b>LIABILITIES</b>			
Accounts and Other Payables	<u>85</u>	<u>14</u>	<u>99</u>
<b>NET POSITION</b>			
Restricted for Pensions	<u>\$ 399,038</u>	<u>\$ 4,231</u>	<u>\$ 403,269</u>

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Norwich Volunteer Firefighters' Relief Plan (Continued)**

**K. Schedule of Changes in Plan Net Position for the Year Ended June 30, 2025**

	City Employee Pension Trust Fund	Volunteer Fire Pension Trust Fund	<u>Total</u>
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 6,007	\$ 333	\$ 6,340
Plan Members	<u>4,516</u>	<u>18</u>	<u>4,534</u>
Total Contributions	10,523	351	10,874
Investment Income:			
Net Appreciation in Fair Value of Investments	35,142	345	35,487
Interest and Dividends	<u>10,511</u>	<u>127</u>	<u>10,638</u>
Total Investment Income	45,653	472	46,125
Less: Investment Expense	<u>(977)</u>	<u>(20)</u>	<u>(997)</u>
Net Investment Income	<u>44,676</u>	<u>452</u>	<u>45,128</u>
Total Additions	55,199	803	56,002
<b>DEDUCTIONS</b>			
Benefits	22,969	475	23,444
Administration	68	6	74
Lump Sum Distributions and Withdrawals	<u>640</u>	<u>-</u>	<u>640</u>
Total Deductions	<u>23,677</u>	<u>481</u>	<u>24,158</u>
<b>NET INCREASE (DECREASE)</b>	31,522	322	31,844
Net Position Restricted for Pensions - Beginning of Year	<u>367,516</u>	<u>3,909</u>	<u>371,425</u>
<b>NET POSITION RESTRICTED FOR PENSIONS - END OF YEAR</b>	<u>\$ 399,038</u>	<u>\$ 4,231</u>	<u>\$ 403,269</u>

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(IN THOUSANDS)**

**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension**

**A. Plan Description**

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at [www.ct.gov](http://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 with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 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 NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**C. Contributions (Continued)**

Employer (School Districts)

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

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

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the state was \$10,557 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 pensionable 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, 2025, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the City were as follows:

City's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the City		107,107
Total	<u>\$</u>	<u>107,107</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. At June 30, 2025, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2025, the City recognized pension expense and revenue of \$12,285 in Exhibit II.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**E. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2024, 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, 2024 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:

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

**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%.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**E. Actuarial Assumptions (Continued)**

Cost-of-Living Allowance (Continued)

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%.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00 %	6.80 %
Public Credit	2.00	2.90
Core Fixed Income	13.00	0.40
Liquidity Fund	1.00	(0.40)
Risk Mitigation	5.00	0.10
Private Equity	15.00	11.20
Private Credit	10.00	6.10
Real Estate	10.00	6.20
Infrastructure and Natural Resources	7.00	7.70
Total	100.00 %	
Total		

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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(IN THOUSANDS)**

**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**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.

**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](http://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.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Aggregated Pension Information**

The City recognized the following amounts related to pension plans as of and for the year ended June 30, 2025:

	Deferred Outflow of Resources Related to Pensions	Net Pension Liability	Deferred Inflow of Resources Related to Pensions	Pension Expense
City of Norwich Retirement System:				
Governmental Activities	\$ 6,235	\$ 1,875	\$ 17,119	\$ 6,106
Business-Type Activities	3,035	181	8,968	3,008
Total City of Norwich Retirement System	9,270	2,056	26,087	9,114
Volunteer Firefighters' Relief Plan:				
Governmental Activities	100	3,315	378	494
Connecticut Teachers Retirement System:				
Governmental Activities	-	-	-	12,285
	<u>\$ 9,370</u>	<u>\$ 5,371</u>	<u>\$ 26,465</u>	<u>\$ 21,893</u>
Totals				
Governmental Activities	\$ 6,335	\$ 5,190	\$ 17,497	\$ 18,885
Business-Type Activities	3,035	181	8,968	3,008
	<u>\$ 9,370</u>	<u>\$ 5,371</u>	<u>\$ 26,465</u>	<u>\$ 21,893</u>

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS**

**City of Norwich, Retiree Health Plan**

**A. Plan Description and Benefits Provided**

The City, in accordance with various collective bargaining agreements, is committed to provide health and other benefits to eligible retirees and their spouses. The Retiree Health Plan (RHP) is considered to be part of the City's financial reporting entity and is included in the City's financial report as the Other Postemployment Benefits Trust Fund. The plan does not issue a stand-alone financial report. The RHP is a single-employer defined benefit healthcare plan administered by the City. Management of the RHP is vested with the Human Resources Director and Comptroller with policy oversight provided by the Personnel and Pension Board. The RHP provides medical, dental, and life insurance benefits to eligible retirees and their spouses. All employees of the City are eligible to participate in the plan. Benefit provisions are established through negotiations between the City and the various unions representing the employees. The General Fund, the Fire Districts Fund and Department of Public Utilities are used to liquidate net other postemployment benefit obligations.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**A. Plan Description and Benefits Provided (Continued)**

At July 1, 2023, plan membership consisted of the following:

Active Plan Members	904
Retired Plan Members	472
Spouses of Retirees	49
Beneficiaries	9
Total Participants	1,434

**B. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the Retiree Health Plan (RHP) are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the City.

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

**Plan Expenses**

Expenses of administering the plan are paid for by the plan from contributions.

**C. Funding Policy**

The City adopted the same funding policy for OPEB as it had for the Retirement System in 2014. In June 2018, the Norwich City Council temporarily suspended the funding requirement described above for the OPEB fund until 2022.

The City pays the full cost of life insurance premiums. The percentage contribution of plan members and the City for medical benefits are negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified percentages towards the cost of receiving benefits under the City's self-insured medical benefits program as follows:

**City Retirees**

City Retirees are comprised of five separate bargaining units (City Hall Employees, City Hall Supervisors, Dispatchers, Public Works Employees and Public Works Supervisors) and nonunion employees, and OPEB benefits for these groups have been bargained for individually.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**C. Funding Policy (Continued)**

City Retirees (Continued)

For most current City Retirees, the City funds the full cost of insurance for the retiree. The retiree must pay 50% of the cost for a participating spouse. Participation in the plan ends at age 65 for both the retiree and the retiree's spouse.

Generally, City employees hired after 2013 are not eligible for postretirement medical benefits through the City.

Police Retirees

For most current retirees, the City funds full cost of insurance for the retiree. The retiree must pay 50% of the cost for a participating spouse. Participation in the plan ends at age 65 for both the retiree and the retiree's spouse.

Police hired after June 2014 may elect to either waive postretirement medical coverage or contribute 1% of their earnings to the OPEB fund.

Police who are hired on or after January 1, 2018 are not eligible for postretirement medical benefits through the City.

Fire Retirees

For firefighters who retire on or after October 2013, the City funds full cost of insurance for the retiree. The retiree must pay 50% of the cost for a participating spouse. Participation in the plan ends at age 65 for both the retiree and the retiree's spouse.

Firefighters hired after June 2013 contribute 1% of their earnings to the OPEB fund for the first five years of employment.

Firefighters hired after July 1, 2021 are not eligible for postretirement medical benefits through the City.

Retired Board of Education Teachers and Administrators

For most current retirees, the City funds full cost of insurance for the retiree and spouse up to age 70. The level of retiree and spouse benefits was scaled back incrementally through negotiations from 1995 through 2004. Teachers and Administrators hired after June 2004 pay the full cost of postretirement medical benefits through the City.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**C. Funding Policy (Continued)**

Retired Board of Education Custodians and Maintainers

The City funds full cost of insurance for the retiree and spouse hired before July 1997 and 50% of the cost if retiree was hired between 1997 and 2007. Coverage ends at age 65.

Custodians and Maintainers hired after June 2007 are not eligible for postretirement medical benefits through the City.

Retired Board of Education Nurses

The City funds full cost of insurance for the retiree and spouse hired before July 1994 until age 70 and 50% of the cost of retiree insurance for those hired between 1994 and 2009 until age 65.

Nurses hired after June 2009 are not eligible for postretirement medical benefits through the City.

Retired Board of Education Secretaries and Paraeducators

For most current retirees, the City funds full cost of insurance for the retiree and spouse up to age 70.

The level of retiree and spouse benefits was scaled back incrementally through negotiations from 1995 through 2004. Secretaries and Paraeducators hired after June 2004 are not eligible for postretirement medical benefits through the City.

Norwich Public Utilities' (NPU) Retirees

NPU retirees are comprised of three separate bargaining units (Water Distribution, Supervisory & Professional, and Technical & Clerical) and nonunion employees, and OPEB benefits for these groups have been bargained for individually.

For most current NPU retirees, the City funds the full cost of insurance for the retiree. The retiree must pay 100% of the cost for a participating spouse. Participation in the plan ends at age 65 for both the retiree and the retiree's spouse.

The level of the City's contribution was scaled back from 100% to 95% through negotiations with the three bargaining units from 1995 through 1997.

For the year ended June 30, 2025, plan members and the Teacher Retirement Board contributed \$1,585. 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 for the year ended June 30, 2025 totaled \$3,644.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**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 Personnel and Pension Board. It is the policy of the City to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The City’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 12.42%. 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, 2025. The components of the net OPEB liability of the City at June 30, 2025 were as follows:

Total OPEB Liability	\$ 74,726
Plan Fiduciary Net Position	43,958
Net OPEB Liability	<u>\$ 30,768</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	58.83%
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**F. Actuarial Assumptions**

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

Inflation:	2.60%
Salary Increases:	Varies by age, service and employee group
Investment Rate of Return:	6.25%
Healthcare Cost Trend Rates:	Pre-Medicare: 6.6% - 4.0% over 52 years; Post-Medicare: 6.3% - 4.0% over 52 years

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**F. Actuarial Assumptions (Continued)**

Mortality rates for BOE certified employees were based on the PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 Ultimate scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP-2021 Ultimate scale and set forward one year for both males and females is used for survivors and beneficiaries. This assumption includes a margin for improvements in longevity beyond the valuation date.

Mortality rates for all other employees were based on Pub-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvements in longevity per the MP-2021 Ultimate Scale. For Police and Fire Employees, the PubS-2010 Mortality Table was used instead of the Pub-2010 Mortality Table. This assumption includes a margin for future improvements in longevity.

The actuarial assumptions used in the valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. A full actuarial experience study has not been completed.

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 real rates of return for each major asset as of June 30, 2025 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
U.S. Core Fixed Income	30.00%	2.20%
U.S. Large Caps	37.00%	3.78%
U.S. Small & Mid Caps	15.00%	3.62%
Foreign Developed Equity	18.00%	4.79%
Total	<u>100.00%</u>	

\* Long-Term Returns are geometric means.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 6.25%. 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.

**H. Changes in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of July 1, 2024	\$ 72,045	\$ 38,467	\$ 33,578
Changes for the Year:			
Service Cost	1,367	-	1,367
Interest	4,490	-	4,490
Contributions - Employer	-	3,644	(3,644)
Contributions - Member	-	13	(13)
Net Investment Income	-	5,022	(5,022)
Benefit Payments	(3,176)	(3,176)	-
Administrative Expenses	-	(12)	12
Net Changes	<u>2,681</u>	<u>5,491</u>	<u>(2,810)</u>
Balances as of June 30, 2025	<u>\$ 74,726</u>	<u>\$ 43,958</u>	<u>\$ 30,768</u>

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

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

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net OPEB Liability	\$ 36,658	\$ 33,578	\$ 25,580

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

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

The following presents the net OPEB liability of the City at the current healthcare cost trend rate, 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 (Pre-Medicare: 5.6% - 3.0% Post-Medicare 5.3% - 3.0%)	Current Trend Rate (Pre-Medicare: 6.6% - 4.0% Post-Medicare 6.3% - 4.0%)	1% Increase (Pre-Medicare: 7.6% - 5.0% Post-Medicare 7.3% - 5.0%)
Net OPEB Liability	\$ 24,116	\$ 30,768	\$ 38,461

**K. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the year ended June 30, 2025, the City recognized OPEB expense of \$2,348. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities	Business-Type Activities Department of Public Utilities	Total
Deferred Outflows of Resources:			
Differences Between Expected and Actual Experience	\$ 3,970	\$ 1,287	\$ 5,257
Changes of Assumptions	2,508	403	2,911
Total	<u>\$ 6,478</u>	<u>\$ 1,690</u>	<u>\$ 8,168</u>
Deferred Inflows of Resources:			
Differences Between Expected and Actual Experience	\$ 3,135	\$ 746	\$ 3,881
Changes of Assumptions	3,215	453	3,668
Net Difference Between Projected and Actual Earnings on Pension	2,536	245	2,781
Total	<u>\$ 8,886</u>	<u>\$ 1,444</u>	<u>\$ 10,330</u>

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**K. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB  
(Continued)**

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

<u>Year Ended June 30.</u>	Governmental Activities	Business-Type Activities Department of Public Utilities	Total
2026	\$ (108)	\$ 4	\$ (104)
2027	(1,337)	(60)	(1,397)
2028	(700)	105	(595)
2029	(298)	156	(142)
2030	35	41	76
Total	<u>\$ (2,408)</u>	<u>\$ 246</u>	<u>\$ (2,162)</u>

**L. Schedule of Plan Net Position – June 30, 2025**

	Other Postemployment Benefit Trust Fund
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 614
Investments:	
U.S. Government Securities	4,754
U.S. Government Agencies	2,450
Corporate Bonds	4,618
Mutual Funds	20,537
Common Stock	10,420
Accounts Receivable	636
Total Assets	<u>44,029</u>
<b>LIABILITIES</b>	
Accounts Payable	71
Total Liabilities	<u>71</u>
<b>NET POSITION</b>	
Restricted for OPEB Benefits	<u>\$ 43,958</u>

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City of Norwich, Retiree Health Plan (Continued)**

**M. Schedule of Changes in Plan Net Position for the Year Ended June 30, 2025**

	<u>Other Postemployment Benefit Trust Fund</u>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 3,644
Plan Members	1,585
Total Contributions	<u>5,229</u>
Investment Income:	
Net Appreciation in Fair Value of Investments	3,953
Interest and Dividends	1,202
Total Investment Income	<u>5,155</u>
Less Investment Expense	<u>(133)</u>
Net Investment Income	<u>5,022</u>
Total Additions	10,251
<b>DEDUCTIONS</b>	
Benefits	4,098
Administration	662
Total Deductions	<u>4,760</u>
<b>NET INCREASE</b>	5,491
Net Position Restricted for OPEB Benefits - Beginning of Year	<u>38,467</u>
<b>NET POSITION RESTRICTED FOR OPEB BENEFITS - END OF YEAR</b>	<u><u>\$ 43,958</u></u>

**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.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

**A. Plan Description (Continued)**

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](http://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 per month for a retired member plus an additional \$220 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 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 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. 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.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

**C. Survivor Health Care Coverage (Amounts Not Rounded)**

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

**D. Eligibility**

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

**Credited Service**

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

**Normal Retirement**

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

**Early Retirement**

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

**Proratable Retirement**

Age 60 with 10 years of Credited Service.

**Disability Retirement**

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

**Termination of Employment**

Ten or more years of Credited Service.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

**E. 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, 2025, the amount of "on-behalf" contributions made by the state was \$148 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.

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

At June 30, 2025, 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		21,971
Total	\$	<u>21,971</u>

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

**F. 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, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2024. At June 30, 2025, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2025, the City recognized OPEB expense and revenue of \$304 in Exhibit II.

**G. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.50%
Healthcare Costs Trend Rate:	Local Coverage – 6.25% for 2024, decreasing to an ultimate rate of 4.50% by 2031. Retiree Healthcare – Medicare rates known for 2025, 4.50% increase for all subsequent years.
Salary Increases:	3.00-6.50%, Including Inflation
Investment Rate of Return:	3.64%, 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, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

**G. Actuarial Assumptions (Continued)**

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

- Discount rate changed from 3.64% to 3.93%;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change;
- Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

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 1.26%

**H. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.93%. 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, 2024.

In addition to the actuarial methods and assumptions of the June 30, 2024, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

**H. Discount Rate (Continued)**

- 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

**I. 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.

**J. 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](http://www.ct.gov).

**K. Other Information**

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

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

**Aggregated OPEB Information**

The City recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2025:

	Deferred Outflow of Resources Related to OPEB	Net OPEB Liability	Deferred Inflow of Resources Related to OPEB	OPEB Expense
City of Norwich Retiree Health Plan:				
Governmental Activities	\$ 6,478	\$ 22,923	\$ 8,886	\$ 1,366
Business-Type Activities	1,690	7,845	1,444	982
Connecticut Teachers Retirement System:				
Governmental Activities	-	-	-	304
Total	<u>\$ 8,168</u>	<u>\$ 30,768</u>	<u>\$ 10,330</u>	<u>\$ 2,652</u>
Governmental Activities	\$ 6,478	\$ 22,923	\$ 8,886	\$ 1,670
Business-Type Activities	1,690	7,845	1,444	982
Total	<u>\$ 8,168</u>	<u>\$ 30,768</u>	<u>\$ 10,330</u>	<u>\$ 2,652</u>

**NOTE 15 JOINTLY GOVERNED AND RELATED ORGANIZATIONS**

**Connecticut Municipal Electric Energy Cooperative (CMEEC)**

CMEEC is a public corporation organized in 1976 under Connecticut Public Act 75-634, subsequently enacted as Title 7-233, Chapter 101a of the General Statutes of Connecticut, as amended. It is empowered to undertake the planning, financing, acquisition, construction and operation of facilities for the generation, and transmission of electric power and energy for its member utilities, including the City of Norwich, Department of Public Utilities (the Department), and others. CMEEC may issue bonds in its own name. Under the bylaws of CMEEC, a Board of Directors comprised of representatives from the participating members was established. CMEEC's Board is comprised of twenty representatives and officers. The governing board consists of representatives appointed by each of the participating members and assumes all the management decisions. Two representatives from the City of Norwich, Department of Public Utilities serve on the Board. The CMEEC Board acts as a regulatory body in that it reviews and approves recovery of costs in rates on an annual basis.

CMEEC has entered into power sales contracts with each of the members including the City of Norwich Department of Public Utilities. Under the contracts, each of the member utilities have agreed to purchase essentially all of its electric power required for resale from CMEEC, with CMEEC's electric revenues to consist of billings for resale of power. The contracts obligate each member utility to pay for their share of CMEEC's fixed costs, which consist primarily of debt service and CMEEC administrative and general costs on a take or pay basis. The member utilities maintain this fixed cost obligation whether or not they take any power from CMEEC. The amount of power purchased from CMEEC for the fiscal year ended June 30, 2025 was \$30,420.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 15 JOINTLY GOVERNED AND RELATED ORGANIZATIONS (CONTINUED)**

**Connecticut Municipal Electric Energy Cooperative (CMEEC) (Continued)**

During the 2012 fiscal year, CMEEC and its members became participants in the Regional Greenhouse Gas Initiative Fund (RGGI), which is an initiative that implements the carbon dioxide cap and trading program as proposed by the RGGI in Connecticut. During the 2025 fiscal year, the share of contributions to the fund received by the Department totaled \$362, with drawdowns of \$232, and interest on the fund of \$4. The balance of the Department funds held by CMEEC for the RGGI was \$356 for the year ended June 30, 2025.

**NOTE 16 COMMITMENTS AND CONTINGENCIES**

**Purchased Gas Contracts**

The Department participates in forward contracts for the purchase of gas capacity for storage and transmission. Under the terms of the contracts, the Department is obligated to make payments for set capacities that will be charged at variable and fixed rates until the end of the respective terms. As of June 30, 2025, the Department has obligations in place through 2031. Expense under the contracts totaled \$6,128 during the year ended June 30, 2025.

**Power Sales Contract – Norwich Department of Public Utilities (Department)**

CMEEC supplies power to the Department under a Power Sales Contract that became effective April 25, 2013. The contract obligates the Department to pay a percentage of CMEEC's fixed costs obligations, including debt service and administrative and general costs. Under the power sales agreement, the Department is required to pay its percentage of CMEEC's fixed cost obligations whether or not they purchase power from CMEEC. The contract will remain in effect until the date when all of the indebtedness and fixed cost obligations of CMEEC have been paid in full and thereafter until terminated by either party following not less than three years prior written notice to the other party of its intention to terminate, provided, however, CMEEC shall not incur or issue any indebtedness with a maturity date later than December 31, 2052.

The Department has rate stabilization funds held by CMEEC that were previously collected in conjunction with the purchase of energy to stabilize the price of energy. The Department's current rate structure to purchase power from CMEEC includes a rate stabilization component. Under the rate stabilization premise, the principal repayment of debt service is deferred and amortized over the life of the related debt and recoverable from future billings. Under this premise, the shortfall between the current rate stabilization funds held by CMEEC and the percentage of unfunded CMEEC debt allocated to the Department represents an unfunded debt obligation recoverable by future billings.

**CITY OF NORWICH, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
(IN THOUSANDS)**

**NOTE 17 COMMITMENTS AND CONTINGENCIES**

**Power Sales Contract – Norwich Department of Public Utilities (Department)  
(Continued)**

The Department’s net deferred debt fixed cost obligation to CMEEC as of June 30, 2025 is summarized as follows:

CMEEC - Debt Service Fixed Cost Obligation	\$	12,697
Department - Rate Stabilization Funds on Deposit with CMEEC		(12,775)
Net Deferred Fixed Cost Obligation	\$	(78)

The rate stabilization funds held by CMEEC and the allocated percentage of CMEEC’s debt obligation are not reported on the Department’s statement of net position. The fixed cost obligation paid by the Department to CMEEC included in the cost to purchase power for the current year was \$2,124.

All payments due to CMEEC under the Power Sales Contract may not be subordinated to any other obligation of the City.

**Combined Sewer Overflows**

Under various consent decrees issued by the United States Environmental Protection Agency and State of Connecticut Department of Environmental Protection (consent decrees), the Department is/was required to submit a Collection System Bypass Summary, develop and implement an Emergency Response Plan, submit a CMOM Program Self-Assessment, submit a CMOM and CSO Corrective Action Plan, submit a recurring CMOM & CSO Annual Report, and submit an updated CMOM Program Self-Assessment Checklist.

As of June 30, 2025, capital investment by the Department, if any, is not known and compliance with the consent decrees does not materially affect the financial position of the Department.

**Municipal Solid Waste Management Services Contract**

The City has entered into the municipal solid waste management services contract, as amended (the service contract) with the Southeastern Connecticut Regional Resources Recovery Authority (the Authority) pursuant to which it participates with 10 other Connecticut Municipalities (the eleven constituting the Contracting Municipalities), in the Southeastern Connecticut System (the System). The System consists of a mass-burn solid waste disposal and electric generation facility located in the Town of Preston (the Facility) and various improvements and facilities related thereto, including landfills. The Facility is complete and presently receiving waste from Contracting Municipalities.

**CITY OF NORWICH, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 18 COMMITMENTS AND CONTINGENCIES**

**Municipal Solid Waste Management Services Contract (Continued)**

Under the service contract, the City is required to deliver, or cause to be delivered, to the System solid waste generated within its boundaries up to its minimum commitment of 23 thousand tons per year and to pay a uniform per ton disposal service payment (the service payment). The aggregate minimum commitment of the 11 Contracting Municipalities is approximately 154 thousand tons per year.

The service payment applicable in any contract year is calculated by estimating the net cost of operation, which is the cost of operation less revenues other than service payments, as such terms are defined in the service contract. The sum of all service payments and other payments from the Contracting Municipalities are required to be sufficient to pay or provide for the net cost of operations.

Service payments shall be payable so long as the system is accepting solid waste delivered by or on behalf of the City, whether or not such solid waste is processed at the facility. The City has pledged its full faith and credit to the payment of service payments and has also agreed to enforce or levy and collect all taxes, cost sharing, or other assessments or charges and take all such other action as may be necessary to provide for the payment of the service payments.

**NOTE 19 LITIGATION**

There are several lawsuits pending against the City. The outcome and eventual liability of the City, if any, in these cases is not known at this time. Based upon consultation with legal counsel, the City's management estimates that potential claims against the City, not covered by insurance, resulting from such litigation would not have a material adverse effect on the financial position of the City.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF NORWICH, CONNECTICUT**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2025**  
**(NON-GAAP BUDGETARY BASIS)**  
**(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>General Property Taxes:</b>				
Current Tax Levy	\$ 83,785	\$ 83,785	\$ 84,386	\$ 601
Motor Vehicle Supplement	8,417	8,417	8,434	17
Prior Years Levy	2,198	2,198	2,584	386
Interest and Liens	1,425	1,425	1,576	151
Total	<u>95,825</u>	<u>95,825</u>	<u>96,980</u>	<u>1,155</u>
<b>Other Taxes:</b>				
Conveyance Tax	1,004	1,004	1,151	147
Telecommunications Tax	120	120	100	(20)
Total	<u>1,124</u>	<u>1,124</u>	<u>1,251</u>	<u>127</u>
<b>Intergovernmental Revenues:</b>				
Payment in Lieu of Taxes	3,144	3,144	3,122	(22)
City Housing	171	171	204	33
Mashantucket-Pequot Mohegan	2,360	2,360	2,360	-
Youth Service Bureau	72	72	72	-
Town Aid Road	495	495	495	-
Municipal Revenue Sharing	4,412	4,412	3,521	(891)
EMPG			38	38
Education Cost Sharing	32,317	32,317	32,319	2
Health Services	72	72	89	17
Enhanced 911 Telecommunication Fund	119	119	100	(19)
Total	<u>43,162</u>	<u>43,162</u>	<u>42,320</u>	<u>(842)</u>
<b>Charges for Services:</b>				
Senior Citizens Center	9	9	10	1
Landfill	102	102	75	(27)
Direct Hauler Fees	950	950	989	39
Backyard Rollout Fee	7	7	6	(1)
Recording Fees	201	201	200	(1)
Planning and Zoning Fees	20	20	27	7
Printing and Duplication Fees	58	58	60	2
Notary Public Fees	2	2	2	-
Vital Statistics	123	123	124	1
Total	<u>1,472</u>	<u>1,472</u>	<u>1,493</u>	<u>21</u>
<b>Licenses and Permits:</b>				
Public Safety Permits	22	22	18	(4)
Building Permits	1,012	1,012	1,200	188
Road Opening Permits	3	3	1	(2)
Marriage Licenses	4	4	5	1
Animal Licenses	2	2	-	(2)
Total	<u>1,043</u>	<u>1,043</u>	<u>1,224</u>	<u>181</u>

**CITY OF NORWICH, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Fines and Assessments:</b>				
Traffic Violations	\$ 5	\$ 5	\$ 5	-
Blight Citations	59	59	71	12
Sewer Assessments	200	200	151	(49)
Total	<u>264</u>	<u>264</u>	<u>227</u>	<u>(37)</u>
<b>Rents and Royalties:</b>				
Building Rent Revenue	412	412	424	12
Property Rent	118	118	103	(15)
Cell Tower Rent	99	99	111	12
Facilities Rent	33	33	31	(2)
Total	<u>662</u>	<u>662</u>	<u>669</u>	<u>7</u>
<b>Investment Income:</b>				
Interest on Investments	2,400	2,400	2,857	457
<b>Other Revenues:</b>				
Financial Services	119	119	119	-
Human Resources Services	55	55	55	-
Publics Works Services	43	43	43	-
Sale of City Assets	125	125	39	(86)
Miscellaneous Revenue	41	41	52	11
Total	<u>383</u>	<u>383</u>	<u>308</u>	<u>(75)</u>
Total Revenues	146,335	146,335	147,329	867
<b>Other Financing Sources:</b>				
Transfers in:				
Cemetery Trust	85	85	88	3
Department of Public Utilities	7,018	7,018	7,018	-
Police	175	175	52	(123)
Golf Course Authority	23	23	23	-
Total Other Financing Sources	<u>7,301</u>	<u>7,301</u>	<u>7,181</u>	<u>(120)</u>
Total Revenues and Other Financing Sources	<u>\$ 153,636</u>	<u>\$ 153,636</u>	154,510	<u>\$ 747</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut State Teachers' Retirement System on-behalf pension contributions for City teachers is not budgeted.	10,557
State of Connecticut State Teachers' Retirement System on-behalf OPEB contributions for City teachers is not budgeted.	148
The Board of Education does not budget for intergovernmental grants, which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial reporting purposes.	<u>2,597</u>

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

\$ 167,812

**CITY OF NORWICH, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>General Government:</b>				
City Council	\$ 546	\$ 546	\$ 520	\$ 26
City Manager	470	470	467	3
Finance	2,159	2,159	2,097	62
Assessor	588	588	564	24
City Treasurer	331	331	330	1
Law	426	426	408	18
Human Resources	694	694	656	38
City Clerk	626	626	583	43
Planning and Neighborhood Services	1,515	1,515	1,507	8
Election	269	269	231	38
Total General Government	7,624	7,624	7,363	261
<b>Public Safety:</b>				
Police	18,229	18,853	18,341	512
Dispatch & Communications	1,627	1,600	1,489	111
<b>Fire:</b>				
Fire General	2,646	2,673	2,654	19
Emergency Management	70	70	66	4
East Great Plain	182	182	164	18
Laurel Hill	93	93	82	11
Occum	111	111	94	17
Taftville	182	182	145	37
Yantic	195	195	195	-
Total Public Safety	23,335	23,959	23,230	729
<b>Social Services:</b>				
Senior Citizens Center	898	905	890	15
Youth and Family Services	734	727	665	62
Human Services	740	740	689	51
Total Social Services	2,372	2,372	2,244	128
<b>Public Works:</b>				
Street Maintenance	5,343	5,227	5,119	108
Engineering and Administration	1,108	1,133	1,105	28
Street Lighting	388	380	379	1
Fleet Maintenance	1,674	1,687	1,700	(13)
Refuse and Recycling	3,287	3,287	3,270	17
Building Maintenance	1,533	1,632	1,593	39
Parking Maintenance	101	101	101	-
Total Public Works	13,434	13,447	13,267	180
Board of Education	95,681	95,681	95,681 *	-

**CITY OF NORWICH, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Other	\$ 3,711	\$ 3,074	\$ 3,040	\$ 34
Transfers Out	7,479	7,479	7,479	-
Total	<u>\$ 153,636</u>	<u>\$ 153,636</u>	152,304	<u>\$ 1,332</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut State Teachers' Retirement System on-behalf pension contributions for City teachers is not budgeted.	10,557
State of Connecticut State Teachers' Retirement System on-behalf OPEB contributions for City teachers is not budgeted.	148
The Board of Education does not budget for intergovernmental grants, which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial reporting purposes.	2,597
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes.	(60)
Encumbrances for purchases and commitments ordered in the previous year that were received and liquidated in the current year are reported for financial statement reporting purposes.	117

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

\$ 165,663

**CITY OF NORWICH, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**CITY EMPLOYEES**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**

	2025	2025	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	\$ 8,357	\$ 8,199	\$ 7,994	\$ 6,252	\$ 6,691	\$ 5,973	\$ 5,881	\$ 5,769	\$ 5,656	\$ 5,890
Interest	24,436	23,940	23,173	23,279	22,662	21,529	20,905	20,965	20,281	18,659
Differences Between Expected and Actual Experience	(2,332)	561	3,515	1,939	-	795	-	(295)	-	3,337
Changes of Benefit Terms	-	-	-	(1,206)	-	212	-	(4,568)	-	634
Changes of Assumptions	-	(1,523)	-	39,068	-	15,732	-	4,117	-	8,811
Benefit Payments, Including Refunds of Member Contributions	(23,610)	(23,208)	(22,037)	(20,722)	(20,092)	(18,792)	(18,326)	(17,496)	(16,927)	(15,426)
Net Change in Total Pension Liability	6,851	7,969	12,645	48,610	9,261	25,449	8,460	8,492	9,010	21,905
Total Pension Liability - Beginning	394,243	386,274	373,629	325,019	315,758	290,309	281,849	273,357	264,347	242,442
Total Pension Liability - Ending	401,094	394,243	386,274	373,629	325,019	315,758	290,309	281,849	273,357	264,347
Plan Fiduciary Net Position:										
Contributions - Employer	6,007	5,275	4,411	144,718	12,774	12,107	11,432	10,103	8,711	7,581
Contributions - Member	4,516	4,283	4,223	4,062	3,937	3,917	3,896	3,664	3,386	3,358
Net Investment Income (Loss)	44,676	40,424	28,424	(26,532)	40,742	7,176	12,528	12,097	18,213	(2,851)
Benefit Payments, Including Refunds of Member Contributions	(23,609)	(23,208)	(22,038)	(20,722)	(20,092)	(18,792)	(18,326)	(17,496)	(16,927)	(15,426)
Administrative Expense	(68)	(74)	(73)	(352)	(106)	(74)	(7)	(44)	(5)	(42)
Net Change in Plan Fiduciary Net Position	31,522	26,700	14,947	101,174	37,255	4,334	9,523	8,324	13,378	(7,380)
Plan Fiduciary Net Position - Beginning	367,516	340,816	325,869	224,695	187,440	183,106	173,583	165,259	151,881	159,261
Plan Fiduciary Net Position - Ending	399,038	367,516	340,816	325,869	224,695	187,440	183,106	173,583	165,259	151,881
Net Pension Liability - Ending	\$ 2,056	\$ 26,727	\$ 45,458	\$ 47,760	\$ 100,324	\$ 128,318	\$ 107,203	\$ 108,266	\$ 108,098	\$ 112,466
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.49%	93.22%	88.23%	87.22%	69.13%	59.36%	63.07%	61.59%	60.46%	57.46%
Covered Payroll	\$ 47,210	\$ 45,121	\$ 43,591	\$ 43,693	\$ 43,693	\$ 43,693	\$ 43,693	\$ 43,095	\$ 41,638	\$ 42,011
Net Pension Liability as a Percentage of Covered Payroll	4.36%	59.23%	104.28%	109.31%	229.61%	293.68%	245.36%	251.23%	259.61%	267.71%

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
CITY EMPLOYEES  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	2025	2025	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 5,933	\$ 5,254	\$ 4,411	\$ 13,684	\$ 12,759	\$ 12,073	\$ 12,010	\$ 10,820	\$ 10,732	\$ 9,740
Contributions in Relation to the Actuarially Determined Contribution	<u>6,007</u>	<u>5,275</u>	<u>4,411</u>	<u>144,718</u>	<u>12,774</u>	<u>12,107</u>	<u>11,432</u>	<u>10,103</u>	<u>8,711</u>	<u>7,581</u>
Contribution Deficiency (Excess)	<u>\$ (74)</u>	<u>\$ (21)</u>	<u>\$ -</u>	<u>\$ (131,034)</u>	<u>\$ (15)</u>	<u>\$ (34)</u>	<u>\$ 578</u>	<u>\$ 717</u>	<u>\$ 2,021</u>	<u>\$ 2,159</u>
Covered Payroll	\$ 47,210	\$ 45,121	\$ 43,591	\$ 43,693	\$ 43,693	\$ 43,693	\$ 43,095	\$ 41,638	\$ 42,011	\$ 40,590
Contributions as a Percentage of Covered Payroll	12.72%	11.69%	10.12%	331.22%	29.24%	27.71%	26.53%	24.26%	20.74%	18.68%

Notes to Schedule:

Valuation Date: July 1, 2024  
 Measurement Date: June 30, 2025  
 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 percent
- Remaining Amortization Period: 23 years
- Asset Valuation Method: Determined by recognizing market gains and losses non-asymptotically over a five year period.

Inflation: 2.60%

Salary Increases: Aged based

Investment Rate of Return: 6.25%

Retirement Age - City and Public Utility Employees: The earliest of age 55 with 25 years of service, age 60 with 10 years of service, or any age with 34 years of service.

Retirement Age - Board of Education Employees: The earliest of age 55 with 25 years of service, age 60 with 10 years of service, or any age with 34 years of service.

Retirement Age - Police Officers and Firefighters: Police hired on or before 7/1/2014: any age with 20 years of service. Police hired after 7/1/2014: any age with 25 years of service. Fire hired before 7/1/2013: any age with 20 years of service. Fire hired on or after 7/1/2013: any age with 25 years of service.

Mortality: PubG-2010 Mortality Table for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection of future improvements in longevity per the MP-2021 Ultimate Scale. For Police, Fire, Public Works, Board of Education Custodians, and NPU Field Employees, the PubS-2010 Mortality Table was used instead of the PubG-2010 Mortality Table. This assumption includes a margin for future improvements in longevity.

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
CITY EMPLOYEES  
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2025</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	12.29%	12.04%	8.86%	-9.54%	21.27%	3.95%	7.29%	7.40%	12.17%	-1.81%

**CITY OF NORWICH, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**VOLUNTEER FIRE**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	\$ 75	\$ 75	\$ 89	\$ 71	\$ 58	\$ 82	\$ 65	\$ 63	\$ 63	\$ 59
Interest	446	440	433	467	456	445	434	421	411	361
Differences Between Expected and Actual Experience	(228)	81	-	(904)	8	(2)	-	97	-	(230)
Changes of Benefit Terms	434	-	-	408	-	-	-	-	-	706
Changes of Assumptions	-	(46)	-	364	-	249	-	(78)	-	144
Benefit Payments, Including Refunds of Member Contributions	(475)	(435)	(388)	(400)	(355)	(347)	(339)	(333)	(322)	(301)
Net Change in Total Pension Liability	252	115	134	6	167	427	160	170	152	739
Total Pension Liability - Beginning	7,294	7,179	7,045	7,039	6,872	6,445	6,285	6,115	5,963	5,224
Total Pension Liability - Ending	7,546	7,294	7,179	7,045	7,039	6,872	6,445	6,285	6,115	5,963
Plan Fiduciary Net Position:										
Contributions - Employer	333	329	310	357	335	365	365	373	373	351
Contributions - Member	18	14	16	14	10	10	11	14	14	16
Net Investment Income (Loss)	452	424	339	(575)	839	84	175	192	265	(9)
Benefit Payments, Including Refunds of Member Contributions	(475)	(435)	(388)	(400)	(355)	(347)	(339)	(333)	(322)	(301)
Administrative Expense	(6)	(14)	(4)	(10)	(6)	(9)	(1)	(9)	(2)	(9)
Net Change in Plan Fiduciary Net Position	322	318	273	(614)	823	103	211	237	328	48
Plan Fiduciary Net Position - Beginning	3,909	3,591	3,318	3,932	3,109	3,006	2,795	2,558	2,230	2,182
Plan Fiduciary Net Position - Ending	4,231	3,909	3,591	3,318	3,932	3,109	3,006	2,795	2,558	2,230
Net Pension Liability - Ending	\$ 3,315	\$ 3,385	\$ 3,588	\$ 3,727	\$ 3,107	\$ 3,763	\$ 3,439	\$ 3,490	\$ 3,557	\$ 3,733
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.08%	53.59%	50.02%	47.10%	55.86%	45.24%	46.64%	44.47%	41.83%	37.40%
Covered Payroll*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered Payroll	N/A									

\* Covered payroll is not included in the above schedule as the persons covered are volunteers.

**CITY OF NORWICH, CONNECTICUT  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 VOLUNTEER FIRE  
 LAST TEN FISCAL YEARS  
 (IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 329	\$ 329	\$ 310	\$ 357	\$ 335	\$ 365	\$ 365	\$ 373	\$ 373	\$ 304
Contributions in Relation to the Actuarially Determined Contribution	<u>329</u>	<u>329</u>	<u>310</u>	<u>357</u>	<u>335</u>	<u>365</u>	<u>365</u>	<u>369</u>	<u>187</u>	<u>373</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 186</u>	<u>\$ (69)</u>						
Covered-Employee Payroll*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	N/A	N/A								

\* Covered payroll is not included in the above schedule as the persons covered are volunteers.

Notes to Schedule:

Valuation Date: January 1, 2024  
 Measurement Date: June 30, 2025  
 Actuarially determined contribution rates are calculated as of January 1, one and a half 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 percent  
 Remaining Amortization Period            20 years  
 Asset Valuation Method                     Market value of assets  
 Inflation                                        2.60%  
 Investment Rate of Return                 6.25%  
 Retirement Age                               Varies by age, service and date of hire  
 Mortality                                        PubS-2010 Mortality Table with generational projection per the MP-2021 Ultimate Scale

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
VOLUNTEER FIRE  
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	11.30%	11.51%	10.01%	-14.13%	25.73%	2.73%	6.06%	7.25%	10.91%	-0.37%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the City	107,107	122,179	113,479	85,110	107,461	82,027	63,248	76,431	80,635	57,271
Total	<u>\$ 107,107</u>	<u>\$ 122,179</u>	<u>\$ 113,479</u>	<u>\$ 85,110</u>	<u>\$ 107,461</u>	<u>\$ 82,027</u>	<u>\$ 63,248</u>	<u>\$ 76,431</u>	<u>\$ 80,635</u>	<u>\$ 57,271</u>
City's Covered Payroll	\$ 32,116	\$ 33,341	\$ 34,156	\$ 29,338	\$ 26,335	\$ 20,294	\$ 24,148	\$ 22,652	\$ 24,204	\$ 24,594
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.68%	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%

Notes to Schedule:

Changes in Benefit Terms  
 Changes of Assumptions

None  
 None

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

Entry Age  
 Level Percent of Pay, Closed, Grading to a Level Dollar Amortization Method for the June 30, 2024 Valuation  
 25.9 years  
 4-Year Smoothed Market  
 2.50%  
 3.00%-6.50%, Including Inflation  
 6.90%, Net of Investment-Related Expense

- The measurement date is one year earlier than the employer's reporting date.

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability:										
Service Cost	\$ 1,367	\$ 1,569	\$ 1,383	\$ 1,096	\$ 1,288	\$ 1,200	\$ 1,644	\$ 1,699	\$ 1,658	\$ 1,610
Interest	4,490	4,199	3,929	4,704	4,519	4,650	4,437	4,687	4,552	4,416
Change of Benefit Terms	-	-	-	-	-	-	-	(645)	-	-
Differences Between Expected and Actual Experience	-	7,760	-	(10,937)	-	(4,127)	-	(951)	138	1,010
Changes of Assumptions	-	(5,415)	1,812	5,832	-	1,182	-	(2,129)	-	-
Benefit Payments	(3,176)	(3,313)	(2,690)	(3,274)	(2,872)	(2,450)	(3,175)	(4,572)	(4,624)	(5,164)
Net Change in Total OPEB Liability	2,681	4,800	4,434	(2,579)	2,935	455	2,906	(1,911)	1,724	1,872
Total OPEB Liability - Beginning	72,045	67,245	62,811	65,390	62,455	62,000	59,094	61,005	59,281	57,409
Total OPEB Liability - Ending	74,726	72,045	67,245	62,811	65,390	62,455	62,000	59,094	61,005	59,281
Plan Fiduciary Net Position:										
Contributions - Employer	3,644	3,441	3,239	4,684	4,367	5,340	5,240	5,548	5,492	5,566
Contributions - Member	13	12	13	10	11	10	15	200	177	291
Net Investment Income (Loss)	5,022	4,528	3,260	(4,043)	5,494	856	1,534	1,035	1,420	(562)
Benefit Payments, Including Refunds of Member Contributions	(3,176)	(3,313)	(2,691)	(3,274)	(2,872)	(2,450)	(3,175)	(4,572)	(4,624)	(5,164)
Administrative Expense	(12)	(32)	(9)	(30)	(9)	(28)	(10)	(22)	(2)	(20)
Net Change in Plan Fiduciary Net Position	5,491	4,636	3,812	(2,653)	6,991	3,728	3,604	2,189	2,463	111
Plan Fiduciary Net Position - Beginning	38,467	33,831	30,019	32,672	25,681	21,953	18,349	16,160	13,697	13,586
Plan Fiduciary Net Position - Ending	43,958	38,467	33,831	30,019	32,672	25,681	21,953	18,349	16,160	13,697
Net OPEB Liability - Ending	\$ 30,768	\$ 33,578	\$ 33,414	\$ 32,792	\$ 32,718	\$ 36,774	\$ 40,047	\$ 40,745	\$ 44,845	\$ 45,584
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	58.83%	53.39%	50.31%	47.79%	49.96%	41.12%	35.41%	31.05%	26.49%	23.11%
Covered-Employee Payroll	\$ 66,577	\$ 61,617	\$ 61,617	\$ 61,617	\$ 68,379	\$ 65,850	\$ 63,623	\$ 59,548	\$ 57,814	\$ 56,130
Net OPEB Liability as a Percentage of Covered-Employee Payroll	46.21%	54.49%	54.23%	53.22%	47.85%	55.85%	62.94%	68.42%	77.57%	81.21%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution (1)	\$ 3,796	\$ 3,441	\$ 3,239	\$ 4,684	\$ 4,367	\$ 5,522	\$ 5,485	\$ 5,542	\$ 5,492	\$ 5,566
Contributions in Relation to the Actuarially Determined Contribution	3,644	3,441	3,239	4,684	4,367	5,340	5,240	5,548	5,492	5,566
Contribution Deficiency (Excess)	\$ 152	\$ -	\$ -	\$ -	\$ -	\$ 182	\$ 245	\$ (6)	\$ -	\$ -
Covered-Employee Payroll	\$ 66,577	\$ 61,617	\$ 61,617	\$ 61,617	\$ 68,379	\$ 68,379	\$ 65,850	\$ 63,623	\$ 59,548	\$ 57,814
Contributions as a Percentage of Covered-Employee Payroll	5.47%	5.58%	5.26%	7.60%	6.39%	7.81%	7.96%	8.72%	9.22%	9.63%

(1) Actuarial 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, 2023  
 Measurement Date: June 30, 2025  
 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 Amortization Method Amortization Period Asset Valuation Method Inflation Healthcare Cost Trend Rates Salary Increases Investment Rate of Return Retirement Age - City and Public Utilities Employees Retirement Age - Board of Education Certified Employees Retirement Age - Board of Education Non-Certified Employees Retirement Age - Police Officers Retirement Age - Firefighters Healthy Mortality Disabled Mortality	Entry age normal Level percent 24 Years Market value 2.6% Pre-Medicare: 6.6% - 4.0% over 52 years; Post-Medicare: 6.3% - 4.0% over 52 years Varies by age, service and employee group 6.25% Age 55 with 25 years of service or age 60 with 5 years of service Normal retirement for teachers is the earliest of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early Retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service. Any age with 25 years of service or age 60 with 10 years of service. Hired before 7/1/14 - any age with 20 years of service. Hired on or after 7/1/14 - any age with 25 years of service. Hired before 7/1/13 - any age with 20 years of service. Hired on or after 7/1/13 - any age with 25 years of service. BOE Certified#: Current: PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 (prior: MP-2019) Ultimate scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP-2021 (prior: MP-2019) Ultimate scale and set forward 1 year for both males and females is used for survivors and beneficiaries. This assumption includes a margin for improvements in longevity beyond the valuation date. All Others: Pub-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvements in longevity per the MP 2021 (prior: MP-2019) Ultimate Scale. For Police and Fire Employees, the PubS- 2010 Mortality Table was used instead of the Pub-2010 Mortality Table. This assumption includes a margin for future improvements in longevity. BOE Certified #: Current: PubT-2010 Disabled Mortality Table for males and females with generational projection of future improvements per the MP-2021 (prior: MP-2019) Ultimate scale. This assumption includes a margin for mortality improvement beyond the valuation date. All Others: Pub-2010 Mortality Table for Disabled Annuitants with generational projection of future improvements in longevity per the MP 2021 (prior: MP-2019) Ultimate Scale. For Police and Fire Employees, the PubS-2010 Mortality Table was used instead of the Pub-2010 Mortality Table. This assumption includes a margin for future improvements in longevity.
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**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB  
LAST NINE FISCAL YEARS\***

	<u>2025</u>	<u>2024</u>	<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	12.42%	12.76%	10.27%	-11.30%	18.78%	3.67%	7.82%	6.19%	9.18%

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

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
TEACHERS RETIREMENT PLAN  
LAST EIGHT FISCAL YEARS\*  
(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the City	21,971	11,446	9,938	9,273	16,028	12,793	12,644	19,672
Total	<u>\$ 21,971</u>	<u>\$ 11,446</u>	<u>\$ 9,938</u>	<u>\$ 9,273</u>	<u>\$ 16,028</u>	<u>\$ 12,793</u>	<u>\$ 12,644</u>	<u>\$ 19,672</u>
City's Covered Payroll	\$ 32,116	\$ 33,341	\$ 34,156	\$ 29,338	\$ 26,335	\$ 20,294	\$ 24,148	\$ 22,652
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	7.40%	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

Notes to Schedule:

Changes in Benefit Terms	There were no changes to benefit terms since the prior Measurement Date
Changes of Assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2024 was updated to equal the SEIR of 3.93% as of June 30, 2024; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change; and Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.
Actuarial Cost Method	Entry age
Amortization Method	Level percent of payroll over an open period
Remaining Amortization Period	30 years
Asset Valuation Method	Market value of assets
Investment Rate of Return	3.00%, net of investment related expense including price inflation
Price Inflation	2.5%

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

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

The General Fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in another fund.



**NONMAJOR GOVERNMENTAL FUNDS**

## NONMAJOR GOVERNMENTAL FUNDS

### Debt Service

The Debt Service Fund accounts for financial resources transferred in from other fund to fund debt service obligations.

### Special Revenue Funds

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

Fund	Funding Source	Function
Dog License	License fees	Operation of dog pound
School Lunch Program	State and federal grants, program income	Operations of the school lunch program
Sidewalk	Charges for service and city appropriation	Sidewalk replacement
Fire Districts	Taxes, charges for service and state grants	Fire and refuse services
Adult Education	Federal and state grants	Adult education programs
Parking Commission	Charges for service and fees	City parking authority
Opioid Settlement Fund	National opioid settlement	Opioid use prevention
Cannabis Fund	Funds received from cannabis gross receipts taxes	Miscellaneous activities
Youth Services	Federal and state grants, contributions, and charges for service	Youth Service Bureau
Lead Paint Abatement	Federal grant and program income	Removal and disposal of lead paint
Other Grants and Programs	Various	Miscellaneous activities
Economic Development	Contributions	Economic development
Community Development Fund	Federal grant and program income	Social services
Education Programs	State grants and contributions	Miscellaneous education activities
Fire Grants and Programs	Federal grants	Fire equipment and supplies
Police Asset Forfeiture	Federal and state grants	Drug enforcement and education
Police Grants and Programs	Federal and state grants and contributions	Police equipment and enforcement
Recreation Grants and Programs	Charges for service	Recreational programs and activities
Social Services Grants and Programs	Federal and state grants and contributions	Health and welfare assistance
Senior Citizens Programs	Charges for service and contributions	Senior Citizens functions and activities
Mohegan Park	Charges for service, state grant and investment income	Mohegan Park improvements and programs
Revolving Loan Fund	Downtown Revitalization Bond funds and payments of loans	Economic development
Sachem Fund	Transfers in from other funds and donations	Economic and cultural improvement
Property Rehabilitation	Transfers in from other funds and program income	Housing assistance
Pension Reserve Fund	Transfers in from other funds Investment Income	Subsidize pension contributions
Deposits and Performance Bonds	Various	Miscellaneous activities

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Capital Projects Funds**

Capital Projects Funds are established in the City of Norwich pursuant to local resolutions authorizing specific capital projects. Funding sources are generally comprised of City appropriated transfers from the General Fund, the receipt of intergovernmental grants and proceeds from the sale of bonds. Expenditures relate to the expansion, improvement, or replacement of the City's capital assets.

### **Permanent Funds**

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

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2025  
(IN THOUSANDS)**

ASSETS	Special Revenue								
	Dog License	School Lunch Program	Sidewalk	Fire Districts	Adult Education	Parking Commission	Opioid Settlement Fund	Cannabis Fund	Youth Services
Cash and Cash Equivalents	\$ -	\$ 1,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-
Receivables, Net:									
Property Taxes	-	-	-	101	-	-	-	-	-
Intergovernmental	-	575	-	-	27	-	-	-	34
Loans	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	276	-	-	-
Other	-	13	142	1	5	28	-	12	-
Due from Other Funds	47	-	142	572	55	317	246	191	-
<b>Total Assets</b>	<b>\$ 47</b>	<b>\$ 2,506</b>	<b>\$ 284</b>	<b>\$ 674</b>	<b>\$ 87</b>	<b>\$ 621</b>	<b>\$ 246</b>	<b>\$ 203</b>	<b>\$ 34</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts and Other Payables	\$ 8	\$ 385	\$ -	\$ 252	\$ 59	\$ 7	\$ 3	\$ 1	\$ 12
Due to Other Funds	-	29	-	-	-	-	-	-	12
Unearned Revenue	-	-	-	-	-	-	-	-	7
<b>Total Liabilities</b>	<b>8</b>	<b>414</b>	<b>-</b>	<b>252</b>	<b>59</b>	<b>7</b>	<b>3</b>	<b>1</b>	<b>31</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable Revenue - Special Assessments	-	-	142	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	1	-	-	-	13	-	-	-
Unavailable Revenue - Property Taxes	-	-	-	74	-	-	-	-	-
Unavailable Revenue - Grants Receivable	-	-	-	-	-	-	-	-	28
Unavailable Revenue - Other	-	-	-	-	-	-	-	12	-
Unavailable Revenue - Leases	-	-	-	-	-	280	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>1</b>	<b>142</b>	<b>74</b>	<b>-</b>	<b>293</b>	<b>-</b>	<b>12</b>	<b>28</b>
<b>FUND BALANCES</b>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	348	-	-	243	190	-
Committed	-	2,091	142	-	28	321	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	39	-	-	-	-	-	-	-	(25)
<b>Total Fund Balances</b>	<b>39</b>	<b>2,091</b>	<b>142</b>	<b>348</b>	<b>28</b>	<b>321</b>	<b>243</b>	<b>190</b>	<b>(25)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 47</b>	<b>\$ 2,506</b>	<b>\$ 284</b>	<b>\$ 674</b>	<b>\$ 87</b>	<b>\$ 621</b>	<b>\$ 246</b>	<b>\$ 203</b>	<b>\$ 34</b>

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue							
	Lead Paint Abatement	Other Grants and Programs	Economic Development	Community Development Fund	Education Programs	Fire Grants and Programs	Police Asset Forfeiture	Police Grants and Programs
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 44	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables, Net:								
Property Taxes	-	-	-	-	-	-	-	-
Intergovernmental	40	-	-	108	-	-	-	-
Loans	1,336	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	48
Due from Other Funds	72	328	-	-	40	4	211	90
<b>Total Assets</b>	<b>\$ 1,448</b>	<b>\$ 328</b>	<b>\$ -</b>	<b>\$ 108</b>	<b>\$ 84</b>	<b>\$ 4</b>	<b>\$ 211</b>	<b>\$ 138</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts and Other Payables	\$ 15	\$ -	\$ -	\$ 31	\$ -	\$ -	\$ 128	\$ 18
Due to Other Funds	-	-	3	78	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>15</b>	<b>-</b>	<b>3</b>	<b>109</b>	<b>-</b>	<b>-</b>	<b>128</b>	<b>18</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	1,336	-	-	-	-	-	-	-
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-	-
Unavailable Revenue - Grants Receivable	-	-	-	4	-	-	-	49
Unavailable Revenue - Other	-	-	-	-	-	-	-	-
Unavailable Revenue - Leases	-	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,336</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49</b>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	41	-	-	-	44	-	-	-
Committed	56	328	-	-	40	-	83	71
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	(3)	(5)	-	4	-	-
<b>Total Fund Balances</b>	<b>97</b>	<b>328</b>	<b>(3)</b>	<b>(5)</b>	<b>84</b>	<b>4</b>	<b>83</b>	<b>71</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 1,448</b>	<b>\$ 328</b>	<b>\$ -</b>	<b>\$ 108</b>	<b>\$ 84</b>	<b>\$ 4</b>	<b>\$ 211</b>	<b>\$ 138</b>

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2025  
(IN THOUSANDS)**

ASSETS	Special Revenue									
	Recreation Grants and Programs	Social Services Grants and Programs	Senior Citizens Programs	Mohegan Park	Revolving Loan Fund	Sachem Fund	Property Rehabilitation	Pension Reserve Fund	Deposits and Performance Bonds	Total
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119	\$ 2,081
Investments	-	-	-	-	-	-	-	-	-	-
Receivables, Net:										
Property Taxes	-	-	-	-	-	-	-	-	-	101
Intergovernmental	-	-	2	-	-	-	-	-	-	786
Loans	-	-	-	-	46	-	3,088	-	-	4,470
Leases	-	-	-	-	-	-	-	-	-	276
Other	-	-	-	-	-	-	-	-	-	249
Due from Other Funds	918	39	76	125	319	56	-	15,683	626	20,157
<b>Total Assets</b>	<b>\$ 918</b>	<b>\$ 39</b>	<b>\$ 78</b>	<b>\$ 125</b>	<b>\$ 365</b>	<b>\$ 56</b>	<b>\$ 3,088</b>	<b>\$ 15,683</b>	<b>\$ 745</b>	<b>\$ 28,120</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts and Other Payables	\$ 15	\$ -	\$ 4	\$ -	\$ -	\$ 9	\$ 61	\$ -	\$ 4	\$ 1,012
Due to Other Funds	-	-	-	-	-	-	111	-	-	233
Unearned Revenue	-	1	-	-	-	-	-	-	-	8
<b>Total Liabilities</b>	<b>15</b>	<b>1</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>172</b>	<b>-</b>	<b>4</b>	<b>1,253</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-	-	142
Unavailable Revenue - Loans Receivable	-	-	-	-	46	-	3,088	-	-	4,484
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-	-	-	74
Unavailable Revenue - Grants Receivable	-	-	-	-	-	-	-	-	-	81
Unavailable Revenue - Other	-	-	-	-	-	-	-	-	-	12
Unavailable Revenue - Leases	-	-	-	-	-	-	-	-	-	280
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>3,088</b>	<b>-</b>	<b>-</b>	<b>5,073</b>
<b>FUND BALANCES</b>										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	866
Committed	903	38	74	125	319	47	-	15,683	741	21,090
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(172)	-	-	(162)
<b>Total Fund Balances</b>	<b>903</b>	<b>38</b>	<b>74</b>	<b>125</b>	<b>319</b>	<b>47</b>	<b>(172)</b>	<b>15,683</b>	<b>741</b>	<b>21,794</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 918</b>	<b>\$ 39</b>	<b>\$ 78</b>	<b>\$ 125</b>	<b>\$ 365</b>	<b>\$ 56</b>	<b>\$ 3,088</b>	<b>\$ 15,683</b>	<b>\$ 745</b>	<b>\$ 28,120</b>

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2025  
(IN THOUSANDS)**

ASSETS	Capital Projects				Total	Permanent			Total	Total Nonmajor Governmental Funds
	Capital Improvement	Bond Expenditure	School Projects	Brown Park		Public Parks & Gardens	Fred Abbot Summer Concert	Cemetery Trust		
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ 36	\$ 36	\$ 2,117
Investments	-	-	-	-	-	-	-	2,299	2,299	2,299
Receivables, Net:										
Property Taxes	-	-	-	-	-	-	-	-	-	101
Intergovernmental	1,800	-	264	-	2,064	-	-	-	-	2,850
Loans	-	-	-	-	-	-	-	-	-	4,470
Leases	-	-	-	-	-	-	-	-	-	276
Other	-	-	-	-	-	-	-	-	-	249
Due from Other Funds	4,400	981	12,844	50	18,275	47	6	-	53	38,485
<b>Total Assets</b>	<b>\$ 6,200</b>	<b>\$ 981</b>	<b>\$ 13,108</b>	<b>\$ 50</b>	<b>\$ 20,339</b>	<b>\$ 47</b>	<b>\$ 6</b>	<b>\$ 2,335</b>	<b>\$ 2,388</b>	<b>\$ 50,847</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts and Other Payables	\$ 245	\$ 9	\$ 3,766	\$ -	\$ 4,020	\$ -	\$ -	\$ -	\$ -	\$ 5,032
Due to Other Funds	-	-	-	-	-	-	-	1	1	234
Unearned Revenue	50	-	-	-	50	-	-	-	-	58
<b>Total Liabilities</b>	<b>295</b>	<b>9</b>	<b>3,766</b>	<b>-</b>	<b>4,070</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>5,324</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-	-	142
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	-	4,484
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-	-	-	74
Unavailable Revenue - Grants Receivable	1,093	-	-	-	1,093	-	-	-	-	1,174
Unavailable Revenue - Other	-	-	-	-	-	-	-	-	-	12
Unavailable Revenue - Leases	-	-	-	-	-	-	-	-	-	280
<b>Total Deferred Inflows of Resources</b>	<b>1,093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,166</b>
<b>FUND BALANCES</b>										
Nonspendable	-	-	-	-	-	28	5	-	33	33
Restricted	2,803	-	-	-	2,803	19	1	2,334	2,354	6,023
Committed	-	-	-	50	50	-	-	-	-	21,140
Assigned	2,009	972	9,342	-	12,323	-	-	-	-	12,323
Unassigned	-	-	-	-	-	-	-	-	-	(162)
<b>Total Fund Balances</b>	<b>4,812</b>	<b>972</b>	<b>9,342</b>	<b>50</b>	<b>15,176</b>	<b>47</b>	<b>6</b>	<b>2,334</b>	<b>2,387</b>	<b>39,357</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 6,200</b>	<b>\$ 981</b>	<b>\$ 13,108</b>	<b>\$ 50</b>	<b>\$ 20,339</b>	<b>\$ 47</b>	<b>\$ 6</b>	<b>\$ 2,335</b>	<b>\$ 2,388</b>	<b>\$ 50,847</b>

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue								
	Dog License	School Lunch Program	Sidewalk	Fire Districts	Adult Education	Parking Commission	Opioid Settlement Fund	Cannabis Fund	Youth Services
<b>REVENUES</b>									
Property Taxes, Interest, and Liens	\$ -	\$ -	\$ -	\$ 5,361	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	3,811	-	776	662	-	-	-	286
Charges for Services	14	93	36	-	666	224	-	-	-
Investment Income	-	-	-	19	1	11	-	-	-
Other	-	-	-	-	8	-	78	140	39
Total Revenues	<u>14</u>	<u>3,904</u>	<u>36</u>	<u>6,156</u>	<u>1,337</u>	<u>235</u>	<u>78</u>	<u>140</u>	<u>325</u>
<b>EXPENDITURES</b>									
Current:									
General Government	-	-	-	333	-	-	-	-	-
Public Safety	171	-	-	7,939	-	-	-	-	-
Social Services	-	-	-	-	-	-	73	48	353
Public Works	-	-	-	-	-	153	-	-	-
Education	-	3,900	-	-	1,342	-	-	-	-
Capital Outlay	-	557	163	-	-	-	-	-	-
Total Expenditures	<u>171</u>	<u>4,457</u>	<u>163</u>	<u>8,272</u>	<u>1,342</u>	<u>153</u>	<u>73</u>	<u>48</u>	<u>353</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(157)	(553)	(127)	(2,116)	(5)	82	5	92	(28)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	323	-	-	3,300	-	-	-	-	1
Transfer Out	(1)	-	-	(1,067)	-	-	-	-	-
Proceeds from Bond Issuance	-	-	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>322</u>	<u>-</u>	<u>-</u>	<u>2,233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
<b>NET CHANGE IN FUND BALANCES</b>	165	(553)	(127)	117	(5)	82	5	92	(27)
Fund Balances - Beginning of Year	<u>(126)</u>	<u>2,644</u>	<u>269</u>	<u>231</u>	<u>33</u>	<u>239</u>	<u>238</u>	<u>98</u>	<u>2</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 39</u>	<u>\$ 2,091</u>	<u>\$ 142</u>	<u>\$ 348</u>	<u>\$ 28</u>	<u>\$ 321</u>	<u>\$ 243</u>	<u>\$ 190</u>	<u>\$ (25)</u>

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue							
	Lead Paint Abatement	Other Grants and Programs	Economic Development	Community Development Fund	Education Programs	Fire Grants and Programs	Police Asset Forfeiture	Police Grants and Programs
<b>REVENUES</b>								
Property Taxes, Interest, and Liens	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenues	533	8	-	293	-	-	2	-
Charges for Services	16	19	-	-	80	-	-	273
Investment Income	-	-	-	-	1	-	2	-
Other	-	16	-	-	10	5	-	55
Total Revenues	<u>549</u>	<u>43</u>	<u>-</u>	<u>293</u>	<u>91</u>	<u>5</u>	<u>4</u>	<u>328</u>
<b>EXPENDITURES</b>								
Current:								
General Government	-	61	-	6	-	-	-	-
Public Safety	-	8	-	-	-	-	42	222
Social Services	533	1	-	76	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Education	-	-	-	-	100	-	-	-
Capital Outlay	-	8	-	-	-	-	5	57
Total Expenditures	<u>533</u>	<u>78</u>	<u>-</u>	<u>82</u>	<u>100</u>	<u>-</u>	<u>47</u>	<u>279</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	16	(35)	-	211	(9)	5	(43)	49
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	22	-	57	-	-	-	-
Transfer Out	-	-	-	(267)	-	-	-	(52)
Proceeds from Bond Issuance	-	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>22</u>	<u>-</u>	<u>(210)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(52)</u>
<b>NET CHANGE IN FUND BALANCES</b>	16	(13)	-	1	(9)	5	(43)	(3)
Fund Balances - Beginning of Year	<u>81</u>	<u>341</u>	<u>(3)</u>	<u>(6)</u>	<u>93</u>	<u>(1)</u>	<u>126</u>	<u>74</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 97</u>	<u>\$ 328</u>	<u>\$ (3)</u>	<u>\$ (5)</u>	<u>\$ 84</u>	<u>\$ 4</u>	<u>\$ 83</u>	<u>\$ 71</u>

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue									Total
	Recreation Grants and Programs	Social Services Grants and Programs	Senior Citizens Programs	Mohegan Park	Revolving Loan Fund	Sachem Fund	Property Rehabilitation	Pension Reserve Fund	Deposits and Performance Bonds	
<b>REVENUES</b>										
Property Taxes, Interest, and Liens	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,361
Intergovernmental Revenues	-	6	10	-	-	-	-	-	-	6,387
Charges for Services	213	-	110	-	19	-	159	-	-	1,922
Investment Income	-	-	-	5	-	-	-	631	-	670
Other	20	11	32	-	-	4	-	-	320	738
<b>Total Revenues</b>	<b>233</b>	<b>17</b>	<b>152</b>	<b>5</b>	<b>19</b>	<b>4</b>	<b>159</b>	<b>631</b>	<b>320</b>	<b>15,078</b>
<b>EXPENDITURES</b>										
Current:										
General Government	-	-	-	-	1	74	-	-	76	551
Public Safety	-	-	-	-	-	-	-	307	-	8,689
Social Services	261	23	141	-	-	-	456	-	-	1,965
Public Works	-	-	-	-	-	-	-	-	-	153
Education	-	-	-	-	-	-	-	99	-	5,441
Capital Outlay	-	-	-	-	-	-	-	-	-	790
<b>Total Expenditures</b>	<b>261</b>	<b>23</b>	<b>141</b>	<b>-</b>	<b>1</b>	<b>74</b>	<b>456</b>	<b>406</b>	<b>76</b>	<b>17,589</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(28)</b>	<b>(6)</b>	<b>11</b>	<b>5</b>	<b>18</b>	<b>(70)</b>	<b>(297)</b>	<b>225</b>	<b>244</b>	<b>(2,511)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	-	-	-	-	-	25	268	58	-	4,054
Transfer Out	(1)	-	-	-	-	-	(58)	-	-	(1,446)
Proceeds from Bond Issuance	-	-	-	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>210</b>	<b>58</b>	<b>-</b>	<b>2,608</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(29)</b>	<b>(6)</b>	<b>11</b>	<b>5</b>	<b>18</b>	<b>(45)</b>	<b>(87)</b>	<b>283</b>	<b>244</b>	<b>97</b>
Fund Balances - Beginning of Year	932	44	63	120	301	92	(85)	15,400	497	21,697
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 903</b>	<b>\$ 38</b>	<b>\$ 74</b>	<b>\$ 125</b>	<b>\$ 319</b>	<b>\$ 47</b>	<b>\$ (172)</b>	<b>\$ 15,683</b>	<b>\$ 741</b>	<b>\$ 21,794</b>

**CITY OF NORWICH, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Capital Projects					Permanent				Interfund Eliminations	Total Nonmajor Governmental Funds
	Capital Improvement	Bond Expenditure	School Projects	Brown Park	Total	Public Parks & Gardens	Fred Abbot Summer Concert	Cemetery Trust	Total		
<b>REVENUES</b>											
Property Taxes, Interest, and Liens	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 5,361
Intergovernmental Revenues	1,275	-	4,326	-	5,601	-	-	-	-		11,988
Charges for Services	-	-	-	-	-	-	-	-	-		1,922
Investment Income	818	-	-	2	820	2	-	216	218		1,708
Other	-	-	-	-	-	-	-	-	-		738
<b>Total Revenues</b>	<b>2,093</b>	<b>-</b>	<b>4,326</b>	<b>2</b>	<b>6,421</b>	<b>2</b>	<b>-</b>	<b>216</b>	<b>218</b>	<b>-</b>	<b>21,717</b>
<b>EXPENDITURES</b>											
Current:											
General Government	-	-	-	-	-	-	-	21	21		572
Public Safety	-	-	-	-	-	-	-	-	-		8,689
Social Services	-	-	-	-	-	-	-	-	-		1,965
Public Works	450	-	-	-	450	-	-	-	-		603
Education	-	-	-	-	-	-	-	-	-		5,441
Capital Outlay	4,492	1,972	11,701	-	18,165	-	-	-	-		18,955
<b>Total Expenditures</b>	<b>4,942</b>	<b>1,972</b>	<b>11,701</b>	<b>-</b>	<b>18,615</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>21</b>	<b>-</b>	<b>36,225</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(2,849)</b>	<b>(1,972)</b>	<b>(7,375)</b>	<b>2</b>	<b>(12,194)</b>	<b>2</b>	<b>-</b>	<b>195</b>	<b>197</b>	<b>-</b>	<b>(14,508)</b>
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers In	4,273	99	-	-	4,372	-	-	-	-	(1,769)	6,657
Transfer Out	(128)	(1,393)	-	-	(1,521)	-	-	(88)	(88)	1,769	(1,286)
Proceeds from Bond Issuance	-	600	10,000	-	10,600	-	-	-	-	-	10,600
Bond Premium	-	542	-	-	542	-	-	-	-	-	542
<b>Total Other Financing Sources (Uses)</b>	<b>4,145</b>	<b>(152)</b>	<b>10,000</b>	<b>-</b>	<b>13,993</b>	<b>-</b>	<b>-</b>	<b>(88)</b>	<b>(88)</b>	<b>-</b>	<b>16,513</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,296</b>	<b>(2,124)</b>	<b>2,625</b>	<b>2</b>	<b>1,799</b>	<b>2</b>	<b>-</b>	<b>107</b>	<b>109</b>	<b>-</b>	<b>2,005</b>
Fund Balances - Beginning of Year	3,516	3,096	6,717	48	13,377	45	6	2,227	2,278	-	37,352
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 4,812</b>	<b>\$ 972</b>	<b>\$ 9,342</b>	<b>\$ 50</b>	<b>\$ 15,176</b>	<b>\$ 47</b>	<b>\$ 6</b>	<b>\$ 2,334</b>	<b>\$ 2,387</b>	<b>\$ -</b>	<b>\$ 39,357</b>

**CITY OF NORWICH, CONNECTICUT  
FIRE DISTRICTS FUND REVENUES  
BUDGETARY BASIS  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Taxes, Interest, and Lien Fees:				
Fire	\$ 4,690	\$ 4,690	\$ 4,862	\$ 172
Volunteer Fire	475	475	499	24
Total Taxes, Interest, and Lien Fees	5,165	5,165	5,361	196
Intergovernmental:				
Shared Revenues	776	776	776	-
Other:				
Other Fund Transfers	3,300	3,300	3,300	-
Investment Income	11	11	19	8
Total	<u>\$ 9,252</u>	<u>\$ 9,252</u>	<u>\$ 9,456</u>	<u>\$ 204</u>

**CITY OF NORWICH, CONNECTICUT  
FIRE DISTRICTS FUND EXPENDITURES  
BUDGETARY BASIS  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
Fire:				
Employees	\$ 3,651	\$ 3,621	\$ 3,622	\$ (1)
Overtime	90	167	166	1
Replacement Costs	825	889	889	-
Fringe Benefits	4,146	4,130	4,133	(3)
Workers' Compensation	67	67	67	-
Volunteer Firefighter Tax Credit	140	140	129	11
Volunteer Firefighter Trust Fund	333	333	333	-
Total	<u>\$ 9,252</u>	<u>\$ 9,347</u>	<u>\$ 9,339</u>	<u>\$ 8</u>

**CITY OF NORWICH, CONNECTICUT  
SCHEDULE OF FIRE DISTRICT TAXES  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

Grand List	Uncollected Taxes July 1, 2024	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections				Net Uncollected Taxes June 30, 2025	Overpayment Credit Balances	Gross Uncollected Taxes June 30, 2025
		Additions	Deductions			Taxes	Interest	Fees	Total			
2023	\$ 5,239	\$ 14	\$ 28	\$ 3	\$ 5,222	\$ 5,148	\$ 22	\$ -	\$ 5,170	\$ 74	\$ 3	\$ 77
2022	91	1	2	-	90	67	14	-	81	23	-	23
2021	31	-	1	3	27	21	7	-	28	6	-	6
2020	36	-	1	17	18	15	8	-	23	3	-	3
2019	11	-	1	1	9	7	5	-	12	2	-	2
2018	11	-	1	1	9	6	6	-	12	3	-	3
2017	5	-	1	-	4	3	3	-	6	1	-	1
2016	5	-	1	-	4	2	3	-	5	2	-	2
2015	3	-	1	-	2	1	2	-	3	1	-	1
2014	3	-	1	-	2	1	2	-	3	1	-	1
2013	2	-	1	-	1	1	-	-	1	-	-	-
2012	2	-	1	-	1	-	-	-	-	1	-	1
2011	1	-	1	-	-	-	-	-	-	-	-	-
2010	1	-	1	-	-	-	-	-	-	-	-	-
2009	1	-	1	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 5,442</b>	<b>\$ 15</b>	<b>\$ 43</b>	<b>\$ 25</b>	<b>\$ 5,389</b>	<b>5,272</b>	<b>72</b>	<b>-</b>	<b>5,344</b>	<b>\$ 117</b>	<b>\$ 3</b>	<b>\$ 120</b>
						Suspense Collections	12	16	28			
						Total Tax Collections	<u>\$ 5,284</u>	<u>\$ 88</u>	<u>\$ -</u>	5,372		
						Property Taxes Receivable Considered Available:						
						June 30, 2024			(37)			
						June 30, 2025			<u>26</u>			
						Total			<u>\$ 5,361</u>			

\*Operation of law

**NONMAJOR ENTERPRISE FUNDS**

## NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are used to account for ongoing organizations and activities that are similar to those found in the private sector.

**Golf Course Authority** – is used to account for the operations of the City’s public golf course.

**Stadium Authority** – is used to account for the operations of Senator Thomas Dodd Stadium.

**Ice Rink Authority** – is used to account for the operations of the City’s ice skating facility.

**CITY OF NORWICH, CONNECTICUT**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities			Totals
	Golf Course Authority	Stadium Authority	Ice Rink Authority	
<b>ASSETS</b>				
Current Assets:				
Receivables:				
User Charges, Net	\$ -	\$ 11	\$ -	\$ 11
Leases	-	-	83	83
Due from Other Funds	108	-	-	108
Total Current Assets	<u>108</u>	<u>11</u>	<u>83</u>	<u>202</u>
Noncurrent Assets:				
Lease Receivable	-	-	3,160	3,160
Capital Assets, Net	3,363	5,571	640	9,574
Total Noncurrent Assets	<u>3,363</u>	<u>5,571</u>	<u>3,800</u>	<u>12,734</u>
Total Assets	3,471	5,582	3,883	12,936
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable and Accrued Expenses	711	29	-	740
Lease Liability	45	-	-	45
Due to Other Funds	-	298	467	765
Due to Other Governments	3	-	-	3
Unearned Revenue	395	-	-	395
Total Current Liabilities	<u>1,154</u>	<u>327</u>	<u>467</u>	<u>1,948</u>
Noncurrent Liabilities:				
Lease Liability	170	-	-	170
Total Noncurrent Liabilities	<u>170</u>	<u>-</u>	<u>-</u>	<u>170</u>
Total Liabilities	<u>1,324</u>	<u>327</u>	<u>467</u>	<u>2,118</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Amounts Related to Leases	-	-	3,244	3,244
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>3,244</u>	<u>3,244</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	3,148	5,571	640	9,359
Unrestricted	(1,001)	(316)	(468)	(1,785)
Total Net Position	<u>\$ 2,147</u>	<u>\$ 5,255</u>	<u>\$ 172</u>	<u>\$ 7,574</u>

**CITY OF NORWICH, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities			Totals
	Golf Course Authority	Stadium Authority	Ice Rink Authority	
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 1,471	\$ -	\$ -	\$ 1,471
Rent	-	109	83	192
Other	98	-	-	98
Total Operating Revenues	<u>1,569</u>	<u>109</u>	<u>83</u>	<u>1,761</u>
<b>OPERATING EXPENSES</b>				
Operations and Maintenance	1,256	173	8	1,437
Depreciation and Amortization	176	186	82	444
Total Operating Expenses	<u>1,432</u>	<u>359</u>	<u>90</u>	<u>1,881</u>
<b>OPERATING INCOME (LOSS)</b>	137	(250)	(7)	(120)
<b>NONOPERATING INCOME (EXPENSE)</b>				
Interest Income	(1)	-	-	(1)
Interest Expense	(9)	-	-	(9)
Total Nonoperating Expense	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>(10)</u>
<b>NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	127	(250)	(7)	(130)
Capital Contributions	173	-	-	173
Transfers Out	(121)	-	-	(121)
Total Contributions and Transfers	<u>52</u>	<u>-</u>	<u>-</u>	<u>52</u>
<b>CHANGE IN NET POSITION</b>	179	(250)	(7)	(78)
Net Position - Beginning of Year	<u>1,968</u>	<u>5,505</u>	<u>179</u>	<u>7,652</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,147</u>	<u>\$ 5,255</u>	<u>\$ 172</u>	<u>\$ 7,574</u>

**CITY OF NORWICH, CONNECTICUT**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities			Totals
	Golf Course Authority	Stadium Authority	Ice Rink Authority	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Charges for Services	\$ 1,678	\$ 98	\$ 102	\$ 1,878
Cash Paid to Vendors	(791)	(98)	(102)	(991)
Cash Paid to Employees for Services	(627)	-	-	(627)
Net Cash Provided (Used) by Operating Activities	<u>260</u>	<u>-</u>	<u>-</u>	<u>260</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to Other Funds	(121)	-	-	(121)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of Capital Assets	(85)	-	-	(85)
Loss on Disposal of Equipment	-	-	-	-
Principal Payments on Leases	(45)	-	-	(45)
Interest Payments on Leases	(8)	-	-	(8)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(138)</u>	<u>-</u>	<u>-</u>	<u>(138)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Income on Investments	(1)	-	-	(1)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
	-	-	-	-
Cash and Cash Equivalents - Beginning of Year	-	-	-	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 137	\$ (250)	\$ (7)	\$ (120)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
(Increase) Decrease in Receivables	-	(11)	19	8
(Increase) Decrease in Due from Other Funds	63	76	-	139
Increase (Decrease) in Due to Other Funds	-	-	(95)	(95)
Increase (Decrease) in Unearned Revenues	46	-	-	46
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(162)	(1)	1	(162)
Total Adjustments	<u>123</u>	<u>250</u>	<u>7</u>	<u>380</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260</u>
<b>NONCASH CAPITAL AND FINANCING ACTIVITIES</b>				
Capital Asset Contributions	<u>\$ 173</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173</u>

**INTERNAL SERVICE FUNDS**

## INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for and finance the City's uninsured risks of loss for Medical Benefits and Workers' Compensation (including heart and hypertension).

**Medical Benefits Fund** – is used to pay health insurance claims and to purchase administrative services and stop loss insurance for the City's health care plans. The City, Board of Education and Department of Public Utilities contribute into this fund for health insurance.

**Workers' Compensation Fund** – accounts for General Fund funding reserves and accrued loss liabilities on incurred claims for workers' compensation and heart and hypertension open claims.

**CITY OF NORWICH, CONNECTICUT**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	<u>Medical Benefits</u>	<u>Workers' Compensation</u>	<u>Total</u>
<b>ASSETS</b>			
Current:			
Accounts Receivable	\$ 8	\$ -	\$ 8
Due from Other Funds	2,891	3,486	6,377
Total Assets	<u>2,899</u>	<u>3,486</u>	<u>6,385</u>
<b>LIABILITIES</b>			
Current:			
Accounts Payable	360	-	360
Risk Management Claims	1,341	1,065	2,406
Unearned Revenue	9	-	9
Total Current Liabilities	<u>1,710</u>	<u>1,065</u>	<u>2,775</u>
Noncurrent:			
Risk Management Claims	<u>-</u>	<u>3,244</u>	<u>3,244</u>
Total Liabilities	<u>1,710</u>	<u>4,309</u>	<u>6,019</u>
<b>NET POSITION</b>			
Unrestricted	<u>\$ 1,189</u>	<u>\$ (823)</u>	<u>\$ 366</u>

**CITY OF NORWICH, CONNECTICUT  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND NET POSITION  
 INTERNAL SERVICE FUNDS  
 YEAR ENDED JUNE 30, 2025  
 (IN THOUSANDS)**

	<u>Medical Benefits</u>	<u>Workers' Compensation</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 20,682	\$ 3,873	\$ 24,555
<b>OPERATING EXPENSES</b>			
Claims Expense	16,876	1,784	18,660
Premiums and Administrative Expenses	<u>4,271</u>	<u>432</u>	<u>4,703</u>
Total Operating Expenses	<u>21,147</u>	<u>2,216</u>	<u>23,363</u>
<b>OPERATING INCOME (LOSS)</b>	(465)	1,657	1,192
Net Position - Beginning of Year	<u>1,654</u>	<u>(2,480)</u>	<u>(826)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,189</u>	<u>\$ (823)</u>	<u>\$ 366</u>

**CITY OF NORWICH, CONNECTICUT  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Medical Benefits	Workers' Compensation	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Charges for Services	\$ 8,834	\$ 665	\$ 9,499
Cash Receipts for Interfund Services Provided	11,958	2,066	14,024
Cash Paid to Vendors	(20,792)	(2,731)	(23,523)
Net Cash Provided (Used) by Operating Activities	-	-	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
	-	-	-
Cash and Cash Equivalents - Beginning of Year	-	-	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>			
	\$ -	\$ -	\$ -
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (465)	\$ 1,657	\$ 1,192
Changes in Assets and Liabilities:			
(Increase) Decrease in Receivables	4	-	4
(Increase) Decrease in Due from Other Funds	109	(1,142)	(1,033)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	355	(515)	(160)
Increase (Decrease) in Unearned Revenues	(3)	-	(3)
Total Adjustments	465	(1,657)	(1,192)
Net Cash Provided (Used) by Operating Activities	\$ -	\$ -	\$ -

## **FIDUCIARY FUNDS**

## FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held in a trustee capacity for others and include Trust Funds and Agency Funds.

Trust Funds are used for the accumulation of resources and are to be used for retirement payments and for payments of healthcare benefits for retired employees.

The City's Trust Funds are listed below:

- City Employee Pension
- Volunteer Fire Pension
- Other Post Employment Benefit

**CITY OF NORWICH, CONNECTICUT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	City Employee Pension Trust Fund	Volunteer Fire Pension Trust Fund	Other Postemployment Benefit Trust Fund	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 4,449	\$ 64	\$ 614	\$ 5,127
Investments:				
U.S. Government Securities	26,775	-	4,754	31,529
U.S. Government Agencies	13,725	-	2,450	16,175
Corporate Bonds	27,994	-	4,618	32,612
Mutual Funds	257,214	4,181	20,537	281,932
Common Stock	60,093	-	10,420	70,513
Real Estate	8,271	-	-	8,271
Accounts Receivable	602	-	636	1,238
Total Assets	<u>399,123</u>	<u>4,245</u>	<u>44,029</u>	<u>447,397</u>
<b>LIABILITIES</b>				
Accounts and Other Payables	<u>85</u>	<u>14</u>	<u>71</u>	<u>170</u>
Total Liabilities	<u>85</u>	<u>14</u>	<u>71</u>	<u>170</u>
<b>NET POSITION</b>				
Net Position Restricted for OPEB Benefits	-	-	43,958	43,958
Net Position Restricted for Pension Benefits	<u>399,038</u>	<u>4,231</u>	<u>-</u>	<u>403,269</u>
Total Net Position	<u>\$ 399,038</u>	<u>\$ 4,231</u>	<u>\$ 43,958</u>	<u>\$ 447,227</u>

**CITY OF NORWICH, CONNECTICUT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	City Employee Pension Trust Fund	Volunteer Fire Pension Trust Fund	Other Postemployment Benefit Trust Fund	Total
<b>ADDITIONS</b>				
Contributions:				
Employer	\$ 6,007	\$ 333	\$ 3,644	\$ 9,984
Plan Members	4,516	18	1,585	6,119
Total Contributions	<u>10,523</u>	<u>351</u>	<u>5,229</u>	<u>16,103</u>
Investment Income:				
Net Gain in Fair Value of Investments	35,142	345	3,953	39,440
Interest and Dividends	10,511	127	1,202	11,840
Total Investment Income	<u>45,653</u>	<u>472</u>	<u>5,155</u>	<u>51,280</u>
Less Investment Expense	<u>(977)</u>	<u>(20)</u>	<u>(133)</u>	<u>(1,130)</u>
Net Investment Income	<u>44,676</u>	<u>452</u>	<u>5,022</u>	<u>50,150</u>
Total Additions	55,199	803	10,251	66,253
<b>DEDUCTIONS</b>				
Benefits	22,969	475	4,098	27,542
Administration	68	6	662	736
Lump-Sum Distributions and Withdrawals	640	-	-	640
Total Deductions	<u>23,677</u>	<u>481</u>	<u>4,760</u>	<u>28,918</u>
<b>CHANGE IN NET POSITION</b>	31,522	322	5,491	37,335
Net Position - Beginning of Year	<u>367,516</u>	<u>3,909</u>	<u>38,467</u>	<u>409,892</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 399,038</u>	<u>\$ 4,231</u>	<u>\$ 43,958</u>	<u>\$ 447,227</u>

## **SUPPLEMENTAL SCHEDULES**

**CITY OF NORWICH, CONNECTICUT**  
**SCHEDULE OF BONDS AND SERIAL NOTES PAYABLE**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

Description	Interest Rate (%)	Issue Date	Maturity Date	Original Amount Issued	Balance Beginning of Year	Issued During Year	Paid During Year	Balance End of Year
Governmental Activities:								
General Purpose Bonds Payable:								
General Purpose - Series A	3.0-4.0	3/3/2015	8/1/2034	\$ 5,600	\$ 2,775	\$ -	\$ 275	\$ 2,500
General Purpose - Series B	2.0-3.0	3/3/2015	8/1/2024	1,140	110	-	110	-
General Purpose - Series A	2.0-2.6	3/1/2016	8/1/2035	6,300	3,390	-	360	3,030
General Purpose - Series B	2.0-3.0	3/1/2016	8/1/2025	2,500	500	-	250	250
Refunding - (Partial 12/02/2009 Series A)								
Bonds - Series C	1.8-4.0	10/12/2016	8/1/2024	2,925	585	-	585	-
General Purpose - Series A	3.0-4.0	3/1/2017	8/1/2036	4,450	2,875	-	225	2,650
Refunding - (Partial 12/02/2009 Series A)								
Bonds - Series A	3.0-4.0	3/1/2017	8/1/2036	2,825	2,825	-	-	2,825
General Purpose - Series B	1.0-3.9	3/1/2017	8/1/2036	1,000	650	-	50	600
General Purpose - Series A	3.0-5.0	12/6/2018	8/1/2038	7,970	6,300	-	420	5,880
General Purpose - Series A	2.0-5.0	12/5/2019	8/1/2039	3,575	3,020	-	185	2,835
General Purpose - Series A	3.0-5.0	10/28/2020	8/1/2040	1,205	1,020	-	60	960
General Purpose - Series B	2.0-5.1	10/28/2020	8/1/2040	15,920	10,590	-	1,220	9,370
Pension Obligation Bonds	1.4-3.3	2/25/2022	8/1/2046	145,000	136,370	-	4,275	132,095
General Purpose - Series A	4.0-5.0	12/29/2022	8/1/2043	9,200	8,740	-	460	8,280
General Purpose - Series A	4.0	12/14/2023	8/1/2044	5,000	5,000	-	250	4,750
General Purpose - Series A	4.0	12/5/2024	8/1/2049	10,600	-	10,600	-	10,600
Total				225,210	184,750	10,600	8,725	186,625

**CITY OF NORWICH, CONNECTICUT**  
**SCHEDULE OF BONDS AND SERIAL NOTES PAYABLE**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

Description	Interest Rate (%)	Issue Date	Maturity Date	Original Amount Issued	Balance Beginning of Year	Issued During Year	Paid During Year	Balance End of Year
Business-Type Activities:								
Notes Payable:								
Equipment Financing Agreement	3.05	7/1/2020	10/31/2024	344	67	-	67	-
State Of Connecticut Serial Notes Payable:								
Clean Water Act 625-D	2.00	12/31/2012	12/31/2031	1,865	780	-	97	683
Clean Water Act 495-C	2.00	5/31/2013	6/1/2032	5,748	2,528	-	297	2,231
Clean Water Act 625-D1	2.00	5/31/2015	12/31/2031	2,510	1,177	-	147	1,030
Clean Water Act 707-Pd	2.00	2/26/2021	1/31/2041	1,655	1,372	-	82	1,290
Clean Water Act 743-D	2.00	10/31/2023	9/30/2043	2,061	1,957	-	103	1,854
Clean Water Act 743-C	2.00	3/31/2025	3/31/2045	29,224	10,425	29,224	10,790	28,859
Clean Water Act 743-C-1	*	*	*	*	-	11,871	-	11,871
Drinking Water State Revolving Fund 200801-C	2.27	7/1/2009	7/1/2029	450	111	-	23	88
Drinking Water State Revolving Fund 2010-8005	2.06	3/31/2010	12/31/2029	145	40	-	7	33
Drinking Water State Revolving Fund 2010-8006	2.06	3/31/2010	6/30/2030	326	98	-	16	82
Drinking Water State Revolving Fund 2010-7005	2.00	4/30/2014	10/31/2032	160	72	-	8	64
Drinking Water State Revolving Fund 2010-7006	2.00	4/30/2014	4/30/2032	148	64	-	8	56
Drinking Water State Revolving Fund 2014-7027	2.27	6/30/2015	12/31/2034	506	266	-	26	240
Drinking Water State Revolving Fund 2014-7036	2.00	5/31/2016	11/30/2036	4,052	2,313	-	203	2,110
Drinking Water State Revolving Fund 2015-7037	2.00	10/12/2016	9/30/2034	1,528	870	-	85	785
Drinking Water State Revolving Fund 2017-7056	2.00	2/28/2019	6/30/2028	2,695	1,909	-	135	1,774
Drinking Water State Revolving Fund 2019-7069	2.00	12/31/2020	6/30/2040	2,477	1,982	-	124	1,858
Drinking Water State Revolving Fund 2019-7072	2.00	8/31/2019	2/28/2039	1,582	1,160	-	79	1,081
Drinking Water State Revolving Fund 2019-7081	2.00	11/30/2020	6/30/2040	2,414	1,931	-	121	1,810
Drinking Water State Revolving Fund 2019-7077	2.00	9/30/2022	9/30/2041	5,824	5,159	-	299	4,860
Drinking Water State Revolving Fund 2022-7104	2.00	3/31/2023	9/30/2042	131	120	-	7	113
Drinking Water State Revolving Fund 2024-7130	2.00	5/30/2025	11/30/2044	677	-	677	-	677
Drinking Water State Revolving Fund 2024-5002	*	*	*	*	-	220	-	220
Total				<u>66,522</u>	<u>34,401</u>	<u>41,992</u>	<u>12,724</u>	<u>63,669</u>
Total				<u>\$ 291,732</u>	<u>\$ 219,151</u>	<u>\$ 52,592</u>	<u>\$ 21,449</u>	<u>\$ 250,294</u>

\* Loan is not permanently financed at this time.

**CITY OF NORWICH, CONNECTICUT**  
**BOND AND SERIAL NOTES PAYABLE**  
**SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

Fiscal Year Ending June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	General Obligation Bonds		General Obligation Bonds, Notes Payable and Serial Notes		Principal	Interest
	Principal	Interest	Principal	Interest		
2026	\$ 9,090	\$ 6,030	\$ 3,393	\$ 1,002	\$ 12,483	\$ 7,032
2027	8,840	5,734	3,384	933	12,224	6,667
2028	8,915	5,491	3,396	866	12,311	6,356
2029	9,010	5,240	3,405	797	12,415	6,037
2030	9,115	4,986	3,393	729	12,508	5,715
2031	8,660	4,734	3,385	662	12,045	5,395
2032	8,750	4,479	3,255	594	12,005	5,074
2033	8,375	4,219	2,760	535	11,135	4,753
2034	8,520	3,957	2,758	479	11,278	4,437
2035	8,085	3,694	2,681	425	10,766	4,119
2036	8,010	3,429	2,529	372	10,539	3,801
2037	7,950	3,161	2,445	323	10,395	3,484
2038	7,880	2,886	2,445	274	10,325	3,160
2039	8,100	2,601	2,306	226	10,406	2,827
2040	7,910	2,314	2,231	181	10,141	2,495
2041	7,955	2,029	1,952	139	9,907	2,168
2042	8,140	1,739	1,679	102	9,819	1,840
2043	8,395	1,437	1,600	69	9,995	1,506
2044	8,205	1,131	1,495	38	9,700	1,170
2045	8,235	830	1,086	9	9,321	840
2046	8,490	525	-	-	8,490	525
2047	8,795	209	-	-	8,795	209
2048	400	40	-	-	400	40
2049	400	24	-	-	400	24
2050	400	8	-	-	400	8
Subtotal	<u>\$ 186,625</u>	<u>\$ 70,926</u>	51,578	8,756	<u>\$ 238,203</u>	<u>\$ 79,682</u>
State of Connecticut - Serial Notes not Permanently Financed as of June 30, 2025			<u>12,091</u>	<u>-</u>		
Total			<u>\$ 63,669</u>	<u>\$ 8,756</u>		

## STATISTICAL SECTION

## STATISTICAL SECTION INFORMATION

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

Statistical section information is presented in the following categories:

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

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

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

**CITY OF NORWICH, CONNECTICUT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 92,051	\$ 89,257	\$ 88,076	\$ 78,709	\$ 74,279	\$ 90,304	\$ 79,887	\$ 77,058	\$ 78,005	\$ 75,885
Restricted	6,056	5,989	2,533	1,962	2,160	3,915	1,789	1,697	1,656	1,620
Unrestricted	<u>(51,477)</u>	<u>(59,984)</u>	<u>(52,193)</u>	<u>(50,502)</u>	<u>(53,834)</u>	<u>(80,442) *</u>	<u>(68,423)</u>	<u>(58,803)</u>	<u>(24,278)</u>	<u>(17,860)</u>
Total Governmental Activities Net Position	46,630	35,262	38,416	30,169	22,605	13,777	13,253	19,952	55,383	59,645
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	175,743	151,169	140,816	140,419	136,016	137,973	136,712	131,273	133,414	128,042
Restricted	826	251	358	1,122	1,368	524	249	120	273	334
Unrestricted	<u>(6,849)</u>	<u>(6,205)</u>	<u>(9,110)</u>	<u>(7,766)</u>	<u>4,948</u>	<u>(214)</u>	<u>(7,568)</u>	<u>(16,817)</u>	<u>(19,524)</u>	<u>(19,180)</u>
Total Business-Type Activities Net Position	<u>169,720</u>	<u>145,215</u>	<u>132,064</u>	<u>133,775</u>	<u>142,332</u>	<u>138,283</u>	<u>129,393</u>	<u>114,576</u>	<u>114,163</u>	<u>109,196</u>
<b>Primary Government:</b>										
Net Investment in Capital Assets	267,794	240,426	228,892	219,128	210,295	228,277	216,599	208,331	211,419	203,927
Restricted	6,882	6,240	2,891	3,084	3,528	4,439	2,038	1,817	1,929	1,954
Unrestricted	<u>(58,326)</u>	<u>(66,189)</u>	<u>(61,303)</u>	<u>(58,268)</u>	<u>(48,886)</u>	<u>(81,161)</u>	<u>(75,991)</u>	<u>(75,620)</u>	<u>(43,802)</u>	<u>(35,875)</u>
Total Primary Government Net Position	<u>\$ 216,350</u>	<u>\$ 180,477</u>	<u>\$ 170,480</u>	<u>\$ 163,944</u>	<u>\$ 164,937</u>	<u>\$ 151,555</u>	<u>\$ 142,646</u>	<u>\$ 134,528</u>	<u>\$ 169,546</u>	<u>\$ 170,006</u>

Notes:  
 (1) Schedule prepared on the accrual basis of accounting.  
 \* As Restated

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>EXPENSES</b>										
Governmental Activities:										
General Government	\$ 11,052	\$ 9,534	\$ 10,728	\$ 3,820	\$ 9,389	\$ 9,953	\$ 9,953	\$ 9,680	\$ 10,522	\$ 10,543
Public Safety	32,046	42,142	42,179	123,944	27,306	32,947	32,947	29,139	72,870	31,681
Social Services	4,340	4,738	4,881	2,383	4,811	4,013	4,013	4,885	4,614	4,038
Public Works	18,944	18,330	13,756	7,615	14,196	15,048	15,048	10,374	14,539	13,754
Education	142,017	140,232	140,633	114,408	118,197	107,553	107,553	110,987	101,609	101,748
Interest on Long-Term Debt	7,760	6,103	5,364	1,144	1,282	1,198	1,198	1,145	1,351	1,348
Total Governmental Activities Expenses	<u>216,159</u>	<u>221,079</u>	<u>217,541</u>	<u>253,314</u>	<u>175,181</u>	<u>170,712</u>	<u>170,712</u>	<u>166,210</u>	<u>205,505</u>	<u>163,112</u>
Business-Type Activities:										
Department of Public Utilities	96,592	93,113	105,515	98,810	79,908	79,734	79,734	84,253	83,797	84,729
Other Enterprise Funds	1,890	1,924	1,782	1,835	1,661	1,544	1,544	1,540	1,629	1,646
Total Business-Type Activities Expenses	<u>98,482</u>	<u>95,037</u>	<u>107,297</u>	<u>100,645</u>	<u>81,569</u>	<u>81,278</u>	<u>81,278</u>	<u>85,793</u>	<u>85,426</u>	<u>86,375</u>
Total Primary Government Expenses	<u>314,641</u>	<u>316,116</u>	<u>324,838</u>	<u>353,959</u>	<u>256,750</u>	<u>251,990</u>	<u>251,990</u>	<u>252,003</u>	<u>290,931</u>	<u>249,487</u>
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
General Government	3,033	2,601	2,729	2,623	2,093	1,896	1,466	1,893	2,041	2,115
Public Works	2,036	1,756	1,878	1,357	510	1,220	1,252	667	721	744
Education	1,016	1,005	947	932	975	1,361	1,423	1,239	1,415	1,495
Other	836	833	1,176	1,555	942	999	1,233	1,154	1,156	1,204
Operating Grants and Contributions	85,351	78,188	86,846	74,597	70,689	64,851	61,448	64,515	64,394	60,567
Capital Grants and Contributions	8,592	15,487	15,679	6,957	2,679	1,821	1,775	2,288	634	2,467
Total Governmental Activities Program Revenues	<u>100,864</u>	<u>99,870</u>	<u>109,255</u>	<u>88,021</u>	<u>77,888</u>	<u>72,148</u>	<u>68,597</u>	<u>71,756</u>	<u>70,361</u>	<u>68,592</u>
Business-Type Activities:										
Charges For Services:										
Department of Public Utilities	106,087	102,316	110,719	98,452	91,571	95,214	97,467	95,218	88,607	89,434
Other Nonmajor Enterprise Funds	1,761	2,044	1,767	1,459	1,404	1,607	1,346	1,292	1,388	1,482
Capital Grants and Contributions	23,456	11,525	1,227	787	1,766	3,849	4,577	2,421	4,585	3,809
Total Business-Type Activities Program Revenues	<u>131,304</u>	<u>115,885</u>	<u>113,713</u>	<u>100,698</u>	<u>94,741</u>	<u>100,670</u>	<u>103,390</u>	<u>98,931</u>	<u>94,580</u>	<u>94,725</u>
Total Primary Government Program Revenues	<u>232,168</u>	<u>215,755</u>	<u>222,968</u>	<u>188,719</u>	<u>172,629</u>	<u>172,818</u>	<u>171,987</u>	<u>170,687</u>	<u>164,941</u>	<u>163,317</u>
<b>NET (EXPENSE) REVENUE</b>										
Governmental Activities	(115,295)	(121,209)	(108,286)	(165,293)	(97,293)	(102,524)	(102,115)	(94,454)	(135,144)	(94,520)
Business-Type Activities	<u>32,822</u>	<u>20,848</u>	<u>6,416</u>	<u>53</u>	<u>13,172</u>	<u>17,327</u>	<u>22,112</u>	<u>13,138</u>	<u>9,154</u>	<u>8,350</u>
Total Primary Government Net Expense	<u>\$ (82,473)</u>	<u>\$ (100,361)</u>	<u>\$ (101,870)</u>	<u>\$ (165,240)</u>	<u>\$ (84,121)</u>	<u>\$ (85,197)</u>	<u>\$ (80,003)</u>	<u>\$ (81,316)</u>	<u>\$ (125,990)</u>	<u>\$ (86,170)</u>

**TABLE 2  
(CONTINUED)**

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Property Taxes	\$ 101,964	\$ 92,190	\$ 91,207	\$ 90,297	\$ 90,080	\$ 87,831	\$ 81,997	\$ 79,996	\$ 79,343	\$ 81,709
Grants and Contributions Not Restricted to Specific Programs	9,208	10,296	9,163	5,957	4,486	4,491	3,992	4,404	5,580	4,771
Unrestricted Investment Earnings	3,753	3,794	2,303	296	688	902	1,050	609	394	146
Miscellaneous	1,299	2,637	5,154	67,659	1,628	497	662	1,297	1,301	1,236
Transfers	10,439	9,138	8,706	8,648	9,193	8,822	7,715	8,465	8,516	7,804
Total Governmental Activities	<u>126,663</u>	<u>118,055</u>	<u>116,533</u>	<u>172,857</u>	<u>106,075</u>	<u>102,543</u>	<u>95,416</u>	<u>94,771</u>	<u>95,134</u>	<u>95,666</u>
Business-Type Activities:										
Investment Earnings and Miscellaneous Revenues	2,122	1,441	616	38	70	385	420	56	13	6
Transfers	(10,439)	(9,138)	(8,706)	(8,648)	(9,193)	(8,822)	(7,715)	(8,465)	(8,516)	(7,804)
Total Business-Type Activities	<u>(8,317)</u>	<u>(7,697)</u>	<u>(8,090)</u>	<u>(8,610)</u>	<u>(9,123)</u>	<u>(8,437)</u>	<u>(7,295)</u>	<u>(8,409)</u>	<u>(8,503)</u>	<u>(7,798)</u>
Total Primary Government	<u>\$ 118,346</u>	<u>\$ 110,358</u>	<u>\$ 108,443</u>	<u>\$ 164,247</u>	<u>\$ 96,952</u>	<u>\$ 94,106</u>	<u>\$ 88,121</u>	<u>\$ 86,362</u>	<u>\$ 86,631</u>	<u>\$ 87,868</u>
<b>CHANGES IN NET POSITION</b>										
Governmental Activities	\$ 11,368	\$ (3,154)	\$ 8,247	\$ 7,564	\$ 8,782	\$ 19	\$ (6,699)	\$ 317	\$ (40,010)	\$ 1,146
Business-Type Activities	24,505	13,151	(1,674)	(8,557)	4,049	8,890	14,817	4,729	651	552
Total Primary Government	<u>\$ 35,873</u>	<u>\$ 9,997</u>	<u>\$ 6,573</u>	<u>\$ (993)</u>	<u>\$ 12,831</u>	<u>\$ 8,909</u>	<u>\$ 8,118</u>	<u>\$ 5,046</u>	<u>\$ (39,359)</u>	<u>\$ 1,698</u>

Notes:

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

**CITY OF NORWICH, CONNECTICUT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>GENERAL FUND</b>										
Assigned	\$ 67	\$ 136	\$ 231	\$ -	\$ -	\$ 116	\$ 69	\$ 261	\$ 664	\$ 227
Unassigned	22,290	20,072	20,737	17,392	17,016	14,277	13,653	15,303	17,017	14,652
Total General Fund	<u>\$ 22,357</u>	<u>\$ 20,208</u>	<u>\$ 20,968</u>	<u>\$ 17,392</u>	<u>\$ 17,016</u>	<u>\$ 14,393</u>	<u>\$ 13,722</u>	<u>\$ 15,564</u>	<u>\$ 17,681</u>	<u>\$ 14,879</u>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Nonspendable	\$ 33	\$ 33	\$ 33	\$ 1,920	\$ 2,118	\$ 1,828	\$ 1,836	\$ 1,733	\$ 1,723	\$ 1,584
Restricted	6,023	5,956	8,372	1,405	689	20,651	23,904	19,906	22,340	19,244
Committed	79,609	82,292	85,398	93,512	26,291	6,265	6,801	6,509	5,189	5,030
Assigned	12,323	10,269	9,313	-	-	-	-	-	-	-
Unassigned	(258)	(559)	(1,933)	(129)	(445)	(419)	(355)	(99)	(87)	(73)
Total All Other Governmental Funds	<u>\$ 97,730</u>	<u>\$ 97,991</u>	<u>\$ 101,183</u>	<u>\$ 96,708</u>	<u>\$ 28,653</u>	<u>\$ 28,325</u>	<u>\$ 32,186</u>	<u>\$ 28,049</u>	<u>\$ 29,165</u>	<u>\$ 25,785</u>

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

**CITY OF NORWICH, CONNECTICUT  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>REVENUES</b>										
Property Taxes, Interest, and Liens	\$ 102,341	\$ 93,102	\$ 91,083	\$ 90,812	\$ 90,445	\$ 86,873	\$ 82,309	\$ 79,475	\$ 79,880	\$ 81,951
Intergovernmental	99,370	104,641	109,080	87,412	77,627	67,529	65,791	71,004	70,232	67,903
Charges for Services, Licenses, Permits, Fees, and Other	9,929	9,449	12,150	75,085	7,568	7,191	7,033	7,054	8,601	10,191
Investment Income	4,565	3,763	2,289	359	687	902	1,049	608	392	146
Total Revenues	<u>216,205</u>	<u>210,955</u>	<u>214,602</u>	<u>253,668</u>	<u>176,327</u>	<u>162,495</u>	<u>156,182</u>	<u>158,141</u>	<u>159,105</u>	<u>160,191</u>
<b>EXPENDITURES</b>										
General Government	7,606	6,275	6,767	6,752	6,413	6,195	6,354	6,040	5,631	6,174
Public Safety	30,926	36,125	36,556	178,068	28,942	28,769	29,065	28,013	26,868	25,998
Social Services	4,308	4,761	4,661	4,672	4,821	4,659	4,275	4,933	3,716	4,289
Public Works	14,370	14,841	12,378	11,481	10,818	10,787	11,031	10,652	11,397	11,094
Education	138,785	138,628	134,568	122,780	117,230	109,391	105,064	107,541	105,574	99,284
Other	2,987	2,966	2,857	2,737	2,766	2,559	2,303	3,135	3,276	4,036
Capital Outlay	22,413	11,729	13,641	7,065	8,284	9,436	7,000	3,426	4,987	8,587
Debt Service:										
Principal	8,725	8,455	8,265	4,125	3,095	4,095	4,305	4,430	4,180	4,040
Interest	5,777	5,791	5,278	1,262	2,645	1,813	1,567	1,669	1,690	1,703
Total Expenditures	<u>235,897</u>	<u>229,571</u>	<u>224,971</u>	<u>338,942</u>	<u>185,014</u>	<u>177,704</u>	<u>170,964</u>	<u>169,839</u>	<u>167,319</u>	<u>165,205</u>
<b>EXCESS OF REVENUES UNDER EXPENDITURES</b>	(19,692)	(18,616)	(10,369)	(85,274)	(8,687)	(15,209)	(14,782)	(11,698)	(8,214)	(5,014)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	24,044	24,508	85,915	17,415	19,340	17,253	16,387	15,713	15,824	14,773
Transfers Out	(13,606)	(15,370)	(77,209)	(8,767)	(10,147)	(8,381)	(7,571)	(7,248)	(7,308)	(6,969)
Issuance of Leases	-	-	-	-	-	-	-	-	-	-
Bonds Issued	10,600	5,000	9,200	145,000	1,205	3,575	7,970	-	5,450	8,800
Bond Premium	542	262	571	-	44	77	291	-	1,093	247
Refunding Bonds Issued	-	264	-	-	15,920	-	-	-	5,750	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	(15,780)	-	-	-	(6,413)	-
Total Other Financing Sources (Uses)	<u>21,580</u>	<u>14,664</u>	<u>18,477</u>	<u>153,648</u>	<u>10,582</u>	<u>12,524</u>	<u>17,077</u>	<u>8,465</u>	<u>14,396</u>	<u>16,851</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,888	(3,952)	8,108	68,374	1,895	(2,685)	2,295	(3,233)	6,182	11,837
Fund Balances - Beginning of Year	118,199	122,151	114,043	45,669	43,774	45,908	43,613	46,846	40,664	28,827
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 120,087</u>	<u>\$ 118,199</u>	<u>\$ 122,151</u>	<u>\$ 114,043</u>	<u>\$ 45,669</u>	<u>\$ 43,223</u>	<u>\$ 45,908</u>	<u>\$ 43,613</u>	<u>\$ 46,846</u>	<u>\$ 40,664</u>
Debt Service as a Percentage of Noncapital Expenditures	6.79%	6.55%	1.62%	3.23%	3.60%	3.60%	3.77%	3.64%	3.61%	3.56%

Notes:

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

**CITY OF NORWICH, CONNECTICUT  
PROPERTY TAX ASSESSMENT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

Fiscal Year Ended June 30	Grand List Year October 1	Real Estate		Personal Property		Total Assessed Value	Less: Exemptions	Total Taxable Assessed Value	Total Adjusted Tax Levy (General Fund, CCD Fire Taxes and TCD Taxes)	Average Direct Rate (in Mills)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value	State Equalized Net Grand List
		Industrial/Commercial	Residential	Motor Vehicles	Other								
2025	2023	\$ 496,186	\$ 1,983,922	\$ 311,704	\$ 211,223	\$ 3,003,035	\$ 91,385	\$ 2,911,650	100,521	34.52	\$ 4,159,501	70.00%	\$ 4,090,108
2024	2022	443,062	1,268,089	327,377	218,724	2,257,251	85,607	2,171,643	91,759	42.25	3,102,348	70.00%	4,294,436
2023	2021	442,460	1,259,405	304,805	208,618	2,215,287	87,256	2,128,031	89,732	42.17	3,040,044	70.00%	3,835,308
2022	2020	445,932	1,236,899	255,503	216,284	2,154,618	74,138	2,080,480	91,007	43.74	2,972,114	70.00%	3,226,101
2021	2019	446,291	1,231,169	233,367	209,876	2,120,704	74,657	2,046,046	89,459	43.72	2,922,923	70.00%	3,101,046
2020	2018 <sup>1</sup>	444,160	1,222,558	229,102	207,495	2,103,315	76,226	2,027,088	86,610	42.73	2,895,840	70.00%	2,839,954
2019	2017	380,568	1,168,912	229,468	208,401	1,987,349	83,785	1,903,564	81,545	42.84	2,719,377	70.00%	2,801,852
2018	2016	354,974	1,156,298	227,777	159,304	1,898,352	37,976	1,860,376	78,849	42.38	2,657,679	70.00%	2,711,520
2017	2015	352,574	1,153,311	226,975	147,557	1,880,418	34,215	1,846,203	78,980	42.78	2,637,432	70.00%	2,707,001
2016	2014	351,104	1,149,342	223,067	141,106	1,864,620	38,569	1,826,051	79,320	43.44	2,608,644	70.00%	2,670,158

Source: City of Norwich Assessor's Office; *Municipal Fiscal Indicators*, Connecticut Office of Policy & Management

Notes:  
Revaluations were done for Grand Lists October 1, 2018 and October 1, 2023. The next revaluation will be on the October 1, 2028. Property is assessed at approximately 70% of its market value.

**CITY OF NORWICH, CONNECTICUT  
PRINCIPAL PROPERTY TAXPAYERS  
OCTOBER 1, 2023 AND OCTOBER 1, 2014  
(IN THOUSANDS)**

Business Name	Nature of Business	October 1, 2023			October 1, 2014		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Computer Science Corporation	Computer Products & Services	\$ 27,150	1	0.93%	\$ 26,940	1	1.48%
NorwichTown Commons	Shopping Center	20,394	2	0.70%	15,637	2	0.86%
Bob's Discount Furniture	Retail Store & Distribution Center	16,269	3	0.56%	15,129	3	0.83%
Hills LLC	Apartment Complex	13,782	4	0.47%			0.00%
Connecticut Light & Power	Energy	13,643	5	0.47%			0.00%
Elk Thamesview LLC	Apartment Complex	13,507	6	0.46%			0.00%
US Food Service	Food Service	11,919	7	0.41%			0.00%
Norwich Realty Associates, LLC	Real Estate	11,244	8	0.39%	9,668	5	0.53%
Plaza Enterprises	Shopping Center	11,157	9	0.38%	9,259	6	0.51%
Nordson EFD LLC	Manufacturing	10,830	10	0.37%			0.00%
EMC Corporation	Computer leasing			0.00%	11,627	4	0.64%
Wal-Mart Stores, Inc.	Department store			0.00%	8,445	7	0.46%
Norwich Community Development Corp	Office Building			0.00%	7,943	8	0.43%
Algonquin Gas Transmissions LLC	Natural Gas Pipeline			0.00%	7,575	9	0.41%
Mashantucket Pequot Tribe	Real Estate			0.00%	7,299	10	0.40%
<b>Total</b>		<b>\$ 149,895</b>		<b>5.15%</b>	<b>\$ 119,522</b>		<b>6.55%</b>

Source: City of Norwich Assessor's Office

Note: The October 1, 2023 grand list was the base grand list utilized for the tax bills issued July 1, 2024 for the 2025 fiscal year.

**CITY OF NORWICH, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

Fiscal Year Ended June 30	Net Taxable Grand List	Mill Rate	Adjusted Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		in Subsequent Years	Total Collections to Date		Total Direct Rates		
				Amount	Percentage		Amount	Percentage	City Consolidated District	Town Consolidated District	
<u>General Fund</u>											
2025	\$ 2,911,650	32.99	\$ 95,298	\$ 92,908	97.49%	\$ -	\$ 92,908	97.49%	38.20	33.25	
2024	2,171,643	41.85	87,073	84,639	97.20%	1,421	86,060	98.84%	48.64	42.22	
2023	2,128,031	41.83	85,361	82,943	97.17%	1,921	84,864	99.42%	48.48	42.18	
2022	2,080,480	41.98	86,329	83,698	96.95%	2,607	86,306	99.97%	48.64	42.35	
2021	2,046,046	42.06	85,139	82,919	97.39%	2,198	85,117	99.97%	48.47	42.38	
2020	2,027,088	40.28	81,312	79,043	97.21%	2,248	81,291	99.97%	47.99	40.64	
2019	1,903,564	41.01	76,713	74,447	97.05%	2,250	76,697	99.98%	48.39	41.46	
2018	1,860,376	40.52	74,351	72,124	97.01%	2,212	74,336	99.98%	48.74	40.67	
2017	1,846,203	41.22	74,366	72,150	97.02%	2,203	74,353	99.98%	49.06	41.69	
2016	1,826,051	40.90	74,375	72,017	96.83%	2,349	74,366	99.99%	48.06	41.39	
<u>City Consolidation District (CCD) Fire Tax</u>											
2025	\$ 1,019,223	5.21	\$ 4,731	\$ 4,666	98.63%	\$ -	\$ 4,666	98.63%			
2024	727,156	6.79	4,153	4,074	98.09%	61	4,135	99.57%			
2023	705,173	6.65	3,938	3,848	97.71%	86	3,934	99.88%			
2022	678,498	6.66	4,163	4,007	96.23%	155	4,161	99.95%			
2021	660,965	6.41	3,885	3,766	96.95%	117	3,883	99.95%			
2020	656,653	7.71	4,804	4,623	96.24%	178	4,801	99.95%			
2019	624,670	7.38	4,263	4,107	96.33%	155	4,262	99.96%			
2018	612,003	8.22	4,331	4,200	96.96%	130	4,330	99.96%			
2017	616,753	7.84	4,099	3,986	97.23%	112	4,098	99.96%			
2016	613,919	7.16	4,347	4,144	95.34%	202	4,346	99.98%			
<u>Town Consolidation District (TCD) Volunteer Fire Relief Tax</u>											
2025	\$ 1,892,428	0.26	\$ 492	\$ 482	98.08%	\$ -	\$ 482	98.08%			
2024	1,444,487	0.37	532	521	97.78%	7	527	99.02%			
2023	1,422,858	0.35	432	426	98.68%	4	430	99.60%			
2022	1,401,982	0.37	515	504	97.97%	10	514	99.98%			
2021	1,385,081	0.32	435	428	98.39%	7	435	99.98%			
2020	1,370,435	0.36	494	486	98.37%	8	494	99.98%			
2019	1,278,893	0.45	568	558	98.12%	11	568	99.98%			
2018	1,248,373	0.15	166	165	98.96%	2	166	99.99%			
2017	1,229,450	0.47	515	508	98.67%	7	515	99.99%			
2016	1,212,132	0.49	598	586	98.09%	11	598	99.99%			

Notes:  
Mill rate for Motor Vehicle taxes was capped at 37 for both the CCD and the TCD in FY2016-17. The mill rate for Motor Vehicles was capped at 39 for both the CCD and the TCD in FY2017-18. The mill rate for Motor Vehicles was capped at 45 mills in the CCD in fiscal years 2018-19 through FY2021-22. The mill rate was capped at 32.46 mills for both the CCD and the TCD in FY2022-23 through FY2025-26.

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

Fiscal Year	Governmental Activities			Business-Type Activities					Total Debt			General Obligation Bonds		
	General Obligation Bonds	Special Assessment Bonds	Lease Payable	General Obligation Bonds	Intergovernmental Loans	Lease Payable	SBITA Payable	Notes Payable	Total Primary Government	Debt to Total Personal Income <sup>1</sup>	Debt per Capita <sup>2</sup>	Total GO Debt	GO Debt to Estimated Actual Value of Taxable Property	GO Debt per Capita <sup>2</sup>
2025	\$ 189,374	\$ -	\$ 245	\$ -	\$ 51,578	\$ 374	\$ 47	\$ -	\$ 241,618	10.12%	\$ 6,042	\$ 189,374	4.55%	\$ 4,735
2024	187,150	-	260	-	23,910	406	127	67	211,919	14.73%	5,314	187,150	6.03%	4,693
2023	190,570	-	-	-	25,761	508	157	347	217,343	16.24%	5,432	190,570	6.27%	4,763
2022	189,263	-	63	-	25,057	643	-	759	215,784	17.14%	5,393	189,263	6.37%	4,730
2021	46,395	-	125	-	26,139	801	-	1,154	74,613	6.37%	1,925	46,395	1.59%	1,197
2020	48,119	-	185	26	14,614	-	-	1,220	64,163	5.82%	1,655	48,145	1.66%	1,242
2019	48,629	-	350	66	15,893	-	-	1,737	66,675	5.94%	1,689	48,695	1.79%	1,234
2018	44,953	-	514	107	14,292	-	-	1,856	61,722	5.62%	1,564	45,060	1.70%	1,142
2017	52,014	-	675	143	15,372	-	-	196	68,400	6.45%	1,729	52,157	1.98%	1,319
2016	50,233	-	830	183	15,055	-	-	551	66,852	6.18%	1,676	50,416	1.93%	1,264

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

<sup>1</sup> See Property Tax Assessment schedule

<sup>2</sup> See Demographic Statistics schedule

Business-Type GO bonds includes Stony Brook and Golf Course debt

**CITY OF NORWICH, CONNECTICUT  
STATEMENT OF DEBT LIMITATION  
JUNE 30, 2025  
(IN THOUSANDS)**

Total Tax Collections, Including Interest and Lien Fees	\$ 88,227							
Total Tax Collections, Norwich Fire District	<u>4,791</u>							
Base	<u><u>\$ 93,018</u></u>							
	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"></td> <td style="width: 15%; text-align: center;"><u>General Purpose</u></td> <td style="width: 15%; text-align: center;"><u>Schools</u></td> <td style="width: 15%; text-align: center;"><u>Sewers</u></td> <td style="width: 15%; text-align: center;"><u>Urban Renewal</u></td> <td style="width: 15%; text-align: center;"><u>Pension Deficit</u></td> <td style="width: 15%; text-align: center;"><u>Total</u></td> </tr> </table>		<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>	<u>Total</u>
	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>	<u>Total</u>		
Debt Limitation:								
2-1/4 Times Base	\$ 209,291	\$ -	\$ -	\$ -	\$ -	\$ -		
4-1/2 Times Base	-	418,581	-	-	-	-		
3-3/4 Times Base	-	-	348,818	-	-	-		
3-1/4 Times Base	-	-	-	302,309	-	-		
3 Times Base	-	-	-	-	279,054	-		
7 Times Base	-	-	-	-	-	651,126		
Total Debt Limitation	<u>209,291</u>	<u>418,581</u>	<u>348,818</u>	<u>302,309</u>	<u>279,054</u>	<u>651,126</u>		
Indebtedness:								
Bonds Payable	20,394	21,856	1,351	1,030	132,095	176,726		
Bonds Authorized and Unissued	<u>7,820</u>	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,820</u>		
Total Indebtedness	<u><u>28,214</u></u>	<u><u>146,856</u></u>	<u><u>1,351</u></u>	<u><u>1,030</u></u>	<u><u>132,095</u></u>	<u><u>309,546</u></u>		
Debt Limitation in Excess of Outstanding and Authorized Debt	<u><u>\$ 181,077</u></u>	<u><u>\$ 271,725</u></u>	<u><u>\$ 347,467</u></u>	<u><u>\$ 301,279</u></u>	<u><u>\$ 146,959</u></u>	<u><u>\$ 341,580</u></u>		

Note 1: In no event shall total debt exceed seven times annual receipts from taxation. The maximum amount permitted would be \$651.1 million.

Note 2: Bonds authorized and unissued represent bond authorizations for which bonds have been issued to partially finance the project or interim financing has been issued.

Note 3: Bonds and serial notes payable do not include State of Connecticut Serial Notes of \$63,669 as they are self-supporting debt.

Note 4: Gas line extension bonds in the amount of \$9,899 are excluded from the analysis above as well as Lease Payables in the amount of \$619 and Subscription-Based Information Technology Payables in the amount of \$47 as they are self-supporting debt.

**CITY OF NORWICH, CONNECTICUT**  
**LEGAL DEBT MARGIN INFORMATION AND CONTINUING DISCLOSURE AGREEMENT RATIOS**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Calculation of Legal Debt Limit										
Tax Collections										
General Fund tax collections	\$ 88,227	\$ 85,526	\$ 85,903	\$ 85,977	\$ 81,590	\$ 77,469	\$ 74,954	\$ 75,168	\$ 76,946	\$ 69,575
Fire District collections	4,791	4,493	4,468	4,468	5,283	4,840	4,521	4,712	5,005	5,087
Reimbursement for loss on tax exempt properties									2	2
Taxable Base	93,018	90,019	90,371	90,445	86,873	82,309	79,475	79,880	81,953	74,664
Times limit of 7	7	7	7	7	7	7	7	7	7	7
Overall Legal Debt Limit	<u>651,126</u>	<u>630,133</u>	<u>632,597</u>	<u>633,115</u>	<u>608,111</u>	<u>576,163</u>	<u>556,326</u>	<u>559,160</u>	<u>573,671</u>	<u>522,650</u>
Indebtedness:										
Long-term debt										
General Purpose Bonds Payable	20,395	21,737	21,615	21,198	23,106	23,806	22,858	16,861	18,289	17,347
School Bonds	21,856	12,808	10,616	4,078	4,557	5,076	6,135	7,300	8,528	9,832
Sewers	1,351	1,541	1,735	1,933	2,255	2,417	2,717	3,107	3,551	4,036
Urban renewal	1,030	1,280	1,530	1,785	2,045	1,805	1,855	1,505	1,700	1,885
Pension deficit	132,095	136,370	140,570	145,000						
Water	202	248	294	6,763	7,274	7,784	15,929	6,356	6,869	5,951
Leases				63	125	185	350	514	675	830
Gas line extensions	9,898	11,014	12,139	13,277	14,432	15,041	14,998	16,019	17,041	14,907
Bonds authorized and unissued	132,820	143,579	152,841	7,612	6,872	8,122	4,912	11,872	3,935	4,709
Total indebtedness (1)	<u>319,647</u>	<u>328,577</u>	<u>341,341</u>	<u>201,709</u>	<u>60,666</u>	<u>64,236</u>	<u>69,753</u>	<u>63,534</u>	<u>60,588</u>	<u>59,497</u>
Less:										
Water bonds and serial notes payable	(202)	(248)	(294)	(6,763)	(7,274)	(7,784)	(15,929)	(6,356)	(6,869)	(5,951)
Utilities portion of POB	(48,312)	(49,875)	(51,411)	(53,032)						
Gas line extensions	(9,898)	(11,014)	(12,139)	(13,277)	(14,432)	(15,041)	(14,998)	(16,019)	(17,041)	(14,907)
Net indebtedness applicable to legal debt limit (1)	<u>261,235</u>	<u>267,440</u>	<u>277,496</u>	<u>128,636</u>	<u>38,960</u>	<u>41,410</u>	<u>38,827</u>	<u>41,159</u>	<u>36,679</u>	<u>38,639</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ <u>389,891</u>	\$ <u>362,693</u>	\$ <u>355,101</u>	\$ <u>504,479</u>	\$ <u>569,151</u>	\$ <u>534,753</u>	\$ <u>517,500</u>	\$ <u>518,001</u>	\$ <u>536,992</u>	\$ <u>484,012</u>
Total net debt applicable to the limit as a percentage of debt limit	40.12%	42.44%	43.87%	20.32%	6.41%	7.19%	6.98%	7.36%	6.39%	7.39%
Net indebtedness as a percentage of net taxable assessed value (1)	8.972%	12.315%	13.040%	6.183%	1.904%	2.043%	2.040%	2.212%	1.987%	2.116%
Net indebtedness per capita	6,532	6,706	6,936	3,215	1,005	1,068	984	1,043	927	968

(Continued on next page)

**CITY OF NORWICH, CONNECTICUT**  
**LEGAL DEBT MARGIN INFORMATION AND CONTINUING DISCLOSURE AGREEMENT RATIOS**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Calculation of Continuing Disclosure Agreement Ratios										
Encumbrances for purchase and commitments ordered in the previous year that were received and liquidated in the current year are reported for financial statement reporting purposes.										
Total indebtedness per legal debt limit	\$ 319,647	\$ 328,577	\$ 341,341	\$ 201,709	\$ 60,666	\$ 64,236	\$ 69,753	\$ 63,534	\$ 60,588	\$ 59,497
Less: Authorized but unissued debt	<u>(132,820)</u>	<u>(143,579)</u>	<u>(152,841)</u>	<u>(7,612)</u>	<u>(6,872)</u>	<u>(8,122)</u>	<u>(4,912)</u>	<u>(11,872)</u>	<u>(3,935)</u>	<u>(4,709)</u>
Total Direct Debt	<u>186,827</u>	<u>184,998</u>	<u>188,499</u>	<u>194,096</u>	<u>53,793</u>	<u>56,114</u>	<u>64,841</u>	<u>51,662</u>	<u>56,653</u>	<u>54,788</u>
Less: Water bonds and sewer indirect self-funding debt	<u>(1,553)</u>	<u>(1,789)</u>	<u>(2,029)</u>	<u>(8,696)</u>	<u>(9,528)</u>	<u>(10,201)</u>	<u>(18,646)</u>	<u>(9,463)</u>	<u>(10,420)</u>	<u>(9,987)</u>
Total Net Direct Debt	<u>185,274</u>	<u>183,209</u>	<u>186,470</u>	<u>185,400</u>	<u>44,265</u>	<u>45,913</u>	<u>46,196</u>	<u>42,199</u>	<u>46,233</u>	<u>44,800</u>
Equalized Net Grand List ("ENGL") (3)	4,090,108	4,294,436	3,835,308	3,226,101	3,101,046	2,839,954	2,801,852	2,711,520	2,707,001	2,670,158
Valuation Date	10/1/2023	10/1/2022	10/1/2021	10/1/2020	10/1/2019	10/1/2018	10/1/2017	10/1/2016	10/1/2015	10/1/2013
Ratio of Direct Debt to ENGL	4.568%	4.308%	4.915%	6.016%	1.735%	1.976%	2.314%	1.905%	2.093%	2.052%
Total Direct Debt Per Capita	\$4,671.50	\$4,638.76	\$4,711.42	\$4,850.71	\$1,387.57	\$1,447.43	\$1,642.80	\$1,308.89	\$1,432.22	\$1,373.16
Ratio of Net Direct Debt to ENGL	4.530%	4.266%	4.862%	5.747%	1.427%	1.617%	1.649%	1.556%	1.708%	1.678%
Total Net Direct Debt Per Capita	\$4,632.66	\$4,593.89	\$4,660.71	4,633.39	\$1,141.79	\$1,184.31	\$1,170.40	\$1,069.14	\$1,168.80	\$1,122.84
Ratio of Net General Bonded Debt to ENGL	1.033%	0.804%	0.840%	0.783%	0.892%	1.017%	1.035%	0.891%	0.991%	1.018%
Total Net General Bonded Debt Per Capita	\$1,056.45	\$866.20	\$805.61	\$631.66	\$713.56	\$745.01	\$734.55	\$612.13	\$677.97	\$681.18

- Notes:
- 1 Total and net indebtedness calculated in accordance with Connecticut General Statutes
  - 2 The city has no overlapping debt
  - 3 The Equalized Net Grand List is calculated annually by the State of Connecticut Office of Policy & Management and is an approximation of the actual value of taxable property.

**CITY OF NORWICH, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Total Personal Income (thousands) (2)	School Enrollment (3)	Employed (4)	Unemployed (4)	Percentage Unemployed			
							City of Norwich (4)	New London/ Norwich Market (4)	State of Connecticut (4)	United States (5)
2025	39,993	59,700	2,387,582	4,650	19,674	745	3.6%	3.2%	3.4%	4.4%
2024	39,881	36,075	1,438,707	4,897	19,091	766	3.9%	3.2%	3.5%	4.5%
2023	40,009	33,441	1,337,941	4,747	19,148	805	4.0%	3.2%	3.5%	3.9%
2022	40,014	31,459	1,258,800	4,657	18,618	1,047	5.3%	4.5%	3.8%	4.3%
2021	38,768	30,201	1,170,832	4,798	17,332	1,630	8.6%	6.7%	6.1%	5.3%
2020	38,768	28,429	1,102,135	4,977	18,065	1,924	9.6%	6.9%	5.8%	6.6%
2019	39,470	28,429	1,122,093	5,009	19,964	802	3.9%	3.5%	3.6%	4.0%
2018	39,470	27,825	1,098,253	4,996	20,083	1,032	4.9%	4.2%	4.5%	4.1%
2017	39,556	26,823	1,061,011	5,054	20,217	1,163	5.4%	4.8%	5.0%	4.6%
2016	39,899	27,111	1,081,702	5,123	19,387	1,374	6.9%	5.5%	5.6%	5.0%

- (1) State of Connecticut Department of Public Health, US Census Bureau
- (2) U.S. Census Bureau, 2010 Census and American Community Survey (CP03 and DP03)
- (3) School enrollment includes Norwich students attending the quasi-private high school, Norwich Free Academy
- (4) Labor Department, State of Connecticut
- (5) U.S. Department of Labor Bureau of Labor Statistics

**CITY OF NORWICH, CONNECTICUT  
PRINCIPAL EMPLOYERS  
2025 AND 2015  
(UNAUDITED)  
(IN THOUSANDS)**

Business Name	Nature of Business	2025			2016		
		Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
William W. Backus Hospital	Medical Center	1,895	1	9.63%	1,439	1	7.42%
City of Norwich (incl. NPU & BOE)	Municipality	1,174	2	5.97%	1,073	2	5.53%
State of Connecticut	All State agencies	944	3	4.80%	911	3	4.70%
U.S. Food Service	Food Distribution	300	4	1.52%	375	5	1.93%
United Community & Family Services	Healthcare & community services	276	5	1.40%	252	7	1.30%
Nordson EFD	Plastics Products Manufacturing	270	6	1.37%			0.00%
Bob's Discount Furniture	Distribution Center	250	7	1.27%	530	4	2.73%
Norwich Free Academy	Quasi-private high school	245	8	1.25%	295	6	1.52%
The American Group	Ambulance Service and other operations	219	9	1.11%	181	10	0.93%
Shop Rite	Grocery	180	10	0.91%	225	9	1.16%
Wal-Mart	Grocery & retailer			0.00%	226	8	1.17%
<b>Total</b>		<u>5,753</u>		<u>29.24%</u>	<u>5,507</u>		<u>28.41%</u>

Source: July 2023 survey by Norwich Community Development Corporation. Not all companies responded with updated information.

**CITY OF NORWICH, CONNECTICUT  
BUDGETED FULL-TIME EQUIVALENT EMPLOYEES  
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General City										
City Council	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
City Manager	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance	13.0	13.0	13.0	12.5	12.5	12.5	11.5	11.5	12.0	12.0
Assessment	4.0	4.0	4.0	4.0	4.0	4.0	3.6	3.0	3.0	4.0
Treasurer	3.0	3.0	3.0	3.0	3.0	3.0	2.8	3.0	3.0	3.0
Human Resources	4.0	4.0	4.0	4.0	4.0	4.0	3.6	4.0	4.0	4.6
City Clerk	0.0	0.0	0.0	4.5	4.5	4.5	4.5	4.5	4.0	5.0
Planning & Neighborhood Services	5.0	4.0	4.0	9.0	9.0	9.0	9.0	9.0	9.5	11.0
Election	10.0	10.0	9.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police	2.0	2.0	2.0	100.0	103.0	104.5	104.5	104.8	106.8	110.5
Fire	102.0	101.0	100.0	58.7	58.8	58.8	58.8	58.7	59.0	61.0
Emergency Management	59.7	59.7	58.7	0.3	0.3	0.3	0.3	0.3	1.0	1.0
PW Street Maintenance	0.3	0.3	0.3	31.0	32.0	32.0	32.0	34.0	35.0	37.0
PW Engineering & Administration	35.0	35.0	35.0	6.0	6.0	6.0	6.0	6.0	6.0	5.0
PW Fleet Maintenance	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
PW Solid Waste	8.0	8.0	7.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
PW Building Maintenance	0.0	0.0	0.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
PW Parking Maintenance	9.0	9.0	9.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Senior Citizens Center	1.0	1.0	1.0	7.0	7.0	7.0	7.0	7.0	7.0	7.6
Youth Service Bureau	8.0	7.5	7.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Human Services	4.0	4.0	2.0	3.4	3.4	3.4	3.4	3.0	3.0	5.0
Recreation	5.0	4.5	3.0	5.0	5.0	5.0	5.0	5.6	5.0	5.0
Subtotal - General City	<u>284.0</u>	<u>281.0</u>	<u>273.0</u>	<u>273.4</u>	<u>277.5</u>	<u>279.0</u>	<u>277.0</u>	<u>279.4</u>	<u>286.3</u>	<u>299.7</u>
Board of Education										
General Fund-funded positions	463.5	492.6	461.0	451.4	379.5	379.5	447.7	410.5	375.9	409.7
State & federal grant-funded positions	0.5	0.0	34.1	36.1	36.1	38.7	28.0	31.0	42.3	42.3
School Lunch (state & federal grant)	3.0	3.0	29.3	21.3	21.3	21.3	21.3	21.0	22.3	22.3
Adult Education (state & federal grant)	250.1	295.7	246.1	279.3	291.5	307.9	266.1	226.4	220.9	214.6
Subtotal - Board of Education	<u>717.1</u>	<u>791.3</u>	<u>770.5</u>	<u>788.2</u>	<u>728.4</u>	<u>747.4</u>	<u>763.1</u>	<u>688.9</u>	<u>661.3</u>	<u>688.8</u>
Norwich Public Utilities	<u>157.0</u>	<u>152.0</u>	<u>151.0</u>	<u>150.0</u>	<u>146.0</u>	<u>147.5</u>	<u>148.5</u>	<u>149.5</u>	<u>149.5</u>	<u>146.5</u>
Grand totals	<u>1158.1</u>	<u>1224.3</u>	<u>1194.5</u>	<u>1211.6</u>	<u>1151.9</u>	<u>1173.9</u>	<u>1188.6</u>	<u>1117.8</u>	<u>1097.1</u>	<u>1135.0</u>

Notes on this Table:  
Source: City Adopted Budget documents

**CITY OF NORWICH, CONNECTICUT  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Function</b>										
<i>General Government</i>										
Finance										
Number of tax and refuse bills mailed +	51,136	50,608	49,806	50,736	50,070	50,371	50,511	49,698	50,157	49,697
Number of internal control reviews performed	-	2	3	2	2	2	3	14	2	2
Assessor										
Number of deeds processed	1,773	1,720	1,872	1,954	1,976	1,758	1,526	1,497	1,426	1,489
Personal property declarations	1,867	1,739	1,870	1,879	1,912	2,027	1,784	1,780	1,763	1,833
Board of assessment appeals adjustments	13	26	3	11	6	7	27	434	96	43
Human Resources										
Number of applications processed	1,206	1,842	3,427	2,285	3,081	2,271	2,412	3,510	2,327	1,597
Vacancies filled through promotion	30	28	46	37	26	31	27	25	26	19
Vacancies filled through new hires	25	43	59	48	40	32	29	19	21	21
Employee turnover rate (includes retirees)	13.2%	10.8%	13.7%	10.2%	9.0%	9.2%	7.0%	7.9%	6.3%	5.0%
City Clerk										
Land records recorded	6,419	5,943	5,484	8,164	7,434	6,871	5,985	6,517	6,597	5,822
Marriage licenses issued	295	258	238	319	297	217	230	432	302	300
Death certificates recorded	679	668	630	954	1,020	558	555	563	479	476
Birth certificates recorded	937	885	884	853	827	876	854	949	936	941
Election										
Voters added	3,112	1,798	2,121	1,935	3,882	1,752	2,316	1,717	3,490	1,908
Voters removed	3,217	1,912	5,371	2,295	3,082	1,632	3,324	4,830	2,507	1,827
Voter changes	4,408	3,036	3,223	2,495	6,379	2,829	3,754	3,591	5,100	2,541
Total voters	23,157	20,746	18,921	20,160	25,104	20,525	20,999	20,085	25,013	24,167
Planning & Neighborhood Services										
Site development plans	4	7	10	14	12	13	13	13	3	5
Zoning permit applications	292	335	194	241	333	289	260	259	251	263
Zoning complaints	87	60	68	65	40	28	54	70	47	47
Code violations	522	663	331	683	943	793	986	826	1,178	572
Citations issued	24	167	12	6	144	181	214	22	77	145
Education										
Average Class Size - Kindergarten	14.9	14.6	16.9	18.8	16.7	16.9	19.8	20.4	21.3	20.3
Average Class Size - Grade 2	20.8	21.3	20.1	20.4	20.0	17.1	20.1	19.9	21.9	19.5
Average Class Size - Grade 5	21.0	21.4	22.3	18.5	18.4	16.6	21.5	22.4	23.0	20.1
Average Class Size - Grade 7	22.7	22.9	16.2	19.7	21.7	23.5	22.0	22.9	22.9	21.5
Public Safety										
Police										
911 calls *	8,519	20,967	22,079	21,145	21,956	21,103	20,920	22,648	22,290	22,189
Calls initiated by officers*	33,566	8,428	N/R							
Non-emergency calls *	34,510	34,324	23,472	50,737	31,060	35,016	36,156	39,045	35,141	35,020
DWI arrests *	56	133	101	142	86	144	197	212	171	196
Fire										
Central Fire Department										
Service Calls	2,445	2,789	2,668	2,609	2,322	2,265	2,409	2,874	2,430	2,381
East Great Plain VFD										
Service Calls	1,124	1,022	983	985	883	844	975	961	784	823
Laurel Hill VFD										
Service Calls	117	102	117	96	N/A	111	118	118	105	118
Occum VFD										
Service Calls	249	231	260	262	189	166	188	240	207	161
Taftville VFD										
Service Calls	906	850	865	747	N/A	751	783	N/A	670	646
Enc Yantic VFD										
Service Calls	767	744	624	674	584	682	688	617	570	683
Emergency Management										
Hours of emergency training	52	76	50	32	1,850	1,850	1,900	1,100	357	1,530
Shelters maintained	14	13	13	13	13	17	17	17	16	16

**TABLE 14  
(CONTINUED)**

**CITY OF NORWICH, CONNECTICUT  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Function</b>										
<i>Social Services</i>										
Recreation										
Number of youth registrations	4,109	4,111	2,395	2,205	1,672	3,325	3,099	3,476	2,613	2,177
Number of youth program hours	2,310	270	1,722	685	2,003	4,862	9,892	2,295	2,283	1,725
Adults & Seniors registrations	817	621	164	309	341	839	884	607	158	160
Adults & Seniors program hours	425	1,760	N/R	N/R	325	973	2,473	165	87	278
Human Services										
General Human Services										
Job placements	20	18	34	20	22	30	218	111	134	225
Individuals relocated due to condemnation	19	26	6	55	13	55	150	18	55	80
Rent & housing assistance cases	2,237	4,313	1,961	1,933	91	133	72	195	215	202
Senior Center					145122					
Preventative health programs & services	15,574	12,895	8,394	6,945	1,383	5,891	9,060	9,013	10,039	9,975
Outreach services	3,161	3,146	4,941	3,675	3,233	2,720	3,182	2,979	2,639	1,050
Youth & Family Services										
Counseling cases	26	58	26	45	16	28	71	79	60	55
Youth employment	24	234	167	151	146	176	106	42	129	170
Juvenile justice/ diversion	-	27	87	51	36	48	92	89	63	81
<i>Public Works</i>										
Engineering & Administration										
Road miles paved	4.59	2.45	6.92	4.20	5.30	4.20	4.00	6.00	3.44	9.10
Road miles chip sealed or crack sealed	4.22	4.29	4.25	6.40	5.50	7.00	0.00	3.50	4.63	5.00
<i>Utilities</i>										
Gas service calls	2,575	2,781	2,686	2,599	2,125	2,270	2,444	2,666	3,042	2,933
Electric service calls	328	216	368	681	722	816	1,399	1,934	1,347	1,526
Water service calls	918	1,245	975	1,497	831	1,366	1,995	2,277	2,437	2,797
Sewer service calls	88	88	202	134	127	137	58	152	195	345

Source: The respective City departments.

N/A - not available

N/R - Not reported before

\* - Statistics are reported on a calendar year basis. For example, in the fiscal year 2024 column, these are the statistics for calendar year 2023.

\*+ - The City stopped sending separate refuse bills in 2009.

**CITY OF NORWICH, CONNECTICUT  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Function</b>										
<i>Education</i>										
School buildings	13	13	13	13	13	13	13	13	13	13
Administrative buildings	1	1	1	1	1	1	1	1	1	1
<i>Public Safety</i>										
<i>Police</i>										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	48	48	48	48	48	50	50	50	50	50
<i>Fire</i>										
Firefighting/rescue vehicles	24	24	24	24	24	27	27	27	27	27
Other vehicles	29	29	29	29	29	31	31	31	31	31
Fire stations	7	7	7	7	7	7	7	7	7	7
<i>Social Services</i>										
<i>Recreation</i>										
Number of basketball courts	16	16	16	16	16	16	16	16	16	16
Number of football fields	1	1	1	1	1	1	1	1	1	1
Number of multi-use fields	15	15	15	15	15	15	15	15	15	15
Number of playgrounds	14	14	14	14	14	14	14	14	14	14
Number of soccer fields	4	4	4	4	4	4	4	4	4	4
Number of softball fields	5	5	5	5	5	5	5	5	5	5
Number of tennis courts	4	4	4	4	4	8	10	10	10	10
Mowers	4	4	4	4	4	5	5	5	5	5
Other vehicles	11	11	11	11	11	5	5	5	5	5
<i>Public Works</i>										
<i>Streets &amp; Parks Maintenance</i>										
Dump trucks	31	33	33	33	33	34	34	36	36	36
Sweepers	2	2	2	2	2	2	2	3	3	3
Parks	18	18	18	14	14	14	14	10	10	10
Cemeteries	8	8	8	8	8	8	8	8	8	8
Mowers	17	11	11	11	11	18	18	16	16	16
<i>Building Maintenance</i>										
Parking lots	19	14	14	14	14	14	14	14	14	14
Parking garages	4	4	4	4	4	4	4	4	4	4
<i>Utilities</i>										
<i>Gas</i>										
Gas distribution main (miles)	158	155	156	155	156	156	158	156	156	156
<i>Electric</i>										
Distribution lines	232	230	231	232	232	232	233	232	232	234
Street lights	4,147	4,140	4,144	4,142	4,150	4,146	4,150	4,181	4,172	4,180
<i>Water</i>										
Water distribution system (miles)	201	201	201	201	201	199	196	196	196	195
<i>Sewer</i>										
Sewer distribution system (miles)	138	139	138	138	138	138	137	136	136	130
<i>Fiber Optic</i>										
Fiber optic cable (miles)	82	82	82	82	82	82	82	80	77	75

Source: The respective City departments.

N/A - not available

N/R - these statistics are not reported any longer