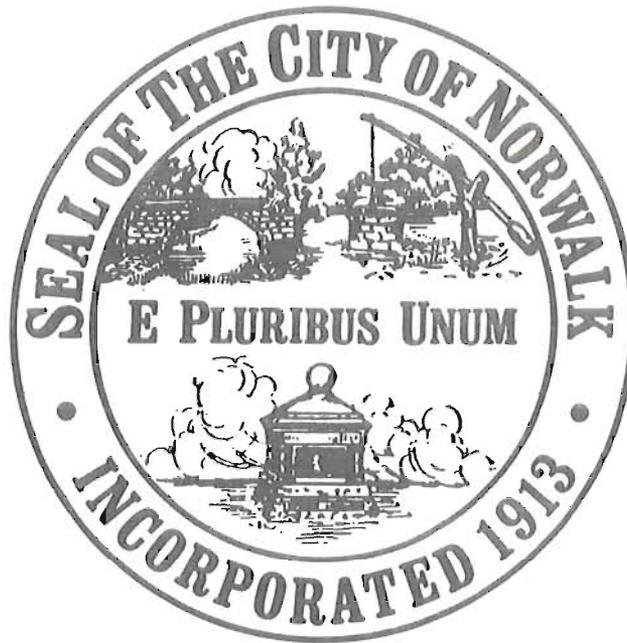


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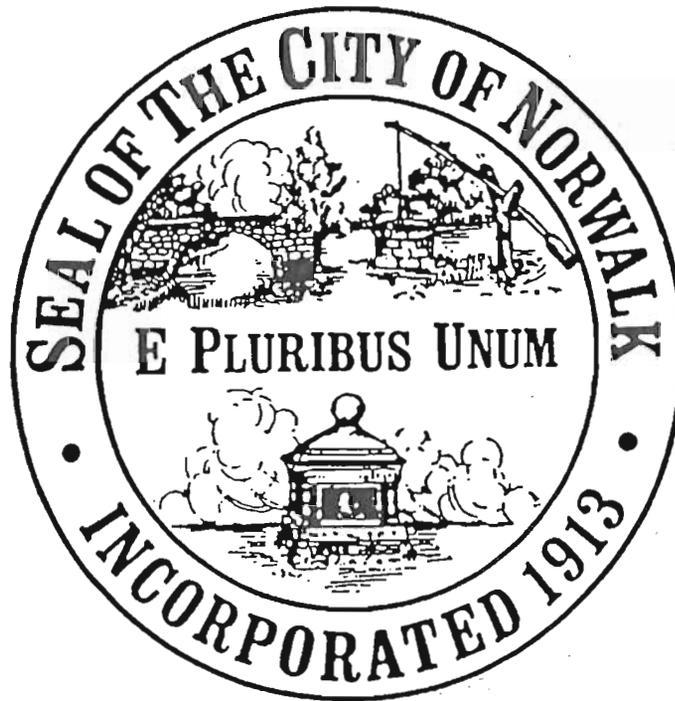
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FISCAL YEAR ENDED JUNE 30, 2001

DEPARTMENT OF FINANCE
125 EAST AVENUE
NORWALK, CONNECTICUT 06856

CITY OF NORWALK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2001



PREPARED BY THE FINANCE DEPARTMENT

FINANCE DIRECTOR:	JACK E. MILLER
COMPTROLLER:	FREDERIC J. GILDEN
BUDGET DIRECTOR:	RICHARD S. DARLING

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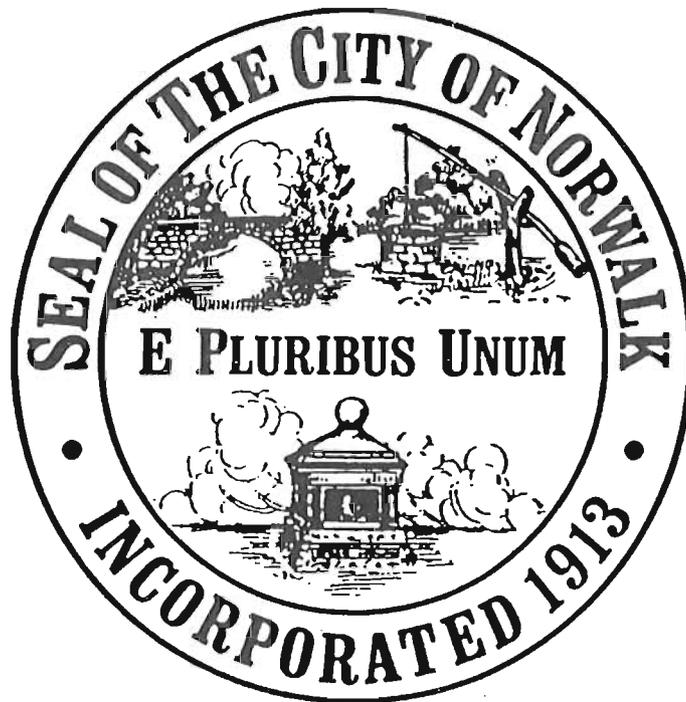
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The seal of the City of Norwalk was adopted in 1913 to represent the political entities that merged to form the new consolidation. The bridge symbolizes the end of the navigation at Wall St. in the old City of Norwalk, now known as the First Taxing District. The well stands for the former City of South Norwalk, which was called Old Well, a place where ships could replenish their water, and is now the Second Taxing District. The monument, which is dedicated to Roger Ludlow, is the emblem for East Norwalk, site of the original settlement and is now known as the Third Taxing District.

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**DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR**

December 21, 2001

Alex A. Knopp, Mayor
Members of the Common Council
Members of the Board of Estimate and Taxation

Citizens of the City of Norwalk:

I am pleased to transmit the Comprehensive Annual Financial Report (CAFR) of the City of Norwalk for the fiscal year ended June 30, 2001. The accuracy of the data presented in this report and the completeness and fairness of the presentation including all disclosures is the responsibility of the City. This report was prepared by the City's Finance Department and in our opinion the data, as presented, is accurate in all material respects, and is presented in a manner designed to fairly set forth the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain a thorough understanding of the City's financial activities have been included.

This report has been prepared in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board. The report follows guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada. By following GFOA's comprehensive guidelines for organization, completeness and adherence to terminology and formatting conventions, readers are provided a wide variety of information to use in evaluating the City's operations and financial condition. The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to those governments whose annual financial reports are judged to conform substantially with the highest standards in governmental accounting and financial reporting. A further explanation of the GFOA Certificate of Achievement for Excellence in Financial Reporting is provided near the end of this letter.

In accordance with the recommended format and guidelines, this report is presented in three sections:

The Introductory Section includes this letter of transmittal, a list of principal City Officials, and the City's organizational chart;

The Financial Section contains the Independent Auditors' Report, the General Purpose Financial Statements which provide an overview of the City's financial position and operating results, and the Notes to the Financial Statements. Also included are combining and individual fund and account group statements and schedules, which provide additional detailed information relative to the General Purpose Financial Statements; and

The Statistical Section contains comprehensive statistical data which relates to the financial condition of the City of Norwalk; it includes various financial, economic, social, and demographic data about the City for the past ten years.

Connecticut State law requires that all the accounts and fiscal affairs of each municipal corporation be audited and examined at least once each fiscal year by an independent certified public accountant. We have complied with this requirement and our auditors' opinion is included in the financial section of this report. This opinion attests that the general purpose financial statements present fairly the financial position of the City of Norwalk, that the results of operations and the changes in the financial position of the City's fiduciary fund types are in conformity with generally accepted accounting principles, and that the supplemental data in the financial section is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

DESCRIPTION OF THE CITY

Norwalk was first settled in 1640 and, with a population of 82,951, is the sixth largest City in Connecticut. The City is located in Fairfield County in the Southwestern part of the State along Long Island Sound. Including a number of islands, the City covers 22.5 square miles. Per capita income in the county remains among the highest in the nation. While preserving its suburban character, the City is a significant commercial, industrial and service center. Many corporations, including the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB), have chosen to locate their headquarters in Norwalk. The City has also developed a tourist market centered on its outstanding harbor, islands, National Registry Mansions, Museums and a Maritime Aquarium comprised of a nautical museum, aquarium and IMAX theater.

The City is governed by a Mayor, who serves as the Chief Executive Officer, a 15-member Common Council, and a 7-member Board of Estimate and Taxation. A 9-member Board of Education oversees the operations of the public school system.

The CAFR includes, for financial reporting purposes, all potential component units which meet the criteria for inclusion as set forth in Governmental Accounting Standards Board Statement 14. In consideration of this criteria, the Maritime Aquarium Authority was included as a blended component unit and the Transit District was included as a discrete component unit. Although affiliated with the City, the Norwalk Housing Authority and the Norwalk Redevelopment Agency do not satisfy the criteria for inclusion. The First, Second, Third and Sixth Taxing Districts, representing geographic subdivisions of the City also do not meet the criteria for inclusion. A full discussion of the reporting entity is presented in the notes to the General Purpose Financial Statements starting on page 11 of the Financial Section.

SUMMARY OF SERVICES

The City provides a full range of municipal services, including education, police and fire protection, public works and sanitation, health and social services, planning and development, and recreational/cultural services. A listing of City Offices and further information about the City may

be found on the City's official web site, www.norwalkct.org. The City employs nearly 2,000 full-time people to fulfill its municipal functions. Provided below is a brief description of the City's services.

General Government:

The General Government group of departments includes the Mayor's Office, Corporation Counsel, City Clerk, Town Clerk, Personnel and Labor Relations, Human Relations and Fair Rent, Youth Services, and Registrar of Voters. This diverse group of departments provides myriad services, ranging from maintaining vital statistics (births, deaths, marriages) to conducting elections. A number of the departments within the General Government group, including Corporation Counsel and Personnel and Labor Relations, serve as internal support agencies for the City's line departments.

The Finance Department consists of the following divisions: Office of the Director, Tax Assessment, Tax Collection, Accounting and Treasury, Management & Budgets, Information Technology, and Purchasing. The Department is responsible for overseeing the financial affairs of the City.

Health:

The City operates a public health program addressing environmental health concerns, housing code enforcement, preventable disease programs and public health laboratory services. The Health Department's responsibilities include inspection of all food-handling establishments, approval of private sewage disposal systems, enforcement of the housing code, and testing and treatment of sexually transmitted diseases. The Department also runs various immunization programs and operates a complete medical laboratory. The Health Department continues to administer the housing condemnation and relocation programs.

Police Department:

The City provides around-the-clock police protection to Norwalk's 82,951 residents with a force of 179 sworn officers and 27 civilians. In addition to routine police patrol, the Department maintains specialized units in the following areas: Internal Affairs, Planning and Research, Marine Division, Detective Bureau, Special Services (vice, gambling, narcotics), Emergency Services Tactical Unit, and the Youth Bureau. The Youth Bureau provides a comprehensive Drug Abuse Resistance Education (D.A.R.E.) program for Norwalk school children in conjunction with the Norwalk Public Schools. Through the State Drug Enforcement Grant Program, the Special Services Division has received funding for enhanced narcotics enforcement. The City continued to receive state funding through the Safe Neighborhoods Grant program to offset a small portion of the costs for ten additional police officers who perform community policing. The Department also operates a Community Services Program and Support Services, which encompass the following areas: crime prevention, traffic and safety, complaint bureau, communications/ dispatch, police training, identification bureau, property room and prisoner holding facility. The Department maintains a substation at the South Norwalk Railroad Station as part of its community policing program. The Police Department also shares first responder status with the Fire Department for medical emergencies.

Fire Department:

The City provides complete fire prevention and suppression services through its professional full-time fire department which consists of 138 sworn fire personnel, supplemented by 9 civilian employees. The Department operates out of five fire stations strategically located throughout the community and maintains a rotating fire apparatus replacement schedule through their capital budget. The Fire Department oversees the operation of the Office of Emergency Management which maintains a control center for emergencies. The Fire Department shares first responder status with the Police Department for medical emergencies.

Planning and Zoning and Code Enforcement:

These two City departments are responsible for planning and coordinating the physical and economic development of the City, as well as overseeing the adoption and enforcement of zoning subdivision and building codes. The Planning and Zoning Department prepares, adopts and implements the City's plan of development. This department also oversees the operations of the Conservation Commission staff which is responsible for protecting the City's inland wetlands and water courses. Code Enforcement conducts required inspections of buildings and building sites for code compliance and issues all building and related trade permits.

Public Works:

This large and diverse department is responsible for the maintenance and repair of most of the physical facilities owned by the City of Norwalk. The Department oversees street and highway maintenance; engineering; solid waste collection, recycling, and disposal; wastewater collection and treatment; traffic signalization and control; and municipal parking. Public Works employs 118 people to maintain the City's infrastructure, which includes 250 miles of streets, 125 miles of sidewalk, 165 miles of sanitary sewers, 26 sanitary sewer pump stations, and 3,785 municipal parking spaces (including 3 parking garages).

The Department's wastewater division treats approximately 4.3 billion gallons of wastewater annually at the City's 20 mgd wastewater treatment plant. In June 2000, the City completed a full renovation of the WWTP facility costing over \$66,000,000. The costs were funded through a loan and grant agreement between the City and State of Connecticut's Clean Water Fund. Under this program, the City received grants up to 20% of eligible costs with the balance funded through a loan at the rate of 2% per annum payable over 20 years. The operation and maintenance is managed by Public Works through a private operator, Operations Management International. Additionally, the property houses the Public Works Center that has enabled the City to consolidate the operations of Street Maintenance, Sewer Maintenance and Fleet Management.

The solid waste division is responsible for disposing of approximately 35,000 tons of waste annually. The City entered into a long-term contract with the Connecticut Resource Recovery Authority during 1985-86, which directs the City's solid waste to a regional recovery facility located in the City of Bridgeport. The City's successful recycling collection service directs newspapers, tin and aluminum cans, glass, mixed papers, corrugated cardboard, plastics, leaf and yard waste to a regional recycling facility. In FY 2000-01, the City recycled approximately 40% of the total waste stream.

Building Management:

The City provides for building management services through an outside contractor. The management firm oversees the operation and maintenance of most City buildings with the exception of schools. The scope of services encompasses more than 800,000 square feet of

building space among most of our non-school City facilities. In addition to repairs and replacement, comprehensive preventive maintenance and energy efficiency programs have been implemented.

Education:

The diverse educational needs of Norwalk children are met through a system of 12 elementary schools, 4 middle schools, 2 high schools, and 1 vocational center. The system also includes a nationally recognized Magnet elementary school; extensive special education, bilingual education, gifted and talented programs; and a full-day kindergarten. During FY 2000-01 the school system had a total enrollment of 11,016 students and employed 1,318 people to carry out its educational mission. About 86% of Norwalk's graduating seniors pursue some type of post-secondary education.

Recreation, Arts and Cultural:

The City's Recreation and Parks Division maintains over 1,000 acres of public park land, including 2 public beaches on Long Island Sound, 143 acres of open space at Cranbury Park, 70 acres of waterfront park land at Veteran's Park and Calf Pasture Beach, and numerous neighborhood parks.

Additionally, a new riverfront park, Heritage Park, officially opened in June, 2001 for walking trails and will continue to undergo enhancements over the next two years. The Department operates two boat launching ramps and one municipal marina. Numerous athletic fields, tennis and basketball courts, and playgrounds are located throughout the community. The Department's Recreation Division sponsors a full complement of active and passive recreational programs for all age groups. In addition, the City owns an 18 hole golf course located at Oak Hills Park and leases the property to the Oak Hills Park Authority which manages the operations of the golf course and park. The City also funds the operation of the Norwalk Public Library, which operates two branches within the City, with a collection of over 400,000 items for public circulation.

Maritime Aquarium:

In addition to the aforementioned municipal services, the City also owns and has certain oversight responsibilities for the Maritime Aquarium. The Aquarium offers extensive educational and recreational programs focussed on the maritime history and marine life of Long Island Sound. The Aquarium, which attracts approximately 500,000 visitors annually, includes a Maritime history museum, aquarium and IMAX theater. The day-to-day operations of the Aquarium are carried out by the Maritime Aquarium at Norwalk, Inc., a non-profit corporation which has a long term lease from the Maritime Aquarium Authority to operate the facility. The Maritime Aquarium Authority is a governmental body created pursuant to state statute and the Norwalk City Code to oversee the development and operation of the Aquarium. Construction of the Maritime Aquarium was financed through the issuance of Maritime Authority bonds, which carry the full faith and credit guarantee of the City of Norwalk. The Maritime Aquarium has recently completed the first phase of a major expansion project which provides for additional educational facilities, an expanded gift shop and food services operation. The first phase was completed in the Spring of 2001 with the expansion into the former Hatch and Bailey building adjacent to the Maritime Aquarium. The total cost of the three phase expansion project is estimated at \$20 million with additional phases to provide for new exhibit space and other enhancements. The City has financed \$2.025 million of its own money as a loan to the Aquarium toward Phase 1 of the project. Under the terms of the loan agreement, the Aquarium is required to reimburse the City for debt service costs.

Norwalk Transit District:

The Norwalk Transit District, a discrete component unit government, provides a number of transportation services throughout the southwest Connecticut region. The District's core service is "Wheels," Norwalk's public bus service. Wheels operates 23 buses, 20 during peak periods, on 13 routes throughout Norwalk and into Wilton. Service is provided between the hours of 6:00 a.m. and 7:15 p.m. Monday through Friday and 7:00 a.m. through 6:40 p.m. on Saturday. Service is within a 5 minute walk of 80% of Norwalk's residents. The District operates two evening shuttles serving South Norwalk, the Connecticut Avenue corridor, and the Route 7 corridor from 7:00 p.m. to 10:00 p.m. Monday through Friday and from 6:30 p.m. to 9:00 p.m. on Saturday. The District also provides service through the Coastal Link bus service operating between Norwalk and Milford seven days a week.

During this past year, Wheels carried 1,371,576 linked riders which represents a 9.0% increase over last year (the new number includes the Coastal Link Services). The Dispatch-A-Ride and Town-To-Town Services, which provide door to door transportation for the disabled, provided 33,439 trips, or 99 trips a day. Norwalk shuttles accounted for an additional 37,284 passenger rides.

DEPARTMENT FOCUS

Each year the City's Comprehensive Annual Financial Report (CAFR) highlights the efforts and accomplishments of a single department or functional area of operations. This year's CAFR includes an examination of the Parking Facilities.

The Department of Public Works carries out the operation of the City's parking facilities, including the maintenance of parking lots and garages and the enforcement of all parking ordinances. It maintains 3,785 municipal parking spaces. This includes three garages, lots at the City's train station, parking at the Maritime Aquarium, and several other lots around the City. The parking division is also responsible for the collection of parking revenue from parking permits, parking meters and parking violations.

The Parking Division employs six full-time employees and three part-timers to carry out their operations. In addition, almost \$1.4 million was spent on contracts in 2000-01 for cleaning, maintenance and security services, as well as facilities management services. A full cost accounted estimate of the cost of the City's parking operations reflects expenditures of nearly \$2.2 million during FY 2000-01. With corresponding revenue of \$1,955,905 the City's parking function requires a taxpayer subsidy of over \$200,000.

Considering Norwalk's population growth, tourism enhancement and business expansion, Norwalk is seemingly under constant demand to address its growing parking needs. The construction of a new parking garage at the South Norwalk train station in 1995 was a major initiative for the City in solidifying Norwalk as a key transportation and tourism center. When restaurants and other businesses in the downtown area requested additional parking to accommodate customers, hours were extended at the Yankee Doodle Garage. Also, plans are well underway to construct a new public parking garage at the Maritime Aquarium which will predominantly accommodate Aquarium visitors, but also provide for non-Aquarium parking. The Department has succeeded in increasing revenue by raising parking permit fees and continuing to contract with a parking bureau management company to run the administration and collection of parking violations, which has helped maintain a yearly collection rate of 90%.

Despite increased rates and more lot usage, the City was left with the aforementioned operating deficit in 2000-01, which had to be supplemented by taxpayers. These historical operating deficits, along with the prospect of constructing two additional parking garages aside from the Maritime garage, have City officials seeking alternatives to how the City provides its parking services. Officials realize that these facilities have been treated individually in terms of financing, maintenance and operations. A comprehensive approach to financing, constructing and operating parking facilities is required in order to effectively address this situation.

The option that the City is focusing on is to create a Parking Authority. In November of 2000 the City hired a consulting firm to come up with suggestions for the design of a Parking Authority, which would take over management of the parking facilities, eliminate the taxpayer subsidy and create alternatives to issuing City bonds to finance future facilities. At the time of this writing, we have made significant progress toward this initiative, and hope to have an Authority implemented by July 1, 2002.

Regardless of what option the City decides to implement, it will continue to work with the community and residents to provide viable solutions to address the City's parking needs.

ECONOMIC CONDITION AND OUTLOOK

Perhaps the most significant local financial event in FY 2000-2001 was the implementation of the long delayed revaluation. Originally slated for 1994-1995, policymakers copped every available deferral opportunity because the revaluation would cause a significant shift of the tax burden onto residential property owners. The shift was so great in fact, that policymakers chose to exercise a four year phase-in of the increased property values. While this stems somewhat the immediate increase in residential property taxes, it also assures an annually increasing tax burden for most homeowners over the next three years.

At this writing, economists declare the country is, and has been since last Spring, in a recession. And, indeed there are local signs of a weakened economy: unemployment and office vacancy rates have climbed since last year. But the rates last year were at historic lows and the current level of unemployment is significantly lower than the State and national levels. The economy is cooling but Norwalk remains an attractive business location and FY 2001 saw a great jump in new construction permits and FY 2002 looks equally promising.

Norwalk is in a strategic location and will continue to be a vibrant retail, corporate and tourist center. The City hosts many regional and corporate headquarters but no one employer accounts for more than 2.5% of the total jobs and no business comprises more than 1.5% of the City's total grand list. This extraordinary diversity among employment sectors and industries creates great resilience for the City in economic downturns.

The outlook for the City is for increasing but manageable residential property tax burdens due to the revaluation and shrinking revenues and rising costs associated with the recession. However, these burdens will be mitigated by growth in the commercial tax base boosted by the carry through of several major development projects.

In recognition of the City's continuing favorable operations and the strength of its local economy all three major bond rating agencies have assigned the City triple A ratings, a distinction enjoyed by only a few Cities in the country.

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Unemployment Rate City	4.0	3.1	2.8 (Oct.)	1.4 (Oct.)	2.4 (Oct.)
“ “ State	5.4	3.6	3.2 (Oct.)	2.0 (Oct.)	3.0 (Oct.)
Office Vacancy Rate	10.5%	9.2% (3 rd . Qtr.)	9.2% (3 rd . Qtr.)	8.4% (3 rd . Qtr.)	15.4% (3 rd . Qtr.)
New Construction Permit Value	\$103,735,403	\$ 72,768,186	\$ 94,793,869	\$112,671,283	\$168,863,786
Grand List ('000)	\$ 3,351,524	\$ 3,428,305	\$ 3,472,219	\$ 3,529,991	\$ 4,212,696
Tax Collection Rate	97.3%	97.4%	97.5%	98.0%	98.0%

MAJOR INITIATIVES

Construction activity in Norwalk continued at a healthy pace. The number of permits issued in FY 2001 exceeded any in the past twenty years. Many major projects approved in previous years were completed or nearing completion. Those include:

- COSTCO, a 130,000 sq. ft. retail building on Connecticut Avenue.
- Walgreens, part of a 40,000 sq. ft. retail building on Westport Avenue.
- Merritt River Partners redeveloped 216,000 sq. ft. of office abandoned by Caldor, Inc. on Glover Avenue.
- Hewitt Associates completed a 251,000 sq. ft. office building on Glover Avenue.
- Maritime Place, 104,000 sq. ft. mixed use of mostly office with retail and restaurant on Water Street.

In addition, other major projects began construction and are anticipating completion in the next two years:

- Merritt on the River, a 227 Unit Luxury Apartment building on Main Avenue.
- Merritt 7 Building #6, a 255,000 sq. ft. office building on Main Avenue.
- 25 and 35 Glover Avenue, LLC, two office buildings totaling 650,000 sq. ft. on Glover Avenue.
- FYBER Associates, mixed use of 10,000 sq. ft. retail with 20 residential units on Westport Avenue.

Applications are expected over the next year for the re-occupancy of two major buildings:

- WalMart is planning to occupy space vacated by Bradlees on Connecticut Avenue.
- Norden/United Technology site has been redesigned to reposition the site for new office space.

On the environmental front the City has been aggressive in cleaning the environment including:

- Full conversion of the former landfill into a new waterfront park.
- Completion of the upgraded and expanded Wastewater Treatment Plant to accommodate population growth through 2020.
- Assisted in the creation of an Action Committee to implement the Norwalk River Watershed Master Plan.
- Began work on the Plan of Conversion and Development, a comprehensive plan for the City for the next ten years.

As tourism becomes more and more a part of Norwalk's economy we have continued to grow.

- Maritime Aquarium expansion into the adjoining Hatch and Bailey Building.
- Completion of Steppingstones, a children's museum in Mathews Park.
- Final design of Phase I of the Norwalk River Valley bikeway utilizing TEA-21 Funds to link the two business centers in Norwalk and the corresponding tourist attractions.
- Construction of a 770 space parking garage next to the Maritime Aquarium will begin in early 2002.

FINANCIAL INFORMATION

Accounting System.

The City's accounting system is organized and operated on a fund basis. Each fund is a distinct self-balancing accounting entity. The various funds and account groups are further described in Note 1 of the Notes to the Combined Financial Statements. The City's accounting system for governmental and expendable trust funds is maintained on a modified accrual basis with revenues being recorded when measurable and available, and expenditures being recorded when the services or goods are received and accepted and the liability is incurred. The accrual basis of accounting is used for the pension funds, internal service funds and non-expendable trust funds with revenues recorded when earned and expenses when incurred.

Internal Control.

The accounting system of the City is dependent on a strong foundation of internal accounting controls to ensure that financial information generated is both accurate and reliable. Consequently, the City places a great deal of emphasis on the continuing development and monitoring of its system of internal control.

In conjunction with this goal, internal controls are designed to reasonably safeguard the City's assets, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed systems. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs (single audit) to determine that the City has complied with applicable laws and regulations. The results of the City's audit (including single audit) for the fiscal year ended June 30, 2001, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Single Audit.

The City's FY 2001 audit includes an audit of all federal grants in accordance with the Single Audit Act of 1984, which provides that all state and local governments which receive more than \$300,000 in federal financial assistance must have a single audit for the fiscal year. This audit consists of a financial audit, an internal control review, and a compliance audit. The single audit is in lieu of any financial and compliance audit requirements by any federal agency. The auditors' report for the internal control review and compliance audit have been furnished separately to the City.

Budgeting and Controls.

A Charter Revision adopted in November, 1996 expanded the Common Council's control over the operating budget by empowering the Council to set an appropriations cap. The City's Charter provides that the Finance Director shall annually transmit to the Board of Estimate and Taxation on the second Monday and to the Common Council on the second Tuesday of January, an operating budget for the ensuing fiscal year, embodying an estimate of proposed expenditures and the proposed means of financing them. The Common Council sets an initial appropriations cap by the fourth Tuesday in January and may amend this cap by the third Tuesday of March. The Board after deliberation shall then adopt a balanced operating budget within the cap set by the Common Council on the first Monday of April.

In addition, the Charter provides that the Common Council shall on or before the 15th day of April adopt a Capital Projects Budget.

The General Fund and the Capital Projects Fund, comprising the Operating and Capital Budgets respectively, are the only funds under budgetary control. The Board of Estimate and Taxation adopts the annual operating budget at the department, agency or entity level, and by resolution has empowered the Finance Director to approve transfers between line items (objects of expenditures) of up to \$5,000. Transfers in excess of \$5,000 require the approval of the Board of Estimate and Taxation. Additional appropriations, pursuant to the City Code, require the approval of the Board of Estimate and Taxation and the Common Council. Budgetary control over the Capital Budget is maintained by project. Through the use of an encumbrance system, Capital and Operating Budget appropriations are encumbered upon the issuance of purchase orders or other contractually binding instruments. No commitments which could result in an overexpenditure of an appropriation are allowed.

Encumbrances in the operating budget expire at year end and unexpended balances revert to undesignated fund balance. Capital Budget appropriations remain available until the project is completed or otherwise terminated.

Both the Operating and the Capital Budgets are integrated into the accounting system and their corresponding financial statements compare actual to final budgeted revenues and expenditures.

As demonstrated by the statements and schedules included in the financial section of this report, the government continues to meet its responsibility for sound financial management.

GENERAL FUND FUNCTIONS

The General Fund is the principal operating fund of the City. All unrestricted resources, except those required to be accounted for in some other fund, are accounted for in this fund. The General Fund includes City and Board of Education operations. The General Fund Revenues and Expenditures are presented on a budgetary basis.

General Fund Revenues totaled \$202,798,767 for fiscal year 2001, an increase of \$10,474,533, or, 5.4% over the prior year's total of \$192,324,234. The following schedule is a summary of FY 2001 revenues compared to the prior year.

GENERAL FUND REVENUES

FY01 vs FY00

(Dollars in Thousands. Amounts may not add due to rounding)

	FY 2001		FY 2000		Increase (Decrease)	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Property Taxes	\$167,877	82.8	\$159,518	82.8	\$ 8,359	5.2
Interest & Penalties	2,938	1.4	2,049	1.1	889	43.4
Federal, State & Other Grants	20,822	10.3	20,928	10.9	(106)	(0.5)
Charges for Services	7,243	3.6	6,470	3.4	773	11.9
Interest	3,623	1.8	3,359	1.7	264	7.9
Miscellaneous	<u>295</u>	<u>0.1</u>	<u>0</u>	<u>0</u>	<u>295</u>	<u>N/A</u>
Total	\$202,799	100%	\$192,324	100%	\$ 10,475	5.4

Property taxes increased by \$8,359,428 or 5.2% from FY 2000 to FY 2001 and Interest and Penalties on delinquent taxes increased by \$888,118. These results were due to the tax levy increasing by 4% over the prior year, and the City also collected nearly \$3.5 million in delinquent taxes and interest penalties on two significant lien sales.

Federal, State and other grants are chiefly comprised of State aid for education, payments in lieu of taxes for tax exempt programs, telephone access grant, LoCIP and town road aid. A decrease of \$105,817 is reflected in the category due primarily to decreases in machinery and equipment exemption reimbursements, and the distressed municipality grant. Modest increases were realized in several other grants.

Charges and services increased by \$773,046 due to increases in building related permits (\$613,937) and Public Works service charges and parking revenue (\$202,140).

Investment income increased by \$264,294 due to slightly higher investment rates than the prior year.

Miscellaneous income is a new category and reflects debt service reimbursements from the Maritime Aquarium, Oak Hills Park Authority and Sixth Taxing District.

General Fund Expenditures. The following schedule presents a summary of general fund expenditures for the fiscal year ended June 30, 2001 and the amount and percentage of increases and decreases compared to the prior fiscal year.

GENERAL FUND EXPENDITURES AND OTHER USES
FY 2001 vs FY 2000
(Dollars in Thousands. Amounts may not add due to rounding)

	FY 2001		FY 2000		Increase/Decrease 2001/2000	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
General Government	\$ 5,784	2.9	\$ 6,017	3.1	\$ (233)	(3.9)
Health & Welfare	1,771	0.9	1,770	0.9	1	0
Protection of Persons & Property	28,048	14.2	27,605	14.3	443	1.6
Public Works/Bldg. Management	21,176	10.7	21,360	11.1	(184)	(0.9)
Education	104,409	52.9	100,615	52.3	3,794	3.8
Recreation, Arts & Cultural	5,720	2.9	5,962	3.1	(242)	(4.2)
Grants	2,240	1.1	2,269	1.2	(29)	(1.3)
Debt Service	17,796	9.0	15,137	7.9	2,659	17.6
Employee Benefits	10,493	5.3	11,731	6.1	(1,238)	(10.6)
Total Expenditures	<u>\$197,438</u>	<u>100%</u>	<u>\$192,466</u>	<u>100%</u>	<u>\$ 4,972</u>	<u>2.6</u>

General Government, which includes the City’s administrative and finance departments, experienced a decrease of \$233,076 or (3.9%) from FY 2000 to FY 2001. Many departments under this category experienced reduced expenditures. Some of these included the Mayor’s Office which has a vacant administrative position, the Registrars Office which did not have to conduct additional elections in 2000-01, and the Tax Collectors Office which had a position defunded.

Health and Welfare expenditures did not change materially from the prior year.

The \$443,294 increase in Protection of Persons and Property is chiefly attributable to additional overtime costs in both the Police and Fire Departments. The overall change from 1999-00 to 2000-01 reflects a modest increase of only 1.6% due to retroactive wage settlements paid out in 1999-00 to both the Police and Fire union employees.

The \$184,294 decrease in Public Works is chiefly the result of the City’s initiative to contract out the operations of our wastewater treatment plant in June 2001. This resulted in a reduction of \$750,000 in expenditures compared to the prior year, which more than offset increased costs of \$571,000 for snow removal.

Public School expenditures increased by \$3,794,266 and generally reflect increases in wage and benefit costs, special education costs, transportation and out of district tuition. The effective increase for the Board of Education was approximately \$750,000 higher than reflected here due to the fact that the City covered additional Board medical costs out of the City’s self insurance fund.

Recreation, Arts and Cultural expenditures decreased by \$242,684. This was primarily the result of a one-time expenditure of \$310,000 in 1999-00 for a new Library on-line computer system.

Debt Service increased by \$2,658,669 compared to the prior year due to the permanent financing of the majority of the City's Clean Water fund debt obligations during 2000-01.

Employee benefits decreased by \$1,238,036 chiefly due to a reduction in pension contributions of \$1.5 million based on actuarial recommendations. Also, Social Security costs decreased by \$108,000 due to the reduction of personnel and the fact that there were additional costs in 1999-00 due to one-time retroactive wage settlements during that year. Employee health insurance costs have increased and, therefore, offset a portion of the overall decrease in this category.

General Fund Balance. The fund balance of the general fund, presented in the following schedule, increased \$5,361,184 from the prior year.

Beginning fund balance July 1, 2000		\$16,322,391
Revenues & Other Financing Sources:	\$207,591,803	
Expenditures & Other Financing Uses:	<u>202,230,619</u>	
Excess (Deficiency) of Revenues and Other sources, over Expenditures & Other uses:		\$ 5,361,184
Ending Fund Balance June 30, 2001		<u>\$21,683,575</u>
<u>Fund Balance Breakdown:</u>		
Other Reserved	\$ 2,585,752	
Designated for Subsequent Year's Expenditures	\$ 3,750,000	
Undesignated	<u>\$15,347,823</u>	
TOTAL FUND BALANCE		<u>\$21,683,575</u>

The City's budget plan for FY 2000-01 called for drawing down \$1,000,000 from fund balance. However, because of conservative budgeting practices and positive operations largely resulting from the previously mentioned lien sale initiative which brought in nearly \$3.5 million in unplanned revenue, our fund balance increased significantly.

For FY 2000-01 the City designated \$3,750,000 of fund balance to support 2001-02 expenditures and reserved \$2,585,752 for other purposes, leaving an undesignated fund balance of \$15,347,823. By maintaining a strong fund balance, the City preserves its excellent credit rating and can avoid cash flow problems necessitating temporary borrowing. The taxpayers benefit by avoiding interest expenses on borrowed capital and, by keeping the fund balance invested, the City continues to gain interest income which provides additional revenue to mitigate future tax increases.

DEBT ADMINISTRATION

A significant proportion of the City's expenditures represent purchases of goods and services which are consumed in a relatively short period of time, typically one year or less. These purchases are funded through the City's Operating Budget, since they represent current operating expenses.

Capital expenditures, however, may be financed either from current revenues or through the issuance of debt. Capital expenditures are defined in the Norwalk City Code as items which cost at least \$10,000 and have a useful life of ten years or more. These expenditures are incorporated in a five year capital improvement plan which is updated annually. The City employs both pay-as-you-go and pay-as-you-use capital financing strategies. Approximately fifteen years ago, the City developed a comprehensive debt management strategy which has been refined in each of the succeeding years.

The core elements of this strategy are as follows:

- Continue to fund necessary capital activities giving priority to projects which (a) protect public safety and welfare; (b) preserve the City's investment in its infrastructure; and (c) enhance the City's tax base and residential property values.
- Transfer as many recurring capital items as possible to the operating budget.
- Reduce long-term debt service costs by limiting financing to fifteen (15) year maturities or less; sizing issues to take advantage of bank qualified financing; and by carefully blending private use activities with public purpose projects in an effort to maximize the use of tax exempt financing.
- Make conservative use of short-term financing to avoid interest rate risk;
- Coordinate capital planning and financing to stabilize annual debt service; and
- Continually update long range planning and debt scheduling to provide for absorption of large projects anticipated in the future.

The purpose of the strategic debt management plan is to satisfy project requirements and strengthen the City's long term financial position. Various debt ratios are meaningful indicators of the City's financial position and strength and are useful tools for municipal management, public evaluation of performance, and investment decision making for those considering the purchase of the City's bonds or notes.

The following summary presents several debt indicators for the City as of June 30, 2001. The City's population as of June 30, 2001 was estimated at 82,951 by the U.S. Census Bureau, the latest most accepted data source.

Total Bonded Debt Outstanding	\$129,091,569
Total Authorized but Unissued Bonds	\$ 56,578,573
Percent of Net Bonded Debt to Assessed Value	3.06%
Percent of Net Bonded Debt to Market Value	1.43%
Bonded Debt per Capita	\$1,556
Bonded Debt Per Capita as % of Per Capita Income	3.88%
Debt Service to General Fund Expenditures	9.0%

In evaluating a community's debt ratios, financial analysis is concerned not only with the absolute numbers, but also with the trend of these ratios over time. Debt per capita increased in fiscal year 2000-01 with the completion of the construction of our Wastewater Treatment Expansion Project and the permanent financing obligation for that project.

SELECTED DEBT RATIOS

<u>Fiscal Year</u>	<u>Bonded Debt</u>	<u>Ratio of Debt To Assessed Value</u>	<u>Ratio of Debt To Market Value</u>	<u>Debt Per Capita</u>
1991-92	\$ 93,769,942	2.93%	1.25%	\$1,191
1992-93	\$ 92,774,942	2.88%	1.28%	\$1,177
1993-94	\$ 89,084,942	2.76%	1.22%	\$1,121
1994-95	\$ 78,684,942	2.40%	1.04%	\$ 995
1995-96	\$ 75,169,942	2.29%	1.00%	\$ 947
1996-97	\$ 77,438,290	2.31%	1.01%	\$ 971
1997-98	\$ 76,018,516	2.22%	.92%	\$ 975
1998-99	\$ 76,158,711	2.19%	.90%	\$ 975
1999-00	\$ 86,387,964	2.45%	.96%	\$1,106
2000-01	\$129,091,569	3.06%	1.43%	\$1,556

This moderate debt burden, coupled with historically strong financial operations, has enabled the City to maintain and upgrade its strong bond ratings. The City has maintained its rating of AAA from Fitch Investors Service since June 1991 when the agency first rated the City's debt, Standard and Poors rating was upgraded from AA+ to AAA in June, 2000. Moody's Investors Services rating was upgraded from Aa1 to Aaa in June, 2001. As a result of these ratings the City has

remained attractive to the investment community and has enjoyed the benefit of lower interest costs.

CAPITAL PROJECTS

During the fiscal year, 16 new and 21 continuing Capital Projects totaling \$16,099,961 were authorized pursuant to the City's Five Year Capital Improvement Plan. New bond authorizations were approved to fund these projects.

At June 30, 2001, there were 97 active Capital Projects. During the fiscal year, 22 projects were closed and \$170,080 in unexpended funds reverted to the Capital Fund Balance.

The Common Council approved additional obligations to the Capital Budget during FY 2001 in the amount of \$1,046,295 to be financed from Bonds.

As of June 30, 2001, authorized but unissued bonds totaled \$56,578,573 representing 2001-02 and a portion of the 2000-01, 1999-00, 1998-99, 1997-98, 1996-97, 1994-95, and 1992-93 Capital Budgets, and the State Clean Water Project authorizations.

CASH MANAGEMENT

The City's Cash Management Program utilizes a consolidated account for deposits and two zero balance accounts for disbursements. The collected balance of the consolidated deposit account is used to liquidate the financial obligations of the zero balance accounts. Any surplus funds in the deposit account are invested daily.

Temporarily idle cash during the year is invested primarily in certificates of deposit, U.S. Treasury Bills, and the State Investment Fund. These investments have terms ranging from one day to six months. All investment rates are based on competitive bids from in-state commercial and savings banks.

The weighted average investment rate on our cash and temporary investment balance at June 30, 2001 was 4.09%. Interest on investments earned in the general fund during the fiscal year was \$3,622,919, an increase of \$264,294. The increase is attributable to higher interest rates and by maintaining higher average cash and temporary investment balances during the year.

In order to evaluate the City's investment performance, the City periodically compares the actual investment earnings with the average 90 day U.S. Treasury Bill rate. For the period July 1, 2000 to June 30, 2001, the average annualized yield on City investments was 6.11%; during the same period the U.S. Treasury Bill market produced an average yield of 5.90%. We believe that this performance indicates that the City continues to maintain a strong cash management program.

RISK MANAGEMENT

The City of Norwalk has a comprehensive program for managing all areas of risk, including health and life insurance for active and retired employees, workers' compensation, heart and hypertension, property and casualty, general liability, professional liability, and other exposures including theft, performance and surety.

The activities of the risk management program are accounted for in an internal service fund. This fund operates on a full accrual basis within self-retention levels. Each year, total risk management

costs are charged as an insurance premium to departments based on formulas applying elements of exposure and loss history.

The fund contained \$3,107,234 in cash equivalents plus \$4,919,254 in investments and \$1,445,593 from other receivables, resulting in total assets of \$9,472,081 at year end FY 2001. In accordance with Governmental Accounting Standards Board Statement 10, liabilities must include accruals from unsettled claims and claims which were incurred but not reported. Liabilities at year end, including accruals totaled \$9,244,915. Thus, on an accrual basis, the Internal Service Fund had retained earnings of \$227,166.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Norwalk for its comprehensive annual financial report for the fiscal year ended June 30, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for presentation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to the programs standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Norwalk has received a Certificate of Achievement for the last 10 consecutive years (fiscal years 1991 through 2000). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

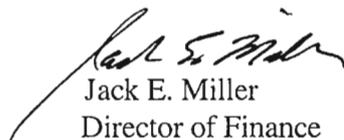
ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the hard work and dedication of the Finance Department staff and the members of other departments who assisted in its compilation. Their invaluable assistance made the preparation of this report an easier task.

I would also like to thank Scillia, Dowling and Natarelli, LLC our independent auditors, for their guidance and many helpful comments and suggestions both during the preparation of this report and throughout the year.

And finally, special acknowledgment and appreciation goes to those who have contributed to the progressive and financially sound operations of the City; that tribute, belongs to all City Officials, City Staff, and the Community.

Respectfully Submitted,


Jack E. Miller
Director of Finance

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CITY OF NORWALK, CONNECTICUT

PRINCIPAL CITY OFFICIALS

June 30, 2001

<u>OFFICE</u>	<u>NAMES</u>	<u>SELECTION/TERM</u>
Mayor	Frank J. Esposito	Elected - 2 Years
Director of Finance	Jack E. Miller	Appointed - Indefinite
Superintendent of Schools	Salvatore Corda	Appointed - Indefinite
Corporation Counsel	Donald F. Reid	Appointed - 2 Years

MEMBERS OF COMMON COUNCIL

Peter Nolin, President

Richard A. McQuaid, Majority Leader

Bruce Kimmel, Minority Leader

Guillermo L. Arteaga
John E. Tobin
Charles P. Flynn, Jr.
Friedrich N. Wilms

Harold D. McCready
Edward M. Bowers
Peter K. Toranno
Andrew T. Conroy

Richard J. Bonenfant
Judith Rivas
Joseph E. Mann
William F. Wrenn

MEMBERS OF THE BOARD OF ESTIMATE & TAXATION

David Flewellyn, Chairman

June Carroll
Randall G. Avery
Frank J. Esposito, Mayor

Patricia Richmond
Donald Cafero
Wilbur Taylor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Norwalk,
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

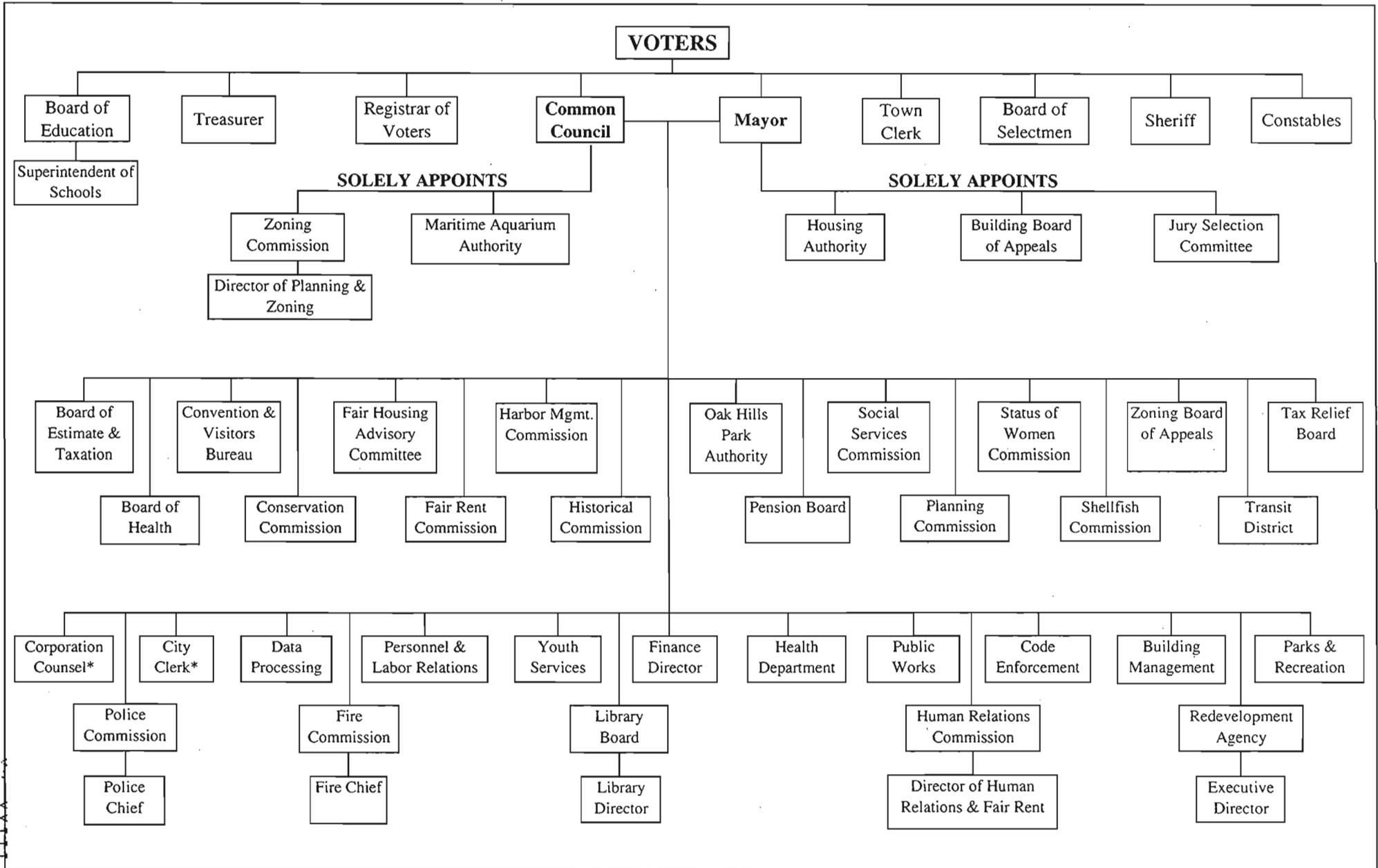
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



Thomas A. Crew
President

Jeffrey L. Esser
Executive Director

City of Norwalk Government Organization

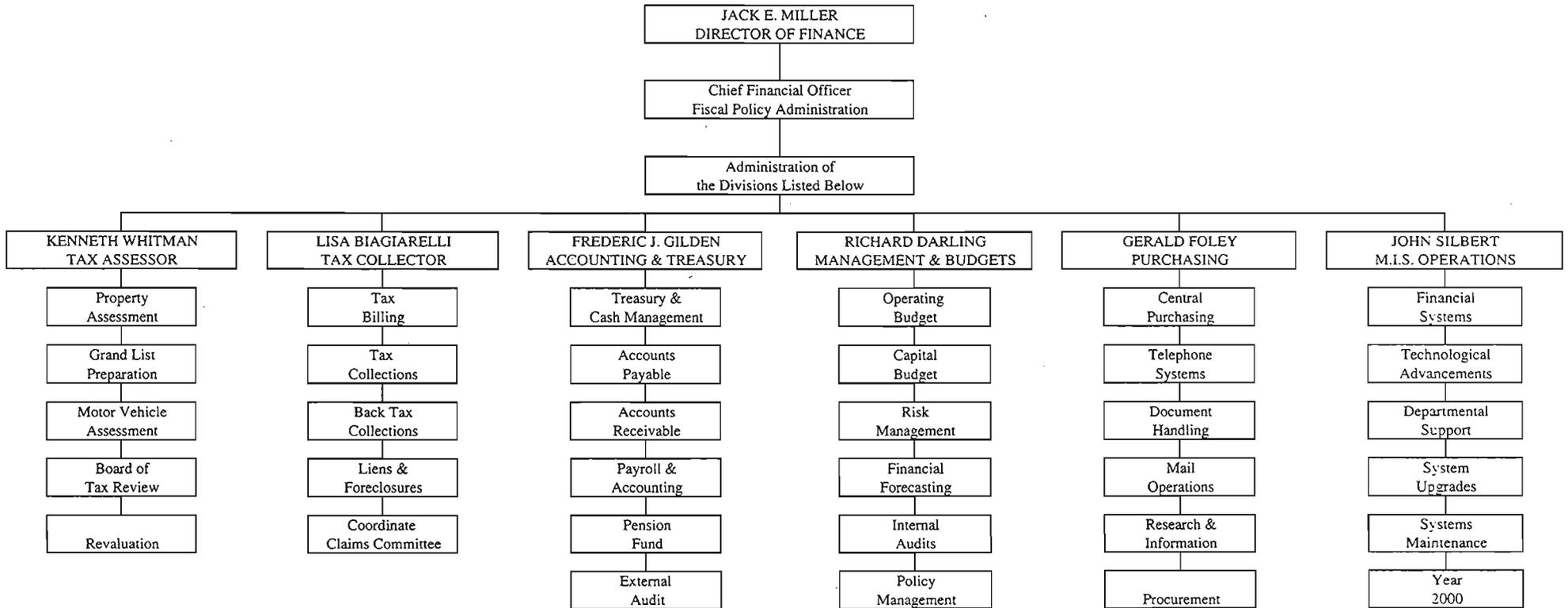


All Boards, Commissions and Department Heads are chosen by the Mayor and require Common Council approval unless otherwise noted

*Solely appointed by the Mayor

L.I.I.XX

FINANCE DEPARTMENT





REPORT OF INDEPENDENT AUDITORS

To the Members of the Common Council
Norwalk, Connecticut

We have audited the accompanying general-purpose financial statements of the City of Norwalk, Connecticut as of June 30, 2001, and for the year then ended, listed in the foregoing table of contents. These general-purpose financial statements are the responsibility of the management of the City of Norwalk, Connecticut. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the Norwalk Transit District, which reflect total assets of \$2,727,920 as of June 30, 2001 and total operating revenues of \$1,688,008 for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Norwalk Transit District, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred above present fairly, in all material respects, the financial position of the City as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the foregoing table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the City of Norwalk, Connecticut. These financial statements and schedules are also the responsibility of the management of the City of Norwalk, Connecticut. Such additional information has been subjected to the auditing procedures applied in our audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the general-purpose financial statements taken as a whole.

The statistical data beginning on page 59 are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the City of Norwalk, Connecticut. Such additional information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2001 on our consideration of the City of Norwalk, Connecticut's internal control over financial reporting and over tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Sally Dowling & Natarrelli LLC

New Haven, Connecticut
October 31, 2001

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CITY OF NORWALK, CONNECTICUT
COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT
June 30, 2001

EXHIBIT A

	Governmental Fund Types			Proprietary	Fiduciary	Account Groups		Totals	Component Unit	Totals
	General	Special Revenue	Capital Projects	Fund Types Internal Service	Fund Types Trust and Agency	General Fixed Assets	General Long-Term Obligations	Primary Government (Memorandum Only)	Norwalk Transit District	Reporting Entity (Memorandum Only)
ASSETS										
CURRENT ASSETS										
Cash and cash equivalents	\$ 32,329,683	\$ 5,664,867	\$ 19,488,729	\$ 3,107,234	\$ 23,725,656	\$ -	\$ -	\$ 84,316,169	\$ 652,083	\$ 84,968,252
Uncollected property taxes and sewer assessments, less allowance of \$1,998,340 for uncollectibles	3,776,645	-	304,182	-	-	-	-	4,080,827	-	4,080,827
Other receivables	820,620	810,859	13,025	1,445,593	1,300,511	-	-	4,390,608	198,844	4,589,452
Due from federal and state governments	837,595	-	4,279,625	-	-	-	-	5,117,220	2,233,190	7,350,410
Investments	-	-	-	4,919,254	298,395,537	-	-	303,314,791	-	303,314,791
Inventory	-	50,158	-	-	-	-	-	50,158	193,947	244,105
Fixed assets, net, where applicable, of accumulated depreciation	-	-	-	-	-	311,510,980	-	311,510,980	17,020,180	328,531,160
Prepaid expenses	-	-	-	-	-	-	-	-	12,134	12,134
Amounts to be provided in future years for payment of general long-term obligations:										
From future tax levies	-	-	-	-	-	-	139,371,452	139,371,452	-	139,371,452
From other governments	-	-	-	-	-	-	2,791,354	2,791,354	-	2,791,354
	<u>\$ 37,764,543</u>	<u>\$ 6,525,884</u>	<u>\$ 24,085,561</u>	<u>\$ 9,472,081</u>	<u>\$ 323,421,704</u>	<u>\$ 311,510,980</u>	<u>\$ 142,162,806</u>	<u>\$ 854,943,559</u>	<u>\$ 20,310,378</u>	<u>\$ 875,253,937</u>

See notes to financial statements.

CITY OF NORWALK, CONNECTICUT

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT - continued

EXHIBIT A

June 30, 2001

	Governmental Fund Types			Proprietary	Fiduciary	Account Groups		Totals	Component Unit	Totals
	General	Special Revenue	Capital Projects	Fund Types	Fund Types	General	General	Primary	Norwalk	Primary
				Internal Service	Trust and Agency	Fixed Assets	Long-Term Obligations	Government (Memorandum Only)	Transit District	Entity (Memorandum Only)
LIABILITIES, EQUITY (DEFICIT) AND OTHER CREDIT										
CURRENT LIABILITIES										
Accounts payable	\$ 9,873,507	\$ 1,496,411	\$ 3,111,536	\$ -	\$ -	\$ -	\$ -	\$ 14,481,454	\$ 2,581,494	\$ 17,062,948
Due to other governments	229,389	-	80,144	-	319,928	-	-	629,461	146,426	775,887
Other liabilities	3,098,065	202,977	-	-	156,905	-	-	3,457,947	-	3,457,947
Due to student groups	-	-	-	-	936,115	-	-	936,115	-	936,115
Accrued claims	-	-	-	9,244,915	-	-	-	9,244,915	-	9,244,915
Accrued compensation	-	-	-	-	-	-	13,071,237	13,071,237	-	13,071,237
Securities lending obligation	-	-	-	-	22,132,053	-	-	22,132,053	-	22,132,053
Notes payable	-	-	5,360,741	-	-	-	-	5,360,741	-	5,360,741
General obligation bonds payable	-	-	-	-	-	-	117,331,712	117,331,712	-	117,331,712
Maritime Center project bonds payable	-	-	-	-	-	-	11,759,857	11,759,857	-	11,759,857
Deferred revenues	2,880,007	1,564,308	1,364,186	-	-	-	-	5,808,501	-	5,808,501
	<u>16,080,968</u>	<u>3,263,696</u>	<u>9,916,607</u>	<u>9,244,915</u>	<u>23,545,001</u>	<u>-</u>	<u>142,162,806</u>	<u>204,213,993</u>	<u>2,727,920</u>	<u>206,941,913</u>
EQUITY (DEFICIT) AND OTHER CREDIT										
Investment in general fixed assets	-	-	-	-	-	311,510,980	-	311,510,980	-	311,510,980
Retained earnings	-	-	-	227,166	-	-	-	227,166	10,395,522	10,622,688
Contributed capital	-	-	-	-	-	-	-	-	7,186,936	7,186,936
Fund balance (deficit):										
Reserved for pension fund commitments	-	-	-	-	299,805,361	-	-	299,805,361	-	299,805,361
Other reserved	2,585,752	50,158	-	-	71,342	-	-	2,707,252	-	2,707,252
Unreserved:										
Designated for subsequent year's expenditures	3,750,000	-	-	-	-	-	-	3,750,000	-	3,750,000
Designated for other purposes	-	2,555,226	-	-	-	-	-	2,555,226	-	2,555,226
Undesignated (deficit)	15,347,823	656,804	14,168,954	-	-	-	-	30,173,581	-	30,173,581
	<u>21,683,575</u>	<u>3,262,188</u>	<u>14,168,954</u>	<u>227,166</u>	<u>299,876,703</u>	<u>311,510,980</u>	<u>-</u>	<u>650,729,566</u>	<u>17,582,458</u>	<u>668,312,024</u>
	<u>\$ 37,764,543</u>	<u>\$ 6,525,884</u>	<u>\$ 24,085,561</u>	<u>\$ 9,472,081</u>	<u>\$ 323,421,704</u>	<u>\$ 311,510,980</u>	<u>\$ 142,162,806</u>	<u>\$ 854,943,559</u>	<u>\$ 20,310,378</u>	<u>\$ 875,253,937</u>

See notes to financial statements.

CITY OF NORWALK, CONNECTICUT

COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL

FUND TYPES AND EXPENDABLE TRUST FUNDS

Year ended June 30, 2001

EXHIBIT B

	Governmental Fund Types			Fiduciary	Totals
	General	Special Revenue	Capital Projects	Expendable Trust	
REVENUES					Memorandum Only
General property taxes and assessments	\$ 167,877,086	\$ -	\$ 57,602	\$ -	\$ 167,934,688
Federal and state government	25,417,820	16,526,292	4,208,213	-	46,152,325
Departmental charges for services	7,243,347	3,732,385	-	-	10,975,732
Interest on investments	3,622,919	61,814	1,507,191	3,444	5,195,368
Interest and penalties on taxes	2,937,459	-	-	-	2,937,459
Donations of food	-	121,076	-	-	121,076
Contributions/grants	197,708	-	-	500	198,208
Miscellaneous	295,464	741,382	-	-	1,036,846
Total revenues	207,591,803	21,182,949	5,773,006	3,944	234,551,702
EXPENDITURES					
General government	5,784,267	175,888	-	-	5,960,155
Health and welfare	1,771,346	-	-	-	1,771,346
Community grants	2,240,362	4,229,070	-	-	6,469,432
Employee benefits	10,493,109	-	-	-	10,493,109
Protection of persons and property	28,048,042	-	-	-	28,048,042
Public works	21,175,682	-	-	-	21,175,682
Education:					
Public schools	109,202,527	-	-	6,300	109,208,827
Designated grants and nonpublic	-	15,029,103	-	-	15,029,103
Recreation, arts, and cultural	5,719,594	743,011	19,101,596	-	25,564,201
Capital outlays	-	394,225	-	-	394,225
Debt service	17,795,690	-	-	-	17,795,690
Total expenditures	202,230,619	20,571,297	19,101,596	6,300	241,909,812
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,361,184	611,652	(13,328,590)	(2,356)	(7,358,110)
OTHER FINANCING (USES) SOURCES					
Proceeds from issuance of bonds	-	-	54,594,122	-	54,594,122
Total other financing (uses) sources	-	-	54,594,122	-	54,594,122
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	5,361,184	611,652	41,265,532	(2,356)	47,236,012
FUND BALANCE (DEFICIT), Beginning	16,322,391	2,650,536	(27,096,578)	65,084	(8,058,567)
FUND BALANCE, Ending	\$ 21,683,575	\$ 3,262,188	\$ 14,168,954	\$ 62,728	\$ 39,177,445

See notes to financial statements.

CITY OF NORWALK, CONNECTICUT
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

EXHIBIT C

Year ended June 30, 2001

	Final Budget	Actual	Over (Under) Budget
REVENUES			
General property taxes	\$ 163,954,173	\$ 167,877,086	\$ 3,922,913
Federal and state government	20,370,847	20,624,784	253,937
Other grants	174,514	197,708	23,194
Departmental and charges for services	6,296,204	7,243,347	947,143
Interest on investments	2,750,000	3,622,919	872,919
Interest and penalties on taxes	1,873,200	2,937,459	1,064,259
Miscellaneous	296,697	295,464	(1,233)
Total revenues	<u>195,715,635</u>	<u>202,798,767</u>	<u>7,083,132</u>
EXPENDITURES			
General government	6,298,523	5,784,267	(514,256)
Health and welfare	1,942,180	1,771,346	(170,834)
Community grants	2,303,858	2,240,362	(63,496)
Employee benefits	10,542,290	10,493,109	(49,181)
Protection of persons and property	28,281,793	28,048,042	(233,751)
Public works	21,397,778	21,175,682	(222,096)
Education:			
Public schools	104,982,218	104,409,491	(572,727)
Recreation, arts and cultural	5,793,257	5,719,594	(73,663)
Contingency	22,200	-	(22,200)
Debt service	17,795,692	17,795,690	(2)
Total expenditures	<u>199,359,789</u>	<u>197,437,583</u>	<u>(1,922,206)</u>
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENDITURES	<u>(3,644,154)</u>	<u>5,361,184</u>	<u>9,005,338</u>
OTHER FINANCING SOURCES (USES)			
Appropriated fund balance	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
Net other financing sources (uses)	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
(DEFICIENCY) EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING	<u>\$ (2,644,154)</u>	<u>5,361,184</u>	<u>\$ 8,005,338</u>
FUND BALANCE, Beginning		<u>16,322,391</u>	
FUND BALANCE, Ending		<u>\$ 21,683,575</u>	

See notes to financial statements.

CITY OF NORWALK, CONNECTICUT

EXHIBIT D

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN ACCUMULATED (DEFICIT) EARNINGS/FUND BALANCE

INTERNAL SERVICE, NON-EXPENDABLE TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNIT

Year ended June 30, 2001

	Proprietary Fund Types	Fiduciary Funds	Totals Primary Government	Component Unit	Totals Reporting Entity
	Internal Service	Non-expendable Trust Fund	(Memorandum Only)	Norwalk Transit District	(Memorandum Only)
OPERATING REVENUES					
City and members' contributions	\$ 23,636,986	\$ -	\$ 23,636,986	\$ -	\$ 23,636,986
Passenger fares	-	-	-	1,553,778	1,553,778
Management fees and other	-	-	-	134,230	134,230
Total operating revenues	<u>23,636,986</u>	<u>-</u>	<u>23,636,986</u>	<u>1,688,008</u>	<u>25,324,994</u>
OPERATING EXPENSES					
Claims	24,081,430	-	24,081,430	-	24,081,430
Program expenses	-	-	-	6,967,379	6,967,379
Depreciation of assets acquired with capital contributions	-	-	-	528,900	528,900
Other	857,682	-	857,682	30,886	888,568
Total operating expenses	<u>24,939,112</u>	<u>-</u>	<u>24,939,112</u>	<u>7,527,165</u>	<u>32,466,277</u>
LOSS FROM OPERATIONS	(1,302,126)	-	(1,302,126)	(5,839,157)	(7,141,283)
NONOPERATING REVENUES (EXPENSES)					
Operating assistance grants:					
Federal and state governments and local providers	-	-	-	5,407,084	5,407,084
Capital grants	-	-	-	9,826,341	9,826,341
Net gains (loss) on investment disposals	(95,265)	-	(95,265)	-	(95,265)
Investment income	353,289	-	353,289	(1,399)	351,890
Total net nonoperating revenues	<u>258,024</u>	<u>-</u>	<u>258,024</u>	<u>15,232,026</u>	<u>15,490,050</u>
NET (LOSS) INCOME	(1,044,102)	-	(1,044,102)	9,392,869	8,348,767
DEPRECIATION OF ASSETS ACQUIRED WITH CAPITAL CONTRIBUTIONS ALLOCATED TO CONTRIBUTED CAPITAL					
	-	-	-	528,900	528,900
ACCUMULATED EARNINGS/FUND BALANCE, Beginning	<u>1,271,268</u>	<u>8,614</u>	<u>1,279,882</u>	<u>473,753</u>	<u>1,753,635</u>
ACCUMULATED EARNINGS/FUND BALANCE, Ending	<u>\$ 227,166</u>	<u>\$ 8,614</u>	<u>\$ 235,780</u>	<u>\$ 10,395,522</u>	<u>\$ 10,631,302</u>

See notes to financial statements.

CITY OF NORWALK, CONNECTICUT
STATEMENT OF CHANGES IN NET ASSETS -
PENSION TRUST FUND
Year ended June 30, 2001

EXHIBIT E

ADDITIONS

Contributions

Employer contributions	\$ 87,211
Employee contributions	<u>2,086,461</u>

Total contributions	<u>2,173,672</u>
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Investment income

Interest and dividends	20,621,216
Less, investment expense	<u>(1,653,690)</u>

Net investment income	<u>18,967,526</u>
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Total additions	<u>21,141,198</u>
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DEDUCTIONS

Benefit payments	10,788,793
Termination expenses	94,257
Net depreciation in fair value of investments	<u>28,133,246</u>

Total deductions	<u>39,016,296</u>
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Net decrease	(17,875,098)
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NET ASSETS HELD IN TRUST FOR PENSION BENEFITS

Beginning of year	<u>317,680,459</u>
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End of year	<u>\$ 299,805,361</u>
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See notes to financial statements.

CITY OF NORWALK, CONNECTICUT

EXHIBIT F

COMBINED STATEMENT OF CASH FLOWS - INTERNAL SERVICE, NON-EXPENDABLE TRUST FUND

AND DISCRETELY PRESENTED COMPONENT UNIT

Year ended June 30, 2001

	Proprietary Fund Internal Service Fund	Fiduciary Fund Non-expendable Trust	Totals Primary Government (Memorandum Only)	Component Unit Norwalk Transit District	Totals Reporting Entity (Memorandum Only)
CASH FLOWS FROM OPERATING ACTIVITIES					
Contributions received	\$ 23,676,250	\$ -	\$ 23,676,250	\$ -	\$ 23,676,250
Cash received from passenger fares	-	-	-	1,553,778	1,553,778
Cash received from management fees and other	-	-	-	134,230	134,230
Cash payments for claims and fees	(25,193,288)	-	(25,193,288)	-	(25,193,288)
Cash payments to vendors and employees	-	-	-	(7,345,252)	(7,345,252)
Net cash used in operating activities	<u>(1,517,038)</u>	<u>-</u>	<u>(1,517,038)</u>	<u>(5,657,244)</u>	<u>(7,174,282)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities	(6,495,905)	-	(6,495,905)	-	(6,495,905)
Proceeds from sale and maturities of investment securities	6,301,569	-	6,301,569	-	6,301,569
Investment income	353,289	-	353,289	-	353,289
Net cash provided by investing activities	<u>158,953</u>	<u>-</u>	<u>158,953</u>	<u>-</u>	<u>158,953</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES					
Acquisition of capital equipment (net)	-	-	-	(9,495,083)	(9,495,083)
Capital contributed by federal and state grants	-	-	-	9,826,341	9,826,341
Net cash used in capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,258</u>	<u>331,258</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating assistance grants	-	-	-	5,407,084	5,407,084
Interest on line of credit	-	-	-	(1,399)	(1,399)
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,405,685</u>	<u>5,405,685</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>(1,358,085)</u>	<u>-</u>	<u>(1,358,085)</u>	<u>79,699</u>	<u>(1,278,386)</u>
CASH AND CASH EQUIVALENTS, Beginning	<u>4,465,319</u>	<u>8,614</u>	<u>4,473,933</u>	<u>572,384</u>	<u>5,046,317</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 3,107,234</u>	<u>\$ 8,614</u>	<u>\$ 3,115,848</u>	<u>\$ 652,083</u>	<u>\$ 3,767,931</u>

See notes to financial statements.

CITY OF NORWALK, CONNECTICUT

EXHIBIT F

COMBINED STATEMENT OF CASH FLOWS - INTERNAL SERVICE, NON-EXPENDABLE TRUST FUND

AND DISCRETELY PRESENTED COMPONENT UNIT - continued

Year ended June 30, 2001

	Proprietary Fund Internal Service Fund	Fiduciary Fund Non-expendable Trust	Totals Primary Government (Memorandum Only)	Component Unit Norwalk Transit District	Totals Reporting Entity (Memorandum Only)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating loss from operations	\$ (1,302,126)	\$ -	\$ (1,302,126)	\$ (5,839,157)	\$ (7,141,283)
Adjustments to reconcile operating loss to net cash used in operating activities:					
Depreciation	-	-	-	528,900	528,900
Changes in assets and liabilities:					
Accounts receivable	39,264	-	39,264	(1,609,111)	(1,569,847)
Inventories	-	-	-	(23,270)	(23,270)
Prepaid expenses	-	-	-	(11,178)	(11,178)
Claims liabilities	(254,176)	-	(254,176)	-	(254,176)
Accounts payable	-	-	-	1,395,352	1,395,352
Other liabilities	-	-	-	(98,780)	(98,780)
Net cash used in operating activities	<u>\$ (1,517,038)</u>	<u>\$ -</u>	<u>\$ (1,517,038)</u>	<u>\$ (5,657,244)</u>	<u>\$ (7,174,282)</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR:					
FIDUCIARY FUND:					
Pensions		\$ 22,309,529			
Expendable trusts		62,728			
Non-expendable trusts		8,614			
Agency		<u>1,344,785</u>			
		<u>\$ 23,725,656</u>			

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Norwalk (the City) is segregated into nine taxing districts based on the services provided to taxpayers. The following graph summarizes the services provided to each taxing district. General services include education, police protection, street repairs and maintenance and general government.

<u>District</u>	<u>General</u>	<u>Garbage Collection</u>	<u>Sewers</u>	<u>Fire Protection</u>	<u>Street Lighting</u>
1st	X	X	X	X	
2nd	X	X	X	X	
3rd	X	X	X	X	
4th	X	X	X	X	X
5th	X			X	X
6th	X				
7th	X		X		
8th	X	X		X	
9th	X	X		X	

The First, Second, Third and Sixth districts represent geographic subdivisions of the City. The remaining districts represent parts of the first, second, third and sixth districts that receive different combinations of services.

Reporting Entity

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for the which the government is considered to be financial accountable. The blended component unit, although a legally separate entity, is, in substance, part of the government's operations and so data from this unit is combined with data of the primary government. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the government.

Blended Component Unit — The Maritime Center Authority (the Authority) is an agency established by state statute and City Code to oversee the development and operations of the Maritime Center (the Center). The ordinance creating the Authority provided that the City would be the sole participating municipality, that the Authority would have a term of existence until the later of (i) the abolition of the Authority by subsequent ordinance of the Common Council or (ii) the extinguishment of all obligations of the Authority, including, without limitation, the retirement of all outstanding debt of the Authority. In addition, the ordinance provides that the powers of the Authority shall be exercised by a commission of nine members

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

consisting of the Major, two members of the Common Council, two current or former members of the Common Council and four additional members. The Mayor and the current and former members of the Common Council serve for two-year terms coterminous with the term of the office of the Mayor and the Common Council. Four additional members serve for staggered five-year terms from the date of their appointments. Appointments to the Authority (except for the position held by the Mayor) are made by a majority vote of the membership of the Common Council. Vacancies for any reason during the term of office are filled in the same manner as regular appointments. The operations of the Authority are accounted for as a special revenue fund.

The Director of Finance of the City is required to submit to the Authority a recommended annual budget for the Authority on or before March 1 in each year. The Authority then adopts its annual budget for the ensuing fiscal year on or before April 1 in each year. The fiscal year of the Authority commences July 1. In October 1985, the City agreed to lend its full faith and credit backing to the development of the Center and guaranteed payment on the bonds and notes issued to finance the Center and is obligated to cover any deficiency in net revenues from the Center's operations to pay debt service.

The Center is designed to be a comprehensive educational facility of the maritime history and marine life of Long Island Sound with an adjoining IMAX film theater. The Center's maritime history component is expected to emphasize the 19th century aspects of the industrial revolution in Connecticut's coastal communities. Its aquarium component is designed to examine the ecological system of Long Island Sound from salt marsh to open ocean. The IMAX film theater is designed to offer one or more films at a time relating to the Center's themes.

The City as lessor and the Authority as lessee have entered into a lease of certain premises in South Norwalk, Connecticut on which the Center was constructed. The Authority has entered into a sublease with The Maritime Center at Norwalk, Inc., a nonprofit organization that operates such premises (the Operator), pursuant to which the Operator is obligated to develop and operate the Center. During July 1988, construction was completed and the Center commenced operations.

The Center's management anticipates that net revenue for the fiscal year ending June 30, 2001 will not be sufficient to meet its debt requirements. As noted above, the City is obligated to cover any deficiency in net revenues from the Center's operations to pay debt service, but is not obligated to cover any operating deficiencies incurred by the Operator.

Discretely Presented Component Unit — The Norwalk Transit District (Transit District) operations are financed through user charges and grants from the State of Connecticut, the Federal government and the City. The Transit District's operations are separately governed and it maintains separate accounting records. The Transit District is managed by a board of two commissioners who are appointed by the Mayor and approved by the Common Council. The Transit District has a June 30 year end.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

The Common Council approves all debt agreements entered into by the Transit District. The Transit District is presented as a proprietary fund type. Complete financial statements for the Transit District may be obtained from the Transit District administrative offices.

Fund Accounting

The accompanying financial statements have been prepared on a combined basis by funds and account groups, each of which is considered to be a separate accounting entity. Funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures/expenses. The various funds are grouped by type in the financial statements. Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Governmental Fund Types

Governmental Funds are those through which most functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the City's governmental fund types:

- (i) **General Fund** — The General Fund is the general operating fund of the City government. All unrestricted resources except those required to be accounted for in another fund are accounted for in this fund. From this fund are paid general operating expenditures, fixed charges, principal and interest on long-term debt, and capital improvement costs of the City which are not paid through a special fund.
- (ii) **Special Revenue Funds** — The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects which are accounted for in other funds) that are either required by law or administrative action to be accounted for in a separate fund or which the City has deemed appropriate to account for separately.
- (iii) **Capital Projects** — The Capital Projects Fund is used to account for resources used for the acquisition and construction of capital facilities, including those that are financed through special assessments.

Included in the Capital Projects Fund are sewer assessments, which are levied in order to finance both the construction of new, and the improvement to existing, sewer systems.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Proprietary Fund Types

The Proprietary Fund is used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Services from such activities can be provided to other funds within the City (Internal Service Fund). The City has established an Internal Service Fund to account for and finance its uninsured risks of loss.

The City has elected to apply FASB pronouncements and interpretations issued on or before November 30, 1989 unless they conflict or contradict GASB pronouncements. After that date GASB pronouncements will solely be used.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the City as a trustee or agent for individuals, private organizations and other governmental units. Trust and Agency Funds include Expendable, Non-expendable, Pension Trust and Agency Funds.

Account Groups

General Fixed Assets Account Group — This account group is used to account for all fixed assets of the City when such assets have been acquired for general governmental purposes. Assets purchased and construction in progress are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded at estimated fair market value at the time received.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets in the General Fixed Asset Account Group.

No depreciation has been provided on general fixed assets, nor has interest during any construction been capitalized; as such interest is not material to the General Fixed Asset Account Group.

General Long-Term Obligations Account Group — This account group is used to account for all long-term obligations of the City, including all long-term debt which is supported in the first instance by the full faith and credit of the City.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds, non-expendable trust funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, special assessments and interest revenue. Fines, permits and charges for services are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types, pension trust funds and non-expendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Revenue Recognition

Funds received by the Transit District from federal, state and local governments representing operating assistance are included in revenue in the period to which the grant applies and the related reimbursable expense is incurred. Capital grants are recognized as additions to contributed capital when the grant funds are expended for capital acquisitions.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Management Estimates

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

Budgetary Data

The City’s charter provides that:

- (i) Prior to the commencement of a fiscal year, an operating budget (a plan of financial operation embodying an estimate of proposed expenditures and the proposed means of financing them) for that year for the General Fund be submitted to the Board of Estimate and Taxation. On the first Monday of April, the Board of Estimate and Taxation by legal resolution must adopt an Operating Budget for the ensuing fiscal year.
- (ii) The expenditure portion of the operating budget (appropriations) is given legal effect through resolution of the Board of Estimate and Taxation. Appropriates are made by the Board of Estimate and Taxation shall not exceed estimated revenues. The budget is adopted on a department level. Departments, agencies, or other entities may not legally exceed their appropriations.
- (iii) By resolution of the Board of Estimate and Taxation the Finance Director may amend the budget by authorizing a transfer within each expenditure item (i.e., the Mayor’s office within general government expenditures) of the budget for amounts up to \$5,000. The Board of Estimate and Taxation’s authorization is required for transfers of amounts in excess of the Finance Director’s authority.
- (iv) Supplemental appropriations in excess of the adopted budget together with the means of financing them must be authorized by the Board of Estimate and Taxation and ratified by a Resolution of two-thirds of the Common Council.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

- (v) Although budgeted revenues usually are not changed, the ultimate source of revenues for supplemental appropriations (adjustments) are identified when such adjustments are approved. Thus, while the final budget presented in the financial statements reflects a deficit, the budgetary amendment process includes procedures requiring that funding sources, including, if necessary, appropriations of fund balance, be identified.
- (vi) Expenditures of funds for long-term capital improvements are budgeted by Capital Project each year. Appropriations for Capital Projects are continued until completion of applicable projects, even when projects extend over more than one fiscal year.
- (vii) Appropriations from the general fund lapse at year end.

Budgets are adopted on a modified accrual basis of accounting. The General and Capital Projects Funds are the only funds under budgetary control. Budgeted amounts are as originally adopted, or as amended by Board of Estimate and Taxation and ratified by Common Council for additional appropriations.

For the year ended June 30, 2001, supplemental appropriations (adjustments) activity for the General Fund budget was as follows:

Original budget approved		\$ 196,479,831
Supplemental appropriations (adjustments)		
General government	\$ 554,565	
Health and welfare	71,000	
Community grants	14,305	
Employee benefits	159,398	
Protection of persons and property	999,386	
Public works	921,074	
Education	616,000	
Recreation, arts and culture	47,346	
Contingency	(1,259,919)	
Debt service	756,803	
		<u>2,879,958</u>
Final budget		<u>\$ 199,359,789</u>

The City's budgetary fund structure as presented in Exhibit C accounts for certain transactions differently from those presented in Exhibit B, which presents financial statements in conformity with generally accepted accounting principles. A reconciliation of these differences at June 30, 2001 is as follows:

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis, Exhibit C	\$ 202,798,767	\$ 197,437,583
State On-Behalf payments for teachers retirement	<u>4,793,036</u>	<u>4,793,036</u>
GAAP Basis, Exhibit B	<u>\$ 207,591,803</u>	<u>\$ 202,230,619</u>

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Inventory

Inventory consists of food held for consumption. The inventory is stated at cost with cost based on (a) actual cost for purchased food and (b) stated value approximating fair value assigned by the federal government for food donated by the federal government, using the first-in, first-out basis. The food is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

In governmental fund types, reported inventories are offset by a fund balance reserve that indicates that they do not constitute "available spendable resources" even though they are a component of assets.

The Transit District records fuel and lubricants on a first-in, first-out basis and spare parts and materials on a last-in, first-out basis.

Property and Equipment - Transit District Component Unit

Property and equipment for the Transit District are stated at cost, less accumulated depreciation. Expenditures for property and equipment incurred under the various capital grants are recorded as assets and have been designated as contributed capital. Property and equipment in service are depreciated by the straight-line method over the estimated useful lives of the assets. The useful lives employed in computing depreciation of principal classes of property and equipment are as follows:

<u>Type of Asset</u>	<u>Depreciable Lives in years</u>
Computers	5
Office equipment	5
Vehicles	6
Garage equipment	6
Telephone	7
Buses	12
Building and operating property improvements	40

The amount of depreciation for assets acquired with capital contributions is reflected as a charge to contributed capital since the assets have been financed from sources other than operating funds. Proceeds in excess of \$5,000 received on disposition of a contributed asset are subject to return to the appropriate granting agencies in their respective proportions. Expenditures for maintenance and repairs are charged to expenses as incurred.

Postemployment Benefits Other Than Pension Benefits

In addition to providing pension benefits, the City provides postemployment health care and life insurance benefits under various collective bargaining agreement provisions and the personnel policies of the City and the Board of Education. Substantially all of the City's employees, both City administration and the Board of Education, may become eligible for postemployment benefits upon reaching retirement age.

Eligibility

- (i) **City Employees:** All City employees are eligible for postemployment health care benefits upon early, normal, or disability retirement. Surviving dependent spouses of retirees may elect to continue coverage under certain terms and conditions. In addition, retirees from the City Administrator's bargaining group who retired on or after July 1, 1986 are reimbursed for the Medicare part B premium upon reaching age 65, and are provided with a \$5,000 life insurance policy. In addition, employees under the Norwalk Municipal Employees Association bargaining group are also entitled to the \$5,000 life insurance policy. Retirees from the Fire Fighters' bargaining group are provided with a \$2,500 life insurance policy.
- (ii) **Board of Education Employees:** All Board of Education employees are eligible for postemployment health care benefits upon normal retirement, and most of the Board's employees are also eligible for such benefits upon early and disability retirement. Coverage for dependents and surviving dependent spouses may be extended under certain terms and conditions.

Employees and Participant Contributions

- (i) **City Employees:** Retired City employees do not contribute to the cost of these benefits. In addition, surviving dependent spouses from the Police and Fire bargaining groups can continue coverage at no cost to them. All other surviving dependent spouses who elect to continue coverage may do so for up to three years and are required to pay for the full cost of such coverage.
- (ii) **Board of Education Employees:** Retirees from the Administrators, Teachers and Nurses bargaining groups are provided with individual coverage from age 55 to age 65 at no cost to the employee. Secretarial employees are provided such coverage at no cost from age 60 to age 65. Coverage for dependents, and coverage beyond age 65 is at the expense of the employee. The Board's Custodial/Maintenance bargaining group is provided with dependent coverage and Medicare Supplement Coverage beyond age 65 at no cost to the employee.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Funding

- (i) Postemployment benefits are funded on a pay-as-you-go basis. The cost of retiree health and life insurance benefits is recorded as an expense in the Risk Management Internal Service Fund as claims are paid. There are 524 participants eligible to receive benefits at June 30, 2000. For fiscal year 2001, these expenditures totaled \$3,578,817.

Property Tax

The City's property tax is levied and payable each July 1 on the assessed value listed as of the prior October 1 for all real and personal property located in the City. Liens are effective on the assessment date and are continued by filing prior to the following levy date. Assessed values are established at 70 percent of estimated market value to conform with State statutes. Formerly, State statutes required each municipality to revalue real property at least every ten years. During the 1995 legislative session, the Legislature extended and revised the requirements for revaluation. The last revaluation completed and enacted was for the list of October 1, 1999. The assessed value for the list of October 1, 1999, upon which the current year's tax levy was based, was \$4,228,437,468.

Investments

State statutes authorize the City to invest in obligations of the following: 1) the United States of America including any agency of the United States government, 2) any state of the United States or political subdivision, authority or agency thereof which is exempt from taxation and at the time of the investment is rated within the top two rating categories of any nationally recognized rating service, and 3) the State of Connecticut, or any political subdivision, authority or agency thereof, which are rated within the top three rating categories of any nationally recognized rating service. In addition, the City is authorized to invest in demand deposits, time deposits, certificates of deposit, share accounts, term share accounts and share certificate accounts of any corporation or association receiving deposits which has its main place of business in Connecticut. The Pension Trust Fund is also authorized to invest in corporate bonds and stocks.

Investments are stated at fair value, which is determined using quoted market prices at June 30. The cost of investments sold is determined on a first-in, first-out basis.

Cash and Cash Equivalents

Cash equivalents include amounts in demand deposits as well as short-term investments with an initial maturity date within three months of the dates acquired by the City.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

NOTE 2 — FIXED ASSETS

A summary of changes in general fixed assets for the year ended June 30, 2001 is as follows:

	Balance June 30, 2000	Additions	Disposal	Balance June 30, 2001
Land	\$ 26,503,101	\$ 137,020	\$ -	\$ 26,640,121
Building	146,554,369	3,030	-	146,557,399
Machinery and equipment	41,271,892	4,236,897	-	45,508,789
Construction in progress	<u>90,149,461</u>	<u>2,665,770</u>	<u>10,560</u>	<u>92,804,671</u>
	<u>\$ 304,478,823</u>	<u>\$ 7,042,717</u>	<u>\$ 10,560</u>	<u>\$ 311,510,980</u>

The following is a summary of proprietary fund type fixed assets for the Transit District at June 30, 2001:

Land	\$ 3,123,683
Building and improvements	3,409,059
Transportation equipment	5,525,895
Other, primarily garage and shop equipment	953,319
Construction in progress	<u>10,260,220</u>
	23,272,176
Less, accumulated depreciation	<u>6,251,996</u>
Fixed assets, net of accumulated depreciation	<u>\$ 17,020,180</u>

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

NOTE 3 — LONG-TERM DEBT OBLIGATIONS

The following is a summary of changes in general long-term debt for the year ended June 30, 2001:

	Balance at July 1, 2000	Issues/ Additions	Reductions	Balance at June 30, 2001
General obligation bonds and clean water notes	\$ 73,366,896	\$ 54,594,122	\$ (10,629,306)	\$ 117,331,712
Accrued compensated absences	11,655,753	1,415,484	-	13,071,237
Other liabilities	-	-	-	-
Maritime Center bonds	<u>13,021,068</u>	<u>-</u>	<u>(1,261,211)</u>	<u>11,759,857</u>
	<u>\$ 98,043,717</u>	<u>\$ 56,009,606</u>	<u>\$ (11,890,517)</u>	<u>\$ 142,162,806</u>

The City issues general obligation bonds to provide for the acquisition and construction of major capital facilities. General obligations are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rate %	Amount
General government	6.40 - 6.50	\$ 1,050,000
General government	6.25 - 6.50	1,750,000
General government	4.80 - 5.10	6,630,000
Capital improvement	4.50 - 5.00	2,475,000
Capital improvement	4.50 - 5.30	6,000,000
Capital improvement	4.70 - 5.60	7,875,000
Capital improvement	4.35 - 6.25	6,500,000
Capital improvement	4.10 - 4.75	9,300,000
Capital improvement	4.15 - 6.00	19,000,000
Capital improvement	4.75 - 5.25	13,300,000
Capital improvement - clean water fund	2.00	3,356,326
Capital improvement - clean water fund	2.00	1,549,254
Capital improvement - clean water fund	2.00	599,417
Capital improvement - clean water fund	2.00	<u>37,946,715</u>
		<u>\$ 117,331,712</u>

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Maritime Center Project Bonds

Purpose	Interest Rate %	Amount
Maritime Center Project - Refunding Bonds, 1986 Series	4.30 - 7.00	\$ 4,969,857
Maritime Center Project - Refunding Bonds, 1992 Series	3.90 - 6.10	<u>6,790,000</u>
		<u>\$ 11,759,857</u>

In prior years, the City defeased certain general obligations bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in these financial statements. At June 30, 2001, \$1,750,000 of bonds outstanding from the prior year advance refunds are considered defeased.

The City, at June 30, 2001, has notes payable of \$5,360,741, consisting of \$860,741 of interim clean water funding and \$4,500,000 of a bond anticipation note which bears interest of 3.5 percent, and had a maturity date of July 12, 2000, in the Capital Projects Fund. The interim clean water funding obligations will be transferred to the General Long-Term Obligations Account Group upon completion of the related projects and final drawdowns.

Long-term notes and bond obligations are expected to be repaid by future tax levies and grants available from the State. A summary of long-term notes and bond principal maturities and grants available from the State of Connecticut for repayment of principal maturities (relating to certain school construction bonds) and related interest on principal amount at June 30, 2001 is as follows:

Year ended June 30,	General Obligation Debt	Maritime Center Project Debt	Total Principal Amount	Grants Available from the State of Connecticut	Interest Amount
2002	\$ 8,358,743	\$ 1,245,004	\$ 9,603,747	\$ 509,883	\$ 6,271,274
2003	9,140,398	1,236,093	10,376,491	344,247	5,601,808
2004	9,122,895	1,224,844	10,347,739	371,162	5,226,887
2005	8,741,249	1,226,123	9,967,372	357,568	4,846,267
2006	9,135,478	1,229,828	10,365,306	282,967	4,481,216
2007 - 2011	40,447,702	5,050,224	45,497,926	860,966	16,662,746
2012 - 2016	24,417,326	547,741	24,965,067	64,561	5,490,273
Thereafter	<u>7,967,921</u>	-	<u>7,967,921</u>	-	<u>266,098</u>
	<u>\$117,331,712</u>	<u>\$ 11,759,857</u>	<u>\$ 129,091,569</u>	<u>\$ 2,791,354</u>	<u>\$ 48,846,569</u>

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Accrued Compensation

Vacation earned during the City's fiscal year ending June 30 may be taken through the following June of each year. Vacation earned but not taken as of June 30, 2001 was approximately \$2,607,242. In addition, certain employee groups may accumulate between 55 and 60 days of unused vested sick leave throughout their employment. Certain employee groups are also entitled to severance and longevity benefits. The amounts of such accumulated vested sick leave, and severance and longevity benefits earned at June 30, 2001 were \$8,561,223 and \$1,902,772, respectively. Accrued compensation earned but not paid increased by approximately \$1,415,484 from the prior year. Since these benefits are to be funded from future financial resources, the liability has been reflected within the General Long-Term Obligations Account Group.

NOTE 4 — CAPITAL PROJECTS

A summary of the uncompleted capital projects of the City at June 30, 2001 follows:

Project	Project Authorizations (a)	Expenditures		Unexpended Authorization Balances
		Fiscal 2001 (b)	Cumulative (c)	
Department of				
Public Works:				
Clean water	\$ 70,134,800	\$ 4,536,377	\$ 68,151,759	\$ 1,983,041
Solid waste	7,651,495	1,570,548	7,417,198	234,297
Sanitary sewers	12,295,917	283,603	10,405,017	1,890,900
Drainage	477,496	324,940	406,283	71,213
Roads and highways	15,551,395	1,461,778	13,887,039	1,664,356
Other	11,354,501	848,212	5,796,600	5,557,901
Police Department	520,000	88,895	103,690	416,310
Fire Department	779,500	631,504	720,205	59,295
Parks and Recreation	16,022,305	3,431,184	9,831,045	6,191,260
Board of Education	26,867,208	5,220,596	21,153,220	5,713,988
Redevelopment Agency	22,890,942	847,911	11,471,825	11,419,117
Traffic and parking	1,652,037	112,654	1,299,965	352,072
	<u>\$ 186,197,596</u>	<u>\$ 19,358,202</u>	<u>\$ 150,643,846</u>	<u>\$ 35,553,750</u>

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

- (a) Represents cumulative Capital Budgets for projects that remain open at June 30, 2001.
- (b) Represents current year expenditures for projects that were open at June 30, 2001.
- (c) Represents aggregate expenditures for projects that were open at June 30, 2001.

Based on the latest estimates of costs to complete the projects, the City does not anticipate the necessity to increase the related authorizations. Bonds authorized but not issued for these projects plus completed projects not yet bonded \$(14,600,000) amounted to \$50,313,849 at June 30, 2001.

NOTE 5 — PENSION PLANS

A. Plan Descriptions

The City is the administrator of four separate single-employer defined benefit pension plans that were established to provide pension benefits for its police, fire fighters, food service, and other full-time employees other than teachers. The plans are considered to be part of the City's financial reporting entity and are included in the City's general purpose financial statements as pension trust funds. The plans do not issue separate, stand alone, financial reports.

At the last actuarial valuation date, July 1, 2000, membership consisted of:

	<u>Police</u>	<u>Fire</u>	<u>Employees</u>	<u>Food Service</u>
Retirees, disabled members and beneficiaries currently receiving benefits	133	138	533	22
Terminated employees entitled to benefits but not yet receiving them	3	-	59	1
Active members	<u>174</u>	<u>125</u>	<u>705</u>	<u>41</u>
	<u>310</u>	<u>263</u>	<u>1,297</u>	<u>64</u>

Police Benefit Fund

The City of Norwalk Police Benefit Fund provides retirement benefits as well as death and disability benefits. Benefits vest after 10 years of service. Members who retire after age 48 with 20 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.5 percent of final 26 week base pay, for each year of service (maximum 30 years). Benefits being paid to retired members are increased 1.5 percent per year beginning at age 62. For retirements after July 1, 1998, the annual increase may begin at age 55. At the member's death, the benefit is payable to the surviving spouse for the spouse's lifetime, provided the spouse does not remarry.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Police employees are required to contribute 8 percent of their base pay to the Fund. If a police officer leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions without interest thereon are refunded. The City is required to contribute the remaining amounts necessary to fund the benefits for its Police employees. Benefits and employee contributions are fixed by contract and may be amended by union negotiation. The City's payroll for employees covered by the Police Benefit Fund for the year ended June 30, 2001 was \$9,472,884.

Fire Benefit Fund

The City of Norwalk Fire Benefit Fund provides retirement benefits as well as death and disability benefits. Benefits vest after 10 years of service. Members who retire after age 48 with 20 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.5 percent of final 26 week base pay, for each year of service (maximum 30 years). Benefits being paid to retired members are increased 1.5 percent per year beginning at age 62. For retirements after July 1, 1998, the annual increase may begin at age 55. At the member's death, the benefit is payable to the surviving spouse for the spouse's lifetime, provided the spouse does not remarry.

Fire fighters are required to contribute 8 percent of their base pay to the Fund. If a fire fighter leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions without interest thereon are refunded. The City is required to contribute the remaining amounts necessary to fund the benefits for its fire fighters. Benefits and employee contributions are fixed by contract and may be amended by union negotiation. The City's payroll for employees covered by the Fire Benefit Fund for the year ended June 30, 2001 was \$6,762,784.

Employees' Pension Plan

The Norwalk City Employees' Pension Plan provides retirement benefits as well as death and disability benefits. Benefits vest after 5 years of service. Members who retire after age 55 with 10 years of services or after age 62 with 5 years of service are entitled to an annual retirement benefit, payable monthly for life (with 60 months guaranteed), in an amount equal to 2 percent of the highest 12 month base pay, for each year of service (maximum 35 years). Benefits being paid to retired members are increased 1.5 percent per year.

Members are required to contribute 2.75 percent of their base pay to the Plan. If a member leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions without interest thereon are refunded. The City is required to contribute the remaining amounts necessary to fund the benefits for its members. Benefits and employee contributions are fixed by contract and may be amended by union negotiation. The City's payroll for employees covered by the Employees' Pension Plan for the year ended June 30, 2001 was \$26,975,452.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Food Service Employees' Pension Plan

The City of Norwalk Food Service Employees' Pension Plan provides retirement benefits as well as death benefits. Benefits vest after 5 years of service. Members who retire after age 55 with 10 years of service or after age 65 with 5 years of service are entitled to an annual retirement benefit, payable monthly for life (with 60 months guaranteed), in an amount equal to 1.5 percent of final salary times years and months of credited service.

Food service employees are required to contribute 2.75 percent of their base pay to the Plan (maximum 30 years or age 70 with 5 years). If an employee leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions without interest thereon are refunded. The City is required to contribute the remaining amounts necessary to fund the benefits for its Food Service employees. Benefits and employee contributions are fixed by contract and may be amended by union negotiation. The City's payroll for employees covered by the Food Service Employees' Pension Plan for the year ended June 30, 2001 was \$530,374.

Teachers

Teachers participate in a contributory defined benefit plan established under Chapter 167a of Connecticut General Statutes and administered by the Connecticut State Teacher's Retirement Board. All certified teachers are eligible to participate in the plan and are required to contribute 7 percent of their annual earnings. The Board of Education does not contribute to the plan. Teachers are vested in their contributions up to 5 percent of their earnings prior to 5 years of service. After 5 years of service teachers are fully vested in their own contributions. After 10 years of service teachers are fully vested and entitled to a monthly pension benefit which is payable at the age of 60. The State of Connecticut contributes amounts based on actuarial estimates. The State's aggregate contribution to the plan for the fiscal year ended June 30, 2001 for all participating local governments was \$214,655,698. The actuarial valuation was performed on the plan as a whole and does not provide information for specific local governments.

For the year ended June 30, 2001, teachers contributed \$4,069,778 to the plan; covered payroll for the year was approximately \$58,100,000 and state on-behalf payments for teachers' retirement was \$4,793,036.

Total Payroll

Total payroll for the City for the year ended June 30, 2001 was \$119,817,900 of which \$101,841,494 was covered under various pension plans described above.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

B. Funding Policy and Annual Pension Cost

Contribution requirements are generally established through collective bargaining. The City's annual pension cost for the current year and related information for the plans administered by the City follows:

	Employees' Pension Plan	Police Benefit Fund	Firemen's Benefit Fund	Food Service Employees' Pension Plan
Contribution rates:				
City	(A)	(A)	(A)	(A)
Plan Members	2.75%	8%	8%	2.75%
Annual pension cost	\$ -	\$ -	\$ -	\$ 65,254
Contributions made	\$ -	\$ -	\$ -	\$ 74,211
Actuarial valuation date	7/1/00	7/1/00	7/1/00	7/1/00
Actuarial cost method	ProRata Projected Unit Credit	ProRata Projected Unit Credit	ProRata Projected Unit Credit	ProRata Projected Unit Credit
Amortization method	Level Dollar, Amount	Level Dollar, Amount	Level Dollar, Amount	Level Dollar, Amount
Remaining amortization period	28 yr.	28 yr.	28 yr.	19 yr.
Asset valuation method	3 yr. smoothed market	3 yr. smoothed market	3 yr. smoothed market	Asset market value
Actuarial assumptions:				
Investment rate of return	8.5%	8.5%	8.5%	7.5%
Projected salary increases	5.0%	4.5%	5.0%	4.0%
Cost of living adjustments	1.5%	1.5%	1.5%	1.5%

(A) The City is required to contribute the remaining amounts necessary to actuarially fund benefits.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

C. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

<u>Actuarial Date</u>	<u>Police</u>	<u>Fire</u>	<u>Employees</u>	<u>Food Service</u>
Annual Pension Cost (APC)				
July 1, 1998	\$ 374,200	\$ 188,150	\$ 1,812,625	\$ 43,550
July 1, 1999	405,000	40,000	1,070,000	43,445
July 1, 2000	-	-	-	65,254
Percentage of APC Contributed				
July 1, 1998	100%	100%	100%	0%
July 1, 1999	100%	100%	100%	371.3%
July 1, 2000	100%	100%	100%	113.7%
Net pension obligation (benefit)				
July 1, 1998	-	-	-	43,550
July 1, 1999	-	-	-	(74,318)
July 1, 2000	-	-	-	(83,275)

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

D. Schedule of Funding Progress

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Entry Age	Unfunded/ (Overfunded) AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Police Benefit Fund							
6/30/96	07/01/95	\$ 36,884,983	\$ 37,922,729	\$ 1,037,746	97.3%	\$ 8,642,169	12.0%
6/30/97	07/01/96	\$ 40,525,020	\$ 38,625,617	\$ (1,899,403)	104.9%	\$ 8,471,215	-22.4%
6/30/98	07/01/97	\$ 44,845,642	\$ 41,014,204	\$ (3,831,438)	109.3%	\$ 8,894,776	-43.1%
6/30/99	07/01/98	\$ 53,309,730	\$ 45,741,008	\$ (7,568,722)	116.5%	\$ 8,958,718	-84.5%
6/30/00	07/01/99	\$ 57,782,855	\$ 49,283,600	\$ (8,499,255)	117.2%	\$ 9,406,654	-90.4%
6/30/01	07/01/00	\$ 67,152,636	\$ 54,260,493	\$ (12,892,143)	123.8%	\$ 9,623,937	-134.0%
Firemen's Benefit Fund							
6/30/96	07/01/95	\$ 45,091,744	\$ 44,391,364	\$ (700,380)	101.6%	\$ 6,075,433	-11.5%
6/30/97	07/01/96	\$ 48,387,155	\$ 45,531,826	\$ (2,855,329)	106.3%	\$ 6,477,277	-44.1%
6/30/98	07/01/97	\$ 52,859,267	\$ 48,094,178	\$ (4,765,089)	109.9%	\$ 6,801,140	-70.1%
6/30/99	07/01/98	\$ 61,961,081	\$ 51,210,097	\$ (10,750,984)	121.0%	\$ 6,894,038	-155.9%
6/30/00	07/01/99	\$ 66,382,383	\$ 54,319,772	\$ (12,062,611)	122.2%	\$ 7,238,740	-166.6%
6/30/01	07/01/00	\$ 76,185,347	\$ 57,099,348	\$ (19,085,999)	133.4%	\$ 7,089,633	-269.2%
Employees' Pension Plan							
6/30/96	07/01/95	\$ 79,246,103	\$ 81,468,800	\$ 2,222,697	97.3%	\$ 28,595,746	7.8%
6/30/97	07/01/96	\$ 87,133,435	\$ 83,750,485	\$ (3,382,950)	104.0%	\$ 27,793,725	-12.2%
6/30/98	07/01/97	\$ 96,205,087	\$ 89,033,678	\$ (7,171,409)	108.1%	\$ 29,183,411	-24.6%
6/30/99	07/01/98	\$ 113,787,282	\$ 92,336,713	\$ (21,450,569)	123.2%	\$ 28,292,478	-75.8%
6/30/00	07/01/99	\$ 123,034,521	\$ 98,737,122	\$ (24,297,399)	124.6%	\$ 29,707,102	-81.8%
6/30/01	07/01/00	\$ 141,735,321	\$ 105,240,721	\$ (36,494,600)	134.7%	\$ 29,192,188	-125.0%
Food Service Employees' Pension Plan							
6/30/96	07/01/95	\$ 219,283	\$ 221,965	\$ 2,682	98.8%	N/A	N/A
6/30/97	07/01/96	\$ 218,900	\$ 591,153	\$ 372,253	37.0%	\$ 466,044	79.9%
6/30/98	07/01/97	\$ 277,881	N/A	N/A	N/A	N/A	N/A
6/30/99	07/01/98	\$ 338,311	\$ 645,712	\$ 307,401	52.4%	\$ 507,240	60.6%
6/30/00	07/01/99	\$ 361,961	N/A	N/A	N/A	N/A	N/A
6/30/01	07/01/00	\$ 618,893	\$ 940,618	\$ 321,725	65.8%	\$ 523,830	61.4%

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

E. Securities Lending Transactions

The City of Norwalk Pension Board (Board) on behalf of the Plans, has authorized the Plans to enter into agreements with The Northern Trust Company (Northern Trust) for the lending of the Plans' securities for predetermined times and fees, for collateral that may include cash, U.S. government securities and irrevocable letters of credit.

During the year ended June 30, 2001, Northern Trust loaned, securities held by Northern Trust, as a custodian, and received United States dollar cash and U.S. securities as collateral. Northern Trust did not have the ability to pledge or sell collateral securities absent a borrower default. Borrowers were required to put up collateral for each loan equal to: (i) in the case of loaned securities denominated in United States dollars or whose primary trading value was in the United States, 102 percent of the fair market value of the loaned securities; and (ii) in the case of loaned securities not denominated in United States dollars or whose primary trading market was not in the United States, 105 percent of the fair market value of the loaned securities. The market value held and market value of securities on loan for the Plans as of June 30, 2001 were \$22,217,432 and \$21,217,501, as follows:

Collateral Type	Market Value June 30, 2001	Collateral Market Value June 30, 2001	Collateral Percentage
Cash	\$ 21,574,917	\$ 22,132,052	102.6%
Non-cash	<u>83,583</u>	<u>85,380</u>	102.1%
	<u>\$ 21,658,500</u>	<u>\$ 22,217,432</u>	

The Board did not impose any restrictions during the year on the amount of loans that Northern Trust made on their behalf. There were no failures by any borrowers to return the loaned securities or pay distributions thereon during the year. Moreover, there were no losses during the year resulting from a default of the borrowers or Northern Trust. Northern Trust is contractually obligated to indemnify the Plans for a borrower's failure to return the securities or make the distributions as a result of Northern Trust's failure to make a reasoned determination of credit worthiness of the borrower, its failure to demand adequate and appropriate collateral on a prompt and timely basis or its failure to perform its duties and responsibilities under the agreement and applicable law.

Cash collateral has been placed in investments that generally match the maturities of the secured loans. The Plans do not have any credit risk on the securities lending transactions as of June 30, 2001.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

NOTE 6 — NORWALK TRANSIT DISTRICT PENSION PLAN

The Transit District maintains a defined contribution plan to provide pension benefits for union employees who meet certain age and length of service requirements. In a defined contribution plan, actual benefits will depend solely on amounts contributed to the plan plus investment earnings. Employee and employer contributions are equal to 2 percent and 6 percent of employee annual wages, respectively. The Transit District's contributions for each covered employee are fully vested after seven years of service. Transit District contributions forfeited by employees who leave employment prior to vesting are reallocated to the remaining participants. Allocation of forfeiture shall be allocated in the proportion that the compensation of each participant bears to the total compensation of all participants. Employee contributions and earnings are fully vested at all times.

The Transit District's total covered payroll in fiscal year 2001 was \$2,032,550. Both the Transit District and the covered employees made the required contribution of \$121,953 and \$40,651, respectively.

NOTE 7 — RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance for property losses in excess of \$50,000, faithful performance, and third party liability insurance up to \$12,000,000 for claims above \$250,000. The City has opted to manage certain of its risks internally and has set aside assets for claim settlement in its Internal Service Fund. The Internal Service Fund services employee health, workers' compensation, general and automobile liability claims for risk of loss.

Except for employee health insurance, all departments of the City participate in the program and make payments to the Internal Service Fund based on estimates of the amount needed to provide for normal occurrence of claims.

Board of Education employees are covered under two health plans for which the Board of Education pays minimum premiums to plan administrators. Both these plans have been determined to be self insured. Amounts are paid from the General Fund each year to the Internal Service Fund based upon historical cost information adjusted over a reasonable period of time so that Internal Service Fund revenues and expenses are approximately equal. The plan administrators process claims for payment on behalf of the Fund. All other City employees are covered under the City health plan. The General Fund is charged an amount for the City plan each fiscal year by the Internal Service Fund based upon historical cost information adjusted over a reasonable period of time so that Internal Service Fund revenues and expenses are approximately equal. The Internal Service Fund then uses these funds to settle all claims.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

Claims expenses and liabilities are reported when it is probable that a liability has been incurred at the date of the financial statements and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount.

The City is a defendant in a significant number of lawsuits. At June 30, 2001, approximately \$1,005,000 has been accrued for possible losses from such claims.

Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using an expected future investment rate of return of 8.5 percent. These liabilities are reported at a present value of \$5,086,356 at June 30, 2001.

Changes in the balances of claims liabilities for the years ended June 30, 2001 and 2000 were as follows:

Fiscal Year Ended	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Ending Balance
June 30, 2001	\$ 9,499,091	\$ 24,081,430	\$ 24,355,606	\$ 9,244,915
June 30, 2000	\$ 8,586,428	\$ 23,259,819	\$ 22,347,156	\$ 9,499,091

At June 30, 2001, the Internal Service Fund held \$8,026,488 in cash equivalents and investments designated for payment of these claims.

Settlement amounts have not exceeded insurance coverage for any of the last three years.

NOTE 8 — DEPOSITS AND INVESTMENTS

Deposits

At June 30, 2001, the carrying amount of the City's deposits was \$27,409,285. The bank balances of funds on deposit totaled \$31,944,076. Of the bank balance, \$1,470,333 was covered by federal depository insurance, \$2,935,224 was protected under provisions of the Connecticut General Statutes, which provide for protection against loss in excess of depository insurance through assessment against segregated collateral required to be maintained by public depositories, but not held in the City's name, and \$27,538,519 was uninsured and uncollateralized.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

At June 30, 2001, the carrying amount of combined cash book balances with financial institutions of the Transit District was \$178,215 and the bank balance was \$414,106 of which \$119,653 was covered by Federal Depository insurance and \$0 was collateralized with securities held by the pledging financial institutions but not in the District's name. The balance of \$294,453 was uninsured and uncollateralized.

The Transit District also invests excess cash balances in a money market mutual fund offered by a financial institution. The book and bank balance in this account at June 30, 2001 was \$473,868, and is not categorized as to risk due to the nature of the fund.

The City's investments are categorized as either (1) insured or registered, or securities held by the City or its agency in the City's name, (2) uninsured and unregistered, with securities held by the counterpart's trust department or agent in the City's name or (3) uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the City's name.

The City's investments at June 30, 2001 are shown below:

	<u>Category 3</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
U.S. Government Securities	\$ 31,199,283	\$ 31,199,283	\$ 31,199,283
Debt Securities	86,575,450	86,575,450	86,575,450
Equity Securities	175,538,047	175,538,047	175,538,047
Money Market Funds	-	8,410,488	8,410,488
Other	<u>1,591,523</u>	<u>1,591,523</u>	<u>1,591,523</u>
	<u>\$ 294,904,303</u>	<u>303,314,791</u>	<u>303,314,791</u>
CT State Treasurer Short Term Investment Fund (1)		48,537,819	48,537,819
Mutual Funds (1)		<u>8,369,044</u>	<u>8,369,044</u>
Total investments		<u>\$ 360,221,654</u>	<u>\$ 360,221,654</u>

(1) These investments are not categorized because they are not evidenced by securities that exist to physical or book entry form.

Due to significantly higher cash flows at certain times of the year, the City's investment in repurchase agreements (under category 3) were substantially higher than at year-end.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

NOTE 9 — FUND BALANCE - OTHER RESERVED AND UNRESERVED/DESIGNATED FOR OTHER PURPOSES

The General Fund, Special Revenue Fund and Trust and Agency Fund each have reserved a portion of their fund balance as Other Reserved in Exhibit A. The General Fund Other Reserved, \$2,585,752, relates to funds restricted for park land and prior year's encumbrances. The Special Revenue Fund Other Reserved, \$50,158, relates to funds restricted for inventory. The Trust and Agency Fund Other Reserved, \$71,342, relates to funds restricted for various expendable and non-expendable trusts.

The Special Revenue Fund has designated a portion of its fund balance as Designated for Other Purposes in Exhibit A. The balance relates to \$300,712 designated for the construction of a parking garage and recreational center, \$7,219 designated for housing assistance programs, \$441,449 designated for street and pavement repair, \$85,290 designated for Maritime Center and \$1,720,556 primarily designated for Board of Education extracurricular (\$1,206,171) and other miscellaneous program (\$514,385) activities.

NOTE 10 — CHANGE IN FUND EQUITY

The change in fund equity for the Transit District for the year ended June 30, 2001 is as follows:

Balance at June 30, 2000	\$ 8,189,589
Net income	9,921,769
Depreciation of assets acquired with capital contributions	<u>(528,900)</u>
Balance at June 30, 2001	<u>\$ 17,582,458</u>

NOTE 11 — OPERATING AND FUND DEFICITS

For the year ended June 30, 2001, the Auditorium Special Revenue Fund had an accumulated deficit fund balance of \$313,857. Additionally, the Board of Education Grants Special Revenue Fund had a fund deficit of \$796. The Special Revenue Fund deficits will be funded through future grants and contributions.

CITY OF NORWALK, CONNECTICUT
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

EXHIBIT G

NOTE 12 — CONTINGENCIES

The City is continuously engaged in tax appeal proceedings that may result in refunds to various taxpayers. Any refunds resulting from adverse settlements are provided for in the year in which settlements are made. City management is not aware of any claims that would have a material adverse effect on fund balance.

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

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GENERAL FUND

The General Fund is the general operating fund of the City government. All unrestricted resources except those required to be accounted for in another fund are accounted for in this fund.

From this fund are paid general operating expenditures, fixed charges, principal and interest on long term debt, and capital improvement costs of the City which are not paid through a special fund.

CITY OF NORWALK, CONNECTICUT
SCHEDULE OF GENERAL FUND REVENUES COMPARED WITH BUDGET
Year ended June 30, 2001

SCHEDULE 1

	Original Budget	Adjustments	Final Budget	Revenues	Over (Under) Budget
GENERAL PROPERTY TAXES	\$ 163,954,173	\$ -	\$ 163,954,173	\$ 167,877,086	\$ 3,922,913
FEDERAL AND STATE GOVERNMENT					
Education aid	9,860,967	-	9,860,967	10,285,813	424,846
State aid in lieu of taxes for elderly relief and freeze	3,576,800	-	3,576,800	3,101,794	(475,006)
State grants	6,881,187	51,893	6,933,080	7,237,177	304,097
Total federal and state government	20,318,954	51,893	20,370,847	20,624,784	253,937
OTHER GRANTS	145,000	29,514	174,514	197,708	23,194
Total grants	20,463,954	81,407	20,545,361	20,822,492	277,131
DEPARTMENTAL AND CHARGES FOR SERVICES					
Building inspections and permits	1,424,000	-	1,424,000	2,050,126	626,126
Health Department inspection fees	317,550	12,200	329,750	389,166	59,416
City Clerk fees	44,925	-	44,925	56,025	11,100
Police Department permits	73,750	43,197	116,947	138,404	21,457
Public Works licenses, permits and service charges	401,026	-	401,026	274,249	(126,777)
Planning and zoning permits	58,600	-	58,600	61,778	3,178
Town Clerk fees and permits	1,294,400	-	1,294,400	1,492,132	197,732
Police Department service charges	10,500	-	10,500	12,945	2,445
Other service charges and fees	109,800	-	109,800	84,065	(25,735)
Rental income	24,000	-	24,000	24,992	992
Recreation and Parks Commission	501,756	-	501,756	395,859	(105,897)
Health Department nursing fees	38,000	-	38,000	30,275	(7,725)
Parking permits and fees	1,683,500	99,000	1,782,500	1,986,240	203,740
Town of Wilton sewer use	160,000	-	160,000	247,091	87,091
Total departmental and charges for services	6,141,807	154,397	6,296,204	7,243,347	947,143
INTEREST ON INVESTMENTS	2,750,000	-	2,750,000	3,622,919	872,919
INTEREST AND PENALTIES ON TAXES	1,873,200	-	1,873,200	2,937,459	1,064,259
MISCELLANEOUS	296,697	-	296,697	295,464	(1,233)
Total revenues	195,479,831	235,804	195,715,635	202,798,767	7,083,132
OTHER FINANCING SOURCES					
Appropriated fund balance	1,000,000	-	1,000,000	-	(1,000,000)
Total revenues and other financing sources	\$ 196,479,831	\$ 235,804	\$ 196,715,635	\$ 202,798,767	\$ 6,083,132

CITY OF NORWALK, CONNECTICUT
SCHEDULE OF GENERAL FUND EXPENDITURES COMPARED WITH APPROPRIATIONS
Year ended June 30, 2001

SCHEDULE 2

	Appropriations			Expenditures	Over (Under) Budget
	Original Budget	Adjustments	Final Budget		
GENERAL GOVERNMENT					
Mayor	\$ 193,383	\$ 11,718	\$ 205,101	\$ 180,953	\$ (24,148)
Legislative	19,208	-	19,208	16,176	(3,032)
Legal	528,760	157,961	686,721	522,016	(164,705)
City Clerk	300,948	12,507	313,455	311,689	(1,766)
Town Clerk	473,364	9,300	482,664	482,662	(2)
Data Processing	622,424	13,907	636,331	589,719	(46,612)
Personnel & Labor Relations	358,261	2,213	360,474	359,656	(818)
Human Relations & Fair Rent	174,353	-	174,353	157,971	(16,382)
Youth Services	270,571	19,590	290,161	276,493	(13,668)
Registrar of Voters	204,225	30,025	234,250	234,247	(3)
Finance Director	180,315	66,546	246,861	159,908	(86,953)
Tax Assessor	711,620	219,600	931,220	841,853	(89,367)
Tax Collector	481,673	17,362	499,035	496,935	(2,100)
Accounting and Treasury	482,020	-	482,020	479,805	(2,215)
Budget and Systems	338,951	138	339,089	307,996	(31,093)
Purchasing	155,589	(6,412)	149,177	140,859	(8,318)
Central Services	248,293	110	248,403	225,329	(23,074)
	<u>5,743,958</u>	<u>554,565</u>	<u>6,298,523</u>	<u>5,784,267</u>	<u>(514,256)</u>
HEALTH AND WELFARE					
Health	1,682,580	71,000	1,753,580	1,641,779	(111,801)
Welfare	188,600	-	188,600	129,567	(59,033)
	<u>1,871,180</u>	<u>71,000</u>	<u>1,942,180</u>	<u>1,771,346</u>	<u>(170,834)</u>
COMMUNITY GRANTS					
NEON	341,336	-	341,336	290,832	(50,504)
Transit District	358,955	-	358,955	358,955	-
Probate Court	13,169	14,305	27,474	27,474	-
Elder House	1,100	-	1,100	1,100	-
Senior Center	240,000	-	240,000	240,000	-
Rape Crisis Center, Inc.	9,134	-	9,134	-	(9,134)
CT Counseling Centers	1,055	-	1,055	1,055	-

CITY OF NORWALK, CONNECTICUT

SCHEDULE OF GENERAL FUND EXPENDITURES COMPARED WITH APPROPRIATIONS - continued

Year ended June 30, 2001

SCHEDULE 2

	Appropriations			Expenditures	Over (Under) Budget
	Original Budget	Adjustments	Final Budget		
COMMUNITY GRANTS - continued					
Harbor Commission	\$ 10,353	\$ -	\$ 10,353	\$ 10,353	\$ -
Housing Site Development Agency	64,403	-	64,403	64,403	-
Redevelopment Agency	125,000	-	125,000	124,997	(3)
Mayor's Commission on Hispanic Affairs	11,275	-	11,275	11,275	-
Mid-Fairfield Guidance Center	8,210	-	8,210	8,210	-
Norwalk Kiwanis Emergency Shelter	45,507	-	45,507	45,507	-
Fair Housing Office	65,500	-	65,500	63,820	(1,680)
Human Services Council	11,455	-	11,455	11,455	-
NEON Summer Camp	124,984	-	124,984	124,984	-
NEON Headstart	782,035	-	782,035	782,035	-
Domestic Violence Center	2,175	-	2,175	-	(2,175)
Meals on Wheels	13,049	-	13,049	13,049	-
School Based Health Care	15,836	-	15,836	15,836	-
Family & Children's Aid	30,394	-	30,394	30,394	-
SW CT Mental Health Bd	14,628	-	14,628	14,628	-
	<u>2,289,553</u>	<u>14,305</u>	<u>2,303,858</u>	<u>2,240,362</u>	<u>(63,496)</u>
EMPLOYEE BENEFITS					
Insurance	8,665,238	-	8,665,238	8,665,238	-
Social Security	1,600,000	(29,491)	1,570,509	1,561,967	(8,542)
Unemployment Compensation	62,654	(10,213)	52,441	31,254	(21,187)
Reorganization and settlement	-	199,102	199,102	199,102	-
Special Pensions	25,052	-	25,052	14,779	(10,273)
Contribution to Police Pension Fund	-	-	-	-	-
Contribution to Fireman Pension Fund	-	-	-	-	-
Contribution to Municipal Employees' Pension Fund	29,948	-	29,948	20,769	(9,179)
	<u>10,382,892</u>	<u>159,398</u>	<u>10,542,290</u>	<u>10,493,109</u>	<u>(49,181)</u>

CITY OF NORWALK, CONNECTICUT

SCHEDULE OF GENERAL FUND EXPENDITURES COMPARED WITH APPROPRIATIONS - continued

Year ended June 30, 2001

SCHEDULE 2

	Appropriations			Expenditures	Over (Under) Budget
	Original Budget	Adjustments	Final Budget		
PROTECTION OF PERSONS AND PROPERTY					
Police Department	\$ 14,072,078	\$ 586,337	\$ 14,658,415	\$ 14,494,752	\$ (163,663)
Fire Department	11,912,044	414,329	12,326,373	12,305,122	(21,251)
Civil Preparedness	32,800	-	32,800	29,927	(2,873)
Planning and Zoning	769,332	(1,125)	768,207	728,064	(40,143)
Building inspector	446,823	(2,887)	443,936	438,375	(5,561)
Sealer - Weights and Measures	49,330	2,732	52,062	51,802	(260)
	<u>27,282,407</u>	<u>999,386</u>	<u>28,281,793</u>	<u>28,048,042</u>	<u>(233,751)</u>
PUBLIC WORKS					
Public Works	19,189,883	912,337	20,102,220	19,882,985	(219,235)
Building Management	1,286,821	8,737	1,295,558	1,292,697	(2,861)
	<u>20,476,704</u>	<u>921,074</u>	<u>21,397,778</u>	<u>21,175,682</u>	<u>(222,096)</u>
EDUCATION					
Public Schools	104,366,218	616,000	104,982,218	104,409,491	(572,727)
	<u>104,366,218</u>	<u>616,000</u>	<u>104,982,218</u>	<u>104,409,491</u>	<u>(572,727)</u>
RECREATION, ARTS AND CULTURE					
Recreation and Parks	2,763,528	11,314	2,774,842	2,742,751	(32,091)
Library	2,834,489	16,678	2,851,167	2,809,595	(41,572)
Historical Commission	147,894	19,354	167,248	167,248	-
	<u>5,745,911</u>	<u>47,346</u>	<u>5,793,257</u>	<u>5,719,594</u>	<u>(73,663)</u>
CONTINGENCY					
	<u>1,282,119</u>	<u>(1,259,919)</u>	<u>22,200</u>	<u>-</u>	<u>(22,200)</u>
DEBT SERVICE					
	<u>17,038,889</u>	<u>756,803</u>	<u>17,795,692</u>	<u>17,795,690</u>	<u>(2)</u>
Total expenditures	<u>\$ 196,479,831</u>	<u>\$ 2,879,958</u>	<u>\$ 199,359,789</u>	<u>\$ 197,437,583</u>	<u>\$ (1,922,206)</u>

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects which are accounted for in other funds) that are either required by law or administrative action to be accounted for in a separate fund or which the City has deemed appropriate to account for separately.

CITY OF NORWALK, CONNECTICUT

SPECIAL REVENUE FUNDS

Special Revenue Funds are created pursuant to State statutes or local ordinances and resolutions. The criteria for the creation of a Special Revenue are generally the desire or need to conspicuously segregate revenues which are used for specific purposes, or expenditures incurred for the performance of specific activities, or both.

As of June 30, 2001, there were 11 Special Revenue Funds in the City of Norwalk. A description of each fund follows:

Maritime Center Fund – This fund is used to account for revenues which are received from the Maritime Center at Norwalk, Inc., and expenditures which are restricted for Maritime Center use.

School Lunch Fund – This fund is used to account for the revenues and expenditures of the school program. Revenues consist of sales of food, federal and state government subsidies, and donations.

Auditorium Fund – This fund is used to account for the revenues and expenditures associated with the refurbishment for the Norwalk Concert Hall. Revenues are derived principally from donations and intergovernmental grants.

Planning and Zoning Fund – This fund is used to account for revenues derived from payments in lieu of off-street parking for development activities in certain downtown areas.

Housing – U.S. Surgical Fund – This fund is used to account for the revenues and expenditures of a private donation which are provided to assist the City in providing affordable housing opportunities.

Visiting Nurse Fund – This fund is used to account for revenue and expenditure for visiting nurse activities.

Street Opening Fund – This fund is used to account for revenues received from private contractors who receive City authorization to open City streets for sewer connections and other purposes. Expenditures from this fund are restricted to street repairs.

C.D.B.G. Fund – This fund is used to account for the revenues and expenditures under the Federal Community Development Block Grant Program.

Board of Education Grants – This fund is used to account for grants received for educational purposes.

Health Care Grants – This fund is used to account for grants received for Health Care purposes.

Other Fund – This fund is used to account for educational related and grant activities.

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CITY OF NORWALK, CONNECTICUT
COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
June 30, 2001

SCHEDULE 3

	Maritime Center	School Lunch	Auditorium	Planning and Zoning	Housing US Surgical	Visiting Nurse	Street Openings	CDBG	Board of Ed Grants	Health Care Grants	Other	Total
ASSETS												
Cash and cash equivalents	\$ 8,992	\$ 983,921	\$ 16,567	\$ 301,262	\$ 7,219	\$ 194	\$ 495,804	\$ 540	\$ 1,733,019	\$ 133,717	\$ 1,983,632	\$ 5,664,867
Accounts receivable	149,371	191,903	-	-	-	-	-	-	296,740	172,845	-	810,859
Inventory - purchased	-	18,612	-	-	-	-	-	-	-	-	-	18,612
Inventory - donated	-	31,546	-	-	-	-	-	-	-	-	-	31,546
	<u>\$ 158,363</u>	<u>\$ 1,225,982</u>	<u>\$ 16,567</u>	<u>\$ 301,262</u>	<u>\$ 7,219</u>	<u>\$ 194</u>	<u>\$ 495,804</u>	<u>\$ 540</u>	<u>\$ 2,029,759</u>	<u>\$ 306,562</u>	<u>\$ 1,983,632</u>	<u>\$ 6,525,884</u>
LIABILITIES AND FUND BALANCE												
LIABILITIES												
Accounts payable	\$ 73,073	\$ 205,665	\$ 330,424	\$ 550	\$ -	\$ -	\$ 54,355	\$ -	\$ 674,085	\$ 108,556	\$ 49,703	\$ 1,496,411
Other liabilities	-	-	-	-	-	-	-	-	187,746	15,231	-	202,977
Deferred revenues	-	-	-	-	-	-	-	-	1,168,724	181,477	214,107	1,564,308
Total liabilities	<u>73,073</u>	<u>205,665</u>	<u>330,424</u>	<u>550</u>	<u>-</u>	<u>-</u>	<u>54,355</u>	<u>-</u>	<u>2,030,555</u>	<u>305,264</u>	<u>263,810</u>	<u>3,263,696</u>
FUND BALANCE (DEFICIT)												
Reserved:												
Reserved for inventories	-	50,158	-	-	-	-	-	-	-	-	-	50,158
Unreserved:												
Designated for other purposes	85,290	-	-	300,712	7,219	194	441,449	540	-	-	1,719,822	2,555,226
Undesignated	-	970,159	(313,857)	-	-	-	-	-	(796)	1,298	-	656,804
Total fund balance (deficit)	<u>85,290</u>	<u>1,020,317</u>	<u>(313,857)</u>	<u>300,712</u>	<u>7,219</u>	<u>194</u>	<u>441,449</u>	<u>540</u>	<u>(796)</u>	<u>1,298</u>	<u>1,719,822</u>	<u>3,262,188</u>
	<u>\$ 158,363</u>	<u>\$ 1,225,982</u>	<u>\$ 16,567</u>	<u>\$ 301,262</u>	<u>\$ 7,219</u>	<u>\$ 194</u>	<u>\$ 495,804</u>	<u>\$ 540</u>	<u>\$ 2,029,759</u>	<u>\$ 306,562</u>	<u>\$ 1,983,632</u>	<u>\$ 6,525,884</u>

CITY OF NORWALK, CONNECTICUT
COMBINING BALANCE SHEET - DETAIL OF OTHER SPECIAL REVENUE FUNDS
June 30, 2001

SCHEDULE 3A

	Nathaniel Ely Sch	Police Bicycles	Sweroc	E. Norwalk R.R.	Mid Ffld. Sub. Abuse	Columbus Parade	Fair Housing	Green Farm Church	Harbor Mgmt. Comm.	Hatch & Bailey Blvd.	US Gymnastics
ASSETS											
Cash and cash equivalents	\$ 16,864	\$ 193	\$ 141,662	\$ 115,051	\$ 418	\$ 3,267	\$ 270	\$ 359	\$ 22,874	\$ 51,281	\$ 76,935
	<u>\$ 16,864</u>	<u>\$ 193</u>	<u>\$ 141,662</u>	<u>\$ 115,051</u>	<u>\$ 418</u>	<u>\$ 3,267</u>	<u>\$ 270</u>	<u>\$ 359</u>	<u>\$ 22,874</u>	<u>\$ 51,281</u>	<u>\$ 76,935</u>
LIABILITIES AND FUND BALANCE (DEFICIT)											
LIABILITIES											
Accounts payable	\$ -	\$ -	\$ 499	\$ 30,503	\$ -	\$ -	\$ -	\$ -	\$ 2,467	\$ -	\$ -
Deferred revenues	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	499	30,503	-	-	-	-	2,467	-	-
FUND BALANCE (DEFICIT)											
Unreserved: Designated for other purposes	16,864	193	141,163	84,548	418	3,267	270	359	20,407	51,281	76,935
Total fund balance (deficit)	16,864	193	141,163	84,548	418	3,267	270	359	20,407	51,281	76,935
	<u>\$ 16,864</u>	<u>\$ 193</u>	<u>\$ 141,662</u>	<u>\$ 115,051</u>	<u>\$ 418</u>	<u>\$ 3,267</u>	<u>\$ 270</u>	<u>\$ 359</u>	<u>\$ 22,874</u>	<u>\$ 51,281</u>	<u>\$ 76,935</u>

CITY OF NORWALK, CONNECTICUT
COMBINING BALANCE SHEET - DETAIL OF OTHER SPECIAL REVENUE FUNDS - continued

SCHEDULE 3A

June 30, 2001

	<u>Downtown Area</u>	<u>Fire Imaging Cameras</u>	<u>McCarthy Room</u>	<u>Municipal Dev. Plan</u>	<u>Crossland</u>	<u>Norden Project</u>	<u>Webster/ MLK</u>	<u>Defibrillators</u>	<u>AIDS Fees</u>	<u>Museum Grant</u>	<u>Board of Education</u>	<u>Total</u>
ASSETS												
Cash and cash equivalents	\$ 33,755	\$ 5,691	\$ 24,079	\$ 205,375	\$ 43,810	\$ -	\$ 12,280	\$ 4,448	\$ 4,072	\$ 14,740	\$1,206,208	\$1,983,632
	<u>\$ 33,755</u>	<u>\$ 5,691</u>	<u>\$ 24,079</u>	<u>\$ 205,375</u>	<u>\$ 43,810</u>	<u>\$ -</u>	<u>\$ 12,280</u>	<u>\$ 4,448</u>	<u>\$ 4,072</u>	<u>\$ 14,740</u>	<u>\$1,206,208</u>	<u>\$1,983,632</u>
LIABILITIES AND FUND BALANCE (DEFICIT)												
LIABILITIES												
Accounts payable	\$ -	\$ -	\$ -	\$ 15,347	\$ 850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37	\$ 49,703
Deferred revenues	-	-	24,079	190,028	-	-	-	-	-	-	-	214,107
Total liabilities	-	-	24,079	205,375	850	-	-	-	-	-	37	263,810
FUND BALANCE (DEFICIT)												
Unreserved:												
Designated for other purposes	33,755	5,691	-	-	42,960	-	12,280	4,448	4,072	14,740	1,206,171	1,719,822
Total fund balance (deficit)	<u>33,755</u>	<u>5,691</u>	<u>-</u>	<u>-</u>	<u>42,960</u>	<u>-</u>	<u>12,280</u>	<u>4,448</u>	<u>4,072</u>	<u>14,740</u>	<u>1,206,171</u>	<u>1,719,822</u>
	<u>\$ 33,755</u>	<u>\$ 5,691</u>	<u>\$ 24,079</u>	<u>\$ 205,375</u>	<u>\$ 43,810</u>	<u>\$ -</u>	<u>\$ 12,280</u>	<u>\$ 4,448</u>	<u>\$ 4,072</u>	<u>\$ 14,740</u>	<u>\$1,206,208</u>	<u>\$1,983,632</u>

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CITY OF NORWALK, CONNECTICUT

SCHEDULE 4

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS

Year ended June 30, 2001

	Maritime Center Authority	School Lunch	Auditorium	Planning and Zoning	Housing US Surgical	Street Openings	CDBG	Visiting Nurse	Board of Ed Grants	Health Care Grants	Other	Total
REVENUES												
Federal and State Government	\$ 819,308	\$ 1,104,270	\$ -	\$ -	\$ -	\$ -	\$ 1,115,285	\$ -	\$10,363,941	\$ 1,661,656	\$ 1,461,832	\$ 16,526,292
Charges for services	-	1,265,080	-	-	-	317,040	-	-	-	-	2,150,265	3,732,385
Interest on investments	-	40,018	-	15,291	-	-	-	-	-	-	6,505	61,814
Donations of food	-	121,076	-	-	-	-	-	-	-	-	-	121,076
Other	-	27,455	100	-	-	-	-	-	-	-	713,827	741,382
	<u>819,308</u>	<u>2,557,899</u>	<u>100</u>	<u>15,291</u>	<u>-</u>	<u>317,040</u>	<u>1,115,285</u>	<u>-</u>	<u>10,363,941</u>	<u>1,661,656</u>	<u>4,332,429</u>	<u>21,182,949</u>
EXPENDITURES												
Maritime Center Subsidy	743,011	-	-	-	-	-	-	-	-	-	-	743,011
Other expenditures	-	-	-	2,340	-	-	-	-	-	-	173,548	175,888
Community grants	-	-	-	-	-	-	1,114,745	-	-	1,661,656	1,452,669	4,229,070
Non-public and special education	-	2,590,372	-	-	-	-	-	-	10,358,544	-	2,080,187	15,029,103
Capital improvements	-	-	-	-	-	232,975	-	-	-	-	161,250	394,225
	<u>743,011</u>	<u>2,590,372</u>	<u>-</u>	<u>2,340</u>	<u>-</u>	<u>232,975</u>	<u>1,114,745</u>	<u>-</u>	<u>10,358,544</u>	<u>1,661,656</u>	<u>3,867,654</u>	<u>20,571,297</u>
EXCESS OF REVENUES OVER EXPENDITURES	76,297	(32,473)	100	12,951	-	84,065	540	-	5,397	-	464,775	611,652
FUND BALANCE (DEFICIT), July 1, 2000	8,993	1,052,790	(313,957)	287,761	7,219	357,384	-	194	(6,193)	1,298	1,255,047	2,650,536
FUND BALANCE (DEFICIT), June 30, 2001	<u>\$ 85,290</u>	<u>\$ 1,020,317</u>	<u>\$ (313,857)</u>	<u>\$ 300,712</u>	<u>\$ 7,219</u>	<u>\$ 441,449</u>	<u>\$ 540</u>	<u>\$ 194</u>	<u>\$ (796)</u>	<u>\$ 1,298</u>	<u>\$ 1,719,822</u>	<u>\$ 3,262,188</u>

CITY OF NORWALK, CONNECTICUT

SCHEDULE 4A

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER FUNDS

Year ended June 30, 2001

	<u>Nathaniel Ely Sch</u>	<u>Police Bicycles</u>	<u>Sweroc</u>	<u>E. Norwalk R.R.</u>	<u>Mid Ffld. Sub. Abuse</u>	<u>Columbus Parade</u>	<u>Fair Housing</u>	<u>Green Farm Church</u>	<u>Harbor Mgmt. Comm.</u>	<u>Hatch & Bailey Blvd.</u>	<u>US Gymnastics</u>
REVENUES											
Federal and State Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	63,143	51,803	-	-	-	-	26,820	10,349	27,061
Interest on investments	-	-	-	-	-	-	-	-	1,060	-	2,782
Other	-	-	-	-	-	-	-	-	10,353	-	-
	<u>-</u>	<u>-</u>	<u>63,143</u>	<u>51,803</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,233</u>	<u>10,349</u>	<u>29,843</u>
EXPENDITURES											
Other expenditures	-	-	18,955	22,996	-	-	-	-	35,271	-	-
Community grants	-	-	-	-	-	-	-	-	-	-	-
Non-public and special education	-	-	-	-	-	-	-	-	-	-	-
Capital improvements	-	-	-	77,405	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>18,955</u>	<u>100,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,271</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	44,188	(48,598)	-	-	-	-	2,962	10,349	29,843
FUND BALANCE (DEFICIT), July 1, 2000	<u>16,864</u>	<u>193</u>	<u>96,975</u>	<u>133,146</u>	<u>418</u>	<u>3,267</u>	<u>270</u>	<u>359</u>	<u>17,445</u>	<u>40,932</u>	<u>47,092</u>
FUND BALANCE (DEFICIT), June 30, 2001	<u>\$ 16,864</u>	<u>\$ 193</u>	<u>\$ 141,163</u>	<u>\$ 84,548</u>	<u>\$ 418</u>	<u>\$ 3,267</u>	<u>\$ 270</u>	<u>\$ 359</u>	<u>\$ 20,407</u>	<u>\$ 51,281</u>	<u>\$ 76,935</u>

CITY OF NORWALK, CONNECTICUT
COMBINING BALANCE SHEET - DETAIL OF OTHER SPECIAL REVENUE FUNDS - continued
June 30, 2001

SCHEDULE 4A

	Downtown Area	Fire Imaging Cameras	McCarthy Room	Municipal Dev. Plan	Crossland	Norden Project	Webster/ MLK	Defibrillators	AIDS Fees	Museum Grant	Board of Education	Total
REVENUES												
Federal and State Government	\$ -	\$ -	\$ -	\$ 248,739	\$ -	\$1,200,000	\$ -	\$ -	\$ -	\$ -	\$ 13,093	\$1,461,832
Charges for services	29,075	-	-	-	-	-	23,280	-	4,072	-	1,914,662	2,150,265
Interest on investments	-	-	-	-	2,663	-	-	-	-	-	-	6,505
Other	-	-	-	-	-	-	-	87,175	-	15,000	601,299	713,827
	<u>29,075</u>	<u>-</u>	<u>-</u>	<u>248,739</u>	<u>2,663</u>	<u>1,200,000</u>	<u>23,280</u>	<u>87,175</u>	<u>4,072</u>	<u>15,000</u>	<u>2,529,054</u>	<u>4,332,429</u>
EXPENDITURES												
Other expenditures	-	1,139	-	-	1,200	-	11,000	82,727	-	260	-	173,548
Community grants	-	-	-	248,739	-	1,200,000	-	-	-	-	3,930	1,452,669
Non-public and special education	-	-	-	-	-	-	-	-	-	-	2,080,187	2,080,187
Capital improvements	-	-	-	-	-	-	-	-	-	-	83,845	161,250
	<u>-</u>	<u>1,139</u>	<u>-</u>	<u>248,739</u>	<u>1,200</u>	<u>1,200,000</u>	<u>11,000</u>	<u>82,727</u>	<u>-</u>	<u>260</u>	<u>2,167,962</u>	<u>3,867,654</u>
EXCESS OF REVENUES OVER EXPENDITURES	29,075	(1,139)	-	-	1,463	-	12,280	4,448	4,072	14,740	361,092	464,775
FUND BALANCE (DEFICIT), July 1, 2000	4,680	6,830	-	-	41,497	-	-	-	-	-	845,079	1,255,047
FUND BALANCE (DEFICIT), June 30, 2001	<u>\$ 33,755</u>	<u>\$ 5,691</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,960</u>	<u>\$ -</u>	<u>\$ 12,280</u>	<u>\$ 4,448</u>	<u>\$ 4,072</u>	<u>\$ 14,740</u>	<u>\$1,206,171</u>	<u>\$1,719,822</u>

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TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held by the City in a Trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.



CITY OF NORWALK, CONNECTICUT

TRUST AND AGENCY FUNDS

Trust Funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments and/or other funds. These include Pension Trust Funds, Expendable Trust Funds, and Non-Expendable Trust Funds. Agency Funds are custodial in nature, and do not involve measurement of results of operations, but are merely clearing accounts. At June 30, 2001, the City maintains the following Trust and Agency Funds:

A. Pension Funds:

Police Benefit Fund – This fund is used to account for the payment of retirement benefits to Police Officers.

Firemen's Benefit Fund – This fund is used to account for the payment of retirement benefits to Fire Fighters.

Employee's Pension Fund – This fund is used to account for the payment of retirement benefits to City employees, excluding Police Officers, Fire Fighters, Certified Board of Education staff, and Food Service employees.

Food Service Employee's Pension Fund – This fund is used to account for the payment of retiree benefits to Food Service employees.

B. Expendable Trust Fund:

This fund is used to account for nine individual expendable trusts which provide awards and scholarships to students.

C. Non-Expendable Trust Fund:

This fund is used to account for Town Deposit Fund earnings which may be used for the City's benefit.

D. Agency Funds:

Student Activity Fund – This fund is used to account for the monies generated by student activities in the Norwalk Public School System.

Housing Site Development Fund – This fund is used for donations received from private developers, which are restricted to moderate income housing development.

City Hall Mural Restoration – This fund is used to account for private donations received to be used for mural restoration.

Sixth Taxing District – This fund is used to account for taxes collected for the benefit of the Sixth Taxing District.

Detention Facility Escrow – This fund is used to account for private donations to maintain drainage facilities.

Roosevelt Deposit – This fund is used to account for assets held for maintenance of Roosevelt School facility.

Sewer Escrow – This fund is used to account for private donations to maintain sewer lines.

CITY OF NORWALK, CONNECTICUT
COMBINING BALANCE SHEET - FIDUCIARY FUND TYPES
June 30, 2001

SCHEDULE 5

	Trust and Agency		Total
	Pension	Other	
ASSETS			
Cash and cash equivalents	\$ 22,309,529	\$ 1,416,127	\$ 23,725,656
Trustee securities	298,395,537	-	298,395,537
Accrued interest receivable	1,028,836	-	1,028,836
Other receivables	202,013	11,621	213,634
Accrued income	58,041	-	58,041
	<u>\$ 321,993,956</u>	<u>\$ 1,427,748</u>	<u>\$ 323,421,704</u>
LIABILITIES AND NET ASSETS/ FUND BALANCE			
Securities lending obligation	\$ 22,132,053	\$ -	\$ 22,132,053
Due to other governments	-	319,928	319,928
Other liabilities	56,542	100,363	156,905
Due to student groups	-	936,115	936,115
	<u>22,188,595</u>	<u>1,356,406</u>	<u>23,545,001</u>
Fund balance			
Reserved for pension fund commitments	299,805,361	-	299,805,361
Other reserved	-	71,342	71,342
	<u>\$ 321,993,956</u>	<u>\$ 1,427,748</u>	<u>\$ 323,421,704</u>

CITY OF NORWALK, CONNECTICUT
COMBINING STATEMENT OF PLAN NET ASSETS - PENSION FUNDS
June 30, 2001

SCHEDULE 6

	Police Benefit Fund	Fire Benefit Fund	Employees' Pension Plan	Food Service Employees' Pension Plan	Total
ASSETS					
Cash and cash equivalents	\$ 5,324,500	\$ 5,969,480	\$ 10,968,374	\$ 47,175	\$ 22,309,529
Trustee securities	70,786,308	79,490,002	147,464,678	654,549	298,395,537
Accrued interest receivable	244,040	274,082	508,451	2,263	1,028,836
Other receivables	72,849	53,219	73,591	2,354	202,013
Accrued income	13,767	15,462	28,684	128	58,041
	<u>76,441,464</u>	<u>85,802,245</u>	<u>159,043,778</u>	<u>706,469</u>	<u>321,993,956</u>
LIABILITIES					
Accounts payable	-	-	1,991	-	1,991
Accrued expenses	12,940	14,532	26,959	120	54,551
Securities lending obligation	5,249,723	5,895,979	10,937,660	48,691	22,132,053
	<u>5,262,663</u>	<u>5,910,511</u>	<u>10,966,610</u>	<u>48,811</u>	<u>22,188,595</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 71,178,801</u>	<u>\$ 79,891,734</u>	<u>\$ 148,077,168</u>	<u>\$ 657,658</u>	<u>\$ 299,805,361</u>

CITY OF NORWALK, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN PLAN ASSETS
Year ended June 30, 2001

SCHEDULE 7

	Police Benefit Fund	Fire Benefit Fund	Employees' Pension Plan	Food Service Employees' Pension Plan	Total
ADDITIONS					
Contributions:					
Employer	\$ 3,850	\$ 3,150	\$ 6,000	\$ 74,211	\$ 87,211
Plan member	760,578	495,607	814,409	15,867	2,086,461
Total contributions	<u>764,428</u>	<u>498,757</u>	<u>820,409</u>	<u>90,078</u>	<u>2,173,672</u>
Investment income:					
Interest and dividends	4,870,580	5,498,842	10,209,458	42,336	20,621,216
Less, investment expense	<u>(390,496)</u>	<u>(441,103)</u>	<u>(818,709)</u>	<u>(3,382)</u>	<u>(1,653,690)</u>
Net investment income	<u>4,480,084</u>	<u>5,057,739</u>	<u>9,390,749</u>	<u>38,954</u>	<u>18,967,526</u>
Total additions	<u>5,244,512</u>	<u>5,556,496</u>	<u>10,211,158</u>	<u>129,032</u>	<u>21,141,198</u>
DEDUCTIONS					
Benefits paid	2,158,863	2,925,565	5,672,352	32,013	10,788,793
Termination expense	13,570	-	79,212	1,475	
Net depreciation in fair value of investments	<u>6,648,266</u>	<u>7,501,717</u>	<u>13,926,926</u>	<u>56,337</u>	<u>28,133,246</u>
Total deductions	<u>8,820,699</u>	<u>10,427,282</u>	<u>19,678,490</u>	<u>89,825</u>	<u>39,016,296</u>
NET (DECREASE) INCREASE	(3,576,187)	(4,870,786)	(9,467,332)	39,207	(17,875,098)
NET ASSETS HELD IN TRUST					
Beginning of year	<u>74,754,988</u>	<u>84,762,520</u>	<u>157,544,500</u>	<u>618,451</u>	<u>317,680,459</u>
End of year	<u>\$ 71,178,801</u>	<u>\$ 79,891,734</u>	<u>\$ 148,077,168</u>	<u>\$ 657,658</u>	<u>\$ 299,805,361</u>

CITY OF NORWALK, CONNECTICUT
COMBINING BALANCE SHEET - OTHER TRUST AND AGENCY FUNDS
June 30, 2001

SCHEDULE 8

	Trust Funds		Agency Funds							Total
	Expendable Trust Fund	Non-Expendable Trust Fund	Student Activity	Housing Site Development	City Hall Mural Restoration	Sixth District	Detention Facility Escrow	Roosevelt Deposit	Sewer Escrow	
ASSETS										
Cash and cash equivalents	\$ 62,728	\$ 8,614	\$ 936,115	\$ 303,296	\$ 5,011	\$ -	\$ 4,416	\$ 15,956	\$ 79,991	\$ 1,416,127
Accounts receivable	-	-	-	-	-	11,621	-	-	-	11,621
	<u>\$ 62,728</u>	<u>\$ 8,614</u>	<u>\$ 936,115</u>	<u>\$ 303,296</u>	<u>\$ 5,011</u>	<u>\$ 11,621</u>	<u>\$ 4,416</u>	<u>\$ 15,956</u>	<u>\$ 79,991</u>	<u>\$ 1,427,748</u>
LIABILITIES AND FUND BALANCE										
Due to other governments	\$ -	\$ -	\$ -	\$ 303,296	\$ 5,011	\$ 11,621	\$ -	\$ -	\$ -	\$ 319,928
Other liabilities	-	-	-	-	-	-	4,416	15,956	79,991	100,363
Due to student groups	-	-	936,115	-	-	-	-	-	-	936,115
Total liabilities	-	-	936,115	303,296	5,011	11,621	4,416	15,956	79,991	1,356,406
Fund balance - reserved for purposes of trusts	62,728	8,614	-	-	-	-	-	-	-	71,342
	<u>\$ 62,728</u>	<u>\$ 8,614</u>	<u>\$ 936,115</u>	<u>\$ 303,296</u>	<u>\$ 5,011</u>	<u>\$ 11,621</u>	<u>\$ 4,416</u>	<u>\$ 15,956</u>	<u>\$ 79,991</u>	<u>\$ 1,427,748</u>

CITY OF NORWALK, CONNECTICUT
COMBINED STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUNDS
Year ended June 30, 2001

SCHEDULE 9

	Beginning Balance July 1, 2000	Additions	Deductions	Ending Balance June 30, 2001
STUDENT ACTIVITY				
Assets				
Cash and cash equivalents	\$ 869,952	\$ 1,833,087	\$ 1,766,924	\$ 936,115
Liabilities				
Due to student groups	\$ 869,952	\$ 1,833,087	\$ 1,766,924	\$ 936,115
HOUSING SITE DEVELOPMENT				
Assets				
Cash and cash equivalents	\$ 287,987	\$ 15,309	\$ -	\$ 303,296
Liabilities				
Due to other governments	\$ 287,987	\$ 15,309	\$ -	\$ 303,296
CITY HALL MURAL RESTORATION				
Assets				
Cash and cash equivalents	\$ 5,518	\$ 283	\$ 790	\$ 5,011
Liabilities				
Due to other governments	\$ 5,518	\$ 283	\$ 790	\$ 5,011
SIXTH DISTRICT				
Assets				
Accounts receivable	\$ 8,058	\$ 695,461	\$ 691,898	\$ 11,621
Liabilities				
Due to other governments	\$ 8,058	\$ 695,461	\$ 691,898	\$ 11,621
DETENTION FACILITY ESCROW				
Assets				
Cash and cash equivalents	\$ 4,193	\$ 223	\$ -	\$ 4,416
Liabilities				
Other liabilities	\$ 4,193	\$ 223	\$ -	\$ 4,416
ROOSEVELT DEPOSIT				
Assets				
Cash and cash equivalents	\$ 15,150	\$ 806	\$ -	\$ 15,956
Liabilities				
Other liabilities	\$ 15,150	\$ 806	\$ -	\$ 15,956

CITY OF NORWALK, CONNECTICUT
COMBINED STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUNDS - continued
Year ended June 30, 2001

SCHEDULE 9

	Beginning Balance July 1, 2000	Additions	Deductions	Ending Balance June 30, 2001
SEWER ESCROW				
Assets				
Cash and cash equivalents	\$ 77,325	\$ 2,666	\$ -	\$ 79,991
Liabilities				
Other liabilities	\$ 77,325	\$ 2,666	\$ -	\$ 79,991
TOTAL - AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 1,260,125	\$ 1,852,374	\$ 1,767,714	\$ 1,344,785
Accounts receivable	8,058	695,461	691,898	11,621
Total assets	\$ 1,268,183	\$ 2,547,835	\$ 2,459,612	\$ 1,356,406
Liabilities				
Due to other governments	\$ 301,563	\$ 711,053	\$ 692,688	\$ 319,928
Due to student groups	869,952	1,833,087	1,766,924	936,115
Other liabilities	96,668	3,695	-	100,363
Total liabilities	\$ 1,268,183	\$ 2,547,835	\$ 2,459,612	\$ 1,356,406

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GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

To account for general long-term obligations of the City.

CITY OF NORWALK, CONNECTICUT
SCHEDULE OF LONG-TERM BONDED DEBT
Year ended June 30, 2001

SCHEDULE 10

Bonds	Bond Number	Issue Date	Interest Rate	Maturity Date	Original Amount	Amount Outstanding June 30, 2000	Additions	Payments	Amount Outstanding June 30, 2001
CITY CAPITAL IMPROVEMENT BONDS	81	10/01/85	0.00	1/01/01	\$ 10,655,000	\$ 500,000	\$ -	\$ 500,000	\$ -
	82	4/15/86	0.00	2/01/01	17,275,000	1,175,000	-	1,175,000	-
	86	7/15/89	6.40 - 6.50	1/15/04	5,000,000	1,400,000	-	350,000	1,050,000
	88	7/15/91	6.25 - 6.50	1/15/06	5,000,000	2,100,000	-	350,000	1,750,000
	89	6/01/93	4.80 - 5.10	1/15/08	14,370,000	8,095,000	-	1,465,000	6,630,000
	91	1/15/94	4.50 - 5.00	1/15/07	5,000,000	2,950,000	-	475,000	2,475,000
	92	7/15/95	4.50 - 5.30	2/15/10	8,500,000	6,625,000	-	625,000	6,000,000
	93	7/15/96	4.70 - 5.60	1/15/11	10,000,000	8,700,000	-	825,000	7,875,000
	94	7/15/97	4.35 - 6.25	7/15/12	7,500,000	7,000,000	-	500,000	6,500,000
	95	7/15/98	4.10 - 4.75	7/15/13	10,000,000	10,000,000	-	700,000	9,300,000
	96	7/15/99	4.15 - 6.00	1/15/14	19,000,000	19,000,000	-	-	19,000,000
	97	7/15/00	4.75 - 5.25	1/15/15	13,300,000	-	13,300,000	-	13,300,000
	CWF	7/1/96	2.00	7/1/15	4,550,161	3,560,632	-	204,306	3,356,326
	CWF	12/30/97	2.00	12/31/16	1,934,212	1,633,678	-	84,424	1,549,254
	CWF	7/1/99	2.00	1/31/19	673,270	627,586	-	28,169	599,417
	CWF	9/30/00	2.00	1/31/19	41,294,122	-	41,294,122	3,347,407	37,946,715
Total city capital improvement bonds						73,366,896	54,594,122	10,629,306	117,331,712
MARITIME CENTER PROJECTS BONDS		11/15/86	4.30 - 7.00	2/01/15	23,314,942	5,631,068	-	661,211	4,969,857
		10/15/92	3.90 - 6.10	2/01/10	11,640,000	7,390,000	-	600,000	6,790,000
Total maritime center project bonds						13,021,068	-	1,261,211	11,759,857
Total long-term debt						\$ 86,387,964	\$ 54,594,122	\$ 11,890,517	\$ 129,091,569

CITY OF NORWALK, CONNECTICUT
SCHEDULE OF DEBT LIMITATIONS

SCHEDULE 11

June 30, 2001

RECEIPTS, Year ended June 30, 2001

Taxes, interest and fees for year ended June 30, 2001
 Tax relief for the elderly

\$ 172,512,896
506,834

BASE

\$ 173,019,730

	General	Schools	Sewers	Urban Renewal	Pension Funding
DEBT LIMITATION					
2-1/4 times base	\$ 389,294,392	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	778,588,785	-	-	-
3-3/4 times base	-	-	648,823,987	-	-
3-1/4 times base	-	-	-	562,314,122	-
3 times base	-	-	-	-	519,059,190
	<u>389,294,392</u>	<u>778,588,785</u>	<u>648,823,987</u>	<u>562,314,122</u>	<u>519,059,190</u>
Total limitation					
	<u>389,294,392</u>	<u>778,588,785</u>	<u>648,823,987</u>	<u>562,314,122</u>	<u>519,059,190</u>
INDEBTEDNESS					
School grants receivable	-	(2,791,354)	-	-	-
Bond anticipation notes	-	-	4,500,000	-	-
Clean Water Fund obligations	-	-	860,741	-	-
Bonds and notes issued	55,546,105	19,772,575	50,090,007	3,682,882	-
Authorized, unissued bonds	18,483,500	18,984,388	7,836,724	11,273,961	-
	<u>74,029,605</u>	<u>35,965,609</u>	<u>63,287,472</u>	<u>14,956,843</u>	<u>-</u>
Total					
	<u>74,029,605</u>	<u>35,965,609</u>	<u>63,287,472</u>	<u>14,956,843</u>	<u>-</u>
EXCESS OF LIMITATION OVER INDEBTEDNESS AT JUNE 30, 2001	<u>\$ 315,264,787</u>	<u>\$ 742,623,176</u>	<u>\$ 585,536,515</u>	<u>\$ 547,357,279</u>	<u>\$ 519,059,190</u>

NOTE: The total indebtedness for all classes cannot exceed seven times the base, or \$1,211,138,110.

OTHER SCHEDULES

The following pages are presented to comply with reporting requirements established by the State of Connecticut.

CITY OF NORWALK, CONNECTICUT
SCHEDULE OF GENERAL FUND TAX COLLECTOR'S ACTIVITY
Year ended June 30, 2001

SCHEDULE 12

Grand List Year	Uncollected Taxes July 1, 2000	Certificate of Error Additions	Over-Payments	Suspense Collections	Abatements	Outlawed by Operation of Law	Transfer to Suspense	Adjustments	Taxes Collected*	Uncollected Taxes June 30, 2001*	Interest and Penalties Collected	
											Interest	Liens*
1985	\$ 13,376	\$ -	\$ -	\$ 772	\$ -	\$ 13,295	\$ 132	\$ -	\$ 721	\$ -	\$ 1,758	\$ -
1986	16,460	-	-	1,647	162	-	1,318	(2)	1,682	14,943	4,023	19
1987	26,801	-	-	2,193	417	-	1,106	-	3,771	23,700	8,504	19
1988	37,426	-	237	4,389	648	-	578	(379)	5,722	34,725	11,829	24
1989	92,945	-	-	7,071	2,566	-	2,626	-	50,775	44,049	21,170	72
1990	176,710	-	-	3,892	2,638	-	9,076	-	109,626	59,262	22,880	144
1991	379,851	-	-	3,948	20,782	-	10,206	-	265,986	86,825	218,974	216
1992	432,681	-	-	6,078	21,311	-	12,204	-	286,865	118,379	249,395	312
1993	468,197	-	-	4,974	21,175	-	19,720	30	319,937	112,369	248,312	480
1994	625,326	240	688	11,292	24,428	-	141,853	(1,003)	343,756	126,506	234,595	552
1995	618,146	555	204	18,711	25,708	-	62,992	(109)	386,607	162,200	215,305	864
1996	816,503	899	457	27,086	27,838	-	78,240	417	508,261	231,023	261,546	1,272
1997	1,386,093	708	4,402	30,953	34,197	-	153,866	(1,200)	786,805	446,088	321,014	3,192
1998	3,502,714	90,075	15,309	5,147	132,410	-	287,410	10,667	2,121,315	1,082,777	438,408	10,152
	8,593,229	92,477	21,297	128,153	314,280	13,295	781,327	8,421	5,191,829	2,542,846	2,257,713	17,318
1999	167,928,931	1,328,794	623,512	2,259	2,032,525	-	93,887	(108,779)	164,416,166	3,232,139	620,030	9,840
	<u>\$ 176,522,160</u>	<u>\$ 1,421,271</u>	<u>\$ 644,809</u>	<u>\$ 130,412</u>	<u>\$ 2,346,805</u>	<u>\$ 13,295</u>	<u>\$ 875,214</u>	<u>\$ (100,358)</u>	<u>\$ 169,607,995</u>	<u>\$ 5,774,985</u>	<u>\$ 2,877,743</u>	<u>\$ 27,158</u>

* Includes the following amounts for Districts 1,3, and 6 which are not reporting entities of the City and accordingly are not recorded in the City's financial statements:

Taxes collected	<u>\$ 691,899</u>
Interest and penalties collected	<u>\$ 2,174</u>
Uncollected taxes at June 30, 2001	<u>\$ 11,621</u>

CITY OF NORWALK, CONNECTICUT

SCHEDULE OF CAPITAL PROJECTS FUND TAX COLLECTOR'S ACTIVITY - SEWER ASSESSMENTS

Year ended June 30, 2001

SCHEDULE 13

Levy of Fiscal Year	Uncollected Sewer Assessments at July 1, 2000	Outlawed by Operation of Law	Adjustments	Assessments Collected	Uncollected Sewer Assessments at June 30, 2001	Interest and Penalties Collected	
						Interest	Liens
1982 - 1983	\$ 4,195	\$ -	\$ -	\$ -	\$ 4,195	\$ -	\$ -
1983 - 1984	3,631	-	-	1,009	2,622	3,452	38
1984 - 1985	-	-	-	-	-	-	-
1985 - 1986	-	-	-	-	-	-	-
1986 - 1987	2,156	-	-	-	2,156	-	-
1992 - 1993	2,946	-	-	2,110	836	141	168
1994 - 1995	3,683	-	-	1,159	2,524	205	-
1995 - 1996	34,035	-	-	7,243	26,792	1,856	-
1997 - 1998	78,927	-	-	17,404	61,523	2,943	72
1998 - 1999	-	-	-	-	-	-	-
1999 - 2000	232,211	-	-	28,677	203,534	7,842	24
	361,784	-	-	57,602	304,182	16,439	302
2000 - 2001	-	-	-	-	-	-	-
	<u>\$ 361,784</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,602</u>	<u>\$ 304,182</u>	<u>\$ 16,439</u>	<u>\$ 302</u>

**INDEPENDENT AUDITORS' REPORT ON THE
INTERNAL CONTROL STRUCTURE**

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

To the Members of the Common Council
City of Norwalk, Connecticut

We have audited the general purpose financial statements of the City of Norwalk, Connecticut as of and for the year ended June 30, 2001, and have issued our report thereon dated October 31, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance that the City of Norwalk, Connecticut's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Norwalk, Connecticut's internal control over financial reporting in order to determine our auditing procedures for the purpose of expression our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters

involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the Mayor, Common Council, Finance Committee, management and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Silvia Dowling & Natarrelli LLC

New Haven, Connecticut
October 31, 2001

A. GENERAL FUND REVENUES, EXPENDITURES, AND FUND BALANCE

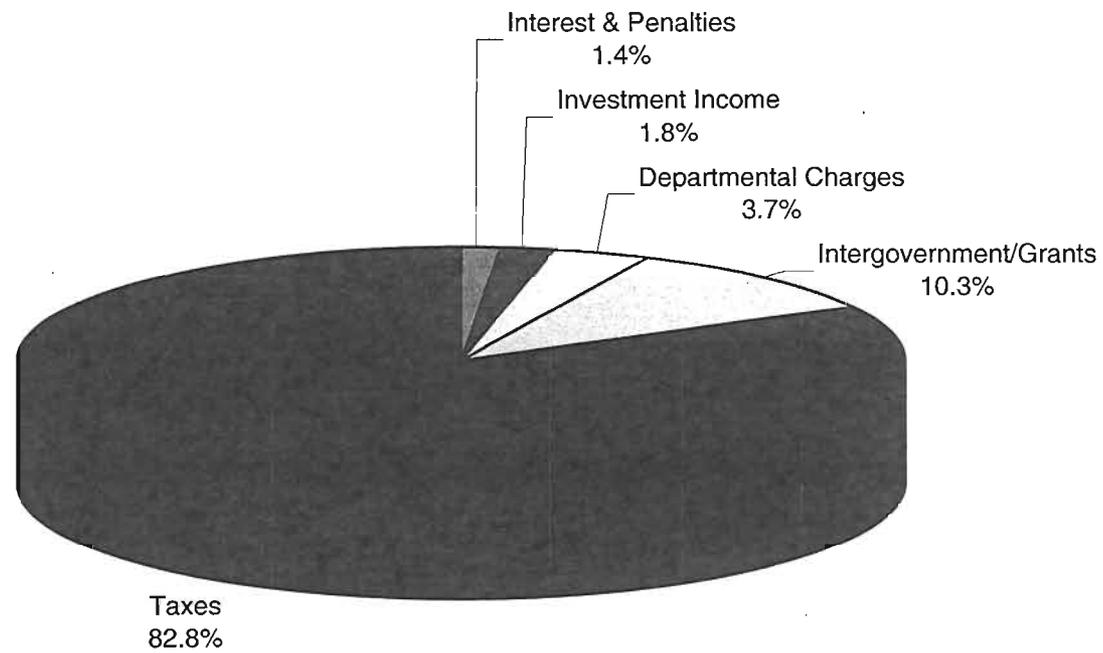
CITY OF NORWALK

GENERAL FUND REVENUES BY SOURCE FISCAL YEAR 1991-92 THROUGH 2000-01

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Intergovern- Mental/Grants</u>	<u>Departmental Charges</u>	<u>Interest & Penalties</u>	<u>Interest on Investments</u>	<u>Miscellaneous</u>	<u>Total</u>
1991-92	\$134,140,883	\$26,556,566	\$6,209,033	\$1,703,575	\$1,812,886	\$132,992	\$170,555,935
1992-93	142,359,937	22,778,296	6,444,676	1,825,656	1,315,071	298,025	175,021,661
1993-94	147,961,449	25,125,398	7,657,844	2,781,106	1,503,188	292,161	185,321,146
1994-95	145,930,391	25,564,975	7,827,836	2,106,717	2,553,909	175,789	184,159,617
1995-96	146,096,873	25,593,796	7,058,998	2,120,393	3,023,752	164,588	184,058,400
1996-97	149,212,369	25,914,730	5,652,479	2,263,664	2,622,858	65,983	185,732,083
1997-98	152,750,650	21,663,711	6,169,214	1,987,032	2,876,041	0	185,446,648
1998-99	153,178,604	21,615,346	6,614,497	1,839,718	2,865,211	0	186,113,376
1999-00	159,517,658	20,928,309	6,470,301	2,049,341	3,358,625	0	192,324,234
2000-01	167,877,086	20,822,492	7,538,811	2,937,459	3,622,919	0	202,798,767

- *Note: Miscellaneous revenue has now been included under Departmental charges.*
- *Schedule reflects Budgetary basis*

GENERAL FUND REVENUE BY SOURCE FISCAL YEAR 2000-2001



THE CITY OF NORWALK

CITY OF NORWALK

GENERAL FUND EXPENDITURES BY FUNCTION 1991-92 TO 2000-01

<u>Fiscal Year</u>	<u>General Government</u>	<u>Health & Welfare</u>	<u>Protection of Persons & Prop.</u>	<u>Public Works</u>	<u>Education Public</u>	<u>Education Non-Public</u>
1991-92	\$5,205,870	\$11,497,479	\$19,876,269	\$18,958,461	\$74,120,912	\$3,076,006
1992-93	5,170,090	7,972,216	22,012,680	19,307,725	77,837,710	4,168,742
1993-94	5,272,359	8,764,031	23,431,144	21,948,142	81,093,925	3,900,316
1994-95	5,321,004	8,838,590	23,093,334	21,237,237	84,056,171	2,803,540
1995-96	5,198,791	7,946,410	23,800,396	19,604,661	85,052,558	3,822,789
1996-97	5,292,282	4,392,731	24,292,246	19,429,486	87,693,128	4,196,204
1997-98	5,192,604	2,170,491	25,208,293	20,319,401	90,726,012	0
1998-99	5,589,395	1,851,923	25,056,432	20,231,101	94,583,363	0
1999-00	6,017,343	1,769,631	27,604,748	21,359,976	100,615,225	0
2000-01	5,784,267	1,771,346	28,048,042	21,175,682	104,409,491	0

(Continued)

- *Note: Schedule reflects Budgetary basis.*

CITY OF NORWALK

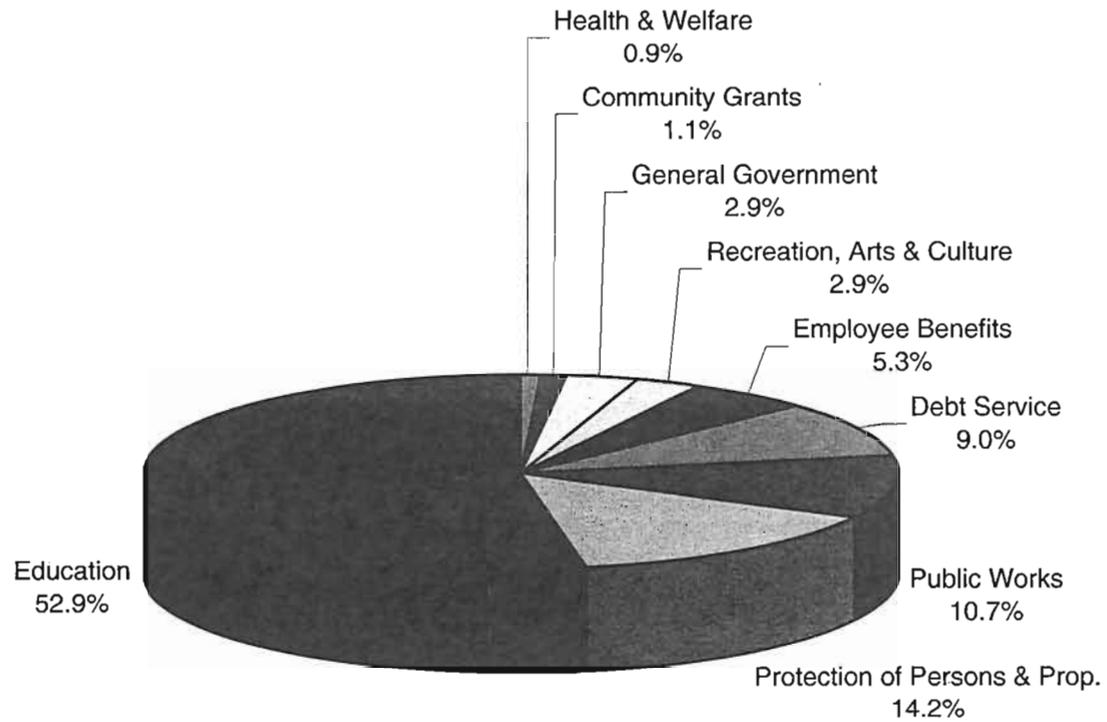
GENERAL FUND EXPENDITURES BY FUNCTION 1991-92 TO 2000-01

<u>Fiscal Year</u>	<u>Recreation, Arts & Culture</u>	<u>Community Grants</u>	<u>Debt Service</u>	<u>Risk Mgmt. & Insurance</u>	<u>Employee Benefits</u>	<u>Total</u>
1991-92	\$6,279,709	\$1,935,076	\$17,030,138	\$ 0	\$15,859,209	\$173,839,129
1992-93	6,452,691	1,909,261	16,843,710	0	12,645,669	174,320,494
1993-94	6,608,415	1,756,253	13,825,409	0	14,375,515	180,975,509
1994-95	6,723,090	2,050,642	15,670,323	0	14,452,344	184,246,275
1995-96	6,627,300	2,011,249	16,350,051	0	16,678,107	187,092,312
1996-97	6,390,460	3,339,690	16,261,944	0	13,020,933	184,309,104
1997-98	5,490,000	3,387,333	15,641,624	0	14,373,344	182,509,102
1998-99	5,298,103	3,492,370	14,412,535	0	13,772,835	184,288,057
1999-00	5,962,278	2,268,519	15,137,021	0	11,731,145	192,465,886
2000-01	5,719,594	2,240,362	17,795,690	0	10,493,109	197,437,583

(Concluded)

*Note: (1) Education Non-Public was transferred to a Special revenue fund beginning in 1997-98.
 (2) Schedule reflects Budgetary basis.*

GENERAL FUND EXPENDITURE BY FUNCTION FISCAL YEAR 2000-2001



Note: percents may not add to 100% due to rounding.

**SUMMARY OF REVENUES, EXPENDITURES, & CHANGES IN GENERAL FUND BALANCE
FISCAL YEAR 1991-92 TO 2000-01**

	<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>
<u>REVENUES</u>					
Property Taxes	\$167,877,086	\$159,517,658	\$153,178,604	\$152,750,650	\$149,212,369
Intergovernmental	20,624,784	20,681,791	21,436,801	21,506,570	25,914,730
Departmental Charges	7,538,811	6,470,301	6,614,497	6,169,214	5,652,479
Interest and Penalties	2,937,459	2,049,341	1,839,718	1,987,032	2,263,664
Interest On Investments	3,622,919	3,358,625	2,865,211	2,876,041	2,622,858
Other Grants	197,708	246,518	178,545	157,141	
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>65,983</u>
TOTAL REVENUE	<u>\$202,798,767</u>	<u>\$192,324,234</u>	<u>\$186,113,376</u>	<u>\$185,446,648</u>	<u>\$185,732,083</u>
<u>EXPENDITURES</u>					
General Government	\$ 5,784,267	\$ 6,017,343	\$ 5,589,395	\$ 5,192,604	\$ 5,292,282
Health & Welfare	1,771,346	1,769,631	1,851,923	2,170,491	4,392,731
Protection of Persons & Property	28,048,042	27,604,748	25,056,432	25,208,293	24,292,246
Education: Public	104,409,491	100,615,255	94,583,363	90,726,012	87,693,128
Non-Public & Special	0	0	0	0	4,196,204
Public Works	21,175,682	21,359,976	20,231,101	20,319,401	19,429,486
Recreation, Arts & Cultural	5,719,594	5,962,278	5,298,103	5,490,000	6,390,460
Community Grants	2,240,362	2,268,519	3,492,370	3,387,333	3,339,690
Risk Management	0	0	0	0	0
Employee Benefits	10,493,109	11,731,145	13,772,835	14,373,344	13,020,933
Debt Service	17,795,690	15,137,021	14,412,535	15,641,624	16,261,944
Capital Outlay	0	0	0	0	0
Unfunded Accrued Pension Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$197,437,583</u>	<u>\$192,465,886</u>	<u>\$184,288,057</u>	<u>\$182,509,102</u>	<u>\$184,309,104</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 5,361,184</u>	<u>\$ (141,652)</u>	<u>\$ 1,825,319</u>	<u>\$ 2,937,546</u>	<u>\$ 1,422,979</u>
Other Financing Sources (Uses)					
Sale of Property	0	\$ 0	\$ 0	\$ 0	\$ 0
Proceeds from Refunding Bonds					
Payment to Refunded Bond Escrow Agent					
L/T Portion of Accrued Pension Costs					
Other Transfers	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Def.) of Rev. & Other Financing Sources over Expendi- tures & Other Financing Uses	<u>\$ 5,361,184</u>	<u>\$ (141,652)</u>	<u>\$ 1,825,319</u>	<u>\$ 2,937,546</u>	<u>\$ 1,422,979</u>
Beginning Fund Balance	<u>\$ 16,322,391</u>	<u>\$ 16,464,043</u>	<u>\$ 14,638,724</u>	<u>\$ 11,701,178</u>	<u>\$ 10,278,199</u>
Ending Fund Balance	<u>\$ 21,683,575</u>	<u>\$ 16,322,391</u>	<u>\$ 16,464,043</u>	<u>\$ 14,638,724</u>	<u>\$ 11,701,178</u>

(Continued)

Source: City of Norwalk audited Financial Statements.

**SUMMARY OF REVENUES, EXPENDITURES, & CHANGES IN GENERAL FUND BALANCE
FISCAL YEAR 1991-92 TO 2000-01**

	<u>1995-96</u>	<u>1994-95</u>	<u>1993-94</u>	<u>1992-93</u>	<u>1991-92</u>
<u>REVENUES</u>					
Property Taxes	\$146,096,873	\$145,930,391	\$147,961,449	\$142,359,937	\$134,140,883
Intergovernmental	25,593,796	25,564,975	25,125,398	22,778,296	26,556,566
Departmental Charges	7,058,998	7,827,836	7,657,844	6,444,676	6,209,033
Interest and Penalties	2,120,393	2,106,717	2,781,106	1,825,656	1,703,575
Interest on Investments	3,023,752	2,553,909	1,503,188	1,315,071	1,812,886
Miscellaneous	<u>164,588</u>	<u>175,789</u>	<u>292,161</u>	<u>298,025</u>	<u>132,992</u>
TOTAL REVENUE	<u>\$184,058,400</u>	<u>\$184,159,617</u>	<u>\$185,321,146</u>	<u>\$175,021,661</u>	<u>\$170,555,935</u>
<u>EXPENDITURES</u>					
General Government	\$ 5,198,791	\$ 5,321,004	\$ 5,272,359	\$ 5,170,090	\$ 5,205,870
Health & Welfare	7,946,410	8,838,590	8,764,031	7,972,216	11,497,479
Protection of Persons & Property	23,800,396	23,093,334	23,431,144	22,012,680	19,876,269
Education: Public	85,052,558	84,056,171	81,093,925	77,837,710	74,120,912
Non-Public & Special	3,822,789	2,803,540	3,900,316	4,168,742	3,076,006
Public Works	19,604,661	21,237,237	21,948,142	19,307,725	18,958,461
Recreation, Arts & Cultural	6,627,300	6,723,090	6,608,415	6,452,691	6,279,709
Community Grants	2,011,249	2,050,642	1,756,253	1,909,261	1,935,076
Risk Management	0	0	0	0	0
Employee Benefits	16,678,107	14,452,344	14,375,515	12,645,669	15,859,209
Debt Service	16,350,051	15,670,323	13,825,409	16,843,710	17,030,138
Capital Outlay	0	0	0	0	0
Unfunded Accrued Pension Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>\$187,092,312</u>	<u>\$184,246,275</u>	<u>\$180,975,509</u>	<u>\$174,320,494</u>	<u>\$173,839,129</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (3,033,912)</u>	<u>\$ (86,658)</u>	<u>\$ 4,345,637</u>	<u>\$ 701,167</u>	<u>\$ (3,283,194)</u>
Other Financing Sources (Uses)					
Sale of Property	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Proceeds from Refunding Bonds			\$ 8,350,000		
Payment to Refunded Bond Escrow Agent					
L/T Portion of Accrued Pension Costs			\$ (8,350,000)		
Other Transfers	<u>\$ (337,658)</u>	<u>\$ (337,658)</u>	<u>\$ (339,422)</u>	<u>\$ (25,195)</u>	<u>\$ (120,000)</u>
Excess (Def.) of Rev. & Other Financing Sources over Expendi- tures & Other Financing Uses	<u>\$ (3,371,570)</u>	<u>\$ (424,316)</u>	<u>\$ 4,006,215</u>	<u>\$ 675,972</u>	<u>\$ (3,403,194)</u>
Beginning Fund Balance	<u>\$ 13,649,769</u>	<u>\$ 14,074,085</u>	<u>\$ 10,067,870</u>	<u>\$ 9,391,898</u>	<u>\$ 12,795,092</u>
Ending Fund Balance	<u>\$ 10,278,199</u>	<u>\$ 13,649,769</u>	<u>\$ 14,074,085</u>	<u>\$ 10,067,870</u>	<u>\$ 9,391,898</u>

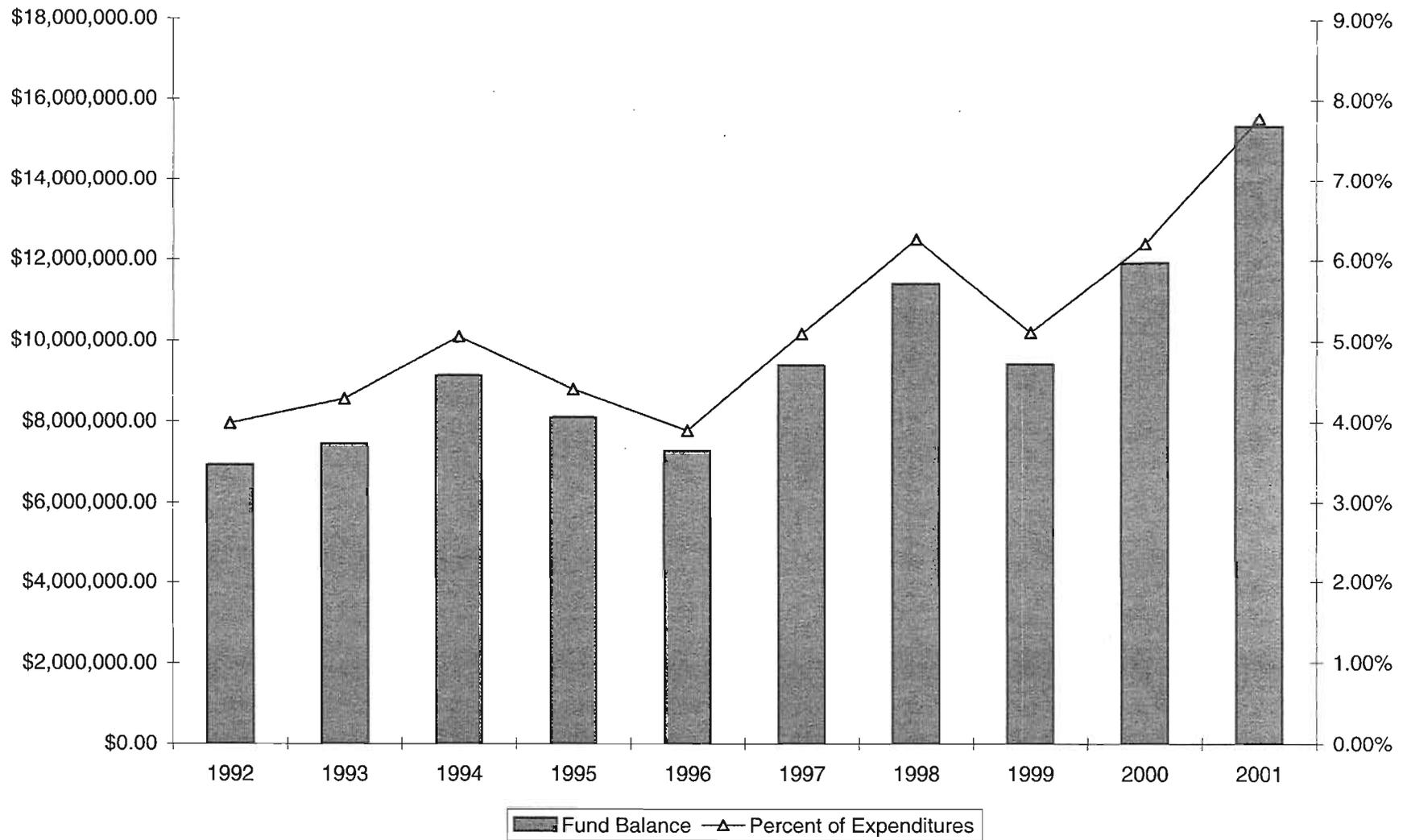
(Concluded)

Source: City of Norwalk audited Financial Statements.
Schedule reflects Budgetary basis.

GENERAL FUND BALANCE COMPARED TO ANNUAL EXPENDITURES LAST TEN YEARS

<u>FISCAL YEAR ENDING JUNE 30TH</u>	<u>UNDESIGNATED FUND BALANCE</u>	<u>ANNUAL EXPENDITURES</u>	<u>BALANCE AS % OF EXPENDITURES</u>
1992	\$6,925,548	\$173,839,129	3.98%
1993	7,466,695	174,320,494	4.28%
1994	9,133,276	180,975,509	5.05%
1995	8,099,916	184,246,275	4.40%
1996	7,283,109	187,092,312	3.89%
1997	9,377,054	184,309,104	5.09%
1998	11,408,053	182,509,102	6.25%
1999	9,413,661	184,288,057	5.11%
2000	11,928,224	192,465,886	6.20%
2001	15,347,823	197,437,583	7.77%

UNDESIGNATED GENERAL FUND BALANCE



B. PROPERTY VALUES AND TAXES

TAXABLE GRAND LIST (in 000's)

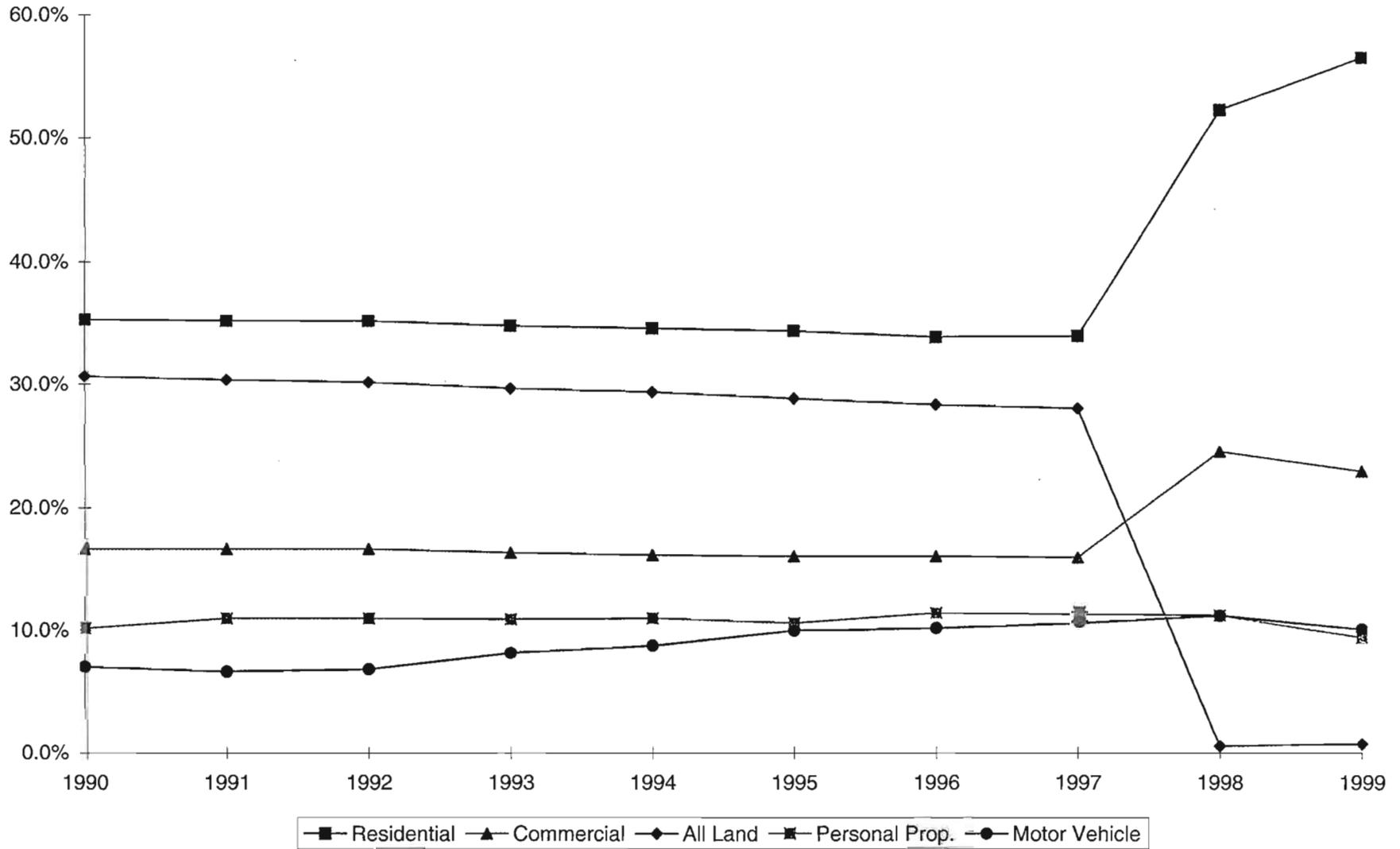
(Numbers may not add due to rounding)

Grand List As of 10/1	Residential Real Property	%	Commercial & Indust. Real Property	%	All Land	%	Personal Property	%	Motor Vehicle	%	Gross Taxable Grand List	Less Exemptions/ Corrections	Net Taxable Grand List
1990	\$1,143,600	35.3	\$541,151	16.7	\$ 992,109	30.7	\$330,970	10.2	\$228,267	7.1	\$ 3,236,097	\$32,619	\$ 3,203,479
1991	1,148,724	35.2	544,216	16.7	992,787	30.4	359,126	11.0	220,034	6.7	3,264,887	45,903	3,218,983
1992	1,156,168	35.2	547,412	16.7	991,669	30.2	361,779	11.0	225,113	6.9	3,282,141	55,720	3,226,421
1993	1,161,335	34.8	548,613	16.4	991,880	29.7	363,734	10.9	276,059	8.3	3,341,621	59,482	3,282,139
1994	1,166,940	34.6	548,116	16.2	991,091	29.4	370,641	11.0	299,705	8.9	3,376,493	61,032	3,315,461
1995	1,178,797	34.4	551,113	16.1	991,612	28.9	365,475	10.6	340,196	9.9	3,427,193	74,376	3,352,817
1996	1,188,347	33.9	564,947	16.1	995,691	28.4	399,473	11.4	354,944	10.1	3,503,602	75,298	3,428,305
1997	1,203,715	34.0	567,436	16.0	995,619	28.1	400,922	11.3	374,794	10.6	3,542,486	70,268	3,472,218
1998	1,888,461	52.4	887,946	24.6	21,217	.59	401,986	11.2	404,030	11.2	3,603,640	73,648	3,529,991
1999	2,429,610	56.7	987,330	23.0	32,817	.77	402,314	9.4	434,416	10.1	4,286,487	73,791	4,212,696

GRAND LIST REVALUATION

State statute requires each municipality to revalue real property every four years and to conduct a mass appraisal once every twelve years. Norwalk completed a revaluation in 1993 by an independent appraisal group. However, extensions were granted through State legislation and the implementation of revaluation occurred with the October 1, 1999 grand list. The revaluation is being phased in over a four year period.

COMPONENTS OF GRAND LIST (PRIOR TO EXEMPTIONS)



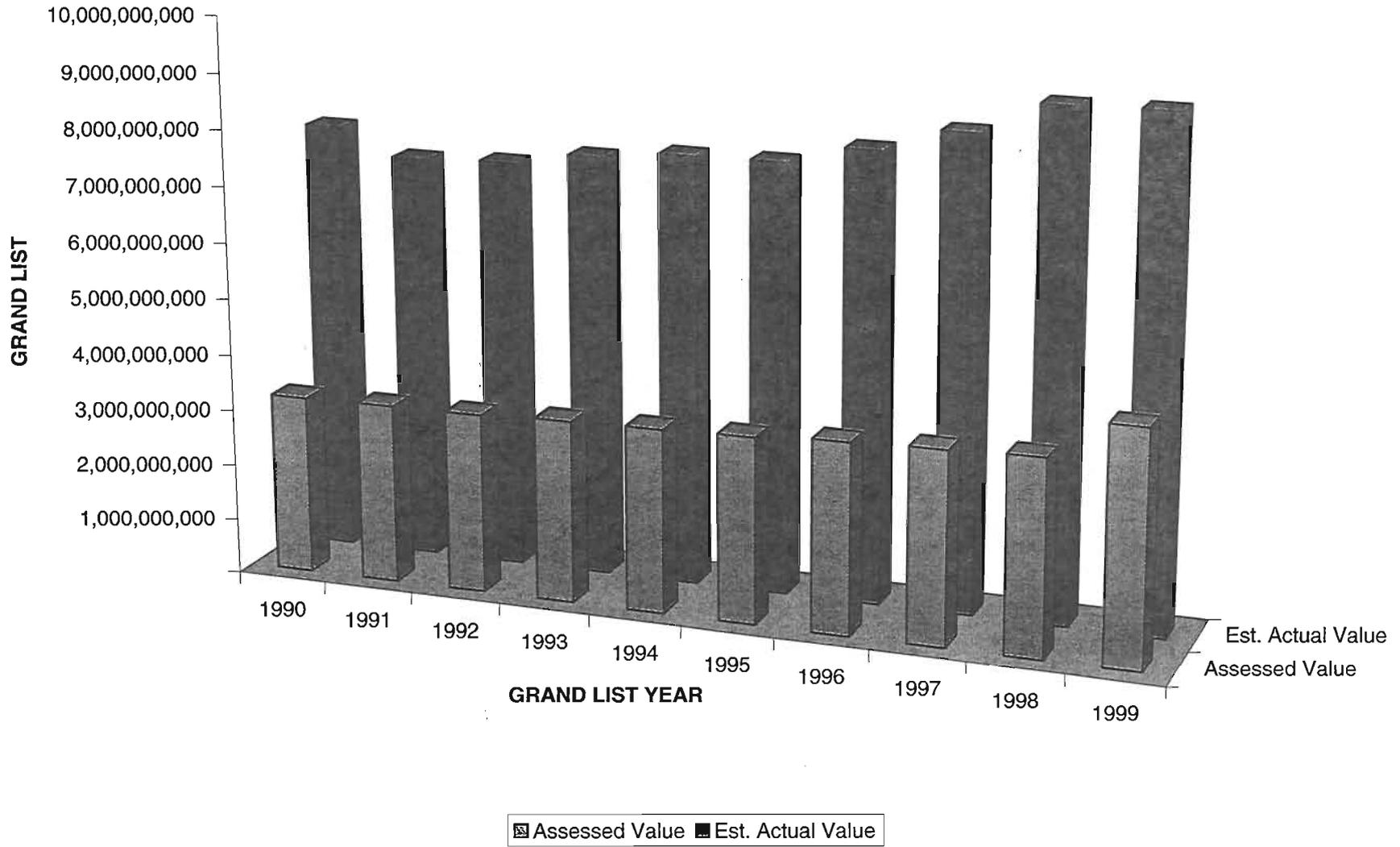
CITY OF NORWALK

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Fiscal Year Ended <u>June 30</u>	Grand List of <u>October 1</u>Real PropertyPersonal Property.....	Total.....	
		<u>Assessed Value</u>	<u>Est. Actual Value</u>	<u>Assessed Value</u>	<u>Est. Actual Value</u>	<u>Assessed Value</u>	<u>Est. Actual Value</u>
1992	1990	\$2,649,086,487	\$6,722,486,469	\$554,392,838	\$791,989,769	\$3,203,479,325	\$7,714,476,238
1993	1991	2,661,443,740	6,453,549,321	557,539,670	796,485,243	3,218,983,410	7,250,034,564
1994	1992	2,671,189,079	6,510,331,657	555,232,046	793,188,637	3,226,421,125	7,303,520,294
1995	1993	2,685,243,095	6,681,879,436	596,895,740	852,708,200	3,282,138,835	7,534,587,636
1996	1994	2,690,470,744	6,790,656,497	624,990,017	892,842,881	3,315,460,761	7,683,499,378
1997	1995	2,696,939,447	6,757,423,577	654,584,504	935,120,720	3,351,523,951	7,692,544,297
1998	1996	2,727,863,173	7,024,938,169	700,442,028	1,000,631,469	3,428,305,201	8,025,569,638
1999	1997	2,747,670,220	7,343,757,809	724,548,283	1,087,915,043	3,472,218,503	8,431,672,852
2000	1998	2,776,750,767	7,875,422,661	753,239,824	1,137,517,251	3,529,990,591	9,012,939,912
2001	1999	3,423,664,790	7,842,254,064	789,031,145	1,193,301,790	4,212,695,935	9,035,555,854

- Notes:*
1. *Under State Law, property revaluations are conducted once every four years, with a mass appraisal once every twelve years. Norwalk's most recent revaluation was effective with the Grand List of October 1, 1999. The assessments are being "phased in" over the next four fiscal years (FY 2000-01 to FY 2003-04).*
 2. *Estimated actual values represent equalized net Grand Lists as reported by the State of Connecticut Office of Policy and Management.*
 3. *Assessed values are actual net assessments as filed in the Assessor's abstract, adjusted for use in the final equalized net grand list as reported by OPM.*

ASSESSED AND ESTIMATED ACTUAL PROPERTY VALUES



TAX RATES (MILLS)

<u>Tax List</u>	<u>Year</u>	<u>Dist. 1</u>	<u>Dist. 2</u>	<u>Dist. 3</u>	<u>Dist. 4</u>	<u>Dist. 5</u>	<u>Dist. 6</u>	<u>Dist. 7</u>	<u>Dist. 8</u>	<u>Dist. 9</u>	<u>Motor Vehicle District</u>
Oct. 1, 1990	1991-92	43.6	43.6	43.6	43.8	40.2	39.6	42.4	40.8	40.8	43.7
Oct. 1, 1991	1992-93	45.9	45.9	45.9	46.1	42.3	41.5	44.5	42.8	42.8	45.9
Oct. 1, 1992	1993-94	46.5	46.5	46.5	46.7	42.9	42.2	45.2	43.5	43.5	46.6
Oct. 1, 1993	1994-95	46.4	46.4	46.4	46.6	42.9	41.7	44.6	43.4	43.4	37.6
Oct. 1, 1994	1995-96	46.3	46.3	46.3	46.5	41.7	41.5	44.6	43.2	43.2	37.6
Oct. 1, 1995	1996-97	46.5	46.5	46.5	46.7	42.0	41.6	44.6	43.5	43.5	37.8
Oct. 1, 1996	1997-98	46.5	46.5	46.5	46.7	42.1	41.3	44.3	43.5	43.5	37.9
Oct. 1, 1997	1998-99	46.4	46.4	46.4	46.6	42.2	41.4	44.2	43.7	43.7	37.9
Oct. 1, 1998	1999-00	47.0	47.0	47.0	47.2	42.5	41.6	45.0	43.6	43.6	38.4
Oct. 1, 1999*	2000-01	42.8	42.8	42.8	42.9	39.0	37.2	40.0	39.9	39.9	20.0

The owner of property on October 1 in any year is liable for taxes the following July 1. Current taxes on real and personal property may be paid in two equal installments. First installment is due July 1, and the second installment is due January 1. Current taxes on motor vehicle are due in one installment on July 1. Delinquent taxes are subject to an interest charge of 1-1/2% per month.

* **Note: First year of a four year phase in of revaluation**

TAX DISTRICTS

The City of Norwalk is divided into a number of districts for taxing purposes. Four of these districts originated with the former independent municipal areas and retain a degree of autonomous government. These districts own certain properties and supply various services to households within, and in some instances, outside the district. By contrast, other taxing districts are essentially taxing units designed to calculate and collect taxes for specific services; they have no autonomous government and they own no properties.

The Autonomous Districts

The First and Second Districts are the former independent cities of Norwalk and South Norwalk respectively; the Third District is the former East Norwalk Fire District. The districts were consolidated into the City of Norwalk under the Charter of 1913. The Charter created a federation rather than a union form of government, whereby each district retains a degree of self-government. The Town of Rowayton was incorporated into the City of Norwalk in 1921 and thus became the Sixth Taxing District, and it, too, retained some of its own autonomous features. The four Districts are self-governing within the areas of their responsibilities but the City of Norwalk, as provided by the Charter, is required to levy and collect taxes for each District from the District residents.

The First District owns and operates a water department, maintains street lights and a number of small parks.

The Second District owns and operates a water department, an electric plant and distribution system, maintains street lights and numerous small public land areas.

The Third District owns an electric distribution system, a library building, a graveyard, a firehouse, and as with other Districts, various parcels of land.

The Sixth District of Rowayton has its own library, a beach, two parks for District residents, maintains the street lights, operates a volunteer fire department and collects garbage for those residing within the District.

The Service Districts

The creation of the City in 1913 included not only the City of Norwalk, South Norwalk and East Norwalk, but also the peripheral territory. As the population increased into this area, the City was obligated to provide residents with essential municipal services. To defray the cost, some taxing system had to be devised and thus, the Fourth District was created, enabling the existing Districts to maintain their distinctive identities. As the City grew and the demand for municipal services increased, an umbrella agency, the Fifth Taxing District, encompassing the entire City of Norwalk, was born. The Fourth District was relegated to those areas of Norwalk with sewers and concomitant garbage collection. However, the incursion of sewers into parts of Rowayton, the Sixth District, in recent years created the need for yet another taxing arrangement inasmuch as the Fourth Taxing District would charge the sewered Sixth District for garbage collections which they already receive. As a result, the Seventh Taxing District was born.

TAXING DISTRICTS (cont'd.)

In addition to the aforementioned Taxing Districts, there are separate services. In 1970 the amended City Charter extended the jurisdiction of the Norwalk Fire Department to the entire City, excluding Rowayton which still has its own fire house and volunteer fire company. Accordingly, a separate mill rate is computed and applied to all other Districts.

Street lights also receive special revenues. The First, Second, Third and Sixth Districts have a special street lighting tax imposed.

In 1981 two new districts were established. The Eighth District is that part of the Third District that is unsewered and receives no sewer services. The Ninth District is one street in the First District comprising five homes that do not receive sewer service.

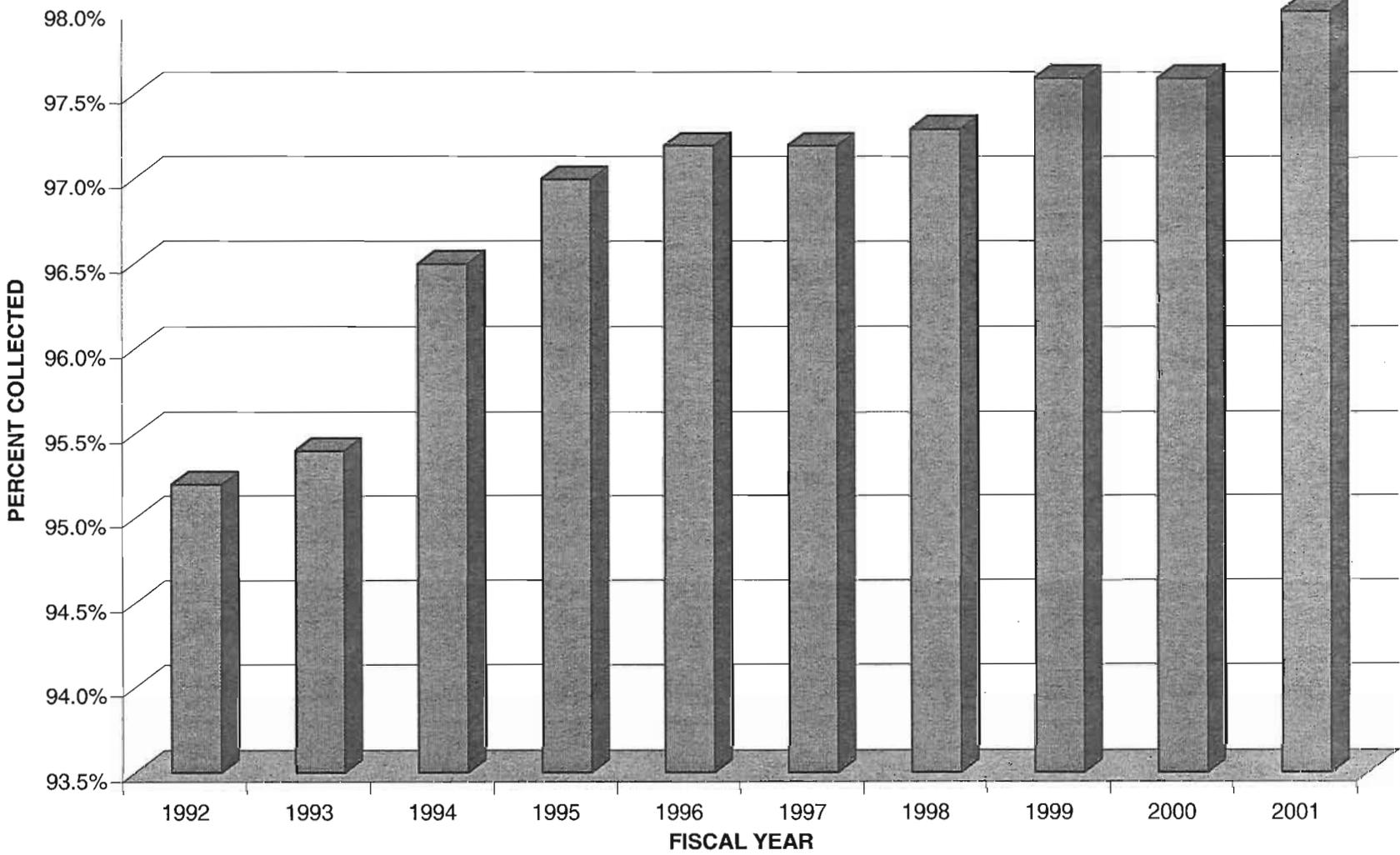
In 1987 the Common Council adopted an ordinance establishing a uniform automobile tax rate.

COMPARATIVE STATISTICS AND TAX COLLECTIONS

<u>Fiscal Year Ended 6/30</u>	<u>Taxable Grand List</u>	<u>Tax Rate Mills</u>	<u>Total Adjusted Tax Levy</u>	<u>Tax Collections</u>Uncollected Taxes.....		<u>As of 6/30/01</u>	<u>%</u>
					2 <u>End of Fiscal Year</u>	%		
1992	\$3,203,479,325	40.19	\$137,684,309	\$131,126,213	\$ 6,558,096	4.8	\$ 59,262	.05
1993	3,218,983,410	42.31	145,621,039	138,977,458	6,643,581	4.6	86,825	.06
1994	3,226,421,125	42.95	148,468,267	143,268,752	5,199,515	3.5	118,379	.08
1995	3,282,138,835	42.85	147,325,731	142,892,143	4,433,588	3.0	112,369	.08
1996	3,315,460,761	41.70	147,303,951	143,158,062	4,145,889	2.8	126,506	.09
1997	3,351,523,951	42.0	150,693,677	146,418,937	4,274,740	2.8	162,200	.11
1998	3,428,305,201	42.1	154,345,909	150,175,910	4,169,999	2.7	231,023	.15
1999	3,472,218,503	42.2	155,530,375	151,871,174	3,659,200	2.4	446,088	.29
2000	3,529,990,591	42.47	160,965,677	157,053,317	3,502,714	2.2	1,082,777	.67
2001	4,212,695,935	38.97	167,648,305	164,416,166	3,232,139	1.9	3,232,139	1.9

1. *Mill Rates listed above represent Fifth District Mill Rate for all years.*
2. *The amount to be collected to the end of each fiscal year represents collections for twelve months. Taxes for the fiscal year are laid on the Grand List of October 1, and are due and payable in two installments one-half July and one-half January 1. Failure to pay an installment one month of the installment due date makes the installment delinquent. Effective July 1, 1982 (P.A. 82-141 of the 1983 Connecticut General Assembly), if the installment is not paid by August 1, the tax becomes delinquent and penalty of 1-1/2% per month (18% per annum) is charged from the due on the tax. Real estate is liened for delinquent taxes within one year after the due date.*
3. *There are no taxes outstanding prior to the Fiscal year ended June 30, 1987.*

TAX COLLECTION RATES 1991-92 TO 2000-01



SPECIAL SEWER ASSESSMENTS AND COLLECTIONS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Due Beginning</u>	<u>Levy</u>	<u>Adjustments</u>	<u>Collections</u>	<u>Balance</u>
1991-92	\$109,870	\$71,210	\$ 786	\$ 57,678	\$124,187
1992-93	124,187	0	(997)	38,701	84,489
1993-94	84,489	0	0	25,510	58,979
1994-95	58,979	19,074	(1,050)	20,466	56,537
1995-96	56,537	110,758	17,338	61,322	123,311
1996-97	123,311	0	(1,239)	25,176	96,896
1997-98	96,896	146,635	(156)	62,390	180,985
1998-99	180,985	0	(8,481)	26,183	146,321
1999-00	146,321	317,063	8,866	110,466	361,784
2000-01	361,784	0	0	57,602	304,182

TWENTY-FIVE LARGEST TAXPAYERS

<u>Name</u>	<u>Nature of Business</u>	<u>Total Assessment</u>	<u>% of Taxable Grand List</u>
Merritt 7 Ventures	Office Complex	\$62,767,244	1.49
Connecticut Light & Power	Electric Utility Company	61,914,669	1.47
National Office Partners, LP	Office Building	30,550,713	.73
Prudential Insurance Company	Corporate Education Center	18,846,430	.45
Metropolitan Life Insurance	Insurance Company	16,799,528	.40
Purdue Pharma, LP	Pharmaceutical Company	16,228,046	.39
Beiersdorf	Manufacturing Nivea Skin Care Products & Surgical Dressing	15,358,639	.36
Pepperidge Farms, Inc.	Bakery Facility	15,260,310	.36
Yankee Gas Services Co.	Natural Gas and Utility Company	14,998,813	.36
Knickerbocker	Office Building – Merritt 7	14,868,123	.35
Tyco Healthcare Group	Healthcare Company	13,901,410	.33
Fairfield Merrittview	Office Building	13,609,383	.32
U.S. Surgical Corporation	Medical Equipment Facility	12,031,420	.29
Mercedes Benz, Credit	Vehicle Leasing Company	11,077,642	.26
Five-Hundred Thirty-Five Main Avenue	Office Building	9,961,794	.24
HD-Main Avenue, LP	Retail Complex	9,674,806	.23
Norwalk Realty Development	Real Estate Company	8,783,105	.21
Mack-Cali	Office Building	8,441,003	.20
Fort James Corporation	Paper Products Manufacturer	8,243,660	.20
MBI	Mail Order Company	8,113,835	.19
Perkin-Elmer Corp.,	Manufacturing Facility	8,062,947	.19
One-Hundred Ninety-Seven Connecticut Avenue	Retail Complex	7,132,144	.17
Gardella Brothers, LP	Cove Marina	6,965,673	.17
SNET	Telecommunication Company	6,876,673	.16
Norwalk Club Opco, LLC	Doubletree Hotel	6,862,428	.16

I. Based on 10/1/99 Net Taxable Grand List of \$4,212,695,935.

Source: City of Norwalk Tax Assessor's Office.

C. LONG-TERM DEBT

CITY OF NORWALK

SCHEDULE OF DEBT LIMITATIONS - JUNE 30, 2001

RECEIPTS, YEAR ENDED JUNE 30, 2001

Taxes, Interest and fees for year ended June 30, 2001
Tax relief for the elderly

\$172,512,896
506,834

BASE \$173,019,730

	<u>GENERAL</u>	<u>SCHOOLS</u>	<u>SEWERS</u>	<u>URBAN RENEWAL</u>	<u>PENSION FUNDING</u>
DEBT LIMITATION					
2 1/4 times base	\$389,294,392				
4 1/2 times base		\$778,588,785			
3 3/4 times base			\$648,823,987		
3 1/4 times base				\$562,314,122	
3 times base					\$519,059,190
TOTAL LIMITATION	<u>\$389,294,392</u>	<u>\$778,588,785</u>	<u>\$648,823,987</u>	<u>\$562,314,122</u>	<u>\$519,059,190</u>
INDEBTEDNESS:					
School Grants Receivable	\$ -	\$(2,791,354)	\$ -	\$ -	\$ -
Bond Anticipation Notes	-	-	4,500,000	-	-
Clean Water Fund Obligations	-	-	860,741	-	-
Bonds Issued	55,546,105	19,772,575	50,090,007	3,682,882	-
Authorized, Unissued Bonds	18,483,500	18,984,388	7,836,724	11,273,961	-
Total	<u>\$ 74,029,605</u>	<u>\$ 35,965,609</u>	<u>\$ 63,287,472</u>	<u>\$ 14,956,843</u>	<u>\$ 0</u>
Excess of limitation Over indebtedness at June 30, 2001	<u>\$315,264,787</u>	<u>\$742,623,176</u>	<u>\$585,536,515</u>	<u>\$547,357,279</u>	<u>\$519,059,190</u>

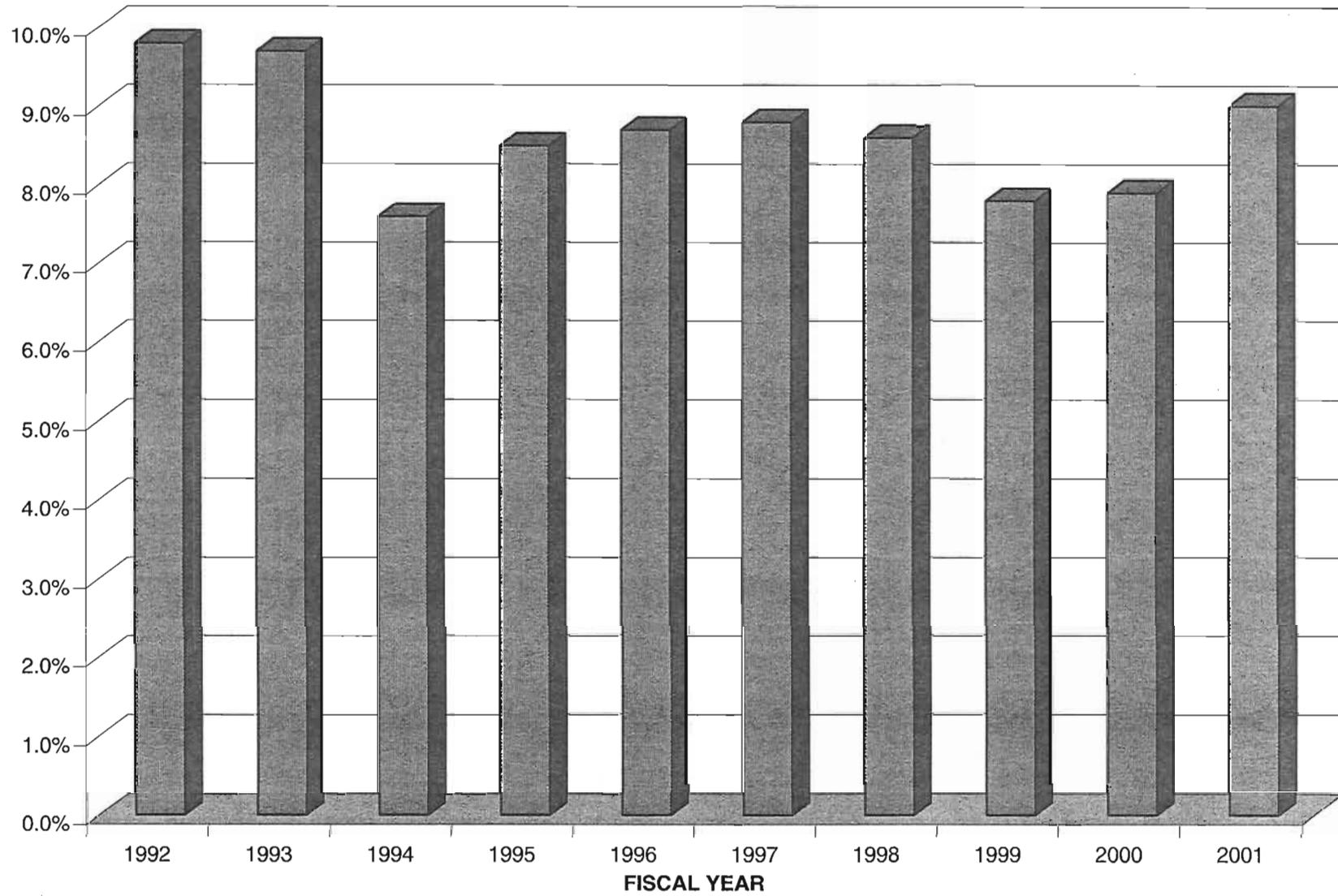
Note: Total indebtedness of all classes cannot exceed seven times the base, or \$1,211,138,110.

CITY OF NORWALK

RATIO OF DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES

<u>Fiscal Year Ended June 30</u>	<u>Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Ratio of Debt Service to General Fund Expenditures</u>
1992	\$17,030,138	\$173,839,129	9.8%
1993	16,843,710	174,320,494	9.7%
1994	13,825,409	180,975,509	7.6%
1995	15,670,323	184,246,275	8.5%
1996	16,350,051	187,092,312	8.7%
1997	16,261,944	184,309,104	8.8%
1998	15,641,624	182,509,102	8.6%
1999	14,412,535	184,288,057	7.8%
2000	15,137,021	192,465,886	7.9%
2001	17,795,690	197,437,583	9.0%

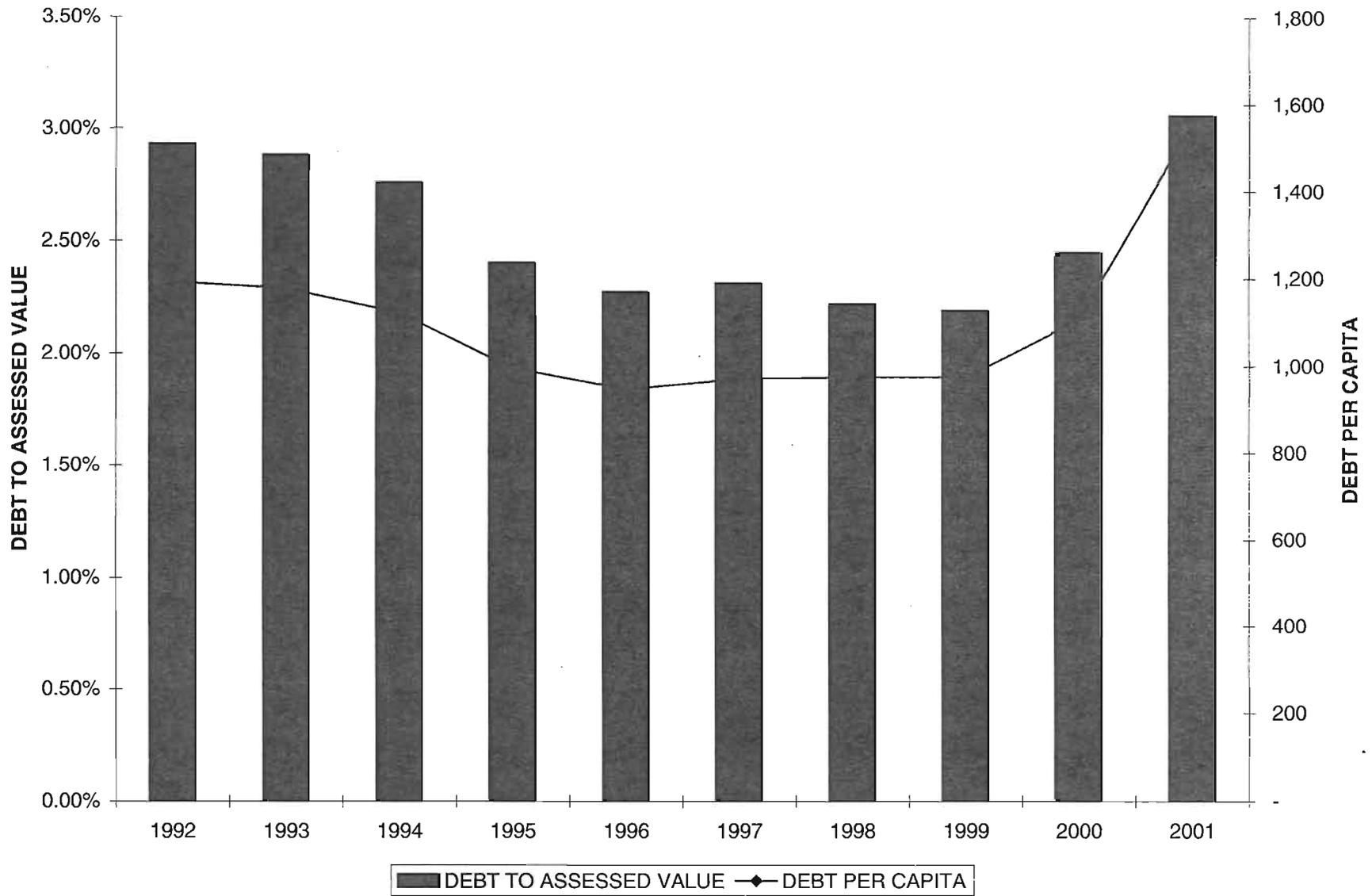
DEBT SERVICE AS PERCENT OF TOTAL EXPENDITURES



RATIO GENERAL BONDED DEBT TO ASSESSED VALUE AND PER CAPITA LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Bonded Debt</u>	<u>Assessed Value</u>	<u>Ratio to Assessed Value</u>	<u>Population</u>	<u>Debt Per Capita</u>
1992	\$ 93,769,942	\$3,203,479,325	2.93%	78,700	\$1,191
1993	92,774,942	3,218,983,410	2.88%	78,830	1,177
1994	89,084,942	3,226,421,125	2.76%	79,450	1,121
1995	78,684,942	3,282,138,835	2.40%	79,106	995
1996	75,169,942	3,315,460,761	2.27%	79,358	947
1997	77,438,290	3,351,523,951	2.31%	79,732	971
1998	76,018,516	3,428,305,201	2.22%	77,937	975
1999	76,158,711	3,472,218,503	2.19%	78,064	975
2000	86,387,964	3,529,990,591	2.45%	78,083	1,106
2001	129,091,569	4,212,695,935	3.06%	82,951	1,556

SELECTED DEBT RATIOS



D. PENSION DATA

CITY OF NORWALK
SCHEDULE OF PENSION FUNDS REQUIRED SUPPLEMENTARY
INFORMATION - ANALYSIS OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded/ (Overfunded) AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
<u>Police Benefit Fund:</u>						
07/01/91	\$23,252,179	\$29,523,520	\$6,271,341	78.8%	\$6,090,607	103.0%
07/01/92	26,237,112	29,409,172	3,172,060	89.2	6,530,921	48.6
07/01/93	30,557,612	31,772,492	1,214,880	96.2	6,922,776	17.5
07/01/94	33,609,758	35,111,810	1,502,052	95.7	8,230,637	18.2
07/01/95	36,884,983	37,922,729	1,037,746	97.3	8,642,169	12.0
07/01/96	40,525,020	38,625,617	(1,899,403)	104.9	8,471,215	(22.4)
07/01/97	44,845,642	41,014,204	(3,831,438)	109.3	8,894,776	(43.1)
07/01/98	53,309,730	45,741,008	(7,568,722)	116.5	8,958,718	(84.5)
07/01/99	57,782,855	49,283,600	(8,499,255)	117.2	9,406,654	(90.4)
07/01/00	67,152,636	54,260,493	(12,892,143)	123.8	9,623,937	(134)
<u>Fireman's Benefit Fund:</u>						
07/01/91	\$30,387,987	\$34,381,950	\$ 3,993,963	88.4%	\$ 5,257,049	76.0%
07/01/92	33,972,408	36,707,098	2,734,690	92.5	5,259,027	52.0
07/01/93	38,347,838	39,659,528	1,311,690	96.7	5,574,569	23.5
07/01/94	41,544,652	41,582,707	38,055	99.9	5,786,127	0.7
07/01/95	45,091,744	44,391,364	(700,380)	101.6	6,075,433	(11.5)
07/01/96	48,387,155	45,531,826	(2,855,329)	106.3	6,477,277	(44.1)
07/01/97	52,859,267	48,094,178	(4,765,089)	109.9	6,801,140	(70.1)
07/01/98	61,961,081	51,210,097	(10,750,984)	121.0	6,894,038	(155.9)
07/01/99	66,382,383	54,319,772	(12,062,611)	122.2	7,238,740	(166.6)
07/01/00	76,185,347	57,099,348	(19,085,999)	133.4	7,089,633	(269.2)
<u>Employee's Pension Plan:</u>						
07/01/91	\$52,226,320	\$58,823,164	\$ 6,596,844	88.8%	\$24,044,318	27.4%
07/01/92	59,381,076	63,944,090	4,563,014	92.9	23,389,300	19.5
07/01/93	66,812,400	69,844,074	3,031,674	95.7	24,771,458	12.2
07/01/94	73,516,852	75,354,901	1,838,049	97.6	27,234,044	6.7
07/01/95	79,246,103	81,468,800	2,222,697	97.3	28,595,746	7.8
07/01/96	87,133,436	83,750,485	(3,382,950)	104.0	27,793,725	(12.2)
07/01/97	96,205,087	89,033,678	(7,171,409)	108.1	29,183,411	(24.6)
07/01/98	113,787,282	92,336,713	(21,450,569)	123.2	28,292,478	(75.8)
07/01/99	123,034,521	98,737,122	(24,297,399)	124.6	29,707,102	(81.8)
07/01/00	141,735,321	105,240,721	(36,494,600)	134.7	29,192,188	(125)
<u>Food Service Employees Pension Plan:</u>						
07/01/91	\$221,399	\$222,929	\$ 1,530	99.3%	N/A	N/A
07/01/92	226,044	219,019	(7,025)	103.2	N/A	N/A
07/01/93	226,431	237,007	10,576	95.5	N/A	N/A
07/01/94	223,559	215,001	(8,558)	104.0	N/A	N/A
07/01/95	219,283	221,965	2,682	98.8	N/A	N/A
07/01/96	218,900	591,153	372,253	37.0	\$466,044	79.9%
07/01/97	277,881	N/A	N/A	N/A	N/A	N/A
07/01/98	338,311	645,712	307,401	52.4	507,240	60.6
07/01/99	361,961	N/A	N/A	N/A	N/A	N/A
07/01/00	618,893	940,618	321,725	65.8	523,830	61.4

Notes:

- 1 Actuarial Valuations and actuarial updates are performed as of July 1.
- 2 N/A - Covered payroll for Food Service Employees' Pension Plan was not available for years prior to 1988-95.

CITY OF NORWALK
SCHEDULE OF PENSION FUNDS SUPPLEMENTARY
INFORMATION - REVENUES BY SOURCE AND EXPENSES BY TYPE

(Continued)

Police Benefit Fund:

Revenues by Source

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Employer Contrib. As % of Covered Payroll</u>	<u>Investment Income + Other</u>	<u>Net Realized And Unrealized Appreciation/ (Depreciation)</u>	<u>Total</u>
1991-92	\$445,272	\$1,541,031	23.6%	\$1,368,232	\$2,684,232	\$6,039,509
1992-93	488,162	1,436,160	20.7	1,066,032	2,833,281	5,823,635
1993-94	494,687	952,740	11.6	1,078,141	3,175,690	5,701,258
1994-95	562,668	795,914	9.1	1,155,494	424,514	2,928,590
1995-96	543,531	835,700	9.7	1,211,049	2,929,405	5,519,685
1996-97	585,016	355,250	4.0	1,247,463	3,860,522	6,048,251
1997-98	610,357	647,250	7.2	1,737,416	7,958,463	10,953,486
1998-99	586,058	374,200	4.0	1,876,571	3,118,897	5,955,726
1999-00	712,091	409,200	4.5	2,001,984	12,218,926	15,342,201
2000-01	760,428	3,850	0.0	4,870,580	(6,648,266)	(1,013,408)

Expenses by Type:

<u>Fiscal Year</u>	<u>Benefits</u>	<u>Administrative Expenses</u>	<u>Refunds</u>	<u>Totals</u>
1991-92	\$1,488,148	\$170,941	\$ 23,757	\$1,682,846
1992-93	1,491,141	174,520	0	1,665,661
1993-94	1,497,917	191,174	0	1,689,091
1994-95	1,551,804	194,338	30,253	1,776,395
1995-96	1,666,867	282,438	23,351	1,972,656
1996-97	1,695,515	280,566	40,416	2,016,497
1997-98	1,764,929	251,747	-	2,016,676
1998-99	1,958,588	250,380	-	2,208,968
1999-00	2,112,272	341,124	10,362	2,463,758
2000-01	2,158,863	390,496	13,570	2,562,929

CITY OF NORWALK
SCHEDULE OF PENSION FUNDS SUPPLEMENTARY
INFORMATION - REVENUES BY SOURCE AND EXPENSES BY TYPE

(Continued)

Fire Benefit Fund:

Revenues by Source

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Employer Contrib. As % of Covered Payroll</u>	<u>Investment Income + Other</u>	<u>Net Realized And Unrealized Appreciation/ (Depreciation)</u>	<u>Total</u>
1991-92	\$353,896	\$1,466,067	27.9%	\$1,793,609	\$3,521,302	\$7,134,874
1992-93	343,698	685,682	12.3	1,370,457	3,639,494	6,039,331
1993-94	358,564	483,704	8.4	1,347,492	3,982,852	6,172,612
1994-95	437,026	574,804	9.5	1,420,208	516,979	2,949,017
1995-96	425,271	4,178	0.1	1,463,379	3,534,060	5,426,888
1996-97	428,323	3,500	0.1	1,481,291	5,297,987	7,211,101
1997-98	438,936	460,130	6.7	2,037,209	9,344,956	12,281,231
1998-99	449,188	188,150	2.6	2,172,117	3,569,772	6,379,227
1999-00	466,257	43,150	0.6	2,287,096	13,945,729	16,742,232
2000-01	495,607	3,150	0.0	5,498,842	(7,501,717)	(1,504,118)

Expense by Type

<u>Fiscal Year</u>	<u>Benefits</u>	<u>Administrative Expenses</u>	<u>Refunds</u>	<u>Totals</u>
1991-92	\$1,552,451	\$224,275	-	\$1,776,726
1992-93	1,620,032	223,269	\$30,242	1,873,543
1993-94	1,718,583	239,857	-	1,958,440
1994-95	1,871,708	239,089	1,059	2,111,856
1995-96	1,952,718	341,447	5,722	2,299,887
1996-97	2,102,883	333,408	4,934	2,441,225
1997-98	2,397,913	295,732	-	2,693,645
1998-99	2,598,428	289,644	-	2,888,072
1999-00	2,661,828	389,451	14,353	3,065,632
2000-01	2,925,565	441,103	-	3,366,668

CITY OF NORWALK
SCHEDULE OF PENSION FUNDS SUPPLEMENTARY
INFORMATION - REVENUES BY SOURCE AND EXPENSES BY TYPE
(Continued)

Food Service Employees' Benefit Fund:

Revenues by Source

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Employer Contrib. As % of Covered Payroll</u>	<u>Investment Income + Other</u>	<u>Net Realized Appreciation/ (Depreciation)</u>	<u>Total</u>
1991-92	\$ 3,724	\$ 0	0	\$ 10,224	\$ -	\$ 13,948
1992-93	3,800	0	0	6,366	-	10,166
1993-94	3,836	0	0	6,773	-	10,609
1994-95	4,262	0	0	10,286	-	14,548
1995-96	3,576	0	0	11,508	-	15,079
1996-97	18,304	41,502	8.6	13,546	-	73,352
1997-98	13,325	47,694	9.4	14,852	1,195	77,066
1998-99	13,237	0	0	10,900	17,967	42,104
1999-00	14,904	161,313	32.6	14,365	93,736	284,318
2000-01	15,867	74,211	14.2	42,336	(56,337)	76,077

Expenses by Type:

<u>Fiscal Year</u>	<u>Benefits</u>	<u>Administrative Expenses</u>	<u>Refunds</u>	<u>Totals</u>
1991-92	\$ 9,303	\$ -	\$ 0	\$ 9,303
1992-93	10,470	-	349	10,819
1993-94	11,933	-	548	12,481
1994-95	18,190	-	634	18,824
1995-96	14,538	-	575	15,113
1996-97	10,959	-	3,548	14,507
1997-98	14,646	329	2,309	17,284
1998-99	13,643	1,483	2,692	17,818
1999-00	23,526	2,558	1,945	28,029
2000-01	32,013	3,382	1,475	36,870

CITY OF NORWALK
SCHEDULE OF PENSION FUNDS SUPPLEMENTARY
INFORMATION - REVENUES BY SOURCE AND EXPENSES BY TYPE
(Concluded)

Employee's Pension Plan:

Revenues by Source

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Employer Contrib. As % of Covered Payroll</u>	<u>Investment Income + Other</u>	<u>Net Realized And Unrealized Appreciation/ (Depreciation)</u>	<u>Total</u>
1991-92	\$643,511	\$ 3,314,303	14.2%	\$ 3,080,468	\$6,008,942	\$13,047,224
1992-93	558,364	1,370,446	5.5	2,366,204	6,286,367	10,581,381
1993-94	617,065	2,277,073	8.4	2,359,090	6,951,036	12,204,264
1994-95	678,067	1,133,153	4.0	2,500,008	907,443	5,218,671
1995-96	701,595	2,686,926	9.4	2,605,013	6,301,407	12,294,941
1996-97	690,775	1,744,124	6.0	2,679,908	6,173,784	11,288,592
1997-98	705,062	2,291,625	8.1	3,720,342	17,048,612	23,765,641
1998-99	696,216	1,812,625	6.1	4,001,781	6,633,711	13,144,333
1999-00	831,130	1,076,750	3.9	4,246,573	25,902,758	32,057,211
2000-01	814,409	6,000	0.0	10,209,458	(13,926,926)	(2,897,059)

Expense by Type

<u>Fiscal Year</u>	<u>Benefits</u>	<u>Administrative Expenses</u>	<u>Refunds</u>	<u>Totals</u>
1991-92	\$2,519,685	\$382,611	\$ 62,959	\$2,965,255
1992-93	2,950,360	384,487	90,869	3,425,716
1993-94	3,174,187	422,578	16,610	3,613,375
1994-95	3,524,736	421,570	82,243	4,028,549
1995-96	3,907,587	608,012	93,654	4,609,253
1996-97	4,265,949	602,516	107,496	4,975,961
1997-98	4,606,574	540,387	65,703	5,212,664
1998-99	4,878,968	533,552	81,222	5,493,742
1999-00	5,283,950	722,461	73,926	6,080,337
2000-01	5,672,352	818,709	79,212	6,570,273

E. DEMOGRAPHIC DATA

CITY OF NORWALK
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal year Ended June 30	<u>Population</u>	<u>Per Capita Income</u>	<u>Median Family Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
1992	78,700	\$ **	\$ 71,900	**	5.6%
1993	78,830	**	70,700	**	4.5%
1994	79,450	**	73,600	**	3.7%
1995	79,106	**	77,100	**	4.3%
1996	79,358	**	82,200	**	3.2%
1997	79,732	**	82,900	**	3.6%
1998	77,937	32,479	89,300	**	3.1%
1999	78,064	34,132	94,300	**	3.1%
2000	78,083	38,289	102,400	37.8	1.8%
2001	82,951	40,121	109,800	36.6	2.7%

Notes: Population estimates based upon U.S. Census Bureau for fiscal year ending 2001; CT Dept. of Health for all other years.

Median family income figures represent Stamford/ Norwalk metropolitan Statistical Area (MSA) as prepared by HUD.

*** Denotes that information is the most current available.*

Sources: Fleet Bank, Hartford: US Dept. of Housing and Urban Development (HUD); Southwestern Regional Planning Agency; CT Department of Labor, CT Dept. of Economic & Community Development (DECD).

EDUCATIONAL FACILITIES

Norwalk has a nine (9) member Board of Education, with the Mayor serving as an ex-officio member. The Board members are elected to four-year terms, four and five, respectively, every two years. The Officers of the Board include a Chairman, Vice-Chairman and a Secretary. They are elected by the Board members at the organizational meeting held every year in January.

The primary function of the Board is to establish policy. Some of the areas for which such policies are set include curriculum, budget requests submission, ensuring that funds for education as appropriated by the City are properly expended, implementation of both state and federal laws, and planning for facilities needed by the system, including construction and renovation.

The City has one center for vocational arts, two high schools, four middle schools and twelve elementary schools. The Board has 1,327 employees to fulfill its instructional objective. They comprise two groups: 920 certified personnel and 407 non-certified personnel including secretaries, clerks, custodians, maintenance personnel and teachers' aides.

Public School Enrollment (1)

<u>Fiscal Year</u>	<u>Head-Start</u>	<u>Elementary Head K-5</u>	<u>Middle School 6-8</u>	<u>High School 9-12</u>	<u>Special Education</u>	<u>Total</u>
1991-92	-	4,715	1,897	2,690	379	9,681
1992-93	-	4,808	1,963	2,709	379	9,859
1993-94	-	4,877	2,006	2,673	366	9,922
1994-95	-	5,164	2,056	2,695	334	10,249
1995-96	-	5,347	2,101	2,742	335	10,525
1996-97	-	5,346	2,122	2,815	382	10,665
1997-98	-	5,372	2,168	2,726	437	10,703
1998-99	-	5,419	2,190	2,755	415	10,779
1999-00	-	5,462	2,197	2,801	405	10,865
2000-01	-	5,459	2,412	2,837	308	11,016

PROJECTIONS

2001-02	-	5,389	2,499	2,959	303	11,150
2002-03	-	5,275	2,426	2,989	403	11,093
2003-04	-	5,260	2,401	3,075	403	11,139
2004-05	-	5,332	2,631	3,410	403	11,776
2005-06	-	5,285	2,549	3,462	403	11,699

Note: (1) As of October 1

Source: City of Norwalk Board of Education.

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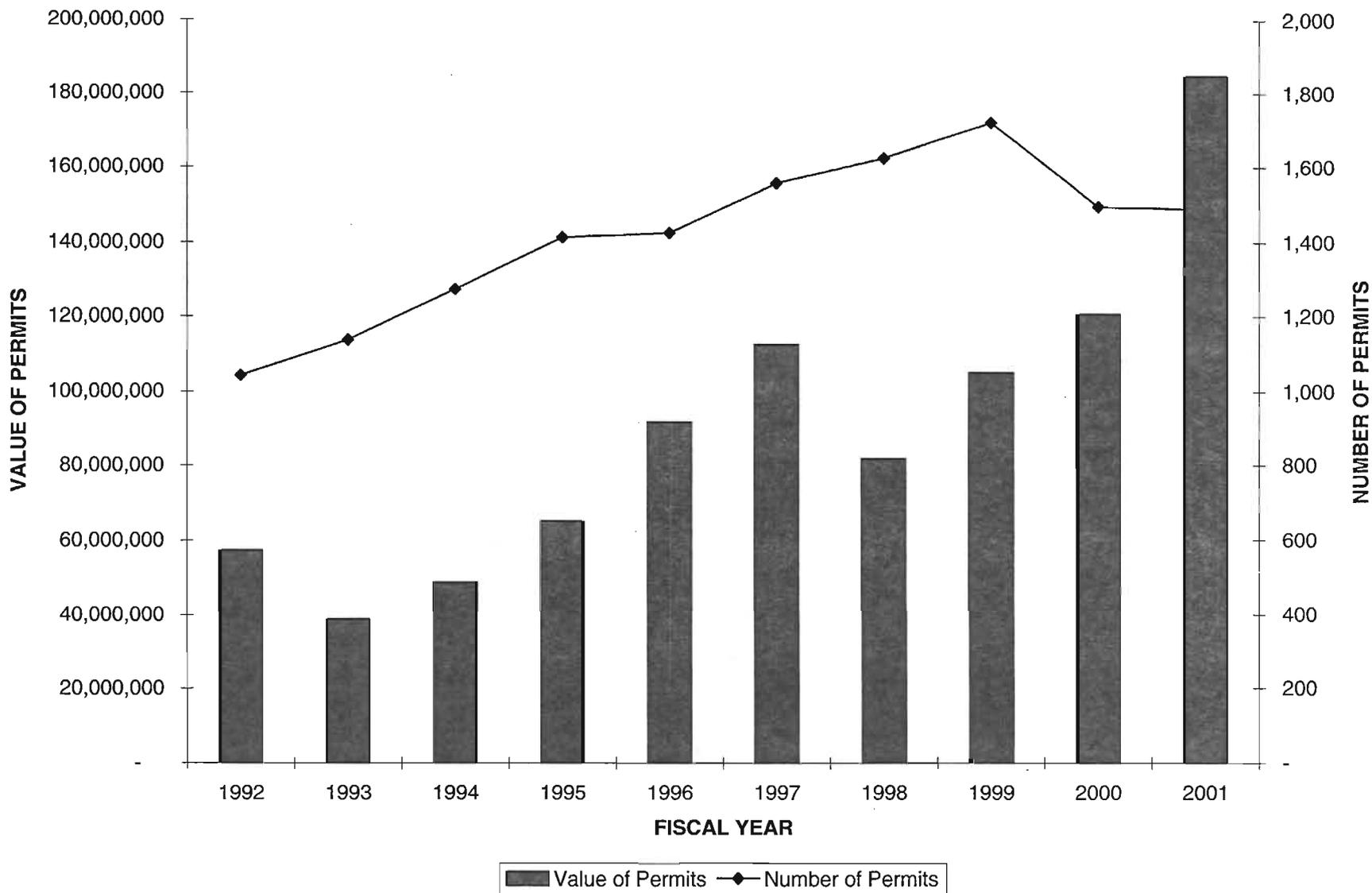
F. MISCELLANEOUS STATISTICS

NUMBER AND VALUE OF BUILDING PERMITS

<u>Fiscal Year Ended 6/30</u>	<u>Number of Permits</u>	<u>Building</u>	<u>Miscellaneous</u>	<u>Total</u>
1992	1,042	53,803,220	3,363,929	57,167,149
1993	1,137	34,950,610	3,667,163	38,617,773
1994	1,272	44,985,149	3,682,725	48,667,874
1995	1,413	57,403,385	7,577,998	64,981,383
1996	1,425	78,887,827	12,649,815	91,537,642
1997	1,557	103,735,403	8,686,803	112,422,206
1998	1,624	72,768,186	8,923,104	81,691,290
1999	1,721	94,793,869	10,176,410	104,970,279
2000	1,495	112,671,283	7,790,459	120,461,742
2001	1,488	168,863,786	15,718,061	184,581,847

Source: City of Norwalk, Building Department.

NUMBER AND VALUE OF PERMITS



CITY OF NORWALK

BANK DEPOSITS, CONSTRUCTION AND PROPERTY VALUES

<u>Fiscal Year Ended June 30</u>	<u>Bank Deposits (000)</u>	<u>Construction Permits</u>		<u>Property Values (000)</u>			<u>Real Estate Exemptions</u>
		<u>Number</u>	<u>Value</u>	<u>Real Property Commercial</u>	<u>Real Property Residential</u>	<u>Land</u>	
1992	\$1,070,538	1,042	\$57,167,149	541,151	1,143,600	992,109	27,774
1993	1,107,006	1,137	38,617,773	544,216	1,148,724	992,787	24,283
1994	1,089,493	1,272	48,667,874	547,412	1,156,168	991,669	24,060
1995	1,036,793	1,413	64,981,383	548,613	1,161,335	991,880	16,585
1996	1,106,316	1,425	91,537,642	548,116	1,166,940	991,091	15,675
1997	1,129,279	1,557	112,422,206	551,113	1,178,797	991,612	23,166
1998	1,141,269	1,624	81,691,290	564,947	1,188,347	995,909	21,013
1999	N/A	1,721	104,970,279	567,436	1,203,715	995,619	19,096
2000	1,171,197	1,495	120,461,742	887,946	1,888,461	21,217	20,953
2001	1,164,986	1,488	184,581,847	987,330	2,429,610	32,817	26,092

N/A *Information unavailable.*

Source: *State of Connecticut Banking Department; Code Enforcement Dept. - City of Norwalk; City of Norwalk Grand List Reports,*

MANUFACTURING AND LARGEST EMPLOYERS

Norwalk is home to several of Connecticut's largest employers. Norwalk's major employers provide jobs for more than 15,000 people, illustrating the strength and diversity of Norwalk's economic base.

<u>Name</u>	<u>Nature of Business</u>	<u>No. of Employees</u>
Pepperidge Farm, Inc.	Corp. Headquarters & Bakery	850
Fort James Corporation/Georgia Pacific	Regional Office – Consumer & Industrial Paper Prods.	800
Stew Leonard's	Retail Grocery Store	800
MBI, Inc.	Marketing Fine Collectibles/Direct Mail Marketing	700
Northrup Grumman/Norden Systems	Electronic Systems Manufacturer	650
Micro Warehouse	Computer Product Distributor	650
Hewitt Associates	Consulting Firm, Human Resources	600
Priceline.Com	Internet Marketing (Corporate Headquarters)	550
Modem Media	Internet Advertising (Corporate Headquarters)	500
U. S. Surgical Corporation	Div. Headquarters & Automatic Suture Stapling Instruments	500
Beiersdorf, Inc.	Nivea Skin Care Products & Surgical Dressing	450
Trilegiant (formerly Cendant)	Internet Marketing (Corporate Headquarters)	450
Reed Exhibition Company	Trade Show Production	450
Peppers & Rogers	Marketing Firm (Corporate Headquarters)	400
ActMedia	In-Store promotional Advertising	350
Perkin-Elmer Corp.	Optical Electronics Manufacturing	300
Swank, Inc., Crestline Division	Leather Belts & Products & Novelties	300
G. E. Capital Corp.	Financial Services	250
Information Resources, Inc.,	Consumer Research Firm	250
TGL, Inc.	Leather Products Manufacturing	250
Vectron Laboratories	Headquarters – Oscillators Manufacturer	250
Virgin Atlantic Airlines	Airline & Leisure Company	250
ABB, Inc.	Headquarters – Engineering Firm	200
Arch Chemicals	Chemical Headquarters	200
Cablevision/Lightpath-CT., Inc.	Production & Distribution of Telecommunications Svcs.	200
Trans-Lux Corporation	Electronic Signage	200
R.T. Vanderbilt Company, Inc.	Industrial Minerals & Chemicals	175
King Industries	Chemicals Manufacturer (Corporate Headquarters)	170
Daimler Chrysler Capital Services	Financial Services Firm	150
Kodak Polychrome Graphics	Graphic Arts Supply (Corporate Headquarters)	125
Olin Corporation	Headquarters, Chemicals, Metals & Ammunition	125
Shopping 4 Sure.Com	Internet Shopping Service	125

Norwalk Health Services (Norwalk Hospital) a 328 bed facility, is also a large employer, employing approximately 1,600.

Source: City Corporations (July, 2001).

CITY OF NORWALK

BUDGETED FULL-TIME PERSONNEL TEN YEAR HISTORY

<u>Function</u>	<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>	<u>1995-96</u>	<u>1994-95</u>	<u>1993-94</u>	<u>1992-93</u>	<u>1991-92</u>
General Government	44	44	41	40	42	42	43	43	42	49
Finance	35	36	36	36	38	38	38	38	37	51
Health & Welfare	20	20	20	22	33	60	59	56	53	57
Police	206	204	205	206	206	208	208	198	195	195
Fire	147	146	146	147	147	147	147	147	146	148
Other Protection	19	19	19	19	26	20	20	21	21	24
Public Works & Traffic	119	147	145	151	158	158	162	163	164	169
Education	1,318	1,299	1,293	1,282	1,273	1,241	1,227	1,189	1,164	1,168
Recreation, Arts & Cultural	<u>55</u>	<u>55</u>	<u>55</u>	<u>56</u>	<u>57</u>	<u>71</u>	<u>75</u>	<u>77</u>	<u>77</u>	<u>80</u>
TOTAL	<u>1,963</u>	<u>1,970</u>	<u>1,960</u>	<u>1,959</u>	<u>1,980</u>	<u>1,985</u>	<u>1,979</u>	<u>1,932</u>	<u>1,899</u>	<u>1,941</u>

SUMMARY OF INSURANCE COVERAGE

(Continued)

PROPERTY:

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$341,905,565
Deductible:	\$50,000 per occurrence
Policy Period:	July 1 -2000 - June 30, 2001

EMPLOYEE FIDELITY:

Carrier:	The Hartford Fire Insurance Company
Limits:	\$500,000 per loss
Deductible:	\$5,000
Policy Term:	July 1, 1989 until canceled

TAX COLLECTOR BOND:

Carrier:	Hartford Fire Insurance Company
Limits:	\$250,000 per loss
Deductible:	\$0 (no deductible)
Policy Period:	12/1/88 until canceled

BOILER AND MACHINERY:

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$50,000,000 per accident
Deductible:	\$1,000 per accident
Policy Period:	July 1, 2000 - June 30, 2001

SCHOOL BOARD LEADER'S LIABILITY (CLAIMS MADE):

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$11,000,000 - per wrongful act \$11,000,000 - Aggregate
Retention:	\$250,000
Policy Period:	July 1, 2000 – June 30, 2001
Retro Date:	July 1, 1998

GENERAL LIABILITY:

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$1,000,000 – each occurrence \$3,000,000 - Aggregate
Retention:	\$250,000
Policy Period:	July 1, 2000 – June 30, 2001

AUTOMOBILE LIABILITY:

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$1,000,000 – Each Occurrence
Retention:	\$250,000
Policy Period:	July 1, 2000 – June 30, 2001

SUMMARY OF INSURANCE COVERAGE

(Concluded)

AUTOMOBILE PHYSICAL DAMAGE:

Carrier	St. Paul Guardian Insurance Company
Limits:	Actual Cash Value; State Amount for Designated vehicles.
Catastrophic Coverage:	Actual Cash Value
Deductible: Comprehensive	\$1,000
Collision	\$1,000
Catastrophic	\$5,000

LAW ENFORCEMENT LIABILITY:

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$1,000,000 Each Wrongful Act \$1,000,000 Aggregate
Retention:	\$250,000
Policy Period:	July 1, 2000 – June 30, 2001

PUBLIC OFFICIALS LIABILITY: (Claims Made)

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$11,000,000 Each Wrongful Act \$11,000,000 Aggregate
Retention:	\$250,000
Policy Period:	July 1, 2000 – June 30, 2001
Retro Date:	July 1, 1998

FOLLOWING FORM EXCESS LIABILITY:

Carrier:	St. Paul Guardian Insurance Company
Limits:	\$10,000,000 Each Occurrence or Wrongful Act \$10,000,000 Aggregate
Underlying Coverage:	General Liability Auto Liability Law Enforcement Liability
Policy Period:	July 1, 2000 – June 30, 2001

CITY OF NORWALK
SUPPLEMENTAL DATA

June 30, 2001

Date of Incorporation:	September 11, 1651
Form of Government:	Mayor, 15 Member Common Council, 7 Member Board of Estimate & Taxation
Town and City Consolidated:	July, 1913
Area of City (including Norwalk Islands):	22.5 square miles

PUBLIC WORKS INFORMATION

Miles of Streets	243	Number of Pump Stations	26
Miles of Sidewalks	125	Municipal Parking Spaces	3,785
Miles of Sanitary Sewers	165	Number of Employees	119

PUBLIC SAFETY INFORMATION

Number of Police Cars (Marked & Unmarked)	107	Number of Fire Stations	5
Number of Sworn Police Personnel	177	No. of Sworn Fire Personnel	137
No. of Police Marine Vessels	3	No. of Pieces of Equipment	14

RECREATION AND CULTURAL INFORMATION

Acres of Public Park Lands	1,000	No. of Municipal Golf Courses (18 Holes)	1
Number of Public Beaches	2	Senior Centers	1
Boat Launching Areas	2	Library Branches (Includes Taxing Dist. Libraries)	4
Municipal Marinas	1	Library Volumes	275,000+
Athletic Diamonds	41	Public Museums (8 Bldg.)	3

ELECTION INFORMATION

	<u>Votes Cast In:</u>	<u>Percent Voting In:</u>
Last National Election	31,563	78.6%
Last State Election	19,335	48%
Last Municipal Election	18,705	44%
Registered Voters	42,831	

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