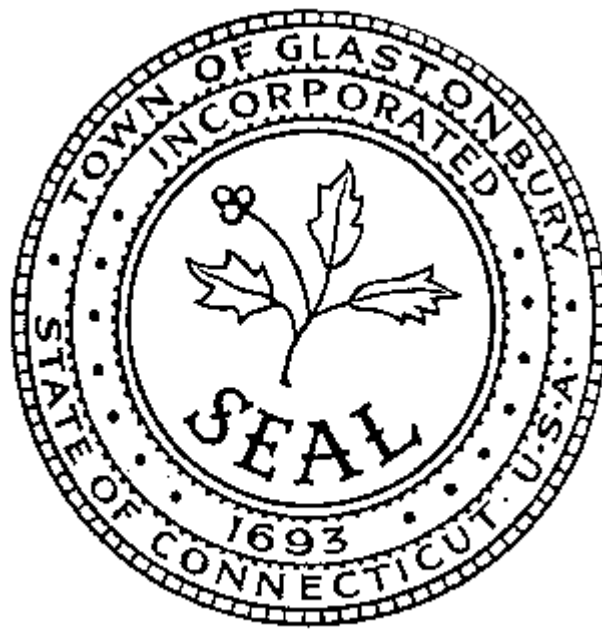


TOWN OF GLASTONBURY, CONNECTICUT



ANNUAL COMPREHENSIVE FINANCIAL REPORT Year Ended June 30, 2021

TOWN OF GLASTONBURY, CONNECTICUT



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Fiscal Year
July 1, 2020 to June 30, 2021**

Prepared By:
Financial Administration
and
Accounting Divisions

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Introductory Section



Town of Glastonbury

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December 21, 2021

Town Council
Board of Finance
Glastonbury, Connecticut

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America, by a firm of licensed certified public accountants. Pursuant to the requirement, issued herein is the comprehensive annual financial report of the Town of Glastonbury, Connecticut for the fiscal year ended June 30, 2021.

This report consists of management's representation concerning the financial statements of the Town of Glastonbury. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Glastonbury has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town of Glastonbury's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of Glastonbury's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Glastonbury's financial statements have been audited by RSM US, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Glastonbury for the fiscal year ended June 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the Town of Glastonbury's financial statements for the fiscal year ended June 30, 2021 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Glastonbury was part of broader, state and federally mandated "single audits" designed to meet the special needs of state and federal grantor agencies. The standards governing the federal and state single audit engagements required the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited governments internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Glastonbury's separately issued Single Audit Reports.

Generally accepted accounting practices require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Glastonbury's MD&A can be found immediately following the independent auditors' report.

PROFILE OF THE COMMUNITY

The Town of Glastonbury, incorporated as a Town in May of 1693, is located approximately eight miles southeast of Hartford and is bordered on the north by the Towns of East Hartford and Manchester, on the east by the Towns of Bolton and Hebron, on the south by the Towns of Marlborough, East Hampton and Portland, and on the west by the Towns of Cromwell, Rocky Hill and Wethersfield. As of 2020, Glastonbury had a population of 34,810.

Glastonbury is strategically located adjacent to Connecticut Routes 2 and 3, both four-lane limited access highways providing direct access to Interstate Highways 84 and 91. Bradley International Airport is 20 miles northwest of the Town. Connecticut Transit provides bus service to and from Hartford and surrounding towns.

Glastonbury is a suburb of Hartford with a diverse development base and a rich history as a Connecticut River Valley town. With a land area of 53 square miles, Glastonbury is the eleventh largest town in Connecticut. Approximately 58% of the total land area is zoned for residential development, 11% for commercial and industrial development, and 31% is flood zone or open space.

The Town provides a full range of services including: General Government, Community Development, Administrative Services, Public Safety, Physical Services, Sanitation, Human Services, Leisure/Culture and Education.

The COVID-19 Outbreak

The outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. The outbreak of the virus has affected travel, commerce and financial markets globally. There can be no assurances that the continuing prevalence of COVID-19 will not materially affect local, state, national, and global activity; increase public health emergency response costs; and materially adversely impact the financial condition of the Town.

State and Local Efforts to Mitigate the Ongoing Impact of COVID-19

On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the "State") and took, and continues to take, steps designed to mitigate the spread and impacts of COVID-19. Public schools began to operate remotely immediately following the outbreak and continued remotely through the 2019/2020 school year. For the 2020/2021 school year, schools were permitted to reopen and school districts were given the discretion to choose in-person learning, virtual learning or a hybrid model. For the 2021/2022 year, the Town's public schools have returned to full time, in-person learning.

Connecticut's COVID-19 vaccination plan commenced on December 14, 2020. The State is currently making vaccinations available to all individuals aged 5 and over, and is also making booster shots available.

The Governor regularly reviews conditions and, accordingly, expands or reduces restrictions. In response to the Spring 2021 decline in the number of positive COVID-19 cases and hospitalizations, effective May 19, 2021, all capacity restrictions related to establishments and social/recreational gatherings were eliminated. Given the increase in positive COVID-19 cases since July 2021, face-covering requirements remain in effect at this time for unvaccinated individuals. Businesses and state and local government offices have the option to require masks be worn by everyone in their establishments. Effective August 5, 2021, municipal leaders have the option of requiring that masks be worn by everyone, regardless of vaccination status, in indoor public places within their respective towns and cities. Although the Town currently does not have such a mandate in place, all individuals entering Town buildings must wear face coverings regardless of vaccination status.

The potential long-term impact of the COVID-19 pandemic on the Town cannot be predicted at this time. The continued efforts to mitigate the spread of the outbreak and any prolonged effects on the national, state and local economy could have a materially adverse effect on the Town's finances, credit ratings and ability to pay debt service on the Bonds in the future.

COVID-19 Outbreak – Municipal Tax Relief Programs

On April 1, 2020, in response to the COVID-19 emergency, Governor Ned Lamont issued Executive Order No. 7S (“Order 7S”), as amended by Executive Order No. 7W on April 9, 2020 (“Order 7W”), which creates two short-term tax relief programs and requires all towns, cities, and boroughs as well as their water pollution control authorities to adopt either or both of them by a vote of the legislative body. One program defers tax payments and benefit assessments by three months for taxpayers based on a showing of need, while the other reduces the interest chargeable on overdue tax and assessment payments for all taxpayers in the municipality for three months.

All municipalities were directed to notify the Secretary of the Office of Policy and Management (“OPM”) no later than April 25, 2020 which program or programs it intended to elect. On April 21, 2020, the Town adopted the “Deferment Program” for eligible taxpayers and landlords, with landlords required to apply for the program. The “Deferment Program” delays by three months payments due on any unescrowed taxes on real estate, motor vehicles, and personal property as well as unescrowed municipal utility charges (the “Taxes and Charges”). Landlords were required to demonstrate significant economic impact caused by COVID-19 and/or demonstrate that they are assisting people who are experiencing significant economic impact caused by COVID-19.

On December 16, 2020, the Governor issued Executive Order 9R (“Order 9R”), which applies the two tax relief programs to tax deadlines for Taxes and Charges that become due and payable on January 1, 2021. As of December 30, 2020, the Town was deemed to have adopted the Deferment Program. The Deferment Program deferred any Taxes and Charges that were due on January 1, 2021 through and to April 1, 2021 without penalty.

For Fiscal Year 2021, the Town did not experience a material negative financial impact as a result of the Deferment Program. The Town's collection rate in Fiscal Year 2021 was 99.49%, compared to 99.41% in Fiscal Year 2020 and 99.51% in Fiscal Year 2019. A collection rate of 99.1% was assumed when calculating the mill rate for Fiscal Years 2019 through 2021.

Government Response to COVID-19's Impact on the Economy

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Stabilization Act (the “CARES Act”) that provided in excess of \$2 trillion of relief to industries and entities throughout the country, including state and local governments. Under the CARES Act, \$150 billion was appropriated to states and other units of government for activities that are directly related to COVID-19. The State received approximately \$1.4 billion in such funding, and it was given the discretion to provide those funds to local governments.

On June 4, 2020, Governor Lamont established the Connecticut Municipal Coronavirus Relief Fund Program (the “Program”) which established a process by which Connecticut municipalities can receive funds from the State to offset non-budgeted COVID-19 related expenditures that were incurred between March 1, 2020 and December 30, 2020. In Fiscal Year 2020, the Town and Board of Education did not receive any reimbursement from the Program and FEMA for pandemic-related costs. The Town and Board of Education received \$872,000 in reimbursement from the two programs in Fiscal Year 2021.

On December 27, 2020, President Trump signed into law the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, which extends certain programs and benefits first authorized by the CARES Act. The relief package includes, among other items, over \$900 billion in stimulus for various COVID-19 relief programs, \$8.75 billion for vaccine distribution, \$54.3 billion of Elementary and Secondary School Emergency Relief Funds, \$4.1 billion for the Governors Emergency Education Relief Fund, and an allocation of \$284 billion of Paycheck Protection Program funds to support eligible small businesses and non-profits, and the legislation expands and modifies the program by allowing second draw loans for certain borrowers.

On March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the "Rescue Plan"). The Rescue Plan relief package includes, amongst other provisions, \$350 billion in state and local government aid. Of the \$350 billion, the State and its local governments are expected to receive approximately \$4.2 billion as a result of this legislation, with \$2.6 billion in State relief and another \$1.6 billion in relief for local governments.

The Rescue Plan relief package also includes approximately \$123 billion to allow for a return to full-time, in-person teaching at elementary and high schools, which funds may be used for numerous purposes, including but not limited to expanding testing, modifying classrooms, improving ventilation, and hiring more custodial staff. The State's K-12 schools are expected to receive approximately \$1.1 billion.

The Rescue Plan relief package includes another \$160 billion dedicated to COVID-19 vaccination development and distribution.

Over the next two years, the Town and Board of Education expect to receive \$11.9 million (\$10.2 million Town and \$1.7 million BOE) in federal funding as a result of the Rescue Plan. The Town received its first installment of \$5.1 million in funding from this program. The Town is developing a plan for the use of such funds that will focus on infrastructure improvements that comply with the program eligibility criteria.

Economy and Factors Affecting Financial Condition

Glastonbury is located in a region with a diverse economic base. Its citizens' income is derived from major insurance firms, prime government contractors, commercial/industrial firms, as well as retail and service industries. Data from the 2019 American Community Survey by the U.S. Census Bureau indicates that Glastonbury's median household income was \$120,837 in 2019, compared to the State's \$78,833. The median age of a Glastonbury resident was 45.2 years in 2019, compared to the State's 41.2 years.

Glastonbury's unemployment rate ranks better than the region. The Town's unemployment rate was 4.0% as of August 2021, as compared to the State of Connecticut at 6.1%. Glastonbury's unemployment rate decreased approximately 1.8% from August 2020 to August 2021.

The net taxable Grand List of October 1, 2020 was \$4.313 billion, representing an increase of 0.87% from 2019. This continues the strong pattern of growth in the grand list since 2007 and strengthens the solid tax base in Glastonbury. Individually, the real estate segment increased 0.74%, the personal property segment increased 1.69%, and the motor vehicle list increased 1.93% over the net 2019 totals.

In 2020, the area real estate market entered into new territory as the effects of the pandemic improved the residential real estate market as out-of-town purchasers added to the already heightened demand for quality suburban properties. Annual (January through December) growth in the volume of residential sales increased from 569 to 586 (3%) over the previous year. In addition, the average sales price increased from \$369,399 to \$403,254 (9.16%), highlighting year-over-year growth. These results are similar to comparable towns and are attributed to the effects of COVID-19, limited supply, favorable demographics (aging millennials) and historically low interest rates.

Key indicators of sustained growth included new home permits issued and the number of home renovations and additions. New home construction decreased slightly from 50 units last year to 45 this year. The continued success of two relatively large subdivisions and two mid-sized developments buoyed the market, while one emerging mid-sized project and several small projects offered sustained continuity of local housing supply and demand. Permits for additions and residential alterations increased from 463 to 473 projects, a 2% increase as homeowners furthered investment in their homes.

The personal property sector increased by 1.69%. The largest increase came from two public utilities, together comprising \$5.1 million. Overall personal property reporting shows continued reinvestment and upgrading of equipment by existing businesses. The continued growth in personal property is directly related to the Town's overall strong business climate.

The Town's economic base remains strong with private investments continuously made through new development and redevelopment projects. The northern section of Main Street has revitalized into a new shopping and destination opportunity for the Town and the region. The Shops on Main project at 2941-2955 Main Street added two additional buildings for retail, office and restaurant space. Heading south on Main Street, a new Edge Fitness facility is occupied. This facility contains a total of 30,000 sq. ft. with an 8,000 sq. ft. mezzanine.

Naubuc Avenue has experienced new economic growth as well. Ten new townhomes constructed at 25 Naubuc Avenue are fully occupied. Two 3,000 sq. ft. medical/professional office buildings were recently completed at the intersection of Naubuc Avenue and Putnam Boulevard, and two other recently completed commercial office spaces at 480 and 476 are nearing full occupancy.

The Hebron Avenue corridor has also been very active in terms of new development. The recently constructed commercial building at 400 Hebron Avenue has 20,000 sq. ft. of retail, office and restaurant space, and currently has the Hartford Baking Company as a tenant. Another 20,000 sq. ft. professional office building is also under construction at 340 Hebron Avenue with the top floor occupied by the building owners Gotfried and Somberg LLC. Lastly, the new 3,500 sq. ft. bank at the corner of Hebron Avenue and New London Turnpike started construction in fall 2021.

Growth is also happening in the industrial sector. A 10,000 sq. ft. building at 80 Sequin Drive and a 7,500 sq. ft. building at 108 Sequin Drive are complete and occupied. On Oak Street, recent developments include a 10,000 sq. ft. daycare facility and a new 5,000 sq. ft. building for a car wash business. Reuse of an existing 100,000+ square foot warehouse on Eastern Boulevard as an Amazon distribution hub was recently approved and is currently under construction.

The office condominium development approved at the intersection of Eastern Boulevard and Addison Road began construction in summer 2021. This development will include 18 condominium units within four new colonial-style buildings purposed for medical and professional office space.

Development in other parts of Glastonbury also continue to thrive. In August 2020, the Town Plan and Zoning Commission approved 17 town house style rental units at the corner of Salmon Brook Drive and House Street. A 29-lot subdivision at the north end of Bell Street and a seven lot subdivision at 1040 Main Street were approved in 2021.

Despite recent economic impacts of the COVID-19 pandemic experienced nationally and globally, the Town is confident that Glastonbury will remain resilient and its strong economic base will continue to attract high quality development and redevelopment projects for many years into the future.

Management Policies

Management adheres to the following policies to manage financial stability and strength of the Town. These policies have helped during budgetary challenges to meet increasing demands and taxpayer expectations with current economic trends and market influences.

- **Budgetary Control** - Expenditures may not legally exceed budgeted appropriations at the object code level. The Town Manager can authorize budget transfers within a department when the amount is \$5,000 or less and does not include additional staffing or the acquisition of capital items deleted in prior budgets. Other transfers require Board of Finance and/or Town Council approval. Transfers between departments may be made only in the last three months of the fiscal year. Monthly expenditures are reviewed with the Board of Finance and requested transfers are reviewed and justified.
- **Debt Policy** - The Town Council and Board of Finance have enacted a policy whereby debt shall not exceed two and one-half percent (2.5%) of the respective year's full value Grand List. Additionally, annual Debt Service shall not exceed 10% of the respective year's budget. For 2021, actual debt service expenditures represented approximately 4.1% of actual expenditures. The Town is rated AAA by Standard & Poor's and Aaa by Moody's. It is the policy of the Town to protect these ratings by adhering to sound financial policies and decisions.

Applicable data with regard to debt at the end of the 2021 fiscal year is represented as follows:

Bonded Debt	Amount (GO Bonds And Premiums)	Ratio of Debt to Assessed Value (70% of Present Market)	Ratio of Debt To Market Value	Bonded Debt Per Capita
Bonded debt	\$53,091,032	1.24%	0.87%	\$1,536

While the above ratios indicate a relationship of total debt obligations to the local tax base, it is important to recognize that there are other sources utilized to meet debt service requirements. State grants received as specific partial offsets to school building debt and other local revenues generated from the bonded projects themselves, such as sanitary sewer assessments, also serve to reduce the direct impact of debt service on the property tax. Outstanding general obligation bonds at June 30, 2021 totaled \$48,645,000 and premiums totaled \$4,446,032. Changes in bond indebtedness are detailed in Note 8 of this report.

- Use of Fund Balance** - The Town Council has enacted a Policy that the Town's Unassigned Fund Balance shall meet a minimum of 12% of the respective year combined Town, Education and Debt & Transfer budget. At June 30, 2021, in accordance with GASB 54, the Town's General Fund unassigned fund balance represented 17.3% of budgeted expenditures and 17.7% of budgeted revenues.
- Cash Management** - The Town's Investment Portfolio Policies and Procedures apply to all financial assets of the Town, excluding pension and Other Post Employment Benefit (OPEB) trust funds. The primary objective of each investment transaction is protecting principal followed by maintaining sufficient liquidity to meet cash flow needs, and finally, attaining the maximum yield possible taking into account the investment risk constraints and cash flow requirements. Upon recommendation of the Board of Finance, investments are allowed in any financial institution approved by the Town Manager that meets the State of Connecticut definition of a "qualified public depository". Additional information on the Town's cash and investment policy can be found in the financial statements in Note 4. The Town monitors the financial health of the approved financial institutions by reviewing the quarterly risk-based capital ratios and collateral requirements report as defined in the Connecticut General Statutes Section 36a-333.
- Pension Trust Fund** Investment of the Pension Trust Fund portfolio is composed of stocks, bonds and real estate investments. The current investment strategy allows for 65% equity and 35% fixed income. The Board of Finance reviews the fund performance quarterly to monitor adherence to the Investment Policy Statement guidelines. The actuarial valuation assumptions are reviewed and revised accordingly. Since approximately 2009, the investment rate of return has been reduced from 8.75% to 6.25% (effective with the 7/1/20 valuation). Recognizing the budget impact of the investment rate of return reduction on the actuarially determined contribution, the Town used a phased in approach over a number of years to minimize its effect on the Town's operating budget. The Town funds 100% of the Actuarially Determined Contribution. The PUB-2010 mortality tables have been fully implemented, effective with the July 1, 2019 valuation.
- Technology Replacement Schedule** - The Town maintains a comprehensive schedule for replacement of computers and servers and review of software. Annually, funds are included in the operating budget at a relatively consistent level to maintain systems and upgrades as necessary.
- Loss Control** - The Town has a highly successful loss control program for its workers' compensation and property and casualty insurance. The Director of Finance and Administrative Services and the Director of Human Resources are jointly responsible for the risk management function. Semiannually, department directors must report to the Town Manager on losses within their area of responsibility, the preventative action taken to correct the situation and any training provided to their employees to mitigate losses. Safety and risk management training is made available by the insurance providers and is used on a recurring basis. The department and division directors focus on loss control prevention. These efforts have further improved the Town's loss control program and strengthened the accountability of management staff for reduction in overall workers' compensation costs.

Factors Affecting the 2020/2021 Budget

The FY2021 budget was adopted on March 5, 2020 prior to the onset of the COVID-19 pandemic. Therefore, FY2021 budgeted revenues and expenditures did not contemplate any pandemic related influences. While the budget didn't consider COVID-19, many efforts were taken during the year to reduce non-business critical expenditures to help offset reductions in revenues, some of which are discussed in greater detail in the section: *Factors Affecting the 2020/2021 Actual Results*.

A continuing challenge when considering the Town's budget is the appropriate balance between operational requirements, the appropriate level of service to meet the needs and expectations of the community, and ongoing taxes. Glastonbury is highly dependent on tax revenues with 92.7% of its budgeted revenues derived from property taxes and delinquent charges.

For the 2020/2021 budget, the 2019 Grand List was assumed to increase 1.2%, generating \$1.87 million in new tax revenue. The Grand List actually grew 1.28%, from \$4.23 billion to \$4.28 billion.

A single mill rate for Real Estate, Personal Property and Motor Vehicle was adopted as follows: 36.36 mills in FY 2020, 36.90 mills in FY2021, and 37.32 mills in FY2022. This represents a 1.5% increase in the mill rate from FY2020 to FY2021, and a 1.1% increase from FY2021 to FY2022.

Historically, actual tax collection rates have exceeded 99.1%, the assumption used to set the mill rate. In 2018, 2019, and 2020 the collection rates were 99.48%, 99.51%, and 99.41%, respectively. The Town completed the 2021 fiscal year with a 99.49% collection rate.

The Town conservatively budgets non-tax revenues with respect to building permit fees as well as Town Clerk conveyance and recording fees, which comprise the majority of the non-tax revenue sources, exclusive of grants and investment income.

Intergovernmental revenue is the largest non-tax revenue account and represents approximately 4.1% of the Town's overall revenues in the FY 2021 budget. The Town's budget process is considerably early when compared to the timing of the State's budget schedule. This requires management to project future funding levels based on economic indicators at the time the budget is presented, and in most cases, even adopted in March. During the FY 2020 budget process, intergovernmental revenue, including the Education Cost Sharing (ECS) grant, was not well defined. State legislative action in 2017 adopted a phased reduction in annual ECS funding beginning in FY2020 through FY2028. When adopting the FY2020 budget, Governor Lamont proposed to accelerate the annual decrease in ECS funding. The adopted Town budget for FY2020 assumed Governor Lamont's proposal at \$5.089M. However, final state legislative action sustained the schedule enacted in 2017 totaling \$5.605M in FY2020, resulting in an actual to budget revenue gain of approximately \$500k. For FY2021, ECS was adopted at \$5.38m, a \$290k budget to budget increase from adopted FY2020 and consistent with 2017 legislation.

The Town continued to face many of the same challenges on the expenditure side of the budget for FY 2021 as it had in prior years. The FY 2021 budget for Town Operations increased 3.8% or \$1.66m, which was driven primarily by wage, insurance, and pension costs. Wage accounts increased \$0.4m, reflecting an assumed 2.0% - 2.25% general wage adjustment, and insurance costs increased \$0.4m, a result of higher projected healthcare costs. The budgeted pension contribution increased \$0.8m from the prior year and was largely a result of the conversion from the RP2000 to the PUB-2010 mortality tables, a conversion that was experienced by municipal pension plans nationwide. Given other budget obligations, and in consideration of the tax rate, the amortization was adjusted to 14-years to reduce the change in ADC and the assume rate of return sustained at 6.5%.

Over recent years, the Town's contribution to the pension plan has continued to increase. To help manage costs, the Town has effectively implemented changes to pension investments and pension plan design, such as increased employee contributions and a separate pension plan for new hires. In addition to plan design, also impacting the ADC are a number of factors, including, but not limited to, market performance, mortality expectations and the investment rate of return assumption. Since approximately 2009, the investment rate of return assumption has been reduced from 8.75% to 6.25%, with the later becoming effective in the FY2022 budget (July 1, 2020 valuation). To minimize its effect on the Town's operating budget, the Town phased in these rate of return assumption reductions over a number of years.

The FY2021 budget was designed to incorporate the short and long term goals of the Town, including:

- Ensuring the long-term stability of the Town's pension fund through careful, ongoing review of actuarial and investment assumptions, investment portfolio management, ongoing benefit plan design, and related review activities;
- Proactively managing pension obligations, including fully funding the annual pension Actuarially Determined Contribution (ADC);
- Fully funding OPEB at 100% of ADC;
- Managing budget and municipal finances in accordance with Town policies, and sustaining Aaa and AAA bond ratings through Moody's Investors Service and Standard and Poor's, respectively;
- Continuing to identify and implement cost savings and operational efficiencies while upholding and improving high quality customer service and service delivery levels;
- Sustaining investment in Capital Reserve Transfer and system-wide Capital Outlay accounts, thereby enabling proactive care and maintenance of community infrastructure;
- Effectively managing and mitigating factors influencing short and long-term operating costs;
- Investing fully in premium equivalent to health insurance reserve fund and adding supplemental funding to support reserve, as needed; and
- Effectively managing ongoing Debt Service to smooth this spending account.

The final Education budget increased \$3.1 million or 2.8% over the previous year. Glastonbury Public Schools is responsible for the education of over 5,700 students from Kindergarten through Grade 12.

In summary, management, the Town Council and Board of Finance are extremely proactive in addressing budget policy and the various internal and external factors that affect the Town's budget and finances.

Long Range Financial Planning

Glastonbury has a highly successful Capital Improvement Program (CIP) which allocates cash resources, grants, donations and long-term debt, as applicable, to fund the care and maintenance of the Town's infrastructure and to fund new capital projects.

Each year, as part of the formal budget process, Town departments and agencies present capital projects and recommendations to the Town Manager. The Town Manager reviews this information and prepares and updates a five-year capital budget document including projects recommended for new or additional funding effective the respective July 1st. The document shows projects contemplated for the next five years with preliminary project cost estimates, approved and potential grants, phasing, funding options (cash or borrowing) and other such information. By February 1st, the five-year planning and funding plan is presented by the Town Manager to the Town Council and Board of Finance. This serves as the basis for the respective year budget process and long-term planning for the care, maintenance and improvements to the Town's infrastructure.

The Town's Capital Improvement Program Policy (CIP Criteria) establishes the purpose of the Capital Program, standards and requirements for capital funding, projects to be funded through capital resources, schedules, protocols and policies for long-term financing and other such criteria to guide the Town's Capital Program. The Town manages a Capital Reserve Fund that allows many capital and non-recurring items to be funded on a pay-as-you-go, cash basis. Other sources of funding include grants, donations and long-term financing subject to voter approval.

In addition to identifying the type of capital items to be included in the capital program, the Town Council also sets goals and limits with regard to reserves and authorizations. This policy, the Capital Improvement Program Criteria, reviewed annually and modified as needed by the Town Council, sets forth the following goals and guidelines:

- Establishes a goal of maintaining an available balance in the Capital Reserve of \$1,000,000, except as needed to meet emergencies;
- Requires the Town Manager to develop a financing plan for recommended projects that includes the source of funding and, as applicable, debt service projections and the mill rate impact of issued debt for the projects;
- Sets the referendum threshold for cash-funded projects that exceed 2% of the Town's current adopted Town, Education, and Debt Transfer budget, rounded to the next highest \$50,000; and,
- Provides funding for capital improvements when public referendum is not practical or in the best interests of the community. This would include:
 - Exigent circumstances affecting the health or safety of the community;
 - Grant funding and donations which reduce the net project cost below the threshold;
 - Care and maintenance of Town buildings and infrastructure; and,
 - Projects of a recurring nature that may be funded on an annual basis for which cumulative funding could exceed the threshold.

Glastonbury is well known for its successful land acquisition and preservation program. The program is funded through appropriations and bond authorizations approved at referendum. Since 1988, \$34 million has been approved at referendum for land acquisition and preservation. Through this program, the Town has acquired approximately 2,500± acres of land and open space. Most recently, this includes some 542± acres of open space and forest land purchased from the Pension Fund of the Metropolitan District, realizing a 30+ year goal of the Town. The purchase of this land occurred on January 15, 2020. Subsequently, two additional acquisitions were made, including a 1.01± acre parcel off Cotton Hollow Road, which was purchased to preserve the remaining walls of the Cotton Hollow Mill, and a 30 acre parcel off Hill Street, which is adjoined by open space owned by the Kongsicut Land Trust and Manchester Water Company.

The Town continues to fund major projects, new and ongoing, from cash resources to minimize the issuance of debt to finance projects. The capital transfer from the General Fund to the Capital Reserve Fund in the 2020-2021 fiscal year was \$5,750,000 and for the 2021-2022 fiscal year is \$5,250,000.

For the 2021-2022 fiscal year, the Town Council appropriated \$8.75 million for the Capital Reserve Fund, \$250k for the Sewer Sinking Fund and \$461k for Town Aid Road. The funding is available through the annual appropriation to the Capital Reserve, Sewer Sinking funds and grants. Some major projects approved for funding include improvements to Town roads, sidewalks, bicycle/pedestrian improvements, multi-school locker replacement, Public Safety Communications and various other building improvements. In addition to the \$5.25 million of funding from the General Fund, the Capital Improvement Plan program takes advantage of significant grant resources, as applicable.

Factors Affecting the 2020/2021 Actual Results

Fiscal 2021 had a gain on operations, despite pandemic related challenges experienced during the the fiscal year. During the pandemic, many efforts were taken to reduce non-business critical expenditures to help offset reductions in revenues.

- Revenues – Combined operating revenue accounts met and exceeded original budget. Town Clerk recording and conveyance fees as well as building inspection fees exceeded original budget estimates. In addition, other favorable revenue receipts included a \$1.0m state grant for the purchase of 542± acres of open space and forest land purchased from the Pension fund of the Metropolitan District as well as \$0.4m of reimbursements for COVID-19 and election-related expenditures including, but not limited to, FEMA grants and Coronavirus Relief Fund receipts. Tax revenue accounts achieved budgeted expectations. These favorable variances were somewhat offset by lower investment income and revenues from recreation, library, and human service activities, which were negatively influenced by the pandemic. This included market conditions, which influenced investment returns, and the mandatory cancellation of numerous revenue-producing programs and activities. The original budget included a \$975k transfer in from the General Fund, which was not initiated due to the gain on operations.
- Expenditures – Overall expenditures for Town operations fell below budget. This resulted from the cancellation of numerous programs and activities sponsored by Town departments due to COVID-19; most particularly, savings were realized in part-time wage and program accounts. Additionally, a number of full-time position vacancies remained unfilled to achieve wage and benefit savings. Some of these savings were partially offset by a higher pension contribution, including a \$1.0m supplemental payment, and projects such as the provision of Police body cameras and Fire Department self-contained breathing apparatus.

The months since March 2020 have presented challenges to cities and towns nationwide. Glastonbury has responded well to the pandemic and continues to provide high quality programs and services through the creativity and dedication of all Town operating areas. Looking ahead, Glastonbury is well-positioned to respond to the challenges and opportunities the coming year may present.

Award

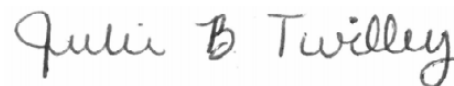
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020, which represents the thirty-first consecutive year this award has been received. In order to be awarded a Certificate of Achievement, the Town published an easy to read and efficiently organized comprehensive annual financial report. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement for Excellence is valid for a period of one year only. It is the Town's opinion that the current report continues to conform to the Certificate of Achievement for Excellence in Financial Reporting Program requirements. The 2021 report will be submitted to GFOA to determine its eligibility for the certificate program.

Acknowledgments

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Administrative Services Department. I would like to express my appreciation to Narae McManus, Controller, who made significant contributions to its preparation. I would also like to thank the Town Manager, Town Council and Board of Finance, for their ongoing support of sound financial management.

Respectfully submitted



Julie B. Twilley, CPA
Director of Finance and Administrative Services

Town of Glastonbury, Connecticut

**Principal Town Officials
June 30, 2021**

Town Council

Thomas P. Gullotta, Chairman
Lawrence Niland, Vice Chairman
Deborah Carroll
Stewart (Chip) Beckett III
Kurt P. Cavanaugh

Jacob (Jake) McChesney
Mary LaChance
Whit C. Osgood
George Norman

Board of Finance

Constantine Constantine, Chairman
Jennifer Sanford, Vice Chairman
Walter Cusson

James McIntosh
Robert Lynn
James Zeller

Administration

Town Manager
Chief of Police
Director of Finance and Administrative Services
Town Engineer/Manager of Physical Services
Director of Planning and Land Use Services
Director of Human Resources

Richard J. Johnson
Marshall Porter
Julie B. Twilley
Daniel A. Pennington
Rebecca Augur
Sherri Tanguay

Board of Education

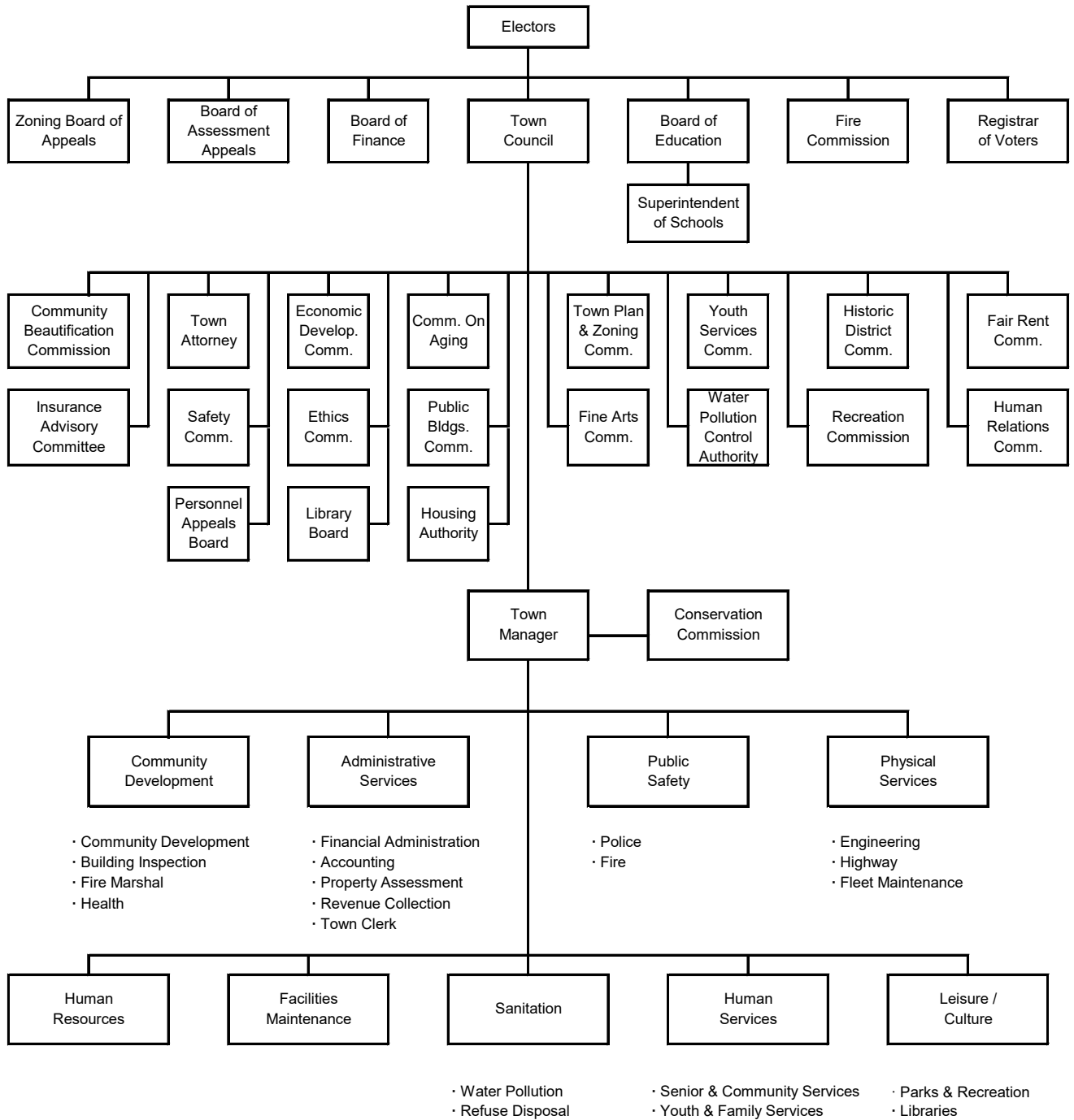
Douglas C. Foyle, Ph.D., Chairman
Julie Thompson, Vice Chairman
Rosemary Coggeshall, Secretary
Alison Couture

Ray McFall
David Peniston, Jr.
Matthew Saunig
Evan Seretan

Superintendent of Schools
Assistant Superintendent, Curriculum & Instruction
Assistant Superintendent, Personnel & Administration
Business Manager

Dr. Alan B. Bookman
Cheri Burke
Matthew Dunbar
Karen Bonfiglio

Organization Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Glastonbury
Connecticut**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

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Financial Section



RSM US LLP

Independent Auditor's Report

Town Council and the Board of Finance
Town of Glastonbury, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Glastonbury, Connecticut (the Town) as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Glastonbury, Connecticut as of June 30, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Town adopted the recognition and disclosure requirements of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. The beginning net position and fund balance of the governmental activities and the aggregate remaining fund information as of July 1, 2020 have been restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and other schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated December 23, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2020 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2021 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

RSM US LLP

New Haven, Connecticut
December 21, 2021

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Town of Glastonbury, Connecticut Management's Discussion and Analysis – Unaudited June 30, 2021

This discussion and analysis of the Town of Glastonbury, Connecticut's (the Town) financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2021. It should be read in conjunction with the letter of transmittal and the Town's financial statements that follow this section.

Financial Highlights

- On a government-wide basis, the assets and deferred outflows of the Town exceeded its liabilities and deferred inflows resulting in total net position at the close of the fiscal year of \$257 million. Of the Town's total net position at June 30, 2021, \$15.3 million, or 6.0%, is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.
- On a government-wide basis, during the year, the Town's net position increased by \$13.5 million or 5.5%, from \$243 million to \$257 million. Government-wide expenses were \$206 million, while revenues were \$219.6 million. The increase in net position of \$13.5 million is attributable to the following factors: \$4.9m year-over-year reduction in the net pension liability (total pension liability less the fiduciary net position) that is recognized in the current fiscal year, \$4.8m increase in nonmajor governmental funds mostly driven by the increase in the Library Renovation Fund and the Capital Reserve Fund, \$4.7m increase in the internal service fund for health insurance, \$1.3m increase in the General Fund (additional detail is available under MD&A Financial Analysis of the Government's Funds, General Fund), offset by a \$2.4m reduction in the Capital Reserve Project Fund.
- At the close of the year, the Town's governmental funds reported, on a current financial resources basis, combined ending fund balances of \$68.6 million, an increase of \$3.9 million from the prior fiscal year. Of the total \$68.6 million fund balance as of June 30, 2021, \$30.4 million is available for spending at the Town's discretion and represents the combined unassigned balance in the General Fund net of the fund deficits in the nonmajor governmental funds. The deficits in the nonmajor governmental funds will be eliminated upon the receipt of final grant reimbursements.
- At the end of the current fiscal year, the total fund balance for the General Fund alone was \$34.6 million, an increase of approximately \$1.3 million from the prior fiscal year. Of that total fund balance, \$30.4 million is unassigned. The unassigned General Fund balance at year-end represents 17.8% of total General Fund expenditures and transfers out (\$170.9 million on a budget basis).
- The Town's total bonded indebtedness increased \$13.6 million during the fiscal year. The Town issued \$10,390,000 of General Obligation Bonds and \$10,015,000 of General Obligation Refunding Bonds during the year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information and a statistical section. The statistical section provides comparisons of selected information beginning with fiscal year 2012 and running through the current year.

Government-Wide Financial Statements

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

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

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

Activities of the Town encompass the Town's basic services and include governmental and community services, administration, public safety, health and welfare, sewage treatment operations and education. Property taxes, charges for services and state and federal grants finance most of these activities.

The government-wide financial statements (statement of net position and statement of activities) can be found as listed in the table of contents.

Fund Financial Statements

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

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

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

The Town maintains 30 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Special Assessment Fund, Capital Reserve Projects Fund, and the American Rescue Plan Act Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated schedule as other nonmajor governmental funds. Nonmajor governmental funds for the Town of Glastonbury which are classified as special revenue funds include the Sewer Operating Fund, Dog Fund, Grants and Contracts, Police Forfeited Property, Special Gifts/Grants, Historic Documents/ Preservation, School Cafeteria, Education Grants, various library trust funds, Connecticut, Police Private Duty, Camp Sunrise, Recreation Activities, Insurance Reserve, Riverfront Park Operations and Planetarium funds. Nonmajor funds which are classified as capital projects funds include the Minnechaug Golf Fund, Town Aid, Sewer Sinking Projects, Gateway Project, Riverfront Park Project, Library Renovation Project, Bulky Waste Closure Fund and the Magnet School. Individual fund data for each of these nonmajor governmental funds is provided in the combining balance sheet and in the combining statement of revenues, expenditures and changes in fund balances.

The Town adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the authorized budget. The statement of revenues, expenditures and changes in budgetary fund balance on a budgetary basis can be found on page 69.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances) can be found as listed in the table of contents.

Internal Service Fund. The Town is self-insured for its health insurance benefits. Employer and employee contributions, stop loss reimbursements, claims and administrative costs for employee health benefits are accounted for in this internal service fund. The basic financial statements of this fund can be found as listed in the table of contents.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Town has one pension trust fund, one other post-employment benefit (OPEB) trust fund and two agency funds (Student Activity Fund and Education Dependent Care Fund). The basic fiduciary fund financial statements can be found as listed in the table of contents.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the table of contents.

Certain required supplementary information is reported concerning the Town's progress in funding its obligation to provide pension benefits and OPEB to its employees. This information can be found within the Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Employer Contributions-Pension, Schedule of Investment Returns-Pension, Schedule of the Town's Proportionate Share of the Net Pension Liability-Teachers Retirement Plan, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Employer Contributions- OPEB, Schedule of Investment Returns-OPEB, and Schedule of the Town's Proportionate Share of the Net OPEB Liability-Teachers Retirement Plan as listed in the table of contents.

Additional required supplementary information on comparative data for the general fund budgeted revenues and expenditures is shown as listed in the table of contents.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town Governmental Activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$257 million on June 30, 2021.

Town of Glastonbury, Connecticut
Summary Statement of Net Position
June 30, 2021 and 2020
(In 000's)

	Governmental Activities	
	2021	2020
Current and other assets	\$ 101,433	\$ 85,624
Capital assets, net	294,322	294,596
Total assets	395,755	380,220
Deferred outflows of resources:		
Deferred charge on refunding	742	921
Change in pension actuarial experience	3,565	5,647
Change in pension assumptions	14,568	13,212
Net change in pension investment experience	-	1,019
Change in OPEB actuarial experience	660	792
Change in OPEB assumptions	363	435
Net change in OPEB investment experience	-	67
Total deferred outflows of resources	19,898	22,093
Long-term liabilities outstanding	109,545	142,726
Other liabilities	21,444	15,159
Total liabilities	130,989	157,885
Deferred inflows of resources:		
Advance tax payments	212	149
OPEB related items	1,798	987
Pension related items	25,705	18
Total deferred inflows of resources	27,715	1,154
Net position:		
Net investment in capital assets	241,651	240,502
Restricted	9	9
Unrestricted	15,289	2,763
Total net position	\$ 256,949	\$ 243,274

The change in current and other assets is driven by increases in the internal service fund, General Fund, non-major governmental funds and the American Rescue Plan Act Fund which was newly created in FY2021.

The decrease in long-term liabilities outstanding is generated by the reduction in net position liability which measures the total pension liability minus the plan's fiduciary net position (unfunded accrued liability).

The increase in deferred inflows of resources for the pension related items of \$25.7 million is due to the net difference between projected and actual earnings (\$24.8 million) and differences between expected and actual experience (\$0.9 million).

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

Town of Glastonbury, Connecticut
Summary Statement of Activities
For the Years Ended June 30, 2021 and 2020
(In 000's)

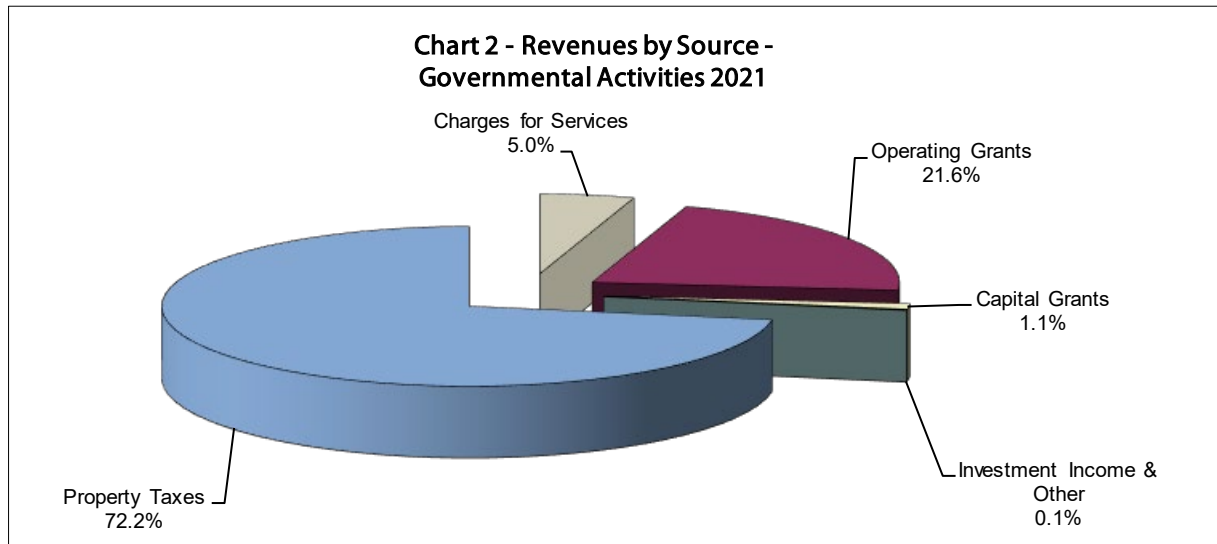
	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 10,886	\$ 11,215
Operating grants and contributions	47,389	33,388
Capital grants and contributions	2,401	4,660
General revenues:		
Property taxes	158,501	154,354
Grants and contributions not restricted to specific programs	253	228
Investment income and other	213	2,011
Total revenues	219,643	205,856
Expenses:		
General government services	3,251	3,615
Community development	1,919	2,243
Administrative services	7,571	6,666
Public safety	15,786	16,396
Physical services	10,949	13,183
Sanitation	3,915	3,943
Human services	2,279	3,004
Leisure/culture	5,228	8,473
Education	153,508	141,549
Interest on long-term debt	1,768	1,900
Total expenses	206,174	200,972
Change in net position	13,469	4,884
Net position, beginning, as restated	243,481	238,390
Net position, ending	\$ 256,950	\$ 243,274

Glastonbury's net position increased \$13.5 million during the fiscal year. Additional detail regarding factors contributing to this increase is available under MD&A Financial Highlights as well as in the following sections on revenues and expenses.

Governmental Activities

On March 10, 2020, the Connecticut Governor declared a state of emergency throughout the State of Connecticut as a result of the COVID-19 outbreak. Fiscal 2020 and 2021 had gains on operations, in spite of experiencing pandemic related challenges. Many efforts were taken to reduce non-business critical expenditures to help offset reductions in revenue. Combined operating revenue accounts met and exceeded original budget and overall expenditures for Town operations fell below budget.

Approximately 72.2% of the revenues were derived from property taxes, followed by 21.6% from operating grants and contributions, 5.0% from charges for services, 1.1% from capital grants and contributions and the remaining 0.1% from capital contributions, investment earnings and grants and contributions.



Major revenue factors included:

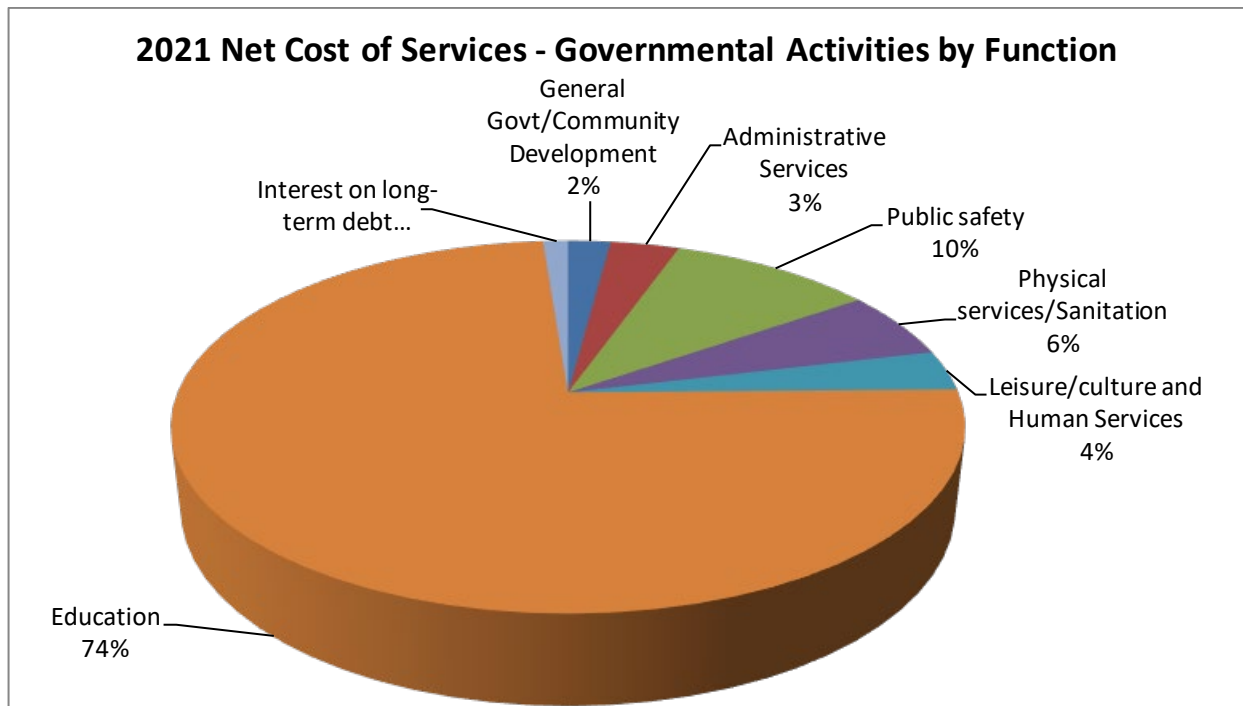
- Property tax revenues recorded for fiscal year 2021 totaled \$158.5 million, which represents an increase of 2.7% over 2020 tax revenues. The tax increase for the 2020/21 budget was 1.5%, with the mill rate increasing from 36.36 to 36.90 mills. For the 2020/21 budget, the 2019 Grand List increased 1.2%, from \$4.23 billion to \$4.28 billion, generating approximately \$1.87 million in new tax revenue. In addition, the actual tax collection rate exceeded the assumed rate, 99.49% versus 99.1%, respectively.
- Investment income decreased by \$0.84 million or 79.4%, primarily due to decreases in interest rates during the year, which were largely driven by the COVID-19 pandemic.
- Operating grants and contributions increased by \$14 million or 42%, primarily driven by education (\$12.6 million increase largely related to the State payment for the Teachers' Retirement System) and leisure/culture (\$1.1 million increase for the Library Renovation).

With respect to governmental activities, 74% of the Town's expenses were related to education. Physical services and sanitation accounted for 6%, public safety accounted for 10.0%, leisure and culture (comprised of parks and recreation and library services) accounted for 4%, and administrative services (which includes finance, accounting, revenue collection, assessment, town clerk, property and casualty insurances, legal costs and information technology) accounted for 3% of expenses. The remaining 3% relates to general government, community development, human services and interest on long-term debt.

Overall, expenses increased \$5.2 million or 2.6% over the prior year. Major expenditure factors include:

- Education expenses increased \$12.0 million or 8.4%, primarily due to the increase in the State of Connecticut's contribution to the State Teachers' Retirement System.
- Administrative services expenses increased \$0.9 million or 13.6%, primarily due to a \$1.0 million supplemental contribution to the Pension plan.
- Leisure/culture expenses decreased \$3.2 million or 38.3%, primarily related to program cancellations due to the COVID-19 pandemic.
- Physical services expenses decreased \$2.2 million or 16.9%, primarily due to lower capital asset expenditures.
- Other departments' expenditure reductions comprise the remaining \$2.3 million.

The following chart presents the net cost of services for the Town's major functions - General Government/Community Services, Administrative Services, Public Safety, Physical Services/Sanitation, Leisure/Culture and Human Services, Education and Interest on long-term debt.



Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

- As of June 30, 2021, the Town of Glastonbury's governmental funds reported combined ending fund balances of \$68.6 million, an increase of \$3.9 million over the previous year. Approximately \$38.2 million of this total is nonspendable, restricted, committed or assigned, indicating it is not available for new spending, as it is primarily to liquidate contracts and purchase orders or is legally restricted for other purposes. Approximately \$30.4 million of fund balance is unassigned. The deficit in the nonmajor governmental funds will be eliminated upon the receipt of final grant reimbursements.

General Fund

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$30.4 million while the total fund balance reached \$34.6 million.

The Town's General Fund balance increased \$1.3 million during the current fiscal year. Key factors that contributed to the financial outcome are as follows:

- Overall, on a budget basis, General Fund actual revenues exceeded the original budget by \$2.7 million, which included.
 - Education Agency Placement and Transportation grants of \$1.4 million.
 - A grant from Department of Energy and Environmental Protection (DEEP) of \$1 million was received for the purchase of 542± acres of open space and forest land purchased from the Pension Fund of the Metropolitan District.
 - Actual intergovernmental revenue exceeded budgeted revenues by \$0.4 million, primarily due to COVID-19 related grants.
 - Licenses and permits exceeded budget by approximately \$0.4 million due to building permit revenue received during the year.
 - Charges for Services exceeded budget by approximately \$0.2 million due to significant town clerk recording and conveyance fees, which were somewhat offset by lower than expected parks and recreation, senior service and library fees, all of which were impacted by the pandemic.
 - Investment income earned \$0.6 million less than budget, due to the reduction in interest rate.
- General Fund expenditures were \$0.6 million under original budget, including:
 - \$0.8 million for the Town. Savings were realized through part-time wage and program expenditure reductions related to the cancelation of programs and activities due to COVID-19. Additionally, a number of full-time position vacancies at the Town were left unfilled to achieve wage and benefit savings. These savings were partially offset by a \$1.0 million supplemental contribution to the Pension Fund.
 - The above savings were somewhat offset by a \$0.6 million increase in expenditures for the Board of Education, driven largely by wage and benefit costs.

- Other factors impacting the General Fund balance include:
 - \$0.975 million Use of Fund Balance, which was budgeted, but not incurred.
 - \$0.7 million of net Transfers Out and Debt Service, which exceeded original budget and largely related to funding of Capital Reserve Projects.

Other Governmental Funds

At the close of the fiscal year, the Town's other governmental funds reported, on a current financial resource basis, combined ending fund balances of \$33.9 million, representing an increase of \$2.4 million of major and nonmajor governmental funds from the prior fiscal year. Changes in the Town's other major funds are highlighted as follows:

Special Assessment Fund

The Special Assessment Fund accounts for the collection of sewer assessments levied against properties connected to the Town's sewer system. This reserve is dedicated to infrastructure improvements of the sewer system. This fund completed the fiscal year with a \$0.04 million increase. Income was generated primarily from sewer connection assessments collected during the year of \$0.2 million, investment income of \$0.1 million and accrual of an unrealized investment loss of \$0.1 million. Annually, realized investment income generated in this fund is transferred to the Sewer Operating Fund to offset debt service costs related to the Clean Water Fund note repayment to the State of Connecticut. This note funded improvements to the Water Pollution Control facility. In fiscal 2021, this note was refunded as part of the General Obligation Refunding Bonds, Issue of 2020, Series C.

Capital Reserve Projects Fund

This fund accounts for activity of capital expenditures, exclusive of projects approved at referendum for bond financing. Projects accounted for in this fund are appropriated annually as part of the budget process and financed through the annual General Fund appropriation to the Capital and Nonrecurring Expenditures Fund, grants, and sewer assessment or user fees. During the year, the Town expended \$10.0 million for various capital projects and improvements. The fund balance decreased \$2.4 million, resulting in a Capital Reserve Projects Fund balance of \$9.2 million at year end, all of which is committed for capital and infrastructure purposes.

American Rescue Plan Act Fund

This fund was created as a major fund in FY 2021, yet does not carry a fund balance at year-end.

Other Nonmajor Funds

Twenty-six nonmajor funds comprise the remaining year-over-year increase. In FY 2020, the Land Acquisition Fund and Capital Reserve Fund were major funds; however, in FY 2021, these funds are nonmajor funds.

General Fund Budgetary Highlights

The difference between the original budget and the final amended expenditure budget was \$5.4 million. The original budget was amended by actions recommended by the Board of Finance and approved by the Town Council following public hearings. The major additional appropriations approved during the year are summarized below:

- Increased education appropriations by \$1.41 million to reflect the receipt of special education excess costs, transportation grants and community use custodial fee reimbursements.
- Increased appropriations for encumbrances, capital outlay, and education unexpended fund carryovers from the prior fiscal year in the amount of \$2.6 million.
- Increased appropriations by \$0.1 million to transfer to the Bulky Waste Closure Fund.
- Increased appropriations by \$0.6 million to transfer to the Capital Reserve Projects Fund for rental property renovation and a purchase of self-contained breathing apparatus for the Fire Department.

During the year, actual revenues on a budgetary basis were \$172.2 million which exceeded the final budget by \$1.3 million. Key drivers of this increase included: \$1.0 million DEEP grant for the purchase of 542± acres of open space and forest land from the Pension Fund of the Metropolitan District, \$0.4 million for intergovernmental revenues for COVID-19 related grants, \$0.4 million for licenses and permits and \$0.2 million for charges for services. These favorable variances were somewhat offset by \$0.6m of shortfalls in investment income, which was impacted by the pandemic.

Actual expenditures and transfers out on a budgetary basis totaled \$170.9 million, which was approximately \$4.9 million less than the final budget of \$175.8 million. This variance is attributable to education, which will carry forward \$2.4 million of unexpended funds (inclusive of prior year allocations to the Unexpended Education Fund) to the following year, and the Town, which had actual expenditures of \$2.5 million below final budget. After adjusting for encumbrance and capital outlay carry forwards, as well as transfers, the net expenditure savings to the Town is \$0.8 million, which was generated through wage and program expenditure reductions.

Capital Asset and Debt Administration

Capital Assets. The Town’s investment in capital assets for its governmental activities as of June 30, 2021, amounted to \$565.2 million on a gross basis and \$294.3 million net of accumulated depreciation. This investment in capital assets includes land, buildings, land improvements, machinery and equipment, computer software, park facilities, roads, sewers and bridges. The net increase in the Town’s investment in capital assets before depreciation for the fiscal year was \$12.1 million.

**Town of Glastonbury
Capital Assets
June 30, 2021 and 2020**

	Governmental Activities	
	2021	2020
Land	\$ 54,324	\$ 53,701
Development rights	4,109	4,109
Construction in progress	8,188	597
Land improvements	42,855	42,821
Building and improvements	234,105	232,615
Machinery and equipment	60,152	58,039
Computer software	894	894
Infrastructure	160,527	160,167
Total	\$ 565,154	\$ 552,943

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

- Major additions to Construction in Progress (CIP) included kitchen upgrades at Glastonbury High School. Completed portions of the projects have been capitalized from CIP.
- Purchase of land totaling \$0.6 million, including a 1.01± acre parcel off Cotton Hollow Road, which was purchased to preserve the remaining walls of the Cotton Hollow Mill, and a 30 acre parcel off Hill Street, which is adjoined by open space owned by the Kongs-cut Land Trust and Manchester Water Company.

Additional information on the Town’s capital assets can be found in Note 6 of this report.

Long-Term Debt. At the end of the current fiscal year, the Town had total bonded debt outstanding of \$48.6 million. 100% of this debt is backed by the full faith and credit of the Town government. The Town of Glastonbury maintains a AAA rating from Standard and Poor's and an Aaa rating from Moody's Investors Service.

The overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$1.079 million. As of June 30, 2021, the Town's recorded long-term debt of \$48.6 million is well below its statutory debt limits.

The Town issued long term debt in the amount of \$10.4 million on July 24, 2020 (General Obligation Bonds, Issue of 2020, Series B) and issued \$10.0 million in refunding bonds to refund outstanding principal of the 2011 Series A and Clean Water Fund loan on December 10, 2020 (General Obligation Refunding Bonds, Issue of 2020, Series C).

Additional information on the Town's long-term debt can be found in Note 8 of this report.

Economic Factors

The Town is well positioned to handle various economic conditions. The Town receives a relatively small amount of State aid and, therefore, is more insulated from the impact of State revenue shortfalls than many other cities and towns in Connecticut. Even with significant reliance on property taxes and other revenues affected by current economic conditions, the Town has been able to adjust expenditures accordingly while maintaining services during these difficult economic conditions. As pandemic conditions persist, Town operations and related revenues and expenditures will continue to evolve. Glastonbury is well positioned to respond to the challenges and opportunities that such changes present.

Requests for Information

The financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Administrative Services at 2155 Main Street, Glastonbury, CT 06033.

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Basic Financial Statements

Town of Glastonbury, Connecticut

Exhibit I

Statement of Net Position
June 30, 2021

	Primary Government Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents	\$ 75,340,758
Receivables, net of allowance of \$187,385	3,986,272
Inventory	266,581
Investments	21,379,224
Prepays	447,719
Other assets	12,130
Total current assets	<u>101,432,684</u>
Noncurrent assets:	
Capital assets not being depreciated	66,621,253
Capital assets being depreciated, net of accumulated depreciation	227,700,719
Total noncurrent assets	<u>294,321,972</u>
Total assets	<u>395,754,656</u>
Deferred outflows of resources	
Deferred charge on refunding	742,086
Deferred outflows related to OPEB	1,022,561
Deferred outflows related to Pension	18,133,489
Total deferred outflows of resources	<u>19,898,136</u>
Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	8,195,659
Due to developers for escrow deposits	622,939
Due to others for escrow deposits	341,160
Long-term liabilities due within one year	5,873,086
Unearned revenue	5,894,961
Accrued interest payable	516,283
Total current liabilities	<u>21,444,088</u>
Noncurrent liabilities:	
Due in more than one year	109,545,413
Total noncurrent liabilities	<u>109,545,413</u>
Total liabilities	<u>130,989,501</u>
Deferred Inflows of Resources	
Advance tax payments	211,651
Deferred inflows related to OPEB	1,797,562
Deferred inflows related to pension	25,705,051
Total deferred inflows of resources	<u>27,714,264</u>
Net Position	
Net investment in capital assets	241,650,757
Restricted for:	
Trust funds, nonexpendable	8,527
Unrestricted	15,289,743
Total net position	<u>\$ 256,949,027</u>

See notes to the financial statements.

Town of Glastonbury, Connecticut

Exhibit II

Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Change in Net Position
					Primary Government Total
Primary government:					
Governmental activities:					
General government services	\$ 3,251,254	\$ -	\$ 1,071,735	\$ -	\$ (2,179,519)
Community development	1,918,882	1,080,458	-	-	(838,424)
Administrative services	7,570,972	2,692,042	-	-	(4,878,930)
Public safety	15,786,433	743,835	554,918	-	(14,487,680)
Physical services	10,949,212	365,508	-	2,349,926	(8,233,778)
Sanitation	3,915,277	3,591,971	16,960	-	(306,346)
Human services	2,279,479	46,866	65,857	51,278	(2,115,478)
Leisure/culture	5,228,000	1,181,297	1,113,562	-	(2,933,141)
Education	153,507,738	1,183,528	44,566,307	-	(107,757,903)
Interest on long-term debt	1,767,243	-	-	-	(1,767,243)
Total primary government	\$ 206,174,490	\$ 10,885,505	\$ 47,389,339	\$ 2,401,204	(145,498,442)
General revenues:					
Property taxes					158,501,035
Grants and contributions not restricted to specific programs					252,664
Unrestricted investment earnings					212,858
Total general revenues					158,966,557
Change in net position					13,468,115
Net position - beginning, as restated					243,480,912
Net position - ending					\$ 256,949,027

See notes to the financial statements.

**Balance Sheet - Governmental Funds
June 30, 2021**

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 33,874,197	\$ 2,876,358	\$ 8,308,948	\$ 4,237,134	\$ 9,933,961	\$ 59,230,598
Receivables, net of allowances for collection losses	1,953,014	479,520	-	-	1,553,603	3,986,137
Due from other funds	-	-	-	-	-	-
Inventory	228,898	-	-	-	37,683	266,581
Investments	6,886,201	10,080,796	1,604,126	865,350	1,942,751	21,379,224
Other assets	10,753	-	-	-	1,377	12,130
Total assets	\$ 42,953,063	\$ 13,436,674	\$ 9,913,074	\$ 5,102,484	\$ 13,469,375	\$ 84,874,670
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts payable and other payables	\$ 4,896,349	\$ -	\$ 699,326	\$ -	\$ 679,491	\$ 6,275,166
Due to other funds	969,000	-	-	-	-	969,000
Due to developers for escrow deposits	622,939	-	-	-	-	622,939
Due to others for escrow deposits	168,892	172,268	-	-	-	341,160
Unearned revenue	54,664	-	-	5,102,484	737,813	5,894,961
Total liabilities	6,711,844	172,268	699,326	5,102,484	1,417,304	14,103,226
Deferred inflows of resources:						
Unavailable revenue - property taxes	1,388,674	-	-	-	-	1,388,674
Unavailable revenue - special assessments	-	468,690	-	-	13,791	482,481
Unavailable revenue - other	-	-	-	-	73,229	73,229
Advance tax payments	211,651	-	-	-	-	211,651
Total deferred inflows of resources	1,600,325	468,690	-	-	87,020	2,156,035
Fund balances:						
Nonspendable	239,651	-	-	-	47,587	287,238
Restricted	-	-	-	-	5,352,802	5,352,802
Committed	-	12,795,716	9,213,748	-	6,647,268	28,656,732
Assigned	3,960,388	-	-	-	-	3,960,388
Unassigned	30,440,855	-	-	-	(82,606)	30,358,249
Total fund balances	34,640,894	12,795,716	9,213,748	-	11,965,051	68,615,409
Total liabilities, deferred inflows of resources and fund balances	\$ 42,953,063	\$ 13,436,674	\$ 9,913,074	\$ 5,102,484	\$ 13,469,375	\$ 84,874,670

See notes to the financial statements.

**Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
June 30, 2021**

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

Total fund balances (Exhibit III)		\$ 68,615,409
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Capital assets	\$ 565,154,600	
Less accumulated depreciation	(270,832,628)	
Net capital assets		294,321,972
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are deferred in the funds:		
Property tax and assessment receivables greater than 60 days	1,871,155	
Other receivables greater than 60 days	73,229	
Pension deferred outflows	18,133,489	
OPEB deferred outflows	1,022,561	
Deferred charges on refunding	742,086	
		21,842,520
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.		
		15,606,521
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds payable	(48,645,000)	
Bond premium, net of amortization	(4,446,032)	
Interest payable on bonds	(516,283)	
Compensated absences	(3,807,076)	
Net pension liability	(45,329,889)	
Deferred pension inflows	(25,705,051)	
Deferred OPEB inflows	(1,797,562)	
Net OPEB liability	(12,868,233)	
Other payable	(322,269)	
		(143,437,395)
Net position of governmental activities (Exhibit I)		\$ 256,949,027

See notes to the financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds
For the Year Ended June 30, 2021**

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes, interest and liens fees	\$ 158,107,371	\$ -	\$ -	\$ -	\$ -	\$ 158,107,371
Licenses and permits	1,705,758	-	-	-	-	1,705,758
Intergovernmental	8,743,518	-	-	-	6,400,808	15,144,326
Charges for services	1,798,686	154,981	-	-	5,223,093	7,176,760
Investment income	218,003	133,815	-	-	66,343	418,161
Unrealized investment gain (loss)	(94,400)	(110,903)	-	-	-	(205,303)
Other revenues	1,684,275	48	-	-	1,652,425	3,336,748
State payment for teacher's retirement / health account system	14,677,711	-	-	-	-	14,677,711
Total revenues	186,840,922	177,941	-	-	13,342,669	200,361,532
Expenditures:						
Current:						
General government	3,323,088	-	-	-	-	3,323,088
Community development	2,120,598	-	-	-	-	2,120,598
Administrative services	7,708,090	-	-	-	187,382	7,895,472
Public safety	15,335,181	-	-	-	784,577	16,119,758
Physical services	7,162,092	-	-	-	4,753	7,166,845
Sanitation	948,369	-	-	-	1,891,023	2,839,392
Human services	2,476,527	-	-	-	-	2,476,527
Leisure/culture	5,343,687	-	-	-	918,343	6,262,030
Education	112,700,771	-	-	-	4,687,205	117,387,976
State payment for teacher's retirement / health account system	14,677,711	-	-	-	-	14,677,711
Debt service:						
Principal	5,525,000	-	-	-	6,784,322	12,309,322
Interest and other charges	1,298,949	-	-	-	690,249	1,989,198
Capital outlay	167,084	-	9,962,684	-	3,143,810	13,273,578
Total expenditures	178,787,147	-	9,962,684	-	19,091,664	207,841,495
Revenues over (under) expenditures	8,053,775	177,941	(9,962,684)	-	(5,748,995)	(7,479,963)
Other financing sources (uses):						
Issuance of refunding bonds	10,015,000	-	-	-	-	10,015,000
Issuance of bonds	-	-	-	-	10,390,000	10,390,000
Payment to escrow agent	(11,814,581)	-	-	-	-	(11,814,581)
Premium on bonds issued	1,901,429	-	-	-	687,438	2,588,867
Transfers in	-	-	7,643,205	-	6,531,949	14,175,154
Transfers out	(6,846,700)	(133,815)	(101,434)	-	(7,093,205)	(14,175,154)
Sale of general capital assets	1,576	-	-	-	-	1,576
Total other financing sources (uses)	(6,743,276)	(133,815)	7,541,771	-	10,516,182	11,180,862
Net change in fund balances	1,310,499	44,126	(2,420,913)	-	4,767,187	3,700,899
Fund balances (deficits) at beginning of year, as restated	33,330,395	12,751,590	11,634,661	-	7,197,864	64,914,510
Fund balances (deficits) at end of year	\$ 34,640,894	\$ 12,795,716	\$ 9,213,748	\$ -	\$ 11,965,051	\$ 68,615,409

(Continued)

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021**

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

Net change in fund balances – total governmental funds (Exhibit IV)	\$ 3,700,899
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	12,509,051
Depreciation expense	(12,697,753)
Disposals	(85,311)
	(274,013)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes collected after 60 days	393,664
Sewer assessments collected after 60 days	(43,834)
Other receivables collected after 60 days	62,735
	412,565
Net deferred outflows and inflows related to pension and OPEB liabilities which are not due and payable in the current period and therefore are not reported in the funds.	
Deferred outflow - change related to pension items	(1,744,396)
Deferred outflow - change related to OPEB items	(271,752)
Deferred inflow - change related to pension items	(25,687,117)
Deferred outflow - change related to OPEB items	(810,652)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Change in accrued interest	(153,640)
Principal payments on bonds	11,920,000
Issuance of refunding bonds	(10,015,000)
Premiums on bonds issued	(2,588,868)
Issuance of bonds	(10,390,000)
Payment to escrow agent	11,814,581
Principal payments on Clean Water loans payable	389,322
Amortization of bond premiums	567,559
Amortization of deferred charge on refunding	(191,963)
	1,351,991
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in long-term compensated absences	132,055
Change in retainage	(151,785)
Change in pension liability	30,635,502
Change in OPEB liability	1,456,056
	32,071,828
The net revenue of certain activities of internal service funds is reported in governmental activities	
	4,718,762
Change in net position of governmental activities (Exhibit II)	\$ 13,468,115

See notes to the financial statements.

Statement of Net Position - Proprietary Funds
June 30, 2021

	Governmental Activities
	<u>Internal Service Fund</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 16,110,160
Accounts receivable, net	135
Prepaid expenses	447,719
Due from other funds	969,000
Total assets	<u>17,527,014</u>
Liabilities	
Current liabilities:	
Claims payable	1,081,173
Administration expense payable	839,320
Total liabilities	<u>1,920,493</u>
Net Position	
Unrestricted	<u>\$ 15,606,521</u>

See notes to the financial statements.

**Statement of Revenues, Expenses and Changes in Fund Net Position -
Proprietary Funds
For the Year Ended June 30, 2021**

	Governmental Activities <u>Internal Service Fund</u>
Operating revenues:	
Employer contributions	\$ 20,398,009
Employee contributions	4,231,708
Total operating revenues	<u>24,629,717</u>
Operating expenses:	
Claims incurred	17,526,391
Administration	2,406,091
Total operating expenses	<u>19,932,482</u>
Operating income	<u>4,697,235</u>
Nonoperating revenue:	
Investment income	21,527
Total nonoperating revenue	<u>21,527</u>
Change in net position	4,718,762
Net position, beginning	<u>10,887,759</u>
Net position, ending	<u>\$ 15,606,521</u>

See notes to the financial statements.

**Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2021**

	Governmental Activities <hr/> Internal Service Fund
Cash flows from operating activities:	
Receipts from customers and users	\$ 24,272,517
Claims paid	(17,797,199)
Payments for administration	(1,724,543)
Net cash provided by operating activities	<hr/> 4,750,775
Cash flows from investing activities:	
Investment income	21,527
Net cash provided by investing activities	<hr/> 21,527
Net increase in cash and cash equivalents	4,772,302
Cash and cash equivalents:	
Beginning	<hr/> 11,337,858
Ending	<hr/> \$ 16,110,160
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 4,697,235
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in prepaids	(447,719)
Increase in due from other funds	(357,200)
Decrease in claims payable	176,911
Decrease in administration payable	681,548
Net cash provided by operating activities	<hr/> \$ 4,750,775

See notes to the financial statements.

**Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2021**

	Pension and Other Employee Benefit Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 2,324,367	\$ 1,137,913
Investments, at fair value:		
Mutual funds	181,170,524	-
Pooled funds	21,007,005	-
Limited partnerships	12,333,733	-
Total assets	<u>216,835,629</u>	<u>1,137,913</u>
Liabilities		
Due to student groups	-	-
Due to others	-	-
Total liabilities	<u>-</u>	<u>-</u>
Net Position		
Restricted for:		
Pension and OPEB benefits	216,835,629	-
Individuals	-	1,137,913
Total net position	<u>\$ 216,835,629</u>	<u>\$ 1,137,913</u>

See notes to the financial statements.

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended June 30, 2021**

	Pension and Other Employee Benefit Trust Funds	Custodial Funds
Additions:		
Contributions:		
Employer	\$ 12,623,240	\$ -
Employee	2,092,242	-
Classes & clubs, donations and other student activities	-	481,488
Total contributions	14,715,482	481,488
Investment Income:		
Net change in fair value of investments	42,633,490	-
Interest and dividends	3,006,361	-
	45,639,851	-
Less investment expenses:		
Investment management fees	165,486	-
Net investment income	45,474,365	-
Total additions	60,189,847	481,488
Deductions:		
Benefit payments	12,066,493	-
Administration fees	201,251	-
Materials, supplies and other expenses	-	547,725
Total deductions	12,267,744	547,725
Change in net position	47,922,103	(66,237)
Net position:		
Beginning of year, as restated (see Note 1)	168,913,526	1,204,150
End of year	\$ 216,835,629	\$ 1,137,913

See notes to the financial statements.

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 1. Summary of Significant Accounting Policies

Reporting entity: The Town of Glastonbury, Connecticut (the Town) was incorporated in 1693. The Town operates under the Town Manager/Town Council/Board of Finance form of government and provides the following services: General Government, Community Development, Administrative Services, Public Safety, Physical Services, Sanitation, Human Services, Leisure/Culture and Education. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

The following is a summary of the more significant accounting policies used by the Town.

Accounting principles generally accepted in the United States of America (GAAP) requires that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Governmental Accounting Standards Board (GASB) Statement Codification Section 2100 have been considered, and there are no agencies or entities which should be presented with the Town.

Basis of presentation: The financial statements of the Town have been prepared in conformity with GAAP as applied to government units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Accounting standards adopted in the current year: In January 2017, the GASB issued Statement No. 84, Fiduciary Activities (GASB 84). The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020.

The Town has implemented the provisions of GASB 84 in the accompanying financial statements under a retrospective basis. Accordingly, an adjustment has been recorded to increase the fund balance of the nonmajor governmental funds and net position of governmental activities at June 30, 2020 in the amount of \$207,053. Furthermore, an adjustment has been recorded to record a net position of \$1,204,150 for the custodial funds.

The GASB issued Statement No. 98, The Annual Comprehensive Financial Report in October 2021. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. The Town early implemented GASB 98 in the current fiscal year financial statements.

Government-wide and fund financial statements: The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for various functions concerned.

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

Measurement focus, basis of accounting, and financial statement presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes, when levied for, intergovernmental revenue, when eligibility requirements are met, licenses, charges for services and interest associated with the current fiscal period, are all considered to be susceptible to accrual (measurable) and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable and available only when cash is received by the Town, or specifically identified.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and OPEB obligations, landfill post-closure monitoring, pollution remediation and claims and judgments, are recorded only when payment is due (matured).

The Town reports the following major governmental funds:

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

The *Special Assessment Fund - Sewer Sinking Fund* accounts for the financing of public improvements of services deemed to benefit the properties against which special assessments are levied.

The *Capital Reserve Projects Fund* – accounts for various projects funded by the Capital and Nonrecurring Expenditures Fund.

The *American Rescue Plan Act* accounts for the American rescue plan act grant.

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 1. Summary of Significant Accounting Policies (Continued)

The Town reports the following internal service fund:

The *Self-Insurance Reserve Fund* accounts for risk financing activities for medical and dental insurance benefits under GASB Statement No. 10.

Additionally, the Town reports the following fiduciary fund types:

The *Pension and Other Post-Employee Benefit Trust Funds* account for the accumulation of resources to be used for retirement benefits and OPEB.

Custodial Fund – Schools' Internal Fund accounts for resources of the schools' Internal Fund which is used to record monies collected at the schools reported as fiduciary activities

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's internal service fund are charges to customers for medical insurance benefits. Operating expenses for internal service fund include the cost of claims and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and cash equivalents: The Town considers all highly liquid investments and those with original maturities of three months or less when purchased to be cash equivalents.

Investments: Investments are stated at fair value. Certificates of deposit are stated at cost which approximates fair value. The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27d and 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares. These investments are stated at amortized cost.

Fair value: The Town uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 1. Summary of Significant Accounting Policies (Continued)

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

The Town's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

Level 1: Quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

Level 3: Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

Investments measured at the net asset value (NAV): Investments valued using the net asset value (NAV) per share (or its equivalent) as a practical expedient are considered "alternative investments" and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. The Town values these investments based on the partnerships' audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions.

Inventories: All inventories are stated at cost, determined on the first-in, first out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Receivables and payables: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 1. Summary of Significant Accounting Policies (Continued)

Capital assets: Capital assets include land, land development rights, land improvements, buildings, equipment, computer software and infrastructure assets (such as roads, bridges and sidewalks) and are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and an initial, individual cost of more than \$5,000 for machinery and equipment and computer software, \$25,000 for land improvements, \$50,000 for buildings and \$250,000 for infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Property, plant and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

	Years
Assets:	
Land improvements	20
Buildings and improvements	50
Machinery and equipment	5-20
Computer software	5
Infrastructure	20-40

In the governmental fund financial statements, capital outlay (assets) are reported as expenditures and no depreciation is recognized.

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources for advance property tax collections and deferred inflows of resources related to pension and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner.

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 1. Summary of Significant Accounting Policies (Continued)

Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, special assessments, and other. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

Compensated absences: Employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. Sick leave and vacation leave expenditures are recognized in the governmental fund financial statements in the current year to the extent they have matured (that is, only the amounts of reimbursable unused vacation leave or sick leave payable to employees who had terminated their employment as of the end of the fiscal year are recognized.) Amounts are typically liquidated by the general fund.

Long-term obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

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

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

Appropriations continued in force: Appropriations continued in force represent unperformed contracts for goods or services. Approved purchase orders, contracts and other commitments for the expenditure of resources are recorded as supplemental appropriations to the following year's budget. Appropriations continued in force do not constitute expenditures or liabilities.

Town of Glastonbury, Connecticut

Notes to Financial Statements

June 30, 2021

Note 1. Summary of Significant Accounting Policies (Continued)

Fund equity and net position: Equity in the government-wide financial statements is defined as net position, and is classified in the following categories:

Net investment in capital assets: The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt, including gains and losses on refundings are included in this component of net position.

Restricted net position: These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

Unrestricted net position: This category represents the net position of the Town that is not restricted for any project or other purpose by third parties. A deficit will require future funding.

In the fund financial statements, the Town reported the following governmental fund balances:

- *Nonspendable Fund Balance* - These amounts cannot be spent because they are not in spendable form or because they are legally or contractually required to be maintained intact.
- *Restricted Fund Balance* - These amounts are restricted to specific purposes when constraints placed on the use of resources are either: (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- *Committed Fund Balance* – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. The Glastonbury Town Council is the highest level of decision-making authority for the Town and can commit fund balance through the adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until similar action is taken to remove or revise the limitation.
- *Assigned Fund Balance* – This represents amounts constrained to be used for a specific purpose by the Town Council upon recommendation of the Board of Finance and, as applicable, in accordance with policy and procedures outlined in the Town Charter.
- *Unassigned Fund Balance* – The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

When both restricted and unrestricted amounts are available for use, it is the Town's practice to use restricted resources first. Additionally, the Town would first use committed, then assigned, and lastly unassigned.

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 1. Summary of Significant Accounting Policies (Continued)

Property taxes: Property taxes are assessed as of October 1 and levied for on the following July 1. Taxes are overdue on August 1. Interest at the rate of 1-1/2% per month accrues on all overdue taxes. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of appraised market value. If real estate taxes are unpaid as of June 30, 2021 following the payable date, a lien is placed on the property.

On April 1, 2020, in response to the COVID-19 emergency, Governor Ned Lamont issued Executive Order No. 7S (Order 7S), as amended by Executive Order No. 7W on April 9, 2020 (Order 7W), which creates two short-term tax relief programs and requires all towns, cities, and boroughs as well as their water pollution control authorities to adopt either or both of them by a vote of the legislative body. One program defers tax payments and benefit assessments by three months for taxpayers based on a showing of need, while the other reduces the interest chargeable on overdue tax and assessment payments for all taxpayers in the municipality for three months.

All municipalities were directed to notify the Secretary of the Office of Policy and Management (OPM) no later than April 25, 2020 which program or programs it intended to elect. On April 21, 2020, the Town adopted the "Deferment Program" for eligible taxpayers and landlords, with landlords required to apply for the program. The "Deferment Program" delays by three months payments due on any unescrowed taxes on real estate, motor vehicles, and personal property as well as unescrowed municipal utility charges (the Taxes and Charges). Landlords were required to demonstrate significant economic impact caused by COVID-19 and/or demonstrate that they are assisting people who are experiencing significant economic impact caused by COVID-19.

On December 16, 2020, the Governor issued Executive Order 9R (Order 9R), which applies the two tax relief programs to tax deadlines for Taxes and Charges that become due and payable on January 1, 2021. As of December 30, 2020, the Town was deemed to have adopted the Deferment Program. The Deferment Program deferred any Taxes and Charges that were due on January 1, 2021 through and to April 1, 2021 without penalty.

For Fiscal Year 2021, the Town did not experience a material negative financial impact as a result of the Deferment Program. The Town has collected approximately 99.49% of Fiscal Year 2021 budgeted taxes, with 99.41% having been collected at the same time last year for Fiscal Year 2020 and 99.51% having been collected at the same time in Fiscal Year 2019.

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

Note 2. Budgets and Budgetary Accounting

The Town establishes its General Fund budget in accordance with the provisions of its Charter and the Connecticut General Statutes. The budget is adopted in accordance with GAAP, except that certain on-behalf payments are not recognized for budgetary purposes.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 2. Budgets and Budgetary Accounting (Continued)

The budget reflected in the financial statements was adopted at the Final Budget Hearing. Supplemental appropriations require approval of the Council and Board of Finance in accordance with Charter provisions. Transfers and supplemental appropriations were approved during the year in accordance with the provisions of the Town's Charter and the Connecticut General Statutes.

Annual operating budgets are prepared and employed for management control only in the General Fund. Therefore, only the General Fund has a statement of revenues, expenditures and changes in fund balance - budget and actual included in the basic financial statements. Unexpended appropriations of the General Fund lapse at fiscal year-end. While project and object budgets are not legally adopted for the Capital Projects Funds, they are employed as a management tool and do not lapse at year-end.

Each year the Town adopts a five-year Capital Improvement Program. The program has two processes: a planning process and a budgetary process. Annually, the Town Council is provided with a five-year planning document which prioritizes the implementation of projects based on community needs. The Town Council evaluates the plan and establishes its priorities, as well as the years for project implementation. Thereafter, the Town Manager revises the plan to include the budgetary funding recommendations for the next fiscal year and forwards the document to the Board of Finance for its review as part of the annual budgetary process.

Expenditures may not legally exceed budgeted appropriations at the object level. Budget transfers within a department can be authorized by the Town Manager when the amount is less than \$5,000 within any department and does not include additional staffing or monies to acquire capital items deleted in prior budgets. Transfers greater than \$5,000 within departments must be approved by the Board of Finance. Other transfers between departments require Council and Board of Finance approval. However, such transfers may occur only after April 1 of the fiscal year. For the year ended June 30, 2021, supplemental appropriations in the amount of \$5,366,991 were approved by the Council and the Board of Finance.

Note 3. Deficit Fund Equity

The following funds had a deficit fund balance at June 30, 2021:

Capital Projects:

Capital and nonrecurring expenditures	\$ 82,606
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Deficits in the Capital and Nonrecurring Expenditures Fund will be funded by future revenue sources.

Note 4. Cash, Cash Equivalents and Investments

Deposits: The Town has a policy that deposits may be maintained only in financial institutions that are approved by the Board of Finance and Town Council. Town policy follows the State of Connecticut requirements that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based on the bank's risk-based capital ratio.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 4. Cash, Cash Equivalents and Investments (Continued)

Investments: The Town does not have a custodial credit risk policy for investments. The Town does have a policy for investments, but does not have a policy for related credit risk for debt securities. Town policy for eligible investments is governed by State of Connecticut statutes which, in general, allow the Town to invest in obligations of the United States or United States government-sponsored corporations, or in any state or other tax-exempt political subdivision under certain conditions. Funds may also be deposited in the State Treasurer's Short-Term Investment Fund. Trust funds may also be invested in corporate bonds and securities and commercial paper.

The Town's investment policy for its pension funds state the investments shall be allocated in a manner designed to provide a long-term investment return greater than the actuarial assumption, maximize investment return commensurate with appropriate levels of risk, and comply with the Employee Retirement Income Security Act of 1974 (ERISA) in investing the funds in a manner consistent with ERISA's fiduciary standards. The Town has targeted the following as part of its long-term asset allocation strategy:

As of June 30, 2021:

	Min. Weight	Max. Weight
Asset class:		
Money market	0.0%	7.5%
Fixed income	25.0%	40.0%
Domestic equities	25.0%	45.0%
International equities	10.0%	30.0%
Real estate	0.0%	7.5%
Alternatives/other	0.0%	7.5%

Concentration of credit risk: This is the risk of loss due to the magnitude of a government's investment in a single issuer. The Town's policy is to diversify use of investment instruments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions or maturities.

The Town may invest any portion of its portfolio in U.S. Treasury obligations, U.S. government agency securities and instrumentalities of government-sponsored corporations, or certificates of deposit with commercial banks or savings and loan associations. A maximum of 35% of the portfolio may be invested in repurchase agreements for overnight sweep only. Up to 50% of the portfolio may be invested in a cooperative liquid asset securities system. To further diversify by financial institution, no more than 33% of the total certificates of deposit may be invested with any one financial institution.

Deposit custodial credit risk: This is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, approximately \$70,270,657 of the Town's approximate bank balance of \$99,840,000 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 70,270,657
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	7,807,851
Total amount subject to custodial credit risk	<u>\$ 78,078,508</u>

Town of Glastonbury, Connecticut

Notes to Financial Statements
June 30, 2021

Note 4. Cash, Cash Equivalents and Investments (Continued)

Custodial credit-investments risk: This is the risk that in the event of the failure of the counterparty (such as a broker-dealer) to a transaction, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As indicated above, State statutes limit the investment options of cities and towns. The Town has an investment policy that allows the same type of investments as State statutes. Due to the types of investments owned by the Town and pension plans, the Town does not have custodial credit risk for investments.

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town's policy is to mitigate interest rate risk by structuring the Town's portfolio so that securities mature to meet the Town's cash requirements, thereby avoiding the need to sell securities on the open market prior to their maturity, and by investing primarily in shorter-term securities unless it is anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.

Cash and cash equivalents:	
Deposits with financial institutions	\$ 78,803,038
Total cash and cash equivalents	<u>78,803,038</u>
Investments:	
General Fund:	
Certificates of deposit	6,886,201
Special Assessment Fund:	
Certificates of deposit	10,080,796
Capital Reserve Projects Fund:	
Certificates of deposit	1,604,126
Library Renovation Fund:	
Certificates of deposit	865,350
Nonmajor governmental funds:	
Certificates of deposit	1,942,751
Total government investments	<u>21,379,224</u>
Pension Trust Funds:	
Mutual funds	181,170,524
Pooled funds	21,007,005
Limited partnerships	12,333,733
Total pension investments	<u>214,511,262</u>
Total cash, cash equivalents and investments	<u>\$ 314,693,524</u>

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 4. Cash, Cash Equivalents and Investments (Continued)

Cash, cash equivalents and investments are classified in the accompanying financial statements as follows:

	<u>Primary Government</u>
Statement of Net Position:	
Cash and cash equivalents	\$ 75,340,758
Investments	<u>21,379,224</u>
	<u>96,719,982</u>
 Fiduciary Funds:	
Cash and cash equivalents	3,462,280
Investments	<u>214,511,262</u>
	<u>217,973,542</u>
 Total cash, cash equivalents and investments	<u>\$ 314,693,524</u>

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1 Year	1 - 10 Years	Greater Than 10 Years
Certificates of deposit	*	\$ 21,379,224	\$ 2,319,383	\$ 19,059,841	\$ -
Other investments:					
Mutual funds	N/A	181,170,524			
Pooled Funds	N/A	21,007,005			
Limited partnerships	N/A	<u>12,333,733</u>			
Total investments		<u>\$ 235,890,486</u>			

N/A - Not Applicable

* Subject to coverage by federal depository insurance and collateralization.

At June 30, 2021, the Town's cash equivalents amounted to approximately \$21,380,000. The State of Connecticut Short-Term Investment Fund (STIF), is a 2a-7 like pool. The value of the position in the pool is the same as the value of the pool shares. Regulatory oversight for STIF is provided quarterly by the Investment Advisory Council and the Treasurer's Cash Management Board.

	<u>Standard & Poor's</u>
State of Connecticut Short-Term Investment Fund (STIF)	AAAm
Wells Fargo Money Market	*
Bank of America Money Market	*

* Not rated.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 4. Cash, Cash Equivalents and Investments (Continued)

Fair value measurement: The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2021:

	June 30, 2021	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Mutual funds	\$ 181,170,524	\$ 181,170,524	\$ -	\$ -
Pooled funds	21,007,005	-	21,007,005	-
Investments measured at net asset value (NAV):				
Limited liability corporation	12,333,733	-	-	-
Total investments	<u>\$ 214,511,262</u>	<u>\$ 181,170,524</u>	<u>\$ 21,007,005</u>	<u>\$ -</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques.

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

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Barings Core Property Fund LP	<u>\$ 12,333,733</u>	<u>\$ -</u>	Quarterly	60 days
Total investments measured at NAV	<u><u>\$ 12,333,733</u></u>			

Real estate funds: The Barings Core Property Fund (BCPF or the Fund) is a diversified, core, open-end commingled fund primarily of stabilized, income-producing, equity real estate. It is structured as a limited partnership with a private REIT subsidiary. The Fund seeks to provide attractive total returns with reduced risk. The Fund has both relative and real return objectives over the longer term: its relative performance objective is to exceed the NCREIF Fund Index-Open-End Diversified Core Equity (NFI-ODCE), and its return objective is to achieve at least a 5% real rate of return, before advisory fees. The Fund is diversified by property type and geography. It has historically provided quarterly cash flow distributions and is open to contributions and redemptions on a quarterly basis.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 5. Accounts Receivables

Receivables at June 30, 2021, including the applicable allowances for collection losses, are as follows:

	General Fund	Special Assessment Fund	Nonmajor Governmental Funds	Total
Property taxes*	\$ 1,779,072	\$ -	\$ -	\$ 1,779,072
Assessments and use charges	-	521,393	51,738	573,131
Allowance for collection losses	(122,800)	(52,100)	(12,485)	(187,385)
Net taxes and assessments receivable	1,656,272	469,293	39,253	2,164,818
Intergovernmental	296,742	-	376,284	673,026
Other receivables	-	10,227	1,138,066	1,148,293
Net receivables	\$ 1,953,014	\$ 479,520	\$ 1,553,603	\$ 3,986,137

* Interest on delinquent taxes are not included along with \$135 recorded in the Internal Service Fund.

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 53,701,087	\$ 623,193	\$ -	\$ 54,324,280
Development rights	4,108,701	-	-	4,108,701
Construction in progress	597,141	10,029,066	2,437,935	8,188,272
Total capital assets, not being depreciated	58,406,929	10,652,259	2,437,935	66,621,253
Capital assets, being depreciated:				
Land improvements	42,821,400	33,924	-	42,855,324
Buildings and improvements	232,615,453	1,489,925	-	234,105,378
Machinery and equipment	58,038,976	2,411,462	298,285	60,152,153
Computer software	893,855	-	-	893,855
Infrastructure	160,167,221	359,416	-	160,526,637
Total capital assets, being depreciated	494,536,905	4,294,727	298,285	498,533,347
Less accumulated depreciation for:				
Land improvements	20,753,650	2,028,676	-	22,782,326
Buildings and improvements	80,212,433	4,531,191	-	84,743,624
Machinery and equipment	31,836,717	2,966,182	212,974	34,589,925
Computer software	713,929	79,712	-	793,641
Infrastructure	124,831,120	3,091,992	-	127,923,112
Total accumulated depreciation	258,347,849	12,697,753	212,974	270,832,628
Total capital assets, being depreciated, net	236,189,056	(8,403,026)	85,311	227,700,719
Governmental activities capital assets, net	\$ 294,595,985	\$ 2,249,233	\$ 2,523,246	\$ 294,321,972

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 6. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental activities:	
General government	\$ 284,210
Community development	10,547
Administrative services	85,574
Public safety	963,463
Physical services	3,477,417
Sanitation	1,312,121
Human services	210,369
Leisure/culture	1,331,775
Education	5,022,277
Total depreciation expense - governmental activities	<u><u>\$ 12,697,753</u></u>

Construction commitments:

The Town has the following construction commitments as of June 30, 2021:

	Project Authorization	Expended to June 30, 2021	Outstanding Construction Commitments
Capital reserve projects:			
Bridge Replacement/Rehabilitation	\$ 5,150,000	\$ 4,586,394	\$ 254,540
Hebron Ave/House St Improvement	1,975,000	1,515,866	236,763
Glastonbury High School Fieldhouse	2,325,000	729,960	1,733,588
Smith Middle School Gym Floor	521,664	309,663	311,680
Welles Turner Library Renovation	6,510,515	2,662,138	2,256,592
Total	<u><u>\$ 16,482,179</u></u>	<u><u>\$ 9,804,021</u></u>	<u><u>\$ 4,793,163</u></u>

The commitments are being financed with capital reserve fund monies, general obligation bonds, private donations, and state and federal grants.

Note 7. Interfund Receivable and Payable Balances

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. A summary of interfund balances as of June 30, 2021 is presented below:

Receivable Fund	Payable Fund	Amount
Internal Service	General Fund	\$ 969,000
		<u><u>\$ 969,000</u></u>

The outstanding balance between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 7. Interfund Receivable and Payable Balances (Continued)

Interfund transfers during the year ended June 30, 2021 were as follows:

	Transfers In				Total
	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	Nonmajor Governmental Funds	
Transfers out:					
General Fund	\$ -	\$ -	\$ 550,000	\$ 6,296,700	\$ 6,846,700
Special Assessment Fund	-	-	-	133,815	133,815
Capital Reserve Projects Fund	-	-	-	101,434	101,434
Nonmajor Governmental Funds	-	-	7,093,205	-	7,093,205
Total transfers in	\$ -	\$ -	\$ 7,643,205	\$ 6,531,949	\$ 14,175,154

Transfers are used to move resources from the General Fund and Special Assessment Fund to nonmajor funds and from nonmajor funds and the Capital and Nonrecurring Expenditures Fund to the Capital Reserve Projects Fund. As projects are closed, revenues in excess of expenditures are transferred back to the resource funds. The General Fund may also transfer amounts to the Capital and Nonrecurring Fund or directly to Capital Projects.

Note 8. Long-Term Liabilities

A summary of changes in long-term obligations during the year ended June 30, 2021 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation bonds	\$ 35,085,000	\$ 20,405,000	\$ 6,845,000	\$ 48,645,000	\$ 5,850,000
Bond anticipation notes	6,395,000	-	6,395,000	-	-
Premium on bonds	2,424,723	2,588,868	567,559	4,446,032	-
Clean Water loans payable	10,870,758	-	10,870,758	-	-
Compensated absences	3,939,131	20,102	152,157	3,807,076	23,086
Net pension liability	75,965,391	-	30,635,502	45,329,889	-
Net OPEB liability	14,324,289	-	1,456,056	12,868,233	-
Other	170,484	151,785	-	322,269	-
Total long-term liabilities	\$ 149,174,776	\$ 23,165,755	\$ 56,922,032	\$ 115,418,499	\$ 5,873,086

All long-term liabilities are generally liquidated by the General Fund.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 8. Long-Term Liabilities (Continued)

General obligation bonds currently outstanding are as follows:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
General obligation bonds:									
Schools:									
School bonds	2,715,000	11/15/11	05/15/29	2.00-3.00%	\$ 1,475,000	\$ -	\$ 1,475,000	\$ -	\$ -
Refunding bonds	11,675,000	06/27/12	06/30/26	2.00-5.00%	6,180,000	-	1,210,000	4,970,000	1,245,000
Refunding bonds	6,385,000	05/15/14	08/01/28	2.00-5.00%	1,830,200	-	17,900	1,812,300	17,900
Refunding bonds	830,000	07/26/18	06/30/26	5.00%	598,000	-	189,000	409,000	210,000
Refunding bonds	5,574,000	02/25/20	05/15/25	5.00%	5,574,000	-	1,301,000	4,273,000	1,066,000
Refunding bonds	1,116,000	12/10/20	10/01/29	3.00-5.00%	-	1,116,000	-	1,116,000	121,000
Total schools					<u>15,657,200</u>	<u>1,116,000</u>	<u>4,192,900</u>	<u>12,580,300</u>	<u>2,659,900</u>
General purpose:									
Land	3,680,000	11/15/11	11/01/30	2.00-3.00%	2,120,000	-	195,000	1,925,000	195,000
Refunding bonds	2,870,000	06/27/12	06/30/26	2.00-5.00%	1,100,000	-	410,000	690,000	225,000
Improvement bonds	8,950,000	10/10/13	10/01/33	3.00-4.625%	7,040,000	-	425,000	6,615,000	445,000
Refunding bonds	3,095,000	05/15/14	08/01/28	2.00-5.00%	1,794,800	-	12,100	1,782,700	12,100
Improvement bonds	2,735,000	07/26/18	06/30/39	2.00-5.00%	2,600,000	-	135,000	2,465,000	135,000
Refunding bonds	2,970,000	07/26/18	06/30/26	5.00%	2,242,000	-	396,000	1,846,000	450,000
Refunding bonds	2,531,000	02/25/20	05/15/25	5.00%	2,531,000	-	604,000	1,927,000	494,000
Land/Improvement bonds	10,390,000	07/24/20	07/15/40	2.00-4.00%	-	10,390,000	-	10,390,000	515,000
Refunding bonds	4,000	12/10/20	10/01/21	5.00%	-	4,000	-	4,000	4,000
Total general purpose					<u>19,427,800</u>	<u>10,394,000</u>	<u>2,177,100</u>	<u>27,644,700</u>	<u>2,475,100</u>
Sewer									
Refunding bonds	8,895,000	12/10/20	10/01/30	2.00-5.00%	-	8,895,000	475,000	8,420,000	715,000
Total general obligation bonds					<u>\$ 35,085,000</u>	<u>\$ 20,405,000</u>	<u>\$ 6,845,000</u>	<u>\$ 48,645,000</u>	<u>\$ 5,850,000</u>

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

Fiscal Year Ending June 30:	Principal	Interest	Total
2022	\$ 5,850,000	\$ 1,861,614	\$ 7,711,614
2023	5,870,000	1,606,611	7,476,611
2024	6,000,000	1,335,989	7,335,989
2025	5,110,000	1,065,743	6,175,743
2026	4,275,000	838,968	5,113,968
2027-2031	13,635,000	2,220,593	15,855,593
2032-2036	4,885,000	623,331	5,508,331
2037-2041	3,020,000	152,525	3,172,525
	<u>\$ 48,645,000</u>	<u>\$ 9,705,374</u>	<u>\$ 58,350,374</u>

2020 General Obligation Refunding Bond- In-Substance Defeasance: On December 10, 2020, the Town issued \$10,015,000 of general obligation refunding bonds with interest rates ranging from 2.00%-5.00% of which proceeds were used to advance refund the outstanding principal amounts of the general obligation bonds of the City dated 2011 Refunding, Series A, and the Clean Water Loan 2011 (the "Refunding Bonds"). Net proceeds of \$11,814,581 (including net premium of \$1,901,429 and after expense of \$101,848 in underwriting and other issuance costs), was placed in an irrevocable trust under an Escrow Agreement dated December 10, 2020 between the Town and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of primarily non-callable direct obligations of the United States of America ("Government Obligations"). The Government Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption prices of the Refunded Bonds on the date the payments are due.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 8. Long-Term Liabilities (Continued)

The Town advance refunded the above bonds to obtain an economic loss (difference between the present values of the debt service payments on the old and new debt) of \$831,987, and a cash cost of \$878,710 between the old debt payments and the new debt payments.

At June 30, 2021, there was \$0 in escrow. The balance of the defeased bonds was \$0 at June 30, 2021. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

Bond anticipation notes payable:

During July 2019, bond anticipation notes totaling \$1,710,000 were issued with an interest rate of 2.0%, which matured on July 24, 2020. During January 2020, bond anticipation notes totaling \$4,680,000 were issued with an interest rate of 1.75%, which also matured on July 24, 2020.

Bond anticipation note transactions for the year ended June 30, 2021 were as follows:

Outstanding, July 1, 2020	\$ 6,395,000
New borrowings	-
Repayments	<u>(6,395,000)</u>
Outstanding, June 30, 2021	<u><u>\$ -</u></u>

Bonds authorized but unissued:

The bonds authorized and unissued at June 30, 2021 are \$3,194,753 for land/open space.

Debt limitation:

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

Category	Debt Limit	Indebtedness	Balance
General Purpose	\$ 346,756,858	\$ 30,839,453	\$ 315,917,405
Schools	693,513,716	12,580,300	680,933,416
Sewers	577,928,096	8,420,000	569,508,096
Urban Renewal	500,871,017	-	500,871,017
Pension Deficit	462,342,477	-	462,342,477

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation \$1.079 million.

Indebtedness, in accordance with State statutes, includes long-term debt outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 9. Fund Balance

The components of fund balance for the governmental funds at June 30, 2021 are as follows:

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	American Rescue Plan Act	Nonmajor Governmental Funds	Total
Fund balances:						
Nonspendable:						
Prepaid items	\$ 10,753	\$ -	\$ -	\$ -	\$ 1,377	\$ 12,130
Inventory	228,898	-	-	-	37,683	266,581
Required to be retained in perpetuity	-	-	-	-	8,527	8,527
Restricted for:						
Law enforcement acquisitions	-	-	-	-	42,512	42,512
Education	-	-	-	-	524,511	524,511
Road construction and maintenance	-	-	-	-	447,061	447,061
Library acquisitions	-	-	-	-	109,057	109,057
Riverfront community center	-	-	-	-	225,328	225,328
Human services programs	-	-	-	-	9,633	9,633
Parks and recreation	-	-	-	-	113,511	113,511
Public safety programs	-	-	-	-	331,043	331,043
Other programs	-	-	-	-	79,587	79,587
Library renovation	-	-	-	-	3,157,372	3,157,372
Student groups	-	-	-	-	313,187	313,187
Committed to:						
Town facility improvements	-	-	476,676	-	-	476,676
School improvements	-	-	1,911,051	-	-	1,911,051
Public safety programs	-	-	780,706	-	-	780,706
Land acquisition	-	-	83,071	-	40,737	123,808
Street improvements and realignment	-	-	2,281,388	-	-	2,281,388
Bridge and dam replacement/ maintenance	-	-	563,606	-	-	563,606
Sewer infrastructure	-	12,795,716	-	-	1,861,239	14,656,955
Other capital projects	-	-	1,495,777	-	239,641	1,735,418
Sewer plant operations	-	-	-	-	1,849,495	1,849,495
Police private duty	-	-	-	-	550,552	550,552
Camp Sunrise	-	-	-	-	5,957	5,957
Recreation programs	-	-	1,621,473	-	916,750	2,538,223
Insurance reserve	-	-	-	-	746,294	746,294
Riverfront Park operations	-	-	-	-	143,772	143,772
Planetarium operations	-	-	-	-	81,613	81,613
Golf course maintenance	-	-	-	-	211,218	211,218
Assigned to:						
Subsequent year's budget	975,000	-	-	-	-	975,000
Capital outlay in subsequent year	204,923	-	-	-	-	204,923
Education surplus carried to subsequent year	2,369,898	-	-	-	-	2,369,898
Continued appropriations	410,567	-	-	-	-	410,567
Unassigned	30,440,855	-	-	-	(82,606)	30,358,249
Total fund balances	<u>\$ 34,640,894</u>	<u>\$ 12,795,716</u>	<u>\$ 9,213,748</u>	<u>\$ -</u>	<u>\$ 11,965,051</u>	<u>\$ 68,615,409</u>

Significant encumbrances of \$3,233,676 and \$2,256,592 are included in the Capital Reserve Projects Fund and the Library Renovation Fund, at June 30, 2021.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 10. Employee Retirement Plan

Pension Trust Fund

The Town is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide pension benefits to substantially all full-time employees. Excluded from this plan are Highway, Fleet Maintenance, Refuse, Facilities and Sanitation employees hired after January 1, 2013, unaffiliated Town employees hired after June 1, 2013 and certified personnel of the Board of Education who are covered under the State Teachers' Retirement System (the System). Both the employer and the employee are obligated to contribute to this plan. The PERS is a defined benefit pension plan and is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. Stand-alone reports are not available.

The management and administration of the pension plan is vested with the Town Manager. The Town Council has the power to make reasonable rules and regulations for carrying out the provision of the plan, as well as to authorize revisions and amendments to plan provisions.

Plan description and benefits provided: The Plan provides retirement, disability and death benefits to Plan members and their beneficiaries. Employees are eligible to participate in the Plan upon the completion of one year of continuous service. Connecticut General Statutes assign the authority to the Town to create and amend Plan benefit provisions by ordinance or resolution. Under the Plan, all employees, except police, are partially vested after 5 years of service. All Plan members are 100% vested after 10 years of service. Plan members receive a retirement benefit when they retire at normal retirement age, which may vary by group. The Plan also provides early retirement options at a reduced retirement benefit, which may also vary by employee group.

The benefit formula for most divisions is 1.75% of final earnings up to \$15,000 plus 2.25% of final earnings in excess of \$15,000 multiplied by years of credited service. Other divisions range from 2.00% to 2.50% of final earnings multiplied by years of credited service. For non-affiliated employees hired after June 1, 2013, the benefit formula is 1.5% of final earnings multiplied by years of credited service up to a maximum of 30 years. For police officers hired after January 1, 2013, there is a 35-year maximum on years of credited service. The defined benefit pension plan was closed to two bargaining unit groups effective January 1, 2013. These employees participate in a Defined Contribution plan.

Generally effective in 2013, new pension plan designs were implemented for various employee groups which includes Defined Contribution (DC), hybrid, and modified Defined Benefit (DB) plans. These new plans are effective for pension eligible full-time staff hired in and around 2013.

Plan membership consisted of the following at July 1, 2020, the date of the latest actuarial valuation:

Retirees, vested beneficiaries and other inactive	378
Terminated employees	125
Actives	420
Total	<u>923</u>

Contributions: Participants are required to contribute a percent of payroll, which varies by group. As of June 30, 2021, the contribution rates for the following employee groups were 7.00% for all unaffiliated Town employees and Housing Authority employees; 6.75% for Board of Education employees; 7.00% for highway employees; 7.50% for Wastewater/Building Maintenance employees; 7.00% for dispatchers; and 8.75% for Police.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 10. Employee Retirement Plan (Continued)

Administrative costs of the Plan are financed through investment earnings.

Investments:

Investment policy: The pension plan's policy in regard to the allocation of investment of assets is established by and may be amended by the Board of Finance by a majority vote of its members. It is the policy of the Board that plan assets be invested in accordance with sound investment practices that emphasize the fundamentals of long-term investing. Consistent with this effort assets shall be guided to achieve a long-term return that meets or exceeds the actuarial target of the plan, maintains sufficient liquidity to meet the obligations of the Plan, diversify the assets of the Plan in order to reduce risk, achieve investment results over the long-term that compare favorably with those of other pension plans, professionally managed portfolios and appropriate market indexes and prudently manage the inherent investment risks related to the achievement of investment objectives. The following was the Board's adopted asset allocation target as of June 30, 2021:

Non-Hybrid Plan

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Cash	0.50%
U.S. Core Fixed Income	27.50%
U.S. Inflation-Indexed Bonds	2.50%
Global Bonds	5.00%
U.S. Equity Market	28.00%
U.S. MidCap Growth	6.00%
U.S. MidCap Value	6.00%
Non-U.S. Equity	11.00%
Emerging Markets Equity	3.00%
Non-U.S. Small Cap	2.00%
U.S. REITs	6.00%
Commodities	2.50%
	<u>100.00%</u>

Hybrid Plan

<u>Asset Class</u>	<u>Allocation</u>
U.S. Core Fixed Income	60.00%
U.S. Equity Market	25.00%
Non-U.S. Equity	15.00%
	<u>100.00%</u>

Rate of return: For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 26.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 10. Employee Retirement Plan (Continued)

Net pension liability of the town: The components of the net pension liability of the Town at June 30, 2021 were as follows:

Total pension liability	\$ 252,780,014
Plan fiduciary net position	<u>(207,450,125)</u>
Town's net pension liability	<u><u>\$ 45,329,889</u></u>
Plan fiduciary net position as a percentage of the total pension liability	<u><u>82.07%</u></u>

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement date of June 30, 2021:

Inflation	2.75%
Salary increases	Graded salary growth with an ultimate rate of 3.00%
Investment rate of return	6.25% for Non-hybrid plan, and 5.00% for Hybrid plan, net of pension plan investment expense, including inflation

Mortality assumptions were updated from the RP-2000 Mortality Table with generational projection per Scale AA to the Pub-2010 Mortality Table with generational projection per MP Ultimate Scale. PubS-2010 tables were used for public safety and blue collar groups and PubG-2010 tables were used for all others.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Non-Hybrid Plan

Asset Class	Long-Term	Long-Term
	Expected Arithmetic Real Rate of Return	Expected Geometric Real Rate of Return
U.S. Cash	-0.07%	-0.06%
U.S. Core Fixed Income	1.36%	1.28%
U.S. Inflation-Indexed Bonds	1.68%	1.57%
Global Bonds	0.60%	0.35%
U.S. Equity Market	4.84%	3.52%
U.S. MidCap Growth	5.66%	3.33%
U.S. MidCap Value	5.11%	3.62%
Non-U.S. Equity	6.50%	4.84%
Emerging Markets Equity	8.40%	5.53%
Non-U.S. Small Cap	7.00%	5.14%
U.S. REITs	5.35%	3.62%
Commodities	2.91%	1.27%

Town of Glastonbury, Connecticut

Notes to Financial Statements
June 30, 2021

Note 10. Employee Retirement Plan (Continued)

Hybrid Plan

Asset Class	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
U.S. Core Fixed Income	1.36%	1.28%
U.S. Equity Market	4.84%	3.52%
Non-U.S. Equity	6.50%	4.84%

Discount rate: The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: The net pension liability was measured as of June 30, 2021, based on a July 1, 2020 actuarial valuation. The total pension liability was then rolled forward to the measurement date of June 30, 2021, utilizing update procedures incorporating the actuarial assumptions.

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c)
Balances as of July 1, 2020	\$ 237,990,783	\$ 162,025,392	\$ 75,965,391
Changes for the year:			
Service cost	4,589,872	-	4,589,872
Interest on total pension liability	15,387,369	-	15,387,369
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(1,146,441)	-	(1,146,441)
Effect of assumptions changes or inputs	7,065,970	-	7,065,970
Benefit payments	(11,107,539)	(11,107,539)	-
Employer contributions	-	10,880,190	(10,880,190)
Member contributions	-	2,092,134	(2,092,134)
Net investment income (loss)	-	43,757,303	(43,757,303)
Administrative expenses	-	(197,355)	197,355
Net changes	14,789,231	45,424,733	(30,635,502)
Balances as of June 30, 2021	<u>\$ 252,780,014</u>	<u>\$ 207,450,125</u>	<u>\$ 45,329,889</u>

Town of Glastonbury, Connecticut

Notes to Financial Statements
June 30, 2021

Note 10. Employee Retirement Plan (Continued)

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Town, calculated using the discount rate of 6.25% for non-hybrid employees, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.25%) or 1 percentage point higher (7.25%) than the current rate:

	1% Decrease (5.25)%	Current Discount Rate (6.25)%	1% Increase (7.25)%
Town's net pension liability	\$ 77,721,386	\$ 45,329,889	\$ 18,805,001

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions: For the year ended June 30, 2021, the Town recognized pension expense of \$7,676,201. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,565,326	\$ (891,676)
Changes of assumptions	14,568,163	-
Net difference between projected and actual earning on pension plan investments	-	(24,813,375)
	<u>\$ 18,133,489</u>	<u>\$ (25,705,051)</u>

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

Year ending June 30:	
2022	\$ 939,111
2023	(201,589)
2024	(2,329,020)
2025	(5,980,064)
	<u>\$ (7,571,562)</u>

Note 11. Pension - Connecticut Teachers' Retirement Plan

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

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

Town of Glastonbury, Connecticut

Notes to Financial Statements

June 30, 2021

Note 11. Pension - Connecticut Teachers' Retirement Plan (Continued)

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

Early retirement: Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

Minimum Benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly benefit of \$1,200 to teachers who retire under the normal retirement provisions and who have completed at least 25 years of full time Connecticut service at retirement.

Disability retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary. In addition, disability benefits under this Plan (without regard to cost-of-living adjustments) plus any initial award of Social Security benefits and workers' compensation cannot exceed 75% of average annual salary.

A plan member who leaves service and has attained 10 years of service will be entitled to 100% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60, and early retirement reductions are based on the number of years of service the member would have had if they had continued work until age 60.

Pre-Retirement Death Benefit: The Plan also offers a lump-sum return of contributions with interest or surviving spouse benefit depending on length of service

Contributions:

State of Connecticut

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State are amended and certified by the TRB and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amounts to finance any unfunded accrued liability.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 11. Pension - Connecticut Teachers' Retirement Plan (Continued)

Employer (School Districts)

School District employers are not required to make contributions to the plan, as contributions are required only from employees and the State.

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

For the year ended June 30, 2021, the amount of "on-behalf" contributions made the State was \$14,331,834 and is recognized in the General Fund as intergovernmental revenues and expenses. For the year ended June 30, 2021, the amount of "on-behalf" contributions made the State was \$32,006,801 and is recognized in the Statement of Activities as operating grants and contributions and education expenses.

Employees / Retirees

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

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

Administrative Expenses

Administrative expenses of the Plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2020, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	223,440,562
	<u>\$ 223,440,562</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2021, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2020, the Town recognized pension expense and revenue of \$32,006,801 in Exhibit II for on-behalf amounts for the benefits provided by the State.

Town of Glastonbury, Connecticut

Notes to Financial Statements

June 30, 2021

Note 11. Pension - Connecticut Teachers' Retirement Plan (Continued)

Actuarial Assumptions

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

Inflation	2.50%
Salary increase	3.00-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Administrative expenses	\$0 assumption as expenses are paid for by the General Assembly

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

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of TRS after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

Changes of assumptions: The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019. The changes in assumptions are summarized below:

- Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%.
- Decrease payroll growth assumption from 3.25% to 3.00%.
- Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

Town of Glastonbury, Connecticut

Notes to Financial Statements
June 30, 2021

Note 11. Pension - Connecticut Teachers' Retirement Plan (Continued)

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

Asset Class	Target Allocation	Expected Return
Domestic Equity Fund	20.0%	5.6%
Developed Market International Stock Fund	11.0%	6.0%
Emerging Market International Stock Fund	9.0%	7.9%
Core Fixed Income Fund	16.0%	2.1%
Inflation Linked Bond Fund	5.0%	1.1%
Emerging Market Debt Fund	5.0%	2.7%
High Yield Bond Fund	6.0%	4.0%
Real Estate	10.0%	4.5%
Private Equity	10.0%	7.3%
Alternative Investments	7.0%	2.9%
Liquidity Fund	1.0%	0.4%
	<u>100.0%</u>	

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

Sensitivity of the net pension liability to changes in the discount rate: The Town's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

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

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 12. Other Postemployment Benefits

In addition to providing pension benefits, the Town provides certain healthcare benefits for retired employees, under cost sharing arrangements. Substantially all of the Town's employees may become eligible for those benefits, if they retire under a normal retirement or with disability.

Benefits: From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The Town recognizes the cost of postemployment healthcare in the year when the employee services are received, discloses the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. The net OPEB liability is measured as the portion of the present value of projected benefits to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

Plan description: The Town provides postemployment benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. A bi-annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2019. The post-retirement plan does not issue stand-alone financial report.

Management of the postemployment benefits plan is vested with the Town Manager and Director of Finance. Policy oversight is provided by the Board of Finance.

The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town determines the required contribution using the Entry Age Normal Method.

Membership in the plan consisted of the following at July 1, 2019, valuation the date of the last actuarial valuation.

Retirees and beneficiaries currently receiving benefits	149
Active plan members	932
Total	<u>1,081</u>

Investments:

Investment policy: OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance by a majority vote of its members. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

Rate of return: For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 22.80%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 12. Other Postemployment Benefits (Continued)

Net OPEB liability of the Town: The Town's net OPEB liability was measured as of June 30, 2021 based on a July 1, 2019 actuarial valuation. The total OPEB liability was then rolled forward to the measurement date of June 30, 2021 utilizing update procedures incorporating actuarial assumptions. The components of the net OPEB liability of the Town at June 30, 2021, were as follows:

Total OPEB liability	\$ 22,253,737
Plan fiduciary net position	9,385,504
Town's net OPEB liability	<u>\$ 12,868,233</u>

Plan fiduciary net position as a percentage of the total OPEB liability	<u>42.17%</u>
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Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of July 1, 2020 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	Graded based on service for Teachers and Administrators; Graded based on age for Town
Discount Rate	6.50%
Healthcare cost trend rates	5.30% - 4.50% over 52 years

Mortality assumptions were updated from the RP-2000 Mortality Table with generational projection per Scale AA to the Pub-2010 Mortality Table with generational projection per MP-2019. PubS-2010 tables were used for public safety and blue collar groups and PubG-2010 tables were used for all others. For teachers and administrators the assumptions used in the June 30, 2020 valuation of the Connecticut State Teachers' Retirement System.

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	34.00%	1.36%
U.S. Inflation-Indexed Bonds	5.00%	1.68%
U.S. Equity Market	45.00%	4.84%
Non-U.S. Equity	16.00%	6.50%
	<u>100.00%</u>	

Town of Glastonbury, Connecticut

Notes to Financial Statements
June 30, 2021

Note 12. Other Postemployment Benefits (Continued)

Discount rate: The discount rate used to measure the total OPEB liability was 6.50%. The OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the long-term expected rate of return.

Changes in the net OPEB liability:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of July 1, 2020	\$ 21,212,423	\$ 6,888,134	\$ 14,324,289
Changes for the year:			
Service cost	612,334	-	612,334
Interest on total OPEB liability	1,387,934	-	1,387,934
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	-	-	-
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(958,954)	(958,954)	-
Employer contributions	-	1,743,050	(1,743,050)
Net investment income	-	1,715,812	(1,715,812)
Administrative expenses	-	(2,538)	2,538
Net changes	1,041,314	2,497,370	(1,456,056)
Balances as of June 30, 2021	<u>\$ 22,253,737</u>	<u>\$ 9,385,504</u>	<u>\$ 12,868,233</u>

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current discount rate:

	Current		
	1% Decrease (5.50)%	Discount Rate (6.50)%	1% Increase (7.50)%
Town's net OPEB liability	<u>\$ 15,451,113</u>	<u>\$ 12,868,233</u>	<u>\$ 10,660,996</u>

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.30% - 3.50%) or 1 percentage point higher (6.30% - 5.50%) than the current healthcare cost trend rates:

	Current		
	1% Decrease	Trend Rate	1% Increase
Town's net OPEB liability	<u>\$ 9,975,723</u>	<u>\$ 12,868,233</u>	<u>\$ 16,375,893</u>

Town of Glastonbury, Connecticut

Notes to Financial Statements
June 30, 2021

Note 12. Other Postemployment Benefits (Continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended June 30, 2021, the Town recognized OPEB expense of \$1,369,398. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 659,717	\$ (353,894)
Changes of assumptions	362,844	(499,650)
Net difference between projected and actual earning on pension plan investments	-	(944,018)
	<u>\$ 1,022,561</u>	<u>\$ (1,797,562)</u>

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

Year ending June 30:	
2022	\$ (160,229)
2023	(160,454)
2024	(161,370)
2025	(177,381)
2026	71,147
Thereafter	(186,714)
	<u>\$ (775,001)</u>

Note 13. Pension and OPEB Combining Schedules

Pension and OPEB combining statement of net position:

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Assets:			
Cash and cash equivalents	\$ 1,526,807	\$ 797,560	\$ 2,324,367
Investments, at fair value:			
Mutual funds	172,582,580	8,587,944	181,170,524
Pooled funds	21,007,005	-	21,007,005
Limited partnerships	12,333,733	-	12,333,733
Total assets	<u>207,450,125</u>	<u>9,385,504</u>	<u>216,835,629</u>
Net position:			
Restricted for Pension and OPEB benefits	<u>\$207,450,125</u>	<u>\$ 9,385,504</u>	<u>\$216,835,629</u>

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 13. Pension and OPEB Combining Schedules (Continued)

Pension and OPEB combining statement of changes in net position:

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Additions:			
Contributions:			
Employer	\$ 10,880,190	\$ 1,743,050	\$ 12,623,240
Employee	2,092,242	-	2,092,242
Total contributions	<u>12,972,432</u>	<u>1,743,050</u>	<u>14,715,482</u>
Investment income:			
Net change in fair value of investments	41,065,539	1,567,951	42,633,490
Interest and dividends	2,857,250	149,111	3,006,361
	<u>43,922,789</u>	<u>1,717,062</u>	<u>45,639,851</u>
Less investment expenses:			
Investment management fees	165,486	-	165,486
Net investment income	<u>43,757,303</u>	<u>1,717,062</u>	<u>45,474,365</u>
Total additions	<u>56,729,735</u>	<u>3,460,112</u>	<u>60,189,847</u>
Deductions:			
Benefits payments	11,107,539	958,954	12,066,493
Administration fees	197,463	3,788	201,251
Total deductions	<u>11,305,002</u>	<u>962,742</u>	<u>12,267,744</u>
Change in restricted net position	45,424,733	2,497,370	47,922,103
Restricted net position:			
Beginning of year	<u>162,025,392</u>	<u>6,888,134</u>	<u>168,913,526</u>
End of year	<u>\$ 207,450,125</u>	<u>\$ 9,385,504</u>	<u>\$ 216,835,629</u>

Note 14. OPEB - Connecticut Teachers' Retirement Plan

Plan description: Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with benefits, including retiree health insurance, through the Connecticut Teachers' Retirement System- a cost sharing multi-employer defined benefit pension plan administered by the TRB. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit provisions: The Plan covers retired teachers and administrators of public schools in the State who are receiving benefits from the Plan. The Plan provides healthcare insurance benefits to eligible retirees and their spouses. Any member that is currently receiving a retirement or disability benefit through the Plan is eligible to participate in the healthcare portion of the Plan. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the TRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Town of Glastonbury, Connecticut

Notes to Financial Statements

June 30, 2021

Note 14. OPEB - Connecticut Teachers' Retirement Plan (Continued)

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost.

The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Contributions:

State of Connecticut

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of plan costs through an annual appropriation in the General Fund.

Employer (School Districts)

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

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 14. OPEB - Connecticut Teachers' Retirement Plan (Continued)

Employees

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

For the year ended June 30, 2021, the amount of "on-behalf" contributions made the State was \$345,877 and is recognized in the General Fund as intergovernmental revenues and expenses.

Administrative Expenses

Administrative costs of the Plan are to be paid by the General Assembly per Section 10-183z of the Connecticut General Statutes.

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB: At June 30, 2021, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	33,326,168
	<u>\$ 33,326,168</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2020, the Town has no proportionate share of the net OPEB liability. At June 30, 2020, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2021, the Town recognized OPEB expense and (revenue) of \$345,877 in Exhibit V for on-behalf amounts for the benefits provided by the State. For the year ended June 30, 2021, the Town recognized OPEB expense and (revenue) of \$1,539,416 in Exhibit II for on-behalf amounts for the benefits provided by the State.

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

Inflation	2.50%
Healthcare costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.00-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2021

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 14. OPEB - Connecticut Teachers' Retirement Plan (Continued)

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

The long-term expected rate of return on plan assets is reviewed as part of the GASB Statement No. 75 valuation process. Several factors are considered in the evaluation of the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

Discount rate: The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2020. Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate and the discount rate: The Town's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the healthcare cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

Other information: Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

Note 15. Defined Contribution Plan

The Town established a defined contribution plan for certain employee groups. Employees are eligible to participate after completing one year of service as follows:

Highway/Fleet maintenance: For employees hired after January 1, 2013, the Town contributes 6.5% of wages and the employee contributes up to 6.5%.

Sanitation/facilities: For employees hired after January 1, 2013, the Town contributes 6.5% of wages with a mandatory employee contribution of 6.5%.

Unaffiliated Town: For employees hired after June 1, 2013, the Town contributes 3% of wages and the employees contribute a minimum of 2% with a maximum of 3%.

The vesting schedules vary by employee group, but employees are fully vested after ten years of service.

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 15. Defined Contribution Plan (Continued)

Employees have the right to self-direct their contributions in the defined contribution plan among the investment options offered by the plan administrator as selected by the Town.

During the fiscal years ended June 30, 2021 and 2020, employees contributed \$166,793 and \$135,983, respectively, and the Town contributed matching employer contributions of \$171,317 and \$140,473, respectively. Covered payroll totaled \$2,491,584.

Note 16. Risk Management

Beginning in fiscal 2021, the Town's insurance coverage for Liability, Automobile, Property (LAP) and Workers' Compensation is provided by Travelers. Supplemental policies are provided by other carriers. The Town maintains insurance to provide for losses of property or the results of litigation. The insurance policy provisions cover general business liabilities and umbrella liability, as well as various other coverages. There are various deductibles dependent on the type of coverage. There were no significant reductions from the previous year in insurance coverages during the fiscal year ended June 30, 2021. All policy deductibles and uninsured losses are funded by insurance accounts included under Administrative Services in the General Fund. The Town had no settlements which exceeded insurance coverage for the fiscal years ended June 30, 2016 through 2021. The Workers' Compensation program type is guaranteed cost. The contribution (premium) is subject to payroll audit at the close of the coverage period.

Town health benefits are provided through an Internal Service Fund. The Health Insurance Reserve Fund accounts for medical claim activity and service fees on a self-insured basis. Town liability is limited through the purchase of Individual Stop Loss (ISL) and Aggregate Stop Loss (ASL) coverage. The Town has a sole health insurance provider, Anthem, with Delta Dental as the dental insurance provider. The Town's health insurance provider administers payment of claims directly to the healthcare providers. The Town works with a consultant to analyze claims, calculate the incurred but not reported (IBNR) claims liability at year-end and advise the Town on all health insurance related issues throughout the year. The Town adheres to a conservative reserve policy that, at a minimum, requires the Town to maintain a reserve level that will meet the total of the difference between the maximum liability and amounts budgeted, the incurred but not reported claims and ten percent (10%) of budgeted health care premiums. Approval of the Town Council is required for the use of any excess reserves and is limited to offset future health related costs.

Premiums were paid by the Town and Board of Education in the amount of \$363,857 and \$378,708 respectively, for the LAP pool program and for excess liability coverage.

The deposit contribution (premium) paid for the Workers' Compensation for the year ended June 30, 2021 was \$852,786, inclusive of the Board of Education.

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 16. Risk Management (Continued)

Town health benefits are provided through an Internal Service Fund. The Health Insurance Reserve Fund accounts for medical claim activity and service fees on a self-insured basis. Town liability is limited through the purchase of Individual Stop Loss (ISL) coverage. As a result of a formal request for proposal, in fiscal 2021, the Town transitioned from two healthcare providers (Anthem and ConnectiCare) to a sole health insurance provider, Anthem, with Delta Dental as the dental insurance provider. The Town's health insurance provider administers payment of claims directly to the healthcare providers. The Town works with a consultant to analyze claims, calculate the incurred but not reported (IBNR) claims liability at year-end and advise the Town on all health insurance related issues throughout the year. The Town adheres to a conservative reserve policy that, at a minimum, requires the Town to maintain a reserve level that will meet the total of the difference between the maximum liability and amounts budgeted, the incurred but not reported claims and ten percent (10%) of budgeted health care premiums. Approval of the Town Council is required for the use of any excess reserves and is limited to offset future health related costs.

The following is a schedule of changes in the aggregate liabilities for claims:

	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2020 - 2021	\$ 904,262	\$ 17,526,391	\$ 17,349,480	\$ 1,081,173
2019 - 2020	1,092,922	17,654,477	17,843,137	904,262

Premiums are paid into the Self-Insurance Reserve Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. All liabilities are expected to be paid within one year.

Note 17. Operating Leases

The Town has several operating leases for various computer equipment for use at various schools. The leases are classified as operating leases, which do not give rise to property rights or lease obligations. In most cases, management expects leases will be renewed or replaced by other leases in the normal course of business.

Rental expense for all operating leases for the year ended June 30, 2021 was \$623,428.

The following is a schedule of future payments on operating leases:

Year ending June 30:	
2022	\$ 674,317
2023	857,852
2024	884,340
	<u>\$ 2,416,509</u>

Town of Glastonbury, Connecticut

Notes to Financial Statements June 30, 2021

Note 18. Commitments and Contingencies

The Town is currently a defendant in a number of lawsuits. Management and legal counsel believe that the ultimate resolution of these matters will not have a material adverse effect on the financial statements of the Town.

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

Note 19. Accounting Standards Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements.

The impact of the following accounting pronouncements are currently being assessed by the Town as to the impact to the financial statements. Other recently issued financial statements are not expected to have a material effect to the Town's financial statements.

GASB Statement No. 87, *Leases*, establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset, which should result in the recognition and reporting of leased assets and the liability associated with subsequent lease payments, which have historically been classified as operating leases of the current reporting period only. The new statement requires a Lessee to recognize a lease liability and an intangible right-to-use lease asset, with the lessor required to recognize a lease receivable and a deferred inflow of resources. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The Town/City is not an issuer of conduit debt, therefore, this Statement will have no effect on its financial statements.

GASB Statement No. 92, *Omnibus 92*. Statement No. 92 includes guidance addressing various accounting and financial reporting issues identified during the implementation and application of certain GASB pronouncements. The issues covered by GASB Statement No. 92, Omnibus 2020, include:

- Modification of the effective date of Statement No. 87, *Leases*, as well as associated implementation guidance, to fiscal years beginning after December 15, 2019, to address concerns regarding interim financial reports;

Town of Glastonbury, Connecticut

**Notes to Financial Statements
June 30, 2021**

Note 19. Accounting Standards Not Yet Effective (Continued)

- Reporting intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan;
- The applicability of Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement No. 67 and No. 68, as amended, and Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for pensions and OPEB;
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to pension and OPEB arrangements; and
- Measurement of liabilities and assets, if any, related to asset retirement obligations in a government acquisition.

The requirements of Statement 92 that relate to the effective date of Statement 87 and its associated implementation guidance are effective upon issuance. The provisions related to the application of Statement 84 are effective for periods beginning after June 15, 2021. The amendments related to intra-entity transfers of assets and applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021. The remaining requirements related to asset retirement obligations are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB Statement No. 96 provides accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs). It is based on the standards established in Statement No. 87, Leases. It:

- Defines a SBITA as a contract that conveys control of the right to use a SBITA vendor’s IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction;
- Requires governments with SBITAs to recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability (with an exception for short-term SBITAs—those with a maximum possible term of 12 months); and
- Provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Management is in the process of determining what impact, if any, implementation of the above statements may have on the financial statements of the Town.

Note 19. Accounting Standards Not Yet Effective (Continued)

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

Note 20. Risks and Uncertainties

On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the “State”) and took and continues to take steps designed to mitigate the spread and impacts of COVID-19. Public schools began to operate remotely immediately following the outbreak and continued remotely through the 2019/2020 school year. For the 2020/2021 school year, schools were permitted to reopen and school districts were given the discretion to choose in-person learning, virtual learning or a hybrid model. For the 2021/2022 year, the Town's public schools have returned to full time, in-person learning.

Connecticut's COVID-19 vaccination plan commenced on December 14, 2020. The State is currently making vaccinations available to all individuals aged 12 and over, and reports that it is preparing to make booster shots available in accordance with CDC guidelines.

The Governor regularly reviews conditions and, accordingly, expands or reduces restrictions. In response to the Spring 2021 decline in the number of positive COVID-19 cases and hospitalizations, effective May 19, 2021, all capacity restrictions related to establishments and social/recreational gatherings were eliminated. Given the increase in positive COVID-19 cases since July 2021, face-covering requirements remain in effect at this time for unvaccinated individuals. Businesses and state and local government offices have the option to require masks be worn by everyone in their establishments. Effective August 5, 2021, municipal leaders have the option of requiring that masks be worn by everyone, regardless of vaccination status, in indoor public places within their respective towns and cities. Although the Town currently does not have such a mandate in place, all individuals entering Town buildings must wear face coverings regardless of vaccination status.

The potential long-term impact of the COVID-19 pandemic on the Town cannot be predicted at this time. The continued efforts to mitigate the spread of the outbreak and any prolonged effects on the national, State and local economy could have a materially adverse effect on the Town's finances, credit ratings and ability to pay debt service on the Bonds in the future.

**Required Supplementary
Information (unaudited)**

**Required Supplementary Information - Unaudited
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budgetary Basis - Budget and Actual - General Fund
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 157,985,075	\$ 157,985,075	\$ 158,107,351	\$ 122,276
Licenses and permits	1,280,600	1,280,600	1,705,759	425,159
Intergovernmental	6,905,560	8,320,378	8,743,518	423,140
Charges for services	1,637,663	1,637,663	1,798,687	161,024
Unrealized (gain) loss	-	-	(94,400)	(94,400)
Investment income	838,000	838,000	218,003	(619,997)
Other revenue	809,251	809,251	1,685,869	876,618
Total revenues	169,456,149	170,870,967	172,164,787	1,293,820
Expenditures:				
Current:				
General government	3,353,855	3,548,695	3,323,185	225,510
Community development	2,286,176	2,319,351	2,120,716	198,635
Administrative services	6,623,707	7,714,368	7,559,552	154,816
Public safety	15,414,214	15,668,427	15,266,042	402,385
Physical services	7,460,631	7,460,635	7,162,190	298,445
Sanitation	996,357	997,082	948,369	48,713
Human services	3,050,933	3,089,333	2,476,603	612,730
Leisure/culture	5,809,431	5,938,630	5,343,768	594,862
Education	111,754,046	114,682,620	112,312,722	2,369,898
Debt service	7,076,799	6,722,299	6,722,095	204
Total expenditures	163,826,149	168,141,440	163,235,242	4,906,198
Excess of revenues over expenditures	5,630,000	2,729,527	8,929,545	6,200,018
Other Financing Sources (Uses):				
Transfers in:				
Use of fund balance	975,000	975,000	-	(975,000)
Transfers out	(6,605,000)	(7,656,700)	(7,619,046)	37,654
Total other financing sources (uses)	(5,630,000)	(6,681,700)	(7,619,046)	(1,012,654)
Net change in fund balance	\$ -	\$ (3,952,173)	1,310,499	\$ 5,262,672
Budgetary fund balance at beginning of year			<u>33,330,395</u>	
Budgetary fund balance at end of year			<u>\$ 34,640,894</u>	

Town of Glastonbury, Connecticut

Note to Required Supplementary Information (Unaudited)

As explained above, the Town's budgetary fund structure accounts for certain transactions differently from that utilized in reporting in conformity with GAAP. A reconciliation of revenues and expenditures of the General Fund between the accounting treatment required by GAAP and budgetary requirements is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Balance, budgetary basis	\$ 172,164,787	\$ 170,854,288
Debt Issuance costs	-	101,842
Encumbrances outstanding at June 30, 2021, charged to budgetary expenditures during the year ended June 30, 2021	-	-
State teachers' retirement on-behalf payment for pension and OPEB	14,677,711	14,677,711
Balance, GAAP basis	<u>\$ 186,842,498</u>	<u>\$ 185,633,841</u>

**Required Supplementary Information - Unaudited
Schedule of Changes in Net Pension Liability and Related Ratios - Pension
Last Eight Fiscal Years***

	2014	2015	2016	2017	2018	2019	2020	2021
Total pension liability:								
Service cost	\$ 3,202,640	\$ 3,546,691	\$ 3,830,151	\$ 3,976,246	\$ 4,159,188	\$ 4,215,987	\$ 4,373,500	\$ 4,589,872
Interest	10,850,500	11,234,997	11,748,111	12,330,029	12,876,054	13,355,205	13,683,978	15,387,369
Effect of plan changes	-	-	(26,085)	11,568	(33,783)	(3,313)	9,905	-
Effect of economic/demographic gains or losses	-	(711,983)	(316,829)	2,217,622	2,427,429	525,669	4,942,368	(1,146,441)
Effect of assumption changes or inputs	-	927,997	2,408,881	550,555	3,835,590	812,083	13,908,457	7,065,970
Benefit payments, including refunds of member contributions	(6,386,200)	(6,801,280)	(7,173,284)	(7,657,362)	(8,604,504)	(9,446,637)	(10,406,008)	(11,107,539)
Net change in total pension liability	7,666,940	8,196,422	10,470,945	11,428,658	14,659,974	9,458,994	26,512,200	14,789,231
Total pension liability - beginning	149,596,650	157,263,590	165,460,012	175,930,957	187,359,615	202,019,589	211,478,583	237,990,783
Total pension liability - ending	157,263,590	165,460,012	175,930,957	187,359,615	202,019,589	211,478,583	237,990,783	252,780,014
Plan fiduciary net position:								
Contributions - employer	5,771,396	6,001,585	6,118,624	6,325,363	7,137,123	7,908,372	8,170,908	10,880,190
Contributions - member	1,675,096	1,627,914	1,631,107	1,705,360	1,861,582	1,874,604	2,015,320	2,092,134
Net investment income (loss)	17,267,726	1,126,546	(1,510,983)	15,358,365	10,469,718	6,229,061	9,023,607	43,757,303
Benefit payments, including refunds of member contributions	(6,386,200)	(6,801,280)	(7,158,404)	(7,657,362)	(8,604,504)	(9,446,637)	(10,406,008)	(11,107,539)
Administrative expense	(141,637)	(204,307)	(152,285)	(94,494)	(97,854)	(111,251)	(77,688)	(197,355)
Net change in plan fiduciary net position	18,186,381	1,750,458	(1,071,941)	15,637,232	10,766,065	6,454,149	8,726,139	45,424,733
Plan fiduciary net position - beginning	101,576,909	119,763,290	121,513,748	120,441,807	136,079,039	146,845,104	153,299,253	162,025,392
Plan fiduciary net position - ending	119,763,290	121,513,748	120,441,807	136,079,039	146,845,104	153,299,253	162,025,392	207,450,125
Net pension liability - ending	\$ 37,500,300	\$ 43,946,264	\$ 55,489,150	\$ 51,280,576	\$ 55,174,485	\$ 58,179,330	\$ 75,965,391	\$ 45,329,889
Plan fiduciary net pension as a percentage of the total pension liability	76.15%	73.44%	68.46%	72.63%	72.69%	72.49%	68.08%	82.07%
Covered payroll	\$ 24,455,208	\$ 27,153,582	\$ 26,362,701	\$ 27,677,315	\$ 28,655,358	\$ 29,581,276	\$ 28,602,606	\$ 29,331,962
Net pension liability as a percentage of covered payroll	153.34%	161.84%	210.48%	185.28%	192.55%	196.68%	265.59%	154.54%

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

**Required Supplementary Information - Unaudited
Schedule of Employer Contributions - Pension
Last Ten Fiscal Years**

	2012	2013	2014	2015
Actuarially determined contribution	\$ 4,753,626	\$ 5,130,000	\$ 5,771,396	\$ 6,001,585
Contributions in relation to the actuarially determined contribution	4,753,626	5,130,000	5,771,396	6,001,585
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 25,346,833	\$ 26,408,569	\$ 24,455,208	\$ 27,153,582
Contributions as a percentage of covered payroll	18.75%	19.43%	23.60%	22.10%

(1) The actuarially determined contribution was fully funded in FY2018 and included funding of 99.2% by the Town and 0.8% by an increase to employee payroll deductions for pension costs. The increase to employee payroll deductions was made subsequent to the actuarially determined contribution calculation.

Notes to Schedule:

Valuation date: July 1, 2020
Measurement date: June 30, 2021

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent, closed, 14 years remaining
Asset valuation method	5 years
Inflation	2.75%
Salary increases	Graded salary growth with an ultimate rate of 3.00%
Investment rate of return	6.25% for Non-Hybrid plan, 5.000% for Hybrid plan
Retirement age	Age 65 for non-police; age 55 for police with 25 years of service hired on or after January 1, 2013; age 55 for police with 20 years of service hired before January 1, 2013
Mortality	PubS-2010 Mortality Table generationally projected with MP 2019 Ultimate Scale for Public Safety and Blue Collar employees; PubG-2010 for all others

RSI-3

	2016	2017	2018 ⁽¹⁾	2019	2020	2021
\$	6,118,624	\$ 6,325,363	\$ 7,193,600	\$ 7,908,372	\$ 8,170,908	\$ 9,832,273
	6,118,624	6,325,363	7,137,123	7,908,372	8,170,908	10,880,190
\$	-	\$ -	\$ 56,477	\$ -	\$ -	\$ (1,047,917)
\$	26,362,701	\$ 27,677,315	\$ 28,655,358	\$ 29,581,276	\$ 28,602,606	\$ 29,331,962
	23.21%	22.85%	24.91%	26.73%	28.57%	37.09%

**Required Supplementary Information - Unaudited
Schedule of Investment Returns - Pension
Last Eight Fiscal Years***

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	16.50%	0.92%	(1.20)%	12.43%	7.51%	4.14%	5.75%	26.15%

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

**Required Supplementary Information - Unaudited
Schedule of the Town's Proportionate Share of the Net Pension Liability -
Teachers Retirement Plan
Last Seven Fiscal Years***

	2015	2016	2017	2018	2019	2020	2021
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	120,207,941	130,053,006	170,434,778	161,548,380	152,253,528	197,460,513	223,440,562
Total	\$ 120,207,941	\$ 130,053,006	\$ 170,434,778	\$ 161,548,380	\$ 152,253,528	\$ 197,460,513	\$ 223,440,562
Town's covered payroll	\$ 46,123,485	\$ 47,748,108	\$ 47,896,842	\$ 48,175,430	\$ 49,982,895	\$ 50,770,080	\$ 51,608,777
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%	49.24%

Notes to Schedule:

Changes in benefit terms	None
Changes of assumptions	The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019. The changes in assumptions are summarized below: - Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%. - Decrease payroll growth assumption from 3.25% to 3.00%. - Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
Actuarial cost method	Entry age
Amortization method	Level percent of pay closed, grading to a level dollar amortization for 6/30/2024 valuation
Single equivalent amortization period	30 years
Asset valuation method	4-year smoothed market
Investment rate of return	6.90%, net of investment related expense

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

Required Supplementary Information - Unaudited
Schedule of Changes in Net OPEB Liability and Related Ratios - OPEB
Last Five Fiscal Years*

	2017	2018	2019	2020	2021
Total OPEB liability:					
Service cost	\$ 514,970	\$ 490,603	\$ 522,802	\$ 624,662	\$ 612,334
Interest	1,141,882	1,207,883	1,343,105	1,414,931	1,387,934
Plan changes	-	-	-	21,595	-
Differences between expected and actual experience	-	1,187,489	-	(464,486)	-
Changes of assumptions	(124,569)	653,120	-	(655,790)	-
Benefit payments	(696,124)	(698,550)	(860,025)	(907,975)	(958,954)
Net change in total OPEB liability	836,159	2,840,545	1,005,882	32,937	1,041,314
Total OPEB liability - beginning	16,496,900	17,333,059	20,173,604	21,179,486	21,212,423
Total OPEB liability - ending	17,333,059	20,173,604	21,179,486	21,212,423	22,253,737
Plan fiduciary net position:					
Contributions - employer	925,241	1,392,915	1,579,962	1,684,686	1,743,050
Net investment income	372,700	274,274	334,069	328,778	1,715,812
Benefit payments	(696,124)	(698,550)	(860,025)	(907,975)	(958,954)
Administrative expense	(3,897)	(11,157)	(31,945)	(12,488)	(2,538)
Net change in plan fiduciary net position	597,920	957,482	1,022,061	1,093,001	2,497,370
Plan fiduciary net position - beginning	3,217,670	3,815,590	4,773,072	5,795,133	6,888,134
Plan fiduciary net position - ending	3,815,590	4,773,072	5,795,133	6,888,134	9,385,504
Net OPEB liability - ending	\$ 13,517,469	\$ 15,400,532	\$ 15,384,353	\$ 14,324,289	\$ 12,868,233
Plan fiduciary net OPEB as a percentage of the total OPEB liability	22.01%	23.66%	27.36%	32.47%	42.17%
Covered payroll	\$ 68,158,459	\$ 68,158,459	\$ 67,020,668	\$ 67,020,668	\$ 74,692,514
Net OPEB liability as a percentage of covered payroll	19.83%	22.60%	22.95%	21.37%	17.23%

*Note:

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

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**Required Supplementary Information - Unaudited
Schedule of Employer Contributions - OPEB
Last Ten Fiscal Years**

	2012	2013	2014	2015
Actuarially determined contribution	\$ 1,330,000	\$ 1,478,000	\$ 1,556,000	\$ 1,528,458
Contributions in relation to the actuarially determined contribution	1,220,000	1,141,000	1,088,000	1,381,616
Contribution deficiency (excess)	\$ 110,000	\$ 337,000	\$ 468,000	\$ 146,842
Covered payroll	N/A	\$ 62,606,000	\$ 62,606,000	\$ 64,192,394
Contributions as a percentage of covered payroll	N/A	1.82%	1.74%	2.15%

Notes to Schedule:

Valuation date: July 1, 2019
 Measurement date: June 30, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Amortization period	18 years
Asset valuation method	5-year
Inflation	2.50%
Healthcare cost trend rates	5.30% - 4.50%, over 52 years
Salary increases	Graded based on service for Teachers and Administrators; Graded based on age for Town
Discount rate	6.50%

RSI-7

2016	2017	2018	2019	2020	2021
\$ 1,634,197	\$ 1,321,393	\$ 1,392,913	\$ 1,614,992	\$ 1,684,686	\$ 1,743,050
1,522,386	925,241	1,392,915	1,579,962	1,684,686	1,743,050
\$ 111,811	\$ 396,152	\$ (2)	\$ 35,030	\$ -	\$ -
\$ 64,192,394	\$ 68,158,459	\$ 68,158,459	\$ 67,020,668	\$ 67,020,668	\$ 74,692,514
2.37%	1.36%	2.04%	2.36%	2.51%	2.33%

**Required Supplementary Information - Unaudited
Schedule of Investment Returns - OPEB
Last Five Fiscal Years***

	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	10.80%	6.09%	6.11%	5.01%	22.80%

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

**Required Supplementary Information - Unaudited
 Schedule of the Town's Proportionate Share of the Net OPEB Liability -
 Teachers Retirement Plan
 Last Four Fiscal Years***

	2018	2019	2020	2021
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	41,580,719	30,436,453	30,795,082	33,326,168
Total	\$ 41,580,719	\$ 30,436,453	\$ 30,795,082	\$ 33,326,168
Town's covered payroll	\$ 48,175,430	\$ 47,141,707	\$ 50,770,080	\$ 52,621,910
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%	1.49%	2.08%	2.50%

Notes to Schedule:

Changes in benefit terms	None
Changes of assumptions	The discount rate was decreased from 3.87% to 3.50 % to reflect the change in the Municipal Bond index rate. Additionally, expected annual per capita claim cost were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on January 1, 2019. Further, the expected rate of inflation was decreased and the Real Wage Growth assumption was increased.
Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization period	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment related expense including price inflation

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

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

General Fund

General Fund

The General Fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The General Fund accounts for the normal recurring activities of the Town (i.e., general government, community development, administrative services, public safety, physical services, sanitation, human services, leisure/culture, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

**General Fund
Comparative Balance Sheets
June 30, 2021 and 2020**

	2021	2020
Assets		
Cash and cash equivalents	\$ 33,874,197	\$ 30,869,682
Receivables, net:		
Property taxes (net of allowance of \$122,800 in 2021 and \$132,600 in 2020)	1,656,272	1,311,822
Intergovernmental	296,742	521,719
Due from other funds	-	-
Inventory	228,898	192,122
Investments	6,886,201	7,394,447
Other assets	10,753	20,169
	<u>42,953,063</u>	<u>40,309,961</u>
Total assets	\$ 42,953,063	\$ 40,309,961
Liabilities, Deferred Inflows of Resources and Fund Balance		
Liabilities:		
Accounts and other payables	\$ 4,896,349	\$ 4,414,016
Due to other funds	969,000	611,800
Due to developers for escrow deposits	622,939	637,570
Due to others for escrow deposits	168,892	108,593
Unearned revenue	54,664	63,577
	<u>6,711,844</u>	<u>5,835,556</u>
Total liabilities	6,711,844	5,835,556
Deferred inflows of resources:		
Unavailable revenue - property taxes	1,388,674	995,010
Unavailable revenue - other	-	-
Advance tax payments	211,651	149,000
	<u>1,600,325</u>	<u>1,144,010</u>
Total deferred inflows of resources	1,600,325	1,144,010
Fund Balance:		
Nonspendable	239,651	212,291
Assigned	3,960,388	3,044,292
Unassigned	30,440,855	30,073,812
	<u>34,640,894</u>	<u>33,330,395</u>
Total fund balance	34,640,894	33,330,395
	<u>42,953,063</u>	<u>40,309,961</u>
Total liabilities, deferred inflows of resources and fund balance	\$ 42,953,063	\$ 40,309,961

**General Fund Revenues and Other Financing Sources - Budgetary Basis -
Budget and Actual
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Property taxes:				
Current levy and back taxes	\$ 157,633,075	\$ 157,633,075	\$ 157,638,655	\$ 5,580
Penalties, interest, fees	352,000	352,000	468,696	116,696
Total property taxes	157,985,075	157,985,075	158,107,351	122,276
Licenses and permits:				
Building Inspector	750,000	750,000	1,062,944	312,944
Town Clerk	80,000	80,000	93,151	13,151
Physical Services	11,000	11,000	15,225	4,225
Sanitation refuse permits	317,500	317,500	369,185	51,685
Health	117,000	117,000	160,732	43,732
Fire Marshal	5,100	5,100	4,522	(578)
Total licenses and permits	1,280,600	1,280,600	1,705,759	425,159
Intergovernmental:				
In lieu of taxes:				
Housing Authority	193,000	193,000	203,857	10,857
ST/CT telephone access	72,000	72,000	74,304	2,304
Veterans exemptions	12,000	12,000	9,398	(2,602)
Disability exemptions	2,400	2,400	2,165	(235)
Town Clerk historic documents grant	7,500	7,500	7,500	-
PEGPETIA grant	-	-	-	-
State health grant	-	-	3,011	3,011
State stabilization grant	385,930	385,930	385,930	-
State Grants	-	-	385,570	385,570
Education:				
Magnet school grant	-	10,600	10,600	-
Education enhancement	5,379,535	5,379,535	5,355,518	(24,017)
Special education - excess cost	-	1,404,218	1,404,218	-
Vocational agricultural	331,888	331,888	298,501	(33,387)

(Continued)

**General Fund Revenues and Other Financing Sources - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Intergovernmental, continued:				
Public safety:				
Civil preparedness	\$ 11,610	\$ 11,610	\$ -	\$ (11,610)
Police grants	198,597	198,597	307,613	109,016
Volunteer ambulance reimbursement	20,000	20,000	18,466	(1,534)
Regional dispatch	160,000	160,000	159,732	(268)
Human Services:				
YFSB state grant	31,832	31,832	32,021	189
Housing Authority resident services	47,990	47,990	33,836	(14,154)
Dial-A-Ride Grant	51,278	51,278	51,278	-
Total intergovernmental	6,905,560	8,320,378	8,743,518	423,140
Charges for services:				
Community development:				
Planning and zoning	12,000	12,000	17,514	5,514
Revenue collections:				
Notary services	-	-	10	10
Customer service:				
Notary services	3,000	3,000	-	(3,000)
Passport Processing	24,800	24,800	905	(23,895)
Property Assessment				
Notary services	-	-	100	100
Town Clerk:				
Recording fees	171,000	171,000	352,729	181,729
Conveyance tax	616,400	616,400	933,897	317,497
Notary services	100	100	75	(25)
Education:				
Community services	20,000	20,000	-	(20,000)
Physical services:				
Refuse dumping fees	250,000	250,000	257,273	7,273
Bulky waste fill	35,000	35,000	-	(35,000)
Sewer inspection fees	2,000	2,000	4,002	2,002
Subdivision OT inspection	1,000	1,000	-	(1,000)
Human Services:				
Senior services	77,960	77,960	20,861	(57,099)
Nutrition program	37,500	37,500	162	(37,338)
Community center rentals	85,000	85,000	22,778	(62,222)
Parks and recreation:				
Program fees	160,083	160,083	95,768	(64,315)
Public safety:				
Public safety - police	76,000	76,000	88,083	12,083
Fire watch services	5,320	5,320	724	(4,596)
Health soil tests	3,500	3,500	1,250	(2,250)
Library:				
Library fines	40,000	40,000	2,496	(37,504)
Notary services	2,000	2,000	25	(1,975)
Passport Processing	15,000	15,000	35	(14,965)
Total charges for services	1,637,663	1,637,663	1,798,687	161,024

(Continued)

**General Fund Revenues and Other Financing Sources - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Investment income:				
Unrealized (gain) loss	\$ -	\$ -	\$ (94,400)	\$ (94,400)
Investment income	838,000	838,000	218,003	(619,997)
Total investment income	838,000	838,000	123,603	(714,397)
Other revenues:				
Land rentals	169,932	169,932	131,964	(37,968)
Insurance claims reimbursed	40,000	40,000	28,098	(11,902)
Health insurance reimbursements	-	-	26,838	26,838
ICMA Administrative Allowance	-	-	30,783	30,783
Attorney fees reimbursed	25,000	25,000	35,295	10,295
Auction sales	23,950	23,950	1,576	(22,374)
Miscellaneous	32,500	32,500	1,018,130	985,630
Purchasing card rebates	18,000	18,000	7,266	(10,734)
Probate Court Reimbursement	2,480	2,480	2,480	-
Education:				
Student activities	200	200	460	260
Vo-Ag tuition	365,989	365,989	261,524	(104,465)
Physical services:				
Sales	3,500	3,500	1,296	(2,204)
Refuse recycling sales	35,050	35,050	84,093	49,043
Utilities reimbursed	2,500	2,500	3,619	1,119
Human services:				
YFSB programs	33,400	33,400	3,065	(30,335)
Clinical fees	750	750	-	(750)
Library:				
Trustee account	40,000	40,000	48,234	8,234
Miscellaneous	16,000	16,000	1,148	(14,852)
Total other revenues	809,251	809,251	1,685,869	876,618
Total revenues	169,456,149	170,870,967	172,164,787	1,293,820
Other financing sources:				
Transfers in:				
Use of fund balance	975,000	975,000	-	(975,000)
Total other financing sources (uses)	975,000	975,000	-	(975,000)
Total	\$ 170,431,149	\$ 171,845,967	172,164,787	\$ 318,820

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf contributions to the Connecticut State

Teachers' Retirement / Health System for Town teachers are not budgeted

14,677,711

Total revenues and operating transfers out as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds - Exhibit V

\$ 186,842,498

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General government:				
Town council:				
Wages - part-time	\$ 15,000	\$ 15,000	\$ 11,864	\$ 3,136
Office supplies	4,000	4,000	13	3,987
Operating supplies	3,000	2,000	679	1,321
Training and dues	675	675	393	282
Contributory grants	70,976	70,976	65,858	5,118
Pensions	1,156	1,156	908	248
Data processing	200	200	-	200
Legal/advertising	6,500	6,500	737	5,763
Printing/reproduction	5,000	10,000	9,722	278
Professional services	35,000	39,500	37,678	1,822
Total town council	141,507	150,007	127,852	22,155
Town manager:				
Wages - full-time	357,952	364,688	364,688	-
Wages - part-time	-	953	953	-
Wages - other	10,000	9,047	3,410	5,637
Office supplies	7,065	6,665	6,280	385
Operating supplies	2,500	2,500	-	2,500
Training and dues	7,860	7,860	2,423	5,437
Employee related insurance	74,637	74,637	74,636	1
Pension	110,238	110,238	110,029	209
Technology use charges	10,331	17,531	14,114	3,417
Vehicle maintenance	1,778	1,778	825	953
Equipment maintenance	800	800	-	800
Legal/advertising	8,000	6,800	-	6,800
Printing/reproduction	15,000	10,000	4,958	5,042
Professional services	32,000	28,489	16,100	12,389
Office equipment and furniture	-	400	400	-
Machinery & Equipment	-	151,200	106,086	45,114
Total town manager	638,161	793,586	704,902	88,684
Human resources:				
Wages - full-time	267,535	267,535	267,459	76
Wages - part-time	55,810	56,509	56,508	1
Wages - other	5,000	5,000	526	4,474
Office supplies	7,900	7,201	4,033	3,168
Training and dues	11,100	11,100	6,933	4,167
Employee related insurance	54,033	54,033	54,029	4
Pension	66,578	66,766	66,202	564
Data processing	26,227	26,677	26,640	37
Technology use charges	3,692	3,692	3,319	373
Equipment maintenance	500	500	-	500
Legal/advertising	13,000	13,000	558	12,442
Printing/reproduction	1,000	1,000	242	758
Professional services	23,500	23,500	14,340	9,160
Programs	45,050	44,412	41,438	2,974
Recruitment	32,000	32,000	12,233	19,767
Office equipment and furniture	-	-	-	-
Total human resources	612,925	612,925	554,460	58,465

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General government (continued):				
Facilities maintenance:				
Wages - full-time	\$ 802,363	\$ 802,363	\$ 800,987	\$ 1,376
Wages - part-time	175,090	137,078	125,913	11,165
Wages - other	60,000	44,905	40,321	4,584
Office supplies	4,800	4,800	4,672	128
Operating supplies	8,900	23,995	23,994	1
Training and dues	5,400	6,045	6,045	-
Contractual services	4,000	7,030	3,990	3,040
Employee related insurance	274,903	274,903	274,838	65
Pension	300,856	300,856	298,537	2,319
Data processing	7,054	7,310	7,309	1
Technology use charges	1,886	1,886	1,826	60
Vehicle maintenance	9,290	9,290	8,260	1,030
Equipment maintenance	3,000	1,300	1,232	68
Facilities maintenance	140,510	151,707	138,014	13,693
Printing/reproduction	350	350	-	350
Uniforms	10,000	10,000	8,785	1,215
Utilities/communication	145,360	169,194	169,194	-
Office equipment and furniture	-	30,915	14,270	16,645
Improvements - land and buildings	7,500	8,250	7,784	466
Total facilities maintenance	1,961,262	1,992,177	1,935,971	56,206
Total general government	3,353,855	3,548,695	3,323,185	225,510
Community development:				
Community development:				
Wages - full-time	361,147	360,415	337,889	22,526
Wages - part-time	42,113	42,720	42,719	1
Wages - other	-	125	125	-
Office supplies	3,950	3,950	2,907	1,043
Training and dues	5,700	3,850	3,544	306
Employee related insurance	84,835	84,835	84,828	7
Pension	94,437	94,437	91,536	2,901
Data processing	400	4,250	3,850	400
Technology use charges	1,471	1,471	1,084	387
Vehicle maintenance	1,305	1,305	755	550
Legal/advertising	3,700	1,700	301	1,399
Professional services	1,300	1,300	1,300	-
Office equipment and furniture	-	61,200	-	61,200
Total community development	600,358	661,558	570,838	90,720

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community development (continued):				
Building inspection:				
Wages - full-time	\$ 321,894	\$ 321,894	\$ 311,484	\$ 10,410
Wages - part-time	2,500	3,401	3,400	1
Office supplies	6,920	5,591	4,592	999
Training and dues	3,500	3,500	540	2,960
Employee related insurance	91,501	91,501	91,500	1
Pension	100,356	100,356	98,916	1,440
Data processing	17,473	17,473	10,051	7,422
Technology use charge	1,559	1,559	1,517	42
Vehicle maintenance	2,016	2,444	2,443	1
Legal/advertising	2,600	2,600	817	1,783
Printing/reproduction	1,000	1,000	302	698
Uniforms	1,000	1,000	405	595
Office equip/furniture	2,360	35,535	1,898	33,637
Total building inspection	554,679	587,854	527,865	59,989
Fire marshal:				
Wages - full-time	187,036	187,224	187,224	-
Wages - part-time	29,010	7,429	-	7,429
Wages - other	8,500	8,500	6,582	1,918
Office supplies	3,100	3,100	1,556	1,544
Operating supplies	1,500	1,500	1,456	44
Training and dues	2,650	2,650	2,086	564
Employee related insurance	47,062	47,255	47,254	1
Pension	89,525	89,525	87,087	2,438
Technology use charge	822	822	798	24
Vehicle maintenance	3,050	3,050	2,523	527
Equipment maintenance	300	300	-	300
Uniforms	2,000	2,000	1,892	108
Utilities/communication	1,350	1,350	1,343	7
Total fire marshal	375,905	354,705	339,801	14,904
Health:				
Wages - full-time	427,354	381,362	365,558	15,804
Wages - part-time	44,961	49,453	49,453	-
Office supplies	3,750	3,750	3,136	614
Operating supplies	1,250	1,250	867	383
Training and dues	2,795	2,795	1,920	875
Employee related insurance	124,627	124,627	124,562	65
Pension	132,075	132,075	128,287	3,788
Technology use charge	2,917	2,917	2,839	78
Vehicle maintenance	1,020	1,020	461	559
Equipment maintenance	2,200	2,200	-	2,200

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community development (continued):				
Health (continued):				
Printing/reproduction	\$ 600	\$ 600	\$ 303	\$ 297
Professional services	6,800	6,800	-	6,800
Programs	835	835	-	835
Utilities and communications	450	450	-	450
Office equipment and furniture	3,600	5,100	4,826	274
Total health	755,234	715,234	682,212	33,022
Total community development	2,286,176	2,319,351	2,120,716	198,635
Administrative services:				
Financial Administration:				
Wages - full-time	785,348	769,555	763,762	5,793
Wages - part-time	5,000	8,446	8,446	-
Wages - other	5,000	7,216	7,170	46
Office supplies	8,350	8,350	5,451	2,899
Operating supplies	1,500	5,440	5,439	1
Training and dues	22,080	6,284	4,957	1,327
Contractual services	-	-	-	-
Employee related insurance	179,959	179,184	179,183	1
Pension	228,431	228,551	226,297	2,254
Data processing	178,389	199,748	199,747	1
Technology use charges	34,287	34,262	33,696	566
Equipment maintenance	28,600	23,684	23,027	657
Legal/advertising	6,000	6,000	3,300	2,700
Printing/reproduction	2,500	2,500	968	1,532
Professional services	1,500	1,500	1,420	80
Utilities and communications	1,500	1,683	1,682	1
Office equipment and furniture	175,800	203,490	175,715	27,775
Improvements (Land&Bldg.)	-	48,391	12,628	35,763
Total financial administration	1,664,244	1,734,284	1,652,888	81,396
Accounting:				
Wages - full-time	286,409	269,204	268,791	413
Wages - part-time	8,140	1,140	345	795
Wages - other	5,000	1,829	1,829	-
Office supplies	8,000	8,000	7,444	556
Training and dues	5,100	600	522	78
Contractual services	7,200	7,200	4,812	2,388
Employee related insurance	46,346	54,722	54,721	1
Pension	59,417	59,417	56,194	3,223
Technology use charges	2,233	2,233	1,959	274
Office equipment and furniture	-	1,360	1,155	205
Total accounting	427,845	405,705	397,772	7,933

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative services (continued):				
Property Assessment:				
Wages - full-time	\$ 316,434	\$ 317,979	\$ 317,978	\$ 1
Wages - part-time	32,390	20,991	20,990	1
Wages - other	2,000	2,000	49	1,951
Office supplies	7,100	7,100	7,004	96
Training and dues	6,000	4,354	3,042	1,312
Employee related insurance	98,065	98,065	98,024	41
Pension	131,139	131,139	129,437	1,702
Data processing	21,450	21,450	21,367	83
Technology use charges	1,755	1,755	1,707	48
Printing and reproduction	2,400	2,400	2,032	368
Professional services	12,000	12,000	5,340	6,660
Total property assessment	630,733	619,233	606,970	12,263
Revenue Collection:				
Wages - full-time	272,683	272,683	264,467	8,216
Office supplies	32,270	31,729	29,988	1,741
Training and dues	3,111	3,111	540	2,571
Contractual services	630	1,106	1,106	-
Employee related insurance	51,215	51,215	51,202	13
Pension	94,753	94,753	93,748	1,005
Data processing	9,660	9,725	9,725	-
Technology use charges	2,194	2,194	2,135	59
Equipment maintenance	800	800	465	335
Printing/reproduction	22,300	22,300	20,280	2,020
Total revenue collection	489,616	489,616	473,656	15,960
Town Clerk:				
Wages - full-time	275,332	274,413	273,098	1,315
Wages - part-time	1,500	7,142	7,075	67
Wages - other	4,600	8,465	8,465	-
Office supplies	9,500	21,650	21,416	234
Training and dues	5,800	1,700	1,666	34
Contractual services	7,500	7,500	7,500	-
Employee related insurance	43,044	43,044	43,043	1
Pension	116,520	116,520	116,089	431
Data processing	54,400	111,400	110,884	516
Technology use charges	2,505	2,505	2,438	67
Equipment maintenance	7,370	7,370	7,333	37
Printing/reproduction	5,500	11,988	11,518	470
Professional services	11,700	11,800	11,800	-
Total town clerk	545,271	625,497	622,325	3,172

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative services (continued):				
Voter Registration:				
Wages - part-time	\$ 99,773	\$ 99,773	\$ 95,361	\$ 4,412
Wages - other	30,000	44,936	44,914	22
Office supplies	12,000	13,239	13,239	-
Training and dues	6,100	9,635	8,485	1,150
Pensions	9,993	9,993	7,482	2,511
Technology use charges	1,451	1,451	1,411	40
Equipment maintenance	9,000	9,255	9,255	-
Printing/reproduction	11,550	11,550	9,795	1,755
Machinery and equipment	-	1,270	1,269	1
Total voter registration	179,867	201,102	191,211	9,891
Legal Services:				
Prof. Town Attorney - prior (alternate)	40,000	42,911	42,911	-
Prof. Town Attorney - primary	219,500	230,597	230,597	-
Prof. Town Attorney - labor	40,500	26,492	22,807	3,685
Total legal services	300,000	300,000	296,315	3,685
Probate Court:				
Office supplies	14,000	14,000	10,019	3,981
Operating supplies	6,600	6,600	1,175	5,425
Data processing	3,700	3,700	2,598	1,102
Equipment maintenance	500	500	-	500
Total probate court	24,800	24,800	13,792	11,008
Insurance and pensions:				
Training and dues	2,700	2,700	-	2,700
Casualty insurance	561,502	567,402	567,374	28
Employee related insurance	1,648,589	1,331,589	1,331,531	58
Pensions	17,930	1,345,895	1,345,894	1
Claims, service and retroactive charges	60,000	13,900	13,834	66
Professional services	64,110	46,145	45,990	155
Programs	6,500	6,500	-	6,500
Total insurance and pensions	2,361,331	3,314,131	3,304,623	9,508
Total administrative services	6,623,707	7,714,368	7,559,552	154,816

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Public safety:				
Police:				
Wages - full-time	\$ 7,143,828	\$ 6,919,353	\$ 6,854,006	\$ 65,347
Wages - part-time	32,594	32,594	18,728	13,866
Wages - other	550,000	725,425	725,424	1
Office supplies	14,370	14,370	10,402	3,968
Operating supplies	67,565	67,565	57,536	10,029
Training and dues	59,500	65,500	60,797	4,703
Contractual services	34,960	39,010	36,789	2,221
Employee related insurance	1,582,095	1,582,095	1,582,026	69
Pensions	3,812,952	3,812,952	3,803,086	9,866
Data processing	64,576	64,576	60,664	3,912
Technology use charges	29,396	29,396	27,552	1,844
Vehicle maintenance	128,141	115,519	96,691	18,828
Equipment maintenance	68,703	66,203	57,861	8,342
Facilities maintenance	43,350	45,850	45,825	25
Printing/reproduction	5,680	5,680	4,687	993
Uniforms	94,954	94,954	76,996	17,958
Utilities/communication	103,530	116,152	116,152	-
Office equipment/furniture	75,000	225,000	167,087	57,913
Vehicles and trucks	195,000	273,145	257,917	15,228
Machinery and equipment	50,000	54,329	35,634	18,695
Improvements land and buildings	-	59,564	-	59,564
Total police	14,156,194	14,409,232	14,095,860	313,372
Volunteer ambulance:				
Wage Units	-	456	456	-
Pensions	-	456	456	-
Facilities maintenance	-	4,667	4,667	-
Utilities/communication	-	11,933	11,932	1
Total volunteer ambulance	-	17,512	17,511	1
Fire:				
Wages - full-time	74,487	74,487	49,553	24,934
Wages - part-time	241,052	229,119	228,746	373
Wages - units	210,000	210,000	209,143	857
Wages - other	1,560	1,560	51	1,509
Office supplies	3,550	1,850	1,806	44
Operating supplies	70,911	70,391	58,902	11,489
Training and dues	16,255	16,255	16,251	4
Contractual services	34,545	22,825	22,028	797
Contractual - fire watch	5,320	5,320	1,040	4,280

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Public safety (continued):				
Fire (continued):				
Employee related insurance	\$ 10,290	\$ 10,290	\$ 10,289	\$ 1
Pensions	28,407	40,127	40,126	1
Data processing	8,200	7,924	7,924	-
Technology use charges	1,624	1,624	1,581	43
Vehicle maintenance	77,156	77,156	57,676	19,480
Equipment maintenance	48,140	48,140	39,973	8,167
Facilities maintenance	45,176	40,538	34,925	5,613
Printing/reproduction	250	250	-	250
Uniforms	6,000	6,000	2,379	3,621
Utilities/communication	214,470	214,470	211,188	3,282
Office equipment and furniture	13,700	16,430	16,430	-
Machinery and equipment	102,195	102,195	101,511	684
Improvements-land and buildings	11,000	11,000	9,066	1,934
Total fire	1,224,288	1,207,951	1,120,588	87,363
Civil preparedness:				
Wages - part-time	22,000	22,000	21,380	620
Office supplies	265	265	24	241
Pensions	1,694	1,694	1,636	58
Technology use charges	933	933	907	26
Vehicle maintenance	980	514	514	-
Programs	1,300	1,166	952	214
Utilities/communication	3,960	3,680	3,317	363
Office equipment and furniture	2,600	3,480	3,353	127
Total civil preparedness	33,732	33,732	32,083	1,649
Total public safety	15,414,214	15,668,427	15,266,042	402,385
Physical services:				
Engineering:				
Wages - full-time	955,423	932,380	872,612	59,768
Wages - part-time	5,000	28,043	28,043	-
Wages - other	7,000	8,693	8,692	1
Office supplies	5,000	5,000	2,698	2,302
Operating supplies	4,500	4,500	3,051	1,449
Training and dues	9,000	5,501	5,425	76
Employee related insurance	184,012	184,012	184,011	1
Pensions	326,759	326,759	305,926	20,833
Data processing	50,500	50,500	39,559	10,941
Technology use charges	3,529	3,529	2,811	718
Vehicle maintenance	6,128	7,934	7,934	-
Equipment maintenance	8,700	8,700	5,263	3,437
Printing/reproduction	700	700	521	179
Professional services	17,000	17,000	11,552	5,448
Uniforms	1,200	1,200	1,164	36
Office equipment and furniture	8,620	11,420	8,887	2,533
Vehicles and trucks	20,000	17,200	10,147	7,053
Total engineering	1,613,071	1,613,071	1,498,296	114,775

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical services (continued):				
Highway:				
Wages - full-time	\$ 1,580,851	\$ 1,519,676	\$ 1,519,676	\$ -
Wages - part-time	31,380	36,229	36,229	-
Wages - other	250,000	268,206	268,206	-
Drainage materials	54,700	46,460	46,459	1
Grounds/roadside material	29,000	29,000	28,407	593
Highway materials	140,000	102,000	102,000	-
Office supplies	2,690	2,690	1,972	718
Operating supplies	19,020	19,020	13,702	5,318
Snow and ice materials	350,000	350,000	339,145	10,855
Traffic control supplies	40,000	40,000	37,108	2,892
Training and dues	6,000	6,000	440	5,560
Contractual service	241,000	230,339	229,179	1,160
Employee related insurance	434,923	434,923	434,892	31
Pensions	683,429	683,429	677,044	6,385
Technology use charges	2,077	2,077	2,020	57
Vehicle maintenance	234,768	361,354	361,353	1
Equipment maintenance	3,200	3,200	1,011	2,189
Printing/reproduction	750	750	-	750
Uniforms	12,750	12,750	10,081	2,669
Utilities/communication	187,300	155,735	155,734	1
Office equipment and furniture	2,750	3,650	3,287	363
Vehicles and trucks	190,000	189,100	179,167	9,933
Machinery and equipment	63,000	63,000	60,064	2,936
Total highway	4,559,588	4,559,588	4,507,176	52,412
Fleet maintenance:				
Wages - full-time	436,568	436,568	398,113	38,455
Wages - part-time	96,000	96,453	96,452	1
Wages - other	35,000	32,228	32,228	-
Office supplies	1,460	1,460	507	953
Operating supplies	7,225	4,986	4,422	564
Training and dues	3,475	3,475	-	3,475
Contractual services	225,675	225,675	170,380	55,295
Employee related insurance	131,535	131,535	131,526	9
Pensions	232,629	232,629	231,045	1,584
Data processing	7,450	7,450	3,773	3,677
Technology use charges	1,018	1,018	990	28
Vehicle maintenance	8,697	13,061	13,060	1
Equipment maintenance	9,000	9,000	8,490	510
Facilities maintenance	19,350	19,350	12,057	7,293
Printing/reproduction	500	500	456	44
Uniforms	6,700	6,700	5,082	1,618

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical services (continued):				
Fleet Maintenance (continued):				
Utilities/communication	\$ 48,190	\$ 48,190	\$ 33,013	\$ 15,177
Office equipment and furniture	5,500	5,698	5,694	4
Vehicles & trucks	12,000	12,000	9,430	2,570
Total fleet maintenance	1,287,972	1,287,976	1,156,718	131,258
Total physical services	7,460,631	7,460,635	7,162,190	298,445
Sanitation:				
Refuse disposal:				
Wages - full-time	157,697	158,596	158,595	1
Wages - part-time	166,765	164,008	164,007	1
Wages - other	7,650	10,741	10,741	-
Office supplies	1,580	1,580	1,387	193
Operating supplies	1,800	496	496	-
Repair and maintenance supplies	500	500	283	217
Training and dues	700	700	176	524
Contractual services	332,180	340,379	340,379	-
Employee related insurance	53,994	53,994	53,967	27
Pension	118,397	118,397	117,823	574
Data processing	2,000	-	-	-
Technology use charges	963	963	937	26
Vehicle maintenance	37,556	37,556	37,453	103
Equipment maintenance	6,000	4,422	4,186	236
Facilities maintenance	5,925	6,270	6,270	-
Printing/reproduction	2,700	3,425	3,135	290
Uniforms	4,600	4,600	3,698	902
Utilities/communication	8,750	8,750	7,754	996
Office equipment and furniture	22,600	21,897	1,274	20,623
Machinery and equipment	24,000	24,000	-	24,000
Improvements-land and building	40,000	35,808	35,808	-
Total refuse disposal	996,357	997,082	948,369	48,713
Total sanitation	996,357	997,082	948,369	48,713
Human services:				
Contributory grants	32,577	32,577	32,577	-
Youth and family services:				
Wages - full-time	823,650	823,650	713,066	110,584
Wages - part-time	135,000	128,150	43,194	84,956
Office supplies	9,500	9,500	6,232	3,268

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Human services (continued):				
Operating supplies	\$ 750	\$ 750	\$ 541	\$ 209
Training and dues	9,500	9,500	3,008	6,492
Employee related insurance	189,124	189,124	189,090	34
Pensions	284,893	284,893	268,833	16,060
Data processing	-	4,900	4,828	72
Technology use charges	5,551	5,551	5,399	152
Vehicle maintenance	2,055	2,055	1,996	59
Equipment maintenance	1,400	1,400	-	1,400
Facilities maintenance	8,600	8,600	7,638	962
Printing/reproduction	1,500	1,500	395	1,105
Professional services	8,400	8,400	4,950	3,450
Programs	49,000	49,000	31,190	17,810
Utilities/communications	14,530	14,530	14,322	208
Office equipment and furniture	9,650	11,600	11,526	74
Total youth and family services	1,553,103	1,553,103	# 1,306,208	# 246,895
Senior and community services:				
Wages - full-time	422,896	469,201	469,200	1
Wages - part-time	363,640	315,175	137,315	177,860
Wages - other	2,000	2,000	-	2,000
Office supplies	17,000	14,757	7,053	7,704
Training and dues	6,250	6,250	661	5,589
Employee related insurance	143,142	143,142	143,141	1
Pensions	195,068	195,068	180,624	14,444
Data processing	5,907	5,907	2,077	3,830
Technology use charges	5,906	5,906	5,745	161
Vehicle maintenance	36,194	36,194	4,394	31,800
Equipment maintenance	12,000	12,000	1,423	10,577
Facilities maintenance	25,550	25,550	14,057	11,493
Printing/reproduction	2,800	2,800	-	2,800
Professional services	-	15	14	1
Programs	114,100	114,100	29,190	84,910
Utilities/communications	88,600	90,828	90,827	1
Office equipment and furniture	24,200	28,760	16,183	12,577
Vehicles & Trucks	-	36,000	35,914	86
Total senior services	1,465,253	1,503,653	1,137,818	365,835
Total human services	3,050,933	3,089,333	2,476,603	612,730

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Leisure/culture:				
Parks and recreation:				
Wages - full-time	\$ 1,601,024	\$ 1,601,024	\$ 1,568,172	\$ 32,852
Wages - part-time	432,376	361,184	260,058	101,126
Wages - other	80,000	80,000	72,878	7,122
Grounds/roadside materials	101,900	101,900	100,014	1,886
Office supplies	11,500	11,500	6,579	4,921
Operating supplies	850	4,240	4,240	-
Repair and maintenance supplies	50,000	50,000	46,985	3,015
Training and dues	9,750	9,750	5,418	4,332
Contractual services	148,200	157,116	151,326	5,790
Employee related insurance	357,033	357,033	356,878	155
Pensions	662,273	662,273	644,543	17,730
Data processing	18,450	18,450	16,222	2,228
Technology use charges	7,805	7,805	7,616	189
Vehicle maintenance	109,258	110,455	110,454	1
Equipment maintenance	500	500	-	500
Facilities maintenance	10,850	10,850	7,948	2,902
Legal / advertising	1,000	1,000	908	92
Printing/reproduction	1,200	1,200	-	1,200
Programs	25,050	22,800	15,797	7,003
Uniforms	15,448	15,448	12,385	3,063
Utilities/communication	156,200	210,392	210,392	-
Office equipment and furniture	3,900	3,900	3,873	27
Vehicles & Trucks	113,750	230,850	100,100	130,750
Machinery and equipment	-	5,949	5,949	-
Improvements - land and buildings	32,500	44,397	31,822	12,575
Total parks and recreation	3,950,817	4,080,016	3,740,557	339,459
Welles-Turner Library:				
Wages - full-time	688,646	692,925	692,925	-
Wages - part-time	248,000	242,021	80,617	161,404
Wages - other	1,000	1,000	-	1,000
Office supplies	13,200	13,200	7,408	5,792
Operating supplies	9,000	9,000	5,293	3,707
Training and dues	3,540	3,540	1,798	1,742
Books/media	270,000	269,540	236,535	33,005
Contractual services	-	460	459	1
Employee related insurance	155,958	155,958	155,957	1
Pensions	223,190	223,190	208,821	14,369
Data processing	81,527	81,527	71,543	9,984
Technology use charges	9,768	9,768	9,501	267
Equipment maintenance	2,900	2,900	-	2,900
Facilities maintenance	24,485	24,485	15,464	9,021
Printing/reproduction	2,500	2,500	50	2,450
Programs	12,500	12,500	9,037	3,463
Utilities/communication	74,900	74,900	70,789	4,111
Office equipment and furniture	22,500	24,200	22,014	2,186
Total Welles-Turner Library	1,843,614	1,843,614	1,588,211	255,403

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Leisure/culture (continued):				
South Glastonbury Library:				
Contributory grants	\$ 7,500	\$ 7,500	\$ 7,500	\$ -
East Glastonbury Library:				
Contributory grants	7,500	7,500	7,500	-
Total leisure/culture	5,809,431	5,938,630	5,343,768	594,862
Debt service:				
General Town	3,064,063	3,090,563	3,090,553	10
Education	3,513,493	3,510,993	3,510,921	72
Sewers	175,000	-	-	-
Temporary notes	264,243	77,243	77,148	95
Administrative costs	60,000	43,500	43,473	27
Total debt service	7,076,799	6,722,299	6,722,095	204
Board of Education:				
Instruction:				
Art	1,238,241	1,207,341	1,231,955	(24,614)
Basic Education	15,703,806	15,272,966	15,170,964	102,002
Language Arts	4,370,635	4,422,042	4,432,499	(10,457)
Mathematics	2,765,611	2,768,718	2,776,196	(7,478)
Science	3,644,036	3,533,783	3,561,671	(27,888)
History/Social Science	2,355,012	2,342,752	2,340,502	2,250
Career/Vocational Education	1,668,487	1,605,119	1,631,297	(26,178)
P.A.C.E.	604,257	602,257	601,190	1,067
Foreign Languages & ELL	4,516,924	4,425,921	4,431,591	(5,670)
Health/physical education	2,096,400	2,089,358	2,103,146	(13,788)
Music	1,800,281	1,803,614	1,801,478	2,136
Special Education	14,686,863	15,448,396	14,858,150	590,246
Agriscience & Technology	318,850	314,650	310,929	3,721
Total instruction	55,769,403	55,836,917	55,251,568	585,349
Special services/instruction:				
School Counseling	3,620,715	3,579,602	3,549,215	30,387
Health Services	806,762	804,925	741,737	63,188
Libraries/Media Centers	1,233,698	1,152,661	1,150,327	2,334
Program and Staff Development	602,500	535,500	534,430	1,070
Athletics and Clubs	1,920,558	1,789,363	1,656,329	133,034

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -
Budget and Actual (Continued)
For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Board of Education (continued):				
Special services/instruction (continued):				
Elementary Administration	\$ 2,335,652	\$ 2,314,869	\$ 2,312,179	\$ 2,690
Secondary Administration	2,722,592	2,738,230	2,752,740	(14,510)
Systemwide Support Services	3,290,567	3,919,606	3,887,478	32,128
Technology Support Services	3,812,759	3,854,484	3,847,246	7,238
Total special services/instruction	20,345,803	20,689,240	20,431,681	257,559
Support services/operations:				
Operations/Maintenance	6,848,273	7,338,501	8,095,955	(757,454)
Utilities	2,497,354	2,497,354	2,119,244	378,110
Pupil Transportation	3,829,096	3,688,398	3,690,717	(2,319)
Total support services/operations	13,174,723	13,524,253	13,905,916	(381,663)
Community services:				
Community services	367,422	213,554	229,653	(16,099)
Fringe benefits	22,096,695	22,904,900	22,493,904	410,996
Unexpended education fund	-	1,513,756	-	1,513,756
Total Board of Education	111,754,046	114,682,620	112,312,722	2,369,898
Total expenditures	163,826,149	168,141,440	# 163,235,242	# 4,906,198
Other financing uses:				
Transfers out:				
Capital Reserve fund	5,750,000	5,929,500	5,929,500	-
Dog Fund	45,000	45,000	45,000	-
Contingency	-	-	-	-
Capital Projects Fund	-	550,000	550,000	-
OPEB trust fund	810,000	810,000	772,346	37,654
Sewer operating fund	-	175,000	175,000	-
Other Funds	-	147,200	147,200	-
Total operating transfers out	6,605,000	7,656,700	7,619,046	37,654
Total expenditures and other financing uses	\$ 170,431,149	\$ 175,798,140	\$ 170,854,288	\$ 4,943,852
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement / Health System for Town teachers are not budgeted			\$ 14,677,711	
Debt issuance costs			101,848	
Total expenditures and other financing uses as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds - Exhibit IV			<u>\$ 185,633,847</u>	

Nonmajor Governmental Funds

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds account for and report the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or committed by the highest level of administrative action to expenditures for specified purposes other than debt service or capital outlay.

Sewer Operating Fund: To account for the operations of the Water Pollution treatment plant. Sewer use fees are set by the Water Pollution Control Authority. Proceeds are used to operate and maintain the facility and pay debt service for Clean Water Fund loans.

Dog Fund: To account for the operation of animal control. Financing is provided by license fees, fines and a state grant.

Grants and Contracts Fund: To account for certain state, federal or private grants that are restricted to use for specified programs or activities.

Police Forfeited Property: To account for the proceeds of property confiscated by the Town's Police Department. Such property confiscation is pursuant to 21 USC 88 of the Federal Comprehensive Drug Abuse Prevention and Control Act of 1970.

Special Gifts/Grants Fund: To account for gifts from the public designated for specific purposes.

Historic Documents/Preservation: To account for the portion of property recording fees designated for use by the Town Clerk.

School Cafeteria Fund: To account for the operation of the public school lunch program. Funding is provided from the sale of food, federal and state grants, and USDA food donations.

Education Grants Fund: To account for state and federal educational grants received through the State Department of Education.

Library Funds: To account for monies received from private donors for the acquisition of books, materials and other related library services.

Connecticard: To account for monies provided by the State as reimbursement for excess borrowing of books by citizens of other municipalities.

Police Private Duty: To account for revenues and expenditures related to services provided by the police department on a contractual basis.

Camp Sunrise: To account for a summer day camp program designed to meet the special needs of both physically and emotionally handicapped children. Financing is provided by state grant, tuition and private donations.

Recreation Activities: To account for program activities administered by the Parks and Recreation Department that are funded by participation fees.

Insurance Reserve Fund: To account for monies in reserve for insurance purposes.

Riverfront Park Operations Fund: To account for the operation of Riverfront Park facilities, including the boathouse, boat storage and boat launch. Operations are funded by usage fees.

Planetarium: To account for the operation of the planetarium at the Glastonbury I East Hartford Magnet School, which is funded by participation fees.

Student Groups: To account for program activities administered by the Education Department.

Nonmajor Governmental Funds

Capital Projects Funds

These funds account for financial resources to be used for the acquisition or construction of major capital facilities. The projects are authorized by the Town Council, Board of Finance and citizen referendum pursuant to the "Criteria for the Capital Improvement Program." This program is funded by a combination of debt, Capital and Nonrecurring Expenditures Fund (CNR), Sewer Assessment Fund and grant revenues. The Town adopted criteria that established a continuing appropriation of tax funding into the CNR Fund.

Minnechaug Golf: To account for costs of maintaining the Town owned golf course. Revenues are generated through lease payments from the contracted administrator and expenditures are for course maintenance and improvement.

Town Aid: To account for improvement to existing Town roads. Funding is provided through a state grant program.

Sewer Sinking Projects: To account for various projects funded by the Special Assessments Fund.

Gateway Project: To account for costs associated with the Gateway Project.

Riverfront Park: To account for the costs of construction and equipment for a public park along the Connecticut River.

Capital NonRecurring Expenditures Fund: To account for funds set aside for future capital improvements.

Land Acquisition: To account for various land acquisitions.

Library Renovation Fund: To account for the costs of Welles Turner Library Renovation project.

Bulky Waste Closure Fund: To build a reserve for future closure costs of the Bulky Waste Landfill.

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**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021**

	Special Revenue				
	Sewer Operating Fund	Dog Fund	Grants and Contracts	Police Forfeited Property	Special Gifts/ Grants Fund
Assets					
Cash and cash equivalents	\$ 2,817,434	\$ 61,372	\$ 14,499	\$ 208,379	\$ 389,350
Receivables	39,253	-	16,309	-	-
Inventory	-	-	-	-	-
Investments	575,404	12,534	2,961	-	79,517
Other assets	-	-	-	-	-
Total assets	\$ 3,432,091	\$ 73,906	\$ 33,769	\$ 208,379	\$ 468,867
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities:					
Accounts and other payables	\$ 99,024	\$ 14,343	\$ 1,938	\$ -	\$ 12,998
Due to other funds	-	-	-	-	-
Bond anticipation notes payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	99,024	14,343	1,938	-	12,998
Deferred inflows of resources:					
Unavailable revenue - special assessments	13,791	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
Total deferred inflows of resources	13,791	-	-	-	-
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	59,563	31,831	208,379	455,869
Committed	3,319,276	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances(deficits)	3,319,276	59,563	31,831	208,379	455,869
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 3,432,091	\$ 73,906	\$ 33,769	\$ 208,379	\$ 468,867

Exhibit B-1

Special Revenue							
Historic Documents/ Preservation	School Cafeteria Fund	Education Grants Fund	Library Funds	Connecticard	Police Private Duty	Camp Sunrise	
\$ 53,666	\$ 201,834	\$ 70,722	\$ 71,150	\$ 15,220	\$ 412,206	\$ 15,348	
-	291,475	68,500	-	-	83,827	-	
-	37,683	-	-	-	-	-	
10,960	-	-	14,531	3,108	84,185	3,114	
-	-	-	-	-	-	-	
<u>\$ 64,626</u>	<u>\$ 530,992</u>	<u>\$ 139,222</u>	<u>\$ 85,681</u>	<u>\$ 18,328</u>	<u>\$ 580,218</u>	<u>\$ 18,462</u>	
\$ -	\$ -	\$ 26,646	\$ 297	\$ -	\$ 13,602	\$ 12,505	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	55,409	-	-	-	-	
-	-	<u>82,055</u>	<u>297</u>	-	<u>13,602</u>	<u>12,505</u>	
-	-	-	-	-	-	-	
-	-	57,166	-	-	16,063	-	
-	-	<u>57,166</u>	-	-	<u>16,063</u>	-	
-	37,683	-	8,527	-	-	-	
64,626	493,309	1	76,857	18,328	-	-	
-	-	-	-	-	550,553	5,957	
-	-	-	-	-	-	-	
<u>64,626</u>	<u>530,992</u>	<u>1</u>	<u>85,384</u>	<u>18,328</u>	<u>550,553</u>	<u>5,957</u>	
<u>\$ 64,626</u>	<u>\$ 530,992</u>	<u>\$ 139,222</u>	<u>\$ 85,681</u>	<u>\$ 18,328</u>	<u>\$ 580,218</u>	<u>\$ 18,462</u>	

(Continued)

Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue				
	Recreation Activities	Insurance Reserve Fund	Riverfront Park Operation	Planetarium Fund	Student Groups
Assets					
Cash and cash equivalents	\$ 856,262	\$ 619,727	\$ 179,845	\$ 81,613	\$ 313,187
Receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Investments	174,875	126,567	36,730	-	-
Other assets	1,377	-	-	-	-
Total assets	\$ 1,032,514	\$ 746,294	\$ 216,575	\$ 81,613	\$ 313,187
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					
Liabilities:					
Accounts and other payables	\$ 114,387	\$ -	\$ 72,803	\$ -	\$ -
Due to other funds	-	-	-	-	-
Bond anticipation notes payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	114,387	-	72,803	-	-
Deferred inflows of resources:					
Unavailable revenue - special assessments	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund balances:					
Nonspendable	1,377	-	-	-	-
Restricted	-	-	-	-	313,187
Committed	916,750	746,294	143,772	81,613	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	918,127	746,294	143,772	81,613	313,187
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 1,032,514	\$ 746,294	\$ 216,575	\$ 81,613	\$ 313,187

Exhibit B-1

Capital Projects										
Minnechaug		Sewer	Gateway	Riverfront	Capital and	Land	Library	Bulky		
Golf		Sinking	Project	Park	Nonrecurring	Acquisition	Renovations	Waste		
Fund	Town Aid	Projects			Expenditures			Closure Fund	Eliminations	Totals
\$ 182,612	\$ 372,671	\$ 325,068	\$ 39,579	\$ 21,938	\$ (454,441)	\$ 33,828	\$ 2,871,471	\$ 159,421	\$ -	\$ 9,933,961
-	-	-	-	-	1,054,239	-	-	-	-	1,553,603
-	-	-	-	-	-	-	-	-	-	37,683
37,295	76,110	66,389	8,083	4,481	-	6,909	586,440	32,558	-	1,942,751
-	-	-	-	-	-	-	-	-	-	1,377
\$ 219,907	\$ 448,781	\$ 391,457	\$ 47,662	\$ 26,419	\$ 599,798	\$ 40,737	\$ 3,457,911	\$ 191,979	\$ -	\$ 13,469,375
\$ 8,689	\$ 1,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,539	\$ -	\$ -	\$ 679,491
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	682,404	-	-	-	-	737,813
8,689	1,720	-	-	-	682,404	-	300,539	-	-	1,417,304
-	-	-	-	-	-	-	-	-	-	13,791
-	-	-	-	-	-	-	-	-	-	73,229
-	-	-	-	-	-	-	-	-	-	87,020
-	-	-	-	-	-	-	-	-	-	47,587
-	447,061	-	-	26,419	-	-	3,157,372	-	-	5,352,802
211,218	-	391,457	47,662	-	-	40,737	-	191,979	-	6,647,268
-	-	-	-	-	(82,606)	-	-	-	-	(82,606)
211,218	447,061	391,457	47,662	26,419	(82,606)	40,737	3,157,372	191,979	-	11,965,051
\$ 219,907	\$ 448,781	\$ 391,457	\$ 47,662	\$ 26,419	\$ 599,798	\$ 40,737	\$ 3,457,911	\$ 191,979	\$ -	\$ 13,469,375

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021**

	Special Revenue				
	Sewer Operating Fund	Dog Fund	Grants and Contracts	Police Forfeited Property	Special Gifts/ Grants Fund
Revenues:					
Intergovernmental	\$ 16,960	\$ -	\$ 69,107	\$ -	\$ -
Charges for services	2,751,370	20,591	-	-	-
Investment income	10,863	250	-	-	-
Other revenues	5,915	2,775	-	18,841	252,664
Total revenues	2,785,108	23,616	69,107	18,841	252,664
Expenditures:					
Administrative services	-	-	-	-	158,169
Public safety	-	54,288	39,629	52,823	-
Physical services	-	-	4,753	-	-
Sanitation	1,891,023	-	-	-	-
Leisure/culture	-	-	-	-	-
Education	-	-	-	-	-
Debt service:					
Principal	389,322	-	-	-	-
Interest and other charges	690,249	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	2,970,594	54,288	44,382	52,823	158,169
Revenues over (under) expenditures	(185,486)	(30,672)	24,725	(33,982)	94,495
Other financing sources (uses):					
Issuance of bonds	-	-	-	-	-
Premium on bonds	-	-	-	-	-
Transfers in	308,815	45,000	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	308,815	45,000	-	-	-
Net change in fund balances (deficits)	123,329	14,328	24,725	(33,982)	94,495
Fund balance (deficit), beginning of year, as restated	3,195,947	45,235	7,106	242,361	361,374
Fund balance (deficit), end of year	\$ 3,319,276	\$ 59,563	\$ 31,831	\$ 208,379	\$ 455,869

Exhibit B-2

Special Revenue						
Historic Documents/ Preservation	School Cafeteria Fund	Education Grants Fund	Library Funds	Connecticard	Police Private Duty	Camp Sunrise
\$ -	\$ 1,466,801	\$ 2,484,452	\$ -	\$ 2,837	\$ -	\$ 10,725
30,339	46,790	-	-	-	544,314	49,051
-	-	-	293	54	-	(17)
-	115,190	-	-	-	-	396
30,339	1,628,781	2,484,452	293	2,891	544,314	60,155
29,213	-	-	-	-	-	-
-	-	-	-	-	575,520	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	9,371	-	-	51,689
-	1,542,244	2,489,623	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
29,213	1,542,244	2,489,623	9,371	-	575,520	51,689
1,126	86,537	(5,171)	(9,078)	2,891	(31,206)	8,466
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,126	86,537	(5,171)	(9,078)	2,891	(31,206)	8,466
63,500	444,455	5,172	94,462	15,437	581,759	(2,509)
\$ 64,626	\$ 530,992	\$ 1	\$ 85,384	\$ 18,328	\$ 550,553	\$ 5,957

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021**

	Special Revenue				
	Recreation Activities	Insurance Reserve Fund	Riverfront Park Operation	Planetarium Fund	Student Groups
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	814,402	-	137,784	1,050	759,564
Investment income	-	2,288	722	-	-
Other revenues	-	-	4,563	-	-
Total revenues	814,402	2,288	143,069	1,050	759,564
Expenditures:					
Administrative services	-	-	-	-	-
Public safety	-	-	-	-	-
Physical services	-	-	-	-	-
Sanitation	-	-	-	-	-
Leisure/culture	597,153	-	260,130	-	-
Education	-	-	-	1,908	653,430
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	597,153	-	260,130	1,908	653,430
Revenues over (under) expenditures	217,249	2,288	(117,061)	(858)	106,134
Other financing sources (uses):					
Issuance of bonds	-	-	-	-	-
Premium on bonds	-	-	-	-	-
Transfers in	-	47,200	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	47,200	-	-	-
Net change in fund balances(deficits)	217,249	49,488	(117,061)	(858)	106,134
Fund balance (deficit), beginning of year, as restated	700,878	696,806	260,833	82,471	207,053
Fund balance (deficit), end of year	\$ 918,127	\$ 746,294	\$ 143,772	\$ 81,613	\$ 313,187

Exhibit B-2

Capital Projects										
Minnechaug		Sewer	Gateway	Riverfront	Capital and	Land	Library	Bulky		
Golf		Sinking	Project	Park	Nonrecurring	Acquisition	Renovations	Waste	Eliminations	Totals
Fund	Town Aid	Projects			Fund			Closure Fund		
\$ -	\$ 460,882	\$ -	\$ -	\$ -	\$ 1,889,044	\$ -	\$ -	-	\$ -	\$ 6,400,808
26,345	-	-	-	-	-	-	-	41,493	-	5,223,093
716	1,529	-	156	86	35,415	2,141	11,361	486	-	66,343
-	-	-	-	-	152,081	-	1,100,000	-	-	1,652,425
27,061	462,411	-	156	86	2,076,540	2,141	1,111,361	41,979	-	\$ 13,342,669
-	-	-	-	-	-	-	-	-	-	187,382
-	-	-	-	-	-	-	62,317	-	-	784,577
-	-	-	-	-	-	-	-	-	-	4,753
-	-	-	-	-	-	-	-	-	-	1,891,023
-	-	-	-	-	-	-	-	-	-	918,343
-	-	-	-	-	-	-	-	-	-	4,687,205
-	-	-	-	-	-	5,990,000	405,000	-	-	6,784,322
-	-	-	-	-	-	-	-	-	-	690,249
19,918	213,438	11,954	-	-	-	617,309	2,281,191	-	-	3,143,810
19,918	213,438	11,954	-	-	-	6,607,309	2,748,508	-	-	19,091,664
7,143	248,973	(11,954)	156	86	2,076,540	(6,605,168)	(1,637,147)	41,979	-	(5,748,995)
-	-	-	-	-	-	5,990,000	4,400,000	-	-	10,390,000
-	-	-	-	-	-	396,319	291,119	-	-	687,438
-	-	-	-	-	5,980,934	-	-	150,000	-	6,531,949
-	-	-	-	-	(7,093,205)	-	-	-	-	(7,093,205)
-	-	-	-	-	(1,112,271)	6,386,319	4,691,119	150,000	-	10,516,182
7,143	248,973	(11,954)	156	86	964,269	(218,849)	3,053,972	191,979	-	4,767,187
204,075	198,088	403,411	47,506	26,333	(1,046,875)	259,586	103,400	-	-	7,197,864
\$ 211,218	\$ 447,061	\$ 391,457	\$ 47,662	\$ 26,419	\$ (82,606)	\$ 40,737	\$ 3,157,372	\$ 191,979	\$ -	\$ 11,965,051

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Fiduciary Funds

Fiduciary Funds

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

Trust Funds:

Trust funds account for the accumulation of resources for retirement benefits and OPEB.

Pension Trust Fund: To account for the accumulation of resources to be used for retirement benefits.

OPEB Trust Fund: To account for the accumulation of resources to be used for OPEB.

Custodial Funds:

Student Activity Fund: To account for monies from various self-funding school activity funds.

Education Dependent Care Fund: To account for dependent care reimbursement accounts maintained for Board of Education employees.

Combining Statement of Fiduciary Net Position - Trust Funds
June 30, 2021

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Assets			
Cash and cash equivalents	\$ 1,526,807	\$ 797,560	\$ 2,324,367
Investments, at fair value:			
Mutual funds	172,582,580	8,587,944	181,170,524
Pooled funds	21,007,005	-	21,007,005
Limited liability corporation	12,333,733	-	12,333,733
Total assets	<u>207,450,125</u>	<u>9,385,504</u>	<u>216,835,629</u>
Net Position			
Restricted for pension and OPEB benefits	<u>\$ 207,450,125</u>	<u>\$ 9,385,504</u>	<u>\$ 216,835,629</u>

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended June 30, 2021**

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Additions:			
Contributions:			
Employer	\$ 10,880,190	\$ 1,743,050	\$ 12,623,240
Employee	2,092,242	-	2,092,242
Total contributions	12,972,432	1,743,050	14,715,482
Investment income:			
Net change in fair value of investments	41,065,539	1,567,951	42,633,490
Interest and dividends	2,857,250	149,111	3,006,361
	43,922,789	1,717,062	45,639,851
Less investment expenses:			
Investment management fees	165,486	-	165,486
Net investment income	43,757,303	1,717,062	45,474,365
Total additions	56,729,735	3,460,112	60,189,847
Deductions:			
Benefit payments	11,107,539	958,954	12,066,493
Administration fees	197,463	3,788	201,251
Total deductions	11,305,002	962,742	12,267,744
Change in net position	45,424,733	2,497,370	47,922,103
Net position:			
Beginning of year	162,025,392	6,888,134	168,913,526
End of year	\$ 207,450,125	\$ 9,385,504	\$ 216,835,629

**Combining Statement of Fiduciary Net Position - Custodial Funds
June 30, 2021**

	Student Activity Fund	Education Dependent Care Fun	Total Custodial Funds
Assets			
Cash and cash equivalents	\$ 1,087,355	\$ 50,558	\$ 1,137,913
Total assets	<u>1,087,355</u>	<u>50,558</u>	<u>1,137,913</u>
Net Position			
Restricted for individuals	<u>\$ 1,087,355</u>	<u>\$ 50,558</u>	<u>\$ 1,137,913</u>

**Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended June 30, 2021**

	Student Activity Fund	Education Dependent Care Fund	Total Custodial Funds
Additions:			
Contributions:			
Classes & clubs, donations and other student activities	\$ 399,467	\$ 82,021	\$ 481,488
Total contributions	399,467	82,021	481,488
Deductions:			
Materials, supplies and other expenses	467,101	80,624	547,725
Total deductions	467,101	80,624	547,725
Changes in net position	(67,634)	1,397	(66,237)
Net position:			
Beginning of year, as restated (See Note 1)	1,154,989	49,161	1,204,150
End of year	\$ 1,087,355	\$ 50,558	\$ 1,137,913

Other Schedules

Town of Glastonbury, Connecticut

Schedule 1

Schedule of Report of Tax Collector
For the Year Ended June 30, 2021

Grand List	Due Date	Uncollected Taxes	Lawful Corrections		Transfers to Suspense	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2021
		July 1, 2020	Additions	Deductions			Taxes Paid	Interest	Lien Fees	Total	
10/1/19	7/1/20	\$158,262,045	\$181,118	\$587,390	\$ -	\$157,855,773	\$157,053,137	\$259,587	\$ 936	\$157,313,660	\$ 802,636
10/1/18	7/1/19	906,371	25,028	126,773	170,138	634,488	534,538	117,504	2,358	654,400	99,950
10/1/17	7/1/18	146,612	22,006	67,320	-	101,298	39,876	32,161	504	72,541	61,422
10/1/16	7/1/17	72,435	9,113	309	-	81,239	26,004	15,523	96	41,623	55,235
10/1/15	7/1/16	49,775	6,168	328	-	55,615	9,025	6,114	24	15,163	46,590
10/1/14	7/1/15	52,180	3,150	352	-	54,978	8,788	7,449	28	16,265	46,190
10/1/13	7/1/14	45,277	2,631	-	-	47,908	2,631	2,955	-	5,586	45,277
10/1/12	7/1/13	44,546	1,617	-	-	46,163	1,617	2,210	-	3,827	44,546
10/1/11	7/1/12	46,150	1,397	-	-	47,547	1,397	2,177	-	3,574	46,150
10/1/10	7/1/11	40,421	347	-	-	40,768	347	621	-	968	40,421
10/1/09	7/1/10	22,675	386	-	-	23,061	386	736	-	1,122	22,675
10/1/08	7/1/09	9,112	628	-	-	9,740	628	1,341	-	1,969	9,112
10/1/07	7/1/08	8,869	897	-	-	9,766	897	2,029	-	2,926	8,869
10/1/06	7/1/07	-	1,549	-	-	1,549	1,549	3,538	-	5,087	-
10/1/05	7/1/06	-	1,732	-	-	1,732	1,732	3,870	-	5,602	-
		<u>\$159,706,468</u>	<u>\$257,767</u>	<u>\$782,472</u>	<u>\$170,138</u>	<u>\$159,011,625</u>	<u>\$157,682,552</u>	<u>\$457,815</u>	<u>\$3,946</u>	<u>\$158,144,313</u>	<u>\$ 1,329,073</u>

**Schedule of Sewer Connection Charges Collectible
For the Year Ended June 30, 2021**

	Collectible July 1	Additions and Deductions	Total Collectible	Charges Collected	Interest	Liens	Total Collected	Collectible June 30
Sewer Connection Charges: Year Ended June 30, 2021	\$ 562,728	\$ 75,854	\$ 638,582	\$ 117,189	\$ 37,189	\$ 48	\$ 154,426	\$ 521,393

Statistical Section (unaudited)

Statistical Section (unaudited)

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

Statistical section information is presented in the following categories:

Financial trends information is intended to assist users in understanding and assessing how financial position has changed over time.

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the ability to generate own-source revenues (property taxes, charges for services, etc.).

Debt capacity information is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.

Demographic and economic information is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.

Operating information is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

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

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

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Town of Glastonbury, Connecticut

**Net Position by Component - Governmental Activities
Last Ten Fiscal Years
(Unaudited)
(Accrual Basis of Accounting)**

	Fiscal Year			
	2012	2013	2014*	2015
Governmental activities:				
Net investment in capital assets	\$ 205,117,516	\$ 215,532,264	\$ 220,913,819	\$ 225,203,554
Restricted	1,890,376	1,772,533	8,527	8,527
Unrestricted	36,407,601	40,289,893	15,576,198	17,031,058
Total governmental activities net position	\$ 243,415,493	\$ 257,594,690	\$ 236,498,544	\$ 242,243,139

* Fiscal year 2014 was restated for opening pension liability for GASB Statement No. 68.

** Fiscal year 2017 was restated for opening OPEB liability for GASB Statement No. 75.

Table 1

Fiscal Year					
2016	2017**	2018	2019	2020	2021
\$ 228,343,977	\$ 229,961,836	\$ 237,663,538	\$ 236,341,081	\$ 240,501,623	\$ 241,650,757
8,527	8,527	8,527	8,527	8,527	8,527
13,031,950	1,800,736	(3,742,822)	2,040,378	2,763,709	15,289,743
<u>\$ 241,384,454</u>	<u>\$ 231,771,099</u>	<u>\$ 233,929,243</u>	<u>\$ 238,389,986</u>	<u>\$ 243,273,859</u>	<u>\$ 256,949,027</u>

**Changes in Net Position
Last Ten Fiscal Years
(Unaudited)
(Accrual Basis of Accounting)**

	Fiscal Year			
	2012	2013	2014	2015
Expenses:				
Governmental activities:				
General government services	\$ 3,016,304	\$ 3,063,739	\$ 2,437,457	\$ 2,773,267
Community development	1,795,016	1,795,599	1,768,601	1,740,867
Administrative services	4,845,717	5,074,835	6,173,038	6,474,631
Public safety	11,531,769	11,615,297	12,915,490	12,669,044
Physical services	13,689,502	12,167,088	10,471,157	10,975,918
Sanitation	3,436,259	3,640,404	3,214,383	3,638,913
Human services	2,968,749	2,968,337	3,021,292	3,034,591
Leisure/culture	6,811,418	6,822,187	7,075,241	7,740,493
Education	108,177,159	108,886,522	113,857,497	116,887,944
Interest on long-term debt	3,477,580	3,201,363	3,268,620	2,900,598
Total governmental activities expenses	159,749,473	159,235,371	164,202,776	168,836,266
Program revenues:				
Governmental activities:				
Charges for services:				
Community development	721,745	899,667	732,127	663,062
Administrative services	1,926,586	2,217,092	2,003,566	2,046,272
Public safety	405,770	630,516	772,016	537,679
Physical services	15,591	22,142	27,517	31,578
Sanitation	3,204,166	3,470,123	3,481,680	3,575,444
Human services	185,135	194,984	214,226	209,169
Leisure/culture	1,423,334	1,458,981	1,514,392	1,585,442
Education	2,397,613	2,502,054	2,408,524	2,159,117
	10,279,940	11,395,559	11,154,048	10,807,763
Operating grants and contributions	21,258,861	23,982,010	23,396,762	20,754,777
Capital grants and contributions	23,284,200	5,712,086	9,657,006	4,494,322
Total governmental activities program revenues	54,823,001	41,089,655	44,207,816	36,056,862
Total primary government net expenses	(104,926,472)	(118,145,716)	(119,994,960)	(132,779,404)
General revenues and other changes in net position:				
Governmental activities:				
Property taxes	125,688,970	128,517,167	134,371,417	136,885,474
Grants and contributions not restricted to specific programs	105,650	119,354	178,093	204,483
Unrestricted investment earnings	373,024	305,276	469,352	499,031
Gain (loss) on sale of capital assets	-	2,873,616	1,379,604	(38,297)
Capital contributions	472,300	509,500	-	-
Total governmental activities	126,639,944	132,324,913	136,398,466	137,550,691
Total Change in Net Position:				
Governmental activities	\$ 21,713,472	\$ 14,179,197	\$ 16,403,506	\$ 4,771,287

Table 2

		Fiscal Year									
		2016	2017	2018	2019	2020	2021				
\$	4,501,967	\$	4,928,237	\$	4,906,496	\$	3,558,301	\$	3,614,713	\$	3,251,254
	1,796,427		1,958,525		1,915,888		2,086,114		2,243,010		1,918,882
	6,822,060		7,446,025		6,522,052		6,574,031		6,666,251		7,570,972
	14,053,008		14,356,673		15,275,692		16,125,146		16,395,752		15,786,433
	11,032,856		12,274,493		11,818,642		11,833,440		13,182,845		10,949,212
	4,119,041		3,890,002		3,789,056		3,959,994		3,943,412		3,915,277
	3,261,539		3,030,255		3,093,526		2,962,089		3,003,813		2,279,479
	8,339,722		8,877,849		8,463,475		8,398,947		8,473,077		5,228,000
	122,929,957		130,869,093		135,100,166		124,973,432		141,549,173		153,507,738
	2,585,718		2,379,319		2,080,233		2,048,015		1,899,237		1,767,243
	179,442,295		190,010,471		192,965,226		182,519,509		200,971,283		206,174,490
	1,292,517		1,074,711		1,076,329		1,062,130		907,328		1,080,458
	2,381,040		3,695,960		1,881,947		1,414,436		2,909,636		2,692,042
	756,727		593,244		732,571		761,697		997,572		743,835
	33,222		27,275		37,441		309,673		410,437		365,508
	3,919,616		3,496,380		3,525,324		4,255,728		3,411,741		3,591,971
	217,714		222,347		180,479		200,442		157,857		46,866
	1,754,512		1,919,109		1,891,739		2,043,902		1,184,885		1,181,297
	2,110,809		1,954,154		1,880,616		1,809,190		1,235,387		1,183,528
	12,466,157		12,983,180		11,206,446		11,857,198		11,214,843		10,885,505
	22,428,207		30,741,544		32,038,968		18,406,679		33,387,752		47,389,339
	2,318,625		4,119,540		3,331,632		3,520,770		4,659,552		2,401,204
	37,212,989		47,844,264		46,577,046		33,784,647		49,262,147		60,676,048
	(142,229,306)		(142,166,207)		(146,388,180)		(148,734,862)		(151,709,136)		(145,498,442)
	140,296,610		142,548,603		147,569,385		150,506,963		154,354,447		158,501,035
	138,808		146,980		120,474		256,519		227,721		252,664
	935,203		423,716		856,465		2,432,123		2,010,841		212,858
	-		-		-		-		-		-
	-		-		-		-		-		-
	141,370,621		143,119,299		148,546,324		153,195,605		156,593,009		158,966,557
\$	(858,685)	\$	953,092	\$	2,158,144	\$	4,460,743	\$	4,883,873	\$	13,468,115

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)**

	Fiscal Year			
	2012	2013	2014	2015
General fund:				
Nonspendable	\$ 256,476	\$ 252,167	\$ 223,188	\$ 223,564
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	2,386,401	2,323,703	1,045,142	1,143,003
Unassigned	15,890,555	21,881,949	25,648,081	24,339,992
Reserved	-	-	-	-
Unreserved/undesignated	-	-	-	-
Total general fund	\$ 18,533,432	\$ 24,457,819	\$ 26,916,411	\$ 25,706,559
All other governmental funds:				
Nonspendable	\$ 51,779	\$ 38,797	\$ 65,774	\$ 58,498
Restricted	1,881,849	1,772,533	5,143,573	3,995,838
Committed	20,323,177	20,045,428	21,130,041	24,751,335
Assigned	124,452	142,073	-	-
Unassigned	(989,284)	(3,842,280)	(3,046,633)	(3,132,404)
Total all other governmental funds	\$ 21,391,973	\$ 18,156,551	\$ 23,292,755	\$ 25,673,267

Table 3

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 217,267	\$ 218,628	\$ 202,704	\$ 225,431	\$ 212,291	\$ 239,651
-	-	-	-	-	-
-	-	-	-	-	-
1,001,234	2,121,442	1,678,597	1,394,049	3,044,292	3,960,388
25,843,730	24,315,641	23,876,227	27,601,660	30,073,812	30,440,855
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 27,062,231</u>	<u>\$ 26,655,711</u>	<u>\$ 25,757,528</u>	<u>\$ 29,221,140</u>	<u>\$ 33,330,395</u>	<u>\$ 34,640,894</u>
\$ 37,797	\$ 38,606	\$ 36,608	\$ 37,029	\$ 45,301	\$ 47,587
2,263,358	2,170,965	1,663,022	2,035,260	1,460,337	5,352,802
26,488,882	27,252,707	27,840,928	29,716,152	30,921,208	28,656,732
-	-	-	-	-	-
(3,247,163)	(250,841)	(2,515,257)	(267,319)	(1,049,784)	(82,606)
<u>\$ 25,542,874</u>	<u>\$ 29,211,437</u>	<u>\$ 27,025,301</u>	<u>\$ 31,521,122</u>	<u>\$ 31,377,062</u>	<u>\$ 33,974,515</u>

**Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)**

	Fiscal Year			
	2012	2013	2014	2015
Revenues:				
Property taxes	\$ 126,040,914	\$ 128,472,632	\$ 133,909,658	\$ 137,088,886
Licenses and permits	884,941	1,042,305	1,062,965	1,014,893
Intergovernmental	35,237,827	20,054,747	20,679,938	15,017,466
Charges for services	7,591,533	7,893,389	7,980,340	7,843,594
Investment income	373,024	305,276	463,305	485,238
Unrealized investment income (loss)	-	-	-	-
Other	2,353,983	2,716,551	2,402,865	2,504,856
State payment for teacher's retirement system	9,010,000	9,462,000	11,477,065	9,019,032
Total revenues	181,492,222	169,946,900	177,976,136	172,973,965
Expenditures:				
Current:				
General government	2,713,125	2,763,750	2,843,420	2,934,917
Community development	1,829,362	1,762,554	1,748,810	1,699,054
Administrative services	5,605,900	5,838,088	6,132,621	6,385,266
Public safety	11,021,324	11,119,389	12,253,110	12,033,001
Physical services	8,588,617	6,371,239	6,478,656	6,812,516
Sanitation	2,309,070	2,320,431	2,386,174	2,379,895
Human services	2,726,637	2,867,048	2,791,127	2,785,624
Leisure/culture	6,145,720	6,110,748	6,263,893	6,600,388
Education	95,474,089	96,695,236	99,527,578	102,324,041
State payment for teacher's retirement system	9,010,000	9,462,000	11,477,065	9,019,032
Debt service:				
Principal	6,702,765	7,433,613	7,680,811	7,772,816
Interest	3,494,755	3,161,900	3,268,620	2,900,598
Capital outlay	26,358,103	14,400,310	18,361,870	8,172,844
Total expenditures	181,979,467	170,306,306	181,213,755	171,819,992
Excess (deficiency) of revenues over expenditures	(487,245)	(359,406)	(3,237,619)	1,153,973
Other Financing Sources (Uses):				
Issuance of bonds	6,395,000	-	8,950,000	-
Issuance of refunded bonds	14,545,000	-	9,480,000	-
Payment to escrow agent	(16,633,344)	-	(9,694,079)	-
Premium on bonds issued	2,196,983	-	380,454	-
Issuance of notes	-	-	135,000	-
Transfers in	10,692,734	10,195,410	4,653,977	6,915,987
Transfers out	(10,692,734)	(10,195,410)	(4,653,977)	(6,915,987)
Sale of general capital assets	-	3,048,371	1,581,040	16,687
Total other financing sources (uses)	6,503,639	3,048,371	10,832,415	16,687
Net change in fund balances	6,016,394	2,688,965	7,594,796	1,170,660
Fund balance at beginning of year, as restated (Note 1)	33,909,011	39,925,405	42,614,370	50,209,166
Fund balance at end of year	\$ 39,925,405	\$ 42,614,370	\$ 50,209,166	\$ 51,379,826
Debt service as a percentage of noncapital expenditures	6.55%	6.80%	6.76%	6.49%

Table 4

		Fiscal Year					
		2016	2017	2018	2019	2020	2021
\$	140,255,321	\$ 142,041,710	\$ 147,560,197	\$ 151,222,713	\$ 154,180,697	\$ 158,107,371	
	1,655,217	1,447,584	1,442,652	1,429,480	1,286,420	1,705,758	
	14,080,414	15,837,597	14,033,412	14,950,653	16,049,265	15,144,326	
	8,774,124	8,362,685	8,126,326	8,636,698	7,205,274	7,176,760	
	613,267	749,129	1,231,131	1,976,025	1,581,871	418,161	
	308,089	(337,400)	(382,690)	387,257	428,970	(205,303)	
	2,417,701	2,218,522	2,459,627	1,562,656	2,944,945	3,336,748	
	10,420,522	18,586,525	20,613,490	6,976,796	15,355,215	14,677,711	
	178,524,655	188,906,352	195,084,145	187,142,278	199,032,657	200,361,532	
	2,952,448	2,943,450	3,038,972	3,280,357	3,291,033	3,323,088	
	1,738,682	1,881,332	1,857,926	2,043,759	2,170,762	2,120,598	
	6,717,279	7,064,677	6,194,202	6,429,907	6,463,695	7,895,472	
	13,061,288	13,305,981	14,377,584	14,959,341	15,104,698	16,119,758	
	6,531,451	6,734,016	6,943,112	7,053,345	7,206,812	7,166,845	
	2,632,481	2,565,142	2,463,086	2,638,774	2,555,450	2,839,392	
	2,971,784	2,800,200	2,787,792	2,760,010	2,710,890	2,476,527	
	6,732,036	6,765,075	6,752,279	7,346,785	6,812,988	6,262,030	
	104,490,362	105,251,040	109,309,258	111,456,524	113,810,460	117,387,976	
	10,420,522	18,586,525	20,613,490	6,976,796	15,355,215	14,677,711	
	7,419,642	7,754,319	7,730,982	7,303,026	6,081,253	12,309,322	
	2,585,718	2,379,319	2,080,233	1,999,309	1,877,308	1,989,198	
	9,076,654	8,292,903	14,031,033	7,784,219	18,174,127	13,273,578	
	177,330,347	186,323,979	198,179,949	182,032,152	201,614,691	207,841,495	
	1,194,308	2,582,373	(3,095,804)	5,110,126	(2,582,034)	(7,479,963)	
	-	-	-	2,735,000	-	10,015,000	
	-	-	-	3,800,000	14,500,000	10,390,000	
	-	-	-	(4,094,446)	(9,014,455)	(11,814,581)	
	-	-	-	389,431	1,007,096	2,588,867	
	-	-	-	-	-	-	
	13,186,305	16,103,976	19,769,565	16,678,853	19,981,622	14,175,154	
	(13,186,305)	(16,103,976)	(19,769,565)	(16,678,853)	(19,981,622)	(14,175,154)	
	30,971	679,670	11,485	19,322	54,588	1,576	
	30,971	679,670	11,485	2,849,307	6,547,229	11,180,862	
	1,225,279	3,262,043	(3,084,319)	7,959,433	3,965,195	3,700,899	
	51,379,826	52,605,105	55,867,148	52,782,829	60,742,262	64,914,510	
\$	52,605,105	\$ 55,867,148	\$ 52,782,829	\$ 60,742,262	\$ 64,707,457	\$ 68,615,409	
	5.95%	5.69%	5.33%	5.31%	4.29%	7.32%	

Town of Glastonbury, Connecticut

Table 5

**Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Amounts Expressed in Thousands)
(Unaudited)**

Fiscal Year	Real Property		Motor Vehicles	Personal Property	Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate (Mill Rate)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property							
2012	\$ 3,208,186	\$ 577,160	\$ 263,823	\$ 137,609	\$ 21,378	\$ 4,165,399	30.05	\$ 5,717,775	72.85
2013	3,223,394	576,116	280,615	150,642	23,154	4,207,614	30.50	5,440,780	73.27
2014	2,821,228	581,418	277,944	151,740	23,784	3,808,546	35.10	5,441,509	69.99
2015	2,835,226	581,095	286,310	151,423	21,465	3,832,589	35.65	5,749,529	66.66
2016	2,856,856	592,180	284,873	162,926	25,530	3,871,305	36.10	5,895,699	65.66
2017	2,877,461	600,371	290,299	173,164	25,133	3,916,162	36.40	5,953,139	65.78
2018	2,897,794	606,993	301,855	188,128	25,114	3,969,656	37.45	6,169,975	64.34
2019	3,005,158	700,015	307,168	189,840	23,086	4,179,095	36.00	5,970,136	70.00
2020	3,029,980	707,979	312,658	198,157	23,714	4,225,060	36..36	6,167,971	68.50
2021	3,052,310	714,480	326,273	208,439	25,706	4,275,796	36.90	6,506,347	65.72

Source: Town Assessor's office

Note: By state law, property is assessed at 70% of actual value with periodic revaluation of real property.

Note: The Town has no overlapping governments.

Town of Glastonbury, Connecticut

Table 6

Principal Taxpayers
Current Year and Nine Years Ago
(Unaudited)

	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List ¹	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List ²
Connecticut Light & Power Co	\$ 53,191,980	1	1.24%	\$ 27,830,120	1	0.67%
Shops At Somerset Square LLC	28,651,700	2	0.67%	24,704,400	2	0.59%
New London Turnpike Apts Investors LLC	28,011,010	3	0.66%	-	-	-
SCT Glastonbury LLC	18,736,700	4	0.44%	18,900,000	3	0.45%
Glastonbury Developers LLC	18,628,200	5	0.44%	-	-	-
Glastonbury MZL LLC	17,850,000	6	0.42%	16,522,000	4	0.40%
SHP V Glastonbury LLC	16,756,890	7	0.39%	-	-	-
Siebar Glastonbury LLC	15,933,200	8	0.37%	13,952,100	5	0.33%
Briemor Residual Shoppes at Fox Run LLC	15,604,700	9	0.36%	12,139,700	7	0.29%
Connecticut Natural Gas Corp.	15,095,960	10	0.35%	-	-	-
Grunberg 628 Hebron LLC	-	-	-	12,466,100	6	0.30%
S B U LLC	-	-	-	11,270,000	8	0.27%
PRA Suites at Glastonbury LLC	-	-	-	10,765,800	9	0.26%
PRA Glastonbury LLC	-	-	-	10,113,300	10	0.24%
	<u>\$ 228,460,340</u>		<u>5.34%</u>	<u>\$ 158,663,520</u>		<u>3.81%</u>

Source: Town Assessor's office

¹ Net Taxable Grand List, October 1, 2019: \$4,275,795,625

² Net Taxable Grand List, October 1, 2010: \$4,165,399,080

**Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ²	Total Collections to Date	
		Amount ¹	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 125,090,309	\$ 124,429,404	99.47 %	\$ 567,584	\$ 124,996,988	99.92 %
2013	128,299,243	127,582,218	99.44	613,466	128,195,684	99.92
2014	133,617,305	132,828,872	99.41	506,244	133,335,116	99.78
2015	136,682,892	135,894,309	99.42	582,122	136,476,431	99.84
2016	139,990,757	139,364,464	99.55	415,604	139,780,068	99.81
2017	142,244,077	141,459,736	99.45	648,650	142,108,386	99.79
2018	147,299,438	146,537,634	99.48	608,549	147,146,183	99.48
2019	150,874,905	150,136,086	99.51	471,425	150,607,511	99.51
2020	154,170,306	153,263,934	99.41	534,538	153,798,472	99.41
2021	157,855,773	157,140,810	99.55	-	157,140,810	99.55

Source:

¹ Town Revenue Collection office.

² Town Finance office.

Town of Glastonbury, Connecticut

Table 8

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	General Obligation Bonds ¹	Premium on Bonds	Total	Percentage of Actual Taxable Value of Property ⁴	Per Capita ⁵	Clean Water Fund Notes Payable ²	Term Notes Payable ³	Total Primary Government	Debt as a Percentage of Actual Taxable Value of Property ⁴	Debt Per Capita ⁵
2012	\$ 76,220	\$ 5,197	\$ 81,417	1.42%	\$ 2,336	\$ 17,750	\$ 28	\$ 99,195	1.73%	\$ 2,846
2013	69,615	4,611	74,226	1.29%	2,139	16,949	-	91,175	1.59%	2,628
2014	71,940	4,031	75,971	1.40%	2,207	16,132	135	92,238	1.70%	2,679
2015	65,085	3,466	68,551	1.19%	1,972	15,298	90	83,939	1.46%	2,415
2016	58,570	2,931	61,501	1.04%	1,769	14,148	45	75,994	1.29%	2,186
2017	51,735	2,396	54,131	0.91%	1,561	13,580	-	67,711	1.14%	1,953
2018	44,925	1,861	46,786	0.76%	1,353	12,695	-	59,481	0.96%	1,720
2019	41,020	1,724	42,744	0.72%	1,236	11,792	-	54,536	0.91%	1,577
2020	41,480	2,425	43,905	0.61%	1,088	10,871	-	48,381	0.78%	1,403
2021	48,645	4,446	53,091	0.62%	1,175	-	-	53,091	0.82%	1,540

¹ Town only issues general obligation bonds and has no overlapping debt.

² Represents 2% 20-year loan with the State of Connecticut Clean Water Fund program to finance upgrades to the wastewater treatment plant in June 2011.

³ Represents relatively short-term notes for the acquisition of various land parcels.

⁴ See Table 5 for taxable property value data.

⁵ See Table 11 for population data.

**Schedule of Debt Limitation
For the Year Ended June 30, 2021
(Unaudited)**

Tax base:	
Total tax collections (including interest and lien fees)	\$ 154,114,159
Reimbursement of revenue loss from tax relief for the elderly	-
Total tax base	\$ 154,114,159

	General Purpose	Schools	Sewer	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 346,756,858	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	693,513,716	-	-	-
3-3/4 times base	-	-	577,928,096	-	-
3-1/4 times base	-	-	-	500,871,017	-
3 times base	-	-	-	-	462,342,477
Total debt limitations	346,756,858	693,513,716	577,928,096	500,871,017	462,342,477
Indebtedness:					
Bonds outstanding	27,644,700	12,580,300	8,420,000	-	-
Bonds authorized and unissued	3,194,753	-	-	-	-
Total indebtedness	30,839,453	12,580,300	8,420,000	-	-
Debt limitation in excess of outstanding and authorized debt	\$ 315,917,405	\$ 680,933,416	\$ 569,508,096	\$ 500,871,017	\$ 462,342,477

Note: In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 1,078,799,113

See notes to the financial statements for further information and explanation on the Town's indebtedness at June 30, 2021.

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Town of Glastonbury, Connecticut

**Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)**

	2012	2013	2014	2015
Debt limit	\$ 859,972,099	\$ 881,587,371	\$ 900,743,193	\$ 938,369,383
Total net debt applicable to limit	99,423,346	105,349,500	91,986,430	84,275,977
Legal debt margin	\$ 760,548,753	\$ 776,237,871	\$ 808,756,763	\$ 854,093,406
Total net debt applicable to the limit as a percentage of debt limit	11.56%	11.95%	10.21%	8.98%

Table 10

2016	2017	2018	2019	2020	2021
\$ 960,676,976	\$ 982,829,946	\$ 994,896,924	\$ 1,032,181,675	\$ 1,059,022,230	\$ 1,078,799,113
76,922,844	72,195,197	67,500,037	62,307,904	59,257,820	51,839,753
\$ 883,754,132	\$ 910,634,749	\$ 927,396,887	\$ 969,873,771	\$ 999,764,410	\$ 1,026,959,360
8.01%	7.35%	6.78%	6.04%	5.60%	4.81%

Town of Glastonbury, Connecticut

Table 11

**Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population ⁽¹⁾	Median Family Income ⁽²⁾	Per Capita Personal Income ⁽²⁾	Median Age ⁽²⁾	Educational Attainment ⁽²⁾		School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
					High School	Bachelors Degree		
2012	34,860	\$ 124,057	\$ 49,324	42.0	96.4%	57.3%	6,768	5.8%
2013	34,698	124,493	50,484	42.1	96.4%	59.3%	6,571	5.6%
2014	34,427	123,003	51,179	42.7	96.7%	59.3%	6,385	4.7%
2015	34,754	125,030	52,928	43.6	96.4%	61.0%	6,169	3.8%
2016	34,768	126,188	55,679	43.9	96.2%	61.2%	6,094	3.6%
2017	34,678	129,648	57,709	43.9	96.3%	61.9%	5,923	3.5%
2018	34,584	132,238	58,431	45.1	96.0%	60.2%	5,938	3.1%
2019	34,575	135,791	60,119	45.8	96.6%	60.6%	5,876	2.5%
2020	34,491	134,909	58,082	45.6	97.0%	60.9%	5,811	3.5%
2021	34,482	141,922	59,396	45.2	97.2%	63.0%	5,233	5.5%

Sources:

- ⁽¹⁾ State of Connecticut Department of Public Health
- ⁽²⁾ U.S. Census Bureau, American Fact Finder
- ⁽³⁾ Town of Glastonbury Board of Education
- ⁽⁴⁾ State of Connecticut Department of Labor

Town of Glastonbury, Connecticut

Table 12

Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Name	Nature of Business	2021			2012		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Healthtrax Inc.	Health Clubs	1000-4999	1	16.85%			
Glastonbury Town Hall	Government Office	250-499	2	2.11%	1,060	1	5.92%
Fiserv	Data Processing Service	250-499	3	2.11%			
Glastonbury High School	Schools	250-499	4	2.11%			
Amica Mutual Insurance Co	Insurance	100-249	5	2.11%	124	8	0.69%
Home Depot	Home Centers	100-249	6	0.98%			
Super Stop & Shop	Grocers-Retail	100-249	7	0.98%	293	4	1.64%
Salmon Brook Nurse & Rehab Ctr	Nursing Homes	100-249	8	0.98%	200	5	1.12%
TCA Consulting Group	Employment Contractors	100-249	9	0.98%			
Smith Brothers Insurance LLC	Insurance	100-249	10	0.98%			
Open Solutions	Computer Hardware& Software				459	2	2.56%
Ikon/Office Solutions	Office Equipment				300	3	1.68%
CIGNA Insurance Company	Insurance				147	6	0.82%
Bank of America Business Capital	Financial Services				130	7	0.73%
Flanagan Industries	Manufacturers				105	9	0.59%
Nabisco/Kraft	Manufacturers				100	10	0.56%
				<u>30.20%</u>	<u>2,918</u>		<u>16.31%</u>
Total Town Employment			est	<u>17,799</u>		est	<u>17,904</u>

Source: 2021 data - Connecticut Department of Labor - Labor Market Information

2012 data - Glastonbury FY2011 Comprehensive Annual Financial Report

Note: Percentage of 2021 total Town employment is calculated on the midpoint of the range given.

**Full-Time Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government:										
Town manager	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0
Human resources	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Facilities maintenance	12.0	12.0	12.0	12.0	13.0	18.5	17.2	17.2	17.2	17.2
Community development:										
Community development	4.5	4.5	3.5	4.5	4.5	4.5	4.5	4.5	5.5	5.5
Building inspection	4.0	4.0	4.0	4.0	4.0	4.0	4.5	4.5	4.5	4.5
Fire Marshal	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5	2.5
Health	5.5	4.5	5.0	5.0	5.0	5.5	5.5	5.5	5.5	5.5
Administrative services:										
Financial administration	9.0	9.0	9.0	8.0	8.0	8.5	9.5	8.5	8.5	8.5
Accounting	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Property assessment	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Revenue collection	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Town clerk	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Registrar of voters	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Public safety:										
Police	79.0	79.0	79.0	78.0	75.0	77.0	77.0	77.0	77.0	77.0
Fire	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Physical services:										
Engineering	11.5	11.5	11.5	12.5	12.5	13.0	13.0	13.0	13.0	12.5
Highway	22.0	21.0	22.0	22.0	22.0	23.0	22.5	22.5	22.5	22.5
Fleet maintenance	6.0	6.0	6.0	6.0	6.0	8.2	8.2	8.2	8.9	8.9
Sanitation:										
Water pollution	9.0	8.0	8.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Refuse disposal	2.0	2.0	2.0	2.0	2.0	6.1	6.1	6.1	6.1	6.1
Human services:										
Youth and Family Services	11.0	12.0	10.0	12.0	12.0	13.1	13.1	13.1	14.0	14.0
Senior and Community Services	7.0	6.0	8.0	7.0	9.0	16.8	16.8	16.8	16.1	16.1
Leisure/culture:										
Parks and recreation	22.0	22.0	22.0	22.8	22.0	23.8	23.8	23.8	24.3	24.3
Welles-Turner Library	9.0	10.0	10.0	10.0	10.0	15.6	15.6	15.6	15.6	17.7
Education	793.1	790.0	789.0	786.0	801.0	806.8	814.3	823.2	824.6	809.2
Total	1,034.9	1,030.8	1,030.3	1,030.1	1,044.3	1,084.2	1,091.4	1,098.3	1,102.1	1,088.3

Source: Town and Board of Education budgets.

Note: Full-time equivalents do not include seasonal employees.

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**Operating Indicators by Function/Program
Last Ten Fiscal Years
(Unaudited)**

	2021	2020	2019	2018
Building/community development:				
Alterations - residential/commercial	3,439	1,044	913	2,037
Number of subdivisions approved	3	1	2	2
New residential dwellings	47	42	35	27
New commercial buildings	12	15	19	2
Fire marshal:				
Fire investigations completed	32	23	47	46
Assembly occupancy inspections	58	34	659	670
Health:				
Routine inspections	509	603	912	891
Complaint inspections	22	100	220	216
Financial administration:				
Percent of taxes to total revenue	91.84%	91.05%	92.64%	91.52%
Property assessment:				
Grand list accounts	53,598	54,412	54,088	54,102
Adjusted grand list accounts	2,957	3,001	3,106	3,198
Revenue collection:				
Collection rate	99.49%	99.41%	99.51%	99.50%
# of real estate tax bills	14,531	13,958	13,937	13,936
# of motor vehicle tax bills	32,555	32,226	32,093	32,058
# of personal property tax bills	2,200	2,229	2,198	2,228
# of supplemental motor vehicle bills	4,324	5,448	5,382	5,352
Police:				
Uniform strength	59	59	56	57
Dispatches for service	14,614	17,490	17,845	16,972
Medical calls	742	2,560	2,367	2,229
Motor vehicle accidents	679	776	702	858
Arrests (Adult)	430	448	410	432
DUI Arrests	63	60	50	-
Town Code Tickets	68	72	26	33
Traffic Tickets	575	1,290	2,154	1,882
Motor vehicle stops	1,355	2,529	3,619	-
Alarm Responses	1,371	1,487	1,617	1,549
FBI Part 1 property & violent crimes	597	402	408	393

Table 14

2017	2016	2015	2014	2013	2012
1,990	1,956	1,523	1,575	574	972
4	5	3	-	4	6
25	25	15	19	21	47
7	8	0	4	2	2
26	43	63	91	81	130
467	236	300	278	265	156
995	967	996	914	1,100	1,414
223	76	142	113	173	145
90.90%	91.60%	90.80%	91.10%	86.40%	88.99%
53,794	53,657	53,690	53,480	53,467	53,027
3,153	3,337	2,566	2,342	2,418	2,211
99.45%	99.55%	99.42%	99.41%	99.44%	99.47%
13,935	13,945	13,874	13,871	13,844	13,782
31,661	31,883	32,126	31,756	31,839	31,908
2,198	2,210	2,190	2,165	2,123	2,120
5,466	5,068	4,953	5,157	4,993	4,654
55	59	56	57	52	56
17,662	18,162	18,264	18,726	20,030	19,223
2,293	2,195	1,859	1,707	1,614	1,637
911	766	874	888	932	779
519	429	475	572	596	563
-	82	61	100	73	99
75	117	96	131	137	152
2,224	1,893	2,121	2,530	2,568	2,281
-	5,799	5,660	7,845	7,198	7,686
1,522	1,486	1,499	1,510	1,669	1,789
528	432	281	314	295	347

(Continued)

Operating Indicators by Function/Program (Continued)
Last Ten Fiscal Years
(Unaudited)

	2021	2020	2019	2018
Fire:				
Uniform strength	105	113	109	122
Full time	2	2	2	2
Emergency incidents	927	826	824	817
Structure fires	18	14	12	7
Fire training hours	7,160	6,548	9,128	7,529
Engineering:				
Right of way permits	364	304	312	328
Sanitation sewer permits	37	58	63	55
Highway:				
Snow routes	21	21	21	21
Road miles plowed	26,224	16,671	24,751	34,470
Lane miles paved/street resurfacing	12	14.5	13	15
Catch basins cleaned	280	290	325	425
Water Pollution Control:				
Average daily treatment flow (gal/day)	2.27 million	2.44 million	2.63 million	1.95 million
Gallons of sludge disposed	2,606,000	2,450,500	2,821,000	2,742,500
Refuse disposal:				
Annual tons of solid waste collected	1,525	1,451	1,515	1,525
Vehicles at hazard waste collection	781	478	732	765
Permits issued	7,360	5,525	6,750	7,474
Senior and Community Services:				
Senior center participation	5,864	24,095	36,171	35,084
Outreach clients	3,543	2,818	1,987	1,940
Dial-A-Ride participation	1,298	12,704	18,599	18,287
Youth and Family Services:				
Clinical clients	3,979	2,473	1,456	1,444
Youth program participation	864	957	1,143	1,135
Parks:				
Program participation registrations	26,250	58,432	71,495	76,661
Fields maintained	54	54	54	54
Rounds of golf played	25,730	20,654	11,630	12,387
Hours of athletic field use	33,376	38,781	46,537	41,449
Library:				
Library transactions	165,942	264,926	320,762	324,760
Self check library transactions	123,588	221,344	281,490	270,385

Source(s): Various Town Departments

Table 14

2017	2016	2015	2014	2013	2012
120	116	115	111	114	111
2	2	2	2	1-2	1
851	870	851	858	950	1295
8	13	15	25	35	34
6,946	6,449	7,053	7,379	7,800	7,777
340	296	416	270	209	253
59	50	42	31	36	63
21	21	21	21	21	21
32,627	25,400	47,812	50,007	36,200	13,766
14	11	15	12	18	9
357	365	360	250	215	237
1.97 million	2.03 million	2.07 million	2.14 million	2.20 million	2.29 million
2,576,500	2,359,500	2,246,000	2,184,000	2,312,000	2,977,500
1,574	1,600	1,595	1,622	2,087	1,864
442	411	427	457	563	421
7,254	7,350	7,135	6,897	6,450	6,475
34,006	31,879	30,210	30,428	33,392	43,759
1,641	1,245	1,216	1,480	1,467	1,454
18,963	22,687	24,688	24,151	19,633	20,243
1,453	1,175	1,085	1,094	1,183	1,076
914	928	1,875	8,944	10,748	10,397
88,064	87,405	79,205	84,325	98,668	92,920
54	54	54	54	54	54
11,655	15,394	14,229	13,010	15,599	13,594
43,942	45,389	43,441	45,576	43,596	46,267
342,785	382,471	403,943	452,381	470,070	481,960
294,985	305,976	18,640	17,433	28,204	36,277

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Stations	4	4	4	4	4	4	4	4	4	4
Front-line equipment	21	21	21	21	21	21	13	20	20	21
Fire hydrants	782	782	775	775	775	775	711	709	709	709
Highway:										
Storm drains	5,842	5,842	5,842	5,842	5,838	5,838	5,838	5,813	5,813	5,808
Street miles - center line	222	222	222	222	222	222	222	222	222	222
Expressways (miles)	13	13	13	13	13	13	13	13	13	13
Residential streets (miles)	172	172	172	172	172	172	172	172	172	172
Total street lights	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Traffic signals	17	17	17	17	19	19	19	19	19	19
Bridges	16	16	16	16	16	16	16	16	16	16
Water pollution:										
Number of sanitary sewer miles	109	105	105	105	105	105	102	102	102	102
Senior and Community Services:										
Community center	1	1	1	1	1	1	1	1	1	1
Natural Gas Sedan	2	2	2	2	2	2	3	2	1	1
Dial-A-Ride Buses:										
Vans - Diesel	0	1	1	1	1	1	2	2	2	6
CNG	3	4	4	4	5	5	3	3	4	1
Electric Hybrid	2	1	1	0	0	0	0	0	0	0
Parks and recreation:										
Number of golf holes	9	9	9	9	9	9	9	9	9	9
Parks	12	12	12	12	12	12	12	12	12	12
Athletic fields	54	54	53	54	54	54	54	54	54	54
Swimming pools	3	3	3	3	3	3	3	3	3	3
Welles-Turner Library:										
Libraries	3	3	3	3	3	3	3	3	3	3

Source(s): Various Town Departments