

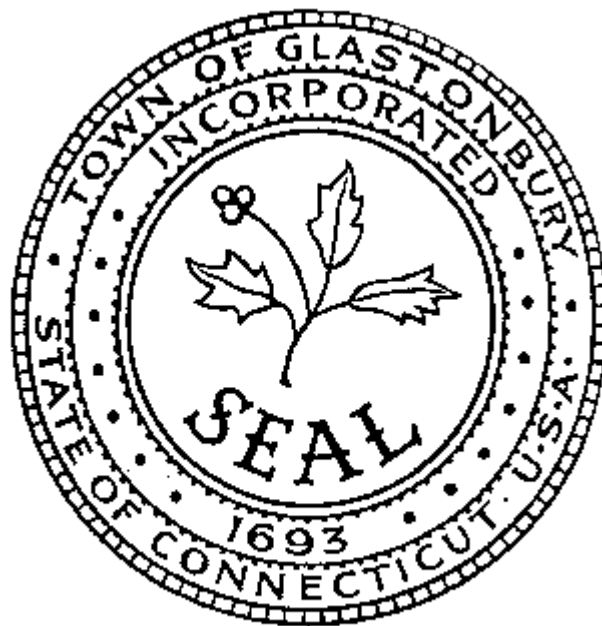
# Town of Glastonbury, Connecticut Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2022

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2155 Main Street | Glastonbury, CT 06033  
[www.glastonburyct.gov](http://www.glastonburyct.gov)



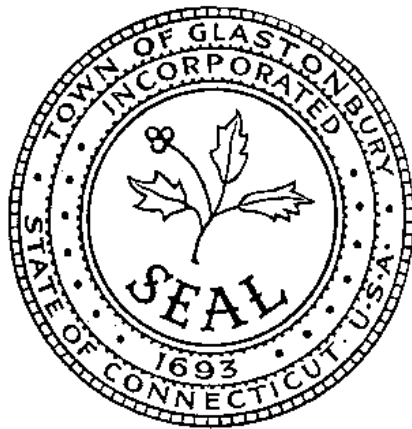
# TOWN OF GLASTONBURY, CONNECTICUT



## ANNUAL COMPREHENSIVE FINANCIAL REPORT Year Ended June 30, 2022



# TOWN OF GLASTONBURY, CONNECTICUT



## ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Fiscal Year  
July 1, 2021 to June 30, 2022**

Prepared By:  
Financial Administration  
and  
Accounting Divisions



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## **Introductory Section**







# Town of Glastonbury

2155 MAIN STREET • P.O. BOX 6523 • GLASTONBURY, CONNECTICUT 06033-6523

December 27, 2022

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, 2022.

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, 2022 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, 2022 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 2021, Glastonbury had a population of 35,054.

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.

### **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 2020 American Community Survey by the U.S. Census Bureau indicates that Glastonbury's median household income was \$120,605 in 2020, compared to the State's \$83,771. The median age of a Glastonbury resident was 45.4 years in 2020, compared to the State's 41.1 years.

Glastonbury's unemployment rate ranks better than the region. The Town's unemployment rate was 3.1% as of October 2022, as compared to the State of Connecticut at 4.3%. Glastonbury's unemployment rate remained flat from October 2021 to October 2022.

The net taxable Grand List of October 1, 2021 was \$4.460 billion, representing an increase of 3.41% from 2020. 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 1.00%, the personal property segment increased 1.03%, and the motor vehicle list increased 32.33% over the net 2020 totals.

In 2021 the area real estate market continued its upward trajectory. Coalesced effects of the pandemic and continued inventory shortages added to the already heightened demand for quality properties. Annual growth in the number of residential sales in Glastonbury increased from 527 to 655 (26%) over the previous GL year. In addition, the average sales price increased from \$379,853 to \$419,816 (10.5%), capping a robust improvement in year-over-year growth. These results are similar to comparable towns and are attributed to the ongoing 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 increased slightly from 45 units last year to 47 this year. The continued success of two recently completed developments buoyed the market, while several small projects and one emerging mid-sized project offered sustained continuity of local housing supply and demand.

Building permits issued for residential additions and alterations remained robust as residents continue to invest in their homes. Residential development projects underway include: a 29 lot subdivision on Bell St, a 7 lot subdivision on Main St, in addition to the typical handful of 1 and 2 lot cuts.

The local commercial market remained steady, albeit somewhat reserved, as compared to the pre-pandemic market. Fewer commercial projects were initiated this year due to an uncertain business outlook. However, several projects were completed including: a new 20,000 sq. ft. office property at 340 Hebron

Ave, an Amazon distribution center on Eastern Blvd, a repurposed 11,700 sq. ft. shared office building on Griswold St., and a 30,000 sq. ft. gym on Main St.

New commercial projects underway include: an 18 unit office condo complex on Addison Rd, a new bank building at 117 New London Tpke, and an addition to an apartment complex on House St. Projects on hold include: an 11,000 sq. ft. restaurant/retail building in the Shoppes on Main complex and a 7,600 sq. ft. retail/apartment building on Hebron Ave. In summary, the commercial rental market remained stable and occupancy rates remained relatively high.

The personal property sector saw a virtually flat increase of 1% by way of forty accounts that showed the largest growth combined to add an additional \$12.5 million. Twelve of those forty were businesses new to our list; a good indication of continued reinvestment in our community.

Hubbard Street has experienced new economic growth as well. Thirty new apartments were approved at 38 Hubbard St. In addition, project approval was granted for the construction of 74 residential apartments located at 1199 Manchester Road.

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. Approval of a 13,000 SF specialty grocery use was granted within the past year at this same location. Another 20,000 sq. ft. professional office building has been constructed at 340 Hebron Avenue with the top floor occupied by the building owners Gotfried & Somberg LLC, a financial service company, with other tenants now occupying lower floors. Lastly, the new 3,500 sq. ft. bank at the corner of Hebron Avenue and New London Turnpike started construction in fall 2021 and was opened for business during the summer of 2022.

Growth is also happening in the industrial sector. Reuse of an existing 100,000+ square foot warehouse on Eastern Boulevard as an Amazon distribution hub was previously approved and construction is now substantially complete.

The office condominium development approved at the intersection of Eastern Boulevard and Addison Road began construction in the second half of 2021. This development will include 18 condominium units within four new colonial-style buildings purposed for medical and professional office space. Construction of yet to be built units is expected in 2023

Development in other parts of Glastonbury also continue to thrive. A seven lot subdivision at 1040 Main Street was approved in 2021 and Town Officials are aware of several other preliminary plans for fairly large scale residential development proposals.

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 2022,

actual debt service expenditures represented approximately 3.9% 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 2022 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	\$49,840,897	1.16%	0.81%	\$1,420

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, 2022 totaled \$45,725,000 and premiums totaled \$4,115,897. 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, 2022, in accordance with GASB 54, the Town's General Fund unassigned fund balance represented 18.7% of budgeted expenditures and 19.1% 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 67.5% equity and 32.5% 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. The Town Manager and Fire Chief also have a significant role in 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 2021/2022 Budget**

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 93.2% of its budgeted revenues derived from property taxes and delinquent charges.

For the 2021/2022 budget, the 2020 Grand List was assumed to increase 0.93%, generating \$1.33 million in new tax revenue. The Grand List actually grew 0.87%, from \$4.28 billion to \$4.32 billion.

A single mill rate for Real Estate, Personal Property and Motor Vehicle was adopted as follows: 36.90 mills in FY2021, 37.32 mills in FY2022. A dual mill rate was adopted for FY2023 as follows: Real Estate of 37.3 mills and Motor Vehicle of 31.0 mills. This represents a 1.1% increase in the mill rate from FY2021 to FY2022, and a 0.05% decrease in the mill rate for Real Estate and a 16.9% decrease in the mill rate for Motor Vehicle from FY2022 to FY2023.

Historically, actual tax collection rates have exceeded 99.1%, the assumption used to set the mill rate. In 2019, 2020, and 2021 the collection rates were 99.51%, 99.41%, and 99.55% respectively. The Town completed the 2022 fiscal year with a 99.47% 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 4.0% of the Town's overall revenues in the FY 2022 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. State legislative action in 2017 adopted a phased reduction in annual ECS funding beginning in FY2020 through FY2028. When presenting his budget, Governor Lamont proposed ECS funding to remain flat in fiscal year 2021 and 2022. The adopted Town budget for FY2022 assumed level funding of \$5.38M.

The Town continued to face many of the same challenges on the expenditure side of the budget for FY 2022 as it had in prior years. The FY 2022 budget for Town Operations increased 2.5% or \$1.1M, which was driven primarily by wage and pension costs. Wage accounts increased \$337K, reflecting an assumed general wage adjustment of 2.0%. The budgeted pension contribution increased \$997K from the prior year was a result of three main factors: an adjustment of \$307K to reflect understatement in prior year, \$473K increase to reflect a reduction from 6.5% to 6.25% Rate of Return, and \$217K annual increase in the Actuarially Determined Contribution per Normal Costs. a conversion that was experienced by municipal pension plans nationwide.

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 this rate of return assumption reductions over a number of years.

The FY2022 budget was designed to incorporate the short and long term goals of the Town, including:

- Increases investment to the Capital Reserve Fund to support infrastructure care and maintenance
- Improve operational efficiencies through use of technology solutions
- Fully funds pension Actuarial Determined Contribution (ADC)
- Funds OPEB at 100% of ADC
- Allocates American Rescue Plan Act (ARPA) funding to Capital Improvement and Capital Outlay investments
- Effectively manages ongoing Debt Service
- Continues to manage Full-Time staffing levels to achieve operations efficiencies and cost savings
- Mitigates factors influencing operating costs – work practices, process improvements, machinery & equipment
- Sustains investment in system-wide Capital Outlay accounts
- Achieves sustainability and predictability of budgetary decisions and avoids budget “cliffs”
- Limits upward adjustment in the mill rate

The Education budget increased \$1.8 million or 1.6% 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, \$37 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 95 acres located off Dayton Road, 10+ acres on Welles Street, and 1.18 acres on 1361 Main Street. An additional bond authorization of \$3M was approved in November 2022 for further support to the land acquisition and preservation program.

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 2021-2022 fiscal year was \$5,250,000 and for the 2022-2023 fiscal year is \$5,650,000. In addition to the funding from the General Fund, the Capital Improvement Plan program takes advantage of significant grant resources, as applicable.

For the 2022-2023 fiscal year, the Town Council appropriated \$9.02 million for the Capital Reserve Fund, \$305k for the Sewer Sinking Fund, \$461k for Town Aid Road, and \$5.63 million for Capital Projects funded by the ARPA program. The funding is available through the annual appropriation to the Capital Reserve, Sewer Sinking funds and grants. In addition, Glastonbury received \$10.2 million through the ARPA program. 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.

### **Award**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021, which represents the thirty-second 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 2022 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 Richard J. Johnson, Town Manager, Town Council and Board of Finance, for their ongoing support of sound financial management.

Respectfully submitted,

A handwritten signature in cursive script that reads "Keri Rowley".

Keri J. Rowley  
Director of Finance and Administrative Services

**Town of Glastonbury, Connecticut**

**Principal Town Officials  
June 30, 2022**

---

**Town Council**

Thomas P. Gullotta, Chairman  
Lawrence Niland, Vice Chairman  
Deborah Carroll, Majority Leader  
John Cavanna  
Kurt P. Cavanaugh, Minority Leader

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

**Board of Finance**

Constantine Constantine, Chairman  
Jared Soper, Vice Chairman  
Susan Karp

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  
Vacant  
Daniel A. Pennington  
Rebecca Augur  
Sherri Tanguay

**Board of Education**

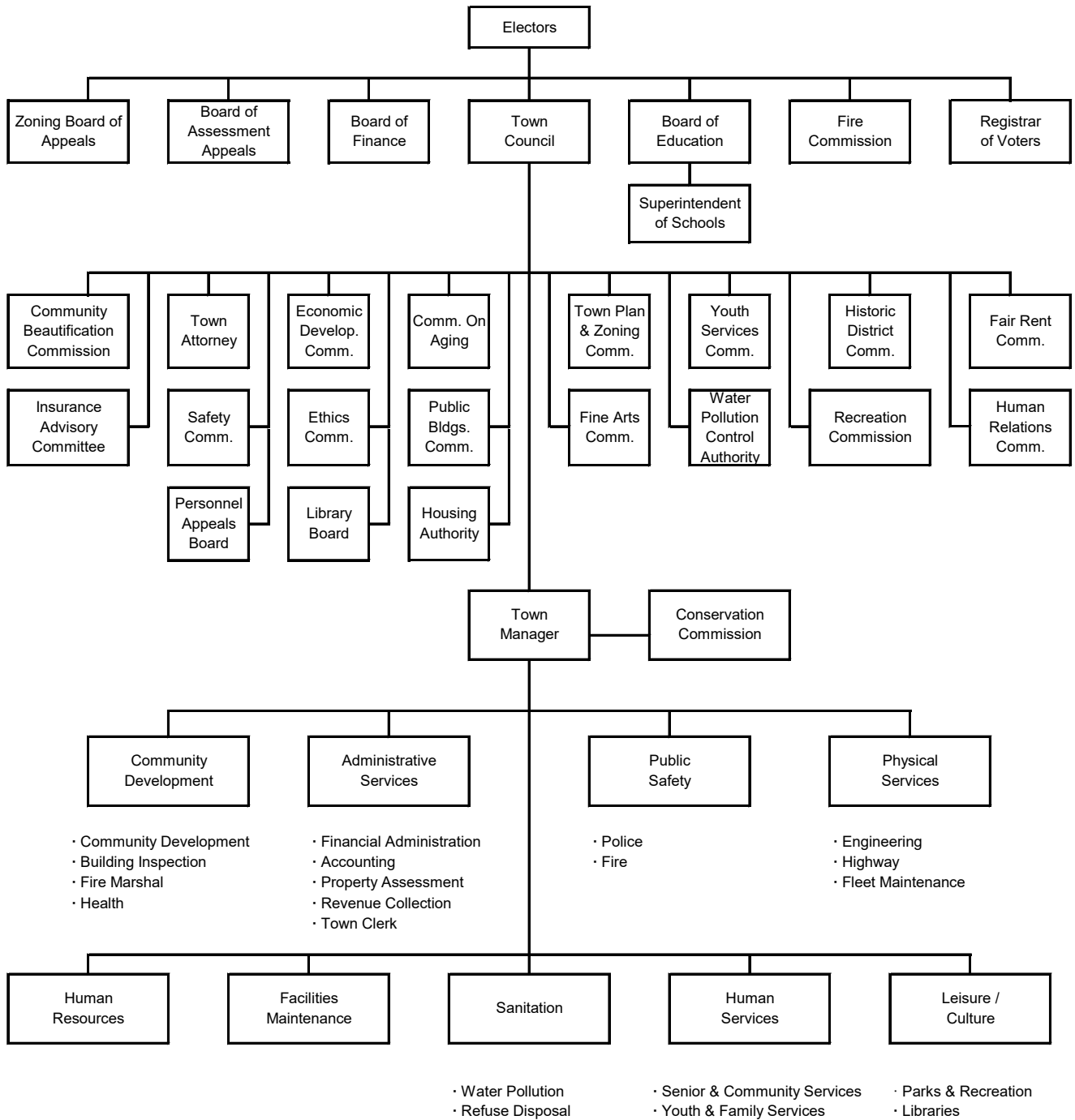
Douglas C. Foyle, Ph.D., Chairman  
Julie Thompson, Vice Chairman  
Ray McFall, Secretary  
Alison Couture

Jenn Jennings  
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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*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 Audit of the Financial Statements

#### **Opinions**

We have audited the 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, 2022, and the related notes to the financial statements which, collectively, comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Glastonbury, Connecticut as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

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

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

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



### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management 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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with 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.

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, 2021 (not presented herein), and have issued our report thereon dated December 21, 2021, 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, 2021 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 2021 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2021 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, 2021.

### **Other Information**

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2022, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.

**RSM US LLP**

Hartford, Connecticut  
December 27, 2022

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**Town of Glastonbury, Connecticut**  
**Management's Discussion and Analysis – Unaudited**  
**June 30, 2022**

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, 2022. 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, 2022, \$11.6 million, or 4.5%, 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 \$281,597 or 0.11%, from \$257.0 million to \$257.2 million. Government-wide expenses were \$205.1 million, while revenues were \$205.4 million. The increase in net position of \$0.3 million is attributable to the overall management of Town operations in a fiscally responsible manner.
- At the close of the year, the Town's governmental funds reported, on a current financial resources basis, combined ending fund balances of \$71.3 million, an increase of \$2.7 million from the prior fiscal year. Of the total \$71.3 million fund balance as of June 30, 2022, \$31.2 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 \$37.6 million, an increase of approximately \$2.96 million from the prior fiscal year. Of that total fund balance, \$33.2 million is unassigned. The unassigned General Fund balance at year-end represents 19.2% of total General Fund expenditures and transfers out (\$172.9 million on a budget basis).
- The Town's total bonded indebtedness decreased \$2.92 million during the fiscal year. The Town issued \$7,555,000 of General Obligation Refunding Bonds and \$2,375,000 of General Obligation 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 2013 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, Capital and Nonrecurring Expenditures 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 Card, 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 custodial 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, 2022.

**Town of Glastonbury, Connecticut**  
**Summary Statement of Net Position**  
**June 30, 2022 and 2021**  
(In 000's)

	Governmental Activities	
	2022	2021
Current and other assets	\$ 106,736	\$ 101,433
Capital assets, net	295,383	294,322
<b>Total assets</b>	<b>402,119</b>	<b>395,755</b>
Deferred outflows of resources:		
Deferred charge on refunding	914	742
Change in pension actuarial experience	1,875	3,565
Change in pension assumptions	9,092	14,568
Net change in pension investment experience	14,116	-
Change in OPEB actuarial experience	2,542	660
Change in OPEB assumptions	290	363
Net change in OPEB investment experience	1,131	-
<b>Total deferred outflows of resources</b>	<b>29,960</b>	<b>19,898</b>
Long-term liabilities outstanding	146,266	109,545
Other liabilities	23,465	21,444
<b>Total liabilities</b>	<b>169,731</b>	<b>130,989</b>
Deferred inflows of resources:		
Advance tax payments	297	212
Lease receivable	592	-
OPEB related items	3,194	1,798
Pension related items	1,035	25,705
<b>Total deferred inflows of resources</b>	<b>5,118</b>	<b>27,715</b>
Net position:		
Net investment in capital assets	242,656	241,651
Restricted	2,985	9
Unrestricted	11,589	15,289
<b>Total net position</b>	<b>\$ 257,230</b>	<b>\$ 256,949</b>

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.

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, 2022 and 2021**  
(In 000's)

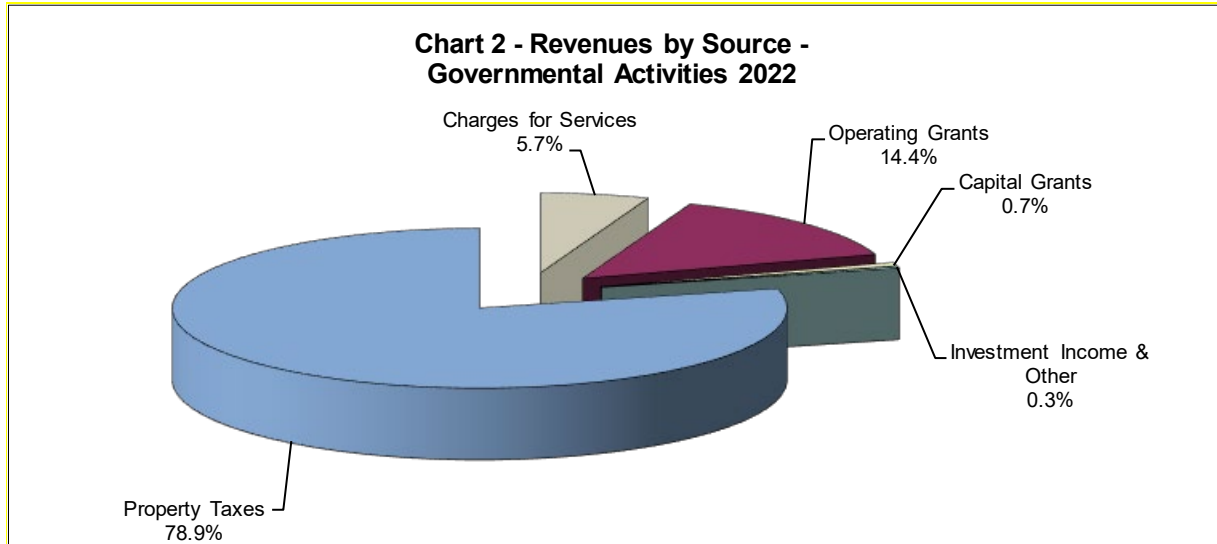
	Governmental Activities	
	2022	2021
Revenues:		
Program revenues:		
Charges for services	\$ 11,696	\$ 10,886
Operating grants and contributions	29,529	47,389
Capital grants and contributions	1,512	2,401
General revenues:		
Property taxes	162,109	158,501
Grants and contributions not restricted to specific programs	266	253
Investment income and other	259	213
<b>Total revenues</b>	<b>205,371</b>	<b>219,643</b>
Expenses:		
General government services	3,907	3,251
Community development	2,769	1,919
Administrative services	6,582	7,571
Public safety	18,416	15,786
Physical services	12,753	10,949
Sanitation	4,364	3,915
Human services	3,403	2,279
Leisure/culture	9,316	5,228
Education	142,103	153,508
Interest on long-term debt	1,477	1,769
<b>Total expenses</b>	<b>205,090</b>	<b>206,175</b>
<b>Change in net position</b>	<b>281</b>	<b>13,468</b>
Net position, beginning	<b>256,950</b>	243,481
Net position, ending	<b>\$ 257,231</b>	\$ 256,949

Glastonbury's net position increased \$0.3 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

Approximately 78.9% of the revenues were derived from property taxes, followed by 14.4% from operating grants and contributions, 5.7% from charges for services, 0.7% from capital grants and contributions and the remaining 0.3% from capital contributions, investment earnings and grants and contributions.



Major revenue factors included:

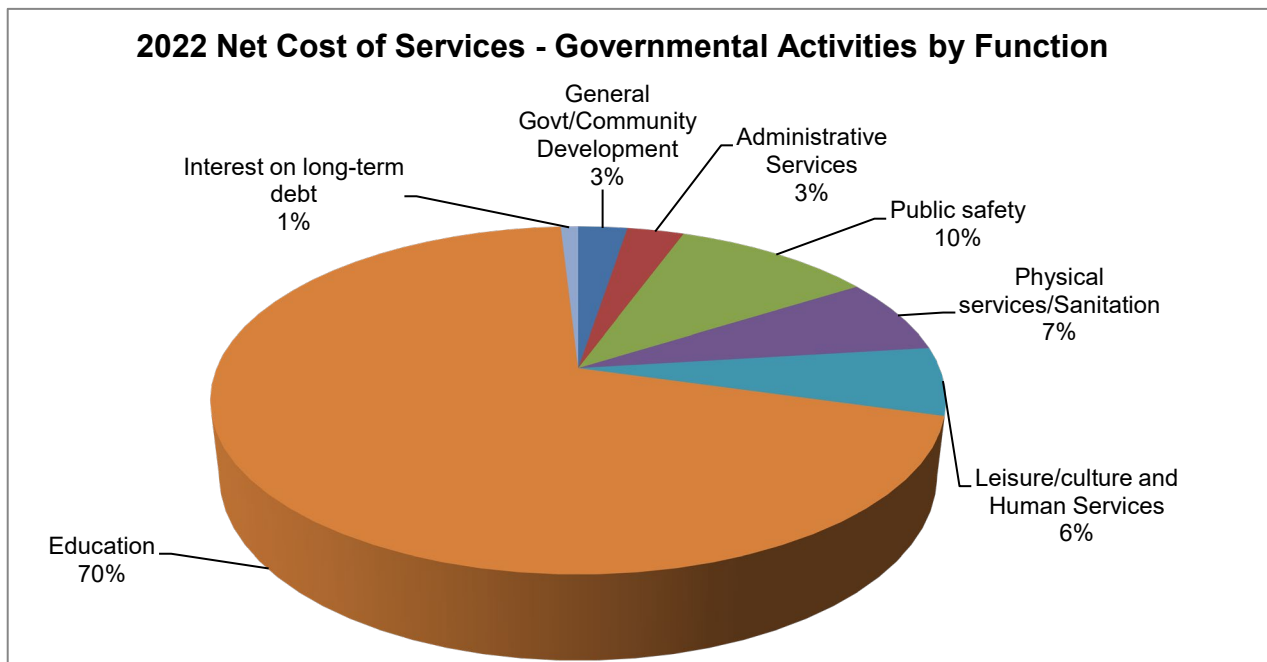
- Property tax revenues recorded for fiscal year 2022 totaled \$162.1 million, which represents an increase of 2.3% over 2021 tax revenues. The tax increase for the 2021/22 budget was 1.1%, with the mill rate increasing from 36.90 to 37.32 mills. This increase, combined with the estimated growth in the grand list of 0.87%, generated approximately \$1.39 million in additional tax revenue. In addition, the actual tax collection rate exceeded the assumed rate, 99.47% versus 99.1%, respectively.
- Operating grants and contributions decreased by \$17.9 million or 37.7%, primarily driven by Education and the decrease in the pension revenue recognized for on-behalf amounts for the retirement benefits provided by the State of Connecticut.

With respect to governmental activities, 69.3% of the Town's expenses were related to education. Physical services and sanitation accounted for 8.4%, public safety accounted for 9%, leisure and culture (comprised of parks and recreation and library services) accounted for 4.5%, and administrative services (which includes finance, accounting, revenue collection, assessment, town clerk, property and casualty insurances, legal costs and information technology) accounted for 3.2% of expenses. The remaining 5.6% relates to general government, community development, human services and interest on long-term debt.

Overall, expenses decreased \$1.1 million or 0.5% over the prior year. Major expenditure factors include:

- Education expenses decreased \$11.4 million, or 7.4%, primarily due to the increase in the State of Connecticut's contribution to the State Teachers' Retirement System.
- Leisure/culture expenses increased \$4.1 million, or 78.2%, primarily related to program levels returning to pre-COVID participation.
- Public Safety expenses increased \$2.6 million, or 16.7%, primarily related to wages and pension expenses.
- Physical services expenses increased \$1.8 million, or 16.5%, primarily due to depreciation expense on capital assets.

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, 2022, the Town of Glastonbury's governmental funds reported combined ending fund balances of \$71.3 million, an increase of \$2.7 million over the previous year. Approximately \$40.1 million of this total is non-spendable, 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 \$31.2 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 \$33.2 million while the total fund balance reached \$37.6 million.

The Town's General Fund balance increased \$3.0 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 \$4.1 million, which included.
  - Property taxes collected exceeded estimates by \$1 million (actual collection rate of 99.47% versus 99.1% assumed)
  - Licenses and permits exceeded budget by approximately \$0.5 million due to building permit revenue received during the year.
  - Actual intergovernmental revenue exceeded budgeted revenues by \$2.1 million, primarily due to Storm Isaias and COVID-19 related grants.
  - Charges for Services exceeded budget by approximately \$0.4 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.
- General Fund expenditures came in \$0.1 million under original budget. The savings were throughout various departments.
- Other factors impacting the General Fund balance include:
  - \$0.975 million Use of Fund Balance, which was budgeted, but not incurred.
  - A repayment of \$0.4 million was made to the General Fund from the Self-Contained Breathing Apparatus Capital 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 \$33.7 million, representing an decrease of \$.3 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 \$0.5 million decrease. 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 \$0.07million. 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.

### **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 \$6.1 million for various capital projects and improvements. The fund balance increased \$2.4 million, resulting in a Capital Reserve Projects Fund balance of \$11.7 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 FY2021, and has a minimal fund balance related to interest on investment.

### **Capital and Nonrecurring Expenditures Fund**

This fund accounts for monies set aside for future capital improvements. Fund balance decreased \$1.9 million. In addition to \$5.6 million transferred in from General Fund, \$1 million was received from state and federal grants. \$8.8 million was transferred to the Capital Reserve Project Fund for capital expenditure. The \$2.0 million fund deficit is the result of timing difference in funding projects and receiving grant reimbursements.

## **General Fund Budgetary Highlights**

The difference between the original budget and the final amended expenditure budget was \$4.8 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 \$1.5 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 \$3.0 million.
- Increased appropriations by \$0.2 million for various capital projects.

During the year, actual revenues on a budgetary basis were \$175.9 million which exceeded the final budget by \$2.6 million. Key drivers of this increase included: \$1.0 million of property tax collections, \$0.7 million of intergovernmental revenues, \$0.5 million for licenses and permits and \$0.4 million for charges for services.

Actual expenditures and transfers out on a budgetary basis totaled \$173.3 million, which was approximately \$4.2 million less than the final budget of \$177.5 million. This variance is attributable to education, which will carry forward \$2.7 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 \$1.5 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 \$1.0 million, which was generated through various savings across all departments of the Town.

### **Capital Asset and Debt Administration**

**Capital Assets.** The Town's investment in capital assets for its governmental activities as of June 30, 2022, amounted to \$579.0 million on a gross basis and \$295.4 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 \$9.6 million.

#### **Town of Glastonbury Capital Assets June 30, 2022 and 2021**

	Governmental Activities	
	2022	2021
Land	\$ 56,311	\$ 54,324
Development rights	4,109	4,109
Construction in progress	9,565	8,188
Land improvements	42,855	42,855
Building and improvements	234,716	234,105
Machinery and equipment	60,616	60,152
Computer software	1,091	894
Infrastructure	164,242	160,527
Right-to-use leased assets	5,456	4,186
<b>Total</b>	<b>\$ 578,961</b>	<b>\$ 569,340</b>

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

- Major additions to Construction in Progress (CIP) included Multi-use trail, Glastonbury Blvd paving, and Smith Middle School gym floor. Completed portions of the projects have been capitalized from CIP.
- Purchase of land totaling \$2.0 million, including a 2± acre parcel located in Lombardo Farm, a 10± acre site located off Welles Street, and 1.18-acre site located at 1361 Main Street and immediately next to Earle Park.
- To comply with GASB 87, leases were reported as Right-to-use leased assets in the capital assets schedules for fiscal year 2022 and restated fiscal year 2021.

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 \$45.7 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 \$1.107 million. As of June 30, 2022, the Town's recorded long-term debt of \$45.7 million is well below its statutory debt limits.

The Town issued \$7.56 million in refunding bonds to refund outstanding principal of the 2011 Series B and 2013 bonds on November 16, 2021 (General Obligation Refunding Bonds, Issue of 2021) and issued long-term debt in the amount of \$2.38 million on March 10, 2022 (General Obligation Bonds, Issue of 2022).

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.

### **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, 2022

	Primary Government Governmental Activities
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 78,874,127
Receivables, net of allowance of \$191,499	3,505,862
Lease receivable	103,361
Inventory	316,792
Investments	23,386,946
Prepays and other assets	50,930
<b>Total current assets</b>	<u>106,238,018</u>
Noncurrent assets:	
Lease receivable	498,093
Capital assets not being depreciated	69,984,886
Capital assets being depreciated, net of accumulated depreciation	225,398,088
<b>Total noncurrent assets</b>	<u>295,881,067</u>
<b>Total assets</b>	<u>402,119,085</u>
<b>Deferred outflows of resources</b>	
Deferred charge on refunding	914,411
Deferred outflows related to OPEB	3,963,148
Deferred outflows related to Pension	25,082,937
<b>Total deferred outflows of resources</b>	<u>29,960,496</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable and accrued liabilities	8,820,579
Due to developers for escrow deposits	807,661
Due to others for escrow deposits	306,305
Long-term liabilities due within one year	7,335,366
Unearned revenue	5,740,243
Accrued interest payable	454,888
<b>Total current liabilities</b>	<u>23,465,042</u>
Noncurrent liabilities:	
Due in more than one year	146,266,100
<b>Total noncurrent liabilities</b>	<u>146,266,100</u>
<b>Total liabilities</b>	<u>169,731,142</u>
<b>Deferred Inflows of Resources</b>	
Advance tax payments	297,319
Deferred inflows - lease receivable	591,827
Deferred inflows related to OPEB	3,193,508
Deferred inflows related to pension	1,035,161
<b>Total deferred inflows of resources</b>	<u>5,117,815</u>
<b>Net Position</b>	
Net investment in capital assets	242,656,103
Restricted for:	
Trust funds, nonexpendable	8,527
Capital Projects	343,235
Education	1,421,985
Public safety programs	343,480
Road construction and maintenance	340,808
Community center	171,238
Other purposes	355,616
Unrestricted	11,589,632
<b>Total net position</b>	<u>\$ 257,230,624</u>

See notes to the financial statements.

Town of Glastonbury, Connecticut

Exhibit II

Statement of Activities  
For the Year Ended June 30, 2022

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	\$ 3,905,653	\$ -	\$ 1,281,905	\$ -	\$ (2,623,748)
Community development	2,768,357	1,187,352	-	-	(1,581,005)
Administrative services	6,582,719	1,753,529	-	-	(4,829,190)
Public safety	18,416,337	861,064	477,396	-	(17,077,877)
Physical services	12,753,200	359,853	-	1,460,521	(10,932,826)
Sanitation	4,364,075	3,996,025	1,292	-	(366,758)
Human services	3,403,013	198,748	86,664	51,278	(3,066,323)
Leisure/culture	9,315,474	2,066,549	38,426	-	(7,210,499)
Education	142,103,503	1,272,954	27,643,348	-	(113,187,201)
Interest on long-term debt	1,477,042	-	-	-	(1,477,042)
<b>Total primary government</b>	<b>\$ 205,089,373</b>	<b>\$ 11,696,074</b>	<b>\$ 29,529,031</b>	<b>\$ 1,511,799</b>	<b>(162,352,469)</b>
General revenues:					
					162,109,119
					266,162
					258,785
					<u>162,634,066</u>
					281,597
					256,949,027
					<u>\$ 257,230,624</u>

See notes to the financial statements.

Town of Glastonbury, Connecticut

Exhibit III

Balance Sheet - Governmental Funds  
June 30, 2022

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	American Rescue Plan Act	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 34,895,114	\$ 2,399,371	\$ 9,867,931	\$ 4,121,264	\$ -	\$ 9,612,879	\$ 60,896,559
Receivables, net of allowances for collection losses	2,011,378	437,214	-	-	340,811	716,324	3,505,727
Lease receivable	80,189	-	-	-	471,605	49,660	601,454
Inventory	237,160	-	-	-	-	79,632	316,792
Investments	8,285,867	10,086,976	1,954,156	1,003,147	-	2,056,800	23,386,946
Prepays and other assets	38,642	-	-	-	-	12,288	50,930
<b>Total assets</b>	<b>\$ 45,548,350</b>	<b>\$ 12,923,561</b>	<b>\$ 11,822,087</b>	<b>\$ 5,124,411</b>	<b>\$ 812,416</b>	<b>\$ 12,527,583</b>	<b>\$ 88,758,408</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>							
<b>Liabilities:</b>							
Accounts payable and other payables	\$ 4,526,744	\$ -	\$ 162,765	\$ -	\$ 1,839,610	\$ 560,862	\$ 7,089,981
Due to other funds	554,600	-	-	-	-	-	554,600
Due to developers for escrow deposits	807,661	-	-	-	-	-	807,661
Due to others for escrow deposits	111,831	194,474	-	-	-	-	306,305
Unearned revenue	49,775	-	-	5,104,946	469,838	115,684	5,740,243
<b>Total liabilities</b>	<b>6,050,611</b>	<b>194,474</b>	<b>162,765</b>	<b>5,104,946</b>	<b>2,309,448</b>	<b>676,546</b>	<b>14,498,790</b>
<b>Deferred inflows of resources:</b>							
Unavailable revenue - property taxes	1,520,163	-	-	-	-	-	1,520,163
Unavailable revenue - special assessments	-	426,730	-	-	-	39,477	466,207
Unavailable revenue - lease receivable	80,906	-	-	-	461,552	49,369	591,827
Unavailable revenue - other	-	-	-	-	-	71,748	71,748
Advance tax payments	297,319	-	-	-	-	-	297,319
<b>Total deferred inflows of resources</b>	<b>1,898,388</b>	<b>426,730</b>	<b>-</b>	<b>-</b>	<b>461,552</b>	<b>160,594</b>	<b>2,947,264</b>
<b>Fund balances (deficits):</b>							
Nonspendable	275,802	-	-	-	-	100,447	376,249
Restricted	-	-	-	-	-	2,976,362	2,976,362
Committed	-	12,302,357	11,659,322	19,465	-	8,631,926	32,613,070
Assigned	4,106,775	-	-	-	-	-	4,106,775
Unassigned	33,216,774	-	-	-	(1,958,584)	(18,292)	31,239,898
<b>Total fund balances (deficits)</b>	<b>37,599,351</b>	<b>12,302,357</b>	<b>11,659,322</b>	<b>19,465</b>	<b>(1,958,584)</b>	<b>11,690,443</b>	<b>71,312,354</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 45,548,350</b>	<b>\$ 12,923,561</b>	<b>\$ 11,822,087</b>	<b>\$ 5,124,411</b>	<b>\$ 812,416</b>	<b>\$ 12,527,583</b>	<b>\$ 88,758,408</b>

See notes to the financial statements.

**Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position  
June 30, 2022**

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

<b>Total fund balances (Exhibit III)</b>	\$	71,312,354
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Capital assets	\$	578,961,581
Less accumulated depreciation		<u>(283,578,607)</u>
<b>Net capital assets</b>		295,382,974
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		1,986,370
Other receivables greater than 60 days		71,748
Pension deferred outflows		25,082,937
OPEB deferred outflows		3,963,148
Deferred charges on refunding		<u>914,411</u>
		32,018,614
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.		
		16,801,705
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		(45,725,000)
Bond premium, net of amortization		(4,115,897)
Interest payable on bonds		(454,888)
Leases payable		(4,119,858)
Compensated absences		(3,852,758)
Net pension liability		(80,753,285)
Deferred pension inflows		(1,035,161)
Deferred OPEB inflows		(3,193,508)
Net OPEB liability		(14,464,055)
Legal claims		(250,000)
Other payable		<u>(320,613)</u>
		<u>(158,285,023)</u>
<b>Net position of governmental activities (Exhibit I)</b>	<b>\$</b>	<b><u>257,230,624</u></b>

See notes to the financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) –  
Governmental Funds  
For the Year Ended June 30, 2022**

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	American Rescue Plan Act	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>							
Property taxes, interest and liens fees	\$ 161,977,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161,977,630
Licenses and permits	1,783,790	-	-	-	-	-	1,783,790
Intergovernmental	9,134,362	-	-	15,982	999,026	8,058,485	18,207,855
Charges for services	1,924,117	222,031	-	-	-	6,655,153	8,801,301
Investment income	242,196	112,788	-	19,465	40,184	28,317	442,950
Unrealized investment gain (loss)	(126,405)	(72,510)	-	-	-	-	(198,915)
Other revenues	854,301	120	-	-	211,840	328,639	1,394,900
State payment for teacher's retirement / health account system	15,166,830	-	-	-	-	-	15,166,830
<b>Total revenues</b>	<b>190,956,821</b>	<b>262,429</b>	<b>-</b>	<b>35,447</b>	<b>1,251,050</b>	<b>15,070,594</b>	<b>207,576,341</b>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	3,466,214	-	-	-	-	-	3,466,214
Community development	2,642,249	-	-	-	-	-	2,642,249
Administrative services	6,040,413	-	-	-	-	225,591	6,266,004
Public safety	16,079,406	-	-	-	-	984,727	17,064,133
Physical services	7,376,311	-	-	-	-	-	7,376,311
Sanitation	953,775	-	-	-	-	2,037,006	2,990,781
Human services	2,978,980	-	-	-	-	-	2,978,980
Leisure/culture	6,025,304	-	-	15,982	-	1,542,749	7,584,035
Education	115,230,880	-	-	-	-	7,928,757	123,159,637
State payment for teacher's retirement / health account system	15,166,830	-	-	-	-	-	15,166,830
<b>Debt service:</b>							
Principal	5,135,000	-	-	-	-	715,000	5,850,000
Interest and other charges	1,550,398	-	-	-	-	366,875	1,917,273
Capital outlay	1,270,501	-	6,087,154	-	-	5,278,850	12,636,505
<b>Total expenditures</b>	<b>183,916,261</b>	<b>-</b>	<b>6,087,154</b>	<b>15,982</b>	<b>-</b>	<b>19,079,555</b>	<b>209,098,952</b>
<b>Revenues over (under) expenditures</b>	<b>7,040,560</b>	<b>262,429</b>	<b>(6,087,154)</b>	<b>19,465</b>	<b>1,251,050</b>	<b>(4,008,961)</b>	<b>(1,522,611)</b>
<b>Other financing sources (uses):</b>							
Issuance of refunding bonds	7,555,000	-	-	-	-	-	7,555,000
Issuance of bonds	-	-	-	-	-	2,375,000	2,375,000
Payment to escrow agent	(7,425,635)	-	-	-	-	-	(7,425,635)
Premium on bonds issued	-	-	-	-	-	343,959	343,959
Right of use asset proceeds	1,270,501	-	-	-	-	-	1,270,501
Transfers in	400,000	-	8,933,300	-	5,624,272	932,788	15,890,360
Transfers out	(5,982,700)	(755,788)	(400,572)	-	(8,751,300)	-	(15,890,360)
Sale of general capital assets	100,731	-	-	-	-	-	100,731
<b>Total other financing sources (uses)</b>	<b>(4,082,103)</b>	<b>(755,788)</b>	<b>8,532,728</b>	<b>-</b>	<b>(3,127,028)</b>	<b>3,651,747</b>	<b>4,219,556</b>
<b>Net change in fund balances (deficits)</b>	<b>2,958,457</b>	<b>(493,359)</b>	<b>2,445,574</b>	<b>19,465</b>	<b>(1,875,978)</b>	<b>(357,214)</b>	<b>2,696,945</b>
Fund balances (deficits) at beginning of year	34,640,894	12,795,716	9,213,748	-	(82,606)	12,047,657	68,615,409
Fund balances (deficits) at end of year	\$ 37,599,351	\$ 12,302,357	\$ 11,659,322	\$ 19,465	\$ (1,958,584)	\$ 11,690,443	\$ 71,312,354

(Continued)

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) -  
Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2022**

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

<b>Net change in fund balances – total governmental funds (Exhibit V)</b>	<b>\$</b>	<b>2,696,945</b>
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	10,929,098	
Depreciation expense	(13,832,010)	
Disposals	<u>(221,993)</u>	(3,124,905)
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	131,489	
Sewer assessments collected after 60 days	(16,274)	
Other receivables collected after 60 days	<u>(1,481)</u>	113,734
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		6,949,448
Deferred outflow - change related to OPEB items		2,940,587
Deferred inflow - change related to pension items		24,669,890
Deferred outflow - change related to OPEB items		(1,395,946)
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	61,396	
Leases issued	(1,270,501)	
Payments on leases	1,336,550	
Principal payments on bonds	5,424,365	
Issuance of refunding bonds	(7,555,000)	
Premiums on bonds issued	(343,959)	
Deferred loss on refunding	425,635	
Issuance of bonds	(2,375,000)	
Payment to escrow agent	7,425,635	
Amortization of bond premiums	674,094	
Amortization of deferred charge on refunding	<u>(253,311)</u>	3,549,904
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	(45,682)	
Change in legal claims	(250,000)	
Change in retainage	1,656	
Change in pension liability	(35,423,396)	
Change in OPEB liability	<u>(1,595,822)</u>	(37,313,244)
The net revenue of certain activities of internal service funds is reported in governmental activities		
		<u>1,195,184</u>
<b>Change in net position of governmental activities (Exhibit II)</b>	<b>\$</b>	<b><u>281,597</u></b>

See notes to the financial statements.

**Statement of Net Position - Proprietary Funds  
June 30, 2022**

	Governmental Activities
	<u>Internal Service Fund</u>
<hr/>	
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 17,977,568
Accounts receivable, net	135
Due from other funds	554,600
<b>Total assets</b>	<u>18,532,303</u>
 <b>Liabilities</b>	
Current liabilities:	
Claims payable	1,063,535
Administration expense payable	667,063
<b>Total liabilities</b>	<u>1,730,598</u>
 <b>Net Position</b>	
Unrestricted	<u>\$ 16,801,705</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, 2022**

	Governmental Activities <u>Internal Service Fund</u>
Operating revenues:	
Employer contributions	\$ 18,493,323
Employee contributions	<u>4,700,576</u>
<b>Total operating revenues</b>	<u>23,193,899</u>
Operating expenses:	
Claims incurred	19,489,780
Administration	<u>2,523,685</u>
<b>Total operating expenses</b>	<u>22,013,465</u>
<b>Operating income</b>	<u>1,180,434</u>
Nonoperating revenue:	
Investment income	<u>14,750</u>
<b>Total nonoperating revenue</b>	<u>14,750</u>
<b>Change in net position</b>	1,195,184
Net position, beginning	<u>15,606,521</u>
Net position, ending	<u>\$ 16,801,705</u>

See notes to the financial statements.

**Statement of Cash Flows - Proprietary Funds  
For the Year Ended June 30, 2022**

	Governmental Activities <u>Internal Service Fund</u>
Cash flows from operating activities:	
Receipts from customers and users	\$ 23,608,299
Claims paid	(19,059,697)
Payments for administration	<u>(2,695,944)</u>
<b>Net cash provided by operating activities</b>	<u>1,852,658</u>
Cash flows from investing activities:	
Investment income	<u>14,750</u>
<b>Net cash provided by investing activities</b>	<u>14,750</u>
<b>Net increase in cash and cash equivalents</b>	1,867,408
Cash and cash equivalents:	
Beginning	<u>16,110,160</u>
Ending	<u><u>\$ 17,977,568</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 1,180,434
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decrease in prepaids	447,719
Decrease in due from other funds	414,400
Decrease in claims payable	(17,636)
Decrease in administration payable	<u>(172,259)</u>
<b>Net cash provided by operating activities</b>	<u><u>\$ 1,852,658</u></u>

See notes to the financial statements.

**Statement of Fiduciary Net Position - Fiduciary Funds**  
**June 30, 2022**

	Pension and Other Employee Benefit Trust Funds	Custodial Funds
<b>Assets</b>		
Cash and cash equivalents	\$ 1,792,118	\$ 1,237,987
Investments, at fair value:		
Mutual funds	89,389,366	-
Fixed income mutual funds	64,314,584	-
Pooled funds	18,034,120	-
Limited partnerships	15,303,458	-
<b>Total assets</b>	<u>188,833,646</u>	<u>1,237,987</u>
<b>Net Position</b>		
Restricted for:		
Pension benefits	180,411,409	-
OPEB benefits	8,422,237	-
Individuals	-	1,237,987
<b>Total net position</b>	<u>\$ 188,833,646</u>	<u>\$ 1,237,987</u>

See notes to the financial statements.

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds  
For the Year Ended June 30, 2022**

	Pension and Other Employee Benefit Trust Funds	Custodial Funds
<b>Additions:</b>		
Contributions:		
Employer	\$ 12,570,231	\$ -
Employee	2,194,137	-
Classes & clubs, donations and other student activities	-	953,305
<b>Total contributions</b>	<u>14,764,368</u>	<u>953,305</u>
Investment (loss) income:		
Net change in fair value of investments	(33,599,262)	-
Interest and dividends	3,873,881	-
	<u>(29,725,381)</u>	<u>-</u>
Less investment expenses:		
Investment management fees	144,800	-
<b>Net investment loss</b>	<u>(29,870,181)</u>	<u>-</u>
<b>Total additions</b>	<u>(15,105,813)</u>	<u>953,305</u>
Deductions:		
Benefit payments	12,763,768	-
Administration fees	132,402	-
Materials, supplies and other expenses	-	853,231
<b>Total deductions</b>	<u>12,896,170</u>	<u>853,231</u>
<b>Change in net position</b>	(28,001,983)	100,074
Net position:		
Beginning of year	<u>216,835,629</u>	<u>1,137,913</u>
End of year	<u>\$ 188,833,646</u>	<u>\$ 1,237,987</u>

See notes to the financial statements.

## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### 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:** The Town adopted GASB Statement No. 87, *Leases* for the fiscal year ending June 30, 2022. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties. The implementation of this standard resulted in the Town recording lease receivables, deferred inflows of resources related to those receivables, lease assets and lease liabilities and reclassifying lease expenditures into amortization and interest expense. The implementation of this standard also resulted in certain additional disclosures and did not result in a restatement of beginning net position or fund balance.

**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.

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.

## Town of Glastonbury, Connecticut

### Notes to Financial Statements

June 30, 2022

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#### Note 1. Summary of Significant Accounting Policies (Continued)

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, fiduciary fund and custodial funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied 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.

The *Capital Nonrecurring Expenditure Fund* accounts for funds set aside for future capital improvements.

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.

## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### Note 1. Summary of Significant Accounting Policies (Continued)

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.

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.

## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### Note 1. Summary of Significant Accounting Policies (Continued)

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."

**Leases:** The Town determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the Town's claim to receive lease payments as a lessor over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.



**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The Town has elected to recognize payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Town has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

**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:

	<u>Years</u>
Assets:	
Land improvements	20
Buildings and improvements	50
Machinery and equipment	5-20
Computer software	5
Infrastructure	20-40
Right-of-use leased assets	2-16

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

## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**Lease Assets:** The Town is the lessee for noncancellable leases of equipment and property. The Town has recognized intangible right-to-use lease assets (lease assets) in the financial statements.

The lease assets are measured at the start of the lease as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Town determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments. The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate is not provided, the Town uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price that the Town is reasonable certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with capital assets on the statement of net position.

**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 assets 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 assets 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, a deferred inflow related to lease receivables 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. The deferred inflows related to lease receivables was discussed previously. 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.

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, leases and other. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**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.

**Lease liability:** The Town is the lessee for noncancellable leases of equipment and property. The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Lessor:** The Town is a lessor for noncancellable leases of a buildings and property. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**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, 2022

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**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, 2022

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#### 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, 2022 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 2022, the Town did not experience a material negative financial impact as a result of the Deferment Program. The Town has collected approximately 99.58% of Fiscal Year 2022 budgeted taxes, with 99.49% having been collected at the same time last year for Fiscal Year 2021 and 99.41% having been collected at the same time in Fiscal Year 2020.

**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.

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.

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements**

**June 30, 2022**

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**Note 2. Budgets and Budgetary Accounting (Continued)**

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, 2022, supplemental appropriations in the amount of \$4,816,036 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, 2022:

Capital Projects:

Capital and nonrecurring expenditures	\$ (1,958,584)
Grants and Contracts	(18,292)

Deficits in the Capital and Nonrecurring Expenditures Fund and Grants and Contracts 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.

**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.

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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

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, 2022:

	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 \$28,599,000 of the Town's approximate bank balance of \$53,513,000 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 28,598,732
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	3,177,637
Total amount subject to custodial credit risk	\$ 31,776,369

**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.



**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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

**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	\$ 81,904,232
Total cash and cash equivalents	<u>81,904,232</u>
Investments:	
General Fund:	
Certificates of deposit	8,285,867
Special Assessment Fund:	
Certificates of deposit	10,086,976
Capital Reserve Projects Fund:	
Certificates of deposit	1,954,156
Library Renovation Fund:	
Certificates of deposit	1,003,147
Nonmajor governmental funds:	
Certificates of deposit	2,056,800
Total government investments	<u>23,386,946</u>
Pension and OPEB Trust Funds:	
Mutual funds	89,389,366
Fixed income mutual funds	64,314,584
Pooled funds	18,034,120
Limited partnerships	15,303,458
Total pension and OPEB investments	<u>187,041,528</u>
Total cash, cash equivalents and investments	<u>\$ 292,332,706</u>

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	\$ 78,874,127
Investments	<u>23,386,946</u>
	<u>102,261,073</u>
Fiduciary Funds:	
Cash and cash equivalents	3,030,105
Investments	<u>187,041,528</u>
	<u>190,071,633</u>
Total cash, cash equivalents and investments	<u>\$ 292,332,706</u>

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

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

**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	*	\$ 23,386,946	\$ 2,005,316	\$ 21,381,630	\$ -
Other investments:					
Mutual funds	N/A	89,389,366			
Fixed income mutual funds	N/A	64,314,584			
Pooled Funds	N/A	18,034,120			
Limited partnerships	N/A	15,303,458			
Total investments		<u>\$ 210,428,474</u>			

N/A - Not Applicable

\* Subject to coverage by federal depository insurance and collateralization.

At June 30, 2022, the Town's cash equivalents amounted to approximately \$21,958,000. 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.

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

\* Not rated.

**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, 2022:

	June 30, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Mutual funds	\$ 89,389,366	\$ 89,389,366	\$ -	\$ -
Fixed income mutual funds	64,314,584	64,314,584		
Pooled funds	18,034,120	-	18,034,120	-
Investments measured at net asset value (NAV):				
Limited liability corporation	15,303,458	-	-	-
Total investments	<u>\$ 187,041,528</u>	<u>\$ 153,703,950</u>	<u>\$ 18,034,120</u>	<u>\$ -</u>

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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

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	\$ 15,303,458	\$ -	Quarterly	60 days
Total investments measured at NAV	<u>\$ 15,303,458</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.

**Note 5. Accounts Receivables and Leases**

Receivables at June 30, 2022, including the applicable allowances for collection losses, are as follows:

	General Fund	Special Assessment Fund	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total
Property taxes*	\$ 1,833,817	\$ -	\$ -	\$ -	\$ 1,833,817
Assessments and use charges	-	474,130	-	53,402	527,532
Allowance for collection losses	(136,300)	(47,400)	-	(7,799)	(191,499)
Net taxes and assessments receivable	1,697,517	426,730	-	45,603	2,169,850
Intergovernmental	313,861	-	340,811	512,639	1,167,311
Other receivables	-	10,484	-	158,082	168,566
Net receivables	<u>\$ 2,011,378</u>	<u>\$ 437,214</u>	<u>\$ 340,811</u>	<u>\$ 716,324</u>	<u>\$ 3,505,727</u>

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

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

**Note 5. Accounts Receivables and Leases (Continued)**

The Town, acting as lessor, leases various properties under long-term, noncancelable lease agreements.

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

Years ending June 30:	Principal	Interest	Total
2023	\$ 103,361	\$ 8,601	\$ 111,962
2024	59,761	7,597	67,358
2025	47,955	6,809	54,764
2026	50,002	6,052	56,054
2027	48,115	5,267	53,382
2028 - 2032	238,294	14,979	253,273
2033 - 2034	53,966	488	54,454
	<u>\$ 601,454</u>	<u>\$ 49,793</u>	<u>\$ 651,247</u>

**Note 6. Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 54,324,280	\$ 1,987,023	\$ -	\$ 56,311,303
Development rights	4,108,701	-	-	4,108,701
Construction in progress	8,188,272	5,722,146	4,345,536	9,564,882
Total capital assets, not being depreciated	<u>66,621,253</u>	<u>7,709,169</u>	<u>4,345,536</u>	<u>69,984,886</u>
Capital assets, being depreciated:				
Land improvements	42,855,324	-	-	42,855,324
Buildings and improvements	234,105,378	610,136	-	234,715,514
Machinery and equipment	60,152,153	1,772,297	1,308,024	60,616,426
Computer software	893,855	196,676	-	1,090,531
Infrastructure	160,526,637	3,715,856	-	164,242,493
Right-to-use leased assets	4,185,907	1,270,500	-	5,456,407
Total capital assets, being depreciated	<u>502,719,254</u>	<u>7,565,465</u>	<u>1,308,024</u>	<u>508,976,695</u>
Less accumulated depreciation for:				
Land improvements	22,782,326	2,028,676	-	24,811,002
Buildings and improvements	84,743,624	4,469,039	-	89,212,663
Machinery and equipment	34,589,925	2,908,346	1,086,031	36,412,240
Computer software	793,641	81,158	-	874,799
Infrastructure	127,923,112	3,103,514	-	131,026,626
Right-to-use leased assets	-	1,241,277	-	1,241,277
Total accumulated depreciation	<u>270,832,628</u>	<u>13,832,010</u>	<u>1,086,031</u>	<u>283,578,607</u>
Total capital assets, being depreciated, net	<u>231,886,626</u>	<u>(6,266,545)</u>	<u>221,993</u>	<u>225,398,088</u>
Governmental activities capital assets, net	<u>\$ 298,507,879</u>	<u>\$ 1,442,624</u>	<u>\$ 4,567,529</u>	<u>\$ 295,382,974</u>

\*As restated for GASB 87 - See Note 1

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

**Note 6. Capital Assets (Continued)**

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

Governmental activities:		
General government		\$ 288,852
Community development		7,785
Administrative services		124,461
Public safety		868,384
Physical services		3,498,438
Sanitation		1,254,158
Human services		208,166
Leisure/culture		1,338,997
Education		6,242,769
Total depreciation expense - governmental activities		<u>\$ 13,832,010</u>

**Construction commitments:**

The Town has the following construction commitments as of June 30, 2022:

	Project Authorization	Expended to June 30, 2022	Outstanding Construction Commitments
Capital reserve projects:			
Bridge Replacement/Rehabilitation	\$ 5,150,000	\$ 4,662,519	\$ 178,415
Glastonbury High School Fieldhouse	2,325,000	2,362,878	169,792
Welles Turner Library Renovation	6,510,515	5,480,073	298,482
Total	<u>\$ 13,985,515</u>	<u>\$ 12,505,470</u>	<u>\$ 646,689</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, 2022 is presented below:

Receivable Fund	Payable Fund	Amount
Internal Service	General Fund	\$ 554,600
		<u>\$ 554,600</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, 2022**

**Note 7. Capital Assets (Continued)**

Interfund transfers during the year ended June 30, 2022 were as follows:

	Transfers In					Total
	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	
Transfers out:						
General Fund	\$ -	\$ -	\$ 207,000	\$ 5,623,700	\$ 152,000	\$ 5,982,700
Special Assessment Fund	-	-	25,000	-	730,788	755,788
Capital Reserve Projects Fund	400,000	-	-	572	-	400,572
Capital and Nonrecurring Expenditures Fund	-	-	8,701,300	-	50,000	8,751,300
Nonmajor Governmental Funds	-	-	-	-	-	-
Total transfers in	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 8,933,300</u>	<u>\$ 5,624,272</u>	<u>\$ 932,788</u>	<u>\$ 15,890,360</u>

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, 2022 is as follows:

	Beginning Balance*	Additions	Reductions	Ending Balance	Due Within One Year
General obligation bonds	\$ 48,645,000	\$ 9,930,000	\$ 12,850,000	\$ 45,725,000	\$ 6,155,000
Premium on bonds	4,446,032	343,959	674,094	4,115,897	-
Lease liability*	4,185,907	1,270,501	1,336,550	4,119,858	1,152,718
Compensated absences	3,807,076	574,885	529,203	3,852,758	27,648
Net pension liability	45,329,889	35,423,396	-	80,753,285	-
Net OPEB liability	12,868,233	1,595,822	-	14,464,055	-
Other	322,269	-	1,656	320,613	-
Legal claims	-	250,000	-	250,000	-
Total long-term liabilities	<u>\$ 119,604,406</u>	<u>\$ 49,388,563</u>	<u>\$ 15,391,503</u>	<u>\$ 153,601,466</u>	<u>\$ 7,335,366</u>

\*As restated for GASB 87- See Note 1

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

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

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:									
Refunding bonds	11,675,000	06/27/12	06/30/26	2.00-5.00%	\$ 4,970,000	\$ -	\$ 1,245,000	\$ 3,725,000	\$ 1,235,000
Refunding bonds	6,385,000	05/15/14	08/01/28	2.00-5.00%	1,812,300	-	17,900	1,794,400	17,900
Refunding bonds	830,000	07/26/18	06/30/26	5.00%	409,000	-	210,000	199,000	49,000
Refunding bonds	5,574,000	02/25/20	05/15/25	5.00%	4,273,000	-	1,066,000	3,207,000	1,245,000
Refunding bonds	1,116,000	12/10/20	10/01/29	3.00-5.00%	1,116,000	-	121,000	995,000	120,000
Total schools					12,580,300	-	2,659,900	9,920,400	2,666,900
General purpose:									
Land	3,680,000	11/15/11	11/01/30	2.00-3.00%	1,925,000	-	1,925,000	-	-
Refunding bonds	2,870,000	06/27/12	06/30/26	2.00-5.00%	690,000	-	225,000	465,000	225,000
Improvement bonds	8,950,000	10/10/13	10/01/33	3.00-4.625%	6,615,000	-	5,715,000	900,000	450,000
Refunding bonds	3,095,000	05/15/14	08/01/28	2.00-5.00%	1,782,700	-	12,100	1,770,600	12,100
Improvement bonds	2,735,000	07/26/18	06/30/39	2.00-5.00%	2,465,000	-	135,000	2,330,000	135,000
Refunding bonds	2,970,000	07/26/18	06/30/26	5.00%	1,846,000	-	450,000	1,396,000	346,000
Refunding bonds	2,531,000	02/25/20	05/15/25	5.00%	1,927,000	-	494,000	1,433,000	575,000
Land/Improvement bonds	10,390,000	07/24/20	07/15/40	2.00-4.00%	10,390,000	-	515,000	9,875,000	515,000
Refunding bonds	4,000	12/10/20	10/01/21	5.00%	4,000	-	4,000	-	-
Refunding bonds	7,555,000	11/16/21	10/01/33	0.52-2.25%	-	7,555,000	-	7,555,000	240,000
Land	2,375,000	03/10/22	03/01/32	3.00-5.00%	-	2,375,000	-	2,375,000	240,000
Total general purpose					27,644,700	9,930,000	9,475,100	28,099,600	2,738,100
Sewer									
Refunding bonds	8,895,000	12/10/20	10/01/30	2.00-5.00%	8,420,000	-	715,000	7,705,000	750,000
Total general obligation bonds					\$ 48,645,000	\$ 9,930,000	\$ 12,850,000	\$ 45,725,000	\$ 6,155,000

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

Fiscal Years Ending June 30:	Principal	Interest	Total
2023	\$ 6,155,000	\$ 1,539,596	\$ 7,694,596
2024	6,275,000	1,266,220	7,541,220
2025	5,375,000	997,231	6,372,231
2026	4,520,000	778,611	5,298,611
2027	3,750,000	621,788	4,371,788
2028-2032	12,910,000	1,558,562	14,468,562
2033-2037	4,380,000	461,415	4,841,415
2038-2041	2,360,000	94,225	2,454,225
	<u>\$ 45,725,000</u>	<u>\$ 7,317,648</u>	<u>\$ 53,042,648</u>

**2021 General Obligation Refunding Bond- In-Substance Defeasance:** On November 16, 2021, the Town issued \$7,555,000 of general obligation refunding bonds with interest rates ranging from 0.520%-2.250% of which proceeds were used to advance refund the outstanding principal amounts of the general obligation bonds of the City dated 2011B- Taxable and the 2013-Taxable (the "Refunding Bonds"). Net proceeds of \$7,529,191 (after expense of \$129,365 in underwriting and other issuance costs), was placed in an irrevocable trust under an Escrow Agreement dated November 16, 2021 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, 2022**

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**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 \$625,814, and a cash cost of \$654,885 between the old debt payments and the new debt payments.

At June 30, 2022, there was \$5,395,924 in escrow. The balance of the defeased bonds was \$5,270,000 at June 30, 2022. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

**Bonds authorized but unissued:**

The bonds authorized and unissued at June 30, 2022 are \$3,346,730 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	\$ 355,824,704	\$ 31,446,330	\$ 324,378,374
Schools	711,649,409	9,920,400	701,729,009
Sewers	593,041,174	7,705,000	585,336,174
Urban Renewal	513,969,017	-	513,969,017
Pension Deficit	474,432,939	-	474,432,939

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation \$1.107 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, 2022

**Note 9. Fund Balances (Deficits)**

The components of fund balances (deficits) for the governmental funds at June 30, 2022 are as follows:

	General Fund	Special Assessment Fund	Capital Reserve Projects Fund	American Rescue Plan Act	Capital Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total
Fund balances (deficits):							
Nonspendable:							
Prepaid items	\$ 38,642	\$ -	\$ -	\$ -	\$ -	\$ 12,289	\$ 50,931
Inventory	237,160	-	-	-	-	79,632	316,792
Required to be retained in perpetuity	-	-	-	-	-	8,526	8,526
Restricted for:							
Education	-	-	-	-	-	1,421,985	1,421,985
Road construction and maintenance	-	-	-	-	-	340,808	340,808
Library acquisitions	-	-	-	-	-	97,557	97,557
Riverfront community center	-	-	-	-	-	171,238	171,238
Human services programs	-	-	-	-	-	7,290	7,290
Parks and recreation	-	-	-	-	-	106,626	106,626
Public safety programs	-	-	-	-	-	343,480	343,480
Other programs	-	-	-	-	-	144,143	144,143
Library renovation	-	-	-	-	-	343,235	343,235
COVID Projects	-	-	-	19,465	-	-	19,465
Committed to:							
Town facility improvements	-	-	435,700	-	-	-	435,700
School improvements	-	-	435,730	-	-	-	435,730
Public safety programs	-	-	1,393,683	-	-	-	1,393,683
Land acquisition	-	-	51,071	-	-	813,800	864,871
Street improvements and realignment	-	-	4,752,867	-	-	-	4,752,867
Bridge and dam replacement/maintenance	-	-	487,481	-	-	-	487,481
Sewer infrastructure	-	-	-	-	-	2,376,239	2,376,239
Other capital projects	-	12,302,357	2,746,134	-	-	325,786	15,374,277
Sewer plant operations	-	-	-	-	-	2,135,054	2,135,054
Police private duty	-	-	-	-	-	582,437	582,437
Camp Sunrise	-	-	-	-	-	23,241	23,241
Recreation programs	-	-	1,356,656	-	-	1,153,333	2,509,989
Insurance reserve	-	-	-	-	-	746,443	746,443
Riverfront Park operations	-	-	-	-	-	160,724	160,724
Planetarium operations	-	-	-	-	-	82,663	82,663
Golf course maintenance	-	-	-	-	-	232,206	232,206
Assigned to:							
Subsequent year's budget	875,000	-	-	-	-	-	875,000
Capital outlay in subsequent year	38,382	-	-	-	-	-	38,382
Education surplus carried to subsequent year	2,691,878	-	-	-	-	-	2,691,878
Continued appropriations	501,515	-	-	-	-	-	501,515
Unassigned	33,216,774	-	-	-	(1,958,584)	(18,292)	31,239,898
<b>Total fund balances(deficits)</b>	<b>\$ 37,599,351</b>	<b>\$ 12,302,357</b>	<b>\$ 11,659,322</b>	<b>\$ 19,465</b>	<b>\$ (1,958,584)</b>	<b>\$ 11,690,443</b>	<b>\$ 71,312,354</b>

Significant encumbrances of \$1,505,960 are included in the Capital Reserve Projects Fund at June 30, 2022.

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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**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, 2021, the date of the latest actuarial valuation:

Retirees, vested beneficiaries and other inactives	399
Terminated employees	124
Actives	419
Total	<u>942</u>

**Contributions:** Participants are required to contribute a percent of payroll, which varies by group. As of June 30, 2022, 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, 2022**

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**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, 2022:

**Non-Hybrid Plan**

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Cash	5.00%
U.S. Core Fixed Income	35.00%
U.S. Broad Equity Market	35.00%
Non-US Equity	20.00%
Private Real Estate Property	5.00%
	<u>100.00%</u>

**Hybrid Plan**

<u>Asset Class</u>	<u>Allocation</u>
U.S. Cash	2.50%
U.S. Core Fixed Income	52.50%
U.S. Broad Equity Market	27.50%
Non-US Equity	15.00%
Private Real Estate Property	2.50%
	<u>100.00%</u>

**Rate of return:** For the year ended June 30, 2022 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -13.24%. 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, 2022**

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**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, 2022 were as follows:

Total pension liability	\$ 261,164,694
Plan fiduciary net position	<u>(180,411,409)</u>
Town's net pension liability	<u><u>\$ 80,753,285</u></u>
 Plan fiduciary net position as a percentage of the total pension liability	 <u><u>69.08%</u></u>

**Actuarial assumptions:** The total pension liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement date of June 30, 2022:

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 with 100% of MP-2019 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, 2022 (see the discussion of the pension plan's investment policy) are summarized in the following table:

**Non-Hybrid Plan**

Asset Class	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
U.S. Cash	-0.32%	-0.32%
U.S. Core Fixed Income	1.37%	1.26%
U.S. Broad Equity Market	5.33%	3.70%
Non-US Equity	6.74%	4.90%
Private Real Estate Property	4.62%	3.58%

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

**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. Cash	-0.32%	-0.32%
U.S. Core Fixed Income	1.37%	1.26%
U.S. Broad Equity Market	5.33%	3.70%
Non-US Equity	6.74%	4.90%
Private Real Estate Property	4.62%	3.58%

**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, 2022, based on a July 1, 2021 actuarial valuation. The total pension liability was then rolled forward to the measurement date of June 30, 2022, 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, 2021	\$ 252,780,014	\$ 207,450,125	\$ 45,329,889
Changes for the year:			
Service cost	4,894,265	-	4,894,265
Interest on total pension liability	15,715,083	-	15,715,083
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(515,382)	-	(515,382)
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(11,709,286)	(11,709,286)	-
Employer contributions	-	10,762,848	(10,762,848)
Member contributions	-	2,194,136	(2,194,136)
Net investment income (loss)	-	(28,198,690)	28,198,690
Administrative expenses	-	(87,724)	87,724
Net changes	8,384,680	(27,038,716)	35,423,396
Balances as of June 30, 2022	\$ 261,164,694	\$ 180,411,409	\$ 80,753,285

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

**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	\$ 113,427,249	\$ 80,753,285	\$ 53,466,970

**Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions:** For the year ended June 30, 2022 the Town recognized pension expense of \$14,566,906. At June 30, 2022 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	\$ 1,875,277	\$ (1,035,161)
Changes of assumptions	9,091,604	-
Net difference between projected and actual earnings on pension plan investments	14,116,056	-
	<u>\$ 25,082,937</u>	<u>\$ (1,035,161)</u>

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

Years ending June 30:	
2023	\$ 7,920,454
2024	5,793,023
2025	2,141,979
2026	8,192,320
	<u>\$ 24,047,776</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](http://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, 2022**

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**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.

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

**Contributions:**

*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.

*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, 2022, the amount of "on-behalf" contributions made the State was \$14,818,131 and is recognized in the General Fund as intergovernmental revenues and expenses. For the year ended June 30, 2022 the amount of "on-behalf" contributions made the State was \$11,423,620 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.

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

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

***Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions:*** At June 30, 2022, 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	176,966,819
	<u>\$ 176,966,819</u>

The net pension liability was measured as of June 30, 2021, 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, 2022, the Town has no proportionate share of the net pension liability.

***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%.

**Cost-of-Living Allowance**

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the CPI, 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%.



Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

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

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

**Changes of assumptions and benefits:** There were no changes in assumptions that affected the measurement of the total pension liability since the prior measurement date.

There were no changes in benefit provisions that affected the measurement of the total pension liability since the prior measurement date.

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.

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

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**Note 11. Pension—Connecticut Teachers’ Retirement Plan (Continued)**

**Pension plan fiduciary net position:**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

**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.

**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, 2021. 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, 2021, valuation the date of the last actuarial valuation.

Retirees and beneficiaries currently receiving benefits	213
Active plan members	979
Total	<u>1,192</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.

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

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**Note 12. Other Postemployment Benefits (Continued)**

**Rate of return:** For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -16.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB liability of the Town:** The Town's net OPEB liability was measured as of June 30, 2022 based on a July 1, 2021 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, 2022, were as follows:

Total OPEB liability	\$ 22,886,292
Plan fiduciary net position	8,422,237
Town's net OPEB liability	<u>\$ 14,464,055</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>36.80%</u>

**Actuarial assumptions:** The total OPEB liability was determined by an actuarial valuation as of July 1, 2021 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	Varies by year

**Mortality:** Teachers and Administrators: PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2019 Ultimate scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP-2019 Ultimate scale and set forward 1 year for both males and females is used for survivors and beneficiaries. This assumption includes a margin for mortality improvement beyond the valuation date.

**Police:** PubS-2010 Mortality Table with generational projection per the MP-2019 ultimate scale, with employee rates before benefit commencement and healthy or disabled annuitant rates after benefit commencement. This assumption includes a margin for improvements in longevity beyond the valuation date.

**All Others:** PubG-2010 Mortality Table with generational projection per the MP-2019 ultimate scale, with employee rates before benefit commencement and healthy or disabled annuitant rates after benefit commencement. This assumption includes a margin for improvements in longevity beyond the valuation date.

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

**Note 12. Other Postemployment Benefits (Continued)**

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, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
U.S. Core Fixed Income	34.00%	1.37%	1.26%
U.S. TIPS	5.00%	0.61%	0.50%
U.S. Broad Equity Market	45.00%	5.33%	3.70%
Non-U.S. Equity	16.00%	6.74%	4.90%
	<u>100.00%</u>		
Assumed Inflation- Mean		2.50%	2.50%
Assumed Inflation- Standard Deviation		1.16%	1.16%
Portfolio Real Mean Return		3.97%	3.34%
Portfolio Nominal Mean Return		6.47%	5.93%
Portfolio Standard Deviation			10.80%
Long-Term Expected Rate of Return			6.50%

**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, 2021	\$ 22,253,737	\$ 9,385,504	\$ 12,868,233
Changes for the year:			
Service cost	754,138	-	754,138
Interest on total OPEB liability	1,461,781	-	1,461,781
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	2,319,195	-	2,319,195
Effect of assumptions changes or inputs	(2,848,077)	-	(2,848,077)
Benefit payments	(1,054,482)	(1,054,482)	-
Employer contributions	-	1,807,383	(1,807,383)
Net investment income	-	(1,671,490)	1,671,490
Administrative expenses	-	(44,678)	44,678
Net changes	632,555	(963,267)	1,595,822
Balances as of June 30, 2022	\$ 22,886,292	\$ 8,422,237	\$ 14,464,055

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

**Note 12. Other Postemployment Benefits (Continued)**

**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:

	1% Decrease (5.50)%	Current Discount Rate (6.50)%	1% Increase (7.50)%
Town's net OPEB liability	\$ 17,003,199	\$ 14,464,055	\$ 12,290,453

**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 or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Town's net OPEB liability	\$ 11,784,765	\$ 14,464,055	\$ 17,691,702

**OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB:** For the year ended June 30, 2022, the Town recognized OPEB expense of \$1,858,564. At June 30, 2022, 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	\$ 2,541,812	\$ (298,598)
Changes of assumptions	290,275	(2,894,910)
Net difference between projected and actual earning on pension plan investments	1,131,061	-
	<u>\$ 3,963,148</u>	<u>\$ (3,193,508)</u>

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

Years ending June 30:	
2023	\$ 230,882
2024	229,966
2025	213,955
2026	462,483
2027	(202,956)
Thereafter	(164,690)
	<u>\$ 769,640</u>

Town of Glastonbury, Connecticut

Notes to Financial Statements  
June 30, 2022

**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	\$ 1,709,757	\$ 82,361	\$ 1,792,118
Investments, at fair value:			
Mutual funds	84,044,565	5,344,801	89,389,366
Fixed income mutual funds	61,319,509	2,995,075	64,314,584
Pooled funds	18,034,120	-	18,034,120
Limited partnerships	15,303,458	-	15,303,458
Total assets	<u>180,411,409</u>	<u>8,422,237</u>	<u>188,833,646</u>
Net position:			
Restricted for Pension and OPEB benefits	<u>\$ 180,411,409</u>	<u>\$ 8,422,237</u>	<u>\$ 188,833,646</u>

**Pension and OPEB combining statement of changes in net position:**

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Additions:			
Contributions:			
Employer	\$ 10,762,848	\$ 1,807,383	\$ 12,570,231
Employee	2,194,137	-	2,194,137
Total contributions	<u>12,956,985</u>	<u>1,807,383</u>	<u>14,764,368</u>
Investment income:			
Net change in fair value of investments	(31,751,743)	(1,847,519)	(33,599,262)
Interest and dividends	3,694,103	179,778	3,873,881
	<u>(28,057,640)</u>	<u>(1,667,741)</u>	<u>(29,725,381)</u>
Less investment expenses:			
Investment management fees	141,050	3,750	144,800
Net investment loss	(28,198,690)	(1,671,491)	(29,870,181)
Total additions	<u>(15,241,705)</u>	<u>135,892</u>	<u>(15,105,813)</u>
Deductions:			
Benefits payments	11,709,286	1,054,482	12,763,768
Administration fees	87,725	44,677	132,402
Total deductions	<u>11,797,011</u>	<u>1,099,159</u>	<u>12,896,170</u>
Change in restricted net position	(27,038,716)	(963,267)	(28,001,983)
Restricted net position:			
Beginning of year	<u>207,450,125</u>	<u>9,385,504</u>	<u>216,835,629</u>
End of year	<u>\$ 180,411,409</u>	<u>\$ 8,422,237</u>	<u>\$ 188,833,646</u>

## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### **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](http://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.

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, 2022**

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**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, 2022, the amount of "on-behalf" contributions made the State was \$348,699 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, 2022, 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	19,280,211
	<u>\$ 19,280,211</u>

The net OPEB liability was measured as of June 30, 2021, 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, 2021, the Town has no proportionate share of the net OPEB liability. At June 30, 2021, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2022, the Town recognized OPEB expense and (revenue) of \$348,669 in Exhibit V for on-behalf amounts for the benefits provided by the State. For the year ended June 30, 2022, the Town recognized OPEB expense and (revenue) of \$(711,957) 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	5.125% decreasing to 4.50% by 2023
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.00-6.50%, including inflation
Investment rate of return	2.17%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2023



## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### **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 actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

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

- Discount rate changed from 2.21% to 2.17%
- Expected annual per capita claims costs were updated to better reflect anticipated Medicare and prescription drug claim experience based on scheduled premium increases through calendar year 2024.

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

- There were no changes to benefit terms in the two years preceding the measurement date.

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 2.17%. 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 2023 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 Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

## Town of Glastonbury, Connecticut

### Notes to Financial Statements June 30, 2022

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#### **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.

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, 2022 and 2021, employees contributed \$190,640 and \$166,793, respectively, and the Town contributed matching employer contributions of \$194,563 and \$171,317, respectively. Covered payroll totaled \$5,105,757.

#### **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, 2022. 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 \$974,183 and \$670,096 respectively, for the LAP pool program and for excess liability coverage.

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

**Note 16. Risk Management (Continued)**

The deposit contribution (premium) paid for the Workers' Compensation for the year ended June 30, 2022 was \$852,319, inclusive of the Board of Education.

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,
2021 - 2022	\$ 1,081,173	\$ 19,489,780	\$ 19,507,418	\$ 1,063,535
2020 - 2021	904,262	17,526,391	17,349,480	1,081,173

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. Lease Liability**

The Town leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2047.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	Lease Asset Value	Accumulated Amortization
Buildings	\$ 2,534,407	\$ 251,346
Equipment	697,450	269,969
Computer Equipment	1,449,478	494,838
Vehicles	656,253	218,751
Land	118,819	6,373
Total	<u>\$ 5,456,407</u>	<u>\$ 1,241,277</u>

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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**Note 17. Lease Liability (Continued)**

The following is a schedule of future payments:

Years ending June 30:	Principal	Interest	Total
2023	\$ 1,137,812	\$ 39,024	\$ 1,176,836
2024	786,924	39,393	826,317
2025	457,011	29,621	486,632
2026	256,916	23,318	280,234
2027	268,591	19,670	288,261
2028 - 2032	1,144,252	41,844	1,186,096
2033 - 2037	17,584	6,990	24,574
2038 - 2042	23,887	4,601	28,488
2043 - 2047	26,881	1,431	28,312
	<u>\$ 4,119,858</u>	<u>\$ 205,892</u>	<u>\$ 4,325,750</u>

**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 grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, 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. 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.

**Town of Glastonbury, Connecticut**

**Notes to Financial Statements  
June 30, 2022**

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**Note 19. Accounting Standards Not Yet Effective (Continued)**

**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.

**GASB Statement No. 99, *Omnibus 2022*.** The requirements of this Statement are effective as follows: The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged and is permitted by topic.

**GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*.** The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Effective Date: For fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

**GASB Statement No. 101, *Compensated Absences*.** The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Effective Date: The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

**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, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 160,940,802	\$ 160,940,802	\$ 161,977,632	\$ 1,036,830
Licenses and permits	1,313,100	1,313,100	1,783,790	470,690
Intergovernmental	6,945,258	8,448,216	9,134,362	686,146
Charges for services	1,539,303	1,541,114	1,924,117	383,003
Unrealized (gain) loss	-	-	(126,405)	(126,405)
Investment income	195,000	195,000	234,764	39,764
Other revenue	814,867	814,867	962,462	147,595
<b>Total revenues</b>	<b>171,748,330</b>	<b>173,253,099</b>	<b>175,890,722</b>	<b>2,637,623</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	3,562,535	3,600,756	3,466,214	134,542
Community development	2,506,646	2,670,381	2,642,248	28,133
Administrative services	6,355,057	6,419,888	5,910,745	509,143
Public safety	16,014,718	16,180,727	15,850,050	330,677
Physical services	7,446,713	7,448,724	7,376,311	72,413
Sanitation	906,340	993,672	953,775	39,897
Human services	3,139,625	3,098,414	2,978,983	119,431
Leisure/culture	6,168,270	6,318,832	6,025,304	293,528
Education	113,549,684	117,527,230	114,849,239	2,677,991
Debt service	7,036,742	6,556,042	6,556,033	9
<b>Total expenditures</b>	<b>166,686,330</b>	<b>170,814,666</b>	<b>166,608,902</b>	<b>4,205,764</b>
<b>Excess of revenues over expenditures</b>	<b>5,062,000</b>	<b>2,438,433</b>	<b>9,281,820</b>	<b>6,843,387</b>
<b>Other Financing Sources (Uses):</b>				
<b>Transfers in:</b>				
From Capital Projects	-	-	400,000	400,000
Use of fund balance	975,000	975,000	-	-
<b>Transfers out</b>	<b>(6,037,000)</b>	<b>(6,724,700)</b>	<b>(6,723,363)</b>	<b>1,337</b>
<b>Total other financing sources (uses)</b>	<b>(5,062,000)</b>	<b>(5,749,700)</b>	<b>(6,323,363)</b>	<b>401,337</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ (3,311,267)</b>	<b>2,958,457</b>	<b>\$ 6,269,724</b>
Budgetary fund balance at beginning of year			<u>34,640,894</u>	
Budgetary fund balance at end of year			<u>\$ 37,599,351</u>	



**Town of Glastonbury, Connecticut**

**Note to Required Supplementary Information (Unaudited)**

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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	\$ 176,290,722	\$ 173,332,265
Debt Issuance costs	-	129,365
Leases issued	1,270,501	1,270,501
State teachers' retirement on-behalf payment for pension and OPEB	15,166,830	15,166,830
Balance, GAAP basis	<u>\$ 192,728,053</u>	<u>\$ 189,898,961</u>

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	\$ 4,894,265
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	15,715,083
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)	(515,382)
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)	(11,709,286)
<b>Net change in total pension liability</b>	<b>7,666,940</b>	<b>8,196,422</b>	<b>10,470,945</b>	<b>11,428,658</b>	<b>14,659,974</b>	<b>9,458,994</b>	<b>26,512,200</b>	<b>14,789,231</b>	<b>8,384,680</b>
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	252,780,014
<b>Total pension liability - ending</b>	<b>157,263,590</b>	<b>165,460,012</b>	<b>175,930,957</b>	<b>187,359,615</b>	<b>202,019,589</b>	<b>211,478,583</b>	<b>237,990,783</b>	<b>252,780,014</b>	<b>261,164,694</b>
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	10,762,848
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	2,194,136
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	(28,198,690)
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)	(11,709,286)
Administrative expense	(141,637)	(204,307)	(152,285)	(94,494)	(97,854)	(111,251)	(77,688)	(197,355)	(87,724)
<b>Net change in plan fiduciary net position</b>	<b>18,186,381</b>	<b>1,750,458</b>	<b>(1,071,941)</b>	<b>15,637,232</b>	<b>10,766,065</b>	<b>6,454,149</b>	<b>8,726,139</b>	<b>45,424,733</b>	<b>(27,038,716)</b>
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	207,450,125
<b>Plan fiduciary net position - ending</b>	<b>119,763,290</b>	<b>121,513,748</b>	<b>120,441,807</b>	<b>136,079,039</b>	<b>146,845,104</b>	<b>153,299,253</b>	<b>162,025,392</b>	<b>207,450,125</b>	<b>180,411,409</b>
<b>Net pension liability - ending</b>	<b>\$ 37,500,300</b>	<b>\$ 43,946,264</b>	<b>\$ 55,489,150</b>	<b>\$ 51,280,576</b>	<b>\$ 55,174,485</b>	<b>\$ 58,179,330</b>	<b>\$ 75,965,391</b>	<b>\$ 45,329,889</b>	<b>\$ 80,753,285</b>
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%	0.00%
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	\$ 29,063,202
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%	277.85%

\*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**

	2013	2014	2015	2016
Actuarially determined contribution	\$ 5,130,000	\$ 5,771,396	\$ 6,001,585	\$ 6,118,624
Contributions in relation to the actuarially determined contribution	5,130,000	5,771,396	6,001,585	6,118,624
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 26,408,569	\$ 24,455,208	\$ 27,153,582	\$ 26,362,701
Contributions as a percentage of covered payroll	19.43%	23.60%	22.10%	23.21%

(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, 2021  
Measurement date: June 30, 2022

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, 12 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 60 for non-police; age 50 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

	2017	2018 <sup>(1)</sup>	2019	2020	2021	2022
\$	6,325,363	\$ 7,193,600	\$ 7,908,372	\$ 8,170,908	\$ 9,832,273	\$ 10,762,848
	6,325,363	7,137,123	7,908,372	8,170,908	10,880,190	10,762,848
\$	-	\$ 56,477	\$ -	\$ -	\$ (1,047,917)	\$ -
\$	27,677,315	\$ 28,655,358	\$ 29,581,276	\$ 28,602,606	\$ 29,331,962	\$ 29,063,202
	22.85%	24.91%	26.73%	28.57%	37.09%	37.03%

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
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%	(13.24)%

\*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 Eight Fiscal Years\***

	2015	2016	2017	2018	2019	2020	2021	2022
Town's proportion of the net pension liability	0.00%	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	176,966,819
<b>Total</b>	<b>\$ 120,207,941</b>	<b>\$ 130,053,006</b>	<b>\$ 170,434,778</b>	<b>\$ 161,548,380</b>	<b>\$ 152,253,528</b>	<b>\$ 197,460,513</b>	<b>\$ 223,440,562</b>	<b>\$ 176,966,819</b>
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	\$ 53,359,896
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%	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%	60.77%

**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	29 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 Six Fiscal Years\***

	2017	2018	2019	2020	2021	2022
Total OPEB liability:						
Service cost	\$ 514,970	\$ 490,603	\$ 522,802	\$ 624,662	\$ 612,334	\$ 754,138
Interest	1,141,882	1,207,883	1,343,105	1,414,931	1,387,934	1,461,781
Plan changes	-	-	-	21,595	-	-
Effect of economic/demographic (gains) or losses	-	1,187,489	-	(464,486)	-	2,319,195
Changes of assumptions	(124,569)	653,120	-	(655,790)	-	(2,848,077)
Benefit payments	(696,124)	(698,550)	(860,025)	(907,975)	(958,954)	(1,054,482)
<b>Net change in total OPEB liability</b>	<b>836,159</b>	<b>2,840,545</b>	<b>1,005,882</b>	<b>32,937</b>	<b>1,041,314</b>	<b>632,555</b>
Total OPEB liability - beginning	16,496,900	17,333,059	20,173,604	21,179,486	21,212,423	22,253,737
<b>Total OPEB liability - ending</b>	<b>17,333,059</b>	<b>20,173,604</b>	<b>21,179,486</b>	<b>21,212,423</b>	<b>22,253,737</b>	<b>22,886,292</b>
Plan fiduciary net position:						
Contributions - employer	925,241	1,392,915	1,579,962	1,684,686	1,743,050	1,807,383
Net investment income	372,700	274,274	334,069	328,778	1,715,812	(1,671,490)
Benefit payments	(696,124)	(698,550)	(860,025)	(907,975)	(958,954)	(1,054,482)
Administrative expense	(3,897)	(11,157)	(31,945)	(12,488)	(2,538)	(44,678)
<b>Net change in plan fiduciary net position</b>	<b>597,920</b>	<b>957,482</b>	<b>1,022,061</b>	<b>1,093,001</b>	<b>2,497,370</b>	<b>(963,267)</b>
Plan fiduciary net position - beginning	3,217,670	3,815,590	4,773,072	5,795,133	6,888,134	9,385,504
<b>Plan fiduciary net position - ending</b>	<b>3,815,590</b>	<b>4,773,072</b>	<b>5,795,133</b>	<b>6,888,134</b>	<b>9,385,504</b>	<b>8,422,237</b>
<b>Net OPEB liability - ending</b>	<b>\$ 13,517,469</b>	<b>\$ 15,400,532</b>	<b>\$ 15,384,353</b>	<b>\$ 14,324,289</b>	<b>\$ 12,868,233</b>	<b>\$ 14,464,055</b>
Plan fiduciary net OPEB as a percentage of the total OPEB liability	22.01%	23.66%	27.36%	32.47%	42.17%	36.80%
Covered payroll	\$ 68,158,459	\$ 68,158,459	\$ 67,020,668	\$ 67,020,668	\$ 74,692,514	\$ 74,692,514
Net OPEB liability as a percentage of covered payroll	19.83%	22.60%	22.95%	21.37%	17.23%	19.36%

\*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**

	2013	2014	2015	2016
Actuarially determined contribution	\$ 1,478,000	\$ 1,556,000	\$ 1,528,458	\$ 1,634,197
Contributions in relation to the actuarially determined contribution	1,141,000	1,088,000	1,381,616	1,522,386
<b>Contribution deficiency (excess)</b>	<b>\$ 337,000</b>	<b>\$ 468,000</b>	<b>\$ 146,842</b>	<b>\$ 111,811</b>
Covered payroll	\$ 62,606,000	\$ 62,606,000	\$ 64,192,394	\$ 64,192,394
Contributions as a percentage of covered payroll	1.82%	1.74%	2.15%	2.37%

**Notes to Schedule:**

Valuation date: July 1, 2021  
 Measurement date: June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Amortization period	16 years
Asset valuation method	5-year
Inflation	2.50%
Healthcare cost trend rates	Varies by year
Salary increases	Graded based on service for Teachers and Administrators; Graded based on age for Town
Discount rate	6.50%

## RSI-7

	2017	2018	2019	2020	2021	2022
\$	1,321,393	\$ 1,392,913	\$ 1,614,992	\$ 1,684,686	\$ 1,743,050	\$ 1,807,383
	925,241	1,392,915	1,579,962	1,684,686	1,743,050	1,807,383
\$	396,152	\$ (2)	\$ 35,030	\$ -	\$ -	\$ -
\$	68,158,459	\$ 68,158,459	\$ 67,020,668	\$ 67,020,668	\$ 74,692,514	\$ 74,692,514
	1.36%	2.04%	2.36%	2.51%	2.33%	2.42%

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

	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return, net of investment expense	10.80%	6.09%	6.11%	5.01%	22.80%	(16.50)%

\*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 Five Fiscal Years\***

	2018	2019	2020	2021	2022
Town's proportion of the net OPEB liability	0.00%	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	19,280,211
<b>Total</b>	<b>\$ 41,580,719</b>	<b>\$ 30,436,453</b>	<b>\$ 30,795,082</b>	<b>\$ 33,326,168</b>	<b>\$ 19,280,211</b>
Town's covered payroll	\$ 48,175,430	\$ 47,141,707	\$ 50,770,080	\$ 52,621,910	\$ 52,621,911
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%	1.49%	2.08%	2.50%	6.11%

**Notes to Schedule:**

Changes in benefit terms	None
Changes of assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2021 was updated to equal the Municipal Bond Index Rate as of June 30, 2021;  Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024
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, 2022 and 2021**

	2022	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 34,895,114	\$ 33,874,197
Receivables, net:		
Property taxes (net of allowance of \$122,800 in 2021 and \$132,600 in 2020)	1,697,517	1,656,272
Intergovernmental	313,861	296,742
Lease receivable	80,189	-
Inventory	237,160	228,898
Investments	8,285,867	6,886,201
Other assets	38,642	10,753
	<u>38,642</u>	<u>10,753</u>
<b>Total assets</b>	<b>\$ 45,548,350</b>	<b>\$ 42,953,063</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>		
Liabilities:		
Accounts and other payables	\$ 4,526,744	\$ 4,896,349
Due to other funds	554,600	969,000
Due to developers for escrow deposits	807,661	622,939
Due to others for escrow deposits	111,831	168,892
Unearned revenue	49,775	54,664
	<u>49,775</u>	<u>54,664</u>
<b>Total liabilities</b>	<b>6,050,611</b>	<b>6,711,844</b>
Deferred inflows of resources:		
Unavailable revenue - property taxes	1,520,163	1,388,674
Unavailable revenue - other	80,906	-
Advance tax payments	297,319	211,651
	<u>297,319</u>	<u>211,651</u>
<b>Total deferred inflows of resources</b>	<b>1,898,388</b>	<b>1,600,325</b>
Fund Balance:		
Nonspendable	275,802	239,651
Assigned	4,106,775	3,960,388
Unassigned	33,216,774	30,440,855
	<u>33,216,774</u>	<u>30,440,855</u>
<b>Total fund balance</b>	<b>37,599,351</b>	<b>34,640,894</b>
	<u>37,599,351</u>	<u>34,640,894</u>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 45,548,350</b>	<b>\$ 42,953,063</b>
	<u>\$ 45,548,350</u>	<u>\$ 42,953,063</u>

**General Fund Revenues and Other Financing Sources - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Property taxes:</b>				
Current levy and back taxes	\$ 160,588,802	\$ 160,588,802	\$ 161,567,610	\$ 978,808
Penalties, interest, fees	352,000	352,000	410,022	58,022
<b>Total property taxes</b>	<b>160,940,802</b>	<b>160,940,802</b>	<b>161,977,632</b>	<b>1,036,830</b>
<b>Licenses and permits:</b>				
Building Inspector	750,000	750,000	1,177,109	427,109
Town Clerk	83,000	83,000	106,046	23,046
Physical Services	11,000	11,000	20,365	9,365
Sanitation refuse permits	360,000	360,000	363,934	3,934
Health	105,100	105,100	112,433	7,333
Fire Marshal	4,000	4,000	3,903	(97)
<b>Total licenses and permits</b>	<b>1,313,100</b>	<b>1,313,100</b>	<b>1,783,790</b>	<b>470,690</b>
<b>Intergovernmental:</b>				
<b>In lieu of taxes:</b>				
Housing Authority	193,000	193,000	214,153	21,153
ST/CT telephone access	72,000	72,000	62,305	(9,695)
Veterans exemptions	9,600	9,600	8,504	(1,096)
Disability exemptions	2,400	2,400	2,160	(240)
ST/CT Pilot	-	-	34,615	34,615
Town Clerk historic documents grant	7,500	7,500	7,500	-
Municipal Revenue Sharing	-	-	12,301	12,301
State health grant	-	-	3,614	3,614
State stabilization grant	385,930	385,930	385,930	-
State Grants	-	-	550,823	550,823
<b>Education:</b>				
Magnet school grant	-	9,900	9,900	-
Education enhancement	5,379,255	5,379,255	5,370,454	(8,801)
Special education - excess cost	-	1,493,058	1,493,058	-
Vocational agricultural	331,888	331,888	401,398	69,510

(Continued)

**General Fund Revenues and Other Financing Sources - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Intergovernmental, continued:				
Public safety:				
Civil preparedness	\$ 12,110	\$ 12,110	\$ 11,618	\$ (492)
Police grants	240,475	240,475	251,328	10,853
Volunteer ambulance reimbursement	20,000	20,000	2,766	(17,234)
Regional dispatch	160,000	160,000	173,993	13,993
Human Services:				
YFSB state grant	31,832	31,832	32,177	345
Housing Authority resident services	47,990	47,990	50,000	2,010
Dial-A-Ride Grant	51,278	51,278	51,278	-
NCAAA Grant	-	-	4,487	4,487
<b>Total intergovernmental</b>	<b>6,945,258</b>	<b>8,448,216</b>	<b>9,134,362</b>	<b>686,146</b>
Charges for services:				
Community development:				
Planning and zoning	12,000	12,000	10,243	(1,757)
Revenue collections:				
Notary services	-	-	50	50
Customer service:				
Notary services	3,000	3,000	3,080	80
Passport Processing	22,000	22,000	13,035	(8,965)
Property Assessment				
Notary services	-	-	95	95
Town Clerk:				
Recording fees	180,900	180,900	264,744	83,844
Conveyance tax	616,400	616,400	994,585	378,185
Notary services	100	100	185	85
Education:				
Community services	20,000	21,811	780	(21,031)
Physical services:				
Refuse dumping fees	235,000	235,000	225,727	(9,273)
Sewer inspection fees	2,000	2,000	-	(2,000)
Subdivision OT inspection	1,000	1,000	-	(1,000)
Human Services:				
Senior services	65,000	65,000	59,202	(5,798)
Nutrition program	32,000	32,000	14,678	(17,322)
Community center rentals	85,000	85,000	117,593	32,593
Parks and recreation:				
Program fees	160,083	160,083	137,664	(22,419)
Public safety:				
Public safety - police	54,000	54,000	64,964	10,964
Fire watch services	5,320	5,320	3,767	(1,553)
Health soil tests	3,500	3,500	2,450	(1,050)
Library:				
Library fines	30,000	30,000	10,290	(19,710)
Notary services	2,000	2,000	985	(1,015)
Passport Processing	10,000	10,000	-	(10,000)
<b>Total charges for services</b>	<b>1,539,303</b>	<b>1,541,114</b>	<b>1,924,117</b>	<b>383,003</b>

(Continued)

**General Fund Revenues and Other Financing Sources - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive Negative
	Original	Final		
Investment income:				
Unrealized (gain) loss	\$ -	\$ -	\$ (126,405)	\$ (126,405)
Investment income	195,000	195,000	234,764	39,764
<b>Total investment income</b>	<b>195,000</b>	<b>195,000</b>	<b>108,359</b>	<b>(86,641)</b>
Other revenues:				
Land rentals	158,748	158,748	152,644	(6,104)
Land sales	-	-	8,000	8,000
Insurance claims reimbursed	40,000	40,000	120,104	80,104
Health insurance reimbursements	-	-	-	-
ICMA Administrative Allowance	-	-	39,701	39,701
Attorney fees reimbursed	25,000	25,000	2	(24,998)
Auction sales	40,000	40,000	100,731	60,731
Miscellaneous	32,500	32,500	10,824	(21,676)
Purchasing card rebates	14,000	14,000	14,308	308
Probate Court Reimbursement	2,480	2,480	2,480	-
Education:				
Student activities	200	200	-	(200)
Vo-Ag tuition	365,989	365,989	320,681	(45,308)
Physical services:				
Sales	3,500	3,500	565	(2,935)
Refuse recycling sales	42,300	42,300	106,108	63,808
Utilities reimbursed	-	-	7,088	7,088
Human services:				
YFSB programs	33,400	33,400	7,050	(26,350)
Clinical fees	750	750	225	(525)
Library:				
Trustee account	40,000	40,000	69,972	29,972
Miscellaneous	16,000	16,000	1,979	(14,021)
<b>Total other revenues</b>	<b>814,867</b>	<b>814,867</b>	<b>962,462</b>	<b>147,595</b>
<b>Total revenues</b>	<b>171,748,330</b>	<b>173,253,099</b>	<b>175,890,722</b>	<b>2,637,623</b>
Other financing sources:				
Transfers in:				
Use of fund balance	975,000	975,000	-	(975,000)
From Capital Projects	-	-	400,000	400,000
<b>Total other financing sources (uses)</b>	<b>975,000</b>	<b>975,000</b>	<b>400,000</b>	<b>(575,000)</b>
<b>Total</b>	<b>\$ 172,723,330</b>	<b>\$ 174,228,099</b>	<b>176,290,722</b>	<b>\$ 2,062,623</b>

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

15,166,830

Lease issuance

1,270,501

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

\$ 192,728,053

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General government:				
Town council:				
Wages - part-time	\$ 20,000	\$ 20,000	\$ 19,852	\$ 148
Office supplies	4,000	4,000	1,799	2,201
Operating supplies	3,000	2,637	655	1,982
Training and dues	675	675	393	282
Contributory grants	70,976	70,476	66,858	3,618
Pensions	1,156	1,519	1,519	-
Data processing	200	200	-	200
Legal/advertising	6,500	4,546	4,546	-
Printing/reproduction	7,500	7,500	6,555	945
Professional services	35,000	38,571	37,409	1,162
<b>Total town council</b>	<b>149,007</b>	<b>150,124</b>	<b>139,586</b>	<b>10,538</b>
Town manager:				
Wages - full-time	361,525	370,753	370,753	-
Wages - part-time	15,000	32,343	32,343	-
Wages - other	10,000	5,365	5,365	-
Office supplies	7,500	8,515	8,515	-
Operating supplies	2,500	90	90	-
Training and dues	7,860	2,573	2,573	-
Employee related insurance	74,795	74,795	74,708	87
Pension	168,160	166,195	166,195	-
Data processing	-	4,990	4,990	-
Technology use charges	3,138	2,425	2,425	-
Vehicle maintenance	1,717	867	864	3
Equipment maintenance	800	-	-	-
Legal/advertising	8,000	-	-	-
Printing/reproduction	15,000	5,992	5,991	1
Professional services	32,000	36,950	36,464	486
Office equipment and furniture	2,750	2,750	2,671	79
Machinery & Equipment	-	44,613	24,195	20,418
<b>Total town manager</b>	<b>710,745</b>	<b>759,216</b>	<b>738,142</b>	<b>21,074</b>
Human resources:				
Wages - full-time	274,942	280,382	280,382	-
Wages - part-time	56,640	57,574	57,574	-
Wages - other	5,000	7,586	7,585	1
Office supplies	7,550	7,436	7,435	1
Training and dues	11,770	3,155	3,085	70
Employee related insurance	41,679	41,679	41,677	2
Pension	129,244	129,886	129,714	172
Data processing	88,550	96,490	96,489	1
Technology use charges	3,752	3,752	2,882	870
Equipment maintenance	500	240	-	240
Legal/advertising	13,000	-	-	-
Printing/reproduction	1,000	1,000	537	463
Professional services	46,000	32,620	2,785	29,835
Programs	48,050	47,047	44,504	2,543
Recruitment	34,000	39,570	39,570	-
Office equipment and furniture	4,250	4,510	4,500	10
<b>Total human resources</b>	<b>765,927</b>	<b>752,927</b>	<b>718,719</b>	<b>34,208</b>

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
General government (continued):				
Facilities maintenance:				
Wages - full-time	\$ 818,791	\$ 803,890	\$ 773,813	\$ 30,077
Wages - part-time	176,930	142,630	132,728	9,902
Wages - other	60,000	60,000	54,133	5,867
Office supplies	4,800	4,800	4,435	365
Operating supplies	9,300	9,300	8,777	523
Training and dues	5,400	5,400	3,347	2,053
Contractual services	4,000	7,040	7,024	16
Employee related insurance	255,527	255,527	255,445	82
Pension	263,038	263,134	263,133	1
Data processing	7,000	9,975	9,825	150
Technology use charges	2,346	2,346	2,077	269
Vehicle maintenance	9,050	9,700	9,700	-
Equipment maintenance	3,000	3,000	903	2,097
Facilities maintenance	146,000	166,047	158,580	7,467
Printing/reproduction	350	350	-	350
Uniforms	10,000	9,254	7,254	2,000
Utilities/communication	153,824	162,371	162,370	1
Office equipment and furniture	-	16,225	16,223	2
Improvements - land and buildings	7,500	7,500	-	7,500
<b>Total facilities maintenance</b>	<b>1,936,856</b>	<b>1,938,489</b>	<b>1,869,767</b>	<b>68,722</b>
<b>Total general government</b>	<b>3,562,535</b>	<b>3,600,756</b>	<b>3,466,214</b>	<b>134,542</b>
Community development:				
Community development:				
Wages - full-time	367,225	417,060	417,059	1
Wages - part-time	42,780	58,860	58,859	1
Wages - other	-	465	464	1
Office supplies	3,950	5,777	5,777	-
Training and dues	5,700	5,553	5,552	1
Employee related insurance	76,674	76,674	76,616	58
Pension	168,455	168,723	168,723	-
Data processing	400	-	-	-
Technology use charges	1,854	1,854	1,842	12
Vehicle maintenance	1,305	2,109	2,109	-
Legal/advertising	3,700	5,841	5,841	-
Professional services	20,000	1,591	1,591	-
Office equipment and furniture	8,300	67,947	67,811	136
<b>Total community development</b>	<b>700,343</b>	<b>812,454</b>	<b>812,244</b>	<b>210</b>

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community development (continued):				
Building inspection:				
Wages - full-time	\$ 328,852	\$ 344,684	\$ 344,683	\$ 1
Wages - part-time	2,500	12,147	12,147	-
Wages - other	-	1,114	1,114	-
Office supplies	6,920	7,136	7,135	1
Training and dues	3,500	1,452	1,263	189
Employee related insurance	90,884	90,884	90,832	52
Pension	146,085	144,424	144,423	1
Data processing	41,150	44,177	44,177	-
Technology use charge	1,866	1,866	1,631	235
Vehicle maintenance	1,770	2,407	2,407	-
Legal/advertising	2,600	1,700	1,700	-
Printing/reproduction	500	500	494	6
Uniforms	700	781	781	-
Office equip/furniture	5,800	31,386	30,513	873
<b>Total building inspection</b>	<b>633,127</b>	<b>684,658</b>	<b>683,300</b>	<b>1,358</b>
Fire marshal:				
Wages - full-time	188,894	194,276	194,275	1
Wages - part-time	28,920	29,176	5,253	23,923
Wages - other	8,500	5,264	5,263	1
Office supplies	3,100	700	657	43
Operating supplies	1,500	1,583	1,583	-
Training and dues	2,650	2,671	2,670	1
Employee related insurance	46,606	47,279	47,279	-
Pension	84,210	82,474	82,474	-
Technology use charge	1,113	809	809	-
Vehicle maintenance	3,390	4,114	4,114	-
Equipment maintenance	300	-	-	-
Uniforms	2,000	1,517	1,516	1
Utilities/communication	2,350	1,363	1,363	-
Office equipment and furniture	2,800	5,200	5,038	162
<b>Total fire marshal</b>	<b>376,333</b>	<b>376,426</b>	<b>352,294</b>	<b>24,132</b>
Health:				
Wages - full-time	421,367	428,510	428,509	1
Wages - part-time	45,660	46,519	46,518	1
Office supplies	3,750	3,979	3,979	-
Operating supplies	1,500	1,500	1,340	160
Training and dues	2,795	2,795	1,369	1,426
Employee related insurance	111,442	111,442	111,350	92
Pension	189,347	189,639	189,639	-
Technology use charge	3,377	3,274	2,825	449
Vehicle maintenance	1,020	1,351	1,351	-
Equipment maintenance	3,900	3,234	3,234	-

(Continued)



**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Community development (continued):				
Health (continued):				
Printing/reproduction	\$ 600	\$ 600	\$ 504	\$ 96
Professional services	6,800	-	-	-
Programs	835	-	-	-
Utilities and communications	450	-	-	-
Office equipment and furniture	4,000	4,000	3,792	208
<b>Total health</b>	<b>796,843</b>	<b>796,843</b>	<b>794,410</b>	<b>2,433</b>
<b>Total community development</b>	<b>2,506,646</b>	<b>2,670,381</b>	<b>2,642,248</b>	<b>28,133</b>
Administrative services:				
Financial Administration:				
Wages - full-time	793,720	834,298	834,298	-
Wages - part-time	5,000	4,173	4,172	1
Wages - other	6,000	3,336	3,204	132
Office supplies	8,350	6,396	6,396	-
Operating supplies	1,500	3,168	3,168	-
Training and dues	21,880	4,511	4,510	1
Employee related insurance	163,496	164,452	164,357	95
Pension	354,772	356,292	356,291	1
Data processing	182,654	200,037	199,685	352
Technology use charges	46,237	45,432	44,450	982
Equipment maintenance	29,100	50,603	50,539	64
Legal/advertising	6,000	5,088	5,087	1
Printing/reproduction	2,500	485	485	-
Professional services	1,500	530	530	-
Utilities and communications	1,600	1,600	1,445	155
Office equipment and furniture	38,000	68,756	55,415	13,341
Improvements (Land&Bldg.)	-	37,563	35,763	1,800
<b>Total financial administration</b>	<b>1,662,309</b>	<b>1,786,720</b>	<b>1,769,795</b>	<b>16,925</b>
Accounting:				
Wages - full-time	285,012	266,483	266,483	-
Wages - part-time	2,500	10,987	10,986	1
Wages - other	6,000	1,000	292	708
Office supplies	8,000	8,000	6,726	1,274
Training and dues	4,500	2,000	704	1,296
Contractual services	7,200	7,200	3,119	4,081
Employee related insurance	57,590	57,696	57,696	-
Pension	132,324	129,760	127,286	2,474
Data processing	1,000	1,000	-	1,000
Technology use charges	2,540	2,540	2,066	474
<b>Total accounting</b>	<b>506,666</b>	<b>486,666</b>	<b>475,358</b>	<b>11,308</b>

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative services (continued):				
Property Assessment:				
Wages - full-time	\$ 321,223	\$ 325,950	\$ 325,950	\$ -
Wages - part-time	33,640	31,325	31,324	1
Wages - other	2,000	2,000	-	2,000
Office supplies	7,100	6,850	5,662	1,188
Training and dues	6,000	6,000	4,744	1,256
Employee related insurance	97,559	97,559	97,552	7
Pension	142,374	142,374	141,560	814
Data processing	22,853	23,103	23,020	83
Technology use charges	2,138	2,138	2,009	129
Printing and reproduction	2,600	2,600	1,887	713
Professional services	12,000	9,588	-	9,588
Office equipment and furniture	1,350	1,350	1,347	3
<b>Total property assessment</b>	<b>650,837</b>	<b>650,837</b>	<b>635,055</b>	<b>15,782</b>
Revenue Collection:				
Wages - full-time	265,102	254,668	254,668	-
Office supplies	32,800	32,786	30,203	2,583
Training and dues	3,111	3,111	1,458	1,653
Contractual services	1,100	1,114	1,114	-
Employee related insurance	53,994	53,994	53,939	55
Pension	117,850	117,850	116,885	965
Data processing	10,000	10,000	9,875	125
Technology use charges	2,501	2,501	2,238	263
Equipment maintenance	800	800	463	337
Printing/reproduction	23,050	23,050	22,314	736
Office equipment and furniture	7,200	7,200	6,872	328
<b>Total revenue collection</b>	<b>517,508</b>	<b>507,074</b>	<b>500,029</b>	<b>7,045</b>
Town Clerk:				
Wages - full-time	277,891	277,626	277,626	-
Wages - part-time	1,500	-	-	-
Wages - other	-	2,872	2,871	1
Office supplies	9,320	9,320	9,116	204
Training and dues	5,800	2,103	2,103	-
Contractual services	7,500	7,500	7,500	-
Employee related insurance	34,020	35,929	35,928	1
Pension	125,008	124,189	123,927	262
Data processing	61,185	61,185	60,296	889
Technology use charges	2,812	2,812	2,029	783
Equipment maintenance	7,370	7,370	5,620	1,750
Printing/reproduction	5,500	5,500	3,111	2,389
Professional services	8,700	8,700	5,766	2,934
Office equipment and furniture	1,200	1,200	1,145	55
<b>Total town clerk</b>	<b>547,806</b>	<b>546,306</b>	<b>537,038</b>	<b>9,268</b>

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Administrative services (continued):				
Voter Registration:				
Wages - part-time	\$ 94,275	\$ 94,275	\$ 87,693	\$ 6,582
Wages - other	30,000	18,604	7,652	10,952
Office supplies	12,000	12,579	12,579	-
Training and dues	7,310	6,731	4,142	2,589
Pensions	9,570	9,570	5,983	3,587
Technology use charges	1,758	1,758	1,613	145
Equipment maintenance	9,000	9,000	6,481	2,519
Printing/reproduction	11,550	11,550	5,655	5,895
Office equipment and furniture	1,400	1,400	1,367	33
<b>Total voter registration</b>	<b>176,863</b>	<b>165,467</b>	<b>133,165</b>	<b>32,302</b>
Legal Services:				
Prof. Town Attorney - prior (alternate)	40,000	44,000	12,978	31,022
Prof. Town Attorney - primary	219,500	219,500	201,565	17,935
Prof. Town Attorney - labor	40,500	36,500	21,678	14,822
<b>Total legal services</b>	<b>300,000</b>	<b>300,000</b>	<b>236,221</b>	<b>63,779</b>
Probate Court:				
Office supplies	14,000	14,000	9,508	4,492
Operating supplies	6,600	6,600	889	5,711
Data processing	3,700	3,700	3,570	130
Equipment maintenance	500	500	-	500
<b>Total probate court</b>	<b>24,800</b>	<b>24,800</b>	<b>13,967</b>	<b>10,833</b>
Insurance and pensions:				
Training and dues	2,700	2,700	-	2,700
Casualty insurance	660,224	643,974	617,289	26,685
Employee related insurance	1,151,734	1,151,734	916,357	235,377
Pensions	37,130	37,130	27,482	9,648
Claims, service and retroactive charges	60,000	60,000	46	59,954
Professional services	49,980	49,980	47,015	2,965
Programs	6,500	6,500	1,928	4,572
<b>Total insurance and pensions</b>	<b>1,968,268</b>	<b>1,952,018</b>	<b>1,610,117</b>	<b>341,901</b>
<b>Total administrative services</b>	<b>6,355,057</b>	<b>6,419,888</b>	<b>5,910,745</b>	<b>509,143</b>

(Continued)



**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Public safety:				
Police:				
Wages - full-time	\$ 7,284,535	\$ 6,925,908	\$ 6,925,907	\$ 1
Wages - part-time	4,810	20,169	20,168	1
Wages - other	560,000	942,589	942,589	-
Office supplies	14,370	14,370	11,865	2,505
Operating supplies	67,565	67,630	63,869	3,761
Training and dues	59,500	61,224	53,786	7,438
Contractual services	77,635	46,274	45,274	1,000
Employee related insurance	1,518,338	1,518,338	1,518,285	53
Pensions	4,211,850	4,235,192	4,235,191	1
Data processing	73,866	76,366	57,504	18,862
Technology use charges	34,457	34,457	32,365	2,092
Vehicle maintenance	134,633	121,028	119,716	1,312
Equipment maintenance	73,703	73,703	68,075	5,628
Facilities maintenance	44,350	44,350	41,536	2,814
Printing/reproduction	5,680	5,680	4,671	1,009
Uniforms	92,954	71,651	71,651	-
Utilities/communication	101,156	108,785	108,784	1
Office equipment/furniture	71,200	126,190	102,372	23,818
Vehicles and trucks	189,000	204,163	67,135	137,028
Machinery and equipment	40,000	58,695	57,418	1,277
Improvements land and buildings	-	63,314	48,422	14,892
<b>Total police</b>	<b>14,659,602</b>	<b>14,820,076</b>	<b>14,596,583</b>	<b>223,493</b>
Volunteer ambulance:				
Facilities maintenance	1,250	655	654	1
Utilities/communication	1,250	2,167	2,166	1
<b>Total volunteer ambulance</b>	<b>2,500</b>	<b>2,822</b>	<b>2,820</b>	<b>2</b>
Fire:				
Wages - full-time	186,580	151,769	133,299	18,470
Wages - part-time	184,357	188,947	188,946	1
Wages - units	210,000	195,279	164,115	31,164
Wages - other	1,560	1,560	159	1,401
Office supplies	3,550	3,228	2,924	304
Operating supplies	72,503	83,863	72,009	11,854
Training and dues	16,630	16,630	15,361	1,269
Contractual services	35,400	35,400	29,897	5,503
Contractual - fire watch	5,320	5,320	2,620	2,700

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Public safety (continued):				
Fire (continued):				
Employee related insurance	\$ 36,726	\$ 36,726	\$ 36,667	\$ 59
Pensions	68,925	87,309	87,309	-
Data processing	8,200	8,200	6,227	1,973
Technology use charges	1,854	1,854	1,704	150
Vehicle maintenance	79,275	86,234	86,234	-
Equipment maintenance	48,722	48,722	33,879	14,843
Facilities maintenance	47,155	51,230	48,421	2,809
Printing/reproduction	250	250	-	250
Uniforms	6,500	6,600	5,544	1,056
Utilities/communication	215,247	224,715	224,715	-
Office equipment and furniture	14,600	14,600	13,432	1,168
Machinery and equipment	76,500	76,631	66,953	9,678
<b>Total fire</b>	<b>1,319,854</b>	<b>1,325,067</b>	<b>1,220,415</b>	<b>104,652</b>
Civil preparedness:				
Wages - part-time	22,000	22,000	21,380	620
Office supplies	235	235	162	73
Pensions	1,694	1,694	1,636	58
Technology use charges	1,163	1,163	1,072	91
Vehicle maintenance	970	970	165	805
Programs	1,300	1,300	696	604
Utilities/communication	4,000	4,000	3,798	202
Office equipment and furniture	1,400	1,400	1,323	77
<b>Total civil preparedness</b>	<b>32,762</b>	<b>32,762</b>	<b>30,232</b>	<b>2,530</b>
<b>Total public safety</b>	<b>16,014,718</b>	<b>16,180,727</b>	<b>15,850,050</b>	<b>330,677</b>
Physical services:				
Engineering:				
Wages - full-time	987,544	966,496	966,495	1
Wages - part-time	5,000	26,751	26,751	-
Wages - other	7,000	7,112	7,111	1
Office supplies	5,000	5,580	5,579	1
Operating supplies	4,500	4,130	4,130	-
Training and dues	9,000	7,415	2,662	4,753
Employee related insurance	196,559	196,559	196,483	76
Pensions	439,666	439,856	439,855	1
Data processing	50,500	48,473	39,580	8,893
Technology use charges	4,450	4,450	4,415	35
Vehicle maintenance	7,005	7,005	6,015	990
Equipment maintenance	8,700	6,629	6,629	-
Printing/reproduction	700	40	40	-
Professional services	16,300	11,499	11,499	-
Uniforms	1,200	1,200	924	276
Office equipment and furniture	19,700	25,711	16,860	8,851
Vehicles and trucks	30,000	30,000	-	30,000
<b>Total engineering</b>	<b>1,792,824</b>	<b>1,788,906</b>	<b>1,735,028</b>	<b>53,878</b>

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical services (continued):				
Highway:				
Wages - full-time	\$ 1,622,514	\$ 1,669,271	\$ 1,669,271	\$ -
Wages - part-time	31,230	31,573	31,573	-
Wages - other	260,000	217,545	217,544	1
Drainage materials	54,700	34,256	34,255	1
Grounds/roadside material	29,000	17,510	17,509	1
Highway materials	140,000	104,125	104,124	1
Office supplies	2,690	1,541	1,540	1
Operating supplies	19,020	14,419	14,418	1
Snow and ice materials	360,000	338,431	338,431	-
Traffic control supplies	45,000	31,249	31,249	-
Training and dues	6,000	4,999	4,998	1
Contractual service	241,000	236,808	236,807	1
Employee related insurance	414,830	401,435	401,355	80
Pensions	510,439	514,132	514,131	1
Technology use charges	2,537	2,537	2,431	106
Vehicle maintenance	228,010	372,392	372,392	-
Equipment maintenance	3,200	3,200	3,021	179
Printing/reproduction	750	750	-	750
Uniforms	14,000	10,810	10,809	1
Utilities/communication	150,410	147,619	147,618	1
Office equipment and furniture	2,600	5,306	4,037	1,269
Vehicles and trucks	229,000	223,554	223,553	1
Machinery and equipment	62,000	57,166	57,166	-
<b>Total highway</b>	<b>4,428,930</b>	<b>4,440,628</b>	<b>4,438,232</b>	<b>2,396</b>
Fleet maintenance:				
Wages - full-time	433,188	439,326	439,326	-
Wages - part-time	98,000	92,739	92,738	1
Wages - other	35,000	25,479	25,478	1
Office supplies	1,460	1,460	445	1,015
Operating supplies	7,225	7,225	6,155	1,070
Training and dues	3,475	3,475	2,820	655
Contractual services	225,675	221,273	221,273	-
Employee related insurance	152,429	141,710	141,639	71
Pensions	158,646	161,787	161,786	1
Data processing	7,450	6,474	5,992	482
Technology use charges	1,248	1,248	1,126	122
Vehicle maintenance	8,433	14,877	14,876	1
Equipment maintenance	10,000	14,950	14,615	335
Facilities maintenance	20,290	22,529	22,529	-
Printing/reproduction	500	500	474	26
Uniforms	7,100	5,200	5,200	-

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Physical services (continued):				
Fleet Maintenance (continued):				
Utilities/communication	\$ 37,240	\$ 41,338	\$ 41,338	\$ -
Office equipment and furniture	17,600	17,600	5,241	12,359
Vehicles & trucks	-	-	-	-
<b>Total fleet maintenance</b>	<b>1,224,959</b>	<b>1,219,190</b>	<b>1,203,051</b>	<b>16,139</b>
<b>Total physical services</b>	<b>7,446,713</b>	<b>7,448,724</b>	<b>7,376,311</b>	<b>72,413</b>
Sanitation:				
Refuse disposal:				
Wages - full-time	159,271	162,223	162,222	1
Wages - part-time	176,664	167,052	162,028	5,024
Wages - other	7,650	12,507	12,506	1
Office supplies	1,580	1,580	1,198	382
Operating supplies	1,800	1,800	1,435	365
Repair and maintenance supplies	500	500	59	441
Training and dues	700	700	-	700
Contractual services	347,180	388,236	383,640	4,596
Employee related insurance	55,151	55,151	55,118	33
Pension	82,549	82,549	81,944	605
Data processing	2,000	2,000	128	1,872
Technology use charges	1,116	1,116	993	123
Vehicle maintenance	36,625	43,285	43,285	-
Equipment maintenance	6,000	6,000	3,089	2,911
Facilities maintenance	3,785	3,785	2,565	1,220
Printing/reproduction	2,700	2,787	2,787	-
Uniforms	4,600	4,600	3,922	678
Utilities/communication	8,469	8,469	8,008	461
Office equipment and furniture	8,000	21,000	7,516	13,484
Machinery and equipment	-	28,332	21,332	7,000
Improvements-land and building	-	-	-	-
<b>Total refuse disposal</b>	<b>906,340</b>	<b>993,672</b>	<b>953,775</b>	<b>39,897</b>
<b>Total sanitation</b>	<b>906,340</b>	<b>993,672</b>	<b>953,775</b>	<b>39,897</b>
Human services:				
Contributory grants	34,077	34,077	34,077	-
Youth and family services:				
Wages - full-time	787,073	796,064	796,063	1
Wages - part-time	120,000	103,467	98,913	4,554
Office supplies	9,500	9,500	8,898	602

(Continued)



**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Human services (continued):				
Operating supplies	\$ 750	\$ 750	\$ 567	\$ 183
Training and dues	9,500	9,500	5,438	4,062
Employee related insurance	190,670	190,670	190,573	97
Pensions	358,324	358,324	353,390	4,934
Data processing	-	-	-	-
Technology use charges	6,856	6,856	6,552	304
Vehicle maintenance	2,025	2,025	1,159	866
Equipment maintenance	1,400	1,400	33	1,367
Facilities maintenance	8,750	8,750	5,461	3,289
Printing/reproduction	1,500	1,500	149	1,351
Professional services	8,400	8,400	4,345	4,055
Programs	49,000	49,000	47,938	1,062
Utilities/communications	14,080	14,080	13,912	168
Office equipment and furniture	8,700	16,242	13,354	2,888
<b>Total youth and family services</b>	<b>1,576,528</b>	<b>1,576,528</b>	<b>1,546,745</b>	<b>29,783</b>
Senior and community services:				
Wages - full-time	430,173	430,173	428,567	1,606
Wages - part-time	363,640	310,725	304,436	6,289
Wages - other	500	664	664	-
Office supplies	12,000	12,222	12,222	-
Training and dues	5,000	5,000	2,125	2,875
Employee related insurance	3,840	4,200	4,200	-
Pensions	157,080	157,080	157,047	33
Data processing	215,339	215,339	209,932	5,407
Technology use charges	4,570	4,570	3,039	1,531
Vehicle maintenance	7,214	7,214	6,577	637
Equipment maintenance	31,850	31,850	21,039	10,811
Facilities maintenance	12,000	12,000	1,644	10,356
Printing/reproduction	26,650	28,097	28,097	-
Professional services	2,800	2,800	1,860	940
Programs	114,100	100,520	80,652	19,868
Utilities/communications	85,164	92,731	92,730	1
Office equipment and furniture	16,100	31,624	31,614	10
Machinery & Equipment	21,000	21,000	5,820	15,180
Improvements (Land&Bldg.)	20,000	20,000	5,896	14,104
<b>Total senior services</b>	<b>1,529,020</b>	<b>1,487,809</b>	<b>1,398,161</b>	<b>89,648</b>
<b>Total human services</b>	<b>3,139,625</b>	<b>3,098,414</b>	<b>2,978,983</b>	<b>119,431</b>

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Leisure/culture:				
Parks and recreation:				
Wages - full-time	\$ 1,635,427	\$ 1,705,449	\$ 1,705,449	\$ -
Wages - part-time	481,103	417,869	417,869	-
Wages - other	80,000	87,392	87,392	-
Grounds/roadside materials	101,900	102,145	102,145	-
Office supplies	11,500	11,500	10,640	860
Operating supplies	850	1,260	1,260	-
Repair and maintenance supplies	50,000	39,561	39,561	-
Training and dues	9,750	6,758	6,758	-
Contractual services	148,200	142,702	142,702	-
Employee related insurance	377,495	377,495	377,453	42
Pensions	747,817	757,020	757,020	-
Data processing	14,810	9,359	9,359	-
Technology use charges	8,536	7,049	7,049	-
Vehicle maintenance	107,265	111,532	111,532	-
Equipment maintenance	500	500	20	480
Facilities maintenance	11,110	13,209	13,209	-
Legal / advertising	500	500	36	464
Printing/reproduction	600	600	154	446
Programs	25,050	25,050	24,317	733
Uniforms	17,948	11,819	11,819	-
Utilities/communication	161,393	181,012	181,011	1
Office equipment and furniture	20,700	21,330	9,589	11,741
Vehicles & Trucks	118,000	248,613	131,234	117,379
Machinery and equipment	88,800	88,800	52,332	36,468
Improvements - land and buildings	65,000	77,050	53,162	23,888
<b>Total parks and recreation</b>	<b>4,284,254</b>	<b>4,445,574</b>	<b>4,253,072</b>	<b>192,502</b>
Welles-Turner Library:				
Wages - full-time	660,271	660,271	655,956	4,315
Wages - part-time	250,000	237,133	185,723	51,410
Wages - other	1,000	1,000	87	913
Office supplies	13,200	12,542	9,614	2,928
Operating supplies	9,000	9,000	3,952	5,048
Training and dues	3,540	3,540	2,081	1,459
Books/media	270,000	270,000	253,734	16,266
Contractual services	-	450	450	-
Employee related insurance	132,627	132,627	132,540	87
Pensions	315,484	315,484	310,066	5,418
Data processing	76,874	70,738	67,540	3,198
Technology use charges	11,993	11,993	10,685	1,308
Equipment maintenance	2,900	2,900	-	2,900
Facilities maintenance	24,950	25,158	25,158	-
Printing/reproduction	2,500	2,500	-	2,500
Programs	12,500	12,500	9,620	2,880
Utilities/communication	72,777	78,913	78,913	-
Office equipment and furniture	9,400	11,509	11,113	396
<b>Total Welles-Turner Library</b>	<b>1,869,016</b>	<b>1,858,258</b>	<b>1,757,232</b>	<b>101,026</b>

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	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	-
<b>Total leisure/culture</b>	<b>6,168,270</b>	<b>6,318,832</b>	<b>6,025,304</b>	<b>293,528</b>
Debt service:				
General Town	3,437,703	3,333,003	3,332,997	6
Education	3,192,039	3,192,039	3,192,037	2
Sewers	107,000	-	-	-
Temporary notes	240,000	-	-	-
Administrative costs	60,000	31,000	30,999	1
<b>Total debt service</b>	<b>7,036,742</b>	<b>6,556,042</b>	<b>6,556,033</b>	<b>9</b>
Board of Education:				
Instruction:				
Art	1,271,616	1,266,239	1,257,322	8,917
Basic Education	15,907,127	15,788,179	15,697,280	90,899
Language Arts	4,550,472	4,550,772	4,545,605	5,167
Mathematics	2,867,425	2,881,650	2,886,735	(5,085)
Science	3,621,041	3,632,403	3,584,910	47,493
History/Social Science	2,431,334	2,398,651	2,406,610	(7,959)
Career/Vocational Education	1,663,443	1,668,715	1,667,708	1,007
P.A.C.E.	628,530	628,530	627,474	1,056
Foreign Languages & ELL	4,574,500	4,581,248	4,483,700	97,548
Health/physical education	2,172,517	2,144,609	2,134,305	10,304
Music	1,863,931	1,863,810	1,775,602	88,208
Special Education	14,910,296	16,083,330	15,313,272	770,058
Agriscience & Technology	330,341	443,420	431,540	11,880
<b>Total instruction</b>	<b>56,792,573</b>	<b>57,931,556</b>	<b>56,812,063</b>	<b>1,119,493</b>
Special services/instruction:				
School Counseling	3,728,804	3,686,258	3,659,359	26,899
Health Services	825,318	900,964	906,551	(5,587)
Libraries/Media Centers	1,175,498	1,131,189	1,113,636	17,553
Program and Staff Development	615,000	615,000	513,755	101,245
Athletics and Clubs	1,909,422	1,954,318	1,968,144	(13,826)

(Continued)

**General Fund Expenditures and Other Financing Uses - Budgetary Basis -  
Budget and Actual  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Board of Education (continued):				
Special services/instruction (continued):				
Elementary Administration	\$ 2,355,316	\$ 2,380,169	\$ 2,399,779	\$ (19,610)
Secondary Administration	2,805,654	2,860,998	2,922,387	(61,389)
Systemwide Support Services	3,645,804	3,792,515	4,022,648	(230,133)
Technology Support Services	3,830,677	3,905,226	3,874,279	30,947
<b>Total special services/instruction</b>	<b>20,891,493</b>	<b>21,226,637</b>	<b>21,380,538</b>	<b>(153,901)</b>
Support services/operations:				
Operations/Maintenance	6,941,533	7,227,201	7,778,001	(550,800)
Utilities	2,532,655	2,437,155	2,309,130	128,025
Pupil Transportation	3,886,998	3,931,568	4,018,510	(86,942)
<b>Total support services/operations</b>	<b>13,361,186</b>	<b>13,595,924</b>	<b>14,105,641</b>	<b>(509,717)</b>
Community services:				
Community services	370,822	373,726	322,515	51,211
Fringe benefits	22,133,610	22,029,489	22,228,482	(198,993)
Unexpended education fund	-	2,369,898	-	2,369,898
<b>Total Board of Education</b>	<b>113,549,684</b>	<b>117,527,230</b>	<b>114,849,239</b>	<b>2,677,991</b>
<b>Total expenditures</b>	<b>166,686,330</b>	<b>170,814,666</b>	<b>166,608,902</b>	<b>4,205,764</b>
Other financing uses:				
Transfers out:				
Capital Reserve fund	5,250,000	5,623,700	5,623,700	-
Dog Fund	45,000	45,000	45,000	-
Capital Projects Fund	-	207,000	207,000	-
OPEB trust fund	742,000	742,000	740,663	1,337
Sewer operating fund	-	107,000	107,000	-
<b>Total operating transfers out</b>	<b>6,037,000</b>	<b>6,724,700</b>	<b>6,723,363</b>	<b>1,337</b>
<b>Total expenditures and other financing uses</b>	<b>\$ 172,723,330</b>	<b>\$ 177,539,366</b>	<b>\$ 173,332,265</b>	<b>\$ 4,207,101</b>
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			\$ 15,166,830	
Lease issuance			1,270,501	
Debt issuance costs			129,365	
Total expenditures and other financing uses as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds - Exhibit V			<u>\$ 189,898,961</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.

**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, 2022**

	Special Revenue				
	Sewer Operating Fund	Dog Fund	Grants and Contracts	Police Forfeited Property	Special Gifts/ Grants Fund
<b>Assets</b>					
Cash and cash equivalents	\$ 2,959,751	\$ 70,990	\$ 38,226	\$ 190,287	\$ 440,455
Receivables	45,603	-	-	-	-
Lease receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Investments	720,426	17,280	9,304	-	107,210
Prepays and other assets	-	-	-	-	-
<b>Total assets</b>	<b>\$ 3,725,780</b>	<b>\$ 88,270</b>	<b>\$ 47,530</b>	<b>\$ 190,287</b>	<b>\$ 547,665</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>					
Liabilities:					
Accounts and other payables	\$ 83,298	\$ 19,834	\$ 10,378	\$ -	\$ 34,547
Unearned revenue	-	-	55,444	-	-
<b>Total liabilities</b>	<b>83,298</b>	<b>19,834</b>	<b>65,822</b>	<b>-</b>	<b>34,547</b>
Deferred inflows of resources:					
Unavailable revenue - special assessments	37,646	-	-	-	-
Unavailable revenue - lease receivable	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>37,646</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	68,436	-	190,287	513,118
Committed	3,604,836	-	-	-	-
Unassigned	-	-	(18,292)	-	-
<b>Total fund balances(deficits)</b>	<b>3,604,836</b>	<b>68,436</b>	<b>(18,292)</b>	<b>190,287</b>	<b>513,118</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 3,725,780</b>	<b>\$ 88,270</b>	<b>\$ 47,530</b>	<b>\$ 190,287</b>	<b>\$ 547,665</b>

Exhibit B-1

Special Revenue							
Historic Documents/ Preservation	School Cafeteria Fund	Education Grants Fund	Library Funds	Connecticard	Police Private Duty	Camp Sunrise	
\$ 59,156	\$ 590,532	\$ 79,604	\$ 68,933	\$ 16,384	\$ 408,818	\$ 30,988	
-	512,639	-	-	-	158,082	-	
-	-	-	-	-	-	-	
-	79,632	-	-	-	-	-	
14,399	-	-	16,779	3,988	99,509	7,518	
-	-	-	-	-	-	616	
<u>\$ 73,555</u>	<u>\$ 1,182,803</u>	<u>\$ 79,604</u>	<u>\$ 85,712</u>	<u>\$ 20,372</u>	<u>\$ 666,409</u>	<u>\$ 39,122</u>	
\$ -	\$ -	\$ 19,363	\$ 1	\$ -	\$ 12,224	\$ 15,265	
-	-	60,240	-	-	-	-	
-	-	79,603	1	-	12,224	15,265	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	71,748	-	
-	-	-	-	-	71,748	-	
-	79,632	-	8,527	-	-	616	
73,555	1,103,171	1	77,184	20,372	-	-	
-	-	-	-	-	582,437	23,241	
-	-	-	-	-	-	-	
<u>73,555</u>	<u>1,182,803</u>	<u>1</u>	<u>85,711</u>	<u>20,372</u>	<u>582,437</u>	<u>23,857</u>	
<u>\$ 73,555</u>	<u>\$ 1,182,803</u>	<u>\$ 79,604</u>	<u>\$ 85,712</u>	<u>\$ 20,372</u>	<u>\$ 666,409</u>	<u>\$ 39,122</u>	

(Continued)

**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2022**

	Special Revenue				
	Recreation Activities	Insurance Reserve Fund	Riverfront Park Operation	Planetarium Fund	Student Groups
<b>Assets</b>					
Cash and cash equivalents	\$ 1,056,825	\$ 602,474	\$ 192,621	\$ 82,663	\$ 219,675
Receivables	-	-	-	-	-
Lease receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Investments	257,240	146,647	46,886	-	-
Prepays and other assets	11,672	-	-	-	-
<b>Total assets</b>	<b>\$ 1,325,737</b>	<b>\$ 749,121</b>	<b>\$ 239,507</b>	<b>\$ 82,663</b>	<b>\$ 219,675</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>					
Liabilities:					
Accounts and other payables	\$ 158,901	\$ 2,678	\$ 78,783	\$ -	\$ -
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>158,901</b>	<b>2,678</b>	<b>78,783</b>	<b>-</b>	<b>-</b>
Deferred inflows of resources:					
Unavailable revenue - special assessments	1,831	-	-	-	-
Unavailable revenue - lease receivable	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>1,831</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances:					
Nonspendable	11,672	-	-	-	-
Restricted	-	-	-	-	219,675
Committed	1,153,333	746,443	160,724	82,663	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>1,165,005</b>	<b>746,443</b>	<b>160,724</b>	<b>82,663</b>	<b>219,675</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 1,325,737</b>	<b>\$ 749,121</b>	<b>\$ 239,507</b>	<b>\$ 82,663</b>	<b>\$ 219,675</b>

(Continued)

Exhibit B-1

Capital Projects									
Minnechaug		Sewer	Gateway	Riverfront	Land	Library	Bulky		
Golf	Town Aid	Sinking	Project	Park	Acquisition	Renovations	Waste	Eliminations	Totals
Fund		Projects					Closure Fund		
\$ 195,535	\$ 279,303	\$ 729,010	\$ 38,477	\$ 21,329	\$ 654,492	\$ 362,818	\$ 223,533	\$ -	\$ 9,612,879
-	-	-	-	-	-	-	-	-	716,324
49,660	-	-	-	-	-	-	-	-	49,660
-	-	-	-	-	-	-	-	-	79,632
47,595	67,984	177,447	9,366	5,191	159,308	88,313	54,410	-	2,056,800
-	-	-	-	-	-	-	-	-	12,288
<b>\$ 292,790</b>	<b>\$ 347,287</b>	<b>\$ 906,457</b>	<b>\$ 47,843</b>	<b>\$ 26,520</b>	<b>\$ 813,800</b>	<b>\$ 451,131</b>	<b>\$ 277,943</b>	<b>\$ -</b>	<b>\$ 12,527,583</b>
\$ 11,215	\$ 6,479	\$ -	\$ -	\$ -	\$ -	\$ 107,896	\$ -	\$ -	\$ 560,862
-	-	-	-	-	-	-	-	-	115,684
11,215	6,479	-	-	-	-	107,896	-	-	676,546
-	-	-	-	-	-	-	-	-	39,477
49,369	-	-	-	-	-	-	-	-	49,369
-	-	-	-	-	-	-	-	-	71,748
49,369	-	-	-	-	-	-	-	-	160,594
-	-	-	-	-	-	-	-	-	100,447
-	340,808	-	-	26,520	-	343,235	-	-	2,976,362
232,206	-	906,457	47,843	-	813,800	-	277,943	-	8,631,926
-	-	-	-	-	-	-	-	-	(18,292)
232,206	340,808	906,457	47,843	26,520	813,800	343,235	277,943	-	11,690,443
<b>\$ 292,790</b>	<b>\$ 347,287</b>	<b>\$ 906,457</b>	<b>\$ 47,843</b>	<b>\$ 26,520</b>	<b>\$ 813,800</b>	<b>\$ 451,131</b>	<b>\$ 277,943</b>	<b>\$ -</b>	<b>\$ 12,527,583</b>

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2022**

	Special Revenue				
	Sewer Operating Fund	Dog Fund	Grants and Contracts	Police Forfeited Property	Special Gifts/ Grants Fund
Revenues:					
Intergovernmental	\$ 1,292	\$ -	\$ 37,691	\$ -	\$ -
Charges for services	3,060,798	28,142	-	-	-
Investment income	13,359	329	-	-	-
Other revenues	6,204	2,735	-	21,860	266,162
<b>Total revenues</b>	<b>3,081,653</b>	<b>31,206</b>	<b>37,691</b>	<b>21,860</b>	<b>266,162</b>
Expenditures:					
Administrative services	-	-	-	-	208,913
Public safety	-	67,333	87,814	39,952	-
Sanitation	2,037,006	-	-	-	-
Leisure/culture	-	-	-	-	-
Education	-	-	-	-	-
Debt service:					
Principal	715,000	-	-	-	-
Interest and other charges	366,875	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>3,118,881</b>	<b>67,333</b>	<b>87,814</b>	<b>39,952</b>	<b>208,913</b>
<b>Revenues over (under) expenditures</b>	<b>(37,228)</b>	<b>(36,127)</b>	<b>(50,123)</b>	<b>(18,092)</b>	<b>57,249</b>
Other financing sources (uses):					
Issuance of bonds	-	-	-	-	-
Premium on bonds	-	-	-	-	-
Transfers in	322,788	45,000	-	-	-
<b>Total other financing sources (uses)</b>	<b>322,788</b>	<b>45,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>285,560</b>	<b>8,873</b>	<b>(50,123)</b>	<b>(18,092)</b>	<b>57,249</b>
Fund balance (deficit), beginning of year	3,319,276	59,563	31,831	208,379	455,869
Fund balance (deficit), end of year	<b>\$ 3,604,836</b>	<b>\$ 68,436</b>	<b>\$ (18,292)</b>	<b>\$ 190,287</b>	<b>\$ 513,118</b>

(Continued)

Exhibit B-2

Special Revenue						
Historic Documents/ Preservation	School Cafeteria Fund	Education Grants Fund	Library Funds	Connecticard	Police Private Duty	Camp Sunrise
\$ -	\$ 3,421,498	\$ 4,114,065	\$ -	\$ 1,969	\$ -	\$ 20,475
22,929	98,687	-	-	-	742,871	54,541
-	-	-	327	75	-	62
-	25,291	-	-	-	-	4,482
22,929	3,545,476	4,114,065	327	2,044	742,871	79,560
14,000	-	-	-	-	-	-
-	-	-	-	-	710,987	-
-	-	-	-	-	-	-
-	-	-	-	-	-	61,660
-	2,893,665	4,114,065	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
14,000	2,893,665	4,114,065	-	-	710,987	61,660
8,929	651,811	-	327	2,044	31,884	17,900
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,929	651,811	-	327	2,044	31,884	17,900
64,626	530,992	1	85,384	18,328	550,553	5,957
\$ 73,555	\$ 1,182,803	\$ 1	\$ 85,711	\$ 20,372	\$ 582,437	\$ 23,857

(Continued)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2022**

	Special Revenue				
	Recreation Activities	Insurance Reserve Fund	Riverfront Park Operation	Planetarium Fund	Student Groups
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	1,440,895	-	300,989	1,050	827,515
Investment income	-	2,827	850	-	-
Other revenues	-	-	2,185	-	-
<b>Total revenues</b>	<b>1,440,895</b>	<b>2,827</b>	<b>304,024</b>	<b>1,050</b>	<b>827,515</b>
Expenditures:					
Administrative services	-	2,678	-	-	-
Public safety	-	-	-	-	-
Sanitation	-	-	-	-	-
Leisure/culture	1,194,017	-	287,072	-	-
Education	-	-	-	-	921,027
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>1,194,017</b>	<b>2,678</b>	<b>287,072</b>	<b>-</b>	<b>921,027</b>
<b>Revenues over (under) expenditures</b>	<b>246,878</b>	<b>149</b>	<b>16,952</b>	<b>1,050</b>	<b>(93,512)</b>
Other financing sources (uses):					
Issuance of bonds	-	-	-	-	-
Premium on bonds	-	-	-	-	-
Transfers in	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>246,878</b>	<b>149</b>	<b>16,952</b>	<b>1,050</b>	<b>(93,512)</b>
Fund balance (deficit), beginning of year	918,127	746,294	143,772	81,613	313,187
Fund balance (deficit), end of year	\$ 1,165,005	\$ 746,443	\$ 160,724	\$ 82,663	\$ 219,675



Exhibit B-2

Capital Projects									
Minnechaug		Sewer	Gateway	Riverfront	Land	Library	Bulky		
Golf	Town Aid	Sinking	Project	Park	Acquisition	Renovations	Waste	Eliminations	Totals
Fund		Projects					Closure Fund		
\$ -	\$ 461,495	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ 8,058,485
41,797	-	-	-	-	-	-	34,939	-	6,655,153
1,455	1,803	-	181	101	2,126	3,797	1,025	-	28,317
(280)	-	-	-	-	-	-	-	-	328,639
42,972	463,298	-	181	101	2,126	3,797	35,964	-	\$ 15,070,594
-	-	-	-	-	-	-	-	-	225,591
-	-	-	-	-	-	78,641	-	-	984,727
-	-	-	-	-	-	-	-	-	2,037,006
-	-	-	-	-	-	-	-	-	1,542,749
-	-	-	-	-	-	-	-	-	7,928,757
-	-	-	-	-	-	-	-	-	715,000
-	-	-	-	-	-	-	-	-	366,875
21,984	569,551	-	-	-	1,948,022	2,739,293	-	-	5,278,850
21,984	569,551	-	-	-	1,948,022	2,817,934	-	-	19,079,555
20,988	(106,253)	-	181	101	(1,945,896)	(2,814,137)	35,964	-	(4,008,961)
-	-	-	-	-	2,375,000	-	-	-	2,375,000
-	-	-	-	-	343,959	-	-	-	343,959
-	-	515,000	-	-	-	-	50,000	-	932,788
-	-	515,000	-	-	2,718,959	-	50,000	-	3,651,747
20,988	(106,253)	515,000	181	101	773,063	(2,814,137)	85,964	-	(357,214)
211,218	447,061	391,457	47,662	26,419	40,737	3,157,372	191,979	-	12,047,657
\$ 232,206	\$ 340,808	\$ 906,457	\$ 47,843	\$ 26,520	\$ 813,800	\$ 343,235	\$ 277,943	\$ -	\$ 11,690,443

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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 Custodial 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, 2022**

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 1,709,757	\$ 82,361	\$ 1,792,118
Investments, at fair value:			
Mutual funds	84,044,565	5,344,801	89,389,366
Fixed income mutual funds	61,319,509	2,995,075	64,314,584
Pooled funds	18,034,120	-	18,034,120
Limited liability corporation	15,303,458	-	15,303,458
<b>Total assets</b>	<b>180,411,409</b>	<b>8,422,237</b>	<b>188,833,646</b>
<b>Net Position</b>			
Restricted for pension and OPEB benefits	<u>\$ 180,411,409</u>	<u>\$ 8,422,237</u>	<u>\$ 188,833,646</u>

**Statement of Changes in Fiduciary Net Position -Trust Funds  
For the Year Ended June 30, 2022**

	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Additions:			
Contributions:			
Employer	\$ 10,762,848	\$ 1,807,383	\$ 12,570,231
Employee	2,194,137	-	2,194,137
<b>Total contributions</b>	<b>12,956,985</b>	<b>1,807,383</b>	<b>14,764,368</b>
Investment (loss) income:			
Net change in fair value of investments	(31,751,743)	(1,847,519)	(33,599,262)
Interest and dividends	3,694,103	179,778	3,873,881
	(28,057,640)	(1,667,741)	(29,725,381)
Less investment expenses:			
Investment management fees	141,050	3,750	144,800
<b>Net investment loss</b>	<b>(28,198,690)</b>	<b>(1,671,491)</b>	<b>(29,870,181)</b>
<b>Total additions</b>	<b>(15,241,705)</b>	<b>135,892</b>	<b>(15,105,813)</b>
Deductions:			
Benefit payments	11,709,286	1,054,482	12,763,768
Administration fees	87,725	44,677	132,402
<b>Total deductions</b>	<b>11,797,011</b>	<b>1,099,159</b>	<b>12,896,170</b>
<b>Change in net position</b>	<b>(27,038,716)</b>	<b>(963,267)</b>	<b>(28,001,983)</b>
Net position:			
Beginning of year	207,450,125	9,385,504	216,835,629
End of year	\$ 180,411,409	\$ 8,422,237	\$ 188,833,646

**Combining Statement of Fiduciary Net Position - Custodial Funds**  
**June 30, 2022**

	Student Activity Fund	Education Dependent Care Fund	Total Custodial Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 1,179,499	\$ 58,488	\$ 1,237,987
<b>Total assets</b>	<b>1,179,499</b>	<b>58,488</b>	<b>1,237,987</b>
<b>Net Position</b>			
Restricted for individuals	\$ 1,179,499	\$ 58,488	\$ 1,237,987

**Statement of Changes in Fiduciary Net Position - Custodial Funds  
For the Year Ended June 30, 2022**

	Student Activity Fund	Education Dependent Care Fund	Total Custodial Funds
Additions:			
Contributions:			
Classes & clubs, donations and other student activities	\$ 809,392	\$ 143,913	\$ 953,305
<b>Total contributions</b>	<u>809,392</u>	<u>143,913</u>	<u>953,305</u>
Deductions:			
Materials, supplies and other expenses	717,248	135,983	853,231
<b>Total deductions</b>	<u>717,248</u>	<u>135,983</u>	<u>853,231</u>
Changes in net position	92,144	7,930	100,074
Net position:			
Beginning of year, as restated (See Note 1)	<u>1,087,355</u>	<u>50,558</u>	<u>1,137,913</u>
End of year	<u>\$ 1,179,499</u>	<u>\$ 58,488</u>	<u>\$ 1,237,987</u>



**Other Schedules**



Town of Glastonbury, Connecticut

Schedule 1

Schedule of Report of Tax Collector  
For the Year Ended June 30, 2022

Grand List	Due Date	Uncollected Taxes June 30, 2021	Lawful Corrections		Transfers to Suspense	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2022
			Additions	Deductions			Taxes Paid	Interest	Lien Fees	Total	
10/1/20	7/1/21	\$ 161,864,332	\$ 275,473	\$ 464,918	\$ -	\$ 161,674,887	\$ 161,001,753	\$ 245,817	\$ 2,592	\$ 161,250,162	\$ 673,134
10/1/19	7/1/20	802,636	46,632	37,772	190,855	620,641	520,949	93,231	1,848	616,028	99,692
10/1/18	7/1/19	99,950	34,557	1,294	-	133,213	71,339	24,939	216	96,494	61,874
10/1/17	7/1/18	61,422	11,017	108	-	72,331	22,447	13,317	48	35,812	49,884
10/1/16	7/1/17	55,235	3,798	112	-	58,921	10,865	6,873	24	17,762	48,056
10/1/15	7/1/16	46,590	3,624	-	-	50,214	3,624	3,080	-	6,704	46,590
10/1/14	7/1/15	46,190	1,696	-	-	47,886	1,696	1,795	-	3,491	46,190
10/1/13	7/1/14	45,277	777	-	-	46,054	777	1,059	-	1,836	45,277
10/1/12	7/1/13	44,546	820	-	-	45,366	820	2,104	-	2,924	44,546
10/1/11	7/1/12	46,150	516	-	-	46,666	516	816	-	1,332	46,150
10/1/10	7/1/11	40,421	488	-	-	40,909	488	874	-	1,362	40,421
10/1/09	7/1/10	22,675	576	-	-	23,251	576	1,147	-	1,723	22,675
10/1/08	7/1/09	9,112	833	-	-	9,945	833	1,872	-	2,705	9,112
10/1/07	7/1/08	8,869	331	-	-	9,200	331	788	-	1,119	8,869
10/1/06	7/1/07	-	346	-	-	346	346	885	-	1,231	-
		<u>\$ 163,193,405</u>	<u>\$ 381,484</u>	<u>\$ 504,204</u>	<u>\$ 190,855</u>	<u>\$ 162,879,830</u>	<u>\$ 161,637,360</u>	<u>\$ 398,597</u>	<u>\$ 4,728</u>	<u>\$ 162,040,685</u>	<u>\$ 1,242,470</u>

Town of Glastonbury, Connecticut

Schedule 2

Schedule of Sewer Connection Charges Collectible  
For the Year Ended June 30, 2022

	Collectible July 1	Additions and Deductions	Total Collectible	Charges Collected	Interest	Liens	Total Collected	Collectible June 30
Sewer Connection Charges: Year Ended June 30, 2022	\$ 521,393	\$ 142,176	\$ 663,569	\$ 189,439	\$ 33,195	\$ 120	\$ 222,754	\$ 474,130

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

	Fiscal Year			
	2013	2014*	2015	2016
Governmental activities:				
Net investment in capital assets	\$ 215,532,264	\$ 220,913,819	\$ 225,203,554	\$ 228,343,977
Restricted	1,772,533	8,527	8,527	8,527
Unrestricted	40,289,893	15,576,198	17,031,058	13,031,950
<b>Total governmental activities net position</b>	<b>\$ 257,594,690</b>	<b>\$ 236,498,544</b>	<b>\$ 242,243,139</b>	<b>\$ 241,384,454</b>

\* 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					
2017**	2018	2019	2020	2021	2022
\$ 229,961,836	\$ 237,663,538	\$ 236,341,081	\$ 240,501,623	\$ 241,650,757	\$ 242,656,103
8,527	8,527	8,527	8,527	8,527	8,527
1,800,736	(3,742,822)	2,040,378	2,763,709	15,289,743	11,589,632
<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>	<u>\$ 254,254,262</u>

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

	Fiscal Year			
	2013	2014	2015	2016
<b>Expenses:</b>				
Governmental activities:				
General government services	\$ 3,063,739	\$ 2,437,457	\$ 2,773,267	\$ 4,501,967
Community development	1,795,599	1,768,601	1,740,867	1,796,427
Administrative services	5,074,835	6,173,038	6,474,631	6,822,060
Public safety	11,615,297	12,915,490	12,669,044	14,053,008
Physical services	12,167,088	10,471,157	10,975,918	11,032,856
Sanitation	3,640,404	3,214,383	3,638,913	4,119,041
Human services	2,968,337	3,021,292	3,034,591	3,261,539
Leisure/culture	6,822,187	7,075,241	7,740,493	8,339,722
Education	108,886,522	113,857,497	116,887,944	122,929,957
Interest on long-term debt	3,201,363	3,268,620	2,900,598	2,585,718
<b>Total governmental activities expenses</b>	<b>159,235,371</b>	<b>164,202,776</b>	<b>168,836,266</b>	<b>179,442,295</b>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
Community development	899,667	732,127	663,062	1,292,517
Administrative services	2,217,092	2,003,566	2,046,272	2,381,040
Public safety	630,516	772,016	537,679	756,727
Physical services	22,142	27,517	31,578	33,222
Sanitation	3,470,123	3,481,680	3,575,444	3,919,616
Human services	194,984	214,226	209,169	217,714
Leisure/culture	1,458,981	1,514,392	1,585,442	1,754,512
Education	2,502,054	2,408,524	2,159,117	2,110,809
	11,395,559	11,154,048	10,807,763	12,466,157
Operating grants and contributions	23,982,010	23,396,762	20,754,777	22,428,207
Capital grants and contributions	5,712,086	9,657,006	4,494,322	2,318,625
<b>Total governmental activities program revenues</b>	<b>41,089,655</b>	<b>44,207,816</b>	<b>36,056,862</b>	<b>37,212,989</b>
<b>Total primary government net expenses</b>	<b>(118,145,716)</b>	<b>(119,994,960)</b>	<b>(132,779,404)</b>	<b>(142,229,306)</b>
<b>General revenues and other changes in net position:</b>				
Governmental activities:				
Property taxes	128,517,167	134,371,417	136,885,474	140,296,610
Grants and contributions not restricted to specific programs	119,354	178,093	204,483	138,808
Unrestricted investment earnings	305,276	469,352	499,031	935,203
Gain (loss) on sale of capital assets	2,873,616	1,379,604	(38,297)	-
Capital contributions	509,500	-	-	-
<b>Total governmental activities</b>	<b>132,324,913</b>	<b>136,398,466</b>	<b>137,550,691</b>	<b>141,370,621</b>
<b>Total Change in Net Position:</b>				
Governmental activities	\$ 14,179,197	\$ 16,403,506	\$ 4,771,287	\$ (858,685)

**Table 2**

		Fiscal Year									
		2017	2018	2019	2020	2021	2022				
\$	4,928,237	\$	4,906,496	\$	3,558,301	\$	3,614,713	\$	3,251,254	\$	3,905,653
	1,958,525		1,915,888		2,086,114		2,243,010		1,918,882		2,768,357
	7,446,025		6,522,052		6,574,031		6,666,251		7,570,972		6,582,719
	14,356,673		15,275,692		16,125,146		16,395,752		15,786,433		18,416,337
	12,274,493		11,818,642		11,833,440		13,182,845		10,949,212		12,753,200
	3,890,002		3,789,056		3,959,994		3,943,412		3,915,277		4,364,075
	3,030,255		3,093,526		2,962,089		3,003,813		2,279,479		3,403,013
	8,877,849		8,463,475		8,398,947		8,473,077		5,228,000		9,315,474
	130,869,093		135,100,166		124,973,432		141,549,173		153,507,738		142,103,503
	2,379,319		2,080,233		2,048,015		1,899,237		1,767,243		1,477,042
	190,010,471		192,965,226		182,519,509		200,971,283		206,174,490		205,089,373
	1,074,711		1,076,329		1,062,130		907,328		1,080,458		1,187,352
	3,695,960		1,881,947		1,414,436		2,909,636		2,692,042		1,753,529
	593,244		732,571		761,697		997,572		743,835		861,064
	27,275		37,441		309,673		410,437		365,508		359,853
	3,496,380		3,525,324		4,255,728		3,411,741		3,591,971		3,996,025
	222,347		180,479		200,442		157,857		46,866		198,748
	1,919,109		1,891,739		2,043,902		1,184,885		1,181,297		2,066,549
	1,954,154		1,880,616		1,809,190		1,235,387		1,183,528		1,272,954
	12,983,180		11,206,446		11,857,198		11,214,843		10,885,505		11,696,074
	30,741,544		32,038,968		18,406,679		33,387,752		47,389,339		29,529,031
	4,119,540		3,331,632		3,520,770		4,659,552		2,401,204		1,511,799
	47,844,264		46,577,046		33,784,647		49,262,147		60,676,048		42,736,904
	(142,166,207)		(146,388,180)		(148,734,862)		(151,709,136)		(145,498,442)		(162,352,469)
	142,548,603		147,569,385		150,506,963		154,354,447		158,501,035		162,109,119
	146,980		120,474		256,519		227,721		252,664		266,162
	423,716		856,465		2,432,123		2,010,841		212,858		258,785
	-		-		-		-		-		-
	-		-		-		-		-		-
	143,119,299		148,546,324		153,195,605		156,593,009		158,966,557		162,634,066
\$	953,092	\$	2,158,144	\$	4,460,743	\$	4,883,873	\$	13,468,115	\$	281,597

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

	Fiscal Year			
	2013	2014	2015	2016
General fund:				
Nonspendable	\$ 252,167	\$ 223,188	\$ 223,564	\$ 217,267
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	2,323,703	1,045,142	1,143,003	1,001,234
Unassigned	21,881,949	25,648,081	24,339,992	25,843,730
Reserved	-	-	-	-
Unreserved/undesignated	-	-	-	-
<b>Total general fund</b>	<b>\$ 24,457,819</b>	<b>\$ 26,916,411</b>	<b>\$ 25,706,559</b>	<b>\$ 27,062,231</b>
All other governmental funds:				
Nonspendable	\$ 38,797	\$ 65,774	\$ 58,498	\$ 37,797
Restricted	1,772,533	5,143,573	3,995,838	2,263,358
Committed	20,045,428	21,130,041	24,751,335	26,488,882
Assigned	142,073	-	-	-
Unassigned	(3,842,280)	(3,046,633)	(3,132,404)	(3,247,163)
<b>Total all other governmental funds</b>	<b>\$ 18,156,551</b>	<b>\$ 23,292,755</b>	<b>\$ 25,673,267</b>	<b>\$ 25,542,874</b>

**Table 3**

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 218,628	\$ 202,704	\$ 225,431	\$ 212,291	\$ 239,651	\$ 275,802
-	-	-	-	-	-
-	-	-	-	-	-
2,121,442	1,678,597	1,394,049	3,044,292	3,960,388	4,106,775
24,315,641	23,876,227	27,601,660	30,073,812	30,440,855	33,216,774
-	-	-	-	-	-
-	-	-	-	-	-
<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>	<u>\$ 37,599,351</u>
\$ 38,606	\$ 36,608	\$ 37,029	\$ 45,301	\$ 47,587	\$ 100,447
2,170,965	1,663,022	2,035,260	1,460,337	5,352,802	2,976,362
27,252,707	27,840,928	29,716,152	30,921,208	28,656,732	32,613,070
-	-	-	-	-	-
(250,841)	(2,515,257)	(267,319)	(1,049,784)	(82,606)	(1,976,876)
<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>	<u>\$ 33,713,003</u>

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

	Fiscal Year			
	2013	2014	2015	2016
<b>Revenues:</b>				
Property taxes	\$ 128,472,632	\$ 133,909,658	\$ 137,088,886	\$ 140,255,321
Licenses and permits	1,042,305	1,062,965	1,014,893	1,655,217
Intergovernmental	20,054,747	20,679,938	15,017,466	14,080,414
Charges for services	7,893,389	7,980,340	7,843,594	8,774,124
Investment income	305,276	463,305	485,238	613,267
Unrealized investment income (loss)	-	-	-	308,089
Other	2,716,551	2,402,865	2,504,856	2,417,701
State payment for teacher's retirement system	9,462,000	11,477,065	9,019,032	10,420,522
<b>Total revenues</b>	<b>169,946,900</b>	<b>177,976,136</b>	<b>172,973,965</b>	<b>178,524,655</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	2,763,750	2,843,420	2,934,917	2,952,448
Community development	1,762,554	1,748,810	1,699,054	1,738,682
Administrative services	5,838,088	6,132,621	6,385,266	6,717,279
Public safety	11,119,389	12,253,110	12,033,001	13,061,288
Physical services	6,371,239	6,478,656	6,812,516	6,531,451
Sanitation	2,320,431	2,386,174	2,379,895	2,632,481
Human services	2,867,048	2,791,127	2,785,624	2,971,784
Leisure/culture	6,110,748	6,263,893	6,600,388	6,732,036
Education	96,695,236	99,527,578	102,324,041	104,490,362
State payment for teacher's retirement system	9,462,000	11,477,065	9,019,032	10,420,522
<b>Debt service:</b>				
Principal	7,433,613	7,680,811	7,772,816	7,419,642
Interest	3,161,900	3,268,620	2,900,598	2,585,718
Capital outlay	14,400,310	18,361,870	8,172,844	9,076,654
<b>Total expenditures</b>	<b>170,306,306</b>	<b>181,213,755</b>	<b>171,819,992</b>	<b>177,330,347</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(359,406)</b>	<b>(3,237,619)</b>	<b>1,153,973</b>	<b>1,194,308</b>
<b>Other Financing Sources (Uses):</b>				
Issuance of bonds	-	8,950,000	-	-
Issuance of refunded bonds	-	9,480,000	-	-
Payment to escrow agent	-	(9,694,079)	-	-
Premium on bonds issued	-	380,454	-	-
Issuance of notes	-	135,000	-	-
Transfers in	10,195,410	4,653,977	6,915,987	13,186,305
Transfers out	(10,195,410)	(4,653,977)	(6,915,987)	(13,186,305)
Sale of general capital assets	3,048,371	1,581,040	16,687	30,971
<b>Total other financing sources (uses)</b>	<b>3,048,371</b>	<b>10,832,415</b>	<b>16,687</b>	<b>30,971</b>
<b>Net change in fund balances</b>	<b>2,688,965</b>	<b>7,594,796</b>	<b>1,170,660</b>	<b>1,225,279</b>
Fund balance at beginning of year, as restated (Note 1)	39,925,405	42,614,370	50,209,166	51,379,826
Fund balance at end of year	\$ 42,614,370	\$ 50,209,166	\$ 51,379,826	\$ 52,605,105
Debt service as a percentage of noncapital expenditures	6.80%	6.76%	6.49%	5.95%

**Table 4**

		Fiscal Year									
		2017	2018	2019	2020	2021	2022				
\$	142,041,710	\$	147,560,197	\$	151,222,713	\$	154,180,697	\$	158,107,371	\$	161,977,630
	1,447,584		1,442,652		1,429,480		1,286,420		1,705,758		1,783,790
	15,837,597		14,033,412		14,950,653		16,049,265		15,144,326		18,207,855
	8,362,685		8,126,326		8,636,698		7,205,274		7,176,760		8,801,301
	749,129		1,231,131		1,976,025		1,581,871		418,161		442,950
	(337,400)		(382,690)		387,257		428,970		(205,303)		(198,915)
	2,218,522		2,459,627		1,562,656		2,944,945		3,336,748		1,394,900
	18,586,525		20,613,490		6,976,796		15,355,215		14,677,711		15,166,830
	188,906,352		195,084,145		187,142,278		199,032,657		200,361,532		207,576,341
	2,943,450		3,038,972		3,280,357		3,291,033		3,323,088		3,466,214
	1,881,332		1,857,926		2,043,759		2,170,762		2,120,598		2,642,249
	7,064,677		6,194,202		6,429,907		6,463,695		7,895,472		6,266,004
	13,305,981		14,377,584		14,959,341		15,104,698		16,119,758		17,064,133
	6,734,016		6,943,112		7,053,345		7,206,812		7,166,845		7,376,311
	2,565,142		2,463,086		2,638,774		2,555,450		2,839,392		2,990,781
	2,800,200		2,787,792		2,760,010		2,710,890		2,476,527		2,978,980
	6,765,075		6,752,279		7,346,785		6,812,988		6,262,030		7,584,035
	105,251,040		109,309,258		111,456,524		113,810,460		117,387,976		123,159,637
	18,586,525		20,613,490		6,976,796		15,355,215		14,677,711		15,166,830
	7,754,319		7,730,982		7,303,026		6,081,253		12,309,322		5,850,000
	2,379,319		2,080,233		1,999,309		1,877,308		1,989,198		1,917,273
	8,292,903		14,031,033		7,784,219		18,174,127		13,273,578		12,636,505
	186,323,979		198,179,949		182,032,152		201,614,691		207,841,495		209,098,952
	2,582,373		(3,095,804)		5,110,126		(2,582,034)		(7,479,963)		(1,522,611)
	-		-		2,735,000		-		10,015,000		7,555,000
	-		-		3,800,000		14,500,000		10,390,000		2,375,000
	-		-		(4,094,446)		(9,014,455)		(11,814,581)		(7,425,635)
	-		-		389,431		1,007,096		2,588,867		343,959
	-		-		-		-		-		1,270,501
	16,103,976		19,769,565		16,678,853		19,981,622		14,175,154		15,890,360
	(16,103,976)		(19,769,565)		(16,678,853)		(19,981,622)		(14,175,154)		(15,890,360)
	679,670		11,485		19,322		54,588		1,576		100,731
	679,670		11,485		2,849,307		6,547,229		11,180,862		4,219,556
	3,262,043		(3,084,319)		7,959,433		3,965,195		3,700,899		2,696,945
	52,605,105		55,867,148		52,782,829		60,742,262		64,914,510		68,615,409
\$	55,867,148	\$	52,782,829	\$	60,742,262	\$	64,707,457	\$	68,615,409	\$	71,312,354
	5.69%		5.33%		5.31%		4.29%		7.32%		3.92%

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							
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
2022	3,075,188	718,898	332,623	218,596	32,396	4,312,909	37.32	6,975,181	61.83

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)

	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List <sup>1</sup>	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List <sup>2</sup>
Connecticut Light & Power Co	\$ 58,599,080	1	1.36%	\$ 30,057,660	1	0.71%
Shops At Somerset Square LLC	28,696,520	2	0.67%	24,704,400	2	0.59%
New London Turnpike Apts Investors LLC	27,997,330	3	0.65%	-	-	-
SCT Glastonbury LLC	18,736,700	4	0.43%	18,900,000	3	0.45%
Glastonbury Developers LLC	18,619,780	5	0.43%	-	-	-
Glastonbury MZL LLC	17,850,000	6	0.41%	16,522,000	4	0.39%
Connecticut Natural Gas Corp.	17,533,700	7	0.41%	10,788,440	9	0.26%
SHP V Glastonbury LLC	16,775,950	8	0.39%	-	-	-
Siebar Glastonbury LLC	15,933,200	9	0.37%	13,952,100	5	0.33%
Brixmor Residual Shoppes at Fox Run LLC	15,604,700	10	0.36%	12,139,700	7	0.29%
Grunberg 628 Hebron LLC	-	-	-	12,466,660	6	0.30%
S B U LLC	-	-	-	11,270,000	8	0.27%
PRA Suites at Glastonbury LLC	-	-	-	10,765,800	10	0.26%
	<u>\$ 236,346,960</u>		<u>5.48%</u>	<u>\$ 161,566,760</u>		<u>3.84%</u>

Source: Town Assessor's office

<sup>1</sup> Net Taxable Grand List, October 1, 2020: \$4,312,908,521

<sup>2</sup> Net Taxable Grand List, October 1, 2011: \$4,206,338,520

**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 <sup>2</sup>	Total Collections to Date	
		Amount <sup>1</sup>	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 128,299,243	\$ 127,582,218	99.44 %	\$ 613,983	\$ 128,195,684	99.92 %
2014	133,617,305	132,828,872	99.41	507,064	133,335,936	99.79
2015	136,682,892	135,894,309	99.42	582,899	136,477,208	99.85
2016	139,990,757	139,364,464	99.55	417,300	139,781,764	99.85
2017	142,244,077	141,459,736	99.45	652,274	142,112,010	99.91
2018	147,299,438	146,537,634	99.48	619,414	147,157,048	99.90
2019	150,874,905	150,136,086	99.51	493,873	150,629,959	99.84
2020	154,170,306	153,263,934	99.41	605,876	153,869,810	99.81
2021	157,855,773	157,140,810	99.55	519,997	157,660,807	99.88
2022	161,864,332	161,006,419	99.47	-	161,006,419	99.47

Source:

<sup>1</sup> Town Revenue Collection office.

<sup>2</sup> 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 <sup>1</sup>	Premium on Bonds	Total	Percentage of Actual Taxable Value of Property <sup>4</sup>	Per Capita <sup>5</sup>	Clean Water Fund Notes Payable <sup>2</sup>	Term Notes Payable <sup>3</sup>	Total Primary Government	Debt as a Percentage of Actual Taxable Value of Property <sup>4</sup>	Debt Per Capita <sup>5</sup>	Percentage of Debt per Capita Income
2013	\$ 69,615	\$ 4,611	\$ 74,226	1.29%	\$ 2,139	\$ 16,949	\$ -	\$ 91,175	1.59%	\$ 2,628	N/A
2014	71,940	4,031	75,971	1.40%	2,207	16,132	135	92,238	1.70%	2,679	N/A
2015	65,085	3,466	68,551	1.19%	1,972	15,298	90	83,939	1.46%	2,415	N/A
2016	58,570	2,931	61,501	1.04%	1,769	14,148	45	75,994	1.29%	2,186	N/A
2017	51,735	2,396	54,131	0.91%	1,561	13,580	-	67,711	1.14%	1,953	N/A
2018	44,925	1,861	46,786	0.76%	1,353	12,695	-	59,481	0.96%	1,720	N/A
2019	41,020	1,724	42,744	0.72%	1,236	11,792	-	54,536	0.91%	1,577	N/A
2020	41,480	2,425	43,905	0.61%	1,088	10,871	-	48,381	0.78%	1,403	N/A
2021	48,645	4,446	53,091	0.62%	1,175	10,247	-	63,338	0.97%	1,837	N/A
2022	35,805	4,116	39,921	0.57%	1,137	-	-	39,921	0.57%	1,137	N/A

<sup>1</sup> Town only issues general obligation bonds and has no overlapping debt.

<sup>2</sup> 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.

<sup>3</sup> Represents relatively short-term notes for the acquisition of various land parcels.

<sup>4</sup> See Table 5 for taxable property value data.

<sup>5</sup> See Table 11 for population data.

**Schedule of Debt Limitation  
For the Year Ended June 30, 2022  
(Unaudited)**

Tax base:	
Total tax collections (including interest and lien fees)	\$ 158,144,313
Reimbursement of revenue loss from tax relief for the elderly	-
<b>Total tax base</b>	<b>\$ 158,144,313</b>

	General Purpose	Schools	Sewer	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 355,824,704	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	711,649,409	-	-	-
3-3/4 times base	-	-	593,041,174	-	-
3-1/4 times base	-	-	-	513,969,017	-
3 times base	-	-	-	-	474,432,939
<b>Total debt limitations</b>	<b>355,824,704</b>	<b>711,649,409</b>	<b>593,041,174</b>	<b>513,969,017</b>	<b>474,432,939</b>
Indebtedness:					
Bonds outstanding	28,099,600	9,920,400	7,705,000	-	-
Bonds authorized and unissued	3,346,730	-	-	-	-
<b>Total indebtedness</b>	<b>31,446,330</b>	<b>9,920,400</b>	<b>7,705,000</b>	<b>-</b>	<b>-</b>
<b>Debt limitation in excess of outstanding and authorized debt</b>	<b>\$ 324,378,374</b>	<b>\$ 701,729,009</b>	<b>\$ 585,336,174</b>	<b>\$ 513,969,017</b>	<b>\$ 474,432,939</b>

Note: In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 1,107,010,191

See notes to the financial statements for further information and explanation on the Town's indebtedness at June 30, 2022.

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

	2013	2014	2015	2016
Debt limit	\$ 881,587,371	\$ 900,743,193	\$ 938,369,383	\$ 960,676,976
Total net debt applicable to limit	105,349,500	91,986,430	84,275,977	76,922,844
<b>Legal debt margin</b>	<b>\$ 776,237,871</b>	<b>\$ 808,756,763</b>	<b>\$ 854,093,406</b>	<b>\$ 883,754,132</b>
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	<b>11.95%</b>	<b>10.21%</b>	<b>8.98%</b>	<b>8.01%</b>

**Table 10**

2017	2018	2019	2020	2021	2022
\$ 982,829,946	\$ 994,896,924	\$ 1,032,181,675	\$ 1,059,022,230	\$ 1,078,799,113	\$ 1,107,010,191
72,195,197	67,500,037	62,307,904	59,257,820	51,839,753	49,071,730
\$ 910,634,749	\$ 927,396,887	\$ 969,873,771	\$ 999,764,410	\$ 1,026,959,360	\$ 1,057,938,461
7.35%	6.78%	6.04%	5.60%	4.81%	4.43%

Town of Glastonbury, Connecticut

Table 11

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

Fiscal Year	Population <sup>(1)</sup>	Median Family Income <sup>(2)</sup>	Per Capita Personal Income <sup>(2)</sup>	Median Age <sup>(2)</sup>	Educational Attainment <sup>(2)</sup>		School Enrollment <sup>(3)</sup>	Unemployment Rate <sup>(4)</sup>
					High School	Bachelors Degree		
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%
2022	35,108	144,916	60,054	45.4	97.8%	63.7%	5,638	4.0%

Sources:

- <sup>(1)</sup> State of Connecticut Department of Public Health
- <sup>(2)</sup> U.S. Census Bureau, American Fact Finder
- <sup>(3)</sup> Town of Glastonbury Board of Education
- <sup>(4)</sup> 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	2022			2013		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Healthtrax Inc.	Health Clubs	1000-4999	1	16.85%			
Open Solutions	Computer Hardware& Software	250-499	2	2.11%	459	2	2.63%
Glastonbury Town Hall	Government Office	250-499	3	2.11%	1,074	1	6.16%
Glastonbury High School	Schools	250-499	4	2.11%			
Mc Mahon Co Inc	Insurance	100-249	5	2.11%			
Home Depot	Home Centers	100-249	6	0.98%			
Super Stop & Shop	Grocers-Retail	100-249	7	0.98%	297	4	1.70%
Salmon Brook Nurse & Rehab Ctr	Nursing Homes	100-249	8	0.98%	200	5	1.15%
TCA Consulting Group	Employment Contractors	100-249	9	0.98%			
Smith Brothers Insurance LLC	Insurance	100-249	10	0.98%			
Ricoh	Office Equipment				300	3	1.72%
CIGNA Insurance Company	Insurance				147	6	0.84%
Bank of America Business Capital	Financial Services				130	7	0.75%
Amica Mutual Insurance Co	Insurance				129	8	0.74%
Flanagan Industries	Manufacturers				105	9	0.60%
Nabisco/Kraft	Manufacturers				100	10	0.57%
				<u>30.19%</u>	<u>2,941</u>		<u>16.86%</u>
Total Town Employment			est	<u>17,799</u>		est	<u>17,430</u>

Source: 2022 data - Connecticut Department of Labor - Labor Market Information

2013 data - Glastonbury FY2012 Comprehensive Annual Financial Report

Note: Percentage of 2022 total Town employment is calculated on the midpoint of the range given.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government:										
Town manager	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0
Human resources	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0
Facilities maintenance	12.0	12.0	12.0	12.0	12.0	13.0	18.5	17.2	17.2	17.2
Community development:										
Community development	4.5	4.5	4.5	3.5	4.5	4.5	4.5	4.5	4.5	5.5
Building inspection	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.5	4.5	4.5
Fire Marshal	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5
Health	5.0	5.5	4.5	5.0	5.0	5.0	5.5	5.5	5.5	5.5
Administrative services:										
Financial administration	9.0	9.0	9.0	9.0	8.0	8.0	8.5	9.5	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	4.0	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	81.0	79.0	79.0	79.0	78.0	75.0	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	11.5	12.5	12.5	13.0	13.0	13.0	13.0
Highway	22.0	22.0	21.0	22.0	22.0	22.0	23.0	22.5	22.5	22.5
Fleet maintenance	6.0	6.0	6.0	6.0	6.0	6.0	8.2	8.2	8.2	8.9
Sanitation:										
Water pollution	9.0	9.0	8.0	8.0	9.0	9.0	9.0	9.0	9.0	9.0
Refuse disposal	2.0	2.0	2.0	2.0	2.0	2.0	6.1	6.1	6.1	6.1
Human services:										
Youth and Family Services	12.0	11.0	12.0	10.0	12.0	12.0	13.1	13.1	13.1	14.0
Senior and Community Services	6.0	7.0	6.0	8.0	7.0	9.0	16.8	16.8	16.8	16.1
Leisure/culture:										
Parks and recreation	22.0	22.0	22.0	22.0	22.8	22.0	23.8	23.8	23.8	24.3
Welles-Turner Library	9.0	9.0	10.0	10.0	10.0	10.0	15.6	15.6	15.6	15.6
Education	799.0	793.1	790.0	789.0	786.0	801.0	806.8	814.3	823.2	824.6
<b>Total</b>	<b>1,042.3</b>	<b>1,034.9</b>	<b>1,030.8</b>	<b>1,030.3</b>	<b>1,030.1</b>	<b>1,044.3</b>	<b>1,084.2</b>	<b>1,091.4</b>	<b>1,098.3</b>	<b>1,102.1</b>

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)**

	2022	2021	2020	2019
<b>Building/community development:</b>				
Alterations - residential/commercial	1,970	3,439	1,044	913
Number of subdivisions approved	2	3	1	2
New residential dwellings	33	47	42	35
New commercial buildings	1	12	15	19
<b>Fire marshal:</b>				
Fire investigations completed	24	32	23	47
Assembly occupancy inspections	35	58	34	659
<b>Health:</b>				
Routine inspections	750	509	603	912
Complaint inspections	33	22	100	220
<b>Financial administration:</b>				
Percent of taxes to total revenue	92.10%	91.84%	91.05%	92.64%
<b>Property assessment:</b>				
Grand list accounts	53,832	53,598	54,412	54,088
Adjusted grand list accounts	3,437	2,957	3,001	3,106
<b>Revenue collection:</b>				
Collection rate	99.58%	99.49%	99.41%	99.51%
# of real estate tax bills	14,535	14,531	13,958	13,937
# of motor vehicle tax bills	31,387	32,555	32,226	32,093
# of personal property tax bills	2,108	2,200	2,229	2,198
# of supplemental motor vehicle bills	5,558	4,324	5,448	5,382
<b>Police:</b>				
Uniform strength	61	59	59	56
Dispatches for service	17,407	14,614	17,490	17,845
Medical calls	1,512	742	2,560	2,367
Motor vehicle accidents	827	679	776	702
Arrests (Adult)	475	430	448	410
DUI Arrests	50	63	60	50
Town Code Tickets	41	68	72	26
Traffic Tickets	846	575	1,290	2,154
Motor vehicle stops	2,389	1,355	2,529	3,619
Alarm Responses	1,265	1,371	1,487	1,617
FBI Part 1 property & violent crimes	561	597	402	408

(Continued)

**Table 14**

2018	2017	2016	2015	2014	2013
2,037	1,990	1,956	1,523	1,575	574
2	4	5	3	-	4
27	25	25	15	19	21
2	7	8	0	4	2
46	26	43	63	91	81
670	467	236	300	278	265
891	995	967	996	914	1,100
216	223	76	142	113	173
91.52%	90.90%	91.60%	90.80%	91.10%	86.40%
54,102	53,794	53,657	53,690	53,480	53,467
3,198	3,153	3,337	2,566	2,342	2,418
99.50%	99.45%	99.55%	99.42%	99.41%	99.44%
13,936	13,935	13,945	13,874	13,871	13,844
32,058	31,661	31,883	32,126	31,756	31,839
2,228	2,198	2,210	2,190	2,165	2,123
5,352	5,466	5,068	4,953	5,157	4,993
57	55	59	56	57	52
16,972	17,662	18,162	18,264	18,726	20,030
2,229	2,293	2,195	1,859	1,707	1,614
858	911	766	874	888	932
432	519	429	475	572	596
-	-	82	61	100	73
33	75	117	96	131	137
1,882	2,224	1,893	2,121	2,530	2,568
-	-	5,799	5,660	7,845	7,198
1,549	1,522	1,486	1,499	1,510	1,669
393	528	432	281	314	295

(Continued)

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

	2022	2021	2020	2019
<b>Fire:</b>				
Uniform strength	98	105	113	109
Full time	2	2	2	2
Emergency incidents	874	927	826	824
Structure fires	29	18	14	12
Fire training hours	5,967	7,160	6,548	9,128
<b>Engineering:</b>				
Right of way permits	376	364	304	312
Sanitation sewer permits	43	37	58	63
<b>Highway:</b>				
Snow routes	21	21	21	21
Road miles plowed	18,774	26,224	16,671	24,751
Lane miles paved/street resurfacing	17	12	14.5	13
Catch basins cleaned	191	280	290	325
<b>Water Pollution Control:</b>				
Average daily treatment flow (gal/day)	2.67 million	2.27 million	2.44 million	2.63 million
Gallons of sludge disposed	2,714,500	2,606,000	2,450,500	2,821,000
<b>Refuse disposal:</b>				
Annual tons of solid waste collected	1,501	1,525	1,451	1,515
Vehicles at hazard waste collection	485	781	478	732
Permits issued	6,934	7,360	5,525	6,750
<b>Senior and Community Services:</b>				
Senior center participation	12,231	5,864	24,095	36,171
Outreach clients	3,000	3,543	2,818	1,987
Dial-A-Ride participation	7,179	1,298	12,704	18,599
<b>Youth and Family Services:</b>				
Clinical clients	4,429	3,979	2,473	1,456
Youth program participation	1,126	864	957	1,143
<b>Parks:</b>				
Program participation registrations	46,425	26,250	58,432	71,495
Fields maintained	54	54	54	54
Rounds of golf played	22,891	25,730	20,654	11,630
Hours of athletic field use	30,924	33,376	38,781	46,537
<b>Library:</b>				
Library transactions	250,281	165,942	264,926	320,762
Self check library transactions	213,697	123,588	221,344	281,490

Source(s): Various Town Departments

**Table 14**

2018	2017	2016	2015	2014	2013
122	120	116	115	111	114
2	2	2	2	2	1-2
817	851	870	851	858	950
7	8	13	15	25	35
7,529	6,946	6,449	7,053	7,379	7,800
328	340	296	416	270	209
55	59	50	42	31	36
21	21	21	21	21	21
34,470	32,627	25,400	47,812	50,007	36,200
15	14	11	15	12	18
425	357	365	360	250	215
1.95 million	1.97 million	2.03 million	2.07 million	2.14 million	2.20 million
2,742,500	2,576,500	2,359,500	2,246,000	2,184,000	2,312,000
1,525	1,574	1,600	1,595	1,622	2,087
765	442	411	427	457	563
7,474	7,254	7,350	7,135	6,897	6,450
35,084	34,006	31,879	30,210	30,428	33,392
1,940	1,641	1,245	1,216	1,480	1,467
18,287	18,963	22,687	24,688	24,151	19,633
1,444	1,453	1,175	1,085	1,094	1,183
1,135	914	928	1,875	8,944	10,748
76,661	88,064	87,405	79,205	84,325	98,668
54	54	54	54	54	54
12,387	11,655	15,394	14,229	13,010	15,599
41,449	43,942	45,389	43,441	45,576	43,596
324,760	342,785	382,471	403,943	452,381	470,070
270,385	294,985	305,976	18,640	17,433	28,204

Town of Glastonbury, Connecticut

Table 15

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Police:</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Fire:</b>										
Stations	4	4	4	4	4	4	4	4	4	4
Front-line equipment	21	21	21	21	21	21	21	13	20	20
Fire hydrants	788	782	782	775	775	775	775	711	709	709
<b>Highway:</b>										
Storm drains	5,854	5,842	5,842	5,842	5,842	5,838	5,838	5,838	5,813	5,813
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	17	19	19	19	19	19
Bridges	16	16	16	16	16	16	16	16	16	16
<b>Water pollution:</b>										
Number of sanitary sewer miles	109	109	105	105	105	105	105	102	102	102
<b>Senior and Community Services:</b>										
Community center	1	1	1	1	1	1	1	1	1	1
Natural Gas Sedan	2	2	2	2	2	2	2	3	2	1
<b>Dial-A-Ride Buses:</b>										
Vans - Diesel	0	0	1	1	1	1	1	2	2	2
CNG	3	3	4	4	4	5	5	3	3	4
Electric Hybrid	2	2	1	1	0	0	0	0	0	0
<b>Parks and recreation:</b>										
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	54	53	54	54	54	54	54	54
Swimming pools	3	3	3	3	3	3	3	3	3	3
<b>Welles-Turner Library:</b>										
Libraries	3	3	3	3	3	3	3	3	3	3

Source(s): Various Town Departments