

TOWN OF WETHERSFIELD CONNECTICUT



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2021

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
TOWN OF WETHERSFIELD, CONNECTICUT

FOR THE FISCAL YEAR ENDED

June 30, 2021



Prepared by the Finance Department

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TOWN OF WETHERSFIELD, CONNECTICUT
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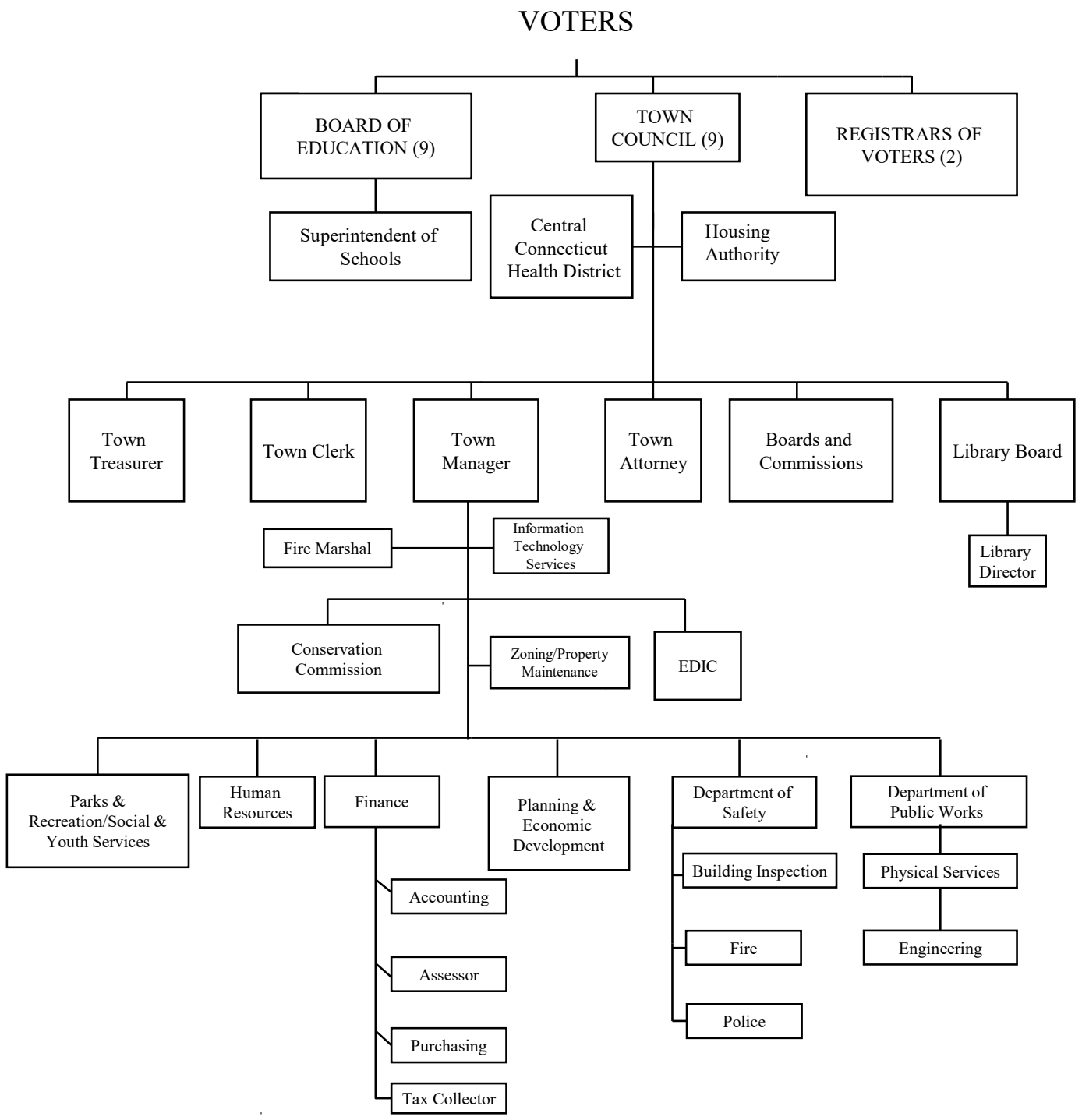
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Introductory Section

TOWN OF WETHERSFIELD, CONNECTICUT

ORGANIZATION CHART





April 25, 2022

Honorable Members of Town Council, Mayor, and Town Manager
Town of Wethersfield
Wethersfield, Connecticut 06109

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, I hereby submit the Annual Comprehensive Financial Report ("ACFR") of the Town of Wethersfield, Connecticut (the "Town"), for the fiscal year ended June 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Clifton Larson Allen, LLP, a firm of licensed certified public accountants, has issued an unmodified (i.e., "clean") opinion on the Town's financial statements for the year ended June 30, 2021. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis ("MD&A") immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Town of Wethersfield, settled in 1634 and incorporated in 1822, is one of the oldest communities in Connecticut. Known as "Ye Most Ancient Towne" in Connecticut, Wethersfield is a suburban, residential town blending a modern community with strong ties to a deeply rooted colonial heritage dating back to its founding. Covering an area of 13.0 square miles and serving a population of 27,298, the Town is located in the central region of the State, immediately south of the City of Hartford. The Town is empowered to levy a property tax on real property, personal property and motor vehicles located within its boundaries.

The Town has operated under the Council-Manager form of government since 1953. Policy-making and legislative authority are vested in the Town Council, consisting of a Mayor and eight other members, all of whom are elected at large. All members serve two-year terms. The Town Manager is the chief executive of the administrative branch of the Town government and is appointed by and responsible to the Town Council for the administration of all affairs relating to the Town.

The Town provides a full range of municipal services including police and fire protection, maintenance and sanitation, health, human services, library, education, cultural and recreational activities, public improvements, planning and zoning, and general administrative services. The relatively high median age indicates a demand for services to the elderly, which the Town provides with numerous programs and services.

The Council is required to adopt an initial budget for the fiscal year no later than May 15, preceding the beginning of the fiscal year on July 1. This annual budget serves as the foundation for the Town's financial planning and control. The budget is prepared by fund and department. Transfers between departments require the approval of the Town Council. Beginning in 2013, the Council established a separate tax levy to fund road repairs and reconstruction. These funds are accounted for in the Road Improvement Fund.

Local Economy

Wethersfield is an ideal community for business with its strategic location within the Greater Hartford region. Centrally situated on the western bank of the Connecticut River just four miles south of downtown Hartford, Wethersfield is conveniently located on one of New England's key interstate highways, I-91, and within minutes of Interstate 84. The Town has created a business-friendly environment and is focused upon creating business opportunities in the Town's three commercial areas: along the Silas Deane Highway, the Berlin Turnpike, and in Historic Old Wethersfield.

The Town's tax base is diversified and is not reliant on any one employer or major taxpayer. The list of top employers and top taxpayers includes a diversity of business types which include several State offices, apartment complexes, office buildings, retailers and utility companies.

The Town is actively working to maintain the diversity in its economic base through the implementation of the strategies contained within the Town's Economic Development Strategic Plan. The strategic plan is consistent with the Town's current Plan of Conservation and Development and responsive to the challenges and issues facing the Town. The plan's mission is to attract and retain business growth and development for the purpose of expanding and developing the tax base, creating jobs, and improving the quality of life in Wethersfield. The primary goal is to grow the commercial and industrial portion of the grand list to support a diverse and sustainable local economy at a rate that supports a balanced tax base. Other goals are broken down into the categories of marketing and recruitment, business assistance, retention and expansion, business corridors and aesthetics, sites, development services, and administrative concerns.

The net taxable grand list of October 1, 2019 at \$2.338 billion was a slight increase over the 2018 Grand List of \$2.321 billion. State statutes mandate communities perform a property revaluation every 5 years. The October 1, 2018 grand list was a revaluation year for the Town. Accordingly, the next required property revaluation will take place for the October 1, 2023 Grand List, which will affect the 2024-2025 fiscal year.

Median household incomes within the Town are appreciably higher than for the state as a whole. According to the most recent US Census Bureau American Community's Survey, the Town's median household income was \$86,216, while the state's was \$79,855. The Town's population has increased over 2020 to 27,298.

The Town's unemployment rate is equal to both state and national levels. The Town's unemployment rate as of August 2021 was 6.7% compared to state and national levels of 6.1% and 6.4% respectively. The Town's rate was significantly improved from 2020 when it was 9.5%.

The Town maintains credit ratings of Aa2 from Moody's (May 2019) and AA+ from Standard & Poor's (June 2017).

Long-term Financial Planning: A five-year capital improvement plan is prepared as part of the annual budget process. This plan attempts to identify and provide a responsible funding/execution plan for public betterments to ensure a stable community infrastructure. The plan is designed to budget adequate reserves for replacement of obsolete equipment and vehicles and provide for the betterment of town-wide roads. The Town ranks projects based on safety issues and the needs of the departments and uses funding methods that best utilize financial resources.

The five-year program projects capital improvement program needs, as reviewed by the Town Capital Improvements Advisory Committee, in eight major categories: Community/Economic Development, Drainage, Fire Safety, Sidewalk Construction, Pavement Maintenance, Parks and Recreation, School Buildings and Town Buildings.

Capital Projects: Major recent capital projects include a boat ramp at Wethersfield Cove on the Connecticut River, the purchase and retrofitting of street lights from the local electric utility, two state-funded street reconstruction projects (Highland Avenue and Wolcott Hill Road), and ongoing general street repairs and improvements. The last significant building construction was the completion of renovations at Wethersfield High School in 2017. The Board of Education is currently conducting a facilities study in anticipation of more school renovations and/or construction in the coming years. In 2012, the Town adopted a separate mill levy for road infrastructure improvements. The levy is supplemented by State grants to provide approximately \$1.8 million annually for road improvements.

Other Postemployment Benefit (OPEB) Liabilities: The Town has developed a health benefit strategic plan to manage health insurance costs. In 2012, an OPEB Trust Fund was established and a funding policy was adopted. The Town spends approximately \$2.9 million annually on current retiree benefits. The Town will continue to pay for these benefits through the annual budget process. In 2013, approximately \$6.2 million was transferred from past retirement reserves to establish the OPEB Trust. An additional \$2.8 million was transferred from medical self-insurance reserves to the Trust Fund in FY15. The net OPEB liability associated with current and future retirees as of June 30, 2021 was \$23.0 million; the current required annual contribution, as calculated by the Town's actuary was \$2.8 million while the actual contributions were \$3.4 million. The Town has eliminated eligibility for post-retirement medical benefits for all new employees, except sworn members of the Police Department.

Relevant Financial Policies

The Town has adopted a comprehensive set of financial policies. The most significant of these are summarized as follows:

General Fund Reserves General Fund fund balance is to be maintained at a level of 7% to 10% of the annual General Fund revenue budget.

Medical Self-Insurance Reserves Reserves in the Hospital Medical Insurance Fund (a self-insurance internal service fund) are to be maintained at 10% of the previous year's annual claims.

Other Post-Employment Benefits (OPEB) Trust Funding Upon establishment of the Trust Fund in 2013, \$6.2 million was deposited into the Trust, and the Town has committed to increase its annual funding (in addition to pay-as-you-go benefits) from \$200,000 in 2014 to \$1.6 million in 2021.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank the Town Manager and all departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Town Council for their support for maintaining high standards of professionalism in the management of the Town's finances.

Respectfully submitted,



Michael J. O'Neil, C.P.A.
Director of Finance

TOWN OF WETHERSFIELD, CONNECTICUT

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2021

TOWN COUNCIL

Mayor Michael L. Rell (R)
Deputy Mayor Thomas Mazzeola (R)
Ryan C. Biggs (D)
Matthew Forrest (D)
Kevin Hill (D)
Kenneth Lesser (D)
Daniel J. O'Connor (R)
Mary Pelletier (R)
Patrick Pentalow (R)

TOWN TREASURER

Thomas Fitzpatrick (R)
Harry L. Lichtenbaum (Deputy) (D)

TOWN DEPARTMENTS

Bonnie Therrien, Interim Town Manager
Michael J. O'Neil, C.P.A., Director of Finance
Claudia Tata, Human Resources Manager
Fauna Eller, Tax Assessor
Marlene Desjardins, Tax Collector
Derrick D. Gregor, P.E., Town Engineer
Sally A. Katz, Director of Physical Services
Peter Gillespie, Director of Planning & Economic Development
Susan I. Schroeder, Interim Town Clerk
Rafael Medina, Chief of Police
Richard Bailey, Fire Chief
Anthony Dignoti, Fire Marshal
Steven Lattarulo, Chief Building Official
Kathy Bagley, Director of Parks & Recreation and Director of Social & Youth Services
Brook Berry, Library Director

BOARD OF EDUCATION

Michael T. Emmett, Superintendent of Schools
Matthew Kozaka, Business Manager

AUDITORS

CliftonLarsonAllen LLP

Financial Section



Independent Auditors' Report

Town Council
Town of Wethersfield, Connecticut

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 16 to the financial statements, during fiscal year ended June 30, 2021, the Town of Wethersfield, Connecticut adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the Town of Wethersfield, Connecticut reported a restatement for the change in accounting principle. Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

Other Information

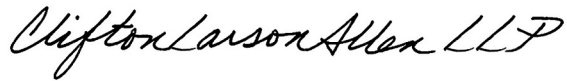
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Wethersfield, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2022, on our consideration of the Town of Wethersfield, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Wethersfield, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Wethersfield, Connecticut's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

West Hartford, Connecticut
April 25, 2022



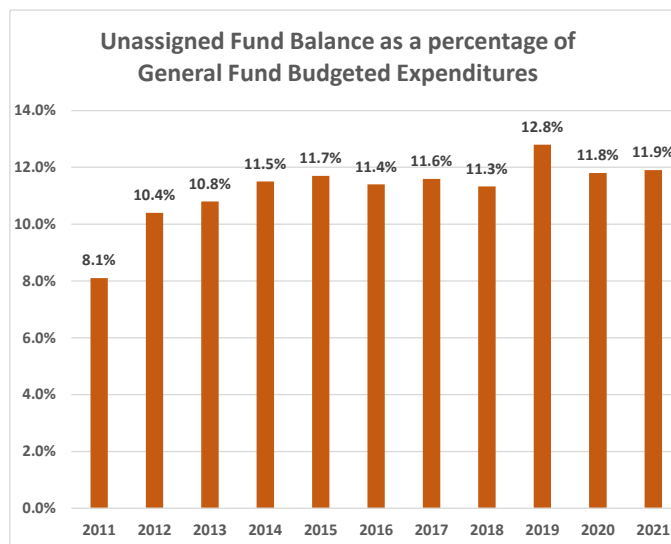
TOWN OF WETHERSFIELD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

This discussion and analysis (“MD&A”) of the Town of Wethersfield, Connecticut’s (the Town) financial performance was prepared by management to provide an overview of the Town’s financial activities for the fiscal year ended June 30, 2021. Please read this MD&A in conjunction with the Town’s financial statements presented in Exhibits I through IX.

Financial Highlights

- The Town’s total net position at the close of the fiscal year was \$100.80 million, an increase from \$91.51 million the previous fiscal year.
- At the end of the current fiscal year, the total fund balance for the General Fund was \$15.15 million, which is the same as the prior fiscal year.

- As of June 30, 2021, the General Fund *unassigned* fund balance of \$12.85 million represents approximately 11.9% of General Fund expenditures (\$108.10 million) as compared to 11.8% in the prior year. The Town maintains a General Fund unassigned fund balance at a level that meets the guidelines established by rating agencies and as prescribed by the Town’s adopted financial policies (currently 7%-10%). Rating agencies evaluate municipalities to determine the financial condition of the community and assign a bond rating that influences the rate of interest paid on debt issues. Accordingly, a strong fund balance demonstrates the Town’s commitment to fiscal responsibility, reduces bonding costs, and indicates an ability to meet unforeseen emergencies.



- The Town of Wethersfield’s combined governmental funds include the General Fund, Capital Projects Fund, the American Rescue Plan Act (“ARPA”) Special Revenue Fund and other nonmajor funds. The governmental funds reported combined ending fund balances of \$26.5 million, which is an decrease of \$235,000 from the prior fiscal year.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Town of Wethersfield's basic financial statements. This annual report consists of four parts: 1) management's discussion and analysis, 2) the basic financial statements, 3) required supplementary information, and 4) an additional section that presents combining statements for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the Town:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the Town's overall financial status (Exhibits I and II, respectively).
- The remaining statements are *fund financial statements* that focus on individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements (Exhibits III to IX).
 - The *governmental funds statements* tell how general government services such as police, fire and parks were financed in the short-term as well as what remains for future spending.
 - *Proprietary funds statements* offer short and long-term financial information about the activities the government operates like business, that is, the Town's Medical and Heart & Hypertension internal service funds.
 - *Fiduciary funds statements* provide information about the financial relationships in which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by required supplementary information that further explains and supports the information in the financial statements.

Major Features of the Basic Financial Statements - Figure A-1

		<u>Fund Financial Statements</u>		
<u>Type of Statements</u>	<u>Government-wide Financial Statements</u>	<u>Governmental Funds</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>
<i>Scope</i>	Entire Town government (except fiduciary activities).	Activities primarily supported by taxes, grants, and similar revenue sources.	Activities the Town operates similar which have significant support from fees and charges.	Instances in which the Town administers resources as trustee on behalf of someone else such as pension trust funds.
<i>Required financial statements</i>	<ul style="list-style-type: none"> ➤ Statement of net position. ➤ Statement of activities. 	<ul style="list-style-type: none"> ➤ Balance sheet ➤ Statement of revenues, expenditures and changes in fund balances. 	<ul style="list-style-type: none"> ➤ Statement of net position ➤ Statement of revenues, expenses and changes in net position. ➤ Statement of cash flows. 	<ul style="list-style-type: none"> ➤ Statement of fiduciary net position. ➤ Statement of changes in fiduciary net position.
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.	Accrual accounting and economic resources focus.
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash are received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during year, regardless of when cash is received or paid.	All additions and deductions during the year regardless of when cash is received or paid.

Figure A-1 summarizes the major features of the Town’s financial statements, including that portion of Town government they encompass and the type of information that they contain. The remainder of this overview section of the management’s discussion and analysis explains the structure and contents of each of the statements.

Government-wide financial statements (Exhibits I and II) One of the most important questions asked about the Town's finances is: "Is the Town as a whole better off or worse off as a result of the year's activities?" The *statement of net position* and *statement of activities* report information about the Town as a whole and about its activities in a way that should answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are recognized regardless of when the cash is received or paid.

The *Statement of Net Position* presents information on all the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the Town's net position can be an indicator of whether its financial health is improving or deteriorating. Readers also need to consider non-financial indicators such as changes in the Town's property tax base, growth in school enrollment and the condition of the Town's roads, to assess the overall health of the Town.

The *Statement of Activities* presents information that demonstrates how the Town's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave.)

The government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*). *The governmental activities* represent most of the Town's basic services such as fire and police protection, public works, social and human services, parks and recreation, education and general administration.

The government-wide financial statements (statement of net position and statement of activities) can be found in Exhibits I and II of this report.

Fund Financial Statements The fund financial statements begin with Exhibit III and provide detailed information about the Town's funds, focusing on its most significant or "major" funds and not the Town as a whole. Some funds are required to be established by state law or by bond covenants. However, the Town establishes many other funds to help it maintain control and manage funds that have been segregated for specific activities or objectives. Funds are also established to ensure and demonstrate compliance with finance-related legal requirements for using certain grants. The Town of Wethersfield has three types of funds:

Governmental Funds (Exhibits III and IV). 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, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town'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 36 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, ARPA Special Revenue Fund and the capital projects funds, which are considered to be major funds. Data from the other 28 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in Exhibits B-1 and B-2 in this report.

The Town adopts an annual budget for its General Fund. Budgetary comparison statements (RSI-1 and RSI-2) have been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds (Exhibits V, VI and VII). Proprietary funds are generally used for reporting charges for services for which the Town charges a fee. They are reported in the same way as the government-wide statements. The Town has one type of proprietary fund which is the internal service fund.

Internal Service Funds are used to report activities that provide self-insured medical services and heart and hypertension payments which are funded by other Town programs or activities.

Fiduciary Funds (Exhibits VIII and IX). The Town is the trustee, or fiduciary, for its employees' pension plan and other post-employment benefits ("OPEB") plan. It is also responsible for other assets that, because of trust agreements, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds.

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 immediately following Exhibit IX of this report.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its employees.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. The Town's combined net position of governmental activities increased from \$92.5 million compared to \$100.8 million. This increase was primarily driven by changes in deferred inflows and outflows related to pension and OPEB investment gains and changes in assumptions.

TABLE 1 - NET POSITION (In Thousands)

	Governmental Activities	
	2021	2020
Current and other assets	\$ 47,263	\$ 38,972
Capital assets, net of accumulated depreciation	169,464	174,124
Total assets	<u>216,727</u>	<u>213,096</u>
Deferred outflows of resources	<u>12,144</u>	<u>16,884</u>
Current liabilities	10,066	4,663
Long-term liabilities outstanding	93,230	123,768
Total liabilities	<u>103,296</u>	<u>128,431</u>
Deferred inflows of resources	<u>24,880</u>	<u>10,189</u>
Net Position:		
Net investment in capital assets	123,243	120,666
Restricted	2,100	
Unrestricted	<u>(24,648)</u>	<u>(29,306)</u>
Total Net Position	\$ <u>100,695</u>	\$ <u>91,360</u>

By far the largest portion of the Town's net position reflects its investment in capital assets (i.e., land, buildings, vehicles, machinery and equipment and infrastructure), less any related debt used to acquire those assets that is 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 of Wethersfield'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 capital assets themselves may not be used to liquidate these liabilities.

The unrestricted net position deficit decreased from a deficit of \$29.31 million at June 30, 2020 to \$24.65 million at June 30, 2021, for a total decrease of \$4.66 million.

Governmental Activities

Governmental activities increased the Town's net position by \$8.28 million. Key elements of this increase are as follows:

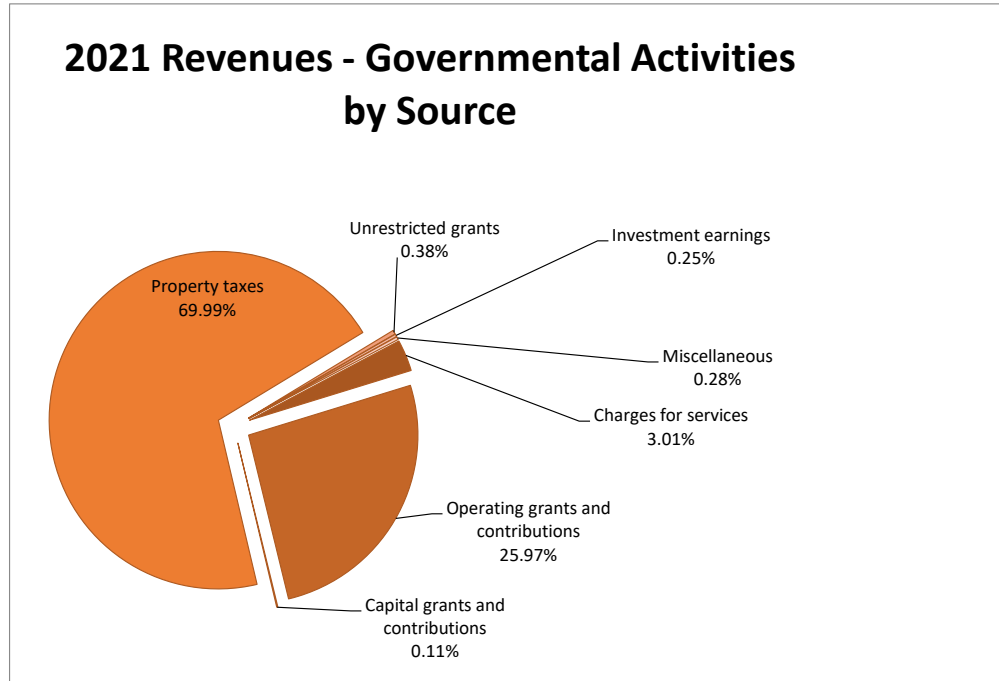
TABLE 2 - CHANGES IN NET POSITION (In Thousands)

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 4,063	\$ 4,771
Operating grants and contributions	34,957	28,948
Capital grants and contributions	151	400
General revenues:		
Property taxes	94,212	95,229
Unrestricted grants	515	512
Unrestricted investment earnings	343	609
Miscellaneous	366	331
Total revenues	<u>134,607</u>	<u>130,800</u>
Expenses:		
Public safety	12,963	12,178
Public works	15,558	14,604
Recreation and parks	2,425	2,396
Social services	929	1,031
Library	1,851	1,794
General government	10,014	13,589
Education	82,278	79,230
Interest on long-term debt	404	1,306
Total expenses	<u>126,422</u>	<u>126,128</u>
Change in Net Position	8,185	4,672
Net Position at Beginning of Year, before restatement	<u>91,360</u>	<u>86,688</u>
Restatement	1,150	
Net Position, as restated	<u>92,510</u>	
Net Position at End of Year	<u>\$ 100,695</u>	<u>\$ 91,360</u>

The Town's total revenue was \$134.61 million, an increase of \$3.81 million from the prior year due primarily due to the receipt of grant proceeds. The total cost of all programs and services was \$126.32 million, which is an increase of \$194,000 from the prior year. The analysis below separately considers the operations of governmental activities.

Revenues:

Approximately 70% of revenues were derived from property taxes, 26% from operating, capital and unrestricted grants; the remaining 4% of revenues were generated from program and other miscellaneous revenues.



Major revenue factors include:

- Property taxes decreased slightly due to pandemic-related grants.
- The Town’s collection rate on the current adjusted levy was 99.31% which is a slight increase from the prior year’s rate of 99.14%. The Statement of Activities includes accruals for interest receivable and recognizes all taxes due as revenue less an allowance for uncollectible taxes and interest.
- Total operating grant support increased approximately \$6.01 million.
- Unrestricted investment earnings decreased by \$266,000.

Expenses:

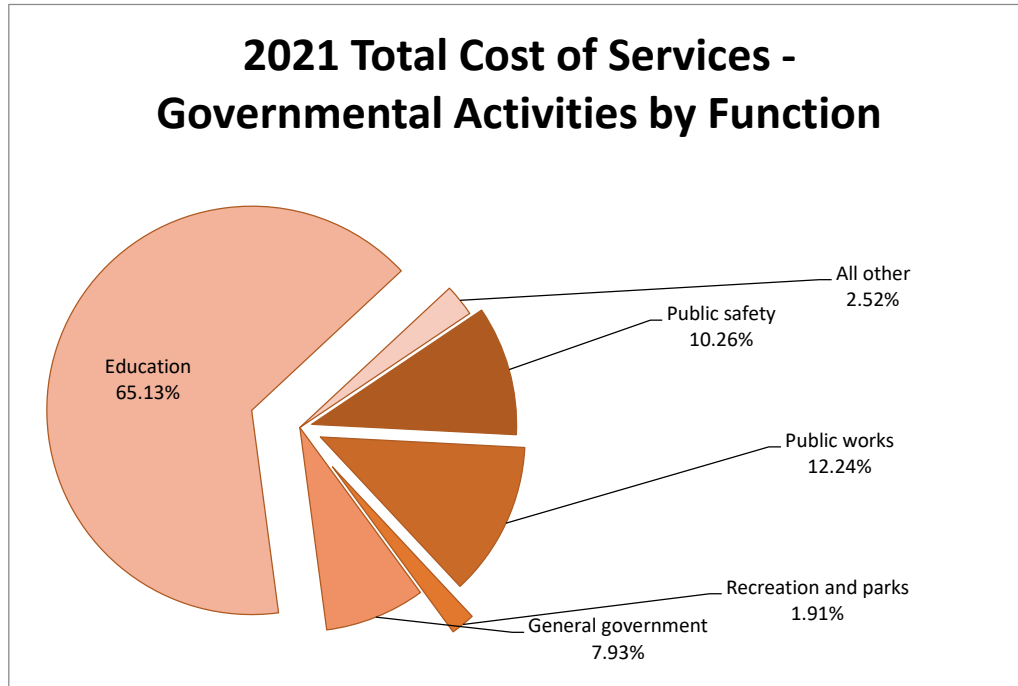
Governmental Activities: The Town’s net cost of services by function was allocated as follows: Education 65%; Public Safety 10%, Public Works 12%, General Government 8%, and Recreation & Parks 2%. All other total 3% and includes the Library, Social Services and Interest on Long-Term Debt. It is important to remember that these expenses include items not normally seen on a budgetary basis, such as depreciation of capital assets, the disposal of capital assets, the change in compensated absence accruals for vacation and sick pay and net pension and other post employment benefit (“OPEB”) costs.

The total cost of all programs and services was \$126.3 million, which is an increase of \$194,000 from the prior year. Under GASB 34, the net pension liability and OPEB obligation are required to be expensed to the various departments.

Table 3 and the chart which follows it present the total cost of services for the Town's major functions: Education, Public Works, Public Safety, General Government, Recreation & Parks, and all other costs. Each function's net cost (i.e., total cost less revenues from non-tax sources, directly related to the individual function) is also detailed as a measure of the fiscal burden on taxpayers by function.

TABLE 3 - GROSS AND NET COST OF SERVICES (In Thousands)

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
Public safety	\$ 12,963	\$ 12,178	\$ 11,840	\$ 11,246
Public works	15,558	14,604	15,123	14,059
Recreation and parks	2,425	2,396	2,101	1,629
General government	10,014	13,589	7,237	11,198
Education	82,278	79,230	47,835	49,998
All other	<u>3,184</u>	<u>4,131</u>	<u>3,115</u>	<u>3,879</u>
Total	\$ <u>126,422</u>	\$ <u>126,128</u>	\$ <u>87,251</u>	\$ <u>92,009</u>



Financial Analysis of the Town's Fund Financial Statements

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

As the Town completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported combined fund balances of \$25.5 million, an increase of \$235,000 from June 30, 2020. The results of operations includes accounting entries for encumbrances, compensated absences and accrued payroll, as required by GAAP, which also have an impact on the fund balance.

Restricted fund balances of \$1,382,000 include reserves restricted for specific uses from contributors and legal restrictions due to grant requirements. *Committed* fund balances of \$12.6 million include \$330,000 authorized for payments to retirees for accumulated vacation and sick pay, \$7.1 million authorized for specific capital projects, and \$5.1 million authorized for other specific purposes. The *assigned* fund balance of \$1.9 million includes \$1,580,000 appropriated for the 2021-22 operating budget and \$275,000 for encumbrances outstanding at fiscal year end. *Unassigned* fund balance of \$10.3 million represents the Town's cash balance available for any other purpose.

The General Fund is the chief operating fund for the Town. At the end of the current fiscal year, *unassigned* fund balance of the General Fund was \$12.85 million. A measure of the General Fund's liquidity is the ratio of unassigned fund balance to total fund expenditures. The *unassigned* fund balance of \$12.85 million represents approximately 11.8% of budgeted General Fund expenditures (\$108.68 million) as compared to 11.8% in the prior year.

Total fund balance in the General Fund decreased by \$22,330 (.15%) to \$15,169,289. This change is attributable to low budget variances. Revenues equaled the budget after the use of \$721,000 of fund balance (\$2,005,000 was appropriated). Expenditures were below budget by \$585,000.

Capital Projects Fund This fund accounts for the financial revenues including resources from borrowing to be used for major capital asset construction and/or purchases and items, which are reserved for special purposes. There are 110 separate projects tracked and maintained in a combination of funds. The capital projects fund's expenditures exceeded revenues by \$2.8 million before transfers from the General Fund of that same amount to fund additional projects.

Proprietary Funds The Town's proprietary funds (shown in Exhibits V, VI, VII and Exhibits C-1, C-2, C-3) are two internal service funds: The Medical Fund and the Heart & Hypertension Fund.

Unrestricted net position of the Internal Service Funds at the end of the fiscal year totaled \$7.3 million. The increase in net position in the internal service funds of \$2.9 million was due to favorable medical claims experience.

Fiduciary Funds The Town's fiduciary funds (shown in Exhibits VIII and IX and RSI-3 and RSI-7) are the Pension Trust Fund and the OPEB Trust Fund. The Town of Wethersfield Pension plan net position held in trust for pension benefits at June 30, 2021 was \$123.0 million. Net pension assets are defined as the fair market value of investments less amounts due for administrative fees and other payables.

The Plan fiduciary net position as a percentage of the total pension liability is 86.00%. The Town has historically funded 100% of its annual required contributions.

General Fund Budgetary Highlights

The final adopted budget for FY21 appropriated \$108.68 million. After year end, transfers totaling \$815,000 were approved as discussed further below. During the year, revenues were less than the adopted budget by \$765,000 before the use of appropriated fund balance (\$2,005,000). Expenditures were below budgeted appropriations by \$592,000 after year-end transfers.

The Town's net decrease in fund balance of \$60,000 reported on Exhibit IV differs from the General Fund's budgetary operating deficit of \$173,000 reported in the budgetary comparison in the required supplementary information. This difference is due to the planned use of \$2 million of fund balance. Because of the Town's conservative budgeting methodology, it was only necessary to use \$765,000 of fund balance to meet budgeted revenues (before the \$2 million fund balance appropriation).

Major budget to actual highlights are as follows:

- Town's property tax revenue exceeded budgetary estimates by \$658,903 due to better than expected collections on current and delinquent balances.
- Grants and other intergovernmental revenues were more than budgeted by \$475,660 due to receipt of proceeds from an unbudgeted grant.
- Only \$765,000 of the \$2,005,000 appropriation of fund balance was utilized.
- The Board of Education made a contribution of \$84,927 to the BOE Capital Reserve Fund, and an additional contribution to the Medical Insurance Fund (towards its 2021-22 obligation) of \$805,000 in fully expending its budgeted appropriation.
- Transfers totaling \$815,000 were approved for vehicle replacement, capital projects, the radio reserve fund, the information technology reserve account, and to reconcile negative variances in several departments.

TABLE 4 - TOWN OF WETHERSFIELD GENERAL FUND BUDGETARY BASIS

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
Revenues:			
Property taxes, interest and lien fees	\$ 93,974,398	\$ 93,162,133	\$ 812,265
Intergovernmental revenues	11,895,266	10,792,824	1,102,442
Charges for services	1,199,743	1,096,544	103,199
Licenses, fees and permits	653,754	609,267	44,487
Fines and penalties	17,787	16,870	917
Interest on investments	33,837	376,726	(342,889)
Other revenues	89,761	157,633	(67,872)
Transfers in from other funds	100,000	220,000	(120,000)
Total revenues	<u>107,964,546</u>	<u>106,431,997</u>	<u>1,532,549</u>
Expenditures:			
General government	4,260,247	4,219,997	40,250
Public safety	11,564,359	11,170,020	394,339
Public works	14,198,821	13,575,860	622,961
Social services	794,207	908,261	(114,054)
Library	1,959,384	2,003,566	(44,182)
Recreation and parks	1,764,638	1,614,632	150,006
Insurance	661,480	598,582	62,898
Metropolitan District Commission	4,418,218	4,151,200	267,018
Debt service	5,859,652	5,610,933	248,719
Education	56,902,759	55,759,339	1,143,420
Transfers out to other funds	2,748,682	2,709,380	39,302
Total expenditures	<u>105,132,447</u>	<u>102,321,770</u>	<u>2,810,677</u>
Net Change in Fund Balance	\$ <u>2,832,099</u>	\$ <u>4,110,227</u>	\$ <u>(1,278,128)</u>

The major 2020 to 2021 variances are as follows:

- Property taxes increased by approximately \$800,000. The mill rate decreased from 40.74 in fiscal year 2020 to 40.69 in fiscal year 2021. The tax collection rate was 99.31% compared to 99.14% for the preceding year.
- Intergovernmental revenues increased by \$1.1 million, due to increases in state aid, and receipt of a federal emergency storm reimbursement.
- General wage increases effective during the fiscal year: Police (2.50%), Public Works employees (2.50%), Library Supervisors and Non-supervisors (2.00%), Professional and Technical employees (2.00%), Clerical and Police Dispatch employees (0.00%), Town Administrators (2.00%), Teachers (1.10%), School Administrators (2.00%), School Nurses (2.00%), and School Secretaries, Paraprofessionals and Clerical Workers (1.50%). These increases impacted the various functions of government.

Capital Asset and Debt Administration

Capital Assets The Town of Wethersfield's investment in capital assets for its governmental type activities, as of June 30, 2021, is \$169.5 million (net of accumulated depreciation). The investment in capital assets includes land, buildings, other improvements, rolling equipment, furniture and fixtures and infrastructure (See Table 5). Infrastructure includes roads, bridges, sidewalks and system storm drains. The Town's investment in capital assets for the current fiscal year decreased slightly from \$174.1 million the previous year.

Major capital asset activity including major additions to assets being depreciated during the current fiscal year included the following:

Furniture and fixtures	\$ 446,598
Infrastructure Improvements	2,424,417
Rolling equipment	176,323
Buildings	<u>142,018</u>
	<u>\$ 3,189,356</u>

TABLE 5 - CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)
(In Thousands)

	Governmental Activities	
	2021	2020
Land	\$ 10,164	\$ 10,164
Property rights	200	200
Buildings	116,644	121,179
Improvements other than buildings	3,718	3,951
Rolling equipment	3,599	4,030
Furniture and fixtures	4,513	5,289
Infrastructure	29,532	28,418
Construction in progress	<u>1,094</u>	<u>893</u>
Total	<u>\$ 169,464</u>	<u>\$ 174,124</u>

More detailed information about the Town's capital assets is presented in Notes 1 and 5 to the financial statements.

Long-Term Debt

At year end, the Town had \$40.04 million outstanding in general obligation bonds compared to \$44.45 million in FY20; this is a decrease of 9.92% as shown in Table 6. All bonded debt is backed by the full faith and credit of the Town. The remainder of the Town's debt consists of \$4.2 million in capital leases for rolling stock, streetlights, radio equipment, and Cottone Field turf replacement; unamortized bond premium of \$2.58 million; and private placement notes of \$90,000.

TABLE 6 - LONG-TERM OBLIGATIONS

	Governmental Activities	
	2021	2020
General obligation bonds	\$ 37,840,000	\$ 42,045,000
General obligation bonds - direct placement	2,200,000	2,400,000
Capital lease obligations	4,191,692	5,700,837
Notes payable	90,000	175,000
Bond premium	<u>2,576,122</u>	<u>3,978,873</u>
Total	<u>\$ 46,897,814</u>	<u>\$ 54,299,710</u>

The Town's general obligation bond rating continues to carry Aa2 rating from Moody's (2018) and AA+ from Standard and Poor's (2016). The State limits the amount of general obligation debt that municipalities may issue based upon a statutory formula differentiated by the type of debt and a multiplier of tax collections. The overall debt limit for the Town of Wethersfield is equal to seven times annual receipts from taxation or \$660.0 million.

Other obligations include retiree medical costs, accrued vacation pay and sick leave and risk management. More detailed information about the Town's long-term liabilities is presented in Notes 7 and 8 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Town is well positioned to withstand adverse economic conditions. State aid comprises less than 10% of General Fund revenues, and as such the Town is more insulated from the impact of State revenue shortfalls than many other cities and towns in Connecticut. Even with an overwhelming reliance on property taxes and other revenues affected by current economic conditions, the Town has been able to adjust expenditures accordingly while maintaining services.

The Town did not add any major new programs or initiatives to the 2020-2021 budget. There will be increased focus on the core services for the Town in future budget plans in order to ease the stress of limited resources of taxpayers and current economic conditions. The Town has appropriated \$1,580,000 of fund balance in the fiscal year 2021-2022 budget for mill rate stabilization.

Requests for Information

This financial report is designed to provide a general overview of the Town of Wethersfield's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed in writing to the Director of Finance, Town of Wethersfield, 505 Silas Deane Highway, Wethersfield, Connecticut 06109.

Basic Financial Statements

TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 39,001,582
Investments	2,610,466
Receivables, net	5,475,187
Prepaid items	111,018
Supplies	31,451
Due from fiduciary funds	33,144
Capital assets not being depreciated	11,458,768
Capital assets being depreciated, net	158,005,454
Total assets	<u>216,727,070</u>
Deferred Outflows of Resources:	
Deferred outflows related to pension	9,452,192
Deferred outflows related to OPEB	2,015,876
Deferred charge on refunding	676,513
Total deferred outflows of resources	<u>12,144,581</u>
Liabilities:	
Accounts payable and accrued items	4,862,420
Unearned revenue	5,204,054
Noncurrent liabilities:	
Due within one year	7,299,546
Due in more than one year	85,930,176
Total liabilities	<u>103,296,196</u>
Deferred Inflows of Resources:	
Deferred inflows related to pension	15,237,006
Deferred inflows related to OPEB	9,643,472
Total deferred inflows of resources	<u>24,880,478</u>
Net Position:	
Net investment in capital assets	123,242,921
Restricted for trust purposes:	
Expendable trusts	711,149
Nonexpendable trusts	282,045
Grants	1,022,027
Other purposes	85,062
Unrestricted	<u>(24,648,227)</u>
Total Net Position	\$ <u>100,694,977</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental Activities:					
Public safety	\$ 12,963,123	\$ 1,043,802	\$ 78,944	\$	\$ (11,840,377)
Public works	15,558,234	385,071	49,848		(15,123,315)
Recreation and parks	2,424,724	324,148			(2,100,576)
Social services	929,129	18,738	40,595		(869,796)
Library	1,850,906	2,028	7,804		(1,841,074)
General government	10,014,036	1,239,629	1,385,987	151,185	(7,237,235)
Education	82,277,911	1,049,846	33,393,390		(47,834,675)
Interest on long-term debt	404,521				(404,521)
Total	\$ 126,422,584	\$ 4,063,262	\$ 34,956,568	\$ 151,185	(87,251,569)
General Revenues:					
					94,212,498
					515,304
					342,853
					365,968
					<u>95,436,623</u>
					8,185,054
					<u>92,509,923</u>
					<u>\$ 100,694,977</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WETHERSFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>General</u>	<u>Capital Projects</u>	<u>ARPA</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 12,861,555	\$ 7,122,717	\$ 3,848,541	\$ 6,776,137	\$ 30,608,950
Investments		2,036,871		573,595	2,610,466
Receivables, net	1,754,758	18,243		1,829,049	3,602,050
Due from other governments	406,135				406,135
Due from other funds	4,688,715				4,688,715
Prepaid items	111,018				111,018
Other assets				31,451	31,451
Total Assets	<u>\$ 19,822,181</u>	<u>\$ 9,177,831</u>	<u>\$ 3,848,541</u>	<u>\$ 9,210,232</u>	<u>\$ 42,058,785</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued items	\$ 3,200,473	\$ 373,037		\$ 291,344	\$ 3,864,854
Due to other funds		4,128,840		526,731	4,655,571
Due to other governments	1,563				1,563
Unearned revenue	8,364	109,014	3,848,541	1,238,135	5,204,054
Total liabilities	<u>3,210,400</u>	<u>4,610,891</u>	<u>3,848,541</u>	<u>2,056,210</u>	<u>13,726,042</u>
Deferred inflows of resources:					
Unavailable revenue - property taxes	1,502,557	14,801			1,517,358
Unavailable revenue - loans receivable				436,447	436,447
Total deferred inflows of resources	<u>1,502,557</u>	<u>14,801</u>	<u>-</u>	<u>436,447</u>	<u>1,953,805</u>
Fund balances:					
Nonspendable	111,018			313,496	424,514
Restricted				1,381,791	1,381,791
Committed	329,846	7,074,389		5,102,044	12,506,279
Assigned	1,854,873				1,854,873
Unassigned	12,813,487	(2,522,250)		(79,756)	10,211,481
Total fund balances	<u>15,109,224</u>	<u>4,552,139</u>	<u>-</u>	<u>6,717,575</u>	<u>26,378,938</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 19,822,181</u>	<u>\$ 9,177,831</u>	<u>\$ 3,848,541</u>	<u>\$ 9,210,232</u>	<u>\$ 42,058,785</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position:

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

Fund balances - total governmental funds	\$	26,378,938
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$	275,570,868
Less accumulated depreciation		<u>(106,106,646)</u>
Net capital assets		169,464,222
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Property tax receivables greater than 60 days		1,517,358
Loan receivables greater than 60 days		436,447
Interest receivable on property taxes, less allowance for uncollectibles		1,063,248
Deferred outflows of resources related to pension		9,452,192
Deferred outflows of resources related to OPEB		2,015,876
Deferred charge on refunding		676,513
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.		
		7,274,894
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds and notes payable		(40,130,000)
Premium on issuance of bonds		(2,576,122)
Interest payable on bonds and notes		(468,811)
Compensated absences		(2,269,894)
Net OPEB liability		(23,035,836)
Net pension liability		(20,031,878)
Deferred inflows related to pension		(15,237,006)
Deferred inflows related to OPEB		(9,643,472)
Capital leases		<u>(4,191,692)</u>
Net Position of Governmental Activities (Exhibit I)	\$	<u><u>100,694,977</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>General</u>	<u>Capital Projects</u>	<u>ARPA</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes, interest and lien fees	\$ 93,974,398	\$ 1,127,398	\$ -	\$ -	\$ 95,101,796
Intergovernmental revenues	22,003,456	969,365	-	4,357,958	27,330,779
Licenses, fees and permits	655,866	-	-	53,966	709,832
Charges for services	1,673,934	9,728	-	1,687,694	3,371,356
Investment gain	34,450	206,386	-	98,560	339,396
Donations	-	-	-	159,490	159,490
Other local revenues	170,935	3,468	-	32,075	206,478
Total revenues	<u>118,513,039</u>	<u>2,316,345</u>	<u>-</u>	<u>6,389,743</u>	<u>127,219,127</u>
Expenditures:					
Current:					
Public safety	11,533,181	-	-	819,310	12,352,491
Public works	14,157,707	-	-	-	14,157,707
Recreation and parks	1,764,042	-	-	218,165	1,982,207
Social services	745,430	-	-	48,029	793,459
Library	1,959,384	-	-	17,963	1,977,347
General government	12,328,809	71,243	-	366,492	12,766,544
Education	67,494,357	-	-	4,793,968	72,288,325
Capital outlay	-	3,233,392	-	240,570	3,473,962
Debt service	5,859,652	1,903,118	-	-	7,762,770
Total expenditures	<u>115,842,562</u>	<u>5,207,753</u>	<u>-</u>	<u>6,504,497</u>	<u>127,554,812</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,670,477</u>	<u>(2,891,408)</u>	<u>-</u>	<u>(114,754)</u>	<u>(335,685)</u>
Other Financing Sources (Uses):					
Transfers in	100,000	2,923,965	-	6,577	3,030,542
Transfers out	<u>(2,830,542)</u>	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>	<u>(3,030,542)</u>
Total other financing sources (uses)	<u>(2,730,542)</u>	<u>2,823,965</u>	<u>-</u>	<u>(93,423)</u>	<u>-</u>
Net Change in Fund Balances	(60,065)	(67,443)	-	(208,177)	(335,685)
Fund Balances at Beginning of Year, as restated	<u>15,169,289</u>	<u>4,619,582</u>	<u>-</u>	<u>6,925,752</u>	<u>26,714,623</u>
Fund Balances at End of Year	<u>\$ 15,109,224</u>	<u>\$ 4,552,139</u>	<u>\$ -</u>	<u>\$ 6,717,575</u>	<u>\$ 26,378,938</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (335,685)
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	3,390,747
Depreciation expense	(8,050,650)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change	(107,361)
Property tax interest and lien revenue - accrual basis change	(781,937)
Change in deferred outflows related to pension	(18,228,361)
Change in deferred outflows related to OPEB	(387,668)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Notes principal payments	85,000
Bond principal payments	4,405,000
Change in net pension liability	17,167,279
Change in net OPEB liability	5,712,181
Changes in deferred inflows of resources related to pension	484,031
Changes in deferred inflows of resources related to OPEB	(1,171,484)
Capital lease payments	1,509,145

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	254,063
Accrued interest on bonds	119,097
Accrued interest on notes	1,844
Amortization of deferred charge on refunding	(164,588)
Amortization of bond premiums	1,402,751

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

2,881,650

Change in Net Position of Governmental Activities (Exhibit II)	\$ <u>8,185,054</u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021**

	Governmental Activities
	Internal Service Funds
Assets:	
Current:	
Cash and cash equivalents	\$ 8,392,632
Accounts receivable	403,754
Total assets	<u>8,796,386</u>
Liabilities:	
Current:	
Accounts payable and accrued liabilities	527,192
Claims incurred but not reported	614,300
Noncurrent:	
Claims incurred but not reported	380,000
Total liabilities	<u>1,521,492</u>
Net Position:	
Unrestricted	<u>\$ 7,274,894</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities Internal Service Funds
Operating Revenues:	
Contributions	\$ 11,019,942
Other revenue	510,546
Total operating revenues	<u>11,530,488</u>
Operating Expenses:	
Employee benefits	8,423,447
Other expenses	228,848
Total operating expenses	<u>8,652,295</u>
Operating Income (Loss)	2,878,193
Nonoperating Revenue:	
Income on investments	<u>3,457</u>
Change in Net Position	2,881,650
Net Position at Beginning of Year	<u>4,393,244</u>
Net Position at End of Year	<u>\$ 7,274,894</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Governmental Activities
	Internal
	Service Funds
Cash Flows from Operating Activities:	
Contributions	\$ 10,616,188
Other revenues	510,546
Payments to vendors	(228,848)
Payments for employee benefits	(8,159,847)
Net cash provided by (used in) operating activities	<u>2,738,039</u>
Cash Flows from Investing Activities:	
Interest on investments	<u>3,457</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,741,496
Cash and Cash Equivalents at Beginning of Year	<u>5,651,136</u>
Cash and Cash Equivalents at End of Year	<u>\$ 8,392,632</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ <u>2,878,193</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in accounts receivable	(403,754)
Increase (decrease) in accounts payable and accrued expenses	<u>263,600</u>
Total adjustments	<u>(140,154)</u>
Net Cash Provided By (Used in) Operating Activities	<u>\$ 2,738,039</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2021

	Pension and OPEB Trust Funds	Private Purpose Trust Fund Terlicki	Custodial Funds
Assets:			
Cash and cash equivalents	\$ 908,855	\$ 16,906	\$ 152,074
Investments:			
Mutual funds	<u>153,329,829</u>		
Contribution and other receivables	<u>155,165</u>		
Total assets	<u>154,393,849</u>	<u>16,906</u>	<u>152,074</u>
Liabilities:			
Accounts payable	26,652		
Due to other funds	33,144		
Claims incurred but not reported	<u>321,913</u>		
Total liabilities	<u>381,709</u>	<u>-</u>	<u>-</u>
Net Position:			
Restricted for pension benefits	124,867,079		
Restricted for OPEB benefits	29,145,061		
Restricted for purposes of trust		16,906	
Restricted for other purposes			<u>152,074</u>
Total Net Position	<u>\$ 154,012,140</u>	<u>\$ 16,906</u>	<u>\$ 152,074</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WETHERSFIELD, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Pension and OPEB Trust Funds	Private Purpose Trust Fund Terlicki	Custodial Fund
Additions:			
Contributions:			
Employer	\$ 7,495,392	\$	\$
Plan members	1,411,368		
Other	53,728		
Fees			6,364
Total	<u>8,960,488</u>		<u>6,364</u>
Investment income:			
Net change in fair value of investments	27,355,388		
Interest and dividends	8,743,343	32	
Total investment gain	<u>36,098,731</u>	<u>32</u>	-
Less investment expenses:			
Investment management fees	354,499		
Net investment income	<u>35,744,232</u>	<u>32</u>	-
Total additions	<u>44,704,720</u>	<u>32</u>	<u>6,364</u>
Deductions:			
Benefits	10,054,756		
Administration expense	331,042		3,165
Other			
Total deductions	<u>10,385,798</u>	<u>-</u>	<u>3,165</u>
Change in Net Position	34,318,922	32	3,199
Net Position at Beginning of Year, as restated	<u>119,693,218</u>	<u>16,874</u>	<u>148,875</u>
Net Position at End of Year	<u>\$ 154,012,140</u>	<u>\$ 16,906</u>	<u>\$ 152,074</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1822. It operates under a charter as revised on November 3, 2015. The Town operates under a Town Council-Town Manager form of government.

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

Fiduciary Component Units

The Town has established a single-employer Public Retirement Systems (PERS) and a postretirement retiree health plan (OPEB) to provide retirement benefits and post-retirement health care benefits to employees and their beneficiaries. The Town is required to make contributions to the pension and OPEB plans and can impose its will.

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

The Wethersfield Housing Authority (the WHA), although governed by a commission that is appointed by the Town Council, is considered to be a separate governmental body because the Town has no budgetary authority over the WHA and has no authority over the funds of the WHA. Financial data for the WHA are not included in the financial statements of the Town.

The Central Connecticut Health District (the CCHD), a tri-town health district, was created pursuant to State statute. CCHD is overseen by a twelve-member board of which three members are appointed by the Town. Funding for CCHD is partially obtained through an assessment levied on the participating towns. The Town has no governing or budgeting authority over CCHD and cannot impose its will, therefore, it is not included in the Town's financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

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

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

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

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

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

The Town reports the following major governmental funds:

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

The *Capital Projects Fund* accounts for construction and acquisition of major capital assets.

The *ARPA Fund* accounts for intergovernmental revenue and expenditures related to funds received by the Town in accordance with the American Rescue Plan Act.

Additionally, the Town reports the following fund types:

The *Internal Service Fund* is used to account for the Town's heart and hypertension, self-insurance program for accident and health insurance coverage of the Town and Board of Education employees.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The Pension, and Other Post Employment Benefit Trust Fund is used to account for the activities of the Town's defined benefit plans, which accumulates resources for pension benefit payments to qualified employees, the Volunteer Firefighters Pension and the activities for both the Town and Board of Education that accumulate resources for other post employment benefit payments to qualified employees.

The *Private Purpose Trust Fund* is used to account for the Town's resources legally held in trust for the benefit of animal control services, services for the Police division, and for any purpose by the Volunteer Ambulance Association.

The *Custodial Funds* are used to account for activities of the Wethersfield Teen Theatre, Wethersfield Ski Club, Barracudas swim team, and the Handicapped Reserve Fund.

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's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

D. Deposits and Investments

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

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

Investments for the Town are reported at fair value.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

E. Receivables and Payables

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

F. Property Taxes

The Town’s property tax is levied on July 1 on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Real and personal property tax bills in excess of \$200 and \$500, respectively, are due and payable in two installments, on July 1 following the date of the Grand List and on January 1 of the subsequent year. Motor vehicle taxes are payable in one installment on July 1.

Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1.

Property assessments are made at 70% of appraised market value, based on the assessed value of the property at the prior October 1.

It is the policy of the Town to record deferred inflows of resources for property taxes receivable at June 30 that have not been collected prior to September 1. Property taxes collected prior to June 30 that are applicable to the subsequent years’ assessment are reflected as advance tax collections.

The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year end. Taxes collected during the 60-day period have been recorded as revenue. Property taxes receivable not expected to be collected during the available period are reflected in deferred inflows of resources in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements.

G. Supplies and Prepaid Items

All materials and supplies are recorded as expenditures in the year purchased, except for food and supplies inventory of the Cafeteria Special Revenue Fund. Purchased inventories of the Cafeteria Fund are stated at cost on a first-in, first-out basis. Inventories of donated commodities are stated at fair market value.

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

**TOWN OF WETHERSFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Depreciable capital assets are defined by the government as equipment in excess of \$5,000 or buildings and infrastructure improvements in excess of \$25,000 with an estimated useful life of more than one fiscal year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value rather than fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	25-50
Infrastructure and public domain improvements	20-70
Office and school equipment	10-20
Kitchen appliances	15
Machinery, tools and equipment	10-15
Motor vehicles	7
Computer equipment and accessories	5

I. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources for advance property tax collections and deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position and in the governmental funds. 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 over a period equal to the

TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). Advance property tax collections represent taxes inherently associated with a future period. The amount recognized during the period in which the revenue is associated. 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 and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Compensated Absences

Employees are paid by prescribed formula for absence due to vacation or sickness which varies by bargaining unit as well as hire date. The entire liability is recognized in the government-wide financial statements. Compensated absences are reported in governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an employees' resignation or retirement).

K. 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.

L. 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.

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

N. Fund Equity

Equity in the *government-wide financial statements* is defined as “net position” and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Town currently has no assets under restriction.

Unrestricted Net Position

This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

It is the Town’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

The equity of the *fund financial statements* is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts), or legally or contractually are required to be maintained intact (such as corpus of an endowment fund).

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws and regulations of their governments.

Committed Fund Balance

This represents amounts constrained for a specific purpose by the Town itself, using its highest level of decision-making authority. Only the Wethersfield Town Council by adoption of an ordinance or the Electors of the Town by referendum can commit or rescind committed fund balance. Such action, whether taken by the Town Council or the Electors, is equally binding.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by the Town Council or the Director of Finance. Intent can be expressed by the Town or by an official or body to which the Town delegated authority and can include appropriations of existing fund balance for future budgets and encumbrances.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The Town shall propose budgets that provide for an unrestricted General Fund balance of not less than 7% or more than 10% of the total operating General Fund expenditures.

O. Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The General Fund is the only fund for which a legal budget is adopted. Budgets for the Capital Nonrecurring Fund and Animal Control Fund are authorized annually by the Town Council. Annual budgets are not adopted for any major special revenue funds and, accordingly, are not included in the basic financial statements as permitted by accounting principles generally accepted in the United States of America.

In accordance with the Town Charter, Section 708, the Town uses the following procedures in establishing the budgetary data included in the basic financial statements:

Prior to the second Monday in April, the Town Manager submits to the Town Council a proposed operating budget for the General Fund for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. On the third Monday in April, a public hearing is conducted to obtain taxpayers' comments. Prior to the 15th of May, the budget is legally adopted and a rate of taxation is set.

No department or board may involve the Town in any obligation to spend money for any purpose in excess of the amount appropriated. However, upon approval of the Director of Finance and the Town Manager, transfers from one budgetary line item to another may be made within a department or major division. The Board of Education has a similar budgetary control system with approval of such transfers by the Board of Education Business Manager. In addition, under Section 709 of the Town Charter, the Town Council may, by resolution, transfer monies from the contingency account to other line items at any time during the fiscal year and may transfer from any account during the last three months of the fiscal year. Expenditures may not legally exceed budgeted appropriations at the activity level. All unencumbered appropriation balances lapse at the end of the fiscal year for which they were made, except that an appropriation made for a capital outlay does not lapse until the project for which the appropriation was made has been accomplished or no expenditure from or encumbrance of the appropriation has been made for three consecutive fiscal years.

Special revenue funds are administered in the same manner as the General Fund, except that the level of control for these funds is extended to encompass budget variations for expenditures insofar as projected revenues fluctuate within a fiscal period.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The Town's budgeting system requires accounting for certain transactions to be on a basis other than GAAP. The major difference between the budgetary and GAAP basis fund balance is that encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are included in assigned fund balance.

For the year ended June 30, 2021, no supplemental budgetary appropriations were approved by the Town Council.

B. Expenditures Exceeding Appropriations

For the year ended June 30, 2021, the Recreation and Parks and Transfers out – Capital line items exceeded their appropriation by \$18,898 and \$54,100, respectively.

C. Fund Balance Deficits

At June 30, 2021, the Municipal Grant Fund and the Park Programs Fund had deficits of \$76,665 and \$3,091, respectively. These deficits will be funded by future grants and contributions.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations.

Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$28,506,710 of the Town’s bank balance of \$29,332,041 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 25,573,736
Uninsured and collateral held by the pledging trust department, not in the Town’s name	<u>2,932,974</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 28,506,710</u>

Cash Equivalents

At June 30, 2021, the Town’s cash equivalents amounted to \$11,016,880. The following table provides a summary of the Town’s cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Standard & Poor’s

State Short-Term Investment Fund (STIF)

AAAm

Investments

As of June 30, 2021, the Town had the following investments:

Investment Type	Fair Value	Investment Maturities (Years)		
		Less Than 1	1-10	More than 10
Certificates of deposit	\$ 36,815	\$ 36,815	\$	\$
Other investments: Mutual funds	<u>155,903,480</u>			
Total Investments	<u>\$ 155,940,295</u>			

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Interest Rate Risk

The Town's investment policy states that the Town's portfolio be structured 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. The Town invests primarily in shorter-term securities unless it is anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.

The Town also has, for the Pension Trust Funds, an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Investment Policy (described in the preceding paragraph) further limits its investment choices. The Town's interest-bearing investments consist of U.S. Government guaranteed obligations that are not subject to rating.

The Pension Committee's investment benchmark for large capitalization companies is the S&P 500 Index and Russell 1000, and for small capitalization companies the benchmark is the Russell 2000. The benchmark for international equities is the Morgan Stanley EAFE Index and for fixed income is the Barclays Aggregate Index.

Concentration of Credit Risk

The Town's Investment Policy states investments are limited to low-risk securities in anticipation of earning a fair return relative to the risk being assumed, and sets forth that no more than 40% of the total may be invested with one institution.

The Pension Investment Policy Statement sets forth the following asset allocation targets: Domestic Equities 30% - 70%; International Equities 10% - 35%; Fixed Income 15% - 40%; and Short-Term Fixed Income 0% - 10%.

**TOWN OF WETHERSFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2021, the Town had no uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

Fair Value Measurements

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

	<u>June 30,</u> <u>2021</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Mutual funds	\$ 155,903,480	\$ 155,903,480	\$ _____	\$ _____
Certificates of deposit	<u>36,815</u>			
Total Investments	<u>\$ 155,940,295</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

4. RECEIVABLES

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

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:				
Taxes	\$ 1,882,433	\$ 16,243	\$	\$ 1,898,676
Accounts and other*	96,325	2,000	1,459,305	1,557,630
Intergovernmental	<u>406,135</u>	<u></u>	<u>928,663</u>	<u>1,334,798</u>
Gross receivables	2,384,893	18,243	2,387,968	4,791,104
Less allowance for uncollectibles	<u>(224,000)</u>	<u></u>	<u></u>	<u>(224,000)</u>
Net Total Receivables	<u>\$ 2,160,893</u>	<u>\$ 18,243</u>	<u>\$ 2,387,968</u>	<u>\$ 4,567,104</u>

*Does not include accrued interest on property taxes of \$1,063,248.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,164,280	\$	\$	\$ 10,164,280
Property rights	200,000			200,000
Construction in progress	<u>893,097</u>	<u>2,965,359</u>	<u>(2,763,968)</u>	<u>1,094,488</u>
Total capital assets not being depreciated	<u>11,257,377</u>	<u>2,965,359</u>	<u>(2,763,968)</u>	<u>11,458,768</u>
Capital assets being depreciated:				
Buildings	173,387,138	142,018	(28,463)	173,500,693
Improvements other than buildings	7,266,111			7,266,111
Rolling equipment	12,734,027	176,323		12,910,350
Furniture and equipment	15,823,747	446,598	(456,987)	15,813,358
Infrastructure	<u>52,197,171</u>	<u>2,424,417</u>		<u>54,621,588</u>
Total capital assets being depreciated	<u>261,408,194</u>	<u>3,189,356</u>	<u>(485,450)</u>	<u>264,112,100</u>
Less accumulated depreciation for:				
Buildings	52,208,159	4,677,423	(28,463)	56,857,119
Improvements other than buildings	3,314,637	233,538		3,548,175
Rolling equipment	8,704,480	606,835		9,311,315
Furniture and equipment	10,535,185	1,222,579	(456,987)	11,300,777
Infrastructure	<u>23,778,985</u>	<u>1,310,275</u>		<u>25,089,260</u>
Total accumulated depreciation	<u>98,541,446</u>	<u>8,050,650</u>	<u>(485,450)</u>	<u>106,106,646</u>
Total capital assets being depreciated, net	<u>162,866,748</u>	<u>(4,861,294)</u>	<u>-</u>	<u>158,005,454</u>
Governmental Activities Capital Assets, Net	<u>\$ 174,124,125</u>	<u>\$ (1,895,935)</u>	<u>\$ (2,763,968)</u>	<u>\$ 169,464,222</u>

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

Governmental activities:	
Public Safety	\$ 1,279,481
Public Works	1,242,279
Recreation and Parks	354,203
General Government	741,122
Education	<u>4,433,565</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 8,050,650</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Construction Commitments

The Town has active construction projects as of June 30, 2021. At year end, the Town's commitments are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Street Reconstruction - Spring 2021	\$ 1,417,952	\$ 116,340
Street Reconstruction	834,276	46,354
Sidewalk Construction	45,051	27,422
Street Reconstruction - Design	41,863	6,137
Fire House #1 Roof Replacement	28,055	60,911
Dam Repair	<u>2,760</u>	<u>16,540</u>
Total	<u>\$ 2,369,957</u>	<u>\$ 273,704</u>

The commitments are being financed with General Fund and Capital Projects Fund appropriations and state and federal grants.

6. INTERFUND RECEIVABLE AND PAYABLE BALANCES

The composition of interfund balances, which represent temporary activity and budgetary policies, as of June 30, 2021 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects	\$ 4,128,840
	Nonmajor Governmental Funds	526,731
	Volunteer Firefighters' Pension	<u>33,144</u>
		<u>\$ 4,688,715</u>

The amounts payable to the General Fund relate to working capital loans made to the Wethersfield High School Renovation and EDIC Loan Repayment funds, as well as time lags between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The composition of interfund transfers for the year ended June 30, 2021 is as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers Out</u>
Transfers out:				
General Fund	\$	\$ 2,823,965	\$ 6,577	\$ 2,830,542
Capital Projects Fund	100,000			100,000
Nonmajor Governmental Funds		100,000		100,000
	<u>100,000</u>	<u>2,923,965</u>	<u>6,577</u>	<u>3,030,542</u>
Total Transfers In	\$	\$	\$	\$

Interfund transfers are a result of the funding of capital projects through the budgetary process and nonrecurring supplemental appropriations of revenue to other funds.

7. LEASES

Capital Leases

The Town has entered into lease agreements as lessee for financing the acquisition of rolling equipment, fire apparatus and police communications equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The gross amounts of assets acquired under capital leases, by major asset class, are shown below:

Furniture and equipment	\$ 4,497,092
Vehicles	3,083,659
Infrastructure	3,047,640
Less accumulated depreciation	<u>(3,279,106)</u>
Total	<u>\$ 7,349,285</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 are as follows:

Year Ending June 30

2022	\$ 1,287,404
2023	1,095,695
2024	893,918
2025	692,142
2026	133,140
2027-2029	<u>399,421</u>
Total minimum lease payments	4,501,720
Less amount representing interest	<u>(310,028)</u>
Present Value of Minimum Lease Payments	<u>\$ 4,191,692</u>

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 42,045,000	\$	\$ 4,205,000	\$ 37,840,000	\$ 4,200,000
General obligation bonds - direct placement	2,400,000		200,000	2,200,000	200,000
Premium on general obligation bonds	<u>3,978,873</u>		<u>1,402,751</u>	<u>2,576,122</u>	
Total bonds payable	48,423,873	-	5,807,751	42,616,122	4,400,000
Capital leases	5,700,837		1,509,145	4,191,692	1,179,538
Notes payable	175,000		85,000	90,000	90,000
Net pension liability	37,199,157		17,167,279	20,031,878	
Net OPEB liability	28,748,017		5,712,181	23,035,836	
Compensated absences	2,523,957	241,910	495,973	2,269,894	1,015,708
Risk management liability	<u>997,170</u>		<u>2,870</u>	<u>994,300</u>	<u>614,300</u>
Governmental Activities Long-Term Liabilities	<u>\$ 123,768,011</u>	<u>\$ 241,910</u>	<u>\$ 30,780,199</u>	<u>\$ 93,229,722</u>	<u>\$ 7,299,546</u>

For the governmental activities, the Pension liability, OPEB liability and compensated absences are generally liquidated by the General Fund.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

General Obligation Bonds

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. General obligation bonds currently outstanding are as follows:

Description	Date of Issue	Original Issue	Interest Rate (%)	Date of Maturity	Annual Principal	Outstanding July 1, 2020	Issued	Retired	Refunded	Balance Outstanding June 30, 2021
General obligation bonds	06/15/10	\$ 12,010,000	3.0-5.0%	7/15/2022	\$ 125,000-790,000	\$ 445,000	\$	\$ 1,120,000	\$	\$ (675,000)
General obligation bonds	08/01/12	6,170,000	2.0-3.0%	8/15/2024	25,000-1,005,000	4,500,000		995,000		3,505,000
General obligation bonds	12/03/14	22,000,000	3.0-5.0%	9/1/2034	1,100,000	16,500,000		1,100,000		15,400,000
General obligation bonds	03/16/16	11,000,000	2.25-4.0%	3/1/2036	550,000	8,800,000		550,000		8,250,000
General obligation bonds	12/20/16	8,800,000	3.0-5.0%	3/1/2037	440,000	7,480,000		440,000		7,040,000
General obligation bonds	07/13/17	4,380,000	3.0-5.0%	7/15/2028	60,000-1,435,000	4,320,000				4,320,000
General obligation bonds - direct placement	04/01/20	2,400,000	2.0%	4/1/2032	200,000	2,400,000		200,000		2,200,000
Total Outstanding						\$ 44,445,000	\$ -	\$ 4,405,000	\$ -	\$ 40,040,000

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

Year Ending June 30	Principal	Interest	Total
2022	\$ 4,200,000	\$ 1,382,788	\$ 5,582,788
2023	3,460,000	1,218,313	4,678,313
2024	3,235,000	1,079,613	4,314,613
2025	3,220,000	946,487	4,166,487
2026	2,450,000	832,537	3,282,537
2027-2031	11,485,000	2,703,814	14,188,814
2032-2036	9,350,000	904,064	10,254,064
2037	440,000	17,600	457,600
Total	\$ 37,840,000	\$ 9,085,216	\$ 46,925,216

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

Year Ending June 30	Principal	Interest	Total
2022	\$ 200,000	\$ 44,660	\$ 244,660
2023	200,000	40,600	240,600
2024	200,000	36,540	236,540
2025	200,000	32,480	232,480
2026	200,000	28,420	228,420
2027-2031	1,000,000	81,200	1,081,200
2032	200,000	4,060	204,060
Total	\$ 2,200,000	\$ 267,960	\$ 2,467,960

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

General Obligation Serial Notes

On September 1, 2011, the Town issued a General Obligation Serial Note in the amount of \$795,000 to cover the costs of school construction. The note bears interest at 2.67% and matures on September 1, 2021.

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

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 90,000	\$ 1,202	\$ 91,202

Authorized But Unissued

The total of authorized but unissued bonds at June 30, 2021 is \$15,209,000. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Prior Year Defeasance of Debt

In prior years, the government defeased general obligation public improvement bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. The balance in escrow was \$2,545,463 at June 30, 2021. The outstanding balance of the defeased bonds at June 30, 2021 is \$318,000.

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 (in thousands):

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 212,301	\$ 9,043	\$ 203,258
Schools	424,602	46,296	378,306
Sewers	353,835	70,983	282,852
Urban renewal	306,657		306,657
Pension deficit	283,068		283,068

Sewer indebtedness includes overlapping debt of the Metropolitan District. As a member of the Metropolitan District (a quasi-municipal corporation that provides water supply and sewerage collection and disposal facilities for members), the Town is contingently liable for \$71 million or 8.19% of the District debt.

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation equal to \$660 million.

TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

9. FUND BALANCE

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

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:				
Nonspendable:				
Inventory	\$	\$	\$ 31,451	\$ 31,451
Trust			282,045	282,045
Prepaid	111,018			111,018
Restricted for:				
Public safety grants			95,100	95,100
Education			244,820	244,820
Social and youth services			137,360	137,360
Housing rehabilitation			108,300	108,300
Pubic library			330,390	330,390
Katherine Smith trust			16,747	16,747
Frank Weston trust			301,156	301,156
Fuel bank			66,379	66,379
Youth advisory board			2,480	2,480
Police canines			16,203	16,203
Library trust			62,856	62,856
Committed to:				
Capital reserve account		118,990		118,990
CNEF reserve account		569,499		569,499
Radio reserve account		537,828		537,828
Technology reserve account		221,767		221,767
Infrastructure improvements		2,956,988		2,956,988
Road improvements		572,984		572,984
Park improvements		552,631		552,631
Drainage		442,164		442,164
Public safety - vehicles		879,200		879,200
Public safety - radio		79,784		79,784
Fire safety equipment		37,226		37,226
Technology upgrades		28,753		28,753
Other equipment		76,575		76,575
Student activities			131,270	131,270
Operation of school lunch program			932,901	932,901
Community development			16,909	16,909
Maintenance and improvement of Town parks			140,630	140,630
Operation and maintenance of Town facilities			239,887	239,887
Land preservation			664,315	664,315
Economic and business development			24,252	24,252
Parks and recreations programs			1,143,562	1,143,562
Police traffic duty			334,346	334,346
Compensated absences	329,846			329,846
Volunteer recognition			2,964	2,964
Education			1,471,008	1,471,008
Assigned to:				
General government purchases on order	140,744			140,744
Public safety purchases on order	92,419			92,419
Public works purchases on order	41,114			41,114
Recreation purchases on order	596			596
Future budgets	1,580,000			1,580,000
Unassigned	<u>12,813,487</u>	<u>(2,522,250)</u>	<u>(79,756)</u>	<u>10,211,481</u>
Total Fund Balances	<u>\$ 15,109,224</u>	<u>\$ 4,552,139</u>	<u>\$ 6,717,575</u>	<u>\$ 26,378,938</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

Significant encumbrances were \$274,873 at June 30, 2021 and are contained in the above table in the assigned category of the General Fund.

The unassigned balances in the Capital Projects Fund are related to the Wethersfield High School renovation, which will be funded by state grant reimbursements upon completion of the final project audit.

10. TAX ABATEMENTS

As of June 30, 2021, the Town provides tax abatements through multiple programs:

- Tax Abatement for Low or Moderate Income Persons
- Tax Assessment (Stabilization) Agreements

Program:	Tax Abatement for Housing for Low or Moderate Income Persons	Tax Abatement for Housing for Low or Moderate Income Persons	Tax Assessment (Stabilization) Agreements	Tax Abatement for Housing for Low or Moderate Income Persons	Tax Assessment (Stabilization) Agreements
Purpose of program:	To encourage the development of reduced rent housing solely for the elderly and handicapped.	To encourage the development of reduced rent housing solely for the elderly and handicapped.	To encourage the investment in building improvements and/or new construction by owners of multi-family housing or commercial real estate.	To encourage the development of reduced rent housing solely for the elderly and handicapped.	To encourage the investment in building improvements and/or new construction by owners of multi-family housing or commercial real estate.
Tax being abated:	Real Property Tax	Real Property Tax	Real Property Tax	Real Property Tax	Real Property Tax
Authority under which abatement agreement is entered into:	State of CT Statute Sec 8-215, 8-216	State of CT Statute Sec 8-215, 8-216	Town resolution	State of CT Statute Sec 8-71	State of CT Statutes Sec 12-65b

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Program:	Tax Abatement for Housing for Low or Moderate Income Persons	Tax Abatement for Housing for Low or Moderate Income Persons	Tax Assessment (Stabilization) Agreements	Tax Abatement for Housing for Low or Moderate Income Persons	Tax Assessment (Stabilization) Agreements
Criteria to be eligible to receive abatement:	Abatements are subject to the property being new to the grand list as a direct result of the expansion or renovation. Eligible for 68 years after the certificate of occupancy was issued.	Abatements are subject to the property being new to the grand list as a direct result of the expansion or renovation. Eligible for 40 years after the certificate of occupancy was issued.	Abatements are subject to the property being used for low or moderate-income persons or families. Eligible for 40 years.	Abatements are subject to the property being used for low or moderate-income persons or families.	Abatements are subject to construction being initiated within 12 months of the agreement.
How recipients' taxes are reduced:	Through the fixing of the taxes prior to the improvement.	Through a reduction of the property's assessed value.	Through the fixing of the taxes prior to the improvement.	Formula	Through the fixing of the taxes prior to the improvement.
How amount of abatement is determined:	Fixed property tax of \$6,150/year.	Through a 50% reduction of the property's assessed value.	Fixed property tax of \$1/year.	5.5% of net shelter rent per year	Assessment capped for two years at \$1,218,500, the base assessment.

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Provisions for recapturing abated taxes:	Breach of agreement	Breach of agreement	Breach of agreement	Title not held	Breach of agreement
Types of commitments made by the Town other than to reduce taxes:	None	None	None	Furnish municipal services and facilities for the property of the same character as those furnished for other dwellings and citizens of the municipality	None
Gross dollar amount by which the Town's taxes were reduced as a result of the abatement agreement/program:	\$99,466	\$36,367	\$17,999	\$579,650	\$40,967

11. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties, except as disclosed below. Settled claims from these risks did not exceed commercial insurance coverage during the years ended June 30, 2021, 2020 or 2019.

Heart and Hypertension

The Town is exposed to risk of loss for claims from police officers, hired before 1995, who incur hypertension or heart problems as a result of work conditions. The Town accounts for this activity through use of an internal service fund, which is funded by transfers from the General Fund. An analysis of the claims liability is as follows:

	<u>Accrued Liability Beginning of Fiscal Year</u>	<u>Current Year Claims Paid and Changes in Estimates</u>	<u>Accrued Liability Claim Payments</u>	<u>Accrued Liability End of Fiscal Year</u>
2020-21	\$ 505,000	\$ 3,788	\$ (3,788)	\$ 505,000
2019-20	400,000	250,189	(145,189)	505,000

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Medical Self-Insurance

The Town’s self-insurance program is used to account for health insurance coverage for Town and Board of Education employees on a cost-reimbursement basis. Under the program, the Town is obligated for claim payments. A stop loss insurance contract executed with an insurance collective covers claims in excess of \$150,000 per individual, per year.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2021 of \$489,300.

Premium payments are reported as interfund services provided and used for the General Fund, and, accordingly, they are treated as operating revenues of the Self-Insurance Fund and operating expenditures of the General Fund.

A schedule of changes in the claims liability for the years ended June 30, 2021 and 2020 is presented below:

		Accrued Liability Beginning of Fiscal Year		Current Year Claims Paid and Changes in Estimates		Accrued Liability Claim Payments		Accrued Liability End of Fiscal Year
2020-21	\$	492,170	\$	8,419,659	\$	(8,422,529)	\$	489,300
2019-20		668,340		10,324,966		(10,501,136)		492,170

Interlocal Risk Pool

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), a not-for-profit association of Connecticut local public agencies that was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et. seq. of the Connecticut General Statutes.

Workers Compensation Program

The Town participates in CIRMA’s Workers’ Compensation Pool, a risk-sharing pool, which was begun on July 1, 1980. The Workers’ Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers’ Compensation Act. CIRMA currently has approximately 220 members in the Workers’ Compensation Pool. Wethersfield’s coverage, which has no deductible per occurrence, is based on payroll by employee classification and calculated after reviewing Wethersfield’s multi-year claim history. The deposit contribution (premium) paid in 2020-2021 was \$822,031. The contribution (premium) is subject to payroll audit at the close of the coverage period. CIRMA’s Workers’ Compensation Pool retains up to \$1,000,000 per occurrence. Claims over \$1,000,000 are reinsured by Safety National Casualty Corporation by CIRMA.

Liability-Auto-Property Program

The Town participates in CIRMA’s Liability-Auto-Property (LAP) pool, a risk-sharing pool, backed by A or better rated reinsurers. Begun in the early 1990’s through a partnership with St. Paul Insurance Company, CIRMA transitioned over the past two decades to form its own package style policy. The LAP policy contains broad coverage in the areas of general liability, auto, property, equipment breakdown, public officials’ liability, law enforcement and excess liability. CIRMA has also purchased group policies

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in the area of pollution, cybersecurity, and international travel accident, at no cost to its members. The premium paid in the current year was \$587,775. For coverages and services falling outside of CIRMA's scope, the Town utilizes the products and services of its Insurance Agent of Record.

Individual Stop Loss Medical Program

The Town is a member of CT Prime, Inc., an association-sponsored, nonprofit, nonstock specialty insurance company fully regulated by the Connecticut Department of Insurance. CT Prime, Inc., is an insurance collective providing individual stop loss medical insurance to self-insured municipalities. The Town joined CT Prime, Inc., upon its founding in July 2016. There are 13 members in the pool. The premium paid in the current year was \$680,884.

12. CONTINGENT LIABILITIES

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by Town management and counsel to result in a judgment or judgments that would have a material adverse effect on the Town's financial position.

13. EMPLOYEE RETIREMENT PLANS

Town Pension Plan

A. Plan Description

The Town is the administrator of a single-employer pension plan (the Plan) established and administered by the Town to provide pension benefits to substantially all full-time employees, except certified personnel of the Board of Education who are covered under the State Teachers' Retirement System. Employee and employer obligations to contribute to the Plan are established and may be amended by the Town. The Plan 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. A stand-alone financial report is not prepared for the Plan.

Management of the Plan rests with the Pension Committee, which consists of thirteen members, comprised of one representative from each collective bargaining unit/employee group, and the Mayor, Town Manager and Treasurer, who are ex-officio members.

At July 1, 2020, plan membership consisted of the following:

Retirees, disabled individuals and beneficiaries currently receiving benefits	292
Terminated employees entitled to benefits, but not yet receiving them	65
Current employees	<u>190</u>
Total	<u><u>547</u></u>

B. Summary of Significant Accounting Policies

Basis of Accounting

Plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are due pursuant to formal commitments as well as statutory or contractual commitments. Benefits and refunds of the postemployment defined benefit plan are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

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

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C. Pension Contributions

	<u>Contribution as of 7/1/20</u>	<u>Contribution as of 7/1/19</u>	<u>Closed to New Employees*</u>
Police-IBPO Local 391	9.0%	9.0%	n/a
Public Works-AFSCME Local 1303-40	6.75%	6.5%	7/1/10
Town Hall/Dispatchers-AFSCME Local 1303-408	5.75%	5.75%	7/1/11
Town Supervisors-AFSCME Local 818	6.0%	5.75%	7/1/11
Library Supervisors-CILU Local 222 81-4081	5.5%	5.5%	7/1/12
Library Non-Supervisors-CILU Local 222 81-4082	5.5%	5.5%	7/1/12
BOE Secretarial/Clerical/Para.-CSEA/SEIU Local 2001, CTW	6.25%	6.25%	7/1/12
BOE Custodian and Maint.-CSEA/SEIU Local 2001, CTW	7.0%	7.0%	8/1/12
School Nurses-AFL-CIO	6.25%	6.25%	7/1/12
BOE Unaffiliated Group	5.0%	5.0%	10/1/12
Town Administrative Group	3.0%	3.0%	7/1/11

* New employees are eligible for a 401(a) Defined Contribution Plan, which was established by the Town in December 2010.

The Town is required to contribute the amount necessary to finance the benefits for its employees. For fiscal year ended June 30, 2021, the Town's required contribution was \$3,640,535, which represents 24.76% of covered payroll of \$14,705,281.

Administrative costs of the Plan are financed through investment earnings.

Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Committee by a majority vote of its members. It is the policy of the Pension Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Committee's adopted asset allocation policy as of June 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>
Cash/Short-Term Fixed Income	5.00 %
Core Fixed Income	27.50
Large Cap U.S. Equities	37.50
Small Cap U.S. Equities	5.00
Developed Foreign Equities	20.00
Emerging Market Equities	5.00
Total	<u>100.00 %</u>

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Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 30.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net Pension Liability of the Town

The Town’s net pension liability was measured as of July 1, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

Total pension liability	\$ 143,058,258
Plan fiduciary net position	<u>123,026,380</u>
Net Pension Liability	<u>\$ 20,031,878</u>
Plan fiduciary net position as a percentage of total pension liability	86.00%

Actuarial Assumptions

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

Inflation	2.75%
Salary increases	Service graded
Investment rate of return	6.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the PubS-2010 (Police) and PubG-2010 (Non-Police) Mortality Tables with generational projection per the MP-2019 Ultimate scale.

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

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash/Short-Term Fixed Income	(0.07) %
Core Fixed Income	1.36
Large Cap U.S. Equities	4.55
Small Cap U.S. Equities	6.17
Developed Foreign Equities	6.35
Emerging Market Equities	8.40

TOWN OF WETHERSFIELD, CONNECTICUT
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Discount Rate

The discount rate used to measure the total pension liability was 6.50%. 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. The interest rate used to determine the actuarially determined contribution was 6.50% as of July 1, 2020.

E. Changes in the Net Pension Liability

Employees' Pension Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2020	\$ 133,585,264	\$ 96,386,107	\$ 37,199,157
Changes for the year:			
Service cost	1,917,216		1,917,216
Interest on total pension liability	8,899,995		8,899,995
Effect of plan changes	474		474
Effect of economic/demographic gains or losses	2,131,172		2,131,172
Effect of assumption changes or inputs	3,946,739		3,946,739
Benefit payments	(7,422,602)	(7,422,602)	-
Employer contributions		3,640,535	(3,640,535)
Member contributions		1,034,207	(1,034,207)
Net investment income		29,523,524	(29,523,524)
Administrative expenses		(135,391)	135,391
Net changes	<u>9,472,994</u>	<u>26,640,273</u>	<u>(17,167,279)</u>
Balances as of June 30, 2021	\$ <u>143,058,258</u>	\$ <u>123,026,380</u>	\$ <u>20,031,878</u>

F. 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 6.50%, 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 or 1 percentage point higher than the current rate:

	1% Decrease	Current	1% Increase
	(5.50%)	Discount Rate	(7.50%)
	(5.50%)	(6.50%)	(7.50%)
Net Pension Liability	\$ 37,801,276	\$ 20,031,878	\$ 5,260,627

**TOWN OF WETHERSFIELD, CONNECTICUT
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G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the Town recognized pension expense of \$4,217,586. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Employees' Pension Plan</u>	
	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ (816,538)	\$ 1,952,164
Changes of assumptions		7,500,028
Net difference between projected and actual earning on pension plan investments	<u>(14,420,468)</u>	
Total	<u>\$ (15,237,006)</u>	<u>\$ 9,452,192</u>

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

<u>Year Ending June 30</u>	
2022	\$ 1,310,568
2023	172,792
2024	(2,645,037)
2025	<u>(4,623,137)</u>
	<u>\$ (5,784,814)</u>

Connecticut Teachers Retirement System - Pension

A. Plan Description

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

B. Benefit Provisions

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

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Normal Retirement

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

Early Retirement

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

Disability Retirement

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

C. Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the State was \$8,096,871 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

Effective January 1, 2018, the required contribution increased to 8.25% of pensionable salary. Of the mandatory 8.25% contribution, 1.25% is posted to the Health Insurance Fund which helps reduce the cost of health insurance for eligible retired members and spouses.

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

At June 30, 2021, 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	<u>126,234,315</u>
Total	<u>\$ 126,234,315</u>

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

For the year ended June 30, 2021, the Town recognized pension expense and revenue of \$18,082,467 in Exhibit II.

E. Actuarial Assumptions

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

Inflation	2.50%
Salary increase	3.00-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Cost-of-Living Allowance

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

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

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

Long-Term Rate of Return

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

<u>Asset Class</u>	<u>Expected Return</u>	<u>Target Allocation</u>
Domestic Equity Fund	5.60 %	20.00
Developed Market Intl. Stock Fund	6.00	11.00
Emerging Market Intl. Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
Emerging Market Debt Fund	2.70	5.00
High Yield Bond Fund	4.00	6.00
Real Estate Fund	4.50	10.00
Private Equity	7.30	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		<u>100.00</u>

F. Discount Rate

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

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

The 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 WETHERSFIELD, CONNECTICUT
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H. Pension Plan Fiduciary Net Position

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

I. Other Information

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

Wethersfield Volunteer Firefighters' Pension Plan

The Town established a 457(a) deferred compensation plan effective July 1, 1984 to provide benefits at retirement to its firefighters. The Town's Finance Department in cooperation with the Human Resources Department administers this single employer deferred compensation plan. The Town contributes an established amount based upon a schedule outlined in the plan agreement. Employees are fully vested after 15 vesting years as defined in the plan agreement.

The value of the plan at June 30, 2021 is \$1,873,843. There were 98 active participants as of June 30, 2021. During the fiscal year ended June 30, 2021, the Town contributed \$35,000.

Defined Contribution Pension Plan

The Town established a defined contribution plan effective July 1, 2010 to provide benefits at retirement to qualified employees. The Town's Finance Department in cooperation with the Human Resources Department administers this single employer defined contribution benefit plan. Employees are required to contribute 4.5% of covered salary, which are matched by employer contributions of 4.5% of covered salary. Employees are fully vested in employee contributions and are fully vested after ten years in employer contributions.

The value of the plan at June 30, 2021 is \$4,386,839. There were 131 participants as of June 30, 2021. During the fiscal year ended June 30, 2021, employees contributed \$341,867 (exclusive of lump-sum conversion amounts) and the Town contributed a matching employer contribution of \$341,867. Covered payroll totaled \$6,235,748. Plan provisions and contribution requirements are determined by contract approval by the Wethersfield Town Council and may be amended only with bargaining unit approvals.

Defined Contribution Pension Plan – Town Manager 2009

The Town established a defined contribution plan effective August 1, 2009 to provide benefits for the Town Manager. The Town's Finance Department in cooperation with the Human Resources Department administers this single employer defined contribution benefit plan. Employees are not required to contribute. The Town is not currently contributing to this plan. The employer contributions were 4-8.0% of covered salary. Employees are fully vested in employer contributions.

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The value of the plan at June 30, 2021 is \$172,780. There was 1 participant as of June 30, 2021. During the fiscal year ended June 30, 2021, the Town contributed \$0. Covered payroll totaled \$0. Plan provisions and contribution requirements are determined by contract approval by the Wethersfield Town Council and may be amended only with bargaining unit approvals.

14. OTHER POSTEMPLOYMENT BENEFITS

OPEB Trust Fund

A. Plan Description

The Town and Board of Education provide postretirement benefits, in accordance with various labor and personnel contracts, to employees meeting specific service and age requirements. The plan is a single employer defined benefit plan. The Town does not issue stand-alone financial statements for this program.

Management of the postemployment benefits plan is vested with the Town Manager and Director of Finance. Policy oversight is provided by the Trustees of the OPEB Trust. The enacting ordinance specifies five trustees and provides for appointment of others by Town Council as deemed necessary. The ex-officio trustees are the Mayor, the Superintendent of Schools, the Chairman of the Budget and Finance Committee, the Town Manager and the Director of Finance. There are currently also two other members that have been appointed by the Town Council.

At July 1, 2019, plan membership consisted of the following:

	Town Plan	Board of Education Plan
	<u> </u>	<u> </u>
Active plan members	146	347
Retired members	112	253
Beneficiaries	<u>73</u>	<u>13</u>
 Total Participants	 <u><u>331</u></u>	 <u><u>613</u></u>

B. Funding Policy

The contribution requirements of plan members and the Town are negotiated with the various unions representing the employees.

Effective July 1, 2019, active Police employees are required to contribute 3.5% of monthly earnings into a Retiree Health Insurance Reserve Fund to offset the future cost of their retirement health benefits. AFSCME Local 1303-40 are required to contribute 3.75%, but those employees hired after July 1, 2010 are not eligible. Employees of AFSCME Local 1303-408 are required to contribute 3.75%, but those employees hired after July 1, 2011 are not eligible. AFSCME Local 818 is required to contribute 4.0%, but those hired after July 1, 2008 are not eligible. Employees of CILU Local 222 81-4081 Library Supervisors and Local 222 81-4082 Library Non-Supervisors are required to contribute 3.5%, but those

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employees hired after July 1, 2009 are not eligible. Employees of the Town Administrative Group are required to contribute 2%, but those employees hired after July 1, 2008 are not eligible. Employees of the Custodian Group are required to contribute 0.50%, but those employees hired after July 1, 2008 are not eligible.

C. Investments

Investment Policy

The OPEB Trust Investment Policy statement was adopted in conjunction with the creation of the Trust, and may be amended as deemed necessary by the Trustees. The stated investment objective of the Trust is to invest Trust assets in accordance with sound investment practices that emphasize long-term investment fundamentals in accordance with the following goals:

- To achieve the targeted financial results;
- To maintain sufficient liquidity to meet the obligations of the Trust;
- To diversify the assets of the Trust in order to reduce the risk of wide swings in market values from year to year, or of incurring large losses that could occur from concentrated positions; and
- To achieve investment results over the long term that compare favorably with those of other municipal investment pools, professionally managed portfolios and appropriate market indices.

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 25.74%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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D. Net OPEB Liability of the Town

The Town’s net OPEB liability was measured as of June 30, 2021. The components of the net OPEB liability of the Town at June 30, 2021 were as follows:

Total OPEB liability	\$	52,180,897
Plan fiduciary net position		<u>29,145,061</u>
Net OPEB Liability	\$	<u><u>23,035,836</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		55.85%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.70%
Salary increases	Graded by service, including inflation
Investment rate of return	6.75%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	5.07-4.40% over 76 years

For Teachers and Administrators, mortality rates for healthy retirees and beneficiaries are based on the RPH-2014 White Collar Mortality table with employee and annuitant rates blended from ages 50 to 80 projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, mortality rates are based on the RPH-2014 Disabled Mortality table projected to 2017 using the MP-2014 improvement scale. These assumptions do not include a margin for mortality improvement beyond the valuation date.

For Police, mortality rates are based on the PubS-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvements per the MP Ultimate scale. This assumption includes a margin for improvements in longevity beyond the valuation date.

For all others, mortality rates for healthy retirees and beneficiaries are based on the PubG-2010 Mortality Table for Employees and Healthy Annuitants with generation projection of future improvements per the MP Ultimate scale. This assumption includes a margin for improvements on longevity beyond the valuation date. For disabled retirees, mortality rates are based on the Pub-2010 Disabled Mortality Table for males and females.

The plan has not had an actuarial experience study performed.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed Income	30.00 %	1.36 %
U.S. Inflation Indexed Bonds	5.00	1.68
U.S. Equity Market	40.00	4.84
Foreign Developed Equity	15.00	6.35
Emerging Markets Equity	5.00	8.40
U.S. REITs	<u>5.00</u>	5.35
Total	<u><u>100 %</u></u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u> <u>(a)</u>	<u>Plan Fiduciary Net Position</u> <u>(b)</u>	<u>Net OPEB Liability</u> <u>(a)-(b)</u>
Balances as of July 1, 2020	\$ 50,434,300	\$ 21,686,283	\$ 28,748,017
Changes for the year:			
Service cost	1,013,069		1,013,069
Interest on total OPEB liability	3,384,682		3,384,682
Effect of economic/demographic gains or losses	-		-
Effect of assumption changes or inputs	-		-
Benefit payments	(2,651,154)	(2,651,154)	-
Employer contributions		3,819,857	(3,819,857)
Member contributions		377,161	(377,161)
Net investment income		5,994,377	(5,994,377)
Administrative expenses		(81,463)	81,463
Net changes	<u>1,746,597</u>	<u>7,458,778</u>	<u>(5,712,181)</u>
Balances as of June 30, 2021	<u>\$ 52,180,897</u>	<u>\$ 29,145,061</u>	<u>\$ 23,035,836</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

E. 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 or 1 percentage point higher than the current discount rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability	\$ 29,969,404	\$ 23,035,836	\$ 17,342,828

F. 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 (4.07% - 3.40% over 76 years)	Healthcare Cost Trend Rates (5.07% - 4.40% over 76 years)	1% Increase (6.07% - 5.40% over 76 years)
Net OPEB Liability	\$ 16,215,458	\$ 23,035,836	\$ 31,513,155

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

For the year ended June 30, 2021, the Town recognized OPEB revenue of \$333,172. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (5,834,181)	\$
Changes of assumptions	(523,903)	2,015,876
Net difference between projected and actual earning on pension plan investments	(3,285,388)	
Total	<u>\$ (9,643,472)</u>	<u>\$ 2,015,876</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

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

Year Ending June 30

2022	\$ (2,922,060)
2023	(2,900,457)
2024	(1,659,847)
2025	(554,875)
2026	341,369
Thereafter	<u>68,274</u>
	<u>\$ (7,627,596)</u>

Teachers Retirement Plan - OPEB

A. Plan Description

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

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

B. Benefit Provisions

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$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, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 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 who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option, must wait two years to re-enroll.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

C. Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

**TOWN OF WETHERSFIELD, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

D. Contributions

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the State was \$195,406 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

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

Town's proportionate share of the net OPEB liability	\$	-
State's proportionate share of the net OPEB liability associated with the Town		<u>18,827,853</u>
Total	\$	<u><u>18,827,853</u></u>

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

For the year ended June 30, 2021, the Town recognized OPEB expense and revenue of \$869,704 in Exhibit II.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

F. 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%
Health care costs trend rate	5.125% for 2020, decreasing to an ultimate Rate of 4.50% by 2023
Salary increases	3.00-6.50%, including inflation
Investment rate of return	2.21%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2021

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

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

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate assumed that total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%; employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. Annual State contributions were assumed to be equal to the most recent five-year average of State contributions to the fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination.

H. Sensitivity of the Net OPEB Liability to Changes in the Health Care 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 health care cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

I. Other Information

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

15. PENSION AND OPEB COMBINING SCHEDULES

Pension and OPEB Combining Statement of Net Position

	Pension Trust Fund	Volunteer Firefighters' Pension	OPEB Trust Fund	Total
Assets:				
Cash and cash equivalents	\$ 5,371	\$	\$ 903,484	\$ 908,855
Investments:				
Mutual funds	123,021,009	1,873,843	28,434,977	153,329,829
Accounts receivable			155,165	155,165
Total assets	<u>123,026,380</u>	<u>1,873,843</u>	<u>29,493,626</u>	<u>154,393,849</u>
Liabilities:				
Current:				
Accounts payable			26,652	26,652
Due to other funds		33,144		33,144
Claims incurred but not reported			321,913	321,913
Total current liabilities	<u>-</u>	<u>33,144</u>	<u>348,565</u>	<u>381,709</u>
Net Position	<u>\$ 123,026,380</u>	<u>\$ 1,840,699</u>	<u>\$ 29,145,061</u>	<u>\$ 154,012,140</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Pension and OPEB Combining Statement of Changes in Net Position

	Pension Trust Fund	Volunteer Firefighters' Pension	OPEB Trust Fund	Total
Additions:				
Contributions				
Employer	\$ 3,640,535	\$ 35,000	\$ 3,819,857	\$ 7,495,392
Employee	1,034,207		377,161	1,411,368
Other			53,728	53,728
Total contributions	<u>4,674,742</u>	<u>35,000</u>	<u>4,250,746</u>	<u>8,960,488</u>
Investment income:				
Net change in fair value of investments	22,223,934	181,428	4,950,026	27,355,388
Interest and dividends	7,654,089	44,903	1,044,351	8,743,343
Total investment gain	29,878,023	226,331	5,994,377	36,098,731
Less investment expenses:				
Investment management fees	354,499			354,499
Net investment income	<u>29,523,524</u>	<u>226,331</u>	<u>5,994,377</u>	<u>35,744,232</u>
Total additions	<u>34,198,266</u>	<u>261,331</u>	<u>10,245,123</u>	<u>44,704,720</u>
Deductions:				
Benefits	7,422,602		2,632,154	10,054,756
Administrative expenses	135,391	41,460	154,191	331,042
Total operating expenses	<u>7,557,993</u>	<u>41,460</u>	<u>2,786,345</u>	<u>10,385,798</u>
Change in Net Position	26,640,273	219,871	7,458,778	34,318,922
Net Position at Beginning of Year	<u>96,386,107</u>	<u>1,620,828</u>	<u>21,686,283</u>	<u>119,693,218</u>
Net Position at End of Year	<u>\$ 123,026,380</u>	<u>\$ 1,840,699</u>	<u>\$ 29,145,061</u>	<u>\$ 154,012,140</u>

16. GASB 84 - RESTATEMENT

The Town previously reported the activities of the BOE Student Activities and Town Escrow as fiduciary funds. As a result of implementation of GASB No. 84, *Fiduciary Activities*, as of July 1, 2020, the Town made the following reporting changes: The activities of BOE Student Activities are reported as a special revenue fund and the various activities of the Town Escrow fund are reported as general fund, special revenue and custodial funds. In addition, the activities of the Mayor Volunteer Recognition Fund, Public Library Trust, Katherine E. Smith Trust, Frank Weston Trust, Jane Sjoman Library Trust, Fire Fighters Trust were previously reported as private purpose trust funds. The Mayor Volunteer Recognition Fund, Public Library Trust, Katherine E. Smith Trust, and Frank Weston Trust are now reported as special revenue funds; the Jane Sjoman Library Trust is now reported as a permanent fund and the Fire Fighters Trust is now reported as a pension trust fund. Accordingly, the Town increased the beginning assets and liabilities of the General Fund by \$28,781, and thus no effect to the beginning fund balance.

TOWN OF WETHERSFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

The Town created new special revenue funds for the above-mentioned funds thus increasing assets and fund balance of \$834,138, created a new custodial fund for the Town Escrow Fund, increasing assets and net position \$148,875 and created a new permanent fund for the Jane Sjoman Library Trust thus increasing assets and net position \$316,027. Accordingly, the Town restated beginning balances of the assets, liabilities, fund balance and net position as follows:

Governmental Funds:	Governmental Activities Net Position	Nonmajor Governmental Funds Fund Balance	Pension and OPEB Trust Funds Net Position
	<u> </u>	<u> </u>	<u> </u>
Balance as previously reported June 30, 2020	\$ 91,359,758	\$ 5,775,587	\$ 118,072,390
Adjustment:			
BOE Student Activities now reported as a Special Revenue Fund	172,632	172,632	
Mayor Volunteer Recognition Fund now reported as a Special Revenue Fund	2,958	2,958	
Public Library Trust now reported as a Special Revenue Fund	271,669	271,669	
Katherine E. Smith Trust now reported as a Special Revenue Fund	16,716	16,716	
Frank Weston Trust now reported as a Special Revenue Fund	283,809	283,809	
Town Escrow Funds now reported as Special Revenue Funds	86,354	86,354	
Jane Sjoman Library Trust now reported as a Permanent Fund	316,027	316,027	
Fire Fighters Trust now reported as a Pension Trust Fund			1,620,828
	<u> </u>	<u> </u>	<u> </u>
Balance as restated July 1, 2020	\$ <u>92,509,923</u>	\$ <u>6,925,752</u>	\$ <u>119,693,218</u>
Fiduciary Funds:	Agency Funds	Custodial Fund Net Position	Private Purpose Trust Funds Net Position
	<u> </u>	<u> </u>	<u> </u>
Balance as previously reported June 30, 2020	\$ 479,799	\$ -	\$ 2,528,881
Adjustments:			
BOE Student Activities now reported as a Special Revenue Fund	(215,543)		
Town Escrow Funds now reported in the General Fund	(28,781)		
Town Escrow Funds now reported as Special Revenue Funds	(86,354)		
Town Escrow Funds now reported as Custodial Funds	(148,875)	148,875	
Town Escrow Funds returned	(246)		
Mayor Volunteer Recognition Fund now reported as a Special Revenue Fund			(2,958)
Public Library Trust now reported as a Special Revenue Fund			(271,669)
Katherine E. Smith Trust now reported as a Special Revenue Fund			(16,716)
Frank Weston Trust now reported as a Special Revenue Fund			(283,809)
Jane Sjoman Library Trust now reported as a Permanent Fund			(316,027)
Fire Fighters Trust now reported as a Pension Trust Fund			(1,620,828)
	<u> </u>	<u> </u>	<u> </u>
Balance as restated July 1, 2020	\$ <u>-</u>	\$ <u>148,875</u>	\$ <u>16,874</u>

**Required
Supplementary
Information**

TOWN OF WETHERSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>			<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Property taxes, interest and lien fees	\$ 93,315,495	\$ 93,315,495	\$ 93,974,398	\$ 658,903
Intergovernmental revenues:				
State of Connecticut - General Government	534,429	534,429	969,655	435,226
State of Connecticut - Board of Education	10,885,177	10,885,177	10,925,611	40,434
Total intergovernmental revenues	11,419,606	11,419,606	11,895,266	475,660
Licenses, fees and permits:				
Engineering	10,000	10,000	35,810	25,810
Town Clerk	3,500	3,500	3,430	(70)
Transfer station	40,000	40,000	70,399	30,399
Police	11,000	11,000	35,606	24,606
Building inspections	400,000	400,000	508,509	108,509
Total licenses, fees and permits	464,500	464,500	653,754	189,254
Charges for services:				
Town Clerk	444,500	444,500	792,927	348,427
Police	3,300	3,300	2,803	(497)
Recreation and parks	171,375	221,375	68,380	(152,995)
Rents	3,300	3,300	3,426	126
Library	13,500	13,500	2,028	(11,472)
Community Center	36,000	36,000	4,423	(31,577)
Refuse disposal	37,000	37,000	55,550	18,550
White goods pickup	7,000	7,000	10,504	3,504
False alarms	16,500	16,500	7,450	(9,050)
Dial-A-Ride membership	17,000	17,000	13,336	(3,664)
Computer services				-
Cell tower rental fees	220,000	220,000	238,283	18,283
Returned check fee	800	800	633	(167)
Tree services	12,000	12,000		(12,000)
Total charges for services	982,275	1,032,275	1,199,743	167,468

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Fines and penalties	\$ 19,100	\$ 19,100	\$ 17,787	\$ (1,313)
Interest on investments	345,000	345,000	33,837	(311,163)
Other revenues	29,000	29,000	89,761	60,761
Transfers in	150,000	100,000	100,000	-
Appropriation of Fund Balance	2,005,000	2,005,000		(2,005,000)
Total	\$ 108,729,976	\$ 108,729,976	107,964,546	\$ (765,430)

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers pension is not budgeted	8,096,871
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers OPEB is not budgeted	195,406
Compensated absences fund not budgeted for (combined for GASB 54)	613
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes	1,815,913
Net tuition amounts for the Board of Education	565,268
The Town budgets for certain transfers in the general fund, eliminated for GAAP purposes	
Encumbrances outstanding at June 30, 2020, cancelled during the year ended June 30, 2021	<u>(25,578)</u>

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

\$ 118,613,039

TOWN OF WETHERSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
General Government:				
Town Council	\$ 80,627	\$ 80,627	\$ 65,600	\$ 15,027
Town Manager	501,827	577,364	568,116	9,248
Town Attorney	100,000	100,000	77,434	22,566
Town Clerk	305,132	306,741	287,479	19,262
Town Treasurer	3,050	3,050	1,707	1,343
Finance/Accounting	664,916	671,274	670,612	662
Data Services	625,476	520,505	520,005	500
Tax Collector	276,575	276,575	270,768	5,807
Tax Assessor	447,461	453,491	452,991	500
Central Office Services	239,489	239,489	236,979	2,510
Probate Court	33,962	34,399	34,399	-
Planning & Development	387,185	384,708	374,752	9,956
Building Inspection & ZBA	577,274	577,274	573,065	4,209
Elections	134,661	134,661	126,340	8,321
Total general government	<u>4,377,635</u>	<u>4,360,158</u>	<u>4,260,247</u>	<u>99,911</u>
Public Safety:				
Police	10,475,764	10,271,354	10,234,321	37,033
Fire Suppression	748,529	751,217	750,221	996
Fire Marshal	208,871	208,871	194,654	14,217
Town-wide Radio System	398,247	374,853	374,354	499
Emergency Medical Services	12,918	12,918	10,809	2,109
Total public safety	<u>11,844,329</u>	<u>11,619,213</u>	<u>11,564,359</u>	<u>54,854</u>
Public Works:				
Engineering	788,873	728,873	707,116	21,757
Physical Services	13,634,768	13,547,024	13,491,705	55,319
Total public works	<u>14,423,641</u>	<u>14,275,897</u>	<u>14,198,821</u>	<u>77,076</u>
Social Services:				
Central CT Health District	168,229	168,229	126,172	42,057
Social and Youth Services	708,200	708,200	668,035	40,165
Total social services	<u>876,429</u>	<u>876,429</u>	<u>794,207</u>	<u>82,222</u>
Library	<u>2,061,421</u>	<u>2,011,421</u>	<u>1,959,384</u>	<u>52,037</u>
Recreation and Parks	<u>1,807,740</u>	<u>1,787,740</u>	<u>1,764,638</u>	<u>23,102</u>
Contingency	<u>340,000</u>	<u>50,170</u>		<u>50,170</u>
Insurance	<u>675,670</u>	<u>675,670</u>	<u>661,480</u>	<u>14,190</u>

(Continued on next page)

**TOWN OF WETHERSFIELD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Metropolitan District Commission	\$ 4,415,500	\$ 4,418,218	\$ 4,418,218	\$ -
Debt Service:				
Principal Retirement	4,672,180	4,672,180	4,672,180	-
Interest	1,187,473	1,187,473	1,187,472	1
Total debt service	5,859,653	5,859,653	5,859,652	1
Board of Education:				
General Expenditures	56,902,759	56,902,759	56,902,759	-
Total expenditures	103,584,777	102,837,328	102,383,765	453,563
Other Financing Uses:				
Transfers out - Capital	1,717,105	2,744,582	2,748,682	(4,100)
Transfers out - Retiree Medical/OPEB	3,428,094	3,148,066	3,005,352	142,714
Total	\$ 108,729,976	\$ 108,729,976	108,137,799	\$ 592,177
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers pension is not budgeted			8,096,871	
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers OPEB is not budgeted			195,406	
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes			1,815,913	
Compensated absences fund not budgeted for (combined for GASB 54)			(24,829)	
Net tuition amounts for the Board of Education			565,268	
The Town budgets for certain transfers in the general fund, eliminated for GAAP purposes				
Encumbrances outstanding at June 30, 2020, liquidated during the year ended June 30, 2021			55,169	
Encumbrances outstanding at June 30, 2021			(168,493)	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ 118,673,104	

**TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWN PENSION PLAN
LAST EIGHT FISCAL YEARS***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:								
Service cost	\$ 1,917,216	\$ 1,874,770	\$ 1,890,775	\$ 1,842,781	\$ 2,016,804	\$ 1,978,581	\$ 1,958,474	\$ 1,902,067
Interest	8,899,995	8,335,653	8,123,985	7,949,903	7,599,905	7,328,638	7,062,768	6,770,841
Effect of plan changes	474	723	(15,386)	132,787		(20,526)	(10,070)	
Effect of economic/demographic gains	2,131,172	(1,631,383)	1,147,100	(262,657)	1,468,099	393,044	731,921	53,656
Effect of assumption changes or inputs	3,946,739	6,901,579	2,977,288	3,069,915		2,177,231	1,799,188	
Benefit payments, including refunds of member contributions	<u>(7,422,602)</u>	<u>(6,912,044)</u>	<u>(6,439,014)</u>	<u>(6,314,647)</u>	<u>(5,859,750)</u>	<u>(5,612,521)</u>	<u>(5,290,502)</u>	<u>(4,773,442)</u>
Net change in total pension liability	9,472,994	8,569,298	7,684,748	6,418,082	5,225,058	6,244,447	6,251,779	3,953,122
Total pension liability - beginning	<u>133,585,264</u>	<u>125,015,966</u>	<u>117,331,218</u>	<u>110,913,136</u>	<u>105,688,078</u>	<u>99,443,631</u>	<u>93,191,852</u>	<u>89,238,730</u>
Total pension liability - ending	<u>143,058,258</u>	<u>133,585,264</u>	<u>125,015,966</u>	<u>117,331,218</u>	<u>110,913,136</u>	<u>105,688,078</u>	<u>99,443,631</u>	<u>93,191,852</u>
Plan fiduciary net position:								
Contributions - employer	3,640,535	3,056,370	2,748,739	2,641,665	2,445,097	2,393,435	2,407,468	2,091,887
Contributions - member	1,034,207	994,883	1,014,059	995,692	1,024,254	1,063,188	955,840	1,008,558
Net investment income (loss)	29,523,524	999,231	3,950,456	8,144,775	12,808,106	(988,902)	2,075,709	12,776,568
Benefit payments, including refunds of member contributions	<u>(7,422,602)</u>	<u>(6,912,044)</u>	<u>(6,439,014)</u>	<u>(6,314,647)</u>	<u>(5,859,750)</u>	<u>(5,612,521)</u>	<u>(5,290,502)</u>	<u>(4,773,442)</u>
Administrative expense	<u>(135,391)</u>	<u>(104,777)</u>	<u>(144,751)</u>	<u>(122,118)</u>	<u>(133,352)</u>	<u>(134,213)</u>	<u>(126,354)</u>	<u>(101,329)</u>
Net change in plan fiduciary net position	26,640,273	(1,966,337)	1,129,489	5,345,367	10,284,355	(3,279,013)	22,161	11,002,242
Plan fiduciary net position - beginning	<u>96,386,107</u>	<u>98,352,444</u>	<u>97,222,955</u>	<u>91,877,588</u>	<u>81,593,233</u>	<u>84,872,246</u>	<u>84,850,085</u>	<u>73,847,843</u>
Plan fiduciary net position - ending	<u>123,026,380</u>	<u>96,386,107</u>	<u>98,352,444</u>	<u>97,222,955</u>	<u>91,877,588</u>	<u>81,593,233</u>	<u>84,872,246</u>	<u>84,850,085</u>
Net Pension Liability - Ending	\$ <u>20,031,878</u>	\$ <u>37,199,157</u>	\$ <u>26,663,522</u>	\$ <u>20,108,263</u>	\$ <u>19,035,548</u>	\$ <u>24,094,845</u>	\$ <u>14,571,385</u>	\$ <u>8,341,767</u>
Plan fiduciary net position as a percentage of the total pension liability	86.00%	72.15%	78.67%	82.86%	82.84%	77.20%	85.35%	91.05%
Covered payroll	\$ 14,705,281	\$ 14,318,698	\$ 15,005,306	\$ 16,430,455	\$ 16,453,806	\$ 17,344,941	\$ 17,725,333	\$ 18,036,168
Net pension liability as a percentage of employee payroll	136.22%	259.79%	177.69%	122.38%	115.69%	138.92%	82.21%	46.25%

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

**TOWN OF WETHERSFIELD, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 TOWN PENSION PLAN
 LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 3,631,285	\$ 3,056,370	\$ 2,748,739	\$ 2,641,665	\$ 2,445,097	\$ 2,393,435	\$ 2,406,123	\$ 2,091,860	\$ 1,821,991	\$ 1,579,090
Contributions in relation to the actuarially determined contribution	<u>3,640,535</u>	<u>3,056,370</u>	<u>2,748,739</u>	<u>2,641,665</u>	<u>2,445,097</u>	<u>2,393,435</u>	<u>2,407,468</u>	<u>2,091,887</u>	<u>1,821,991</u>	<u>1,579,090</u>
Contribution Deficiency (Excess)	\$ <u>(9,250)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(1,345)</u>	\$ <u>(27)</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 14,705,281	\$ 14,318,698	\$ 15,005,306	\$ 16,430,455	\$ 16,453,806	\$ 17,344,941	\$ 17,725,333	\$ 18,036,168	\$ 18,055,698	\$ 17,616,312
Contributions as a percentage of covered payroll	24.76%	21.35%	18.32%	16.08%	14.86%	13.80%	13.58%	11.60%	10.09%	8.96%

Notes to Schedule

Valuation date: July 1, 2020
 Measurement date: June 30, 2021
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal
 Amortization method Level percentage of payroll, closed
 Remaining amortization period 19 years for Town and BOE, 15 years for Police
 Asset valuation method 5-year non-asymptotic
 Inflation 2.75%
 Salary increases Service Graded
 Investment rate of return 6.50%, net of pension plan investment expense, including inflation
 Retirement age Varies by age and service
 Mortality PubS-2010 (Police) and PubG-2010 (Non Police) Mortality Tables with generational projection per the MP-2019 Ultimate scale

**TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
TOWN PENSION PLAN
LAST EIGHT FISCAL YEARS***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	30.79%	1.02%	4.10%	8.97%	15.82%	(1.18%)	2.46%	17.44%

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

TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST SEVEN FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>126,234,315</u>	<u>112,192,091</u>	<u>86,506,620</u>	<u>87,812,722</u>	<u>92,643,094</u>	<u>71,469,813</u>	<u>66,059,519</u>
Total	<u>\$ 126,234,315</u>	<u>\$ 112,192,091</u>	<u>\$ 86,506,620</u>	<u>\$ 87,812,722</u>	<u>\$ 92,643,094</u>	<u>\$ 71,469,813</u>	<u>\$ 66,059,519</u>
Town's covered payroll	\$ 29,351,138	\$ 28,611,292	\$ 29,439,789	\$ 26,776,700	\$ 26,456,955	\$ 25,887,133	\$ 22,731,349
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

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: - 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 anti
Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Remaining amortization period	30 years
Asset valuation method	4-year smoothed market
Inflation	2.50%
Salary Increase	3.25%-6.50%, including inflation
Investment rate of return	6.90%, net of investment related expense

Notes:

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

TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST EMPLOYMENT BENEFITS
LAST FIVE FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:					
Service cost	\$ 1,013,069	\$ 931,307	\$ 920,950	\$ 923,870	\$ 1,136,926
Interest	3,384,682	3,219,298	3,108,515	4,182,057	3,975,084
Changes of benefit terms				30,007	
Differences between expected and actual experience		(333,355)		(14,542,900)	
Changes of assumptions		2,791,212		(1,362,143)	
Benefit payments	<u>(2,651,154)</u>	<u>(2,424,642)</u>	<u>(2,488,673)</u>	<u>(2,517,683)</u>	<u>(1,586,917)</u>
Net change in total OPEB liability	1,746,597	4,183,820	1,540,792	(13,286,792)	3,525,093
Total OPEB liability - beginning	<u>50,434,300</u>	<u>46,250,480</u>	<u>44,709,688</u>	<u>57,996,480</u>	<u>54,471,387</u>
Total OPEB liability - ending	<u>52,180,897</u>	<u>50,434,300</u>	<u>46,250,480</u>	<u>44,709,688</u>	<u>57,996,480</u>
Plan fiduciary net position:					
Contributions - employer	3,819,857	3,662,348	3,404,996	2,996,358	2,503,997
Contributions - member	377,161	622,237	357,660	313,008	315,431
Net investment income	5,994,377	803,931	1,286,309	1,195,616	1,499,615
Benefit payments	(2,651,154)	(2,422,841)	(2,490,474)	(2,517,683)	(1,586,917)
Administrative expense	<u>(81,463)</u>	<u>(13,511)</u>	<u>(81,072)</u>	<u>(58,234)</u>	<u>(52,960)</u>
Net change in plan fiduciary net position	7,458,778	2,652,164	2,477,419	1,929,065	2,679,166
Plan fiduciary net position - beginning	<u>21,686,283</u>	<u>19,034,119</u>	<u>16,556,700</u>	<u>14,627,635</u>	<u>11,948,469</u>
Plan fiduciary net position - ending	<u>29,145,061</u>	<u>21,686,283</u>	<u>19,034,119</u>	<u>16,556,700</u>	<u>14,627,635</u>
Net OPEB Liability - Ending	<u>\$ 23,035,836</u>	<u>\$ 28,748,017</u>	<u>\$ 27,216,361</u>	<u>\$ 28,152,988</u>	<u>\$ 43,368,845</u>
Plan fiduciary net position as a percentage of the total OPEB liability	55.85%	43.00%	41.15%	37.03%	25.22%
Covered payroll	\$ 42,018,705	\$ 43,485,089	\$ 43,485,089	\$ 36,442,017	\$ 36,442,017
Net OPEB liability as a percentage of covered payroll	54.82%	66.11%	62.59%	77.25%	119.01%

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

**TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST EMPLOYMENT BENEFITS
LAST TEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution (1)	\$ 2,816,482	\$ 2,721,529	\$ 2,642,180	\$ 3,819,851	\$ 3,559,181	\$ 5,002,811	\$ 4,761,488	\$ 6,029,000	\$ 5,609,000	\$ 6,226,000
Contributions in relation to the actuarially determined contribution	3,819,857	3,662,348	3,404,996	2,996,358	2,503,997	3,115,268	5,760,796	2,511,928	8,919,886	2,565,648
Contribution Deficiency (Excess)	\$ (1,003,375)	\$ (940,819)	\$ (762,816)	\$ 823,493	\$ 1,055,184	\$ 1,887,543	\$ (999,308)	\$ 3,517,072	\$ (3,310,886)	\$ 3,660,352
Covered payroll	\$ 42,018,705	\$ 43,485,089	\$ 43,485,089	\$ 36,442,017	\$ 36,442,017	\$ 36,696,257	\$ 36,696,257	\$ 37,651,000	\$ 37,651,000	\$ n/a
Contributions as a percentage of covered payroll	9.09%	8.42%	7.83%	8.22%	6.87%	8.49%	15.70%	6.67%	23.69%	n/a

(1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule

Valuation date: July 1, 2019

Measurement date: June 30, 2020

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 percentage of payroll, closed
Amortization period	18 years
Amortization growth rate	4.00%
Asset valuation method	5-year non-asymptotic
Inflation	2.70%
Healthcare cost trend rates	5.07% - 4.40% over 76 years
Salary increases	Graded by service
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Retirement age	In the 2019 actuarial valuation, expected retirement ages of general employees were graded based upon age and eligibility for retirement benefits. Separate rates apply to Police versus Town and Board of Education employees.
Mortality	Teachers and Administrators: For healthy retirees and beneficiaries, the RPH-2014 White Collar Mortality table with employees and annuitant rates blended from ages 50 to 80 projected to the year 2020 using BB improvement scale and further adjusted to grade in increase (5% for females and 8% for males) to rates over age 80. This assumption does not include a margin for mortality improvement beyond the valuation date; For disabled retirees, RPH-2014 Disabled Mortality table projected to 2017 using the MP-2014 improvement scale. This assumption does not include a margin for mortality improvement beyond the valuation date. Police: PubS-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvements per the MP Ultimate scale. This assumption includes a margin for improvements in longevity beyond the valuation date. All Others: PubG-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvements per the MP Ultimate scale. This assumption includes a margin for improvements in longevity beyond the valuation date; Pub-2010 Disabled Mortality Table for males and females.

**TOWN OF WETHERSFIELD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 OTHER POST EMPLOYMENT BENEFITS
 LAST FIVE FISCAL YEARS***

	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	25.74%	3.92%	7.31%	7.64%	12.67%

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

TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST FOUR FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>18,827,853</u>	<u>17,496,991</u>	<u>17,293,245</u>	<u>22,602,004</u>
Total	<u>\$ 18,827,853</u>	<u>\$ 17,496,991</u>	<u>\$ 17,293,245</u>	<u>\$ 22,602,004</u>
Town's covered payroll	\$ 29,351,138	\$ 28,611,292	\$ 29,439,789	\$ 26,776,700
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	2.50%	2.08%	1.49%	1.79%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	<p>Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2020 was updated to equal the Municipal Bond Index Rate as of June 30, 2020;</p> <p>Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;</p> <p>Long-term health care cost trend rates were updated;</p> <p>The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated based on observed plan experience. Additionally, participants are no longer assumed to migrate from the Medicare Supplement Plan to the Medicare Advantage Plan after selecting an option; and,</p> <p>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:</p> <ul style="list-style-type: none"> - 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
Actuarial cost method	Entry age
Amortization method	Level percent of payroll over an open period
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment-related expense including price inflation
Price Inflation	2.75%

Notes:

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

Combining and Individual Fund Statements and Schedules

General Fund

The General Fund is 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, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

There are also funds that do not meet the definition of a special revenue fund in accordance with GASB 54, which are combined with the General Fund.

Compensated Absence Fund - To account for a reserve for the purpose of paying out amounts owed to employees for accumulated vacation and sick time accruals paid out at the time of retirement.

**TOWN OF WETHERSFIELD, CONNECTICUT
GENERAL FUND
COMBINING BALANCE SHEET SCHEDULE
JUNE 30, 2021**

	<u>General Fund</u>	<u>Compensated Absence Fund</u>	<u>Combined</u>
ASSETS			
Cash and cash equivalents	\$ 12,531,709	\$ 329,846	\$ 12,861,555
Property taxes receivable, net	1,658,433		1,658,433
Due from other governments	406,135		406,135
Other receivables	96,325		96,325
Due from other funds	4,688,715		4,688,715
Prepaid items	111,018		111,018
	<u>19,492,335</u>		<u>19,822,181</u>
Total Assets	\$ <u>19,492,335</u>	\$ <u>329,846</u>	\$ <u>19,822,181</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts payable and accrued items	\$ 3,200,473	\$	\$ 3,200,473
Due to other governments	1,563		1,563
Unearned revenues	8,364		8,364
Total liabilities	<u>3,210,400</u>	<u>-</u>	<u>3,210,400</u>
Deferred inflows of resources:			
Unavailable revenue - property taxes	1,502,557		1,502,557
Advance property tax collections			
Total deferred inflows of resources	<u>1,502,557</u>	<u>-</u>	<u>1,502,557</u>
Fund balance:			
Nonspendable	111,018		111,018
Committed		329,846	329,846
Assigned	1,854,873		1,854,873
Unassigned	12,813,487		12,813,487
Total fund balance	<u>14,779,378</u>	<u>329,846</u>	<u>15,109,224</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ <u>19,492,335</u>	\$ <u>329,846</u>	\$ <u>19,822,181</u>

TOWN OF WETHERSFIELD, CONNECTICUT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021

	<u>General</u>	<u>Compensated Absence Fund</u>	<u>Eliminating Entries</u>	<u>Total General Fund</u>
Revenues:				
Property taxes, interest and lien fees	\$ 93,974,398	\$	\$	\$ 93,974,398
Intergovernmental revenues	22,003,456			22,003,456
Licenses, fees and permits	655,866			655,866
Charges for services	1,673,934			1,673,934
Interest and dividends	33,837	613		34,450
Other local revenues	170,935			170,935
Total revenues	<u>118,512,426</u>	<u>613</u>	<u>-</u>	<u>118,513,039</u>
Expenditures:				
Current:				
Public safety	11,533,181			11,533,181
Public works	14,157,707			14,157,707
Recreation and parks	1,764,042			1,764,042
Social services	745,430			745,430
Library	1,959,384			1,959,384
General government	12,302,638	26,171		12,328,809
Education	67,494,357			67,494,357
Debt service	5,859,652			5,859,652
Total expenditures	<u>115,816,391</u>	<u>26,171</u>	<u>-</u>	<u>115,842,562</u>
Excess of Revenues over Expenditures	<u>2,696,035</u>	<u>(25,558)</u>	<u>-</u>	<u>2,670,477</u>
Other Financing Sources (Uses):				
Transfers in	100,000	51,000	(51,000)	100,000
Transfers out	<u>(2,881,542)</u>		<u>51,000</u>	<u>(2,830,542)</u>
Total other financing sources (uses)	<u>(2,781,542)</u>	<u>51,000</u>	<u>-</u>	<u>(2,730,542)</u>
Net Change in Fund Balances	(85,507)	25,442	-	(60,065)
Fund Balances at Beginning of Year	<u>14,864,885</u>	<u>304,404</u>	<u>-</u>	<u>15,169,289</u>
Fund Balances at End of Year	<u>\$ 14,779,378</u>	<u>\$ 329,846</u>	<u>\$ -</u>	<u>\$ 15,109,224</u>

TOWN OF WETHERSFIELD, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2021

Grand List	Uncollected Taxes		Lawful Corrections		Transfers To Suspense	Adjusted Tax Levy	Collections				Uncollected Taxes June 30, 2021	
	July 1, 2020 and Current Levy	Current Year Levy	Additions	Deletions			Taxes	Paid Suspense	Interest and Liens	Refunds		Total
2004	\$ 49,578	\$	\$	\$	\$ 49,578	\$	\$	\$	\$	\$	\$	\$ -
2005	48,492			250		48,242	(26)	647	26	595		48,242
2006	48,167			415	166	47,586	1,185	2,898		4,083		46,401
2007	67,187				1,608	65,579	(1,248)	1,075	1,735	(1,908)		65,092
2008	51,302				2,692	48,610	888	2,951	513	3,326		47,209
2009	55,395				807	54,588	116	3,011	1,428	1,699		53,044
2010	74,186				1,861	72,325	8,237	4,951	31	13,157		64,057
2011	68,512				762	67,750	2,220	3,646	61	5,805		65,469
2012	84,120					84,120	1,151	1,682	33	2,800		82,936
2013	92,677					92,677	1,483	1,834	45	3,272		91,149
2014	113,345				59	113,286	1,752	1,745	19	3,478		111,515
2015	88,966				55	88,911	3,639	2,734		6,373		85,272
2016	151,905		848	1,744		151,009	45,950	21,015	168	66,797		104,891
2017	281,495		80,921	18,913		343,503	202,021	41,331	191	243,161		141,291
2018	809,444		62,677	65,934		806,187	564,444	125,342	2,816	686,970		238,927
Total prior years	2,084,771		144,446	87,256	57,588	2,084,373	831,812		214,862	7,066	1,039,608	1,245,495
2019		94,808,163	97,049	279,837		94,625,375	93,972,194		137,748		94,109,942	653,181
Total	\$ 2,084,771	\$ 94,808,163	\$ 241,495	\$ 367,093	\$ 57,588	\$ 96,709,748	\$ 94,804,006	\$ -	\$ 352,610	\$ 7,066	\$ 95,149,550	\$ 1,898,676

**Nonmajor
Governmental
Funds**

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt and capital projects.

Animal Control Fund - To account for the operation of animal control. Financing is provided by license fees and donations to the animal control facility.

Small Cities Housing Rehabilitation - To account for federal grant revenues from the U.S. Department of Housing and Urban Development and subsequent loans to entities.

School Cafeteria - To account for the operation of the public school lunch program. Financing is provided by the sale of food and by State grants.

Municipal Grant Fund - To account for the operations of various programs funded by State and Federal grants.

Education Grant Fund - To account for the operations of various educational programs funded by State and Federal grants.

Police Grant Fund - To account for various law enforcement programs funded by State and Federal grants.

Cove Preservation Fund - To account for receipt of income from boaters and moorings at the Wethersfield Cove and for the expenditures of these funds for the purpose of maintenance, staffing and improving Wethersfield Cove Park.

Land Acquisition Fund - To account for monies being accumulated to purchase and preserve open space throughout the Town. Financing is provided through the sale of surplus Town real property and Town appropriations.

EDIC Loan Repayment Program - To account for Façade Loan Program. Loans are given to businesses for façade improvements and forgiven after 10 years. If the business closes or relocates, the loan must be repaid.

Nature Center - To account for the operations of the Town's Nature Center (Eleanor Buck Wolf Nature Center) program. Financing is provided through fees charged for programs, donations, private contributions and Town appropriations.

Police Private Duty - To account for charges for services related to police traffic duty. Police private duty payroll is charged to this fund and then billed out to the vendors with an added fringe benefit factor. This fund reimburses fringe benefits and administrative costs of the General Fund through a transfer.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Special Revenue Funds (Continued)

Agricultural Land Preservation Fund - To account for funds received in accordance with Section 7-131 of the Connecticut General Statutes for agricultural land preservation.

Recreation Fund - Handles all the self-sustaining programs of the Parks & Recreation Department. The fees collected and costs for all programs are deposited in the account.

Community Development Fund - Accounts for various projects such as Town Guide advertising, Silas Deane Highway tree donations, the Wethersfield Farmers Market and Energy Funds.

Park Programs Fund - Accounts for various park programs such as the dog park, the skate park and reserves from the 375th anniversary.

Social and Youth Services Fund - Accounts for various health and welfare programs and youth service programs including the Senior Center operations, the Computer Learning Center, the Youth Services Crossroads Program, Special Needs and Camping programs.

BOE District Activities - Accounts for various education activities including athletics and facilities usage.

BOE Student Activities - The Student Activities Fund holds resources in a purely custodial capacity for collections and payments related to education extracurricular activities at the schools. Financing is provided by individual fundraising projects.

Solomon Welles House - The Recreation Department oversees the rental of the Solomon Welles House. Income to the fund pays for the personnel on duty to provide security and maintaining the home. After expenses, funds are transferred to the Town General Fund to meet the revenue projections for the Parks & Recreation Department.

Pitkin Community Center - This fund receives money from the rental of rooms to groups and residents. The income pays for a custodian to work beyond their normal shift for the setup, cleanup and security for the rental. After these expenses, the funds are transferred to the Town General Fund to meet the revenue projections for the Community Center.

Mill Woods Fund - The fields and facilities in the park are rented out and the proceeds are used to improve park facilities.

Mayor Volunteer Recognition Fund - Former Mayor Betty Rosania created the fund and the current mayor has control over how these funds are spent.

Public Library Trust Fund - To account for monies provided by private donors for the acquisition of books, materials or other related library services.

Katherine E. Smith Trust Fund - To account for funds bequeathed to the Town for the care upkeep, development and preservation of the public park known as the "Broad Street Green." Authority over these funds is reserved for the Parks and Recreation Board.

Frank Weston Trust Fund - This account receives money from a trust fund. The monies are used to maintain a rose garden and flower beds around the Town Hall in accordance with the will of Mr. Frank Weston and the subsequent trust agreement.

Wethersfield Fuel Bank - This is a 100% donor fund into which individuals and businesses contribute. All funds are used to assist residents with winter heating needs when they have exhausted CRT and Operation Fuel grants. Annual appeals are made for donations from area businesses. This account is used to record the disbursement of the funds.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Special Revenue Funds (Continued)

Youth Advisory Board - This is the account into which contributions and fund raising efforts for the Advisory Board are deposited. No Town funds are contributed. Funds are used to support Board activities.

Police Canine Fund - Fundraisers are held to pay for food and veterinarian expenses for police canines.

Permanent Funds

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

Jane Sjoman Library Trust Fund - To account for a private permanent endowment from Jane Sjoman to the Wethersfield Library. Only the income may be used for books or other items for the adult collection.

**TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Special Revenue Funds					
	Animal Control	Small Cities Housing Rehabilitation	School Cafeteria	State and Federal Grants		
				Municipal	Education	Police
ASSETS						
Cash and cash equivalents	\$ 59,646	\$ 108,300	\$ 927,751	\$ 219,200	\$ 261,587	\$ 564,016
Investments						
Accounts receivables, net		436,447	302,338	11,015	435,370	495
Supplies			31,451			
Total Assets	\$ 59,646	\$ 544,747	\$ 1,261,540	\$ 230,215	\$ 696,957	\$ 564,511
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued items	\$ 115		\$ 89,780	\$ 26,426	\$ 62,962	
Unearned revenue				280,454	389,175	465,416
Due to other funds			207,408			3,995
Total liabilities	115	-	297,188	306,880	452,137	469,411
Deferred Inflows of Resources:						
Unearned revenue - loans receivable		436,447				
Total deferred inflows of resources	-	436,447	-	-	-	-
Fund Balances:						
Nonspendable			31,451			
Restricted		108,300			244,820	95,100
Committed	59,531		932,901			
Unassigned				(76,665)		
Total fund balances	59,531	108,300	964,352	(76,665)	244,820	95,100
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 59,646	\$ 544,747	\$ 1,261,540	\$ 230,215	\$ 696,957	\$ 564,511

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**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021**

	Special Revenue Funds						
	<u>Cove Preservation</u>	<u>Land Acquisition</u>	<u>EDIC Loan Repayment</u>	<u>Nature Center</u>	<u>Police Private Duty</u>	<u>Agricultural Land Preservation</u>	<u>Recreation Fund</u>
ASSETS							
Cash and cash equivalents	\$ 289,160	\$ 9,008	\$	\$ 225,585	\$	\$ 381,986	\$ 530,072
Investments							
Accounts receivables, net			179,940		463,444		
Supplies							
Total Assets	<u>\$ 289,160</u>	<u>\$ 9,008</u>	<u>\$ 179,940</u>	<u>\$ 225,585</u>	<u>\$ 463,444</u>	<u>\$ 381,986</u>	<u>\$ 530,072</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued items	\$ 15,839	\$	\$	\$ 9,970	\$ 40,484	\$	\$ 10,136
Unearned revenue				103,090			
Due to other funds			155,688		88,614		
Total liabilities	<u>15,839</u>	<u>-</u>	<u>155,688</u>	<u>113,060</u>	<u>129,098</u>	<u>-</u>	<u>10,136</u>
Deferred Inflows of Resources:							
Unearned revenue - loans receivable							
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Nonspendable							
Restricted							
Committed	273,321	9,008	24,252	112,525	334,346	381,986	519,936
Unassigned							
Total fund balances	<u>273,321</u>	<u>9,008</u>	<u>24,252</u>	<u>112,525</u>	<u>334,346</u>	<u>381,986</u>	<u>519,936</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 289,160</u>	<u>\$ 9,008</u>	<u>\$ 179,940</u>	<u>\$ 225,585</u>	<u>\$ 463,444</u>	<u>\$ 381,986</u>	<u>\$ 530,072</u>

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**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021**

	Special Revenue Funds					
	Community Development Fund	Park Programs	Social and Youth Services	BOE District Activities	BOE Student Activities	Solomon Welles House
ASSETS						
Cash and cash equivalents	\$ 16,909	\$	\$ 763,085	\$ 1,442,560	\$ 211,378	\$ 2,324
Investments				36,815		
Accounts receivables, net						
Supplies						
Total Assets	\$ 16,909	\$ -	\$ 763,085	\$ 1,479,375	\$ 211,378	\$ 2,324
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued items	\$	\$ 633	\$ 2,099	\$ 6,132	\$ 13,775	\$
Unearned revenue						
Due to other funds		2,458		2,235	66,333	
Total liabilities	-	3,091	2,099	8,367	80,108	-
Deferred Inflows of Resources:						
Unearned revenue - loans receivable						
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances:						
Nonspendable						
Restricted			137,360			
Committed	16,909		623,626	1,471,008	131,270	2,324
Unassigned		(3,091)				
Total fund balances	16,909	(3,091)	760,986	1,471,008	131,270	2,324
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 16,909	\$ -	\$ 763,085	\$ 1,479,375	\$ 211,378	\$ 2,324

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**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021**

	Special Revenue Funds					
	Pitkin Community Center	Mill Woods Fund	Mayor Volunteer Recognition	Public Library Trust	Katherine E. Smith Trust	Frank Weston Trust
ASSETS						
Cash and cash equivalents	\$ 65,507	\$ 149,690	\$ 2,964	\$ 142,093	\$ 16,747	\$ 301,156
Investments				192,230		
Accounts receivables, net						
Supplies						
Total Assets	\$ 65,507	\$ 149,690	\$ 2,964	\$ 334,323	\$ 16,747	\$ 301,156
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued items	\$	\$ 9,060	\$	\$ 3,933	\$	\$
Unearned revenue						
Due to other funds						
Total liabilities	-	9,060	-	3,933	-	-
Deferred Inflows of Resources:						
Unearned revenue - loans receivable						
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances:						
Nonspendable						
Restricted				330,390	16,747	301,156
Committed	65,507	140,630	2,964			
Unassigned						
Total fund balances	65,507	140,630	2,964	330,390	16,747	301,156
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 65,507	\$ 149,690	\$ 2,964	\$ 334,323	\$ 16,747	\$ 301,156

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**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021**

	<u>Special Revenue Funds</u>			<u>Permanent</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Wethersfield Fuel Bank</u>	<u>Youth Advisory Board</u>	<u>Police Canine Fund</u>	<u>Jane Sjomana Library Trust</u>	
ASSETS					
Cash and cash equivalents	\$ 66,379	\$ 2,480	\$ 16,203	\$ 351	\$ 6,776,137
Investments				344,550	573,595
Accounts receivables, net					1,829,049
Supplies					31,451
Total Assets	<u>\$ 66,379</u>	<u>\$ 2,480</u>	<u>\$ 16,203</u>	<u>\$ 344,901</u>	<u>\$ 9,210,232</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued items	\$	\$	\$	\$	\$ 291,344
Unearned revenue					1,238,135
Due to other funds					526,731
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,056,210</u>
Deferred Inflows of Resources:					
Unearned revenue - loans receivable					436,447
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>436,447</u>
Fund Balances:					
Nonspendable				282,045	313,496
Restricted	66,379	2,480	16,203	62,856	1,381,791
Committed					5,102,044
Unassigned					(79,756)
Total fund balances	<u>66,379</u>	<u>2,480</u>	<u>16,203</u>	<u>344,901</u>	<u>6,717,575</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 66,379</u>	<u>\$ 2,480</u>	<u>\$ 16,203</u>	<u>\$ 344,901</u>	<u>\$ 9,210,232</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds					
	Animal Control	Small Cities Housing Rehabilitation	School Cafeteria	State and Federal Grants		
				Municipal	Education	Police
Revenues:						
Intergovernmental revenues	\$	\$	\$ 1,277,333	\$ 195,848	\$ 2,789,979	\$ 78,944
Licenses, fees and permits	14,549					
Charges for services			41,689			
Investment gain		11				1,451
Donations						564
Other revenue				9,910		
Total revenues	<u>14,549</u>	<u>11</u>	<u>1,319,022</u>	<u>205,758</u>	<u>2,789,979</u>	<u>80,959</u>
Expenditures:						
Current:						
Public safety	8,575					29,214
Recreation and parks						
Social services						
Library						
General government				314,688		
Education			1,522,667		2,793,186	
Capital outlay						240,570
Total expenditures	<u>8,575</u>	<u>-</u>	<u>1,522,667</u>	<u>314,688</u>	<u>2,793,186</u>	<u>269,784</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,974</u>	<u>11</u>	<u>(203,645)</u>	<u>(108,930)</u>	<u>(3,207)</u>	<u>(188,825)</u>
Other Financing Sources (Uses):						
Transfers in				2,477		
Transfers out						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,477</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	5,974	11	(203,645)	(106,453)	(3,207)	(188,825)
Fund Balances at Beginning of Year, as restated	<u>53,557</u>	<u>108,289</u>	<u>1,167,997</u>	<u>29,788</u>	<u>248,027</u>	<u>283,925</u>
Fund Balances at End of Year	<u>\$ 59,531</u>	<u>\$ 108,300</u>	<u>\$ 964,352</u>	<u>\$ (76,665)</u>	<u>\$ 244,820</u>	<u>\$ 95,100</u>

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**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds					
	<u>Cove Preservation</u>	<u>Land Acquisition</u>	<u>EDIC Loan Repayment</u>	<u>Nature Center</u>	<u>Police Private Duty</u>	<u>Agricultural Land Preservation</u>
Revenues:						
Intergovernmental revenues	\$	\$	\$	\$	\$	\$
Licenses, fees and permits						
Charges for services	31,131				965,607	
Investment gain	334	12				527
Donations				1,212		
Other revenue			14,667			
Total revenues	<u>31,465</u>	<u>12</u>	<u>14,667</u>	<u>1,212</u>	<u>965,607</u>	<u>527</u>
Expenditures:						
Current:						
Public safety					781,521	
Recreation and parks	16,636			81,011		
Social services						
Library						
General government			45,246			
Education						
Capital outlay						
Total expenditures	<u>16,636</u>	<u>-</u>	<u>45,246</u>	<u>81,011</u>	<u>781,521</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>14,829</u>	<u>12</u>	<u>(30,579)</u>	<u>(79,799)</u>	<u>184,086</u>	<u>527</u>
Other Financing Sources (Uses):						
Transfers in				4,100		
Transfers out					(100,000)	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,100</u>	<u>(100,000)</u>	<u>-</u>
Net Change in Fund Balances	14,829	12	(30,579)	(75,699)	84,086	527
Fund Balances at Beginning of Year, as restated	<u>258,492</u>	<u>8,996</u>	<u>54,831</u>	<u>188,224</u>	<u>250,260</u>	<u>381,459</u>
Fund Balances at End of Year	<u>\$ 273,321</u>	<u>\$ 9,008</u>	<u>\$ 24,252</u>	<u>\$ 112,525</u>	<u>\$ 334,346</u>	<u>\$ 381,986</u>

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**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds					
	Recreation Fund	Community Development Fund	Park Programs	Social and Youth Services	BOE District Activities	BOE Student Activities
Revenues:						
Intergovernmental revenues	\$	\$	\$	\$ 8,051	\$	\$
Licenses, fees and permits					39,417	
Charges for services	212,387			5,402	262,842	140,630
Investment gain				683	343	
Donations	2,775	2,006	15,702	116,994	325	
Other revenue					6,160	
Total revenues	<u>215,162</u>	<u>2,006</u>	<u>15,702</u>	<u>131,130</u>	<u>309,087</u>	<u>140,630</u>
Expenditures:						
Current:						
Public safety						
Recreation and parks	80,601		27,251			
Social services				48,029		
Library						
General government		1,806				
Education					296,123	181,992
Capital outlay						
Total expenditures	<u>80,601</u>	<u>1,806</u>	<u>27,251</u>	<u>48,029</u>	<u>296,123</u>	<u>181,992</u>
Excess (Deficiency) of Revenues over Expenditures	<u>134,561</u>	<u>200</u>	<u>(11,549)</u>	<u>83,101</u>	<u>12,964</u>	<u>(41,362)</u>
Other Financing Sources (Uses):						
Transfers in						
Transfers out						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	134,561	200	(11,549)	83,101	12,964	(41,362)
Fund Balances at Beginning of Year, as restated	<u>385,375</u>	<u>16,709</u>	<u>8,458</u>	<u>677,885</u>	<u>1,458,044</u>	<u>172,632</u>
Fund Balances at End of Year	<u>\$ 519,936</u>	<u>\$ 16,909</u>	<u>\$ (3,091)</u>	<u>\$ 760,986</u>	<u>\$ 1,471,008</u>	<u>\$ 131,270</u>

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds					
	Solomon Welles House	Pitkin Community Center	Mill Woods Fund	Mayor Volunteer Recognition	Public Library Trust	Katherine E. Smith Trust
Revenues:						
Intergovernmental revenues	\$	\$	\$	\$	\$ 7,803	\$
Licenses, fees and permits						
Charges for services	1,600	10,731	13,525			
Investment gain				6	43,007	31
Donations					7,121	
Other revenue					1,338	
Total revenues	<u>1,600</u>	<u>10,731</u>	<u>13,525</u>	<u>6</u>	<u>59,269</u>	<u>31</u>
Expenditures:						
Current:						
Public safety						
Recreation and parks		3,445	9,221			
Social services						
Library					15,548	
General government						
Education						
Capital outlay						
Total expenditures	<u>-</u>	<u>3,445</u>	<u>9,221</u>	<u>-</u>	<u>15,548</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,600</u>	<u>7,286</u>	<u>4,304</u>	<u>6</u>	<u>43,721</u>	<u>31</u>
Other Financing Sources (Uses):						
Transfers in					15,000	
Transfers out						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
Net Change in Fund Balances	1,600	7,286	4,304	6	58,721	31
Fund Balances at Beginning of Year, as restated	<u>724</u>	<u>58,221</u>	<u>136,326</u>	<u>2,958</u>	<u>271,669</u>	<u>16,716</u>
Fund Balances at End of Year	<u>\$ 2,324</u>	<u>\$ 65,507</u>	<u>\$ 140,630</u>	<u>\$ 2,964</u>	<u>\$ 330,390</u>	<u>\$ 16,747</u>

(Continued on next page)

TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds				Permanent	Eliminating Entries	Total Nonmajor Governmental Funds
	Frank Weston Trust	Wethersfield Fuel Bank	Youth Advisory Board	Police Canine Fund	Jane Sjoman Library Trust		
Revenues:							
Intergovernmental revenues	\$	\$	\$	\$	\$	\$	\$ 4,357,958
Licenses, fees and permits							53,966
Charges for services		380	1,720	50			1,687,694
Investment gain	18,657				33,498		98,560
Donations					12,791		159,490
Other revenue							32,075
Total revenues	<u>18,657</u>	<u>380</u>	<u>1,720</u>	<u>50</u>	<u>46,289</u>	<u>-</u>	<u>6,389,743</u>
Expenditures:							
Current:							
Public safety							819,310
Recreation and parks							218,165
Social services							48,029
Library					2,415		17,963
General government	1,310	961	1,000	1,481			366,492
Education							4,793,968
Capital outlay							240,570
Total expenditures	<u>1,310</u>	<u>961</u>	<u>1,000</u>	<u>1,481</u>	<u>2,415</u>	<u>-</u>	<u>6,504,497</u>
Excess (Deficiency) of Revenues over Expenditures	<u>17,347</u>	<u>(581)</u>	<u>720</u>	<u>(1,431)</u>	<u>43,874</u>	<u>-</u>	<u>(114,754)</u>
Other Financing Sources (Uses):							
Transfers in						(15,000)	6,577
Transfers out					(15,000)	15,000	(100,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>	<u>(93,423)</u>
Net Change in Fund Balances	17,347	(581)	720	(1,431)	28,874		(208,177)
Fund Balances at Beginning of Year, as restated	<u>283,809</u>	<u>66,960</u>	<u>1,760</u>	<u>17,634</u>	<u>316,027</u>		<u>6,925,752</u>
Fund Balances at End of Year	<u>\$ 301,156</u>	<u>\$ 66,379</u>	<u>\$ 2,480</u>	<u>\$ 16,203</u>	<u>\$ 344,901</u>	<u>\$ -</u>	<u>\$ 6,717,575</u>

Internal Service Funds

Internal Service Funds are used to account for any activity that provides goods or services to other funds, departments or agencies of the primary government on a cost-reimbursement basis.

Heart and Hypertension Fund - To account for monies accumulated to pay claims for police officers, hired before 1995, who incur hypertension or heart problems as a result of work conditions.

Hospital and Medical Insurance Fund - To account for the operation of a medical liability fund for Town and Board of Education employee claims. Financing is provided by General Fund contributions, employee contributions and investment earnings.

**TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021**

	<u>Heart and Hypertension</u>	<u>Hospital and Medical Insurance</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 796,871	\$ 7,595,761	\$ 8,392,632
Accounts receivable		403,754	403,754
Total assets	<u>796,871</u>	<u>7,999,515</u>	<u>8,796,386</u>
Liabilities:			
Current:			
Accounts payable and accrued liabilities		527,192	527,192
Claims incurred but not reported	125,000	489,300	614,300
Total current liabilities	<u>125,000</u>	<u>1,016,492</u>	<u>1,141,492</u>
Noncurrent:			
Claims incurred but not reported	380,000		380,000
Total liabilities	<u>505,000</u>	<u>1,016,492</u>	<u>1,521,492</u>
Net Position	<u>\$ 291,871</u>	<u>\$ 6,983,023</u>	<u>\$ 7,274,894</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Heart and Hypertension</u>	<u>Hospital and Medical Insurance</u>	<u>Total</u>
Operating Revenues:			
Contributions	\$ 55,000	\$ 10,964,942	\$ 11,019,942
Other revenue		510,546	510,546
	<u>55,000</u>	<u>11,475,488</u>	<u>11,530,488</u>
Operating Expenses:			
Employee benefits	3,788	8,419,659	8,423,447
Other expenses		228,848	228,848
Total operating expenses	<u>3,788</u>	<u>8,648,507</u>	<u>8,652,295</u>
Operating Income (Loss)	51,212	2,826,981	2,878,193
Nonoperating Revenue:			
Income on investments	<u>1,189</u>	<u>2,268</u>	<u>3,457</u>
Change in Net Position	52,401	2,829,249	2,881,650
Net Position at Beginning of Year	<u>239,470</u>	<u>4,153,774</u>	<u>4,393,244</u>
Net Position at End of Year	<u>\$ 291,871</u>	<u>\$ 6,983,023</u>	<u>\$ 7,274,894</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Heart and Hypertension</u>	<u>Hospital and Medical Insurance</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Contributions	\$ 55,000	\$ 10,561,188	\$ 10,616,188
Other revenues		510,546	510,546
Payments to vendors		(228,848)	(228,848)
Payments for employee benefits	(95,666)	(8,064,181)	(8,159,847)
Payments to other funds			-
Net cash provided by (used in) operating activities	<u>(40,666)</u>	<u>2,778,705</u>	<u>2,738,039</u>
Cash Flows from Investing Activities:			
Income on investments	<u>1,189</u>	<u>2,268</u>	<u>3,457</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(39,477)	2,780,973	2,741,496
Cash and Cash Equivalents at Beginning of Year	<u>836,348</u>	<u>4,814,788</u>	<u>5,651,136</u>
Cash and Cash Equivalents at End of Year	<u>\$ 796,871</u>	<u>\$ 7,595,761</u>	<u>\$ 8,392,632</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:			
Operating income (loss)	\$ <u>51,212</u>	\$ <u>2,826,981</u>	\$ <u>2,878,193</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
(Increase) decrease in accounts receivable		(403,754)	(403,754)
Increase (decrease) in accrued expenses	(91,878)	355,478	263,600
Increase (decrease) in amounts due to other funds			-
Total adjustments	<u>(91,878)</u>	<u>(48,276)</u>	<u>(140,154)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (40,666)</u>	<u>\$ 2,778,705</u>	<u>\$ 2,738,039</u>

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations or other governments.

Custodial Funds

Custodial funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

Wethersfield Teen Theater - To account for the income and expenses for the programs and performances produced by Wethersfield Teen Theater Company

Wethersfield Ski/Snowboard Club - This fund accounts for the income and expenditures for ski trips for members of the club.

Handicapped - This fund is used by the Wethersfield Advisory Committee for People with Disabilities (WACPD). Donations received on behalf of WACPD are recorded here and various program expenses are paid from this account.

Barracudas – This fund accounts for the activities of the Barracudas swim team.

**TOWN OF WETHERSFIELD, CONNECTICUT
 FIDUCIARY FUNDS
 CUSTODIAL FUNDS
 COMBINING STATEMENT OF NET POSITION
 JUNE 30, 2021**

	<u>Wethersfield Teen Theatre</u>	<u>Wethersfield Ski Club</u>	<u>Barracudas</u>	<u>Handicapped</u>	<u>Total</u>
Assets:					
Cash and cash equivalents	\$ 35,858	\$ 3,389	\$ 106,702	\$ 6,125	\$ 152,074
Net Position:					
Restricted for:					
Individual, organizations and other governments	<u>\$ 35,858</u>	<u>\$ 3,389</u>	<u>\$ 106,702</u>	<u>\$ 6,125</u>	<u>\$ 152,074</u>

TOWN OF WETHERSFIELD, CONNECTICUT
FIDUCIARY FUNDS
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
JUNE 30, 2021

	Wethersfield Teen Theatre	Wethersfield Ski Club	Barracudas	Handicapped Reserve	Total
Additions:					
Fees	\$ 2,650	\$ -	\$ 3,705	\$ 9	\$ 6,364
Total operating revenues	<u>2,650</u>	<u>-</u>	<u>3,705</u>	<u>9</u>	<u>6,364</u>
Deductions:					
Administrative expense	1,001	-	1,568	596	3,165
Total operating expenses	<u>1,001</u>	<u>-</u>	<u>1,568</u>	<u>596</u>	<u>3,165</u>
Net Increase (Decrease) in Fiduciary Net Position	1,649	-	2,137	(587)	3,199
Net Position at Beginning of Year, as restated	<u>34,209</u>	<u>3,389</u>	<u>104,565</u>	<u>6,712</u>	<u>148,875</u>
Net Position at End of Year	<u>\$ 35,858</u>	<u>\$ 3,389</u>	<u>\$ 106,702</u>	<u>\$ 6,125</u>	<u>\$ 152,074</u>

Statistical Section

This part of the Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

CONTENTS

FINANCIAL TRENDS (TABLES 1 - 4)

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

REVENUE CAPACITY (TABLES 5 - 7)

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

DEBT CAPACITY (TABLES 8 - 11)

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION (TABLES 12 -13)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

OPERATING INFORMATION (TABLES 14 -17)

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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

**TOWN OF WETHERSFIELD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities:										
Net investment in capital assets	\$ 123,242,921	\$ 120,665,516	\$ 116,760,649	\$ 112,502,628	\$ 111,446,865	\$ 106,816,918	\$ 93,738,035	\$ 77,282,542	\$ 64,698,440	\$ 60,790,134
Restricted	2,100,283									
Unrestricted	<u>(24,648,227)</u>	<u>(29,305,758)</u>	<u>(30,072,656)</u>	<u>(27,295,149)</u>	<u>(26,546,032)</u> **	<u>(2,203,031)</u>	<u>1,467,707</u> *	<u>(3,269,764)</u>	<u>13,382,945</u>	<u>14,390,884</u>
Total Governmental Activities Net Position	<u>\$ 100,694,977</u>	<u>\$ 91,359,758</u>	<u>\$ 86,687,993</u>	<u>\$ 85,207,479</u>	<u>\$ 84,900,833</u>	<u>\$ 104,613,887</u>	<u>\$ 95,205,742</u>	<u>\$ 74,012,778</u>	<u>\$ 78,081,385</u>	<u>\$ 75,181,018</u>

* As restated for GASB 68.

** As restated for GASB 75.

**TOWN OF WETHERSFIELD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Governmental activities:										
Public works	\$ 15,558,234	\$ 14,603,925	\$ 10,474,591	\$ 9,819,276	\$ 9,342,659	\$ 8,726,111	\$ 9,474,335	\$ 9,040,742	\$ 9,052,561	\$ 8,062,107
Public safety services	12,963,123	12,178,000	12,752,178	11,901,837	11,600,953	11,621,439	10,694,498	10,871,506	9,469,067	11,684,463
Parks and recreation	2,424,724	2,395,985	3,087,717	2,958,306	2,941,305	2,721,942	2,699,321	2,575,688	2,504,890	2,431,634
Social services	929,129	1,030,629	1,020,472	951,409	955,955	906,463	841,902	872,960	916,118	899,022
Public libraries	1,850,906	1,794,289	1,912,089	1,676,678	1,835,997	1,918,665	1,838,617	1,797,565	1,849,613	1,182,315
General government	10,014,036	13,589,268	16,261,918	11,874,286	12,064,810	11,408,249	10,167,558	10,667,975	8,795,849	10,115,110
Board of Education	82,277,911	79,229,510	70,545,666	79,692,878	75,959,892	71,283,156	67,162,907	66,169,559	62,031,714	60,270,152
Interest expense	404,521	1,306,087	1,835,521	2,103,966	1,253,374	1,296,955	1,322,693	885,554	1,090,685	1,119,552
Total governmental activities expenses	<u>126,422,584</u>	<u>126,127,693</u>	<u>117,890,152</u>	<u>120,978,636</u>	<u>115,954,945</u>	<u>109,882,980</u>	<u>104,201,831</u>	<u>102,881,549</u>	<u>95,710,497</u>	<u>95,764,355</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
Public works	385,071	375,225	410,529	363,766	362,877	305,091	318,950	339,842	342,583	338,366
Public safety services	1,043,802	755,615	760,113	836,372	845,257	919,646	551,260	624,719	721,490	588,432
Parks and recreation	324,148	702,453	1,109,194	1,102,722	1,071,472	964,251	913,360	1,006,475	1,013,214	936,690
Social services	18,738	55,119	59,517	61,642	68,768	71,521	65,830	38,644	82,476	47,920
Public libraries	2,028	11,776	18,362	20,452	20,582	20,954	20,661	19,499	20,505	22,402
General government	1,239,629	1,019,257	1,115,984	809,967	893,683	834,371	845,290	863,980	797,320	527,098
Board of Education	1,049,846	1,851,125	1,797,467	2,108,137	1,712,458	1,971,752	1,142,670	1,148,488	1,138,070	856,109
Operating grants and contributions:										
Public works	49,848	170,124	610,384	54,179						
Public safety services	78,944	176,215	458,246	397,420	462,738	197,447	407,232	142,368		
Parks and recreation		64,467	47,915	39,611	26,282	7,260	14,283	6,740	1,308	15,490
Social services	40,595	184,965	169,280	128,209	116,678	126,433	158,378	95,039	83,941	137,657
Public libraries	7,804									
General government	1,385,987	972,276	503,003	917,536	765,532	367,372	195,700	93,590	271,789	1,662,546
Board of Education	33,393,390	27,380,401	18,619,941	23,919,832	23,822,547	19,308,066	17,332,676	18,252,183	16,477,735	16,345,046
Interest expense										
Capital grants and contributions:										
Public works										
Public safety services								28,148	28,318	16,785
Parks and recreation										22,750
General government	151,185	399,515	400,067	398,318	580,888	1,316,439	992,706	1,740,674	3,027,652	587,273
Board of Education					7,650,425	6,578,132	19,772,979	2,339,117		
Interest expense							722	2,308	4,588	8,793
Total governmental activities program revenues	<u>39,171,015</u>	<u>34,118,533</u>	<u>26,080,002</u>	<u>31,158,163</u>	<u>38,400,187</u>	<u>32,988,735</u>	<u>42,732,697</u>	<u>26,741,814</u>	<u>24,010,989</u>	<u>22,113,357</u>
Net Expense:										
Governmental activities	<u>(87,251,569)</u>	<u>(92,009,160)</u>	<u>(91,810,150)</u>	<u>(89,820,473)</u>	<u>(77,554,758)</u>	<u>(76,894,245)</u>	<u>(61,469,134)</u>	<u>(76,139,735)</u>	<u>(71,699,508)</u>	<u>(73,650,998)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	94,212,498	95,228,931	91,436,733	88,972,881	85,041,576	85,148,981	81,433,650	78,817,531	76,401,591	73,231,383
Unrestricted grants and contributions	515,304	511,741	526,845	545,185	807,499	860,690	1,001,332	1,049,249	1,403,997	1,191,315
Investment income	342,853	608,781	844,677	342,961	245,936	125,630	114,539	221,453	71,300	91,636
Miscellaneous	365,968	331,472	482,409	266,092	321,193	167,089	112,577	427,468	270,760	599,875
Total governmental activities	<u>95,436,623</u>	<u>96,680,925</u>	<u>93,290,664</u>	<u>90,127,119</u>	<u>86,416,204</u>	<u>86,302,390</u>	<u>82,662,098</u>	<u>80,515,701</u>	<u>78,147,648</u>	<u>75,114,209</u>
Change in Net Position:										
Governmental activities	<u>\$ 8,185,054</u>	<u>\$ 4,671,765</u>	<u>\$ 1,480,514</u>	<u>\$ 306,646</u>	<u>\$ 8,861,446</u>	<u>\$ 9,408,145</u>	<u>\$ 21,192,964</u>	<u>\$ 4,375,966</u>	<u>\$ 6,448,140</u>	<u>\$ 1,463,211</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund:										
Nonspendable	\$ 111,018	\$ 111,018	\$	\$	\$	\$	\$	\$	\$	\$
Committed	329,846	304,404	482,836	368,143	291,386	441,233	388,603	414,179	373,793	405,817
Assigned	1,854,873	2,192,306	512,123	624,718	524,665	481,480	517,910	1,126,833	796,624	829,460
Unassigned	12,813,487	12,561,561	13,072,824	11,466,236	11,298,466	10,910,168	10,725,165	10,247,688	9,311,165	8,910,168
Total General Fund	<u>\$ 15,109,224</u>	<u>\$ 15,169,289</u>	<u>\$ 14,067,783</u>	<u>\$ 12,459,097</u>	<u>\$ 12,114,517</u>	<u>\$ 11,832,881</u>	<u>\$ 11,631,678</u>	<u>\$ 11,788,700</u>	<u>\$ 10,481,582</u>	<u>\$ 10,145,445</u>
All other governmental funds:										
Nonspendable	\$ 313,496	\$ 26,213	\$ 14,804	\$ 12,682	\$ 9,684	\$ 36,506	\$	\$ 21,433	\$ 19,625	\$ 12,704
Restricted	1,381,791	807,389	838,844	806,931	1,259,870	1,254,389	36,506	1,694,997	876,818	779,457
Committed	12,176,433	11,856,059	12,156,834	12,952,728	12,084,692	9,967,799	1,219,264	7,321,917	6,204,621	3,538,659
Assigned							8,003,570			289,868
Unassigned	(2,602,006)	(2,294,492)	(1,831,589)	(556)		(6,286,746)	(3,273,018)	(10,399,004)	(2,154,154)	(297)
Total All Other Governmental Funds	<u>\$ 11,269,714</u>	<u>\$ 10,395,169</u>	<u>\$ 11,178,893</u>	<u>\$ 13,771,785</u>	<u>\$ 13,354,246</u>	<u>\$ 4,971,948</u>	<u>\$ 5,986,322</u>	<u>\$ (1,360,657)</u>	<u>\$ 4,946,910</u>	<u>\$ 4,620,391</u>

**TOWN OF WETHERSFIELD, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Property taxes	\$ 95,101,796	\$ 94,395,726	\$ 91,884,522	\$ 88,833,928	\$ 85,386,478	\$ 84,391,703	\$ 81,635,554	\$ 78,960,972	\$ 75,928,171	\$ 72,867,903
Intergovernmental	27,330,779	25,666,549	25,753,557	21,705,109	35,028,425	28,624,029	39,784,639	23,730,476	21,302,950	19,989,038
Charges for services	3,371,356	3,949,537	4,166,539	4,278,115	4,237,830	4,551,209	3,289,521	3,459,316	3,665,373	3,056,033
Licenses and permits	709,832	745,555	1,024,088	790,978	737,242	536,377	568,500	709,725	441,556	317,830
Fines and forfeits										
Investment income	339,396	549,884	760,603	294,912	224,054	116,108	111,742	216,409	61,731	73,932
Donations	159,490	410,401	202,475	197,312	159,622	106,560	130,263	65,303	91,038	138,732
Other revenues	206,478	448,064	622,201	703,609	343,566	272,596	212,746	375,124	447,740	377,533
Total revenues	<u>127,219,127</u>	<u>126,165,716</u>	<u>124,413,985</u>	<u>116,803,963</u>	<u>126,117,217</u>	<u>118,598,582</u>	<u>125,732,965</u>	<u>107,517,325</u>	<u>101,938,559</u>	<u>96,821,001</u>
Expenditures:										
Public safety services	12,352,491	11,778,629	11,463,098	10,928,126	10,686,562	10,514,887	9,891,938	9,750,803	9,094,957	9,023,877
Public works	14,157,707	13,592,161	8,629,434	8,527,994	8,498,959	7,995,062	8,808,425	8,298,582	7,920,378	7,693,359
Parks and recreation	1,982,207	2,300,499	2,696,398	2,498,140	2,570,263	2,415,103	2,419,974	2,291,951	2,140,658	2,131,940
Health and social services	793,459	1,030,629	1,020,472	951,409	955,955	906,463	841,902	858,254	916,118	899,022
Public libraries	1,977,347	2,003,566	1,916,795	1,818,065	1,833,535	1,921,462	1,833,101	1,799,942	1,732,883	1,736,854
General government	12,766,544	13,160,377	11,722,505	11,219,184	11,214,277	9,619,806	9,045,480	9,227,221	9,205,330	9,809,029
Board of Education	72,288,325	70,223,818	73,767,188	69,820,319	72,815,696	68,238,273	64,687,257	63,751,986	60,833,027	58,320,318
Capital outlay and improvement	3,473,962	6,707,672	7,877,360	6,554,202	14,368,012	24,945,737	41,583,800	16,714,274	5,774,952	1,823,605
Debt service:										
Principal	6,140,190	5,687,962	5,853,037	5,269,973	4,713,875	3,913,323	3,161,015	2,736,085	3,400,233	3,147,266
Interest	1,622,580	1,762,621	1,962,140	2,128,151	1,297,770	1,220,547	1,047,577	911,243	909,019	1,127,624
Bond issuance cost				89,325	42,255	57,359	104,442		62,753	10,000
Total expenditures	<u>127,554,812</u>	<u>128,247,934</u>	<u>126,908,427</u>	<u>119,804,888</u>	<u>128,997,159</u>	<u>131,748,022</u>	<u>143,424,911</u>	<u>116,340,341</u>	<u>101,990,308</u>	<u>95,722,894</u>
Excess of Revenues Over (Under)										
Expenditures	<u>(335,685)</u>	<u>(2,082,218)</u>	<u>(2,494,442)</u>	<u>(3,000,925)</u>	<u>(2,879,942)</u>	<u>(13,149,440)</u>	<u>(17,691,946)</u>	<u>(8,823,016)</u>	<u>(51,749)</u>	<u>1,098,107</u>
Other Financing Sources (Uses):										
Note proceeds										795,000
Proceeds from capital lease			1,510,236	3,643,994	1,084,625	518,402	906,523	3,822,567	605,964	341,065
Bond issuance		2,400,000		4,380,000	8,800,000	11,000,000	22,000,000		6,170,000	
Payments to escrow agents				(5,250,407)					(6,610,679)	
Bond premium				989,457	890,639	817,867	1,975,380		549,120	
Transfers in	3,030,542	3,107,598	2,749,352	3,178,265	2,791,886	2,797,239	2,811,597	2,408,514	1,892,525	2,613,627
Transfers out	<u>(3,030,542)</u>	<u>(3,107,598)</u>	<u>(2,749,352)</u>	<u>(3,178,265)</u>	<u>(2,791,886)</u>	<u>(2,797,239)</u>	<u>(2,811,597)</u>	<u>(2,408,514)</u>	<u>(1,892,525)</u>	<u>(4,066,185)</u>
Total other financing sources (uses)		<u>2,400,000</u>	<u>1,510,236</u>	<u>3,763,044</u>	<u>10,775,264</u>	<u>12,336,269</u>	<u>24,881,903</u>	<u>3,822,567</u>	<u>714,405</u>	<u>(316,493)</u>
Net Change in Fund Balances	(335,685)	317,782	(984,206)	762,119	7,895,322	(813,171)	7,189,957	(5,000,449)	662,656	781,614
Fund Balance at Beginning of Year	<u>26,714,623</u> **	<u>25,246,676</u>	<u>26,230,882</u>	<u>25,468,763</u>	<u>17,573,441</u> *	<u>13,021,633</u>	<u>5,831,676</u>	<u>10,832,125</u>	<u>10,169,469</u>	<u>9,387,855</u>
Fund Balance at End of Year	<u>\$ 26,378,938</u>	<u>\$ 25,564,458</u>	<u>\$ 25,246,676</u>	<u>\$ 26,230,882</u>	<u>\$ 25,468,763</u>	<u>\$ 12,208,462</u>	<u>\$ 13,021,633</u>	<u>\$ 5,831,676</u>	<u>\$ 10,832,125</u>	<u>\$ 10,169,469</u>
Debt Service as a Percentage of Noncapital Expenditures	6.3%	6.1%	6.6%	6.5%	5.2%	4.8%	4.1%	3.7%	4.5%	4.6%
Total Debt Service	\$ 7,762,770	\$ 7,450,583	\$ 7,815,177	\$ 7,398,124	\$ 6,011,645	\$ 5,133,870	\$ 4,208,592	\$ 3,647,328	\$ 4,309,252	\$ 4,274,890
Noncapital Expenditures	124,080,850	121,540,262	119,031,067	113,250,686	114,629,147	106,802,285	101,841,111	99,626,067	96,215,356	93,899,289

* Restated for GASB 67/68 and GASB 74/75

**TOWN OF WETHERSFIELD, CONNECTICUT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Grand List	Real Estate Assessed Value	Motor Vehicle Assessed Value	Personal Property Assessed Value	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Percentage of Total Assessed Value to Total Estimated Value
2021	2019	\$ 2,054,237,167	\$ 191,032,246	\$ 92,463,770	\$ 2,337,733,183	40.69	\$ 3,339,618,833	70.00%
2020	2018	** 2,049,996,465	188,778,110	82,709,530	2,321,484,105	40.74	3,316,405,864	70.00%
2019	2017	1,985,507,288	186,401,685	79,540,170	2,251,449,143	40.78	3,216,355,920	70.00%
2018	2016	1,980,918,150	183,195,076	78,845,750	2,242,958,976	39.77/39.00	3,204,227,109	70.00%
2017	2015	1,962,574,380	177,566,730	73,717,320	2,213,858,430	38.54/37.00	3,162,654,900	70.00%
2016	2014	1,961,353,130	178,213,540	73,834,070	2,213,400,740	38.19	3,162,001,057	70.00%
2015	2013	** 1,956,380,374	174,963,914	68,039,540	2,199,383,828	36.74	3,141,976,897	70.00%
2014	2012	2,095,236,650	174,448,920	65,255,310	2,334,940,880	33.46	3,335,629,829	70.00%
2013	2011	2,091,227,140	173,905,870	64,462,120	2,329,595,130	32.58	3,327,993,043	70.00%
2012	2010	2,098,982,360	165,099,010	66,153,140	2,330,234,510	31.42	3,328,906,443	70.00%

Source: Town Assessor Department.

Assessed values were taken from Board of Tax Appeal corrected abstracts. Motor vehicle includes supplement.

Ratios are predicated on the State of Connecticut Office of Policy and Management Sales/Ratio.

Personal property value is based on a 70% assessment ratio.

Personal property was adjusted to reflect newly-enacted exemption for manufacturing/research equipment starting with 1991 list.

Tax-exempt property not broken out by category.

** Revaluation of the Grand List 10/1/2013 and 10/1/2018.

(1) Motor vehicle tax rate capped at 37.00 mills and 39.00 mills by State Statute on Grand Lists 10/1/2015 and 10/1/2016 respectively.

(2) Tax rate reflects combined rate for general levy and road levy instituted on Grand List 10/1/2011.

TABLE 6

**TOWN OF WETHERSFIELD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS PRIOR**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List
Wethersfield Apartments Assoc. LLC	\$ 23,310,000	1	1.00%	\$ 22,346,700	1	0.96%
Executive Square LTD Partnership	17,500,000	2	0.75%	11,011,290	5	0.48%
Cedar- Jordan Lane LLC	15,848,780	3	0.68%	15,535,400	2	0.67%
CT Light & Power Co	15,729,960	4	0.67%	8,835,300	7	0.38%
Wethersfield Shopping Center LLC	14,700,000	5	0.63%	10,791,600	6	0.47%
100 Great Meadow Road	12,950,000	6	0.55%	12,511,200	4	0.54%
CT Natural Gas Corp.	12,503,700	7	0.53%	7,387,600	8	0.32%
Goodwin Gardens LLC	8,431,170	8	0.36%	5,810,800	10	0.25%
Extra Space Properties 131 LLC	6,300,000	9	0.27%	n/a		
Goff Brook Shoppes of Wethersfield LLC	6,090,000	10	0.26%	n/a		
1290 Realty LLC	n/a			5,925,800	9	0.26%
Crosstone Realty Assoc Et Al	n/a			12,747,800	3	0.55%
Total	\$ 133,363,610		5.70%	\$ 112,903,490		4.87%

Note: Based on net taxable grand list October 1, 2019 and October 1, 2008

**TOWN OF WETHERSFIELD, CONNECTICUT
PROPERTY TAX RATES, LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	(1) - (4) Mill Rate	Grand List of October 1,	Total Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	Percentage of Levy Collected	Current Delinquent Balance
				Amount	Percentage of Levy				
2021	40.69	2019	\$ 94,625,375	\$ 93,972,194	99.31%	\$ -	\$ 93,972,194	99.31%	\$ 653,181
2020	** 40.74	2018	94,126,544	93,317,041	99.14%	570,576	93,887,617	99.75%	238,927
2019	40.78	2017	91,583,397	90,739,110	99.08%	702,997	91,442,107	99.85%	141,290
2018	39.77/39.00	2016	88,509,821	87,730,706	99.12%	674,218	88,404,924	99.88%	104,897
2017	38.54/37.00	2015	85,285,762	84,613,505	99.21%	586,986	85,200,491	99.90%	85,271
2016	38.19	2014	84,328,767	83,571,259	99.10%	645,994	84,217,253	99.87%	111,514
2015	** 36.74	2013	80,862,791	80,159,424	99.13%	612,220	80,771,644	99.89%	91,147
2014	33.46	2012	78,123,892	77,323,986	98.98%	716,969	78,040,954	99.89%	82,938
2013	*** 32.58	2011	75,725,740	74,937,876	98.96%	722,392	75,660,268	99.91%	65,472
2012	31.42	2010	72,559,503	71,782,216	98.93%	713,231	72,495,447	99.91%	64,056

Source: Town Audit Reports.

** Revaluation of the Grand List 10/1/2013 and 10/1/2018.

*** Includes road levy instituted in fiscal year 2013.

(1) There is no overlapping of tax rates.

(2) Tax levy is per \$1,000 of the assessed value of taxable property.

(3) Motor vehicle tax rate capped at 37.00 mills and 39.00 mills by State Statute on Grand Lists 10/1/2015 and 10/1/2016 respectively.

(4) Tax rate reflects combined rate for general levy and road levy instituted on Grand List 10/1/2011.

**TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
COMPARATIVE SCHEDULE BY SOURCE
JUNE 30, 2021**

(In Thousands)

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Total tax collections, including interest and lien fees, received by Treasurer for year ended June 30, 2020					\$ <u>94,356</u>
Debt limitation:					
2-1/4 times base	\$ 212,301				\$
4-1/2 times base		424,602			
3-3/4 times base			353,835		
3-1/4 times base				306,657	
3 times base					283,068
Total debt limitation	<u>212,301</u>	<u>424,602</u>	<u>353,835</u>	<u>306,657</u>	<u>283,068</u>
Indebtedness:					
Bonds payable	7,138	32,902			
Bonds authorized - unissued	1,905	13,304			
Notes payable		90			
Town share of Metropolitan District debt			70,983		
Total indebtedness	<u>9,043</u>	<u>46,296</u>	<u>70,983</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ <u>203,258</u>	\$ <u>378,306</u>	\$ <u>282,852</u>	\$ <u>306,657</u>	\$ <u>283,068</u>

Note: In no event shall total debt exceed seven times annual receipts from taxation (\$660 million).

**TOWN OF WETHERSFIELD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	MDC Overlapping Debt	Percentage Applicable to Wethersfield	Town Share of Debt	General Purpose	Private Placement Notes	Unamortized Bond Premiums	Capital Leases	Total Direct	Total Direct and Overlapping Debt	Direct Debt Percentage of Personal Income	Population	Direct Debt Per Capita
2021	\$ 886,703,997	8.19 %	\$ 70,983,057	\$ 37,930,000	\$ 2,200,000	\$ 2,576,122	\$ 4,191,692	\$ 46,897,814	\$ 117,880,871	3.74%	27,298	1,718
2020	903,187,461	8.24	74,422,647	42,220,000	2,400,000	3,978,873	5,700,837	54,299,710	128,722,357	4.75%	26,008	2,088
2019	922,227,080	8.26	76,175,957	46,515,000		4,399,937	7,254,715	58,169,652	134,345,609	5.39%	26,082	2,230
2018	972,975,816	8.24	80,173,207	50,810,000		4,821,001	7,212,112	62,843,113	143,016,320	6.05%	26,396	2,381
2017	959,286,844	8.18	78,469,664	55,260,000		4,245,112	4,537,637	64,042,749	142,512,413	6.23%	26,510	2,416
2016	914,104,156	8.24	75,322,182	50,205,000		3,667,260	4,330,886	58,203,146	133,525,328	5.66%	26,579	2,190
2015	601,752,572	8.07	48,561,433	42,370,000		3,109,262	4,473,454	49,952,716	98,514,149	4.75%	26,590	1,879
2014	650,054,601	7.81	50,769,264	22,690,000		1,363,659	4,315,052	28,368,711	79,137,975	2.69%	26,594	1,067
2013	559,040,844	7.92	44,276,035	25,015,000		1,511,128	1,122,658	27,648,786	71,924,821	2.66%	26,710	1,035
2012	419,410,857	8.01	33,594,810	27,645,000		649,741	892,453	29,187,194	62,782,004	2.87%	26,690	1,094

Note: MDC overlapping debt is calculated by the Metropolitan District Commission based on the percentage of taxes owed by Wethersfield.

**TOWN OF WETHERSFIELD, CONNECTICUT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt	Percentage of Actual Taxable Value of Property (a)	Per Capita
2021	\$ 42,706,122	1.8%	\$ 1,564
2020	48,598,873	2.1%	1,869
2019	50,914,937	2.3%	1,952
2018	55,631,001	2.5%	2,108
2017	59,505,112	2.7%	2,245
2016	53,872,260	2.4%	2,027
2015	45,479,262	2.1%	1,710
2014	24,053,659	1.0%	904
2013	26,526,128	1.1%	993
2012	28,294,741	1.2%	1,060

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

(a) See Table 5 for taxable property value data.

**TOWN OF WETHERSFIELD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt limit ('000)	\$ 660,492	\$ 642,299	\$ 621,019	\$ 598,115	\$ 590,450	\$ 571,893	\$ 551,908	\$ 531,965	\$ 509,572	\$ 494,685
Total net debt applicable to limit	<u>42,330</u>	<u>44,620</u>	<u>46,515</u>	<u>50,810</u>	<u>55,260</u>	<u>50,710</u>	<u>42,370</u>	<u>22,690</u>	<u>24,290</u>	<u>26,850</u>
Legal Debt Margin	<u>\$ 618,162</u>	<u>\$ 597,679</u>	<u>\$ 574,504</u>	<u>\$ 547,305</u>	<u>\$ 535,190</u>	<u>\$ 521,183</u>	<u>\$ 509,538</u>	<u>\$ 509,275</u>	<u>\$ 485,282</u>	<u>\$ 467,835</u>
Total net debt applicable to the limit as a percentage of debt limit	6.4%	6.9%	7.5%	8.5%	9.4%	8.9%	7.7%	4.3%	4.8%	5.4%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2021 debt limit can be found in Table 8 and the notes to the financial statements.

**TOWN OF WETHERSFIELD, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Median Household Income (1)	Personal Income	Per Capita Personal Income (1)	Median Age (1)	School Enrollment	Unemployment Rate (2)
2021	27,298	\$ 86,216	\$ 1,253,578,756	\$ 45,922	45	3,592	6.7%
2020	26,008	83,391	1,143,051,600	43,950	45	3,580	9.5%
2019	26,082	81,452	1,079,899,128	41,404	45	3,588	3.5%
2018	26,396	78,371	1,039,157,728	39,368	45	3,596	4.4%
2017	26,510	77,195	1,027,342,030	38,753	45	3,571	4.8%
2016	26,579	78,008	1,028,208,615	38,685	45	3,633	5.0%
2015	26,590	77,740	1,052,618,330	39,587	45	3,624	5.8%
2014	26,594	76,196	1,054,797,822	39,663	45	3,728	6.1%
2013	26,710	77,000	1,039,339,520	38,912	45	3,735	7.4%
2012	26,690	77,000	1,016,675,480	38,092	45	3,720	7.1%

Sources:

- (1) U.S. Census Bureau
- (2) State of Connecticut, Department of Labor, Labor Market Information - 12 month average - unemployment

TABLE 13

**TOWN OF WETHERSFIELD, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS PRIOR**

Employer	2021			2012		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
State of Connecticut	810	1	8.5%	1,397	1	13.9%
Town of Wethersfield	753	2	7.5%	947	2	9.4%
Hartford HealthCare at Home	117	3	1.2%	n/a	n/a	n/a
Homegoods	108	4	1.2%	n/a	n/a	n/a
Patient Care, Inc.	107	5	1.2%	n/a	n/a	n/a
Qualidigm	101	6	1.0%	n/a	n/a	n/a
DSG Yankee Dental Arts	79	7	0.8%	n/a	n/a	n/a
Hooters	78	8	0.8%	n/a	n/a	n/a
Corpus Christi School	55	9	0.6%	n/a	n/a	n/a
Denny's	50	10	0.5%	n/a	n/a	n/a
	<u>2,258</u>		23.35%			

**TOWN OF WETHERSFIELD, CONNECTICUT
TOWN GOVERNMENT FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government										
Town Council	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Town Manager	3.5	3.5	3.5	3.5	3.3	3.3	2.7	2.4	2.2	3.0
Data Services	3.0	3.0	3.0	3.0	3.0	3.0	2.4	2.0	2.4	3.0
Town Clerk	2.5	3.0	3.0	3.0	3.1	2.4	2.7	3.0	3.3	3.2
Elections	1.8	1.8	1.8	1.8	0.6	0.6	0.6	0.8	0.6	0.7
Finance	5.0	5.5	5.5	5.5	4.9	5.4	5.3	4.0	5.2	5.2
Assessor	3.0	3.0	3.0	3.0	3.0	2.9	2.9	3.0	3.0	3.0
Tax Collector	2.6	2.6	2.6	2.6	2.7	2.7	2.6	2.7	2.8	2.7
Planning and Economic Development	2.1	2.1	2.1	2.1	2.1	2.2	2.1	2.1	2.1	2.1
Public safety services										
Building Inspection & ZBA	5.4	5.4	5.4	5.4	5.4	5.6	5.1	4.4	4.0	4.3
Police	66.7	66.7	66.7	66.7	66.2	64.5	62.1	62.5	60.9	63.6
Fire Marshal	1.6	1.6	1.6	1.6	1.0	1.0	1.0	1.0	1.0	1.0
Fire Dept.	0.5	1.0	1.0	1.0	1.6	1.7	1.5	1.1	1.1	0.9
Public works										
Engineering	5.5	5.5	5.5	5.5	5.5	5.4	5.5	6.1	6.0	6.0
Physical Services	100.2	74.0	44.2	44.2	44.2	43.2	40.9	41.2	41.1	41.0
Social and Youth Services	4.9	4.9	4.9	4.9	5.7	5.1	4.3	4.3	5.6	5.5
Library	20.8	21.3	21.3	21.8	20.0	20.5	20.4	20.2	21.2	21.1
Parks and Recreation	20.0	22.3	22.3	22.3	28.2	28.8	22.1	24.5	20.4	25.0
Education	503.8	491.2	527.4	521.8	516.4	520.0	530.4	529.0	528.0	504.0
Total	<u>752.9</u>	<u>718.5</u>	<u>724.8</u>	<u>719.7</u>	<u>716.7</u>	<u>718.1</u>	<u>714.6</u>	<u>714.0</u>	<u>710.9</u>	<u>695.2</u>

Source: Town Finance Department

Note: Effective in 2020, school custodians and maintainers (39 FT & 17 PT positions) were transferred from the Board of Education to Physical Services

**TOWN OF WETHERSFIELD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Planning and Community Development:										
Building Inspection Division permits	2,515	2,091	1,937	1,720	1,740	2,433	2,091	2,134	1,785	1,595
Permit value	\$ 32,850,977	\$ 26,773,466	\$ 43,156,382	\$ 26,626,167	\$ 21,052,776	\$ 21,862,760	\$ 86,228,236	\$ 44,724,371	\$ 17,276,952	\$ 13,020,408
Elderly Services:										
Senior center program attendance	5,000	14,265	20,426	19,545	18,547	14,677	9,203	5,801	5,613	5,289
Senior Dial a ride Trips	4,000	9,050	11,912	13,934	14,073	14,196	13,962	n/a	n/a	n/a
Household visits to Food Bank	2,000	1,606	1,670	1,849	1,566	1,361	1,258	n/a	n/a	n/a
Case Management - # of Households assisted	850	624	784	531	333	304	301	n/a	n/a	n/a
Library:										
Loans	186,836	264,207	317,630	286,202	306,439	328,247	351,282	342,101	358,819	367,693
Library visits	37,855	107,702	157,110	153,878	166,777	173,322	178,411	182,061	184,206	195,422
Reference questions	18,168	28,980	38,708	40,511	37,300	49,563	52,080	57,861	60,406	58,031
Registered borrowers	10,924	10,316	9,834	9,967	10,228	10,515	10,989	11,555	13,120	10,917
Programs held (onsite, offset & self directed FY21)	178	288	448	521	520	421	502	575	604	650
Program attendance (onsite, offsite & self directed FY 21)	10,467	5,941	11,152	13,105	13,242	11,795	14,107	16,650	17,361	15,023
Public internet sessions	6,560	30,578	44,209	47,364	50,465	50,995	50,536	50,470	44,292	N/A
Recreation:										
Pool Attendance	15,185	40,026	49,500	48,592	56,673	59,517	48,445	48,634	48,986	53,173
Aquatics Programs	10	159	176	162	145	167	126	172	171	172
Community Center Rentals	50	313	477	400	402	401	387	392	382	402
Community Center Visitations	9,000	82,891	115,720	115,548	119,492	120,382	115,111	119,054	118,375	118,981
Nature Center Visits	1,500	23,479	33,121	30,630	29,182	28,453	19,643	18,220	18,009	18,196
Nature Center Programs	250	112	114	114	99	91	93	108	111	94
Recreation Programs	144	266	307	319	323	249	234	231	232	232
Refuse and Recycling:										
Total MSW tonnage	10,769	10,338	10,185	10,256	9,925	10,109	9,921	10,240	10,338	10,780
Tons of recycling	2,572	2,646	2,619	2,662	2,709	2,774	2,710	2,804	2,785	2,819
Public Safety:										
Ambulance medical calls	4,307	5,598	5,441	3,204	2,853	3,760	4,135	3,862	3,596	3,071
Fire calls	62	55	54	60	59	61	67	63	57	64
Fire medical calls	45	49	50	54	42	19	6	9	23	19
Fire non-emergency calls	504	380	379	323	337	316	374	293	320	413
Hazardous materials	168	156	143	164	124	126	113	119	155	265
Total Fire Calls	779	640	626	601	562	522	560	484	555	761
Law Enforcement:										
911 Calls	10,868	10,536	10,115	10,610	10,167	10,654	11,496	10,145	10,043	10,716
Incidents	16,872	18,794	20,637	20,647	19,869	20,790	21,892	23,012	22,319	23,814
Accidents	677	650	734	659	763	781	711	553	598	675
Criminal arrests	426	722	770	796	603	761	836	1,024	855	853
DWI Arrests	64	133	87	60	76	74	111	134	128	163
Detective Division Case Investigations	176	242	205	171	201	168	216	250	316	252
Registrar of Voters:										
Total registered voters	19,644	18,366	17,873	17,502	16,940	15,639	15,090	17,271	17,272	16,370
Education:										
Enrollment:										
Elementary Schools Pre-K-6	1,870	1,863	1,901	1,848	1,842	1,897	1,880	1,930	1,982	1,964
Middle School 7-8	564	567	535	557	560	544	556	600	582	618
High School 9-12	1,158	1,150	1,152	1,170	1,169	1,192	1,188	1,198	1,171	1,138
Total	3,592	3,580	3,588	3,575	3,571	3,633	3,624	3,728	3,735	3,720

N/A - Information is not available.

Source: Town Departments, Board of Education & Ct Secretary of State

**TOWN OF WETHERSFIELD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Municipal Buildings	10	10	10	10	10	10	10	10	10	10
Schools	7	7	7	7	7	7	7	7	7	7
Public Safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	3	3	3	3	3	3	3	3	3	3
Ambulance facility	1	1	1	1	1	1	1	1	1	1
Police vehicles	34	34	34	34	34	33	33	28	24	24
Fire trucks	9	9	9	9	9	9	9	9	9	9
Other emergency vehicles	12	12	12	12	12	12	12	12	12	12
Public Works:										
Miles of streets:	106.78	106.78	106.78	106.78	106.78	106.78	106.78	106.78	106.78	106.78
Paved	103.4	103.4	103.4	103.40	103.40	103.40	103.40	103.40	103.40	103.40
Unpaved	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38
State highways	20	20	20	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Miles of sidewalks	113.25	113.25	113.25	131.08	131.08	131.08	131.08	131.08	131.08	131.08
Parks and Recreation:										
Acres of park land	644	644	610	610	610	610	610	610	610	610
Hardball baseball diamonds	3	3	3	3	3	3	3	3	3	3
Youth baseball diamonds	4	4	4	4	4	4	4	4	4	4
Basketball courts	11	11	11	11	11	11	11	11	11	11
Soccer fields	4	4	4	4	4	4	4	4	4	4
Nature areas	1	1	1	1	1	1	1	1	1	1
Picnic areas	2	2	2	2	2	2	2	2	2	2
Playgrounds	9	9	9	9	9	9	9	9	9	8
Public beach	1	1	1	1	1	1	1	1	1	1
Public greens	1	1	1	1	1	1	1	1	1	1
Tennis courts	16	16	14	14	14	14	14	14	14	14
Public pools	1	1	1	1	1	1	1	1	1	1

Source: Town Finance Department

**TOWN OF WETHERSFIELD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Police Stations	1	1	1	1	1	1	1	1	1	1
Volunteer Fire Stations	3	3	3	3	3	3	3	3	3	3
Municipal Buildings	10	10	10	10	10	10	10	10	10	10
Schools:	7	7	7	7	7	7	7	7	7	7
High schools	1	1	1	1	1	1	1	1	1	1
Elementary schools	5	5	5	5	5	5	5	5	5	5
Middle schools	1	1	1	1	1	1	1	1	1	1
Parks and Recreation										
Fields - municipal	4	4	4	4	4	4	4	4	4	4
Fields - schools	7	7	7	7	7	7	7	7	7	7
Streets:	106.78	106.78	106.78	106.78	106.78	106.78	106.78	106.78	106.78	106.78
Paved miles	103.4	103.4	103.4	103.40	103.40	103.40	103.40	103.40	103.40	103.40
Unpaved miles	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38

Source: Town Finance Department