

Town of Newington Connecticut



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021

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Annual Comprehensive Financial Report

of the

**Town of Newington
Connecticut**

Fiscal Year Ended June 30, 2021

Prepared by:
Finance Department
Janet Murphy
Director of Finance

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Introductory Section

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TOWN OF NEWINGTON, CONNECTICUT

PRINCIPAL OFFICIALS

Town Council

Beth DelBuono, Mayor

Carol Anest

Sharon Braverman

Gail Budrejko

Michael Camilo

John Donahue

Tim Manke

Chris Miner

David Nagel

Board of Education

Paul Vessella, Chairperson

Michael Branda

Bruce Fletcher

Emily Guion

Beth Manke Hutvagner

Steven Silvia

Cindy Stamm

Robert Tofeldt, Sr.

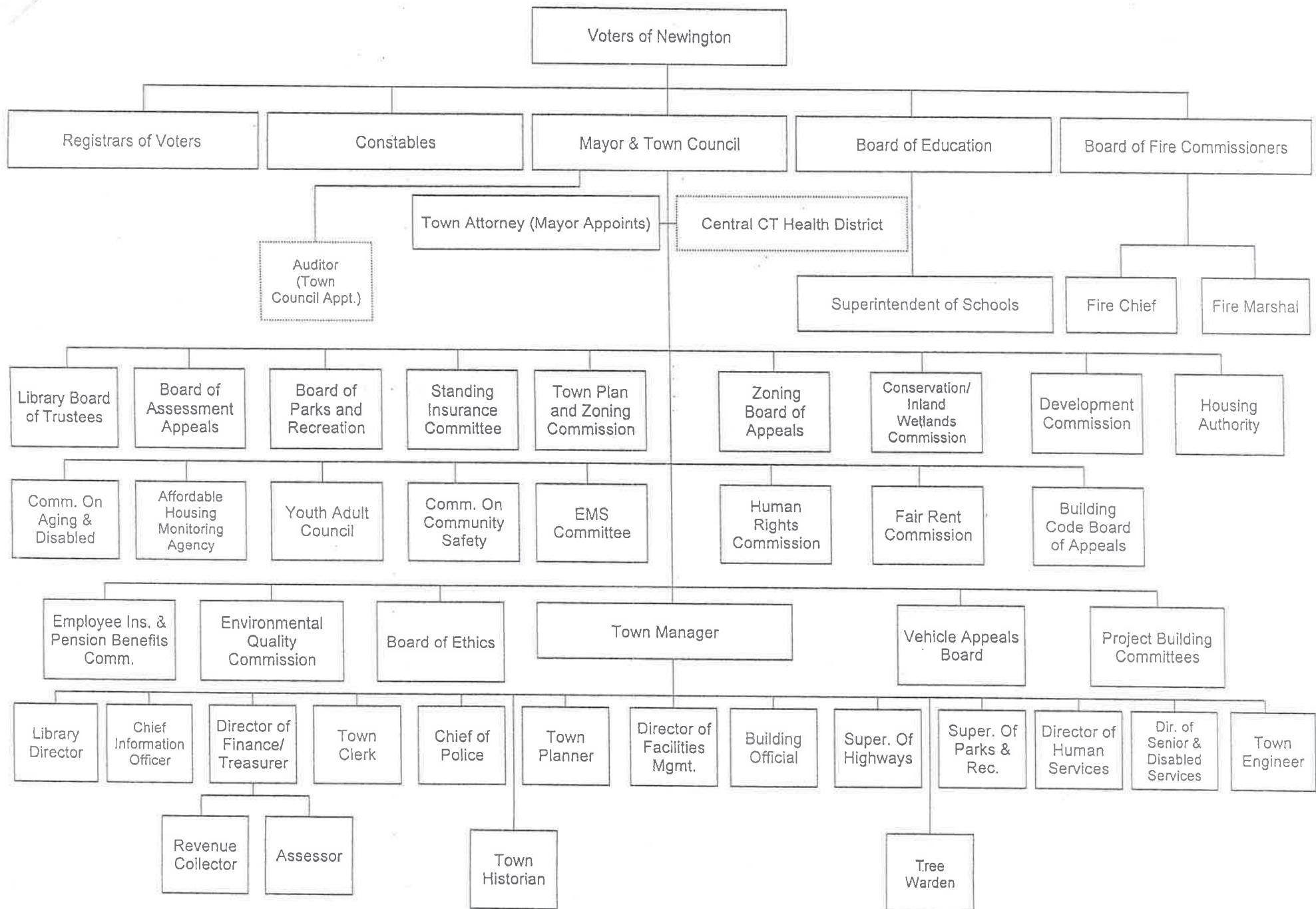
Jessica Weaver

Appointed Officials

Keith Chapman, Town Manager

Maureen L. Brummett, Superintendent of Schools

Janet Murphy, Director of Finance





TOWN OF NEWINGTON

200 Garfield Street Newington, Connecticut 06111

Finance Department

Keith Chapman
Town Manager

Janet Murphy
Director of Finance

January 26, 2022

Keith Chapman, Town Manager
Town of Newington
Newington, Connecticut

Dear Mr. Chapman:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2021.

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

CliftonLarsonAllen LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Newington'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.

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

Profile of the Town

The Town of Newington covers approximately 13.2 square miles and is located six miles southwest of the City of Hartford. Newington is geographically in the center of the State and is bordered by West Hartford, Farmington, New Britain, Berlin, Rocky Hill, Wethersfield and Hartford. Newington is primarily a residential community; however, there is substantial industry scattered throughout the Town. The Berlin Turnpike (State Routes 5 and 15) is commercialized along its total length in Newington of 4.5 miles. The Town's population as of the 2010 Census was 30,562. The Town, originally part of the Town of Wethersfield, was settled in 1678 and incorporated in 1871. The Town functions under the Council-Manager form of government, adopted in 1966. A revision to the Town Charter was adopted by referendum on November 6, 2012.

The Town Council is the budget-making authority and the legislative body of the Town. The Town Council consists of eight councilors and a mayor who is the presiding officer of the Council. The councilors and the mayor each are elected at-large for two-year terms. The Town Council appoints the Town Manager who is the chief administrative officer of the Town. The Town Manager is responsible to the Council for the supervision and administration of Town departments and boards and commissions of the Town, except those elected by the people, or appointed by the Council, Mayor or a regional or state authority. The Council appoints the Town Treasurer and the Deputy Treasurer for a two-year term and the Town's Auditor annually. The Board of Education consists of nine members who each are elected at-large for two-year terms.

The financial administrator of the Town is the Director of Finance whom the Town Manager appoints. The Director of Finance oversees the Accounting division, the Assessor's office, and the Revenue Collector's office. The Administration and Accounting office administers and accounts for all Town funds. The Assessor's office locates, lists and prices real estate, personal property, and motor vehicles for the purposes of taxation. The Revenue Collector's office bills, collects, processes, and deposits taxes, interest and fees on all taxable property in Town. The Director of Finance serves as the Town Treasurer and oversees the Town's bank deposits and trust funds. The Director of Finance signs all checks for payment with Town funds.

The Town provides the following municipal services as authorized in its charter: public safety (police, fire and emergency medical services), public works, solid waste disposal, culture and recreation, library, education, health and community services, community development, public improvements, and general administrative services.

Economic Condition and Outlook

Newington's October 1, 2019 grand list increased slightly compared to the prior year. The slight increase was primarily attributed to the value of personal property that is being assessed on the 2019 Grand List compared to the prior year. The increase in personal property value was 5.54%. Additionally, motor vehicle components increased by 2.16% and Real Estate increased by .14%. The Town continues to maintain a balanced mix of retail, manufacturing and light industry and its top ten taxpayers represented about 7.5% of the total assessed value on the October 1, 2019 grand list. The Town's tax collection rate as of June 30, 2021 was 99.32%, the same as the 2020 levels. Current year tax collections are similar to the same period of the previous year.

For fiscal year-end 2021, building permit activity generated \$34.6 million in construction value, up significantly from the prior year. Some Town projects that influenced the total was the electrical for the new Town Hall, the demolition of the old Town Hall, and various projects done at the schools. This year the trend continued of remodeling being done including the installation of pools and additions due to everyone not traveling because of the pandemic. Commercial projects that generated building permit activity included T-Mobile, Hartford Healthcare, S.K. Lavery Appliances, Burlington Store, McDonalds, Marriott Courtyard, Dick's Sporting Goods, and Target. Many of the local restaurants also received permits to install tents for outdoor dining. Although Newington is limited in land for extensive housing development, there were six new residential properties that received permits during the fiscal year.

The Town's overall economic condition continues to improve, surpassing most towns in Connecticut, as exemplified by a number of economic indicators:

- According to the State Department of Labor, the Town's 2020 average unemployment rate increased to 7.2%, versus the Hartford Labor Market and the statewide average rates of 7.9%.
- Annual Median Income continues to strengthen, surpassing \$80,000.
- An "Economic Index" published by the Connecticut Department of Labor shows that although all towns in the state have suffered a downturn in their ratings due to the pandemic, Newington's overall economic health remains stable and is still among the highest of any town with a population over 25,000.

Long-term Financial Planning

Back in 2020, the Town changed its processes and efforts in expanding the annual Grand List and has created an internal team consisting of the Town Manager, Assessor, Planner, Engineer, Building Official and Fire Marshal. This newly created **Economic Development team** has focused its efforts on recruitment, including soliciting new business ventures, to locate or in some instances re-locate to the town while recognizing that the Town is approximately 95% fully developed at this time. Therefore, assistance in site selection for potential new businesses combines identifying both available vacant land for new development with existing available vacant buildings with that focus on re-tooling some of these buildings for an updated new use.

A review of the last 24 months revealed that approximately 283 new businesses have been identified by the Town Assessor and have been added to the taxable Grand List. As of this date, these 283 companies have accounted for over \$7,600,000 in taxable business personal property being added to the October 1, 2021 Grand List. At the current mill rate, this would reflect in an additional \$294,000 in new tax revenue that would be a direct offset of taxes paid by residential taxpayers.

Some of these new businesses include Amazon, Burlington Clothing Stores, Wren's Home Improvement Stores, Cumberland Farms gas/convenience store, Intelisent LLC, On Point Capital, Dr. Craig Stasulis, DMD, Eco Millwork LLC, as well as several construction companies who have equipment at various job site locations across town.

Meanwhile, several significant real estate developments have either received approval or are waiting to be heard by the Town Planning & Zoning Commission. Two of the most active areas in town continue to be the Berlin Turnpike as well as Fenn Road adjacent to Central Connecticut State University. Some of these projects include:

3333 Berlin Turnpike	Retail Development & 260-unit market rate Apartment complex
2530 Berlin Turnpike	Car Wash
3219 Berlin Turnpike	Renovation of retail store to Walk-in Medical Clinic
3067 Berlin Turnpike	Renovation of retail store to medical Plasma Center
690 Cedar Street	238-unit market rate Apartment complex
550 Cedar Street	92-unit affordable Apartment complex
12 Fenn Road	Retail Development
14 Fenn Road	122-unit Extended Stay Hotel
16 Fenn Road	Car Wash
4 Hartford Ave	Service Station/Convenience Store
Pane Road	150-unit market rate Apartment complex
East Cedar St	68-unit market rate Apartment complex
280 Hartford Ave	Renovation of existing industrial building for multiple tenants

The total proposed investment by the developers for these projects is approximately \$250,000,000.

Newington's Town Center continues to prosper, offering affordable rents to more than one hundred businesses ranging from banks, restaurants, and health care, along with professional and personal services. Also, conversations with interested developers regarding the re-use of existing vacant buildings including the former Best Market Supermarket site, the Walgreen's pharmacy and the Keeney Manufacturing building which is being sold to a real estate developer at the end of December 2021 has continued in an attempt to bring even more variety of businesses to the downtown district. Land available in the Town Center for further development, along with redevelopment, has the potential to nearly double the size of the existing center while adding residential and new mixed-use options.

The Town has supported infrastructure improvements of the commercial area by obtaining State grants to fund additional streetscape enhancements, the most recent being Hartford Ave and Main Street, along with New Britain Ave and Maple Hill Ave.

An area of concentration that historically has not been a priority is regionalization with our neighboring towns and region. Newington is unique, in that it provides employment and housing to major cities such as Hartford, New Britain, New Haven, and East Hartford. Due to the challenges faced throughout the entire northeast, the Town of Newington has recognized that working with other communities, and the State of Connecticut can derive benefits that could aid in expansion of our tax revenues and employment opportunities. The Town of Newington has partnered with commercial realtors and developers to discuss the possibility of student housing opportunities for Central Connecticut State University. We will continue to collaborate with adjacent Universities such as CCSU, Trinity, University of Hartford, and other institutions for internship and employment opportunities.

In reviewing the residential growth figures, two subdivisions consisting of a total of 24 single-family homes has been approved by the Town Planning & Zoning Commission. In efforts to enhance residential development, blight conditions are an important factor for our current and future residents, any blighted properties have a negative effect on our economic development efforts. As presented at a recent Town Council meeting, the Town of Newington will be focusing on decreasing and eliminating blighted properties to maintain real estate values, while enhancing the overall appearance of our residential communities.

Infrastructure improvements have begun at the Peckham Farms subdivision on Deming Street, which is an 18-lot residential project scheduled to begin actual construction in the spring. According to the developer, selling prices for these new homes are anticipated to start at \$500,000.

A second subdivision on Connecticut Ave. has been approved for 6 residential homes with an anticipated selling price to start at \$275,000.

The Town of Newington has always been known as a highly desirable place to live, work and invest in. The entire Town staff is committed to working with the Newington Town Council, Chamber of Commerce, Economic Development Commission, Town Planning and Zoning Commission, and the Newington Community Access TV. All of the entities are committed to overcome the negative impact of the Coronavirus (COVID-19) pandemic, and any future challenges we may face.

Newington has a successful Capital Improvement Program through which its goal is to maintain the Town's infrastructure and make improvements to and/or add community facilities to enhance the Town's overall image and services it provides to Town residents. The Town's capital planning process includes 1) the evaluation of project priorities within the Town's ability to pay, public health and safety needs of its residents and legal mandates, 2) the integration of Town and Board of Education projects 3) financing plans for capital projects and 4) coordination of the capital plan with the annual operating budget. The Town's recommended funding level for capital improvements considers two components. First, the Town's Debt Management Policy advocates that the Town's total outstanding debt should be held at a manageable level. Therefore, the maximum the Town will pay for future debt service payments would allow enough funds to cover other initiatives. Secondly, recognizing the merits of the Town's Equipment Replacement Reserve Fund for vehicles, this concept was duplicated to all Town fixed assets (infrastructure and buildings). This year the Town budgeted an increase over the base figure of \$6.3 that we had used in the past. This amount is reduced by the amount required for principal and interest payments and the excess is used for "pay-as-you-go" projects.

Relevant Financial Policies

The Town has implemented key financial policies and management uses these as a guideline to maintain the financial stability and strength of the Town.

- Budgetary Control - Expenditures may not legally exceed budgeted appropriations at the department level. The Town Manager may transfer appropriations from one classification to another within the same department, except within the Board of Education, when the Manager deems it necessary for the proper administration of the Town. During the last six months of the fiscal year, the Town Council may transfer any unencumbered appropriation,

except within the Board of Education, provided that the resolution making the transfer includes the certification of the Director of Finance that the balance of the appropriation is free of encumbrances. The Town Council may make a special appropriation provided that the resolution is \$375,000 or less and that the Director of Finance certifies that the amount to be appropriated is unencumbered and unappropriated in the Town's treasury. Special appropriations between \$375,000 and \$975,000 require a Town ordinance. Special appropriations of more than \$975,000 require approval of the voters. Budgetary control is maintained by an encumbrance system. All purchases, except certain services as outlined in the Town's Purchasing Manual, require a purchase requisition and a purchase order. In addition, purchases over \$15,000 require evidence that written quotations were received and that the lowest quote, consistent with quality, was selected. Town Charter requires formal competitive bids for expenditures over \$30,000. Funds are recorded as encumbered when the purchase order is issued and expenditures are recorded when the Town issues a check or incurs a liability.

- Debt Policy - In accordance with the Newington Town Council's Debt Capacity Study completed in June 2002, the Town's total outstanding debt should not exceed \$30.0 million. Additionally, Debt Service as a percent of total General Fund expenditures should not exceed 6%; outstanding bonded debt as a percent of assessed value should not exceed 2.0%; and outstanding bonded debt against the population on a per capita basis should not exceed \$1,000 per year. Applicable data with regard to debt at the end of the 2021 fiscal year is represented as follows:

	Amount	Ratio of Net Debt Service to Budget	Ratio of Bonded Debt to Grand List	Debt Per Capita
Total direct debt outstanding - bonds	\$24,485,000	1.97%	1.00%	\$867

Major Initiatives

Economic Development presented a proposal for the sale of 690 Cedar Street. This has long been a vacant property of 3.99 acres that the Town cleaned up for development. The proposed buyer intent is to develop a class-A, market rate, transit oriented, multi-family community. Currently the project is going through the development stages with the Town and the State. Sale price for the property is contracted at \$1,470,000. During the fiscal year there was also a sale of the Barbour Road Property for \$65,000 to Walk-In Medical Center LLC. These funds were transferred to the Land Acquisition Fund for future uses.

At the referendum in the fall the Anna Reynolds Elementary School Renovation project was approved by the voters to go forward. Approved bonding for this project is set at \$17,750,000 with the remaining cost being covered by the State grant programs. The intent of this project is to renovate as new the entire school.

The Town Council approved the application for a new STEAP Grant which would be used to do work on the Senior and Disabled Center. This project would be to replace all of the windows in the building to allow for them to open fully. Along with the funds from the STEAP grant for the windows, the

Town is replacing the HVAC system at the Center. This, along with the new parking lot and sidewalk work that has been done, has refreshed the area and made it more accessible.

There has been substantial work done on grants and assistance during this fiscal year. We applied for assistance through FEMA for the storm that occurred during August and also received a FitLot Partnership agreement. The FitLot agreement allowed us to do work on our Clem Lemire Sports Complex to for use by the senior and disabled citizens.

Town Hall Building Project construction has completed the construction of the New Town Hall and the demolition of the old Town Hall. All departments including the transition academy have moved into the new facility.

Capital improvements included the completion of several infrastructure projects such as pavement improvements to roads, MDC work that continues along various streets, ADA compliance improvements to Clem Lemire Park, various drainage and sidewalk improvements, and various items for the new Town Hall/Community Center such as network and audio-visual equipment. A facility study was completed and the future capital improvement plans will focus on the areas that are identified for these reports.

Awards and Acknowledgements

This report has been prepared following the guidelines of the Government Finance Officers Association (GFOA) of the United States and Canada and the Governmental Accounting Standards Board. The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement, which is valid for one year only, is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment for a government unit and its management. The Town was awarded the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2020 for the twenty-eighth consecutive year. The Town intends to submit this report to GFOA for review under this program.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. My appreciation extends to all members of the Department who assisted and contributed to its preparation, in particular to Deputy Finance Director Lisa Rydecki. This department looks to continue to provide the support and advice you will need in carrying out the policies of the Newington Town Council and addressing the many challenging issues confronting the Town in the years ahead.

Respectfully submitted,



Janet Murphy
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Newington
Connecticut**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrell

Executive Director/CEO

Financial Section



INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Newington, 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 Newington, 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 Newington, 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.

To the Town Council
Town of Newington, Connecticut

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 Newington, 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

During fiscal year ended June 30, 2021, the Town adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the Town reported a restatement for the change in accounting principle (see Note 13). 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 Newington, 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.

To the Town Council
Town of Newington, Connecticut

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.

Town of Newington, Connecticut's basic financial statements as of and for the year ended June 30, 2020 (not presented herein) were audited by Blum, Shapiro & Company, P.C. (blumshapiro), whose partners and professional staff joined CliftonLarsonAllen LLP as of January 1, 2021 and has subsequently ceased operations. Blumshapiro's report thereon, dated December 1, 2020, contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2020 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2020 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2022 on our consideration of the Town of Newington, 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 Newington, 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 Newington, Connecticut's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
January 26, 2022

TOWN OF NEWINGTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

This discussion and analysis of the Town of Newington, Connecticut's (Town) financial performance is provided 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 transmittal letter and the Town's financial statements, Exhibits I to IX.

FINANCIAL HIGHLIGHTS

- The Total Net Position for government-wide activities increased \$7.6 million from \$74.6 million to \$82.2 million, an increase of 10% from prior year.
- Total cost of all of the Town's programs was \$149 million with no new programs added this year.
- During the year, the Town had expenses that were \$7.6 million less than the \$157 million generated in tax and other revenues for governmental programs.
- The resources available for appropriation were \$3.9 million more than budgeted for the General Fund. Expenditures were \$4.5 million less than appropriations.
- The General Fund reported a fund balance this year of \$36 million. On a budgetary basis, \$27 million represents the Town's fund balance; of this, \$2.5 million is assigned for 2021-22 budget.
- The tax collection rate was 99.32%, flat to prior years' 99.33%.
- The Town of Newington's outstanding bonded debt at June 30, 2021 was \$24.5 million, a decrease of \$1.875 million or -7.12%, from the prior year. Bonds were authorized at referendum in November for work on the Anna Reynolds School in the amount of \$17.7 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

In the statement of net position and the statement of activities, the Town reports its activities:

- *Governmental activities* - The Town's basic services are reported here, including education, public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town Council establishes many other funds to help control and manage financial activities for particular purposes (like the Recreation Programs, Health Benefits Fund and the Employee Leave Liability Fund,) or to show that it is meeting legal responsibilities for using grants and other money (like grants received for education from the State and Federal governments and accounted for in the Special Revenue Fund). The Town's funds are divided into three categories: governmental, proprietary and fiduciary.

- *Governmental funds (Exhibits III and IV)* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.
- *Proprietary funds (Exhibits V, VI and VII)* - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. Internal service funds (the component of proprietary funds) are used to report activities that provide supplies and services for the Town's other programs and activities - such as the Town's Health Benefits Fund and Insurance Reserve Fund.
- *Fiduciary funds (Exhibits VIII and IX)* - The Town is the trustee, or fiduciary, for its employees' pension plans. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town's combined net position increased from \$74.6 million to \$82.2 million. The analysis below focuses on the net position (Table 1).

TABLE 1
NET POSITION
(In Thousands)

	Governmental Activities	
	2020	
	2021	as Restated
Current and other assets	\$ 68,509	\$ 68,111
Capital assets, net of accumulated depreciation	<u>119,079</u>	<u>113,964</u>
Total assets	<u>187,588</u>	<u>182,075</u>
Deferred outflow of resources	<u>3,189</u>	<u>7,295</u>
Long-term debt outstanding	78,834	99,254
Other liabilities	<u>11,603</u>	<u>8,445</u>
Total liabilities	<u>90,437</u>	<u>107,699</u>
Deferred inflow of resources	<u>18,105</u>	<u>7,086</u>
Net Position:		
Net investment in capital assets	92,888	86,517
Restricted	2,967	1,412
Unrestricted	<u>(13,620)</u>	<u>(13,344)</u>
Total Net Position	<u>\$ 82,235</u>	<u>\$ 74,585</u>

Net position of the Town's governmental activities increased by \$7.6 million or 10% (\$74.6 million compared to \$82.2 million). Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - changed from \$(13.3) million at June 30, 2020 to \$(13.6) million at the end of this year. The largest portion of the Town's net position, \$92.9 million or 113%, reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding.

Governmental Activities

Change in net position (Table 2) of the Town's governmental activities increased by \$7.6 million. Approximately 67% of the revenues were derived from property taxes, followed by 28% from operating grants, the remaining 5% is from charges for services, capital grants and contributions and other grants that were not restricted for specific purposes. Key elements of the increase are as follows:

- Property tax revenues recorded for fiscal year 2021 decreased by \$.6 million or 1% during the year. This reflects a tax rate of 39.28 mills, a decrease of .16 mills over the rate used in the previous fiscal year. The tax collection rate for the year was 99.32%, a very slight decrease from the prior year of 99.33%.

- Operating grants and contributions increased by \$13.7 million. The major increase would be the funding that we received for COVID related expenses which total almost \$6.5 Million There was also increases in grants made by State of Connecticut to the Board of Education increasing by approximately \$3 million along with State funding for the Town increasing \$1.2 million. The Board of Education also received an increase to their scholarship trust in the amount of \$.76 million.
- Capital grants and contributions were flat to prior year figures. Construction of the new Town Hall/Community Center was completed during the year and reimbursement by the State of Connecticut will not take place until the 2021-2022 fiscal year.
- The total cost of all programs and services was \$150 million.

TABLE 2
CHANGE IN NET POSITION
(In Thousands)

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 3,186	\$ 3,862
Operating grants and contributions	43,324	29,589
Capital grants and contributions	726	686
General revenues:		
Property taxes	104,935	105,527
Grants and contributions not restricted to specific purposes	2,591	2,248
Unrestricted investment earnings	1,037	804
Other general revenues	904	89
Total revenues	<u>156,703</u>	<u>142,805</u>
Program expenses:		
General government	10,459	9,359
Public safety	12,886	14,151
Public works	12,318	12,246
Community planning and development	819	1,078
Health and community services	2,191	2,091
Library	2,320	2,538
Parks and recreation	4,093	3,978
Education	103,367	89,321
Interest on long-term debt	600	629
Total program expenses	<u>149,053</u>	<u>135,391</u>
Increase in Net Position	7,650	7,414
Restatement		760
Net Position at Beginning of Year	<u>74,585</u>	<u>66,411</u>
Net Position at End of Year	<u>\$ 82,235</u>	<u>\$ 74,585</u>

The following analysis separately considers the operations of governmental activities. Table 3 presents the cost of each of the Town's five largest programs - general government, police and fire, public works, education, and parks and recreation - as well as each program's net cost (total cost less revenues generated by the activities). The net cost, which shows the financial burden placed on the Town's taxpayers by each of these functions, increased by \$.2 million (\$101.8 million compared to \$101.2 million). The most noteworthy changes are as follows:

- The cost of General Government, Public Safety, Public Works, Park and Recreation and other miscellaneous departments decreased \$.7 million.
- Education experienced an increase in the amount of expenses going from \$89.3 to \$103.3 million. This increase was offset by increased state funding which is reflected in the fact that the Net Cost of Services for the Board of Education only increased \$.4 million.

TABLE 3
Governmental Activities
(In Thousands)

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
General government	\$ 10,459	\$ 9,359	\$ 9,560	\$ 8,521
Public safety	12,886	14,151	12,741	14,026
Public works	12,318	12,246	10,317	10,205
Education	103,367	89,321	60,664	60,237
Parks and recreation	4,093	3,978	3,319	2,593
All others	5,930	6,336	5,216	5,672
Totals	\$ 149,053	\$ 135,391	\$ 101,817	\$ 101,254

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

As the Town completed the year, its governmental funds (as presented in the balance sheet - Exhibit III) reported a combined fund balance of \$48.4 million. Approximately 48.2% of the fund balance amount or \$23.3 million constitutes unassigned fund balance that is available for unforeseen contingencies and to offset future budgets over the long term. The next largest portion, \$16.8 million or 34.7%, is committed to be used only for the specific purposes such as a capital or grant related projects. The balance of \$8.3 million is primarily assigned to balance the subsequent year's budget and to liquidate purchase orders. The Town had positive fund balances in all categories of net position both for the governmental as a whole as well as for its separate governmental activities.

As highlighted in Exhibit IV, the combined fund balance decreased by \$3.3 million (\$51.7 million compared to \$48.4 million) from last years' total. Included in this year's total change in fund balance is a decrease of \$8 million in Capital Project Funds. These decreased funds account for financial resources used for the acquisition of major equipment or construction of facilities and primarily to account for the construction of the new Town Hall/Community Center. The General Fund's revenue and other financing sources were more than the expenditures by \$4.2 million for the fiscal year thereby increasing the fund's equity balance to \$36.2 million. Expenditures related to the transfers in will be used in future years.

The Town experienced a variety of significant General Fund events that affected the year ending equity balances. The major impacts include:

1. The Town suffered a slight decrease of \$592 in property tax revenue compared to 2020. This was due to a decreased mill rate, a very slight decrease in the collection rate and the State of Connecticut tax break that allowed tax payers an extended period of time to pay their taxes without incurring any penalty or interest.
2. State of Connecticut funding was above the estimated prior year figures by over \$1 million. Primary figure for this was the excess school grant in the amount of \$.9 million that we did not receive the prior year.
3. General operating expenses were kept under prior year spending as a result of personnel savings due to vacancies and a lower facility maintenance expense. Also, under budget was the Board of Education by \$1.7 million and increases from the 2020 fiscal year were primarily covered by grants. Town and Board of Education expenses were lower than expected partly due to the COVID pandemic forcing the limited use of the Town Hall and Schools during the year.
4. Although the town department expenses increased \$1.5 million compared to prior year, the grant funds that we received helped to more than make up the difference. Funds were received for COVID related expenses and helped mitigate any increase in spending. The Town also continued to delay filling vacancies until our offices were fully open.
5. Comparison between the increase in net position between fiscal year 2020 and 2021 is almost flat. We are thankful that this is due to the continued zero spending increases and Federal and State assistance that we have received. During the year the Town received

The Town's Nonmajor Governmental Funds account for special revenue sources that are restricted to specific purposes. The primary reason for the Nonmajor Governmental Funds increased due to the recreation program and cemetery activity.

Small Cities Fund accounts for financial resources from the Federal Community Development Block Grants/Small Cities Program. The fund balance increased by \$17 thousand as grants and other revenue sources received were not fully expensed in this year. As of June 30, 2021, the fund balance decreased to \$110 thousand.

Proprietary Funds

The Town accounts for two funds in its proprietary funds. The Town's Health Benefits Fund and its Insurance Reserve Fund, both of which are self-funded programs and the Town's only business-type activities. Unrestricted net position of both funds totaled \$6.7 million, an increase of \$.6 million from the prior year. This is primarily due to the performance of the Health Benefits Fund which experienced revenues over benefit payments (expenses) of \$.558 million. The Insurance Reserve Fund is to pay for losses incurred through insurance deductibles and uninsured property and casualty losses. During the year contributions by the Town were more than the payments made for insurance claims by \$43 thousand.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the Town had \$119 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and storm water lines - Table 4. This amount represents a net increase (including additions and deductions) of \$5.1 million or 4.5%, over last year.

TABLE 4
CAPITAL ASSETS (Net of Depreciation)
(In Thousands)

	Governmental Activities	
	2021	2020
Land	\$ 7,847	\$ 7,847
Intangible assets	2,770	2,770
Buildings and improvements	72,158	44,062
Equipment	13,524	12,634
Infrastructure	22,609	22,308
Construction in progress	171	24,343
Total	\$ 119,079	\$ 113,964

This year's major additions included (in thousands):

Buildings - Additions in the amount \$32,615 thousand were due to the new Town Hall/Community Center, Indian Hill HVAC/Roof, Senior and Disabled Center HVAC/Windows, Martin Kellogg HVAC, Police Dept Door Access Controls, Newington High School Hot Water Upgrade, Newington High School HVAC, and various Town Building improvements.

Land Improvements - Additions in the amount of \$145 thousand were due to parking lot paving improvements at Fire Company 4 and the Senior and Disabled Center, West Meadow Cemetery Expansion, and Beacon Park ADA compliant pathway and parking improvements.

Furniture, Fixtures and Equipment - These were added in the amount of \$3,566 thousand. General Government increased by \$708 for many items for the new Town Hall including computer equipment, copiers, audio visual, furniture and emergency generator. Public Safety increased by \$1,105 for the purchase of three vehicles, Fire apparatus emergency lights, lift bag kits, griphoists, thermal imaging cameras, rope rescue equipment and Fire Ladder Truck. Public Works increased by \$432 due to the purchase of a street sweeper, a dump truck and a video detection system with cameras. Parks and Recreation increased by \$369 for the purchase of new sports equipment and furniture for the new Community Center, a turf sprayer, trackless train, playground shade system at Clem Lemire, a wood chipper, mini golf setup at Mill Pond and Clem Lemire, and control system at Churchill softball field. Board of Education increased by \$952 for four school buses, utility truck, transit van, Iuzu truck, Cherokee SUV, freezers at two schools, recovery appliance and other computer security equipment at NHS, Transition Academy equipment (including security package, visionpoint technology and audio/visual equipment), and new Town Hall audio visual equipment, computer equipment and furniture.

Infrastructure - Additions in the amount \$997 were due to Robbins/Maple Hill bike lane construction, resurfacing/improvements to Wilson Ave, Kimberly Rd, North Mountain Rd, Cheney Ln, West Hill Rd,

West Hartford Rd, Clifford St, Holly Dr, Roseleah Ave, and other smaller roads comprising 21,078 linear feet.

Construction in Progress - Additions in the amount of \$7,341 thousand were due to costs for the new Town Hall/Community Center building project and Anna Reynolds Renovate as New project.

Total Net Additions	\$ <u>44,665</u>
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The Town's fiscal-year 2021-22 budget calls for it to spend \$8.6 million for capital projects, of which \$0.6 million is financed from the State of Connecticut and the balance from local funds. It is primarily to finance major vehicle equipment replacement, road reconstruction and resurfacing, town technology, town buildings roof replacements and radio lease.

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

Long-Term Debt

At June 30, 2021, the Town had \$24.5 million in bonds outstanding versus \$26.4 million last year - a decrease of 7.1% - as shown in Table 5.

	Governmental Activities	
	2021	2020
General Obligation Bonds (backed by the Town)	\$ <u>24,485</u>	\$ <u>26,360</u>

- The decrease in the Town's indebtedness is due to no new bond issue this fiscal year and payments being made on the prior issued bonds. The Town has bonds authorized but unissued in the amount of \$4.8 for the Town Hall Project and \$17.7 million was approved in the Fall of 2020 for the renovation of the Anna Reynolds School.
- The Town holds a credit rating from Moody's Investor Services of Aa2. Standard & Poor's Ratings Services raised its rating on the Town's general obligation bonds to 'AA+' from 'AA' based on the implementation of its local GO criteria.
- The State limits the amount of general obligation debt that towns can issue based on a formula determined under State Statutes based on type of debt and tax base. When the Town's outstanding general obligation debt is calculated in accordance with this formula, it is significantly below this \$738 million state-imposed limit.

Other obligations include an accrued vacation pay and sick leave and capital leases for two fire trucks. More detailed information about the Town's long-term liabilities is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

From a financial perspective as detailed in this annual financial report, Newington once again successfully managed the 2020-21 budget through prudent, conservative fiscal management. This is evidenced from the fact that final actual expenditures are \$4.2 million under the final budget and the revenue side was favorable \$3.9 million. The significant challenges in the development of the 2021-22 Town budget

continued to be: 1) the economic conditions in the region and nationally; 2) maintain costs to meet the high level of service to which Town residents are accustomed; and 3) the ability of citizens to absorb any increases in taxes during a year when many citizens are experiencing financial difficulty due to COVID. The Town's adopted fiscal year 2021-22 General Fund appropriations totaled \$129.4, an increase of 2.9% over the 2021 budget of \$125.7 million. The most significant factor driving the overall budget increase is the \$4.5 million increase in capital improvements to address Newington's aging infrastructure.

On the revenue side, the 10/1/2019 taxable list increased slightly from the 2018 Grand List. The net real estate grand list increased .14% which is attributable to the slight increase in residential building in town. The personal property category increased by 5.54%. The 2019 motor vehicle component of the Grand List increased 2.16% over the 2018 Grand List. Estimated State Aid and other revenue sources such as building permits and real estate conveyance fees, which comprises approximately 16.3% of total revenues, stayed the same compared to the actual for 2020-21.

On a budgetary basis, the June 30, 2021 unassigned General Fund balance, after the designation of \$2.5 million to assist in financing the 2021-22 appropriations, increased by \$5 million to a level of \$27 million or 17% of the fiscal year 2021-22 budget. The Town has consistently maintained a ratio of unassigned fund balance at a level of 10% or higher of subsequent year's appropriation, which is consistent with the parameters as set forth by the credit industry. The result was a tax decrease of 1.19% without compromising the delivery of services to the community. Similar to other communities, Newington has had to address the difficult budgetary and economic times through strong management, well-managed fund balances and an active economic development program.

At this point in time, a review of key economic indicators shows that Newington has seen the effects of a national and state economic decline due to the COVID pandemic. We continue to hold steady with per capita income of Newington's residents being \$33 thousand, below the statewide average, but its median family income of \$80.3 thousand exceeds the statewide average. Building permit activity continue to increase in comparison to last year's value of permits in October of 2020. As of October 2021, the unemployment rate for Newington was 4.4%, down from 5.0%, in the prior year, but compares favorably to the State's unemployment rate during the same period.

The Town of Newington is well positioned to deal with the present economic situation. With an overwhelming reliance on property taxes, Newington's income stream is rather stable, even during a period of fiscal stress. The Town's diverse tax base lends stability to the Town's revenue. The Town's Berlin Turnpike, central location in the State and proximity to Hartford continue to attract and retain housing and commercial development. This increased development will lend itself to expand the tax base. Newington will continue to take steps to exercise fiscal discipline and manage revenue shortfalls through diligent cost control and enhanced operating efficiencies.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, Town of Newington, Connecticut, 131 Cedar Street, Newington, Connecticut 06111.

Basic Financial Statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2021
(In Thousands)

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 59,848
Investments	5,835
Receivables, net	2,790
Inventory	36
Capital assets not being depreciated	10,788
Capital assets being depreciated, net	108,291
Total assets	<u>187,588</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	197
Deferred outflows related to pensions	2,564
Deferred outflows related to OPEB	428
Total deferred outflows	<u>3,189</u>
Liabilities:	
Accounts and other payables	6,540
Accrued interest payable	69
Unearned revenue	4,994
Noncurrent liabilities:	
Due within one year	3,031
Due in more than one year	75,803
Total liabilities	<u>90,437</u>
Deferred Inflows of Resources:	
Advance property tax collections	243
Deferred inflows related to pensions	12,464
Deferred inflows related to OPEB	5,398
Total deferred inflows	<u>18,105</u>
Net Position:	
Net investment in capital assets	92,888
Restricted for:	
Trust purposes:	
Expendable	1,397
Nonexpendable	37
Grants	1,533
Unrestricted	<u>(13,620)</u>
Total Net Position	<u>\$ 82,235</u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

Functions/Programs	Expenses	Program Revenues			Capital Grants and Contributions	Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions			
Governmental activities:							
General government	\$ 10,459	\$ 891	\$ 58	\$ 8	\$ (9,560)		
Public safety	12,886	87					(12,741)
Public works	12,318	38	1,366	597			(10,317)
Community planning and development	819	465					(354)
Health and community services	2,191	3	239				(1,949)
Library	2,320	7					(2,313)
Parks and recreation	4,093	760	14				(3,319)
Education	103,367	935	41,647	121			(60,664)
Interest on long-term debt	600						(600)
Total	\$ 149,053	\$ 3,186	\$ 43,324	\$ 726			(101,817)
General revenues:							
Property taxes							104,935
Grants and contributions not restricted to specific programs							2,591
Unrestricted investment earnings							1,037
Miscellaneous							904
Total general revenues							109,467
Change in net position							7,650
Net Position at Beginning of Year, as Restated							74,585
Net Position at End of Year							\$ 82,235

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021
(In Thousands)

	<u>General</u>	<u>Capital Projects</u>	<u>Miscellaneous Grants Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 38,007	\$ 5,469	\$ 5,586	\$ 3,372	\$ 52,434
Investments	2,605			3,230	5,835
Receivables, net	1,211		56	1,381	2,648
Inventories	_____	_____	_____	36	36
Total Assets	\$ 41,823	\$ 5,469	\$ 5,642	\$ 8,019	\$ 60,953
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts and other payables	\$ 4,711	\$ 484	\$ 38	\$ 617	\$ 5,850
Unearned revenue			4,441	553	4,994
Total liabilities	4,711	484	4,479	1,170	10,844
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	706				706
Unavailable revenue - loans receivable				737	737
Advance property tax collections	243				243
Total deferred inflows of resources	949	-	-	737	1,686
Fund Balances:					
Nonspendable				36	36
Restricted			1,163	407	1,570
Committed	2,361	8,784		5,669	16,814
Assigned	6,674				6,674
Unassigned	27,128	(3,799)			23,329
Total fund balances	36,163	4,985	1,163	6,112	48,423
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 41,823	\$ 5,469	\$ 5,642	\$ 8,019	\$ 60,953

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021
(In Thousands)

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	\$ 48,423
------------------------------------------	-----------

Capital assets used in governmental activities are not financial
 resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 220,836
Less accumulated depreciation	<u>(101,757)</u>
Net capital assets	119,079

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

Housing loan receivables	737
Property tax receivables greater than 60 days	706
Interest receivable on property taxes	142
Deferred outflows related to pensions	2,564
Deferred outflows related to OPEB	428

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.

6,724

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

Bonds payable	(24,485)
Deferred amount in refunding	197
Deferred charge on premium	(1,682)
Interest payable on bonds	(69)
Net OPEB liability	(10,954)
Deferred inflows related to OPEB	(5,398)
Compensated absences	(2,390)
Capital lease	(221)
Deferred inflows related to pensions	(12,464)
Net pension liability	<u>(39,102)</u>
Net Position of Governmental Activities (Exhibit I)	<u>\$ 82,235</u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	General	Capital Projects	Miscellaneous Grants Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 105,253	\$	\$	\$	\$ 105,253
Payment in lieu of taxes	1,999				1,999
Licenses, fees and permits	446			19	465
Intergovernmental	26,660	-	105	5,178	31,943
Contributions			64	3	67
Rental	97	25			122
Income on investments	299	1		731	1,031
Fines	19				19
Charges for services	850	786	12	894	2,542
Other	343	54	120	558	1,075
Total revenues	135,966	866	301	7,383	144,516
Expenditures:					
Current:					
General government	5,190			108	5,298
Public safety	8,935		18	23	8,976
Public works	5,212				5,212
Community planning and development	555			6	561
Health and human services	1,060		152	-	1,212
Library	1,612		32	-	1,644
Parks and recreation	1,888		17	823	2,728
Education	84,606			5,173	89,779
Miscellaneous	16,205				16,205
Capital outlay		12,395	84	557	13,036
Debt service	2,751	224			2,975
Total expenditures	128,014	12,619	303	6,690	147,626
Excess (Deficiency) of Revenues over Expenditures	7,952	(11,753)	(2)	693	(3,110)
Other Financing Sources (Uses):					
Transfers in	160	3,723	2	73	3,958
Transfers out	(3,905)			(178)	(4,083)
Total other financing sources (uses)	(3,745)	3,723	2	(105)	(125)
Net Change in Fund Balances	4,207	(8,030)	-	588	(3,235)
Fund Balances at Beginning of Year, as Restated	31,956	13,015	1,163	5,524	51,658
Fund Balances at End of Year	\$ 36,163	\$ 4,985	\$ 1,163	\$ 6,112	\$ 48,423

(Continued on next page)

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

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of 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)	\$ (3,235)
---------------------------------------------------------------------	------------

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	13,152
Depreciation expense	(5,355)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus the change in net position differs from the change in fund balance by the cost of the assets sold. (2,682)

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

Property tax interest and lien revenue - accrual basis change	(306)
Property tax receivable - accrual basis change	(13)
Housing loan receivable - accrual basis change	(23)
Deferred outflows related to pensions	(3,842)
Deferred outflows related to OPEB	(223)

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

Bond principal payments	1,875
Lease payments	290

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	49
Accrued interest	6
Deferred inflow related to OPEB	(464)
Change in net OPEB liability	1,585
Amortization of premium	245
Amortization of deferred charge on refunding	(41)
Deferred inflow related to pensions	(10,345)
Change in net pension liability	16,376

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.

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Change in Net Position of Governmental Activities (Exhibit II)	\$ 7,650
----------------------------------------------------------------	----------

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021
(In Thousands)

	Governmental Activities	Internal Service Funds
Assets:		
Cash and cash equivalents	\$ 7,414	
Liabilities:		
Accounts and other payables	690	
Net Position:		
Unrestricted	\$ 6,724	

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	Governmental Activities	Internal Service Funds
Operating Revenues:		
Charges for services	\$ 10,187	
Miscellaneous	85	
Total operating revenues	<u>10,272</u>	
Operating Expenses:		
Benefit payments	8,708	
Administration	391	
Insurance	536	
Casualty loss	167	
Total operating expenses	<u>9,802</u>	
Operating Income	470	
Nonoperating Revenue:		
Interest on investments	<u>6</u>	
Income Before Transfers	476	
Transfers In	<u>125</u>	
Change in Net Position	601	
Net Position at Beginning of Year	<u>6,123</u>	
Net Position at End of Year	<u>\$ 6,724</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	Governmental Activities	Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from charges for services and other	\$ 10,272	
Cash paid to vendors	<u>(9,725)</u>	
Net cash provided by (used in) operating activities	547	
Cash Flows from Noncapital Financial Activities:		
Transfers in	125	
Cash Flows from Investing Activities:		
Interest on investments	<u>6</u>	
Net Increase (Decrease) in Cash and Cash Equivalents	678	
Cash and Cash Equivalents at Beginning of Year	6,736	
Cash and Cash Equivalents at End of Year	\$ 7,414	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ 470	
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Increase (decrease) in accounts and other payables	<u>77</u>	
Net Cash Provided by (Used in) Operating Activities	\$ 547	

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2021
(In Thousands)

	Pension and Other Post Employment Benefit Trust Funds
Assets:	
Cash and cash equivalents	\$ 3,446
Investments:	
Corporate bonds	9,978
U.S. government securities	8,321
Common stocks	42,796
Mutual funds	<u>54,044</u>
Total assets	<u>118,585</u>
Liabilities:	
Accounts payable	<u>16</u>
Net Position:	
Restricted for pension	107,395
Restricted for OPEB benefits	<u>11,174</u>
Total net position	<u>\$ 118,569</u>

The accompanying notes are an integral part of the financial statements

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 8,242
Plan members	835
Total contributions	<u>9,077</u>
Investment income:	
Net change in fair value of investments	21,249
Interest and dividends	2,502
Total investment income	<u>23,751</u>
Less investment expense	459
Net investment income	<u>23,292</u>
Total additions	<u>32,369</u>
Deductions:	
Benefits	9,922
Administration	154
Total deductions	<u>10,076</u>
Change in Net Position	22,293
Net Position at Beginning of Year	<u>96,276</u>
Net Position at End of Year	<u>\$ 118,569</u>

The accompanying notes are an integral part of the financial statements

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TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Newington (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 on July 10, 1871. The Town operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

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 four single-employer Public Retirement Systems (PERS), one defined contribution plan and one postretirement health care benefits (OPEB) plan to provide retirement benefits and post-retirement health care benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

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.

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, which normally are supported by taxes and intergovernmental revenues, are reported.

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

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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, 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 the construction and acquisition of major capital assets.

The *Miscellaneous Grants Fund* accounts for various state and federal grant programs administered by Town departments.

Additionally, the Town reports the following fund types:

The *Internal Service Fund* accounts for the Town's health benefits program.

The *Pension and Other Employee Benefit Trust Funds* account for the fiduciary activities of the Town's four defined benefits pension plans, one defined contribution plan and the Other Post-Employment Benefits (OPEB) Trust Fund, which accumulates resources for pension and health benefit payments to qualified Town employees.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's internal service fund are charges to customers for services. Operating expenses for the internal service fund include the cost of health benefits 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.

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." All trade and property tax receivables are shown net of an allowance for collectibles. The property tax receivable allowance of \$94 is equal to 9.4% of outstanding property taxes at June 30, 2021.

The Town's property tax is levied each May on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Although taxes are levied in May, the legal right to attach property does not exist until July 1, and, as such, taxes are due and payable in two installments on July 1 and January 1 following the date of the Grand List. 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. It is the policy of the Town to record deferred revenue for property taxes receivable at June 30. Property taxes collected prior to June 30 that are applicable to the subsequent year's assessment are reported as deferred revenue. Taxes become overdue one month after the installment due date. Interest at the rate of 1.5% per month accrues on all overdue taxes. The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

F. Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the date of donation. The intangible asset consists of a perpetual easement agreement and is recorded at fair value and is not amortized. In accordance with GASB Statement No. 51, intangible assets with indefinite useful lives are not subject to amortization.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Assets	Years
Buildings	50
Building improvements	20
Public domain infrastructure	40
System infrastructure	60
Vehicles	8
Office equipment	5
Computer equipment	5

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

H. Deferred Outflows 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 and investment gains or losses. 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). No deferred outflows of resources affect the governmental fund financial statements in the current year.

I. Deferred Inflows of Resources

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 advance property tax collections and deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB 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). Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. 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 the following sources: property taxes and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

J. Compensated Absences

Employees are paid by a prescribed formula for absence due to vacation or sickness. For eligible Town employees and Board of Education noncertified employees, sick time may be accumulated and paid upon death, retirement or termination, up to certain limits. The Town does not recognize sick pay liability for Board of Education certified staff. The Town does not accrue vacation pay liability because employees are generally not allowed to carry vacation time over to the following year.

A special revenue fund, the Employee Leave Liability Fund, has been established to offset the Town's future liability for unused, accrued sick pay earned by Town employees in accordance with official personnel policies. The fund is used to pay employees who are entitled to cash payments for unused sick leave. The General Fund generally provides for the payment of compensated absences for active employees.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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. 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 bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted

This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. 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.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Unrestricted

This component of net position consists of net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

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).

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town Council). Amounts remain committed until action is taken by the Town Council (resolution) to remove or revise the limitations.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by the Town Council or Director of Finance, who have been delegated authority to assign amounts by the Town Charter.

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.

O. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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, expenses and expenditures during the fiscal year. Accordingly, actual results could differ from those estimates.

P. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is January 26, 2022.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Town adheres to the following procedures in establishing the budgetary data reported in the financial statements for the General Fund. Prior to March 16, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

Two public hearings are held by the Town Council, at which taxpayer comments are obtained, and then the Town Council legally adopts the budget by a majority vote of all its members. If the Town Council fails to adopt a budget within ten days after holding its second public hearing, the Town Manager's budget becomes the Town budget.

- The Town Manager is authorized to transfer budgeted amounts within departments within any fund, except within the Board of Education. The Town Council, during the last six months of the year, may transfer any unencumbered appropriations between departments, except for the Board of Education. The Board of Education is responsible for establishing its own system of budgetary control and certification of the sufficiency of unexpended and unencumbered balance of appropriation. The Town Council may authorize additional appropriations from unappropriated and unencumbered General Fund balance up to \$375,000 (amount not rounded). Special appropriations between \$375,000 and \$975,000 (amount not rounded) require a Town ordinance. Special appropriations over \$975,000 (amount not rounded) require voter approval.
- Formal budgetary integration is employed as a management control device during the year for the General Fund legally adopted budget.
- Except for encumbrance accounting, the budget is prepared on the modified accrual basis of accounting.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund.
- Budgeted amounts shown are as amended. There were additional appropriations from fund balance of \$747 during 2020-21.

Generally, all unencumbered appropriations lapse at year end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as committed or assigned fund balance, depending on the nature of restriction, and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbrances outstanding at year end are classified as restricted, committed or assigned based on the restrictions on the underlying revenue source, in accounting with GAAP.

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."

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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.

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*, \$34,356 of the Town's bank balance of \$36,026 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 30,795
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>3,561</u>
Total Amount Subject to Custodial Credit Risk	\$ <u>34,356</u>

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Cash Equivalents

At June 30, 2021, the Town's cash equivalents amounted to \$26,860. 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. The pools all have maturities of less than one year.

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAA
UBS	A-
Comerica	BBB+
RBC	AA-
Bank of America	A-
Liberty Bank	B

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.

Investments

Investments as of June 30, 2021 in all funds consisted of \$120,974 as follows:

Investments:	
General Fund:	
Mutual Funds	\$ 2,605
Total general fund	<u>2,605</u>
Special Revenue Fund:	
Common Stocks	2,462
Mutual Funds	<u>768</u>
	<u>3,230</u>
Pension and OPEB Trust Funds:	
Corporate Bonds	9,978
U.S. Government Securities	8,321
Common Stocks	42,796
Mutual Funds	<u>54,044</u>
Total pension trust funds	<u>115,139</u>
Total Investments	\$ 120,974

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Investment Type	Fair Value	Investment Maturities (Years)		
		Less Than 1	1 - 10	More than 10
Interest-bearing investments:				
U.S. government securities	\$ 8,321	\$	\$ 3,132	\$ 5,189
Corporate bonds	<u>9,978</u>	<u>769</u>	<u>7,251</u>	<u>1,958</u>
Total	18,299	\$ 769	\$ 10,383	\$ 7,147
Other investments:				
Common stocks	45,258			
Mutual funds	<u>57,417</u>			
Total Investments	\$ <u>120,974</u>			

Credit Risk

Generally, credit risk is the risk that an issuer of a debt-type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the rating of investments for each debt type investment.

			U.S.
	Average Rating	Corporate Bonds	Government Securities
Aaa	\$ 573	\$	8,321
Aa2	107		
Aa3	56		
A1	69		
A2	1,016		
A3	761		
Baa1	1,244		
Baa2	1,673		
Baa3	2,126		
Ba1	383		
Ba2	674		
Ba3	741		
B1	208		
B2	202		
B3	111		
Unrated	<u>34</u>		
	\$ <u>9,978</u>	\$ <u>8,321</u>	

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Interest Rate Risk

The Town limits its maximum final stated maturities to 15 years, unless specific authority is given to exceed. To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town has an investment policy that allows the same type of investments as State Statutes.

Concentration of Credit Risk

The Town's investments are maintained in open-end mutual funds and are therefore not subject to concentration of credit risk market conditions.

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. The Town does not have a policy for custodial credit risk. At June 30, 2021, the Town did not have any 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 Measurement

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

	Fair Value	Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Government Securities	\$ 8,321	\$ 8,321	\$ 8,321	\$ 8,321
Corporate Bonds	9,978	50	9,928	
Common Stock	45,258	45,258		
Mutual Funds	57,417	57,417		
Total Investments by Fair Value Level	\$ 120,974	\$ 102,725	\$ 18,249	\$ -

Mutual funds and common stock classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. U.S. Government securities and corporate bonds classified as Level 2 of the fair value hierarchy are valued using matrix pricing techniques. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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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>Miscellaneous Grants Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 973	\$	\$	\$	\$ 973
Accounts	332		56	739	1,127
Intergovernmental				642	642
Gross receivables	<u>1,305</u>	<u> </u>	<u>56</u>	<u>1,381</u>	<u>2,742</u>
Less allowance for uncollectibles	<u>94</u>	<u> </u>	<u> </u>	<u> </u>	<u>94</u>
Net Total Receivables	<u>\$ 1,211</u>	<u>\$ </u>	<u>\$ 56</u>	<u>\$ 1,381</u>	<u>\$ 2,648</u>

The above table does not include accrued interest on property taxes of \$140.

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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 and Adjustments</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 7,847	\$ 7,341	\$ (31,513)	\$ 7,847
Construction in progress	24,343	7,341	(31,513)	171
Intangible assets	2,770			2,770
Total capital assets not being depreciated	<u>34,960</u>	<u>7,341</u>	<u>(31,513)</u>	<u>10,788</u>
Capital assets being depreciated:				
Buildings	77,090	32,615	(5,725)	103,980
Improvements other than buildings	11,499	145	(70)	11,574
Furniture, fixtures and equipment	38,053	3,567	(1,225)	40,395
Infrastructure	53,102	997		54,099
Total capital assets being depreciated	<u>179,744</u>	<u>37,324</u>	<u>(7,020)</u>	<u>210,048</u>
Less accumulated depreciation for:				
Buildings	(38,712)	(1,609)	3,207	(37,114)
Improvements other than buildings	(5,815)	(537)	70	(6,282)
Furniture, fixtures and equipment	(25,419)	(2,513)	1,061	(26,871)
Infrastructure	(30,794)	(696)		(31,490)
Total accumulated depreciation	<u>(100,740)</u>	<u>(5,355)</u>	<u>4,338</u>	<u>(101,757)</u>
Total capital assets being depreciated, net	<u>79,004</u>	<u>31,969</u>	<u>(2,682)</u>	<u>108,291</u>
Governmental Activities Capital Assets, Net	\$ <u>113,964</u>	\$ <u>39,310</u>	\$ <u>(34,195)</u>	\$ <u>119,079</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:				
General Government		\$ 441		
Public Safety		902		
Public Works		1,030		
Community Planning & Development		261		
Health & Community Services		101		
Library		112		
Parks & Recreation		372		
Board of Education		<u>2,136</u>		
Total Depreciation Expense		\$ <u>5,355</u>		

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Construction Projects

The Town has 65 active construction projects as of June 30, 2021. The projects include various school and Town improvements project authorizations. At year end, the Town's appropriation balances are as follows:

Project		Cumulative Authorizations	Spent-to- Date	Remaining Commitment
Town Hall/Community Center Bldg & Improvements	\$ 34,494	\$ 34,364	\$ 130	
Anna Reynolds Renovate as New	35,550	1,024	34,526	
Computer System Replacement	6,178	4,725	1,453	
Public Safety Equipment Reserve	4,914	4,818	96	
Public Works Equipment Reserve	4,831	4,687	144	
Road Reconstruction	4,477	4,470	7	
OCR Compliance	2,781	2,558	223	
Park, Pool & Playground Improvements	1,764	1,763	1	
Parks & Grounds Equipment Reserve	1,729	1,594	135	
Lease Proceeds	1,421	1,419	2	
General Property Improvements	1,354	1,325	29	
Tax Revaluation Reserve	1,213	1,120	93	
Drainage Improvement	1,174	1,039	135	
School Bus	1,053	398	655	
General Government Equipment Reserve	960	874	86	
Town Hall/Community Center Technology	950	648	302	
Other various projects	18,060	14,706	2,950	
Total	\$ 122,903	\$ 81,532	\$ 40,967	

6. INTERFUND ACCOUNTS

Interfund transfers:

	Transfer In					
	General	Capital Projects	Miscellaneous Grants Fund	Nonmajor Governmental	Internal Service	Total Transfers Out
Transfers out:						
General Fund	\$ 3,705	\$ 2	\$ 73	\$ 125	\$ 3,905	
Nonmajor Governmental	160	18				178
Total Transfers In	\$ 160	\$ 3,723	\$ 2	\$ 73	\$ 125	\$ 4,083

Transfers are used to move General Fund revenues to finance various capital projects in accordance with budgetary authorizations, as well as to transfer amounts provided as subsidies or matching funds for various grant programs.

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7. 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	\$ 26,360	\$ 1,875	\$ 1,875	\$ 24,485	1,865
Premiums	1,927		245	1,682	
Total bonds payable	28,287		2,120	26,167	1,865
Compensated absences	2,439	873	922	2,390	945
Net OPEB liability	12,539		1,585	10,954	
Net pension liability	55,478		16,376	39,102	
Capital leases	511		290	221	221
 Total Governmental Activity					
Long-Term Liabilities	\$ 99,254	\$ 873	\$ 21,293	\$ 78,834	\$ 3,031

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

A schedule of bonds and serial notes outstanding at June 30, 2021 is presented below:

<u>Description</u>	<u>Date of Issue</u>	<u>Amount of Interest Rate (%)</u>	<u>Balance Original Issue</u>	<u>Outstanding June 30, 2021</u>
General purpose bonds:				
Police station	02/13	1.0-4.0%	\$ 8,700	\$ 1,537
Town Hall/Community Center	06/19	3.0-5.0%	6,750	6,075
Town Hall/Community Center	06/20	2.0-5.0%	11,250	10,688
School:				
School improvements	02/13	1.0-4.0%	4,950	598
Board of Education Offices	06/19	3.0-5.0%	2,250	2,025
Board of Education Offices	06/20	2.0-5.0%	3,750	3,562
 Total			\$ 24,485	

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The following is a schedule of bond maturities as of June 30, 2021:

Fiscal Year Ending June 30	Principal	Interest	Total
2022	\$ 1,865	\$ 806	\$ 2,671
2023	1,850	733	2,583
2024	1,835	660	2,495
2025	1,200	587	1,787
2026	1,385	524	1,909
2027-2031	6,000	1,860	7,860
2032-2036	6,000	964	6,964
2037-2041	4,350	247	4,597
Total	\$ 24,485	\$ 6,381	\$ 30,866

Debt Limit

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 237,314	\$ 23,320	\$ 213,994
Schools	474,629	6,186	468,443
Sewers	395,524	78,783	316,741
Urban renewal	342,787		342,787
Pension deficit	316,419		316,419

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$738 million (amount not rounded). All long-term debt obligations are retired through General Fund appropriations. At June 30, 2021, the Town had \$4,800 of authorized, unissued bonds for the Town Hall and Community Center Project.

Indebtedness, in accordance with State Statutes, includes long-term debt outstanding in addition to the amount of bonds authorized and unissued against which bonds have been issued to partially finance the project or bond anticipation notes issued and outstanding. 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 \$78,783 or 9.09% of the debt of the Metropolitan District.

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Capital Leases

The Town has entered into various lease agreements as lessee for financing the acquisition for firetrucks. The lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. The asset acquired through the capital lease is as follows:

	Governmental Activities
Equipment	\$ 1,415
Less accumulated depreciation	<u>513</u>
Total	\$ <u>902</u>

The future minimum lease obligation and the net present value of the minimum lease payments as of June 30, 2021 were as follows:

Year Ending June 30,	Governmental Activities
2022	\$ 223
Less amount for interest	<u>2</u>
Minimum Lease Payments	\$ <u>221</u>

8. RISK MANAGEMENT

The Town is exposed to various risks of loss including torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town generally obtains commercial insurance for these risks, but has chosen to retain the risks for employee health and medical claims. The Health Insurance Internal Service Fund is utilized to report the self-insurance activity. Anthem Blue Cross/Blue Shield administers the plan, for which the Town pays a fee. The General Fund (Town and Board of Education) and Cafeteria Fund (Special Revenue Fund) contribute based on Anthem Blue Cross/Blue Shield estimates made using the Town's historical data. The Town covers all claims up to \$175,000 (amount not rounded) per participant per year with an individual stop-loss policy covering amounts exceeding the limit. In addition, the Town has an aggregate stop-loss policy that would cover claims exceeding 120% of the total estimated claims for the plan year. Settled claims for all types of commercial coverage have not exceeded coverage in any of the past three years.

The claims liability of \$686 reported in the Health Benefits Internal Service Fund at June 30, 2021 is based on GASB Statement No. 10, which requires that a liability for estimated claims incurred but not reported be recorded. Changes in the claims liability were:

	Current Year			
	Liability July 1,	Claims and Changes in Estimates		
2019-2020	\$ 723	\$ 7,778	\$ 7,893	\$ 608
2020-2021	608	8,708	8,631	685

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9. FUND BALANCE

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

	General Fund	Capital Projects Fund	Miscellaneous Grants Fund	Nonmajor Governmental Funds	Total
Fund balances:					
Nonspendable:					
Inventory	\$	\$	\$	\$	\$
Prepays				36	36
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>	<u>36</u>	<u>36</u>
Restricted for:					
Grants			1,163	370	1,533
Permanent funds				37	37
Total restricted	<u>-</u>	<u>-</u>	<u>1,163</u>	<u>407</u>	<u>1,570</u>
Committed to:					
Education non-lapsing	2,361				2,361
Capital and nonrecurring projects		6,599			6,599
Public schools		1,923			1,923
Land acquisition		47			47
Parks and recreation		215			215
Education				1,588	1,588
Cemetery maintenance				1,929	1,929
Public safety activities				41	41
Recreation programs				998	998
Employee leave liability				709	709
Volunteer ambulance				207	207
Volunteer firefighters				166	166
General government				31	31
Total committed	<u>2,361</u>	<u>8,784</u>		<u>5,669</u>	<u>16,814</u>
Assigned to:					
Subsequent year's budget	2,500				2,500
General government - encumbrances	183				183
Public safety - encumbrances	57				57
Public works - encumbrances	8				8
Health and community services - encumbrances	9				9
Parks and recreation - encumbrances	2				2
Library - encumbrances	20				20
Education - encumbrances	3,895				3,895
Total assigned	<u>6,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,674</u>
Unassigned	<u>27,128</u>	<u>(3,799)</u>			<u>23,329</u>
Total Fund Balances	\$ 36,163	\$ 4,985	\$ 1,163	\$ 6,112	\$ 48,423

Major encumbrances are reported in the assigned fund balance of the General Fund of \$4,174, committed fund balance for the Capital Projects Fund of \$2,108, and committed fund balance of Nonmajor Governmental Funds of \$25.

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10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Defined Benefit Plans

A. Plan Description and Benefits Provided

The Town maintains four single-employer, contributory (except for Volunteer Firefighters' Plan), defined benefit pension plans. The plans cover substantially all full-time employees except certified personnel at the Board of Education. The four pension plans are part of the Town's financial reporting entity and are accounted for in the Pension Trust Funds: Municipal Employees', Police Officers', Administrative Employees' and Volunteer Firefighters' Plans. Each plan provides retirement, disability and death benefits to plan members and beneficiaries. The Charter provides the authority to establish and amend benefit provisions to the Town Council. Stand-alone financial statements are not issued.

Management of the plans rests with the Town Manager and Director of Finance. Policy oversight is provided by The Employee Insurance and Pension Benefits Committee (EIPBC), which consists of eleven members: five who specialize in the employee benefits field, two from the Town Council, two from the Board of Education and two alternate members.

Municipal Employees' Plan

All bargaining unit employees are eligible to participate in the plan except elected officials, police officers and certified professional employees of the Newington Board of Education. Effective January 1, 2007, the plan was closed to all new hires. Benefits vest after 5 years of continuous service or 15 years of aggregate service. The normal retirement is the earlier of age 63 or completion of 25 years of service.

Pension benefits for normal retirement under the Municipal Employees' Plan are based on the average rate of earnings during the three years for which the participants' earnings were at their highest level (final earnings). The participants' yearly pension amount will be equal to 1.7% of the final earnings multiplied by the number of years of aggregate service through July 1, 1990 plus 2% of final earnings times years of aggregate service since July 1, 1990. The plan permits early retirement for participants at age 55 with 5 years of continuous service or 15 years of aggregate service.

Police Officers' Plan

All Police Officers, Canine Control officers and Public Safety Dispatchers of the Newington Police Department are eligible to participate in the plan. Benefits vest after 10 years of full-time service. Normal retirement is the earlier of age 50 or 20 years of service. For employees hired after October 1, 2013, normal retirement is the later of age 50 or 25 years of service.

Pension benefits for normal retirement under the Police Officers' Plan are based on the average rate of earnings during the three years of which the participants' earnings were at their highest level (final earnings). The participants' yearly pension benefit will be equal to 2.5% of the final earnings multiplied by the years of service. For employees hired after January 1, 2007, the benefit is capped at 70% of base compensation in the year prior to retirement. The plan permits early retirement for participants at age 45 with 10 years of service (or 20 years of service if hired after January 1, 2007) with benefits reduced by the appropriate early retirement adjustment.

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Administrative Employees' Plan

All administrative or technical employees not covered under the Municipal Employees' Plan or Police Officers' Plan are eligible under the Administrative Employees' Plan. Effective January 1, 1997, the plan was closed to all new hires. Benefits vest after 5 years of continuous service or 15 years of aggregate service. Normal retirement is the earlier of age 65 or 30 years of service.

Pension benefits for normal retirement under the Administrative Employees' Plan are based on the rate of earnings for the highest average earnings received in any three consecutive years. The participants' yearly pension amount will be equal to 1.75% of final earnings up to \$10,000 (amount not rounded) plus 2% of final earnings in excess of \$10,000 multiplied by the number of years of aggregate service. The plan permits early retirement for participants at age 55 who have 10 years of continuous service or 15 years of aggregate service. Benefits for early retirement are computed based on the normal retirement benefit and adjusted by the appropriate early retirement adjustment factor.

Volunteer Firefighters' Plan (amounts not rounded)

Effective July 1, 1994, accrued benefits for eligible members of the Newington Volunteer Fire Department are frozen for all but 17 participants. Ongoing benefits are provided through a new Volunteer Firefighters' Defined Contribution Plan. Benefits vest after 10 years of service. Normal retirement age is 60.

The 17 continuing participants receive benefit enhancements that will be phased in over a 5-year period. Monthly pension benefit amount for normal retirement for those who continue in this Volunteer Firefighters' Plan is equal to \$120 based on the completion of ten years of credited service plus \$7.50 for each additional year of service effective July 1, 1999 (increasing \$.50 each July 1, maximum to \$12.00). There are also percentage increases in the benefits if the participant is an officer of the Volunteer Fire Department for at least five years. The pension plan is closed to new entrants.

As of July 1, 2020, for the Municipal, Police, and Administrative, and as of July 1, 2019, Firefighters, the plan membership of defined benefit plans consisted of the following:

	Municipal	Police	Administrative	Firefighters
Active participants	66	58	5	22
Terminated participants	4	4	2	36
Retirees and beneficiaries	186	77	31	44
Total	<u>256</u>	<u>139</u>	<u>38</u>	<u>102</u>

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The four Pension Trust Funds are accounted for using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

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Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized when earned and gains and losses on sales or exchanges of investments are recognized on the transaction date. Unrealized gains and losses due to appreciation and depreciation of plan assets are also recognized at fiscal year-end.

Basis of Accounting

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

Method Used to Value Investments

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

C. Funding Policy

The contribution requirements of plan members, with the exception of the Firefighters' Plan which is noncontributory, are established and may be amended by the Town Council, subject to union contract negotiation. If an employee leaves covered employment or participation or dies before meeting the vesting requirements, accumulated employee contributions and interest thereon are refunded. The Town is required to contribute the amount necessary to finance the benefits for its employees, net of employee contributions, as determined by its actuaries. In conjunction with the application of GASB 68, the Town Council adopted a plan for future contributions in May of 2016. Investment services and actuarial valuations are paid by the individual plans. Other costs of administering the plans are paid by the Town. The employees' required contribution rates and the Town's current rate of annual covered payroll is presented in the following table:

	Municipal	Police	Administrative
Employee required contribution	4.50%	8.50%	4.50%
Town current rate	44.38%	50.46%	116.43%

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D. Pension Trust Funds

The Town maintains various pension trust funds to account for its fiduciary responsibility. The following schedules present the net position held in trust for pension benefits at June 30, 2021 and the changes in net position for the year then ended.

	Schedule of Plan Net Position						
	Municipal Employee's Plan	Police Officer's Plan	Administrative Employees' Plan	Volunteer Firefighters' Plans			
				Defined Benefit	Defined Contribution	Eliminations	Total
Assets:							
Cash and equivalents	\$ 631	\$ 1,530	\$ 138	\$ 737	\$	\$	\$ 3,036
Investments	31,315	63,500	6,038	901	2,605		104,359
Due from other funds					175	(175)	-
Total assets	31,946	65,030	6,176	901	3,517	(175)	107,395
Liabilities:							
Accounts payable							-
Due to other funds				175		(175)	-
Total liabilities	-	-	-	175	-	(175)	-
Net Position Restricted for Pension Benefits	\$ 31,946	\$ 65,030	\$ 6,176	\$ 726	\$ 3,517	\$ -	\$ 107,395

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	Schedule of Changes in Plan Net Position					
	Municipal Employees' Plan	Police Officers' Plan	Administrative Employees' Plan	Volunteer Firefighters' Plans	Defined Contribution	Total Pension Trust Funds
Additions:						
Contributions:						
Employer	\$ 2,413	\$ 3,304	\$ 652	\$ 102	\$ 74	\$ 6,545
Plan members	200	614	15		6	835
Total contributions	<u>2,613</u>	<u>3,918</u>	<u>667</u>	<u>102</u>	<u>80</u>	<u>7,380</u>
Investment income:						
Net appreciation (depreciation)						
in fair value of investments	5,824	11,591	1,171	96	758	19,440
Interest and dividends	691	1,378	139	50		2,258
Total investment income	<u>6,515</u>	<u>12,969</u>	<u>1,310</u>	<u>146</u>	<u>758</u>	<u>21,698</u>
Less investment expenses	132	258	26	2		418
Net investment income	<u>6,383</u>	<u>12,711</u>	<u>1,284</u>	<u>144</u>	<u>758</u>	<u>21,280</u>
Total additions	<u>8,996</u>	<u>16,629</u>	<u>1,951</u>	<u>246</u>	<u>838</u>	<u>28,660</u>
Deductions:						
Benefits	3,254	3,990	1,091	108	13	8,456
Administration	36	49	27	4	21	137
Total deductions	<u>3,290</u>	<u>4,039</u>	<u>1,118</u>	<u>112</u>	<u>34</u>	<u>8,593</u>
Net increase (decrease)	5,706	12,590	833	134	804	20,067
Net Position at Beginning of Year	<u>26,240</u>	<u>52,440</u>	<u>5,343</u>	<u>592</u>	<u>2,713</u>	<u>87,328</u>
Net Position at End of Year	<u>\$ 31,946</u>	<u>\$ 65,030</u>	<u>\$ 6,176</u>	<u>\$ 726</u>	<u>\$ 3,517</u>	<u>\$ 107,395</u>

TOWN OF NEWINGTON, CONNECTICUT
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E. Investments

Investment Policy

The Municipal, Police and Administrative pension plans' policy in regard to the allocation of invested assets is established and may be amended by the EIPBC by a majority vote of its members. The Firefighters pension plan allocation of invested assets is amended by the Director of Finance in conjunction with the Fire Commissioners. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the adopted asset allocation policy for the year ended June 30, 2021:

Asset Class	Municipal Employees Target Allocation	Police Target Allocation	Administrative Employees Target Allocation	Firefighters Target Allocation
US Core Fixed Income	35.0 %	35.0 %	35.0 %	%
US Short Bonds				25.0
US Long Bonds				25.0
Global Bonds	5.0	5.0	5.0	18.0
Total fixed income	<u>40</u>	<u>40.0</u>	<u>40</u>	<u>68</u>
US Large Caps	34.0	34.0	34.0	14.0
US Small Caps	10.5	10.5	10.5	4.0
Global Equity	15.5	15.5	15.5	
US Mid Caps				4.0
Foreign developed equity				7.0
Emerging Markets				3.0
Total equity	<u>60.0</u>	<u>60.0</u>	<u>60.0</u>	<u>32.0</u>
Total Allocation	<u>100</u> %	<u>100.0</u> %	<u>100</u> %	<u>100</u> %

The plans did not have any concentrations that warranted disclosure.

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 23.74% for Municipal Employees, 23.68% for Police 23.84% for Administrative Employees, 26.21% for Firefighters, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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F. Net Pension Liability of the Town

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

	Municipal Employees	Police	Administrative Employees	Firefighters
Total pension liability	\$ 51,964	\$ 77,176	\$ 12,481	\$ 1,359
Plan fiduciary net position	<u>31,946</u>	<u>65,030</u>	<u>6,176</u>	<u>726</u>
Net Pension Liability	<u>\$ 20,018</u>	<u>\$ 12,146</u>	<u>\$ 6,305</u>	<u>\$ 633</u>
Plan fiduciary net position as a percentage of the total pension liability	61.48%	84.26%	49.48%	53.42%

The Town's net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 for Municipal Employees, Police and Administrative Employees and July 1, 2019 for Firefighters.

Actuarial Assumptions

The total pension liability for Administrative Employees, Municipal Employees and Police 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	3.50%, average, including inflation
Investment rate of return	6.85%, net of pension plan investment expense, including inflation

Mortality rates were based on the PubS-2010 Mortality Table with generational projection per the MP-2019 Ultimate Scale.

The total pension liability for Firefighters was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	N/A
Investment rate of return	5.88% (prior: 6.0%), net of pension plan investment expense, including inflation

Mortality rates were based on the PubS-2010 Mortality with generational projections per MP-2019 Ultimate Scale.

The plans have not had a formal actuarial experience study performed.

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The long-term expected rate of return on pension plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of June 30, 2021. Best estimates of geometric 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:

Asset Class	Municipal Employees Long-Term Expected Real Rate of Return	Police Long- Term Expected Real Rate of Return	Administrative Employees Long-Term Expected Real Rate of Return	Firefighters Long-Term Expected Real Rate of Return
Fixed:				
US Core Fixed Income	1.28 %	1.28 %	1.28 %	%
US Short Bonds				0.59
US Long Bonds				2.35
Global Bonds	0.55	0.55	0.55	0.55
Equity:				
US Large Caps	3.33	3.33	3.33	3.33
US Small	3.96	3.96	3.96	4.11
Global US Equity	4.84	4.84	4.84	
US Mid Caps				3.47

Discount Rate

The discount rate used to measure the total pension liability was 6.88% for Municipal Employees, Administrative Employees, and Police. The discount rate used to measure the total pension liability was 5.88% for Firefighters. 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.

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G. Changes in Net Pension Liability

Municipal 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	\$ 51,418	\$ 26,240	\$ 25,178
Changes for the year:			
Service cost	415		415
Interest on total pension liability	3,452		3,452
Differences between expected and actual experience	(67)		(67)
Changes in assumptions			-
Employer contributions		2,413	(2,413)
Member contributions		200	(200)
Net investment income		6,383	(6,383)
Benefit payments, including refund to employee contributions	(3,254)	(3,254)	-
Administrative expenses		(36)	36
Net changes	<u>546</u>	<u>5,706</u>	<u>(5,160)</u>
Balances as of June 30, 2021	\$ 51,964	\$ 31,946	\$ 20,018

Police 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	\$ 74,671	\$ 52,440	\$ 22,231
Changes for the year:			
Service cost	1,353		1,353
Interest on total pension liability	5,092		5,092
Effect of plan changes			-
Differences between expected and actual experience	50		50
Changes in assumptions			-
Employer contributions		3,304	(3,304)
Member contributions		614	(614)
Net investment income		12,711	(12,711)
Benefit payments, including refund to employee contributions	(3,990)	(3,990)	-
Administrative expenses		(49)	49
Net changes	<u>2,505</u>	<u>12,590</u>	<u>(10,085)</u>
Balances as of June 30, 2021	\$ 77,176	\$ 65,030	\$ 12,146

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Administrative Employees' Pension Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2020	\$ 12,616	\$ 5,343	\$ 7,273
Changes for the year:			
Service cost	44		44
Interest on total pension liability	834		834
Differences between expected and actual experience	78		78
Changes in assumptions			-
Employer contributions		652	(652)
Member contributions		15	(15)
Net investment income		1,284	(1,284)
Benefit payments, including refund to employee contributions	(1,091)	(1,091)	-
Administrative expenses		(27)	27
Net changes	<u>(135)</u>	<u>833</u>	<u>(968)</u>
Balances as of June 30, 2021	<u>\$ 12,481</u>	<u>\$ 6,176</u>	<u>\$ 6,305</u>

Volunteer Firefighters' Pension Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2020	\$ 1,388	\$ 592	\$ 796
Changes for the year:			
Interest on total pension liability	79		79
Differences between expected and actual experience			-
Changes in assumptions			-
Employer contributions		102	(102)
Net investment income		144	(144)
Benefit payments, including refund to employee contributions	(108)	(108)	-
Administrative expenses		(4)	4
Net changes	<u>(29)</u>	<u>134</u>	<u>(163)</u>
Balances as of June 30, 2021	<u>\$ 1,359</u>	<u>\$ 726</u>	<u>\$ 633</u>

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H. 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 6.88% for Municipal Employees, Police and Administrative Employees, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

		1% Decrease 5.88%	Current Discount Rate 6.88%	1% Increase 7.88%
Municipal Employees' Net Pension Liability	\$ 25,042	\$ 20,018	\$ 15,228	
Police Net Pension Liability	20,256	12,146	2,254	
Administrative Employees' Net Pension Liability	7,403	6,305	5,230	

The following presents the net pension liability of the Firefighters' Plan, calculated using the discount rate of 5.88% 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 4.88%	Current Discount Rate 5.88%	1% Increase 6.88%
Firefighters Net Pension Liability	\$ 759	\$ 633	\$ 525	

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

For the year ended June 30, 2021, the Town recognized pension expense of \$2,878, \$982, \$359, \$66 for Municipal, Police, Administrative, and Fire employees, respectively, for a total of \$4,285. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources				Total
	Municipal Employees' Pension Plan	Police Retirement Plan	Administrative Employees' Pension Plan	Volunteer Firefighters' Pension Plan	
Differences between expected and actual experience	\$ 71			\$ 71	
Changes of assumptions		2,493			2,493
Total	\$ -	\$ 2,564	\$ -	\$ -	\$ 2,564

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Deferred Inflows of Resources

	Municipal Employees' Pension Plan	Police Retirement Plan	Administrative Employees' Pension Plan	Volunteer Firefighters' Pension Plan	Total
Differences between expected and actual experience	\$ 27	\$ 1,042	\$	\$	\$ 1,069
Net difference between projected and actual earning on pension plan investments	3,566	7,037	721	71	11,395
Total	<u>\$ 3,593</u>	<u>\$ 8,079</u>	<u>\$ 721</u>	<u>\$ 71</u>	<u>\$ 12,464</u>

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

Year Ending June 30	Municipal Employees' Pension Plan	Police Retirement Plan	Administrative Employees' Pension Plan	Volunteer Firefighters' Pension Plan	Total
2022	\$ (957)	\$ (964)	\$ (191)	\$ (16)	\$ (2,128)
2023	(884)	(1,201)	(178)	(17)	(2,280)
2024	(830)	(1,545)	(166)	(16)	(2,557)
2025	(921)	(1,814)	(186)	(22)	(2,943)
2026		8			8
2027		1			1

J. Payable to the Pension Plan

At June 30, 2021, the Town had no outstanding contributions to the pension plan required for the year ended June 30, 2021.

Volunteer Firefighters - Defined Contribution Plan (amounts not rounded)

In addition to the defined benefit plan described above, the Town provides a defined contribution plan to certain volunteer firefighters, which is administered by the three fire commissioners, the Town Manager and the Director of Finance. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Most current active and all new and future members of volunteer firefighters can only participate in this plan. Members are 100% vested after 10 years of service. Contributions range from \$385 per year for members with less than 6 years of service to \$805 per year for members with more than 35 years of service. The firefighters are not required to contribute to the plan; however, they can elect to defer a stipend of \$1,000. Stipend contributions for 2020-2021 amounted to \$6,000. Plan provisions and contribution requirements are established and may be amended by the Town Council.

The Town's contribution for 2020-2021, computed in accordance with plan requirements, amounted to \$73,590. At June 30, 2021, there were 129 members of the plan.

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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.

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 \$9,512 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

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Employees

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

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>148,298</u>
Total	\$	<u>148,298</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 \$21,243 in Exhibit II.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2019, 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	8.00%, 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.

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

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

Long-Term Rate of Return

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

Asset Class	Expected Return	Target Allocation
Domestic Equity Fund	5.60	%
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.

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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.

H. 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.

11. OTHER POST-EMPLOYMENT BENEFITS

Other Post-Employment Benefits Trust

A. Plan Description (amounts not rounded)

The Town provides post-employment benefits for Police Department, Teachers and certain other retirees. This benefit is provided per various bargaining agreements. The Town pays for 100% of retiree and spouse costs for Police and 75% of retiree costs for Town and Board of Education administrators. The Town is required to provide medical, dental and life insurance to certain retired police officers. The Town is also required to provide medical and dental insurance to certain other retirees until the retirees reach the age of 65 or unless covered elsewhere. The post-employment benefits plan is a single-employer defined benefit healthcare plan administered by the Town. The post-employment benefits plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Post-Employment Benefits Trust Fund. The Town does not issue a separate stand-alone financial statement for this program.

Management of the post-employment benefits plan is vested with the Town Manager and Director of Finance. Policy oversight is provided by the Employee Insurance and Pension Benefits Committee, which consists of eleven members: five who specialize in the employee benefits field, two from the Town Council, two from the Board of Education and two alternate members.

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

Active employees	669
Retired employees	119
Total	788

B. Funding Policy and Benefits Provided

The Town has established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits. The fund is reported as a trust fund in accordance with GASB guidelines. The annual actuarially determined contribution payment is transferred into this account annually from the General Fund and budgeted as part of the budgeting process, which is approved by the Town Council.

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The Town's funding strategy for post-employment obligations are based upon characteristics of benefits on three distinct groups of employees established within their respective collective bargaining units and/or contracts and include the following:

- AFSCME Board of Education and Town employees are eligible for retiree health care coverage until age 65 upon attainment of normal or early retirement. Normal retirement is the earlier of age 63 or completion of 25 years of service. Early retirement is age 55, and 5 years of continuous service or 15 years of aggregate service. Coverage is pre-65 only. Post-65 non-Medicare eligible retirees can continue coverage at their own expense.
- Police officers are eligible for retiree health care coverage until age 65 upon attainment of normal or early retirement. Normal retirement is the earlier of age 50 or completion of 20 years of service. Early retirement is age 45 and 10 years of continuous service. For officers hired on or after January 1, 2007, normal retirement is the completion of 25 years of service regardless of age and an officer retiring prior to normal retirement shall not be eligible for retiree health care benefits.
- Per state statute, any Teacher and School Certified Administrator hired prior to March 1986 that does not qualify for Medicare is eligible for retiree health coverage for life, at the earlier of age 55 with 20 years of service or 25 years of service. Those qualifying for Medicare are allowed to remain on the health insurance plan until age 65.
- Surviving spouses of retired teachers and nonteachers at the school are allowed to remain on the plan.
- Surviving spouses of retirees and actives eligible to retire are allowed to remain on the plan.

C. Investments

Investment Policy

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

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 20.89%. 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	\$ 22,128
Plan fiduciary net position	<u>11,174</u>
Net OPEB Liability	\$ <u>10,954</u>
Plan fiduciary net position as a percentage of the total OPEB liability	50.50%

Actuarial Assumptions

The total OPEB liability at June 30, 2021 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	2.75%
Salary increases	Graded by age for Teachers and Administrators; 3.50% for all others
Investment rate of return	6.88%
Healthcare cost trend rates	6.10%-4.10% over 54 years prior to age 65; 6.20% - 4.20% over 55 years after age 65

Mortality rates for healthy teachers were based on the RP-2000 Combined Healthy Mortality Table for males and females, projected forward 19 years using scale AA, with a two-year age setback. Mortality rates for disabled teachers were based on RP-2000 Combined Healthy Mortality Table for males and females, projected forward 19 years using scale AA, with an eight-year set forward. Mortality rates for all other healthy participants were based on the RP-2000 Combined Healthy Mortality Table for males and females, projected forward 19 years using scale AA, with an eight-year age set forward. Mortality rates for all other disabled participants were based on RP-2000 Combined Healthy Mortality Table for males and females, with generational projection per scale AA.

The plan has not had a formal actuarial experience study performed.

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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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	
U.S. Core Fixed Income	32.0 %	1.30	%
Global Bonds	8.0	0.55	
U.S. Large Cap	34.0	3.33	
U.S. Small and Mid Cap	10.5	3.96	
Non-US Equity	<u>15.5</u>	<u>4.84</u>	
Total	<u><u>100.0</u></u> %		

E. Discount Rate

The discount rate used to measure the total OPEB liability was 6.88%. 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.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

F. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of July 1, 2020	\$ 21,487	\$ 8,948	\$ 12,539
Changes for the year:			
Service cost	636		636
Interest on total OPEB liability	1,471		1,471
Economic/demographic gains or losses			-
Changes in assumptions			-
Employer contributions		1,697	(1,697)
Net investment income		2,012	(2,012)
Benefit payments	(1,466)	(1,466)	-
Administrative expenses		(17)	17
Net changes	641	2,226	(1,585)
Balances as of June 30, 2021	<u>\$ 22,128</u>	<u>\$ 11,174</u>	<u>\$ 10,954</u>

G. 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 <u>5.88%</u>	Current Discount Rate <u>6.88%</u>	1% Increase <u>7.88%</u>
Net OPEB Liability	<u>\$ 12,841</u>	<u>\$ 10,954</u>	<u>\$ 9,280</u>

**TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)**

H. 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:

	Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
	5.1% Decreasing to 3.1%	6.1% Decreasing to 4.1%	6.1% Decreasing to 5.1%
Net OPEB Liability	\$ 8,405	\$ 10,954	\$ 13,545

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

For the year ended June 30, 2021, the Town recognized OPEB expense of \$800. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 383	\$ 3,614
Changes of assumptions	45	708
Net difference between projected and actual earning on OPEB plan investments	<hr/>	<hr/> 1,076
Total	\$ 428	\$ 5,398

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	\$	(702)
2023		(692)
2024		(668)
2025		(699)
2026		(491)
Thereafter		(1,718)

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

The following schedule presents the net position held in trust for OPEB benefits at June 30, 2021 and the changes in net position for the year ended June 30, 2021:

STATEMENT OF NET POSITION

Assets:

Cash and cash equivalents	\$ 410
Investments	<u>10,780</u>
 Total assets	 <u>11,190</u>

Liabilities:

Accounts payable	<u>16</u>
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Net Position:

Restricted for OPEB Benefits	<u>\$ 11,174</u>
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STATEMENT OF CHANGES IN NET POSITION

Additions:

Contributions:	
Employer	<u>1,697</u>

Investment income:

Net appreciation in fair value of investments	1,809
Interest and dividends	244
Total investment income	<u>2,053</u>

Less investment expense	41
Net investment income	<u>2,012</u>

Total additions	<u>3,709</u>
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Deductions:

Benefits	1,466
Administration	17
Total deductions	<u>1,483</u>

Change in Net Position	2,226
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Net Position - Beginning of Year	<u>8,948</u>
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Net Position - End of Year	<u>\$ 11,174</u>
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TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan

A. Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other 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 (amounts not rounded)

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$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.

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

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 Supplement Plans, as long as they do not remarry.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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.

D. Contributions (Amounts not Rounded)

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 \$230 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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>22,119</u>
Total	\$	<u>22,119</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 \$1,022 in Exhibit II.

F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, 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.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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%, prior year's rate was 3.5%. 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.

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 Annual Comprehensive Financial Report at www.ct.gov.

12. CONTINGENT LIABILITIES

The Town is subject to various legal actions arising in the normal course of business. While the ultimate outcome of the aforementioned contingencies is not determinable at this time, the Town believes that any liability or loss resulting therefrom will not materially affect the financial statements.

TOWN OF NEWINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

13. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

The Town previously reported the activities of Youth Activities Agency Fund and Student Activities Agency Fund 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 Youth Activities Agency Fund and Student Activities Agency Fund are reported as special revenue funds. Accordingly, the Town restated beginning balances of net position and fund balance as follows:

	Governmental Activities Net Position	Nonmajor Governmental Funds Fund Balance
Balance as previously reported June 30, 2020	\$ 73,825	\$ 5,927
Adjustment		
Youth Activities Fund reported as a special revenue fund	7	7
Student Activities Fund reported as a special revenue fund	<u>753</u>	<u>753</u>
Balance as restated at July 1, 2020	<u>\$ 74,585</u>	<u>\$ 6,687</u>

Required Supplementary Information

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

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Property taxes:				
Current levy	\$ 94,233	\$ 94,233	\$ 94,643	\$ 410
Motor vehicle taxes	9,416	9,416	9,940	524
Prorated real estate				
Prior year tax levies	375	375	292	(83)
Interest and liens	195	195	378	183
Total	<u>104,219</u>	<u>104,219</u>	<u>105,253</u>	<u>1,034</u>
Payments in lieu of taxes:				
State-Owned Property	30	30	31	1
Disabled Exemption	5	5	5	-
Additional Veteran's Exemption	25	25	23	(2)
Tax Exempt Colleges and Hospital	1,940	1,940	1,940	-
Total	<u>2,000</u>	<u>2,000</u>	<u>1,999</u>	<u>(1)</u>
Licenses and permits:				
Building permits	250	250	382	132
Vendor's permits	2	2	3	1
Gun permits	10	10	30	20
Work Within Rights of Way	20	20	29	9
Refuse handling licenses	2	2	2	-
Total	<u>284</u>	<u>284</u>	<u>446</u>	<u>162</u>
Rentals:				
Town Hall rental	2	2		(2)
Indian Hill Country Club	48	48	45	(3)
Other town property	47	47	52	5
Total	<u>97</u>	<u>97</u>	<u>97</u>	<u>-</u>
Investment income	<u>300</u>	<u>300</u>	<u>299</u>	<u>(1)</u>

(Continued on next page)

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

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Fines:				
Parking tickets	\$ 11	\$ 11	\$ 7	\$ (4)
False alarms	10	10	11	1
Blighted Premises	1	1	1	-
Total	22	22	19	(3)
Charges for services:				
Conservation Commission	5	5	7	2
Zoning Board of Appeals			2	2
Town Planning and Zoning	10	10	22	12
Town Clerk Fees	475	475	779	304
Police	10	10	10	-
Human Services - counseling fee	4	4	1	(3)
Library - overdue fines	19	19	1	(18)
Dial-A-Ride Tickets	5	5		(5)
Scrap Metal Curbside	15	15	28	13
Engineering fees	1	1		(1)
Total	544	544	850	306
State of Connecticut:				
Mashantucket Pequot Fund	165	165	165	-
Youth Services Bureau	20	20	21	1
Telecommunications Tax	98	98	85	(13)
Emergency Management Grant	19	19		(19)
Excess Cost			901	901
Adult Education	42	42	48	6
Municipal Grant-In-Aid	1,366	1,366	1,366	-
School Building Grants			121	121
Health Services	3	3	6	3
Controlling Interest			9	9
Education Cost Sharing Grant	13,773	13,773	13,706	(67)
Total	15,486	15,486	16,428	942

(Continued on next page)

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

(In Thousands)

	<u>Budgeted Amounts</u>			<u>Variance - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Federal government:				
Senior Citizen Trans Aid	\$ 9	\$ 9	\$ 11	\$ 2
Miscellaneous:				
Other - miscellaneous	35	35	278	243
Cancelled PY encumbrances	60	60	1,230	1,170
Sale of land			65	65
Total	<u>95</u>	<u>95</u>	<u>1,573</u>	<u>1,478</u>
Total revenues	123,056	123,056	126,975	3,919
Other financing sources:				
Transfers in	<u>160</u>	<u>160</u>	<u>160</u>	<u>-</u>
Total	<u>\$ 123,216</u>	<u>\$ 123,216</u>	<u>127,135</u>	<u>\$ 3,919</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			9,512	
State of Connecticut on-behalf contributions the Connecticut State Teachers OPEB System for Town teachers are not budgeted			230	
Cancellation of prior year encumbrances are recognized as budgetary revenue			(1,230)	
The Town does not budget for certain intergovernmental grants; these amounts are recorded as revenues and expenditures for financial reporting purposes			339	
The Board of Education does not budget for certain intergovernmental grants that are credited against education expenditures for budgetary reporting; these amounts are recorded as revenues and expenditures for financial reporting purposes			<u>140</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances -				
Governmental Funds - Exhibit IV			<u>\$ 136,126</u>	

TOWN OF NEWINGTON, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2021

(In Thousands)

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
General Government:				
Town Council	\$ 54	\$ 54	\$ 42	\$ 12
Town Manager	397	421	421	-
Courts	40	40	34	6
Elections	169	180	174	6
Finance	1,579	1,579	1,512	67
Town Attorney	157	157	142	15
Town Clerk	201	223	223	-
Personnel	42	42	24	18
General services	2,626	2,626	2,359	267
Total general government	5,265	5,322	4,931	391
Public Safety:				
Police Department	7,907	7,642	7,437	205
Fire Department	1,089	1,089	1,033	56
Street lighting	315	315	286	29
Emergency Management	4	4		4
Emergency Medical Service	44	44	38	6
Hydrants	107	107	107	-
Total public safety	9,466	9,201	8,901	300
Public Works:				
Engineering	327	277	265	12
Highway Department	2,740	2,716	2,561	155
Solid Waste Services	2,427	2,451	2,345	106
Total public works	5,494	5,444	5,171	273
Community Planning and Development:				
Planning and Development	235	307	307	-
Town Planning and Zoning	18	18	18	-
Zoning Board of Appeals	2	2	2	-
Building Department	215	220	218	2
Conservation Commission	5	5	5	-
Economic Development	5	5	1	4
Total community planning and development	480	557	551	6
Health and Community Services:				
Public Health:				
Health Services	200	125	70	55
Community Services:				
Human Services	467	498	470	28
Senior and Disabled Center	619	619	525	94
Boards and Commissions	4	4	2	2
Total health and community services	1,290	1,246	1,067	179

(Continued on next page)

TOWN OF NEWINGTON, 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

(In Thousands)

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Library:				
Library operations	\$ 1,850	\$ 1,700	\$ 1,609	\$ 91
Parks and Recreation:				
Parks and Recreation Administration	339	299	299	-
Grounds Maintenance	1,525	1,550	1,550	-
Total parks and recreation	1,864	1,849	1,849	-
Board of Education:				
Art	751	727	727	-
Career/Vocational	718	687	687	-
Computers	1,762	3,295	3,306	(11)
Language Arts	4,271	4,205	4,205	-
Foreign Language	1,365	1,352	1,352	-
Math	4,343	4,169	4,169	-
Music	1,174	1,148	1,148	-
Physical Education	1,548	1,576	1,576	-
Reading	4,121	4,057	4,057	-
Science	3,505	3,461	3,461	-
S.T.E.M.	611	593	593	-
Social Studies	3,612	3,719	3,719	-
Other Salaries	1,216	469	469	-
Special Education	10,805	10,875	10,877	(2)
Homebound	82	17	17	-
Adult Education	105	87	87	-
Guidance	1,200	1,208	1,209	(1)
Health/Nurses	630	645	645	-
Psychological Services	1,282	1,207	1,207	-
Speech and Hearing	682	699	699	-
Curriculum Development	324	296	298	(2)
Media	827	834	834	-
Board of Education	568	243	243	-
Central Direction	1,874	1,795	1,808	(13)
Building Direction	3,916	4,248	4,263	(15)
Supplies	239	144	145	(1)
Maintenance	2,227	3,749	3,754	(5)
Plant operation	4,910	4,488	4,400	88
Transportation	3,364	2,709	2,724	(15)
Evaluation, planning and development	103	71	71	-
Insurance	812	661	661	-
Employee benefits	12,942	12,490	10,793	1,697
Non-athletics	171	154	154	-
Athletics	607	629	630	(1)
Community service	100	60	60	-
Total Board of Education	76,767	76,767	75,048	1,719

(Continued on next page)

TOWN OF NEWINGTON, 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

(In Thousands)

	Budgeted Amounts			Variance -	
	Original	Final	Actual	Positive	(Negative)
Miscellaneous:					
Metropolitan District Assessment	\$ 4,824	\$ 4,824	\$ 4,816	\$ 8	
Municipal insurance	977	977	829	148	
Greater Hartford Transit District	3	3	3	-	
Employee benefits	11,212	10,973	10,486	487	
Donations and contributions	23	23	23	-	
Contingency	465	265	48	217	
Total miscellaneous	<u>17,504</u>	<u>17,065</u>	<u>16,205</u>	<u>860</u>	
Debt service:					
Principal payments	1,875	1,875	1,875	-	
Interest expense	608	918	876	42	
Total debt service	<u>2,483</u>	<u>2,793</u>	<u>2,751</u>	<u>42,000</u>	
Total expenditures	122,463	121,944	118,083	3,861	
Other financing uses:					
Transfers out	<u>3,253</u>	<u>4,519</u>	<u>3,899</u>	<u>620</u>	
Total	\$ 125,716	\$ 126,463	121,982	\$ 4,481	

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted	9,512
State of Connecticut on-behalf contributions to the Connecticut State Teachers' OPEB System for Town teachers are not budgeted	230
The Town does not budget for certain intergovernmental grants; these amounts are recorded as revenues and expenditures for financial reporting purposes	339
The Board of Education does not budget for certain intergovernmental grants that are credited against education expenditures for budgetary reporting; these amounts are recorded as revenues and expenditures for financial reporting purposes	140
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes	(284)

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

Exhibit IV

\$ 131,919

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL EMPLOYEES
LAST EIGHT FISCAL YEARS*
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
Total pension liability:								
Service cost	\$ 567	\$ 561	\$ 538	\$ 503	\$ 507	\$ 504	\$ 423	\$ 415
Interest	2,923	3,026	3,122	3,184	3,173	3,127	3,175	3,452
Differences between expected and actual experience	(30)	471	581	(856)	(1,228)	402	649	(67)
Changes of assumptions			518	518	520	538	3,809	
Benefit payments, including refunds of member contributions	(2,496)	(2,586)	(2,796)	(2,768)	(2,761)	(2,931)	(3,102)	(3,254)
Net change in total pension liability	964	1,472	1,963	581	211	1,640	4,954	546
Total pension liability - beginning	<u>39,633</u>	<u>40,597</u>	<u>42,069</u>	<u>44,032</u>	<u>44,613</u>	<u>44,824</u>	<u>46,464</u>	<u>51,418</u>
Total pension liability - ending	<u>40,597</u>	<u>42,069</u>	<u>44,032</u>	<u>44,613</u>	<u>44,824</u>	<u>46,464</u>	<u>51,418</u>	<u>51,964</u>
Plan fiduciary net position:								
Contributions - employer	1,453	1,594	1,623	1,695	1,742	1,753	1,885	2,413
Contributions - member	326	303	284	274	268	250	221	200
Net investment income (loss)	3,122	842	(397)	2,938	1,893	2,011	1,330	6,383
Benefit payments, including refunds of member contributions	(2,496)	(2,586)	(2,796)	(2,768)	(2,761)	(2,931)	(3,102)	(3,254)
Administrative expense	(20)	(21)	(15)	(20)	(28)	(28)	(25)	(36)
Net change in plan fiduciary net position	2,385	132	(1,301)	2,119	1,114	1,055	309	5,706
Plan fiduciary net position - beginning	<u>20,427</u>	<u>22,812</u>	<u>22,944</u>	<u>21,643</u>	<u>23,762</u>	<u>24,876</u>	<u>25,931</u>	<u>26,240</u>
Plan fiduciary net position - ending	<u>22,812</u>	<u>22,944</u>	<u>21,643</u>	<u>23,762</u>	<u>24,876</u>	<u>25,931</u>	<u>26,240</u>	<u>31,946</u>
Net Pension Liability - Ending	<u>\$ 17,785</u>	<u>\$ 19,125</u>	<u>\$ 22,389</u>	<u>\$ 20,851</u>	<u>\$ 19,948</u>	<u>\$ 20,533</u>	<u>\$ 25,178</u>	<u>\$ 20,018</u>
Plan fiduciary net position as a percentage of the total pension liability	56.19%	54.54%	49.15%	53.26%	55.50%	55.81%	51.03%	61.48%
Covered payroll	\$ 7,230	\$ 6,807	\$ 7,037	\$ 6,603	\$ 6,123	\$ 6,115	\$ 5,803	\$ 5,437
Net pension liability as a percentage of covered payroll	245.99%	280.96%	318.16%	315.78%	325.79%	335.78%	433.88%	368.18%

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

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE
LAST EIGHT FISCAL YEARS*
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
Total pension liability:								
Service cost	\$ 1,057	\$ 1,164	\$ 1,178	\$ 1,264	\$ 1,311	\$ 1,372	\$ 1,349	\$ 1,353
Interest	3,974	4,140	4,319	4,479	4,648	4,732	4,883	5,092
Differences between expected and actual experience	(36)	259	483	186	(1,000)	(3)	(1,588)	50
Changes of assumptions			835	913	896	990	3,539	
Benefit payments, including refunds of member contributions	(3,104)	(3,206)	(3,330)	(3,507)	(3,522)	(3,686)	(3,774)	(3,990)
Net change in total pension liability	1,891	2,357	3,485	3,335	2,333	3,405	4,409	2,505
Total pension liability - beginning	<u>53,456</u>	<u>55,347</u>	<u>57,704</u>	<u>61,189</u>	<u>64,524</u>	<u>66,857</u>	<u>70,262</u>	<u>74,671</u>
Total pension liability - ending	<u>55,347</u>	<u>57,704</u>	<u>61,189</u>	<u>64,524</u>	<u>66,857</u>	<u>70,262</u>	<u>74,671</u>	<u>77,176</u>
Plan fiduciary net position:								
Contributions - employer	2,661	3,195	3,338	3,515	3,613	3,496	3,758	3,304
Contributions - member	443	493	535	558	568	598	579	614
Net investment income (loss)	4,598	1,310	(611)	5,004	3,386	3,739	2,574	12,711
Benefit payments, including refunds of member contributions	(3,104)	(3,206)	(3,330)	(3,507)	(3,522)	(3,686)	(3,774)	(3,990)
Administrative expense	(20)	(22)	(16)	(24)	(32)	(38)	(25)	(49)
Net change in plan fiduciary net position	4,578	1,770	(84)	5,546	4,013	4,109	3,112	12,590
Plan fiduciary net position - beginning	<u>29,396</u>	<u>33,974</u>	<u>35,744</u>	<u>35,660</u>	<u>41,206</u>	<u>45,219</u>	<u>49,328</u>	<u>52,440</u>
Plan fiduciary net position - ending	<u>33,974</u>	<u>35,744</u>	<u>35,660</u>	<u>41,206</u>	<u>45,219</u>	<u>49,328</u>	<u>52,440</u>	<u>65,030</u>
Net Pension Liability - Ending	\$ 21,373	\$ 21,960	\$ 25,529	\$ 23,318	\$ 21,638	\$ 20,934	\$ 22,231	\$ 12,146
Plan fiduciary net position as a percentage of the total pension liability	61.38%	61.94%	58.28%	63.86%	67.64%	70.21%	70.23%	84.26%
Covered payroll	\$ 5,561	\$ 5,536	\$ 5,766	\$ 5,828	\$ 6,151	\$ 6,183	\$ 6,381	\$ 6,548
Net pension liability as a percentage of covered payroll	384.34%	396.68%	442.75%	400.10%	351.78%	338.57%	348.39%	185.49%

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

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ADMINISTRATIVE EMPLOYEES
LAST SEVEN EIGHT YEARS*
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
Total pension liability:								
Service cost	\$ 61	\$ 62	\$ 66	\$ 69	\$ 61	\$ 48	\$ 50	\$ 44
Interest	836	845	838	843	842	831	791	834
Differences between expected and actual experience	11	113	(63)	71	1	(370)	153	78
Changes of assumptions			85	129	128	120	875	
Benefit payments, including refunds of member contributions	(899)	(855)	(848)	(848)	(958)	(985)	(1,001)	(1,091)
Net change in total pension liability	9	165	78	264	74	(356)	868	(135)
Total pension liability - beginning	<u>11,514</u>	<u>11,523</u>	<u>11,688</u>	<u>11,766</u>	<u>12,030</u>	<u>12,104</u>	<u>11,748</u>	<u>12,616</u>
Total pension liability - ending	<u>11,523</u>	<u>11,688</u>	<u>11,766</u>	<u>12,030</u>	<u>12,104</u>	<u>11,748</u>	<u>12,616</u>	<u>12,481</u>
Plan fiduciary net position:								
Contributions - employer	383	436	449	455	491	517	512	652
Contributions - member	38	40	41	43	29	24	23	15
Net investment income (loss)	824	213	(101)	701	448	436	271	1,284
Benefit payments, including refunds of member contributions	(899)	(855)	(848)	(848)	(958)	(985)	(1,001)	(1,091)
Administrative expense	(4)	(5)	(3)	(4)	(6)	(7)	(9)	(27)
Net change in plan fiduciary net position	342	(171)	(462)	347	4	(15)	(204)	833
Plan fiduciary net position - beginning	<u>5,502</u>	<u>5,844</u>	<u>5,673</u>	<u>5,211</u>	<u>5,558</u>	<u>5,562</u>	<u>5,547</u>	<u>5,343</u>
Plan fiduciary net position - ending	<u>5,844</u>	<u>5,673</u>	<u>5,211</u>	<u>5,558</u>	<u>5,562</u>	<u>5,547</u>	<u>5,343</u>	<u>6,176</u>
Net Pension Liability - Ending	\$ 5,679	\$ 6,015	\$ 6,555	\$ 6,472	\$ 6,542	\$ 6,201	\$ 7,273	\$ 6,305
Plan fiduciary net position as a percentage of the total pension liability	50.72%	48.54%	44.29%	46.20%	45.95%	47.22%	42.35%	49.48%
Covered payroll	\$ 751	\$ 842	\$ 864	\$ 899	\$ 925	\$ 766	\$ 542	\$ 560
Net pension liability as a percentage of covered payroll	756.19%	714.37%	758.68%	719.91%	707.24%	809.53%	1341.88%	1125.89%

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

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS
LAST EIGHT FISCAL YEARS*
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
Total pension liability:								
Service cost								
Interest	\$ 87	\$ 86	\$ 86	\$ 84	\$ 81	\$ 78	\$ 76	\$ 79
Differences between expected and actual experience			50		(12)	(1)	(96)	
Changes of assumptions							201	
Benefit payments, including refunds of member contributions	(114)	(121)	(125)	(120)	(119)	(119)	(117)	(108)
Net change in total pension liability	(27)	(35)	11	(36)	(50)	(42)	64	(29)
Total pension liability - beginning	1,503	1,476	1,441	1,452	1,416	1,366	1,324	1,388
Total pension liability - ending	<u>1,476</u>	<u>1,441</u>	<u>1,452</u>	<u>1,416</u>	<u>1,366</u>	<u>1,324</u>	<u>1,388</u>	<u>1,359</u>
Plan fiduciary net position:								
Contributions - employer	102	133	133	125	125	106	106	102
Net investment income (loss)	60	(5)	(3)	58	27	40	7	144
Benefit payments, including refunds of member contributions	(113)	(121)	(125)	(120)	(119)	(119)	(117)	(108)
Administrative expense	(9)	(6)	(12)	(5)	(11)	(4)	(8)	(4)
Net change in plan fiduciary net position	40	1	(7)	58	22	23	(12)	134
Plan fiduciary net position - beginning	467	507	508	501	559	581	604	592
Plan fiduciary net position - ending	<u>507</u>	<u>508</u>	<u>501</u>	<u>559</u>	<u>581</u>	<u>604</u>	<u>592</u>	<u>726</u>
Net Pension Liability - Ending	\$ <u>969</u>	\$ <u>933</u>	\$ <u>951</u>	\$ <u>857</u>	\$ <u>785</u>	\$ <u>720</u>	\$ <u>796</u>	\$ <u>633</u>
Plan fiduciary net position as a percentage of the total pension liability	34.35%	35.25%	34.50%	39.48%	42.53%	45.62%	45.62%	53.42%
Covered payroll	N/A							
Net pension liability as a percentage of covered payroll	N/A							

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

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEES
LAST TEN FISCAL YEARS
(In Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 1,268	\$ 1,373	\$ 1,453	\$ 1,594	\$ 1,623	\$ 1,695	\$ 1,742	\$ 1,753	\$ 1,885	\$ 2,413
Contributions in relation to the actuarially determined contribution	<u>1,268</u>	<u>1,697</u>	<u>1,453</u>	<u>1,594</u>	<u>1,623</u>	<u>1,695</u>	<u>1,742</u>	<u>1,753</u>	<u>1,885</u>	<u>2,413</u>
Contribution Deficiency (Excess)	\$ -	\$ (324)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 8,170	\$ 7,503	\$ 7,230	\$ 6,807	\$ 7,037	\$ 6,603	\$ 6,183	\$ 6,115	\$ 5,803	\$ 5,437
Contributions as a percentage of covered payroll	15.52%	22.62%	20.10%	23.42%	23.06%	25.67%	28.17%	28.67%	32.48%	44.38%

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	15 years
Asset valuation method	5-year non-asymptotic
Inflation	2.75%
Salary increases	3.5%, average, including inflation
Investment rate of return	6.875%, net of pension plan investment expense, including inflation

Retirement age Age based table

Mortality PUB-2010 Mortality Table with generational projection per the MP-2019 Ultimate Scale

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE
LAST TEN FISCAL YEARS
(In Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 2,065	\$ 2,427	\$ 2,661	\$ 3,195	\$ 3,338	\$ 3,486	\$ 3,613	\$ 3,496	\$ 3,758	\$ 3,304
Contributions in relation to the actuarially determined contribution	<u>2,065</u>	<u>2,805</u>	<u>2,661</u>	<u>3,195</u>	<u>3,338</u>	<u>3,515</u>	<u>3,613</u>	<u>3,496</u>	<u>3,758</u>	<u>3,304</u>
Contribution Deficiency (Excess)	\$ <u> -</u>	\$ <u>(378)</u>	\$ <u> -</u>	\$ <u> -</u>	\$ <u> -</u>	\$ <u>(29)</u>	\$ <u> -</u>	\$ <u> -</u>	\$ <u> -</u>	\$ <u> -</u>
Covered payroll	\$ 5,248	\$ 5,829	\$ 5,561	\$ 5,536	\$ 5,766	\$ 5,828	\$ 6,151	\$ 6,183	\$ 6,381	\$ 6,548
Contributions as a percentage of covered payroll	39.35%	48.12%	47.85%	57.71%	57.89%	60.31%	58.74%	56.54%	58.89%	50.46%

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	12 years
Asset valuation method	5-year non-asymptotic
Inflation	2.75%
Salary increases	3.5%, average, including inflation
Investment rate of return	6.875%, net of pension plan investment expense, including inflation

Retirement age Based on age and service

Mortality PubS-2010 Mortality Table with generational projection per the MP-2019 Ultimate Scale

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ADMINISTRATIVE EMPLOYEES
LAST TEN FISCAL YEARS
(In Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 287	\$ 324	\$ 383	\$ 436	\$ 449	\$ 455	\$ 491	\$ 517	\$ 512	\$ 652
Contributions in relation to the actuarially determined contribution	<u>287</u>	<u>422</u>	<u>383</u>	<u>436</u>	<u>449</u>	<u>455</u>	<u>491</u>	<u>517</u>	<u>512</u>	<u>652</u>
Contribution Deficiency (Excess)	\$ -	\$ (98)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 815	\$ 761	\$ 751	\$ 842	\$ 864	\$ 899	\$ 925	\$ 766	\$ 542	\$ 560
Contributions as a percentage of covered payroll	35.21%	55.45%	51.00%	51.78%	51.97%	50.61%	53.08%	67.49%	94.46%	116.43%

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	16 years
Asset valuation method	5-year non-asymptotic
Inflation	2.75%
Salary increases	3.5%, average, including inflation
Investment rate of return	6.875%, net of pension plan investment expense, including inflation

Retirement age Age related table

Mortality PUB-2010 Mortality Table with generational projection per the MP-2019 Ultimate Scale

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS
LAST TEN FISCAL YEARS
(In Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 77	\$ 102	\$ 102	\$ 133	\$ 133	\$ 125	\$ 125	\$ 106	\$ 106	\$ 102
Contributions in relation to the actuarially determined contribution	<u>77</u>	<u>102</u>	<u>102</u>	<u>133</u>	<u>133</u>	<u>125</u>	<u>125</u>	<u>106</u>	<u>106</u>	<u>102</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	N/A									
Contributions as a percentage of covered payroll	N/A									

Notes to Schedule

Valuation date: July 1, 2019

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 dollar of payroll, open
Remaining amortization period	10 years
Asset valuation method	N/A
Inflation	2.75% (Prior: 2.75%)
Salary increases	N/A
Investment rate of return	5.875%, net of pension plan investment expense, including inflation

Retirement age 100% are assumed to retire at Normal Retirement Date

Mortality PubS-2010 Morality with generational projection per MP-2019 Ultimate Scale

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
MUNICIPAL EMPLOYEES
LAST EIGHT FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	15.07%	3.64%	-1.71%	13.36%	7.83%	7.97%	5.06%	23.74%

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

TOWN OF NEWINGTON, CONNECTICUT

SCHEDULE OF INVESTMENT RETURNS

POLICE

LAST EIGHT FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	15.01%	3.67%	-1.63%	13.31%	7.83%	7.94%	5.01%	23.68%

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

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
ADMINISTRATIVE EMPLOYEES
LAST EIGHT FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	15.17%	3.65%	-1.77%	13.37%	8.07%	7.82%	4.91%	23.84%

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

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS
LAST EIGHT FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	11.38%	-1.20%	-0.70%	9.87%	3.98%	7.06%	1.51%	26.21%

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

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST SEVEN FISCAL YEARS*
(In Thousands)

	2015	2016	2017	2018	2019	2020	2021
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>81,526</u>	<u>88,203</u>	<u>112,951</u>	<u>107,062</u>	<u>104,120</u>	<u>135,035</u>	<u>148,298</u>
Total	<u>\$ 81,526</u>	<u>\$ 88,203</u>	<u>\$ 112,951</u>	<u>\$ 107,062</u>	<u>\$ 104,120</u>	<u>\$ 135,035</u>	<u>\$ 148,298</u>
Town's covered payroll	\$ 31,370	\$ 31,603	\$ 32,498	\$ 32,704	\$ 32,582	\$ 33,569	\$ 27,265
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%	49.24%

Notes:

- 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.

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	<p>The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019:</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 salary increase were adjusted to more closely reflect actual and anticipated experience.
Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent 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	3.90%, net of investment related expense

TOWN OF NEWINGTON, CONNECTICUT

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

OTHER POST-EMPLOYMENT BENEFIT TRUST FUND

LAST FIVE FISCAL YEARS*

(In Thousands)

	2017	2018	2019	2020	2021
Total OPEB liability:					
Service cost	\$ 756	\$ 734	\$ 774	\$ 626	\$ 636
Interest	1,646	1,717	1,784	1,844	1,471
Differences between expected and actual experience		737		(4,485)	
Changes of assumptions		88		(879)	
Benefit payments	(1,175)	(1,688)	(1,422)	(1,716)	(1,466)
Net change in total OPEB liability	1,227	1,588	1,136	(4,610)	641
Total OPEB liability - beginning	22,146	23,373	24,961	26,097	21,487
Total OPEB liability - ending	<u>23,373</u>	<u>24,961</u>	<u>26,097</u>	<u>21,487</u>	<u>22,128</u>
Plan fiduciary net position:					
Contributions - employer	2,138	1,771	2,123	2,254	1,697
Net investment income	792	516	628	434	2,012
Benefit payments	(1,175)	(1,688)	(1,422)	(1,716)	(1,466)
Administrative expense	(167)	(134)	(153)	(40)	(17)
Net change in plan fiduciary net position	1,588	465	1,176	932	2,226
Plan fiduciary net position - beginning	4,787	6,375	6,840	8,016	8,948
Plan fiduciary net position - ending	<u>6,375</u>	<u>6,840</u>	<u>8,016</u>	<u>8,948</u>	<u>11,174</u>
Net OPEB Liability - Ending	\$ 16,998	\$ 18,121	\$ 18,081	\$ 12,539	\$ 10,954
Plan fiduciary net position as a percentage of the total OPEB liability	27.28%	27.40%	30.72%	41.64%	50.50%
Covered payroll	\$ 46,163	\$ 46,163	\$ 45,740	\$ 45,740	\$ 56,654
Net OPEB liability as a percentage of covered payroll	36.82%	39.25%	39.53%	27.41%	19.33%

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

Notes to Schedule:

Benefit changes : None

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFIT TRUST FUND
LAST TEN FISCAL YEARS
(In Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution (1)	\$ 1,939	\$ 1,713	\$ 1,795	\$ 1,880	\$ 1,970	\$ 1,771	\$ 1,841	\$ 2,123	\$ 2,254	\$ 1,697
Contributions in relation to the actuarially determined contribution	<u>1,939</u>	<u>2,090</u>	<u>1,916</u>	<u>1,781</u>	<u>1,946</u>	<u>2,138</u>	<u>1,771</u>	<u>2,123</u>	<u>2,254</u>	<u>1,697</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>(377)</u>	\$ <u>(121)</u>	\$ <u>99</u>	\$ <u>24</u>	\$ <u>(367)</u>	\$ <u>70</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	N/A	N/A	N/A	\$ 46,334	\$ 46,334	\$ 46,163	\$ 46,163	\$ 45,740	\$ 45,740	\$ 56,654
Contributions as a percentage of covered payroll	N/A	N/A	N/A	3.84%	4.20%	4.63%	3.84%	4.64%	4.93%	3.00%

(1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2018 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 Percent, Closed
Amortization period	18 Years
Asset valuation method	Non-asymptotic
Inflation	2.75%
Healthcare cost trend rates	6.10%-4.10% over 54 years
Salary increases	3.50%
Investment rate of return	6.88%
Retirement age	Varies by age and years of service
Mortality:	
Healthy	RP-2000 Combined Healthy Mortality Table for males and females, projected forward 19 years using scale AA, with a two-year age setback
Teachers	Pub-2010 Mortality Table for Employees and Healthy Annuitants with generational projection of future improvements in longevity per the MP Ultimate Scale. PubS-2010 Mortality Table used for Police Employees
All Others	RP-2000 Combined Healthy Mortality Table for males and females, projected forward 19 years using scale AA, with a eight-year age set forward
Disabled	Pub-2010 Mortality Table for Disabled Annuitants with generational projection of future improvements in longevity per MP Ultimate Scale. PubS-2010 Mortality Table used for Police Employees
Teachers	
All Others	

TOWN OF NEWINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFIT TRUST FUND
LAST FIVE FISCAL YEARS*

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Annual money-weighted rate of return, net of investment expense	12.22%	7.26%	8.11%	4.54%	20.89%

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

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

(in Thousands)

	2018	2019	2020	2021
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>27,557</u>	<u>20,814</u>	<u>21,059</u>	<u>22,119</u>
Total	<u>\$ 27,557</u>	<u>\$ 20,814</u>	<u>\$ 21,059</u>	<u>\$ 22,119</u>
Town's covered payroll	\$ 32,704	\$ 32,582	\$ 33,569	\$ 27,265
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%	1.49%	2.08%	2.50%

Notes to Schedule

Changes in benefit terms

None

Changes of assumptions

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;

Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Long-term health care cost trend rates were updated;

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,

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

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

Actuarial cost method

Entry age

Amortization method

Level percent of 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

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Combining and Individual Fund Statements and Schedules

General Fund

GENERAL FUND

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

TOWN OF NEWINGTON, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020
(In Thousands)

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 38,007	\$ 34,841
Investments	2,605	2,335
Receivables:		
Property taxes, net of allowance of \$94 in 2021 and 2020	879	911
Intergovernmental		
Other receivable	332	146
Due from other funds	<hr/>	<hr/>
	8	
Total Assets	<hr/> <hr/>	<hr/> <hr/>
	\$ 41,823	\$ 38,241
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable and other liabilities	\$ 4,711	\$ 5,533
Unearned revenue	<hr/>	<hr/>
Total liabilities	<hr/> <hr/>	<hr/> <hr/>
	4,711	5,533
Deferred Inflows of Resources:		
Unavailable revenue - property taxes	706	719
Advance property tax collections	243	33
Total deferred inflows of resources	<hr/>	<hr/>
	949	752
Fund Balances:		
Committed	2,361	2,361
Assigned:		
Encumbrances	4,174	5,120
Designated for subsequent year's budget	2,500	2,500
Unassigned	<hr/>	<hr/>
Total fund balances	<hr/> <hr/>	<hr/> <hr/>
	36,163	31,956
Total Liabilities and Fund Balances	<hr/> <hr/>	<hr/> <hr/>
	\$ 41,823	\$ 38,241

TOWN OF NEWINGTON, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

Grand List	Mill Rate	Uncollected Taxes July 1, 2020				Suspense	Adjusted Taxes Collectible				Uncollected Taxes June 30, 2021			
		Additions	Deductions				Taxes	Interest	Liens	Total				
2019	39.28	\$ 104,795	\$ 145	\$ 359	\$	\$ 104,581	\$ 103,870	\$ 245	\$ 2	\$ 104,117	\$ 711			
2018	39.45	707	6	85	124	504	383	84	2	469	121			
2017	38.50	79		2		77	43	14		57	34			
2016	36.59	20	1			21	5			5	16			
2015	35.75	9				9				-	9			
2014	35.80	9				9				-	9			
2013	34.77	12		5		7				-	7			
2012	33.63	4				4				-	4			
2011	32.64	11				11				-	11			
2010	30.02	26		15		11				-	11			
2009	29.18	25		15		10				-	10			
2008	28.4	10				10				-	10			
2007	27.68	32		22		10				-	10			
2006	26.91	31		21		10				-	10			
2005	25.76	30		22	8	-				-	-			
		\$ 105,800	\$ 152	\$ 546	\$ 132	\$ 105,274	\$ 104,301	\$ 343	\$ 4	\$ 104,648	\$ 973			

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of special revenues sources (except major capital projects) that are legally restricted to expenditure for specific purposes. The Special Revenue Funds are as follows:

Fund	Funding Source	Function
Cafeteria	Sale of food, state and federal grants	Food service operations
Road Aid Maintenance	State funds	Improvement of the Town's roads
State and Federal Grants	Federal or state grants	Education programs
Cemetery	Charges for services	Maintaining the Town's cemeteries
Dog Licenses	License fees	Canine control program
LOCIP Reserve	State funds	Infrastructure improvements
Recreation Programs	User fees	Recreation
Employee Leave Liability	Local	Pay employees for accumulated sick leave upon termination
Balf	The Balf Company	The use of these funds is to be determined in the future by the Town's governing body
Volunteer Ambulance	Local	Money purchase plan established
Volunteer Firefighters'	Local	Provides a one-time payment based on length of service to volunteer firefighters who are vested but no longer active
Student Activities and Scholarship Trust	Fees and Donations	Various student activities, clubs and scholarship endowments/gifts
DECD	State funds	Improvements for community development
Small Cities	Federal grants	Community development and housing loan program
Student Technology Insurance Fund	User Fees	Repair and replacement of student chromebooks
Youth Activities	Fees and donations	Various programs benefiting Town's youth

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.

Cemetery Trust Fund - consists of individual endowments, the interest of which is used to offset maintenance costs of individual graves.

Library Book Fund - records interest earned on endowment (Hubbard), which is used to purchase library books.

Tri-Centennial Fund - records contributions from local banks to be held in trust until the country's tri-centennial.

TOWN OF NEWINGTON, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2021
 (In Thousands)

EXHIBIT B-1

	Special Revenue Funds										
	Cafeteria	Road Aid Maintenance	State and Federal Grants	Cemetery	Dog Licenses	LOCIP Reserve	Recreation Programs	Employee Leave Liability	Balf	Volunteer Ambulance	Volunteer Firefighters'
ASSETS											
Cash and cash equivalents	\$ 321	\$ 419	\$ 436	\$ 52	\$ 71	\$ 432	\$ 97	\$ 31	\$ 207	\$ 171	
Investments			\$ 1,224			1,223	612				
Receivables:											
Accounts and other	1			1							
State and Federal governments	184	269			185						
Due from other funds			271								
Inventory	36										
Total Assets	\$ 542	\$ 419	\$ 269	\$ 1,931	\$ 53	\$ 256	\$ 1,655	\$ 709	\$ 31	\$ 207	\$ 171
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts and other payables	\$ 1	\$ 276	\$ 262	\$ 2	\$ 12	\$ 153	\$ 171	\$	\$	\$	\$
Due to other funds											5
Unearned revenue	67	276	262	2	12	153	486	-	-	-	5
Total liabilities	68	276	262	2	12	153	657				
Deferred Inflows of Resources:											
Unavailable revenue - loans receivable											
Fund Balances:											
Nonspendable	36										
Restricted	143	7									
Committed	1,929										
Total fund balances	438	41	41	103	998	709	31	207	166		
474	41	103	998	709	31	207	166				
Total Liabilities and Fund Balances	\$ 542	\$ 419	\$ 269	\$ 1,931	\$ 53	\$ 256	\$ 1,655	\$ 709	\$ 31	\$ 207	\$ 171

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TOWN OF NEWINGTON, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET (CONTINUED)
 JUNE 30, 2021
 (In Thousands)

	Special Revenue Funds						Permanent Funds					Total Nonmajor Governmental Funds
	Student Activities and Scholarship	DECD	Small Cities	Student Technology Insurance Fund	Youth Activities	Total	Cemetery Trust	Hubbard Book	Tri-Centennial	Total	Interfund Eliminations	
ASSETS												
Cash and cash equivalents	\$ 1,024	\$ 4	\$ 112	\$ 126	\$ 7	\$ 3,335	\$ 25	\$ 11	\$ 1	\$ 37	\$ -	\$ 3,372
Investments						3,230						3,230
Receivables:												-
Accounts and other							739					739
State and Federal governments		4		737			642					642
Due from other funds							271					(271)
Inventory						36						36
Total Assets	\$ 1,024	\$ 4	\$ 849	\$ 126	\$ 7	\$ 8,253	\$ 25	\$ 11	\$ 1	\$ 37	\$ (271)	\$ 8,019
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and other payables	\$ 4	\$ 2	\$ 617	\$ 271	\$ -	\$ 1,441	\$ -	\$ -	\$ -	\$ -	\$ (271)	\$ 617
Due to other funds												-
Unearned revenue												553
Total liabilities	-	4	2	-	-	1,441	-	-	-	-	(271)	1,170
Deferred Inflows of Resources:												
Unavailable revenue - loans receivable			737			737						737
Fund Balances:												
Nonspendable							36					36
Restricted			110		7	370	25	11	1	37		407
Committed						5,669						5,669
Total fund balances	1,024	-	110	126	7	6,075	25	11	1	37		6,112
Total Liabilities and Fund Balances	\$ 1,024	\$ 4	\$ 849	\$ 126	\$ 7	\$ 8,253	\$ 25	\$ 11	\$ 1	\$ 37	\$ (271)	\$ 8,019

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

	Special Revenue Funds										
	Cafeteria	Road Aid Maintenance	State and Federal Grants	Cemetery	Dog Licenses	LOCIP Reserve	Recreation Programs	Employee Leave Liability	Balf	Volunteer Ambulance	Volunteer Firefighters'
Revenues:											
Licenses, fees and permits	\$ 1,021	\$ 411	\$ 3,560	\$ 1	\$ 19	\$ 185	\$ 3	\$ 460	\$ -	\$ -	\$ -
Intergovernmental Contributions											
Charges for services	54			299		10					
Investment income				280			283				
Miscellaneous	123							141			27
Total revenues	1,198	411	3,560	580	19	195	746	141	-	-	27
Expenditures:											
Current:											
General government								108			
Public safety						13					10
Community planning and development											
Health and human services											
Library											
Parks and recreation				94			729				
Education								40			
Capital outlay	1,154	372	3,571	94	13	185	729	148	-	10	-
Total expenditures	1,154	372	3,571	94	13	185	729	148	-	10	-
Other financing sources (uses):											
Transfers in								67			6
Transfers out				(160)			(18)		67		
Total other financing sources (uses)	-	-	(160)	(160)	-	-	(18)	67	-	6	-
Net change in fund balances	44	39	(11)	326	6	10	(1)	60	-	(4)	27
Fund balances at beginning of year, as restated	430	104	18	1,603	35	93	999	649	31	211	139
Fund Balances at End of Year	\$ 474	\$ 143	\$ 7	\$ 1,929	\$ 41	\$ 103	\$ 998	\$ 709	\$ 31	\$ 207	\$ 166

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

	Special Revenue Funds						Permanent Funds				Total Nonmajor Governmental Funds	
	Student Activities and Scholarship	DECD	Small Cities	Student Technology Insurance Fund	Youth Activities	Total	Cemetery Trust	Hubbard Book	Tri-Centennial	Total		
Revenues:												
Licenses, fees and permits	\$	\$	\$	\$	\$	\$ 19	\$	\$	\$	\$ -	\$ 19	
Intergovernmental						5,178						5,178
Contributions						3						3
Charges for services				71		894						894
Investment income						731						731
Miscellaneous		412	23			558						558
Total revenues	412	-	23	71	-	7,383	-	-	-	-	-	7,383
Expenditures:												
Current:												
General government						108						108
Public safety						23						23
Community planning and development			6			-	6					6
Health and human services						-						-
Library						-						-
Parks and recreation						823						823
Education		406		2		5,173						5,173
Capital outlay						557						557
Total expenditures	406	-	6	2	-	6,690	-	-	-	-	-	6,690
Other financing sources (uses):												
Transfers in						73						73
Transfers out						(178)						(178)
Total other financing sources (uses)	-	-	-	-	-	(105)	-	-	-	-	-	(105)
Net change in fund balances	6	-	17	69	-	588	-	-	-	-	-	588
Fund balances at beginning of year, as restated	1,018	-	93	57	7	5,487	25	11	1	37	-	5,524
Fund Balances at End of Year	\$ 1,024	\$ -	\$ 110	\$ 126	\$ 7	\$ 6,075	\$ 25	\$ 11	\$ 1	\$ 37	\$ -	\$ 6,112

Internal Service Funds

INTERNAL SERVICE FUNDS

Internal Service funds are used for the financing of goods or services provided by one department or agency to other departments or agencies of the Town, or to other governments, on a cost-reimbursement basis. The Town has two such funds.

Health Benefits Fund: This fund is used to account for funds received from various Town funds and departments for health benefits. The fund pays for costs associated with providing medical benefits to current and past employees.

Insurance Reserve Fund: This fund was established by ordinance to meet any substantial premium adjustments due to retrospective ratings.

TOWN OF NEWINGTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021
(In Thousands)

	Health Benefits	Insurance Reserve	Total
Assets:			
Cash and cash equivalents	\$ 6,524	\$ 890	\$ 7,414
Liabilities:			
Accounts and other payable	685	5	690
Net Position:			
Unrestricted	\$ <u>5,839</u>	\$ <u>885</u>	\$ <u>6,724</u>

TOWN OF NEWINGTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	Health Benefits	Insurance Reserve	Total
Operating Revenues:			
Charges for services	\$ 10,187	\$ 85	\$ 10,187
Miscellaneous			
Total operating revenues	<u>10,187</u>	<u>85</u>	<u>10,272</u>
Operating Expenses:			
Benefit payments	8,708		8,708
Administration	391		391
Insurance	536		536
Casualty loss		167	167
Total operating expenses	<u>9,635</u>	<u>167</u>	<u>9,802</u>
Operating Income (Loss)	552	(82)	470
Nonoperating Revenue:			
Interest on investments	<u>6</u>		<u>6</u>
Income (Loss) Before Transfers	558	(82)	476
Transfers In			
		<u>125</u>	<u>125</u>
Change in Net Position	558	43	601
Total Net Position at Beginning of Year	<u>5,281</u>	<u>842</u>	<u>6,123</u>
Total Net Position at End of Year	<u>\$ 5,839</u>	<u>\$ 885</u>	<u>\$ 6,724</u>

TOWN OF NEWINGTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	Health Benefits	Insurance Reserve	Total
Cash Flows from Operating Activities:			
Cash received from charges for services and other	\$ 10,187	\$ 85	\$ 10,272
Cash paid to vendors	<u>(9,558)</u>	<u>(167)</u>	<u>(9,725)</u>
Net cash provided by (used in) operating activities	<u>629</u>	<u>(82)</u>	<u>547</u>
Cash Flows from Noncapital Financial Activities:			
Transfers in		125	125
Cash Flows from Investing Activities:			
Interest on investments	<u>6</u>		<u>6</u>
Net Increase (Decrease) in Cash and Cash Equivalents	635	43	678
Cash and Cash Equivalents at Beginning of Year	<u>5,889</u>	<u>847</u>	<u>6,736</u>
Cash and Cash Equivalents at End of Year	<u>\$ 6,524</u>	<u>\$ 890</u>	<u>\$ 7,414</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ 552	\$ (82)	\$ 470
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Increase (decrease) in accounts and other payables	<u>77</u>	<u>-</u>	<u>77</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 629</u>	<u>\$ (82)</u>	<u>\$ 547</u>

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Fiduciary Funds

FIDUCIARY FUNDS

Pension Trust Funds account for the activities of the Town retirement system, which accumulated resources for pension benefit payments to qualified Town employees.

The Other Post Employment Benefits (OPEB) Trust Fund accounts for the activities of the Town's Post Employment Benefits plan, which accumulates resources for healthcare payments to qualified Town employees.

TOWN OF NEWINGTON, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2021
(In Thousands)

	Pension Trust Funds	OPEB Trust Fund	Total
Assets:			
Cash and cash equivalents	\$ 3,036	\$ 410	\$ 3,446
Investments:			
Corporate bonds	9,021	957	9,978
U.S. government securities	7,499	822	8,321
Common stocks	38,973	3,823	42,796
Mutual funds	48,866	5,178	54,044
Total assets	107,395	11,190	118,585
Liabilities:			
Accounts payable		16	16
Net Position:			
Restricted for Pension/OPEB Benefits	\$ 107,395	\$ 11,174	\$ 118,569

TOWN OF NEWINGTON, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	Pension Trust Funds	OPEB Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 6,545	\$ 1,697	\$ 8,242
Plan members	835		835
Total contributions	<u>7,380</u>	<u>1,697</u>	<u>9,077</u>
Investment income:			
Net appreciation in fair value of investments	19,440	1,809	21,249
Interest and dividends	2,258	244	2,502
Total investment income	<u>21,698</u>	<u>2,053</u>	<u>23,751</u>
Less investment expense	418	41	459
Net investment income	<u>21,280</u>	<u>2,012</u>	<u>23,292</u>
Total additions	<u>28,660</u>	<u>3,709</u>	<u>32,369</u>
Deductions:			
Benefits	8,456	1,466	9,922
Administration	137	17	154
Total deductions	<u>8,593</u>	<u>1,483</u>	<u>10,076</u>
Change in Net Position	20,067	2,226	22,293
Net Position - Beginning of Year	<u>87,328</u>	<u>8,948</u>	<u>96,276</u>
Net Position - End of Year	<u>\$ 107,395</u>	<u>\$ 11,174</u>	<u>\$ 118,569</u>

Statistical Section

Statistical Section Information

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

Statistical section information is presented in the following categories:

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

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

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

TABLE 1

TOWN OF NEWINGTON, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017 (2)	2016	2015	2014 (1)	2013	2012
Governmental Activities:										
Net investment in capital assets	\$ 92,888	\$ 86,517	\$ 88,861	\$ 87,484	\$ 86,658	\$ 84,015	\$ 81,409	\$ 77,244	\$ 74,017	\$ 70,426
Restricted	2,967	652	652	671	689	655	654	662	637	657
Unrestricted	(13,620)	(13,344)	(23,102)	(27,772)	(27,309)	(9,527)	(10,359)	(12,544)	33,447	31,773
Total Governmental Activities Net Position	\$ 82,235	\$ 73,825	\$ 66,411	\$ 60,383	\$ 60,038	\$ 75,143	\$ 71,704	\$ 65,362	\$ 108,101	\$ 102,856

Note: Schedule prepared on the accrual basis of accounting.

(1) Restated for GASB 68

(2) Restated for GASB 75

TABLE 2

TOWN OF NEWINGTON, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
General government	\$ 10,459	\$ 9,359	\$ 7,086	\$ 8,099	\$ 8,890	\$ 7,546	\$ 6,049	\$ 7,293	\$ 6,821	\$ 7,128
Public safety	12,886	14,151	15,296	14,808	14,723	14,633	12,955	11,702	11,883	12,062
Public works	12,318	12,246	11,807	11,380	10,581	10,172	10,032	9,690	9,528	10,597
Community planning and development	819	1,078	850	1,041	1,033	1,733	1,083	965	990	771
Health and community services	2,191	2,091	2,316	1,962	2,084	1,930	1,756	1,812	1,696	1,376
Library	2,320	2,538	2,537	2,470	2,421	2,452	2,261	2,210	2,222	2,118
Parks and recreation	4,093	3,978	3,897	3,671	3,516	3,478	3,179	3,129	3,214	3,074
Education	103,367	89,321	82,768	90,949	87,205	80,656	79,776	78,993	73,707	73,232
Interest on long-term debt	600	629	141	216	170	210	279	448	299	499
Total governmental activities expenses	<u>149,053</u>	<u>135,391</u>	<u>126,698</u>	<u>134,596</u>	<u>130,623</u>	<u>122,810</u>	<u>117,370</u>	<u>116,242</u>	<u>110,360</u>	<u>110,857</u>
Program revenues:										
Charges for services:										
General government	891	681	579	672	735	602	625	555	655	575
Public safety	87	64	82	72	70	85	177	119	129	178
Public works	38	102	52	147	36	24	27	38	41	45
Community planning and development	465	331	364	301	360	387	392	348	410	287
Health and community services	3	37	61	54	53	55	49	56	75	69
Library	7	31	39	26	23	23	22	22	26	27
Parks and recreation	760	1,364	1,362	1,282	1,402	1,081	1,016	977	1,072	1,052
Education	935	1,252	1,217	1,254	1,235	1,209	1,261	986	1,149	1,053
Operating grants and contributions	43,324	29,589	22,102	32,035	29,667	24,745	23,939	26,753	23,727	24,946
Capital grants and contributions	726	686	1,034	864	1,331	2,342	3,427	839	799	3,647
Total governmental activities program revenues	<u>47,236</u>	<u>34,137</u>	<u>26,892</u>	<u>36,707</u>	<u>34,912</u>	<u>30,553</u>	<u>30,935</u>	<u>30,693</u>	<u>28,083</u>	<u>31,879</u>
Net expense:										
Governmental activities	<u>(101,817)</u>	<u>(101,254)</u>	<u>(99,806)</u>	<u>(97,889)</u>	<u>(95,711)</u>	<u>(92,257)</u>	<u>(86,435)</u>	<u>(85,549)</u>	<u>(82,277)</u>	<u>(78,978)</u>
General revenues and other changes in net position										
Governmental activities:										
Property taxes	104,935	105,527	102,479	96,189	93,918	92,051	89,211	85,894	83,514	80,907
Grants and contributions not restricted to specific purposes	2,591	2,248	2,257	1,302	3,427	3,172	3,117	3,310	3,688	3,379
Unrestricted investment earnings	1,037	804	1,029	485	139	98	86	88	53	78
Miscellaneous	904	89	69	258	236	375	363	312	267	1,068
Total governmental activities	<u>109,467</u>	<u>108,668</u>	<u>105,834</u>	<u>98,234</u>	<u>97,720</u>	<u>95,696</u>	<u>92,777</u>	<u>89,604</u>	<u>87,522</u>	<u>85,432</u>
Changes in Net Position:										
Governmental Activities	\$ 7,650	\$ 7,414	\$ 6,028	\$ 345	\$ 2,009	\$ 3,439	\$ 6,342	\$ 4,055	\$ 5,245	\$ 6,454

Note: Schedule prepared on the accrual basis of accounting

TABLE 3

TOWN OF NEWINGTON, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund:										
Committed	\$ 2,361	\$ 2,361	\$ 297	\$ 297	\$ 1,217	\$ 515	\$ 5,370	\$ 4,877	\$ 5,010	\$ 4,174
Assigned	6,674	7,620	5,970	5,970	5,406	6,460	15,999	15,183	14,626	14,419
Unassigned	<u>27,128</u>	<u>21,975</u>	<u>15,278</u>	<u>15,278</u>	<u>14,621</u>	<u>14,981</u>				
Total General Fund	\$ <u>36,163</u>	\$ <u>31,956</u>	\$ <u>21,545</u>	\$ <u>21,545</u>	\$ <u>21,244</u>	\$ <u>21,956</u>	\$ <u>21,369</u>	\$ <u>20,060</u>	\$ <u>19,636</u>	\$ <u>18,593</u>
All Other Governmental Funds:										
Nonspendable	\$ 36	\$ 74	\$ 72	\$ 72	\$ 50	\$ 61	\$ 43	\$ 43	\$ 38	\$ 33
Restricted	1,570	1,508	1,372	1,372	1,442	1,508	1,665	2,239	1,593	1,460
Committed	14,453	17,360	12,099	12,099	12,647	11,671	10,215	9,081	9,146	9,213
Unassigned	<u>(3,799)</u>									
Total All Other Governmental Funds	\$ <u>12,260</u>	\$ <u>18,942</u>	\$ <u>13,543</u>	\$ <u>13,543</u>	\$ <u>14,139</u>	\$ <u>13,240</u>	\$ <u>11,923</u>	\$ <u>11,363</u>	\$ <u>10,777</u>	\$ <u>10,706</u>

Note: Schedule prepared on the modified accrual basis of accounting.

TABLE 4

TOWN OF NEWINGTON, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Property taxes	\$ 105,253	\$ 106,053	\$ 102,616	\$ 95,968	\$ 93,725	\$ 92,240	\$ 89,177	\$ 85,646	\$ 83,913	\$ 80,895
Payment in lieu of taxes	1,999	2,000	2,002	968	2,409	2,811	2,731	2,764	2,339	2,343
Licenses, fees and permits	465	322	315	306	337	396	361	360	417	292
Intergovernmental	31,943	30,283	28,801	27,669	31,714	27,290	27,606	27,958	25,591	29,533
Contributions	67	67	79	93	180	28	67	62	73	173
Rental	122	203	227	206	172	172	180	146	216	214
Investment income	1,031	750	977	454	124	93	83	85	49	76
Fines	19	26	27	29	23	35	155	89	122	123
Charges for services	2,542	3,205	3,089	3,135	3,360	2,852	2,817	2,504	2,787	2,564
Refunds and reimbursements										
Other	1,075	430	289	399	418	509	513	393	529	1,080
Total revenues	<u>144,516</u>	<u>143,339</u>	<u>138,422</u>	<u>129,227</u>	<u>132,462</u>	<u>126,426</u>	<u>123,690</u>	<u>120,007</u>	<u>116,036</u>	<u>117,293</u>
Expenditures:										
General government	5,298	5,089	5,072	4,892	4,919	4,557	4,581	4,483	4,547	4,457
Public safety	8,976	8,480	8,818	8,420	8,433	8,275	7,985	7,635	7,552	7,633
Public works	5,212	5,018	4,965	5,144	4,702	4,625	4,945	4,728	4,557	6,227
Community planning and development	561	559	584	552	576	1,248	638	543	470	422
Health and community services	1,212	1,419	1,416	1,392	1,384	1,375	1,382	1,415	1,230	1,093
Library	1,644	1,751	1,808	1,760	1,727	1,769	1,728	1,668	1,647	1,737
Parks and recreation	2,728	2,772	2,825	2,647	2,554	2,458	2,373	2,234	2,221	2,285
Education	89,779	86,808	86,905	82,283	85,737	79,459	77,530	77,440	72,868	71,555
Miscellaneous	16,205	16,204	15,829	14,791	14,201	13,668	12,063	11,031	11,748	10,424
Capital outlay	13,036	25,248	6,856	6,193	7,930	5,099	6,248	5,307	4,671	8,956
Debt service:										
Principal	1,875	1,140	695	1,025	1,050	1,555	2,070	1,842	3,054	1,825
Interest	1,100	909	388	423	304	209	273	316	426	599
Total expenditures	<u>147,626</u>	<u>155,397</u>	<u>136,161</u>	<u>129,522</u>	<u>133,517</u>	<u>124,297</u>	<u>121,816</u>	<u>118,642</u>	<u>114,991</u>	<u>117,213</u>
Excess of Revenue Over (Under) Expenditures	<u>(3,110)</u>	<u>(12,058)</u>	<u>2,261</u>	<u>(295)</u>	<u>(1,055)</u>	<u>2,129</u>	<u>1,874</u>	<u>1,365</u>	<u>1,045</u>	<u>80,000</u>
Other Financing Sources (Uses):										
Bonds issued		15,000	9,000							
Bond refunding issued									9,810	
Payment to escrow agent									(10,144)	
Premium on bond issuance									462	
Mortgage issued		1,052	715							2,575
Capitalized lease										
Transfers in	3,958	5,628	4,074	3,488	6,377	5,962	5,162	5,044	4,633	4,881
Transfers out	(4,083)	(5,753)	(4,109)	(3,488)	(6,550)	(6,187)	(5,167)	(5,399)	(4,692)	(5,122)
Total other financing sources (uses)	<u>(125)</u>	<u>15,927</u>	<u>9,680</u>	<u>-</u>	<u>1,242</u>	<u>(225)</u>	<u>(5)</u>	<u>(355)</u>	<u>69</u>	<u>2,334</u>
Net Change in Fund Balance	\$ <u>(3,235)</u>	\$ <u>3,869</u>	\$ <u>11,941</u>	\$ <u>(295)</u>	\$ <u>187</u>	\$ <u>1,904</u>	\$ <u>1,869</u>	\$ <u>1,010</u>	\$ <u>1,114</u>	\$ <u>2,414</u>
Debt Service as a Percentage of Noncapital Expenditures	2.21%	1.57%	0.88%	1.11%	1.08%	1.49%	2.04%	1.91%	3.16%	2.25%

Note: Schedule prepared on the modified accrual basis of accounting.

TABLE 5

TOWN OF NEWINGTON, CONNECTICUT
GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES, BY SOURCE
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year Ended June 30,	Taxes and Special Assessments	Licenses and Permits	Intergovernmental Revenue(1)	Charges for Services	Investment Earnings	Miscellaneous Revenues(2)	Other Financing Sources(3)	Total
2021	\$ 105,253	\$ 446	\$ 18,426	\$ 849	\$ 90	\$ 1717	\$ 906	\$ 127,687
2020	106,053	307	17,169	640	460	448	671	125,748
2019	102,616	296	16,263	566	791	466	749	121,747
2018	95,968	289	14,276	763	378	285	124	112,083
2017	93,725	319	18,523	692	78	345	119	113,801
2016	92,240	380	18,651	558	76	342	223	112,470
2015	89,177	345	18,421	544	74	608	331	109,500
2014	85,646	344	17,995	551	62	425	433	105,456
2013	83,913	402	17,444	574	39	496	164	103,032
2012	80,895	278	20,006	488	67	1,225	164	103,123

Includes General Fund revenues, reported on a budgetary basis.

(1) Includes federal grants, State of Connecticut grants including education grants, and state payments-in-lieu of taxes.

(2) Includes rentals, refunds & reimbursements, sale of Town property, fines, other receipts and cancellation of prior year encumbrances.

(3) Includes transfers from other funds.

TABLE 6

TOWN OF NEWINGTON, CONNECTICUT
GENERAL GOVERNMENTAL EXPENDITURES AND OTHER FINANCING USES, BY FUNCTION
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year Ended June 30,	General Government	Public Safety	Public Works and Community Development	Health and Community Services	Parks, Recreation and Library	Debt Service; Metropolitan District Commission Miscellaneous(1)	Board of Education(2)	Other Financing Uses (3)	Total
2021	\$ 4,932	\$ 8,902	\$ 5,724	\$ 1,068	\$ 3,457	\$ 19,081	\$ 75,049	\$ 4,519	\$ 122,732
2020	4,930	8,492	5,597	1,245	3,445	18,090	74,088	5,752	121,639
2019	5,180	8,661	5,515	1,222	3,448	16,616	71,942	4,412	116,996
2018	4,715	8,447	5,288	1,163	3,350	15,938	70,385	3,040	112,326
2017	4,677	8,367	5,242	1,175	3,283	15,391	69,392	6,431	113,958
2016	4,678	8,177	5,160	1,180	3,322	14,921	69,326	5,958	112,722
2015	4,499	7,958	5,406	1,160	3,254	13,742	67,979	4,836	108,834
2014	4,435	7,597	5,215	1,119	3,171	12,507	65,867	4,955	104,866
2013	4,298	7,510	4,971	1,061	3,143	13,973	63,347	4,522	102,825
2012	4,011	7,528	6,275	1,515	3,213	12,737	61,299	4,958	101,536

Note: Includes General Fund expenditures, reported on a budgetary basis.

(1) Includes Debt Service payments, the Metropolitan District Commission sewer levy on Newington and Miscellaneous (the Town's liability insurance, employee benefits, settlements, contingency, Greater Hartford Transit District contribution and special community activities).

(2) Represents appropriation for Board of Education budget. Additional funding for Board of Education purposes is included in other functions such as Debt Service, Capital Improvements, and Other Financing Uses (transfers to other funds).

(3) Includes funding for ongoing capital projects and transfers to other funds.

TABLE 7

TOWN OF NEWINGTON, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle (2)	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value (3)
	Residential	Commercial	Industrial							
2021	\$ 1,667,114	\$ 521,737	\$ 73,815	\$ 271,991	\$ 266,945	\$ (117,051)	\$2,684,551	39.28	\$4,210,605	63.76%
2020	1,665,807	521,129	73,511	254,172	267,815	(107,847)	2,674,587	39.45	4,039,763	66.21%
2019	1,656,510	533,734	70,988	240,897	274,739	(152,250)	2,624,618	38.5	4,227,650	62.08%
2018	1,651,907	535,584	69,484	221,486	259,873	(146,816)	2,591,518	36.59	3,912,907	66.23%
2017 (1)	1,636,728	532,428	86,198	216,315	254,019	(93,817)	2,631,871	35.75	3,759,815	70.00%
2016	1,634,230	450,371	122,672	214,781	246,442	(89,521)	2,578,975	35.8	3,852,014	66.95%
2015	1,628,724	453,595	122,526	205,348	246,150	(80,901)	2,575,442	34.77	3,834,825	67.16%
2014	1,625,491	449,216	122,551	203,055	240,725	(79,193)	2,561,845	33.63	3,651,833	70.00%
2013 (4)	1,625,210	459,583	125,609	186,892	243,491	(62,369)	2,578,416	32.64	3,640,890	69.97%
2012	1,765,469	451,349	137,365	184,072	228,738	(64,216)	2,702,777	30.02	3,880,511	69.03%

Source: Town of Newington Office of Tax Assessor

Notes: Assessment rate is 70% of market value.

Town of Newington has no Overlapping Property Tax Rates.

(1) Real property revalued as of October 1, 2015 Grand List.

(2) Includes net supplemental motor vehicle assessments.

(3) Sales ratios from Connecticut Office of Policy and Management.

(4) Real property revalued as of October 1, 2011 Grand List.

TABLE 8

TOWN OF NEWINGTON, CONNECTICUT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(In Thousands)

Taxpayer	October 1, 2019			October 1, 2010		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Connecticut Light & Power Co	\$ 54,153	1	2.02%	\$ 34,314	1	1.27%
IREIT Newington Fair LLC	21,510	2	0.80%			
Newington VF LLC	20,300	3	0.76%	20,392	2	0.75%
Newington Gross LLC	19,463	4	0.73%			
TLG Newington LLC	18,316	5	0.68%	18,777	4	0.70%
Brixmor Ga Turnpike Plaza LLC	17,850	6	0.67%			
Hayes Kaufman Newington	13,724	7	0.51%	13,355	7	0.49%
Scelza/Cambridge/Landmark/Baldwin	13,070	8	0.49%			
Target Corporation	11,420	9	0.43%	11,430	11	0.42%
Lowes Home Centers Inc #623	11,037	10	0.41%	11,234	13	0.42%
Furniture Executives No 4 LP	9,853	11	0.37%	10,729	14	0.40%
Reno Properties II LLC	9,628	12	0.36%	10,317	15	0.38%
BALF/Tilcon	9,363	13	0.35%			
Mandell Properties LLC	9,357	14	0.35%	11,932	9	0.44%
CNG	9,300	15	0.35%			
Shelbourne Newington, LLC	9,207		0.34%			
BRE Select Hotels Properties LLC	9,202		0.34%			
Cohen Family Properties	6,885		0.26%			
Berlin Newington Associates LLC	6,650		0.25%			
TOTAL	\$ 280,288		10.48%	\$ 142,480		5.41%

Source: Town of Newington, Office of Tax Assessor

TABLE 9

TOWN OF NEWINGTON, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year Ended June 30,	Tax Rate In Mills (1)	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of Levy			Collections In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy	Amount		Percentage of Levy	Amount
2021	39.28	\$ 104,581	\$ 103,866	99.32		N/A		
2020	39.45	104,725	104,018	99.33		383	\$ 104,401	99.69
2019	38.50	101,640	100,811	99.18		690	101,501	99.86
2018	36.59	95,685	94,774	99.05		819	95,593	99.90
2017	35.75	93,302	92,629	99.28		587	93,216	99.91
2016	35.8	91,453	90,810	99.30		540	91,350	99.89
2015	34.77	88,599	87,879	99.19		603	88,482	99.87
2014	33.63	85,346	84,607	99.13		650	85,257	99.90
2013	32.64	82,937	82,378	99.33		451	82,829	99.87
2012	30.02	80,411	79,582	98.97		703	80,285	99.84

Source: Tax Collector's Report; Comprehensive annual financial report

(1) The Town of Newington has a single tax rate as such there are no separate components.

TABLE 10

TOWN OF NEWINGTON, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(In Thousands, Except Per Capita)

Fiscal Year	Governmental Activities					Total Primary Government	Ratio of Debt to Taxable Assessed Value	Debt as a Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Premiums	Mortgage Payable	Capital Leases					
2021	\$ 24,485	\$ 1,798	\$	\$ 222	\$ 26,505	0.99%	2.66%	\$ 867	
2020	26,360	1,929		510	28,799	1.08%	2.89%		942
2019	12,500	949		794	14,243	0.55%	1.44%		466
2018	4,195	270		1,074	5,539	0.21%	0.55%		181
2017	4,914	306		1,280	6,500	0.25%	0.64%		213
2016	6,255	342	15		6,612	0.26%	0.66%		216
2015	7,295	379	515		8,189	0.32	0.84%		268
2014	8,740	414	1,045	110	10,309	0.40	1.08%		337
2013	9,960	450	1,560	217	12,187	0.47	1.35%		384
2012	11,690		2,575	321	12,011	0.47	1.31%		393

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

TABLE 11

TOWN OF NEWINGTON, CONNECTICUT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(In Thousands, Except Per Capita)

Fiscal Year	General Obligation Bonds	Premiums	Mortgage Payable	Total Primary Government	Percentage of Estimated Actual Taxable Value of Property	Debt Per Capita
	\$	\$	\$	\$		\$
2021	\$ 24,485	\$ 1,798	\$	\$ 26,283	0.63	\$ 867
2020	26,360	1,929		28,289	0.72	942
2019	12,500	949		13,449	0.34	466
2018	4,195	270		4,465	0.14	181
2017	4,914	306		5,220	0.17	213
2016	6,255	342	15	6,612	0.35	443
2015	7,295	379	515	8,189	0.41	515
2014	8,740	414	1,045	10,199	0.52	616
2013	9,960	450	1,560	11,970	0.59	703
2012	11,690		2,575	14,265	0.61	776

TABLE 12

TOWN OF NEWINGTON, CONNECTICUT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2021
(In Thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Shares of Direct and Overlapping Debt
Debt repaid with property taxes - Metropolitan District Commission	\$ 866,704	9.09 %	\$ 78,783
Town direct debt	26,283	100.00 %	<u>26,283</u>
Total direct and overlapping debt			\$ <u>105,066</u>

Source: Metropolitan District Commission

Note: Metropolitan District overlapping debt for each member town is divided among the member towns in proportion to the total revenue each received from property taxation, as averaged over the prior three years. Town of Newington reports overlapping debt on a net basis.

TABLE 13

TOWN OF NEWINGTON, CONNECTICUT
STATEMENT OF DEBT LIMITATION
JUNE 30, 2021
(In Thousands)

Total tax collections (including fire district)				\$ 105,473	
Property tax relief elderly				<u>-</u>	
Base				\$ <u>105,473</u>	
	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 times base	\$ 237,314	\$ 474,629	\$ 395,524	\$ 342,787	\$ 316,419
4-1/2 times base					
3-3/4 times base					
3-1/4 times base					
3 times base					
Total debt limitation	<u>237,314</u>	<u>474,629</u>	<u>395,524</u>	<u>342,787</u>	<u>316,419</u>
Indebtedness:					
Bonds payable	18,299	6,186			
Capital Lease	221				
Town's share of					
Metropolitan District					
debt			78,783		
Bonds authorized-					
unissued	<u>4,800</u>				
Total Indebtedness	<u>23,320</u>	<u>6,186</u>	<u>78,783</u>	<u>-</u>	<u>-</u>
Debt Limitation in					
Excess of Net Debt	\$ <u>213,994</u>	\$ <u>468,443</u>	\$ <u>316,741</u>	\$ <u>342,787</u>	\$ <u>316,419</u>

Note: In no event shall total indebtedness exceed seven times annual receipts from taxation or \$738 million.

TABLE 14

TOWN OF NEWINGTON, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt limitation	\$ 738,311	\$ 714,119	\$ 668,724	\$ 654,045	\$ 643,657	\$ 622,300	\$ 597,394	\$ 586,495	\$ 565,012	\$ 542,409
Total net debt applicable to limit	<u>108,289</u>	<u>112,776</u>	<u>109,819</u>	<u>94,664</u>	<u>91,942</u>	<u>88,616</u>	<u>60,129</u>	<u>65,035</u>	<u>54,266</u>	<u>47,843</u>
Legal debt margin	\$ <u>630,022</u>	\$ <u>601,343</u>	\$ <u>558,905</u>	\$ <u>559,381</u>	\$ <u>551,715</u>	\$ <u>533,684</u>	\$ <u>537,265</u>	\$ <u>521,460</u>	\$ <u>510,746</u>	\$ <u>494,566</u>
Total net debt applicable to the limit as a percentage of debt limit	14.67%	15.79%	16.42%	14.47%	14.28%	14.24%	10.07%	11.09%	9.60%	8.82%

Source: Annual comprehensive financial report - Schedule of Debt Limitation

Note: See Table 13 for calculation of current year debt limitation

TABLE 15

TOWN OF NEWINGTON, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population(1)	Personal Income in Thousands (1)	Per Capita Income(1)	Median Age(2)	School Enrollment(3)	Unemployment Rate(4)
2021	30,536	\$ 996,663	\$ 32,561	45.0	3,951	7.2%
2020	30,562	995,362	39,117	45.0	3,993	4.7%
2019	30,562	991,267	38,179	45.0	4,051	3.4%
2018	30,562	1,013,334	38,255	45.0	4,035	3.9%
2017	30,562	1,011,414	38,192	44.0	18,924	4.1%
2016	30,562	998,187	37,061	44.0	4,030	4.8%
2015	30,562	979,402	36,462	44.0	4,103	5.1%
2014	30,562	955,435	36,209	44.0	4,199	6.1%
2013	30,562	905,971	35,055	44.0	4,316	7.0%
2012	30,562	915,839	32,561	45.0	4,278	7.0%

(1) Source: Bureau of Census, 2010 Census and 2000 Census

(2) Source: Connecticut Economic Resource Center

(3) Source: Annual Town Budget

(4) Source: Connecticut Labor Department

TABLE 16

TOWN OF NEWINGTON, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	Nature of Business	2021 (1)			Percentage of Total Town Employment	2011 (2)		
		Employees	Rank	Employees		Employees	Rank	
Hartford Hospital-Newington Campus	Health Services	1,481	1		9.0%	275	5	1.7%
Town of Newington	Government	1,183	2		7.2%	682	2	4.2%
Connecticut Department of Transportation	Government	1,066	3		6.5%	2,800	1	6.3%
Data-Mail, Inc.	Direct Mail Service	402	4		2.4%	502	3	4.1%
Stew Leonards	Grocery	286	5		1.7%	321	4	2.2%
Newington Rapid Recovery Health Care Center	Health Services	257	6		1.6%	243	9	1.5%
Veterans Administration Hospital	Health Services	240	7		1.5%	250	8	1.6%
Davidson Specialty Food, LLC	Distributor	231	8		1.4%			
Walmart	Retail Trade	216	9		1.3%			1.7%
Target	Retail Trade	210	10		1.3%	200	10	1.0%
PCX Precision Components	Manufacturer	170	11		1.0%			
Sam's Club	Wholesale Clubs	170	12		1.0%	168	11	1.1%
Stop & Shop	Retail Grocers	165	13		1.0%	273	7	
GKN Aerospace	Manufacturer	150	14		0.9%			
Lowes	Retail Trade	139	15		0.8%			
H.O. Penn	Retail Machinery	120	16		0.7%			
Bel-Air Manor	Health Services	117	17		0.7%			
Price Chopper	Retail Grocers	108	18		0.7%	158	13	1.0%
TOTAL		5,230			31.65%	5,597		25.70%

(1) Source: Connecticut Labor Department

(2) Source: Town of Newington, Comprehensive Annual Financial Report

TABLE 17

TOWN OF NEWINGTON, CONNECTICUT
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government	44	44	44	45	44	44	45	44	44	43
Police	66	66	65	65	64	63	63	63	63	64
Fire	2	2	2	2	2	2	2	2	2	2
Refuse collection	0	0	0	0	0	0	0	0	0	0
Public works	26	26	26	26	26	26	26	26	26	26
Parks and recreation	20	20	20	19	19	19	19	19	19	19
Library	14	14	14	14	14	14	14	14	14	14
Education	<u>528</u>	<u>512</u>	<u>507</u>	<u>508</u>	<u>515</u>	<u>515</u>	<u>510</u>	<u>510</u>	<u>501</u>	<u>506</u>
Total	<u>700</u>	<u>684</u>	<u>678</u>	<u>679</u>	<u>684</u>	<u>683</u>	<u>679</u>	<u>678</u>	<u>669</u>	<u>674</u>

Source: Annual Town Budgets and Bond Official Statements

TABLE 18

TOWN OF NEWINGTON, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government:										
Building permits issued	2,316	1,912	1,865	1,909	1,836	2,255	2,157	2,029	1,874	1,669
Value of permits (000s)	34,621	26,057	50,445	21,496	27,956	30,203	30,259	27,027	38,066	23,418
Police:										
Larcenies	1,283	937	903	902	788	670	640	559	565	655
Calls for service	23,817	22,915	23,566	26,766	25,472	26,049	28,718	27,279	28,305	28,955
Traffic violations	2,331	2,874	3,841	4,962	6,061	5,355	8,205	6,860	6,524	8,277
Fire:										
Emergency responses	836	570	618	616	600	607	598	602	716	896
Residential responses	N/A	N/A	N/A	N/A	N/A	70	54	72	100	281
Inspections	480	438	878	878	689	758	549	559	572	606
Refuse collection:										
Refuse collected (annual tonnage)	8,924	8,585	8,415	8,397	8,213	8,290	9,092	9,190	9,018	8,273
Recyclables collected (annual tonnage)	2,497	2,467	2,521	2,694	2,775	2,845	2,810	2,819	2,838	2,810
Other public works:										
Street Reconstruction (linear feet)	0	0	0	1,125	320	1,050	1,067	985	502	1,070
Street Resurfacing (linear feet)	25,027	21,067	22,598	13,500	18,741	15,820	15,241	17,443	14,811	21,212
Library:										
Total volumes borrowed (000s)	214	227	300	310	329	350	375	378	381	405

Town of Newington Annual Reports and Capital Budgets

TABLE 19

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

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Public Safety</u>										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	4	4	4	4	4	4	4	4	4	4
Police vehicles	42	41	41	41	41	41	44	41	37	41
Fire vehicles	24	20	20	17	20	20	20	21	21	20
<u>Public Works</u>										
Miles of town roads	104	104	100	100	100	100	100	100	100	100
Traffic signals	13	13	13	13	13	13	13	15	15	15
Public works vehicles and equipment	57	56	56	56	56	56	57	56	53	54
<u>Parks and Recreation</u>										
Acreage	370	370	370	370	370	370	370	370	370	370
Parks and greens	13	13	13	13	13	13	13	13	13	13
Athletic fields	7	7	7	7	7	7	7	7	7	7
Playgrounds	5	5	5	5	5	5	5	5	5	5
<u>Public Libraries</u>										
Libraries	1	1	1	1	1	1	1	1	1	1
<u>Senior Citizens</u>										
Community center	1	1	1	1	1	1	1	1	1	1
Senior mini-buses	5	5	5	5	5	5	5	5	4	4
<u>Education</u>										
Schools	7	7	7	7	7	7	7	7	7	7

Source(s): Various Town Departments

TOWN OF NEWINGTON, CONNECTICUT
MISCELLANEOUS STATISTICS
JUNE 30, 2021

GENERAL INFORMATION		
Incorporated:		1871
Settled:		1678
Form of Government:		Council-Manager
Chief Elected Official:		Mayor
Chief Administrative Officer:		Town Manager
Area of Town:		13.2 square miles
2020 Estimated Population:		30,536
ELECTIONS		
Town Elections:	Odd years	
Town Council (members + Mayor)	9	10/1/19 Net Grand List: \$2,657,248,824
Board of Education (members):	9	10/1/19 Net Supplemental List: \$27,707,000
Board of Fire Commissioners:	3	Mill Rate: 39.28
Registrars of Voters:	2	Assessment Ratio: 70%
Registered Voters (Active) as of	20,362	Last Revaluation: 10/1/2020
Republicans	3,876	
Democrats	7,744	
Minor Parties	358	
Unaffiliated	8,384	
PUBLIC SAFETY - POLICE		
# of Police Stations:	1	EDUCATION
# of Police Districts:	5-9	Total Classroom Teachers 358.0
# of Police Officers:		Public School Enrollment (Oct 2018): 3,951
Police Chief	1	Teacher/Pupil ratio: 11.0
Dispatchers	7	2019-20 Appropriation per Pupil: \$18,924
Police Officers	48	
# of Vehicles:	42	Elementary Schools (PK-4): 4
PUBLIC SAFETY - FIRE PROTECTION		Students (Oct 2020) 1429
# of Fire Companies:	4	Middle Schools (5-8): 2
# of Volunteer Firefighters:	102	Students (Oct 2020) 1239
# of Vehicles:	24	High School (9-12): 1
		Students (Oct 2020) 1283
PUBLIC SAFETY - EMERGENCY MEDICAL SERVICES		
# of Volunteers (average):	55	Special Education
# of Ambulances:	4	Students (Oct 2020) 629
FULL-TIME EMPLOYEES (2020-21)		
Town General Government:		172
Board of Education (Full-Time Equivalents):		
Certified Teachers	358.0	
Certified - Administration	29.0	
Total Certified	387.0	
Classified Personnel (clerical, custodial, transp.)	<u>141</u>	
	528.0	528.0
Total		700.0