

TOWN OF EAST GRANBY, CONNECTICUT

FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
JUNE 30, 2022**

TOWN OF EAST GRANBY, CONNECTICUT
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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of East Granby, Connecticut

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of East Granby, Connecticut (the Town), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15 and the information on pages 50 through 57 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2022, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Certified Public Accountants
Glastonbury, Connecticut
December 13, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

The management of the Town of East Granby, Connecticut (the Town), offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$31,625,345 (net position). Of this amount, \$5,465,082 represents the unrestricted net position of the Town.
- The Town's total net position increased by \$630,758 during the current fiscal year.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,475,168, an increase of \$3,178,868 over the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund totaled \$3,608,452 or 14.2% of the Town's fiscal year 2023 authorized budgetary expenditure appropriations of \$25,383,990. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.71 months of General Fund operating expenditures.
- The Town's total capital assets increased by \$1,307,502 or 3.8% during the current fiscal year.
- The Town's total long-term bonded debt increased by \$2,375,000 or 23.5% during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets, deferred outflows and inflows of resources, and liabilities, with net position as the residual of these elements. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Government-wide Financial Statements *(Continued)*

The government-wide financial statements display information about the Town's governmental activities, which include general government, culture and recreation, public safety, public works, sanitation and education. The Town does not have any business-type activities.

The government-wide financial statements include only the Town itself because there are no legally separate organizations for which the Town is financially accountable.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town are considered governmental funds.

Governmental Funds

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

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

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital and Nonrecurring Fund, the Capital Bond Fund and the Education Program Fund, all of which are considered to be major funds. Data from the other remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 18 through 21 of this report.

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 through 49 of this report.

Other Information

Required supplementary information and combining and individual fund statements and schedules and can be found on pages 50 through 76 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

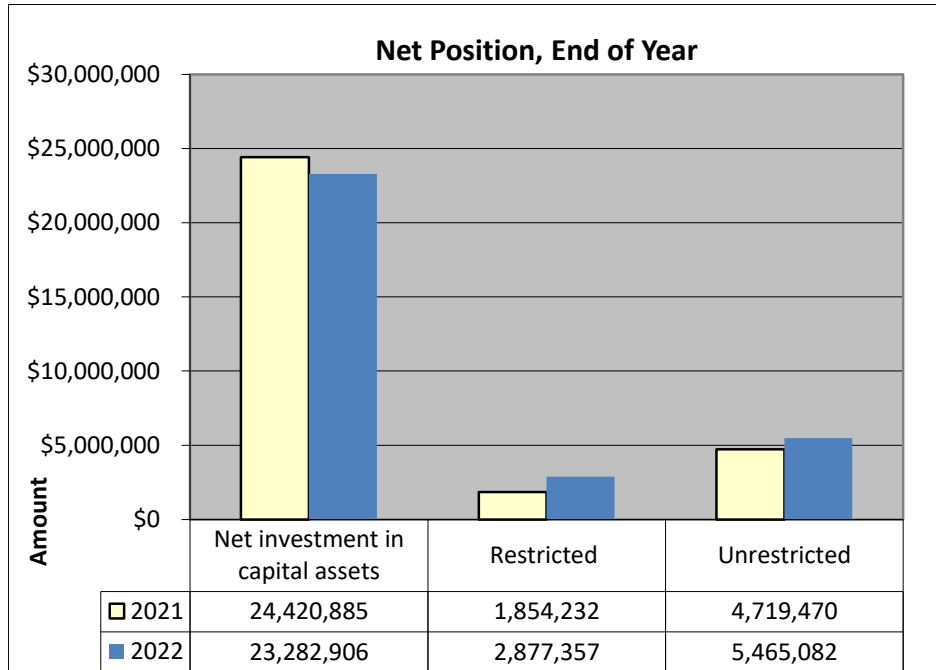
Over time, net position may serve as one measure of a government's financial position. Net position of the Town totaled \$31,625,345 and \$30,994,587 as of June 30, 2022 and 2021, respectively, and are summarized as follows:

	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Current and other assets	\$ 15,264,230	\$ 12,504,298	\$ 2,759,932	22.1%
Capital assets, net	35,272,555	33,965,053	1,307,502	3.8%
Total assets	<u>50,536,785</u>	<u>46,469,351</u>	<u>4,067,434</u>	8.8%
Deferred outflows of resources	<u>55,995</u>	<u>62,107</u>	<u>(6,112)</u>	-9.8%
Other liabilities	2,445,814	9,763,765	(7,317,951)	-75.0%
Long-term liabilities	<u>15,915,399</u>	<u>5,492,361</u>	<u>10,423,038</u>	189.8%
Total liabilities	<u>18,361,213</u>	<u>15,256,126</u>	<u>3,105,087</u>	20.4%
Deferred inflows of resources	<u>606,222</u>	<u>280,745</u>	<u>325,477</u>	115.9%
Net position:				
Net investment in capital assets	23,282,906	24,420,885	(1,137,979)	-4.7%
Restricted	2,877,357	1,854,232	1,023,125	55.2%
Unrestricted	<u>5,465,082</u>	<u>4,719,470</u>	<u>745,612</u>	15.8%
Total net position	<u>\$ 31,625,345</u>	<u>\$ 30,994,587</u>	<u>\$ 630,758</u>	2.0%

TOWN OF EAST GRANBY, CONNECTICUT
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Net Position *(Continued)*



Of the Town's net position, 73.6% reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

9.1% of the Town's net position is subject to external restrictions on how they may be used and are, therefore, presented as restricted.

The remainder of the Town's net position is considered unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

Overall, net position increased by \$630,758.

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position

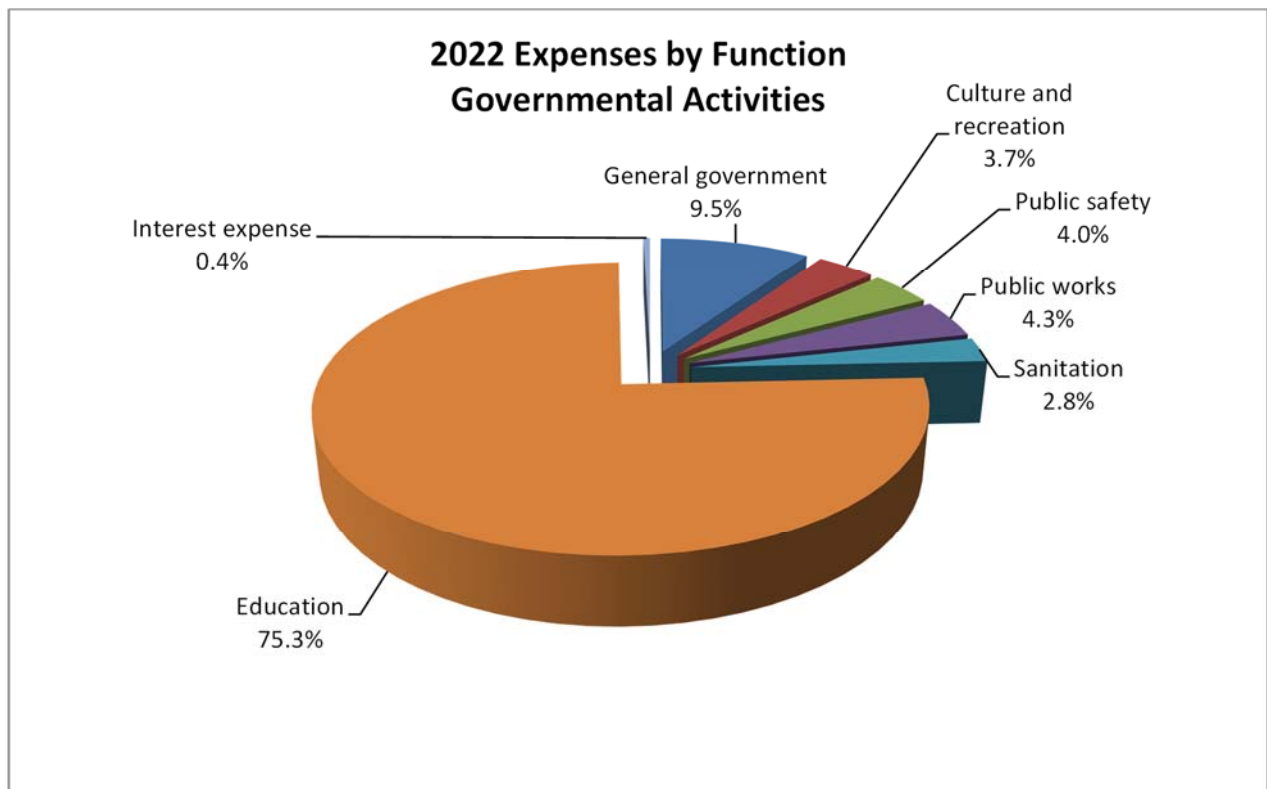
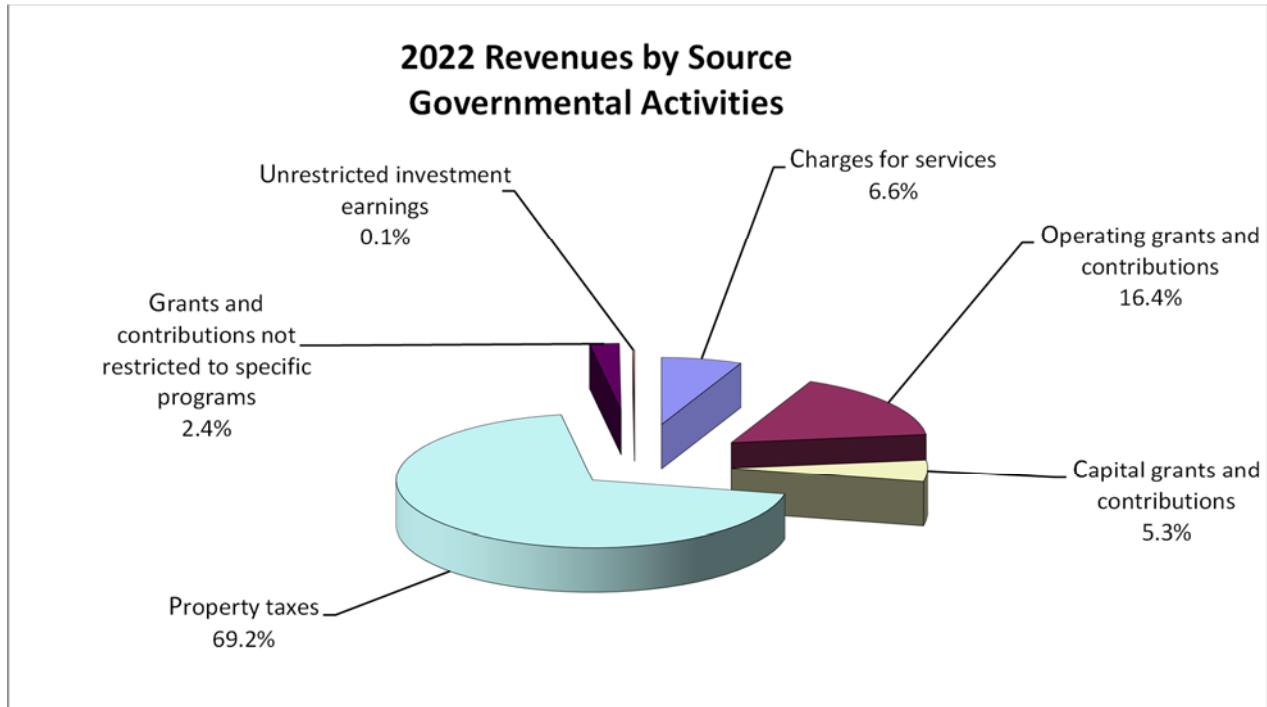
Changes in net position for the years ended June 30, 2022 and 2021 are as follows.

	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Program revenues:				
Charges for services	\$ 1,974,659	\$ 1,420,054	\$ 554,605	39.1%
Operating grants and contributions	4,895,207	8,850,031	(3,954,824)	-44.7%
Capital grants and contributions	1,574,722	672,373	902,349	134.2%
General revenues:				
Property taxes	20,614,084	20,256,833	357,251	1.8%
Grants and contributions	722,453	697,204	25,249	3.6%
Investment earnings	42,682	15,280	27,402	179.3%
Total revenues	<u>29,823,807</u>	<u>31,911,775</u>	<u>(2,087,968)</u>	-6.5%
Program expenses:				
General government	2,786,324	2,604,918	181,406	7.0%
Culture and recreation	1,086,295	805,037	281,258	34.9%
Public safety	1,155,748	1,155,582	166	0.0%
Public works	1,253,020	1,053,672	199,348	18.9%
Sanitation	806,717	734,388	72,329	9.8%
Education	21,983,061	24,855,989	(2,872,928)	-11.6%
Interest expense	121,884	201,212	(79,328)	-39.4%
Total expenses	<u>29,193,049</u>	<u>31,410,798</u>	<u>(2,217,749)</u>	-7.1%
Change in net position	<u>\$ 630,758</u>	<u>\$ 500,977</u>	<u>\$ 129,781</u>	25.9%

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position (Continued)



TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Changes in Net Position *(Continued)*

Governmental activities increased the Town's net position by \$630,758. Revenues recognized by the Town decreased by \$2,087,968 or 6.5% and expenses for the Town decreased by \$2,217,749 or 7.1% in comparison to prior year.

A summary of significant items impacting revenues are as follows:

- An increase in charges for services of \$554,605 or 39.1% over the prior year. This increase was driven by an increase in recreation fees in the amount of \$196,178 to fund programs and an increase in educational tuition and school activity fees of \$138,307.
- A decrease in operating grants of \$3,954,824 or 44.7%. This decrease includes an overall decrease of \$3,413,805 in operating grants and contributions recognized by the Town's school system. This decrease includes a \$3,710,921 decrease in the amount of pension and other post-employment benefit expenses recognized by the Town for its participation in the Connecticut Teachers' Retirement System. Although the Town is not liable for pension and other post-employment benefits provided by the Connecticut Teachers' Retirement System, the Town recognizes both revenues and expenses for the full pension and other post-employment benefit expenses that have been attributed to employees of the Town's School District.
- An increase in capital grants of \$902,349 or 134.2%. This increase was due to an increase in the municipal grants-in-aid.
- An increase in property tax revenues of \$357,251 or 1.8%. This increase reflects an increase of 1.2% in the Town's property tax mill rate combined with an increase in the overall grand list.

A summary of significant items impacting expenses are as follows:

- An increase in public works expenses in the amount of \$199,348 or 18.9%. This increase was due to an increase in noncapitalized road maintenance.
- An increase in culture and recreation expenses in the amount of \$281,258 or 34.9%. This increase was driven by an increase in recreation programs.
- A decrease in education expenses in the amount of \$2,872,928 or 11.6%. This decrease was driven by a \$3,710,921 decrease in the amount of pension and other post-employment benefit expenses recognized by the Town for its participation in the Connecticut Teachers' Retirement System, as previously discussed, offset by an increase in operating costs of \$837,993.

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,475,168, an increase of \$3,178,868 in comparison with the prior year. The overall increase in fund balances was driven by proceeds from the issuance of general obligation bonds in the amount of \$11,345,219, offset by the repayment of bond anticipation notes in the amount of \$7,000,000 and capital outlays of \$2,287,968.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,608,452, while total fund balance was \$4,480,665. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance for the General Fund totaled 14.2% of the Town's fiscal year 2023 authorized budgetary expenditure appropriations of \$25,383,990. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.71 months of General Fund operating expenditures.

The fund balance of the General Fund decreased by \$440,262 during the current fiscal year. Refer to General Fund budgetary highlights below for discussions related to current year activities.

Capital and Nonrecurring Fund

The fund balance of the Capital and Nonrecurring Fund increased by \$13,488 during the current fiscal year to \$1,468,188. A summary of authorized projects and costs incurred is presented on page 64 of this report.

Capital Bond Fund

The fund balance of the Capital Bond Fund increased by \$1,231,444 during the current fiscal year from \$623,393 to \$1,854,837. The increase in fund balance is due to the recognition of bond proceeds, offset by the repayment of bond anticipation notes and capital outlays. Proceeds from the debt are being used to finance repair and replacement of school and Town building roofs, for repaving and repairing of Town roads, bridges, and parking lots, and providing HVAC and electrical upgrades for Allgrove School.

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)

Education Program Fund

The fund balance of the Education Program Fund increased by \$443,055 during the current fiscal year from \$726,665 to \$1,169,720. This fund accounts for restricted grants and reimbursement from federal, State and local sources.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the year ended June 30, 2022 planned for the use of fund balance in the amount of \$638,180 to balance the budget. The actual change in fund balance on a budgetary basis was a decrease of \$312,098, resulting in a favorable budgetary variance in the amount of \$326,082. Revenues and other financing sources exceeded budgetary estimates by \$91,032 and expenditures were less than budgetary estimates by \$235,050.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities as of June 30, 2022 totaled \$35,272,555 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, buildings and improvements, machinery, equipment and furniture and fixtures, vehicles, and infrastructure. The Town's investment in capital assets increased by \$1,307,502 or 3.8%.

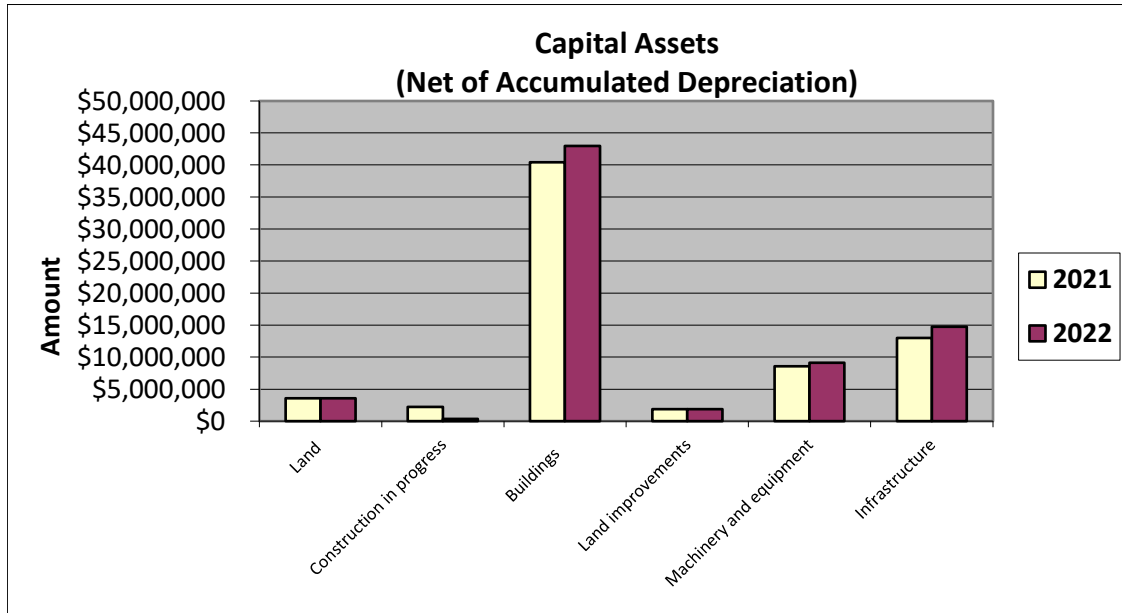
The following table is a two-year comparison of the investment in capital assets, net of accumulated depreciation:

	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Land	\$ 3,571,922	\$ 3,571,922	\$ -	0.0%
Construction in progress	348,119	2,247,724	(1,899,605)	-84.5%
Buildings	42,940,108	40,437,775	2,502,333	6.2%
Land improvements	1,890,814	1,881,849	8,965	0.5%
Machinery and equipment	9,104,304	8,568,752	535,552	6.3%
Infrastructure	14,765,138	12,989,130	1,776,008	13.7%
Accumulated depreciation	<u>(37,347,850)</u>	<u>(35,732,099)</u>	<u>(1,615,751)</u>	4.5%
Totals	<u>\$ 35,272,555</u>	<u>\$ 33,965,053</u>	<u>\$ 1,307,502</u>	3.8%

TOWN OF EAST GRANBY, CONNECTICUT
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

Capital Assets *(Continued)*



Major capital asset events during the current fiscal year consisted of capital asset additions of \$2,923,253, offset by depreciation expense of \$1,615,751.

Significant capital asset activity consisted of road improvements funded by general obligation debt and government grants.

Additional information on the Town's capital assets can be found in Note 3 of this report.

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Debt

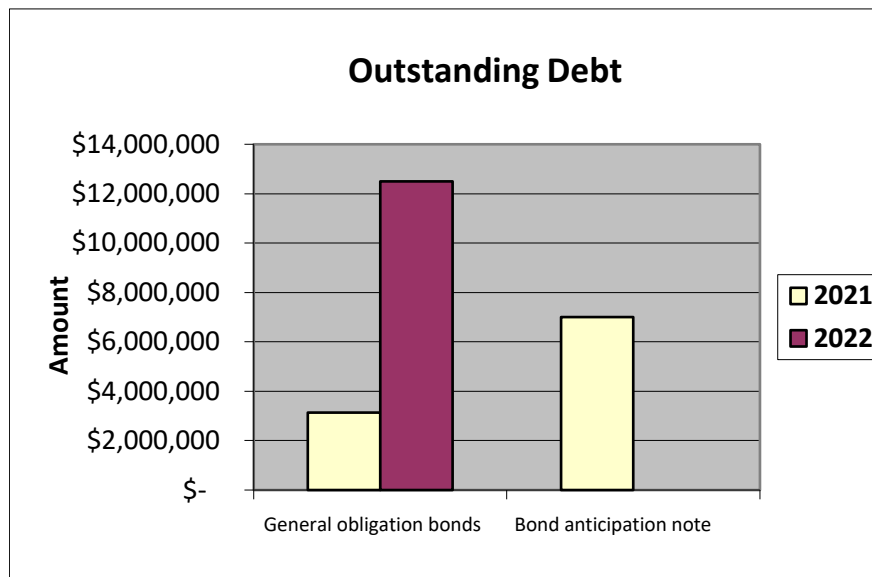
At the end of the current fiscal year, the Town had total long-term bonded debt outstanding of \$12,500,000, all of which is backed by the full faith and credit of the Town. The Town's total long-term bonded debt increased by \$9,375,000 or 300.0% during the current fiscal year due to the issuance of \$9,900,000 in general obligation bonds offset by scheduled debt service payments. The Town's short-term bonded debt was repaid with general obligation bond proceeds.

The Town maintains an "Aa2" rating from Moody's Investor Service for general obligation debt.

State statutes limit the amount of general obligation debt the Town may issue to seven times its annual receipts from taxation, as defined by the statutes. The current debt limitation for the Town is significantly in excess of the Town's outstanding general obligation debt.

The following is a two-year comparison of long-term and short-term bonded debt:

	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
General obligation bonds	\$ 12,500,000	\$ 3,125,000	\$ 9,375,000	300.0%
Bond anticipation note	-	7,000,000	(7,000,000)	-100.0%
Totals	<u>\$ 12,500,000</u>	<u>\$ 10,125,000</u>	<u>\$ 2,375,000</u>	23.5%



Additional information on the Town's short-term and long-term debt can be found in Notes 6 and 7 of this report.

TOWN OF EAST GRANBY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

A summary of key economic factors affecting the Town are as follows:

- Inflationary trends in the region approximate national indices.
- For purposes of calculating property tax revenues, the assessor's grand list is used along with an estimated tax rate and an estimated rate of collection, with deductions for payment in lieu of taxes to be paid by the State on-behalf of certain taxpayers.
- The Town receives a significant amount of municipal aid from the State of Connecticut. Potential cuts in funding could negatively impact the Town's mill rate and/or the types and quality of services provided to its citizens.

All of these factors were considered in preparing the Town's budget for fiscal year 2023. The Town's fiscal year 2023 approved budget contemplates budgetary expenditure appropriations in the amount of \$25,383,990. The fiscal year 2023 budget contemplates the use of fund balance in the amount of \$760,629 to reduce the overall impact on the Town's mill rate.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the First Selectman, 9 Center Street, P.O. Box 1858, East Granby, Connecticut 06026-1858.

BASIC FINANCIAL STATEMENTS

TOWN OF EAST GRANBY, CONNECTICUT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 14,452,552
Investments	46,149
Receivables:	
Property taxes and interest, net	309,235
Grants and contracts	31,377
Other	424,917
Capital assets:	
Non-depreciable	3,920,041
Depreciable, net	31,352,514
Total assets	50,536,785
 DEFERRED OUTFLOWS OF RESOURCES	
OPEB related	55,995
 LIABILITIES	
Accounts payable	1,222,523
Accrued liabilities	199,252
Performance bonds payable	212,088
Unearned revenue	811,951
Noncurrent liabilities:	
Due within one year	1,165,170
Due in more than one year	14,750,229
Total liabilities	18,361,213
 DEFERRED INFLOWS OF RESOURCES	
Advanced property tax collections	10,281
OPEB related	595,941
Total deferred inflows of resources	606,222
 NET POSITION	
Net investment in capital assets	23,282,906
Restricted for:	
Capital purposes	184,276
Road maintenance and improvements	1,417,785
Educational purposes	1,169,720
Other purposes	105,576
Unrestricted	5,465,082
Total net position	\$ 31,625,345

The accompanying notes are an integral part of these financial statements .

TOWN OF EAST GRANBY, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government:					
Governmental activities:					
General government	\$ 2,786,324	\$ 331,453	\$ 5,500	\$ -	\$ (2,449,371)
Culture and recreation	1,086,295	333,675	19,923	-	(732,697)
Public safety	1,155,748	15,176	125,139	52,544	(962,889)
Public works	1,253,020	254,349	129,087	1,522,178	652,594
Sanitation	806,717	412,849	-	-	(393,868)
Education	21,983,061	627,157	4,615,558	-	(16,740,346)
Interest expense	121,884	-	-	-	(121,884)
Total governmental activities	<u>\$ 29,193,049</u>	<u>\$ 1,974,659</u>	<u>\$ 4,895,207</u>	<u>\$ 1,574,722</u>	<u>(20,748,461)</u>
General revenues:					
					20,614,084
					722,453
					42,682
					<u>21,379,219</u>
					630,758
					<u>30,994,587</u>
					<u>\$ 31,625,345</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EAST GRANBY, CONNECTICUT
BALANCE SHEET -
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2022

	<u>Capital Projects Funds</u>			<u>Special Revenue Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Capital and Nonrecurring Fund</u>	<u>Capital Bond Fund</u>	<u>Education Program Fund</u>		
ASSETS						
Cash and cash equivalents	\$ 12,527,491	\$ -	\$ -	\$ 1,293,496	\$ 631,565	\$ 14,452,552
Investments	31,140	-	-	-	15,009	46,149
Receivables:						
Property taxes and interest, net	309,235	-	-	-	-	309,235
Grants and contracts	-	-	-	31,377	-	31,377
Other	81,103	-	-	-	343,814	424,917
Due from other funds	593,880	1,519,451	2,153,926	-	4,274,014	8,541,271
Total assets	<u>\$ 13,542,849</u>	<u>\$ 1,519,451</u>	<u>\$ 2,153,926</u>	<u>\$ 1,324,873</u>	<u>\$ 5,264,402</u>	<u>\$ 23,805,501</u>
LIABILITIES						
Accounts payable	\$ 553,216	\$ 51,263	\$ 299,089	\$ 155,153	\$ 163,802	\$ 1,222,523
Salaries and benefits payable	95,556	-	-	-	-	95,556
Performance bonds payable	212,088	-	-	-	-	212,088
Due to other funds	7,947,391	-	-	-	593,880	8,541,271
Unearned revenue	-	-	-	-	811,951	811,951
Total liabilities	<u>8,808,251</u>	<u>51,263</u>	<u>299,089</u>	<u>155,153</u>	<u>1,569,633</u>	<u>10,883,389</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	243,652	-	-	-	193,011	436,663
Advanced tax collections	10,281	-	-	-	-	10,281
Total deferred inflows of resources	<u>253,933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,011</u>	<u>446,944</u>
FUND BALANCES						
Restricted for:						
Capital purposes	-	184,276	1,854,837	-	-	2,039,113
Road maintenance and improvements	-	-	-	-	1,417,785	1,417,785
Educational purposes	-	-	-	1,169,720	367,008	1,536,728
Other purposes	-	-	-	-	105,576	105,576
Committed for:						
Capital purposes	-	885,870	-	-	194,873	1,080,743
Educational purposes	-	-	-	-	313,767	313,767
Sanitation programs	-	-	-	-	157,080	157,080
Other purposes	-	-	-	-	1,539,990	1,539,990
Assigned to:						
Capital purposes	-	398,042	-	-	-	398,042
Encumbrances	111,584	-	-	-	-	111,584
Use in subsequent year's budget	760,629	-	-	-	-	760,629
Unassigned	3,608,452	-	-	-	(594,321)	3,014,131
Total fund balances	<u>4,480,665</u>	<u>1,468,188</u>	<u>1,854,837</u>	<u>1,169,720</u>	<u>3,501,758</u>	<u>12,475,168</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,542,849</u>	<u>\$ 1,519,451</u>	<u>\$ 2,153,926</u>	<u>\$ 1,324,873</u>	<u>\$ 5,264,402</u>	<u>\$ 23,805,501</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF EAST GRANBY, CONNECTICUT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

Total fund balance for governmental funds		\$ 12,475,168
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Capital assets	\$ 72,620,405	
Less: accumulated depreciation	<u>(37,347,850)</u>	
Total capital assets, net		35,272,555
Some of the Town's taxes, assessments, and interest receivables will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		
		436,663
Deferred charges on the total OPEB liability is not susceptible to accrual and therefore is not reported in the funds.		
		(539,946)
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position.		
Accrued interest payable	(103,696)	
Long-term debt:		
Bonds payable	(12,500,000)	
Unamortized bond premium	(1,344,486)	
Other long-term liabilities:		
Landfill post-closure care liability	(4,167)	
Compensated absences	(236,003)	
Total OPEB liability	<u>(1,830,743)</u>	
		<u>(16,019,095)</u>
Net position of governmental activities		<u><u>\$ 31,625,345</u></u>

The accompanying notes are an integral part of these financial statements .

TOWN OF EAST GRANBY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Capital Projects Funds			Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Capital and Nonrecurring Fund	Capital Bond Fund	Education Program Fund		
REVENUES						
Property taxes	\$ 20,764,182	\$ -	\$ -	\$ -	\$ -	\$ 20,764,182
Intergovernmental	4,886,639	25,638	-	1,202,300	1,750,444	7,865,021
Charges for services	563,579	-	-	456,144	878,912	1,898,635
Interest income	31,109	4,960	-	-	6,613	42,682
Other	15,001	2,302	-	-	70,457	87,760
Total revenues	<u>26,260,510</u>	<u>32,900</u>	<u>-</u>	<u>1,658,444</u>	<u>2,706,426</u>	<u>30,658,280</u>
EXPENDITURES						
Current:						
General government	2,646,562	-	-	-	116,514	2,763,076
Culture and recreation	327,791	-	-	-	431,871	759,662
Public safety	1,011,643	-	-	-	11,211	1,022,854
Public works	766,900	-	-	-	910,482	1,677,382
Sanitation	313,413	-	-	-	459,202	772,615
Education	20,345,833	-	-	1,215,389	190,489	21,751,711
Capital outlays	-	619,412	1,668,556	-	-	2,287,968
Debt service	789,363	-	-	-	-	789,363
Total expenditures	<u>26,201,505</u>	<u>619,412</u>	<u>1,668,556</u>	<u>1,215,389</u>	<u>2,119,769</u>	<u>31,824,631</u>
Excess (deficiency) of revenues over expenditures	59,005	(586,512)	(1,668,556)	443,055	586,657	(1,166,351)
OTHER FINANCING SOURCES (USES)						
Bonds issued	-	-	9,900,000	-	-	9,900,000
Premium on bonds issued	-	-	1,445,219	-	-	1,445,219
Payment of bond anticipation notes	-	-	(7,000,000)	-	-	(7,000,000)
Transfers in	100,733	600,000	-	-	1,445,219	2,145,952
Transfers out	(600,000)	-	(1,445,219)	-	(100,733)	(2,145,952)
Total other financing sources (uses)	<u>(499,267)</u>	<u>600,000</u>	<u>2,900,000</u>	<u>-</u>	<u>1,344,486</u>	<u>4,345,219</u>
Net change in fund balances	(440,262)	13,488	1,231,444	443,055	1,931,143	3,178,868
Fund balances - beginning	4,920,927	1,454,700	623,393	726,665	1,570,615	9,296,300
Fund balances - ending	<u>\$ 4,480,665</u>	<u>\$ 1,468,188</u>	<u>\$ 1,854,837</u>	<u>\$ 1,169,720</u>	<u>\$ 3,501,758</u>	<u>\$ 12,475,168</u>

The accompanying notes are an integral part of these financial statements .

TOWN OF EAST GRANBY, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds \$ 3,178,868

Total change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation and amortization expense in the current period is as follows:

Expenditures for capital assets	\$ 2,923,253	
Depreciation and amortization expense	<u>(1,615,751)</u>	
Net adjustment		1,307,502

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term obligations is as follows:

Debt issued or incurred:		
Bonds	(9,900,000)	
Bond premium	(1,445,219)	
Principal repayments:		
Bonds	525,000	
Bond anticipation notes	7,000,000	
Financed purchases	<u>5,272</u>	
Net adjustment		(3,814,947)

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The net effect of such items is as follows:

Accrued interest	(815)	
Amortization of bond premium	138,022	
Landfill post-closure care liability	11,356	
Compensated absences	(18,178)	
Total OPEB liability	260,709	
Deferred charges on total OPEB liability	<u>(321,308)</u>	
		69,786

Certain revenues reported in the statement of activities do not provide current financial resources and, therefore, are reported as unavailable revenues in the governmental funds. This amount represents the change in unavailable revenues.

		<u>(110,451)</u>
Change in net position of governmental activities	\$	<u><u>630,758</u></u>

The accompanying notes are an integral part of these financial statements .

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Town of East Granby, Connecticut (the Town), have been prepared in conformity with accounting principles generally accepted in the United States of America, 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 Town's significant accounting policies are described below.

Financial Reporting Entity

History and Organization

The Town was formed under the Statutes of the State of Connecticut and is governed by an elected Board of Selectmen, a Board of Finance and through Town meetings. The Town provides general government, culture and recreation, public safety, public works, sanitation and education services.

The Board of Selectmen is the executive branch of the Town and is responsible for the administration of the Town. The legislative power, including enacting, amending or repealing ordinances and resolutions, is conducted through Town Meetings. The Board of Finance is responsible for financial and taxation matters as prescribed by Connecticut General Statutes and is responsible for presenting fiscal operating budgets for Town Meeting approval.

The basic financial statements of the reporting entity include only the funds of the Town as no component units exist based on operational or financial relationships with the Town.

Jointly Governed Organizations

The Town is a member of the Capitol Region Council of Governments (CRCOG), which is a voluntary Council of Governments formed to initiate and implement regional programs of benefit to member towns within the Greater Hartford region. CRCOG is governed by the chief elected officials of 38 Metro Hartford municipalities and the First Selectman of the Town serves on the CRCOG's governing Board.

The Town is a member of the Farmington Valley Health District (the Health District), which provides food protection, environmental health, community health and emergency preparedness services to its ten member towns. A member of the Town's Board of Selectmen serves on the Health District's governing Board.

The Town is a founding member, along with the Towns of Suffield, Windsor, and Windsor Locks, of the Bradley Development League (BDL). The BDL consists of a private/public board of directors, and allows its member towns and the State to more effectively market the area. The First Selectman of the Town currently serves on the BDL's governing Board.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government-Wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through payments from the member towns, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The Town has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

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

Capital and Nonrecurring Fund - This fund accounts for financial revenues used for the financing of the planning, construction, reconstruction or acquisition of any specific capital improvement or the acquisition of specific equipment and capital additions.

Capital Bond Fund - This fund accounts for the financial resources utilized to fund capital outlays associated with a \$12,200,000 appropriation for the planning, design, construction, reconstruction and improvements of i) various school and town buildings roofs, ii) HVAC and electrical upgrades to a town school, and iii) repair and re-pavement of various town roads, town campus parking lots, and the Floydville bridge.

Education Program Fund - This fund accounts for education expenditures funded by restricted federal and State grants and from open choice tuition from the City of Hartford.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and 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 principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, claims and judgments, and postemployment benefits are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the Town the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is either received or available to be received during the period or within the availability period for this revenue source (within 60 days of yearend). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is either received or available to be received during the period or within the availability period for this revenue source (within 60 days of yearend). All other revenue items are considered to be measurable and available only when the cash is received.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Balances

Cash and Cash Equivalents

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

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are reported at cost or amortized cost. Investments in certain external investment pools that meet specific criteria for measuring its investments at amortized cost are reported at amortized cost. All other investments in external investment pools and investments with maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Inventories and Prepaid Items

Inventories are reported at cost using the first-in first-out (FIFO) method. Inventories are recorded as expenditures/expenses 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 the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Property Taxes

Property taxes are assessed as of October 1 and are levied on the following July 1. Real estate and personal property taxes are due in two installments, July 1 and the following January 1. Motor vehicle taxes are payable on July 1 and supplemental motor vehicle taxes are payable on January 1. Taxes become delinquent thirty days after the installment is due and liens are filed on delinquent real estate taxes within one year. Interest is charged on delinquent amounts at a statutory rate of 1.5% per month. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible taxes and interest of \$65,000 and \$100,000, respectively, as of June 30, 2022.

Sewer Usage Charges

Usage charges are billed either annually or semi-annually depending upon the type of bill amount. Usage charges are due and payable within thirty days. Interest is charged on delinquent amounts at a statutory rate of 1.5% per month. Based on historical collection experience and other factors, no allowance has been established for uncollectible usage charges and interest.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Balances *(Continued)*

Capital Assets

Capital assets are tangible and intangible assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years.

As the Town constructs or acquires capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. Other tangible and intangible property and equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings and improvements	20 - 40
Machinery, equipment, furniture and Fixtures	5 - 10
Vehicles	8
Infrastructure	20 - 50

Unearned Revenue

This liability represents resources that have been received but not yet earned.

Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources represent an acquisition or consumption of net assets that applies to a future period(s) and so will not be recognized as an inflow or outflow of resources until that time. Deferred inflows of resources include unavailable revenues from property taxes, sewer usage charges, and related interest in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred outflows and inflows of resources also include deferred charges on the Town's OPEB expenses, which are amortized as a component of OPEB expense on a systematic and rational basis.

Long-term Obligations

Long-term Debt

The applicable accounting standards define debt as a liability that arises from a contractual obligation to pay cash, or other assets that may be used in lieu of cash, in one or more payments to settle and amount that is fixed at the date the contractual obligation is established. For disclosure purposes, debt does not include accounts payable or leases, except for contracts reported as financed purchase of the underlying assets.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Balances *(Continued)*

Long-term Obligations *(Continued)*

Long-term Debt (Continued)

In the government-wide financial statements, long-term debt is reported as liabilities in the statement of net position. Premiums and discounts on long-term debt are deferred and amortized over the life of the related debt using the effective interest rate method and the debt is reported net of any unamortized premium or discount. In the governmental fund financial statements, premiums and discounts are recognized in the current period.

In the governmental fund financial statements, debt premiums and discounts are recognized 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.

Compensated Absences and Early Retirement Incentives

Employees are granted vacation and sick leave pursuant to Town policies and terms negotiated in union contracts. For Town employees, unused vacation and sick days can be accumulated from year to year up to certain limits. For certain eligible employees of the Board of Education, only unused vacation days can be accumulated from year to year up to certain limits.

The Town provides special termination benefits to certain former employees of the Board of Education in the form of early retirement incentives.

All compensated absences and early retirement incentives are recorded when incurred in the government-wide financial statements. Expenditures for compensated absences and early retirement incentives are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year, or the vested amount is expected to be paid with available resources.

Leases (as Lessee)

The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) for a noncancellable lease in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$20,000 or more.

Net Position

For government-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of the following three components:

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of those assets. Deferred outflows and inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related are also included in this component of net position.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Balances *(Continued)*

Net Position *(Continued)*

Restricted net position - This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on the use of those assets either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position - This component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called fund balance. The Town's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

Nonspendable - Amounts that are either not in spendable form or are legally or contractually required to remain intact.

Restricted - Amounts that can be spent only for specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed - Amounts that can be used only for the specific purposes determined by the approval of a resolution by the Board of Finance committing fund balance for the specified purpose. Once approved, the limitation imposed by the resolution remains in place until the resources have been spent for the specified purpose or the Board of Finance approves another resolution removing or revising the limitation.

Assigned - Amounts that are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as committed. Amounts may be constrained to be used for a specific purpose by a governing board or body or official that has been delegated authority to assign amounts by Connecticut General Statutes and include Town officials and the Superintendent of Schools. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Balances *(Continued)*

Fund Balance *(Continued)*

Unassigned - Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. In accordance with the Town's practice, the Town uses restricted resources first, then unrestricted resources as needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Internal Activities

During the course of operations the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds or advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Use of Estimates

The preparation of 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 and disclosures in the financial statements. Actual results could differ from those estimates.

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

Cash Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2022, \$3,062,234 of the Town's bank balance of \$3,801,663 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 2,756,011
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	<u>306,223</u>
	<u>\$ 3,062,234</u>

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 2 - CASH DEPOSITS AND INVESTMENTS *(Continued)*

Cash Deposits *(Continued)*

Custodial Credit Risk *(Continued)*

All of the Town's deposits were in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

A reconciliation of the Town's cash deposits as of June 30, 2022 is as follows:

Cash and cash equivalents:	
Government-wide statement of net position	\$ 14,452,552
Add: certificates of deposit considered cash deposits for disclosure purposes	46,149
Less: cash equivalents considered investments for disclosure purposes	<u>(10,512,322)</u>
Total cash deposits	<u>\$ 4,130,176</u>

Investments

A reconciliation of the Town's investments as of June 30, 2022 is as follows:

Investments:	
Government-wide statement of net position	\$ 46,149
Add: cash equivalents considered investments for disclosure purposes	10,512,322
Less: certificates of deposit considered cash deposits for disclosure purposes	<u>(46,149)</u>
	<u>\$ 10,512,322</u>

As of June 30, 2022, the Town's investments consisted of the following:

Investment type	Valuation Basis	Credit Rating	Value	Investment Maturities (In Years) Less Than 1
Debt Securities:				
<i>Governmental Activities:</i>				
Short-term Investment Fund (STIF)	Amortized cost	AAA	<u>\$ 10,512,322</u>	<u>\$ 10,512,322</u>

Because investments in the Short-term Investment Fund have weighted average maturities of less than 90 days, they have been presented as investments with maturities of less than one year.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 2 - CASH DEPOSITS AND INVESTMENTS *(Continued)*

Investments *(Continued)*

Interest Rate Risk

The Town does not have a formal investment policy that limits Town investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, 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. The Town's investments in external investment pools are not evidenced by securities and are therefore not exposed to custodial credit risk.

Concentrations of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from concentration of credit risk disclosures. As of June 30, 2022, none of the Town's investments, in any one issuer that is subject to concentration of credit risk disclosures, exceeded 5.0% or more of the total investments reported for the Town.

Credit Risk

The Town has no investment policy that would further limit its investment choices beyond those already limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in: (1) obligations of the United States, including its instrumentalities and agencies; (2) in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; (3) in 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; (4) or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. Other provisions of the statutes cover specific municipal funds with particular investment authority. The Town's investments in debt securities consist of the Short-Term Investment Fund, which was rated as AAA by Standard & Poor's.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 consisted of the following:

Governmental Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 3,571,922	\$ -	\$ -	\$ -	\$ 3,571,922
Construction in progress	2,247,724	679,787	-	(2,579,392)	348,119
Total capital assets, not being depreciated	<u>5,819,646</u>	<u>679,787</u>	<u>-</u>	<u>(2,579,392)</u>	<u>3,920,041</u>
Capital assets, being depreciated:					
Buildings and improvements	40,437,775	254,609	-	2,247,724	42,940,108
Land improvements	1,881,849	8,965	-	-	1,890,814
Machinery and equipment	8,568,752	535,552	-	-	9,104,304
Infrastructure	12,989,130	1,444,340	-	331,668	14,765,138
Total capital assets, being depreciated	<u>63,877,506</u>	<u>2,243,466</u>	<u>-</u>	<u>2,579,392</u>	<u>68,700,364</u>
Less accumulated depreciation and amortization for:					
Buildings and improvements	20,982,721	910,909	-	-	21,893,630
Land improvements	1,557,828	34,942	-	-	1,592,770
Machinery and equipment	6,696,893	368,120	-	-	7,065,013
Infrastructure	6,494,657	301,780	-	-	6,796,437
Total accumulated depreciation and amortization	<u>35,732,099</u>	<u>1,615,751</u>	<u>-</u>	<u>-</u>	<u>37,347,850</u>
Total capital assets, being depreciated, net	<u>28,145,407</u>	<u>627,715</u>	<u>-</u>	<u>2,579,392</u>	<u>31,352,514</u>
Governmental activities capital assets, net	<u>\$ 33,965,053</u>	<u>\$ 1,307,502</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,272,555</u>

Depreciation and amortization expense was charged to functions of the Town as follows:

Governmental Activities:		
General government		\$ 17,079
Public safety		132,894
Culture and recreation		326,633
Public Works		210,923
Sanitation		45,458
Education		882,764
Total depreciation expense - governmental activities		<u>\$ 1,615,751</u>

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at June 30, 2022 are as follows:

Receivable Fund	Payable Fund	Amount
Governmental Funds		
General Fund	Nonmajor Governmental Funds	\$ 593,880
Capital and Nonrecurring Fund	General Fund	1,519,451
Capital Bond Fund	General Fund	2,153,926
Nonmajor Governmental Funds	General Fund	<u>4,274,014</u>
Total interfund receivables/payables		<u>\$ 8,541,271</u>

TOWN OF EAST GRANBY, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES *(Continued)*

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

NOTE 5 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2022 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Funds		
Capital and Nonrecurring Fund	General Fund	\$ 600,000
Nonmajor Governmental Funds	Capital Bond Fund	1,445,219
General Fund	Nonmajor Governmental Funds	<u>100,733</u>
Total transfers		<u><u>\$ 2,145,952</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them, and (2) use revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 6 - SHORT-TERM DEBT

The following is a summary of changes in short-term debt for the year ended June 30, 2022:

	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Bond anticipation notes	1.25%	July 15, 2021	<u>\$ 7,000,000</u>	<u>\$ -</u>	<u>\$ (7,000,000)</u>	<u>\$ -</u>

In July 2021, the Town retired the outstanding bond anticipation notes through proceeds from the issuance of general obligation bonds and the use of available funds. The purposes of the notes were to provide short-term financing to fund authorized capital projects.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 7 - LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Changes in the Town's long-term liabilities for the year ended June 30, 2022, are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 3,125,000	\$ 9,900,000	\$ (525,000)	\$ 12,500,000	\$ 925,000
Unamortized bond premium	37,289	1,445,219	(138,022)	1,344,486	-
Total bonds payable	3,162,289	11,345,219	(663,022)	13,844,486	925,000
Financed purchases	5,272	-	(5,272)	-	-
Compensated absences	217,825	28,461	(10,283)	236,003	236,003
Landfill post-closure care liability	15,523	-	(11,356)	4,167	4,167
Total OPEB Liability <i>(see Note 9)</i>	2,091,452	-	(260,709)	1,830,743	-
	<u>\$ 5,492,361</u>	<u>\$ 11,373,680</u>	<u>\$ (950,642)</u>	<u>\$ 15,915,399</u>	<u>\$ 1,165,170</u>

Long-term liabilities are typically liquidated in the General Fund.

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are uncollateralized, direct obligations and are pledged by the full faith and credit of the Town. General obligation bonds outstanding at June 30, 2022, are as follows:

	<u>Issue Year</u>	<u>Original Amount</u>	<u>Final Maturity Year</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
Governmental Activities					
General obligation bonds	4/2012	\$ 7,200,000	4/2027	2.0% - 3.0%	\$ 2,600,000
General obligation bonds	7/2021	9,900,000	7/2041	2.0% - 5.0%	9,900,000
					<u>\$ 12,500,000</u>

Legal Debt Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the statute. Further, the statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The statute does exclude from the Town's aggregate debt calculation any debt issued (a) in anticipation of taxes; (b) for water, gas, or electricity supply, electric demand response, conservation and load management, distributed generation, renewable energy projects, cable, wire, and pipe subway construction, underground cable, wire, and pipe conduit construction, constructing and operating a municipal community antenna television system, or a combination of such projects; (c) in anticipation of public improvement benefit assessment revenue; (d) in anticipation of state or federal grant funding; (e) for water pollution control projects in order to meet the energy and environmental protection commissioner's abatement order requirements; and debt issued (f) for which funds have been placed in escrow (from the proceeds of refunding bonds, notes, or other obligations or other municipal funds) in an amount sufficient, together with investment earnings, to provide for the payment when due of the principal of and interest on such debt. The Town did not exceed this statutory debt limitation as of June 30, 2022.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 7 - LONG-TERM LIABILITIES *(Continued)*

Authorized, Unissued Bonds

As of June 30, 2022, the Town had authorized but unissued bonds of \$51,000.

Long-term Debt Service Requirements

The debt service requirements for the Town's long-term debt are as follows:

<u>Year ending June 30:</u>	<u>Governmental Activities</u>	
	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 925,000	\$ 247,031
2024	925,000	224,563
2025	925,000	212,750
2026	925,000	189,625
2027	1,000,000	176,500
2028-2032	2,900,000	722,500
2033-2037	2,800,000	572,500
2038-2042	2,100,000	380,000
	<u>\$ 12,500,000</u>	<u>\$ 2,725,469</u>

Landfill Post-closure Care Liability

The Town landfill has been closed. State and federal laws and regulations require landfill closures to meet certain standards. The Town has recorded a liability of \$4,167 as of June 30, 2022 for future monitoring costs. This amount is based on estimates, which are subject to change due to inflation, technology or applicable laws and regulations.

NOTE 8 - PENSION PLANS

The Town accounts for activity relating to one defined benefit pension plan, the Connecticut Teachers' Retirement System. As of and for the year ended June 30, 2022, the plan had the following balances reported in the Town's government-wide financial statements:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>On Behalf Revenues</u>	<u>Pension Expense</u>
Connecticut Teachers' Retirement System (proportionate share)	\$ -	\$ -	\$ -	\$ 1,856,491	\$ 1,856,491

Detailed disclosures for the plan follows.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 8 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System

Plan Description

The Connecticut Teachers' Retirement System (TRS or the Plan) is the public pension plan offered by the State of Connecticut (the State) to provide retirement, disability, survivorship and health insurance benefits for Connecticut public school teachers and their beneficiaries. The Plan is governed by Connecticut Statute Title 10, Chapter 167a of the Connecticut General Statutes. TRS is a multiemployer pension plan administered by the Connecticut State Teachers' Retirement Board (TRB). The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members.

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

Benefit Provisions

The Plan 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 the employees are calculated as 2.0% of the average annual salary times the years of credited service (maximum benefit is 75.0% of average annual salary during the 3 years of highest salary). In addition, amounts derived from the accumulation of the 6.0% contributions made prior to July 1, 1989 and voluntary contributions are payable.

Early Retirement: Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service. Benefit amounts are reduced by 6.0% per year for the first 5 years preceding normal retirement age and 4.0% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

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

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required to be eligible for non-service related disability. Disability benefits are calculated as 2.0% per year of service times the average of the highest three years of pensionable salary, but not less than 15.0%, nor more than 50.0%. In addition, disability benefits under this Plan (without regard to cost-of-living adjustments) plus any initial award of Social Security benefits and workers' compensation cannot exceed 75.0% of average annual salary. A plan member who leaves service and has attained 10 years of service will be entitled to 100.0% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60, and early retirement reductions are based on the number of years of service the member would have had if they had continued work until age 60.

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

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 8 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Contributions

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

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

Employees - Effective January 1, 2018, each teacher is required to contribute 7.0% of pensionable salary for the pension benefit.

Administrative Expenses

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

Basis of Presentation

The components associated with pension expense and deferred outflows and inflows of resources have been determined based on fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2021. The net pension liability at June 30, 2021 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Annual Comprehensive Financial Report can be obtained at www.ct.gov.

The accounting standards require participating employers to recognize their proportional share of the collective net pension liability, deferred outflows and inflows of resources and pension expense. Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Allocation Methodology

The allocations for participating employers are based on the expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.193% as of the most recent measurement date.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 8 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Collective Net Pension Liability

The following summarizes the collective net pension liability of the State for the TRS as of June 30, 2021, the measurement date, in addition to the Town's and State's proportionate shares of the collective net pension liability that is attributed to the Town:

Collective Net Pension Liability of the State for the TRS		<u>\$ 14,926,263,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net Pension Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net Pension Liability attributed to the Town	0.193%	<u>\$ 28,759,000</u>

Collective Pension Expense

The Town's expected contribution effort for allocation purposes totaled \$2,408,142 or 0.193% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures in the General Fund for the year ended June 30, 2022.

The collective pension expense includes certain current period changes in the collective net pension liability, projected earnings on pension plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the collective pension expense attributed to the Town totaled \$1,856,491 or 0.193% of the total collective pension expense and has been recognized as an operating contribution and related education expense in the statement of activities for the year ended June 30, 2022.

Actuarial Assumptions

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

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

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

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 8 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Actuarial Assumptions *(Continued)*

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3.0% and a maximum of 5.0% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6.0% 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 5.0% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3.0%, 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 Treasurer's Office are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity Fund	20.0%	5.6%
Developed Market Intl. Stock Fund	11.0%	6.0%
Emerging Market Intl. Stock Fund	9.0%	7.9%
Core Fixed Income Fund	16.0%	2.1%
Inflation Linked Bond Fund	5.0%	1.1%
Emerging Market Debt Fund	5.0%	2.7%
High Yield Bond Fund	6.0%	4.0%
Real Estate Fund	10.0%	4.5%
Private Equity	10.0%	7.3%
Alternative Investments	7.0%	2.9%
Liquidity Fund	1.0%	0.4%
	<u>100%</u>	

Discount Rate

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

TOWN OF EAST GRANBY, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Town accounts for activity relating to two other post-employment benefits plans, (1) the East Granby Board of Education Other Post-Employment Benefit Plan and (2) the Connecticut Teachers' Retirement System. As of and for the year ended June 30, 2022, the two plans had the following balances reported in the Town's government-wide financial statements:

	<u>Total OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>On Behalf Revenues</u>	<u>OPEB Expense</u>
Board of Education Other Post-employment Benefits Plan	\$ 1,830,743	\$ 55,995	\$ 595,941	\$ -	\$ 132,016
Connecticut Teachers' Retirement System (proportionate share)	-	-	-	(115,703)	(115,703)
	<u>\$ 1,830,743</u>	<u>\$ 55,995</u>	<u>\$ 595,941</u>	<u>\$ (115,703)</u>	<u>\$ 16,313</u>

Detailed disclosures for each plan follows.

Board of Education Other Post-Employment Benefits Plan

Plan Descriptions

The Town's Board of Education administers a single-employer defined benefit healthcare plan (the Plan). The Plan provides healthcare and dental insurance benefits for all eligible Board of Education retirees and their spouses through the Board of Education's group healthcare and dental insurance plans. Benefits provisions are established by contract and may be amended by union negotiations each three-year bargaining period. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

The OPEB Plan provides for medical, prescription, dental and life insurance benefits to eligible retirees, spouses and beneficiaries. Contribution requirements of the participants and the Town are established by and may be amended through negotiations between the Town and the union representing the employees.

Under provisions of certain union negotiated contracts, the Town will contribute 25.0% of the health care premiums for the first three years of the employee's retirement, provided the employee notifies the Town prior to January 1st of the year in which they retire. Administrators' have a similar arrangement, but the Town will contribute 90.0% of the health care premiums for the first four years. Otherwise, participants are required to contribute 100% of their healthcare and dental premiums to the Town, less any reimbursements received by the Town from the State Retirement Board.

Teachers - The Town contributes 25.0% of the cost of insurance for teachers with 25 years of service for three years following retirement. Thereafter, the retiree contributes 100.0% of the cost, less any reimbursements received by the Town from the State Teachers' Retirement Board. Teachers with less than 25 years of service at retirement pay 100.0% of the cost, less any reimbursements received by the Town from the State Teachers' Retirement Board.

Administrators - Retirees with 15 or more years of service contribute 21.5% of the PPO, 25.0% of the dental insurance costs and 18.0% of the HMO/HSA insurance costs. The Town contributes the remaining percentage of the costs for three years (four years through June 30, 2015) following retirement. Thereafter, the retiree contributes 100.0%. Retirees with 10 or more years of service contribute 50.0% of the medical and dental insurance costs. The Town contributes the remaining percentage of the cost for three years following retirement. Thereafter, the retiree contributes 100.0%. NCE - The retiree contributes 75.0% of the cost for medical and dental insurance. The Town contributes the remaining percentage of the cost for three years following retirement. Thereafter, the retiree contributes 100.0%.

The Town pays the benefits on a pay-as-you-go basis.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan *(Continued)*

Employees Covered by Benefit Terms

As of July 1, 2020, the valuation date, the following employees were covered by the benefit terms:

Retirees, beneficiaries, and dependents currently receiving benefits	9
Active participants	122
	131

Total OPEB Liability

The Town’s total OPEB liability reported as of June 30, 2022 totaled \$1,830,743. The total OPEB liability was measured as of June 30, 2022 using an actuarial valuation performed as of July 1, 2020.

Actuarial Assumptions and Other Inputs - The total OPEB liability as of June 30, 2022 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date:	July 1, 2020
Actuarial cost method:	Entry Age Normal Cost
Actuarial assumptions:	
Discount rate	3.54%
Inflation rate	2.60%
Healthcare cost trend rate	6.30% initial 4.10% final

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index as of the measurement date. Mortality rates were based on the PubT-2010 mortality table for employees and healthy annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2019 ultimate scale. The PubT-2010 contingent survivor table projected generationally per the MP-2019 ultimate scale and set forward one year for both males and females is used for survivors and beneficiaries.

Assumptions regarding participation and coverage election relating to benefits provided to Teachers and Board of Education Administrators are as follows:

- 80% of teachers and administrators and 10% of all others active members are assumed to elect coverage at retirement. Beyond the period of BOE-subsidized benefits after retirement, 50% of retirees are assumed to elect coverage at retirement.
- 50% of current active teachers and administrators and pre-65 retirees are assumed either to enroll in retiree health coverage through the Connecticut State Teachers Retirement System at age 65, or transfer to a Medicare Supplement Plan. 95% of current actives and pre-65 retirees are assumed to be Medicare eligible. All other current actives and pre-65 retirees are assumed to be covered under a Medicare Supplement plan at age 65.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan *(Continued)*

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2021	\$ 2,091,452
Changes for the year:	
Service cost	139,191
Interest	47,413
Effects of gains and losses	-
Changes in assumptions or other inputs	(375,896)
Benefit payments	(71,417)
Net changes	(260,709)
Balance as of June 30, 2022	\$ 1,830,743

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the Town, as well as what the Town's total 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	Current Discount	1% Increase
Total OPEB Liability	\$ 2,092,278	\$ 1,830,743	\$ 1,615,470

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Total OPEB Liability	\$ 1,524,380	\$ 1,830,743	\$ 2,229,398

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the Town recognized OPEB expense of \$132,016. As of June 30, 2022, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (199,446)
Changes of assumptions	55,995	(396,495)
	\$ 55,995	\$ (595,941)

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan *(Continued)*

OPEB Expense and Deferred Outflows and Inflows of Resources *(Continued)*

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

Year ended June 30,			
2023	\$	(54,588)	
2024		(54,588)	
2025		(54,588)	
2026		(54,588)	
2027		(54,588)	
Thereafter		(267,006)	
		<u>\$</u>	<u>(539,946)</u>

Connecticut Teachers' Retirement System

Plan Description

The Connecticut Teachers' Retirement System (TRS or the Plan) is the public pension plan offered by the State of Connecticut (the State) to provide retirement, disability, survivorship and health insurance benefits for Connecticut public school teachers and their beneficiaries. The Plan is governed by Connecticut Statute Title 10, Chapter 167a of the Connecticut General Statutes. TRS is a multiemployer pension plan administered by the Connecticut State Teachers' Retirement Board (TRB). The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members.

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

Benefit Provisions

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

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost. The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Benefit Provisions *(Continued)*

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the Plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage. If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

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

Contributions

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

Employers - School District employers are not required to make contributions to the Plan.

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.

Administrative Expenses

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

Basis of Presentation

The components associated with pension expense and deferred outflows and inflows of resources have been determined based on fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2021. The net pension liability at June 30, 2021 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Annual Comprehensive Financial Report can be obtained at www.ct.gov.

The accounting standards require participating employers to recognize their proportional share of the collective net pension liability, deferred outflows and inflows of resources and pension expense. Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Allocation Methodology

The allocations for participating employers are based on the 2020 expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to the Town totaled 0.193% as of the most recent measurement date.

Collective Net OPEB Liability

The following summarizes the collective net OPEB liability of the State for the TRS as of June 30, 2021, the measurement date, in addition to the Town's and State's proportionate shares of the collective net OPEB liability that is attributed to the Town:

Collective Net OPEB Liability of the State for the TRS		<u>\$ 1,626,189,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net OPEB Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net OPEB Liability attributed to the Town	0.193%	<u>\$ 3,133,000</u>

Collective OPEB Expense

The Town's expected contribution effort for allocation purposes totaled \$56,668 or 0.193% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures in the General Fund for the year ended June 30, 2022.

The collective OPEB expense includes certain current period changes in the collective net OPEB liability, projected earnings on OPEB plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the negative collective OPEB expense attributed to the Town totaled \$(115,703) or 0.193% of the total collective OPEB expense and has been recognized as an operating contribution and related education expense in the statement of activities for the year ended June 30, 2022.

TOWN OF EAST GRANBY, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Actuarial Assumptions

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

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary increases	3.00% - 6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates:	
Medicare	5.125% for 2020 decreasing to an ultimate rate of 4.50% by 2023

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

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the actuarial valuation process. Several factors are considered in evaluation 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 of investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighing 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 target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected 10-Year Geometric Real Rate of Return</u>	<u>Standard Deviation</u>
U.S. Treasuries (Cash Equivalents)	100.0%	-0.42%	1.78%

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Discount Rate

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with the applicable standards. The projection's basis was an actuarial valuation performed as of June 30, 2020. In addition to the actuarial methods and assumptions of the June 30, 2020 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- 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 annual at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee 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 toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2023 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

NOTE 10 - OTHER RETIREMENT PLANS

Defined Contribution Money Purchase Retirement Plans

Effective September 1, 1978, the Town established separate defined contribution money purchase plans for general government employees and Board of Education employees respectively. These types of plans provide retirement benefits in return for services rendered, an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution retirement plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of those contributions.

The Plans cover all Town and Board of Education employees not covered by the State of Connecticut's Teachers' Retirement System who have completed one year of service. Town contributions vary based on designated employee classes. Eligible Board of Education employees who contribute 2.0% of compensation receive a Town contribution of 5.0%. Eligible Town employees who contribute 2.0% of compensation receive a Town contribution of 4.0%. In addition, Town employees that contribute an additional 3.0% of compensation receive an additional Town contribution of 3.0%. Plan participants are not required to contribute to the Plan. Contributions made by a participant vest immediately and contributions made by the Town vest after five years of service.

Employer contributions totaled \$118,164 and employee contributions totaled \$61,316 for the Town Plan for year ended June 30, 2022.

Employer contributions totaled \$37,616 and employee contributions totaled \$40,009 for the Board of Education Plan for year ended June 30, 2022.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 10 - OTHER RETIREMENT PLANS

Deferred Compensation Plan

The Town offers employees who are eligible for benefits a deferred compensation plan in accordance with Internal Revenue Code Section 457. Deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of the plan participants and their beneficiaries.

NOTE 11 - FUND BALANCE

Fund Balance Policy

The Town does not have a formal policy on the level of unrestricted or unassigned fund balance that should be maintained in the General Fund. As of June 30, 2022, fund balance was classified for the following purposes:

	General Fund	Capital and Nonrecurring Fund	Capital Bond Fund	Education Program Fund	Nonmajor Governmental Funds	Total
Restricted for:						
Capital purposes - grant restrictions	\$ -	\$ 184,276	\$ 1,854,837	\$ -	\$ -	\$ 2,039,113
Educational purposes - grant restrictions	-	-	-	1,169,720	367,008	1,536,728
Roads - statutory restrictions	-	-	-	-	1,417,785	1,417,785
Other purposes - statutory restrictions	-	-	-	-	105,576	105,576
Committed for:						
Capital purposes	-	885,870	-	-	194,873	1,080,743
Educational programs	-	-	-	-	313,767	313,767
Sanitation programs	-	-	-	-	157,080	157,080
Other programs	-	-	-	-	1,539,990	1,539,990
Assigned to:						
Capital purposes	-	398,042	-	-	-	398,042
Education encumbrances	14,715	-	-	-	-	14,715
Town encumbrances	96,869	-	-	-	-	96,869
Use in subsequent year's budget	760,629	-	-	-	-	760,629
Unassigned	3,608,452	-	-	-	(594,321)	3,014,131
	<u>\$ 4,480,665</u>	<u>\$ 1,468,188</u>	<u>\$ 1,854,837</u>	<u>\$ 1,169,720</u>	<u>\$ 3,501,758</u>	<u>\$ 12,475,168</u>

Fund Balance Deficit

The Sewer Use Fund, a nonmajor governmental fund, has a deficit fund balance of \$594,321 as of June 30, 2022. This deficit is partially attributed to timing differences between when usage charges are billed and collected. Usage charges for the six month period ending June 30 are billed during the following October. As such, the deficit will be partially eliminated in this fund when unavailable revenues of \$193,011 as of June 30 become available. The remaining deficit is expected to be eliminated through future rate increases.

NOTE 12 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God for which the Town carries commercial insurance. Neither the Town nor its insurers have settled any claims which exceeded the Town's insurance coverage in any of the last three fiscal years. There have been no significant reductions in any insurance coverage from amounts in the prior year.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Federal Awards and State Financial Assistance

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

Legal Contingencies

The Town, in the normal course of operations, is named as defendants in lawsuits, tax appeals, administrative proceedings and other miscellaneous claims. The outcome and eventual liability to the Town, if any, for such matters are not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such matters would not materially affect the financial position of the Town.

Arbitrage Rebates

The Town may be subject to arbitrage rebate penalties to the federal government relating to bond issuances. Town management believes such penalties, if any, would not materially affect the financial position of the Town.

Split Interest Agreements

The Town is a beneficiary of the Richard Dudley Seymour Charitable Trust, a perpetual charitable support trust (CST). Under the CST, the Town receives 25% of the total annual income of the CST for the purpose of maintaining the upkeep of the Holcomb Cemetery. Amounts received totaled \$7,700 for the year ended June 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF EAST GRANBY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Property taxes	\$ 20,779,874	\$ 20,779,874	\$ 20,764,182	\$ (15,692)
Intergovernmental	2,602,477	2,602,477	2,421,829	(180,648)
Charges for services	266,000	266,000	530,495	264,495
Interest income	63,277	63,277	31,109	(32,168)
Total revenues	<u>23,711,628</u>	<u>23,711,628</u>	<u>23,747,615</u>	<u>35,987</u>
EXPENDITURES				
Current:				
General government	2,693,185	2,702,185	2,646,997	(55,188)
Culture and recreation	328,625	325,625	324,617	(1,008)
Public safety	981,271	1,003,204	1,000,923	(2,281)
Public works	760,830	760,830	760,830	-
Sanitation	252,089	272,089	265,328	(6,761)
Education	17,890,000	17,890,000	17,827,433	(62,567)
Contingency	54,000	6,067	-	(6,067)
Debt service:				
Principal payments	530,702	530,702	530,257	(445)
Interest and fiscal charges	259,106	259,106	158,373	(100,733)
Total expenditures	<u>23,749,808</u>	<u>23,749,808</u>	<u>23,514,758</u>	<u>(235,050)</u>
Excess (deficiency) of revenues over expenditures	(38,180)	(38,180)	232,857	271,037
OTHER FINANCING SOURCES (USES)				
Appropriation of fund balance	638,180	638,180	-	(638,180)
Prior year unliquidated encumbrances	-	-	55,045	55,045
Transfers out	(600,000)	(600,000)	(600,000)	-
Total other financing sources (uses)	<u>38,180</u>	<u>38,180</u>	<u>(544,955)</u>	<u>(583,135)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (312,098)</u>	<u>\$ (312,098)</u>

See accompanying notes to required supplementary information.

TOWN OF EAST GRANBY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY -
CONNECTICUT TEACHERS' RETIREMENT SYSTEM (UNAUDITED)
LAST EIGHT FISCAL YEARS*
(Rounded to nearest thousand)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net pension liability attributed to the Town	<u>28,759,000</u>	<u>36,312,000</u>	<u>34,124,000</u>	<u>26,312,000</u>	<u>26,405,000</u>	<u>27,858,000</u>	<u>19,647,000</u>	<u>19,647,000</u>
Total	<u>\$ 28,759,000</u>	<u>\$ 36,312,000</u>	<u>\$ 34,124,000</u>	<u>\$ 26,312,000</u>	<u>\$ 26,405,000</u>	<u>\$ 27,858,000</u>	<u>\$ 19,647,000</u>	<u>\$ 19,647,000</u>
Town's covered payroll	\$ 8,672,000	\$ 8,387,000	\$ 8,779,000	\$ 8,643,000	\$ 8,560,000	\$ 8,250,000	\$ 7,341,000	\$ 7,076,000
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total collective pension liability	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

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

See accompanying notes to required supplementary information.

TOWN OF EAST GRANBY, CONNECTICUT
 SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY -
 OTHER POST-EMPLOYMENT BENEFITS PROGRAM (UNAUDITED)
 LAST THREE FISCAL YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total OPEB liability			
Service cost	\$ 139,191	\$ 139,799	\$ 124,618
Interest	47,413	48,193	70,174
Effect of liability gains or losses	-	(103,142)	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	(375,896)	11,291	62,151
Benefit payments, including refunds	(71,417)	(90,604)	(101,931)
Net change in total OPEB liability	(260,709)	5,537	155,012
Total OPEB liability - beginning	2,091,452	2,085,915	1,930,903
Total OPEB liability - ending	<u>\$ 1,830,743</u>	<u>\$ 2,091,452</u>	<u>\$ 2,085,915</u>

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

See accompanying notes to required supplementary information.

TOWN OF EAST GRANBY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY -
CONNECTICUT TEACHERS' RETIREMENT SYSTEM (UNAUDITED)
LAST FIVE FISCAL YEARS*
(Rounded to the Nearest Thousand)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the collective net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net OPEB liability attributed to the Town	3,133,000	5,416,000	5,322,000	5,260,000	6,796,000
Total	<u>\$ 3,133,000</u>	<u>\$ 5,416,000</u>	<u>\$ 5,322,000</u>	<u>\$ 5,260,000</u>	<u>\$ 6,796,000</u>
Town's covered payroll	\$ 8,672,000	\$ 8,387,000	\$ 8,779,000	\$ 8,643,000	\$ 8,560,000
Town's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total collective OPEB liability	6.11%	2.50%	2.08%	1.49%	1.79%

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

See accompanying notes to required supplementary information.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND

Budgetary Information

The General Fund is the only fund for which an annual budget is legally adopted. The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements.

- The Board of Selectmen, Board of Education and the Board of Finance prepare an operating budget for the fiscal year commencing July 1 which is presented at the annual Town meeting for approval or submitted to referendum. The operating budget includes proposed expenditures and the means of financing them.
- Expenditures are budgeted by function, department and object. The legal level of budget control is the department level. The Board of Finance is authorized to transfer budgeted amounts within and between departments and objects for amounts not exceeding \$20,000 or representing a second transfer to a department. Additional appropriations in excess of \$20,000 must be approved at a Town meeting.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for intergovernmental revenues and encumbrances. Intergovernmental revenues and other reimbursement for certain costs are recorded as reductions to expenditures for budgetary purposes and “on-behalf” payments made by the State of Connecticut into the State Teachers’ Retirement System are not recorded for budgetary purposes. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year.
- All unexpended appropriations lapse at year-end, except those for capital projects funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Continued)

Budgetary Information (Continued)

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP basis). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2022:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Other Financing Uses</u>	<u>Net Change In Fund Balance</u>
Budgetary basis	\$ 23,747,615	\$ 23,514,758	\$ (544,955)	\$ (312,098)
"On-behalf" payments - State Teachers' Retirement Fund	2,464,810	2,464,810	-	-
Transfer of premium amortization to be netted against debt service for budgetary purposes		100,733	100,733	-
RCC fund netted against expenditures for budgetary purposes	48,085	48,085	-	-
Change in encumbrances	-	73,119	(55,045)	(128,164)
GAAP basis	<u>\$ 26,260,510</u>	<u>\$ 26,201,505</u>	<u>\$ (499,267)</u>	<u>\$ (440,262)</u>

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 2 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY - CONNECTICUT TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, in fiscal year 2015. GASB Statement No. 68 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2021. The liabilities were estimated based on a measurement date of June 30, 2021. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. This information is utilized by the Town for reporting as of June 30, 2022.

Benefit Changes - There were no benefit term changes that had a significant effect on the measurement of the collective total pension liability reported as of June 30, 2022.

Assumption Changes - There were no changes in assumptions that had a significant effect on the measurement of the collective total pension liability reported as of June 30, 2022.

NOTE 3 - SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY - OTHER POST-EMPLOYMENT BENEFITS PLAN

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years. Information prior to fiscal year 2018 is not available.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of July 1, 2020. This information is utilized by the Town for reporting as of June 30, 2022.

Benefit Changes - There were no benefit term changes that had a significant effect on the measurement of the total OPEB liability reported as of June 30, 2022.

Assumption Changes - The following changes in assumptions had a significant effect on the measurement of the total OPEB liability reported as of June 30, 2022:

- the discount rate increased from 2.16% to 3.54% as of the June 30, 2022 measurement date.

TOWN OF EAST GRANBY, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 4 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OTHER POST-EMPLOYMENT BENEFITS LIABILITY - CONNECTICUT TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2020. The liabilities were estimated based on a measurement date of June 30, 2021. This information is utilized by the Town for reporting as of June 30, 2022.

Benefit Changes - There were no benefit term changes that had a significant effect on the measurement of the collective total OPEB liability reported as of June 30, 2022.

Assumption Changes - The following assumption changes had a significant effect on the measurement of the collective total OPEB liability reported as of June 30, 2022.

- The discount rate used to measure plan obligations for financial accounting purposes was updated to equal the Single Equivalent Interest Rate (SEIR) of 2.17% as of June 30, 2021; and
- Expected annual per capita claims costs were updated to reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

TOWN OF EAST GRANBY, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES:				
PROPERTY TAXES:				
Property taxes - current year	\$ 20,560,405	\$ 20,560,405	\$ 20,490,485	\$ (69,920)
Property taxes - prior years	138,684	138,684	161,228	22,544
Interest and lien fees	80,785	80,785	112,469	31,684
Total property taxes	20,779,874	20,779,874	20,764,182	(15,692)
INTERGOVERNMENTAL:				
Education cost sharing	1,422,092	1,422,092	1,450,382	28,290
PILOT - Airport Authority	661,859	661,859	683,517	21,658
Municipal grants-in-aid	400,000	400,000	52,544	(347,456)
Special education excess cost	100,000	100,000	220,498	120,498
Telephone line tax	13,251	13,251	9,319	(3,932)
Property tax relief	3,762	3,762	3,370	(392)
Adult education	1,513	1,513	1,590	77
Other	-	-	609	609
Total intergovernmental	2,602,477	2,602,477	2,421,829	(180,648)
CHARGES FOR SERVICES:				
Building permits	80,000	80,000	252,047	172,047
Conveyance taxes	80,000	80,000	160,969	80,969
Other fees	35,000	35,000	33,426	(1,574)
Aircraft registration fees	31,000	31,000	25,500	(5,500)
Recording fees	40,000	40,000	43,552	3,552
Miscellaneous	-	-	15,001	15,001
Total charges for services	266,000	266,000	530,495	264,495
INTEREST INCOME	63,277	63,277	31,109	(32,168)
Total revenues	23,711,628	23,711,628	23,747,615	35,987
OTHER FINANCING SOURCES:				
Appropriation of fund balance	638,180	638,180	-	(638,180)
Prior year unliquidated encumbrances	-	-	55,045	55,045
Total other financing sources	638,180	638,180	55,045	(583,135)
Total revenues and other financing sources	\$ 24,349,808	\$ 24,349,808	\$ 23,802,660	\$ (547,148)

TOWN OF EAST GRANBY, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES:				
GENERAL GOVERNMENT:				
Selectmen's office	\$ 195,198	\$ 215,198	\$ 215,176	\$ (22)
Probate	2,000	2,000	2,000	-
Registrars	48,425	42,425	42,423	(2)
Board of Finance	1,700	1,700	1,594	(106)
Audit	24,300	21,533	21,390	(143)
Assessor's office	144,029	144,029	144,029	-
Assessment of appeals	150	150	44	(106)
Tax collector's office	107,395	106,395	103,786	(2,609)
Treasurer's office	24,629	24,629	24,509	(120)
Legal	15,000	15,000	11,260	(3,740)
Town clerk's office	122,843	128,843	127,072	(1,771)
Planning and Zoning Commission	102,006	82,006	80,283	(1,723)
Data services	123,906	131,906	131,553	(353)
Public buildings	200,600	200,600	199,158	(1,442)
Building inspector	134,592	134,592	134,592	-
Engineering	16,000	16,000	8,748	(7,252)
Health services	38,529	38,529	38,480	(49)
Social services	23,940	23,940	23,431	(509)
Insurance	775,344	765,344	760,269	(5,075)
Economic and development	49,000	49,000	32,644	(16,356)
Animal control	11,000	11,000	11,000	-
Payroll taxes	170,510	174,510	171,525	(2,985)
Street lighting	38,000	34,000	27,283	(6,717)
Dues and memberships	21,604	22,371	22,371	-
Commission on aging	58,875	63,875	62,644	(1,231)
Commission on youth services	20,000	24,000	23,973	(27)
Utilities	166,410	171,410	168,560	(2,850)
Facilities maintenance	57,200	57,200	57,200	-
Total general government	<u>2,693,185</u>	<u>2,702,185</u>	<u>2,646,997</u>	<u>(55,188)</u>
CULTURE AND RECREATION:				
Library	213,800	213,800	213,800	-
Parks and recreation	114,825	111,825	110,817	(1,008)
Total culture and recreation	<u>328,625</u>	<u>325,625</u>	<u>324,617</u>	<u>(1,008)</u>

(Continued)

TOWN OF EAST GRANBY, CONNECTICUT
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND *(Continued)*
 FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
EXPENDITURES (Continued) :				
PUBLIC SAFETY:				
Fire department	\$ 193,448	\$ 207,381	\$ 207,381	\$ -
Police department	653,979	653,979	653,678	(301)
Fire marshal	70,976	78,976	76,996	(1,980)
Ambulance service	62,868	62,868	62,868	-
Total public safety	<u>981,271</u>	<u>1,003,204</u>	<u>1,000,923</u>	<u>(2,281)</u>
PUBLIC WORKS	<u>760,830</u>	<u>760,830</u>	<u>760,830</u>	<u>-</u>
DEBT SERVICE:				
Principal	530,702	530,702	530,257	(445)
Interest	259,106	259,106	158,373	(100,733)
Total debt service	<u>789,808</u>	<u>789,808</u>	<u>688,630</u>	<u>(101,178)</u>
SANITATION	<u>252,089</u>	<u>272,089</u>	<u>265,328</u>	<u>(6,761)</u>
EDUCATION	<u>17,890,000</u>	<u>17,890,000</u>	<u>17,827,433</u>	<u>(62,567)</u>
CONTINGENCY	<u>54,000</u>	<u>6,067</u>	<u>-</u>	<u>(6,067)</u>
Total expenditures	<u>23,749,808</u>	<u>23,749,808</u>	<u>23,514,758</u>	<u>(235,050)</u>
OTHER FINANCING USES:				
TRANSFERS OUT:				
Capital and Nonrecurring Fund	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$ 24,349,808</u>	<u>\$ 24,349,808</u>	<u>\$ 24,114,758</u>	<u>\$ (235,050)</u> <i>(Concluded)</i>

TOWN OF EAST GRANBY, CONNECTICUT
SCHEDULE OF EDUCATION EXPENDITURES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Over (Under)
EXPENDITURES:				
EDUCATION				
Certified personnel	\$ 8,526,524	\$ 8,526,524	\$ 8,679,215	\$ 152,691
Noncertified personnel	1,698,754	1,698,754	1,672,677	(26,077)
Certified substitutes	125,000	125,000	159,758	34,758
Custodial overtime - events	-	-	2,584	2,584
Contracted substitutes	40,000	40,000	23,246	(16,754)
Other salaries	216,106	216,106	207,996	(8,110)
Group health life insurance	2,710,000	2,710,000	2,275,807	(434,193)
Social security	130,000	130,000	126,360	(3,640)
Medicare	155,000	155,000	158,091	3,091
Employer pension	70,000	70,000	71,180	1,180
Unemployment payments	27,900	27,900	11,600	(16,300)
Workers' compensation	81,000	81,000	41,954	(39,046)
Professional improvement	80,000	80,000	31,146	(48,854)
Assessment services	1,050	1,050	701	(349)
Other professional & technology services	437,694	437,694	769,586	331,892
Data processing	30,465	30,465	23,372	(7,093)
Water/sewage	30,143	30,143	25,345	(4,798)
Rubbish removal	13,900	13,900	15,893	1,993
Contracted maintenance services	190,110	190,110	170,993	(19,117)
Repairs to buildings	86,600	86,600	123,353	36,753
Pupil transportation	1,003,674	1,003,674	986,406	(17,268)
Property insurance	40,000	40,000	47,789	7,789
Liability insurance	31,275	31,275	27,595	(3,680)
Errors & omissions insurance	16,590	16,590	13,643	(2,947)
Telephone	40,365	40,365	40,489	124
Postage	8,774	8,774	5,467	(3,307)
Advertisements	1,000	1,000	907	(93)
Job printing & binding	5,350	5,350	1,389	(3,961)
Public school tuition	230,077	230,077	338,642	108,565
Private school tuition	785,000	785,000	760,578	(24,422)
Travel & conferences	10,452	10,452	5,532	(4,920)
Field trips	2,620	2,620	924	(1,696)
Supplies	98,820	98,820	83,887	(14,933)
Custodial supplies	31,400	31,400	50,137	18,737
Natural gas	26,000	26,000	34,290	8,290
Electricity	434,885	434,885	378,127	(56,758)
Propane gas	500	500	152	(348)
Heating supplies oil	108,351	108,351	109,305	954
Books/textbooks/workbooks	75,281	75,281	32,603	(42,678)
Licenses/subscriptions	134,683	134,683	147,544	12,861
Equipment	75,011	75,011	38,469	(36,542)
Memberships & special programs	41,146	41,146	39,892	(1,254)
Legal fees	38,500	38,500	92,809	54,309
Total education expenditures	<u>\$ 17,890,000</u>	<u>\$ 17,890,000</u>	<u>\$ 17,827,433</u>	<u>\$ (62,567)</u>

TOWN OF EAST GRANBY, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2022

Grand List Year	Balance Uncollected June 30, 2021	Current Levy	Lawful Corrections		Transfers To Suspense	Balance To Be Collected	Collections			Balance Uncollected June 30, 2022
			Additions	Deductions			Taxes	Interest, Liens and Fees	Total	
2020	\$ -	\$ 21,067,574	\$ 148,061	\$ 647,840	\$ 420	\$ 20,567,375	\$ 20,462,337	\$ 54,113	\$ 20,516,450	\$ 105,038
2019	157,493	-	8,810	34,615	-	131,688	87,838	25,095	112,933	43,850
2018	78,330	-	2,742	382	-	80,690	53,418	15,577	68,995	27,272
2017	38,373	-	128	177	17,867	20,457	12,137	6,415	18,552	8,320
2016	9,482	-	117	-	-	9,599	791	237	1,028	8,808
2015	8,346	-	-	-	-	8,346	-	-	-	8,346
2014	8,156	-	-	-	-	8,156	-	-	-	8,156
2013	7,995	-	-	-	-	7,995	-	-	-	7,995
2012	8,347	-	-	-	-	8,347	-	-	-	8,347
2011	8,054	-	-	-	-	8,054	-	-	-	8,054
2010	7,725	-	-	-	-	7,725	-	-	-	7,725
2009	7,756	-	-	-	-	7,756	-	-	-	7,756
2008	7,654	-	-	-	-	7,654	-	-	-	7,654
2007	6,805	-	-	-	-	6,805	-	-	-	6,805
2006	6,609	-	-	-	-	6,609	-	-	-	6,609
2005 and prior	12,216	-	-	12,216	-	-	-	-	-	-
	<u>\$ 373,341</u>	<u>\$ 21,067,574</u>	<u>\$ 159,858</u>	<u>\$ 695,230</u>	<u>\$ 18,287</u>	<u>\$ 20,887,256</u>	<u>\$ 20,616,521</u>	<u>\$ 101,437</u>	<u>\$ 20,717,958</u>	<u>\$ 270,735</u>

TOWN OF EAST GRANBY, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
AS OF JUNE 30, 2022

Total cash collections for the year ended
June 30, 2022:

Taxes	\$ 20,616,521
Interest and lien fees	101,437
Total	<u>20,717,958</u>

Reimbursement for revenue loss:

Tax relief for elderly (CGS 12-129d)	-
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Base	<u>\$ 20,717,958</u>
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	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 46,615,406	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	93,230,811	-	-	-
3-3/4 times base	-	-	77,692,343	-	-
3-1/4 times base	-	-	-	67,333,364	-
3 times base	-	-	-	-	62,153,874
Total debt limitation	<u>46,615,406</u>	<u>93,230,811</u>	<u>77,692,343</u>	<u>67,333,364</u>	<u>62,153,874</u>
Indebtedness:					
Bonds	5,846,000	6,654,000	-	-	-
Total indebtedness	<u>5,846,000</u>	<u>6,654,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Add: Debt authorized but unissued	51,000	-	-	-	-
Net indebtedness	<u>5,897,000</u>	<u>6,654,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 40,718,406</u>	<u>\$ 86,576,811</u>	<u>\$ 77,692,343</u>	<u>\$ 67,333,364</u>	<u>\$ 62,153,874</u>
Total capacity of borrowing (7 times base)	\$ 145,025,706				
Total present indebtedness	12,551,000				
Margin for additional borrowing	<u>\$ 132,474,706</u>				

TOWN OF EAST GRANBY, CONNECTICUT
CAPITAL AND NONRECURRING FUND -
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES - BY PROJECT
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

	Appropriations		Expenditures			Close Out of Appropriation	Remaining Balance June 30, 2022	
	Balance June 30, 2021	Current Year	Balance June 30, 2022	Balance June 30, 2021	Current Year			Balance June 30, 2022
Capital and Nonrecurring Fund								
Insulation Town Hall	\$ 11,000	\$ -	\$ 11,000	\$ -	\$ -	\$ -	\$ -	
School Camera Upgrade	35,000	-	35,000	-	34,744	34,744	(256)	
School Operating System Upgrade	36,018	-	36,018	13,550	9,128	22,678	-	
School Technology Equipment	39,800	-	39,800	38,700	-	38,700	(1,100)	
Controller (Allgrove)	6,119	-	6,119	-	6,119	6,119	-	
HS Locker Room Flooring	15,000	-	15,000	-	15,000	15,000	-	
Tennis Court Maintenance	8,965	-	8,965	-	8,965	8,965	-	
Village Center Concept Plan	20,000	-	20,000	-	-	-	-	
EGVFD Study	50,000	-	50,000	-	44,500	44,500	-	
FD iPad Air Computers	7,000	-	7,000	-	7,000	7,000	-	
Fire Rescue Vehicle	225,000	-	225,000	152,650	72,350	225,000	-	
Fire Hose	25,000	-	25,000	-	25,000	25,000	-	
Police Vehicle SUV	55,000	-	55,000	-	52,995	52,995	-	
Dump Truck	66,000	-	66,000	-	66,000	66,000	-	
RCC Compactor Pad	8,000	-	8,000	-	-	-	-	
DPW Overhead Door	7,500	-	7,500	-	7,395	7,395	(105)	
Engine 2 Modifications	-	30,000	30,000	-	20,207	20,207	-	
Police Body/Car Cameras	-	70,000	70,000	-	60,745	60,745	-	
Senior Center Carpet Replacement	-	11,000	11,000	-	8,000	8,000	(3,000)	
FD Pumper Truck	-	130,000	130,000	-	130,000	130,000	-	
FD Tower Ladder Truck	-	85,000	85,000	-	-	-	-	
Police Cruiser	-	63,000	63,000	-	-	-	-	
DPW Utility Truck	-	65,000	65,000	-	51,264	51,264	-	
Assessor Revaluation	-	50,000	50,000	-	-	-	-	
School Security System Upgrades	-	10,000	10,000	-	-	-	-	
HS Tennis Court Repair	-	14,028	14,028	-	-	-	-	
HS Tree Removal	-	6,975	6,975	-	-	-	-	
HS Gym Floor Refinish	-	7,242	7,242	-	-	-	-	
School Custodial Equipment	-	29,674	29,674	-	-	-	-	
Seymour School Computer Room	-	15,000	15,000	-	-	-	-	
Dell Server Seymour School	-	5,494	5,494	-	-	-	-	
Seymour/HS Sidewalk Repair	-	30,000	30,000	-	-	-	-	
Total Capital and Nonrecurring Fund	\$ 615,402	\$ 622,413	\$ 1,237,815	\$ 204,900	\$ 619,412	\$ 824,312	\$ (15,461)	\$ 398,042

TOWN OF EAST GRANBY, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
AS OF JUNE 30, 2022

	Nonmajor Governmental Funds						Total Nonmajor Governmental Funds
	Special Revenue Funds	Capital Projets Fund - Elementary School Renovation Fund	Debt Service Funds -			Permanent Funds	
		Sewer Assessment Fund	Bond Service Fund	Total			
ASSETS							
Cash and cash equivalents	\$ 489,750	\$ -	\$ -	\$ -	\$ -	\$ 141,815	\$ 631,565
Investments	15,009	-	-	-	-	-	15,009
Other receivables	343,814	-	-	-	-	-	343,814
Due from other funds	2,703,793	194,873	30,862	1,344,486	1,375,348	-	4,274,014
Total assets	<u>\$ 3,552,366</u>	<u>\$ 194,873</u>	<u>\$ 30,862</u>	<u>\$ 1,344,486</u>	<u>\$ 1,375,348</u>	<u>\$ 141,815</u>	<u>\$ 5,264,402</u>
LIABILITIES							
Accounts payable	\$ 163,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,802
Due to other funds	593,880	-	-	-	-	-	593,880
Unearned revenue	811,951	-	-	-	-	-	811,951
Total liabilities	<u>1,569,633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,569,633</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues	193,011	-	-	-	-	-	193,011
FUND BALANCES							
Restricted for:							
Road maintenance and improvements	1,417,785	-	-	-	-	-	1,417,785
Educational purposes	226,788	-	-	-	-	140,220	367,008
Other purposes	103,981	-	-	-	-	1,595	105,576
Committed for:							
Capital purposes	-	194,873	-	-	-	-	194,873
Educational purposes	313,767	-	-	-	-	-	313,767
Other purposes	321,722	-	30,862	1,344,486	1,375,348	-	1,697,070
Unassigned	(594,321)	-	-	-	-	-	(594,321)
Total fund balances	<u>1,789,722</u>	<u>194,873</u>	<u>30,862</u>	<u>1,344,486</u>	<u>1,375,348</u>	<u>141,815</u>	<u>3,501,758</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,552,366</u>	<u>\$ 194,873</u>	<u>\$ 30,862</u>	<u>\$ 1,344,486</u>	<u>\$ 1,375,348</u>	<u>\$ 141,815</u>	<u>\$ 5,264,402</u>

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
 FOR THE YEAR ENDED JUNE 30, 2022

	Nonmajor Governmental Funds						Total Nonmajor Governmental Funds
	Special Revenue Funds	Capital Projets Fund - Elementary School Renovation Fund	Debt Service Funds -			Permanent Funds	
			Sewer Assessment Fund	Bond Service Fund	Total		
REVENUES							
Intergovernmental	\$ 1,750,444	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,750,444
Charges for services	878,912	-	-	-	-	-	878,912
Interest income	6,067	-	94	-	94	452	6,613
Other	70,457	-	-	-	-	-	70,457
Total revenues	<u>2,705,880</u>	<u>-</u>	<u>94</u>	<u>-</u>	<u>94</u>	<u>452</u>	<u>2,706,426</u>
EXPENDITURES							
Current:							
General government	116,514	-	-	-	-	-	116,514
Culture and recreation	431,871	-	-	-	-	-	431,871
Public safety	11,211	-	-	-	-	-	11,211
Public works	910,482	-	-	-	-	-	910,482
Sanitation	459,202	-	-	-	-	-	459,202
Education	186,489	-	-	-	-	4,000	190,489
Total expenditures	<u>2,115,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>2,119,769</u>
Excess (deficiency) of revenues over expenditures	590,111	-	94	-	94	(3,548)	586,657
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	1,445,219	1,445,219	-	1,445,219
Transfers out	-	-	-	(100,733)	(100,733)	-	(100,733)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,344,486</u>	<u>1,344,486</u>	<u>-</u>	<u>1,344,486</u>
Net change in fund balances	590,111	-	94	1,344,486	1,344,580	(3,548)	1,931,143
Fund balances - beginning	<u>1,199,611</u>	<u>194,873</u>	<u>30,768</u>	<u>-</u>	<u>30,768</u>	<u>145,363</u>	<u>1,570,615</u>
Fund balances - ending	<u>\$ 1,789,722</u>	<u>\$ 194,873</u>	<u>\$ 30,862</u>	<u>\$ 1,344,486</u>	<u>\$ 1,375,348</u>	<u>\$ 141,815</u>	<u>\$ 3,501,758</u>

TOWN OF EAST GRANBY, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS
AS OF JUNE 30, 2022

	Town Aid Road Fund	American Rescue Plan Fund	Dog Fund	Milk Fund	Parks & Recreation Fund	Open Space Fund
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 771	\$ 134,333	\$ -
Investments	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	1,458,111	641,301	9,333	-	-	26,477
Total assets	<u>\$ 1,458,111</u>	<u>\$ 641,301</u>	<u>\$ 9,333</u>	<u>\$ 771</u>	<u>\$ 134,333</u>	<u>\$ 26,477</u>
LIABILITIES						
Accounts payable	\$ 40,326	\$ 250	\$ 4,274	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	641,051	-	-	97,398	-
Total liabilities	<u>40,326</u>	<u>641,301</u>	<u>4,274</u>	<u>-</u>	<u>97,398</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues	-	-	-	-	-	-
FUND BALANCES						
Restricted for:						
Road maintenance and improvements	1,417,785	-	-	-	-	-
Educational purposes	-	-	-	-	-	-
Other purposes	-	-	5,059	771	-	-
Committed for:						
Educational purposes	-	-	-	-	-	-
Other purposes	-	-	-	-	36,935	26,477
Unassigned	-	-	-	-	-	-
Total fund balances	<u>1,417,785</u>	<u>-</u>	<u>5,059</u>	<u>771</u>	<u>36,935</u>	<u>26,477</u>
Total liabilities and fund balances and deferred inflows of resources	<u>\$ 1,458,111</u>	<u>\$ 641,301</u>	<u>\$ 9,333</u>	<u>\$ 771</u>	<u>\$ 134,333</u>	<u>\$ 26,477</u>

(Continued)

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS (Continued)
 AS OF JUNE 30, 2022

	<u>Halloween Party Fund</u>	<u>High School Food Store Fund</u>	<u>Small Cities Fund</u>	<u>Community Center Fund</u>	<u>Document Restoration Fund</u>	<u>Seniors Fund</u>	<u>Rockbestos Fund</u>
ASSETS							
Cash and cash equivalents	\$ 802	\$ 8,769	\$ 4,914	\$ 1,980	\$ -	\$ 18,870	\$ 12,945
Investments	-	-	15,009	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	8,405	-	-
Total assets	<u>\$ 802</u>	<u>\$ 8,769</u>	<u>\$ 19,923</u>	<u>\$ 1,980</u>	<u>\$ 8,405</u>	<u>\$ 18,870</u>	<u>\$ 12,945</u>
LIABILITIES							
Accounts payable	\$ -	\$ 1,500	\$ -	\$ -	\$ 2,508	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>2,508</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Restricted for:							
Road maintenance and improvements	-	-	-	-	-	-	-
Educational purposes	-	-	-	-	-	-	-
Other purposes	-	-	19,923	-	5,897	-	-
Committed for:							
Educational purposes	-	7,269	-	-	-	-	12,945
Other purposes	802	-	-	1,980	-	18,870	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>802</u>	<u>7,269</u>	<u>19,923</u>	<u>1,980</u>	<u>5,897</u>	<u>18,870</u>	<u>12,945</u>
Total liabilities and fund balances and deferred inflows of resources	<u>\$ 802</u>	<u>\$ 8,769</u>	<u>\$ 19,923</u>	<u>\$ 1,980</u>	<u>\$ 8,405</u>	<u>\$ 18,870</u>	<u>\$ 12,945</u>

(Continued)

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS (Continued)
 AS OF JUNE 30, 2022

	<u>Emergency Fund</u>	<u>BOE Nonlapsing Fund</u>	<u>Fournier-Roy Youth Fund</u>	<u>State Grants Fund</u>	<u>Sewer Reserve Fund</u>	<u>Emergency Fuel Fund</u>	<u>Sewer Use Fund</u>
ASSETS							
Cash and cash equivalents	\$ 1,850	\$ -	\$ 10,663	\$ -	\$ -	\$ 34,352	\$ -
Investments	-	-	-	-	-	-	-
Other receivables	-	-	-	150,803	-	-	193,011
Due from other funds	-	293,553	-	39,703	157,080	-	-
Total assets	<u>\$ 1,850</u>	<u>\$ 293,553</u>	<u>\$ 10,663</u>	<u>\$ 190,506</u>	<u>\$ 157,080</u>	<u>\$ 34,352</u>	<u>\$ 193,011</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ 114,503	\$ -	\$ -	\$ 441
Due to other funds	-	-	-	-	-	-	593,880
Unearned revenue	-	-	-	73,502	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>188,005</u>	<u>-</u>	<u>-</u>	<u>594,321</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,011</u>
FUND BALANCES							
Restricted for:							
Road maintenance and improvements	-	-	-	-	-	-	-
Educational purposes	-	-	-	-	-	-	-
Other purposes	-	-	-	2,501	-	-	-
Committed for:							
Educational purposes	-	293,553	-	-	-	-	-
Other purposes	1,850	-	10,663	-	157,080	34,352	-
Unassigned	-	-	-	-	-	-	(594,321)
Total fund balances	<u>1,850</u>	<u>293,553</u>	<u>10,663</u>	<u>2,501</u>	<u>157,080</u>	<u>34,352</u>	<u>(594,321)</u>
Total liabilities and fund balances and deferred inflows of resources	<u>\$ 1,850</u>	<u>\$ 293,553</u>	<u>\$ 10,663</u>	<u>\$ 190,506</u>	<u>\$ 157,080</u>	<u>\$ 34,352</u>	<u>\$ 193,011</u>

(Continued)

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS *(Continued)*
 AS OF JUNE 30, 2022

	Summer Concert Fund	Town Clerk Fund	Recreation Center Fund	Seymour Cemetery Fund	School Activity Fund	Total Special Revenue Funds
ASSETS						
Cash and cash equivalents	\$ 3,330	\$ -	\$ 29,383	\$ -	\$ 226,788	\$ 489,750
Investments	-	-	-	-	-	15,009
Other receivables	-	-	-	-	-	343,814
Due from other funds	-	10,913	-	58,917	-	2,703,793
Total assets	<u>\$ 3,330</u>	<u>\$ 10,913</u>	<u>\$ 29,383</u>	<u>\$ 58,917</u>	<u>\$ 226,788</u>	<u>\$ 3,552,366</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,802
Due to other funds	-	-	-	-	-	593,880
Unearned revenue	-	-	-	-	-	811,951
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,569,633</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues	-	-	-	-	-	193,011
FUND BALANCES						
Restricted for:						
Road maintenance and improvements	-	-	-	-	-	1,417,785
Educational purposes	-	-	-	-	226,788	226,788
Other purposes	-	10,913	-	58,917	-	103,981
Committed for:						
Educational purposes	-	-	-	-	-	313,767
Other purposes	3,330	-	29,383	-	-	321,722
Unassigned	-	-	-	-	-	(594,321)
Total fund balances	<u>3,330</u>	<u>10,913</u>	<u>29,383</u>	<u>58,917</u>	<u>226,788</u>	<u>1,789,722</u>
Total liabilities and fund balances and deferred inflows of resources	<u>\$ 3,330</u>	<u>\$ 10,913</u>	<u>\$ 29,383</u>	<u>\$ 58,917</u>	<u>\$ 226,788</u>	<u>\$ 3,552,366</u>

(Concluded)

TOWN OF EAST GRANBY, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Town Aid Road Fund	American Rescue Plan Fund	Dog Fund	Milk Fund	Parks & Recreation Fund	Open Space Fund
REVENUES						
Intergovernmental	\$ 1,245,947	\$ 119,541	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	2,453	-	284,741	15,000
Interest income	2,461	-	46	-	7	72
Other	-	-	-	-	-	-
Total revenues	<u>1,248,408</u>	<u>119,541</u>	<u>2,499</u>	<u>-</u>	<u>284,748</u>	<u>15,072</u>
EXPENDITURES						
Current:						
General government	-	66,083	-	-	-	4,500
Culture and recreation	-	53,458	15,407	-	280,352	-
Public safety	-	-	-	-	-	-
Public works	562,363	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Total expenditures	<u>562,363</u>	<u>119,541</u>	<u>15,407</u>	<u>-</u>	<u>280,352</u>	<u>4,500</u>
Excess (deficiency) of revenues over expenditures / net change in fund balance	686,045	-	(12,908)	-	4,396	10,572
Fund balances - beginning	<u>731,740</u>	<u>-</u>	<u>17,967</u>	<u>771</u>	<u>32,539</u>	<u>15,905</u>
Fund balances - ending	<u>\$ 1,417,785</u>	<u>\$ -</u>	<u>\$ 5,059</u>	<u>\$ 771</u>	<u>\$ 36,935</u>	<u>\$ 26,477</u>

(Continued)

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS *(Continued)*
 FOR THE YEAR ENDED JUNE 30, 2022

	Halloween Party Fund	High School Food Store Fund	Small Cities Fund	Community Center Fund	Document Restoration Fund	Seniors Fund	Rockbestos Fund
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 5,500	\$ -	\$ -
Charges for services	-	3,016	-	-	1,534	11,013	-
Interest income	-	-	-	-	29	-	-
Other	600	-	15,009	2,686	-	-	-
Total revenues	<u>600</u>	<u>3,016</u>	<u>15,009</u>	<u>2,686</u>	<u>7,063</u>	<u>11,013</u>	<u>-</u>
EXPENDITURES							
Current:							
General government	-	-	15,000	2,687	-	-	-
Culture and recreation	875	-	-	-	9,926	10,920	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Education	-	5,246	-	-	-	-	7,128
Total expenditures	<u>875</u>	<u>5,246</u>	<u>15,000</u>	<u>2,687</u>	<u>9,926</u>	<u>10,920</u>	<u>7,128</u>
Excess (deficiency) of revenues over expenditures / net change in fund balance	(275)	(2,230)	9	(1)	(2,863)	93	(7,128)
Fund balances - beginning	<u>1,077</u>	<u>9,499</u>	<u>19,914</u>	<u>1,981</u>	<u>8,760</u>	<u>18,777</u>	<u>20,073</u>
Fund balances - ending	<u>\$ 802</u>	<u>\$ 7,269</u>	<u>\$ 19,923</u>	<u>\$ 1,980</u>	<u>\$ 5,897</u>	<u>\$ 18,870</u>	<u>\$ 12,945</u>

(Continued)

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS *(Continued)*
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Emergency Fund</u>	<u>BOE Nonlapsing Fund</u>	<u>Fournier Roy Youth Fund</u>	<u>State Grants Fund</u>	<u>Sewer Reserve Fund</u>	<u>Emergency Fuel Fund</u>	<u>Sewer Use Fund</u>
REVENUES							
Intergovernmental	\$ -	\$ -	\$ 19,923	\$ 359,533	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	373,202
Interest income	-	-	5	-	478	-	2,923
Other	3,298	-	22,367	-	-	15,176	-
Total revenues	<u>3,298</u>	<u>-</u>	<u>42,295</u>	<u>359,533</u>	<u>478</u>	<u>15,176</u>	<u>376,125</u>
EXPENDITURES							
Current:							
General government	2,823	-	-	-	-	14,292	-
Culture and recreation	-	-	46,908	-	-	-	-
Public safety	-	-	-	11,211	-	-	-
Public works	-	-	-	348,119	-	-	-
Sanitation	-	-	-	-	-	-	459,202
Education	-	17,835	-	-	-	-	-
Total expenditures	<u>2,823</u>	<u>17,835</u>	<u>46,908</u>	<u>359,330</u>	<u>-</u>	<u>14,292</u>	<u>459,202</u>
Excess (deficiency) of revenues over expenditures / net change in fund balance	475	(17,835)	(4,613)	203	478	884	(83,077)
Fund balances - beginning	<u>1,375</u>	<u>311,388</u>	<u>15,276</u>	<u>2,298</u>	<u>156,602</u>	<u>33,468</u>	<u>(511,244)</u>
Fund balances - ending	<u>\$ 1,850</u>	<u>\$ 293,553</u>	<u>\$ 10,663</u>	<u>\$ 2,501</u>	<u>\$ 157,080</u>	<u>\$ 34,352</u>	<u>\$ (594,321)</u>

(Continued)

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS *(Continued)*
 FOR THE YEAR ENDED JUNE 30, 2022

	Summer Concert Fund	Town Clerk Fund	Recreation Center Fund	Seymour Cemetery Fund	School Activity Fund	Total Nonmajor Special Revenue Funds
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,750,444
Charges for services	-	1,680	18,276	-	167,997	878,912
Interest income	-	34	12	-	-	6,067
Other	1,350	-	-	9,971	-	70,457
Total revenues	<u>1,350</u>	<u>1,714</u>	<u>18,288</u>	<u>9,971</u>	<u>167,997</u>	<u>2,705,880</u>
EXPENDITURES						
Current:						
General government	-	899	-	10,230	-	116,514
Culture and recreation	9,887	-	4,138	-	-	431,871
Public safety	-	-	-	-	-	11,211
Public works	-	-	-	-	-	910,482
Sanitation	-	-	-	-	-	459,202
Education	-	-	-	-	156,280	186,489
Total expenditures	<u>9,887</u>	<u>899</u>	<u>4,138</u>	<u>10,230</u>	<u>156,280</u>	<u>2,115,769</u>
Excess (deficiency) of revenues over expenditures / net change in fund balance	(8,537)	815	14,150	(259)	11,717	590,111
Fund balances - beginning	<u>11,867</u>	<u>10,098</u>	<u>15,233</u>	<u>59,176</u>	<u>215,071</u>	<u>1,199,611</u>
Fund balances - ending	<u>\$ 3,330</u>	<u>\$ 10,913</u>	<u>\$ 29,383</u>	<u>\$ 58,917</u>	<u>\$ 226,788</u>	<u>\$ 1,789,722</u>

(Concluded)

TOWN OF EAST GRANBY, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR PERMANENT FUNDS
AS OF JUNE 30, 2022

	Holcomb Loomis Trust Fund	Lloyd and Stephanie Griggs Scholarship Fund	Total Nonmajor Permanent Funds
ASSETS			
Cash and cash equivalents	\$ 1,595	\$ 140,220	\$ 141,815
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
FUND BALANCES			
Restricted for:			
Educational purposes	-	140,220	140,220
Other purposes	1,595	-	1,595
Total fund balances	<u>1,595</u>	<u>140,220</u>	<u>141,815</u>
Total liabilities and fund balances	<u>\$ 1,595</u>	<u>\$ 140,220</u>	<u>\$ 141,815</u>

TOWN OF EAST GRANBY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR PERMANENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Holcomb Loomis Trust Fund	Lloyd and Stephanie Griggs Scholarship Fund	Total Nonmajor Permanent Funds
REVENUES			
Interest income	\$ 28	\$ 424	\$ 452
Total revenues	28	424	452
EXPENDITURES			
Education	-	4,000	4,000
Total expenditures	-	4,000	4,000
Excess (deficiency) of revenues over expenditures / net change in fund balance	28	(3,576)	(3,548)
Fund balances - beginning	1,567	143,796	145,363
Fund balances - ending	\$ 1,595	\$ 140,220	\$ 141,815