

Annual Comprehensive Financial Report

of the

Town of Groton



Fiscal Year Ended June 30, 2022

TOWN OF GROTON, CONNECTICUT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022

PREPARED BY:

THE FINANCE DEPARTMENT

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INTRODUCTORY SECTION



TOWN OF GROTON

FINANCE DEPARTMENT

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To: Town Manager, Members of the Town Council, Representative Town Meeting and Citizens of the Town of Groton.

Connecticut State Statute requires that all municipal entities publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Town of Groton for the fiscal year ended June 30, 2022.

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

The Town of Groton's financial statements have been audited by CliftonLarsonAllen LLP (CLA), a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Groton for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Groton's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Groton was part of broader federally and state mandated “Single Audits” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Groton’s separately issued Single Audit Reports. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Groton’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government:

The Town of Groton covers approximately 38 square miles along 40 miles of coastline on Long Island Sound and is located in New London County in the southeastern section of Connecticut. It is bounded on the north by the Town of Ledyard, on the east by the Mystic River, on the west by the Thames River, and on the south by Long Island Sound. Based on the State of Connecticut’s Department of Public Health, the Town’s population is approximately 38,456 residents. Originally part of the City of New London, the Town was incorporated May 10, 1705 and lies equidistant between New York City and Boston.

Within the Town of Groton there are two political subdivisions, the City of Groton (City) and Groton Long Point Association (GLPA). In addition, there are seven (7) special taxing districts within the Town. For the political subdivisions, the Town funds a portion of their public works and public safety budgets. The special districts are organized units of government within the Town, having separate governing bodies. They were established by special acts of the State legislature for specific purposes such as fire protection. All these governmental units have individual taxing authority.

Governing Body:

The structure of the Town’s government combines a modern professional approach with the traditional town meeting form. Since 1957, the Town has been governed by a Town Council-Town Manager-Representative Town Meeting (RTM) structure. Revisions to the Town Charter were approved at a voter referendum on November 4, 2008 with those revisions taking effect on January 3, 2009.

The Town Council is responsible for determining policy and appointing the Town Manager to execute this policy and administer the day-to-day affairs of the Town. The Council holds public hearings on the budget and sets the tax rate. It appoints one of its nine (9) members as Mayor to serve as chairperson of its meetings and as the Town’s representative at ceremonial functions. The councilors each are elected for two-year terms.

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The Town Manager is appointed by and directly responsible to the Council and serves for no definite term, but at the pleasure of the Council. The Manager is responsible to the Council for the supervision and administration of Town departments. The Council also appoints the Town's independent auditor and the Town Attorney.

Services:

The Town of Groton provides a full range of services, including education, public safety, the construction and maintenance of highways and streets, storm and sanitary sewers and infrastructure; social services, parks and recreational activities and cultural events. For FYE 2022, approximately 257 full-time municipal employees provided services to a community of 38 square miles and 38,456 residents.

Budgetary Process:

The annual budget serves as the foundation for the Town of Groton's financial planning and control. The Town departments are required to submit requests for appropriation to the Town Manager on or before January 14th. The Board of Education and the political subdivisions within the Town of Groton are required to submit requests for appropriation on or before February 28th. The Town Manager uses these requests as the starting point for developing a proposed budget. The Town Manager presents this proposed budget to the Council for review not later than March 15th. The Council is required to hold at least one public hearing on the proposed budget not later than April 6th. On or before April 28th, the Council approves a budget that it sends to the RTM for consideration and its final approval. The RTM takes final action on the budget not later than May 25th. Following RTM approval of a final budget, the Council shall determine the final tax rate on or before June 9th. The appropriated budget is prepared by fund and function (e.g., public works, public safety).

In other matters, the RTM has the power of initiative to institute legislation or force reconsideration of an ordinance already adopted by the Town Council. The forty-one (41) RTM members are elected by seven (7) voting districts for two-year terms.

Expenditure Control:

The Town maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Council and RTM. Activities of the general fund, certain special revenue funds and the debt service fund are included in the annual appropriated budget. Project-length budgets are prepared for several special revenue funds and for the capital project fund. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the function level within each fund.

At the direction of the Town Manager, all Department Directors are expected to follow strict guidelines for expenditure control within the approved function appropriation. The Town Manager reserves the right to set "administrative spending authority" limits when justified to maintain the fiscal integrity of the budget. Department Directors are evaluated on budget management abilities. The Finance Department also monitors expenditures to budget through the general ledger/accounting system.

The Town maintains an encumbrance accounting system as another method of maintaining budgetary control. All purchases, except certain services as outlined in the Town's Purchasing Manual, require a purchase requisition and a purchase order. In addition, purchases over \$1,000 require evidence that quotations were received and that the lowest quote, consistent with quality, was selected. For FYE 2022, the Town solicited formal competitive bids for expenditures at or above \$15,000. Purchases that are on a state contract or cooperative purchasing agreement are not subject to the quote or bid requirements. Funds are recorded as encumbered when the purchase order is issued and expenditures are recorded when the Town incurs a liability.

All unencumbered operating appropriations will lapse at year-end. In the Capital Projects Funds, appropriations are continued until completion of the projects or five years from date of appropriation, whichever is less. Budgetary control in the Capital Projects Funds is achieved by the constraints imposed by the project's authorization or grant awards related to these funds.

Local Economy:

Groton was settled primarily by farmers, but they turned early to shipbuilding and the maritime trade to supplement their livelihood. Groton became known as the Submarine Capital of the World when the Electric Boat Division of General Dynamics delivered 74 diesel submarines to the Navy in World War II. This was followed in 1954 with the launch of the USS Nautilus, the world's first nuclear-powered submarine, now permanently berthed at Goss Cove near the Submarine Base. Today Groton is a regional center for commerce and industry while its shoreline location and its many historical sites have made the region a prime tourist attraction. The three top employers are U. S. Navy Submarine Base, Electric Boat Corporation and Pfizer Inc. As of June 2022, the Town had an unemployment rate of 3.9% as compared to the New London County rate of 4.5%, the state's average rate of 4.1% and the national average of 3.6%. New London County has an employed labor force of approximately 128,578 residents.

Impact of COVID-19:

On March 10, 2020 Governor Ned Lamont declared a state of emergency throughout the State of Connecticut as a result of the COVID-19 outbreak. The impact of the state of emergency and subsequent executive orders was far reaching: public schools were closed and began distance learning for all students; social and recreational gatherings were restricted; restaurants were limited to take-out and delivery only; closure of all non-essential entities including gyms, fitness centers, movie theaters, indoor shopping malls, barbers and hair and nail salons.

On April 1, 2020 Governor Lamont issued Executive Order No 7S which included the requirement that all municipalities offer a tax relief program to eligible taxpayers impacted by COVID-19. Municipalities were required to offer at least one of the following programs: a 90-Day Deferment Program or a 90-Day Low Interest Rate Program. Both programs were applicable to amounts payable or delinquent between March 10, 2020 and July 1, 2020. The Groton Town Council voted to participate in both programs. The stimulus checks issued during FYE 2020 and FYE 2021 had a significant impact on tax collections as many taxpayers used these funds to either bring their accounts current or to pay the second installments of real estate taxes. Current year tax collections have continued to be steady, with no anticipated adverse effects expected for FYE 2023.

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In an effort to mitigate the exposure to and spread of COVID-19 the Town offices were closed to the public and open by appointment only from December 2020 until April 2021. With the arrival of the Delta variant and a surge in infections both locally and across the state, the Town Manager issued an indoor mask mandate for all indoor public spaces regardless of vaccination status in August 2021. This authority was given to municipalities by Governor Lamont in his Executive Order 13a. The indoor mask mandate was lifted in November 2021. Groton Public Schools were back to full in person learning with the start of the 2021-2022 school year.

The Town of Groton will continue to work closely with Ledge Light Health District and will make necessary changes related to COVID-19 as they may be warranted or recommended.

Grand List increased by 23.3%: The October 1, 2021 net adjusted taxable Grand List increased 23.3% from the 2020 Grand List after the Board of Assessment Appeals. The net adjusted grand list now totals \$4,611,207,867. The combined assessments of the top ten taxpayers increased from \$743 million to about \$817. Pfizer remains the Town's largest taxpayer, but Electric Boat remains strong as the second largest taxpayer. Net real estate increased to \$4.063 billion. The net personal property grand list experienced a slight increase of 1.3%. While there is some growth in Groton for business assets, this mild increase reflects the depreciation of assets which is expected for the personal property category. The motor vehicles portion of the grand list grew by 29.3% from \$225 million to \$291 million. A more detailed analysis is presented in the Management Discussion and Analysis (MD&A) section of the ACFR.

Long-term Financial Planning/Relevant Financial Policies:

The unassigned fund balance in the general fund (22.0% of the FYE 2023 adopted general fund expenditures) is above the Town Council's Debt Policy and Management/Fiscal Practices that was initially adopted in September 1993 and revised in October 2021. The policy states that the unassigned fund balance shall be maintained in an amount equal to at least fifteen (15%) percent.

The Town Charter provides for the Town Manager to propose in the annual budget to the Town Council an allocation of funds to the capital reserve fund. This fund was established for future capital and nonrecurring expenditures for the town. This allocation is to be not less than four percent of the general fund budget, less the amount necessary to defray general fund obligated debt service. This amount is subject to approval of the Town Council and Representative Town Meeting. The proposed amount of \$7,636,000 was reduced to \$3,297,000 by the Town Council and remained at this amount with the RTM.

Major Initiatives for the Fiscal Year Ended June 30, 2022:

Road Maintenance and Rehabilitation Program:

On November 6, 2012 the voters of the Town approved an Ordinance appropriating \$11,200,000 and authorized the issuance of bonds and notes in the same amount for road maintenance and rehabilitation program for the Town's accepted network of roads. Included in the program are town-accepted roads within the geographical boundaries of the City of Groton and of the Groton Long Point Association. The Town Council and RTM through their respective actions extended the authorization through April 2022, allowing sufficient time to complete the program.

In December 2020 the Town Council decided not to continue with issuing bonds as a means of funding road maintenance and rehabilitation, but rather to include it as part of the annual budget process in the Capital Improvement Program, as was done prior to 2012.

Water Pollution Control Facility:

At a November 2015 referendum voters approved an \$8,230,000 sewer bond authorization to provide funding for two major projects in the Town of Groton's Water Pollution Control Division.

- **Rehabilitation of the Fishtown Road Pump Station:**

This project consists of a major rehabilitation and renewal of the Fishtown Road Pump Station. This collection system intermediate pump station collects wastewater discharges for residences, businesses and a middle school and conveys the wastewater under pressure through the collection system for treatment. A contract was awarded in June of 2017 with construction starting in September of 2017. The project was completed in November 2018 and the station is operational.

- **Refurbishment of the Effluent Pump Station:**

This project involves major work at the Water Pollution Control Facility (WPCF). The WPCF collects, treats, disinfects and discharges the wastewaters of the Town of Groton. This project consists of renovation and renewal of the effluent pump station, upgrades and relocation of major electrical service equipment, and replacement of significant underground piping and valve infrastructure. The project was awarded in July 2018 and construction started in August 2018. The project was completed in September 2020.

School Projects, Groton 2020:

The Groton 2020 Plan calls for a new middle school to be built on the Merritt property, a site adjacent to the high school, to serve the entire Town. The plan also includes constructing two new elementary schools, on the sites of the two existing middle schools to serve the students of three aging elementary schools. Two of the three vacated elementary schools will be returned to the Town for future disposition. The Groton Board of Education is keeping the third vacant school.

The Public Works Department selected a Program Management firm to assist the Department in managing the Architects and Construction Manager at Risk for all three schools. The projected cost estimate for Groton 2020 is approximately \$184.5 million with a portion of this to be a grant from the State. The project was approved by the voters at a November 2016 Referendum.

Construction of the middle school began in March 2019 and was substantially completed and opened to students in September 2020. The two elementary schools were substantially completed in August 2021 and opened to students in September 2021. All construction activities at all three schools is now 100% complete.

Contracts for all three schools will be closed out in early 2023 and submitted to the State of Connecticut Office of School Construction Grants and Review for scheduling a final audit. This final audit can take a year or more. The State will withhold 11% of all reimbursement funds until they complete their final audit.

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Wayfinding Sign Master Plan:

Phase I of the Wayfinding Signage Master Plan was implemented. This helps orient travelers (motor vehicle, bicyclists, and pedestrians) throughout Groton with cohesive signage. The signage also creates a sense of pride throughout the community. The goal of rebranding and actively marketing Groton is to attract new businesses as well as residents to the area. It is envisioned that plan implementation will be completed in phases as funding is made available.

Mystic Parking Management: Staff initiated the Mystic Strategic Parking effort. The effort focused on short-ranged efforts to improve parking management efficiency. These included better use of existing parking spaces, enforcement, and technological management solutions including parking meters.

American Recovery Plan (ARPA) Programming:

Groton hired an ARPA Coordinator to help guide the process forward. The Town Council allocated initial funding for multiple municipal projects that qualified for ARPA. The ARPA “Needs Assessment” document was completed and was added to the www.GreaterGroton.com web page. ARPA project applications were due June 30th for approximately \$2.5 million. Staff promoted the application process through social media, the press, and by reaching out via phone and email to parties that showed interest earlier in the process. The webpage provided details to prospective applicants. Staff addressed questions from the public regarding this process. <https://ctexaminer.com/2022/05/16/groton-seeks-applications-for-a-slice-of-2-9-million-of-federal-covid-aid/>

GreaterGroton.com Public Engagement Tool: Staff continues promoted theGreaterGroton.com site. Staff launched the budget simulator tool through “Balancing Act” to promote the use of this tool through social media and traditional meetings. This tool allowed the public to provide direct input on potential ARPA funding allocations.

CDBG – CV Grant Funding: Administered the Community Development Block Grant (CDBG) COVID grant proposal for Groton. This targeted about \$300,000 for PPE. The grant established a stockpile of critical PPE and supplies which were and are difficult to purchase during the current pandemic including face masks, N-95 respirators, gloves, Tyvek protective clothing, Plexi-Glass for barriers, plastic sheeting for isolation and critical barriers.

Public Property Redevelopment:

Seely School: The “Triton Square” redevelopment project advanced including plans and legal documentation. Don Mar Development Corporation will construct an approximately 300-unit multi-family apartment development with amenities. Targeted future tenants are young professionals and “empty-nesters.” See this project page: <https://www.seelyschool.com/>. Future anticipated tax revenue is \$1,000,000 annual.

- Groton Heights School Redevelopment: Staff still awaiting ThayerMahan’s final comments on the town’s Purchase and Sales (P&S) agreement and the DECD Brownfields grant agreement.
- 517/529 Gold Star Highway Redevelopment: There were ongoing discussions with the preferred developer. The project envisions the development of approximately 300 apartments on 17.75 acres.

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- Former Colonel Ledyard School Redevelopment: Bellsite LLC worked with staff to advance the project for approval addressing 64 residential units. The Town has signed a purchase and sales agreement with the preferred developer.

Small Cities Community Development Block Grants:

2019 for Mystic River Homes Congregate:

Community Development Block Grant (CDBG) Award: Groton finalized the implementation of our received \$1.5 million CDBG grant award for Mystic River Homes. Work entailed ADA access improvements, new fire system pump, hot water system upgrades, new backup generator, interior flooring upgrades, common area upgrades, unit upgrades, and new roadways and parking areas.

Major Initiatives for the Future:

Energy Efficiency and Conservation:

The Public Works Department continues to pursue installation of a solar farm on the closed Flanders Road Landfill as well as other Town sites. The Department has hired a consultant to assist in the process of requesting proposals for the landfill solar field as well as carport units over the parking lot at the Town Hall Annex and Police Station. The issue that needs to be overcome for a solar field at the landfill is the inadequate infrastructure that Eversource currently has in the area to carry the proposed loads.

The Department is also investigating replacing aging oil-fired boilers with more energy efficient carbon-free alternatives such as geothermal and Variable Refrigerant Flow. Buildings currently under consideration include the Groton Community Center, Police Station and Library.

The Public Works Department is continuing to evaluate for applicability of other energy efficiency and cost saving measures. These include micro grid potential for Town facilities, smaller solar installations for individual or groups of Town facilities, and other technologies as they become available.

Bridge Reconstruction:

Currently there are three bridges in the Town of Groton that need replacement.

The *Groton Long Point Road Bridge* is the only access to the Groton Long Point and Mumford Cove areas of Town. While the bridge is still in service, recent inspections rate it in “Fair” condition. The Town has a consultant engineer working on the preliminary engineering and design to completely replace this structure along with rehabilitating the approach causeways. Currently the Town is looking at a new federal local bridge program where federal funds will pay 100% of the design and construction costs with the design managed by the Connecticut – Department of Transportation. Construction is anticipated in 2025-2026.

The *Quaker Farm Road Bridge* (large twin culvert) has failed and is currently out of service. The Town has a consultant engineer working on the engineering, permitting and design to completely replace this structure. Construction is anticipated in 2023.

The *North Stonington Road Bridge* carries a minor local road between Groton and the neighboring town of Stonington. Currently this bridge is out of service, there are other roads in the immediate vicinity so this does not present a major traffic issue. Since it is owned 50/50 by both Groton and Stonington, all costs have to be equally shared. Preliminary engineering and design has been completed, however it is unknown when both towns will authorize funding so no construction date is available.

Complete Street:

The Town of Groton recently adopted a “Complete Streets” policy where streets are designed and operated to enable safe use and support mobility for all users including, drivers, pedestrians, bicyclists and public transportation riders. Public Works is committed to working with other Departments, the Connecticut DOT and other groups to ensure our streets meet this policy.

The Department includes funding in the Capital Improvement Program to; construct in-fill sidewalks to create community connectivity, address barriers and other hazards to pedestrians, and add bike lands and trails where appropriate.

Municipal and State Excess Property Redevelopment:

Former Groton Heights School: Groton is advancing a CT Community Investment Fund (CIF) proposal to assist with the redevelopment of the property in partnership with ThayerMahan. ThayerMahan has grown from three to over 80 employees in five years. They are committed to making this their future world headquarters for undersea vehicle technology.

517/529 Gold Star Highway: An option agreement was signed in 2019 for the town’s land. The project envisions the development of approximately 300 apartments on 17.75 acres. The project documentation will advance by the end of 2023. Anticipated tax benefits will be in the order of \$1 million annually.

Former Colonel Ledyard School: The preferred developer, Bellsite LLC, has submitted plans for approval to Groton City’s Planning & Zoning Commission as well as Wetland Commission. The project is located approximately ½ mile from Electric Boat. Construction will involve two phases totaling approximately 64 housing units.

Former Seely School: The project awaits final resolution on the zoning approval appeal. The site plan for multi-family housing has been approved by the Groton Planning & Zoning Commission. Ground breaking is anticipated in the near future for a 305-unit multi-family apartment development. Targeted future tenants are both young professionals and “empty-nesters.” Anticipated future property tax revenue is in the magnitude of \$1 million annually.

American Rescue Plan Act (ARPA):

ARPA funding began in 2022 and will continue through 2023 to finalize the allocation of approximately \$8.6 million in federal funding to recipients. 53 recent proposals were received and allocations will continue in accordance with U.S. Treasury Final Rule guidance.

Community Challenge Grant:

Groton is in process of receiving a large (in excess of \$6 million) grant from the State of CT to redevelop key properties along Poquonnock Road. This award is anticipated by early 2023. This public funding will leverage private funding for market rate and affordable housing development as well as community development projects in this neighborhood.

Community Investment Fund (CIF) Grant:

Three project concepts for CIF grant funding are being advanced to the State of CT totaling over \$12 million. These include Thames Valley Council for Community Action (TVCCA) early childhood facility, former Groton Heights School environmental remediation, and former Pleasant Valley School building demolition and site preparation. The Town of Groton is an eligible entity for this state program. Only select municipalities can submit grant applications. Awards will be granted in multiple rounds. Groton anticipates notifications during summer of 2023.

Strategic Resiliency Plan:

Groton's Hazard Mitigation Plan identified a number of areas that are vulnerable to the impacts of climate change. This plan will develop strategies for neighborhoods and individual property owners to respond to increased flooding. It will also identify adaptation methods that limit impact on community character and preserve historic structures.

Subdivision Regulation Revisions and Complete Streets:

The Subdivision Regulations control the orderly division of property into buildable lots and make provision for utilities, drainage, road design and open space improvements. These regulations were last revised in 2006 and will be completely rewritten. As part of the revisions, the standards for existing and proposed streets will include the principles of Complete Streets. Complete Streets is a transportation policy and design approach that requires streets to be planned, designed, operated, and maintained to enable safe, convenient and comfortable travel and access for users of all ages and abilities regardless of their mode of transportation.

Community Rating System:

The Community Rating System (CRS) is a voluntary, incentive-based community program that recognizes, encourages, and rewards local floodplain management activities that exceed the minimum standards of the National Flood Insurance Program. Groton expects to join the program at a level that will reduce flood insurance rate payer premiums by 5%. A program will be put in place to document compliance with the requirements of CRS.

Debt Administration:

In April 2022, presentations were made to the three rating agencies: Fitch Ratings, Moody's Investors Service and Standard & Poor's Rating Services. Both Moody's and Standard & Poor's affirmed their previous ratings for the Town while Fitch upgraded the Town's rating from AA to AA+:

Fitch "AA+"

Moody's "Aa1"

Standard & Poor's "AA+"

"Submarine Capital of the World"

In April 2022 the Town conducted a sale of General Obligation Bonds in the amount of \$22,975,000 for the Groton 2020 School Facilities Improvement Plan. Citigroup Global Markets placed the winning bid with a true interest cost of 3.1707%. The bonds were issued for twenty years maturing in 2042. The Town also conducted a sale of General Obligation Bond Anticipation notes in the amount of \$13,255,000 for the Groton 2020 School Facilities Improvement Plan. The notes mature in April 2023.

At year-end, the Town had a number of debt issues outstanding. These issues, net of applicable unamortized discounts, included \$96,220,000 of General Obligation Bonds, \$8,720,000 of General Obligation Sewer Bonds paid by special assessments/fees for total bonds payable of \$104,940,000. Last fiscal year that total amount was \$89,140,000.

In October 2021, the Town Council revised its “Debt Policy and Management/Fiscal Practices” that establishes criteria for the issuance of debt as well as setting some benchmarks on which to evaluate the Town’s level of debt. This revision increased the unassigned General Fund reserve from a minimum of at least eleven (11%) percent to an amount equal to at least fifteen (15%) percent of the annual general fund expenditures. The revision also added a provision that the Council will annually review the General Fund surplus after completion and acceptance of the annual audit should the surplus exceed 20% of general fund expenditures on a budgetary basis. The Town Council had previously adopted the following limits to guide the issuance of debt and they are compared to the FYE 2022 data.

	<u>Adopted Policy</u>	<u>FYE 2022</u>
Comparison to State’s Statutory Debt Limit:	not to exceed 50%	18.85%
Net Direct Indebtedness to assessed value	not to exceed 5%	3.0%
Debt Service as compared to Expenditures	not to exceed 10%	6.9%

Awards and Acknowledgements:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Groton for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only and is the highest form of recognition in the area of governmental accounting and financial reporting. Its attainment represents a significant accomplishment for a government unit and its management. The Town of Groton has received a Certificate of Achievement for twenty-eight (28) consecutive years (FYE 1994 through FYE 2021). We believe that this report continues to conform to the Certificate of Achievement program requirement, and we are submitting it to GFOA to determine its eligibility for another certification.

A special thanks to the Town Manager, Department Directors and Division Supervisors for their assistance and contributions to this Annual Comprehensive Financial Report (ACFR). I especially commend the members of the Finance Department, particularly, for their responsible competence and diligence in the continuation of the progressive financial activities of the Town. Preparation of this ACFR on a timely basis was made possible by the efficient and dedicated service of Julie Chapman, Treasurer/Accounting Manager.

Appreciation is also expressed to the Mayor, Town Council, Representative Town Meeting and all Town employees for their cooperation and assistance throughout the year in matters pertaining to the financial affairs of the Town.

Respectfully submitted,

Delia Morrison

Delia Morrison
Acting Director of Finance

December 29, 2022



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Groton
Connecticut**

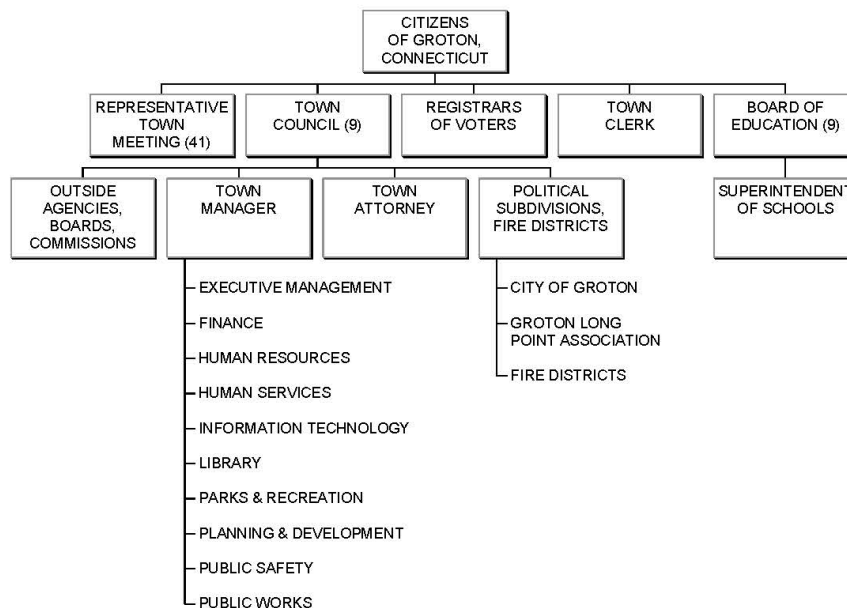
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrell

Executive Director/CEO

TOWN OF GROTON ORGANIZATION CHART



FYE 2022

**TOWN OF GROTON
PRINCIPAL OFFICIALS
AS OF JUNE 30, 2022**

Town Council

Juan Melendez Jr., Mayor
Portia Bordelon
Aundré Bumgardner
Melinda Cassiere
Rachael Franco
Bruce Jones
David McBride
Juliette Parker
Scott Westervelt

Board of Education

Kim Shepardson Watson, Chairperson
Andrea Ackerman, Vice-Chairperson
Constantine Antipas
William Horgan
Elizabeth Porter
Matthew Shulman
Rita Volkmann
Beverly Washington
Jay Weitlauf

Appointed Officials

John Burt, Town Manager
Susan Austin, Superintendent of Schools
Eileen M. Duggan, Town Attorney

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Town Council
Town of Groton, Connecticut

Report on the Audit of 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 Groton, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Groton, Connecticut'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 Groton, Connecticut, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Groton, Connecticut 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.

Emphasis of Matter – Correction of an Error

As discussed in Note 10 to the financial statements, a certain error was identified in the prior year financial statements during the current year. Accordingly, amounts have been restated in the 2022 financial statements now presented, and adjustments have been made to fund balance and net position as of June 30, 2021, to correct this error. Our opinion is not modified with respect to that matter.

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 of Groton, Connecticut'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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Groton, Connecticut'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 Town of Groton, Connecticut'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 management's discussion and analysis, budgetary comparison information, and pensions and OPEB information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 for the year ended June 30, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Groton, Connecticut's basic financial statements. The supplemental and combining fund 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 for the year ended June 30, 2022 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 GAAS. In our opinion, the supplemental and combining fund statements and schedules for the year ended June 30, 2022 are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2022.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town of Groton, Connecticut as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated February 18, 2022 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The General Fund Balance Sheet for the year ended June 30, 2021 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund Balance Sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2022, on our consideration of the Town of Groton, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Groton, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Groton, Connecticut's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

West Hartford, Connecticut
December 29, 2022

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Introduction:

Management's Discussion and Analysis provides a narrative discussion of the Town's financial activities as a whole for the year ended June 30, 2022 with comparisons to the prior year, where appropriate. The information complements the data presented in the basic financial statements. Its purpose, along with the material in the Letter of Transmittal, is to enhance the reader's understanding of the Town's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars (000's).

Financial Highlights:

- The assets and deferred outflows of the Town of Groton exceeded its liabilities deferred inflows at the close of the most recent fiscal year by \$234,065 (net position).
- The government's total net position increased by \$10,905. Increase is mainly attributable to an increase in capital assets related to school construction project placed in service, increase in OPEB actuarial assumption, increase in pension projected investment earnings and decreases in pension actuarial experience , which is offset by increases in bonds payable, pension liability pension and OPEB actuarial experience.
- As of the close of the current fiscal year, the Town of Groton's governmental funds reported combined ending fund balances of \$50,902.
- For the fiscal year ended June 30, 2022, the unassigned fund balance for the General Fund was \$32,120 or 22.5% of the FYE 2023 Adopted General Fund budget. The Town Council has an adopted policy for the maintenance of a minimum unassigned fund balance be "maintained in an amount equal to at least fifteen (15%) percent of the annual general fund expenditures."
- The Town of Groton's total debt increased by \$15,188 (16.1%) during the current fiscal year. This was mainly due to a net increase (\$15,800) in the principal amounts due on bonds for general government obligation debt and decreases (\$612) in the loan payment due to the State's Clean Water Fund.

Overview of the Financial Statements:

This discussion and analysis are intended to serve as an introduction to the Town of Groton's basic financial statements. The Town of Groton'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 and a statistical section. The statistical section provides comparisons of selected information beginning with FYE 2013 through the current audited fiscal year.

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

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Groton is improving or deteriorating.

The statement of activities presents information showing how the government'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. Uncollected taxes and earned but unused vacation leave are examples of these types of items.

The governmental activities of the Town of Groton include education, general government services, public safety, public works, planning and development, health/human services and community services. Property taxes, charges for services and state and federal grants finance most of these activities. Although the Town maintains no business-type activities, the Town does maintain three internal service funds that consist of the Fleet Fund, Health Insurance Fund and the Workers' Compensation Fund and numerous special revenue funds.

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

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 of Groton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary 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 a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial 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.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

The Town of Groton maintains thirty-three individual nonmajor governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, ARPA Fund, and the Capital Improvements Fund which are considered to be major funds. Twenty-eight special revenue funds, a Debt Service Fund and four Permanent Funds are combined into aggregate funds in this presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of Groton adopted an annual appropriated budget for its General Fund and, in addition, budgetary comparisons have been provided for the following nonmajor governmental funds: Special Library, Golf Course, Sewer Operating, Solid Waste, Mumford Cove District, Revaluation, Computer Replacement, Groton Sewer District and Recreation & Senior Activities.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on Exhibits III and IV.

Proprietary Funds. The Town of Groton maintains one type of proprietary funds; internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town of Groton's various functions. The Town of Groton uses three internal service funds to account for its fleet of vehicles, health insurance and workers' compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on Exhibits V through VII.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support services to the Town's constituency. The Town has four fiduciary funds; one pension trust fund, one Other Post-Employment Benefit trust fund (OPEB), one private purpose trust fund and one custodial fund. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on Exhibits VIII and IX.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Included in the notes is the information concerning the Town of Groton's funding obligation to provide pension benefits to its employees. The Notes to the Financial Statements can be found as listed in the table of contents.

Other Information. Required supplemental information for the General Fund and pension plans is provided immediately following the Notes to the Financial Statements. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found as listed in the table of contents.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Government-Wide Financial Analysis:

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. Town of Groton governmental activity assets exceeded liabilities by \$234,065 on June 30, 2022.

**Town of Groton
Net Position (\$000's)**

	Governmental Activities	
	2022	2021
Assets:		
Current Assets	\$ 95,347	\$ 110,977
Capital Assets, Net of Accumulated Depreciation	350,531	339,748
Total Assets	445,878	450,725
Deferred Outflows of Resources	24,505	10,145
Liabilities:		
Long-Term Liabilities Outstanding	185,086	151,884
Other Liabilities	40,186	61,872
Total Liabilities	225,272	213,756
Deferred Inflows of Resources	11,046	23,953
Net Position:		
Net Investment in Capital Assets	221,249	201,306
Restricted	4,253	4,819
Unrestricted	8,564	17,035
Total Net Position	\$ 234,065	\$ 223,160

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

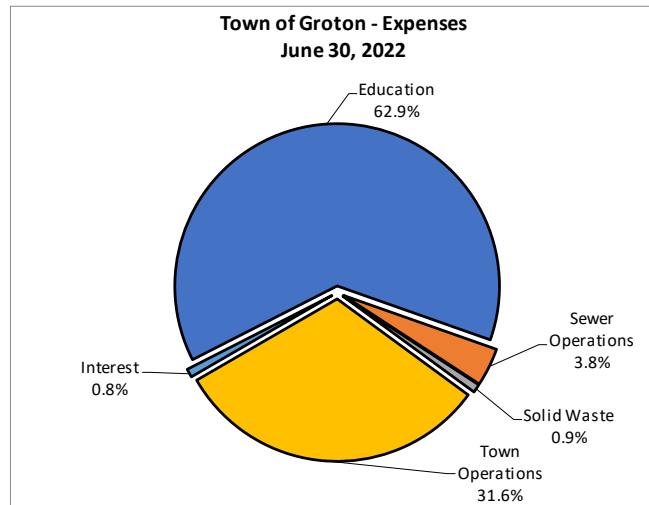
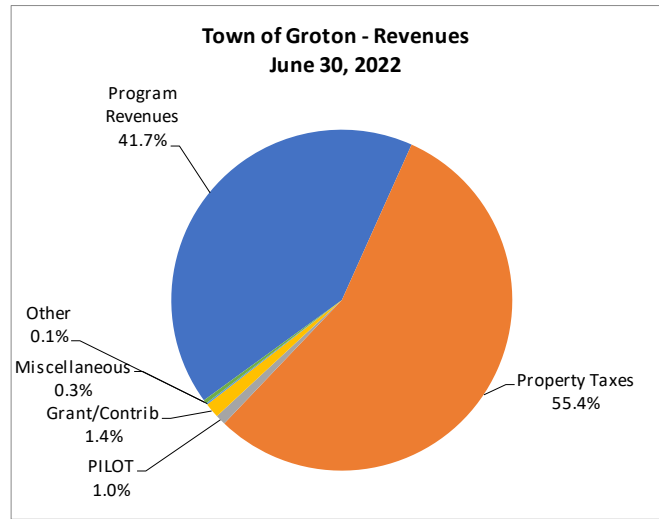
**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Governmental Activities. Approximately 55.4% of the revenues were derived from property taxes, followed by 41.7 % from program revenues, 1.4% from grants and contributions, and less than 1% from both payments in lieu of taxes and investment income.

**Town of Groton
Change in Net Position (\$000's)**

	Governmental Activities	
	2022	2021
Revenues:		
Program Revenues:		
Charges for Services	\$ 13,385	\$ 12,565
Operating Grants and Contributions	54,988	69,042
Capital Grants and Contributions	6,242	39,181
General Revenues:		
Property Taxes	99,066	95,609
Payments in Lieu of Taxes	1,734	603
Grants and Contributions (Not Restricted)	2,533	2,327
Other Unrestricted Investment Earnings	268	265
Miscellaneous Revenue	623	766
Total Revenues	<u>178,839</u>	<u>220,358</u>
Expenses:		
General Government and Services	10,122	8,704
Public Safety	17,611	14,379
Public Works	11,808	12,835
Planning and Development	2,336	1,663
Human Services	4,541	3,028
Community Services	6,660	4,660
Board of Education	105,613	118,783
Sewer Operations	6,405	4,890
Solid Waste	1,430	1,455
Interest on Long-Term Debt	1,408	2,121
Total Expenses	<u>167,934</u>	<u>172,518</u>
Increase in Net Position	10,905	47,840
Net Position - Beginning of Year	222,605	<u>174,765</u>
Restatement - correction of an error	555	
Net Position July 1 As Restated	<u>223,160</u>	
Net Position - End of Year	<u>\$ 234,065</u>	<u>\$ 222,605</u>

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**



**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Major revenue factors for all Governmental Funds included:

- ◆ Total revenues were \$41,520 lower in 2022 when compared to 2021 or a decrease of 18.8%.
- ◆ Grants and contributions were lower in 2022 as the Town realized less in State and Federal grants.
- ◆ Property tax revenues recorded for fiscal year 2022 increased while the Town's tax rate increased to 25.98 mills in 2022 from 25.11 mills in 2021.
- ◆ Investment earnings increased by \$3 from the prior fiscal year to \$268 for the fiscal year ended June 30, 2022. The increase to interest and dividend earnings was primarily the result of slight improvements in interest rates.

For Governmental Activities, 62.9% of the Town's expenses relate to education, 7.0% relate to public works, 10.5% relate to public safety, 6.0% to general government/services, 4.0% to community services and the remainder relates to planning & development, human services, sewer operations, solid waste and interest on long term debt.

Major expense factors for all Governmental Funds include:

- ◆ Total expenses were \$4,585 lower in 2022 when compared to 2021 or a decrease of 2.7%.
- ◆ Town Operations expenses were \$7,809 higher in 2022 when compared to 2021 or an increase of 17.3%.
- ◆ Education expenses were \$13,171 lower in 2022 when compared to 2021 or a decrease 11.1%.
- ◆ Results of operation in Sewer Operations, Solid Waste and Interest on Long-Term Debt accounted for an increase of \$777 in expenses compared to 2021 or an increase of 9.2%.

Business-Type Activities. The Town does not maintain any business-type activities at the present time.

Financial Analysis of the Government's Funds:

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

Governmental Funds. The focus of the Town of Groton'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 of Groton's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Groton's governmental funds reported combined ending fund balances of \$50,902, an increase of \$15,927 in comparison with the prior year. Of this amount, \$31,460 constitutes unassigned fund balance. The remainder of fund balance is assigned to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period, 2) restricted by bond ordinances, 3) for holding of trust principal, or 4) constrained for a specific purpose.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

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 \$32,120, which is included in the total fund balance of \$37,566. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 22.5% of total FYE 2023 Adopted general fund budget, while total fund balance represents 26.3% of that same amount.

The total fund balance of The Town of Groton's General Fund increased by \$3,886 during the current fiscal year. The unassigned fund balance increased by \$3,120. Key factors in the total fund balance increase of \$3,886 are as follows:

- ◆ Revenues were \$5,561 more than anticipated primarily due to additional property taxes and State & Federal intergovernmental revenue.
- ◆ Expenditures were under budget by \$1,466 due to unexpended funds in Town Operations, Outside Agencies and Non-departmental.
- ◆ Fund balance in the amount of \$2,851 was applied to the adopted FYE 2022 budget.
- ◆ Fund balance in the amount of \$4,000 was applied to the adopted FYE 2023 budget.

Capital Improvements Fund. This fund has a total fund balance of (\$98) an increase from (\$10,418) in the prior year and is related to a decrease in capital outlay for school construction projects and pending school construction grant receipts.

ARPA Fund. This fund has a total fund balance of \$3 an increase from \$-0- in the prior year and is related to interest earned on the cash balance

Proprietary Funds. The Town of Groton's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position amounted to \$1,349 for the Fleet Fund, \$7,109 for the Health Insurance Fund and \$1,017 for the Workers' Compensation Fund that includes the liability for heart and hypertension claims. The total decrease in net position for the internal service funds was (\$1,036) and reflects increase in Fleet and Workers' Compensation offset by a decrease in Health Insurance.

General Fund Budgetary Highlights:

Transfers of \$114 occurred from Contingency to other functions within the General Fund to cover increases in contributions to legislative policy initiatives for beautification, registration fees for democratic primary, legal fees and human resources accumulated leave payments to retirees.

During the year, actual revenues and other financing sources on a budgetary basis amounted to \$140,354 which was over the adopted budget by \$5,561. The majority of this increase can be attributed to additional property taxes and State & Federal revenue. Pupil impact aid, a federal reimbursement grant for educating military dependents, was higher than expected.

Actual expenditures were under budget by \$1,466 with town operations returning \$1,148, debt service returning \$248 and Outside Agencies returning \$82.

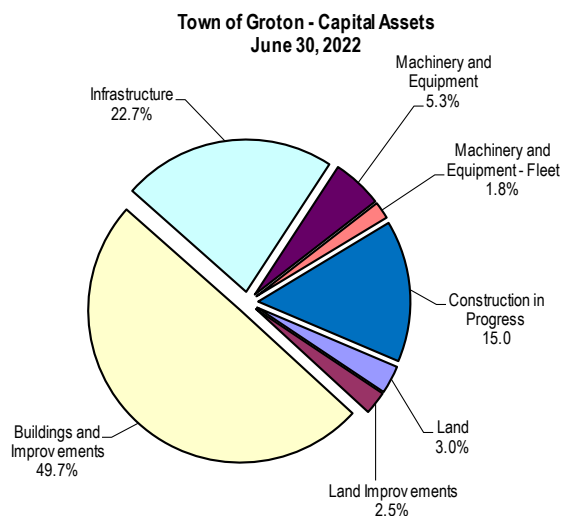
**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Capital Asset and Debt Administration:

Capital Assets. The Town of Groton's investment in capital assets for its governmental activities as of June 30, 2022 amounts to \$540,712. This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the Town of Groton's investment in capital assets for the current fiscal year was 4.0% mainly which reflects road resurfacing, building renovations and new school construction.

**Town of Groton, Connecticut
Capital Assets (\$000's)**

	Governmental Activities	
	2022	2021
Land	\$ 15,459	\$ 15,459
Land Improvements	12,826	12,826
Buildings and Improvements	350,008	258,483
Infrastructure	120,630	117,889
Machinery and Equipment	27,700	27,673
Machinery and Equipment - Fleet	9,723	9,512
Construction In Progress	4,366	78,203
Total	<u>\$ 540,712</u>	<u>\$ 520,045</u>



**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

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

- Regarding the use of the State's Local Capital Improvement Project (LoCIP) funds, the following major amounts (over \$50) were expended:
HVAC Annex \$57
- Regarding the use of local capital funds, the following major amounts (over \$50) were expended:

Bridge Reconstruction GLP	\$94
Information Technology Acquisition-SW Systems	\$208
Information Technology Acquisition-Network	\$327
Culvert Rehabilitation	\$63
BOE-Asbestos Tile Removal	\$484
EIMS Acquisition	\$118
Squad Car/Body Cams Public Safety	\$66
Water Pollution Control Facility Pump Stations	\$1,312
GLP Pavement	\$95
Town Pavement	\$107

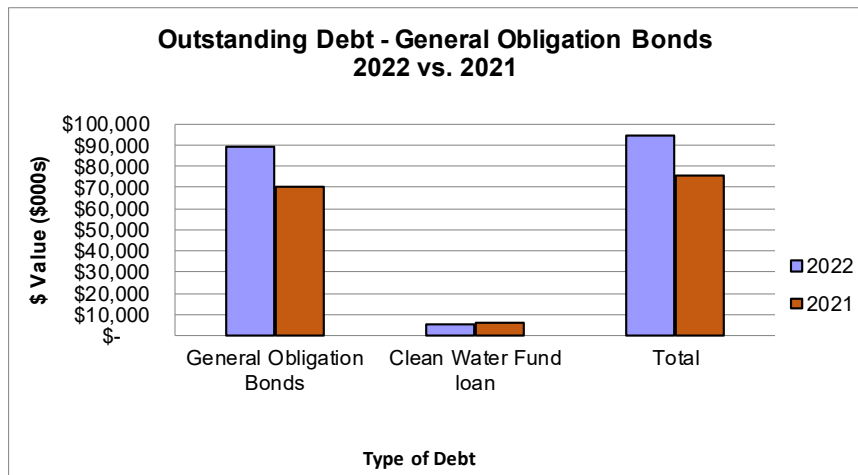
Additional information on the Town of Groton's capital assets can be found in Note 3D in the notes to the financial statements as listed in the table of contents.

Outstanding Debt. At the end of the current fiscal year, the Town of Groton had total debt outstanding of \$109,482. Of this amount, \$107,452 comprises debt backed by the full faith and credit of the government and \$2,030 is special assessment/fee debt for which the government is liable in the event of default by the property owners subject to the assessment.

**Town of Groton, Connecticut
Outstanding Debt (\$000's)
General Obligation Bonds/Bond Anticipation Notes**

	Governmental Activities	
	2022	2021
General Obligation Bonds	\$ 104,940	\$ 89,140
Clean Water Fund Loan	4,542	5,154
Total	<u>\$ 109,482</u>	<u>\$ 94,294</u>

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**



The Town of Groton's general obligation bonds have increased \$15,188 or 16.1% during the current fiscal year mainly due to issuance of new long-term bonds during the year.

In April 2022 presentations were made to three rating agencies in preparation for a sale of General Obligation Bonds in April 2022. The Town of Groton's bond rating was maintained at an "Aa1" rating with Moody's Investors Service, an "AA+" by Standard & Poor's and upgraded to an "A+" rating with Fitch Ratings.

The overall statutory debt limit for the Town of Groton is equal to seven times annual receipts from taxation or \$762,792. As of June 30, 2022, the Town recorded total indebtedness of \$143,757 related to Governmental Activities, well below its statutory debt limits.

Additional information on the Town of Groton's long-term debt can be found in Note 3F in the notes to the financial statements as listed in the table of contents.

Economic Factors and Next Year's Budgets and Rates:

- As of June, 2022, the Town had an unemployment rate of 3.9% as compared to the New London County rate of 4.5%, the state's average rate of 4.1% and the national average of 3.6%.
- New London County has an employed labor force of approximately 128,578 residents.
- Inflationary trends in the region compare similarly to national indices.

Grand List increases by 23.3%: The October 1, 2021 net adjusted taxable Grand List increased 23.3% from the adjusted 10/1/20 list after appeals were heard by the Board of Assessment Appeals. The net adjusted grand list now totals \$4,611,207,867 after Board of Assessment adjustments. The combined assessment of the top 10 taxpayers comprises 18% of the town's net grand list.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Net real estate increased to \$4.06 billion and comprises 88% of the grand list compared to 87% of the 2020 grand list. Net residential real estate assessments rose from about \$2.1 billion to \$2.7 billion. The residential real estate's share of the entire net grand list increased to 59% of the 2021 grand list compared to the 2020 grand list. Net commercial real estate rose this year to \$772 million primarily due to construction projects underway. The net assessment for industrial property, which includes Pfizer and Electric Boat, rose to \$557 million from \$521 million and represents 12% of the net overall grand list.

Eight single-family homes were started for the October 1, 2021 grand list, compared to fifteen last year.

The grand lists of the 1990's and early 2000's reflected substantial Enterprise Zone exemptions, the bulk of which were awarded to Pfizer and Electric Boat for facility expansions. These exemptions are applied to qualified real estate improvements and toward investments in personal property assets. Minor exemptions were awarded during the late 2000's to local small industrial park expansions. There appears to be a resurgence of EZ exemption awards in recent years at both the state and local level. Local EZ benefits are never reimbursed by the state. For the 2021 grand list \$10,076,510 in state/local program exemptions were granted on real estate and \$849,500 were granted for personal property. These exemptions are reflected by reductions in assessments. The estimated revenue loss overall is \$221,700 using the FYE 2022 town mill rate.

Groton entered into a PILOT agreement in 2016 with Odd Fellows Home/Fairview on Lestertown Road. The taxes are estimated at \$530,000 if the property were fully taxable. The skilled nursing facility was previously considered exempt under CGS 12-81(75). When combining the real estate and personal property exemptions for the SNF the total results in a reduction in assessment of \$8,559,340 or \$183,300 revenue loss. The PILOT agreement states that Odd Fellows will pay \$60,000 annually in taxes to Groton plus any assessment over \$17,500,000 (\$25,000,000 in appraised value). The revenue loss for the PILOT and the SNF totals \$385,000. It is estimated that Odd Fellows will pay \$145,300 in taxes plus \$60,000 for a total of \$205,300 in taxes.

The **personal property** grand list experienced an increase of 4.3% in net assessments. The Manufacturing & Machinery Equipment (MM&E) exemption program was enacted in 1990 by the state legislature as part of a larger economic stimulus bill. The original program exempted MM&E assets for four years and municipalities were reimbursed for 100% of the revenue loss. The program has been modified over the years to include fully exempting MM&E equipment and the elimination of state reimbursement for lost revenue. The burden of qualifying assets as eligible or ineligible has also been transferred from the state to the local level. The estimated revenue loss for 2021 is in excess of \$3.6 million using the FYE 2022 mill rate. The increase for 2021 reflects the depreciation of assets which is expected for personal property offset by the increase due to a comprehensive program to capture assessments for construction equipment located on several large commercial construction sites in Groton.

The personal property grand list grew from \$254 million in 2020 to \$258 million in 2021. The net assessment of personal property decreased to 5.71% of the grand list compared to 2020.

The number of business personal property accounts increased as the volume of accounts experiencing penalties for late or non-filing has increased. The assessed value of the penalties fell for the 2021 grand list to \$6.2 million, from \$8.3 million in 2020. The final number of taxable businesses for the 2021 grand list was 1,901 accounts.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

The **motor vehicle** portion of the grand list, adjusted for military exemptions, grew by 29.3% this year from \$225,122 in 2020 to \$291,056 in 2021. The net assessment on motor vehicles now comprises 6.27% of the grand list, up from 6.0% of the 2020 grand list.

Other Information:

During the fiscal year ended June 30, 2022, the Town of Groton's General Fund on a budgetary basis received 26.7% of its total revenues from intergovernmental sources, i.e., the State of Connecticut and the Federal Government. With the completion of operations, the General Fund's unassigned fund balance for FYE 2022 is at 22.5% of FYE 2023 operating expenses which is above the minimum acceptable guideline set by the Town Council of 15.0%. With a reliance on property taxes, 69.8% of the General Fund revenues are derived from general property taxes, any reduction in other revenues would necessitate either a use of a portion of the fund balance, a property tax increase or a reduction in services in subsequent fiscal years or some combination of all three.

- ◆ During the current fiscal year, the unassigned fund balance in the General Fund increased to \$32,120. The Town Council assigned \$4 million of the fund balance to fund the subsequent years' budget.

Requests for Information:

This financial report is designed to provide a general overview of the Town of Groton's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Acting Director of Finance, Groton Town Hall, 45 Fort Hill Road, Groton, CT 06340.

BASIC FINANCIAL STATEMENTS

TOWN OF GROTON, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 87,596,647
Investments	1,626,228
Receivables (Net of Allowances for Collection Losses):	
Property Taxes	1,407,937
Special Assessments	897,938
Accounts	840,419
Federal and State Governments	2,403,858
Other	317,850
Other Assets	8,486
Restricted Assets:	
Cash	235,246
Investments	12,297
Capital Assets, Nondepreciable	19,825,533
Capital Assets, Net of Accumulated Depreciation	330,705,824
Total Assets	<u>445,878,263</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge on Refunding	1,039,135
Deferred Outflows Related to Pension	17,230,364
Deferred Outflows Related to OPEB	6,235,315
Total Deferred Outflows of Resources	<u>24,504,814</u>
LIABILITIES	
Accounts Payable and Accrued Liabilities	13,003,485
Bond Anticipation Notes Payable	13,255,000
Unearned Revenue	4,640,348
Noncurrent Liabilities:	
Due Within One Year	9,286,613
Due in More Than One Year	185,086,255
Total Liabilities	<u>225,271,701</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pension	219,402
Deferred Inflows Related to OPEB	10,826,506
Total Deferred Inflows of Resources	<u>11,045,908</u>
NET POSITION	
Net Investment in Capital Assets	221,248,729
Restricted for:	
Trust, Nonexpendable	250,539
Trust, Expendable	223,812
Grants	1,843,708
Debt Service	778,832
Loans	1,134,616
Other Purposes	21,702
Unrestricted	8,563,530
Total Net Position	<u><u>\$ 234,065,468</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
GOVERNMENTAL ACTIVITIES					
General Government/Services	\$ 10,121,937	\$ 1,791,810	\$ 685,592	\$ 116,600	\$ (7,527,935)
Public Safety	17,611,303	389,198	383,515	-	(16,838,590)
Public Works	11,808,306	237,518	2,735,242	49,312	(8,786,234)
Planning and Development	2,335,385	8,865	561,516	-	(1,765,004)
Health and Human Services	4,541,216	135,540	49,241	-	(4,356,435)
Community Services	6,660,410	2,191,797	440,289	-	(4,028,324)
Education	105,611,915	502,194	50,130,253	6,076,581	(48,902,887)
Sewer Operations	6,404,964	6,717,934	2,037	-	315,007
Solid Waste Management	1,430,263	1,409,739	-	-	(20,524)
Interest on Long-Term Debt	1,408,439	-	-	-	(1,408,439)
Total Governmental Activities	<u>\$ 167,934,138</u>	<u>\$ 13,384,595</u>	<u>\$ 54,987,685</u>	<u>\$ 6,242,493</u>	(93,319,365)
GENERAL REVENUES					
Property Taxes					99,066,112
Payments in Lieu of Taxes					1,734,496
Grants and Contributions Not Restricted to Specific Programs					2,533,080
Unrestricted Investment Earnings					267,570
Miscellaneous Revenue					622,932
Total General Revenues					<u>104,224,190</u>
CHANGE IN NET POSITION					10,904,825
Net Position - Beginning of Year - as Restated					<u>223,160,643</u>
NET POSITION - END OF YEAR					<u>\$ 234,065,468</u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General Fund	ARPA Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 44,857,237	\$ 4,251,904	\$ 13,642,692	\$ 13,013,432	\$ 75,765,265
Investments	1,626,228	-	-	12,297	1,638,525
Receivables, Net	1,509,228	-	33,058	4,279,906	5,822,192
Due from Other Funds	790,813	-	-	-	790,813
Other Assets	3,086	-	-	5,400	8,486
Total Assets	<u>\$ 48,786,592</u>	<u>\$ 4,251,904</u>	<u>\$ 13,675,750</u>	<u>\$ 17,311,035</u>	<u>\$ 84,025,281</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 9,979,951	\$ 5,462	\$ 518,640	\$ 1,805,571	\$ 12,309,624
Bond Anticipation Notes Payable	-	-	13,255,000	-	13,255,000
Due to State	-	-	-	50,398	50,398
Due to Other Funds	-	-	-	790,813	790,813
Unearned Revenues	62,572	4,243,330	-	334,446	4,640,348
Total Liabilities	<u>10,042,523</u>	<u>4,248,792</u>	<u>13,773,640</u>	<u>2,981,228</u>	<u>31,046,183</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	841,630	-	-	-	841,630
Unavailable Revenue - Property Tax Interest	336,472	-	-	-	336,472
Unavailable Revenue - Special Assessments	-	-	-	1,005	1,005
Unavailable Revenue - Loans Receivable	-	-	-	897,938	897,938
Total Deferred Inflows of Resources	<u>1,178,102</u>	<u>-</u>	<u>-</u>	<u>898,943</u>	<u>2,077,045</u>
FUND BALANCES					
Nonspendable	3,086	-	-	250,539	253,625
Restricted	-	3,112	-	3,146,088	3,149,200
Committed	-	-	-	10,040,634	10,040,634
Assigned	5,442,400	-	-	-	5,442,400
Unassigned	32,120,481	-	(97,890)	(6,397)	32,016,194
Total Fund Balances	<u>37,565,967</u>	<u>3,112</u>	<u>(97,890)</u>	<u>13,430,864</u>	<u>50,902,053</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 48,786,592</u>	<u>\$ 4,251,904</u>	<u>\$ 13,675,750</u>	<u>\$ 17,311,035</u>	<u>\$ 84,025,281</u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III)	\$ 50,902,053
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Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

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

Governmental Capital Assets	530,989,772
Less Accumulated Depreciation	182,533,085
Net Capital Assets	348,456,687

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

Property Taxes and Assessments Receivable Greater Than 60 Days	336,472
Sewer assessments greater than 60 Days	1,005
Loan receivables greater than 60 Days	897,938
Interest Receivable on Property Taxes	841,630
Deferred Outflows Related to Pension	17,230,364
Deferred Outflows Related to OPEB	6,235,315

Internal service funds are used by management to charge the costs of fleet management, health benefits, and workers compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

11,549,454

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

Bonds Payable	(104,940,000)
Bond Premium	(7,572,017)
Deferred Charge on Refunding	1,039,135
Clean Water Fund Loan Payable	(4,541,694)
Interest Payable on Bonds	(601,177)
Net Pension Liability	(36,851,677)
Deferred Inflows Related to Pension	(219,402)
Financed Purchase	(13,052)
Net OPEB Liability	(34,950,185)
Deferred Inflows Related to OPEB	(10,826,506)
Compensated Absences	(1,969,275)
Landfill Closure Costs	(939,600)

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)	\$ 234,065,468
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TOWN OF GROTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	ARPA Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes, Interest, and Lien Fees	\$ 98,015,896	\$ -	\$ -	\$ 920,543	\$ 98,936,439
Assessments	-	-	-	1,696	1,696
Licenses and Permits	607,928	-	-	-	607,928
Intergovernmental - State	44,779,077	50,617	6,322,248	7,301,571	58,453,513
Interest on Investments	102,027	3,112	18,596	7,923	131,658
Intergovernmental - Federal	4,081,805	-	-	5,114,484	9,196,289
Charges for Current Services	1,323,515	-	445	2,700,876	4,024,836
Schools, Library, and Recreation Fees	66,635	-	-	-	66,635
Sewer Use Charges	-	-	-	6,717,934	6,717,934
Solid Waste Management Charges	-	-	-	1,392,362	1,392,362
Other Revenue	662,628	-	12,354	1,793,715	2,468,697
Total Revenues	149,639,511	53,729	6,353,643	25,951,104	181,997,987
EXPENDITURES					
Current:					
General Government	1,278,625	50,617	-	164,541	1,493,783
General Services	3,437,561	-	-	-	3,437,561
Public Safety	9,050,860	-	-	394,056	9,444,916
Public Works	5,716,625	-	-	116,840	5,833,465
Planning and Development	1,541,718	-	-	-	1,541,718
Health and Human Services	520,992	-	-	675,265	1,196,257
Community Services	3,213,236	-	-	2,490,927	5,704,163
Education	89,057,805	-	-	11,312,657	100,370,462
Subdivisions	6,471,751	-	-	-	6,471,751
Sewer Operations	-	-	-	4,247,959	4,247,959
Solid Waste Management	-	-	-	1,430,263	1,430,263
Nondepartmental	11,500,254	-	-	-	11,500,254
Outside Agencies	1,918,857	-	-	182,772	2,101,629
Debt Service	9,211,000	-	162,374	1,696,289	11,069,663
Capital Outlay	54,954	-	23,093,396	631,414	23,779,764
Total Expenditures	142,974,238	50,617	23,255,770	23,342,983	189,623,608
REVENUES OVER (UNDER) EXPENDITURES	6,665,273	3,112	(16,902,127)	2,608,121	(7,625,621)
OTHER FINANCING SOURCES (USES)					
Issuance of Bonds	-	-	22,975,000	-	22,975,000
Bond Premium	1,635,655	-	162,374	-	1,798,029
Transfers In	491,610	-	4,085,000	105,511	4,682,121
Transfers Out	(4,906,105)	-	-	(996,915)	(5,903,020)
Total Other Financing Sources (Uses)	(2,778,840)	-	27,222,374	(891,404)	23,552,130
NET CHANGE IN FUND BALANCES	3,886,433	3,112	10,320,247	1,716,717	15,926,509
Fund Balances - Beginning of Year- as Restated	33,679,534	-	(10,418,137)	11,714,147	34,975,544
FUND BALANCES - END OF YEAR	<u>\$ 37,565,967</u>	<u>\$ 3,112</u>	<u>\$ (97,890)</u>	<u>\$ 13,430,864</u>	<u>\$ 50,902,053</u>

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Governmental Funds (Exhibit IV) \$ 15,926,509

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	25,280,372
Depreciation Expense	(9,965,625)

The statement of activities reports losses arising from the disposal of existing capital assets. Conversely, governmental funds do not report any gain or loss on disposal of capital assets. This amount represents the disposal of capital assets.

Loss on Disposal of Capital Assets	(68,127)
Construction In Progress Expensed	(4,377,008)

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

Property Taxes and Assessments Collected After 60 Days	78,435
Interest Income on Property Taxes	49,514
Revenue on Assessments Greater Than 60 Days	26,681
Revenue on Loan Receivables Greater Than 60 Days	(2,101)
Changes in Deferred Outflows Related to Pension	12,882,072
Changes in Deferred Outflows Related OPEB	1,617,778

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

Accrued Interest on Bonds	(81,467)
Principal Payments on Bonds	7,175,000
Principal Payments on Clean Water Fund Loan Payable	612,363
Principal Payments on Financed Purchases	4,275
Bond Proceeds	(22,975,000)
Bond Premium Issuance	(1,798,029)
Amortization of Bond Premium	2,091,074
Change in Net Pension Liability	(29,943,073)
Change in Deferred Inflows Related to Pension	15,344,092
Change in Net OPEB Liability	2,386,359
Change in Deferred Inflows Related to OPEB	(2,437,007)
Amortization of Deferred Charge on Refunding	(140,019)
Landfill Closure Payments	168,200

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

Change in Compensated Absences	85,923
--------------------------------	--------

The net expense of certain activities of internal service funds is reported in governmental activities.

(1,036,366)

Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II)

\$ 10,904,825

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2022

	Governmental Activities <u>Internal Service Funds</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 12,066,628
Accounts Receivable	45,810
Total Current Assets	<u>12,112,438</u>
Noncurrent Assets:	
Property and Equipment	9,722,702
Accumulated Depreciation	<u>(7,648,032)</u>
Property and Equipment, Net	<u>2,074,670</u>
Total Assets	14,187,108
LIABILITIES	
Current Liabilities:	
Accounts Payable	42,286
Claims Incurred but Not Reported	<u>1,300,934</u>
Total Current Liabilities	<u>1,343,220</u>
Noncurrent Liabilities:	
Claims Incurred but Not Reported, Net of Current Portion	<u>1,294,434</u>
Total Liabilities	<u>2,637,654</u>
NET POSITION	
Invested in Capital Assets	2,074,670
Unrestricted	<u>9,474,784</u>
Total Net Position	<u><u>\$ 11,549,454</u></u>

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2022

	Governmental Activities <u>Internal Service Funds</u>
OPERATING REVENUES	
Charges for Services	\$ 14,271,474
Other Revenue	35,991
Total Operating Revenues	<u>14,307,465</u>
OPERATING EXPENSES	
Operating Expenses	866,070
Claims	14,993,986
Depreciation	319,522
Administration	395,749
Total Operating Expenses	<u>16,575,327</u>
OPERATING LOSS	(2,267,862)
NONOPERATING REVENUES	
Interest on Investments	10,597
Total Nonoperating Revenues	<u>10,597</u>
INCOME BEFORE TRANSFERS	(2,257,265)
Transfer In	1,322,772
Transfers Out	<u>(101,873)</u>
CHANGE IN NET POSITION	(1,036,366)
Net Position - Beginning of Year	<u>12,585,820</u>
NET POSITION - END OF YEAR	<u><u>\$ 11,549,454</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2022**

	Governmental Activities <u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 14,321,243
Cash Paid to Vendors	(882,251)
Cash Paid to Beneficiaries	<u>(15,091,308)</u>
Net Cash Used by Operating Activities	(1,652,316)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Property and Equipment	<u>(232,827)</u>
Net Cash Used by Capital and Related Financing Activities	(232,827)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer In	1,322,772
Transfers Out	<u>(101,873)</u>
Net Cash Provided by Noncapital Financing Activities	1,220,899
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	<u>10,598</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(653,646)
Cash and Cash Equivalents - Beginning of Year	<u>12,720,274</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 12,066,628</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Loss	\$ (2,267,862)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	319,522
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(11,222)
(Increase) Decrease in Other Assets	25,000
Increase (Decrease) in Accounts Payable	(16,181)
Increase (Decrease) in Claims Payable	298,427
Net Cash Used by Operating Activities	<u><u>\$ (1,652,316)</u></u>

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Fund Spicer / Perkins Trust	Custodial Fund Fire District Tax Collections
ASSETS			
Cash and Cash Equivalents	\$ 4,595,261	\$ 25,149	\$ 19,906
Investments, at Fair Value:			
Mutual Funds	152,327,796	-	-
Accounts Receivable	214,851	-	-
Total Assets	<u>157,137,908</u>	<u>25,149</u>	<u>19,906</u>
LIABILITIES			
Accounts Payable	64,427	-	-
Due to Employees and Others	33	-	19,906
Total Liabilities	<u>64,460</u>	<u>-</u>	<u>19,906</u>
NET POSITION			
Restricted for OPEB Benefits	27,471,491	-	-
Restricted for Ledge Light Pensions	668,458	-	-
Restricted for Poquonnock Fire District Pensions	12,086,775	-	-
Restricted for Town and BOE Pensions	116,846,724	-	-
Restricted for Trusts	-	25,149	-
Total Net Position	<u>\$ 157,073,448</u>	<u>\$ 25,149</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2022

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Fund Spicer / Perkins Trust	Custodial Fund Fire District Tax Collections
ADDITIONS			
Contributions:			
Employer	\$ 9,475,603	\$ -	\$ -
Plan Members	1,469,827	-	-
Fire Districts Tax Collections	-	-	14,834,261
Other Additions	-	2,000	-
Total Contributions	<u>10,945,430</u>	<u>2,000</u>	<u>14,834,261</u>
Investment Income:			
Net Change in Fair Value of Investments	(22,068,652)	-	-
Interest and Dividends	-	82	-
Subtotal	<u>(22,068,652)</u>	<u>82</u>	<u>-</u>
Less: Investment Expenses:			
Investment Management Fees	<u>334,793</u>	<u>-</u>	<u>-</u>
Net Investment Income	<u>(22,403,445)</u>	<u>82</u>	<u>-</u>
Total Additions	(11,458,015)	2,082	14,834,261
DEDUCTIONS			
Benefits	13,823,867	10,000	-
Distributions to Fire District Authoritys	-	-	14,834,261
Total Deductions	<u>13,823,867</u>	<u>10,000</u>	<u>14,834,261</u>
CHANGE IN NET POSITION	(25,281,882)	(7,918)	-
Net Position - Beginning of Year	<u>182,355,330</u>	<u>33,067</u>	<u>-</u>
NET POSITION - END OF YEAR	<u>\$ 157,073,448</u>	<u>\$ 25,149</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Groton, Connecticut (the Town) was incorporated in 1705. The Town operates under a Council/Representative Town Meeting/Manager form of government and provides the following services as authorized by its Charter: public safety, public works, planning and development, human services, community services, education, sewer and solid waste disposal, and general governmental services. The accompanying financial statements conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments.

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

Fiduciary Component Units

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

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

B. Basis of Presentation

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements, the exception being interfund services provided and used. These services are not eliminated in the process of consolidation.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, when levied for, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available if they are collected within 120 days of the end of the current fiscal period.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Town reports the following major governmental funds:

General Fund

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

ARPA Fund

The ARPA Fund accounts for revenues and expenditures from the Federal American Rescue Plan Act (ARPA) grant.

Capital Improvements Fund

The Capital Improvements Fund accounts for individual capital project authorizations. The major sources of revenue for this fund are state and federal grants and bond proceeds.

Additionally, the Town reports the following fund types:

Internal Service Funds

Internal Service Funds are used to account for employee health insurance, workers' compensation insurance, and the use and replacement of motor vehicles provided to other departments of the Town.

Private Purpose Trust Funds

Private Purpose Trust Funds are used to account for resources legally held in trust for low-income residents and youth and family services.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Pension and Other Employee Benefit Trust Funds

The Pension and Other Employee Benefit Trust Funds are used to account for the accumulation of resources to be used for retirement benefits and other postemployment benefits.

Custodial Funds

Custodial Funds are used to account for monies that the Town holds as a custodian for separate entities.

C. Cash and Cash Equivalents

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

D. Investments

Investments are recorded at fair value based on quoted market prices.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Buildings	40 to 50 Years
Building Improvements	20 Years
Distribution and Collective Systems	50 to 100 Years
Public Domain Infrastructure	50 Years
System Infrastructure	30 Years
Land Improvements	20 Years
Machinery and Equipment	5 to 20 Years

TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Capital Assets (Continued)

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

F. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience and investment gains or losses. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). No deferred outflows of resources affect the governmental fund financial statements in the current year.

G. Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from the following sources: property taxes, special assessments, and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the Town accrues compensated absences as they are earned by employees if the leave is attributable to past service and it is probable that the employer will compensate the employee by cash payments at termination or retirement. The amount of this estimated obligation at June 30, 2022, is recorded in the government-wide financial statements since the benefits are to be funded from future financial resources and will be paid from the General Fund, Golf Course Fund, or Sewer Operating Fund, as may be appropriate.

I. Long-Term Obligations

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

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

J. Pension Accounting

Pension Trust Fund

The Pension Trust Fund is reported on the accrual basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Administrative costs are financed through investment earnings.

Net Pension Liability

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Pension Accounting (Continued)

Funding Policy

The Town funds the contributions to its pension plan based on the actuarially required calculation.

K. Other Postemployment Benefits (OPEB) Accounting

OPEB Trust Fund

The OPEB Trust Fund is reported on the accrual basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when they are due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Administrative costs are financed through investment earnings.

Net OPEB Liability

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

The Town funds the contributions to its OPEB plan based on the actuarially required calculation.

L. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as committed or assigned fund balance, depending on the nature of the restriction, for GAAP purposes, as they do not constitute expenditures or liabilities, and reported as expenditures for budgetary purposes.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity and Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This category includes all capital assets, including infrastructure, less accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets.

Restricted Net Position – This category includes net position with restrictions externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the net position of the Town that is not restricted for any project or other purpose by third parties.

In the fund financial statements, fund balances of governmental funds are classified in the following categories:

Nonspendable Fund Balance – This balance represents amounts that cannot be spent due to form (e.g., inventories, prepaid amounts, and amounts required to be retained in perpetuity).

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

Committed Fund Balance – This balance represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Groton Town Council resolution).

Assigned Fund Balance – This balance represents amounts constrained for the intent to be used for a specific purpose by Executive Management or the Town Council, which have been delegated authority to assign amounts by the Town Charter.

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

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity and Net Position (Continued)

The Town Council has an adopted policy that a minimum unassigned fund balance be maintained in an amount equal to at least fifteen percent (15%) of the annual general fund expenditures.

N. Property Taxes

Property taxes are assessed as of October 1, levied on the following July 1, and billed and due in two installments, July 1 and January 1. Taxes less than \$50 are due in full on July 1. Motor vehicle taxes are due in one installment on July 1, and supplemental motor vehicles taxes are due in full January 1. Taxes become delinquent 30 days after the installment is due. Liens are filed by the last day of the fiscal year.

O. Accounting 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 of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and expenditures during the reporting period. Actual results could differ from those estimates.

P. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Entity adopted the requirements of the guidance effective July 1, 2021, however, management concluded that they did not have any arrangements that met the requirements of this standard.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town uses the following procedures in establishing the budgetary data included in the financial statements. Not later than March 15th, the Town Manager submits proposed budgets for the General Fund, Special Revenue Funds (including Special Library Fund, Golf Course Fund, Sewer Operating Fund, Solid Waste Fund, Mumford Cove Fund, Revaluation Fund, Computer Replacement Fund, and Rec & Senior Activities Fund) and the Debt Service (Groton Sewer District) Fund to the Town Council.

The Town shall propose budgets that provide for an unrestricted fund General Fund balance of not less than 15% of the total operating General Fund expenditures.

After one public hearing and numerous public meetings, the Town Council, on or before April 28, recommends these budgets, as revised, to the Representative Town Meeting (RTM). The RTM reviews and takes final action on each function's budget no later than May 25. These appropriations become the legal level of control. Following RTM approval of a final budget, the Town Council shall determine the final tax rate on or before June 9. The Town Council must authorize all transfers of legally budgeted amounts between functions, with RTM authorization required on all transfers over \$10,000. In this process, function budget accounts serve as the legal level of control. Transfers within functions are not necessary. Additional appropriations may only be made by the Town Council and RTM in accordance with Town Charter provisions. For the year ended June 30, 2022, there were no additional appropriations.

Formal budgetary integration of these budgets is employed as a management control device in the General Fund. Formal budgetary integration is not employed in other funds (other than the Special Revenue Funds listed above and the Revaluation Fund and the Computer Replacement Fund) because budgetary control is alternately achieved by constraints imposed by the project authorization or grant awards related to these funds.

All unencumbered appropriations lapse at year-end, except for those appropriations in the Capital Projects Fund. Appropriations for these amounts are continued until completion of the applicable projects, which often last more than one fiscal year but cannot exceed five (5) years.

- The Town's budgeting system requires accounting for certain transactions to be on a basis other than GAAP. The major differences between the budget and GAAP bases are as follows:
- Taxes collected within 60 days subsequent to June 30, are recognized as revenue for GAAP purposes during the current year, compared to recognition in the year received for budgetary purposes.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order is issued, and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year, whereas they are shown as an assignment of fund balance under the GAAP basis of accounting.
- State of Connecticut payments on behalf of the Town teachers for the state teacher retirement system are reported for GAAP purposes only.
- The revenues and expenditures for budgeted funds that do not meet the definition for inclusion in the GAAP financial statements as special revenue funds are included in the General Fund, in accordance with GASB Statement No. 54.
- The revenues and expenditures relating to issuance of financed purchases are recognized for GAAP purposes only.

B. Deficit Fund Equity

The following funds had deficit fund balances/net position at June 30, 2022:

Capital Improvement Fund	\$ 97,890
Recreation and Senior Services	6,397

These deficits will be funded with grants, transfers, and grant reimbursements.

C. Expenditures Exceeding Appropriations

The Education and Subdivisions line items in the General Fund exceeded appropriations by \$12,580 and \$41, respectively.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents, and Investments

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority, or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$82,331,618 of the Town's bank balance of \$85,469,358 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 73,617,793
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	<u>8,713,825</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 82,331,618</u></u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Cash Equivalents

At June 30, 2022, the Town's cash equivalents amounted to \$10,337,850. The following provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAAm
Bank of America, N.A. Cash Management Assets	Not rated
Northern Capital	Not rated

STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Investments

As of June 30, 2022, the Town had the following investments:

Investment Type	Credit Rating	Fair Value	Maturity in Years		
			Less Than 1	1 - 10	More Than 10
Interest-Bearing investments:					
Certificate of Deposit *		\$ 1,626,228	\$ -	\$ 1,626,228	\$ -
Other Investments:					
Mutual Funds	N/A	152,327,796			
Common Stock	N/A	12,297			
Total Investments		\$ 153,966,321			

* Subject to coverage by Federal Depository Insurance and Collateralization

Investment Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2022, the Town did not have any uninsured and unregistered securities held by counterparts, or by their trust department or agents, that were not in the Town's name.

Credit Risk - Investments

The Town has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any state or political subdivision or in obligations of the state of Connecticut or political subdivision.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Concentration of Credit Risk

The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments.

Interest Rate Risk

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

The Town's investment policy, in conformity with applicable Connecticut General Statutes, authorizes investment in the State Treasurer's Short-Term Investment Fund (STIF). The value of the position in the pools is the same as the value of the pool shares. Regulatory oversight for the State Treasurer's STIF is provided quarterly by the Investment Advisory Council and the Treasurer's Cash Management Board. Other authorized investments include pooled and joint investments meeting the requirements of the policy, excluding those pools investing in "derivative" securities; certificates of deposit; repurchase agreements; and obligations of the United States and agencies of the federal government.

Deposits and investments for retirement and other postemployment benefit funds are also disclosed in Notes 5 and 6.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2022:

	Fair Value	Level 1	Level 2	Level 3
Common Stock	\$ 12,297	\$ 12,297	\$ -	\$ -
Mutual Funds	152,327,796	152,327,796	-	-
Total Investments by Fair Value Level	152,340,093	\$ 152,340,093	\$ -	\$ -
Investments Not Included Above:				
Certificate of Deposit	1,626,228			
Total Investments	\$ 153,966,321			

TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Interest Rate Risk (Continued)

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

B. Endowments Received

	Williams Library Trust	Julia Bill Library Trust	Rispoli Scholarship	Total
Original Principal Received	\$ 20,000	\$ 27,543	\$ 200,000	\$ 247,543
Net Appreciation on Investments	191,215	26,784	150	218,149
Total Value	<u>\$ 211,215</u>	<u>\$ 54,327</u>	<u>\$ 200,150</u>	<u>\$ 465,692</u>

The original principal received remains in the net position and is restricted for the trust principal. The net appreciation on investments is broken out between restricted and unrestricted net position and is spent based on the original criteria established by the trust. The Town's policy is to spend only investment income for the purposes of the trust.

C. Fund Receivables

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

	General	Capital Improvement	Nonmajor and Other Funds	Total
Property Taxes	\$ 1,288,253	\$ -	\$ 3,212	\$ 1,291,465
Property Tax Interest	336,472	-	-	336,472
Assessments	-	-	897,938	897,938
Intergovernmental	-	33,058	2,370,800	2,403,858
Accounts Receivable	104,503	-	374,361	478,864
User Fees Receivable	-	-	1,008,446	1,008,446
Gross Receivables	<u>1,729,228</u>	<u>33,058</u>	<u>4,654,757</u>	<u>6,417,043</u>
Allowance for Collection Losses	<u>(220,000)</u>		<u>(160,000)</u>	<u>(380,000)</u>
Net Receivables	<u>\$ 1,509,228</u>	<u>\$ 33,058</u>	<u>\$ 4,494,757</u>	<u>\$ 6,037,043</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Capital Assets

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

	Beginning Balance	Increases/ Adjustments	Decreases/ Adjustments	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 15,459,453	\$ -	\$ -	\$ 15,459,453
Construction in Progress	78,202,296	23,021,051	96,857,267	4,366,080
Total Capital Assets Not Being Depreciated	93,661,749	23,021,051	96,857,267	19,825,533
Capital Assets Being Depreciated:				
Land Improvements	12,825,955	-	-	12,825,955
Buildings and Improvements	258,483,186	91,525,218	-	350,008,404
Machinery and Equipment	27,672,726	473,780	446,624	27,699,882
Machinery and Equipment - Fleet	9,511,720	232,827	21,843	9,722,704
Infrastructure	117,889,416	2,740,582	-	120,629,998
Total Capital Assets Being Depreciated	426,383,003	94,972,407	468,467	520,886,943
Less: Accumulated Depreciation for:				
Land Improvements	4,170,568	187,301	-	4,357,869
Buildings and Improvements	70,773,166	5,472,142	-	76,245,308
Machinery and Equipment	16,893,205	1,232,598	378,497	17,747,306
Machinery and Equipment - Fleet	7,350,354	319,522	21,843	7,648,033
Infrastructure	81,109,018	3,073,584	-	84,182,602
Total Accumulated Depreciation	180,296,311	10,285,147	400,340	190,181,118
Total Capital Assets Being Depreciated, Net	246,086,692	84,687,260	68,127	330,705,825
Governmental Activities Capital Assets, Net	\$ 339,748,441	\$ 107,708,311	\$ 96,925,394	\$ 350,531,358

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

Governmental Activities:	
General Government Services	\$ 2,549,485
Public Safety	261,442
Public Works, Including Depreciation of General Infrastructure Assets	1,541,048
Community Services	145,003
Education	4,054,569
Sewer Operating	1,414,078
Fleet	319,522
Total Depreciation Expense - Governmental Activities	<u>\$ 10,285,147</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Capital Assets (Continued)

Interfund Receivables, Payables, and Transfers

As of June 30, 2022, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Funds	<u>\$ 790,813</u>

Interfund Transfers

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

	<u>Transfers In</u>				
	<u>General Fund</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Internal Service Fund</u>	<u>Total Transfers Out</u>
Transfers Out:					
General Fund	\$ -	\$ 3,610,000	\$ 3,638	\$ 1,292,467	\$ 4,906,105
Nonmajor Funds	491,610	475,000	-	30,305	996,915
Internal Service Funds	-	-	101,873	-	101,873
Total Transfers In	<u>\$ 491,610</u>	<u>\$ 4,085,000</u>	<u>\$ 105,511</u>	<u>\$ 1,322,772</u>	<u>\$ 6,004,893</u>

Transfers are used to account for revenues collected mainly in the General Fund and appropriated to other funds to finance various programs, e.g., Capital Projects, all in accordance with budget authorizations. The purpose of the transfers in to the General Fund were to record revenues received from other funds pertaining to services provided to them by General Fund functions that were determined by the cost allocation plan. Transfers out to the Capital Improvements Fund consisted of budgetary transfers for the replacement of capital assets.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Fund Balance

The components of fund balance for the governmental funds at June 30, 2022, are as follows:

	General Fund	ARPA Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Other Assets	\$ 3,086	\$ -	\$ -	\$ 2,996	\$ 6,082
Endowments	-	-	-	247,543	247,543
Restricted for:					
Various Grant Funded Projects	-	3,112	-	530,216	533,328
Human Services Grants	-	-	-	-	-
Public Works Grants	-	-	-	-	-
Education Donations	-	-	-	-	-
Bonded Capital Projects	-	-	-	-	-
Debt Service	-	-	-	824,305	824,305
Regional Probate Court	-	-	-	21,702	21,702
Recreation and Senior Activities	-	-	-	-	-
Trust Purposes	-	-	-	223,812	223,812
Education	-	-	-	1,546,053	1,546,053
Committed to:					
Subsequent Year's Budget	-	-	-	-	-
Community Development Grant	-	-	-	-	-
Bonded Capital Projects	-	-	-	-	-
Escrow Funds	-	-	-	785,873	785,873
Land Acquisition	-	-	-	74,917	74,917
Outside Police Services	-	-	-	147,752	147,752
Energy Conservation	-	-	-	19,735	19,735
Human Services Donations	-	-	-	372,595	372,595
Emergency Energy	-	-	-	60,751	60,751
Student Activities	-	-	-	326,631	326,631
Public Infrastructure Improvements	-	-	-	274,253	274,253
Library	-	-	-	64,374	64,374
Golf Course Operations	-	-	-	808,788	808,788
Parks and Recreation	-	-	-	212,009	212,009
School Cafeteria	-	-	-	1,361,940	1,361,940
Fitch High School Library Media	-	-	-	500	500
LED Conversion Project	-	-	-	49,484	49,484
Blight Remediation	-	-	-	15,235	15,235
Sewer	-	-	-	5,110,213	5,110,213
Solid Waste Management	-	-	-	121,353	121,353
Outside Agencies	-	-	-	229,027	229,027
Other	-	-	-	5,204	5,204
Assigned to:					
Subsequent Year's Budget	4,000,000	-	-	-	4,000,000
General Government -					
Encumbrances	703,732	-	-	-	703,732
General Services - Encumbrances	-	-	-	-	-
Public Safety - Encumbrances	-	-	-	-	-
Public Works - Encumbrances	-	-	-	-	-
Planning and Development -					
Encumbrances	-	-	-	-	-
Nondepartmental - Encumbrances	-	-	-	-	-
Education Services - Encumbrances	-	-	-	-	-
Revaluation	380,132	-	-	-	380,132
Technology	358,536	-	-	-	358,536
Unassigned	32,120,481	-	(97,890)	(6,397)	32,016,194
Total Fund Balance	<u>\$ 37,565,967</u>	<u>\$ 3,112</u>	<u>\$ (97,890)</u>	<u>\$ 13,430,864</u>	<u>\$ 50,902,053</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Fund Balance (Continued)

Encumbrances of \$703,732 are contained in the above table in the assigned category of the General Fund at June 30, 2022. Encumbrances of \$1,475,817 are contained in the above table in the committed category of the Nonmajor Governmental Funds at June 30, 2022. There are also encumbrances of \$2,355,276 in the Capital Improvements Fund, not included in the table above, at June 30, 2022.

F. Long-Term Debt

Long-term liability activity for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds and Loans Payable:					
General Obligation Bonds	\$ 89,140,000	\$ 22,975,000	\$ 7,175,000	\$ 104,940,000	\$ 8,310,000
Clean Water Fund Loan	5,154,057	-	612,363	4,541,694	612,363
Premium	7,865,062	1,798,029	2,091,074	7,572,017	-
Total Bonds and Loans Payable	102,159,119	24,773,029	9,878,437	117,053,711	8,922,363
Landfill Post-Closure Monitoring	1,107,800	-	168,200	939,600	168,200
Financed purchases	17,327	-	4,275	13,052	5,404
Compensated Absences	2,055,198	-	85,923	1,969,275	190,646
Claims Payable	2,299,425	14,993,986	14,698,043	2,595,368	-
Net Pension Liability	6,908,604	29,943,073	-	36,851,677	-
Net OPEB Liability	37,336,544	-	2,386,359	34,950,185	-
Long-Term Liabilities	<u>\$ 151,884,017</u>	<u>\$ 69,710,088</u>	<u>\$ 27,221,237</u>	<u>\$ 194,372,868</u>	<u>\$ 9,286,613</u>

Liability for compensated absences and net pension liabilities will be funded through the General Fund, the Golf Course Fund, and the Sewer Operating Fund. In previous years the net pension and OPEB liabilities have been liquidated through the General Fund, Golf Course Fund, and the Sewer Operating Fund.

Bonds

All bonds are general obligation debt of the Town and are secured by the general revenue raising powers of the Town. However, it is management's intention that all sewer bonds be serviced by the taxes and sewer assessments of the Groton Sewer District, which are accounted for in the Debt Service Fund. The debt service associated with the Fort Hill sewer rehabilitation project and the debt issuance that refunded a portion of this debt will be funded with revenue generated from the Town's sewer use fee rate within the sewer operating fund.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

Bonds (Continued)

The Town's general obligation bonds bear interest at rates from 2.0% to 5.0% and mature as follows:

<u>Year Ending June 30,</u>	Town of Groton	
	Principal Payments	Interest Payments
2023	\$ 8,310,000	\$ 3,726,237
2024	8,350,000	3,373,538
2025	7,990,000	3,003,718
2026	7,790,000	2,678,226
2027	7,735,000	2,368,531
2028-2032	26,555,000	8,171,494
2033-2037	22,460,000	4,193,362
2038-2042	15,750,000	1,101,175
Total	<u>\$ 104,940,000</u>	<u>\$ 28,616,281</u>

Clean Water Fund Loan

During 2008, the Town entered into a project loan agreement with the state of Connecticut for a Clean Water Project. As of June 30, 2022, the Town has received total financing of \$12,235,166. This amount includes the original approved amount of \$9,361,766 and \$2,873,400 of amended funding. The loan bears interest at 2% and is to be repaid over 20 years. Repayments began in November 2010.

Annual debt service payments to the state of Connecticut are as follows:

<u>Year Ending June 30,</u>	Debt Service Fund	
	Principal Payments	Interest Payments
2023	\$ 612,363	\$ 85,221
2024	612,363	72,973
2025	612,363	60,726
2026	612,363	48,479
2027	612,363	36,231
2028-2032	1,479,879	36,997
Total	<u>\$ 4,541,694</u>	<u>\$ 340,627</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

General Obligation Bond Anticipation Notes Payable

<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Balance July 1, 2021</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2022</u>
4/28/2022	4/27/2023	3.00 %	\$ -	\$ 13,255,000	\$ -	\$ 13,255,000
4/15/2021	4/28/2022	3.00 %	\$ 38,000,000	\$ -	\$ 38,000,000	\$ -

The outstanding bond anticipation notes were issued to fund cash flows for capital expenses.

Financed Purchases

The Town has entered into a financed purchase agreement as a lessee for financing the acquisition of equipment. The agreement qualifies as a financed purchase for accounting purposes, and, therefore, has been recorded at the present value of future minimum payments as of the inception date. The asset acquired through the financed purchase is as follows:

	<u>Governmental Activities</u>
Equipment	\$ 22,561
Less: Accumulated Depreciation	(7,256)
Total	<u>\$ 15,305</u>

The future minimum lease obligation and net present value of the minimum lease payments as of June 30, 2022, were as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2023	\$ 5,405
2024	5,404
2025	5,405
2026	3,601
Subtotal	19,815
Less: Amount for Interest	(6,763)
Minimum Lease Payments	<u>\$ 13,052</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

Debt Limitation

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

Category	Debt Limit	Indebtedness	Balance
Public Improvement	\$ 245,183,141	\$ 14,585,464	\$ 230,597,677
Schools	490,366,283	105,880,145	384,486,138
Sewers	408,638,569	23,291,694	385,346,875
Urban Renewal	354,153,426	-	354,153,426
Pension Deficit	326,910,855	-	326,910,855

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, including coterminous municipalities, or \$762,791,995. All long-term debt obligations are retired through General Fund, Debt Service Fund, and Sewer Operating Fund appropriations.

Indebtedness, in accordance with State statutes, includes long-term debt outstanding in addition to the amount of bonds authorized and unissued against which bonds have been issued to partially finance the project or bond anticipation notes issued and outstanding. Additionally, underlying debt of \$12,866,243 (and \$0 authorized and unissued) is included in the calculation of indebtedness.

Bonds Authorized But Unissued

Project	Amount of Total Debt Authorized	Bonds Issued	Notes Issued	Paydowns/ Grants	Authorized but Unissued Debt
Road Rehabilitation & Maintenance	\$ 11,200,000	\$ 10,405,000	\$ -	\$ 791,779	\$ 3,221
Groton 2020 School Facilities Plan	184,500,000	80,975,000	13,255,000	71,090,836	19,179,164

G. Landfill Closure and Postclosure Care Cost

State and federal laws and regulations require the Town to place a final cover on two landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. One of the Town's municipal solid waste landfills stopped accepting waste in 1994. The remaining postclosure costs for this site are estimated to be \$406,000 (\$101,500 per year for four years). The other landfill site stopped accepting waste in the fall of 2001, and its remaining postclosure cost is \$533,600 (\$66,700 for eight years). Actual costs may be higher due to inflation, changes in technology or changes in regulations.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 4 TAX ABATEMENTS

The Town of Groton currently has four individual agreements with local businesses that qualify under GASB Statement No. 77, *Tax Abatement Disclosures*, for the purpose of providing services to its taxpayers. Details of the agreements are as follows:

Local Business	Branford Manor Preservation	Mystic River Homes	Mystic Indoor Sports
Purpose	Apartment complex being renovated is low income housing and has been deemed a Development Property.	Apartment complex constructed for low income housing.	Improvement of an indoor sports facility for community use (increase tax base).
Tax being abated	Real Property	Real Property	Real Property
Authority under which agreements are entered into	Connecticut General Statutes 7-498, a part of General Statutes Chapter 114, the Connecticut City and Town Development Act.	Section 8-215 and 8-216 of Chapter 133 of the Connecticut General Statutes.	Town of Groton Financial Incentive Policy.
Eligibility criteria for tax abatement	Investment of \$18,500,000 to construct new resident service buildings, to make and maintain exterior and interior repairs and renovation to provide 100% project-based Section 8 housing for low income individuals.	Construct and maintain a maximum of 144 units of housing for low income elderly and disabled. Two phases of 72 units each.	Invest \$3 million to improve the property.
How recipient's taxes are reduced	A payment schedule of taxes has been agreed upon per the agreement through January 1, 2037 totaling \$7,759,264.	100% Abated	Year 1 - 100% abatement for existing buildings and land along with new improvements Years 2-4 - 100% abatement for new buildings and paying taxes on the full assessment of the existing buildings (built prior to 2015) and land Years 5-6 - 75% abatement for new buildings and paying taxes on the full assessment of the existing buildings (built prior to 2015) and land Year 7 - 50% abatement for new buildings and paying taxes on the full assessment of the existing buildings (built prior to 2015) and land
How the tax abatement is determined	Schedule based on current value of the building and reasonable abatement agreed to by all parties.	Discount needed to maintain low rents and off set the cost of the project.	Buyer paid backed taxes after purchasing the bankrupt facility. Discount needed to off set the cost of renovations.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced as a result of the abatement agreement.	Tax stabilization agreement. Taxes were not reduced, but stabilized to increase 3% per year for 20 years. Initial FYE2018	\$158,817 Town \$2,261 Sewer \$10,270 Noank Fire District	\$10,012 Town \$143 Sewer \$1,118 Old Mystic Fire District

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM

Pension Plans

A. Plan Description and Benefits Provided

All Town employees (nonunion choose an election at hire), except certified members of the Board of Education, participate in the Town of Groton Retirement System (TGRS), an agent multiple-employer, defined benefit pension plan. Two other employers, Ledge Light Health District and the Poquonnock Bridge Fire District, also participate in the TGRS, which is administered by the Retirement Board. The Retirement Board is made up of six members, who are appointed by the Town Council, and consists of the Town Manager and five members at large, at least two of whom shall be participants in TGRS, either as active or retired employees. All voting members of the board, except participants in the plan, must be residents of the Town. TGRS provides retirement, disability, and death benefits to plan members and beneficiaries. The charter provides the Town Council with the authority to establish and amend benefit provisions, by ordinance, through the Retirement Board. The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a pension trust fund. Stand-alone financial statements are not available.

Under the plan, all full-time employees hired are eligible. Police Officers, BOE Secretaries, BOE Central Office Employees, and Custodians are 100% vested after 10 years of service. Firefighters are 50% vested after 10 years with 3.3% additional after each of the next 15 years. General Government Nonbargaining, CILU, AFSCME, Steelworkers, Telecommunicators, and BOE Central Office Employees (Business Manager, Director of Building & Grounds, Director of IT, and Personnel Manager) are 100% vested after five years of service. Benefits are calculated as follows:

Board of Education - School Secretaries

1.25% of average annual pay for highest paid five years times years of service before 7/1/1989 and 1.85% times years of service after 7/1/1989 and prior to 7/1/2001, and 2.00% times years of service after 7/1/2001. No more than 25 years shall be credited at 2.00% and 1.85%, with additional years credited at 1.25%.

Board of Education - Custodians/Maintenance

1.25% of average annual pay (highest three years) times years of service before July 1, 1989, and 1.85% of average annual pay times years of service after June 30, 1989, up to 25 years, plus 1.25% for years of service after June 30, 1989, in excess of 25 years. For those who retire after June 30, 2003, 2% average annual pay times number of continuous years of service with the Board after June 30, 2001. No more than 25 years shall be credited at 2% and 1.85% with all additional years credited at 1.25%.

GrEATS and Telecommunicators

2.05% of average annual pay (for highest three years) times the number of years of continuous service up to 30 years of service and 1.25% of average annual pay times years of continuous service in excess of 30.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

A. Plan Description and Benefits Provided (Continued)

Board of Education - Administrative

2% of average annual pay (for highest three years) times the number of years of continuous service up to 25 years of service and 1.25% of average annual pay times years of continuous service in excess of 25.

General Government AFSCME

2% of average annual pay (for highest three years) times the number of years of continuous service, up to 25 years of service and 1.25% of average annual pay times years of continuous service in excess of 25. Benefit is reduced by 2% for each year of age or service that the sum of age and years of service is less than 85.

General Government Nonbargaining

2% of average annual pay (for highest paid three years out of last five years) times the number of years of continuous service up to 30 years of service and 1.25% of average annual pay times years of continuous service in excess of 30.

Steelworkers

2% of average annual pay (for highest three years) times the number of years of continuous service, up to 30 years of service and 1.5% of average annual pay times years of continuous service in excess of 30.

Firefighters

2.75% of average annual pay (highest paid four years) times years of service. Hired after July 1, 2015, 2.25% of average annual pay times years of service.

Union Police Officers

2.667% of average annual pay (highest paid five years) times the number of years of continuous service up to 30 years of service. Benefit is reduced for each year of age and service that the sum of age and years of service is less than 75.

Nonunion Police Officers

2.667% of average annual pay (highest paid three years) times the number of years of continuous service up to 30 years of service.

Maximum benefits are 66-2/3% of average annual pay for members of the General Government, AFSCME, and Board of Education. Maximum benefits are 70% of average annual pay for members of the GrEATS and Telecommunicators and USWA. Maximum benefits are 75% of average annual pay for Firefighters and General Government Nonbargaining, and 80% for Union and Nonunion Police Officers.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

A. Plan Description and Benefits Provided (Continued)

At July 1, 2021, TGRS membership consisted of:

	Town of Groton Town and BOE	Poquonnock Fire District	Ledge Light Health District
Retirees and Beneficiaries			
Currently Receiving Benefits	297	24	2
Terminated Employees Entitled to Benefits but Not Yet Receiving Them	36	-	-
Active Plan Members	334	25	1
Total	<u>667</u>	<u>49</u>	<u>3</u>

B. Summary of Significant Accounting Policies

Basis of Accounting

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

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchange of investments are recognized on the transaction date.

C. Funding Policy

Employees other than Police Officers and Firefighters are required to contribute 4% of pay to the Plan. Nonunion Police Officers contribute 7.5%, Union Police Officers 7.75%, Firefighters 7.0%, and GrEATS 5% and Telecommunicators 6%. Contributions of nonvested employees are returned with interest, if applicable, upon termination or death prior to retirement. The Town funds at least the actuarially determined amounts. Benefits and contributions are established by the Town and may be amended only by the Town Council subject to the terms of collective bargaining agreements with certain unions.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

D. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TGRS Board by a majority vote of its members. It is the policy of the TGRS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The overall investment goal is to obtain a competitive rate of return on portfolio assets commensurate with the prudent investment rule and the responsibility to provide retirement benefits to retirees and their beneficiaries. The following was the Board's adopted asset allocation policy as of June 30, 2022:

Asset Class	Target Allocation
U.S. Large Cap	37.00 %
U.S. Small Cap	7.00
Developed International Equities	11.00
Emerging International Equities	2.00
Core Fixed Income	37.00
High-Yield Bonds	3.00
Real Estate (REITs)	3.00
Total	100.00 %

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (12.76)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability

The components of the net pension liability of the Town at June 30, 2022, were as follows:

	Town and BOE	Ledge Light	Fire	Total
Total Pension Liability	\$ 153,698,400	\$ 1,004,370	\$ 16,968,513	\$ 171,671,283
Plan Fiduciary Net Position	116,846,723	668,458	12,086,775	129,601,956
Total Net Pension Liability	\$ 36,851,677	\$ 335,912	\$ 4,881,738	\$ 42,069,327

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.02%	66.55%	71.23%	75.49%
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**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

E. Net Pension Liability (Continued)

Actuarial Assumptions

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

Inflation	2.40%
Salary increases	Vary by Age Group
Investment rate of return	7.00%

Mortality rates were based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for Public Safety), projected to the valuation date with Scale MP-2021. (Prior: Scale MP-2020).

The actuarial assumptions used in the July 1, 2021 valuation were based on the 2014 Experience Study Report published in August 2014.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, (see discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Large Cap	5.10 %
U.S. Small Cap	5.40
Developed International Equities	5.30
Emerging International Equities	6.40
Core Fixed Income	1.10
High-Yield Bonds	3.70
Real Estate (REITs)	4.20

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

E. Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% (Prior 7.25%). The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

F. Changes in Net Pension Liability

	Town and BOE		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - July 1, 2021	\$ 145,420,521	\$ 138,511,917	\$ 6,908,604
Changes for the Year:			
Service Cost	2,866,997	-	2,866,997
Interest on Total Pension Liability	10,408,993	-	10,408,993
Changes of Benefit Terms	4,928	-	4,928
Differences Between Expected and Actual Experience	574,558	-	574,558
Changes in Assumptions	4,020,757	-	4,020,757
Employer Contributions	-	4,306,300	(4,306,300)
Member Contributions	-	1,329,806	(1,329,806)
Net Investment Income	-	(17,661,681)	17,661,681
Benefit Payments, Including Refund to Employee Contributions	(9,598,354)	(9,598,354)	-
Administrative Expenses	-	(41,265)	41,265
Net Changes	<u>8,277,879</u>	<u>(21,665,194)</u>	<u>29,943,073</u>
Balances - June 30, 2022	<u>\$ 153,698,400</u>	<u>\$ 116,846,723</u>	<u>\$ 36,851,677</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

F. Changes in Net Pension Liability (Continued)

	Ledge Light		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2021	\$ 921,627	\$ 781,832	\$ 139,795
Changes for the Year:			
Service Cost	10,959	-	10,959
Interest on Total Pension Liability	65,868	-	65,868
Differences Between Expected and Actual Experience	29,096	-	29,096
Changes in Assumptions	25,818	-	25,818
Employer Contributions	-	30,000	(30,000)
Member Contributions	-	5,734	(5,734)
Net Investment Income	-	(99,874)	99,874
Benefit Payments, Including Refund to Employee Contributions	(48,998)	(48,998)	-
Administrative Expenses	-	(236)	236
Net Changes	82,743	(113,374)	196,117
Balances - June 30, 2022	\$ 1,004,370	\$ 668,458	\$ 335,912

	Poquonnock Fire District		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2021	\$ 15,502,002	\$ 14,242,769	\$ 1,259,233
Changes for the Year:			
Service Cost	294,882	-	294,882
Interest on Total Pension Liability	1,110,767	-	1,110,767
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	556,431	-	556,431
Changes in Assumptions	473,279	-	473,279
Employer Contributions	-	500,400	(500,400)
Member Contributions	-	134,287	(134,287)
Net Investment Income	-	(1,817,564)	1,817,564
Benefit Payments, Including Refund to Employee Contributions	(968,848)	(968,848)	-
Administrative Expenses	-	(4,269)	4,269
Net Changes	1,466,511	(2,155,994)	3,622,505
Balances - June 30, 2022	\$ 16,968,513	\$ 12,086,775	\$ 4,881,738

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

F. Changes in Net Pension Liability (Continued)

Amounts reported as changes of assumptions resulted primarily from an update to the mortality tables.

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

The following presents the net pension liability of the Town, calculated using the current discount rate, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point-lower or 1-percentage-point-higher than the current rate:

<u>Net Pension (Asset) Liability</u>	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Town and BOE	\$ 53,634,970	\$ 36,851,677	\$ 22,618,157
Ledge Light	441,764	335,912	244,524
Poquonnock Fire District	6,929,096	4,881,738	3,169,521

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

For the year ended June 30, 2022, the Town and BOE, Ledge Light, and Fire Pensions recognized pension expense of \$6,023,209, \$77,781, and \$686,557, respectively. At June 30, 2022, the reported deferred outflows of resources and deferred inflows of resources related to pension were as follows:

	<u>Town and BOE</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 822,009	\$ (28,376)
Changes of Assumptions	5,862,657	(191,026)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	10,545,698	-
Total	<u>\$ 17,230,364</u>	<u>\$ (219,402)</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

G. Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

	Ledge Light	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 22,122	\$ -
Changes of Assumptions	18,897	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	59,799	-
Total	<u>\$ 100,818</u>	<u>\$ -</u>

	Poquonnock Fire District	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 580,586	\$ (132,625)
Changes of Assumptions	704,793	(10,754)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	1,085,176	-
Total	<u>\$ 2,370,555</u>	<u>\$ (143,379)</u>

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

<u>Year Ending June 30.</u>	<u>Town and BOE</u>	<u>Ledge Light</u>	<u>Poquonnock Fire District</u>
2023	\$ 3,773,562	\$ 44,304	\$ 399,732
2024	3,513,056	17,237	420,329
2025	2,768,832	8,061	349,146
2026	6,615,122	31,216	763,195
2027	340,390	-	187,192
Thereafter	-	-	107,582
Total	<u>\$ 17,010,962</u>	<u>\$ 100,818</u>	<u>\$ 2,227,176</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Connecticut State Teachers Retirement System – Pension

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

C. Contributions

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Connecticut State Teachers Retirement System – Pension (Continued)

C. Contributions (Continued)

Employer (School Districts)

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

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the State was \$11,171,284 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

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

At June 30, 2022, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate share of the Net Pension Liability Associated with the Town	133,414,073
Total	<u>\$ 133,414,073</u>

The net pension liability was measured as of June 30, 2021, and the total Pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2022, the Town has no proportionate share of the net pension liability.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Connecticut State Teachers Retirement System – Pension (Continued)

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

For the year ended June 30, 2022, the Town recognized pension expense and revenue of \$8,612,189 in Exhibit II.

E. Actuarial Assumptions

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

Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

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

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

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

Cost-of-Living Allowance

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

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Connecticut State Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Cost-of-Living Allowance (Continued)

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

Long-Term Rate of Return

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

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

F. Discount Rate

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Connecticut State Teachers Retirement System – Pension (Continued)

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

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

H. Pension Plan Fiduciary Net Position

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

I. Other Information

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

**NOTE 6 POSTEMPLOYMENT HEALTHCARE PLAN - GROTON RETIRED EMPLOYEES
HEALTHCARE PLAN**

A. Plan Description

The Groton Retired Employees Healthcare Plan (GREHP) is a single-employer, defined benefit healthcare plan administered by the Town. The GREHP provides medical and dental benefits to eligible retirees and their spouses as established through negotiations between the Town and the various unions representing the employees. Eligible full-time and part-time employees of the Town may elect to participate in the plan.

The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Post-Employment Benefits Trust Fund. The plan does not issue a stand-alone financial report.

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

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

	Retiree Health Plan
Active Members	795
Retired Members	307
Beneficiaries	28
Spouses of Retirees	70
Total Participants	<u>1,200</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 6 POSTEMPLOYMENT HEALTHCARE PLAN - GROTON RETIRED EMPLOYEES
HEALTHCARE PLAN (CONTINUED)**

B. Funding Policy

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

The contribution requirements of plan members and the Town/Board of Education are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums as listed below. These are average costs with the actual costs to the retirees based on the employee group they were in when they retired.

The annual blended medical and dental premiums are as follows:

	<u>Employee</u>	<u>Spouse</u>
Pre-65 Medical Plan:		
Town (Future Retirees)	\$ 12,433	\$ 12,433
BOE (Future Retiree)	12,069	12,069
Town (Current Retirees)	15,170	16,635
BOE (Future Retirees)	15,783	17,602
Post-65 Medical Plan:		
Town (Future Retirees)	5,407	5,407
BOE (Future Retiree)	5,407	5,407
Town (Current Retirees)	7,126	9,122
BOE (Future Retirees)	6,786	7,335
Dental Plan:		
Town	444	723
BOE	374	779

C. Investments

The investment policy of the OPEB Plan is established and may be amended by the Town Manager, Finance Director, and Human Resources Manager. The investment policy is designed to reflect a prudent investor's tolerance for risk, which is achieved through diversification of the portfolio across a broad selection of asset classes. It is the intent of the policy to pursue an investment strategy that produces a maximum return for the Town through prudent asset allocation and superior investment performance within designated asset classes.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 6 POSTEMPLOYMENT HEALTHCARE PLAN - GROTON RETIRED EMPLOYEES
HEALTHCARE PLAN (CONTINUED)**

C. Investments (Continued)

Investment Policy

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -8.93%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2022. The components of the net OPEB liability of the Town at June 30, 2022, were as follows:

Total OPEB Liability	\$ 62,421,676
Plan Fiduciary Net Position	27,471,491
Net OPEB Liability	<u>\$ 34,950,185</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	44.01%
--	--------

E. Actuarial Assumptions

The total OPEB liabilities was determined by an actuarial valuation as of July 1, 2020, rolled forward to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.60%
Salary Increase	Graded by Age for Teachers and Administrators, 3.50% for All Others
Investment Rate of Return	7.00%
Healthcare Cost Trend Rates	Pre-Medicare: 5.70% - 4.10% Over 52 Years Post-Medicare: 4.90% - 4.10% Over 51 Years

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 6 POSTEMPLOYMENT HEALTHCARE PLAN - GROTON RETIRED EMPLOYEES
HEALTHCARE PLAN (CONTINUED)**

E. Actuarial Assumptions (Continued)

Healthy Mortality:

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

Disabled Mortality:

Teachers and Administrators	PubT-2010 Disabled Mortality Table for males and females with generational projection of future improvements per the MP-2019 Ultimate scale. This assumption includes a margin for mortality improvement beyond the valuation date.
Police	PubS-2010 Disabled Mortality Table for males and females with generational projection of future improvements per the MP-2019 Ultimate scale. This assumption includes a margin for mortality improvement beyond the valuation date.
All Others	PubG-2010 Disabled Mortality Table for males and females with generational projection of future improvements per the MP-2019 Ultimate scale. This assumption includes a margin for mortality improvement beyond the valuation date.

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 6 POSTEMPLOYMENT HEALTHCARE PLAN - GROTON RETIRED EMPLOYEES
HEALTHCARE PLAN (CONTINUED)**

E. Actuarial Assumptions (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using the building-block method in which best-estimate rates of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2022, are summarized in the following table:

Asset Class	Actual Allocation	Long-Term Expected Real Rate of Return
U.S. Cash	11 %	(0.32)%
Core Fixed Income	33	1.37
U.S. Large Cap Equities	56	5.15
Total	100 %	

F. Discount Rate

The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 6 POSTEMPLOYMENT HEALTHCARE PLAN - GROTON RETIRED EMPLOYEES
HEALTHCARE PLAN (CONTINUED)**

G. Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances - July 1, 2021	\$ 66,155,356	\$ 28,818,812	\$ 37,336,544
Changes for the Year:			
Service Cost	1,289,815	-	1,289,815
Interest on Total OPEB Liability	4,610,792	-	4,610,792
Differences Between Expected and Actual Experience	(6,426,620)	-	(6,426,620)
Employer Contributions	-	4,638,903	(4,638,903)
Net Investment Income	-	(2,749,057)	2,749,057
Benefit Payments	(3,207,667)	(3,207,667)	-
Administrative Expense	-	(29,500)	29,500
Net Changes	<u>(3,733,680)</u>	<u>(1,347,321)</u>	<u>(2,386,359)</u>
Balances - June 30, 2022	<u>\$ 62,421,676</u>	<u>\$ 27,471,491</u>	<u>\$ 34,950,185</u>

H. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, calculated using the current discount rate, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point-lower or 1-percentage -point-higher than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB Liability	\$ 42,789,892	\$ 34,950,185	\$ 28,511,703

I. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town, calculated using the current healthcare cost trend rate, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point-lower or 1-percentage-point-higher than the current healthcare cost trend rates:

	1% Decrease (See Assumptions)	Healthcare Cost Trend Rates (See Assumptions)	1% Increase (See Assumptions)
Net OPEB Liability	\$ 26,946,832	\$ 34,950,185	\$ 44,888,848

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 6 POSTEMPLOYMENT HEALTHCARE PLAN - GROTON RETIRED EMPLOYEES
HEALTHCARE PLAN (CONTINUED)**

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$3,071,773. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 2,998,995	\$ (6,869,175)
Changes of Assumptions	677,822	(3,957,331)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	2,558,498	-
Total	<u>\$ 6,235,315</u>	<u>\$ (10,826,506)</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ (846,943)
2024	(928,753)
2025	(1,089,235)
2026	29,290
2027	(783,035)
Thereafter	(972,515)
Total	<u>\$ (4,591,191)</u>

TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 PENSION AND OPEB TRUST FUND COMBINING SCHEDULES

Combining Schedule of Net Position - Trust Funds

	Trust Funds		
	Pension Trust Fund	OPEB Trust Fund	Total Trust Funds
Assets:			
Cash and Cash Equivalents	\$ 2,981	\$ 4,592,280	\$ 4,595,261
Investments, at Fair Value:			
Mutual Funds	129,475,836	22,851,960	152,327,796
Accounts Receivable	182,460	32,391	214,851
Total Assets	129,661,277	27,476,631	157,137,908
Liabilities:			
Accounts Payable	59,287	5,140	64,427
Due to Employees and Others	33	-	33
Claims Incurred but Not Reported	-	-	-
Total Liabilities	59,320	5,140	64,460
Net Position:			
Restricted for Employees of Ledge Light	668,458	-	668,458
Restricted for Firefighters	12,086,775	-	12,086,775
Restricted for Benefits and Other Purposes	116,846,724	27,471,491	144,318,215
Total Net Position	\$ 129,601,957	\$ 27,471,491	\$ 157,073,448

	Trust Funds		
	Pension Trust Fund	OPEB Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 4,836,700	\$ 4,638,903	\$ 9,475,603
Plan Members	1,469,827	-	1,469,827
Total Contributions	6,306,527	4,638,903	10,945,430
Investment Income:			
Change in Fair Value of Investments	(19,319,594)	(2,749,058)	(22,068,652)
Less: Investment Expenses:			
Investment Management Fees	305,294	29,499	334,793
Net Investment Income	(19,624,888)	(2,778,557)	(22,403,445)
Total Additions	(13,318,361)	1,860,346	(11,458,015)
Deductions:			
Benefits	10,616,200	3,207,667	13,823,867
Administrative Expense	-	-	-
Total Deductions	10,616,200	3,207,667	13,823,867
Change in Net Position	(23,934,561)	(1,347,321)	(25,281,882)
Net Position - Beginning of Year	153,536,518	28,818,812	182,355,330
Net Position - End of Year	\$ 129,601,957	\$ 27,471,491	\$ 157,073,448

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFIT - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN**

A. Plan Description

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

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

B. Benefit Provisions

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

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

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFIT - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

B. Benefit Provisions (Continued)

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

Survivor Healthcare Coverage

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

C. Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFIT - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

C. Eligibility (Continued)

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

D. Contributions

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$262,882 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFIT - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

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

At June 30, 2022, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	\$ -
State's Proportionate share of the Net OPEB Liability Associated with the Town	14,535,219
Total	<u><u>\$ 14,535,219</u></u>

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2022, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2022, the Town recognized OPEB expense and revenue of \$(536,740) in Exhibit II.

F. Actuarial Assumptions

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

Inflation	2.50%
Healthcare Costs Trend Rate	5.125% for 2020, Decreasing to an Ultimate Rate of 4.50% by 2023
Salary Increases	3.00%-6.50%, Including Inflation
Investment Rate of Return	2.17%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position will be Depleted	2023

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFIT - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

F. Actuarial Assumptions (Continued)

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

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

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

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

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

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

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2020.

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 annually at a rate of 3.00%.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFIT - CONNECTICUT STATE TEACHERS
RETIREMENT PLAN (CONTINUED)**

G. Discount Rate (Continued)

- 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.

H. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate and the Discount Rate

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

I. OPEB Plan Fiduciary Net Position

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

J. Other Information

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

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss, including torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee and retiree health and medical; and natural disasters. The Town generally obtains commercial insurance for these risks, but has chosen to retain the risks for workers' compensation and employee health and medical claims. Under the Town's current policy, the Health Insurance Fund covers all employee claims up to \$200,000 per claim with a stop-loss policy covering amounts exceeding the limit. The Town also purchases aggregate stop-loss coverage for claims in excess of 125% of expected claim level, which approximates \$10.1 million. The Workers' Compensation Fund covers claims associated with work-related injuries. The Town purchases commercial insurance for claims in excess of coverage provided by the Workers' Compensation Fund with an individual claim maximum of \$300,000 and a \$1,000,000 aggregate maximum per year. The OPEB Trust fund covers all retired employee claims. Town management has estimated a liability using actuarial methods at June 30, 2022, for claims incurred but not reported to be reported for each activity. The estimate for claim liability also includes amounts for incremental claim adjustment expenses.

	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,	Due Within One Year
Health Insurance Fund:					
2021 - 2022	\$ 791,000	\$ 14,356,945	\$ 13,942,945	\$ 1,205,000	\$ 1,205,000
2020 - 2021	692,000	12,493,536	12,394,536	791,000	791,000
Workers' Compensation Fund:					
2021 - 2022	1,508,425	637,041	755,098	1,390,368	95,934
2020 - 2021	1,649,594	631,382	772,551	1,508,425	107,721

The Town purchases commercial insurance for all other risks of loss, including blanket and umbrella policies. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

B. Contingencies

The Town is currently involved in several litigation matters. In the estimation of the Town's management and legal counsel, the final settlement of these matters will not materially affect the financial condition of the Town.

C. Concentration of Taxes

The Town's two largest taxpayers, based on the October 1, 2020 grand list, comprise 15.6% of the net taxable grand list of the Town and approximately 10.4% of the total General Fund revenues for the year ended June 30, 2022.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 RESTATEMENT

The Town did not properly report premiums related to the issuance of a bond anticipation note in a previous period. The Town restated beginning balances of liabilities, fund balance and net position as followed:

	Governmental Activities Net Position	Capital Improvement Fund Fund Balance
Governmental Funds:		
Balance as previously reported June 30, 2021	\$ 222,604,886	\$ (10,973,894)
Adjustment:		
BAN premium that should have been recognized in a previous period	<u>555,757</u>	<u>555,757</u>
Balance as restated July 1, 2021	\$ <u><u>223,160,643</u></u>	\$ <u><u>(10,418,137)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
REVENUES				
General Property Taxes (Including Interest and Lien Fees)	\$ 97,238,539	\$ 97,238,539	\$ 97,979,922	\$ 741,383
Licenses and Permits:				
Building Permits	525,000	525,000	587,980	62,980
Dog Licenses	5,000	5,000	2,246	(2,754)
Other Licenses and Permits	11,750	11,750	17,253	5,503
Building Permits - Education Fee	750	750	377	(373)
State Land Use Fees	100	100	70	(30)
Total Licenses and Permits	542,600	542,600	607,926	65,326
Interest on Investments	125,000	125,000	101,280	(23,720)
Intergovernmental - State:				
General:				
Town Aid Road	371,847	371,847	371,022	(825)
Nuclear Safety Drill	55,100	55,100	40,900	(14,200)
Telephone Access	137,000	137,000	118,675	(18,325)
Pilot - State and Tax Exemptions	602,530	602,530	1,734,496	1,131,966
Youth Service Bureau	27,888	27,888	27,885	(3)
Pequot and Mohegan Funds	1,232,069	1,232,069	1,232,069	-
911 Enhancement	200,000	200,000	221,582	21,582
Municipal Project Grant	1,819,768	1,819,768	2,364,220	544,452
Municipal Aid Adjustment Grant	466,668	466,668	466,668	-
Miscellaneous State Grants	-	-	212,564	212,564
Board of Education:				
Education Cost Sharing	25,040,045	25,040,045	25,183,030	142,985
Adult Education	113,451	113,451	117,717	4,266
Special Education	925,000	925,000	1,110,911	185,911
Magnet School Transportation	185,000	185,000	117,000	(68,000)
Nonpublic Pupil Services	26,246	26,246	26,369	123
Total State of Connecticut	31,202,612	31,202,612	33,345,108	2,142,496
Intergovernmental - Federal:				
Pupil Impact Aid	3,316,515	3,316,515	3,901,177	584,662
Education - Miscellaneous Federal Funds	195,100	195,100	166,553	(28,547)
FEMA Reimbursement	-	-	13,877	13,877
Emergency Management	19,600	19,600	-	(19,600)
Total Federal Government	3,531,215	3,531,215	4,081,607	550,392

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
REVENUES (CONTINUED)				
Charges for Current Services:				
Planning Commission Fees	\$ 8,000	\$ 8,000	\$ 8,100	\$ 100
Recording Instruments	120,000	120,000	196,603	76,603
Conveyance Tax	600,000	600,000	820,087	220,087
Planning Department - Other	500	500	317	(183)
Collection Subdivisions Taxes	118,866	118,866	118,867	1
Accident Reports	4,800	4,800	4,613	(187)
Dispatch and Paramedics Services	3,000	3,000	3,000	-
North Stonington - Dispatch	52,819	52,819	32,467	(20,352)
Coordinated Medical Emergency Director	22,000	22,000	21,606	(394)
Board of Education - FHS and Ground Mowing	63,771	63,771	63,771	-
GIS - Revenue	420	420	299	(121)
Vital Statistics	5,000	5,000	7,309	2,309
Snow and Ice Control Services	20,000	20,000	44,931	24,931
COG Climate	24,894	24,894	-	(24,894)
Total Charges for Current Services	1,044,070	1,044,070	1,321,970	277,900
Schools, Library, and Recreation:				
Tuition from Other Towns	20,000	20,000	9,769	(10,231)
Other School Receipts	16,000	16,000	39,241	23,241
Library Fines	5,250	5,250	127	(5,123)
Lost and Damaged Book Fees	1,099	1,099	1,934	835
Senior Center Fees	2,500	2,500	3,890	1,390
Library - Copier Fees	1,650	1,650	3,844	2,194
Library Fees	6,000	6,000	7,830	1,830
Total Schools, Library, and Recreation	52,499	52,499	66,635	14,136
Other Revenue:				
Court Fines	14,000	14,000	7,948	(6,052)
Parking Tickets	2,040	2,040	5,265	3,225
Aircraft Registration Fees	20,370	20,370	21,210	840
Lease Fees	198,370	198,370	198,874	504
Land Record Copies	25,000	25,000	36,254	11,254
Vital Copies	60,000	60,000	65,824	5,824
Miscellaneous	5,350	5,350	62,368	57,018
Pilot Payment - Other	50,000	50,000	51,480	1,480
Dog Warden - Sold and Redeemed	2,250	2,250	908	(1,342)
Public Works Disposal Fees	164,402	164,402	175,449	11,047
Returned Check Fees	650	650	745	95
Sale of Capital Assets	10,000	10,000	19,155	9,155
Delinquent MV Fees	15,000	15,000	16,661	1,661
Debt Service Bond Premium	-	-	1,697,813	1,697,813
Finance Department Copies	130	130	488	358
Total Other Revenue	567,562	567,562	2,360,442	1,792,880
Total Revenues	134,304,097	134,304,097	139,864,890	5,560,793

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
OTHER FINANCING SOURCES				
Transfers In:				
Sewer and Landfill Services	\$ 430,354	\$ 430,354	\$ 430,354	\$ -
Sewer District	51,256	51,256	51,256	-
Mumford Cove	1,160	1,160	1,160	-
Community Investment Act Fund	6,500	6,500	6,500	-
Total Other Financing Sources	<u>489,270</u>	<u>489,270</u>	<u>489,270</u>	<u>-</u>
 Total Revenues and Other Financing Sources	 <u>\$ 134,793,367</u>	 <u>\$ 134,793,367</u>	 140,354,160	 <u>\$ 5,560,793</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers Retirement System for Town teachers are not budgeted			11,171,284	
State of Connecticut on-behalf contributions to the Connecticut State Teachers OPEB system for Town teachers are not budgeted			262,882	
Property tax revenue receivable accrual basis change			35,976	
Various funds of the Town did not meet the definition of a special revenue fund for GASB 54 purposes and were, therefore, combined with the General Fund on a GAAP basis only			2,292	
Transfers in from other funds			2,340	
Other revenue adjustment			<u>(62,158)</u>	
 Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV			 <u>\$ 151,766,776</u>	

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
General Government:				
Legislative Policy	\$ 38,200	\$ 47,200	\$ 38,732	\$ 8,468
Voter Registration	133,485	158,063	154,393	3,670
Town Clerk	333,800	333,800	313,948	19,852
Legal Services	297,500	347,500	345,815	1,685
Total General Government	802,985	886,563	852,888	33,675
General Services:				
Executive Management	318,000	318,000	305,272	12,728
Information Technology	1,102,733	1,102,733	1,068,486	34,247
Human Resources	371,962	401,932	402,489	(557)
Financial Administration	1,681,172	1,681,172	1,547,687	133,485
Total General Services	3,473,867	3,503,837	3,323,934	179,903
Public Safety:				
Police Services	9,258,908	9,258,908	9,091,950	166,958
Public Works	5,864,087	5,864,087	5,707,771	156,316
Planning and Development Services	1,596,094	1,596,094	1,581,624	14,470
Human Services:				
Human Services	588,909	588,909	520,992	67,917
Community Services:				
Parks and Recreation	1,775,575	1,775,575	1,660,454	115,121
Library	1,653,056	1,653,056	1,553,638	99,418
Total Community Services	3,428,631	3,428,631	3,214,092	214,539
Nondepartmental:				
Insurance and Claims	766,064	766,064	687,449	78,615
Contingency	350,000	236,452	-	236,452
Self-Funded Plans	10,810,103	10,810,103	10,810,805	(702)
Total Nondepartmental	11,926,167	11,812,619	11,498,254	314,365
Education	77,438,090	77,438,090	77,450,670	(12,580)
Debt Service:				
Town	2,433,220	2,433,220	2,432,720	500
Board of Education	7,090,230	7,090,230	6,842,438	247,792
Total Debt Service	9,523,450	9,523,450	9,275,158	248,292
Outside Agencies:				
Regional Agencies	136,499	136,499	136,498	1
Health Services - Cultural Agencies	1,864,350	1,864,350	1,782,358	81,992
Total Outside Agencies	2,000,849	2,000,849	1,918,856	81,993

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Budgetary	Variance With Final Budget Positive
	Original	Final	Basis	(Negative)
EXPENDITURES (CONTINUED)				
Subdivisions:				
City of Groton	\$ 5,649,927	5,649,927	\$ 5,650,689	\$ (762)
Groton Long Point	575,783	575,783	575,062	721
Fire Districts	246,000	246,000	246,000	-
Total Subdivisions	6,471,710	6,471,710	6,471,751	(41)
Total Expenditures	132,373,747	132,373,747	130,907,940	1,465,807
OTHER FINANCING USES				
Transfers Out:				
Capital Reserve	3,610,000	3,610,000	3,610,000	-
Revaluation	300,000	300,000	300,000	-
Fleet	1,292,467	1,292,467	1,292,467	-
Computer Replacement	64,515	64,515	64,515	-
TIF	3,638	3,638	3,638	-
Total Other Financing Uses	5,270,620	5,270,620	5,270,620	-
Total Expenditures and Other Financing Uses	\$ 137,644,367	\$ 137,644,367	136,178,560	\$ 1,465,807

Budgetary expenditures are different than GAAP expenditures because:

Capital improvements transfers, included in separate line items above, are netted for GAAP purposes.

State of Connecticut on-behalf contributions to the Connecticut State Teachers Retirement System for Town teachers are not budgeted.

11,171,284

State of Connecticut on-behalf contributions to the Connecticut State Teachers OPEB system for Town teachers are not budgeted.

262,882

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for GAAP financial reporting purposes.

878,060

Encumbrances for purchases and commitments ordered in the previous year that were received and liquidated in the current year are reported for GAAP financial statement reporting purposes.

(703,732)

Various funds of the Town did not meet the definition of a special revenue fund for GASB 54 purposes and were, therefore, combined with the General Fund on a GAAP basis only.

519,962

Elimination of transfers between General Fund and funds combined for GASB 54 purposes.

(364,515)

Other expenditure adjustment

(62,158)

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

\$ 147,880,343

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWN AND BOE
LAST NINE FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability:									
Service Cost	\$ 2,451,526	\$ 2,525,072	\$ 2,318,892	\$ 2,409,250	\$ 2,569,350	\$ 2,600,342	\$ 2,799,491	\$ 2,809,869	\$ 2,866,997
Interest	8,757,689	9,188,020	8,666,967	9,011,518	9,112,990	9,419,582	9,669,256	9,949,410	10,408,993
Changes of Benefit Terms	-	-	-	-	-	688,115	-	(6,096)	4,928
Differences Between Expected and Actual Experience	-	(3,089,277)	(831,909)	(198,443)	646,369	437,415	289,128	(44,592)	574,558
Changes of Assumptions	-	(5,208,074)	1,002,922	1,129,130	(447,999)	2,665,163	(278,347)	2,815,386	4,020,757
Benefit Payments, Including Refunds of Member Contributions	(5,929,846)	(5,876,377)	(6,589,487)	(7,020,884)	(7,550,511)	(8,107,166)	(8,362,876)	(8,897,921)	(9,598,354)
Net Change in Total Pension Liability	5,279,369	(2,460,636)	4,567,385	5,330,571	4,330,199	7,703,451	4,116,652	6,626,056	8,277,879
Total Pension Liability - Beginning	109,927,474	115,206,843	112,746,207	117,313,592	122,644,163	126,974,362	134,677,813	138,794,465	145,420,521
Total Pension Liability - Ending	115,206,843	112,746,207	117,313,592	122,644,163	126,974,362	134,677,813	138,794,465	145,420,521	153,698,400
Plan Fiduciary Net Position:									
Contributions - Employer	3,114,144	3,192,047	2,553,991	2,488,575	2,848,100	2,996,600	3,540,900	3,773,000	4,306,300
Contributions - Member	1,114,042	1,131,674	1,169,678	1,201,342	1,220,752	1,212,995	1,243,638	1,246,290	1,329,806
Net Investment Income (Loss)	13,481,409	3,540,403	(53,985)	9,878,756	7,613,030	7,581,103	6,129,100	28,609,009	(17,661,681)
Benefit Payments, Including Refunds of Member Contributions	(5,929,846)	(5,876,377)	(6,589,487)	(7,020,884)	(7,550,511)	(8,107,166)	(8,362,876)	(8,897,921)	(9,598,354)
Administrative Expense	(54,307)	(37,255)	(30,685)	(32,163)	(45,162)	(36,257)	(50,529)	(36,013)	(41,265)
Net Change in Plan Fiduciary Net Position	11,725,442	1,950,492	(2,950,488)	6,515,626	4,086,209	3,647,275	2,500,233	24,694,365	(21,665,194)
Plan Fiduciary Net Position - Beginning	86,342,763	98,068,205	100,018,697	97,068,209	103,583,835	107,670,044	111,317,319	113,817,552	138,511,917
Plan Fiduciary Net Position - Ending	98,068,205	100,018,697	97,068,209	103,583,835	107,670,044	111,317,319	113,817,552	138,511,917	116,846,723
Net Pension Liability - Ending	\$ 17,138,638	\$ 12,727,510	\$ 20,245,383	\$ 19,060,328	\$ 19,304,318	\$ 23,360,494	\$ 24,976,913	\$ 6,908,604	\$ 36,851,677
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.12%	88.71%	82.74%	84.46%	84.80%	82.65%	82.00%	95.25%	76.02%
Covered Payroll	\$ 23,026,395	\$ 23,605,993	\$ 21,927,290	\$ 22,096,847	\$ 22,229,457	\$ 22,934,460	\$ 23,062,178	\$ 23,105,918	\$ 23,311,827
Net Pension Liability as a Percentage of Covered Payroll	74.43%	53.92%	92.33%	86.26%	86.84%	101.86%	108.30%	29.90%	158.08%

* This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LEDGE LIGHT
LAST NINE FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability:									
Service Cost	\$ 6,972	\$ 7,181	\$ 621,108	\$ 7,714	\$ 8,701	\$ 8,959	\$ 9,829	\$ 10,578	\$ 10,959
Interest	44,858	46,078	94,625	48,675	51,179	54,160	56,837	61,063	65,868
Differences Between Expected and Actual Experience	-	(7,730)	(651,642)	29,608	21,741	23,550	39,206	24,596	29,096
Changes of Assumptions	-	23,355	(5,817)	5,161	(4,319)	14,387	(2,655)	18,648	25,818
Benefit Payments, Including Refunds of Member Contributions	(35,815)	(37,804)	(37,804)	(37,804)	(37,804)	(37,804)	(42,468)	(48,998)	(48,998)
Net Change in Total Pension Liability	16,015	31,080	20,470	53,354	39,498	63,252	60,749	65,887	82,743
Total Pension Liability - Beginning	571,322	587,337	618,417	638,887	692,241	731,739	794,991	855,740	921,627
Total Pension Liability - Ending	587,337	618,417	638,887	692,241	731,739	794,991	855,740	921,627	1,004,370
Plan Fiduciary Net Position:									
Contributions - Employer	9,556	6,764	8,971	8,958	13,200	15,700	20,500	24,800	30,000
Contributions - Member	3,483	3,627	4,052	4,265	4,442	4,905	5,101	5,385	5,734
Net Investment Income (Loss)	79,029	19,083	(380)	55,221	42,251	42,276	34,415	161,457	(99,874)
Benefit Payments, Including Refunds of Member Contributions	(35,815)	(37,804)	(37,804)	(37,804)	(37,804)	(37,804)	(42,468)	(48,998)	(48,998)
Administrative Expense	(321)	(212)	(172)	(179)	(251)	(203)	(284)	(203)	(236)
Net Change in Plan Fiduciary Net Position	55,932	(8,542)	(25,333)	30,461	21,838	24,874	17,264	142,441	(113,374)
Plan Fiduciary Net Position - Beginning	522,897	578,829	570,287	544,954	575,415	597,253	622,127	639,391	781,832
Plan Fiduciary Net Position - Ending	578,829	570,287	544,954	575,415	597,253	622,127	639,391	781,832	668,458
Net Pension Liability - Ending	\$ 8,508	\$ 48,130	\$ 93,933	\$ 116,826	\$ 134,486	\$ 172,864	\$ 216,349	\$ 139,795	\$ 335,912
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.55%	92.22%	85.30%	83.12%	81.62%	78.26%	74.72%	84.83%	66.55%
Covered Payroll	\$ 120,539	\$ 89,652	\$ 90,125	\$ 101,308	\$ 105,474	\$ 112,203	\$ 122,630	\$ 127,535	\$ 134,616
Net Pension Liability as a Percentage of Covered Payroll	7.06%	53.69%	104.23%	115.32%	127.51%	154.06%	176.42%	109.61%	249.53%

* This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIIGHTERS
LAST NINE FISCAL YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability:									
Service Cost	\$ 401,849	\$ 413,904	\$ 299,682	\$ 257,236	\$ 267,597	\$ 283,839	\$ 300,521	\$ 305,127	\$ 294,882
Interest	843,728	889,636	918,671	983,590	976,011	998,983	1,026,342	1,061,695	1,110,767
Changes of Benefit Terms	-	-	96	-	-	-	-	(30)	-
Differences Between Expected and Actual Experience	-	(520,189)	390,732	(439,015)	(243,622)	(20,907)	42,441	123,393	556,431
Changes of Assumptions	-	799,434	(78,888)	158,125	(52,104)	317,667	19,909	161,415	473,279
Benefit Payments, Including Refunds of Member Contributions	(558,385)	(814,075)	(652,848)	(647,882)	(647,882)	(668,119)	(853,947)	(960,298)	(968,848)
Net Change in Total Pension Liability	687,192	768,710	877,445	312,054	300,000	911,463	535,266	691,302	1,466,511
Total Pension Liability - Beginning	10,418,570	11,105,762	11,874,472	12,751,917	13,063,971	13,363,971	14,275,434	14,810,700	15,502,002
Total Pension Liability - Ending	11,105,762	11,874,472	12,751,917	13,063,971	13,363,971	14,275,434	14,810,700	15,502,002	16,968,513
Plan Fiduciary Net Position:									
Contributions - Employer	428,378	414,790	392,293	385,674	389,100	385,000	434,600	459,500	500,400
Contributions - Member	128,634	94,356	106,863	116,552	120,435	119,614	122,578	134,629	134,287
Net Investment Income (Loss)	1,308,508	326,423	(4,042)	956,168	754,460	767,838	628,164	2,941,501	(1,817,564)
Benefit Payments, Including Refunds of Member Contributions	(558,385)	(814,075)	(652,848)	(647,882)	(647,882)	(668,119)	(853,947)	(960,298)	(968,848)
Administrative Expense	(5,243)	(3,534)	(2,949)	(3,149)	(4,507)	(3,695)	(5,181)	(3,703)	(4,269)
Net Change in Plan Fiduciary Net Position	1,301,892	17,960	(160,683)	807,363	611,606	600,638	326,214	2,571,629	(2,155,994)
Plan Fiduciary Net Position - Beginning	8,166,150	9,468,042	9,486,002	9,325,319	10,132,682	10,744,288	11,344,926	11,671,140	14,242,769
Plan Fiduciary Net Position - Ending	9,468,042	9,486,002	9,325,319	10,132,682	10,744,288	11,344,926	11,671,140	14,242,769	12,086,775
Net Pension Liability - Ending	<u>\$ 1,637,720</u>	<u>\$ 2,388,470</u>	<u>\$ 3,426,598</u>	<u>\$ 2,931,289</u>	<u>\$ 2,619,683</u>	<u>\$ 2,930,508</u>	<u>\$ 3,139,560</u>	<u>\$ 1,259,233</u>	<u>\$ 4,881,738</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.25%	79.89%	73.13%	77.56%	80.40%	79.47%	78.80%	91.88%	71.23%
Covered Payroll	\$ 2,287,906	\$ 2,281,958	\$ 2,010,535	\$ 1,704,664	\$ 1,724,791	\$ 1,761,916	\$ 1,772,131	\$ 1,752,880	\$ 1,867,424
Net Pension Liability as a Percentage of Covered Payroll	71.58%	104.67%	170.43%	171.96%	151.88%	166.33%	177.16%	71.84%	261.42%

* This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TOWN AND BOE
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 10,599	\$ 9,556	\$ 6,764	\$ 8,971	\$ 8,958	\$ 13,200	\$ 15,700	\$ 19,900	\$ 24,800	\$ 30,000
Contributions in Relation to the Actuarially Determined Contribution	10,599	9,556	6,764	8,971	8,958	13,200	15,700	20,500	24,800	30,000
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (600)	\$ -	\$ -
Covered Payroll	N/A	N/A	\$ 120,539	\$ 89,652	\$ 90,125	\$ 101,308	\$ 105,474	\$ 122,630	\$ 127,535	\$ 134,616
Contributions as a Percentage of Covered Payroll	N/A	N/A	5.61%	10.01%	9.94%	13.03%	14.89%	16.72%	19.45%	22.29%

Notes to Schedule:

Valuation Date July 1, 2021
Measurement Date June 30, 2022

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

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Normal Actuarial Cost
Remaining Amortization Period	18 Years (Prior: 19 years)
Asset Valuation Method	Adjusted Value of Assets
Inflation	2.40%
Salary Increases	Varies by Age Group
Investment Rate of Return	7.00%, Net of Pension Plan Investment Expenses (prior 7.25%)
Retirement Age	Age Related Table
Mortality	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for Public Safety), projected to the valuation date with Scale MP-2021. Prior (Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for Public Safety), projected to the valuation date with Scale MP-2020.

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LEDGE LIGHT
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 10,599	\$ 9,556	\$ 6,764	\$ 8,971	\$ 8,958	\$ 13,200	\$ 15,700	\$ 19,900	\$ 24,800	\$ 30,000
Contributions in Relation to the Actuarially Determined Contribution	10,599	9,556	6,764	8,971	8,958	13,200	15,700	20,500	24,800	30,000
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (600)	\$ -	\$ -
Covered Payroll	N/A	N/A	\$ 120,539	\$ 89,652	\$ 90,125	\$ 101,308	\$ 105,474	\$ 122,630	\$ 127,535	\$ 134,616
Contributions as a Percentage of Covered Payroll	N/A	N/A	5.61%	10.01%	9.94%	13.03%	14.89%	16.72%	19.45%	22.29%

Notes to Schedule:

Valuation Date July 1, 2021
Measurement Date June 30, 2022

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

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Normal Actuarial Cost
Remaining Amortization Period	18 Years (Prior: 19 years)
Asset Valuation Method	Adjusted Value of Assets
Inflation	2.40%
Salary Increases	Varies by Age Group
Investment Rate of Return	7.00%, Net of Pension Plan Investment Expenses (prior 7.25%)
Retirement Age	Age Related Table
Mortality	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for Public Safety), projected to the valuation date with Scale MP-2021. Prior (Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for Public Safety), projected to the valuation date with Scale MP-2020.

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 378,701	\$ 428,378	\$ 414,790	\$ 392,293	\$ 385,674	\$ 389,100	\$ 385,000	\$ 427,500	\$ 459,500	\$ 500,400
Contributions in Relation to the Actuarially Determined Contribution	378,701	428,378	414,790	392,293	385,674	389,100	385,000	434,600	459,500	500,400
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,100)	\$ -	\$ -
Covered Payroll	N/A	N/A	\$ 2,287,906	\$ 2,281,958	\$ 2,010,535	\$ 1,704,664	\$ 1,724,791	\$ 1,772,131	\$ 1,752,880	\$ 1,867,424
Contributions as a Percentage of Covered Payroll	N/A	N/A	18.13%	17.19%	19.18%	22.83%	22.32%	24.52%	26.21%	26.80%

Notes to Schedule:

Valuation Date July 1, 2021
Measurement Date June 30, 2022
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Normal Actuarial Cost
Remaining Amortization Period	18 Years (Prior: 19 years)
Asset Valuation Method	Adjusted Value of Assets
Inflation	2.40%
Salary Increases	Varies by Age Group
Investment Rate of Return	7.00%, Net of Pension Plan Investment Expenses (prior 7.25%)
Retirement Age	Age Related Table
Mortality	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for Public Safety), projected to the valuation date with Scale MP-2021. Prior (Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for Public Safety), projected to the valuation date with Scale MP-2020.

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
PENSION
LAST NINE FISCAL YEARS***

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual Money-Weighted Rate of Return, Net of Investment Expense	15.51%	3.62%	-0.03%	7.10%	7.44%	7.14%	5.58%	25.39%	-12.76%

* This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

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

	2015	2016	2017	2018	2019	2020	2021	2022
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	93,604,919	101,271,189	132,909,163	125,979,335	118,214,690	153,314,894	168,450,310	133,414,073
Total	<u>\$ 93,604,919</u>	<u>\$ 101,271,189</u>	<u>\$ 132,909,163</u>	<u>\$ 125,979,335</u>	<u>\$ 118,214,690</u>	<u>\$ 153,314,894</u>	<u>\$ 168,450,310</u>	<u>\$ 133,414,073</u>
Town's Covered Payroll	\$ 36,486,290	\$ 36,797,537	\$ 37,787,402	\$ 36,426,040	\$ 36,820,958	\$ 36,820,958	\$ 38,395,135	\$ 38,528,355
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.51%	59.50%	52.26%	0.00%	55.93%	52.00%	49.24%	0.00%

Notes to Schedule:

Changes in Benefit Terms	None
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	30 Years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.25%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment Related Expense

* This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

- The measurement date is one year earlier than the employer's reporting date.

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OPEB
LAST SIX FISCAL YEARS*

	2017	2018	2019	2020	2021	2022
Total OPEB Liability:						
Service Cost	\$ 1,130,295	\$ 1,216,495	\$ 1,133,767	\$ 1,286,669	\$ 1,174,539	\$ 1,289,815
Interest	4,020,268	4,229,669	4,446,927	4,449,941	4,483,647	4,610,792
Changes of Benefit Terms	180,725	-	152,032	-	-	-
Differences Between Expected and Actual Experience	-	216,681	(3,115,333)	2,622,691	2,102,503	(6,426,620)
Changes of Assumptions	-	-	1,581,582	(5,791,133)	(1,237,057)	-
Benefit Payments	(2,467,692)	(2,789,067)	(2,573,742)	(1,945,268)	(2,038,604)	(3,207,667)
Net Change In Total OPEB Liability	2,863,596	2,873,778	1,625,233	622,900	4,485,028	(3,733,680)
Total OPEB Liability - Beginning	53,684,821	56,548,417	59,422,195	61,047,428	61,670,328	66,155,356
Total OPEB Liability - Ending	56,548,417	59,422,195	61,047,428	61,670,328	66,155,356	62,421,676
Plan Fiduciary Net Position:						
Contributions - Employer	3,500,259	3,535,030	3,563,051	3,500,000	4,111,657	4,638,903
Net Investment Income	1,420,995	977,456	986,434	815,859	4,431,325	(2,749,057)
Benefit Payments	(2,779,678)	(2,789,067)	(2,573,742)	(1,945,268)	(2,038,604)	(3,207,667)
Administrative Expense	(456,671)	(14,825)	(47,235)	(33,050)	(44,018)	(29,500)
Net Change In Plan Fiduciary Net Position	1,684,905	1,708,594	1,928,508	2,337,541	6,460,360	(1,347,321)
Plan Fiduciary Net Position - Beginning	14,698,904	16,383,809	18,092,403	20,020,911	22,358,452	28,818,812
Plan Fiduciary Net Position - Ending	16,383,809	18,092,403	20,020,911	22,358,452	28,818,812	27,471,491
Net OPEB Liability - Ending (a)-(b)	\$ 40,164,608	\$ 41,329,792	\$ 41,026,517	\$ 39,311,876	\$ 37,336,544	\$ 34,950,185
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	28.97%	30.45%	32.80%	36.25%	43.56%	44.01%
Covered-Employee Payroll	\$ 50,195,108	\$ 51,499,012	\$ 51,499,012	\$ 47,424,335	\$ 47,424,335	\$ 58,689,878
Net OPEB Liability as a Percentage of Covered Payroll	80.02%	80.25%	79.66%	82.89%	78.73%	59.55%

* This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution (1)	\$ 3,566,000	\$ 3,552,000	\$ 3,694,000	\$ 3,799,204	\$ 4,044,025	\$ 3,966,559	\$ 4,279,549	\$ 4,285,764	\$ 4,721,960	\$ 4,422,393
Contributions in Relation to the Actuarially Determined Contribution	3,764,700	3,738,481	4,050,481	3,709,834	3,500,259	3,535,030	3,563,051	3,500,000	4,111,657	4,638,903
Contribution Deficiency (Excess)	<u>\$ (198,700)</u>	<u>\$ (186,481)</u>	<u>\$ (356,481)</u>	<u>\$ 89,370</u>	<u>\$ 543,766</u>	<u>\$ 431,529</u>	<u>\$ 716,498</u>	<u>\$ 785,764</u>	<u>\$ 610,303</u>	<u>\$ (216,510)</u>
Covered Payroll	N/A	N/A	\$ 52,762,000	\$ 52,762,000	\$ 50,195,108	\$ 50,195,108	\$ 51,499,012	\$ 47,424,335	\$ 47,424,335	\$ 58,689,878
Contributions as a Percentage of Covered Payroll	N/A	N/A	7.68%	7.03%	6.97%	7.04%	6.92%	7.38%	8.67%	7.90%

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

Notes to Schedule:

Valuation Date July 1, 2020
Measurement Date June 30, 2022
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and Assumptions Used to Determine

Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	16 Years
Asset Valuation Method	Market Value
Inflation	2.60%
Healthcare Cost Trend Rates	Pre Medicare 5.70% - 4.10% Over 52 Years Post Medicare 4.90% - 4.10% Over 51 Years
Salary Increases	Graded by Age for Teachers and Administrators, 3.50% for All Others
Investment Rate of Return	7.00%, Net of Pension Plan Investment Expense, Including Inflation

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OPEB
LAST SIX FISCAL YEARS***

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.83%	5.48%	5.06%	3.83%	18.21%	-8.93%

* This schedule is intended to show information for 10 years. Additional information will be added as it becomes available.

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

	2018	2019	2020	2021	2022
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	32,425,655	23,631,877	23,910,321	25,124,370	14,535,219
Total	<u>\$ 32,425,655</u>	<u>\$ 23,631,877</u>	<u>\$ 23,910,321</u>	<u>\$ 25,124,370</u>	<u>\$ 14,535,219</u>
Town's Covered Payroll	\$ 36,426,040	\$ 36,820,958	\$ 38,404,501	\$ 38,395,135	\$ 38,528,355
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.79%	1.49%	2.08%	2.50%	6.11%

Notes to Schedule:

Changes in Benefit Terms	None
Changes of Assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2021 was updated to equal the Municipal Bond Index Rate as of June 30, 2021; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll Over an Open Period
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value of Assets
Investment Rate of Return	3.00%, Net of Investment Related Expense Including Price Inflation
Price Inflation	2.75%

* This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

- The measurement date is one year earlier than the employer's reporting date.

SUPPLEMENTAL AND COMBINING FUND STATEMENTS AND SCHEDULES

GENERAL FUND

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)**

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Cash Equivalents	\$ 44,857,237	\$ 42,252,594
Investments	1,626,228	1,614,591
Property Taxes Receivable, Net of Allowance of \$220,000 in 2022 and 2021	1,509,228	1,512,003
Due from Other Funds	790,813	226,745
Prepaid Items and Other Assets	<u>3,086</u>	<u>11,716</u>
Total Assets	<u><u>\$ 48,786,592</u></u>	<u><u>\$ 45,617,649</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 9,979,951	\$ 10,827,166
Unearned Revenues	<u>62,572</u>	<u>60,796</u>
Total Liabilities	10,042,523	10,887,962
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes	841,630	763,195
Unavailable Revenue - Property Tax Interest	<u>336,472</u>	<u>286,958</u>
Total Deferred Inflows of Resources	<u>1,178,102</u>	<u>1,050,153</u>
FUND BALANCE		
Nonspendable:		
Prepaid Items and Other Assets	3,086	11,716
Assigned:		
Subsequent Years' Budget	4,000,000	2,851,000
Revaluation	380,132	496,268
Computer Replacement	358,536	344,713
Encumbrances	703,732	974,909
Unassigned	<u>32,120,481</u>	<u>29,000,928</u>
Total Fund Balance	<u>37,565,967</u>	<u>33,679,534</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u><u>\$ 48,786,592</u></u>	<u><u>\$ 45,617,649</u></u>

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
REVENUES				
General Property Taxes	\$ 97,238,539	\$ 97,238,539	\$ 97,979,922	\$ 741,383
Licenses and Permits	542,600	542,600	607,926	65,326
Interest on Investments	125,000	125,000	101,280	(23,720)
Intergovernmental - Federal	3,531,215	3,531,215	4,081,607	550,392
Intergovernmental - State	31,202,612	31,202,612	33,345,108	2,142,496
Charges for Current Services	1,044,070	1,044,070	1,321,970	277,900
Schools, Library, and Recreation Fees	52,499	52,499	66,635	14,136
Other Revenue	567,562	567,562	2,360,442	1,792,880
Total Revenues	134,304,097	134,304,097	139,864,890	5,560,793
EXPENDITURES				
Current:				
General Government	802,985	886,563	852,888	33,675
General Services	3,473,867	3,503,837	3,323,934	179,903
Public Safety	9,258,908	9,258,908	9,091,950	166,958
Public Works	5,864,087	5,864,087	5,707,771	156,316
Planning and Development	1,596,094	1,596,094	1,581,624	14,470
Health and Human Services	588,909	588,909	520,992	67,917
Community Services	3,428,631	3,428,631	3,214,092	214,539
Education	77,438,090	77,438,090	77,450,670	(12,580)
Subdivisions	6,471,710	6,471,710	6,471,751	(41)
Nondepartmental	11,926,167	11,812,619	11,498,254	314,365
Outside Agencies	2,000,849	2,000,849	1,918,856	81,993
Debt Service	9,523,450	9,523,450	9,275,158	248,292
Total Expenditures	132,373,747	132,373,747	130,907,940	1,465,807
EXCESS OF REVENUES OVER EXPENDITURES	1,930,350	1,930,350	8,956,950	7,026,600
OTHER FINANCING SOURCES (USES)				
Transfers In	489,270	489,270	489,270	-
Transfers Out	(5,270,620)	(5,270,620)	(5,270,620)	-
Total Other Financing Uses	(4,781,350)	(4,781,350)	(4,781,350)	-
NET CHANGE IN FUND BALANCE	<u>\$ (2,851,000)</u>	<u>\$ (2,851,000)</u>	4,175,600	<u>\$ 7,026,600</u>
Fund Balance - Beginning of Year			31,608,418	
Encumbrances Cancelled			48,352	
FUND BALANCE - END OF YEAR			<u>\$ 35,832,370</u>	

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF BOARD OF EDUCATION EXPENDITURES
AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual			Variance With Final Budget Positive (Negative)
	Original	Final	Expended	Encumbered	Total	
INSTRUCTION						
Regular	\$ 29,458,827	\$ 29,458,827	\$ 29,966,892	\$ 160,038	\$ 30,126,930	\$ (668,103)
Special	13,312,047	13,312,047	12,540,693	28,789	12,569,482	742,565
Continuing	294,133	294,133	259,295	-	259,295	34,838
Total Instruction	43,065,007	43,065,007	42,766,880	188,827	42,955,707	109,300
SUPPORTING SERVICES						
Pupils	6,470,957	6,470,957	6,324,654	46,348	6,371,002	99,955
Staff	1,718,246	1,718,246	1,825,777	7,550	1,833,327	(115,081)
General Support	6,850,804	6,850,804	6,986,912	9,839	6,996,751	(145,947)
Operational Support	14,175,627	14,175,627	14,620,031	135,463	14,755,494	(579,867)
Total Supporting Services	29,215,634	29,215,634	29,757,374	199,200	29,956,574	(740,940)
COMMUNITY SERVICES						
Nonpublic School Pupils	96,550	96,550	109,820	-	109,820	(13,270)
NONPROGRAMMED CHANGES						
Tuition Payments	5,060,899	5,060,899	4,407,074	21,495	4,428,569	632,330
Total	<u>\$ 77,438,090</u>	<u>\$ 77,438,090</u>	<u>\$ 77,041,148</u>	<u>\$ 409,522</u>	<u>\$ 77,450,670</u>	<u>\$ (12,580)</u>

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
COMBINING BALANCE SHEET SCHEDULE
JUNE 30, 2022**

	General Fund	Revaluation Fund	Computer Replacement Fund	Total Combined Funds
ASSETS				
Cash and Cash Equivalents	\$ 44,062,114	\$ 436,574	\$ 358,549	\$ 44,857,237
Investments	1,626,228	-	-	1,626,228
Receivables, Net	1,509,141	-	87	1,509,228
Due from Other Funds	790,813	-	-	790,813
Other Assets	3,086	-	-	3,086
Total Assets	<u>\$ 47,991,382</u>	<u>\$ 436,574</u>	<u>\$ 358,636</u>	<u>\$ 48,786,592</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 9,923,409	\$ 56,442	\$ 100	\$ 9,979,951
Unearned Revenues	62,572	-	-	62,572
Total Liabilities	<u>9,985,981</u>	<u>56,442</u>	<u>100</u>	<u>10,042,523</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	841,630	-	-	841,630
Unavailable Revenue - Property Tax Interest	336,472	-	-	336,472
Total Deferred Inflows of Resources	<u>1,178,102</u>	<u>-</u>	<u>-</u>	<u>1,178,102</u>
FUND BALANCES				
Nonspendable	3,086	-	-	3,086
Assigned	4,703,732	380,132	358,536	5,442,400
Unassigned	32,120,481	-	-	32,120,481
Total Fund Balances	<u>36,827,299</u>	<u>380,132</u>	<u>358,536</u>	<u>37,565,967</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 47,991,382</u>	<u>\$ 436,574</u>	<u>\$ 358,636</u>	<u>\$ 48,786,592</u>

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

	General Fund	Revaluation Fund	Computer Replacement Fund	Elimination	Total Combined Funds
REVENUES					
Property Taxes, Interest, and Lien Fees	\$ 98,015,896	\$ -	\$ -	\$ -	\$ 98,015,896
Licenses and Permits	607,928	-	-	-	607,928
Intergovernmental - State	44,779,077	-	-	-	44,779,077
Interest on Investments	101,280	370	377	-	102,027
Intergovernmental - Federal	4,081,805	-	-	-	4,081,805
Charges for Current Services	1,321,970	-	1,545	-	1,323,515
Schools, Library, and Recreation Fees	66,635	-	-	-	66,635
Other Revenue	662,628	-	-	-	662,628
Total Revenues	149,637,219	370	1,922	-	149,639,511
EXPENDITURES					
Current:					
General Government	862,119	416,506	-	-	1,278,625
General Services	3,437,561	-	-	-	3,437,561
Public Safety	9,050,860	-	-	-	9,050,860
Public Works	5,716,625	-	-	-	5,716,625
Planning and Development	1,541,718	-	-	-	1,541,718
Health and Human Services	520,992	-	-	-	520,992
Community Services	3,213,236	-	-	-	3,213,236
Education	89,057,805	-	-	-	89,057,805
Subdivisions	6,471,751	-	-	-	6,471,751
Nondepartmental	11,500,254	-	-	-	11,500,254
Outside Agencies	1,918,857	-	-	-	1,918,857
Debt Service	9,211,000	-	-	-	9,211,000
Capital Outlay	-	-	54,954	-	54,954
Total Expenditures	142,502,778	416,506	54,954	-	142,974,238
REVENUES OVER (UNDER) EXPENDITURES	7,134,441	(416,136)	(53,032)	-	6,665,273
OTHER FINANCING SOURCES (USES)					
Bond Premium	1,635,655	-	-	-	1,635,655
Transfers In	489,270	300,000	66,855	(364,515)	491,610
Transfers Out	(5,270,620)	-	-	364,515	(4,906,105)
Total Other Financing Sources (Uses)	(3,145,695)	300,000	66,855	-	(2,778,840)
NET CHANGE IN FUND BALANCES	3,988,746	(116,136)	13,823	-	3,886,433
Fund Balances - Beginning of Year	32,838,553	496,268	344,713	-	33,679,534
FUND BALANCES - END OF YEAR	<u>\$ 36,827,299</u>	<u>\$ 380,132</u>	<u>\$ 358,536</u>	<u>\$ -</u>	<u>\$ 37,565,967</u>

**TOWN OF GROTON, CONNECTICUT
REVALUATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022**

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 800	\$ 800	\$ 370	\$ (430)
EXPENDITURES				
Property Revaluation	247,235	247,235	93,594	153,641
REVENUES OVER (UNDER) EXPENDITURES	(246,435)	(246,435)	(93,224)	153,211
OTHER FINANCING SOURCES				
Transfers In	300,000	300,000	300,000	-
NET CHANGE IN FUND BALANCE	<u>\$ 53,565</u>	<u>\$ 53,565</u>	<u>\$ 206,776</u>	<u>\$ 153,211</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	\$ -	\$ -	\$ -	
Liquidated Prior Year Encumbrances	-	(322,912)	(322,912)	
Net Change in Fund Balance, GAAP			<u>\$ (116,136)</u>	

**TOWN OF GROTON, CONNECTICUT
COMPUTER REPLACEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022**

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 600	\$ 600	\$ 377	\$ (223)
Other Agencies	1,125	1,125	1,195	70
Outside Agencies - MDT	1,440	1,440	350	(1,090)
Total Revenues	3,165	3,165	1,922	(1,243)
EXPENDITURES				
Computer Equipment	69,340	69,340	54,854	14,486
REVENUES OVER (UNDER) EXPENDITURES	(66,175)	(66,175)	(52,932)	13,243
OTHER FINANCING SOURCES				
Transfers In	66,855	66,855	66,855	-
NET CHANGE IN FUND BALANCE	<u>\$ 680</u>	<u>\$ 680</u>	<u>\$ 13,923</u>	<u>\$ 13,243</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Liquidated Prior Year Encumbrances		\$ (100)	\$ (100)	
Net Change in Fund Balance, GAAP			<u>\$ 13,823</u>	

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Educational Grants: Accounts for all specially financed education programs under grants received from the federal or state government.

School Cafeteria: Accounts for revenue and expenditures of the food service operations in the Groton Public Schools.

Student Activities: Accounts for activities of various student groups.

Community Development: Accounts for block grants received from the United States Department of Housing and Urban Development.

Donation Fund: Accounts for miscellaneous donations.

Fitch Senior High Library Media Fund: Accounts for media fund at the Fitch Senior High School.

Board of Education Grants (DOD): Accounts for federal grants in accordance with Title II of P.L. 101-511 Department of Defense Appropriations Act.

Special Library Fund: Accounts for revenue and expenditures of state grants that can be used for general library purposes only.

Golf Course Fund: Accounts for revenue and expenditures of the municipal-owned golf course.

Sewer Operating Fund: Accounts for the costs associated with the administration, operation and maintenance of the Water Pollution Control Facility, collection sewers, and pumping stations.

Solid Waste Fund: Accounts for the administration, operation, and environmental management associated with the handling and disposal of solid waste within the Town.

Mumford Cove District: Accounts for taxes paid by residents to cover costs of fire protection contracted through Noank Fire District.

Emergency Energy Fund: Fuel assistance for those Town residents that meet below-poverty guidelines.

DECD Brownfield Mystic Education Center Fund: Accounts for revenues and expenditures for State Brownfield Funds utilized to finance public outreach, zoning change, and marketing efforts by the Town for the redevelopment of the 48-acre state-owned former Mystic Education Center.

Other Special Revenue: Accounts for miscellaneous special revenue fund grants and other programs.

Escrow Fund: Accounts for funds that are received and held until services are rendered or contract terms are met. Also accounts for miscellaneous planning and zoning fees.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED)

Parks and Recreation Revolving: Accounts for parks and recreation programs and trips that are mostly self-supporting.

Outside Police Work: Accounts for the revenues and expenditures associated with police officers hired for traffic control.

Land Acquisition: Accounts for funds set aside for the purchase of open space.

Economic Assistance: Accounts for funds provided for the construction of necessary public infrastructure improvements associated with new job-creating development opportunities.

Vehicle Maintenance: Accounts for revenues and expenditures associated with fuel and vehicle maintenance provided to agencies outside of the Town.

Rec & Senior Activities: Accounts for revenues and expenditures associated with certain recreation and senior activities.

SECT Regional Probate Court: Accounts for revenues and expenditures associated with the Southeastern Connecticut Regional Probate Court, which is now located on the premises of the Town of Groton Town Hall.

Energy Conservation Fund: Accounts for revenues from energy rebates and expenditures funded by those rebates for energy efficiency improvements.

American Rescue Plan Act Fund: Accounts for the American Rescue Plan Act federal grant.

LED Light Conversion Project: Accounts for revenues from energy rebates and third-party financing and expenditures funded by those sources for the conversion of street and parking lot lights to light-emitting diode (LED).

Blight Remediation: Accounts for funds set aside for the cleanup of nuisance or blighted properties in the town.

Francis A. Nye Fund: Scholarship fund established to encourage the artistic talents of elementary school students.

DEBT SERVICE FUND

Groton Sewer District: Accounts for revenues and expenditures related to the maintenance of the Groton Sewer District. This fund also accounts for the payment of principal and interest on general long-term debt of the sewer district of the Town.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

PERMANENT FUNDS

Williams Library Trust: Created by the will of Eliza K. Williams, the income of which is to be used for the purchase of educational books and current periodicals for the library in the Robert E. Fitch High School.

Julia Bill Library Trust: Created by the will of Julia Bill, the income of which is to be used to purchase equipment for Fitch Middle School.

Charles and Claudia Dominioni: Scholarship fund established with the recipient to be the student attaining the highest standard at West Side Middle School

Rispoli Scholarship: Created by the will of Elizabeth Rispoli's Trust, the income of which is to be used to provide scholarship money for Fitch High School students.

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022**

		Special Revenue Funds							
		Educational Grants	School Cafeteria	Student Activities	Community Development	Donation Fund	Fitch Senior High Library Media Fund	Board of Education Grants (DOD)	Special Library Fund
ASSETS									
Cash and Cash Equivalents	\$	-	\$ 1,155,372	\$ 326,631	\$ 303,019	\$ 373,311	\$ 500	\$ 1,529,576	\$ 64,374
Investments		-	-	-	-	-	-	-	-
Receivables, Net		1,459,366	206,042	-	1,603,330	-	-	-	-
Prepaid Items		-	-	-	-	-	-	-	-
Other Assets		-	526	-	-	-	-	-	-
Total Assets	\$	1,459,366	1,361,940	326,631	1,906,349	373,311	500	1,529,576	64,374
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable	\$	1,016,664	\$ -	\$ -	\$ 25,313	\$ 2,996	\$ -	\$ 142,842	\$ -
Due to State		50,398	-	-	-	-	-	-	-
Due to Other Funds		43,388	-	-	747,425	-	-	-	-
Unearned Revenue		189,597	-	-	-	-	-	-	-
Total Liabilities		1,300,047	-	-	772,738	2,996	-	142,842	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments		-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable		-	-	-	897,938	-	-	-	-
Total Deferred Inflows of Resources		-	-	-	897,938	-	-	-	-
FUND BALANCES									
Nonspendable		-	-	-	-	-	-	-	-
Restricted		159,319	-	-	235,673	-	-	1,386,734	-
Committed		-	1,361,940	326,631	-	370,315	500	-	64,374
Unassigned		-	-	-	-	-	-	-	-
Total Fund Balances		159,319	1,361,940	326,631	235,673	370,315	500	1,386,734	64,374
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$	1,459,366	1,361,940	326,631	1,906,349	373,311	500	1,529,576	64,374

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022**

	Special Revenue Funds							
	Golf Course Fund	Sewer Operating Fund	Solid Waste Fund	Mumford Cove District	TIF Fund	Emergency Energy Fund	DECD Brownfield Mystic Education Center Fund	Other Special Revenue
ASSETS								
Cash and Cash Equivalents	\$ 900,829	\$ 4,632,515	\$ 154,676	\$ 1,566	\$ 3,638	\$ 56,321	\$ 16,600	\$ 395,343
Investments	-	-	-	-	-	-	-	-
Receivables, Net	676	625,105	218,341	-	-	5,000	-	69,769
Prepaid Items	1,878	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 903,383</u>	<u>\$ 5,257,620</u>	<u>\$ 373,017</u>	<u>\$ 1,566</u>	<u>\$ 3,638</u>	<u>\$ 61,321</u>	<u>\$ 16,600</u>	<u>\$ 465,112</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 94,595	\$ 147,407	\$ 251,664	\$ -	\$ -	\$ 570	\$ -	\$ 42,320
Due to State	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	13,591	131,258
Total Liabilities	<u>94,595</u>	<u>147,407</u>	<u>251,664</u>	<u>-</u>	<u>-</u>	<u>570</u>	<u>13,591</u>	<u>173,578</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	3,009	291,534
Committed	808,788	5,110,213	121,353	1,566	3,638	60,751	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>808,788</u>	<u>5,110,213</u>	<u>121,353</u>	<u>1,566</u>	<u>3,638</u>	<u>60,751</u>	<u>3,009</u>	<u>291,534</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 903,383</u>	<u>\$ 5,257,620</u>	<u>\$ 373,017</u>	<u>\$ 1,566</u>	<u>\$ 3,638</u>	<u>\$ 61,321</u>	<u>\$ 16,600</u>	<u>\$ 465,112</u>

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022**

	Special Revenue Funds								
	Escrow Fund	Parks and Recreation Revolving	Outside Police Work	Land Acquisition	Economic Assistance	Vehicle Maintenance	Rec & Senior Activities	SECT Regional Probate Court	Energy Conservation Fund
ASSETS									
Cash and Cash Equivalents	\$ 784,593	\$ 214,839	\$ 107,022	\$ 74,917	\$ 274,253	\$ 187,622	\$ 65,663	\$ 22,493	\$ 19,735
Investments	-	-	-	-	-	-	-	-	-
Receivables, Net	2,324	-	44,882	-	-	41,405	250	-	-
Prepaid Items	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 786,917</u>	<u>\$ 214,839</u>	<u>\$ 151,904</u>	<u>\$ 74,917</u>	<u>\$ 274,253</u>	<u>\$ 229,027</u>	<u>\$ 65,913</u>	<u>\$ 22,493</u>	<u>\$ 19,735</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable	\$ 1,044	\$ 2,830	\$ 4,152	\$ -	\$ -	\$ -	\$ 72,310	\$ 791	\$ -
Due to State	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>1,044</u>	<u>2,830</u>	<u>4,152</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,310</u>	<u>791</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	21,702	-
Committed	785,873	212,009	147,752	74,917	274,253	229,027	-	-	19,735
Unassigned	-	-	-	-	-	-	(6,397)	-	-
Total Fund Balances	<u>785,873</u>	<u>212,009</u>	<u>147,752</u>	<u>74,917</u>	<u>274,253</u>	<u>229,027</u>	<u>(6,397)</u>	<u>21,702</u>	<u>19,735</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 786,917</u>	<u>\$ 214,839</u>	<u>\$ 151,904</u>	<u>\$ 74,917</u>	<u>\$ 274,253</u>	<u>\$ 229,027</u>	<u>\$ 65,913</u>	<u>\$ 22,493</u>	<u>\$ 19,735</u>

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022**

	Special Revenue Fund			Debt Service Fund	Permanent Funds				
	LED Light Conversion Project	Blight Remediation	Francis A. Nye Fund	Groton Sewer District	Williams Library Trust	Julia Bill Library Trust	Charles and Claudia Dominioni	Rispoli Scholarship	Totals
ASSETS									
Cash and Cash Equivalents	\$ 49,484	\$ 15,235	\$ 2,280	\$ 821,996	\$ 211,186	\$ 42,030	\$ 5,663	\$ 200,150	\$ 13,013,432
Investments	-	-	-	-	-	12,297	-	-	12,297
Receivables, Net	-	-	-	3,387	29	-	-	-	4,279,906
Prepaid Items	-	-	-	-	-	-	-	-	1,878
Other Assets	-	-	-	2,996	-	-	-	-	3,522
Total Assets	<u>\$ 49,484</u>	<u>\$ 15,235</u>	<u>\$ 2,280</u>	<u>\$ 828,379</u>	<u>\$ 211,215</u>	<u>\$ 54,327</u>	<u>\$ 5,663</u>	<u>\$ 200,150</u>	<u>\$ 17,311,035</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable	\$ -	\$ -	\$ -	\$ 73	\$ -	\$ -	\$ -	\$ -	\$ 1,805,571
Due to State	-	-	-	-	-	-	-	-	50,398
Due to Other Funds	-	-	-	-	-	-	-	-	790,813
Unearned Revenue	-	-	-	-	-	-	-	-	334,446
Total Liabilities	-	-	-	73	-	-	-	-	2,981,228
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments	-	-	-	1,005	-	-	-	-	1,005
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	897,938
Total Deferred Inflows of Resources	-	-	-	1,005	-	-	-	-	898,943
FUND BALANCES									
Nonspendable	-	-	-	2,996	20,000	27,543	-	200,000	250,539
Restricted	-	-	-	824,305	191,215	26,784	5,663	150	3,146,088
Committed	49,484	15,235	2,280	-	-	-	-	-	10,040,634
Unassigned	-	-	-	-	-	-	-	-	(6,397)
Total Fund Balances	<u>49,484</u>	<u>15,235</u>	<u>2,280</u>	<u>827,301</u>	<u>211,215</u>	<u>54,327</u>	<u>5,663</u>	<u>200,150</u>	<u>13,430,864</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 49,484</u>	<u>\$ 15,235</u>	<u>\$ 2,280</u>	<u>\$ 828,379</u>	<u>\$ 211,215</u>	<u>\$ 54,327</u>	<u>\$ 5,663</u>	<u>\$ 200,150</u>	<u>\$ 17,311,035</u>

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds							
	Educational Grants	School Cafeteria	Student Activities	Community Development	Donation Fund	Fitch Senior High Library Media Fund	Board of Education Grants (DOD)	Special Library Fund
REVENUES								
Property Taxes, Interest, and Lien Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Assessments	-	-	-	-	-	-	-	-
State of Connecticut	6,283,581	31,400	-	561,516	-	-	-	16,889
Investment Earnings	-	32	-	143	-	2	926	44
Federal Government	1,342,845	3,292,484	-	-	-	-	472,062	-
Charges for Services	-	195,050	-	-	-	-	-	-
Sewer Use Charges	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-
Other Revenue	638,003	22,463	244,336	108,139	66,992	-	-	-
Total Revenues	8,264,429	3,541,429	244,336	669,798	66,992	2	472,988	16,933
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Health and Human Services	-	-	-	592,600	46,507	-	-	-
Community Services	-	-	-	-	-	-	-	11,865
Education	8,264,429	2,875,714	172,514	-	-	-	-	-
Sewer Operations	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-
Outside Agencies	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	605,688	-
Total Expenditures	8,264,429	2,875,714	172,514	592,600	46,507	-	605,688	11,865
REVENUES OVER (UNDER) EXPENDITURES	-	665,715	71,822	77,198	20,485	2	(132,700)	5,068
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	665,715	71,822	77,198	20,485	2	(132,700)	5,068
Fund Balances - Beginning of Year	159,319	696,225	254,809	158,475	349,830	498	1,519,434	59,306
FUND BALANCES - END OF YEAR	\$ 159,319	\$ 1,361,940	\$ 326,631	\$ 235,673	\$ 370,315	\$ 500	\$ 1,386,734	\$ 64,374

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds							
	Golf Course Fund	Sewer Operating Fund	Solid Waste Fund	Mumford Cove District	TIF Fund	Emergency Energy Fund	DECD Brownfield Mystic Education Center Fund	Other Special Revenue
REVENUES								
Property Taxes, Interest, and Lien Fees	\$ -	\$ -	\$ -	\$ 21,387	\$ -	\$ -	\$ -	\$ -
Sewer Assessments	-	-	-	-	-	-	-	-
State of Connecticut	-	801	-	-	-	-	-	405,939
Investment Earnings	389	3,611	8	-	-	-	-	-
Federal Government	-	-	-	-	-	-	-	7,093
Charges for Services	1,458,121	-	-	-	-	-	-	18,666
Sewer Use Charges	-	6,717,934	-	-	-	-	-	-
Solid Waste Management	-	-	1,392,362	-	-	-	-	-
Other Revenue	61	7,087	17,377	-	-	35,835	-	4,825
Total Revenues	1,458,571	6,729,433	1,409,747	21,387	-	35,835	-	436,523
EXPENDITURES								
General Government	-	-	-	-	-	-	-	3,780
Public Safety	-	-	-	20,020	-	-	-	41,324
Public Works	-	-	-	-	-	-	-	-
Health and Human Services	-	-	-	-	-	19,307	-	16,851
Community Services	1,192,377	-	-	-	-	-	-	386,976
Education	-	-	-	-	-	-	-	-
Sewer Operations	-	4,247,959	-	-	-	-	-	-
Solid Waste Management	-	-	1,430,263	-	-	-	-	-
Outside Agencies	-	-	-	-	-	-	-	-
Debt Service	-	407,375	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	25,726
Total Expenditures	1,192,377	4,655,334	1,430,263	20,020	-	19,307	-	474,657
REVENUES OVER (UNDER) EXPENDITURES	266,194	2,074,099	(20,516)	1,367	-	16,528	-	(38,134)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	101,873	-	-	3,638	-	-	-
Transfers Out	(2,350)	(935,649)	-	(1,160)	-	-	-	(6,500)
Total Other Financing Sources (Uses)	(2,350)	(833,776)	-	(1,160)	3,638	-	-	(6,500)
NET CHANGE IN FUND BALANCES	263,844	1,240,323	(20,516)	207	3,638	16,528	-	(44,634)
Fund Balances - Beginning of Year	544,944	3,869,890	141,869	1,359	-	44,223	3,009	336,168
FUND BALANCES - END OF YEAR	\$ 808,788	\$ 5,110,213	\$ 121,353	\$ 1,566	\$ 3,638	\$ 60,751	\$ 3,009	\$ 291,534

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds								
	Escrow Fund	Parks and Recreation Revolving	Outside Police Work	Land Acquisition	Economic Assistance	Vehicle Maintenance	Rec & Senior Activities	SECT Regional Probate Court	Energy Conservation Fund
REVENUES									
Property Taxes, Interest, and Lien Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Assessments	-	-	-	-	-	-	-	-	-
State of Connecticut	-	-	-	-	-	-	712	-	-
Investment Earnings	-	-	-	249	942	-	-	-	66
Federal Government	-	-	-	-	-	-	-	-	-
Charges for Services	-	18,216	384,585	-	-	-	626,238	-	-
Sewer Use Charges	-	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-	-
Other Revenue	256,887	44,766	-	-	-	192,587	1,355	26,700	-
Total Revenues	256,887	62,982	384,585	249	942	192,587	628,305	26,700	66
EXPENDITURES									
General Government	123,794	-	-	-	-	-	-	30,340	-
Public Safety	-	-	332,712	-	-	-	-	-	-
Public Works	-	-	-	-	116,840	-	-	-	-
Health and Human Services	-	-	-	-	-	-	-	-	-
Community Services	-	45,994	-	-	-	-	720,859	-	-
Education	-	-	-	-	-	-	-	-	-
Sewer Operations	-	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-	-
Outside Agencies	-	-	-	-	-	182,772	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	123,794	45,994	332,712	-	116,840	182,772	720,859	30,340	-
REVENUES OVER (UNDER) EXPENDITURES	133,093	16,988	51,873	249	(115,898)	9,815	(92,554)	(3,640)	66
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	133,093	16,988	51,873	249	(115,898)	9,815	(92,554)	(3,640)	66
Fund Balances - Beginning of Year	652,780	195,021	95,879	74,668	390,151	219,212	86,157	25,342	19,669
FUND BALANCES - END OF YEAR	\$ 785,873	\$ 212,009	\$ 147,752	\$ 74,917	\$ 274,253	\$ 229,027	\$ (6,397)	\$ 21,702	\$ 19,735

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds			Debt Service Fund	Permanent Funds				
	LED Light Conversion Project	Blight Remediation	Francis A. Nye Fund	Groton Sewer District	Williams Library Trust	Julia Bill Library Trust	Charles and Claudia Dominioni	Rispoli Scholarship	Totals
REVENUES									
Property Taxes, Interest, and Lien Fees	\$ -	\$ -	\$ -	\$ 899,156	\$ -	\$ -	\$ -	\$ -	\$ 920,543
Sewer Assessments	-	-	-	1,696	-	-	-	-	1,696
State of Connecticut	-	-	-	733	-	-	-	-	7,301,571
Investment Earnings	-	13	-	1,425	(3,238)	2,692	17	602	7,923
Federal Government	-	-	-	-	-	-	-	-	5,114,484
Charges for Services	-	-	-	-	-	-	-	-	2,700,876
Sewer Use Charges	-	-	-	-	-	-	-	-	6,717,934
Solid Waste Management	-	-	-	-	-	-	-	-	1,392,362
Other Revenue	-	-	-	28	126,274	-	-	-	1,793,715
Total Revenues	-	13	-	903,038	123,036	2,692	17	602	25,951,104
EXPENDITURES									
General Government	-	-	-	6,627	-	-	-	-	164,541
Public Safety	-	-	-	-	-	-	-	-	394,056
Public Works	-	-	-	-	-	-	-	-	116,840
Health and Human Services	-	-	-	-	-	-	-	-	675,265
Community Services	-	-	-	-	132,254	-	-	602	2,490,927
Education	-	-	-	-	-	-	-	-	11,312,657
Sewer Operations	-	-	-	-	-	-	-	-	4,247,959
Solid Waste Management	-	-	-	-	-	-	-	-	1,430,263
Outside Agencies	-	-	-	-	-	-	-	-	182,772
Debt Service	-	-	-	1,288,914	-	-	-	-	1,696,289
Capital Outlay	-	-	-	-	-	-	-	-	631,414
Total Expenditures	-	-	-	1,295,541	132,254	-	-	602	23,342,983
REVENUES OVER (UNDER) EXPENDITURES	-	13	-	(392,503)	(9,218)	2,692	17	-	2,608,121
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	105,511
Transfers Out	-	-	-	(51,256)	-	-	-	-	(996,915)
Total Other Financing Sources (Uses)	-	-	-	(51,256)	-	-	-	-	(891,404)
NET CHANGE IN FUND BALANCES	-	13	-	(443,759)	(9,218)	2,692	17	-	1,716,717
Fund Balances - Beginning of Year	49,484	15,222	2,280	1,271,060	220,433	51,635	5,646	200,150	11,714,147
FUND BALANCES - END OF YEAR	<u>\$ 49,484</u>	<u>\$ 15,235</u>	<u>\$ 2,280</u>	<u>\$ 827,301</u>	<u>\$ 211,215</u>	<u>\$ 54,327</u>	<u>\$ 5,663</u>	<u>\$ 200,150</u>	<u>\$ 13,430,864</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – SPECIAL LIBRARY FUND
YEAR ENDED JUNE 30, 2022

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 50	\$ 50	\$ 44	\$ (6)
Connecticard Grant	25,000	25,000	16,889	(8,111)
Total Revenues	25,050	25,050	16,933	(8,117)
EXPENDITURES				
Software Maintenance Fees	25,000	25,000	2,812	22,188
Professional and Technical Services	-	-	4,893	(4,893)
Equipment, Machinery, and Furniture	-	-	5,518	(5,518)
Total Expenditures	25,000	25,000	13,223	11,777
NET CHANGE IN FUND BALANCE	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 3,710</u>	<u>\$ 3,660</u>
OTHER FINANCING USES				
Transfers Out	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 3,710</u>	<u>\$ 3,660</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	\$ -	\$ 1,358	\$ 1,358	
Liquidated Prior Year Encumbrances		-	-	
Net Change in Fund Balance, GAAP			<u>\$ 5,068</u>	

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – GOLF COURSE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ -	\$ -	\$ 388	\$ 388
Charges for Services	1,397,433	1,397,433	1,458,121	60,688
Misc - Unclassified		-	8	8
Federal Grants	-	-	53	53
Total Revenues	1,397,433	1,397,433	1,458,570	61,137
EXPENDITURES				
Community Services	1,316,152	1,316,152	1,217,984	98,168
REVENUES OVER (UNDER) EXPENDITURES	81,281	81,281	240,586	159,305
OTHER FINANCING USES				
Transfers Out	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 81,281</u>	<u>\$ 81,281</u>	<u>\$ 240,586</u>	<u>\$ 159,305</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	\$ -	\$ 23,258	\$ 23,258	
Liquidated Prior Year Encumbrances		-	-	
Net Change in Fund Balance, GAAP			<u>\$ 263,844</u>	

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – SEWER OPERATING FUND
YEAR ENDED JUNE 30, 2022

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sewer Use Charges	\$ 6,879,819	\$ 6,879,819	\$ 6,717,934	\$ (161,885)
Interest Income	3,000	3,000	3,611	611
Federal Grants	-	-	1,236	1,236
State Grants	-	-	801	801
Other Revenue	-	-	5,851	5,851
Total Revenues	6,882,819	6,882,819	6,729,433	(153,386)
EXPENDITURES				
Sewer System Maintenance	5,616,634	5,616,634	4,631,008	985,626
REVENUES OVER (UNDER) EXPENDITURES	1,266,185	1,266,185	2,098,425	832,240
OTHER FINANCING USES				
Transfers In	101,874	101,874	101,873	(1)
Transfers Out	(961,639)	(961,639)	(935,649)	25,990
Total Other Financing Uses	(859,765)	(859,765)	(833,776)	25,989
NET CHANGE IN FUND BALANCE	<u>\$ 406,420</u>	<u>\$ 406,420</u>	<u>\$ 1,264,649</u>	<u>\$ 858,229</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	\$ -	\$ 8,098	\$ 8,098	
Liquidated Prior Year Encumbrances		(32,424)	(32,424)	
Net Change in Fund Balance, GAAP			<u>\$ 1,240,323</u>	

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – SOLID WASTE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Solid Waste Management	\$ 1,577,921	\$ 1,577,921	\$ 1,392,363	\$ (185,558)
Interest Income	300	300	8	(292)
Misc - Unclassified	-	-	17,378	17,378
Total Revenues	1,578,221	1,578,221	1,409,749	(168,472)
EXPENDITURES				
Solid Waste Management	1,567,617	1,567,617	1,430,265	137,352
NET CHANGE IN FUND BALANCE	<u>\$ 10,604</u>	<u>\$ 10,604</u>	<u>\$ (20,516)</u>	<u>\$ (31,120)</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – MUMFORD COVE DISTRICT
YEAR ENDED JUNE 30, 2022

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes, Interest, and Lien Fees	\$ 21,180	\$ 21,180	\$ 21,387	\$ 207
EXPENDITURES				
Public Safety	20,020	20,020	20,020	-
REVENUES OVER (UNDER) EXPENDITURES	1,160	1,160	1,367	207
OTHER FINANCING USES				
Transfers Out	(1,160)	(1,160)	(1,160)	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207</u>	<u>\$ 207</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – GROTON SEWER DISTRICT
YEAR ENDED JUNE 30, 2022

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes and Other	\$ 895,618	\$ 895,618	\$ 899,156	\$ 3,538
State of Connecticut			733	733
Other Revenue	-	-	28	28
Interest Income	800	800	1,425	625
Sewer Assessments	-	-	1,696	1,696
Total Revenues	896,418	896,418	903,038	6,620
EXPENDITURES				
Debt Service	1,331,919	1,331,919	1,288,914	43,005
Operating Expense	13,243	13,243	6,641	6,602
Total Expenditures	1,345,162	1,345,162	1,295,555	49,607
REVENUES OVER (UNDER) EXPENDITURES	(448,744)	(448,744)	(392,517)	56,227
OTHER FINANCING USES				
Transfers Out	(51,256)	(51,256)	(51,256)	-
NET CHANGE IN FUND BALANCE	<u>\$ (500,000)</u>	<u>\$ (500,000)</u>	<u>\$ (443,773)</u>	<u>\$ 56,227</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	\$ -	\$ 14	\$ 14	
Liquidated Prior Year Encumbrances	-	-	-	
Canceled Prior Year Encumbrances	-	-	-	
Transfers Included in General Fund	-	-	-	
Net Change in Fund Balance, GAAP			<u>\$ (443,759)</u>	

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – REC & SENIOR ACTIVITIES
YEAR ENDED JUNE 30, 2022

	Budgeted			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Recreation Programs	\$ 798,714	\$ 798,714	\$ 436,029	\$ (362,685)
Senior Programs	260,320	260,320	116,601	(143,719)
Senior Food Concession	82,000	82,000	73,543	(8,457)
Federal Grants	-	-	773	773
State Grants	-	-	712	712
Miscellaneous Revenues	-	-	647	647
Total Revenues	1,141,034	1,141,034	628,305	(512,729)
EXPENDITURES				
Recreation Programs	856,216	856,216	501,967	354,249
Senior Programs	281,465	281,465	157,239	124,226
Senior Food Concession	114,021	114,021	87,882	26,139
Total Expenditures	1,251,702	1,251,702	747,088	504,614
NET CHANGE IN FUND BALANCE	<u>\$ (110,668)</u>	<u>\$ (110,668)</u>	<u>\$ (118,783)</u>	<u>\$ (8,115)</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	<u>\$ -</u>	<u>\$ 26,229</u>	<u>\$ 26,229</u>	
Net Change in Fund Balance, GAAP			\$ (92,554)	

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

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

Fleet Reserve Fund is used to account for the use and replacement of motor vehicles to other departments and related costs.

Health Insurance Fund is used to account for the revenues and related expenses for the health self-insurance plan.

Workers' Compensation Fund is used to account for the revenues and related expenses for the workers' compensation, and heart and hypertension benefits.

**TOWN OF GROTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022**

	Fleet Reserve	Health Insurance	Workers' Compensation	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,375,604	\$ 8,280,917	\$ 2,410,107	\$ 12,066,628
Accounts Receivable	12,726	33,084	-	45,810
Total Current Assets	1,388,330	8,314,001	2,410,107	12,112,438
Noncurrent Assets:				
Property and Equipment	9,722,702	-	-	9,722,702
Accumulated Depreciation	(7,648,032)	-	-	(7,648,032)
Property and Equipment, Net	2,074,670	-	-	2,074,670
Total Assets	3,463,000	8,314,001	2,410,107	14,187,108
LIABILITIES				
Current Liabilities:				
Accounts Payable	39,504	245	2,537	42,286
Claims Incurred but Not Reported	-	1,205,000	95,934	1,300,934
Total Current Liabilities	39,504	1,205,245	98,471	1,343,220
Noncurrent Liabilities:				
Claims Incurred but Not Reported, Net of Current Portion	-	-	1,294,434	1,294,434
Total Liabilities	39,504	1,205,245	1,392,905	2,637,654
NET POSITION				
Invested in Capital Assets	2,074,670	-	-	2,074,670
Unrestricted	1,348,826	7,108,756	1,017,202	9,474,784
Total Net Position	\$ 3,423,496	\$ 7,108,756	\$ 1,017,202	\$ 11,549,454

TOWN OF GROTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2022

	Fleet Reserve	Health Insurance	Workers' Compensation	Total
OPERATING REVENUE				
Charges for Services	\$ -	\$ 13,258,922	\$ 1,012,552	\$ 14,271,474
Other Revenue	2,593	-	33,398	35,991
Total Operating Revenue	2,593	13,258,922	1,045,950	14,307,465
Operating Expenses				
Operating Expenses	866,070	-	-	866,070
Claims - Operating	-	14,356,945	-	14,356,945
Claims - Workers' Compensation	-	-	637,041	637,041
Depreciation	319,522	-	-	319,522
Administrative	-	345,749	50,000	395,749
Total Operating Expenses	1,185,592	14,702,694	687,041	16,575,327
OPERATING INCOME (LOSS)	(1,182,999)	(1,443,772)	358,909	(2,267,862)
NONOPERATING REVENUE (EXPENSES)				
Interest on Investments	2,040	5,996	2,561	10,597
INCOME (LOSS) BEFORE TRANSFERS	(1,180,959)	(1,437,776)	361,470	(2,257,265)
Transfers In	1,322,772	-	-	1,322,772
Transfers Out	(101,873)	-	-	(101,873)
CHANGE IN NET POSITION	39,940	(1,437,776)	361,470	(1,036,366)
Net Position - Beginning of Year	3,383,556	8,546,532	655,732	12,585,820
NET POSITION - END OF YEAR	\$ 3,423,496	\$ 7,108,756	\$ 1,017,202	\$ 11,549,454

**TOWN OF GROTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022**

	Fleet Reserve	Health Insurance	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ (2,535)	\$ 13,252,828	\$ 1,070,950	\$ 14,321,243
Cash Paid to Vendors	(882,251)	-	-	(882,251)
Cash Paid to Beneficiaries	-	(14,288,449)	(802,859)	(15,091,308)
Net Cash Provided (Used) by Operating Activities	(884,786)	(1,035,621)	268,091	(1,652,316)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of Property and Equipment	(232,827)	-	-	(232,827)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer In	1,322,772	-	-	1,322,772
Transfers Out	(101,873)	-	-	(101,873)
Net Cash Provided By Noncapital Financing Activities	1,220,899	-	-	1,220,899
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	2,041	5,996	2,561	10,598
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	105,327	(1,029,625)	270,652	(653,646)
Cash and Cash Equivalents - Beginning of Year	1,270,277	9,310,542	2,139,455	12,720,274
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,375,604</u>	<u>\$ 8,280,917</u>	<u>\$ 2,410,107</u>	<u>\$ 12,066,628</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (1,182,999)	\$ (1,443,772)	\$ 358,909	\$ (2,267,862)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	319,522	-	-	319,522
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(5,128)	(6,094)	-	(11,222)
Increase (Decrease) in Accounts Payable	(16,181)	-	-	(16,181)
Increase (Decrease) in Claims Payable	-	414,245	(115,818)	298,427
Net Cash Provided (Used) by Operating Activities	<u>\$ (884,786)</u>	<u>\$ (1,035,621)</u>	<u>\$ 268,091</u>	<u>\$ (1,652,316)</u>

OTHER SCHEDULES

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2022**

Grand List Year	Uncollected Taxes July 1, 2021	Current Levy	Lawful Corrections		Suspense Transfers and Adjustments	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2022
			Additions	Deletions			Taxes	Interest, Liens and Other Fees	Suspense Taxes Collected	Total	
2020	\$ -	\$ 99,287,819	\$ 161,402	\$ 1,199,190	\$ 299,605	\$ 97,950,426	\$ 97,189,545	\$ 284,870	\$ 506	\$ 97,474,921	\$ 760,881
2019	679,287	-	31,529	80,902	63,822	566,092	378,951	99,061	47,308	525,320	187,141
2018	201,160	-	14,398	38,980	22,967	153,611	59,046	40,966	19,434	119,446	94,565
2017	117,645	-	1,045	9,234	9,568	99,888	9,879	15,843	16,718	42,440	90,009
2016	91,058	-	-	35	1,368	89,655	13,705	7,396	7,310	28,411	75,950
2015	31,815	-	-	37	372	31,406	891	4,105	3,490	8,486	30,515
2014	19,166	-	-	109	63	18,994	174	5,326	4,431	9,931	18,820
2013	15,735	-	-	-	-	15,735	343	4,627	3,321	8,291	15,392
2012	7,572	-	-	-	-	7,572	1,705	8,234	3,652	13,591	5,867
2011	3,534	-	-	-	-	3,534	462	4,625	1,532	6,619	3,072
2010	2,663	-	-	-	-	2,663	415	4,598	1,639	6,652	2,248
2009	464	-	-	-	-	464	-	1,904	945	2,849	464
2008	1,715	-	-	-	-	1,715	-	2,376	1,063	3,439	1,715
2007	1,355	-	-	-	-	1,355	-	2,808	1,031	3,839	1,355
2006	259	-	-	-	-	259	-	2,544	856	3,400	259
2005	416	-	-	-	416	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 1,173,844	\$ 99,287,819	\$ 208,374	\$ 1,328,487	\$ 398,181	\$ 98,943,369	\$ 97,655,116	\$ 489,283	\$ 113,236	\$ 98,257,635	\$ 1,288,253

**TOWN OF GROTON, CONNECTICUT
MUMFORD COVE DISTRICT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2022**

Grand List Year	Uncollected Taxes July 1, 2021	Current Levy	Lawful Corrections		Suspense Transfers and Adjustments	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2022
			Additions	Deletions			Taxes	Interest, Liens and Other Fees	Suspense Taxes Collected	Total	
2021	\$ -	\$ 21,062	\$ 22	\$ 30	\$ 4	\$ 21,050	\$ 21,042	\$ 81	\$ -	\$ 21,123	\$ 8
2020	197	-	-	-	-	197	197	63	3	263	-
Total	\$ 197	\$ 21,062	\$ 22	\$ 30	\$ 4	\$ 21,247	\$ 21,239	\$ 144	\$ 3	\$ 21,386	\$ 8

**TOWN OF GROTON, CONNECTICUT
GROTON SEWER DISTRICT – DEBT SERVICE FUND
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2022**

Grand List Year	Uncollected Taxes July 1, 2021	Current Levy	Lawful Corrections		Suspense Transfers and Adjustments	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2022
			Additions	Deletions			Taxes	Interest, Liens and Other Fees	Suspense Taxes Collected	Total	
2020	\$ -	\$ 901,454	\$ 1,055	\$ 10,488	\$ 27	\$ 891,994	\$ 890,129	\$ 2,514	\$ -	\$ 892,643	\$ 1,865
2019	3,506	-	98	1,012	103	2,489	2,007	1,816	11	3,834	482
2018	547	-	164	391	10	310	190	447	7	644	120
2017	347	-	10	97	8	252	57	206	2	265	195
2016	201	-	-	-	8	193	10	81	-	91	183
2015	190	-	-	-	-	190	7	55	-	62	183
2014	66	-	-	-	-	66	3	33	4	40	63
2013	55	-	-	-	-	55	-	5	4	9	55
2012	22	-	-	-	-	22	-	7	5	12	22
2011	15	-	-	-	-	15	7	67	4	78	8
2010	6	-	-	-	-	6	-	49	25	74	6
2009	7	-	-	-	-	7	-	12	6	18	7
2008	7	-	-	-	-	7	-	28	12	40	7
2007	8	-	-	-	-	8	-	22	9	31	8
2006	8	-	-	-	-	8	-	-	-	-	8
2005	15	-	-	-	15	-	-	-	-	-	-
Total	\$ 5,000	\$ 901,454	\$ 1,327	\$ 11,988	\$ 171	\$ 895,622	\$ 892,410	\$ 5,342	\$ 89	\$ 897,841	\$ 3,212

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF CHANGES IN BOND INDEBTEDNESS
YEAR ENDED JUNE 30, 2022**

Description	Interest Rate (%)	Issue Date	Maturity Date	Original Amount	Balance Beginning of Year	Additions	Deductions	Balance End of of Year	Interest Paid
General Purpose Refunding Issue of 2013	3.0-4.0	3-12-2013	10-1-2029	\$ 6,752,000	\$ 4,108,000	\$ -	\$ 432,000	\$ 3,676,000	\$ 142,820
General Purpose Bond Issue of 2018 (Rd Maint)	3.0-5.0	4-18-2018	4-15-2028	6,690,000	4,680,000	-	670,000	4,010,000	173,900
Sewer Refunding Issue of 2012	2.0-3.75	12-13-2011	10-15-2028	2,710,000	1,315,000	-	185,000	1,130,000	39,912
Sewer Refunding Issue of 2013	2.75-3.0	3-12-2013	10-1-2027	2,020,000	1,055,000	-	155,000	900,000	27,463
School Bond Refunding Issue of 2013	3.0-4.0	3-12-2013	10-1-2029	12,308,000	7,662,000	-	768,000	6,894,000	282,880
School Bond Refunding Issue of 2019 (School 2020 Construction)	2.0-5.0	5-8-2019	5-1-2039	20,000,000	18,000,000	-	1,000,000	17,000,000	571,250
General Purpose Refunding Issue of 2020	5.0-5.0	4-30-2020	10-15-2033	5,648,000	4,856,000	-	796,000	4,060,000	216,000
Sewer Refunding Issue of 2020	4.0-5.0	4-30-2020	10-15-2028	4,337,000	3,419,000	-	914,000	2,505,000	148,100
School Bond Refunding Issue of 2020 (School 2020 Construction)	3.0-5.0	4-30-2020	10-15-2039	20,000,000	19,000,000	-	1,000,000	18,000,000	795,000
School Bond Issue of 2021 (School 2020 Construction)	1.1-4.0	4-29-2021	4-15-2041	18,000,000	18,000,000	-	900,000	17,100,000	463,207
Sewer Fund Pump Stations	2.0-5.0	4-29-2021	4-15-2041	7,045,000	7,045,000	-	355,000	6,690,000	224,083
School Bond Issue of 2022 (School 2020 Construction)	3.35-5.0	4-28-2022	4-15-2042	22,975,000	-	22,975,000	-	22,975,000	-
Total Bonded Debt					<u>\$ 89,140,000</u>	<u>\$ 22,975,000</u>	<u>\$ 7,175,000</u>	<u>\$ 104,940,000</u>	<u>\$ 3,084,615</u>

**TOWN OF GROTON, CONNECTICUT
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS
YEAR ENDED JUNE 30, 2022**

	Appropriation	Expenditures			Encumbrances	Unencumbered Balance
		Balance July 1, 2021	Current Year	Balance June 30, 2022		
LOCIP Projects:						
Senior Center Closed Circuit TV System	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Sidewalk Midway	100,000	75,387	6,391	81,778	-	18,222
HVAC Annex	70,000	9,100	56,750	65,850	250	3,900
PD Locker Room	105,000	4,900	33,941	38,841	10,906	55,253
Groton Ambulance Parking Lot	45,000	41,410	-	41,410	-	3,590
HVAC Upgrade Golf Course	140,000	69,157	33,843	103,000	-	37,000
Town Hall Complex Radon Improvements	85,000	10,961	13,868	24,829	-	60,171
Spicer House Painting and Roof Replacement	170,000	7,900	1,600	9,500	6,000	154,500
Park Improv ADA	60,000	3,995	-	3,995	-	56,005
Athletic Field Development	100,000	-	-	-	-	100,000
Park Improv ADA Compliance	41,000	12,153	2,832	14,985	770	25,245
Library Cooling	151,000	-	-	-	-	151,000
Town Hall Complex Improvements	267,000	67,683	16,686	84,369	15,160	167,471
Community Center	80,000	-	-	-	-	80,000
FYE 2018 Capital Improvement Projects:						
Golf Course Facilities	30,000	5,640	2,750	8,390	-	21,610
Info Tech Acq SW Systems	658,000	441,912	208,222	650,134	-	7,866
WPCF-Treatment Facility	668,000	104,287	15,957	120,244	-	547,756
WPCF-Pump Stations	651,000	151,464	118,900	270,364	-	380,636
Town Hall Complex	375,000	357,224	-	357,224	-	17,776
FYE 2019 Capital Improvement Projects:						
Sewer Line Infrastructure Repairs - WPCF	479,000	2,247	-	2,247	-	476,753
Groton Ambulance Building	21,000	18,696	-	18,696	-	2,304
Tech - IT Security	92,000	50,267	41,733	92,000	-	-
Tech PS CAD/RMS Integration	320,000	196,668	-	196,668	-	123,332
TechWebsite Redesign	50,000	40,300	-	40,300	-	9,700
WPCF-Treatment Facility	52,000	4,555	3,750	8,305	42,400	1,295
WPCF-Pump Stations	200,000	144,000	17,826	161,826	28,322	9,852
Upgrade Radio Sys Police	1,000,000	949,007	-	949,007	-	50,993
Bridge Reconstruction - GLP	300,000	26,980	93,784	120,764	179,236	-

**TOWN OF GROTON, CONNECTICUT
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Appropriation	Expenditures			Encumbrances	Unencumbered Balance
		Balance July 1, 2021	Current Year	Balance June 30, 2022		
FYE 2020 Capital Improvement Projects:						
Golf Course Facilities	\$ 15,000	\$ -	\$ 14,950	\$ 14,950	\$ -	\$ 50
Police Station	37,000	-	350	350	-	36,650
Sewer Line Infrastructure Repairs-WPCF	100,000	31,200	-	31,200	-	68,800
Sidewalk Construction	157,000	39,076	42,043	81,119	42,163	33,718
Info Tech Acq Network	135,000	96,478	21,051	117,529	1,440	16,031
Tech TW Meeting Room Equipment	77,000	18,615	26,390	45,005	26,951	5,044
Park Improv - ADA Compliance	68,000	60,665	-	60,665	-	7,335
Trail Improvement Program	50,000	2,800	29,155	31,955	-	18,045
WPCF-Treatment Facility	138,000	-	21	21	-	137,979
WPCF-Pump Stations	100,000	29,000	31,542	60,542	1,658	37,800
BOE-Asbestos Tile Removal	518,000	18,200	484,003	502,203	-	15,797
Mystic Ed Various Studies	116,500	107,944	3,585	111,529	4,971	-
Open Space Improvements	43,000	300	-	300	-	42,700
Town Hall Complex	110,000	75,809	-	75,809	-	34,191
Mystic Streetscaped Phase 3	150,000	-	1,900	1,900	1,900	146,200
FYE 2021 Capital Improvement Projects:						
Wayfinding Signage	40,000	-	35,062	35,062	4,480	458
Sewer Line Infrastructure Repairs-WPCF	50,000	9,687	25,695	35,382	10,618	4,000
Groton Public Library	90,000	16,875	19,195	36,070	11,200	42,730
North Stonnington Road Bridge	25,000	9,475	9,460	18,935	-	6,065
Sidewalk Construction	55,000	-	-	-	-	55,000
Info Tech Acq Network	191,000	28,367	118,706	147,073	476	43,451
Info Tech Phone System	25,000	-	24,697	24,697	-	303
Culvert Rehabilitation	195,000	10,500	63,003	73,503	94,777	26,720
WPCF Pump Stations	1,425,000	112,911	1,091,313	1,204,224	15,629	205,147
BOE District Storage	155,000	68,367	-	68,367	-	86,633
BOE Video Surveillance	45,000	-	-	-	-	45,000
BOE School Kitchen Dishwasher	120,000	42,657	-	42,657	-	77,343
Town Hall Annex	25,000	-	25,000	25,000	-	-
Downtown Mystic Parking	25,000	12,029	2,609	14,638	10,362	-

**TOWN OF GROTON, CONNECTICUT
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Appropriation	Expenditures			Encumbrances	Unencumbered Balance
		Balance July 1, 2021	Current Year	Balance June 30, 2022		
FYE 2022 Capital Improvement Projects:						
Golf Course Facilities	\$ 285,000	\$ -	\$ 27,255	\$ 27,255	\$ 17,670	\$ 240,075
Golf Course Maintenance	50,000	-	4,800	4,800	1,600	43,600
Drainage Improvements	35,000	-	-	-	19,900	15,100
Groton Public Library	189,000	-	29	29	-	188,971
Senior Center	40,000	-	-	-	-	40,000
Bridge Repair	45,000	-	-	-	45,000	-
Sidewalk Construction	75,000	-	-	-	-	75,000
Infill Sidewalk Construction	200,000	-	-	-	-	200,000
Traffic Signal Replacement	30,000	-	23,060	23,060	3,840	3,100
Economic Assistance Fund	50,000	-	-	-	-	50,000
Info Technology	206,000	-	186,975	186,975	18,017	1,008
Library and GMTV Servers	39,000	-	-	-	-	39,000
EIMS Acquisition	380,000	-	118,337	118,337	158,989	102,674
Squad Car/Body Cams Public Safety	66,000	-	66,000	66,000	-	-
Athletic Field Development	33,000	-	-	-	-	33,000
Athletic Field Design Service	200,000	-	-	-	-	200,000
Facilities Improvements	200,000	-	15,000	15,000	-	185,000
WPCF Treatment Facility	75,000	-	12,500	12,500	-	62,500
WPCF Pump Stations	400,000	-	52,350	52,350	159,650	188,000
GLP Pavement	95,000	-	95,000	95,000	-	-
Town Pavement	810,000	-	106,681	106,681	-	703,319
BOE-Northeast Academy	215,000	-	-	-	-	215,000
SB Butler Fuel Tank Removal	50,000	-	20,970	20,970	-	29,030
Open Space Acquisition	10,000	-	-	-	-	10,000
Strategic Resiliency Plan	85,000	-	-	-	-	85,000
Vacant School	100,000	-	-	-	-	100,000
Town Hall Complex	45,000	-	20,412	20,412	16,168	8,420
Annex Fire Training Facility	95,000	-	-	-	-	95,000
Downtown Mystic Parking	15,000	-	790	790	3,138	11,072
Total	\$ 14,748,500	\$ 3,586,848	\$ 3,488,722	\$ 7,075,570	\$ 953,641	\$ 6,719,289

STATISTICAL SECTION

STATISTICAL SECTION INFORMATION

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

Statistical section information is presented in the following categories:

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

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

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

TABLE 1

**TOWN OF GROTON, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2013	2014	2015	2016 (2)	2017	2018	2019 (3)	2020	2021	2022
Governmental Activities:										
Net Investment in Capital Assets	\$ 161,736,383	\$ 154,930,034	\$ 159,430,245	\$ 162,347,720	\$ 164,500,510	\$ 160,357,068	\$ 158,733,947	\$ 181,279,605	\$ 200,751,149	\$ 221,248,729
Restricted	336,163	338,581	347,495	340,967	333,424	339,348	343,595	342,653	4,819,202	4,253,209
Unrestricted	35,517,240	27,268,797	23,007,408	17,012,268	(30,030,306)	(20,577,444)	(13,342,285)	(7,128,110)	17,034,535	8,563,530
Total Governmental Activities Net Position	<u>\$ 197,589,786</u>	<u>\$ 182,537,412</u>	<u>\$ 182,785,148</u>	<u>\$ 179,700,955</u>	<u>\$ 134,803,628</u>	<u>\$ 140,118,972</u>	<u>\$ 145,735,257</u>	<u>\$ 174,494,148</u>	<u>\$ 222,604,886</u>	<u>\$ 234,065,468</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting.

(2) Restated for GASB 68

(3) Restated for GASB 75

TABLE 2

**TOWN OF GROTON, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EXPENSES										
Governmental Activities:										
General Government and Services	\$ 8,529,609	\$ 8,691,422	\$ 8,337,626	\$ 10,821,540	\$ 8,042,247	\$ 8,960,439	\$ 8,337,603	\$ 8,427,187	\$ 8,704,252	\$ 10,121,937
Public Safety	12,295,551	12,501,644	12,789,334	12,712,112	14,090,590	13,259,508	15,938,456	15,533,546	14,379,634	17,611,303
Public Works	13,628,816	13,377,760	12,342,955	11,171,462	12,658,004	12,805,514	13,423,118	14,283,893	12,834,858	11,808,306
Planning and Development	1,830,563	1,716,137	1,570,770	1,844,956	2,035,174	1,990,801	2,144,663	2,076,867	1,663,301	2,335,385
Human Services	2,715,295	2,759,569	3,180,545	4,489,168	4,049,046	4,322,148	4,427,733	3,767,528	3,028,357	4,541,216
Community Services	7,107,094	7,563,406	7,450,944	7,846,378	6,850,753	6,194,652	6,864,514	6,106,213	4,659,914	6,660,410
Board of Education	89,023,978	90,079,021	89,228,450	90,277,870	100,289,882	101,768,169	93,035,027	99,314,979	118,783,150	105,611,915
Sewer Operations	5,863,816	5,780,402	5,653,724	5,838,562	5,652,542	6,050,701	6,155,419	5,270,255	4,889,830	6,404,964
Solid Waste Management	2,199,954	2,132,903	2,085,798	1,609,559	1,613,576	1,590,816	1,545,066	1,499,935	1,454,780	1,430,263
Interest on Long-Term Debt	1,310,199	2,083,263	1,751,362	1,616,896	1,463,234	1,304,961	1,456,464	969,505	2,121,400	1,408,439
Total Governmental Activities Expenses	144,504,875	146,685,527	144,391,508	148,228,503	156,745,048	158,247,709	153,328,063	157,249,908	172,519,476	167,934,138
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	1,158,126	1,351,390	1,512,226	1,299,150	1,762,441	1,579,665	2,058,244	1,463,823	1,620,491	1,791,810
Public Safety	398,165	346,820	231,852	152,122	416,583	364,315	424,920	374,444	378,931	389,198
Public Works	745,253	807,774	654,007	595,574	464,321	188,827	215,810	194,854	196,679	237,518
Planning and Development	159,644	301,056	334,146	421,811	285,835	11,839	14,379	17,000	19,419	8,865
Health and Human Services	135,357	136,358	278,018	78,964	168,992	60,465	24,017	71,582	43,929	135,540
Community Services	2,010,172	2,185,314	2,332,015	2,405,872	2,342,306	2,185,130	2,256,834	2,034,704	1,888,877	2,191,797
Education	1,042,262	1,066,571	959,511	1,027,754	1,086,729	1,075,491	1,021,488	672,746	254,480	502,194
Sewer System Maintenance	5,291,252	5,758,271	5,796,587	6,006,143	6,074,091	6,283,486	6,530,281	6,448,601	6,768,408	6,717,934
Solid Waste Management	2,411,917	2,351,710	2,201,040	1,791,595	1,553,358	1,531,088	1,475,121	1,419,700	1,394,098	1,409,739
Operating Grants and Contributions	43,653,893	47,200,162	45,952,894	46,302,479	52,017,815	55,681,310	47,472,391	53,694,777	69,041,690	54,987,685
Capital Grants and Contributions	3,667,168	1,807,869	783,148	702,498	706,509	1,864,558	1,996,148	23,777,643	39,181,379	6,242,493
Total Governmental Activities Program Revenues	60,673,209	63,313,295	61,035,444	60,783,962	66,878,980	70,826,174	63,489,633	90,169,874	120,788,381	74,614,773
Net Expenses	(83,831,666)	(83,372,232)	(83,356,064)	(87,444,541)	(89,866,068)	(87,421,535)	(89,838,430)	(67,080,034)	(51,731,095)	(93,319,365)

**TABLE 2
(CONTINUED)**

**TOWN OF GROTON, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	\$ 81,627,072	\$ 82,290,623	\$ 79,210,399	\$ 80,725,773	\$ 82,864,039	\$ 88,753,308	\$ 90,445,440	\$ 91,070,741	\$ 95,609,494	\$ 99,066,112
Payments in Lieu of Taxes	1,479,465	1,454,422	1,350,490	986,196	1,011,019	605,607	603,686	603,142	603,313	1,734,496
Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Not Restricted to Specific Programs	4,144,285	2,601,740	2,873,504	2,499,693	1,517,211	2,217,558	2,285,803	2,257,899	2,327,200	2,533,080
Unrestricted Investment Earnings	126,718	129,179	143,093	148,535	240,806	509,867	1,249,239	1,166,949	264,999	267,570
Contributions Received Donated Assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	26,314	151	148,332	650,539	870,547	740,194	765,503	622,932
Total Governmental Activities	<u>87,377,540</u>	<u>86,475,964</u>	<u>83,603,800</u>	<u>84,360,348</u>	<u>85,781,407</u>	<u>92,736,879</u>	<u>95,454,715</u>	<u>95,838,925</u>	<u>99,570,509</u>	<u>104,224,190</u>
CHANGE IN NET POSITION	<u>\$ 3,545,874</u>	<u>\$ 3,103,732</u>	<u>\$ 247,736</u>	<u>\$ (3,084,193)</u>	<u>\$ (4,084,661)</u>	<u>\$ 5,315,344</u>	<u>\$ 5,616,285</u>	<u>\$ 28,758,891</u>	<u>\$ 47,839,414</u>	<u>\$ 10,904,825</u>

TABLE 3

**TOWN OF GROTON, CONNECTICUT
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,978	\$ 11,716	3,086
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	2,700,000	2,700,000	666,693	481,258	-	1,095,000	-	-	-
Assigned	3,003,114	4,346,530	4,556,108	2,026,112	1,889,794	1,420,789	1,248,696	1,476,235	4,666,890	5,442,400
Unassigned	11,617,470	11,442,314	9,510,492	10,097,227	11,457,895	18,888,114	23,710,943	27,287,274	29,000,928	32,120,481
Total General Fund	<u>\$ 14,620,584</u>	<u>\$ 18,488,844</u>	<u>\$ 16,766,600</u>	<u>\$ 12,790,032</u>	<u>\$ 13,828,947</u>	<u>\$ 20,308,903</u>	<u>\$ 26,054,639</u>	<u>\$ 28,783,487</u>	<u>\$ 33,679,534</u>	<u>\$ 37,565,967</u>
All Other Governmental Funds:										
Nonspendable	\$ 268,278	\$ 256,543	\$ 248,803	\$ 252,753	\$ 251,637	\$ 250,279	\$ 250,231	\$ 250,290	\$ 250,269	\$ 250,539
Restricted	7,909,457	14,297,309	10,770,323	10,246,352	6,804,065	10,228,832	1,949,478	2,126,965	3,700,402	3,149,200
Committed	6,266,751	6,213,171	5,424,407	5,568,197	5,855,884	5,606,256	75,814,672	6,772,636	7,763,476	10,040,634
Unassigned	(250,281)	-	-	-	(49,486)	(452,056)	(56,925,277)	(997,260)	(10,973,894)	(104,287)
Total All Other Governmental Funds	<u>\$ 14,194,205</u>	<u>\$ 20,767,023</u>	<u>\$ 16,443,533</u>	<u>\$ 16,067,302</u>	<u>\$ 12,862,100</u>	<u>\$ 15,633,311</u>	<u>\$ 21,089,104</u>	<u>\$ 8,152,631</u>	<u>\$ 740,253</u>	<u>\$ 13,336,086</u>

TABLE 4

TOWN OF GROTON, CONNECTICUT
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUES										
Taxes, Interest, and Lien Fees	\$ 82,339,630	\$ 82,526,804	\$ 79,238,570	\$ 80,676,749	\$ 83,824,932	\$ 88,942,127	\$ 90,715,443	\$ 90,888,810	\$ 95,824,962	\$ 98,936,439
Assessments	4,375	7,999	59,972	13,393	42,119	5,374	666	309	-	1,696
Licenses and Permits	175,081	317,422	342,131	434,229	303,096	381,024	554,690	562,457	508,807	607,928
Intergovernmental - State	46,511,395	46,617,234	43,814,938	44,422,970	50,146,722	46,655,450	48,652,084	71,220,650	86,926,303	58,453,513
Intergovernmental - Federal	107,531	115,560	126,196	127,189	220,140	487,258	1,044,889	1,049,626	248,677	131,658
Interest on Investments	5,804,355	5,905,398	6,373,371	5,136,168	4,961,642	6,265,832	8,927,968	7,799,970	8,823,400	9,196,289
Charges for Current Services	4,554,660	4,743,472	4,922,677	4,647,691	5,219,590	4,810,232	5,101,327	3,894,068	3,532,829	4,024,836
Schools, Library, and Recreation Fees	338,553	313,187	260,937	293,474	282,921	222,374	202,511	162,369	50,844	66,635
Sewer Use Charges	5,291,252	5,758,271	5,796,587	6,006,143	6,074,091	6,283,486	6,530,281	6,448,601	6,768,408	6,717,934
Solid Waste Management Charges	2,411,917	2,287,817	2,201,040	1,507,441	1,553,358	1,531,088	1,475,121	1,419,700	1,394,098	1,392,362
Other Revenue	1,118,262	1,331,789	1,311,473	1,871,966	1,458,743	2,037,098	1,902,271	2,263,047	2,142,224	2,468,697
Total Revenues	148,657,011	149,924,953	144,447,892	145,137,413	154,087,354	157,621,343	165,107,251	185,709,607	206,220,552	181,997,987
EXPENDITURES										
Current:										
General Government	1,266,793	1,068,673	1,384,263	1,629,681	1,513,910	1,027,494	945,145	1,117,231	1,380,022	1,493,783
General Services	4,315,863	4,482,277	4,475,963	4,307,726	4,289,828	4,428,036	3,062,846	3,159,294	3,404,363	3,437,561
Public Safety	6,882,693	6,847,447	6,826,320	6,798,575	6,854,164	7,055,011	8,714,934	8,773,910	8,850,857	9,444,916
Public Works	6,293,359	6,411,003	6,466,672	6,201,908	5,824,089	5,868,134	5,786,617	5,528,840	5,669,279	5,833,465
Planning and Development	1,201,607	1,105,233	1,021,024	1,238,980	1,230,650	1,394,682	1,361,420	1,431,888	1,411,350	1,541,718
Health and Human Services	748,171	834,766	1,186,125	1,431,937	1,129,009	1,607,690	1,319,398	829,041	1,576,592	1,196,257
Community Services	5,506,737	5,890,493	5,910,146	5,699,342	5,566,051	5,563,302	5,686,560	5,406,661	5,039,024	5,704,163
Education	85,311,379	86,821,236	86,519,344	89,075,467	96,601,412	93,326,799	96,254,221	96,755,250	98,394,735	100,370,462
Subdivisions	5,228,234	5,212,930	5,045,084	4,192,898	4,897,090	5,588,096	5,315,236	5,488,998	5,631,029	6,471,751
Sewer Operations	4,354,333	4,343,233	4,290,302	4,406,312	4,331,286	4,564,077	4,726,802	4,278,263	4,147,751	4,247,959
Solid Waste Management	2,199,954	2,132,903	2,085,798	1,609,559	1,613,576	1,590,816	1,545,066	1,499,935	1,454,780	1,430,263
Nondepartmental (1)	8,743,450	8,850,191	9,283,830	9,136,274	8,186,453	8,257,824	9,306,977	10,080,534	11,008,510	11,500,254
Outside Agencies (2)	2,351,809	2,331,064	2,368,305	2,373,697	2,106,756	1,963,254	1,972,982	1,643,942	143,870	2,101,629
Debt Service Interest	1,310,199	2,083,263	1,751,362	1,616,896	1,463,234	1,304,961	1,456,464	969,505	2,121,400	1,408,439
Debt Service Principal	4,642,857	3,623,883	4,785,687	4,763,414	4,752,228	4,377,435	5,003,435	7,021,310	7,456,773	9,661,224
Capital Outlay	8,896,614	7,081,129	7,158,401	4,942,546	5,439,175	6,894,643	20,986,752	63,789,436	78,764,141	23,779,764
Total Expenditures	149,254,052	149,119,724	150,558,626	149,425,212	155,798,911	154,812,254	173,444,855	217,774,038	236,454,476	189,623,608
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(597,041)	805,229	(6,110,734)	(4,287,799)	(1,711,557)	2,809,089	(8,337,604)	(32,064,431)	(30,233,924)	(7,625,621)

**TABLE 4
(CONTINUED)**

**TOWN OF GROTON, CONNECTICUT
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OTHER FINANCING SOURCES (USES)										
Issuance of Bonds	\$ -	\$ 9,320,000	\$ -	\$ -	\$ -	\$ 6,690,000	\$ 20,000,000	\$ 20,000,000	\$ 25,045,000	\$ 22,975,000
Bond Premium	-	181,455	-	-	-	-	969,328	3,079,380	3,076,898	1,798,029
Refunding Bond Issuance	21,080,000	-	-	-	-	-	-	9,985,000	-	-
Refunding Bond Premiums	2,336,722	-	-	-	-	-	-	1,227,152	-	-
Payment to Escrow Agent	(23,199,400)	-	-	-	-	-	-	(11,130,548)	-	-
Issuance of Capital Lease	-	134,394	-	-	-	-	-	22,561	-	-
Transfers In	5,350,360	3,777,844	4,737,718	4,421,441	1,825,029	2,563,875	3,731,908	2,636,898	2,674,622	4,682,121
Transfers Out	(5,350,360)	(3,777,844)	(4,672,718)	(4,486,441)	(2,279,759)	(2,811,797)	(5,135,107)	(3,990,633)	(3,350,251)	(5,903,020)
Total Other Financing Sources (Uses)	217,322	9,635,849	65,000	(65,000)	(454,730)	6,442,078	19,566,129	21,829,810	27,446,269	23,552,130
NET CHANGE IN FUND BALANCES	(379,719)	10,441,078	(6,045,734)	(4,352,799)	(2,166,287)	9,251,167	11,228,525	(10,234,621)	(2,787,655)	15,926,509
Fund Balance - Beginning of Year	29,194,508	28,814,789	39,255,867	33,210,133	28,857,334	26,691,047	35,942,214	47,170,739	37,207,442	34,419,787
FUND BALANCE - END OF YEAR	<u>\$ 28,814,789</u>	<u>\$ 39,255,867</u>	<u>\$ 33,210,133</u>	<u>\$ 28,857,334</u>	<u>\$ 26,691,047</u>	<u>\$ 35,942,214</u>	<u>\$ 47,170,739</u>	<u>\$ 36,936,118</u>	<u>\$ 34,419,787</u>	<u>\$ 50,346,296</u>
Debt Service as a Percentage to Noncapital Expenditures	4.26%	4.01%	4.58%	4.46%	4.14%	3.68%	4.42%	5.20%	6.07%	5.84%

(1) Employee benefits were budgeted at the function level for Fiscal Year 2004. For all other years, Employee benefits were included in Nondepartmental.

(2) In Fiscal Year 2005, Outside Agencies was created as a new area of service. In prior years these agencies were included in various areas of service.

TABLE 5

TOWN OF GROTON, CONNECTICUT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS)

Fiscal Year	Real Property		Motor Vehicles	Personal Property	Tax Exempt Property	Less Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property								
2013 **	\$ 2,255,322	\$ 1,183,933	\$ 222,949	\$ 512,177	\$ 982,988	\$ 236,104	\$ 3,938,277	\$ 20.22	\$ 5,626,110	70.0 %
2014	2,256,738	1,182,093	216,669	419,881	982,879	218,018	3,857,363	20.72	5,510,519	70.0
2015	2,260,934	1,174,250	221,200	446,431	990,958	205,212	3,897,603	20.13	5,568,004	70.0
2016	2,264,812	1,094,956	223,311	443,907	996,132	218,335	3,808,651	20.95	5,440,930	70.0
2017	2,277,608	1,086,145	221,983	412,078	987,271	208,274	3,789,539	21.73	5,413,627	70.0
2018	2,120,973	1,129,692	223,491	445,161	1,319,882	213,796	3,705,521	23.63	5,293,601	70.0
2019	2,125,410	1,146,708	224,005	455,938	1,306,441	227,157	3,724,904	24.17	5,737,031	70.0
2020	2,129,129	1,149,450	227,833	462,907	1,315,704	235,539	3,733,780	25.11	6,469,982	70.0
2021	2,132,893	1,143,050	232,039	453,367	1,318,982	239,640	3,721,708	24.17	5,950,167	70.0
2022	2,140,609	1,149,962	250,235	463,196	1,340,283	236,188	3,767,814	25.98	6,018,630	70.0

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

** Denotes years in which a revaluation of real estate properties occurred.

Except in years of a revaluation, the estimated actual amount is calculated using the sales ratios developed by the State of Connecticut, Office of Policy and Management.

TABLE 6

**TOWN OF GROTON, CONNECTICUT
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(IN THOUSANDS)**

Taxpayer	Nature of Business	2022			2013		
		Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Pfizer, Inc.	Pharmaceutical	\$ 306,327	1	8.1 %	\$ 587,665	1	13.3 %
Electric Boat Corp.	Submarine Mfg./R&D	287,241	2	7.6	215,640	2	4.8
Marion Group LP	Ledges Apartments	27,954	3	0.7	21,454	3	0.7
Exit 88 Hotel LLC	Mystic Marriott Hotel	21,542	4	0.6	20,456	4	0.5
Groton Devel Assoc Ltd	Country Glen Apartments	19,921	5	0.5	17,533	5	0.5
CW Groton Square LLC	Groton Square Shopping Center	18,480	6	0.5	14,518	6	0.4
Groton Fuel Cell 1 LLC	Fuel Cell @ Pfizer	16,800	7	0.4			
ELK La Triumphe LLC	LaTriumphe Apartments	16,276	8	0.4	14,501	7	0.4
Winterfell Windham Falls	Windham Falls Elderly Apts	15,050	9	0.4			
SueEllen Kadis LLC ETAL	Natural Gas Utility	13,529	10	0.4			
Groton Estates LLC	Colonial Manor Apartments	-		-	12,232	8	0.3
Branford Manor Assoc	Apartment Complex	-		-	10,932	9	0.3
CSC Outsourcing	Leased Equipment at Electric Boat	-		-	10,512	10	0.3
Total		<u>\$ 743,120</u>		<u>19.6 %</u>	<u>\$ 925,443</u>		<u>21.5 %</u>

Source: Town Assessor's office

TABLE 7

**TOWN OF GROTON, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year	Taxes Levied for the Fiscal Year *	Subsequent Adjustments	Adjusted Tax Levy	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years	Total Collections to Date		
				Amount	Percentage of Levy	Percentage Uncollected		Amount *	Percentage of Levy	Percentage Uncollected
2013	\$ 80,232	\$ -	\$ 80,232	\$ 78,991	98.45 %	1.55 %	\$ 930	\$ 79,921	99.61 %	0.39 %
2014	80,265	-	80,265	79,198	98.67	1.33	834	80,032	99.71	0.29
2015	78,060	-	78,060	76,900	98.51	1.49	669	77,569	99.37	0.63
2016	79,533	-	79,533	78,407	98.58	1.42	n/a	78,407	98.58	1.42
2017	82,404	-	82,404	81,432	98.82	1.18	n/a	81,432	98.82	1.18
2018	87,457	-	87,457	86,440	98.84	1.16	n/a	86,440	98.84	1.16
2019	89,230	-	89,230	88,419	99.09	0.91	n/a	88,419	99.09	0.91
2020	90,293	-	90,293	89,400	99.01	0.99	n/a	89,400	99.01	0.99
2021	93,896	-	93,896	93,217	99.28	0.72	n/a	93,217	99.28	0.72
2022	97,950	-	97,950	97,189	99.22	0.78	n/a	97,189	99.22	0.78

Source: Town Assessor's office and Finance office

* The "Taxes Levied for the Fiscal Year" figure is based on the adjusted October 1 Grand List for each of the fiscal years listed.

TABLE 8

TOWN OF GROTON, CONNECTICUT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

Fiscal Year	Town Direct Rate		Overlapping Rates											
	Basic Rate	Groton Sewer District	City of Groton	City of Groton Total Direct Rate	Poquonnock Bridge Fire District	Poquonnock Bridge Fire District Total Direct Rate	Mystic Fire District	Mystic Fire District Total Direct Rate	Noank Fire District	Noank Fire District Total Direct Rate	Old Mystic Fire District	Old Mystic Fire District Total Direct Rate	Groton Long Point Association	Groton Long Point Association Total Direct Rate
2013	\$ 20.220	0.250	\$ 4.595	\$ 24.815	\$ 5.900	\$ 26.370	\$ 2.050	\$ 22.520	\$ 1.190	\$ 21.660	\$ 2.400	\$ 22.870	\$ 2.835	\$ 23.305
2014	20.72	0.250	4.595	25.315	5.200	26.170	2.160	23.130	1.390	22.360	2.800	23.770	2.928	23.898
2015	20.13	0.250	4.822	24.952	5.900	26.280	2.310	22.690	1.390	21.770	2.800	23.180	2.795	23.175
2016	20.95	0.250	5.868	26.818	6.050	27.250	2.290	23.490	1.390	22.590	2.900	24.100	2.995	24.195
2017	21.73	0.250	5.432	27.162	6.350	28.330	2.310	24.290	1.490	23.470	2.950	24.930	2.994	24.974
2018	23.63	0.270	5.220	28.850	5.730	29.630	2.290	26.190	1.490	25.390	2.950	26.850	3.710	27.610
2019	24.17	0.270	4.580	28.750	5.970	30.410	2.240	26.680	1.390	25.830	2.900	27.340	3.710	28.150
2020	24.17	0.280	4.300	28.470	6.000	30.450	2.280	26.730	1.280	25.730	2.900	27.350	3.997	28.447
2021	25.11	0.560	4.300	29.410	5.950	31.620	2.270	27.940	1.280	26.950	2.900	28.570	3.997	29.667
2022	25.98	0.370	4.300	30.280	6.490	32.840	2.190	28.540	1.680	28.030	2.900	29.250	4.130	30.480

Fiscal Year	Basic Rate	Groton Sewer District	Center Groton Fire District	Center Groton Fire District Total Direct Rate	West Pleasant Valley Fire District	West Pleasant Valley Fire District Total Direct Rate	Mumford Cove District	Mumford Cove District Total Direct Rate	First Taxing District	First Taxing District Total Direct Rate	Second Taxing District	Second Taxing District Total Direct Tax
2013	\$ 20.220	0.250	\$ 3.500	\$ 23.970	\$ 2.820	\$ 23.290	\$ 0.305	\$ 20.775	N/A	N/A	N/A	N/A
2014	20.72	0.250	3.500	24.470	2.800	23.770	0.305	21.275	N/A	N/A	N/A	N/A
2015	20.13	0.250	3.500	23.880	3.400	23.780	0.305	20.685	N/A	N/A	N/A	N/A
2016	20.95	0.250	3.500	24.700	3.760	24.960	0.309	21.509	N/A	N/A	N/A	N/A
2017	21.73	0.250	3.500	25.480	3.800	25.780	0.310	22.290	N/A	N/A	N/A	N/A
2018	23.63	0.270	3.500	27.400	3.500	27.400	0.340	24.240	N/A	N/A	N/A	N/A
2019	24.17	0.270	3.500	27.940	4.480	28.920	0.340	24.780	N/A	N/A	N/A	N/A
2020	24.17	0.280	3.500	27.950	4.310	28.760	0.340	24.790	N/A	N/A	N/A	N/A
2021	25.11	0.560	3.500	29.170	4.310	29.980	0.330	26.000	N/A	N/A	N/A	N/A
2022	25.98	0.370	3.500	29.850	3.930	30.280	0.330	26.680	N/A	N/A	N/A	N/A

Note: The Total Direct Rate is arrived at by combining the Town Direct Rate with the various Overlapping Rates.
For City of Groton residents their total tax rate is made up of two components; the Town Direct Rate plus their Overlapping Rate.
For all other residents of the Town, their Total Direct Rate is made up of three components; the Town Direct Rate, their Overlapping Rate, and the Groton Sewer District Rate.

TABLE 9

**TOWN OF GROTON, CONNECTICUT
RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt		Unamortized Premiums	Total Primary Government	Debt as a Percentage of Actual Taxable Value of Property (1)	Debt Per Capita
	General Obligation Bonds	Other Bonds				
2013	\$ 38,580,000	\$ 5,195,000	\$ 3,488,821	\$ 47,263,821	1.2 %	\$ 1,093
2014	44,835,000	4,880,000	3,456,276	53,171,276	1.4	1,249
2015	41,090,000	4,520,000	3,233,203	48,843,203	1.3	1,146
2016	37,390,000	4,150,000	3,010,131	44,550,131	1.2	1,048
2017	33,710,000	3,785,000	2,787,058	40,282,058	1.1	1,026
2018	37,110,000	3,425,000	2,958,427	43,493,427	1.2	1,113
2019	53,155,000	3,070,000	3,456,382	59,681,382	1.6	1,542
2020	67,300,000	2,720,000	6,073,173	76,093,173	2.0	1,980
2021	86,770,000	2,370,000	7,865,062	97,005,062	2.6	2,525
2022	102,910,000	2,030,000	7,572,017	112,512,017	3.0	2,926

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

TABLE 10

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

Fiscal Year	General Bonded Debt		Unamortized Premiums	Clean Water Fund Loans	Financed Purchases	Less: Amounts Available in Debt Service Fund (2)	Total Primary Government	Debt as a Percentage of Personal Income (1)	Debt Per Capita
	General Obligation Bonds	Other Bonds							
2013	\$ 38,580,000	\$ 5,195,000	\$ 3,488,821	\$ 10,052,962	\$ 4,013	\$ 1,612,018	\$ 55,708,778	4.37 %	\$ 1,396
2014	44,835,000	4,880,000	3,456,276	9,440,599	126,439	1,076,888	61,661,426	4.96	1,535
2015	41,090,000	4,520,000	3,233,203	8,828,236	101,765	905,862	56,867,342	4.69	1,416
2016	37,390,000	4,150,000	3,010,131	8,215,873	75,830	701,928	52,139,906	4.20	1,314
2017	33,710,000	3,785,000	2,787,058	7,603,509	48,569	546,289	47,387,847	3.39	1,207
2018	37,110,000	3,425,000	2,958,427	6,991,146	21,308	395,602	50,110,279	3.58	1,282
2019	53,155,000	3,070,000	3,456,382	6,378,783	-	256,589	65,803,576	4.74	1,701
2020	67,300,000	2,720,000	6,073,173	5,766,420	21,300	146,689	81,734,204	5.88	2,127
2021	86,770,000	2,370,000	7,865,062	5,154,056	17,327	1,268,334	100,908,111	7.04	2,627
2022	102,910,000	2,030,000	7,572,017	4,541,693	13,052	824,305	116,242,457	7.92	3,023

(1) See Table 14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) This is the amount restricted for debt service principal payments

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
YEAR ENDED JUNE 30, 2022**

Tax Base:

Total Tax Collections (Including Interest and Lien Fees) for the Year Ended June 30, 2022	\$ 94,740,026
Total Tax Collections (Including Interest and Lien Fees) of Coterminous Municipalities for the prior year - Year Ended June 30, 2021	<u>14,230,259</u>
Total Base	<u><u>\$ 108,970,285</u></u>

	Public Improvement	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 1/4 Times Base	\$ 245,183,141	\$ -	\$ -	\$ -	\$ -
4 1/2 Times Base	-	490,366,283	-	-	-
3 3/4 Times Base	-	-	408,638,569	-	-
3 1/4 Times Base	-	-	-	354,153,426	-
3 Times Base	-	-	-	-	326,910,855
Total Limitations	<u>245,183,141</u>	<u>490,366,283</u>	<u>408,638,569</u>	<u>354,153,426</u>	<u>326,910,855</u>
Indebtedness:					
Bonds Outstanding	11,746,000	84,474,000	8,720,000	-	-
Bond Anticipation Notes Payable	-	13,255,000	-	-	-
Clean Water Fund Loans	-	-	4,541,694	-	-
Authorized And Unissued	3,221	8,151,145	-	-	-
Underlying Debt:					
Bonds And Serial Notes	2,836,243	-	10,030,000	-	-
Authorized And Unissued	-	-	-	-	-
Total Indebtedness	<u>14,585,464</u>	<u>105,880,145</u>	<u>23,291,694</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u><u>\$ 230,597,677</u></u>	<u><u>\$ 384,486,138</u></u>	<u><u>\$ 385,346,875</u></u>	<u><u>\$ 354,153,426</u></u>	<u><u>\$ 326,910,855</u></u>

Notes:

- (1) The total of the above indebtedness amounts to: \$ 143,757,303
- In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 762,791,995
- (2) Bonds authorized and unissued represent bond authorizations for which bonds have been issued to partially finance the project or bond anticipation notes are outstanding.

TABLE 12

**TOWN OF GROTON, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 637,479	\$ 669,064	\$ 669,870	\$ 648,611	\$ 668,181	\$ 685,611	\$ 720,401	\$ 725,323	\$ 729,269	\$ 762,792
Total Net Debt Applicable to Limit	56,413	67,524	62,943	60,676	66,344	58,933	218,110	177,277	161,063	143,757
Legal Debt Margin	<u>\$ 581,066</u>	<u>\$ 601,540</u>	<u>\$ 606,927</u>	<u>\$ 587,935</u>	<u>\$ 601,837</u>	<u>\$ 626,678</u>	<u>\$ 502,291</u>	<u>\$ 548,046</u>	<u>\$ 568,206</u>	<u>\$ 619,035</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	8.85%	10.09%	9.40%	9.35%	9.93%	8.60%	30.28%	24.44%	22.09%	18.85%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2022 debt limit can be found on Table 11.

TABLE 13

TOWN OF GROTON, CONNECTICUT
CALCULATION OF DIRECT DEBT AND CURRENT DEBT RATIOS
LAST TEN FISCAL YEARS
(UNAUDITED)

Governmental Activities												Direct	Net	Overall		Direct	Net	Overall
Fiscal		General					Total	State	Self-supporting	Net	Total	Debt	Debt	Debt	Net	to Net	to Net	Total
Year	Population	Fund	Other	Clean Water	Notes	Capital	Direct	Grants	Sewer Debt	Direct	Overall	Per	Per	Per	Taxable	Taxable	Taxable	Taxable
		Bonds	Bonds	Fund Loans	Payable	Leases	Debt	Receivable	(CWF Loans)	Debt	Debt (1)	Capita	Capita	Capita	Grand List (2)	G/L	G/L	G/L
2013	39,896	\$ 38,580,000	\$ 5,195,000	\$ 10,052,962	\$ -	\$ 4,013	\$ 53,831,975	\$ -	\$ 10,052,962	\$ 43,779,013	\$ 51,709,741	\$ 1,349	\$ 1,097	\$ 1,296	\$ 3,938,277,000	1.37 %	1.11 %	1.31 %
2014	40,176	44,835,000	4,880,000	9,440,599	-	126,439	59,282,038	-	9,440,599	49,841,439	56,648,750	1,476	1,241	1,410	3,857,363,000	1.54	1.29	1.47
2015	40,167	41,090,000	4,520,000	8,828,236	-	101,765	54,540,001	-	8,828,236	45,711,765	52,183,835	1,358	1,138	1,299	3,897,603,000	1.40	1.17	1.34
2016	39,692	37,390,000	4,150,000	8,215,873	-	75,830	49,831,703	-	8,215,873	41,615,830	47,401,767	1,255	1,048	1,194	3,808,651,000	1.31	1.09	1.24
2017	39,261	33,710,000	3,785,000	7,603,510	-	48,569	45,147,079	-	7,603,510	37,543,569	42,688,460	1,150	956	1,087	3,789,539,000	1.19	0.99	1.13
2018	39,075	37,110,000	3,425,000	6,991,146	-	21,308	47,547,454	58,300	6,991,146	40,498,008	50,995,018	1,217	1,036	1,305	3,715,881,000	1.28	1.09	1.37
2019	38,692	53,155,000	3,070,000	6,378,782	21,700,000	-	84,303,782	3,676,307	6,378,782	74,248,693	83,927,171	2,179	1,919	2,169	3,701,681,000	2.28	2.01	2.27
2020	38,436	67,300,000	2,720,000	5,766,420	63,045,000	21,300	138,852,720	5,434,820	5,766,420	127,651,480	137,459,932	3,613	3,321	3,576	3,734,667,000	3.72	3.42	3.68
2021	38,411	86,770,000	2,370,000	5,154,056	38,000,000	22,561	132,316,617	7,150,304	5,154,056	120,012,257	128,843,694	3,445	3,124	3,354	3,709,883,000	3.57	3.23	3.47
2022	38,456	102,910,000	2,030,000	4,541,693	13,255,000	16,851	122,753,544	-	4,541,693	118,211,851	131,078,094	3,192	3,074	3,409	3,739,661,000	3.28	3.16	3.51

(1) Includes net Underlying Debt related to the various taxing districts.

(2) Gross taxable Grand List for FY21 is \$3,709,882,767

Note: Data is presented in accordance with the Town's continuing disclosure agreement.

TABLE 14

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>High School Graduate or Higher</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2013	39,896	\$ 1,274,597	\$ 31,948	32.8	90.9 %	4,778	7.7 %
2014	40,176	1,243,126	30,942	33.2	92.2	4,657	6.2
2015	40,167	1,212,401	30,184	33.2	92.4	4,565	5.2
2016	39,692	1,241,169	31,270	32.4	93.6	4,519	5.3
2017	39,261	1,399,184	35,638	34.0	94.8	4,461	4.3
2018	39,075	1,399,276	35,810	34.0	94.3	4,381	4.1
2019	38,692	1,389,159	35,903	33.0	94.0	4,324	3.6
2020	38,436	1,389,500	36,151	33.0	94.1	4,324	11.8
2021	38,411	1,433,076	37,309	34.1	93.5	4,068	7.1
2022	38,456	1,477,595	38,423	34.1	93.8	4,068	3.9

Sources: Per capita income, median age, and education level provided by U.S. Census Bureau, Census 2020

(1) Population provided by State of Connecticut, Department of Public Health

(2) Town of Groton Board of Education

(3) State of Connecticut, Department of Labor

TABLE 15

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

Name	Nature of Business	2022			2013		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
U.S. Navy Submarine Base	Military Base	10,750	1	37.5 %	9,710	1	34.5 %
Electric Boat Corporation	Submarine Mfg/R&D	9,169	2	32.0	6,700	2	23.8
Pfizer, Inc.	Pharmaceutical	4,853	3	16.9	3,360	3	11.9
Town of Groton	Municipality	967	4	3.4	1,296	4	4.6
Theater Aviation (2) Sustainment	Helicopter repair	460	5	1.6	528	5	1.9
City of Groton	Municipality	219	6	0.8	206	6	0.7
Fairview Retirement Community	Senior Living	178	7	0.6			
PCC Structurals (1)	Manufacturer	175	8	0.6	180	7	0.6
Chelsea Groton Bank	Banking/Financial Services	132	9	0.5			
Mystic Marriott	Hotel/Conference Center	126	10	0.4	225	8	0.8
Lawrence & Memorial Facilities	Emergency & Health Care Svcs				149	9	0.5
Doncaster Precision Castings	Manufacturer				105	10	0.4
Total		27,029		94.3 %	22,459		79.7 %

(1) Formerly known as Wyman Gordon Company

(2) Formerly known as AVCRAD

Source: Telephone survey

TABLE 16

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
General Services	49.00	49.00	49.00	49.00	46.00	47.00	32.00	32.00	32.00	32.00
Public Safety	72.00	72.00	72.00	73.00	73.00	73.00	85.00	86.00	88.00	90.00
Public Works	52.25	52.25	52.25	52.25	48.25	46.25	43.00	43.00	43.00	43.00
Planning and Development	16.00	16.00	14.00	14.00	14.00	14.00	15.00	15.00	15.00	17.00
Human Services	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Community Services	40.75	40.50	40.75	40.75	39.75	39.75	37.75	37.75	35.75	35.75
Golf Course	6.25	6.50	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
Sewer System Maintenance	18.75	18.75	18.75	18.75	18.75	19.75	19.00	19.00	19.00	19.00
Solid Waste Management	-	-	-	-	-	-	-	-	-	-
Project Manager - School Construction	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Fleet Reserve	-	-	-	-	-	-	-	-	-	-
Subtotal Town Government	268.00	534.00	266.00	267.00	259.00	259.00	252.00	253.00	253.00	257.00
Board of Education	683.00	641.00	733.00	758.00	817.00	764.00	755.00	778.00	762.00	778.00
Total	951.00	1,175.00	999.00	1,025.00	1,076.00	1,023.00	1,007.00	1,031.00	1,015.00	1,035.00

Source: Adopted Town Budgets

Notes: A full-time employee is scheduled to work either 2,080 or 1,820 hours per year (including vacation and sick leave) depending on bargaining unit.

TABLE 17

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
Marriages and Civil Unions of Residents	495	544	498	507	460	301	437	234	401	288
Births to Groton Residents	556	569	528	526	483	462	386	462	269	442
Deaths of Groton Residents	418	382	378	401	423	392	351	324	364	366
Boards and Agencies:										
Registered Voters	19,082	17,600	17,640	18,677	18,905	19,023	19,759	21,649	21,232	22,136
Elections and Referenda	1	2	2	2	2	3	-	2	2	2
Planning and Development:										
Building Permits Issued	1,300	1,347	1,403	1,458	1,416	1,540	1,679	1,582	1,745	1,890
Building Inspections Conducted	3,000	3,300	3,500	3,900	3,400	3,600	3,900	3,850	4,100	4,200
Value of Building Permits	\$ 14,676,632	\$ 26,771,903	\$ 28,906,319	\$ 39,767,943	\$ 27,737,183	\$ 39,911,213	\$ 73,136,178	\$ 47,160,422	\$ 33,545,081	\$ 37,206,763
Public Safety:										
Arrests	1,555	1,376	1,135	1,055	955	996	1,047	747	564	639
Parking Violations	263	282	50	27	41	80	106	92	62	351
Traffic Violations	7,872	8,295	5,237	4,963	3,360	5,350	5,172	5,176	1,852	2,284
Public Works:										
Street Resurfacing (in Miles)	3	3	3	4	2	2	1	3	2	4
Number of Snow and Ice Control Callouts	16	21	24	9	12	15	11	6	9	15
Miles of Roads Maintained (Excludes GLP In 2006)	95	95	95	96	96	96	96	96	96	96
Parks and Recreation:										
Athletic Field Permits Issued	89	106	158	105	135	131	361	101	66	97
Summer Season Programs	186	161	160	130	158	234	180	156	53	220
Indoor Season Programs	398	453	461	446	463	459	429	463	153	480
Acres of Grounds Maintained	150	150	155	155	155	155	155	155	155	175
Public Libraries:										
Volumes in Collection	144,199	146,616	150,297	151,781	156,425	163,460	156,866	130,074	138,319	139,763
Items Circulated	354,923	354,683	336,680	320,460	287,571	298,349	279,547	220,682	160,955	201,632
Senior Center:										
Meals on Wheels Provided	14,935	12,500	23,399	n/a *	n/a *	n/a *	n/a *	n/a *	n/a*	n/a *
Kitchen Meals Served	15,689	18,919	20,507	20,791	16,313	14,171	17,604	14,169	16,118	10,176
Senior Mini-Bus Trips	31	49	33	47	31	44	31	17	1	12

**TABLE 17
(CONTINUED)**

**TOWN OF GROTON, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Human Services:										
Households Provided Energy Assistance	1,670	1,675	1,700	1,750	1,775	1,775	1,775	1,800	1,800	1,900
Households Utilizing Groton Food Locker	4,600	4,600	4,650	4,700	4,725	4,725	4,725	5,000	5,000	5,100
Households Receiving Rent Assistance	1,800	1,900	1,950	1,975	2,000	2,000	2,000	2,100	2,100	2,200
Education:										
Elementary Schools	7	7	7	7	6	6	6	6	6	5
Middle Schools	2	2	2	2	2	2	2	2	1	1
High Schools	1	1	1	1	1	1	1	1	1	1
Sewer:										
Miles of Sewer Line Maintained	136.3	136.3	136.3	136.5	136.1	136.1	136.1	136.1	136.1	136.1

Source(s): Various Town Departments

N/A Information Not Available

* This is Now Outsourced

TABLE 18

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Vehicles	43	43	43	41	41	41	46	43	45	46
Public Works:										
Miles of Town Streets	95.21	95.21	95.21	95.84	95.84	95.84	95.84	95.84	95.84	95.84
Streetlights	1,371	1,330	1,330	1,330	1,373	1,373	1,373	1,373	1,373	1,373
Public Works Vehicles	197	198	198	196	196	196	196	194	194	194
Parks and Recreation:										
Acreage	1,266	1,270.8	1,276.8	1,276.8	1,276.8	1,276.8	1,276.8	1,276.8	1,270.8	1,270.8
Parks	54	55	57	57	57	57	57	57	55	55
Public Libraries:										
Libraries	1	1	1	1	1	1	1	1	1	1
Human Services (Senior Center):										
Community Center	1	1	1	1	1	1	1	1	1	1
Senior Mini-Buses	6	6	6	6	6	6	4	4	4	4
Education:										
Schools	11	11	11	10	9	9	9	9	8	7
Sewer:										
Sanitary Sewers (Miles)	136.3	136.3	136.3	136.5	136.1	136.1	136.1	136.1	136.1	136.1
Treatment Capacity (Thousands of Gallons)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500

Source(s): Various Town Departments