

Annual Comprehensive Financial Report

of the

Town of Groton, Connecticut



Fiscal Year Ended June 30, 2023

TOWN OF GROTON, CONNECTICUT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023

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, 2023.

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, 2023, 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, 2023, 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 37,743 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 2023, approximately 257 full-time municipal employees provided services to a community of 38 square miles and 37,743 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 2023, 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 2023, the Town had an unemployment rate of 3.0% as compared to the New London County rate of 3.5%, the state's average rate of 3.7% and the national average of 3.6%. New London County has an employed labor force of approximately 129,878 residents.

Grand List increased by 1.1%: The October 1, 2022 net adjusted taxable Grand List increased 1.1% from the 2021 Grand List after the Board of Assessment Appeals. The net adjusted grand list now totals \$4,664,233,679. The combined assessments of the top ten taxpayers increased from \$817 million to about \$849. Pfizer remains the Town's largest taxpayer, but Electric Boat remains strong as the second largest taxpayer. Net real estate increased to \$4.096 billion. The net personal property grand list experienced a slight decrease of 0.3%. While there is some growth in Groton for business assets, this mild drop reflects the depreciation of assets which is expected for the personal property category. The motor vehicles portion of the grand list grew by 7.1% from \$291 million to \$312 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 (21.2% of the FYE 2024 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

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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 \$4,053,000 was reduced to \$3,428,000 by the Town Council and remained at this amount with the RTM.

Major Initiatives for the Fiscal Year Ended June 30, 2023:

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.

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 were 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 have been closed out and submitted to the State of Connecticut Department of Administrative Services 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.

CT "Communities Challenge" Grant: Groton received a \$6.4 million funding award through the CT "Communities Challenge Grant." This funding will facilitate construction of much-needed housing in Groton, both market-rate and affordable, while making better use of key parcels in the Poquonnock Bridge Village neighborhood. The grant will also fund infrastructure for better pedestrian connectivity.

CT “Community Investment Fund” (CIF): Staff has been coordinating with several projects targeting the submittal of grant proposals to DECD. Staff coordinated with the Thames Valley Council for Community Action (TVCCA) to support their direct submittal for funding the construction of an early childhood facility. Staff is directly applying for funds for demolition and site preparation at the former Pleasant Valley School.

Wayfinding Sign Master Plan:

Phase II of the Wayfinding Signage Master Plan was initiated. 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 awarded nearly \$8.6 million to over 53 projects after accepting applications that were reviewed by the Long-Term Recovery Committee (LTRC) and the Town Council. Results from the GreaterGroton.com public input tool were used in developing a community needs assessment. These projects are being coordinated by the ARPA Coordinator involving the development and execution of separate legal agreements. Funding is being made available to non-municipal recipients on a reimbursement basis. Some of the larger projects will be phased over time with reimbursements made upon attaining milestones.

Public Property Redevelopment:

Seely School: The “Triton Square” redevelopment project advanced including plans and legal documentation. The project prevailed in court regarding a zoning appeal. Don Mar Development Corporation will construct an approximately 305-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.

517/529 Gold Star Highway Redevelopment: The option agreement was extended to allow ongoing discussions with the preferred developers. The project envisions the development of approximately 300 apartments on 17.75 acres.

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

Downtown Mystic Resiliency and Sustainability Plan: This project, which is supported by a Long Island Sound Futures Fund grant, will help the town understand the vulnerability of Downtown Mystic to climate hazards (flooding and extreme heat) and develop recommendations to increase the area’s resilience. During this fiscal year staff worked with the selected consulting

firm to complete the first two major project tasks – conducting field assessments and developing the vulnerability analysis.

On-Line Permitting System: The town launched an on-line permitting portal to allow the public and developers to apply for land use and building permits. Applications and supporting documents and plans can be uploaded, inspections requested, and copies of relevant documents can be obtained. The general public can review projects and permits through this system.

Age Friendly Groton: Groton’s Age Friendly plan was adopted by the Town Council in 2023. The plan was developed by a small task force that included representatives from the City of Groton, Thrive 55+ (the former Senior Center) and elected officials. The plan represents a commitment by the town to make Groton an age-friendly place to live and work. The recommendations from the plan will be incorporated into the update of the Plan of Conservation and Development and used to develop new programs at Thrive 55+.

Major Initiatives for the Future:

Energy Efficiency and Sustainability:

The Public Works Department continues to pursue installation of a large solar array on the closed Flanders Road Landfill as well as other Town sites. The Department is working with a consultant to assist in the process of requesting proposals for the landfill solar field as well as carport units over the parking lots at the Police Station.

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 signed an agreement with the Connecticut – Department of Transportation to place this bridge in the federal local bridge program where federal funds will pay 100% of the design and construction costs with the design and construction managed by the Connecticut – Department of Transportation. Construction is anticipated in 2026-27.

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 2024.

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 have been completed, however it is unknown when both towns will authorize funding so no construction date is available.

Complete Streets:

The Town of Groton has 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. Recently the Town formed a Complete Streets Advisory Committee to provide guidance for implementation of Complete Streets throughout the community. Public Works is committed to working with other Departments, the Connecticut DOT and the Complete Streets Advisory Committee 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 lanes and trails where appropriate.

Municipal and State Excess Property Redevelopment

Former Groton Heights School: Groton is advancing the redevelopment of the Groton Heights School. Developers will be solicited and an RFP drafted and issued.

Former Pleasant Valley School: Groton is advancing the redevelopment of the Pleasant Valley School. Developers will be solicited and an RFP drafted and issued.

517/529 Gold Star Highway: Groton will work with the selected development team that holds the land option and execute the multi-family land development. The project envisions the development of approximately 300 apartments on 17.75 acres. Anticipated tax benefits will be in the order of \$1 million annually

Former Colonel Ledyard School: The preferred developer, Bellsite LLC, will complete the development based upon approved plans for 64 housing units. The project is located approximately ½ mile from Electric Boat.

Former Seely School (Triton Square): The developer (Don Mar) will complete the construction of a 305-unit multi-family housing development sometime in 2025. 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 allocations will begin to allocate 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.

Legal agreements will be executed by the town and subrecipients. The program operates on a reimbursement basis including payments when attained milestones are met.

Small Business Pivot Grant: Groton will unveil a Groton Business Pivot grant program has Businesses may qualify for up to \$5,000 in reimbursable grants. This local program, funded by the ARPA grant, aims to support Groton's small businesses as they adapt to the ever-changing and fragile economic conditions. Eligible uses of the funds include diversifying revenue streams, expanding the capacity to provide goods and services, updating business models, or developing contingency plans. Additionally, a microgrant for façade improvements is also available.

Housing Rehabilitation and Home Ownership Program: Groton will unveil a \$150,000 housing grant program targeting housing rehabilitation (up to \$35,000) and also down payment assistance (up to \$10,000). Funding for this program is ARPA. This builds upon the town's existing CDBG housing rehabilitation program, but it offers more flexibility to Groton residents.

Groton Housing Market: Groton will complete an update to the Groton Housing Market Study. The original study was completed in 2021 and demonstrated a need for 5,000 units, but there was a desire to have the most recent data for Groton in preparation for the upcoming Plan of Conservation and Development update. The combination of housing demand and lack of supply continues to drive rental and ownership prices higher. The updated Groton Housing Market Study will provide an easily understood infographic illustration helping to describe Groton's housing challenge.

Community Challenge Grant: Groton will administer the \$6.4 million grant from the State of CT to redevelop key properties along Poquonnock Road. This public funding will leverage private funding for market rate and affordable housing development as well as community development projects in this neighborhood. Legal agreements will be drafted by DECD for review and approval by the project partners.

Groton 2035

Groton's Plan of Conservation and Development must be updated and adopted by 2026. The Plan will be used to guide the town's growth over the next ten years. It will address housing needs, transportation infrastructure, conservation of natural resources, economic development and plan for climate changes to make Groton more resilient.

Regional 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.

Climate Action Plan

The town has been selected to receive a grant from the state Climate Resilience Fund to develop the first town-wide climate action plan. This plan will include both climate change mitigation (how to reduce the town's greenhouse gas emissions) and adaptation (how to plan for, and respond to, impacts from rising sea levels, increases in extreme heat, etc.). The plan will be developed through extensive community engagement and the guidance of a steering committee.

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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. The town's Road and Drainage Standards will also be updated to be consistent with the Subdivision Regulations and Complete Streets policy.

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.

Nature Everywhere

A team from Groton, including representatives from the town government, public school system, and Groton Open Space Association, have been selected through a nation-wide competitive process to participate in the Nature Everywhere program. Through this program, the team will work with subject matter experts over the next two years to develop a plan to ensure that all youth in Groton have equitable access to nature. The team will have access to \$40,000 of seed funding to help overcome barriers in the planning process and will be eligible to apply for competitive funds to implement plan recommendations once the plan is complete.

Learning Lots Phase 1

The town secured a Long Island Sound Futures Fund grant to support this project, which will help the town integrate the use of permeable pavement into future projects. A suitability analysis will be conducted to identify which town-owned properties are appropriate for permeable pavement and Public Works staff will work hand-in-hand with a consultant that has permeable pavement expertise to co-design three priority projects. UCONN Center for Land Use Education and Research is a partner on the project and will help the town host a regional workshop to share information gained through the project with other towns and non-profit partners.

Haley's Brook Road-Stream Crossing Feasibility Study

The road-stream crossing of Haley's Brook by River Road is a significant barrier to fish passage, as identified by Save the Sound, and was significantly impacted by flooding in 2010. The town will work with The Nature Conservancy and a consultant to be hired to evaluate potential improvements to the crossing, with the goals of improving fish passage and flood resilience. This project is also supported by a Long Island Sound Futures Fund grant.

Debt Administration:

In April 2023, a presentation was made to the one rating agency: Standard & Poor's. As the presentation was regarding a short term note sale, it was not deemed necessary to obtain updated

ratings from Moody's Investors Service and Fitch Rating Services as well. While an updated rating was not requested from all agencies, Fitch did affirm their previous ratings for the Town:

Fitch "AA+"

Standard & Poor's "AA+"

In April 2023 the Town conducted a sale of General Obligation Bond Anticipation notes in the amount of \$12,000,000 for the Groton 2020 School Facilities Improvement Plan. The notes mature in April 2024.

At year-end, the Town had a number of debt issues outstanding. These issues, net of applicable unamortized discounts, included \$88,600,000 of General Obligation Bonds, \$8,030,000 of General Obligation Sewer Bonds paid by special assessments/fees for total bonds payable of \$96,630,000. Last fiscal year that total amount was \$104,940,000.

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 2023</u>
Comparison to State's Statutory Debt Limit:	not to exceed 50%	16.84%
Net Direct Indebtedness to assessed value	not to exceed 5%	2.2%
Debt Service as compared to Expenditures	not to exceed 10%	7.8%

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, 2022. 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

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of Groton has received a Certificate of Achievement for twenty-nine (29) consecutive years (FYE 1994 through FYE 2022). 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.

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
Director of Finance

June 25, 2024



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Groton
Connecticut**

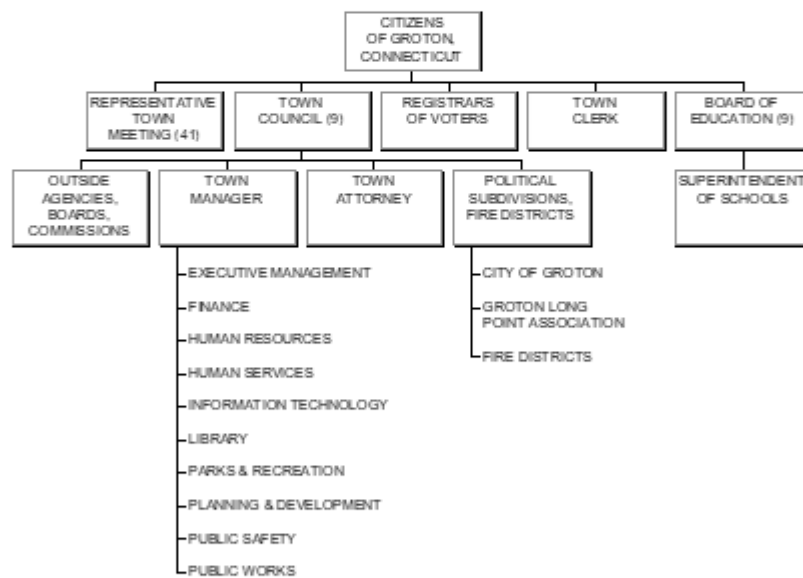
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrell

Executive Director/CEO

TOWN OF GROTON ORGANIZATION CHART



FYE 2023

**TOWN OF GROTON
PRINCIPAL OFFICIALS
AS OF JUNE 30, 2023**

Town Council

Juan Melendez Jr., Mayor
Portia Bordelon
Melinda Cassiere
Rachael Franco
Edward Jacome
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
Kristi D. Kelly, 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, 2023, 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, 2023, 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.

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, 2023, 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, 2023, 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, 2023, are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2023.

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, 2022 (not presented herein), and have issued our report thereon dated December 29, 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, 2022 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 2022 financial statements. The information was subjected to the audit procedures applied in the audit of the 2022 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, 2022.

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 June 25, 2024, 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
June 25, 2024

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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, 2023 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 and deferred inflows at the close of the most recent fiscal year by \$232,339 (net position).
- The government's total net position decreased by \$1,726. Decrease is mainly attributable to a decrease in capital assets related to higher depreciation on two new schools placed in service at the end of the prior year, decrease in OPEB actuarial assumption, decrease in pension projected investment earnings, increase in claims and judgements liability for Fuel Cell litigation, and decrease in OPEB actuarial experience, which is offset by decreases in bonds payable and increase in net pension liability .
- As of the close of the current fiscal year, the Town of Groton's governmental funds reported combined ending fund balances of \$52,417.
- For the fiscal year ended June 30, 2023, the unassigned fund balance for the General Fund was \$31,698 or 21.3% of the FYE 2024 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 decreased by \$8,923 (8.15%) during the current fiscal year. This was mainly due to a net decrease (\$8,310) in the principal amounts due on bonds for general government obligation debt and decreases (\$613) 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, 2023**

The statement of net position presents information on all of the Town's assets, deferred outflows of resources; and liabilities, deferred inflows of resources, 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.

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.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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, 2023**

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 \$232,339 on June 30, 2023.

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

	Governmental Activities	
	2023	2022
Assets:		
Current Assets	\$ 98,091	\$ 95,347
Capital Assets, Net of Accumulated Depreciation	341,200	350,531
Total Assets	<u>439,291</u>	<u>445,878</u>
Deferred Outflows of Resources	20,431	24,505
Liabilities:		
Long-Term Liabilities Outstanding	172,982	185,086
Other Liabilities	43,859	40,186
Total Liabilities	<u>216,841</u>	<u>225,272</u>
Deferred Inflows of Resources	<u>10,542</u>	<u>11,046</u>
Net Position:		
Net Investment in Capital Assets	222,799	221,249
Restricted	3,226	4,253
Unrestricted	<u>6,315</u>	<u>8,564</u>
Total Net Position	<u><u>\$ 232,339</u></u>	<u><u>\$ 234,066</u></u>

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.

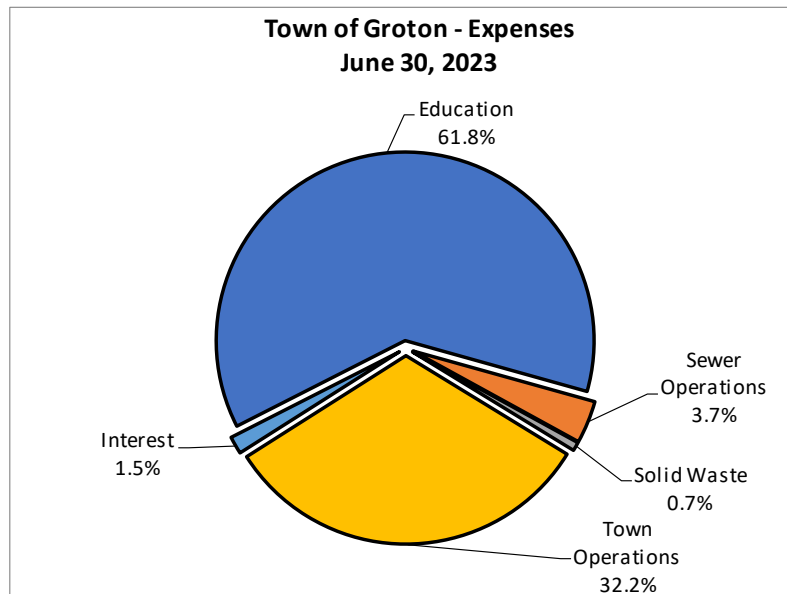
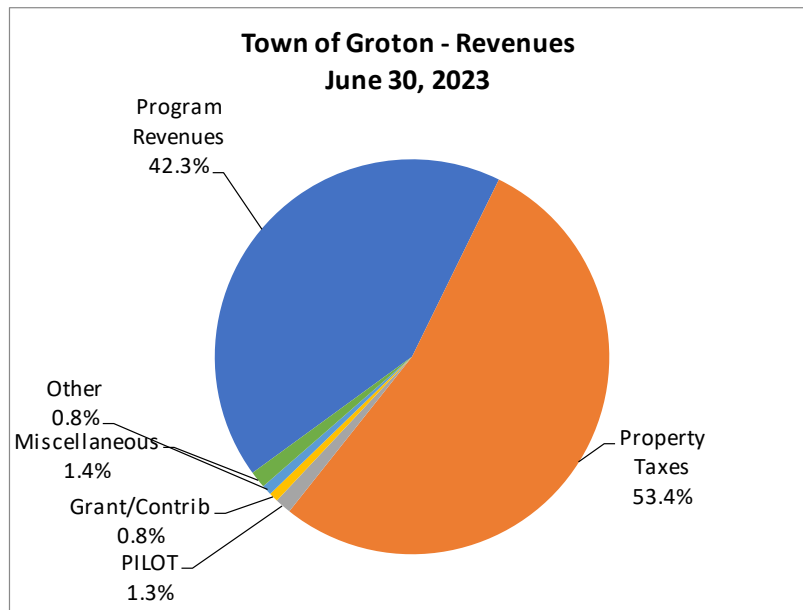
**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Governmental Activities. Approximately 53.4% of the revenues were derived from property taxes, followed by 42.3 % from program revenues, 0.8% from grants and contributions, and 3.5% from payments in lieu of taxes and investment income.

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

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 14,276	\$ 13,385
Operating Grants and Contributions	64,812	54,988
Capital Grants and Contributions	602	6,242
General Revenues:		
Property Taxes	100,748	99,066
Payments in Lieu of Taxes	2,490	1,734
Grants and Contributions (Not Restricted)	1,441	2,533
Other Unrestricted Investment Earnings	1,570	268
Miscellaneous Revenue	2,625	623
Total Revenues	<u>188,564</u>	<u>178,839</u>
Expenses:		
General Government and Services	11,897	10,122
Public Safety	19,499	17,611
Public Works	14,595	11,808
Planning and Development	3,145	2,336
Human Services	4,677	4,541
Community Services	7,526	6,660
Board of Education	117,683	105,613
Sewer Operations	6,966	6,405
Solid Waste	1,424	1,430
Interest on Long-Term Debt	2,878	1,408
Total Expenses	<u>190,290</u>	<u>167,934</u>
Change in Net Position	(1,726)	10,905
Net Position - Beginning of Year	234,065	222,605
Restatement - correction of an error	-	555
	<u>234,065</u>	<u>223,160</u>
Net Position - End of Year	<u><u>\$ 232,339</u></u>	<u><u>\$ 234,065</u></u>

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**



Major revenue factors for all Governmental Funds included:

- ◆ Total revenues were \$9,726 higher in 2023 when compared to 2022 or an increase of 5.4%.
- ◆ Grants and contributions were lower in 2023 as the Town realized less in State and Federal grants.
- ◆ Property tax revenues recorded for fiscal year 2023 increased while the Town's tax rate decreased to 21.28 mills in 2023 from 25.98 mills in 2022.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

- ◆ Investment earnings increased by \$1,302 from the prior fiscal year to \$1,570 for the fiscal year ended June 30, 2023. The increase to interest and dividend earnings was primarily the result of 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 \$22,357 higher in 2023 when compared to 2022 or an increase of 13.3%.

Town Operations expenses were \$8,260 higher in 2023 when compared to 2022 or an increase of 15.6%.

Education expenses were \$12,071 higher in 2023 when compared to 2022 or an increase of 11.4%.

Results of operation in Sewer Operations, Solid Waste and Interest on Long-Term Debt accounted for an increase of \$2,026 in expenses compared to 2022 or an increase of 21.9%.

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 \$52,417, an increase of \$1,515 in comparison with the prior year. Of this amount, \$31,698 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.

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 \$31,698, which is included in the total fund balance of \$37,201. 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 21.3% of total FYE 2024 Adopted general fund budget, while total fund balance represents 25% of that same amount.

The total fund balance of The Town of Groton's General Fund decreased by \$365 during the current fiscal year. The unassigned fund balance decreased by \$422. Key factors in the total fund balance decrease of \$365 are as follows:

- ◆ Revenues were \$3,046 more than anticipated primarily due to additional property taxes, investment income and State & Federal intergovernmental revenue.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

- ◆ Expenditures were under budget by \$1,389 due to unexpended funds in Town Operations, Outside Agencies and Non-departmental.
- ◆ Fund balance in the amount of \$4,000 was applied to the adopted FYE 2023 budget.
- ◆ Fund balance in the amount of \$4,500 was applied to the adopted FYE 2024 budget.

Capital Improvements Fund. This fund has a total fund balance of \$1,341 an increase from (\$98) in the prior year and is related to a decrease in capital outlay for school construction projects and an increase in transfers from other funds.

ARPA Fund. This fund has a total fund balance of \$65 an increase from \$3 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 \$1,602 for the Fleet Fund, \$5,648 for the Health Insurance Fund and \$962 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 (\$1,307) and reflects an increase in Fleet offset by decreases in Health Insurance and Workers' Compensation.

General Fund Budgetary Highlights:

Transfers of \$207 occurred from Contingency to other functions within the General Fund to cover increases in contributions to public safety for unexpected personnel expenses, City of Groton and Groton Long Point for increased streetlights costs, and legal services related to FOIA and collective bargaining.

During the year, actual revenues and other financing sources on a budgetary basis amounted to \$141,670 which was over the adopted budget by \$3,046. The majority of this increase can be attributed to additional property taxes, investment income and State & Federal revenue. PILOT – State and tax exemptions was higher than expected.

Actual expenditures were under budget by \$1,389 with town operations returning \$988, Nondepartmental returning \$181 and Outside Agencies returning \$228.

Capital Asset and Debt Administration:

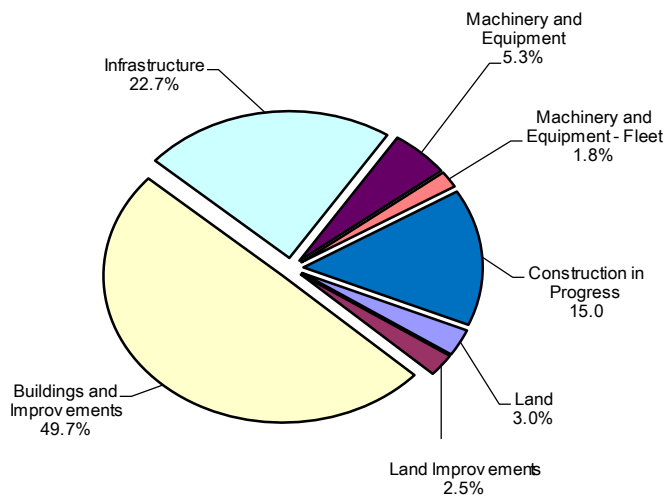
Capital Assets. The Town of Groton's investment in capital assets for its governmental activities as of June 30, 2023 amounts to \$542,306. This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the Town of Groton's investment in capital assets for the current fiscal year was 0.3% mainly which reflects land additions, road resurfacing and building renovations.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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

	Governmental Activities	
	2023	2022
Land	\$ 16,287	\$ 15,459
Land Improvements	12,826	12,826
Buildings and Improvements	350,045	350,008
Infrastructure	120,708	120,630
Machinery and Equipment	27,291	27,700
Machinery and Equipment - Fleet	9,645	9,723
Construction In Progress	5,504	4,366
 Total	 <u>\$ 542,306</u>	 <u>\$ 540,712</u>

**Town of Groton - Capital Assets
June 30, 2023**



**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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:

Spicer House Painting and Roof	\$75
Athletic Field Development	\$96
- Regarding the use of local capital funds, the following major amounts (over \$50) were expended:

Sidewalk Construction	\$124
Economic Assistance	\$90
Information Technology Acquisition-Network	\$62
Groton Public Library	\$146
Golf Course Facilities	\$184
EIMS Acquisition	\$83
Wolfebrook Property Purchase	\$145
Water Pollution Control Facility Pump Stations	\$87
GLP Pavement	\$81
Town Pavement	\$1,190

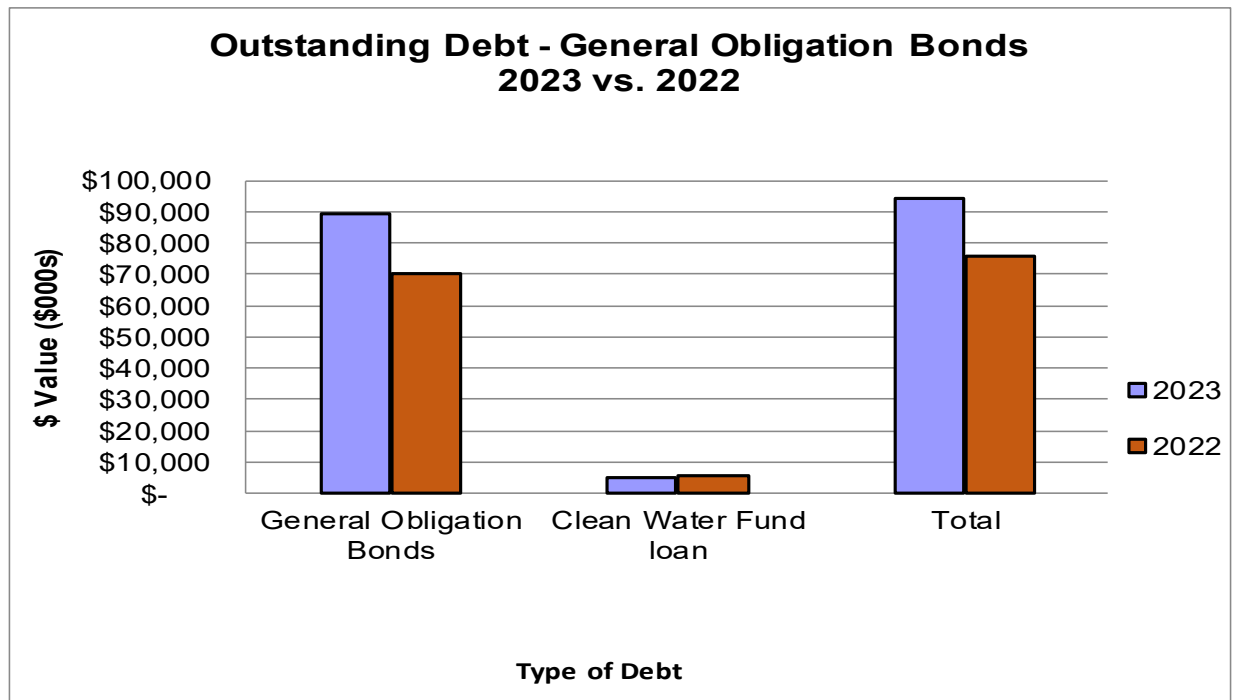
Additional information on the Town of Groton's capital assets can be found in Note 3D in the notes to the financial statements as listed in the table of contents.

Outstanding Debt. At the end of the current fiscal year, the Town of Groton had total debt outstanding of \$100,559. Of this amount, \$98,864 comprises debt backed by the full faith and credit of the government and \$1,695 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	
	2023	2022
General Obligation Bonds	\$ 96,630	\$ 104,940
Clean Water Fund Loan	3,929	4,542
Total	<u>\$ 100,559</u>	<u>\$ 109,482</u>

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**



The Town of Groton's general obligation bonds have decreased \$8,923 or 8.15% during the current fiscal year mainly due to issuance of new long-term bonds during the year.

In April 2023 a presentation was made to one rating agency in preparation for a sale of Bond Anticipation Notes in April 2023. The Town of Groton's bond rating was maintained at an "AA+" by Standard & Poor's.

The overall statutory debt limit for the Town of Groton is equal to seven times annual receipts from taxation or \$788,431. As of June 30, 2023, the Town recorded total indebtedness of \$132,740 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, 2023, the Town had an unemployment rate of 3.0% as compared to the New London County rate of 3.5%, the state's average rate of 3.7% and the national average of 3.6%.
- New London County has an employed labor force of approximately 129,878 residents.
- Inflationary trends in the region compare similarly to national indices.

Grand List increases by 1.1%: The October 1, 2022 net adjusted taxable Grand List increased 1.1% from the adjusted 10/1/21 list after appeals were heard by the Board of Assessment Appeals. The net adjusted grand list now totals \$4,664,234 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, 2023**

Net real estate increased to \$4.096 billion and comprises 87.81% of the grand list compared to 88.1% of the 2021 grand list. Net residential real estate assessments rose from about \$2.75 billion to \$2.765 billion. The residential real estate's share of the entire net grand list increased to 59.29% of the 2022 grand list compared to 59.66% of the 2021 grand list. Net commercial real estate fell this year to \$753 million primarily due to construction projects underway. The net assessment for industrial property, which includes Pfizer and Electric Boat, rose to \$577 million from \$557 million and represents 12% of the net overall grand list.

Nineteen single-family homes and five duplex-style homes were started for the October 1, 2022 grand list, compared to eight 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 2022 grand list \$3,260 in state/local program exemptions were granted on real estate and \$0 were granted for personal property. These exemptions are reflected by reductions in assessments. The estimated revenue loss overall is \$72 using the FYE 2023 town mill rate.

Groton entered into a PILOT agreement in 2016 with Odd Fellows Home/Fairview on Lestertown Road. The taxes are estimated at \$510,000 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 \$7,760 or \$171 revenue loss. The PILOT agreement states that Odd Fellows will pay \$60 annually in taxes to Groton plus any assessment over \$17,500 (\$25,000 in appraised value). The revenue loss for the PILOT and the SNF totals \$385. It is estimated that Odd Fellows will pay \$125 in taxes plus \$60 for a total of \$185 in taxes.

The **personal property** grand list experienced a decrease of 0.2% 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 2022 is in excess of \$4.0 million using the FYE 2023 mill rate. The decrease for 2022 reflects the depreciation of assets which is expected for personal property..

The personal property grand list fell from \$258 million in 2021 to \$257 million in 2022. The net assessment of personal property decreased to 5.51% of the grand list compared to 2021.

The number of business personal property accounts decreased as the volume of accounts experiencing penalties for late or non-filing has increased. The assessed value of the penalties fell for the 2022 grand list to \$4.9 million, from \$6.2 million in 2021. The final number of taxable businesses for the 2022 grand list was 1,870 accounts.

The **motor vehicle** portion of the grand list, adjusted for military exemptions, grew by 7.1% this year from \$291,056 in 2021 to \$311,604 in 2022. The net assessment on motor vehicles now comprises 6.27% of the grand list, up from 6.68% of the 2021 grand list.

**TOWN OF GROTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Other Information:

During the fiscal year ended June 30, 2023, the Town of Groton's General Fund on a budgetary basis received 27.08% 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 2023 is at 21.3% of FYE 2024 operating expenses which is above the minimum acceptable guideline set by the Town Council of 15.0%. With a reliance on property taxes, 69.7% 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 decreased to \$31,698. The Town Council assigned \$4.5 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 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, 2023

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 86,960,472
Investments	1,628,392
Receivables (Net of Allowances for Collection Losses):	
Property Taxes	2,261,817
Special Assessments	849,138
Accounts	1,256,046
Federal and State Governments	1,294,888
Other	3,516,959
Other Assets	75,382
Restricted Assets:	
Cash	231,914
Investments	15,629
Capital Assets, Nondepreciable	21,790,466
Capital Assets, Net of Accumulated Depreciation	319,409,523
Total Assets	<u>439,290,626</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge on Refunding	899,116
Deferred Outflows Related to Pension	14,965,133
Deferred Outflows Related to OPEB	4,567,210
Total Deferred Outflows of Resources	<u>20,431,459</u>
LIABILITIES	
Accounts Payable and Accrued Liabilities	12,767,347
Bond Anticipation Notes Payable	12,137,880
Unearned Revenue	8,038,517
Noncurrent Liabilities:	
Due Within One Year	10,914,599
Due in More Than One Year	172,982,253
Total Liabilities	<u>216,840,596</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pension	99,795
Deferred Inflows Related to OPEB	10,442,239
Total Deferred Inflows of Resources	<u>10,542,034</u>
NET POSITION	
Net Investment in Capital Assets	222,798,461
Restricted for:	
Trust, Nonexpendable	249,475
Trust, Expendable	228,549
Grants	951,799
Debt Service	611,717
Loans	1,167,035
Other Purposes	17,924
Unrestricted	6,314,495
Total Net Position	<u><u>\$ 232,339,455</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

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	\$ 11,896,508	\$ 1,062,184	\$ 1,742,609	\$ 367,770	\$ (8,723,945)
Public Safety	19,499,089	467,392	359,115	11,220	(18,661,362)
Public Works	14,595,407	15,317	2,727,423	223,035	(11,629,632)
Planning and Development	3,144,131	941,445	-	-	(2,202,686)
Health and Human Services	4,677,237	57,792	220,867	-	(4,398,578)
Community Services	7,526,171	2,558,277	503,921	-	(4,463,973)
Education	117,682,772	396,666	59,257,742	-	(58,028,364)
Sewer Operations	6,966,498	7,403,889	-	-	437,391
Solid Waste Management	1,424,000	1,373,176	-	-	(50,824)
Interest on Long-Term Debt	2,877,869	-	-	-	(2,877,869)
Total Governmental Activities	<u>\$ 190,289,682</u>	<u>\$ 14,276,138</u>	<u>\$ 64,811,677</u>	<u>\$ 602,025</u>	(110,599,842)
GENERAL REVENUES					
Property Taxes					100,747,914
Payments in Lieu of Taxes					2,489,800
Grants and Contributions Not Restricted to Specific Programs					1,440,532
Unrestricted Investment Earnings					1,570,411
Miscellaneous Revenue					2,625,172
Total General Revenues					<u>108,873,829</u>
CHANGE IN NET POSITION					(1,726,013)
Net Position - Beginning of Year					<u>234,065,468</u>
NET POSITION - END OF YEAR					<u>\$ 232,339,455</u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General Fund	ARPA Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 45,129,119	\$ 7,610,118	\$ 13,514,211	\$ 13,182,713	\$ 79,436,161
Investments	1,628,392	-	-	15,629	1,644,021
Receivables, Net	2,468,924	10,461	33,047	3,804,819	6,317,251
Due from Other Funds	79,559	-	-	-	79,559
Other Assets	11,600	-	-	62,782	74,382
Total Assets	<u>\$ 49,317,594</u>	<u>\$ 7,620,579</u>	<u>\$ 13,547,258</u>	<u>\$ 17,065,943</u>	<u>\$ 87,551,374</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 9,879,818	\$ 65,353	\$ 205,805	\$ 1,823,169	\$ 11,974,145
Bond Anticipation Notes Payable	-	-	12,000,000	-	12,000,000
Bond Anticipation Notes Premium	137,880	-	-	-	137,880
Due to State	-	-	-	21,410	21,410
Due to Other Funds	-	-	-	79,559	79,559
Unearned Revenues	67,524	7,489,975	-	481,018	8,038,517
Total Liabilities	<u>10,085,222</u>	<u>7,555,328</u>	<u>12,205,805</u>	<u>2,405,156</u>	<u>32,251,511</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	1,534,796	-	-	-	1,534,796
Unavailable Revenue - Property Tax Interest	496,434	-	-	-	496,434
Unavailable Revenue - Special Assessments	-	-	-	2,717	2,717
Unavailable Revenue - Loans Receivable	-	-	-	849,138	849,138
Total Deferred Inflows of Resources	<u>2,031,230</u>	<u>-</u>	<u>-</u>	<u>851,855</u>	<u>2,883,085</u>
FUND BALANCES					
Nonspendable	11,600	-	-	249,475	261,075
Restricted	-	65,251	-	2,105,391	2,170,642
Committed	-	-	1,341,453	11,454,066	12,795,519
Assigned	5,491,060	-	-	-	5,491,060
Unassigned	31,698,482	-	-	-	31,698,482
Total Fund Balances	<u>37,201,142</u>	<u>65,251</u>	<u>1,341,453</u>	<u>13,808,932</u>	<u>52,416,778</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 49,317,594</u>	<u>\$ 7,620,579</u>	<u>\$ 13,547,258</u>	<u>\$ 17,065,943</u>	<u>\$ 87,551,374</u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2023**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III)	\$	52,416,778
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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		532,660,590
Less Accumulated Depreciation		193,491,256
Net Capital Assets		339,169,334

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		496,434
Sewer assessments greater than 60 Days		2,717
Loan receivables greater than 60 Days		849,138
Interest Receivable on Property Taxes		1,534,796
Deferred Outflows Related to Pension		14,965,133
Deferred Outflows Related to OPEB		4,567,210

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.

10,242,780

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		(96,630,000)
Bond Premium		(6,371,734)
Deferred Charge on Refunding		899,116
Clean Water Fund Loan Payable		(3,929,331)
Interest Payable on Bonds		(726,370)
Net Pension Liability		(39,050,443)
Deferred Inflows Related to Pension		(99,795)
Financed Purchase		(8,453)
Net OPEB Liability		(32,171,561)
Deferred Inflows Related to OPEB		(10,442,239)
Compensated Absences		(1,990,512)
Claims and Judgements		(612,143)
Landfill Closure Costs		(771,400)

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)	\$	232,339,455
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TOWN OF GROTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General Fund	ARPA Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes, Interest, and Lien Fees	\$ 98,724,381	\$ -	\$ -	\$ 1,154,138	\$ 99,878,519
Assessments	-	-	-	16,267	16,267
Licenses and Permits	962,505	-	-	-	962,505
Intergovernmental - State	46,763,075	-	302,101	3,474,988	50,540,164
Interest on Investments	1,038,779	62,139	221,448	87,819	1,410,185
Intergovernmental - Federal	4,516,584	1,047,302	-	9,608,858	15,172,744
Charges for Current Services	1,183,511	-	9,672	3,297,459	4,490,642
Schools, Library, and Recreation Fees	94,726	-	-	-	94,726
Sewer Use Charges	-	-	-	7,403,889	7,403,889
Solid Waste Management Charges	-	-	-	1,373,176	1,373,176
Other Revenue	679,571	-	16,000	2,012,375	2,707,946
Total Revenues	153,963,132	1,109,441	549,221	28,428,969	184,050,763
EXPENDITURES					
Current:					
General Government	1,108,234	153,859	-	613,231	1,875,324
General Services	3,370,585	-	-	-	3,370,585
Public Safety	9,499,620	34,500	-	392,884	9,927,004
Public Works	5,849,280	95,975	-	277,504	6,222,759
Planning and Development	1,639,875	137,380	-	-	1,777,255
Health and Human Services	530,652	288,038	-	212,750	1,031,440
Community Services	3,460,149	337,550	-	2,641,131	6,438,830
Education	92,383,951	-	-	13,428,202	105,812,153
Subdivisions	6,542,822	-	-	-	6,542,822
Sewer Operations	-	-	-	4,781,450	4,781,450
Solid Waste Management	-	-	-	1,424,000	1,424,000
Nondepartmental	12,037,494	-	-	-	12,037,494
Outside Agencies	2,171,599	-	-	-	2,171,599
Debt Service	11,471,919	-	-	1,267,984	12,739,903
Capital Outlay	58,294	-	3,660,878	1,452,431	5,171,603
Total Expenditures	150,124,474	1,047,302	3,660,878	26,491,567	181,324,221
REVENUES OVER (UNDER) EXPENDITURES	3,838,658	62,139	(3,111,657)	1,937,402	2,726,542
OTHER FINANCING SOURCES (USES)					
Transfers In	629,047	-	4,797,000	608,628	6,034,675
Transfers Out	(4,832,530)	-	(246,000)	(2,167,962)	(7,246,492)
Total Other Financing Sources (Uses)	(4,203,483)	-	4,551,000	(1,559,334)	(1,211,817)
NET CHANGE IN FUND BALANCES	(364,825)	62,139	1,439,343	378,068	1,514,725
Fund Balances - Beginning of Year	37,565,967	3,112	(97,890)	13,430,864	50,902,053
FUND BALANCES - END OF YEAR	<u>\$ 37,201,142</u>	<u>\$ 65,251</u>	<u>\$ 1,341,453</u>	<u>\$ 13,808,932</u>	<u>\$ 52,416,778</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, 2023**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Governmental Funds (Exhibit IV)	\$	1,514,725
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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		3,678,426
Depreciation Expense		(11,732,134)

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		(21,826)
Construction In Progress Expensed		(1,211,819)

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		693,166
Interest Income on Property Taxes		159,962
Revenue on Assessments Greater Than 60 Days		1,712
Revenue on Loan Receivables Greater Than 60 Days		(48,800)
Changes in Deferred Outflows Related to Pension		(2,265,231)
Changes in Deferred Outflows Related OPEB		(1,668,105)

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		(125,193)
Principal Payments on Bonds		8,310,000
Principal Payments on Clean Water Fund Loan Payable		612,363
Principal Payments on Financed Purchases		4,599
Amortization of Bond Premium		1,200,283
Change in Net Pension Liability		(2,198,766)
Change in Deferred Inflows Related to Pension		119,607
Change in Net OPEB Liability		2,778,624
Change in Deferred Inflows Related to OPEB		384,267
Amortization of Deferred Charge on Refunding		(140,019)
Change in Claims and Judgments		(612,143)
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		(21,237)
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The net expense of certain activities of internal service funds is reported in governmental activities.

(1,306,674)

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

\$ (1,726,013)

**TOWN OF GROTON, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023**

	Governmental Activities
	Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 7,756,225
Accounts Receivable	2,861,597
Other Assets	1,000
Total Current Assets	<u>10,618,822</u>
Noncurrent Assets:	
Property and Equipment	9,645,376
Accumulated Depreciation	<u>(7,614,721)</u>
Property and Equipment, Net	<u>2,030,655</u>
Total Assets	12,649,477
LIABILITIES	
Current Liabilities:	
Accounts Payable	45,422
Claims Incurred but Not Reported	<u>976,299</u>
Total Current Liabilities	1,021,721
Noncurrent Liabilities:	
Claims Incurred but Not Reported, Net of Current Portion	<u>1,384,976</u>
Total Liabilities	<u>2,406,697</u>
NET POSITION	
Invested in Capital Assets	2,030,655
Unrestricted	<u>8,212,125</u>
Total Net Position	<u><u>\$ 10,242,780</u></u>

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Governmental Activities <u>Internal Service Funds</u>
OPERATING REVENUES	
Charges for Services	\$ 14,293,998
Other Revenue	<u>30,696</u>
Total Operating Revenues	14,324,694
OPERATING EXPENSES	
Operating Expenses	655,460
Claims	15,042,254
Depreciation	386,441
Administration	<u>921,378</u>
Total Operating Expenses	<u>17,005,533</u>
OPERATING LOSS	(2,680,839)
NONOPERATING REVENUES	
Interest on Investments	160,227
Gain on Disposal of Capital Assets	<u>2,121</u>
Total Nonoperating Revenues	<u>162,348</u>
LOSS BEFORE TRANSFERS	(2,518,491)
Transfer In	1,313,690
Transfers Out	<u>(101,873)</u>
CHANGE IN NET POSITION	(1,306,674)
Net Position - Beginning of Year	<u>11,549,454</u>
NET POSITION - END OF YEAR	<u><u>\$ 10,242,780</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023**

	Governmental Activities <u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 11,507,907
Cash Paid to Vendors	(661,158)
Cash Paid to Beneficiaries	<u>(16,188,891)</u>
Net Cash Used by Operating Activities	(5,342,142)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Property and Equipment	(342,425)
Loss from Sale of Property and Equipment	<u>2,121</u>
Net Cash Used by Capital and Related Financing Activities	(340,304)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer In	1,313,690
Transfers Out	<u>(101,873)</u>
Net Cash Provided by Noncapital Financing Activities	1,211,817
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	<u>160,227</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,310,402)
Cash and Cash Equivalents - Beginning of Year	<u>12,066,627</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 7,756,225</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Loss	\$ (2,680,839)
Adjustments to Reconcile Operating Loss to Net Cash	
Used by Operating Activities:	
Depreciation	386,441
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(2,815,787)
(Increase) Decrease in Other Assets	(1,000)
Increase (Decrease) in Accounts Payable	(5,698)
Increase (Decrease) in Claims Payable	<u>(225,259)</u>
Net Cash Used by Operating Activities	<u><u>\$ (5,342,142)</u></u>

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	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	\$ 5,704,247	\$ 18,008	\$ 36,390
Investments, at Fair Value:			
Mutual Funds	162,928,052	-	-
Accounts Receivable	1,067,048	-	629
Total Assets	169,699,347	18,008	37,019
LIABILITIES			
Accounts Payable	62,511	-	-
Due to Employees and Others	37	-	37,019
Total Liabilities	62,548	-	37,019
NET POSITION			
Restricted for OPEB Benefits	31,899,454	-	-
Restricted for Ledge Light Pensions	723,454	-	-
Pensions	13,008,703	-	-
Restricted for Town and BOE Pensions	124,005,188	-	-
Restricted for Trusts	-	18,008	-
Total Net Position	\$ 169,636,799	\$ 18,008	\$ -

See accompanying Notes to Financial Statements.

TOWN OF GROTON, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2023

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Fund Spicer / Perkins Trust	Custodial Fund Fire District Tax Collections
ADDITIONS			
Contributions:			
Employer	\$ 9,418,730	\$ -	\$ -
Plan Members	1,504,129	-	-
Fire Districts Tax Collections	-	-	15,242,405
Other Additions	-	2,000	-
Total Contributions	10,922,859	2,000	15,242,405
Investment Income:			
Net Change in Fair Value of Investments	14,847,761	-	-
Interest and Dividends	-	859	-
Subtotal	14,847,761	859	-
Less: Investment Expenses:			
Investment Management Fees	338,006	-	-
Net Investment Income	14,509,755	859	-
Total Additions	25,432,614	2,859	15,242,405
DEDUCTIONS			
Benefits	12,781,518	10,000	-
Administrative Expense	87,745	-	-
Distributions to Fire District Authorities	-	-	15,242,405
Total Deductions	12,869,263	10,000	15,242,405
CHANGE IN NET POSITION	12,563,351	(7,141)	-
Net Position - Beginning of Year	157,073,448	25,149	-
NET POSITION - END OF YEAR	<u>\$ 169,636,799</u>	<u>\$ 18,008</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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 States 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, 2023**

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 property tax 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, 2023**

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, 2023**

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, 2023

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, 2023

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, 2023, 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, 2023**

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, 2023**

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, 2023**

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, deferred outflows of resources, liabilities, and deferred inflows of resources, 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.

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, 2023, there were no additional appropriations.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

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.
- 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. Expenditures Exceeding Appropriations

The Education and Planning and Development Services line items in the General Fund exceeded appropriations by \$8,528 and \$1,066, respectively.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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.”

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.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$66,479,901 of the Town's bank balance of \$69,618,029 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 59,351,463
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	<u>7,128,438</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 66,479,901</u></u>

Cash Equivalents

At June 30, 2023, the Town's cash equivalents amounted to \$25,301,414. 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.

	<u>Standard & Poor's</u>
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, 2023, 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 *	N/A	\$ 1,628,392	<u>\$ 1,492,392</u>	<u>\$ 136,000</u>	<u>\$ -</u>
Other Investments:					
Mutual Funds	N/A	162,928,052			
Common Stock	N/A	<u>15,629</u>			
Total Investments		<u><u>\$ 164,572,073</u></u>			

* Subject to coverage by Federal Depository Insurance and Collateralization

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

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, 2023, the Town did not have any uninsured and unregistered securities held by counterparties, 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.

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.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

Interest Rate Risk (Continued)

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, 2023:

	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ -	\$ -	\$ -	\$ -
U.S. Government Agencies	-	-	-	-
Corporate Bonds	-	-	-	-
Common Stock	15,629	15,629	-	-
Mutual Funds	162,928,052	162,928,052	-	-
Total Investments by Fair Value Level	162,943,681	<u>\$ 162,943,681</u>	<u>\$ -</u>	<u>\$ -</u>
Investments Not Included Above:				
Certificate of Deposit	<u>1,628,392</u>			
Total Investments	<u>\$ 164,572,073</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. 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	192,309	30,409	150	222,868
Total Value	<u>\$ 212,309</u>	<u>\$ 57,952</u>	<u>\$ 200,150</u>	<u>\$ 470,411</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.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Fund Receivables

Receivables at June 30, 2023, including the applicable allowances for collection losses, are as follows:

	General	ARPA	Capital Improvement	Nonmajor and Other Funds	Total
Property Taxes	\$ 1,981,419	\$ -	\$ -	\$ 3,964	\$ 1,985,383
Property Tax Interest	496,434	-	-	-	496,434
Assessments	-	-	-	849,138	849,138
Intergovernmental	-	-	33,047	1,261,841	1,294,888
Accounts Receivable	211,071	10,461	-	4,362,475	4,584,007
User Fees Receivable	-	-	-	1,416,046	1,416,046
Gross Receivables	2,688,924	10,461	33,047	7,893,464	10,625,896
Allowance for Collection Losses	(220,000)	-	-	(160,000)	(380,000)
Net Receivables	<u>\$ 2,468,924</u>	<u>\$ 10,461</u>	<u>\$ 33,047</u>	<u>\$ 7,733,464</u>	<u>\$ 10,245,896</u>

D. Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases/ Adjustments	Decreases/ Adjustments	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 15,459,453	\$ 828,003	\$ -	\$ 16,287,456
Construction in Progress	4,366,080	2,652,079	1,515,149	5,503,010
Total Capital Assets Not Being Depreciated	19,825,533	3,480,082	1,515,149	21,790,466
Capital Assets Being Depreciated:				
Land Improvements	12,825,955	-	-	12,825,955
Buildings and Improvements	350,008,404	36,578	-	350,044,982
Machinery and Equipment	27,699,882	387,007	795,789	27,291,100
Machinery and Equipment - Fleet	9,722,704	342,425	419,753	9,645,376
Infrastructure	120,629,998	78,089	-	120,708,087
Total Capital Assets Being Depreciated	520,886,943	844,099	1,215,542	520,515,500
Less: Accumulated Depreciation for:				
Land Improvements	4,357,869	183,602	-	4,541,471
Buildings and Improvements	76,245,308	7,308,098	-	83,553,406
Machinery and Equipment	17,747,306	1,083,793	773,963	18,057,136
Machinery and Equipment - Fleet	7,648,033	386,441	419,753	7,614,721
Infrastructure	84,182,602	3,156,641	-	87,339,243
Total Accumulated Depreciation	190,181,118	12,118,575	1,193,716	201,105,977
Total Capital Assets Being Depreciated, Net	330,705,825	(11,274,476)	21,826	319,409,523
Governmental Activities Capital Assets, Net	<u>\$ 350,531,358</u>	<u>\$ (7,794,394)</u>	<u>\$ 1,536,975</u>	<u>\$ 341,199,989</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Capital Assets (Continued)

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

Governmental Activities:

General Government Services	\$ 2,520,045
Public Safety	258,363
Public Works, Including Depreciation of	
General Infrastructure Assets	1,489,112
Community Services	162,451
Education	5,729,395
Sewer Operating	1,572,768
Fleet	386,441
Total Depreciation Expense -	
Governmental Activities	<u>\$ 12,118,575</u>

Interfund Receivables, Payables, and Transfers

As of June 30, 2023, interfund receivables and payables that resulted from various interfund transactions were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Funds	<u>\$ 79,559</u>

Interfund Transfers

Interfund transfers during the year ended June 30, 2023, were as follows:

	General Fund	Capital Improvements Fund	Transfers In Nonmajor Governmental Funds	Internal Service Fund	Total Transfers Out
Transfers Out:					
General Fund	\$ -	\$ 3,297,000	\$ 260,755	\$ 1,274,775	\$ 4,832,530
Capital Improvements Fund	-	-	246,000	-	246,000
Nonmajor Funds	629,047	1,500,000	-	38,915	2,167,962
Internal Service Funds	-	-	101,873	-	101,873
Total Transfers In	<u>\$ 629,047</u>	<u>\$ 4,797,000</u>	<u>\$ 608,628</u>	<u>\$ 1,313,690</u>	<u>\$ 7,348,365</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. 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, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Fund Balance

The components of fund balance for the governmental funds at June 30, 2023, are as follows:

	General Fund	ARPA Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Other Assets	\$ 11,600	\$ -	\$ -	\$ 1,932	\$ 13,532
Endowments	-	-	-	247,543	247,543
Restricted for:					
Various Grant Funded Projects	-	65,251	-	528,857	594,108
Human Services Grants	-	-	-	-	-
Public Works Grants	-	-	-	-	-
Education Donations	-	-	-	-	-
Bonded Capital Projects	-	-	-	-	-
Debt Service	-	-	-	657,190	657,190
Regional Probate Court	-	-	-	17,924	17,924
Recreation and Senior Activities	-	-	-	-	-
Trust Purposes	-	-	-	228,549	228,549
Education	-	-	-	672,871	672,871
Committed to:					
Subsequent Year's Budget	-	-	-	-	-
Community Development Grant	-	-	-	-	-
Bonded Capital Projects	-	-	1,341,453	-	1,341,453
Escrow Funds	-	-	-	585,896	585,896
Land Acquisition	-	-	-	27,536	27,536
Outside Police Services	-	-	-	149,827	149,827
Energy Conservation	-	-	-	20,566	20,566
Human Services Donations	-	-	-	357,851	357,851
Emergency Energy	-	-	-	57,150	57,150
Student Activities	-	-	-	328,227	328,227
Public Infrastructure Improvements	-	-	-	376,038	376,038
Library	-	-	-	66,752	66,752
Golf Course Operations	-	-	-	1,088,766	1,088,766
Parks and Recreation	-	-	-	568,799	568,799
School Cafeteria	-	-	-	1,612,925	1,612,925
Fitch High School Library Media	-	-	-	501	501
LED Conversion Project	-	-	-	49,484	49,484
Blight Remediation	-	-	-	15,326	15,326
Sewer	-	-	-	5,809,529	5,809,529
Solid Waste Management	-	-	-	92,402	92,402
Outside Agencies	-	-	-	241,263	241,263
Other	-	-	-	5,228	5,228
Assigned to:					
Subsequent Year's Budget	4,500,000	-	-	-	4,500,000
General Government -					
Encumbrances	4,304	-	-	-	4,304
General Services - Encumbrances	47,365	-	-	-	47,365
Public Safety - Encumbrances	24,315	-	-	-	24,315
Public Works - Encumbrances	40,805	-	-	-	40,805
Planning and Development -					
Encumbrances	95,983	-	-	-	95,983
Community Services - Encumbrances	17,075	-	-	-	17,075
Education Services - Encumbrances	104,161	-	-	-	104,161
Revaluation	349,253	-	-	-	349,253
Technology	307,799	-	-	-	307,799
Unassigned	31,698,482	-	-	-	31,698,482
Total Fund Balance	<u>\$ 37,201,142</u>	<u>\$ 65,251</u>	<u>\$ 1,341,453</u>	<u>\$ 13,808,932</u>	<u>\$ 52,416,778</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Fund Balance (Continued)

Encumbrances of \$334,008 are contained in the above table in the assigned category of the General Fund at June 30, 2023. Encumbrances of \$773,468 are contained in the above table in the committed category of the Nonmajor Governmental Funds at June 30, 2023. There are also encumbrances of \$1,296,076 in the Capital Improvements Fund, not included in the table above, at June 30, 2023.

F. Long-Term Debt

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds and Loans Payable:					
General Obligation Bonds	\$ 104,940,000	\$ -	\$ 8,310,000	\$ 96,630,000	\$ 8,350,000
Clean Water Fund Loan	4,541,694	-	612,363	3,929,331	612,363
Premium	7,572,017	-	1,200,283	6,371,734	-
Total Bonds and Loans Payable	117,053,711	-	10,122,646	106,931,065	8,962,363
Landfill Post-Closure Monitoring	939,600	-	168,200	771,400	168,200
Financed purchases	13,052	-	4,599	8,453	4,948
Compensated Absences	1,969,275	21,237	-	1,990,512	190,646
Claims Payable	2,595,368	15,042,254	15,276,347	2,361,275	976,299
Claims and Judgements	-	612,143	-	612,143	612,143
Net Pension Liability	36,851,677	2,198,766	-	39,050,443	-
Net OPEB Liability	34,950,185	-	2,778,624	32,171,561	-
Long-Term Liabilities	<u>\$ 194,372,868</u>	<u>\$ 17,874,400</u>	<u>\$ 28,350,416</u>	<u>\$ 183,896,852</u>	<u>\$ 10,914,599</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, 2023**

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>	<u>Town of Groton</u>	
	<u>Principal Payments</u>	<u>Interest Payments</u>
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	6,890,000	2,072,507
2029-2033	24,295,000	7,223,025
2034-2038	22,230,000	3,513,813
2039-2042	11,350,000	658,887
Total	<u>\$ 96,630,000</u>	<u>\$ 24,892,245</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, 2023, 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:

LED Conversion Project

<u>Year Ending June 30,</u>	<u>Debt Service Fund</u>	
	<u>Principal Payments</u>	<u>Interest Payments</u>
2024	\$ 612,363	\$ 72,973
2025	612,363	60,726
2026	612,363	48,479
2027	612,363	36,231
2028	612,363	23,984
2029-2030	867,516	13,013
Total	<u>\$ 3,929,331</u>	<u>\$ 255,406</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Debt (Continued)

General Obligation Bond Anticipation Notes Payable

Date Issued	Maturity Date	Interest Rate (%)	Balance July 01, 2022	Issued	Retired	Balance June 30, 2023
4/27/2023	4/25/2024	2.84 %	\$ -	\$ 12,000,000	\$ -	\$ 12,000,000
4/28/2022	4/27/2023	3.00 %	13,255,000	-	13,255,000	-

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:

	Governmental Activities
Equipment	\$ 22,561
Less: Accumulated Depreciation	(7,520)
Total	<u>\$ 15,041</u>

The future minimum lease obligation and net present value of the minimum lease payments as of June 30, 2023, were as follows:

<u>Year Ending June 30,</u>	Governmental Activities
2024	\$ 5,404
2025	3,602
Subtotal	9,006
Less: Amount for Interest	(553)
Minimum Lease Payments	<u>\$ 8,453</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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	\$ 253,424,216	\$ 12,021,632	\$ 241,402,584
Schools	506,848,433	99,298,895	407,549,538
Sewers	422,373,694	21,419,331	400,954,363
Urban Renewal	366,057,201	-	366,057,201
Pension Deficit	337,898,955	-	337,898,955

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, including coterminous municipalities, or \$788,430,895. 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 \$11,652,632 (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
Groton 2020 School Facilities Plan	\$ 184,500,000	\$ 80,975,000	\$ 12,000,000	\$ 71,459,364	\$ 20,065,636

G. Landfill Closure and Postclosure Care Cost

State and federal laws and regulations require the Town to place a final cover on two (2) 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 \$304,500 (\$101,500 per year for three years). The other landfill site stopped accepting waste in the fall of 2001, and its remaining postclosure cost is \$466,900 (\$66,700 for seven 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, 2023**

NOTE 4 TAX ABATEMENTS

The Town of Groton currently has two (2) 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
Purpose	Apartment complex being renovated is low income housing and has been deemed a Development Property.	Apartment complex constructed for low income housing.
Tax being abated	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.
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.
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
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.
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	\$174,097Town \$3,027 Sewer \$12,108 Noank Fire District

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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 (BOE), 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 Department, 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, GrEATS, 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, 2023**

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, 2023**

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 <u>Town and BOE</u>	Poquonnock <u>Fire Department</u>	Ledge Light Health <u>District</u>
Retirees and Beneficiaries			
Currently Receiving Benefits	313	24	2
Terminated Employees Entitled to Benefits but Not Yet Receiving Them	40	-	-
Active Plan Members	<u>338</u>	<u>24</u>	<u>1</u>
Total	<u>691</u>	<u>48</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%, AFSCME 818 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, 2023**

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, 2023:

Asset Class	Target Allocation
U.S. Large Cap	32.00 %
U.S. Small Cap	5.00
Developed International Equities	15.00
Emerging International Equities	2.00
Core Fixed Income	25.00
Limited Duration	12.00
Emerging Debt	3.00
High-Yield Bonds	3.00
Real Estate (REITs)	3.00
Total	<u>100.00 %</u>

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.75%. 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, 2023, were as follows:

	Town and BOE	Ledge Light	Poquonnock Fire Dept.	Total
Total Pension Liability	\$ 163,055,631	\$ 1,069,550	\$ 17,731,227	\$ 181,856,408
Plan Fiduciary Net Position	124,005,188	723,454	13,008,703	137,737,345
Total Net Pension Liability	<u>\$ 39,050,443</u>	<u>\$ 346,096</u>	<u>\$ 4,722,524</u>	<u>\$ 44,119,063</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.05%	67.64%	73.37%	75.74%

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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, 2023, 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.

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, 2023, (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	5.00 %
U.S. Small Cap	5.50
Developed International Equities	5.30
Emerging International Equities	6.20
Core Fixed Income	3.10
Limited Duration	2.00
Emerging Debt	5.50
High-Yield Bonds	4.80
Real Estate (REITs)	5.00

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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%. 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 as of July 1, 2022	\$ 153,698,400	\$ 116,846,723	\$ 36,851,677
Changes for the Year:			
Service Cost	3,095,710	-	3,095,710
Interest on Total Pension Liability	10,631,856	-	10,631,856
Changes of Benefit Terms	437,729	-	437,729
Differences Between Expected and Actual Experience	3,362,052	-	3,362,052
Changes in Assumptions	1,819,785	-	1,819,785
Employer Contributions	-	4,529,900	(4,529,900)
Member Contributions	-	1,356,031	(1,356,031)
Net Investment Income	-	11,301,405	(11,301,405)
Benefit Payments, Including Refund to Employee Contributions	(9,989,901)	(9,989,901)	-
Administrative Expenses	-	(38,970)	38,970
Net Changes	9,357,231	7,158,465	2,198,766
Balances as of June 30, 2023	\$ 163,055,631	\$ 124,005,188	\$ 39,050,443

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 PUBLIC EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plans (Continued)

F. Changes in Net Pension Liability (Continued)

	Ledge Light		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2022	\$ 1,004,370	\$ 668,458	\$ 335,912
Changes for the Year:			
Service Cost	12,304	-	12,304
Interest on Total Pension Liability	69,481	-	69,481
Changes of Benefit Terms			-
Differences Between Expected and Actual Experience	32,393	-	32,393
Changes in Assumptions	-	-	-
Employer Contributions	-	33,700	(33,700)
Member Contributions	-	5,745	(5,745)
Net Investment Income	-	64,776	(64,776)
Benefit Payments, Including Refund to Employee Contributions	(48,998)	(48,998)	-
Administrative Expenses	-	(227)	227
Net Changes	65,180	54,996	10,184
Balances as of June 30, 2023	\$ 1,069,550	\$ 723,454	\$ 346,096

TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

	Poquonnock Fire Department		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2022	\$ 16,968,496	\$ 12,086,775	\$ 4,881,721
Changes for the Year:			
Service Cost	334,325	-	334,325
Interest on Total Pension Liability	1,178,081	-	1,178,081
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	212,808	-	212,808
Changes in Benefit Terms	-	-	-
Changes in Assumptions	-	-	-
Employer Contributions	-	575,500	(575,500)
Member Contributions	-	142,380	(142,380)
Net Investment Income	-	1,170,618	(1,170,618)
Benefit Payments, Including Refund to Employee Contributions	(962,483)	(962,483)	-
Administrative Expenses	-	(4,087)	4,087
Net Changes	762,731	921,928	(159,197)
Balances as of June 30, 2023	\$ 17,731,227	\$ 13,008,703	\$ 4,722,524

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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:

	1% Decrease	Current	1% Increase
<u>Net Pension Liability</u>	<u>(6.00%)</u>	<u>Discount Rate</u> <u>(7.00%)</u>	<u>(8.00%)</u>
Town and BOE	\$ 56,723,908	\$ 39,050,443	\$ 24,075,304
Ledge Light	456,959	346,096	250,265
Poquonnock Fire Department	6,847,880	4,722,524	2,943,225

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

For the year ended June 30, 2023, the Town and BOE, Ledge Light, and Fire Pensions recognized pension expense of \$8,874,290, \$85,876, and \$904,596, respectively. At June 30, 2023, the reported deferred outflows of resources and deferred inflows of resources related to pension were as follows:

	<u>Town and BOE</u>	
	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences Between Expected and Actual Experience	\$ 3,248,856	\$ (20,268)
Changes of Assumptions	5,627,527	(79,527)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	6,088,750	-
Total	<u>\$ 14,965,133</u>	<u>\$ (99,795)</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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	\$ 20,764	\$ -
Changes of Assumptions	3,368	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	34,694	-
Total	<u>\$ 58,826</u>	<u>\$ -</u>

	Poquonnock Fire District	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 649,866	\$ (14,789)
Changes of Assumptions	476,596	(2,484)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	629,694	-
Total	<u>\$ 1,756,156</u>	<u>\$ (17,273)</u>

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

Year Ending June 30,	Town and BOE	Ledge Light	Poquonnock Fire District
2024	\$ 3,802,271	\$ 28,998	\$ 388,596
2025	3,058,047	5,940	317,413
2026	6,904,337	27,552	731,462
2027	629,606	(3,664)	155,457
2028	471,077	-	142,469
Thereafter	-	-	3,486
Total	<u>\$ 14,865,338</u>	<u>\$ 58,826</u>	<u>\$ 1,738,883</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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 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, 2023**

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 district's 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, 2023, 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, 2023, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate share of the Net Pension Liability Associated with the Town	<u>161,493,820</u>
Total	<u><u>\$ 161,493,820</u></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, 2023, the Town has no proportionate share of the net pension liability.

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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, 2023, 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, 2023**

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	5.40 %	20.00 %
Developed Market International Stock Fund	6.40	11.00
Emerging Market International Stock Fund	8.60	9.00
Core Fixed Income Fund	0.80	13.00
Emerging Market Debt Fund	3.80	5.00
High Yield Bond Fund	3.40	3.00
Real Estate Fund	5.20	19.00
Private Equity Fund	9.40	10.00
Private Credit	6.50	5.00
Alternative Investments	3.10	3.00
Liquidity Fund	(0.40)	2.00
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, 2023**

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, 2022, plan membership consisted of the following:

	<u>Retiree Health Plan</u>
Active Members	911
Retired Members	350
Beneficiaries	30
Spouses of Retirees	<u>116</u>
Total Participants	<u><u>1,407</u></u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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

B. Funding Policy

The Town 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/BOE 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)	\$ 13,858	\$ 13,858
BOE (Future Retiree)	13,448	13,448
Town (Current Retirees)	16,096	16,096
BOE (Future Retirees)	16,733	16,733
Post-65 Medical Plan:		
Town Future Retirees (AFSCME & Telecommunications)	5,010	5,010
Town Current & Future Retirees (All Others)	7,236	7,236
BOE Medicare Advantage Plan	4,702	4,702
Town Medicare Advantage Plan	4,702	4,702
Dental Plan:		
Town	357	583
BOE	326	537

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, 2023**

**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, 2023, the annual money-weighted rate of return on investments, net of investment expense, was -7.07%. 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, 2023. The components of the net OPEB liability of the Town at June 30, 2023, were as follows:

Total OPEB Liability	\$ 63,245,055
Plan Fiduciary Net Position	31,073,494
Net OPEB Liability	<u>\$ 32,171,561</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	49.13%
--	--------

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2022, rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
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, 2023**

**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-2021 (Prior: MP-2019) Ultimate scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP-2021 (Prior: 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- 2021 (Prior: 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-2021 (Prior: 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-2021 (Prior: 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-2021 (Prior: 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-2021 (Prior: 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, 2023**

**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, 2023, are summarized in the following table:

Asset Class	Actual Allocation	Long-Term Expected Real Rate of Return
U.S. Cash	17 %	0.21 %
Core Fixed Income	38	1.95
U.S. Large Cap Equities	45	5.57
Total	<u>100 %</u>	

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, 2023**

**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 as of July 1, 2022	\$ 62,421,676	\$ 27,471,491	\$ 34,950,185
Changes for the Year:			
Service Cost	1,510,017	-	1,510,017
Interest on Total OPEB Liability	4,381,089	-	4,381,089
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(937,628)	-	(937,628)
Changes In Assumptions	(1,394,418)	-	(1,394,418)
Employer Contributions	-	4,279,630	(4,279,630)
Net Investment Income	-	2,102,515	(2,102,515)
Benefit Payments	(2,735,681)	(2,735,681)	-
Administrative Expense	-	(44,461)	44,461
Net Changes	<u>823,379</u>	<u>3,602,003</u>	<u>(2,778,624)</u>
Balances as of June 30, 2023	<u>\$ 63,245,055</u>	<u>\$ 31,073,494</u>	<u>\$ 32,171,561</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	\$ 39,542,737	\$ 32,171,561	\$ 26,009,270

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	\$ 25,032,191	\$ 32,171,561	\$ 40,855,346

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

**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, 2023, the Town recognized OPEB expense of \$2,784,844. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,284,215	\$ (6,347,399)
Changes of Assumptions	451,882	(4,094,840)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,831,113	-
Total	<u>\$ 4,567,210</u>	<u>\$ (10,442,239)</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>
2024	\$ (1,257,016)
2025	(1,417,498)
2026	(298,973)
2027	(1,111,296)
2028	(1,096,860)
Thereafter	(693,386)
Total	<u>\$ (5,875,029)</u>

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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	\$ 1,080	\$ 5,703,167	\$ 5,704,247
Investments, at Fair Value:			
Mutual Funds	137,551,895	25,376,157	162,928,052
Accounts Receivable	240,844	826,204	1,067,048
Total Assets	137,793,819	31,905,528	169,699,347
Liabilities:			
Accounts Payable	56,437	6,074	62,511
Due to Employees and Others	37	-	37
Claims Incurred but Not Reported	-	-	-
Total Liabilities	56,474	6,074	62,548
Net Position:			
Restricted for Employees of Ledge Light	723,454	-	723,454
Restricted for Firefighters	13,008,703	-	13,008,703
Restricted for Benefits and Other Purposes	124,005,188	31,899,454	155,904,642
Total Net Position	\$ 137,737,345	\$ 31,899,454	\$ 169,636,799

	Trust Funds		
	Pension Trust Fund	OPEB Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 5,139,100	\$ 4,279,630	\$ 9,418,730
Plan Members	1,504,129	-	1,504,129
Total Contributions	6,643,229	4,279,630	10,922,859
Investment Income:			
Change in Fair Value of Investments	12,745,245	2,102,516	14,847,761
Less: Investment Expenses:			
Investment Management Fees	221,027	116,979	338,006
Net Investment Income	12,524,218	1,985,537	14,509,755
Total Additions	19,167,447	6,265,167	25,432,614
Deductions:			
Benefits	10,988,775	1,792,743	12,781,518
Administrative Expense	43,284	44,461	87,745
Total Deductions	11,032,059	1,837,204	12,869,263
Change in Net Position	8,135,388	4,427,963	12,563,351
Net Position - Beginning of Year	129,601,957	27,471,491	157,073,448
Net Position - End of Year	\$ 137,737,345	\$ 31,899,454	\$ 169,636,799

**TOWN OF GROTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

**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 (2) 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, 2023**

**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, 2023**

**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, 2023, 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, 2023**

**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, 2023, 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	14,143,155
Total	<u><u>\$ 14,143,155</u></u>

The net OPEB liability was measured as of June 30, 2022, 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, 2023, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2023, 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	Known increases until calendar year 2024, then general trend decreasing to an ultimate rate of 4.5% by 2031
Salary Increases	3.00%-6.50%, Including Inflation
Investment Rate of Return	3.53%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position will be Depleted	2027

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, 2023**

**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, 2023**

**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, 2023**

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, 2023, 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:					
2022 - 2023	\$ 1,205,000	\$ 14,154,306	\$ 14,500,306	\$ 859,000	\$ 859,000
2021 - 2022	791,000	14,356,945	13,942,945	1,205,000	1,205,000
Workers' Compensation Fund:					
2022 - 2023	1,390,368	887,948	776,041	1,502,275	117,299
2021 - 2022	1,508,425	637,041	755,098	1,390,368	95,934

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, 2021 grand list, comprise 13.7% of the net taxable grand list of the Town and approximately 8.8% of the total General Fund revenues for the year ended June 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
REVENUES				
General Property Taxes (Including Interest and Lien Fees)	\$ 98,393,085	\$ 98,393,085	\$ 98,724,381	\$ 331,296
Licenses and Permits:				
Building Permits	525,000	525,000	920,603	395,603
Sporting Licenses	-	-	-	-
Dog Licenses	5,000	5,000	16,071	11,071
Other Licenses and Permits	25,520	25,520	19,402	(6,118)
Building Permits - Education Fee	750	750	6,351	5,601
State Land Use Fees	100	100	78	(22)
Total Licenses and Permits	556,370	556,370	962,505	406,135
Interest on Investments	75,000	75,000	1,030,514	955,514
Intergovernmental - State:				
General:				
Town Aid Road	371,022	371,022	363,203	(7,819)
Nuclear Safety Drill	55,100	55,100	41,986	(13,114)
Highway Illumination	-	-	-	-
Telephone Access	118,000	118,000	139,842	21,842
Pilot - Enterprise Zone	-	-	-	-
Pilot - State and Tax Exemptions	1,725,768	1,725,768	2,488,918	763,150
Tvcca - Supp Housing Program	-	-	-	-
Youth Service Bureau	27,885	27,885	35,100	7,215
Pequot and Mohegan Funds	1,232,069	1,232,069	1,232,069	-
911 Enhancement	221,000	221,000	228,563	7,563
Municipal Project Grant	2,362,532	2,362,532	2,364,220	1,688
Municipal Revenue Sharing Grant	-	-	-	-
Municipal Aid Adjustment Grant	-	-	-	-
Stabilization Grant	466,668	466,668	466,668	-
Miscellaneous State Grants	-	-	45,239	45,239
Board of Education:				
Education Cost Sharing	25,040,045	25,040,045	25,124,493	84,448
Adult Education	116,103	116,103	89,615	(26,488)
Special Education	1,093,637	1,093,637	1,073,201	(20,436)
Magnet School Transportation	143,000	143,000	131,300	(11,700)
Nonpublic Pupil Services	26,369	26,369	24,394	(1,975)
Total State of Connecticut	32,999,198	32,999,198	33,848,811	849,613
Intergovernmental - Federal:				
Pupil Impact Aid	4,094,283	4,094,283	4,279,623	185,340
Education - Miscellaneous Federal Funds	192,100	192,100	236,961	44,861
FEMA Reimbursement	4,470	4,470	-	(4,470)
Public Safety Federal Funds	-	-	-	-
Emergency Management	19,300	19,300	-	(19,300)
Total Federal Government	4,310,153	4,310,153	4,516,584	206,431

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
REVENUES (CONTINUED)				
Charges for Current Services:				
Planning Commission Fees	\$ 9,000	\$ 9,000	\$ 13,980	\$ 4,980
Recording Instruments	150,000	150,000	122,535	(27,465)
Conveyance Tax	600,000	600,000	764,845	164,845
Maps, Copies and Documents	500	500	433	(67)
Finance Department - Other	-	-	-	-
Planning Department - Other	-	-	-	-
Collection Subdivisions Taxes	123,978	123,978	123,977	(1)
Accident Reports	4,500	4,500	4,447	(53)
Dispatch and Paramedics Services	3,000	3,000	3,000	-
North Stonington - Dispatch	32,467	32,467	41,886	9,419
Coordinated Medical Emergency Director	21,606	21,606	21,077	(529)
Board of Education - FHS and Ground Mowing	65,684	65,684	65,684	-
GIS - Revenue	350	350	385	35
Snow and Ice Control Services	30,000	30,000	15,317	(14,683)
Vital Statistics	6,000	6,000	5,945	(55)
COG Climate	-	-	-	-
Total Charges for Current Services	1,047,085	1,047,085	1,183,511	136,426
Schools, Library, and Recreation:				
Tuition from Other Towns	20,000	20,000	30,823	10,823
Other School Receipts	-	-	31,114	31,114
Library Fines	-	-	12	12
Lost and Damaged Book Fees	1,000	1,000	1,918	918
Senior Center Fees	2,800	2,800	5,937	3,137
Community Event	5,000	5,000	-	(5,000)
Park Concession and Rental	-	-	1,350	1,350
Library Fees	7,500	7,500	9,801	2,301
Library - Copier Fees	3,400	3,400	4,536	1,136
Library - Passport Fees	5,800	5,800	9,234	3,434
Total Schools, Library, and Recreation	45,500	45,500	94,725	49,225
Other Revenue:				
Court Fines	6,000	6,000	14,625	8,625
Parking Tickets	9,000	9,000	1,970	(7,030)
Welfare - Local Receipts	-	-	-	-
Aircraft Registration Fees	21,500	21,500	19,020	(2,480)
Lease Fees	201,368	201,368	215,365	13,997
Land Record Copies	30,000	30,000	25,968	(4,032)
Vital Copies	62,000	62,000	66,183	4,183
Miscellaneous	23,900	23,900	74,186	50,286
Pilot Payment - Other	45,000	45,000	50,727	5,727
Animal Control Fees	2,000	2,000	515	(1,485)
Public Works Disposal Fees	180,000	180,000	180,874	874
Returned Check Fees	800	800	1,475	675
Sale of Capital Assets	10,000	10,000	12,198	2,198
Delinquent MV Fees	15,500	15,500	15,987	487
Finance Department Copies	400	400	479	79
Total Other Revenue	607,468	607,468	679,572	72,104
Total Revenues	138,033,859	138,033,859	141,040,603	3,006,744

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
OTHER FINANCING SOURCES				(Negative)
Transfers In:				
Sewer and Landfill Services	\$ 527,918	\$ 527,918	\$ 527,918	\$ -
Sewer District	53,460	53,460	53,460	-
Mumford Cove	1,210	1,210	1,210	-
Community Investment Act Fund	7,500	7,500	7,500	-
Outside Police Services	-	-	38,959	38,959
Bond Premium	-	-	-	-
Total Other Financing Sources	590,088	590,088	629,047	38,959
Total Revenues and Other Financing Sources	\$ 138,623,947	\$ 138,623,947	141,669,650	\$ 3,045,703

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	12,732,629
State of Connecticut on-behalf contributions to the Connecticut State Teachers OPEB system for Town teachers are not budgeted	180,090
Property tax revenue receivable accrual basis change	-
The Town does not budget for certain reimbursements that are reported for GAAP financial statement reporting purposes	-
The Town does not budget for refunding bond issuance	-
The Town does not budget for premiums on refunding bond issuance	-
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	9,810
Revenues credited to expenditures	-
Transfers in from other funds	-
Other revenue adjustment	-
Capital leases issued	-
 Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV	 <u>\$ 154,592,179</u>

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
EXPENDITURES			Basis	Positive
				(Negative)
General Government:				
Legislative Policy	\$ 41,850	\$ 41,850	\$ 34,456	\$ 7,394
Voter Registration	213,435	213,435	211,477	1,958
Town Clerk	349,021	349,021	304,574	44,447
Legal Services	297,500	490,000	374,596	115,404
Total General Government	901,806	1,094,306	925,103	169,203
General Services:				
Executive Management	309,093	309,093	304,089	5,004
Information Technology	1,215,633	1,215,633	1,178,906	36,727
Human Resources	362,489	362,489	366,249	(3,760)
Financial Administration	1,662,212	1,662,212	1,563,322	98,890
Total General Services	3,549,427	3,549,427	3,412,566	136,861
Public Safety:				
Police Services	9,522,086	9,531,586	9,466,165	65,421
Public Works	6,136,310	6,136,310	5,825,940	310,370
Planning and Development Services	1,618,196	1,618,196	1,619,262	(1,066)
Human Services:				
Human Services	589,973	589,973	530,653	59,320
Community Services:				
Parks and Recreation	2,029,566	2,029,566	1,847,287	182,279
Library	1,685,970	1,685,970	1,620,214	65,756
Total Community Services	3,715,536	3,715,536	3,467,501	248,035
Nondepartmental:				
Insurance and Claims	859,861	859,861	827,536	32,325
Contingency	300,000	93,400	-	93,400
Self-Funded Plans	11,265,554	11,265,554	11,209,957	55,597
Total Nondepartmental	12,425,415	12,218,815	12,037,493	181,322
Education	79,157,271	79,157,271	79,165,799	(8,528)
Debt Service:				
Town	2,361,185	2,361,185	2,360,935	250
Board of Education	8,726,521	9,110,984	9,110,984	-
Total Debt Service	11,087,706	11,472,169	11,471,919	250
Outside Agencies:				
Regional Agencies	138,296	138,296	138,296	-
Health Services - Cultural Agencies	2,261,058	2,261,058	2,033,303	227,755
Total Outside Agencies	2,399,354	2,399,354	2,171,599	227,755

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
EXPENDITURES (CONTINUED)				
Subdivisions:				
City of Groton	\$ 5,683,553	5,687,653	\$ 5,687,848	\$ (195)
Groton Long Point	608,784	609,284	608,974	310
Fire Districts	246,000	246,000	246,000	-
Total Subdivisions	6,538,337	6,542,937	6,542,822	115
Total Expenditures	137,641,417	138,025,880	136,636,822	1,389,058
OTHER FINANCING USES				
Transfers Out:				
Capital Reserve	3,297,000	3,297,000	3,297,000	-
Revaluation	150,000	150,000	150,000	-
Fleet	1,274,775	1,274,775	1,274,775	-
Computer Replacement	-	-	-	-
Recreation and Senior Activities	260,755	260,755	260,755	-
Total Other Financing Uses	4,982,530	4,982,530	4,982,530	-
Total Expenditures and Other Financing Uses	\$ 142,623,947	\$ 143,008,410	141,619,352	\$ 1,389,058

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.

12,732,629

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

180,090

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.

703,732

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.

(334,008)

Encumbrances for purchases and commitments ordered in the current year that were not received and liquidated in the current year are not reported for GAAP purposes.

-

The Town does not budget for certain reimbursements that are reported for GAAP financial statement reporting purposes.

-

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.

241,426

Payment to escrow agent is not budgeted

-

Refunding bond issuance costs are not budgeted

-

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

(150,000)

Other expenditure adjustment

(36,217)

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

\$ 154,957,004

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	\$ 3,095,710
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	10,631,856
Changes of Benefit Terms	-	-	-	-	-	688,115	-	(6,096)	4,928	437,729
Differences Between Expected and Actual Experience	-	(3,089,277)	(831,909)	(198,443)	646,369	437,415	289,128	(44,592)	574,558	3,362,052
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	1,819,785
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)	(9,989,901)
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	9,357,231
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	153,698,400
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	163,055,631
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	4,529,900
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	1,356,031
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)	11,301,405
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)	(9,989,901)
Administrative Expense	(54,307)	(37,255)	(30,685)	(32,163)	(45,162)	(36,257)	(50,529)	(36,013)	(41,265)	(38,970)
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)	7,158,465
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	116,846,723
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	124,005,188
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	\$ 39,050,443
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%	76.05%
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	\$ 24,792,966
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%	157.51%

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability:										
Service Cost	\$ 6,972	\$ 7,181	\$ 621,108	\$ 7,714	\$ 8,701	\$ 8,959	\$ 9,829	\$ 10,578	\$ 10,959	\$ 12,304
Interest	44,858	46,078	94,625	48,675	51,179	54,160	56,837	61,063	65,868	69,481
Changes of benefit terms										
Differences Between Expected and Actual Experience	-	(7,730)	(651,642)	29,608	21,741	23,550	39,206	24,596	29,096	32,393
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)	(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	65,180
Total Pension Liability - Beginning	571,322	587,337	618,417	638,887	692,241	731,739	794,991	855,740	921,627	1,004,370
Total Pension Liability - Ending	587,337	618,417	638,887	692,241	731,739	794,991	855,740	921,627	1,004,370	1,069,550
Plan Fiduciary Net Position:										
Contributions - Employer	9,556	6,764	8,971	8,958	13,200	15,700	20,500	24,800	30,000	33,700
Contributions - Member	3,483	3,627	4,052	4,265	4,442	4,905	5,101	5,385	5,734	5,745
Net Investment Income (Loss)	79,029	19,083	(380)	55,221	42,251	42,276	34,415	161,457	(99,874)	64,776
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)	(48,998)
Administrative Expense	(321)	(212)	(172)	(179)	(251)	(203)	(284)	(203)	(236)	(227)
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)	54,996
Plan Fiduciary Net Position - Beginning	522,897	578,829	570,287	544,954	575,415	597,253	622,127	639,391	781,832	668,458
Plan Fiduciary Net Position - Ending	578,829	570,287	544,954	575,415	597,253	622,127	639,391	781,832	668,458	723,454
Net Pension Liability - Ending	\$ 8,508	\$ 48,130	\$ 93,933	\$ 116,826	\$ 134,486	\$ 172,864	\$ 216,349	\$ 139,795	\$ 335,912	\$ 346,096
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%	67.64%
Covered Payroll	\$ 120,539	\$ 89,652	\$ 90,125	\$ 101,308	\$ 105,474	\$ 112,203	\$ 122,630	\$ 127,535	\$ 134,616	\$ 143,351
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%	241.43%

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POQUONNOCK BRIDGE FIRE DEPARTMENT
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability:										
Service Cost	\$ 401,849	\$ 413,904	\$ 299,682	\$ 257,236	\$ 267,597	\$ 283,839	\$ 300,521	\$ 305,127	\$ 294,882	\$ 334,325
Interest	843,728	889,636	918,671	983,573	976,011	998,983	1,026,342	1,061,695	1,110,767	1,178,081
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	212,808
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)	(962,483)
Net Change in Total Pension Liability	687,192	768,710	877,445	312,037	300,000	911,463	535,266	691,302	1,466,511	762,731
Total Pension Liability - Beginning	10,418,570	11,105,762	11,874,472	12,751,917	13,063,954	13,363,954	14,275,417	14,810,683	15,501,985	16,968,496
Total Pension Liability - Ending	11,105,762	11,874,472	12,751,917	13,063,954	13,363,954	14,275,417	14,810,683	15,501,985	16,968,496	17,731,227
Plan Fiduciary Net Position:										
Contributions - Employer	428,378	414,790	392,293	385,674	389,100	385,000	434,600	459,500	500,400	575,500
Contributions - Member	128,634	94,356	106,863	116,552	120,435	119,614	122,578	134,629	134,287	142,380
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)	1,170,618
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)	(962,483)
Administrative Expense	(5,243)	(3,534)	(2,949)	(3,149)	(4,507)	(3,695)	(5,181)	(3,703)	(4,269)	(4,087)
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)	921,928
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	12,086,775
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	13,008,703
Net Pension Liability - Ending	\$ 1,637,720	\$ 2,388,470	\$ 3,426,598	\$ 2,931,272	\$ 2,619,666	\$ 2,930,491	\$ 3,139,543	\$ 1,259,216	\$ 4,881,721	\$ 4,722,524
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%	73.37%
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	\$ 1,934,485
Net Pension Liability as a Percentage of Covered Payroll	71.58%	104.67%	170.43%	171.96%	151.88%	166.32%	177.16%	71.84%	261.41%	244.12%

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 3,114,144	\$ 3,192,047	\$ 2,553,991	\$ 2,488,575	\$ 2,848,100	\$ 2,996,600	\$ 3,529,800	\$ 3,773,000	\$ 4,306,000	\$ 4,529,900
Contributions in Relation to the Actuarially Determined Contribution	3,114,144	3,192,047	2,553,991	2,488,575	2,848,100	2,996,600	3,540,900	3,773,000	4,306,000	4,529,900
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11,100)	\$ -	\$ -	\$ -
Covered Payroll	N/A	\$ 23,026,395	\$ 23,605,993	\$ 21,927,290	\$ 22,096,847	\$ 22,229,457	\$ 23,062,178	\$ 23,105,918	\$ 23,311,827	\$ 24,792,996
Contributions as a Percentage of Covered Payroll	N/A	13.86%	10.82%	11.35%	12.89%	13.48%	15.35%	16.33%	18.47%	18.27%

Notes to Schedule:

Valuation Date July 1, 2022
Measurement Date June 30, 2023
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 HEALTH DISTRICT
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 9,556	\$ 6,764	\$ 8,971	\$ 8,958	\$ 13,200	\$ 15,700	\$ 19,900	\$ 24,800	\$ 30,000	\$ 33,700
Contributions in Relation to the Actuarially Determined Contribution	9,556	6,764	8,971	8,958	13,200	15,700	20,500	24,800	30,000	33,700
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (600)	\$ -	\$ -	\$ -
Covered Payroll	N/A	\$ 120,539	\$ 89,652	\$ 90,125	\$ 101,308	\$ 105,474	\$ 122,630	\$ 127,535	\$ 134,616	\$ 143,351
Contributions as a Percentage of Covered Payroll	N/A	5.61%	10.01%	9.94%	13.03%	14.89%	16.72%	19.45%	22.29%	23.51%

Notes to Schedule:

Valuation Date July 1, 2022
Measurement Date June 30, 2023
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.

N/A Not Available

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POQUONNOCK BRIDGE FIRE DEPARTMENT
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 428,378	\$ 414,790	\$ 392,293	\$ 385,674	\$ 389,100	\$ 385,000	\$ 427,500	\$ 459,500	\$ 500,400	\$ 575,500
Contributions in Relation to the Actuarially Determined Contribution	428,378	414,790	392,293	385,674	389,100	385,000	434,600	459,500	500,400	575,500
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,100)	\$ -	\$ -	\$ -
Covered Payroll	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	\$ 1,934,485
Contributions as a Percentage of Covered Payroll	N/A	18.13%	17.19%	19.18%	22.83%	22.32%	24.52%	26.21%	26.80%	29.75%

Notes to Schedule:

Valuation Date July 1, 2022
Measurement Date June 30, 2023
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 TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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%	9.75%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Town's Proportion of the Net Pension Liability	0.00%	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	161,493,820
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>	<u>\$ 161,493,820</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	\$ 39,233,196
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%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%	49.24%	60.77%	54.06%

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	27.8 Years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-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 SEVEN FISCAL YEARS*

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability:							
Service Cost	\$ 1,130,295	\$ 1,216,495	\$ 1,133,767	\$ 1,286,669	\$ 1,174,539	\$ 1,289,815	\$ 1,510,017
Interest	4,020,268	4,229,669	4,446,927	4,449,941	4,483,647	4,610,792	4,381,089
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)	(937,628)
Changes of Assumptions	-	-	1,581,582	(5,791,133)	(1,237,057)	-	(1,394,418)
Benefit Payments	(2,467,692)	(2,789,067)	(2,573,742)	(1,945,268)	(2,038,604)	(3,207,667)	(2,735,681)
Net Change In Total OPEB Liability	2,863,596	2,873,778	1,625,233	622,900	4,485,028	(3,733,680)	823,379
Total OPEB Liability - Beginning	53,684,821	56,548,417	59,422,195	61,047,428	61,670,328	66,155,356	62,421,676
Total OPEB Liability - Ending	56,548,417	59,422,195	61,047,428	61,670,328	66,155,356	62,421,676	63,245,055
Plan Fiduciary Net Position:							
Contributions - Employer	3,500,259	3,535,030	3,563,051	3,500,000	4,111,657	4,638,903	4,279,630
Net Investment Income	1,420,995	977,456	986,434	815,859	4,431,325	(2,749,057)	2,102,515
Benefit Payments	(2,779,678)	(2,789,067)	(2,573,742)	(1,945,268)	(2,038,604)	(3,207,667)	(2,735,681)
Administrative Expense	(456,671)	(14,825)	(47,235)	(33,050)	(44,018)	(29,500)	(44,461)
Other							
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)	3,602,003
Plan Fiduciary Net Position - Beginning	14,698,904	16,383,809	18,092,403	20,020,911	22,358,452	28,818,812	27,471,491
Plan Fiduciary Net Position - Ending	16,383,809	18,092,403	20,020,911	22,358,452	28,818,812	27,471,491	31,073,494
Net OPEB Liability - Ending (a)-(b)	\$ 40,164,608	\$ 41,329,792	\$ 41,026,517	\$ 39,311,876	\$ 37,336,544	\$ 34,950,185	\$ 32,171,561
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	28.97%	30.45%	32.80%	36.25%	43.56%	44.01%	49.13%
Covered Payroll	\$ 50,195,108	\$ 51,499,012	\$ 51,499,012	\$ 47,424,335	\$ 47,424,335	\$ 58,689,878	\$ 58,689,878
Net OPEB Liability as a Percentage of Covered Payroll	80.02%	80.25%	79.66%	82.89%	78.73%	59.55%	54.82%

* 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**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution (1)	\$ 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	\$ 4,175,891
Contributions in Relation to the Actuarially Determined Contribution	<u>3,738,481</u>	<u>4,050,481</u>	<u>3,709,834</u>	<u>3,500,259</u>	<u>3,535,030</u>	<u>3,563,051</u>	<u>3,500,000</u>	<u>4,111,657</u>	<u>4,638,903</u>	<u>4,279,630</u>
Contribution Deficiency (Excess)	<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>	<u>\$ (103,739)</u>
Covered Payroll	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	\$ 58,689,878
Contributions as a Percentage of Covered Payroll	N/A	7.68%	7.03%	6.97%	7.04%	6.92%	7.38%	8.67%	7.90%	7.29%

(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, 2022

Measurement Date June 30, 2023

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	15 Years
Asset Valuation Method	Market Value
Inflation	2.50%
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 SEVEN FISCAL YEARS***

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.83%	5.48%	5.06%	3.83%	18.21%	-8.93%	7.07%

* 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 SIX FISCAL YEARS*

	2018	2019	2020	2021	2022	2023
Town's Proportion of the Net OPEB Liability	0.00%	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	14,143,155
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>	<u>\$ 14,143,155</u>
Town's Covered Payroll	\$ 36,426,040	\$ 36,820,958	\$ 38,404,501	\$ 38,395,135	\$ 38,528,355	\$ 39,233,196
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%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.79%	1.49%	2.08%	2.50%	6.11%	9.46%

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, 2022 was updated to equal the SEIR of 3.53% as of June 30, 2022; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience The assumed age related annual percentage increases in expected annual per capita health care claim costs were updated; Long-term health care cost trend rates were updated; and The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better experience. reflect anticipated plan
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	2.50%

* 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, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and Cash Equivalents	\$ 45,129,119	\$ 44,857,237
Investments	1,628,392	1,626,228
Property Taxes Receivable, Net of Allowance of \$220,000 in 2023 and 2022	2,468,924	1,509,228
Due from Other Funds	79,559	790,813
Prepaid Items and Other Assets	<u>11,600</u>	<u>3,086</u>
Total Assets	<u><u>\$ 49,317,594</u></u>	<u><u>\$ 48,786,592</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 9,879,818	\$ 9,979,951
Bond Anticipation Note Premium	137,880	-
Due to Other Funds	-	-
Unearned Revenues	<u>67,524</u>	<u>62,572</u>
Total Liabilities	10,085,222	10,042,523
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes	1,534,796	841,630
Unavailable Revenue - Property Tax Interest	<u>496,434</u>	<u>336,472</u>
Total Deferred Inflows of Resources	<u><u>2,031,230</u></u>	<u><u>1,178,102</u></u>
FUND BALANCE		
Nonspendable:		
Prepaid Items and Other Assets	11,600	3,086
Assigned:		
Subsequent Years' Budget	4,500,000	4,000,000
Revaluation	349,253	380,132
Computer Replacement	307,799	358,536
Encumbrances	334,008	703,732
Unassigned	<u>31,698,482</u>	<u>32,120,481</u>
Total Fund Balance	<u><u>37,201,142</u></u>	<u><u>37,565,967</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u><u>\$ 49,317,594</u></u>	<u><u>\$ 48,786,592</u></u>

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positive
				(Negative)
REVENUES				
General Property Taxes	\$ 98,393,085	\$ 98,393,085	\$ 98,724,381	\$ 331,296
Licenses and Permits	556,370	556,370	962,505	406,135
Interest on Investments	75,000	75,000	1,030,514	955,514
Intergovernmental - Federal	4,310,153	4,310,153	4,516,584	206,431
Intergovernmental - State	32,999,198	32,999,198	33,848,811	849,613
Charges for Current Services	1,047,085	1,047,085	1,183,511	136,426
Schools, Library, and Recreation Fees	45,500	45,500	94,725	49,225
Other Revenue	607,468	607,468	679,572	72,104
Total Revenues	138,033,859	138,033,859	141,040,603	3,006,744
EXPENDITURES				
Current:				
General Government	901,806	1,094,306	925,103	169,203
General Services	3,549,427	3,549,427	3,412,566	136,861
Public Safety	9,522,086	9,531,586	9,466,165	65,421
Public Works	6,136,310	6,136,310	5,825,940	310,370
Planning and Development	1,618,196	1,618,196	1,619,262	(1,066)
Health and Human Services	589,973	589,973	530,653	59,320
Community Services	3,715,536	3,715,536	3,467,501	248,035
Education	79,157,271	79,157,271	79,165,799	(8,528)
Subdivisions	6,538,337	6,542,937	6,542,822	115
Nondepartmental	12,425,415	12,218,815	12,037,493	181,322
Outside Agencies	2,399,354	2,399,354	2,171,599	227,755
Debt Service	11,087,706	11,472,169	11,471,919	250
Total Expenditures	137,641,417	138,025,880	136,636,822	1,389,058
EXCESS OF REVENUES OVER EXPENDITURES	392,442	7,979	4,403,781	4,395,802
OTHER FINANCING SOURCES (USES)				
Transfers In	590,088	590,088	629,047	38,959
Transfers Out	(4,982,530)	(4,982,530)	(4,982,530)	-
Bond Premium	-	-	-	-
Total Other Financing Uses	(4,392,442)	(4,392,442)	(4,353,483)	38,959
NET CHANGE IN FUND BALANCE	<u>\$ (4,000,000)</u>	<u>\$ (4,384,463)</u>	50,298	<u>\$ 4,434,761</u>
Fund Balance - Beginning of Year			35,832,370	
Encumbrances Cancelled			38,929	
FUND BALANCE - END OF YEAR			<u>\$ 35,921,597</u>	

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF BOARD OF EDUCATION EXPENDITURES
AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual			Variance With Final Budget Positive (Negative)
	Original	Final	Expended	Encumbered	Total	
INSTRUCTION						
Regular	\$ 30,268,704	\$ 30,268,704	\$ 29,680,036	\$ 29,628	\$ 29,709,664	\$ 559,040
Special	13,624,482	13,624,482	13,174,449	1,398	13,175,847	448,635
Continuing	295,970	295,970	258,716	-	258,716	37,254
Total Instruction	44,189,156	44,189,156	43,113,201	31,026	43,144,227	1,044,929
SUPPORTING SERVICES						
Pupils	6,622,727	6,622,727	6,696,119	19,822	6,715,941	(93,214)
Staff	1,780,260	1,780,260	1,861,613	1,808	1,863,421	(83,161)
General Support	7,089,156	7,089,156	7,182,479	2,740	7,185,219	(96,063)
Operational Support	14,484,491	14,484,491	15,612,719	16,425	15,629,144	(1,144,653)
Total Supporting Services	29,976,634	29,976,634	31,352,930	40,795	31,393,725	(1,417,091)
COMMUNITY SERVICES						
Nonpublic School Pupils	96,550	96,550	115,069	-	115,069	(18,519)
NONPROGRAMMED CHANGES						
Tuition Payments	4,894,931	4,894,931	4,480,439	32,339	4,512,778	382,153
Total	\$ 79,157,271	\$ 79,157,271	\$ 79,061,639	\$ 104,160	\$ 79,165,799	\$ (8,528)

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
COMBINING BALANCE SHEET SCHEDULE
JUNE 30, 2023**

	General Fund	Revaluation Fund	Computer Replacement Fund	Total Combined Funds
ASSETS				
Cash and Cash Equivalents	\$ 44,449,391	\$ 372,054	\$ 307,674	\$ 45,129,119
Investments	1,628,392	-	-	1,628,392
Receivables, Net	2,468,799	-	125	2,468,924
Due from Other Funds	79,559	-	-	79,559
Other Assets	11,600	-	-	11,600
Total Assets	<u>\$ 48,637,741</u>	<u>\$ 372,054</u>	<u>\$ 307,799</u>	<u>\$ 49,317,594</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 9,857,017	\$ 22,801	\$ -	\$ 9,879,818
Due to Other Funds	-	-	-	-
Bond Anticipation Note Premium	137,880	-	-	137,880
Unearned Revenues	67,524	-	-	67,524
Total Liabilities	<u>10,062,421</u>	<u>22,801</u>	<u>-</u>	<u>10,085,222</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	1,534,796	-	-	1,534,796
Unavailable Revenue - Property Tax Interest	496,434	-	-	496,434
Total Deferred Inflows of Resources	<u>2,031,230</u>	<u>-</u>	<u>-</u>	<u>2,031,230</u>
FUND BALANCES				
Nonspendable	11,600	-	-	11,600
Assigned	4,834,008	349,253	307,799	5,491,060
Unassigned	31,698,482	-	-	31,698,482
Total Fund Balances	<u>36,544,090</u>	<u>349,253</u>	<u>307,799</u>	<u>37,201,142</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 48,637,741</u>	<u>\$ 372,054</u>	<u>\$ 307,799</u>	<u>\$ 49,317,594</u>

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023**

	General Fund	Revaluation Fund	Computer Replacement Fund	Elimination	Total Combined Funds
REVENUES					
Property Taxes, Interest, and Lien Fees	\$ 98,724,381	\$ -	\$ -	\$ -	\$ 98,724,381
Licenses and Permits	962,505	-	-	-	962,505
Intergovernmental - State	46,761,530	-	1,545	-	46,763,075
Interest on Investments	1,030,514	2,253	6,012	-	1,038,779
Intergovernmental - Federal	4,516,584	-	-	-	4,516,584
Charges for Current Services	1,183,511	-	-	-	1,183,511
Schools, Library, and Recreation Fees	94,726	-	-	-	94,726
Other Revenue	679,571	-	-	-	679,571
Total Revenues	153,953,322	2,253	7,557	-	153,963,132
EXPENDITURES					
Current:					
General Government	925,102	183,132	-	-	1,108,234
General Services	3,370,585	-	-	-	3,370,585
Public Safety	9,499,620	-	-	-	9,499,620
Public Works	5,849,280	-	-	-	5,849,280
Planning and Development	1,639,875	-	-	-	1,639,875
Health and Human Services	530,652	-	-	-	530,652
Community Services	3,460,149	-	-	-	3,460,149
Education	92,383,951	-	-	-	92,383,951
Subdivisions	6,542,822	-	-	-	6,542,822
Nondepartmental	12,037,494	-	-	-	12,037,494
Outside Agencies	2,171,599	-	-	-	2,171,599
Debt Service	11,471,919	-	-	-	11,471,919
Capital Outlay	-	-	58,294	-	58,294
Total Expenditures	149,883,048	183,132	58,294	-	150,124,474
REVENUES OVER (UNDER) EXPENDITURES	4,070,274	(180,879)	(50,737)	-	3,838,658
OTHER FINANCING SOURCES (USES)					
Transfers In	629,047	150,000	-	(150,000)	629,047
Transfers Out	(4,982,530)	-	-	150,000	(4,832,530)
Total Other Financing Sources (Uses)	(4,353,483)	150,000	-	-	(4,203,483)
NET CHANGE IN FUND BALANCES	(283,209)	(30,879)	(50,737)	-	(364,825)
Fund Balances - Beginning of Year	36,827,299	380,132	358,536	-	37,565,967
FUND BALANCES - END OF YEAR	<u>\$ 36,544,090</u>	<u>\$ 349,253</u>	<u>\$ 307,799</u>	<u>\$ -</u>	<u>\$ 37,201,142</u>

**TOWN OF GROTON, CONNECTICUT
REVALUATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023**

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 400	\$ 400	\$ 2,253	\$ 1,853
EXPENDITURES				
Property Revaluation	248,000	248,000	183,132	64,868
REVENUES OVER (UNDER) EXPENDITURES	(247,600)	(247,600)	(180,879)	66,721
OTHER FINANCING SOURCES				
Transfers In	150,000	150,000	150,000	-
NET CHANGE IN FUND BALANCE	<u>\$ (97,600)</u>	<u>\$ (97,600)</u>	<u>\$ (30,879)</u>	<u>\$ 66,721</u>

**TOWN OF GROTON, CONNECTICUT
COMPUTER REPLACEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2023**

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 300	\$ 300	\$ 6,012	\$ 5,712
Other Revenue	-	-	-	-
Other Agencies	1,125	1,125	1,125	-
Outside Agencies - MDT	840	840	420	(420)
Total Revenues	<u>2,265</u>	<u>2,265</u>	<u>7,557</u>	<u>5,292</u>
EXPENDITURES				
Computer Equipment	<u>65,242</u>	<u>65,242</u>	<u>58,294</u>	<u>6,948</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(62,977)</u>	<u>(62,977)</u>	<u>(50,737)</u>	<u>12,240</u>
NET CHANGE IN FUND BALANCE	<u>\$ (62,977)</u>	<u>\$ (62,977)</u>	<u>\$ (50,737)</u>	<u>\$ 12,240</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Liquidated Prior Year Encumbrances	\$ -	\$ -	\$ -	
Expenditures Included in General Fund			-	
Transfers Included in General Fund			-	
Net Change in Fund Balance, GAAP			<u>\$ (50,737)</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.

TIF Fund: The Tax Increment Financing District Master Plan Fund (TIF) is an economic development tool to encourage development and redevelopment in planned targeted areas in Groton. The TIF Plan is used to invest in economic development by allowing some or all of public and/or private costs associated with a development to be financed over time by increases in the property tax revenues that are generated by the new development, which will contribute to the economic growth and well-being of Groton.

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, 2023**

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	\$ 306,352	\$ 1,254,346	\$ 328,227	\$ 317,215	\$ 357,593	\$ 501	\$ 1,242,930	68,328
Investments	-	-	-	-	-	-	-	-
Receivables, Net	854,120	379,227	-	877,632	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,160,472</u>	<u>\$ 1,633,573</u>	<u>\$ 328,227</u>	<u>\$ 1,194,847</u>	<u>\$ 357,593</u>	<u>\$ 501</u>	<u>\$ 1,242,930</u>	<u>\$ 68,328</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 499,424	\$ 20,648	\$ -	\$ 899	\$ 2,022	\$ -	\$ 729,379	\$ 1,576
Due to State	21,292	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	29,630	-	-	-	-
Unearned Revenue	480,436	-	-	-	-	-	-	-
Total Liabilities	<u>1,001,152</u>	<u>20,648</u>	<u>-</u>	<u>30,529</u>	<u>2,022</u>	<u>-</u>	<u>729,379</u>	<u>1,576</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	849,138	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>849,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	159,320	-	-	315,180	-	-	513,551	-
Committed	-	1,612,925	328,227	-	355,571	501	-	66,752
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>159,320</u>	<u>1,612,925</u>	<u>328,227</u>	<u>315,180</u>	<u>355,571</u>	<u>501</u>	<u>513,551</u>	<u>66,752</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,160,472</u>	<u>\$ 1,633,573</u>	<u>\$ 328,227</u>	<u>\$ 1,194,847</u>	<u>\$ 357,593</u>	<u>\$ 501</u>	<u>\$ 1,242,930</u>	<u>\$ 68,328</u>

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023**

	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	\$ 1,194,493	\$ 4,842,351	\$ 83,876	\$ 1,590	\$ 3,638	\$ 54,261	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables, Net	12,997	1,115,940	135,106	-	-	5,000	-	336,929
Due from Other Funds	-	-	-	-	-	-	-	-
Prepaid Items	1,932	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,209,422</u>	<u>\$ 5,958,291</u>	<u>\$ 218,982</u>	<u>\$ 1,590</u>	<u>\$ 3,638</u>	<u>\$ 59,261</u>	<u>\$ -</u>	<u>\$ 336,929</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 118,724	\$ 148,762	\$ 126,580	\$ -	\$ -	\$ 2,111	\$ -	\$ 73,061
Due to State	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	49,929
Unearned Revenue	-	-	-	-	-	-	-	262
Total Liabilities	118,724	148,762	126,580	-	-	2,111	-	123,252
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	1,932	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	213,677
Committed	1,088,766	5,809,529	92,402	1,590	3,638	57,150	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>1,090,698</u>	<u>5,809,529</u>	<u>92,402</u>	<u>1,590</u>	<u>3,638</u>	<u>57,150</u>	<u>-</u>	<u>213,677</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,209,422</u>	<u>\$ 5,958,291</u>	<u>\$ 218,982</u>	<u>\$ 1,590</u>	<u>\$ 3,638</u>	<u>\$ 59,261</u>	<u>\$ -</u>	<u>\$ 336,929</u>

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023**

	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	\$ 581,685	\$ 224,296	\$ 118,592	\$ 27,537	\$ 376,038	\$ 200,478	\$ 435,407	\$ 19,682	\$ 20,566
Investments	-	-	-	-	-	-	-	-	-
Receivables, Net	6,400	-	35,874	-	-	40,785	250	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 588,085</u>	<u>\$ 224,296</u>	<u>\$ 154,466</u>	<u>\$ 27,537</u>	<u>\$ 376,038</u>	<u>\$ 241,263</u>	<u>\$ 435,657</u>	<u>\$ 19,682</u>	<u>\$ 20,566</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable	\$ 2,189	\$ 1,806	\$ 4,319	\$ 1	\$ -	\$ -	\$ 89,230	\$ 1,758	\$ -
Due to State	-	118	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	320	-	-	-	-	-	-
Total Liabilities	<u>2,189</u>	<u>1,924</u>	<u>4,639</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>89,230</u>	<u>1,758</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	-	-	-	-	-	-	-	17,924	-
Committed	585,896	222,372	149,827	27,536	376,038	241,263	346,427	-	20,566
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>585,896</u>	<u>222,372</u>	<u>149,827</u>	<u>27,536</u>	<u>376,038</u>	<u>241,263</u>	<u>346,427</u>	<u>17,924</u>	<u>20,566</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 588,085</u>	<u>\$ 224,296</u>	<u>\$ 154,466</u>	<u>\$ 27,537</u>	<u>\$ 376,038</u>	<u>\$ 241,263</u>	<u>\$ 435,657</u>	<u>\$ 19,682</u>	<u>\$ 20,566</u>

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2023**

	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	\$ 15,326	\$ 2,280	\$ 595,390	\$ 212,097	\$ 42,323	\$ 5,681	\$ 200,150	\$ 13,182,713
Investments	-	-	-	-	-	15,629	-	-	15,629
Receivables, Net	-	-	-	4,347	212	-	-	-	3,804,819
Due from Other Funds	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	60,850	-	-	-	-	62,782
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 49,484</u>	<u>\$ 15,326</u>	<u>\$ 2,280</u>	<u>\$ 660,587</u>	<u>\$ 212,309</u>	<u>\$ 57,952</u>	<u>\$ 5,681</u>	<u>\$ 200,150</u>	<u>\$ 17,065,943</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts Payable	\$ -	\$ -	\$ -	\$ 680	\$ -	\$ -	\$ -	\$ -	\$ 1,823,169
Due to State	-	-	-	-	-	-	-	-	21,410
Due to Other Funds	-	-	-	-	-	-	-	-	79,559
Unearned Revenue	-	-	-	-	-	-	-	-	481,018
Total Liabilities	-	-	-	680	-	-	-	-	2,405,156
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments	-	-	-	2,717	-	-	-	-	2,717
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	849,138
Total Deferred Inflows of Resources	-	-	-	2,717	-	-	-	-	851,855
FUND BALANCES									
Nonspendable	-	-	-	-	20,000	27,543	-	200,000	249,475
Restricted	-	-	-	657,190	192,309	30,409	5,681	150	2,105,391
Committed	49,484	15,326	2,280	-	-	-	-	-	11,454,066
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>49,484</u>	<u>15,326</u>	<u>2,280</u>	<u>657,190</u>	<u>212,309</u>	<u>57,952</u>	<u>5,681</u>	<u>200,150</u>	<u>13,808,932</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 49,484</u>	<u>\$ 15,326</u>	<u>\$ 2,280</u>	<u>\$ 660,587</u>	<u>\$ 212,309</u>	<u>\$ 57,952</u>	<u>\$ 5,681</u>	<u>\$ 200,150</u>	<u>\$ 17,065,943</u>

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023**

	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	2,201,806	81,970	-	28,494	-	-	-	22,176
Investment Earnings	-	61	-	166	-	1	8,833	344
Federal Government	6,471,907	2,608,245	-	28,237	-	-	473,156	-
Charges for Services	-	334,729	-	106,592	-	-	-	-
Sewer Use Charges	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-
Other Revenue	720,127	267,632	245,186	-	64,182	-	-	-
Total Revenues	9,393,840	3,292,637	245,186	163,489	64,182	1	481,989	22,520
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Planning and Development	-	-	-	-	-	-	-	-
Health and Human Services	-	-	-	83,982	78,926	-	-	-
Community Services	-	-	-	-	-	-	-	20,142
Education	9,393,839	3,041,652	243,590	-	-	-	729,379	-
Sewer Operations	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-
Outside Agencies	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	625,793	-
Total Expenditures	9,393,839	3,041,652	243,590	83,982	78,926	-	1,355,172	20,142
REVENUES OVER (UNDER) EXPENDITURES	1	250,985	1,596	79,507	(14,744)	1	(873,183)	2,378
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	1	250,985	1,596	79,507	(14,744)	1	(873,183)	2,378
Fund Balances - Beginning of Year	159,319	1,361,940	326,631	235,673	370,315	500	1,386,734	64,374
FUND BALANCES - END OF YEAR	\$ 159,320	\$ 1,612,925	\$ 328,227	\$ 315,180	\$ 355,571	\$ 501	\$ 513,551	\$ 66,752

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds							
	Golf Course Fund	Sewer Operating Fund	Solid Waste Fund	Mumford Cove District	TIF Fund	Emergency Energy Fund	Mystic Education Center Fund	Other Special Revenue
REVENUES								
Property Taxes, Interest, and Lien Fees	\$ -	\$ -	\$ -	\$ 21,254	\$ -	\$ -	\$ -	\$ -
Sewer Assessments	-	-	-	-	-	-	-	-
State of Connecticut	-	-	-	-	-	33,271	-	671,642
Investment Earnings	7,023	38,081	-	-	-	-	-	-
Federal Government	-	-	-	-	-	-	-	27,313
Charges for Services	1,564,656	-	-	-	-	-	-	12,382
Sewer Use Charges	-	7,403,889	-	-	-	-	-	-
Solid Waste Management	-	-	1,373,176	-	-	-	-	-
Other Revenue	(20)	1,931	21,873	-	-	-	-	6,267
Total Revenues	1,571,659	7,443,901	1,395,049	21,254	-	33,271	-	717,604
EXPENDITURES								
General Government	-	-	-	-	-	-	3,009	93,675
Public Safety	-	-	-	20,020	-	-	-	29,946
Public Works	-	-	-	-	-	-	-	-
Planning and Development	-	-	-	-	-	-	-	-
Health and Human Services	-	-	-	-	-	36,872	-	12,970
Community Services	1,287,924	-	-	-	-	-	-	376,990
Education	-	-	-	-	-	-	-	19,742
Sewer Operations	-	4,781,450	-	-	-	-	-	-
Solid Waste Management	-	-	1,424,000	-	-	-	-	-
Outside Agencies	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	254,638
Total Expenditures	1,287,924	4,781,450	1,424,000	20,020	-	36,872	3,009	787,961
REVENUES OVER (UNDER) EXPENDITURES	283,735	2,662,451	(28,951)	1,234	-	(3,601)	(3,009)	(70,357)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	101,873	-	-	-	-	-	-
Transfers Out	(1,825)	(2,065,008)	-	(1,210)	-	-	-	(7,500)
Total Other Financing Sources (Uses)	(1,825)	(1,963,135)	-	(1,210)	-	-	-	(7,500)
NET CHANGE IN FUND BALANCES	281,910	699,316	(28,951)	24	-	(3,601)	(3,009)	(77,857)
Fund Balances - Beginning of Year	808,788	5,110,213	121,353	1,566	3,638	60,751	3,009	291,534
FUND BALANCES - END OF YEAR	\$ 1,090,698	\$ 5,809,529	\$ 92,402	\$ 1,590	\$ 3,638	\$ 57,150	\$ -	\$ 213,677

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	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	-	-	-	367,000	-	-	67,747	-	-
Investment Earnings	-	-	-	1,619	11,785	-	-	-	831
Federal Government	-	-	-	-	-	-	-	-	-
Charges for Services	-	30,499	383,952	-	-	-	864,649	-	-
Sewer Use Charges	-	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-	-
Other Revenue	305,121	56,074	-	-	-	289,740	-	26,700	-
Total Revenues	305,121	86,573	383,952	368,619	11,785	289,740	932,396	26,700	831
EXPENDITURES									
General Government	505,098	-	-	-	-	-	-	-	-
Public Safety	-	-	342,918	-	-	-	-	-	-
Public Works	-	-	-	-	-	277,504	-	-	-
Planning and Development	-	-	-	-	-	-	-	-	-
Health and Human Services	-	-	-	-	-	-	-	-	-
Community Services	-	76,210	-	-	-	-	840,327	30,478	-
Education	-	-	-	-	-	-	-	-	-
Sewer Operations	-	-	-	-	-	-	-	-	-
Solid Waste Management	-	-	-	-	-	-	-	-	-
Outside Agencies	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	572,000	-	-	-	-	-
Total Expenditures	505,098	76,210	342,918	572,000	-	277,504	840,327	30,478	-
REVENUES OVER (UNDER) EXPENDITURES	(199,977)	10,363	41,034	(203,381)	11,785	12,236	92,069	(3,778)	831
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	156,000	90,000	-	260,755	-	-
Transfers Out	-	-	(38,959)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(38,959)	156,000	90,000	-	260,755	-	-
NET CHANGE IN FUND BALANCES	(199,977)	10,363	2,075	(47,381)	101,785	12,236	352,824	(3,778)	831
Fund Balances - Beginning of Year	785,873	212,009	147,752	74,917	274,253	229,027	(6,397)	21,702	19,735
FUND BALANCES - END OF YEAR	\$ 585,896	\$ 222,372	\$ 149,827	\$ 27,536	\$ 376,038	\$ 241,263	\$ 346,427	\$ 17,924	\$ 20,566

**TOWN OF GROTON, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	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	\$ -	\$ -	\$ -	\$ 1,132,884	\$ -	\$ -	\$ -	\$ -	\$ 1,154,138
Sewer Assessments	-	-	-	16,267	-	-	-	-	16,267
State of Connecticut	-	-	-	882	-	-	-	-	3,474,988
Investment Earnings	-	91	-	12,749	1,990	3,625	18	602	87,819
Federal Government	-	-	-	-	-	-	-	-	9,608,858
Charges for Services	-	-	-	-	-	-	-	-	3,297,459
Sewer Use Charges	-	-	-	-	-	-	-	-	7,403,889
Solid Waste Management	-	-	-	-	-	-	-	-	1,373,176
Other Revenue	-	-	-	-	7,562	-	-	-	2,012,375
Total Revenues	-	91	-	1,162,782	9,552	3,625	18	602	28,428,969
EXPENDITURES									
General Government	-	-	-	11,449	-	-	-	-	613,231
Public Safety	-	-	-	-	-	-	-	-	392,884
Public Works	-	-	-	-	-	-	-	-	277,504
Planning and Development	-	-	-	-	-	-	-	-	-
Health and Human Services	-	-	-	-	-	-	-	-	212,750
Community Services	-	-	-	-	8,458	-	-	602	2,641,131
Education	-	-	-	-	-	-	-	-	13,428,202
Sewer Operations	-	-	-	-	-	-	-	-	4,781,450
Solid Waste Management	-	-	-	-	-	-	-	-	1,424,000
Outside Agencies	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	1,267,984	-	-	-	-	1,267,984
Capital Outlay	-	-	-	-	-	-	-	-	1,452,431
Total Expenditures	-	-	-	1,279,433	8,458	-	-	602	26,491,567
REVENUES OVER (UNDER) EXPENDITURES	-	91	-	(116,651)	1,094	3,625	18	-	1,937,402
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	608,628
Transfers Out	-	-	-	(53,460)	-	-	-	-	(2,167,962)
Total Other Financing Sources (Uses)	-	-	-	(53,460)	-	-	-	-	(1,559,334)
NET CHANGE IN FUND BALANCES	-	91	-	(170,111)	1,094	3,625	18	-	378,068
Fund Balances - Beginning of Year	49,484	15,235	2,280	827,301	211,215	54,327	5,663	200,150	13,430,864
FUND BALANCES - END OF YEAR	<u>\$ 49,484</u>	<u>\$ 15,326</u>	<u>\$ 2,280</u>	<u>\$ 657,190</u>	<u>\$ 212,309</u>	<u>\$ 57,952</u>	<u>\$ 5,681</u>	<u>\$ 200,150</u>	<u>\$ 13,808,932</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – SPECIAL LIBRARY FUND
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 50	\$ 50	\$ 344	\$ 294
Connecticard Grant	20,000	20,000	22,176	2,176
Total Revenues	20,050	20,050	22,520	2,470
EXPENDITURES				
Software Maintenance Fees	20,000	20,000	6,414	13,586
Professional and Technical Services	-	-	3,873	(3,873)
Equipment, Machinery, and Furniture	-	-	9,855	(9,855)
Total Expenditures	20,000	20,000	20,142	(142)
REVENUES OVER (UNDER) EXPENDITURES	\$ 50	\$ 50	\$ 2,378	\$ 2,328
OTHER FINANCING USES				
Transfers Out	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 2,378</u>	<u>\$ 2,328</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – GOLF COURSE FUND
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 200	\$ 200	\$ 7,023	\$ 6,823
Charges for Services	1,491,493	1,491,493	1,564,656	73,163
Misc - Unclassified		-	(20)	(20)
Federal Grants	-	-	-	-
Total Revenues	1,491,693	1,491,693	1,571,659	79,966
EXPENDITURES				
Community Services	1,497,761	1,497,761	1,367,301	130,460
REVENUES OVER (UNDER) EXPENDITURES	(6,068)	(6,068)	204,358	210,426
OTHER FINANCING USES				
Transfers Out	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ (6,068)</u>	<u>\$ (6,068)</u>	<u>\$ 204,358</u>	<u>\$ 210,426</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	\$ -	\$ 77,551	\$ 77,551	
Liquidated Prior Year Encumbrances		-	-	
Net Change in Fund Balance, GAAP			<u>\$ 281,909</u>	

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – SEWER OPERATING FUND
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sewer Use Charges	\$ 6,979,576	\$ 6,979,576	\$ 7,403,887	\$ 424,311
Interest Income	3,000	3,000	38,081	35,081
Other Revenue	-	-	1,931	1,931
Total Revenues	6,982,576	6,982,576	7,443,899	461,323
EXPENDITURES				
Sewer System Maintenance	6,004,589	6,004,589	4,883,310	1,121,279
REVENUES OVER (UNDER) EXPENDITURES	977,987	977,987	2,560,589	1,582,602
OTHER FINANCING USES				
Transfers In	101,874	101,874	101,873	(1)
Transfers Out	(2,065,008)	(2,065,008)	(2,065,008)	-
Total Other Financing Uses	(1,963,134)	(1,963,134)	(1,963,135)	(1)
NET CHANGE IN FUND BALANCE	<u>\$ (985,147)</u>	<u>\$ (985,147)</u>	<u>\$ 597,454</u>	<u>\$ 1,582,601</u>
RECONCILIATION TO GAAP BASIS				
	Revenues	Expenditures	Change in Fund Balance	
Current Year Encumbrances	\$ -	\$ 101,860	\$ 101,860	
Liquidated Prior Year Encumbrances		-	-	
Net Change in Fund Balance, GAAP			<u>\$ 699,314</u>	

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – SOLID WASTE FUND
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Solid Waste Management	\$ 1,541,889	\$ 1,541,889	\$ 1,373,176	\$ (168,713)
Interest Income	10	10	-	(10)
Misc - Unclassified	-	-	21,873	21,873
Total Revenues	1,541,899	1,541,899	1,395,049	(146,850)
EXPENDITURES				
Solid Waste Management	1,567,617	1,567,617	1,444,630	122,987
NET CHANGE IN FUND BALANCE	<u>\$ (25,718)</u>	<u>\$ (25,718)</u>	<u>\$ (49,581)</u>	<u>\$ (23,863)</u>

RECONCILIATION TO GAAP BASIS

	Revenues	Expenditures	Change in Fund Balance
Current Year Encumbrances	\$ -	\$ 20,630	\$ 20,630
Net Change in Fund Balance, GAAP			<u>\$ (28,951)</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – MUMFORD COVE DISTRICT
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes, Interest, and Lien Fees	\$ 21,230	\$ 21,230	\$ 21,254	\$ 24
EXPENDITURES				
Public Safety	20,020	20,020	20,020	-
REVENUES OVER (UNDER) EXPENDITURES	1,210	1,210	1,234	24
OTHER FINANCING USES				
Transfers Out	(1,210)	(1,210)	(1,210)	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24</u>	<u>\$ 24</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – GROTON SEWER DISTRICT
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes and Other	\$ 1,133,997	\$ 1,133,997	\$ 1,133,766	\$ (231)
Interest Income	1,000	1,000	12,748	11,748
Sewer Assessments	-	-	16,267	16,267
Total Revenues	1,134,997	1,134,997	1,162,781	27,784
EXPENDITURES				
Debt Service	1,267,984	1,267,984	1,267,984	-
Operating Expense	13,553	13,553	11,448	2,105
Total Expenditures	1,281,537	1,281,537	1,279,432	2,105
REVENUES OVER (UNDER) EXPENDITURES	(146,540)	(146,540)	(116,651)	29,889
OTHER FINANCING USES				
Transfers Out	(53,460)	(53,460)	(53,460)	-
NET CHANGE IN FUND BALANCE	<u>\$ (200,000)</u>	<u>\$ (200,000)</u>	<u>\$ (170,111)</u>	<u>\$ 29,889</u>

TOWN OF GROTON, CONNECTICUT
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
BUDGET AND ACTUAL – REC & SENIOR ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Budgeted		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Recreation Programs	\$ 815,176	\$ 815,176	\$ 519,704	\$ (295,472)
Senior Programs	244,738	244,738	239,944	(4,794)
Senior Food Concession	81,000	81,000	105,001	24,001
Miscellaneous Revenues	-	-	67,747	67,747
Total Revenues	1,140,914	1,140,914	932,396	(208,518)
EXPENDITURES				
Recreation Programs	885,859	885,859	589,804	296,055
Senior Programs	252,839	252,839	171,047	81,792
Senior Food Concession	82,106	82,106	79,476	2,630
Total Expenditures	1,220,804	1,220,804	840,327	380,477
REVENUES OVER (UNDER) EXPENDITURES	(79,890)	(79,890)	92,069	171,959
OTHER FINANCING SOURCES (USES)				
Transfers In	260,755	260,755	260,755	-
Total Other Financing Sources	260,755	260,755	260,755	-
NET CHANGE IN FUND BALANCE	<u>\$ 180,865</u>	<u>\$ 180,865</u>	<u>\$ 352,824</u>	<u>\$ 171,959</u>

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, 2023**

	Fleet Reserve	Health Insurance	Workers' Compensation	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,619,763	\$ 3,665,858	\$ 2,470,604	\$ 7,756,225
Accounts Receivable	15,620	2,845,977	-	2,861,597
Other Assets	-	-	1,000	1,000
Total Current Assets	1,635,383	6,511,835	2,471,604	10,618,822
Noncurrent Assets:				
Property and Equipment	9,645,376	-	-	9,645,376
Accumulated Depreciation	(7,614,721)	-	-	(7,614,721)
Property and Equipment, Net	2,030,655	-	-	2,030,655
Total Assets	3,666,038	6,511,835	2,471,604	12,649,477
LIABILITIES				
Current Liabilities:				
Accounts Payable	33,806	4,607	7,009	45,422
Claims Incurred but Not Reported	-	859,000	117,299	976,299
Total Current Liabilities	33,806	863,607	124,308	1,021,721
Noncurrent Liabilities:				
Claims Incurred but Not Reported, Net of Current Portion	-	-	1,384,976	1,384,976
Total Liabilities	33,806	863,607	1,509,284	2,406,697
NET POSITION				
Invested in Capital Assets	2,030,655	-	-	2,030,655
Unrestricted	1,601,577	5,648,228	962,320	8,212,125
Total Net Position	\$ 3,632,232	\$ 5,648,228	\$ 962,320	\$ 10,242,780

TOWN OF GROTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2023

	Fleet Reserve	Health Insurance	Workers' Compensation	Total
OPERATING REVENUE				
Charges for Services	\$ -	\$ 13,483,166	\$ 810,832	\$ 14,293,998
Other Revenue	-	-	30,696	30,696
Total Operating Revenue	-	13,483,166	841,528	14,324,694
Operating Expenses				
Operating Expenses	655,460	-	-	655,460
Claims - Operating	-	14,154,306	-	14,154,306
Claims - Workers' Compensation	-	-	887,948	887,948
Depreciation	386,441	-	-	386,441
Administrative	-	871,378	50,000	921,378
Total Operating Expenses	1,041,901	15,025,684	937,948	17,005,533
OPERATING LOSS	(1,041,901)	(1,542,518)	(96,420)	(2,680,839)
NONOPERATING REVENUE (EXPENSES)				
Interest on Investments	36,699	81,990	41,538	160,227
Loss on Disposal of Capital Assets	2,121	-	-	2,121
Total Nonoperating Revenue	38,820	81,990	41,538	162,348
INCOME (LOSS) BEFORE TRANSFERS	(1,003,081)	(1,460,528)	(54,882)	(2,518,491)
Transfers In	1,313,690	-	-	1,313,690
Transfers Out	(101,873)	-	-	(101,873)
CHANGE IN NET POSITION	208,736	(1,460,528)	(54,882)	(1,306,674)
Net Position - Beginning of Year	3,423,496	7,108,756	1,017,202	11,549,454
NET POSITION - END OF YEAR	\$ 3,632,232	\$ 5,648,228	\$ 962,320	\$ 10,242,780

**TOWN OF GROTON, CONNECTICUT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023**

	Fleet Reserve	Health Insurance	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ (2,894)	\$ 10,670,273	\$ 840,528	\$ 11,507,907
Cash Paid to Vendors	(661,158)	-	-	(661,158)
Cash Paid to Beneficiaries	-	(15,367,322)	(821,569)	(16,188,891)
Net Cash Provided (Used) by Operating Activities	(664,052)	(4,697,049)	18,959	(5,342,142)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of Property and Equipment	(342,425)	-	-	(342,425)
Loss from Sale of Property and Equipment	2,121	-	-	2,121
Net Cash Used by Capital And Related Financing Activities	(340,304)	-	-	(340,304)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer In	1,313,690	-	-	1,313,690
Transfers Out	(101,873)	-	-	(101,873)
Net Cash Provided by Noncapital Financing Activities	1,211,817	-	-	1,211,817
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	36,699	81,990	41,538	160,227
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	244,160	(4,615,059)	60,497	(4,310,402)
Cash and Cash Equivalents - Beginning of Year	1,375,603	8,280,917	2,410,107	12,066,627
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,619,763</u>	<u>\$ 3,665,858</u>	<u>\$ 2,470,604</u>	<u>\$ 7,756,225</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Loss	\$ (1,041,901)	\$ (1,542,518)	\$ (96,420)	\$ (2,680,839)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:				
Depreciation	386,441	-	-	386,441
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(2,894)	(2,812,893)	-	(2,815,787)
(Increase) in Other Assets	-	-	(1,000)	(1,000)
Increase (Decrease) in Accounts Payable	(5,698)	-	-	(5,698)
Increase (Decrease) in Claims Payable	-	(341,638)	116,379	(225,259)
Net Cash Provided (Used) by Operating Activities	<u>\$ (664,052)</u>	<u>\$ (4,697,049)</u>	<u>\$ 18,959</u>	<u>\$ (5,342,142)</u>

OTHER SCHEDULES

**TOWN OF GROTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2023**

Grand List Year	Uncollected Taxes July 01, 2022	Current Levy	Lawful Corrections		Suspense	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2023
					Transfers and Adjustments		Interest, Liens and Other Fees		Suspense Taxes Collected	Total	
2021	\$ -	\$ 100,304,873	\$ 142,248	\$ 1,342,942	\$ 239,010	\$ 98,865,169	\$ 97,561,183	\$ 317,614	\$ 2,040	\$ 97,880,837	\$ 1,303,986
2020	760,881	-	122,339	66,708	52,056	764,456	466,322	101,991	65,750	634,063	298,134
2019	187,141	-	19,286	15,522	15,630	175,275	79,868	37,522	23,380	140,770	95,407
2018	94,565	-	492	2,343	3,147	89,567	13,103	14,700	12,791	40,594	76,464
2017	90,009	-	308	598	5,939	83,780	6,190	6,972	7,696	20,858	77,590
2016	75,950	-	-	92	5,613	70,245	5,505	6,531	5,520	17,556	64,740
2015	30,515	-	-	65	5,891	24,559	5,451	6,998	5,442	17,891	19,108
2014	18,820	-	-	416	749	17,655	180	5,645	4,274	10,099	17,475
2013	15,392	-	-	82	690	14,620	87	6,546	4,609	11,242	14,533
2012	5,867	-	-	-	515	5,352	-	7,447	5,928	13,375	5,352
2011	3,072	-	-	-	-	3,072	224	11,884	9,909	22,017	2,848
2010	2,248	-	-	-	-	2,248	-	3,688	2,491	6,179	2,248
2009	464	-	-	-	-	464	-	1,474	836	2,310	464
2008	1,715	-	-	-	-	1,715	-	1,147	508	1,655	1,715
2007	1,355	-	-	-	-	1,355	-	1,761	651	2,412	1,355
2006	259	-	-	-	-	259	-	-	-	-	259
2005	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 1,288,253	\$ 100,304,873	\$ 284,673	\$ 1,428,768	\$ 329,240	\$ 100,119,791	\$ 98,138,113	\$ 531,920	\$ 151,825	\$ 98,821,858	\$ 1,981,678

**TOWN OF GROTON, CONNECTICUT
MUMFORD COVE DISTRICT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2023**

Grand List Year	Uncollected Taxes July 01, 2022	Current Levy	Lawful Corrections		Suspense Transfers and Adjustments	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2023
			Additions	Deletions			Taxes	Interest, Liens and Other Fees	Suspense Taxes Collected	Total	
2021	\$ -	\$ 21,460	\$ 119	\$ 38	\$ -	\$ 21,541	\$ 21,342	\$ 78	\$ -	\$ 21,420	\$ 199
2020	8	-	7	12	3	-	-	-	-	-	-
Total	<u>\$ 8</u>	<u>\$ 21,460</u>	<u>\$ 126</u>	<u>\$ 50</u>	<u>\$ 3</u>	<u>\$ 21,541</u>	<u>\$ 21,342</u>	<u>\$ 78</u>	<u>\$ -</u>	<u>\$ 21,420</u>	<u>\$ 199</u>

**TOWN OF GROTON, CONNECTICUT
GROTON SEWER DISTRICT – DEBT SERVICE FUND
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2023**

Grand List Year	Uncollected	Current Levy	Lawful Corrections		Suspense	Adjusted Uncollected Taxes	Collections				Uncollected Taxes June 30, 2023
	Taxes				Transfers and Adjustments		Interest, Liens and Other Fees	Suspense Taxes Collected	Total		
	July 01, 2022		Additions	Deletions	Taxes		Other Fees				
2021	\$ -	\$ 1,136,785	\$ 909	\$ 8,080	\$ 160	\$ 1,129,454	\$ 1,126,632	\$ 3,023	\$ -	\$ 1,129,655	\$ 2,822
2020	1,865	-	797	306	55	2,301	1,817	1,054	-	2,871	484
2019	482	-	193	175	46	454	199	329	-	528	255
2018	120	-	-	1	23	96	21	137	9	167	75
2017	195	-	1	2	65	129	63	32	3	98	66
2016	183	-	-	-	65	118	63	33	3	99	55
2015	183	-	-	-	67	116	64	37	6	107	52
2014	63	-	-	-	9	54	2	39	9	50	52
2013	55	-	-	-	9	46	-	12	8	20	46
2012	22	-	-	-	6	16	-	13	24	37	16
2011	8	-	-	-	-	8	-	76	100	176	8
2010	6	-	-	-	-	6	-	15	7	22	6
2009	7	-	-	-	-	7	-	-	-	-	7
2008	7	-	-	-	-	7	-	-	-	-	7
2007	8	-	-	-	-	8	-	-	-	-	8
2006	8	-	-	-	8	-	-	-	-	-	-
Total	\$ 3,212	\$ 1,136,785	\$ 1,900	\$ 8,564	\$ 513	\$ 1,132,820	\$ 1,128,861	\$ 4,800	\$ 169	\$ 1,133,830	\$ 3,959

**TOWN OF GROTON, CONNECTICUT
SCHEDULE OF CHANGES IN BOND INDEBTEDNESS
YEAR ENDED JUNE 30, 2023**

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	\$ 3,676,000	\$ -	\$ 436,000	\$ 3,240,000	\$ 125,460
General Purpose Bond Issue of 2018 (Rd Maint)	3.0-5.0	4-18-2018	4-15-2028	6,690,000	4,010,000	-	670,000	3,340,000	140,400
Sewer Refunding Issue of 2012	2.0-3.75	12-13-2011	10-15-2028	2,710,000	1,130,000	-	180,000	950,000	34,900
Sewer Refunding Issue of 2013	2.75-3.0	3-12-2013	10-1-2027	2,020,000	900,000	-	155,000	745,000	22,813
School Bond Refunding Issue of 2013	3.0-4.0	3-12-2013	10-1-2029	12,308,000	6,894,000	-	764,000	6,130,000	252,240
School Bond Refunding Issue of 2019 (School 2020 Construction)	2.0-5.0	5-8-2019	5-1-2039	20,000,000	17,000,000	-	1,000,000	16,000,000	521,250
General Purpose Refunding Issue of 2020	5.0-5.0	4-30-2020	10-15-2033	5,648,000	4,060,000	-	811,000	3,249,000	175,825
Sewer Refunding Issue of 2020	4.0-5.0	4-30-2020	10-15-2028	4,337,000	2,505,000	-	914,000	1,591,000	102,400
School Bond Refunding Issue of 2020 (School 2020 Construction)	3.0-5.0	4-30-2020	10-15-2039	20,000,000	18,000,000	-	1,000,000	17,000,000	745,000
School Bond Issue of 2021 (School 2020 Construction)	1.1-4.0	4-29-2021	4-15-2041	18,000,000	17,100,000	-	900,000	16,200,000	445,950
Sewer Fund Pump Stations	2.0-5.0	4-29-2021	4-15-2041	7,045,000	6,690,000	-	355,000	6,335,000	215,400
School Bond Issue of 2022 (School 2020 Construction)	3.35-5.0	4-28-2022	4-15-2042	22,975,000	22,975,000	-	1,125,000	21,850,000	944,599
Total Bonded Debt					<u>\$ 104,940,000</u>	<u>\$ -</u>	<u>\$ 8,310,000</u>	<u>\$ 96,630,000</u>	<u>\$ 3,726,237</u>

**TOWN OF GROTON, CONNECTICUT
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS
YEAR ENDED JUNE 30, 2023**

	Appropriation	Expenditures			Encumbrances	Unencumbered Balance
		Balance July 1, 2022	Current Year	Balance June 30, 2023		
Golf Course Facilities	\$ 285,000	\$ 27,255	\$ 183,834	\$ 211,089	\$ 30,095	\$ 43,816
Golf Course Maintenance	50,000	4,800	15,055	19,855	11,295	18,850
Drainage Improvements	35,000	-	-	-	19,000	16,000
Groton Public Library	189,000	29	81,557	81,586	107,414	-
Senior Center	40,000	-	-	-	-	40,000
Bridge Repair	45,000	-	45,000	45,000	-	-
Sidewalk Construction	75,000	-	-	-	-	75,000
Infill Sidewalk Construction	200,000	-	-	-	-	200,000
Traffic Signal Replacement	30,000	23,060	520	23,580	3,320	3,100
Economic Assistance Fund	50,000	-	50,000	50,000	-	-
Info Technology	206,000	186,975	1,008	187,983	18,017	-
Library and GMTV Servers	39,000	-	6,510	6,510	-	32,490
EIMS Acquisition	380,000	118,337	82,578	200,915	78,396	100,689
Athletic Field Development	33,000	-	6,208	6,208	-	26,792
Athletic Field Design Service	200,000	-	2,500	2,500	-	197,500
Facilities Improvements	200,000	15,000	10,395	25,395	58,905	115,700
WPCF Treatment Facility	75,000	12,500	-	12,500	-	62,500
WPCF Pump Stations	400,000	52,350	10,021	62,371	304,670	32,959
Town Pavement	810,000	106,681	456,362	563,043	36,987	209,970
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	10,000	-	-
Strategic Resiliency Plan	85,000	-	-	-	-	85,000
Vacant School	100,000	-	-	-	-	100,000
Town Hall Complex	45,000	20,412	-	20,412	16,138	8,450
Annex Fire Training Facility	95,000	-	-	-	-	95,000
Downtown Mystic Parking	15,000	790	2,057	2,847	-	12,153

**TOWN OF GROTON, CONNECTICUT
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED WITH APPROPRIATIONS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	Appropriation	Expenditures			Encumbrances	Unencumbered Balance
		Balance July 1, 2022	Current Year	Balance June 30, 2023		
FYE 2023 Capital Improvement Projects:						
Police Station	\$ 60,000	\$ -	\$ 35,758	\$ 35,758	\$ 2,000	\$ 22,242
Wolfe Property Purchase	146,000	-	146,000	146,000	-	-
Drainage Impr New Install	45,000	-	743	743	34,257	10,000
Speed Display Devices	21,000	-	20,202	20,202	-	798
Groton Public Library	185,000	-	13,028	13,028	123,386	48,586
Senior Center Public Buildings	25,000	-	20,072	20,072	-	4,928
Sidewalk Construction	75,000	-	-	-	-	75,000
Economic Assistance fund	40,000	-	40,000	40,000	-	-
Info Tech AC-Network	113,000	-	1,902	1,902	-	111,098
Car/Body Cams Public Safety	66,000	-	-	-	-	66,000
Park Improvement/ADA Compliance	175,000	-	35,164	35,164	-	139,836
Culvert Rehabilitation	741,000	-	-	-	-	741,000
WPCF-Treatment Facility	800,000	-	22,500	22,500	17,500	760,000
WPCF Pump Station	1,200,000	-	-	-	-	1,200,000
GLP-Pavement MGMT	125,000	-	80,840	80,840	-	44,160
Town -Pavement MGMT	850,000	-	734,074	734,074	2,000	113,926
GLP Bridge Reconstruction	70,000	-	-	-	-	70,000
Noank Main Street Road Reconstruction	75,000	-	-	-	-	75,000
Charles Barnum Elementary School Roof	1,000,000	-	-	-	-	1,000,000
Annex Building Complex	25,000	-	14,310	14,310	9,540	1,150
Town Meeting Room AV/Presentation Equipment Replacement/Upgrade	91,000	-	19,058	19,058	13,593	58,349
Mystic Coastal Access Trail and Signage	15,000	-	-	-	-	15,000
Total	\$ 16,765,500	\$ 3,920,708	\$ 2,832,064	\$ 6,752,772	\$ 1,281,959	\$ 8,730,769

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									
	2014	2015	2016	2017 (2)	2018	2019	2020 (3)	2021	2022	2023
Governmental Activities:										
Net Investment in Capital Assets	\$ 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	\$ 222,798,461
Restricted	338,581	347,495	340,967	333,424	339,348	343,595	342,653	4,819,202	4,253,209	3,226,499
Unrestricted	<u>27,268,797</u>	<u>23,007,408</u>	<u>17,012,268</u>	<u>(30,030,306)</u>	<u>(20,577,444)</u>	<u>(13,342,285)</u>	<u>(7,128,110)</u>	<u>17,034,535</u>	<u>8,563,530</u>	<u>6,314,495</u>
Total Governmental										
Activities Net Position	<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>	<u>\$ 232,339,455</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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EXPENSES										
Governmental Activities:										
General Government and										
Services	\$ 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	\$ 11,896,508
Public Safety	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	19,499,089
Public Works	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	14,595,407
Planning and Development	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	3,144,131
Human Services	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	4,677,237
Community Services	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	7,526,171
Board of Education	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	117,682,772
Sewer Operations	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	6,966,498
Solid Waste Management	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	1,424,000
Interest on Long-Term Debt	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	2,877,869
Total Governmental										
Activities Expenses	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	190,289,682
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	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	1,062,184
Public Safety	346,820	231,852	152,122	416,583	364,315	424,920	374,444	378,931	389,198	467,392
Public Works	807,774	654,007	595,574	464,321	188,827	215,810	194,854	196,679	237,518	15,317
Planning and Development	301,056	334,146	421,811	285,835	11,839	14,379	17,000	19,419	8,865	941,445
Health and Human Services	136,358	278,018	78,964	168,992	60,465	24,017	71,582	43,929	135,540	57,792
Community Services	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	2,558,277
Education	1,066,571	959,511	1,027,754	1,086,729	1,075,491	1,021,488	672,746	254,480	502,194	396,666
Sewer System Maintenance	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	7,403,889
Solid Waste Management	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	1,373,176
Operating Grants and										
Contributions	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	64,811,677
Capital Grants and										
Contributions	1,807,869	783,148	702,498	706,509	1,864,558	1,996,148	23,777,643	39,181,379	6,242,493	602,025
Total Governmental										
Activities Program										
Revenues	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	79,689,840
Net Expenses	(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)	(110,599,842)

**TABLE 2
(CONTINUED)**

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	\$ 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	\$ 100,747,914
Payments in Lieu of Taxes	1,454,422	1,350,490	986,196	1,011,019	605,607	603,686	603,142	603,313	1,734,496	2,489,800
Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Not Restricted to Specific Programs	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	1,440,532
Unrestricted Investment Earnings	129,179	143,093	148,535	240,806	509,867	1,249,239	1,166,949	264,999	267,570	1,570,411
Donated Assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	26,314	151	148,332	650,539	870,547	740,194	765,503	622,932	2,625,172
Total Governmental Activities	<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>	<u>108,873,829</u>
CHANGE IN NET POSITION	<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>	<u>\$ (1,726,013)</u>

TABLE 3

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,978	\$ 11,716	\$ 3,086	11,600
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	2,700,000	2,700,000	666,693	481,258	-	1,095,000	-	-	-	-
Assigned	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	5,491,060
Unassigned	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	31,698,482
Total General Fund	<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>	<u>\$ 37,201,142</u>
All Other Governmental Funds:										
Nonspendable	\$ 256,543	\$ 248,803	\$ 252,753	\$ 251,637	\$ 250,279	\$ 250,231	\$ 250,290	\$ 250,269	\$ 250,539	\$ 249,475
Restricted	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	2,170,642
Committed	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	12,795,519
Unassigned	-	-	-	(49,486)	(452,056)	(56,925,277)	(997,260)	(10,973,894)	(104,287)	-
Total All Other Governmental Funds	<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>	<u>\$ 15,215,636</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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
Taxes, Interest, and Lien Fees	\$ 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	\$ 99,878,519
Assessments	7,999	59,972	13,393	42,119	5,374	666	309	-	1,696	16,267
Licenses and Permits	317,422	342,131	434,229	303,096	381,024	554,690	562,457	508,807	607,928	962,505
Intergovernmental - State	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	50,540,164
Intergovernmental - Federal	115,560	126,196	127,189	220,140	487,258	1,044,889	1,049,626	248,677	131,658	1,410,185
Interest on Investments	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	15,172,744
Charges for Current Services	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	4,490,642
Schools, Library, and Recreation										
Fees	313,187	260,937	293,474	282,921	222,374	202,511	162,369	50,844	66,635	94,726
Sewer Use Charges	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	7,403,889
Solid Waste Management Charges	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	1,373,176
Other Revenue	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	2,707,946
Total Revenues	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	184,050,763
EXPENDITURES										
Current:										
General Government	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	1,875,324
General Services	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	3,370,585
Public Safety	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	9,927,004
Public Works	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	6,222,759
Planning and Development	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	1,777,255
Health and Human Services	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	1,031,440
Community Services	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	6,438,830
Education	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	105,812,153
Subdivisions	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	6,542,822
Sewer Operations	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	4,781,450
Solid Waste Management	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	1,424,000
Nondepartmental (1)	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	12,037,494
Outside Agencies (2)	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	2,171,599
Debt Service Interest	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	2,877,869
Debt Service Principal	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	9,862,034
Capital Outlay	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	5,171,603
Total Expenditures	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	181,324,221
EXCESS (DEFICIENCY) OF										
REVENUES OVER										
EXPENDITURES	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)	2,726,542

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	-	-	-	-	-	-	9,985,000	-	-	-
Refunding Bond Premiums	-	-	-	-	-	-	1,227,152	-	-	-
Payment to Escrow Agent	-	-	-	-	-	-	(11,130,548)	-	-	-
Issuance of Capital Lease	134,394	-	-	-	-	-	22,561	-	-	-
Transfers In	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	6,034,675
Transfers Out	(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)	(7,246,492)
Total Other Financing										
Sources (Uses)	9,635,849	65,000	(65,000)	(454,730)	6,442,078	19,566,129	21,829,810	27,446,269	23,552,130	(1,211,817)
NET CHANGE IN FUND										
BALANCES	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	1,514,725
Fund Balance - Beginning of Year	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	50,902,053
Restatement	-	-	-	-	-	-	-	-	555,757	-
Fund Balance - Beginning of Year, as Restated	28,814,789	39,255,867	33,210,133	28,857,334	26,691,047	35,942,214	47,170,739	37,207,442	34,975,544	50,902,053
FUND BALANCE - END OF										
YEAR	<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>\$ 50,902,053</u>	<u>\$ 52,416,778</u>
Debt Service as a Percentage to										
Noncapital Expenditures	4.01%	4.58%	4.46%	4.14%	3.68%	4.42%	5.20%	6.07%	6.74%	7.17%

(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								
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	64.9
2020	2,129,129	1,149,450	227,833	462,907	1,315,704	235,539	3,733,780	24.17	6,469,982	70.0
2021	2,132,893	1,143,050	232,039	453,367	1,318,982	239,640	3,721,708	25.11	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
2023**	2,756,978	1,369,476	318,875	457,815	1,419,434	291,937	4,611,207	21.28	6,684,305	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	2023			2014		
		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	\$ 350,008	1	7.6 %	\$ 521,550	1	13.5 %
Electric Boat Corp.	Submarine Mfg./R&D	281,914	2	6.1	214,321	2	5.6
Marion Group LP	Ledges Apartments	44,673	3	0.9	21,381	3	0.6
Groton Devel Assoc Ltd	Country Glen Apartments	30,769	4	0.1	17,533	5	0.5
ELK La Triumphe LLC	LaTriumphe Apartments	21,763	5	0.5	14,704	6	0.4
Exit 88 Hotel LLC	Mystic Marriott Hotel	20,588	6	0.5	20,090	4	0.5
Winterfell Windham Falls	Windham Falls Elderly Apts	18,758	7	0.5	-		-
SueEllen Kadis LLC ETAL	Groton Shoppers Mart	16,545	8	0.4	10,918	10	0.3
CW Groton Square LLC	Shopping Center	16,516	9	0.4	14,518	7	0.4
Groton Estates LLC	Colonial Manor Apartments	15,894	10	0.4	12,213	8	0.3
Branford Manor Preservation LLP	Branford Manor Apartments	-		-	10,932	9	0.3
Total		<u>\$ 817,428</u>		<u>17.4 %</u>	<u>\$ 858,160</u>		<u>22.4 %</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
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
2023	98,865	-	98,865	97,561	98.68	1.32	n/a	97,561	98.68	1.32

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
2014	\$ 20.720	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
2023	21.28	0.370	3.670	24.950	4.950	26.600	2.124	23.774	1.480	23.130	2.700	24.350	3.360	25.010

Fiscal Year			Center Groton Fire District		West Pleasant Valley Fire District		Mumford Cove District		First Taxing District		Second Taxing District	
	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
2014	\$ 20.720	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
2023	21.28	0.370	3.000	24.650	3.520	25.170	0.280	21.930	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	Less: Amounts Available in Debt Service Fund (2)	Total Primary Government	Debt as a Percentage of Actual Taxable Value of Property (1)	Debt Per Capita
	General Obligation Bonds	Other Bonds					
2014	\$ 44,835,000	\$ 4,880,000	\$ 3,456,276	\$ 1,076,888	\$ 52,094,388	1.4 %	\$ 1,249
2015	41,090,000	4,520,000	3,233,203	905,862	47,937,341	1.3	1,146
2016	37,390,000	4,150,000	3,010,131	701,928	43,848,203	1.2	1,048
2017	33,710,000	3,785,000	2,787,058	546,289	39,735,769	1.1	1,026
2018	37,110,000	3,425,000	2,958,427	395,602	43,097,825	1.2	1,113
2019	53,155,000	3,070,000	3,456,382	256,589	59,424,793	1.6	1,542
2020	67,300,000	2,720,000	6,073,173	146,689	75,946,484	2.0	1,980
2021	86,770,000	2,370,000	7,865,062	1,268,334	95,736,728	2.6	2,525
2022	102,910,000	2,030,000	7,572,017	824,305	111,687,712	3.0	2,926
2023	94,935,000	1,695,000	6,516,814	611,717	102,535,097	2.2	2,733

(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	Total Primary Government	Debt as a Percentage of Personal Income (1)	Debt Per Capita
	General Obligation Bonds	Other Bonds						
2014	\$ 44,835,000	\$ 4,880,000	\$ 3,456,276	\$ 9,440,599	\$ 126,439	\$ 62,738,314	5.05 %	\$ 1,562
2015	41,090,000	4,520,000	3,233,203	8,828,236	101,765	57,773,204	4.77	1,438
2016	37,390,000	4,150,000	3,010,131	8,215,873	75,830	52,841,834	4.26	1,331
2017	33,710,000	3,785,000	2,787,058	7,603,509	48,569	47,934,136	3.43	1,221
2018	37,110,000	3,425,000	2,958,427	6,991,146	21,308	50,505,881	3.61	1,293
2019	53,155,000	3,070,000	3,456,382	6,378,783	-	66,060,165	4.76	1,707
2020	67,300,000	2,720,000	6,073,173	5,766,420	21,300	81,880,893	5.89	2,130
2021	86,770,000	2,370,000	7,865,062	5,154,056	22,561	102,181,679	7.13	2,660
2022	102,910,000	2,030,000	7,572,017	4,541,693	16,851	117,070,561	7.92	3,044
2023	94,935,000	1,695,000	6,516,814	3,929,329	22,561	107,098,704	6.08	2,838

(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, 2023**

Tax Base:

Total Tax Collections (Including Interest and Lien Fees) for the Year Ended June 30, 2023	\$ 98,257,637
Total Tax Collections (Including Interest and Lien Fees) of Coterminous Municipalities for the prior year - Year Ended June 30, 2022	<u>14,375,348</u>

Reimbursement of Revenue Loss from Tax Relief for the Elderly

Total Base	<u><u>\$ 112,632,985</u></u>
------------	------------------------------

	Public Improvement	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 1/4 Times Base	\$ 253,424,216	\$ -	\$ -	\$ -	\$ -
4 1/2 Times Base	-	506,848,433	-	-	-
3 3/4 Times Base	-	-	422,373,694	-	-
3 1/4 Times Base	-	-	-	366,057,201	-
3 Times Base	-	-	-	-	337,898,955
Total Limitations	<u>253,424,216</u>	<u>506,848,433</u>	<u>422,373,694</u>	<u>366,057,201</u>	<u>337,898,955</u>
Indebtedness:					
Bonds Outstanding	9,829,000	78,771,000	8,030,000	-	-
Bond Anticipation Notes Payable	-	12,000,000	-	-	-
Clean Water Fund Loans	-	-	3,929,331	-	-
Authorized And Unissued	-	8,527,895	-	-	-
Underlying Debt:					
Bonds And Serial Notes	2,192,632	-	9,460,000	-	-
Authorized And Unissued	-	-	-	-	-
Total Indebtedness	<u>12,021,632</u>	<u>99,298,895</u>	<u>21,419,331</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u><u>\$ 241,402,584</u></u>	<u><u>\$ 407,549,538</u></u>	<u><u>\$ 400,954,363</u></u>	<u><u>\$ 366,057,201</u></u>	<u><u>\$ 337,898,955</u></u>

Notes:

(1) The total of the above indebtedness amounts to: \$ 132,739,858

In no event shall total indebtedness exceed seven times the base for debt limitation computation: \$ 788,430,895

(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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 669,064	\$ 669,870	\$ 648,611	\$ 668,181	\$ 685,611	\$ 720,401	\$ 725,323	\$ 729,269	\$ 762,792	\$ 788,431
Total Net Debt Applicable to Limit	67,524	62,943	60,676	66,344	58,933	218,110	177,277	161,063	143,757	132,740
Legal Debt Margin	<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>	<u>\$ 655,691</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.09%	9.40%	9.35%	9.93%	8.60%	30.28%	24.44%	22.09%	18.85%	16.84%

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 2023 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)

																Net	Overall		Net	Overall	
Governmental Activities																Direct	Net	Overall	Direct	Net	Overall
																Debt	Debt	Debt	Debt	Debt	Debt
Fiscal		General	Other	Clean Water	Notes	Capital	Total	State	Self-supporting	Net	Total	Direct	Debt	Debt	Debt	Net	Debt	Total			
Year	Population	Fund	Bonds	Fund Loans	Payable	Leases	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			
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			
2023	37,743	94,935,000	1,695,000	3,929,329	12,000,000	22,561	122,753,544	-	3,929,329	118,211,851	120,305,193	3,192	3,074	3,409	4,611,208,000	2.44	2.36	2.61			

(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>
2014	40,176	\$ 1,243,126	\$ 30,942	33.2	0.9 %	4,657	0.1 %
2015	40,167	1,212,401	30,184	33.2	0.9	4,565	0.1
2016	39,692	1,241,169	31,270	32.4	0.9	4,519	0.1
2017	39,261	1,399,184	35,638	34.0	0.9	4,461	0.0
2018	39,075	1,399,276	35,810	34.0	0.9	4,381	0.0
2019	38,692	1,389,159	35,903	33.0	0.9	4,324	0.0
2020	38,436	1,389,500	36,151	33.0	0.9	4,324	0.1
2021	38,411	1,433,076	37,309	34.1	0.9	4,068	0.1
2022	38,456	1,477,595	38,423	34.1	0.9	4,068	0.0
2023	37,743	1,762,485	46,697	34.0	0.9	4,104	0.0

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	2023			2014		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
U.S. Navy Submarine Base	Military Base	10,524	1	36.8 %	9,445	1	34.0 %
Electric Boat Corporation	Submarine Mfg/R&D	10,038	2	35.1	6,900	2	24.8
Pfizer, Inc.	Pharmaceutical	4,503	3	15.7	3,500	3	12.6
Town of Groton	Municipality	953	4	3.3	1,252	4	4.5
Maintenance Group	Helicopter repair	464	5	1.6	528	5	1.9
Doncasters Precision Castings	Manufacturer	223	6	0.8			
City of Groton	Municipality	217	7	0.8	199	7	0.7
PCC Structurals (1)	Manufacturer	171	8	0.6	189	8	0.7
Fairview Retirement Community	Senior Living	170	9	0.6			
Chelsea Groton Bank	Banking/Financial Services	132	10	0.5			
Mystic Marriott	Hotel/Conference Center				182	9	0.7
Lawrence & Memorial Facilities	Emergency & Health Care Svcs				236	6	0.8
DealerTrack	Automated Motor Vehicle Registration				165	10	0.6
Total		27,395		95.8 %	22,596		81.3 %

(1) Formerly known as Wyman Gordon Company

(2) Formerly known as AVCRAD

Source: Telephone survey

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

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	46.00	47.00	32.00	32.00	32.00	32.00	31.00
Public Safety	72.00	72.00	73.00	73.00	73.00	85.00	86.00	88.00	90.00	90.00
Public Works	52.25	52.25	52.25	48.25	46.25	43.00	43.00	43.00	43.00	43.00
Planning and Development	16.00	14.00	14.00	14.00	14.00	15.00	15.00	15.00	17.00	16.00
Human Services	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.00
Community Services	40.50	40.75	40.75	39.75	39.75	37.75	37.75	35.75	35.75	38.25
Golf Course	6.50	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.75
Sewer System Maintenance	18.75	18.75	18.75	18.75	19.75	19.00	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	-	-	-	-	-	-	-	-	-	1.00
Subtotal Town Government	534.00	266.00	267.00	259.00	259.00	252.00	253.00	253.00	257.00	257.00
Board of Education	641.00	733.00	758.00	817.00	764.00	755.00	778.00	762.00	778.00	769.00
Total	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	1,026.00

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
Marriages and Civil Unions of Residents	544	498	507	460	301	437	234	401	288	233
Births to Groton Residents	569	528	526	483	462	386	462	269	442	405
Deaths of Groton Residents	382	378	401	423	392	351	324	364	366	352
Boards and Agencies:										
Registered Voters	17,600	17,640	18,677	18,905	19,023	19,759	21,649	21,232	22,136	22,136
Elections and Referenda	2	2	2	2	3	-	2	2	2	1
Planning and Development:										
Building Permits Issued	1,347	1,403	1,458	1,416	1,540	1,679	1,582	1,745	1,890	182
Building Inspections Conducted	3,300	3,500	3,900	3,400	3,600	3,900	3,850	4,100	4,200	4,200
Value of Building Permits	\$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	\$66,963,691
Public Safety:										
Arrests	1,376	1,135	1,055	955	996	1,047	747	564	639	819
Parking Violations	282	50	27	41	80	106	92	62	351	164
Traffic Violations	8,295	5,237	4,963	3,360	5,350	5,172	5,176	1,852	2,284	3,580
Public Works:										
Street Resurfacing (in Miles)	3	3	4	2	2	1	3	2	4	2
Number of Snow and Ice Control Callouts	21	24	9	12	15	11	6	9	15	5
Miles of Roads Maintained (Excludes GLP In 2006)	95	95	96	96	96	96	96	96	96	96
Parks and Recreation:										
Athletic Field Permits Issued	106	158	105	135	131	361	101	66	97	79
Summer Season Programs	161	160	130	158	234	180	156	53	220	195
Indoor Season Programs	453	461	446	463	459	429	463	153	480	540
Acres of Grounds Maintained	150	155	155	155	155	155	155	155	175	175
Public Libraries:										
Volumes in Collection	146,616	150,297	151,781	156,425	163,460	156,866	130,074	138,319	139,763	161,837
Items Circulated	354,683	336,680	320,460	287,571	298,349	279,547	220,682	160,955	201,632	217,861
Senior Center:										
Meals on Wheels Provided	12,500	23,399	n/a *	n/a *	n/a *	n/a *	n/a *	n/a *	n/a *	n/a *
Kitchen Meals Served	18,919	20,507	20,791	16,313	14,171	17,604	14,169	16,118	10,176	13,441
Senior Mini-Bus Trips	49	33	47	31	44	31	17	1	12	12

**TABLE 17
(CONTINUED)**

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

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Human Services:										
Households Provided Energy Assistance	1,675	1,700	1,750	1,775	1,775	1,775	1,800	1,800	1,900	1,850
Households Utilizing Groton Food Locker	4,600	4,650	4,700	4,725	4,725	4,725	5,000	5,000	5,100	5,125
Households Receiving Rent Assistance	1,900	1,950	1,975	2,000	2,000	2,000	2,100	2,100	2,200	2,250
Education:										
Elementary Schools	7	7	7	6	6	6	6	6	5	5
Middle Schools	2	2	2	2	2	2	2	1	1	1
High Schools	1	1	1	1	1	1	1	1	1	1
Sewer:										
Miles of Sewer Line Maintained	136.3	136.3	136.5	136.1	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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Vehicles	43	43	41	41	41	46	43	45	46	45
Public Works:										
Miles of Town Streets	95.21	95.21	95.84	95.84	95.84	95.84	96.03	96.03	96.03	96.27
Streetlights	1,330	1,330	1,330	1,373	1,373	1,373	1,373	1,373	1,373	1,373
Public Works Vehicles	198	198	196	196	196	196	194	194	194	195
Parks and Recreation:										
Acreage	1,271	1,276.8	1,276.8	1,276.8	1,276.8	1,276.8	1,276.8	1,270.8	1,270.8	1,270.8
Parks	55	57	57	57	57	57	57	55	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	4	4	4	4	4
Education:										
Schools	11	11	10	9	9	9	9	8	7	7
Sewer:										
Sanitary Sewers (Miles)	136.3	136.3	136.5	136.1	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