

**TOWN OF SOUTHLINGTON,  
CONNECTICUT**



**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**FISCAL YEAR ENDED JUNE 30, 2022**

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## **INTRODUCTORY SECTION**

**TOWN OF SOUTHLINGTON, CONNECTICUT  
PRINCIPAL OFFICIALS  
JUNE 30, 2022**

**Town Council**

Victoria Triano, Chairwoman  
Tom Lombardi, Vice Chairman  
Paul Chaplinsky, Jr  
Michael DelSanto  
Valerie A. DePaolo

William Dzedzic  
Jim Morelli  
Christopher J. Palmieri  
Jack Perry

**Town Manager**

Mark J. Sciota

**Administration**

Director of Assessments & Revenue  
Building Inspector  
Economic Development Coordinator  
Director of Public Works/Town Engineer  
Director of Finance  
Fire Chief  
Librarian  
Director of Planning & Community Development  
Police Chief  
Director of Recreation, Youth Services and Senior Center  
Town Clerk  
Town Treasurer  
Water Pollution Plant Superintendent

Teresa Babon  
Jeffrey Pooler  
Louis Perillo  
Annette Turnquist  
Emilia Portelinha  
James Paul  
Kristi Sadowski  
Maryellen Edwards  
John Daly  
David Lapreay  
Kathy Larkin  
Ann Marie Anop  
Kiari Williams

**Board of Finance**

John J. Leary, Chairperson  
Joseph K. Labieniec, Vice Chairperson  
Edward S. Pocock Jr., Secretary

Kevin R. Beaudoin  
Tony Morrison  
Susan Zoni

**Board of Education**

Colleen W. Clark, Chairperson  
Joseph Baczewski, Vice Chairperson  
Dawn Anastasio, Secretary  
Terri C. Carmody  
Sean M. Carson

James J. Chrzanowski  
David J. Derynoski  
Zaya G. Oshana, Jr.  
Jasper P. Williams

**Superintendent of Schools**

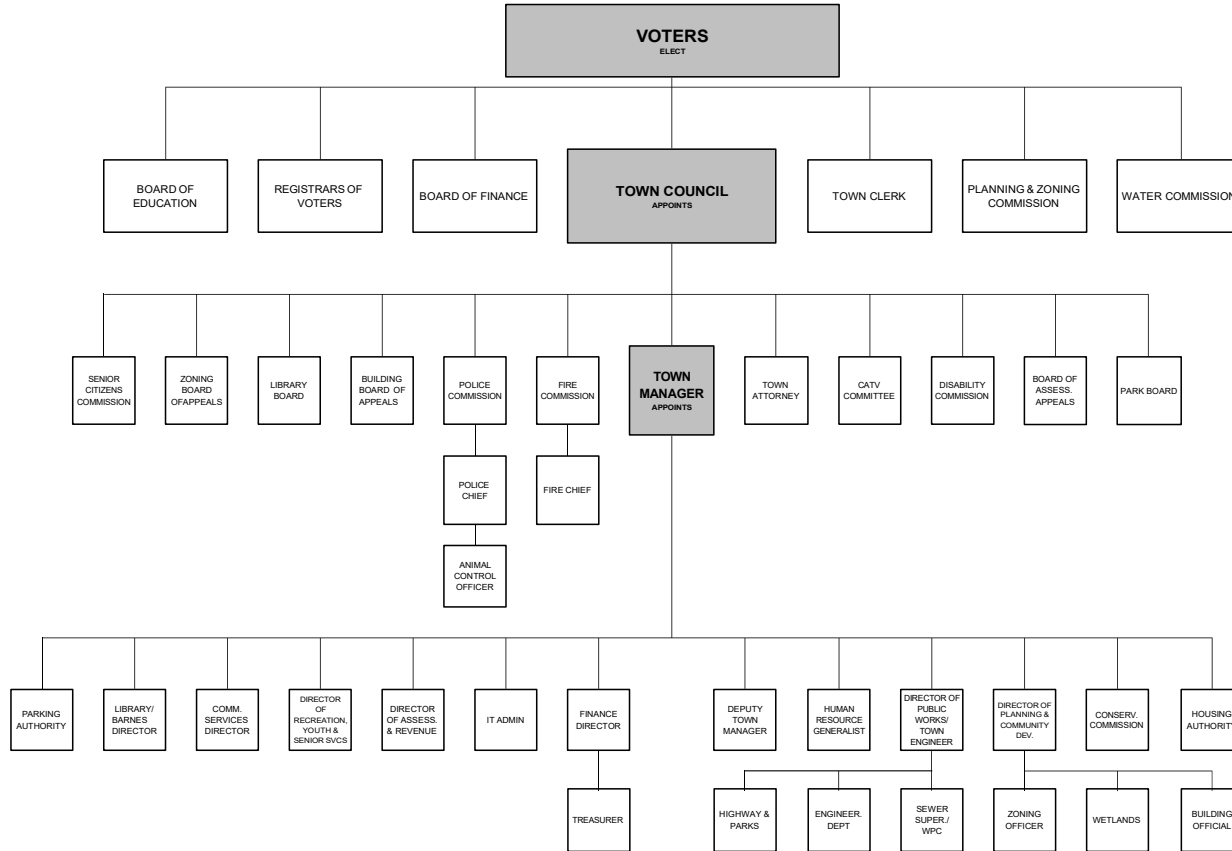
Steven G. Madancy

**Business and Finance Manager**

Jennifer Millett

**TOWN OF SOUTHINGTON, CONNECTICUT  
GENERAL GOVERNMENT ORGANIZATIONAL CHART  
JUNE 30, 2022**

**TOWN OF SOUTHINGTON  
GENERAL GOVERNMENT ORGANIZATIONAL CHART**



NOTE:  
In November 2022, voters approved change to the Town Charter, effective December 1, 2022, whereas the Town Manager is now responsible for the management of staffing, finances, building operations and collective bargaining for the Library and Barnes Museum. This includes the Library/Barnes Museum Director reporting directly to the Town Manager, not the Library Board.



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Presented to

**Town of Southington  
Connecticut**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO



# Town of Southington

## FINANCE DEPARTMENT

**JAMES BOWES, DIRECTOR**  
**CHRISTINA SIVIGNY-SMITH,**  
**ASS'T DIRECTOR**  
**ANN ANOP, TREASURER**



**75 MAIN STREET**  
**SOUTHTON, CT 06489**  
**(860) 276-6222**

February 23, 2023

To the Honorable Members of the Town Council, Members of the Board of Finance and Citizens of the Town of Southington:

State law requires that all Connecticut municipalities publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to the requirement, issued herein is the Annual Comprehensive Financial Report of the Town of Southington for the fiscal year ended June 30, 2022.

This report consists of management's representation concerning the financial statements of the Town of Southington. 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 Southington 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 Southington's financial statements in conformity with GAAP. Given that the cost of internal controls should not outweigh their benefits, the Town of Southington's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

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

# Town of Southington

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The independent audit of the financial statements of the Town of Southington was part of a broader federal and state mandated "Single Audit" 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 Town's internal controls and compliance with legal requirements for the federal and state grant awards. These reports are available in the Town of Southington's separately issued Federal Single Audit and State Single Audit report.

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 the MD&A and should be read in conjunction with it. The Town of Southington's MD&A can be found immediately following the report of the independent auditors.

### **PROFILE OF THE TOWN**

#### *Description of the Municipality*

The Town of Southington was originally settled in 1698 and incorporated in 1779. It has a land area of approximately 36.9 square miles and a population of 43,500 located in Hartford County. Found in the geographical center of the State, Southington lies approximately 20 miles west of Hartford, the State capital, and 9 miles east of Waterbury. Other bordering cities include Meriden, New Britain and Bristol. Some of Connecticut's major highways provide access to the Town. Interstate 84 bisects Southington and Route 691 leads directly to Interstate 91. State route 10 is a major thoroughfare running north to south.

#### *Form of Government*

The Town of Southington is governed under the provisions of a charter and the Connecticut General Statutes. Southington has had a Council-Manager form of government since 1966. The Town Council, which is comprised of nine members who are elected for two-year terms, appoints the Town Manager. The Town Manager is responsible for the supervision and administration of all commissions, boards, departments, offices and agencies of the Town, except those elected by the people, appointed by the Council, or appointed by a regional, State or Federal authority.

The Town of Southington provides a full range of services, as described below:

#### **Municipal Services**

**Police:** The Southington Police Department has a sworn staff of 72 headed by a Chief, which provides patrol, detective and crime prevention services. Other specialized divisions include: Traffic Division, K-9 officer, Emergency Response Team, Motorcycle Patrol, Support Services Division, Training Division, and the Bicycle Patrol. Emergency dispatch services are centralized in the Police Headquarters and staffed by twelve civilian dispatchers. The Department also oversees the operation of the Animal Control Facility, which has two full-time staff.

# Town of Southington

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**Fire:** Fire protection is provided by Southington's 37 career and approximately 35 volunteer firefighters. The department, headed by a career Chief, consists of a central headquarters and three additional companies. Central Headquarters and one of the companies are staffed 24 hours per day. All companies are staffed during the day. The department's responsibilities include firefighting, emergency response, fire marshal inspections, fire code compliance, building plan review and fire prevention education.

**Health:** Southington is a member of the Plainville-Southington Health District, which serves the Towns of Plainville, Southington and Middlefield and is headed by a full-time Director of Health. The District provides inspection services in order to license food and personal grooming establishments, certify septic tank installation/repair and reviews building plans for new and existing buildings. It offers programs to protect and preserve the health of the communities through health promotion and disease prevention.

**Senior Services:** Calendar House is the Town of Southington's Senior Center. It is staffed by an Executive Director plus five full time employees and 11 part time and seasonal staff. The Center serves as a resource center, providing a broad range of social services, recreational activities, educational programs and medical appointment transportation to meet the needs of the Town's senior citizens.

**Youth Services:** The Youth Services Department is staffed by a Director, two counselors, and a Youth Prevention Coordinator. The Department offers a variety of services to youth and families including confidential counseling, education, diversion and positive youth development programs.

**Community Services:** Led by a Director, this four-employee staff and many volunteers administer social assistance benefit programs to those in the community who are in most need of this assistance, such as coordinating income driven State paid financial assistance for individuals and children, clothing drives, back to school supply donations and food donations.

**Building:** The Building Department is responsible for ensuring compliance with State and local building codes, through inspection and issuance of permits for all construction activity for residential, commercial and industrial buildings. The Department is headed by a Building Inspector and consists of six employees.

**Planning & Zoning:** The Planning and Zoning Department is led by a Director of Planning and Community Development and has five employees who provide technical assistance to the Planning and Zoning Commission, Conservation Commission and Zoning Board of Appeals. Planning and Zoning develops the Plan of Community Development, enforces zoning regulations and assists potential new or existing town businesses comply with zoning regulations.

**Economic Development:** The Economic Development Coordinator works closely with Planning & Zoning, other Town departments and the Chamber of Commerce in promoting the Town and providing a wide array of information and services to prospective businesses as well as existing established businesses.

# Town of Southington

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**Engineering:** The Engineering Department designs or reviews all projects requiring engineering services, including road, drainage and sewer construction projects. The Department is has eight employees, led by the Director of Public Works/Town Engineer.

**Recreation:** The Recreation Department provides recreational, educational and entertaining programs and services for residents of all ages. Southington's Park facilities encompass over 500 acres of recreational area: Recreation Park (37.6 acres), Western Park (21.2 acres), Central Park (19 acres), Panthorn Park (139.1 acres), Jaycee Park (4.2 acres), Centennial Park (1.5 acres), Veterans Memorial Park (20.5 acres), Crescent Lake (223 acres), a hiking and biking trail (11.6 acres) and the old Southington Drive-In Theatre (40 acres).

**Library & Museum:** The Southington Public Library and Barnes Museum provides a wide array of services to both adults and children, including lending educational and leisure materials, hosting lectures, book discussion groups and programs for patrons of all ages, providing computer access to patrons and holding educational/informational sessions led by experts in their field. The Barnes Museum program provides tours of the museum, group visits, and special events such as a Taste of Southington. The residents approved construction of a New Library for \$16.9 million at a referendum in November 2021, which is currently in the planning stages. A Library Director leads a total of 18 full time and 5 part time employees.

**Highway and Parks:** The Highway and Parks Department is supervised by the Director of Public Works, and is staffed by a total of 36 employees. The department is responsible for the maintenance and repair of over 200 miles of roads and all the Town Recreational Facilities, as previously stated under Recreation above. Other duties include snow plowing, street sweeping, sightline improvements, annual curb-side leaf collection and operation of the Bulky Waste Transfer Station.

**Water:** The Southington Water Works Department has functioned as a semi-autonomous entity for over 100 years. The current plant was built in 1993 and an additional reservoir was purchased in 1995, ensuring a comfortable water supply for the Town's future demand. In January of 2005 the Water Department completed and moved into their new headquarters. The Town has bonded for many capital projects for the Water Department since 2011, whose principal and interest are repaid by the Water Department. A six-member elected Board of Commissioners governs this function.

**Sewer:** The Water Pollution Control Department is staffed by twelve employees, including a Superintendent. A major treatment plant upgrade authorized for \$57.1 million was nearly completed by the end of fiscal 2022. The Town has participated in a Clean Water Fund grant and loan program administered by the State of Connecticut Department of Energy and Environmental Protection to finance this program.

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**Solid Waste and Recycling:** Homeowners hire private contractors, who are licensed by the Town Engineer, to collect residential waste and recycling materials. The Town participates with thirteen other cities and towns in a contract with Covanta Bristol, Inc. which was signed on December 21, 2012 and is for a period of twenty years. The Town paid a fee of \$68.18 per ton for fiscal year 2022 for the acceptable solid waste which is sent to the Covanta trash-to-energy plant in Bristol, Connecticut.

### **Educational Services**

The Southington public school system services grades kindergarten through 12 and is governed by the local Board of Education. The nine members of the Southington Board of Education are elected for two-year terms. The primary functions of the Board are to establish policy in areas such as curriculum and school operations, hiring of a Superintendent and other top leadership positions, adopt budget and financing requests for submission to the Town, ensuring funds for education as appropriated by the Town are properly expended, implementation and compliance with both State and Federal laws, and planning for facilities needed by the system, including construction and renovation.

The Town has eleven schools for grades kindergarten through 12 comprising of: one senior high school (grades 9 through 12), two middle schools (grades 6 through 8), and eight elementary schools (grades pre-K through 5). Enrollment for pre-Kindergarten through 12<sup>th</sup> Grade during 2021/2022 was 6,228. The rated capacity of the system facilities is 8,070.

### **COVID-19**

On March 10, 2020 Governor Lamont declared a state of emergency in the State of Connecticut as a result of the COVID-19 outbreak. The Town of Southington followed the State's lead, and closed all Town Departments with only Public Safety and limited staff performing essential services reporting to work. From mid-March through the end of May 2020, only essential meetings were held. These meetings were noticed on the website and newspapers, held remotely and the public was provided with access to listen to or view the meetings remotely and participate during public comment sessions. Most of the Town offices opened to the public on June 1, 2020 with protective measures in place as recommended by qualified and responsible Federal, State and Local Public Health officials. The Library and Senior Center were opened with limited operations, but were opened fully in the fall of 2020.

Education of students was conducted through remote learning efforts from March 2020 through the end of the school year in June 2020. All schools were reopened for live education at the start of the new school year in September 2020 with protective measures in place.

Although COVID-19 variants have continued into fiscal year 2021/2022, Town offices have remained open with revised appropriate safeguards in place. Fortunately, the pandemic has not had a material adverse financial impact on the financial position of the Town for fiscal years ended 2020, 2021 or 2022.



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### **ECONOMY AND MAJOR INITIATIVES**

The information presented in the financial statements is perhaps best understood when it is considered from the perspective of the specific environment within which the Town of Southington operates.

#### **Local Economy**

Despite the State of Connecticut's lag in economic growth, Southington's economy has been stable, with moderate growth in real estate values and an unemployment rate at June 30, 2022 of 3.4%, which is lower than both the State's and Hartford County's rate of 4.1%. The Town of Southington's October 1, 2020 Net Taxable Grand list of \$4.437 billion, in effect for the fiscal year 2021/2022, is an increase of \$280 million or 6.73% over the previous year. Most of this growth was due to increased real estate values derived from the State-mandate revaluation process. However, the Town Property Assessor computed real Grand List growth of 1.20% or \$49.7 million over the previous year. We view this as decent growth during this time of national uncertainty due to the COVID-19 pandemic. This reveals achievements by the Town's diligent economic development efforts for many years. It also demonstrates the creativity and resilience of the local business community as they persevered through the pandemic.

We also want to highlight the efforts of our first responders and all healthcare professionals as they provided guidance and assistance throughout the pandemic. Despite the pandemic, many businesses were able to remain open. The majority of businesses that closed due to government order were able to reopen and several managed to expand.

Significant progress was made on the clean-up and remediation of the former Beaton & Corbin manufacturing site. For the past seven years the Town's Economic Development Office has worked with the State of Connecticut Department of Economic and Community Development and the Connecticut Brownfield Landbank to obtain financing to remediate, develop and sell this parcel. A developer plans two new buildings for this site, which should be completed by the end of 2023.

The downtown Southington area continues to attract new businesses and economic activity. The Factory Square building is experiencing near full occupancy, adding several new recreational and food establishments to the Town's destination venues. Construction continued on a new 64-unit apartment complex on Eden Avenue, which has transformed a previously under-utilized area. The former Ideal Forging property known as Greenway Commons is under contract with a new developer conducting due diligence. This project is certain to foster increased activity within the downtown area.

The downtown area of the Plantsville section of town saw Premier Properties Inc. purchasing and improving several properties. Also, construction started on a new Dunkin Donuts building walk-up window and drive thru service kiosk replacing an existing traditional Dunkin Donuts establishment.

The Planning and Zoning Commission approved two new industrial parks, a 10-lot subdivision on Curtiss Street and a 9-lot subdivision on West Queen Street. The Town feels these subdivisions meet the needs of small industrial enterprises and will provide jobs and taxable property growth in the near future.

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Town's three main retail corridors, Queen Street, West Street and Meriden-Waterbury Turnpike/Road, continue to perform well with limited vacancies. Approval has been obtained to construct a new 7-Eleven gas station and convenience store, Jersey Mike's sandwich shop and a Starbuck's coffee shop, among others, in these areas.

Some other 2021/22 economic development highlights:

- LiveWell Assisted Living Center began construction on a 57,000 square foot addition to their existing facility.
- New 110 Grill restaurant constructed on Executive Boulevard.
- New AutoZone auto parts store constructed on Meriden Waterbury Road.
- Construction began on Riverstone Square, an 8,000 square foot medical office building on Queen Street.
- Construction began on Connecticut Sealcoat and South End Concrete buildings on Mastrianni Place.
- Town approved a three story hotel at 17 West Street, a 5,000 square foot expansion by Massotti Electric on Industrial Drive and a 30,000 square foot addition by FK Bearing on West Street.

The Town continues to be proactive in attempting to attract new businesses to Town as well as retain and strengthen existing businesses.

### **Major Initiatives**

The Town was awarded approximately \$13 million in Federal funding under the American Rescue Plan Act of 2021 (ARPA). The Town has designated these funds to utilize for long-term capital needs, such as reconstruction/upgrade of five sewer pump stations, purchase of a fire ladder truck, purchase of a street sweeper, lead removal from public water infrastructure projects, major renovations to a town public pool and park facility and field renovations/improvements. These items benefit all Town residents, have estimated useful lives of at least 20 years and will assist the Town in avoiding long-term debt service to pay for these projects if they were bonded. During fiscal year 2021/22 the Town expended approximately \$2.3 million of the ARPA funds for these purposes.

The Town has taken an aggressive approach to widen, resurface and rehab its streets in the last several years. In fiscal year 2021/22 the Town spent \$3.1 million to improve street infrastructure, drainage and sidewalks by utilizing a State grant of \$592 thousand, bonded funds of \$1.8 million and local funds of \$708 thousand.

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The Town expended \$4.5 million, previously approved for bonding by voters, to purchase the development rights to the Southington Country Club. This permits this venue to keep providing recreational opportunities to Southington citizens and visitors and helps maintain a healthy balance of non-developed parcels and residential houses in this area of town.

The major upgrade to the Town's Water Pollution Control Plant, started in 2019, was nearly completed during this fiscal year. The Town expended almost \$1 million for this during the year. The majority of funding for this project is from the State of Connecticut Clean Water Fund grant and loan program. Completion is expected by the end of December 2023.

### **FINANCIAL STEWARDSHIP**

The Town takes its responsibility of properly managing and spending taxpayer funds very seriously. To achieve desired financial results, the Town has adopted professionally recommended fiscal policies and practices to achieve positive consistent, long-term financial results and maintain a strong financial position, as reflected by the following:

#### **Long-Term Capital Planning**

The Town views infrastructure maintenance and improvements as vital to future economic growth and financial planning. By assessing needs and developing a capital improvement plan to spread the improvements over a period of years, the tax mill rate effect can be lessened.

The Town Manager annually prepares a Five-Year Capital Improvement Plan (CIP), which is reviewed by the Planning and Zoning Commission, the Board of Finance and the Town Council in conjunction with the operational budget. The fiscal year 2022-23 Five Year CIP totals \$199.9 million for the five-year period beginning with fiscal year 2022-23 and ending with fiscal year 2026-27. It includes various road, bridge, town building and sewer projects as well as major equipment purchases. The majority of this amount, \$159.1 million, is planned for School reconstruction, roofing and athletic facility projects. Many of these items will need approval by voters at future referendum, per Town Charter.

Included in the Five-Year CIP is a recommended Annual Capital Expenditure Budget for the current fiscal year. The 2022-2023 Annual Capital Expenditure Budget approved by the Town Council, and citizen referendum when required, totaled \$34.6 million and included thirty-five projects.

#### **Relevant Financial Policies and Practices**

In order to demonstrate proper financial stewardship and achieve desired financial results, the Town has adopted the following key financial policies:



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(860) 276-6222

**Budgetary Control** - Expenditures may not legally exceed budgeted appropriations at the object level. Management cannot amend the budget. Supplemental appropriations and transfers within the same department must be approved by the Board of Finance and, if \$500 or over, the Town Council. Transfers between departments may be made only in the last three months of the fiscal year. Monthly revenue and expenditure actual vs. budget reports are reviewed with the elected Board of Finance.

**Fund Balance Policy** - The Town shall strive to maintain during the year, and specifically at fiscal year-end, a level of general fund unassigned fund balance, also known as accumulated surplus of 11% of actual year-end general fund revenues. The 11% shall be known as the Town's "floor." As of June 30, 2022, the Town has a 16.1% Unassigned Fund Balance.

**Utilization of Fund Balance Policy** - The Town attempts to balance operating budgets without the use of General Fund balance. For several years no reserves were used to offset operational expenses. The Town does, however, utilize reserves to fund Capital Projects. Next year's budget, fiscal 2022/23, the Board of Finance and the Town Council decided to use \$1.8 million dollars of Unassigned Fund Balance to cash fund six Capital Projects in year 1 of the Town's CIP. This is considered a one-time use of General Fund reserves and assists in reducing bond interest in future years.

**Debt Management Policy** - The Town shall utilize the following limits to guide issuance of debt:

- a. Total Direct Indebtedness shall not exceed 3% of full market valuation (equalized grand list). As of June 30, 2022, total direct indebtedness is 1.83%.
- b. Total Direct Service shall be below 9.5% of general fund expenditures. For fiscal year 2021/22 total debt service as a percentage of general fund expenditures is 6.99%.
- c. All general obligation debt shall be structured to retire at least 25% in five years and 70% within 10 years.

**Contingency Planning Policy** - The Town requires sufficient contingency fund levels to avoid the use of undesignated fund balance. Contingency shall not exceed 1.125% of previous fiscal year budgeted expenditures. The Town approved the contingency account for fiscal year 2022-2023 Budget at \$600 thousand.

**Investment Policy** - The Town invests its idle cash seeking to maintain safety, liquidity, and optimum yields on its investments. Under existing State statutes, allowable investments include certificates of deposit, money market and other short-term liquid accounts, repurchase agreements, U.S. Government securities, and investment pools which possess the aforementioned investment instruments. The Town's funds were primarily invested in municipal money market accounts, certificates of deposit and investment pools containing U.S. Government securities during the fiscal year ended June 30, 2022.

The Board of Finance reviews the Town's fiscal policies periodically and makes recommendations to the Town Council for any changes deemed necessary.

# Town of Southington

## FINANCE DEPARTMENT

**JAMES BOWES, DIRECTOR**  
**CHRISTINA SIVIGNY-SMITH,**  
**ASS'T DIRECTOR**  
**ANN ANOP, TREASURER**



**75 MAIN STREET**  
**SOUTHINGTON, CT 06489**  
**(860) 276-6222**

### **AWARD**

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 Southington for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This was the 31st consecutive year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized ACFR. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **ACKNOWLEDGEMENTS**

The preparation of this report could not have been accomplished without the daily efforts of the entire staff of the Department of Finance. The preparation of the ACFR requires a major effort, and I would like to express my appreciation to them and to those departments who provided information needed for inclusion in this report. I would also like to thank the Town Council, the Board of Finance, and the Town Manager for their interest and support in planning and conducting the financial operations of the Town in a responsible manner. Finally, the professional assistance and guidance provided by our independent auditors, CliftonLarsonAllen LLP, was most appreciated.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Bowes". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "Bowes".

**James Bowes**  
**Director of Finance**

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Board of Finance  
Town of Southington, Connecticut  
Southington, Connecticut

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Southington, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Southington, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Southington, Connecticut, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, effective July 1, 2021, the Town adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Southington, 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 Southington, 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 Southington, 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 the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules 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 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Southington, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***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.

Board of Finance  
Town of Southington, Connecticut

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2023, on our consideration of the Town of Southington, 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 Southington, 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 Southington, Connecticut's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
February 23, 2023

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

As management of the Town of Southington, Connecticut (the Town) we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, as well as the Town's basic financial statements that follow this section.

**Financial Highlights**

- On a government-wide basis, the assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources resulting in total net position at the close of the fiscal year of \$215.6 million. Total net position for governmental activities at fiscal year-end were \$120.4 million and total net position for business-type activities were \$95.2 million.
- On a government-wide basis, during the year, the Town's net position decreased by \$1.7 million or 0.8% from \$217.3 million to \$215.6 million. Net position for the governmental activities decreased by \$0.4 million for governmental activities and decreased by \$1.3 million for business-type activities.
- During the year, Governmental activities expenses were \$193.8 million and transfers out were \$1.6 million, while revenues were \$195.0 million.
- At the close of the year, the Town's governmental funds reported on a current financial resource basis, combined ending fund balances of \$40.7 million, a decrease of \$4.3 million from the prior fiscal year. (Exhibit IV).
- At the end of the current fiscal year, the total fund balance for the General Fund alone was \$34.6 million, an increase of \$3.7 million from the prior fiscal year. Of the total fund balance, \$28.3 million represents unassigned fund balance. The unassigned General Fund balance at year-end represents 16.1% of total General Fund revenues (\$176.0 million), an increase of 1.1% from last year.
- The tax collection rate was 99.02% of the current levy, the same as last year.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The 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 supplementary information and a statistical section.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to 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 SOUTHLINGTON, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

The statement of net position presents information on all of Southington's assets and liabilities, with the difference reported as net position. One can think of the Town's net position - the difference between assets and liabilities - as one way to measure the Town's financial health or financial position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the Town is improving or deteriorating. It speaks to the question of whether or not the Town, as a whole, is better or worse off as a result of this year's activities. Other nonfinancial factors will need to be considered, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are considered regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period, for example uncollected taxes and earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by property taxes, charges for services and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town encompass the Town's basic services and include governmental and community services, administration, public safety, health and welfare, and education. The business-type activities of the Town include the Sewer Operating Fund.

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

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town has three kinds of 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 expendable 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, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

The Town maintains 31 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Capital Projects Fund, Emergency Management and Debt Service Fund which are considered to be major funds. Data from the other 27 governmental funds are combined into a single, aggregated presentation as other non-major governmental funds.

Individual fund data for each of these nonmajor governmental funds is provided in the combining balance sheet and in the combining statement of revenues, expenditures and changes in fund balances on Exhibit B-1 and B-2.

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

- *Proprietary Funds* – The Town maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Southington uses an enterprise fund to account for its Sewer Fund. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the Town of Southington's various functions. The Town uses an internal service fund to account for its Employee Health Self-Insurance Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Enterprise Fund and the Health Insurance Internal Service Fund.

The proprietary fund financial statements can be found on Exhibits V-VII of this report.

- *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 statements because the resources of those funds are not available to provide services to the Town's constituency. The Town has one custodial fund: the C-Pace Program 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. The notes to the financial statements can be found on pages 30 through 75 of this report.

Certain required supplementary information is reported concerning the Town's progress in funding its obligations to provide pension benefits and other post-employment benefits to its employees. This information can be found on pages 90 through 95 of this report.

### **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. The Town's total assets exceeded liabilities by \$215.6 million on June 30, 2022. Governmental activities assets exceeded liabilities by \$120.4 million.

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

Business-type activities assets exceeded liabilities by \$95.2 million.

**TABLE 1  
NET POSITION  
(IN THOUSANDS)**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Assets:</b>						
Current and Other Assets	\$ 82,903	\$ 92,579	\$ 10,498	\$ 11,906	\$ 93,401	\$ 104,485
Capital Assets, Net of Accumulated Depreciation	<u>286,450</u>	<u>285,765</u>	<u>86,692</u>	<u>86,977</u>	<u>373,142</u>	<u>372,742</u>
Total Assets	<u>369,353</u>	<u>378,344</u>	<u>97,190</u>	<u>98,883</u>	<u>466,543</u>	<u>477,227</u>
<b>Deferred Outflows of Resources</b>	29,816	40,136	502	906	30,318	41,042
<b>Liabilities:</b>						
Long-Term Debt Outstanding	210,004	256,902	878	1,680	210,882	258,582
Other Liabilities	<u>28,034</u>	<u>27,765</u>	<u>1,004</u>	<u>1,369</u>	<u>29,038</u>	<u>29,134</u>
Total Liabilities	<u>238,038</u>	<u>284,667</u>	<u>1,882</u>	<u>3,049</u>	<u>239,920</u>	<u>287,716</u>
<b>Deferred Inflows of Resources</b>	<u>40,696</u>	<u>12,984</u>	<u>655</u>	<u>224</u>	<u>41,351</u>	<u>13,208</u>
<b>Net Position:</b>						
Net Investment in Capital Assets	174,371	153,512	86,692	86,977	261,063	240,489
Restricted	2,090	1,597			2,090	1,597
Unrestricted	<u>(56,026)</u>	<u>(34,280)</u>	<u>8,463</u>	<u>9,539</u>	<u>(47,563)</u>	<u>(24,741)</u>
Total Net Position	<u>\$ 120,435</u>	<u>\$ 120,829</u>	<u>\$ 95,155</u>	<u>\$ 96,516</u>	<u>\$ 215,590</u>	<u>\$ 217,345</u>

By far the largest portion of the Town's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town'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 SOUTHLINGTON, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**TABLE 2  
CHANGES IN NET POSITION  
(IN THOUSANDS)**

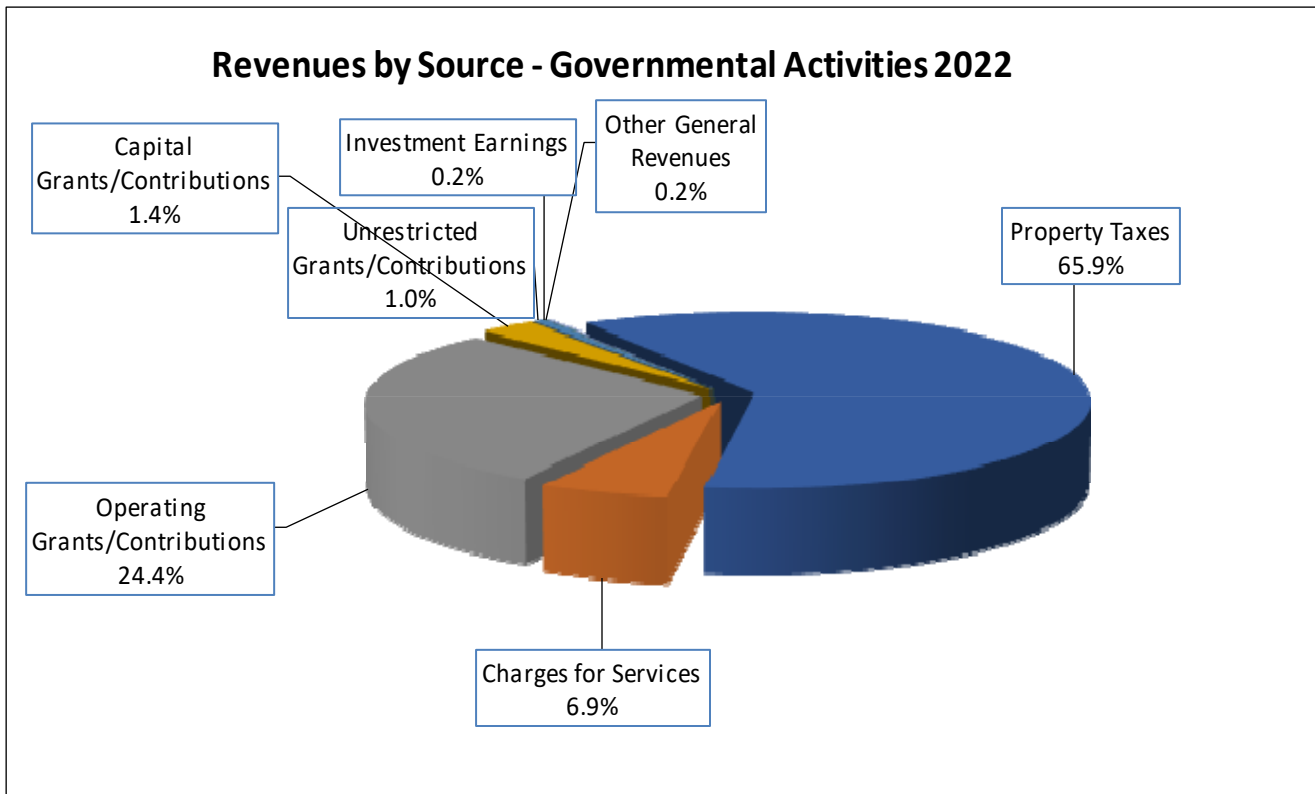
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 13,569	\$ 12,314	\$ 5,870	\$ 6,545	\$ 19,439	\$ 18,859
Operating Grants and Contributions	47,548	62,121	-	-	47,548	62,121
Capital Grants and Contributions	2,733	6,150	-	-	2,733	6,150
General Revenues:						
Property Taxes	128,574	130,132	-	-	128,574	130,132
Grants and Contributions Not Restricted to Specific Purposes	1,803	1,384	-	-	1,803	1,384
Unrestricted Investment Earnings	470	48	-	-	470	48
Other General Revenue	371	552	-	-	371	552
<b>Total Revenues</b>	<b>195,068</b>	<b>212,701</b>	<b>5,870</b>	<b>6,545</b>	<b>200,938</b>	<b>219,246</b>
<b>Program Expenses:</b>						
General Government	6,170	6,782	-	-	6,170	6,782
Public Safety	26,688	29,368	-	-	26,688	29,368
Public Works	15,231	14,837	-	-	15,231	14,837
Health and Welfare	877	823	-	-	877	823
Human Services	1,353	1,704	-	-	1,353	1,704
Parks and Recreation	1,224	837	-	-	1,224	837
Public Library	2,169	2,062	-	-	2,169	2,062
Planning and Development	1,664	1,589	-	-	1,664	1,589
Education	135,870	145,748	-	-	135,870	145,748
Interest on Long-Term Debt	2,636	2,503	-	-	2,636	2,503
Sewer	-	-	8,811	8,451	8,811	8,451
<b>Total Program Expenses</b>	<b>193,882</b>	<b>206,253</b>	<b>8,811</b>	<b>8,451</b>	<b>202,693</b>	<b>214,704</b>
<b>Excess Before Transfers</b>	<b>1,186</b>	<b>6,448</b>	<b>(2,941)</b>	<b>(1,906)</b>	<b>(1,755)</b>	<b>4,542</b>
Transfers	(1,580)	(10,591)	1,580	10,591	-	-
<b>Change in Net Position</b>	<b>(394)</b>	<b>(4,143)</b>	<b>(1,361)</b>	<b>8,685</b>	<b>(1,755)</b>	<b>4,542</b>
Net Position - Beginning of Year	120,829	124,281	96,516	87,831	217,345	212,112
Restatement	-	691	-	-	-	691
<b>Net Position - End of Year</b>	<b>\$ 120,435</b>	<b>\$ 120,829</b>	<b>\$ 95,155</b>	<b>\$ 96,516</b>	<b>\$ 215,590</b>	<b>\$ 217,345</b>

The Town's net position decreased by \$1.7 million during the fiscal year, with net position of governmental activities decreasing \$0.4 million and business-type activities decreasing by \$1.3 million. The total cost of all programs and services was \$202.7 million. Our analysis below separately considers the operations of governmental and business-type activities.

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

**Governmental Activities**

Approximately 65.9% of the revenues were derived from property taxes, followed by 24.4% from operating grants and contributions, 6.9% from charges for services, 1.4% from capital grants and contributions, 1.0% from unrestricted grants and contributions, 0.2% from investment earnings and 0.2% from other general revenues.

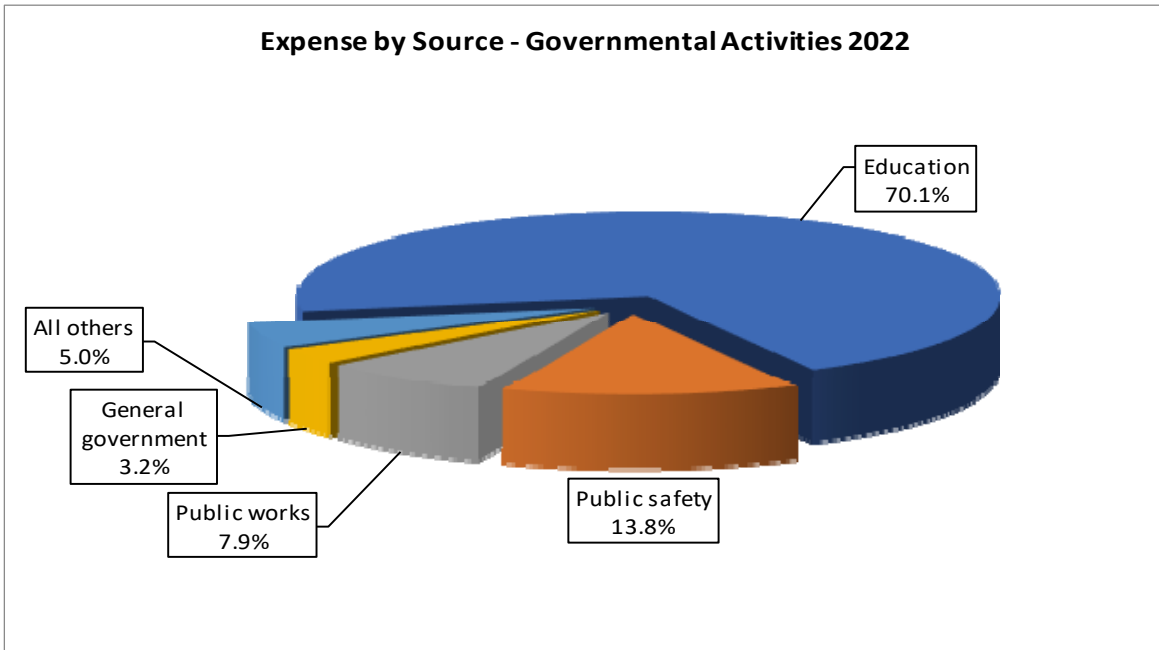


Major revenue factors include:

- Operating Grants and contributions decreased by \$14.6 million or 23.5% from \$62.1 million to \$47.5 million. A major factor in this decrease is recognition of more Federal COVID-19 grants for the Town and Board of Education last year.
- Property tax revenue decreased by \$1.5 million or 1.1% over last year. This is due to recognition of higher amount of accrued taxes received last year vs this year within 60 days of year-end.
- Capital Grants and Contributions decreased by \$3.5 million or 56.5% from \$6.2 million in fiscal year 2021 to \$2.7 million in fiscal year 2022. Most of the decrease is due to the reduction in the State of Connecticut Clean Water Fund Grant Revenue for the Water Pollution Control Facility from \$3.0 million in 2021 to \$0.9 million in 2022.

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

For governmental activities, 70.1% of the Town's expenses related to education. Public safety accounted for 13.8%, public works accounted for 7.9% and general government accounted for 3.2% of expenses. The remaining 5.0% related to health and welfare, human services, parks and recreation, public library, planning and development and long-term debt payments.

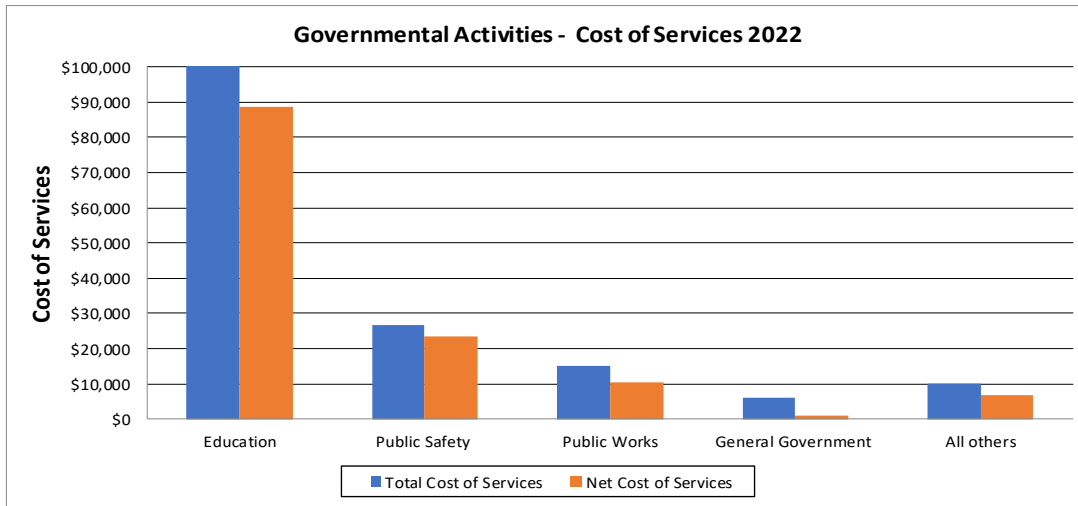


Major expense factors include:

- The cost of education services decreased \$9.9 million or 6.8% due to higher costs responding to the COVID 19 pandemic in 2021 vs 2022.
- General Government costs decreased by \$0.6 million or 9.0% mostly because of the recognition of less MERS net pension expenses in 2022.

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Education	\$ 135,870	\$ 145,748	\$ (88,476)	\$ (82,460)
Public Safety	26,688	29,368	(23,342)	(26,010)
Public Works	15,231	14,837	(10,387)	(6,740)
General Government	6,170	6,782	(1,043)	(3,634)
All others	9,923	9,518	(6,784)	(6,824)
<b>Total</b>	<b>\$ 193,882</b>	<b>\$ 206,253</b>	<b>\$ (130,032)</b>	<b>\$ (125,668)</b>

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



**Business-Type Activities**

- Business-type activities (see Table 2) decreased the Town’s net position by \$1.3 million primarily due to higher claims in the Town’ Self-Insured Employee Health Plan.

**Financial Analysis of the Town’s Funds**

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

- *Governmental Funds* – The focus of the Town’s governmental funds is to provide information on the near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the Town’s financing requirements.
  - As of June 30, 2022, the Town’s governmental funds reported combined ending fund balances of \$40.7 million, a decrease of \$4.3 million from last year’s fund balance of \$45.0 million. Most of this change is due to expenditures in the Capital Projects Fund this year that will be bonded next fiscal year
- *General Fund* – The General Fund is the primary operating fund of the Town. As of June 30, 2022, unassigned fund balance increased by \$2.8 million to \$28.3 million in the General Fund, while total fund balance increased \$3.7 million to \$34.6 million.

Key factors that contributed to the financial outcome are as follows:

- Property tax revenues exceeded budget estimates by approximately \$2 million which more than offset some minor negative revenue variances.
- Town Clerk Fees exceeded the amended budget by \$200 thousand due to very high volume of property sales.
- Town departments and the Board of Education expended \$5.8 million less than budgeted. Of this amount, \$0.5 million was appropriated to a BOE non-lapsing account and \$3.6 was assigned to fiscal year 2023 for purchases on order at June 30, 2022.

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

- *Capital Projects Fund* – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital projects. The major sources of revenues for this fund are capital grants and the proceeds from the issuance of general obligation bonds. As of June 30, 2022, the fund balance in the Capital Projects Fund decreased by \$8.0 million to a deficit of \$10.7 million. During the fiscal year \$13.8 million was expended for asset acquisition and improvements, mostly for Water Pollution Control Facility Improvements, bridge and road improvements, purchase of property development rights and various other projects. The Town received intergovernmental grants of \$2.0 million and transferred \$3.9 million in from the General Fund to fund these projects.
- *Emergency Management Fund* – The Town was awarded \$13.0 million in ARPA funds. As of June 30, 2022, the Town has received \$6.5 million and spent \$2.3 million, reporting the balance of \$4.2 million as deferred revenue at June 30, 2022.
- *Debt Service Fund* – This Fund is used to record bond premiums and transfers in from completed and closed Capital Projects Funds, to use for future debt service needs.
- *Proprietary Funds* – The Town's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.
  - *Sewer Fund* – Net position of the Sewer Fund at year-end totaled \$95.1 million. Unrestricted net position decreased to \$8.5 million, as operating expenses exceeded revenues and capital contributions by \$1.4 million. Investment in Capital Assets remained the same at \$87 million, as additions contributed by the Capital Projects Fund approximated depreciation for the year.
  - *Health Insurance Fund* – Net position of the Health Insurance Fund was \$8.3 million at June 30, 2022. This Internal Service Fund's unrestricted net position decreased by \$3.6 million, primarily due to health claims exceeding premium and budgetary-derived revenues by \$3.0 million.

**General Fund Budgetary Highlights**

The Town's original adopted General Fund budget for 2021 - 2022 was \$156.9 million. In addition, the Town appropriated \$2.8 million to the expenditure budget with corresponding revenue budget increases and appropriated \$3.6 million of fiscal year 2021 purchases on order, for a total amended budget of \$163.3 million.

The following lists the key changes to the budget during the year:

- \$3.6 million was appropriated for Fund Balance Assigned for Purchases on order at the end of fiscal year 2021.
- \$1.1 million was appropriated to the Board of Education Operations for preschool and special education outside tuitions and rent revenues received.
- Savings from various departments and excess Town Clerk & Building Revenues were combined to cash fund \$1.5 million of future capital costs on the FY 2023-2024 CIP Plan.



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

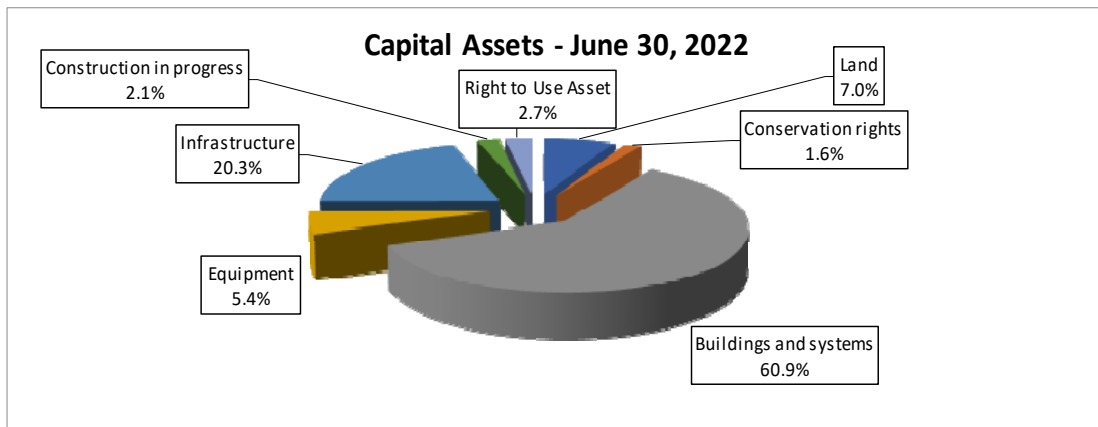
**Capital Assets and Debt Administration**

**Capital Assets**

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2022 totaled to \$373.3 million, net of accumulated depreciation. This investment in capital assets includes land, conservation rights, buildings and systems, equipment, infrastructure and Construction in progress. This amount represents a net increase (including additions and deductions) of \$0.5 million or a 0.1% increase from last year.

**TABLE 3  
CAPITAL ASSETS AT YEAR END (NET OF DEPRECIATION)  
(IN MILLIONS)**

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	26.0	25.6	-	-	26.0	25.6
Conservation Rights	6.1	1.6	-	-	6.1	1.6
Buildings and Systems	141.8	156.5	85.6	86.4	227.4	242.9
Equipment	19.7	21.2	0.5	0.6	20.2	21.8
Infrastructure	76.0	77.6	-	-	76.0	77.6
Construction in Progress	7.1	3.3	0.6	-	7.7	3.3
Right to Use Asset	9.9	-	-	-	9.9	-
<b>Total</b>	<b>286.6</b>	<b>285.8</b>	<b>86.7</b>	<b>87.0</b>	<b>373.3</b>	<b>372.8</b>



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

**Governmental Activities**

- Infrastructure Improvements of various Bridges and Road Rehabilitation/Reconstruction Projects of \$5.2 million.
- Purchase of property development rights of the Southington Country Club golf course for \$4.5 million.
- Various Mechanical and Equipment purchases totaling \$0.7 million

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

**Business-Type Activities**

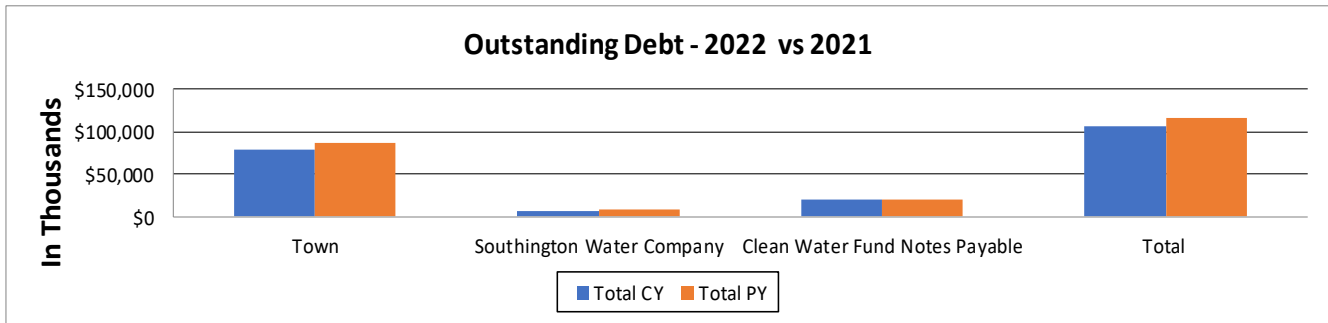
- Completion of the Water Pollution Control Facility Improvements of \$0.9 million.

The Town's fiscal year 2022 – 2023 Capital Budget includes \$34.6 million for various capital projects, including High School athletic facility improvements, replacement of three sewer pump stations, park and town pool improvements and renovations and road projects.

Additional information on the Town's capital assets can be found in Note 5 of this report.

**Long-Term Debt**

At the end of the current fiscal year, the Town had total outstanding long-term debt of \$106.7 million, of which total Town bonded debt outstanding was \$79.3 million. All the bonded debt is backed by the full faith and credit of the Town government.



**TABLE 4  
OUTSTANDING DEBT AT YEAR-END  
(IN THOUSANDS)**

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds:						
Town	\$ 79,301	\$ 87,377	\$ -	\$ -	\$ 79,301	\$ 87,377
Southington Water Company	7,349	8,308	-	-	7,349	8,308
Clean Water Fund Notes Payable	20,075	21,175	-	-	20,075	21,175
<b>Total</b>	<b>\$ 106,725</b>	<b>\$ 116,860</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,725</b>	<b>\$ 116,860</b>

The Town of Southington's total debt outstanding decreased by \$10.1 million or 8.7% during the 2021-2022 fiscal year. The Town issued no bonds during this fiscal year. The last time the Town sold bonds, in January 2021, Standard and Poor's Rating Agency reaffirmed Southington's rating at AA+/Stable Outlook. Within the report, S&P referenced the Towns "Strong management...with good financial policies and practices", "Strong budgetary flexibility", "Very strong economy" and "Very strong liquidity" among the factors influencing the Town's high credit rating. The "AA+" rating is only one notch away from the highest bond rating (AAA) awarded by S&P.

The overall statutory limit for the Town is equal to 7 times annual receipts from taxation, or \$895.4 million. As of June 30, 2022, the Town recorded long-term debt of \$106.7 million, well below the statutory debt limits.

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

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

Other obligations include vacation pay and sick leave. More detailed information about the Town's long-term liabilities is presented in Note 7 to the financial statements.

**Economic Factors and Next Year's Budgets and Rates**

Some of The unemployment rate for the Town of Southington has continued to improve. At June 30, 2022 the unemployment rate was 3.4%, down from 4.9% one year ago. This also compares favorably to 4.1% for the State of Connecticut in 2022.

In addition, the real estate market for commercial/industrial and residential property has continued to be robust and market values have remained strong. Growth in the last few Grand Lists has been sustained, even through the COVID 19 pandemic.

Results of municipal financial operations show stability and consistency, as demonstrated by solid financial results in the past few years audits.

As previously stated, the General Fund total fund balance increased from \$30.9 million at June 30, 2021 to \$34.6 million at June 30, 2022. Of this \$34.6 million General Fund balance, \$41 thousand was non-spendable due to form (prepaid items and inventory), \$4.5 million was assigned for purchases on order, and \$1.8 million was assigned for subsequent year's appropriations, leaving an unassigned fund balance of \$28.3 million in the General Fund at June 30, 2022. The Town feels that the \$28.3 million in the unassigned fund balance places the Town in a strong position to withstand unexpected events. Although all the municipalities in the State, including the Town of Southington, are facing major uncertainties due the COVID-19 pandemic and the resulting inflation rate, the Town's finances and financial plans remain stable.

Elected and appointed officials considered these factors, among others, when setting the fiscal year 2022-2023 General Fund budget and tax rates.

The Town adopted a General Fund budget of \$162.7 million for fiscal year 2022-2023, an increase of \$5.8 million, or 3.7% over the 2021-2022 year. The Town used \$1.8 million of excess fund balance to finance capital items of a non-recurring nature for fiscal year 2022-2023 to minimize the effect on the tax rate. That, plus growth in the Grand List of October 1, 2021 of 3.38% helped keep the tax increase to .10 mills, from 29.03 to 29.13, or .34% increase.

Costs of the Town's business-type activities, accounted for in the Sewer Operating Fund, are expected to increase 13.7% to \$6.6 million, primarily due to increases in professional services required for federal and state regulatory issues. After the sewer rate changes of July 2014, the fund is generating sufficient revenue to cover the expenditures of the fund, so the sewer fixed rates remained unchanged for fiscal year 2022-2023. The Water Pollution Control Facility Upgrade approved for \$57.1 million at a referendum on November 2016 was mainly completed in 2022, under budget by almost \$10 million. The Town is monitoring the new Sewer Fund maintenance costs and other costs, to determine the appropriate sewer rate charge.

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

The potential impact of the pandemic on the local economy, businesses and Town revenues is being continually monitored. For fiscal year 2022 there was a negative impact on investment income, but other revenues such as building permits and town clerk conveyance taxes were positively impacted. The Town did not see any impact on tax collections for the prior fiscal year and there is no indication that there will be an impact on 2023 collections.

**Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to James Bowes, Finance Director, Town of Southington, 75 Main Street, Southington, Connecticut 06489 or visit Southington's website at [www.Southington.org](http://www.Southington.org).

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 52,300	\$ 7,333	\$ 59,633
Investments	14,247	-	14,247
Receivables, Net	16,274	3,165	19,439
Inventory	76	-	76
Prepaid Items	6	-	6
Capital Assets:			
Assets Not Being Depreciated	39,135	609	39,744
Assets Being Depreciated, Net	247,315	86,083	333,398
Total Assets	<u>369,353</u>	<u>97,190</u>	<u>466,543</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charge on Refunding	1,215	-	1,215
Deferred Outflows Related to Pension	17,775	502	18,277
Deferred Outflows Related to OPEB	10,826	-	10,826
Total Deferred Outflows of Resources	<u>29,816</u>	<u>502</u>	<u>30,318</u>
<b>LIABILITIES</b>			
Accounts and Other Payables	10,469	891	11,360
Other Current Liabilities	751	113	864
Loan Payable	11,009	-	11,009
Unearned Revenue - Grants	5,805	-	5,805
Noncurrent Liabilities:			
Due Within One Year	15,847	-	15,847
Due in More than One Year	194,157	878	195,035
Total Liabilities	<u>238,038</u>	<u>1,882</u>	<u>239,920</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pension	20,380	655	21,035
Deferred Inflows Related to OPEB	20,316	-	20,316
Total Deferred Inflows of Resources	<u>40,696</u>	<u>655</u>	<u>41,351</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	174,371	86,692	261,063
Restricted for:			
Education	1,965	-	1,965
Planning and Development Grants	21	-	21
Trust Purposes:			
Expendable	93	-	93
Nonexpendable	11	-	11
Unrestricted	<u>(56,026)</u>	<u>8,463</u>	<u>(47,563)</u>
Total Net Position	<u>\$ 120,435</u>	<u>\$ 95,155</u>	<u>\$ 215,590</u>

See accompanying Notes to Financial Statements.

**TOWN OF SOUTHLINGTON, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 6,170	\$ 2,367	\$ 2,570	\$ 190	\$ (1,043)	\$ -	\$ (1,043)
Public Safety	26,688	3,180	166	-	(23,342)	-	(23,342)
Public Works	15,231	2,632	-	2,212	(10,387)	-	(10,387)
Health and Welfare	877	-	537	-	(340)	-	(340)
Human Services	1,353	36	91	-	(1,226)	-	(1,226)
Parks and Recreation	1,224	418	146	-	(660)	-	(660)
Public Library	2,169	9	11	-	(2,149)	-	(2,149)
Planning and Development	1,664	1,674	-	-	10	-	10
Education	135,870	3,253	43,810	331	(88,476)	-	(88,476)
Interest on Long-Term Debt	2,636	-	217	-	(2,419)	-	(2,419)
Total Governmental Activities	193,882	13,569	47,548	2,733	(130,032)	-	(130,032)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Sewer	8,811	5,870	-	-	-	(2,941)	(2,941)
Total	\$ 202,693	\$ 19,439	\$ 47,548	\$ 2,733	(130,032)	(2,941)	(132,973)
<b>GENERAL REVENUES</b>							
Property Taxes					128,574	-	128,574
Grants and Contributions Not Restricted to Specific Programs					1,803	-	1,803
Unrestricted Investment Earnings					470	-	470
Miscellaneous Revenue					371	-	371
Transfers					(1,580)	1,580	-
Total General Revenues and Transfers					129,638	1,580	131,218
<b>CHANGE IN NET POSITION</b>							
					(394)	(1,361)	(1,755)
Net Position - Beginning of Year					120,829	96,516	217,345
<b>NET POSITION - END OF YEAR</b>							
					\$ 120,435	\$ 95,155	\$ 215,590

See accompanying Notes to Financial Statements.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

	General	Capital Projects	Emergency Management	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 26,028	\$ 1,342	\$ 4,717	\$ 2,150	\$ 8,668	\$ 42,905
Investments	14,104	-	-	-	143	14,247
Receivables, Net	2,576	3,418	-	7,349	2,931	16,274
Due from Other Funds	397	-	-	-	-	397
Inventories	35	-	-	-	41	76
Prepaid Items	6	-	-	-	-	6
Total Assets	<u>\$ 43,146</u>	<u>\$ 4,760</u>	<u>\$ 4,717</u>	<u>\$ 9,499</u>	<u>\$ 11,783</u>	<u>\$ 73,905</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts and Other Payables	\$ 5,696	\$ 864	\$ 535	\$ -	\$ 1,358	\$ 8,453
Loans Payable	-	11,009	-	-	-	11,009
Due to Other Funds	1,011	-	-	-	397	1,408
Unearned Revenue - Grants	-	185	4,182	-	1,438	5,805
Total Liabilities	<u>6,707</u>	<u>12,058</u>	<u>4,717</u>	<u>-</u>	<u>3,193</u>	<u>26,675</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue - Property Taxes	1,828	-	-	-	-	1,828
Unavailable Revenue - Special Assessments	-	-	-	-	980	980
Unavailable Revenue - Other Receivables	-	3,415	-	-	250	3,665
Total Deferred Inflows of Resources	<u>1,828</u>	<u>3,415</u>	<u>-</u>	<u>-</u>	<u>1,230</u>	<u>6,473</u>
<b>FUND BALANCES</b>						
Nonspendable	41	-	-	-	52	93
Restricted	-	-	-	7,349	1,351	8,700
Committed	-	-	-	2,150	6,054	8,204
Assigned	6,288	-	-	-	-	6,288
Unassigned	28,282	(10,713)	-	-	(97)	17,472
Total Fund Balances	<u>34,611</u>	<u>(10,713)</u>	<u>-</u>	<u>9,499</u>	<u>7,360</u>	<u>40,757</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 43,146</u>	<u>\$ 4,760</u>	<u>\$ 4,717</u>	<u>\$ 9,499</u>	<u>\$ 11,783</u>	<u>\$ 73,905</u>

See accompanying Notes to Financial Statements.



**TOWN OF SOUTHLINGTON, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2022  
(IN THOUSANDS)**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total Fund Balances - Governmental Funds (Exhibit III)	\$	40,757
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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		462,643
Less Accumulated Depreciation		(176,193)
Net Capital Assets		286,450

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

Property Tax Receivables Greater than 60 Days		1,387
Interest Receivable on Property Taxes		441
Assessments Receivable Greater than 60 Days		937
Interest Receivable on Assessments		43
Deferred Amount in Refunding		1,215
Other Receivables		3,664
Deferred Outflows Related to Pension		17,775
Deferred Outflows Related to OPEB		10,826

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

8,354

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

Deferred Inflows Related to Pension		(20,380)
Deferred Inflows Related to OPEB		(20,316)
Bonds and Notes Payable		(106,725)
MERS Prior Service Costs		(1)
Premium on Issuance		(3,726)
Interest Payable on Bonds and Notes		(714)
Compensated Absences		(7,536)
Lease Liability		(10,192)
Total OPEB Liability		(34,761)
Heart and Hypertension		(9,214)
Net Pension Liability		(37,614)
Landfill Closure		(235)
		(235)

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)	\$	120,435
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See accompanying Notes to Financial Statements.

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

	General	Capital Projects	Emergency Management	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property Taxes	\$ 131,118	\$ -	\$ -	\$ -	\$ 6	\$ 131,124
Intergovernmental	38,213	2,040	2,305	-	12,877	55,435
Charges for Services	6,016	-	-	-	7,603	13,619
Income on Investments	462	-	-	-	8	470
Other Revenues	202	-	-	217	175	594
Total Revenues	<u>176,011</u>	<u>2,040</u>	<u>2,305</u>	<u>217</u>	<u>20,669</u>	<u>201,242</u>
<b>EXPENDITURES</b>						
Current:						
General Government	5,375	-	-	-	38	5,413
Public Safety	21,261	-	-	-	3,289	24,550
Public Works	7,600	-	-	-	3,036	10,636
Health and Welfare	855	-	-	-	6	861
Human Services	927	-	-	-	189	1,116
Parks and Recreation	525	-	-	-	474	999
Public Library	2,120	-	-	-	15	2,135
Planning and Development	1,632	-	-	-	-	1,632
Education	116,875	-	-	-	12,564	129,439
Debt and Sundry	11,022	-	-	2,126	70	13,218
Capital Outlay	-	13,768	2,305	-	-	16,073
Total Expenditures	<u>168,192</u>	<u>13,768</u>	<u>2,305</u>	<u>2,126</u>	<u>19,681</u>	<u>206,072</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	7,819	(11,728)	-	(1,909)	988	(4,830)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of Capital Leases	-	515	-	-	-	515
Transfers In	9	3,870	-	617	225	4,721
Transfers Out	(4,095)	(617)	-	-	(9)	(4,721)
Total Other Financing Sources (Uses)	<u>(4,086)</u>	<u>3,768</u>	<u>-</u>	<u>617</u>	<u>216</u>	<u>515</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,733	(7,960)	-	(1,292)	1,204	(4,315)
Fund Balances - Beginning of Year	<u>30,878</u>	<u>(2,753)</u>	<u>-</u>	<u>10,791</u>	<u>6,156</u>	<u>45,072</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 34,611</u>	<u>\$ (10,713)</u>	<u>\$ -</u>	<u>\$ 9,499</u>	<u>\$ 7,360</u>	<u>\$ 40,757</u>

See accompanying Notes to Financial Statements.

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

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Governmental Funds (Exhibit IV) \$ (4,315)

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

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

Capital Outlay	12,264
Depreciation and Amortization Expense	(12,743)
Donated Assets	

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely governmental funds do not report any gain or loss on a trade-in of capital assets. (138)

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

Property Tax Receivable - Accrual Basis Change	(422)
Property Tax Interest and Lien Revenue - Accrual Basis Change	(2,128)
Sewer Assessment Receivable - Accrual Basis Change	(47)
Sewer Assessment Interest and Lien Revenue - Accrual Basis Change	(4)
Other Receivables - Accrual Basis Change	483
Changes in Deferred Outflows Related to Pension	(9,165)
Changes in Deferred Outflows Related to OPEB	(1,028)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Deferred Amount in Refunding	(127)
Bond Principal Payments	9,035
Note Principal Payments	1,100
Issuance of Capital Leases	(515)
Finance Arrangement Principal Payments	32
Lease Principal Payments	1,493
Accrued Interest	36
Amortization of Prior Service Costs	4
Amortization of Leases	(22)
Amortization of Bond Premiums	847

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

Compensated Absences	(104)
Net Pension Liability	21,436
Total OPEB Liability	15,116
Heart and Hypertension	(231)
Landfill Post Closure Care and Settlement	9
Changes in Deferred Inflows Related to Pension	(13,262)
Changes to Deferred Inflows Related to OPEB	(14,453)

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities. (3,545)

Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II) \$ (394)

See accompanying Notes to Financial Statements.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

	Business-Type Activities	Governmental Activities
	Sewer Enterprise Fund	Internal Service Fund
<b>ASSETS</b>		
Current:		
Cash and Cash Equivalents	\$ 7,333	\$ 9,395
Accounts and Other Receivables	3,165	-
Due from Other Funds	-	1,011
Total Current Assets	<u>10,498</u>	<u>10,406</u>
Capital Assets, Net	<u>86,692</u>	<u>-</u>
Total Assets	<u>97,190</u>	<u>10,406</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows Related to Pensions	<u>502</u>	<u>-</u>
<b>LIABILITIES</b>		
Current:		
Accounts and Other Payables	891	2,016
Other Accrued Liabilities	113	36
Total Current Liabilities	<u>1,004</u>	<u>2,052</u>
Noncurrent Liabilities:		
Net Pension Liability	<u>878</u>	<u>-</u>
Total Liabilities	<u>1,882</u>	<u>2,052</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows Related To Pension	<u>655</u>	<u>-</u>
<b>NET POSITION</b>		
Investment in Capital Assets	86,692	-
Unrestricted	<u>8,463</u>	<u>8,354</u>
Total Net Position	<u>\$ 95,155</u>	<u>\$ 8,354</u>

See accompanying Notes to Financial Statements.

**TOWN OF SOUTHTON, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**YEAR ENDED JUNE 30, 2022**  
**(IN THOUSANDS)**

	Business-Type Activities <u>Sewer Enterprise Fund</u>	Governmental Activities <u>Internal Service Fund</u>
<b>OPERATING REVENUES</b>		
Fund Premiums	\$ -	\$ 22,500
Charges for Services	5,870	-
Total Operating Revenues	<u>5,870</u>	<u>22,500</u>
<b>OPERATING EXPENSES</b>		
Plant	5,514	-
Benefits	426	25,576
Depreciation	2,492	-
Administration and Other	379	469
Total Operating Expenses	<u>8,811</u>	<u>26,045</u>
<b>INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS</b>	(2,941)	(3,545)
Capital Grants and Contributions	<u>1,580</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(1,361)	(3,545)
Net Position - Beginning of Year	<u>96,516</u>	<u>11,899</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 95,155</u>	<u>\$ 8,354</u>

See accompanying Notes to Financial Statements.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**YEAR ENDED JUNE 30, 2022**  
**(IN THOUSANDS)**

	Business-Type Activities <u>Sewer Enterprise Fund</u>	Governmental Activities <u>Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers and Granting Agencies	\$ 5,859	\$ -
Cash Received for Premiums - Town Departments and Agencies	-	22,500
Cash Payments to Suppliers for Goods and Services	(6,225)	-
Cash Payments to Providers of Benefits	(426)	(25,524)
Cash Payments for Service Fees	-	(469)
Net Cash Provided (Used) by Operating Activities	<u>(792)</u>	<u>(3,493)</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Acquisition of Capital Assets	<u>(627)</u>	<u>-</u>
Net Cash Provided (Used) by Capital Financing Activities	<u>(627)</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	(1,419)	(3,493)
Cash and Cash Equivalents - Beginning of Year	<u>8,752</u>	<u>12,888</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 7,333</u></u>	<u><u>\$ 9,395</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (2,941)	\$ (3,545)
Depreciation	2,492	-
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
(Increase) Decrease in Accounts Receivable	(11)	-
(Increase) Decrease n Due from Other Funds	-	(1,011)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(365)	1,063
Change In Net Pension Liability and Related Deferrals	<u>33</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (792)</u></u>	<u><u>\$ (3,493)</u></u>
<b>NONCASH CAPITAL FINANCING ACTIVITIES</b>		
Capital Assets Transferred from Governmental Funds	<u><u>\$ 1,580</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SOUTHTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable, all organizations for which the primary government is financially accountable and other organizations that by the nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded.

Related Organizations

The Town of Southington Water Company (the Water Company) operates the only water system in the Town. The operations of the Water Company benefit primarily Town residents. The Water Company is an agency that is independent from the Town in all administrative, operational and financial matters. The Board of Water Commissioners is elected by the voters of the Town independently from the Town Council and they do not report nor answer to the Town Council. The Water Company may independently issue its own debt. In prior years, the Town included the Water Company in their general obligation debt only for the purposes of obtaining a lower interest rate for the Water Company. In 2001, legal counsel determined that the Water Company is legally capable of issuing its own debt and it is the Town's option to include them in their debt issuance at their discretion.

The Southington Housing Authority, Inc., a body corporate and politic, provides services primarily to Town residents. Although the Town appoints the governing body, the Town does not have the ability to significantly influence the programs, projects, activities or level of services performed or provided by the Housing Authority. The Southington Housing Authority, Inc., is not fiscally dependent on the Town.

The Plainville-Southington Regional Health District (the District) is a quasi-municipal district established in accordance with State statutes to provide various health services to Plainville, Southington and Middlefield, Connecticut including inspections of local businesses and regulating the installation of onsite sewage disposal systems and water supply wells. The Board of Directors are appointed by their municipality at a ratio of one member for every 10,000 people or portion thereof up to a maximum of five. The District is not fiscally dependent on the Town.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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

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

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



**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

The Town reports the following major governmental funds:

**General Fund**

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

**Capital Projects Fund**

The Capital Projects Fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

**Emergency Management Fund**

The Emergency Management Fund accounts for financial resources to be utilized under the American Rescue Plan Act as funded by intergovernmental revenue.

**Debt Service Fund**

The Debt Service Fund accounts for the financial resources to be used to pay the interest and principal of long-term debt.

The Town reports the following as a major proprietary fund:

**Sewer Fund**

The Sewer Fund accounts for the activities of the government's sewer operations.

Additionally, the Town reports the following fund types:

**Internal Service Fund**

The Internal Service Fund accounts for health benefits program for Town employees.

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

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Sewer Fund and of the Town's Internal Service Fund are charges to customers for sales and services. Operating expenses for the enterprise fund and the internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**D. Adoption of New Accounting Standards**

GASB Statement No. 87, Leases

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

The Town adopted the requirements of the guidance effective July 1, 2021 and has applied the provisions of this standard to the beginning of the period of adoption.

**E. Deposits and Investments**

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

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Deposits and Investments (Continued)**

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

Investments for the Town are reported at fair value.

**F. Receivables and Payables**

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

The Town's property tax is levied each July 1 on the assessed value as of the prior October 1 for all real property, motor vehicles, and commercial personal property located in the Town. Assessed values are established by the Town Assessment Board at 70% of estimated market value. A revaluation of all real property is required to be completed no less than every 10 years. The Town performed a statistical revaluation as of October 1, 2020. The Town's next revaluation with full inspection will be October 1, 2025. The assessed value for the Grand List of October 1, 2020, upon which the 2022 levy was based, was \$4.4 billion. A 29.03mill rate was applied to the Grand List.

Taxes are due in two equal installments on the July 1 and January 1 following the levy date, although a 30-day grace period is provided. Current tax collections for the years ended June 30, 2022 and 2021, were 99.02%, of the adjusted tax levy. Uncollected property taxes are recorded as receivables, net of an allowance for estimated uncollectible accounts. Unpaid taxes are liened on or before June 30 following the due date. The revenue relating to property taxes not collected during the fiscal year and within 60 days after the close of the fiscal year is deferred.

**G. Inventories and Prepaid Items**

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

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

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are 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 assets lives are not capitalized.

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

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

Buildings	50 Years
Building Improvements	25 Years
Public Domain Infrastructure	35 to 70 Years
System Infrastructure	15 Years
Vehicles	7 Years
Office Equipment	7 Years
Computer Equipment	7 Years

**I. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. Deferred Outflows/Inflows of Resources (Continued)**

The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions, or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, in a systematic and rational method over a closed five-year period.

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 that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources for advance property tax collections 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 plan (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, in a systematic and rational method over a closed five-year period. For governmental funds, the advance property tax collections which represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, special assessments and grants. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**J. Compensated Absences**

A limited amount of vacation earned may be accumulated by certain employees until termination of their employment, at which time they are paid for accumulated vacation. Sick leave may be accumulated by Fire Department and AFSCME employees in accordance with union contracts until retirement, termination, or death, at which time they are paid for a percentage of their accumulated sick leave.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Compensated Absences (Continued)**

The Town's accounting and financial reporting policy for compensated absences is based on GASB Statement No. 16. Compensated absences are accrued at current salary rates and paid by the General Fund.

**K. Net Pension Liability**

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

**L. Total Other Postemployment Benefits Other than Pensions (OPEB) Liability**

The total OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service. The total OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year and no later than the end of the current fiscal year, consistently applied from period to period.

**M. Long-Term Obligations**

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

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.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Fund Equity and Net Position**

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

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

*Restricted Net Position* – This category represents the net position of the Town which is restricted by externally imposed constraints placed on net position by grantors, contributors or laws and regulations of other governments.

*Unrestricted Net Position* – This category represents the net position of the Town which is not restricted for any project or other purpose.

In the fund financial statements, fund balances of governmental funds are classified in five separate categories. The five categories, and their general meanings, are as follows:

*Nonspendable Fund Balance* – This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

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

*Committed Fund Balance* – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town Council). A resolution approved by the Board of Finance is required to modify or rescind a fund balance commitment.

*Assigned Fund Balance* – This represents amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts by the Town Charter. The Finance Director is authorized to assign fund balances through the carry forward of appropriations to a subsequent year pending approval from the Board of Finance.

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

**TOWN OF SOUTHTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Fund Equity and Net Position (Continued)**

The Town has adopted a written fund balance policy which states that the Town shall strive to maintain during the year and specifically at fiscal year-end a level of general fund unassigned fund balance, also known as accumulated surplus or the rainy-day fund at 10% of actual year-end general fund revenues. The 10% shall be known as the Town's "floor".

**O. Leases**

The Town determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the Town's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the Town's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Town will exercise that option.

The Town has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Town has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The Town accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the Town treats the components as a single lease unit.



**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**P. Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, including disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Chapter VII of the Town Charter governs the financial provisions of the Town. The Town Manager presents the budget to the Board of Finance. After required hearings, the Board of Finance recommends its budget to the Town Council. At the annual budget meeting held in May, the Council may adopt the recommended budget or may reduce or increase the proposed estimated expenditures, by the required number of votes. After completing such action, the Town Council shall adopt the budget by resolution and notify the Board of Finance, the Board of Education and the Town Manager.

The Board of Finance shall, upon adoption of the budget by the Town Council, fix a rate of taxation on the last Grand List, sufficient to produce the required revenue to preserve a balanced relation between estimated receipts and expenditures, net of provision for other estimated revenue and cash surplus or deficit.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

Additional Appropriations and Transfers:

- The control level on which expenditures may not legally exceed appropriations is the object level. Each department must seek approval from the Board of Finance and/or the Town Council for any appropriations or transfers. The Town Council, on the recommendation of the Board of Finance, may appropriate at any time, subject to the other provisions of Chapter VII, any unappropriated and unencumbered cash balance in the Town treasury. The Board of Finance may at any time transfer any unencumbered appropriation balance, or portion thereof, between general classifications of expenditures within an office, department, or agency, not to exceed \$500 (amount not rounded). Transfers in excess of \$500 (amount not rounded) within departments, and all transfers between departments must be approved by the Town Council. Through a charter revision question passed on November 5, 2013, the Town Manager has authorization to transfer within a department, not to exceed \$1,000. During the last three months of the fiscal year, the Town Council may, upon the recommendation of the Board of Finance, by resolution transfer any unencumbered appropriation balance, or portion thereof, from one office, department, or agency to another to meet a pressing need for public expenditure. No money shall be expended, or obligation for such expenditure incurred, by any department, office, board, commission, or agency of the Town, except in accordance with an appropriation by the Town Council.
- The budget is prepared on a modified accrual basis of accounting except for the accrual of payroll, issuance of debt, and on-behalf payments from the state of Connecticut. All appropriations lapse at the end of the budget year to the extent that they have not been expended or lawfully encumbered. Encumbrances outstanding at the end of the year are reappropriated as continued appropriations. Encumbrances are established by adoption of the Town Council (continuing appropriations). Authorized continuing appropriations are presented as assignments of fund balance since the commitments will be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities for accounting principles generally accepted in the United States of America or budgetary purposes. Only the General Fund has a legally adopted annual budget.
- Budgeted amounts are as originally adopted or as amended by the Town Council. During the year, \$6,451 of supplemental budgetary appropriations from the General Fund were made, \$2,806 from revised revenue estimates, and \$3,645 from continued appropriations from the prior year.

**B. Deficit Fund Equity**

The Capital Projects fund and Brownfield fund had deficit fund balance of \$10,713 and \$97, respectively at June 30, 2022. The deficits will be funded with grants, transfers, and grant reimbursements.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS**

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

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

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

**A. Deposits**

Deposit Custodial Credit Risk

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

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**A. Deposits (Continued)**

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$65,576 of the Town's bank balance of \$81,373 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 58,868
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	<u>6,708</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 65,576</u></u>

Cash Equivalents

At June 30, 2022, the Town's cash equivalents amounted to \$8,037. The following table provides a summary of the Town's cash equivalents excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

State Short-Term Investment Fund (STIF)	<u>Standard &amp; Poor's AAAm</u>
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**B. Investments**

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

Investment Type	Fair Value	Investment Maturities (Years)		
		Less Than 1	1 - 10	More Than 10
Interest-Bearing Investments:				
Certificates of Deposit*	\$ 9,100	\$ 2,264	\$ 6,836	\$ -
U.S. Government-Backed Securities	5,137	-	5,137	-
Total	<u>14,237</u>	<u>\$ 2,264</u>	<u>\$ 11,973</u>	<u>\$ -</u>
Other Investments:				
Common Stock	<u>10</u>			
Total Investments	<u><u>\$ 14,247</u></u>			

\*Subject to coverage by Federal Depository Insurance and collateralization.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Average Rating	U.S. Government Agencies	Certificates of Deposit
Aaa	\$ 5,137	\$ -
Unrated	-	9,100
Total	\$ 5,137	\$ 9,100

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.

Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The Town's investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town's total investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (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, 2022:

	June 30, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Common Stock	\$ 10	\$ 10	\$ -	\$ -
U.S. Government Agencies	5,137	5,137	-	-
Total Investments by Fair Value Level	5,147	<u>\$ 5,147</u>	<u>\$ -</u>	<u>\$ -</u>
Certificates of Deposit	<u>9,100</u>			
Total Investments	<u>\$ 14,247</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.

**NOTE 4 RECEIVABLES**

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

	General	Capital Projects	Debt Service	Sewer Enterprise	Nonmajor and Other Funds	Total
Receivables:						
Taxes	\$ 2,123	\$ -	\$ -	\$ -	\$ -	\$ 2,123
Accounts	36	-	7,349	-	1,691	9,076
Special Assessments	-	-	-	3,165	994	4,159
Intergovernmental	167	3,418	-	-	246	3,831
Interest	426	-	-	-	-	426
Gross Receivables	<u>2,752</u>	<u>3,418</u>	<u>7,349</u>	<u>3,165</u>	<u>2,931</u>	<u>19,615</u>
Less: Allowance for Uncollectibles	<u>176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176</u>
Net Total Receivables	<u>\$ 2,576</u>	<u>\$ 3,418</u>	<u>\$ 7,349</u>	<u>\$ 3,165</u>	<u>\$ 2,931</u>	<u>\$ 19,439</u>

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 5 CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 25,635	\$ 332	\$ -	\$ 25,967
Conservation Restrictions and Development Rights	1,599	4,500	-	6,099
Construction in Progress	3,294	3,775	-	7,069
Total Capital Assets Not Being Depreciated	30,528	8,607	-	39,135
Capital Assets Being Depreciated:				
Buildings and Improvements	241,930	344	-	242,274
Machinery and Equipment	43,808	2,160	1,032	44,936
Infrastructure	125,840	638	1,865	124,613
Right of Use - Leased Equipment	11,170	515	-	11,685
Total Capital Assets Being Depreciated	422,748	3,657	2,897	423,508
Less: Accumulated Depreciation for:				
Buildings and Improvements	94,558	5,957	-	100,515
Machinery and Equipment	23,438	2,817	1,013	25,242
Infrastructure	48,213	2,157	1,746	48,624
Right of Use - Leased Equipment	-	1,812	-	1,812
Total Accumulated Depreciation	166,209	12,743	2,759	176,193
Total Capital Assets Being Depreciated, Net	256,539	(9,086)	138	247,315
Governmental Activities Capital Assets, Net	<u>\$ 287,067</u>	<u>\$ (479)</u>	<u>\$ 138</u>	<u>\$ 286,450</u>

Beginning balances were restated for the implementation of GASB 87 Leases.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 5 CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 39	\$ -	\$ -	\$ 39
Construction in Progress	-	570	-	570
Total Capital Assets Not Being Depreciated	39	570	-	609
Capital Assets Being Depreciated:				
Buildings and System	121,324	1,580	-	122,904
Machinery and Equipment	1,254	57	31	1,280
Total Capital Assets Being Depreciated	122,578	1,637	31	124,184
Less: Accumulated Depreciation for:				
Buildings and System	34,949	2,403	-	37,352
Machinery and Equipment	691	89	31	749
Total Accumulated Depreciation	35,640	2,492	31	38,101
Total Capital Assets Being Depreciated, Net	86,938	(855)	-	86,083
Business-Type Activities Capital Assets, Net	\$ 86,977	\$ (285)	\$ -	\$ 86,692

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

Governmental Activities:	
General Government	\$ 1,512
Public Safety	1,124
Public Works	2,428
Health and Welfare Expenses	13
Human Services	229
Planning and Development	20
Parks and Recreation	217
Library	19
Education	7,181
Total Depreciation Expense - Governmental Activities	\$ 12,743
Business-Type Activities:	
Sewer Enterprise Fund	\$ 2,492



**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 5 CAPITAL ASSETS (CONTINUED)**

**Construction Commitments**

The Town has active construction projects as of June 30, 2022. The projects include roads, bridges, water and sewer lines, and school building improvements. At year-end, the Town's commitments with contractors are as follows:

Project	Spent-to-Date	Commitment
Spring Street Improvements	\$ 232	\$ 3
Rails to Trails Phase IV	274	22
WPCF Improvements	44,633	71
West Street and Jude Intersections	418	153
Farmington Heritage Canal Trail	346	306
West Queen Street Bridge	162	55
Spring Street Bridge	2,002	360
Total	<u>\$ 48,067</u>	<u>\$ 970</u>

The commitments are being financed by a combination of Town general obligation bonds and state and federal grants. The WPCF improvements are financed by State of Connecticut Clean Water Fund Loan and Grant.

**NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

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

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Fund	\$ 397
Internal Service Fund	General Fund	1,011
Total		<u>\$ 1,408</u>

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

The transfers that occurred during the year are as follows:

	Transfers In				Total Transfers Out
	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental	
Transfers Out:					
General Fund	\$ -	\$ 3,870	\$ -	\$ 225	\$ 4,095
Capital Projects	-	-	617	-	617
Nonmajor Governmental	9	-	-	-	9
Total Transfers In	<u>\$ 9</u>	<u>\$ 3,870</u>	<u>\$ 617</u>	<u>\$ 225</u>	<u>\$ 4,721</u>

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 6 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)**

The interfund transfers were used to fund various capital improvement projects and debt service payments.

**NOTE 7 LONG-TERM DEBT**

**Changes in Long-Term Liabilities**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds:					
Town	\$ 87,377	\$ -	\$ 8,076	\$ 79,301	\$ 7,975
Southington Water Company	8,308	-	959	7,349	645
Premium on Bonds	4,573	-	847	3,726	729
Direct Borrowings:					
State of Connecticut - Notes Payable	21,175	-	1,100	20,075	1,100
Total Bonds and Notes Payable	121,433	-	10,982	110,451	10,449
Compensated Absences	7,432	2,226	2,122	7,536	2,175
Direct Borrowing -					
Finance Arrangements	32	-	32	-	-
Total OPEB Liability	49,877	-	15,116	34,761	1,045
Net Pension Liability	59,050	-	21,436	37,614	-
Prior Service Costs	5	-	4	1	-
Heart and Hypertension	8,983	231	-	9,214	613
Lease Liability	11,170	515	1,493	10,192	1,556
Landfill Closure and Postclosure	244	-	9	235	9
Total Governmental Activities Long-Term Liabilities	<u>\$ 258,226</u>	<u>\$ 2,972</u>	<u>\$ 51,194</u>	<u>\$ 210,004</u>	<u>\$ 15,847</u>
Business-Type Activities:					
Net Pension Liability	<u>\$ 1,680</u>	<u>\$ -</u>	<u>\$ 802</u>	<u>\$ 878</u>	<u>\$ -</u>

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 7 LONG-TERM DEBT (CONTINUED)**

**Changes in Long-Term Liabilities (Continued)**

In prior years, the General Fund has typically been used to liquidate the net pension liability and the total OPEB liability.

Bonds payable at June 30, 2022 are comprised of the following issues:

	Date of Issue	Original Issue	Interest Rate (%)	Date of Maturity	Principal Outstanding June 30, 2022
General Purpose Bonds:					
General Purpose	2015	\$ 6,720	2.00-4.00	01/15/35	\$ 3,785
Refunding (General Purpose)	2015	2,408	1.00-5.00	09/01/28	1,047
General Purpose	2016	5,200	2.00-4.00	01/15/36	3,330
General Purpose	2018	8,515	2.25-5.00	04/15/38	6,850
Refunding A (General Purpose)	2020	2,775	4.00	11/01/25	1,748
Refunding B (General Purpose)	2020	3,555	0.37-2.41	01/15/34	3,482
General Purpose	2021	8,130	2.00-4.00	01/15/41	7,525
Subtotal					<u>27,767</u>
School Bonds:					
Schools	2015	15,000	2.00-4.00	01/15/35	10,260
Refunding (Schools)	2015	8,036	1.00-5.00	09/01/28	4,519
Schools	2016	12,000	2.00-4.00	01/15/36	8,850
Schools	2018	300	2.25-5.00	04/15/24	120
Refunding (Schools)	2019	4,414	2.25-5.00	08/01/30	2,493
Refunding A (Schools)	2020	973	4.00	11/01/25	734
Refunding B (Schools)	2020	10,054	0.37-2.41	01/15/34	9,929
Schools	2021	4,875	2.00-4.00	01/15/41	4,585
Subtotal					<u>41,490</u>
Sewer Bonds:					
Sewers	2015	5,200	2.00-4.00	01/15/35	3,545
Refunding (Sewers)	2015	1,841	1.00-5.00	09/01/28	804
Refunding (Sewers)	2019	1,458	2.25-5.00	08/01/30	1,092
Refunding A (Sewers)	2020	1,212	4.00	11/01/25	823
Refunding C (Sewers)	2020	4,495	4.00-5.00	06/01/30	3,780
State of Connecticut Serial Notes Payable:					
Clean Water Fund Loan 651-DC	2020	22,000	2.00	09/30/40	20,075
Subtotal					<u>30,119</u>
Water Bonds:					
Refunding B (Water)	2020	3,726	0.37-2.41	01/15/34	3,679
Refunding C (Water)	2020	1,695	4.00-5.00	06/01/30	1,295
Water	2021	2,500	2.00-4.00	01/15/41	2,375
Subtotal					<u>7,349</u>
Total					<u>\$ 106,725</u>

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7 LONG-TERM DEBT (CONTINUED)**

**Changes in Long-Term Liabilities (Continued)**

The annual requirements to amortize bond and notes principal and interest are as follows:

Due During Fiscal Year Ending June 30,	General Obligation Bonds		Direct Borrowings	
	Principal	Interest	Principal	Interest
2023	\$ 8,620	\$ 2,387	\$ 1,100	\$ 392
2024	8,715	2,068	1,100	369
2025	8,310	1,821	1,100	347
2026	8,135	1,603	1,100	325
2027	7,170	1,390	1,100	304
2028-2032	28,750	4,243	5,500	1,187
2033-2037	14,160	1,202	5,500	637
2038-2042	2,790	133	3,575	119
Total	<u>\$ 86,650</u>	<u>\$ 14,847</u>	<u>\$ 20,075</u>	<u>\$ 3,680</u>

All bonds are general obligation bonds secured by the general revenue raising powers of the Town. Payment will be provided by General Fund revenues for general purpose bonds and user fees charged by the Southington Water Company, an independent entity, for water bonds. The Town issued debt on behalf of the Southington Water Company. At June 30, 2022, \$7,349 is recorded as amounts to be provided by other entities in the debt service fund and governmental activities. The Town does not have any overlapping debt.

The Town is subject to the General Statutes of the state of Connecticut, which limit the amount of debt outstanding at June 30, 2022. In no case shall total indebtedness exceed seven times annual receipts from taxation. The maximum debt amount permitted under this formula would be approximately \$895.4 million. Bonds authorized but unissued as of June 30, 2022, are \$58,876, which are net of all expected grant revenue.

**Direct Borrowings - Clean Water Fund Loans**

On September 18, 2020, the Town converted \$22,000 in interim loan obligations under the State of Connecticut's Clean Water program to permanent loan obligations for project 651-DC. These Clean Water Fund loans have principal and interest payable monthly starting in October 2020 through maturity on September 30, 2040, with an interest rate of 2.00%.

**Heart and Hypertension Obligations**

The Town makes payments to former police officers and firefighters who retired under State of Connecticut Heart and Hypertension Workers Compensation Statutes, under individual agreements based on provisions required by these State Statutes. The Town does not maintain a separate cash reserve to cover the benefits to be paid in future years. Expenditures related to this program are funded annually by General Fund appropriations. The estimated liability at June 30, 2022 is \$9,214.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 7 LONG-TERM DEBT (CONTINUED)**

**Compensated Absences**

Employees can accumulate additional amounts of unused vacation and sick leave time (as determined by individual union contracts) until termination of their employment. At termination, pay-out provisions as determined by individual union contract provides for payments to vested employees.

The following is a summary of management's estimate of the vested liability for lump-sum payments to employees as of June 30, 2022:

Town	\$ 1,143
Board of Education	6,393
Total	\$ 7,536

**Direct Borrowings - Clean Water Fund Loans**

The Town is participating in the State of Connecticut's Clean Water program, which provides low-interest loans bearing a 2% interest for eligible wastewater projects. Projects are financed by interim loan obligations until completion, at which time internal loan obligations are replaced by permanent loan obligations. As of June 30, 2022, the Town has received \$11,009 of clean water loans to fund the water pollution control facility project currently underway which have not yet been converted to long-term loans. The loan is considered short term until the project is completed and a permanent loan is put in place.

Outstanding July 1, 2021	\$ 10,592
New Short-Term Borrowings	417
Outstanding June 30, 2022	\$ 11,009

**Lease Liability**

The Town leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2032. During the year ended June 30, 2022, the Town made payments as required by lease agreements totaling \$1,804.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 7 LONG-TERM DEBT (CONTINUED)**

Total future minimum lease payments under lease agreements are as follows:

Due During Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,556	\$ 285	\$ 1,841
2024	1,362	242	1,604
2025	1,212	198	1,410
2026	1,235	161	1,396
2027	1,066	127	1,193
2028-2032	3,761	175	3,936
Total	<u>\$ 10,192</u>	<u>\$ 1,188</u>	<u>\$ 11,380</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class:

	Amount
Equipment	\$ 11,685
Accumulated Depreciation	<u>(1,812)</u>
Net Book Value	<u>\$ 9,873</u>

**NOTE 8 RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the year ended June 30, 2022. Town insurance can be described as follows:

**Employee Health Insurance**

The Medical Claims Fund (the Fund), which has been recorded as an Internal Service Fund, was established to account for the medical claims activity of the Town's employees as well as the related funding. Anthem Blue Cross/Blue Shield of Connecticut administers the plan for which the Fund pays a fee.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2022, of \$2,016.

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

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**NOTE 8 RISK MANAGEMENT (CONTINUED)**

A schedule of changes in the claims liability for the years ended June 30, 2022 and 2021, is presented below:

Fiscal Year	Accrued Liability Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2021-22	\$ 989	\$ 26,603	\$ 25,576	\$ 2,016
2020-21	1,207	20,129	20,347	989

**Interlocal Risk Pool**

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies that was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7479a et. seq. of the Connecticut General Statutes.

The Town participates in CIRMA's Workers' Compensation Pool, a risk sharing pool, which was begun on July 1, 1980. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. CIRMA currently has 220 members in the Workers' Compensation Pool. The coverage is subject to an incurred loss retrospective rating plan and losses incurred in coverage period 2021-22 will be evaluated at 18, 30, and 42 months after the effective date of coverage. The deposit contribution (premium) paid during fiscal year ended June 30, 2022, for the Town and Board of Education was \$1,432. The contribution (premium) is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains up to \$1 million per occurrence. Claims over \$1 million are reinsured.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 9 FUND BALANCE**

The components of fund balance at June 30, 2022 are as follows:

	General Fund	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Prepays and Inventory	\$ 41	\$ -	\$ -	\$ 41	\$ 82
Trust	-	-	-	11	11
Restricted for:					
Debt Service	-	-	7,349	-	7,349
Grants	-	-	-	38	38
Trust	-	-	-	93	93
Scholarships	-	-	-	511	511
Education	-	-	-	709	709
Committed to:					
Debt Service	-	-	2,150	-	2,150
Cafeteria Operations	-	-	-	1,693	1,693
Animal Control	-	-	-	27	27
Police Services	-	-	-	2,063	2,063
Town Services	-	-	-	862	862
Apple Harvest Festival	-	-	-	193	193
Community Services	-	-	-	241	241
Drive In Theater	-	-	-	50	50
Turf Field	-	-	-	279	279
Museum Restoration	-	-	-	7	7
Recreation	-	-	-	190	190
Sewer Assessments	-	-	-	437	437
Barnes Museum	-	-	-	12	12
Assigned to:					
Purchases on Order:					
General Government	161	-	-	-	161
Public Safety	21	-	-	-	21
Public Works	68	-	-	-	68
Human Services	12	-	-	-	12
Library	2	-	-	-	2
Planning and Development	159	-	-	-	159
Education	2,858	-	-	-	2,858
Miscellaneous	1,211	-	-	-	1,211
Subsequent Year's					
Appropriations	1,796	-	-	-	1,796
Unassigned	28,282	(10,713)	-	(97)	17,472
Total Fund Balances	<u>\$ 34,611</u>	<u>\$ (10,713)</u>	<u>\$ 9,499</u>	<u>\$ 7,360</u>	<u>\$ 40,757</u>

Subsequent year's appropriations are being reported as assigned fund balance in the general fund at \$1,796 and encumbrances for general government, public safety, public works, human services, library, planning and development, education, and miscellaneous are being reported as assigned fund balance in the general fund at \$4,492.



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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS**

**Municipal Employees' Retirement System**

**A. Plan Description**

All full-time employees participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the state of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates, and other plan provisions. MERS is considered to be part of the state of Connecticut's financial reporting entity and is included in the state's financial reports as a pension trust fund. Those reports can be obtained at [www.ct.gov](http://www.ct.gov).

**B. Benefit Provisions**

The plan provides retirement, disability and death benefits, and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with five years of continuous service, or 15 years of active aggregate service or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service.

Normal Retirement (Not in Thousands)

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1½% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

Early Retirement

Members must have five years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Benefits are deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Municipal Employees' Retirement System (Continued)**

**B. Benefit Provisions (Continued)**

Disability Retirement - Service Connected

This applies to employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, who began employment prior to July 1, 1996, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.

Disability Retirement - Nonservice Connected

This applies to employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Pre-Retirement Death Benefit

The plan offers a lump-sum return of contributions with interest or if vested and married, the surviving spouse will receive a lifetime benefit.

**C. Contributions**

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2¼% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability, and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member. For the year ended June 30, 2022, the Town made contributions of \$7,361.

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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Municipal Employees' Retirement System (Continued)**

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

At June 30, 2022, the Town reports a liability of \$38,492 (\$37,614 for governmental activities in Exhibit I and \$878 for the Sewer Fund in Exhibit V) for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2021. The actuarial assumptions used in the June 30, 2021 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2022, the Town's proportion was 5.42%. The decrease in proportion from the prior year was .03%.

For the year ended June 30, 2022, the Town recognized pension expense of \$8,520 in Exhibit II and \$199 in Exhibit VI. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Town Contributions After the Measurement Date	\$ 7,194	\$ -
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	15,401
Differences Between Expected and Actual Experience	4,172	4,508
Change in Assumptions	4,620	-
Change in Proportionate Share	1,789	471
Total	<u>\$ 17,775</u>	<u>\$ 20,380</u>

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Municipal Employees' Retirement System (Continued)**

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

	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Town Contributions After the Measurement Date	\$ 167	\$ -
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	376
Differences Between Expected and Actual Experience	76	128
Change in Assumptions	118	-
Change in Proportionate Share	141	151
Total	<u>\$ 502</u>	<u>\$ 655</u>

	Primary Government	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Town Contributions After the Measurement Date	\$ 7,361	\$ -
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	15,777
Differences Between Expected and Actual Experience	4,248	4,636
Change in Assumptions	4,738	-
Change in Proportionate Share	1,930	622
Total	<u>\$ 18,277</u>	<u>\$ 21,035</u>

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Municipal Employees' Retirement System (Continued)**

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

Amounts reported as deferred outflows of resources related to Town contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred outflows of resources net of deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Governmental Activities</u>	
2023	\$ 2,256
2024	(3,795)
2025	(3,575)
2026	(4,685)
Total	<u>\$ (9,799)</u>
 <u>Business-Type Activities</u>	
2023	\$ 51
2024	(118)
2025	(109)
2026	(144)
Total	<u>\$ (320)</u>
 <u>Primary Government</u>	
2023	\$ 2,307
2024	(3,913)
2025	(3,684)
2026	(4,829)
Total	<u>\$ (10,119)</u>

**E. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement period:

Inflation	2.50%
Salary Increase	3.50% - 10.00%, Including Inflation
Investment Rate of Return	7.00%, Net of Pension Plan Investment Expense, Including Inflation

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Municipal Employees' Retirement System (Continued)**

**E. Actuarial Assumptions (Continued)**

Mortality rates were based on:

- RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.
- RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire.
- For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

Cost-of-Living

Future cost-of-living adjustments for members who retire on or after January 1, 2002, are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a statistical 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. Best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	20.0 %	5.3 %
Developed Market International	11.0	5.1
Emerging Market International	9.0	7.4
Core Fixed Income	16.0	1.6
Inflation Linked Bond Fund	5.0	1.3
Emerging Market Debt	5.0	2.9
High Yield Bond	6.0	3.4
Real Estate	10.0	4.7
Private Equity	10.0	7.3
Alternative Investments	7.0	3.2
Liquidity Fund	1.0	0.9
Total	<u>100.0 %</u>	

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Municipal Employees' Retirement System (Continued)**

**F. 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 employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Town's proportionate share of the net pension liability, calculated using the current discount rate, as well as what the Town's proportionate share of the 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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Governmental Activities:			
Town's Proportionate Share of the Net Pension Liability	\$ 63,428	\$ 37,614	\$ 15,247
Sewer Fund:			
Town's Proportionate Share of the Net Pension Liability	\$ 1,481	\$ 878	\$ 356

**Connecticut Teachers Retirement System – Pension**

**A. Plan Description**

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

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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**B. Benefit Provisions**

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

**C. Contributions**

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

Employer (School Districts)

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

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$13,503 and is recognized in the General Fund as intergovernmental revenues and education expenditures.



**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**C. Contributions (Continued)**

Employees

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

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

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

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

Town's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	161,255
Total	<u>\$ 161,255</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 June 30, 2020. At June 30, 2022, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2022, the Town recognized pension expense and revenue of \$-3,093 in Exhibit II.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**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 SOUTHLINGTON, CONNECTICUT**  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**E. Actuarial Assumptions (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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Rate of Return</u>
Domestic Equity	20.0 %	5.6 %
Developed Market Intl. Stock Fund	11.0	6.0
Emerging Market Intl. Stock Fund	9.0	7.9
Core Fixed Income Fund	16.0	2.1
Inflation Linked Bond Fund	5.0	1.1
Emerging Market Debt Fund	5.0	2.7
High Yield Bond Fund	6.0	4.0
Real Estate Fund	10.0	4.5
Private Equity	10.0	7.3
Alternative Investments	7.0	2.9
Liquidity Fund	1.0	0.4
Total	100.0 %	

**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 SOUTHLINGTON, CONNECTICUT  
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**NOTE 10 EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**Connecticut 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](http://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 11 OTHER POST-EMPLOYMENT BENEFITS**

**Town Plan**

**A. Overview**

The Town and Board of Education do not offer retirees any post-employment benefits. They do, however, allow retirees to remain on the Health Self-Insurance plan as long as they pay the full COBRA rates, as a single employer defined benefit plan. The only exception to the no post-employment benefits would be for those employees who have retired under Heart and Hypertension and have negotiated these benefits. There are no stand-alone financial statements available for the plan.

**Employees Covered by Benefit Terms**

Membership in the plan consisted of the following at July 1, 2021, the date of the last actuarial valuation.

Inactive Employees Currently Receiving	
Benefit Payments	98
Active Employees	1,210
Total	<u>1,308</u>

**B. Total OPEB Liability**

The Town’s total OPEB liability of \$34,761 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021 and rolled forward to June 30, 2022.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
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**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Town Plan (Continued)**

**B. Total OPEB Liability (Continued)**

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.40%
Rate of Compensation Increase (Including Inflation)	2.40%
Interest	3.54% (Prior: 2.16%)
Healthcare Cost Trend Rates	6.50% in 2021, Decreasing 0.20% Per Year to an Ultimate Rate of 4.40% for 2032 and Later Years Prior: 6.50% for 2019, Decreasing 0.25% Per Year to an Ultimate Rate of 4.40% for 2028 and Later Years
Retirees' Share of Benefit-Related Costs	100% of Projected Health Insurance Premiums for Retirees

The discount rate was based on the published Bond Buyer GO 20-Bond Municipal Index.

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

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances - July 1, 2021	\$ 49,877
Changes for the Year:	
Service Cost	910
Interest on Total OPEB Liability	1,087
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(11,533)
Changes in Assumptions or Other Inputs	(4,628)
Benefit Payments	(952)
Net Changes	<u>(15,116)</u>
Balances - June 30, 2022	<u>\$ 34,761</u>

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**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Town Plan (Continued)**

**C. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

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

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 38,797	\$ 34,761	\$ 31,336

**D. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

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

	1% Decrease (5.50% Decreasing to 3.40%)	Healthcare Cost Trend Rates (6.50% Decreasing to 4.40%)	1% Increase (7.50% Decreasing to 5.40%)
Total OPEB Liability	\$ 30,950	\$ 34,761	\$ 39,240

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$1,259. At June 30, 2022, 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	\$ -	\$ 14,980
Changes of Assumptions or Other Inputs	10,826	5,336
Total	\$ 10,826	\$ 20,316

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Town Plan (Continued)**

**E. OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ (680)
2024	(680)
2025	(680)
2026	(680)
2027	(680)
Thereafter	<u>(6,090)</u>
Total	<u>\$ (9,490)</u>

**Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan**

**A. Plan Description**

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

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

**B. Benefit Provisions (Not in Thousands)**

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

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan  
(Continued)**

**B. Benefit Provisions (Not in Thousands) (Continued)**

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.

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



**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan**  
**(Continued)**

**C. Eligibility**

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of credited service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 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 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.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan (Continued)**

**D. Contributions (Continued)**

Employer (School Districts)

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

For the year ended June 30, 2022, the amount of “on-behalf” contributions made by the state was \$318 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 teacher’s pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teacher’s pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

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

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

Town's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability Associated with the Town		17,568
Total	\$	17,568

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

For the year ended June 30, 2022, the Town recognized OPEB expense and revenue of \$-966 in Exhibit II.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan (Continued)**

**F. Actuarial Assumptions**

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

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

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

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.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan**  
**(Continued)**

**F. Actuarial Assumptions (Continued)**

Long-Term Rate of Return

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%
- 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.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan**  
**(Continued)**

**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](http://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.

**NOTE 12 SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

The Town's Old Turnpike Road (Old Southington) Landfill, which was closed in 1967, was placed on the United States Environmental Protection Agency (EPA) Superfund List for cleanup in the early 1990s. Three hundred and twenty-five parties, including the Town, were identified by the EPA as potentially responsible parties (PRPs) for the cleanup costs. The Town, per agreement with the EPA, is responsible for \$4.4 million of the costs for constructing a cap at the site. However, the EPA granted the Town credit of \$3.2 million for landfill costs paid by the Town since 1989, leaving the Town with a net liability of approximately \$1.2 million. This amount was authorized for bonding at referendum in May 1998. Construction of the cap was completed during fiscal year 2000-01. The Town paid approximately \$840 thousand of its \$1.2 million net share for the cap during 2000-01, which was bonded on May 15, 2001.

In December 2006, EPA issued a final Record of Decision. As a result of that, a passive groundwater remedy has been selected rather than an active remedy. The remedy will consist of institutional controls and fairly extensive groundwater monitoring. The effect of these items on future budgets will be very small. In 2019, the Town hired an engineer to estimate the post-closure groundwater monitoring, which amounted to \$262. A long-term liability of \$235 for landfill closure and post-closure costs is reflected in Exhibit I and in Note 7, Long-Term Debt. The costs are to be paid out at \$9 annually over the next 27 years. The funds will pay for the monitoring, inspection, and reporting costs for the DePaolo Drive Landfill Site.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**  
**(IN THOUSANDS)**

**NOTE 12 SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES (CONTINUED)**

The Town and its employees are defendants in numerous claims and legal actions. It is the opinion of Town officials that such pending litigation will not be finally determined so as to result individually, or in the aggregate, in a final judgment against the Town that would materially adversely affect its financial position.

The Town participates in a number of federal and state assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of certain of these programs for or including the year ended June 30, 2022, have not yet been conducted. Accordingly, the Town's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

**NOTE 13 SUBSEQUENT EVENTS**

On February 28, 2023, the Town converted \$12,163 in interim loan obligations under the State of Connecticut's Clean Water program to permanent loan obligation for project 651-DC. These Clean Water Fund loans have principal and interest payable monthly starting in February 2023 with an interest rate of 2%.

**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**YEAR ENDED JUNE 30, 2022**  
**(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property Taxes, Interest, and Lien Fees:				
Taxes	\$ 128,221	\$ 128,221	\$ 130,235	\$ 2,014
Suspense Taxes	25	25	95	70
Interest and Lien Fees	608	608	788	180
Total Property Taxes, Interest, and Lien Fees	128,854	128,854	131,118	2,264
Licenses, Fees, and Permits:				
Building	900	1,514	1,592	78
Police	38	38	39	1
Library	5	5	9	4
Parking	1	1	1	-
Miscellaneous	13	29	31	2
Total Licenses, Fees, and Permits	957	1,587	1,672	85
Intergovernmental Revenues:				
Educational Cost -Sharing	20,466	20,466	21,092	626
Nonpublic School Transportation	-	-	-	-
Public School Transportation	-	-	-	-
School Building Construction Grants	-	-	-	-
Vocational Agriculture	373	373	373	-
Children and Youth Services	24	24	24	-
Youth Service and Drug Free	-	4	1	(3)
Town Aid Road Transportation Grant	-	-	-	-
Nonpublic Health Services	24	24	23	(1)
Calendar Bus	-	-	-	-
Telephone Access Lines	55	55	51	(4)
Pequot/Mohegan Grant	7	7	7	-
Telecommunications Fund Grant	73	73	75	2
Municipal Video Grant	-	-	-	-
Historical Society	-	-	-	-
Local Capital Improvement Grant	-	-	-	-
FEMA Reimbursement	175	175	118	(57)
Safe Polls Grant	-	-	-	-
Absentee Ballot Grant	-	-	-	-
CT Senior Center CARES Act Grant	-	-	-	-
Municipal CRF Reimbursement	-	26	26	-
In Lieu of Taxes:				
Hospital	94	94	132	38
Tax Relief for Elderly	-	-	-	-
Veterans' Exemption	52	52	47	(5)
State Properties	7	7	-	(7)
Disability Exemption	5	5	5	-
Calendar House Grant	-	-	-	-
Distressed Municipalities	-	-	71	71
Miscellaneous	40	41	39	(2)
Traffic Enforcement Grant	-	-	-	-
MRSA Sales Tax Sharing	-	-	47	47
Municipal Revenue Sharing	1,134	1,427	1,427	-
Municipal Stabilization Grant	-	-	-	-
Total Intergovernmental Revenues	22,529	22,853	23,558	705



**TOWN OF SOUTHLINGTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES (CONTINUED)</b>				
Investment Income	\$ 318	\$ 365	\$ 462	\$ 97
Charges for Services:				
Town Clerk	1,400	2,024	2,224	200
Labels, Diskettes, and Copies	-	-	-	-
Police Services	50	50	-	(50)
Recreation	30	30	21	(9)
Planning and Zoning	50	50	49	(1)
Fire Department Services	29	35	27	(8)
Engineering Services	3	3	2	(1)
Assessors Returns	1	1	1	-
School Tuition and Fees	696	696	804	108
School Building Rentals	14	1,169	1,169	-
Miscellaneous	5	6	47	41
Total Charges for Services	<u>2,278</u>	<u>4,064</u>	<u>4,344</u>	<u>280</u>
<b>OTHER FINANCING SOURCES</b>				
Sale and Lease of Town Property	5	5	29	24
Prior Year Appropriated Funds Returned	2	2	23	21
Recycling Rebates	55	55	36	(19)
Miscellaneous	40	50	85	35
Leases and Easements	28	28	29	1
Fund Balance Utilized	1,797	1,797	-	(1,797)
Total Other Financing Sources	<u>1,927</u>	<u>1,937</u>	<u>202</u>	<u>(1,735)</u>
Transfers In	-	9	9	-
Total Revenues and Other Financing Sources	<u>\$ 156,863</u>	<u>\$ 159,669</u>	161,365	<u>\$ 1,696</u>

## Budgetary Revenues are Different than GAAP Revenues Because:

State of Connecticut On-Behalf Contributions to the Connecticut State Teachers' Pension Retirement System for Town Teachers are Not Budgeted 13,502

State of Connecticut On-Behalf Contributions to the Connecticut State Teachers' OPEB Retirement System for Town Teachers are Not Budgeted 318

Special Education grant revenue not budgeted 835

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

\$ 176,020

**TOWN OF SOUTHLINGTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

EXPENDITURES	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>General Government:</b>				
Town Council:				
Personnel Service	\$ 10	\$ 11	\$ 11	\$ -
Contractual Services	20	20	10	10
Program Supplies	6	8	5	3
Professional Charges	27	27	27	-
Total	63	66	53	13
Town Manager:				
Personnel Service	258	256	256	-
Contractual Services	22	7	4	3
Materials and Supplies	9	5	4	1
Fixed Charges	5	6	6	-
Total	294	274	270	4
Board of Finance:				
Personnel Service	5	4	4	-
Contractual Services	2	2	2	-
Materials and Supplies	-	-	-	-
Fixed Charges	1	1	1	-
Total	8	7	7	-
Finance Department:				
Personnel Service	559	560	560	-
Contractual Services	-	-	-	-
Materials and Supplies	12	13	12	1
Fixed Charges	1	1	1	-
Total	572	574	573	1
Town Clerk:				
Personnel Service	348	348	347	1
Contractual Services	19	19	17	2
Materials and Supplies	11	9	8	1
Fixed Charges	3	2	2	-
Total	381	378	374	4
Human Resources Department:				
Personnel Service	96	91	90	1
Contractual Services	36	41	39	2
Fixed Charges	2	2	-	2
Total	134	134	129	5

**TOWN OF SOUTHTON, CONNECTICUT**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**  
**(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
General Government (Continued):				
Tax Department:				
Personnel Service	\$ 177	\$ 172	\$ 171	\$ 1
Contractual Services	8	8	3	5
Materials and Supplies	48	48	40	8
Fixed Charges	1	2	2	-
Total	234	230	216	14
Assessor:				
Personnel Service	376	349	348	1
Contractual Services	161	161	20	141
Materials and Supplies	12	11	9	2
Fixed Charges	3	3	2	1
Total	552	524	379	145
Board of Assessment Appeals:				
Personnel Service	2	2	2	-
Contractual Services	1	-	-	-
Materials and Supplies	-	-	-	-
Total	3	2	2	-
Information Technology:				
Personnel Service	194	194	194	-
Contractual Services	747	770	741	29
Fixed Charges	54	54	51	3
Capital Outlay	57	57	57	-
Total	1,052	1,075	1,043	32
Probate Court:				
Fixed Charges	12	12	12	-
Town Attorney and Legal:				
Personnel Service	160	-	-	-
Contractual Services	30	180	157	23
Materials and Supplies	-	-	-	-
Fixed Charges	-	30	30	-
Total	190	210	187	23

**TOWN OF SOUTHLINGTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
General Government (Continued):				
Elections Department:				
Personnel Service	\$ 136	\$ 111	\$ 100	\$ 11
Contractual Services	17	16	11	5
Materials and Supplies	31	21	17	4
Fixed Charges	3	3	2	1
Total	187	151	130	21
Insurance:				
Fixed Charges	1,135	1,089	1,077	12
Annual Audit:				
Fixed Charges	37	37	37	-
Total General Government	4,854	4,763	4,489	274
Public Safety:				
Police Department:				
Personnel Service	7,525	7,580	7,576	4
Contractual Services	183	188	182	6
Materials and Supplies	207	206	206	-
Fixed Charges	303	297	294	3
Equipment	195	252	251	1
Total	8,413	8,523	8,509	14
Emergency Management:				
Personnel Services	-	-	-	-
Contractual Services	1	1	-	1
Materials And Supplies	8	8	8	-
Capital Outlay	7	3	-	3
Total	16	12	8	4
Central Dispatch:				
Personnel Service	869	944	944	-
Contractual Services	7	2	2	-
Total	876	946	946	-
Fire Department:				
Personnel Service	4,062	4,123	3,938	185
Contractual Services	428	391	322	69
Materials and Supplies	235	236	234	2
Fixed Charges	164	176	172	4
Equipment	61	91	88	3
Total	4,950	5,017	4,754	263

**TOWN OF SOUTHTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance
	Original	Final		
Public Safety:				
Fire Hydrant Rentals:				
Fixed Charges	\$ 230	\$ 251	\$ 251	\$ -
Safety Program:				
Contractual Services	12	4	3	1
Materials and Supplies	42	42	42	-
Fixed Charges	14	11	10	1
Total	<u>68</u>	<u>57</u>	<u>55</u>	<u>2</u>
Parking Authority:				
Personnel Service	-	-	-	-
Contractual Services	1	1	-	1
Materials and Supplies	1	1	-	1
Fixed Charges	1	1	1	-
Total	<u>3</u>	<u>3</u>	<u>1</u>	<u>2</u>
Total Public Safety	14,556	14,809	14,524	285
Public Works:				
Town Hall:				
Personnel Services	14	11	11	-
Contractual Services	42	47	38	9
Materials and Supplies	21	15	14	1
Fixed Charges	47	42	40	2
Total	<u>124</u>	<u>115</u>	<u>103</u>	<u>12</u>
Town Owned Property:				
Contractual Services	15	10	6	4
Fixed Charges	10	8	6	2
Total	<u>25</u>	<u>18</u>	<u>12</u>	<u>6</u>
Sylvia Bradley Historical Society:				
Contractual Services	7	6	4	2
Fixed Charges	13	13	13	-
Total	<u>20</u>	<u>19</u>	<u>17</u>	<u>2</u>

**TOWN OF SOUTHLINGTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance
	Original	Final		
Public Works (Continued):				
Engineering Department:				
Personnel Service	\$ 680	\$ 667	\$ 666	\$ 1
Contractual Services	8	8	1	7
Materials and Supplies	12	8	5	3
Fixed Charges	2	2	1	1
Total	<u>702</u>	<u>685</u>	<u>673</u>	<u>12</u>
Highway Department:				
Personnel Service	2,674	2,559	2,558	1
Contractual Services	532	540	524	16
Materials and Supplies	141	158	154	4
Fixed Charges	297	297	286	11
Capital Outlay	27	24	22	2
Continued Appropriations	-	3	3	-
Total	<u>3,671</u>	<u>3,581</u>	<u>3,547</u>	<u>34</u>
Snow and Ice Removal:				
Personnel Service	204	227	227	-
Contractual Services	162	162	156	6
Materials and Supplies	444	543	534	9
Total	<u>810</u>	<u>932</u>	<u>917</u>	<u>15</u>
Street Lighting:				
Contractual Services	70	70	62	8
Fixed Charges	372	372	348	24
Total	<u>442</u>	<u>442</u>	<u>410</u>	<u>32</u>
Tree Maintenance:				
Contractual Services	38	34	31	3
Bulky Waste Transfer Station:				
Personnel Service	83	86	86	-
Contractual Services	201	201	164	37
Materials and Supplies	5	12	12	-
Total	<u>289</u>	<u>299</u>	<u>262</u>	<u>37</u>
Environmental Problems:				
Contractual Services	228	168	74	94
Continued Appropriations	-	60	17	43
Total	<u>228</u>	<u>228</u>	<u>91</u>	<u>137</u>

**TOWN OF SOUTHTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance
	Original	Final		
Public Works (Continued):				
John Weichsel Municipal Center:				
Personnel Services	\$ 8	\$ 7	\$ 6	\$ 1
Contractual Services	8	6	4	2
Materials and Supplies	6	6	5	1
Fixed Charges	25	26	26	-
Total	47	45	41	4
Total Public Works	6,396	6,398	6,104	294
Health and Welfare:				
Community Services:				
Personnel Service	309	282	282	-
Contractual Services	33	33	33	-
Materials and Supplies	5	5	5	-
Fixed Charges	19	18	15	3
Total	366	338	335	3
Health Department:				
Fixed Charges	331	331	331	-
Mental Health:				
Fixed Charges	3	3	3	-
Nonpublic School Nurses:				
Contractual Services	64	64	64	-
Total Health and Welfare	764	736	733	3
Human Services:				
Youth Counseling:				
Personnel Service	283	237	232	5
Contractual Services	2	2	2	-
Materials and Supplies	3	3	2	1
Fixed Charges	3	3	1	2
Total	291	245	237	8

**TOWN OF SOUTHTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Human Services (Continued):				
Commission on the Handicapped:				
Contractual Services	\$ 8	\$ 3	\$ -	\$ 3
Materials and Supplies	1	1	-	1
Total	<u>9</u>	<u>4</u>	<u>-</u>	<u>4</u>
Community Assistance:				
Contractual Services	60	60	60	-
Calendar House-Senior Citizens:				
Personnel Service	439	374	314	60
Contractual Services	61	43	29	14
Materials and Supplies	18	7	7	-
Fixed Charges	53	52	49	3
Continued Appropriations	-	8	8	-
Total	<u>571</u>	<u>484</u>	<u>407</u>	<u>77</u>
Southington Housing Authority:				
Fixed Charges	-	-	-	-
Total Human Services	<u>931</u>	<u>793</u>	<u>704</u>	<u>89</u>
Recreation Department:				
Personnel Service	267	275	274	1
Contractual Services	56	49	43	6
Materials and Supplies	14	11	8	3
Fixed Charges	1	1	1	-
Total	<u>338</u>	<u>336</u>	<u>326</u>	<u>10</u>
Community Celebrations:				
Fixed Charges	4	4	4	-
Organized Recreation:				
Fixed Charges	<u>86</u>	<u>84</u>	<u>84</u>	<u>-</u>
Total Parks and Recreation	<u>428</u>	<u>424</u>	<u>414</u>	<u>10</u>



**TOWN OF SOUTHLINGTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance
	Original	Final		
Library:				
Public Library:				
Personnel Service	\$ 1,169	\$ 1,161	\$ 1,157	\$ 4
Contractual Services	78	64	62	2
Materials and Supplies	151	154	151	3
Fixed Charges	69	69	63	6
Capital Outlay	50	52	52	-
Continued Appropriations	-	6	6	-
Total	1,517	1,506	1,491	15
Barnes Museum:				
Personnel Service	97	73	70	3
Contractual Services	13	19	16	3
Materials and Supplies	4	4	4	-
Fixed Charges	12	14	13	1
Continued Appropriations	-	-	-	-
Total	126	110	103	7
Total Library	1,643	1,616	1,594	22
Planning and Development:				
Economic Development Commission:				
Personnel Service	170	170	170	-
Contractual Services	125	10	3	7
Materials and Supplies	2	2	1	1
Fixed Charges	5	1	-	1
Fixed Charges	-	150	-	150
Total	302	333	174	159
Building Department:				
Personnel Service	485	501	495	6
Contractual Services	5	3	2	1
Materials and Supplies	9	7	7	-
Fixed Charges	8	6	6	-
Total	507	517	510	7
Planning and Zoning:				
Personnel Service	424	412	412	-
Contractual Services	11	30	20	10
Materials and Supplies	6	4	4	-
Fixed Charges	36	35	35	-
Total	477	481	471	10

**TOWN OF SOUTHTON, CONNECTICUT**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**  
**(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Planning and Development (Continued):				
Zoning Board of Appeals:				
Personnel Service	\$ 5	\$ 5	\$ 5	\$ -
Contractual Services	8	13	12	1
Materials and Supplies	1	-	-	-
Total	14	18	17	1
Conservation Commission:				
Personnel Service	4	3	3	-
Contractual Services	5	5	4	1
Materials and Supplies	2	-	-	-
Total	11	8	7	1
Total Planning and Development	1,311	1,357	1,179	178
Miscellaneous:				
Land Lease:				
Fixed Charges	1	1	1	-
Miscellaneous:				
Personnel Service	-	779	-	779
Continued Appropriations	-	-	-	-
Nonlegal Professional Services:				
Nonlegal Professional Services	45	45	28	17
Continued Appropriations	-	3	3	-
Total Miscellaneous	46	828	32	796
Employee Benefits:				
Medical and Group Insurance:				
Fixed Charges	3,551	3,551	3,361	190
Heart and Hypertension:				
Personnel Service	1,047	1,014	961	53
Contractual Services	345	343	307	36
Total	1,392	1,357	1,268	89
Employee Retirement:				
Municipal:				
Fixed Charges	5,528	5,735	5,407	328
Police:				
Fixed Charges	260	255	255	-
Unemployment Compensation:				
Fixed Charges	15	15	14	1
Total	5,803	6,005	5,676	329

**TOWN OF SOUTHLINGTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Employee Benefits (Continued):				
Accumulated Payout:				
Fixed Charges	\$ 150	\$ 188	\$ 49	\$ 139
CFW Accumulated Payout	-	70	70	-
Total	150	258	119	139
Tuition Reimbursement:				
Fixed Charges	14	6	3	3
Total Employee Benefits	10,910	11,177	10,427	750
Debt Service				
Debt Service - Principal:				
Town and Sewer	4,742	4,742	4,742	-
Schools	3,343	3,343	3,343	-
Total	8,085	8,085	8,085	-
Debt Service - Interest:				
Town and Sewer	1,710	1,710	1,710	-
Schools	1,227	1,227	1,227	-
Total	2,937	2,937	2,937	-
Total Debt Service	11,022	11,022	11,022	-
Board of Education:				
School Operations	100,593	101,748	101,252	496
Contractual Services	-	-	-	-
Capital Outlay	-	-	-	-
Continued Appropriations	-	3,248	885	2,363
Total Board of Education	100,593	104,996	102,137	2,859
Contingency	820	300	-	300
Total Expenditures	154,274	159,219	153,359	5,860

**TOWN OF SOUTHTON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>OTHER FINANCING USES</b>				
Transfers Out	\$ 2,589	\$ 4,095	\$ 4,095	\$ -
Total Expenditures and Other Financing Uses	<u>\$ 156,863</u>	<u>\$ 163,314</u>	157,454	<u>\$ 5,860</u>

Budgetary Expenditures are Different than GAAP Expenditures Because:

State of Connecticut On-Behalf Payments to the Connecticut State Teachers' Pension Retirement System for Town Teachers are Not Budgeted

13,502

State of Connecticut On-Behalf Payments to the Connecticut State Teachers' OPEB Retirement System for Town Teachers are Not Budgeted

318

Accrued Payroll is Reported as Expenditure for GAAP Purposes

178

Special Education grant expenditure not budgeted

835

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

\$ 172,287

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**MUNICIPAL EMPLOYEES RETIREMENT SYSTEM**  
**LAST EIGHT FISCAL YEARS\***  
**(IN THOUSANDS)**

	2015	2016	2017	2018	2019	2020	2021	2022
Town's Proportion of the Net Pension Liability	5.97%	5.62%	5.30%	5.67%	5.54%	5.36%	5.46%	5.42%
Town's Proportionate Share of the Net Pension Liability	\$ 5,892	\$ 10,825	\$ 18,318	\$ 14,070	\$ 52,946	\$ 55,389	\$ 60,730	\$ 38,492
Town's Covered Payroll	\$ 31,051	\$ 31,789	\$ 34,340	\$ 34,952	\$ 37,853	\$ 35,501	\$ 36,365	\$ 38,253
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	18.98%	34.05%	53.34%	40.26%	139.87%	156.02%	167.00%	100.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.48%	92.72%	88.29%	91.68%	73.60%	72.69%	71.18%	82.59%

## \*Notes:

- 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 SOUTHBINGTON, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
MUNICIPAL EMPLOYEES RETIREMENT SYSTEM – GOVERNMENTAL ACTIVITIES  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 4,194	\$ 4,400	\$ 4,592	\$ 4,680	\$ 4,262	\$ 4,576	\$ 4,527	\$ 4,783	\$ 6,417	\$ 7,194
Contributions in Relation to the Actuarially Determined Contribution	4,194	4,400	4,592	4,680	4,262	4,576	4,527	4,783	6,417	7,194
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 28,694	\$ 30,111	\$ 30,944	\$ 33,454	\$ 34,017	\$ 36,917	\$ 34,640	\$ 35,269	\$ 37,283	\$ 39,519
Contributions as a Percentage of Covered Payroll	14.62%	14.61%	14.84%	13.99%	12.53%	12.40%	13.07%	13.56%	17.21%	18.20%

Notes to Schedule:

Valuation Date June 30, 2021  
 Measurement Date June 30, 2021  
 Actuarially determined contribution rates are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Dollar, Closed
Single Equivalent Amortization Period	20 Years
Asset Valuation Method	5 -Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.50% - 10.00%, Including Inflation
Investment Rate of Return	7%, Net of Investment Related Expense
Changes in Assumptions	In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June 30, 2020 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement, and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2017.

**TOWN OF SOUTHTON, CONNECTICUT  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 MUNICIPAL EMPLOYEES RETIREMENT SYSTEM – BUSINESS-TYPE ACTIVITIES  
 LAST TEN FISCAL YEARS  
 (IN THOUSANDS)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 104	\$ 108	\$ 113	\$ 96	\$ 103	\$ 110	\$ 100	\$ 105	\$ 145	\$ 167
Contributions in Relation to the Actuarially Determined Contribution	104	108	113	96	103	110	100	105	145	167
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 901	\$ 940	\$ 845	\$ 886	\$ 935	\$ 936	\$ 861	\$ 1,096	\$ 970	\$ 1,015
Contributions as a Percentage of Covered Payroll	11.54%	11.49%	13.37%	10.84%	11.02%	11.75%	11.61%	9.58%	14.95%	16.45%

Notes to Schedule:

Valuation Date June 30, 2021  
 Measurement Date June 30, 2021  
 Actuarially determined contribution rates are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Dollar, Closed
Single Equivalent Amortization Period	20 Years
Asset Valuation Method	5 -Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.50% - 10.00%, Including Inflation
Investment Rate of Return	7%, Net of Investment Related Expense
Changes in Assumptions	In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June 30, 2020 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement, and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2017.

**TOWN OF SOUTHLINGTON, CONNECTICUT**  
**SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**TEACHERS RETIREMENT PLAN**  
**LAST EIGHT FISCAL YEARS\***  
**(IN THOUSANDS)**

	2015	2016	2017	2018	2019	2020	2021	2022
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	107,078	115,998	151,537	143,636	141,779	183,876	203,602	161,255
Total	<u>\$ 107,078</u>	<u>\$ 115,998</u>	<u>\$ 151,537</u>	<u>\$ 143,636</u>	<u>\$ 141,779</u>	<u>\$ 183,876</u>	<u>\$ 203,602</u>	<u>\$ 161,255</u>
Town's Covered Payroll	\$ 33,621	\$ 34,262	\$ 34,721	\$ 37,408	\$ 46,544	\$ 46,154	\$ 47,566	\$ 50,030
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%	49.24%	60.77%

Notes to Schedule:

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

\*Notes:

- This schedule is intended to show information for 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 SOUTHLINGTON, CONNECTICUT**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST FIVE FISCAL YEARS\***  
**(IN THOUSANDS)**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB Liability:					
Service Cost	\$ 549	\$ 538	\$ 608	\$ 861	\$ 910
Interest	1,416	1,486	1,442	1,090	1,087
Changes of Benefit Terms					
Differences Between Expected and Actual Experience	(250)	(210)	(4,535)	(520)	(11,533)
Changes of Assumptions and Other Inputs	(1,669)	2,072	11,567	397	(4,628)
Benefit Payments	<u>(1,113)</u>	<u>(1,211)</u>	<u>(1,359)</u>	<u>(824)</u>	<u>(952)</u>
Net Change in Total OPEB Liability	(1,067)	2,675	7,723	1,004	(15,116)
 Total OPEB Liability - Beginning	 <u>39,542</u>	 <u>38,475</u>	 <u>41,150</u>	 <u>48,873</u>	 <u>49,877</u>
Total OPEB Liability - Ending	<u>\$ 38,475</u>	<u>\$ 41,150</u>	<u>\$ 48,873</u>	<u>\$ 49,877</u>	<u>\$ 34,761</u>
 Covered Payroll	 \$ 73,422	 \$ 75,441	 \$ 77,942	 \$ 79,813	 \$ 79,446
Total OPEB Liability as a Percentage of Covered Payroll	52.40%	54.55%	62.70%	62.49%	43.75%

## \*Note:

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

**TOWN OF SOUTHLINGTON, CONNECTICUT  
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 TEACHERS RETIREMENT PLAN  
 LAST FIVE FISCAL YEARS\*  
 (IN THOUSANDS)**

	2018	2019	2020	2021	2022
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	<u>36,970</u>	<u>28,343</u>	<u>28,676</u>	<u>30,367</u>	<u>17,568</u>
Total	<u>\$ 36,970</u>	<u>\$ 28,343</u>	<u>\$ 28,676</u>	<u>\$ 30,367</u>	<u>\$ 17,568</u>
Town's Covered Payroll	\$ 37,408	\$ 46,544	\$ 46,154	\$ 47,566	\$ 50,030
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.79%	1.49%	2.08%	2.50%	6.11%

Notes to Schedule:

Changes in Benefit Terms  
 Changes of Assumptions

None

Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2021, was updated to equal the Municipal Bond Index Rate as of June 30, 2021;

Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024

Actuarial Cost Method  
 Amortization Method  
 Remaining Amortization Period  
 Asset Valuation Method  
 Investment Rate of Return  
 Price Inflation

Entry Age  
 Level Percent of Payroll Over an Open Period  
 30 Years  
 Fair Value of Assets  
 3.00%, Net of Investment Related Expense Including Price Inflation  
 2.75%

Notes:

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

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health and welfare, human services, parks and recreation, library, education, etc.). These activities are funded principally by property taxes, user fees, and grants from other governmental units

**TOWN OF SOUTHLINGTON, CONNECTICUT  
GENERAL FUND  
REPORT OF TAX COLLECTOR  
YEAR ENDED JUNE 30, 2022  
(IN THOUSANDS)**

Grand List	Uncollected Taxes	Lawful Corrections		Transfers To Suspense	Adjusted Taxes Collectible	Collections			Amount Paid to Treasurer	Credit Balances	Uncollected Taxes June 30, 2022
	July 1, 2021	Additions	Deductions			Taxes	Interest	Warrants Liens/Fees			
2020	\$ 130,351	\$ 188	\$ 567	\$ 13	\$ 129,959	\$ 129,060	\$ 313	\$ 13	\$ 129,386	\$ 378	\$ 1,277
2019	1,252	39	50	8	1,233	782	171	6	959	14	465
2018	592	5	10	123	464	328	123	2	453	1	137
2017	233	-	1	13	219	129	65	1	195	-	90
2016	110	-	1	-	109	47	30	-	77	-	62
2015	52	-	1	-	51	14	12	-	26	-	37
2014	18	-	-	1	17	4	2	-	6	-	13
2013	9	-	-	-	9	2	3	-	5	-	7
2012	7	-	-	-	7	1	1	-	2	-	6
2011	7	-	-	-	7	1	2	-	3	-	6
2010	8	-	-	-	8	1	2	-	3	-	7
2009	6	-	-	-	6	1	1	-	2	-	5
2008	5	-	-	-	5	-	-	-	-	-	5
2007	3	-	-	-	3	-	1	-	1	-	3
2006	3	-	-	-	3	-	-	-	-	-	3
<b>Total</b>	<b>\$ 132,656</b>	<b>\$ 232</b>	<b>\$ 630</b>	<b>\$ 158</b>	<b>\$ 132,100</b>	<b>\$ 130,370</b>	<b>\$ 726</b>	<b>\$ 22</b>	<b>\$ 131,118</b>	<b>\$ 393</b>	<b>\$ 2,123</b>

**NONMAJOR GOVERNMENTAL FUNDS**

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report specific revenue sources that are restricted or committed to expenditure for specific purposes.

#### **Cafeteria**

To account for the operation of the public school lunch program. Funding is provided from the sale of food, federal and state grants, and USDA food donations.

#### **Animal Control Fund**

To account for the operation of animal control. Financing is provided by license fees, fines, and a subsidy from the General Fund.

#### **Federal and State Education Grants**

To account for state and federal educational grants received through the State Department of Education.

#### **Police Auction**

To account for payment of health insurance premiums for retired officers funded by sale of goods.

#### **Refuse**

To account for refuse removal funded by charges for services.

#### **Police Special Duty**

To account for public safety services to Town and outside entities funded by charges for the services.

#### **Apple Harvest Festival**

To account for the Apple Harvest Festival funded by charges for services and donations.

#### **Police Forfeiture**

To account for the proceeds of property confiscated by the Town's Police Department

#### **Town Special Revenue**

To account for gifts, small grants, and insurance proceeds designated for specific purposes.

#### **Child Development Center**

To account for grant received through the Town to maintain the Margaret C. Griffin Child Development Center of Southington, CT.

#### **Library Trust**

To account for monies received from private donors for the acquisition of books, materials, and other related library services.

#### **Excavation Permit**

To account for fees received for excavation permits for trench restoration.

#### **Community Services**

To account for contributions to Community Services for needy families.

**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS (CONTINUED)**

**Drive In Theatre**

To account for operations of the Drive-in Theatre through charges for services.

**Barnes Museum Restoration**

To account for the restoration of the Barnes Museum funded through contributions and sale of goods.

**Recreation Programs**

To account for recreation programs which are self-sustaining through user fees.

**Greenway Commons**

To account for financial activity regarding the remediation and redevelopment of the former Ideal Forge, Inc. manufacturing facility. The Town is working with state agencies and a developer to redevelop this into a mixed use commercial/residential campus.

**Turf Field**

To account for the collection of fees and donations to fund the replacement of the Turf Field.

**CDBG SC1513101- Housing Rehabilitation Fund**

To account for the Southington Rehabilitation Projects benefiting low- and moderate-income residents with home improvements funded by the CDBG Grant.

**Brownfield Fund**

To account for the demolition and remediation of the former Beaton and Corbin site at 318 North Main Street for redevelopment as commercial office space. This project is funded through a DECD grant, a Town subsidy and a contribution from the private developer.

**Board of Education Scholarships**

To account for income and scholarship expenditures.

**Sewer Assessment Fund**

To account for proceeds of sewer line assessments used to fund debt service costs related to sewer line extension projects within the Town. The major source of revenue is sewer assessments. The Town issues general obligation debt to fund capital improvements to sewer lines.

**Barnes Museum**

To account for donations and monies collected through the sale of goods for the benefit of the Barnes Museum.

**Student Activities**

To account for the monies generated by student activities in the Southington school system.



## PERMANENT FUNDS

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

### **Edna Woodruff**

To account for income and education expenditures.

### **Addin Lewis**

To account for income and education expenditures.

### **Julia Bradley Library**

To account for proceeds of trust fund established for the benefit of the Town's library.

**TOWN OF SOUTHLINGTON, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022  
(IN THOUSANDS)**

	Special Revenue							
	Cafeteria	Animal Control	Federal and State Education Grants	Police Auction	Refuse	Police Special Duty	Apple Harvest Festival	Police Forfeiture
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 1,393	\$ 54	\$ 1,390	\$ 7	\$ (108)	\$ 1,828	\$ 195	\$ 7
Investments	-	-	-	-	-	-	-	-
Accounts Receivable	691	-	66	-	392	543	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Inventories	41	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,125</b>	<b>\$ 54</b>	<b>\$ 1,456</b>	<b>\$ 7</b>	<b>\$ 284</b>	<b>\$ 2,371</b>	<b>\$ 195</b>	<b>\$ 7</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable and Accrued Liabilities	\$ -	\$ 27	\$ 242	\$ -	\$ 283	\$ 249	\$ 2	\$ -
Due to Other Funds	300	-	-	-	-	-	-	-
Unearned Revenue	91	-	1,197	-	-	-	-	-
<b>Total Liabilities</b>	<b>391</b>	<b>27</b>	<b>1,439</b>	<b>-</b>	<b>283</b>	<b>249</b>	<b>2</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-
Unavailable Revenue - Receivables	-	-	-	-	-	73	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Nonspendable	41	-	-	-	-	-	-	-
Restricted	-	-	17	-	-	-	-	-
Committed	1,693	27	-	7	1	2,049	193	7
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>1,734</b>	<b>27</b>	<b>17</b>	<b>7</b>	<b>1</b>	<b>2,049</b>	<b>193</b>	<b>7</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,125</b>	<b>\$ 54</b>	<b>\$ 1,456</b>	<b>\$ 7</b>	<b>\$ 284</b>	<b>\$ 2,371</b>	<b>\$ 195</b>	<b>\$ 7</b>

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

	Special Revenue							
	Town Special Revenue	Child Development Center	Library Trust	Excavation Permit	Community Services	Drive-In Theatre	Barnes Museum Restoration	Recreation Programs
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 904	\$ -	\$ 94	\$ 562	\$ 244	\$ 57	\$ 7	\$ 197
Investments	-	-	-	-	-	-	-	-
Accounts Receivable	68	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 972</b>	<b>\$ -</b>	<b>\$ 94</b>	<b>\$ 562</b>	<b>\$ 244</b>	<b>\$ 57</b>	<b>\$ 7</b>	<b>\$ 197</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable and Accrued Liabilities	\$ 202	\$ -	\$ 1	\$ 321	\$ 3	\$ 7	\$ -	\$ 7
Due to Other Funds	-	-	-	-	-	-	-	-
Unearned Revenue	13	-	-	137	-	-	-	-
<b>Total Liabilities</b>	<b>215</b>	<b>-</b>	<b>1</b>	<b>458</b>	<b>3</b>	<b>7</b>	<b>-</b>	<b>7</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-
Unavailable Revenue - Receivables	-	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	93	-	-	-	-	-
Committed	757	-	-	104	241	50	7	190
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>757</b>	<b>-</b>	<b>93</b>	<b>104</b>	<b>241</b>	<b>50</b>	<b>7</b>	<b>190</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 972</b>	<b>\$ -</b>	<b>\$ 94</b>	<b>\$ 562</b>	<b>\$ 244</b>	<b>\$ 57</b>	<b>\$ 7</b>	<b>\$ 197</b>

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

	Special Revenue							
	Greenway Commons	Turf Field	CDBG	Brownfield	Board of Education Scholarship	Sewer Assessments	Barnes Museum	Student Activity Fund
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ -	\$ 279	\$ 21	\$ -	\$ 511	\$ 437	\$ 12	\$ 576
Investments	-	-	-	-	-	-	-	133
Accounts Receivable	-	-	-	177	-	994	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 279</b>	<b>\$ 21</b>	<b>\$ 177</b>	<b>\$ 511</b>	<b>\$ 1,431</b>	<b>\$ 12</b>	<b>\$ 709</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14	\$ -	\$ -
Due to Other Funds	-	-	-	97	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Special Assessments	-	-	-	-	-	980	-	-
Unavailable Revenue - Receivables	-	-	-	177	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177</b>	<b>-</b>	<b>980</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	21	-	511	-	-	709
Committed	-	279	-	-	-	437	12	-
Unassigned	-	-	-	(97)	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>279</b>	<b>21</b>	<b>(97)</b>	<b>511</b>	<b>437</b>	<b>12</b>	<b>709</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ -</b>	<b>\$ 279</b>	<b>\$ 21</b>	<b>\$ 177</b>	<b>\$ 511</b>	<b>\$ 1,431</b>	<b>\$ 12</b>	<b>\$ 709</b>

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

	Permanent Fund					Interfund Elimination	Total Nonmajor Governmental Funds
	Special Revenue Subtotal	Edna Woodruff	Addin Lewis	Julia Bradley Library	Total		
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 8,667	\$ -	\$ -	\$ 1	\$ 1	\$ -	\$ 8,668
Investments	133	2	8	-	10	-	143
Accounts Receivable	2,931	-	-	-	-	-	2,931
Due from Other Funds	-	-	-	-	-	-	-
Inventories	41	-	-	-	-	-	41
<b>Total Assets</b>	<b>\$ 11,772</b>	<b>\$ 2</b>	<b>\$ 8</b>	<b>\$ 1</b>	<b>\$ 11</b>	<b>\$ -</b>	<b>\$ 11,783</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable and Accrued Liabilities	\$ 1,358	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,358
Due to Other Funds	397	-	-	-	-	-	397
Unearned Revenue	1,438	-	-	-	-	-	1,438
<b>Total Liabilities</b>	<b>3,193</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,193</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Special Assessments	980	-	-	-	-	-	980
Unavailable Revenue - Receivables	250	-	-	-	-	-	250
<b>Total Deferred Inflows of Resources</b>	<b>1,230</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,230</b>
<b>FUND BALANCES</b>							
Nonspendable	41	2	8	1	11	-	52
Restricted	1,351	-	-	-	-	-	1,351
Committed	6,054	-	-	-	-	-	6,054
Unassigned	(97)	-	-	-	-	-	(97)
<b>Total Fund Balances</b>	<b>7,349</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>11</b>	<b>-</b>	<b>7,360</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 11,772</b>	<b>\$ 2</b>	<b>\$ 8</b>	<b>\$ 1</b>	<b>\$ 11</b>	<b>\$ -</b>	<b>\$ 11,783</b>

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

	Special Revenue							
	Cafeteria	Animal Control	Federal and State Education Grants	Police Auction	Refuse	Police Special Duty	Apple Harvest Festival	Police Forfeiture
<b>REVENUES</b>								
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,508	-	8,212	-	-	-	47	-
Charges for Services	341	9	-	-	2,550	3,110	241	-
Income on Investments	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	2
Total Revenues	<u>3,849</u>	<u>9</u>	<u>8,212</u>	<u>-</u>	<u>2,550</u>	<u>3,110</u>	<u>288</u>	<u>2</u>
<b>EXPENDITURES</b>								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	225	-	-	-	2,717	-	23
Public Works	-	-	-	-	2,550	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-	270	-
Public Library	-	-	-	-	-	-	-	-
Education	2,794	-	8,393	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,794</u>	<u>225</u>	<u>8,393</u>	<u>-</u>	<u>2,550</u>	<u>2,717</u>	<u>270</u>	<u>23</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	1,055	(216)	(181)	-	-	393	18	(21)
<b>OTHER FINANCING SOURCES</b>								
Transfers In	-	225	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Premium on General Obligation Bonds	-	-	-	-	-	-	-	-
Premium on Refunding Bonds	-	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,055	9	(181)	-	-	393	18	(21)
Fund Balances - Beginning of Year	679	18	198	7	1	1,656	175	28
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,734</u>	<u>\$ 27</u>	<u>\$ 17</u>	<u>\$ 7</u>	<u>\$ 1</u>	<u>\$ 2,049</u>	<u>\$ 193</u>	<u>\$ 7</u>

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

	Special Revenue							
	Town Special Revenue	Child Development Center	Library Trust	Excavation Permit	Community Services	Drive-In Theatre	Barnes Museum Restoration	Recreation Programs
<b>REVENUES</b>								
Contributions	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	350	420	3	-	61	-	-	-
Charges for Services	70	-	10	76	-	60	-	116
Income on Investments	-	-	-	-	-	-	-	-
Other Revenue	173	-	-	-	-	-	-	-
Total Revenues	<u>599</u>	<u>420</u>	<u>13</u>	<u>76</u>	<u>61</u>	<u>60</u>	<u>-</u>	<u>116</u>
<b>EXPENDITURES</b>								
Current:								
General Government	38	-	-	-	-	-	-	-
Public Safety	324	-	-	-	-	-	-	-
Public Works	28	-	-	66	-	-	-	-
Health and Welfare	6	-	-	-	-	-	-	-
Human Services	126	-	-	-	63	-	-	-
Parks and Recreation	42	-	-	-	-	55	-	103
Public Library	-	-	11	-	-	-	-	-
Education	-	420	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	<u>564</u>	<u>420</u>	<u>11</u>	<u>66</u>	<u>63</u>	<u>55</u>	<u>-</u>	<u>103</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	35	-	2	10	(2)	5	-	13
<b>OTHER FINANCING SOURCES</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	(9)
Premium on General Obligation Bonds	-	-	-	-	-	-	-	-
Premium on Refunding Bonds	-	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9)</u>
<b>NET CHANGE IN FUND BALANCES</b>	35	-	2	10	(2)	5	-	4
Fund Balances - Beginning of Year	<u>722</u>	<u>-</u>	<u>91</u>	<u>94</u>	<u>243</u>	<u>45</u>	<u>7</u>	<u>186</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 757</u>	<u>\$ -</u>	<u>\$ 93</u>	<u>\$ 104</u>	<u>\$ 241</u>	<u>\$ 50</u>	<u>\$ 7</u>	<u>\$ 190</u>

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

	Special Revenue							
	Greenway Commons	Turf Field	CDBG	Brownfield	Board of Education Scholarship	Sewer Assessment	Barnes Museum	
<b>REVENUES</b>								
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	24	25	-	190	29	-	8	-
Charges for Services	-	11	12	-	-	57	-	940
Income on Investments	-	-	-	-	-	10	-	-
Other Revenue	-	-	-	-	-	-	-	-
Total Revenues	<u>24</u>	<u>36</u>	<u>12</u>	<u>190</u>	<u>29</u>	<u>67</u>	<u>8</u>	<u>940</u>
<b>EXPENDITURES</b>								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	24	-	-	368	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-
Parks and Recreation	-	4	-	-	-	-	-	-
Public Library	-	-	-	-	-	-	4	-
Education	-	-	-	-	53	-	-	904
Debt Service	-	-	-	-	-	70	-	-
Total Expenditures	<u>24</u>	<u>4</u>	<u>-</u>	<u>368</u>	<u>53</u>	<u>70</u>	<u>4</u>	<u>904</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	32	12	(178)	(24)	(3)	4	36
<b>OTHER FINANCING SOURCES</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Premium on General Obligation Bonds	-	-	-	-	-	-	-	-
Premium on Refunding Bonds	-	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	32	12	(178)	(24)	(3)	4	36
Fund Balances - Beginning of Year	-	247	9	81	535	440	8	673
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 279</u>	<u>\$ 21</u>	<u>\$ (97)</u>	<u>\$ 511</u>	<u>\$ 437</u>	<u>\$ 12</u>	<u>\$ 709</u>



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

	Permanent Funds					Interfund Eliminations	Total Nonmajor Governmental Funds
	Special Revenue Subtotal	Edna Woodruff	Addin Lewis	Julia Bradley Library	Total		
<b>REVENUES</b>							
Contributions	\$ 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6
Intergovernmental	12,877	-	-	-	-	-	12,877
Charges for Services	7,603	-	-	-	-	-	7,603
Income (Loss) on Investments	10	-	(2)	-	(2)	-	8
Other Revenue	175	-	-	-	-	-	175
Total Revenues	20,671	-	(2)	-	(2)	-	20,669
<b>EXPENDITURES</b>							
Current:							
General Government	38	-	-	-	-	-	38
Public Safety	3,289	-	-	-	-	-	3,289
Public Works	3,036	-	-	-	-	-	3,036
Health and Welfare	6	-	-	-	-	-	6
Human Services	189	-	-	-	-	-	189
Parks and Recreation	474	-	-	-	-	-	474
Public Library	15	-	-	-	-	-	15
Education	12,564	-	-	-	-	-	12,564
Debt Service	70	-	-	-	-	-	70
Total Expenditures	19,681	-	-	-	-	-	19,681
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	990	-	(2)	-	(2)	-	988
<b>OTHER FINANCING SOURCES</b>							
Transfers In	225	-	-	-	-	-	225
Transfers Out	(9)	-	-	-	-	-	(9)
Premium on General Obligation Bonds	-	-	-	-	-	-	-
Premium on Refunding Bonds	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	216	-	-	-	-	-	216
<b>NET CHANGE IN FUND BALANCES</b>	1,206	-	(2)	-	(2)	-	1,204
Fund Balances - Beginning of Year	6,143	2	10	1	13	-	6,156
<b>FUND BALANCES - END OF YEAR</b>	\$ 7,349	\$ 2	\$ 8	\$ 1	\$ 11	\$ -	\$ 7,360

## STATISTICAL SECTION

## STATISTICAL SECTION INFORMATION

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

### **Contents**

#### **Financial Trends**

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

#### **Revenue Capacity**

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

#### **Debt Capacity**

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

#### **Demographic and Economic Information**

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

#### **Operating Information**

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

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

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

**TOWN OF SOUTHLINGTON, CONNECTICUT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2022	2021 (4)	2020	2019	2018	2017 (3)	2016	2015	2014 (2)	2013
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 174,371	\$ 153,512	\$ 159,281	\$ 168,142	\$ 172,521	\$ 161,862	\$ 155,774	\$ 143,966	\$ 145,586	\$ 120,862
Restricted	2,090	1,597	662	625	726	758	758	705	712	704
Unrestricted	<u>(56,026)</u>	<u>(34,280)</u>	<u>(35,662)</u>	<u>(25,058)</u>	<u>(19,188)</u>	<u>(11,226)</u>	<u>17,095</u>	<u>11,035</u>	<u>(7,624)</u>	<u>7,352</u>
Total Governmental Activities Net Position	120,435	120,829	124,281	143,709	154,059	151,394	173,627	155,706	138,674	128,918
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	86,692	86,977	78,374	52,711	48,315	48,572	48,515	45,324	44,622	45,381
Unrestricted	<u>8,463</u>	<u>9,539</u>	<u>9,457</u>	<u>9,010</u>	<u>7,260</u>	<u>5,835</u>	<u>4,333</u>	<u>2,193</u>	<u>1,242</u>	<u>1,740</u>
Total Business-Type Activities Net Position	<u>95,155</u>	<u>96,516</u>	<u>87,831</u>	<u>61,721</u>	<u>55,575</u>	<u>54,407</u>	<u>52,848</u>	<u>47,517</u>	<u>45,864</u>	<u>47,121</u>
<b>Primary Government:</b>										
Net Investment in Capital Assets	261,063	240,489	237,655	220,853	220,836	210,434	204,289	189,290	190,208	166,243
Restricted	2,090	1,597	662	625	726	758	758	705	712	704
Unrestricted	<u>(47,563)</u>	<u>(24,741)</u>	<u>(26,205)</u>	<u>(16,048)</u>	<u>(11,928)</u>	<u>(5,391)</u>	<u>21,428</u>	<u>13,228</u>	<u>(6,382)</u>	<u>9,092</u>
Total Primary Government Net Position	<u>\$ 215,590</u>	<u>\$ 217,345</u>	<u>\$ 212,112</u>	<u>\$ 205,430</u>	<u>\$ 209,634</u>	<u>\$ 205,801</u>	<u>\$ 226,475</u>	<u>\$ 203,223</u>	<u>\$ 184,538</u>	<u>\$ 176,039</u>

Notes:  
(1) Schedule prepared on the accrual basis of accounting.  
(2) Restated for GASB 68  
(3) Restated for GASB 75  
(4) Restated for GASB 84

**TOWN OF SOUTHLINGTON, CONNECTICUT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>EXPENSES</b>										
Governmental Activities:										
General Government	\$ 6,170	\$ 6,782	\$ 8,608	\$ 5,324	\$ 6,054	\$ 6,157	\$ 3,236	\$ 4,911	\$ 4,166	\$ 4,804
Public Safety	26,688	29,368	29,175	35,113	23,502	20,877	20,184	20,590	19,229	19,122
Public Works	15,231	14,837	14,265	10,912	11,659	10,155	15,777	12,828	13,553	10,614
Health and Welfare	877	823	807	782	790	775	749	804	812	782
Human Services	1,353	1,704	2,411	1,738	1,592	1,575	1,388	1,699	1,688	1,699
Parks and Recreation	1,224	837	1,134	1,110	3,506	2,540	2,073	2,468	2,230	2,121
Public Library	2,169	2,062	2,080	495	2,007	2,033	2,105	2,012	1,983	2,026
Planning and Development	1,664	1,589	1,492	2,949	1,460	1,425	1,454	1,399	1,252	1,144
Education	135,870	145,748	133,098	116,831	125,783	123,630	108,892	109,074	106,788	99,453
Interest on Long-Term Debt	2,636	2,503	2,361	3,144	2,887	3,026	2,830	2,954	2,474	1,958
Total Governmental Activities Expenses	193,882	206,253	195,431	178,398	179,240	172,193	158,688	158,739	154,175	143,723
Business-Type Activities:										
Sewer	8,811	8,451	7,794	6,187	5,804	6,091	5,162	5,500	5,441	6,099
Total Primary Government Expenses	202,693	214,704	203,225	184,585	185,044	178,284	163,850	164,239	159,616	149,822
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
General Government	2,367	2,256	1,552	1,579	1,707	1,712	2,269	2,394	1,926	2,133
Public Safety	3,180	3,273	2,747	2,316	2,004	1,721	1,887	1,234	1,463	1,297
Public Works	2,632	2,829	2,556	2,527	2,228	2,085	2,197	2,046	2,099	3,009
Education	3,253	2,259	2,424	2,474	2,358	2,304	2,281	2,139	2,358	2,266
Other	2,137	1,697	1,328	1,376	1,390	1,241	1,362	1,140	1,298	1,193
Operating Grants and Contributions	47,548	62,121	48,489	33,663	42,675	43,732	38,290	37,636	38,052	36,136
Capital Grants and Contributions	2,733	6,150	15,725	3,210	6,270	3,733	5,439	18,417	25,292	4,898
Total Governmental Activities Program Revenues	63,850	80,585	74,821	47,145	58,632	56,528	53,725	65,006	72,488	50,932
Business-Type Activities:										
Charges for Services	5,870	6,545	5,950	5,706	5,501	5,913	5,708	5,710	4,359	4,480
Capital Grants and Contributions	-	-	-	-	1,471	1,737	4,761	-	-	-
Total Business Activities Program Revenues	5,870	6,545	5,950	5,706	6,972	7,650	10,469	5,710	4,359	4,480
Total Primary Government Program Revenues	69,720	87,130	80,771	52,851	65,604	64,178	64,194	70,716	76,847	55,412

**TABLE 2  
(CONTINUED)**

**TOWN OF SOUTHLINGTON, CONNECTICUT  
CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>NET EXPENSE</b>										
Governmental Activities	\$ (130,032)	\$ (125,668)	\$ (120,610)	\$ (131,253)	\$ (120,608)	\$ (115,665)	\$ (104,963)	\$ (93,733)	\$ (81,687)	\$ (92,791)
Business-Type Activities	(2,941)	(1,906)	(1,844)	(481)	1,168	1,559	5,307	210	(1,082)	(1,619)
Total Primary Government Net Expense	(132,973)	(127,574)	(122,454)	(131,734)	(119,440)	(114,106)	(99,656)	(93,523)	(82,769)	(94,410)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Property Taxes	128,574	130,132	125,542	123,664	121,341	116,889	112,320	107,729	103,575	102,244
Grants and Contributions Not Restricted to Specific Purposes	1,803	1,384	1,388	1,074	1,318	2,353	1,509	1,626	1,621	1,766
Unrestricted Investment Earnings	470	48	1,890	1,903	1,049	592	521	351	337	257
Miscellaneous	371	552	316	-	-	236	1,525	-	-	-
Transfers	(1,580)	(10,591)	(27,954)	(5,738)	-	(1,580)	1,580	(1,250)	(301)	(98)
Total Governmental Activities	129,638	121,525	101,182	120,903	123,708	118,490	117,455	108,456	105,232	104,169
Business-Type Activities:										
Grants and Contributions	-	-	-	-	-	-	-	193	-	-
Transfers	1,580	10,591	27,954	5,738	(1,580)	1,580	-	1,250	301	98
Total Business-Type Activities	1,580	10,591	27,954	5,738	(1,580)	1,580	-	1,443	301	98
Total Primary Government	131,218	132,116	129,136	126,641	122,128	120,070	117,455	109,899	105,533	104,267
<b>CHANGES IN NET POSITION</b>										
Governmental Activities	(394)	(4,143)	(19,428)	(10,350)	3,100	2,825	12,492	14,723	23,545	11,378
Business-Type Activities	(1,361)	8,685	26,110	5,257	(412)	3,139	5,307	1,653	(781)	(1,521)
Total Primary Government	\$ (1,755)	\$ 4,542	\$ 6,682	\$ (5,093)	\$ 2,688	\$ 5,964	\$ 17,799	\$ 16,376	\$ 22,764	\$ 9,857

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

**TOWN OF SOUTHINGTON, CONNECTICUT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	\$ 41	\$ 49	\$ 34	\$ 27	\$ 25	\$ 36	\$ 33	\$ 56	\$ 64	\$ 71
Committed	-	-	-	-	-	67	146	-	-	-
Assigned	6,288	5,441	8,279	3,113	2,222	2,764	598	1,250	5,252	1,328
Unassigned	<u>28,282</u>	<u>25,388</u>	<u>23,856</u>	<u>25,318</u>	<u>22,706</u>	<u>20,140</u>	<u>19,738</u>	<u>17,801</u>	<u>16,215</u>	<u>18,487</u>
Total General Fund	<u>\$ 34,611</u>	<u>\$ 30,878</u>	<u>\$ 32,169</u>	<u>\$ 28,458</u>	<u>\$ 24,953</u>	<u>\$ 23,007</u>	<u>\$ 20,515</u>	<u>\$ 19,107</u>	<u>\$ 21,531</u>	<u>\$ 19,886</u>
All Other Governmental Funds:										
Nonspendable	\$ 52	\$ 51	\$ 52	\$ 46	\$ 33	\$ 57	\$ 84	\$ 662	\$ 661	\$ 642
Restricted	8,700	9,892	726	659	732	779	783	150	193	165
Committed	8,204	7,004	6,293	6,566	10,307	7,595	14,339	9,313	2,985	2,676
Unassigned	<u>(10,810)</u>	<u>(2,753)</u>	<u>(23,973)</u>	<u>(995)</u>	<u>-</u>	<u>(904)</u>	<u>-</u>	<u>-</u>	<u>(8,864)</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 6,146</u>	<u>\$ 14,194</u>	<u>\$ (16,902)</u>	<u>\$ 6,276</u>	<u>\$ 11,072</u>	<u>\$ 7,527</u>	<u>\$ 15,206</u>	<u>\$ 10,125</u>	<u>\$ (5,025)</u>	<u>\$ 3,483</u>

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

**TOWN OF SOUTHLINGTON, CONNECTICUT  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>REVENUES</b>										
Property Taxes	\$ 131,124	\$ 127,996	\$ 125,730	\$ 123,664	\$ 121,792	\$ 117,575	\$ 111,979	\$ 108,052	\$ 103,597	\$ 102,129
Intergovernmental	55,435	49,710	55,198	45,291	42,408	49,460	44,087	55,298	62,599	40,626
Charges for Services	13,619	12,395	10,670	10,195	9,836	9,078	9,322	8,306	8,900	8,618
Income on Investments	470	48	1,891	1,837	1,047	593	520	350	336	256
Other Revenues	594	733	316	341	249	430	3,147	2,104	730	1,141
Total Revenues	201,242	190,882	193,805	181,328	175,332	177,136	169,055	174,110	176,162	152,770
<b>EXPENDITURES</b>										
General Government	5,413	4,545	4,268	4,146	4,208	4,350	4,553	4,125	3,838	3,672
Public Safety	24,550	17,485	16,538	15,461	15,187	14,741	14,210	13,799	13,385	13,303
Public Works	10,636	8,911	8,455	8,423	7,260	7,335	7,144	8,880	7,585	7,204
Health and Welfare	861	705	695	694	688	681	652	706	729	702
Human Resources	1,116	1,175	1,897	1,255	1,224	1,235	1,026	1,371	1,357	1,373
Parks and Recreation	999	471	782	873	1,919	1,945	2,289	1,900	1,554	1,611
Public Library	2,135	1,543	1,580	1,500	1,507	1,550	1,556	1,502	1,488	1,524
Planning and Development	1,632	1,128	1,070	1,077	1,036	1,032	1,037	1,009	916	799
Miscellaneous	-	47	65	-	-	47	-	-	1	14
Employee Fringe Benefits	-	10,173	9,922	9,042	9,007	9,645	9,519	9,345	8,829	8,497
Education	129,439	124,609	118,599	117,390	110,618	116,927	106,503	102,858	102,618	98,040
Debt Service:										
Principal	13,218	14,043	12,228	12,282	12,375	11,668	6,188	5,618	4,110	5,507
Interest	-	-	-	-	-	-	3,240	2,740	2,740	2,740
Capital Outlay	16,073	20,992	37,173	11,239	13,876	11,319	23,050	50,291	55,092	7,980
Total Expenditures	206,072	205,827	213,272	183,382	178,905	182,475	180,967	204,144	204,242	152,966
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,830)	(14,945)	(19,467)	(2,054)	(3,573)	(5,339)	(11,912)	(30,034)	(28,080)	(196)



**TABLE 4  
(CONTINUED)**

**TOWN OF SOUTHTON, CONNECTICUT  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>OTHER FINANCING SOURCES (USES)</b>										
Refunding Bonds Issued	\$ -	\$ 28,485	\$ -	\$ 6,825	\$ -	\$ -	\$ -	\$ 12,285	\$ 22,705	\$ 6,915
Premium on Refunding Bonds	-	1,683	-	473	-	-	-	977	-	468
Payment to Refunded Bond Escrow Agent	-	(27,967)	-	(7,203)	-	-	-	(13,125)	-	(7,277)
Premium on General Obligation Bonds	-	1,244	-	-	249	-	708	1,514	-	-
Premium on BANS	-	-	-	-	-	-	-	1,459	-	-
Issuance of Notes Payable	-	22,000	-	-	-	-	-	-	-	-
Issuance of Capital Leases	515	819	-	668	-	106	493	12,730	720	246
Issuance of Debt to the Southington Water Company	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	-	15,505	-	-	8,815	-	17,200	26,920	-	-
Transfers In	4,721	6,417	4,868	3,634	5,974	3,029	3,934	6,520	3,579	2,069
Transfers Out	(4,721)	(6,417)	(4,868)	(3,634)	(5,974)	(3,030)	(3,934)	(6,520)	(3,579)	(2,069)
Total Other Financing Sources	515	41,769	-	763	9,064	105	18,401	42,760	23,425	352
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (4,315)</b>	<b>\$ 26,824</b>	<b>\$ (19,467)</b>	<b>\$ (1,291)</b>	<b>\$ 5,491</b>	<b>\$ (5,234)</b>	<b>\$ 6,489</b>	<b>\$ 12,726</b>	<b>\$ (4,655)</b>	<b>\$ 156</b>
Debt Service as a Percentage of Noncapital Expenditures	6.82%	7.23%	6.08%	7.23%	7.07%	6.82%	6.09%	5.21%	4.51%	5.66%

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

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

Fiscal Year	Grand List October 1,	Real Property			Personal Property	Motor Vehicle	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Taxable Value
		Residential	Commercial	Industrial							
2022	2020	\$ 3,085,740	\$ 586,111	\$ 83,654	\$ 385,760	\$ 418,556	\$ 122,891	\$ 4,436,930	29.03	\$ 6,338,471	70 %
2021	2019	2,931,863	500,635	77,344	371,604	388,833	112,937	4,157,342	30.63	5,939,060	70
2020	2018	2,906,352	491,236	76,328	336,395	374,861	116,658	4,068,514	30.64	5,812,163	70
2019	2017	2,881,765	481,520	77,872	322,621	368,701	123,538	4,008,941	30.48	5,727,059	70
2018	2016	2,858,882	471,482	75,008	274,374	382,027	115,956	3,945,817	30.48	5,636,881	70
2017	2015	2,831,638	471,552	74,021	261,499	378,093	114,693	3,902,110	29.64	5,574,443	70
2016	2014	2,796,733	435,085	75,121	251,893	371,506	101,621	3,828,717	29.14	5,469,596	70
2015	2013	2,759,577	442,336	75,308	232,433	362,332	98,209	3,773,777	28.36	5,391,110	70
2014	2012	2,734,920	431,662	75,335	225,953	349,378	85,603	3,731,645	27.46	5,330,921	70
2013	2011	2,721,148	432,388	75,052	217,863	347,989	79,573	3,714,867	27.48	5,306,953	70

Source: Town of Southington Office of Tax Assessor

Notes:

- (1) There is no overlapping taxable property.
- (2) Does not include supplemental motor vehicle taxes.

**TOWN OF SOUTHLINGTON, CONNECTICUT  
PRINCIPAL PROPERTY TAXPAYERS  
2022 AND 2013  
(IN THOUSANDS)**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Eversource (Connecticut Light & Power Co.)	\$ 144,099	1	3.25 %	\$ 62,255	1	1.68 %
Yankee Gas	25,757	2	0.58	15,155	2	0.41
45 Newell Street (Yarde Metals)	23,832	3	0.54	14,420	3	0.39
RK Southington LLC (Galileo Queens Plaza LLC)	12,206	4	0.28	10,846	7	0.29
Southington Route 10 Associates	11,485	5	0.26	9,361	8	0.25
Target Corporation	11,046	6	0.25	11,570	4	0.31
Execsouth KKF LLC (Lowes)	9,692	7	0.22	10,681	6	0.29
Olson Murial et al (Wal-Mart Plaza)	9,562	8	0.22	-	-	-
Briad Lodging Group	8,877	9	0.20	-	-	-
Acar Leasing Ltd	8,727	10	0.20	-	-	-
Home Depot	-	-	-	8,695	10	0.23
Lexington Southington LP (formerly Lepercq Corp.)	-	-	-	10,942	5	0.29
Hartconn Corporation	-	-	-	9,082	9	0.24
<b>Total</b>	<b>\$ 265,283</b>		<b>5.98 %</b>	<b>\$ 163,007</b>		<b>4.39 %</b>

Net Taxable Grand List 10/01/2020 of \$4,436,930  
 Net Taxable Grand List 10/01/2011 of \$3,714,867  
 (in thousands)

Source: Town of Southington, Office of Tax Assessor

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

Fiscal Year Ended June 30,	Grand List October 1,	Tax Rate In Mills	Taxes Levied for the Fiscal Year	Adjustments	Total Adjusted Levy	Collected Within the Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date	
						Amount	Percentage of Levy		Amount	Percentage of Adjusted Levy
2022	2020	29.03	\$ 129,959	\$ -	\$ 129,959	\$ 128,682	99.02 %	\$ -	\$ 128,682	99.02 %
2021	2019	30.63	127,912	18	127,894	126,660	99.02	768	127,428	99.64
2020	2018	30.64	125,629	235	125,394	124,330	98.97	929	125,259	99.89
2019	2017	30.48	123,101	212	122,889	121,881	99.01	919	122,800	99.93
2018	2016	30.48	120,887	152	120,735	119,709	99.03	964	120,673	99.95
2017	2015	29.64	116,198	130	116,068	114,908	98.89	1,124	116,032	99.97
2016	2014	29.14	111,851	132	111,719	110,580	98.86	1,125	111,705	99.99
2015	2013	28.36	107,104	152	106,952	105,860	98.84	1,084	106,944	99.99
2014	2012	27.46	102,717	153	102,564	101,433	98.75	1,125	102,558	99.99
2013	2011	27.48	101,940	125	101,815	100,471	98.56	1,338	101,809	99.99

Source: Tax Collector's Report; Annual Comprehensive Financial Report

**TOWN OF SOUTHLINGTON, CONNECTICUT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(IN THOUSANDS, EXCEPT PER CAPITA)**

Fiscal Year	Governmental Activities							Bonded Debt Percentage of Actual Taxable Value	Total Debt Percentage of Actual Taxable Value	Total Debt Percentage of Personal Income	Bonded Debt Per Capita	Total Debt Per Capita
	General Obligation Bonds	Unamortized Bond Premium	Southington Water Co. Bonds	Clean Water Fund Loan	Capital Leases	Lease Liability*	Total Primary Government					
2022	\$ 79,301	\$ 3,726	\$ 7,349	\$ 20,075	\$ -	\$ 10,192	\$ 120,643	1.43 %	1.90 %	5.76 %	\$ 2,078	\$ 2,773
2021	87,377	4,573	8,308	21,175	9,878	-	131,311	1.69	2.21	6.66	2,308	3,022
2020	77,770	3,401	4,705	5,684	10,287	-	101,847	1.48	1.75	5.12	1,959	2,323
2019	86,565	3,754	5,335	6,252	11,375	-	113,281	1.67	1.98	5.87	2,184	2,586
2018	95,040	3,819	6,030	6,822	11,525	-	123,236	1.86	2.19	6.68	2,391	2,810
2017	94,775	3,935	6,670	7,390	12,338	-	125,108	1.89	2.24	6.97	2,412	2,864
2016	102,355	4,300	7,310	7,957	13,258	-	135,180	2.08	2.47	7.82	2,601	3,085
2015	90,860	4,404	7,950	8,526	13,597	-	125,337	1.91	2.32	7.27	2,356	2,861
2014	69,295	1,594	8,725	9,094	1,120	-	89,828	1.49	1.69	5.43	1,823	2,057
2013	51,054	1,758	3,341	9,662	869	-	66,684	1.06	1.26	4.31	1,293	1,535

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

\* Town has implemented GASB 87 Leases in FY2022.

**TOWN OF SOUTHLINGTON, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
JUNE 30, 2022  
(IN THOUSANDS)**

Total Tax Collections (Including Interest and Lien Fees) Received by Treasurer for Prior Fiscal Year	\$ 127,927
Reimbursement for Loss of Revenue:	
Tax Relief for Elderly - Freeze	-
Base	\$ 127,927

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 Times Base	\$ 287,836	\$ -	\$ -	\$ -	\$ -
4-1/2 Times Base	-	575,672	-	-	-
3-3/4 Times Base	-	-	479,726	-	-
3-1/4 Times Base	-	-	-	415,763	-
3 Times Base	-	-	-	-	383,781
Total Debt Limitation	287,836	575,672	479,726	415,763	383,781
Indebtedness:					
Bonds Payable	27,767	41,490	10,044	-	-
Bonds Authorized - Unissued	30,470	5,429	22,977	-	-
Clean Water Fund Loan	-	-	20,075	-	-
Total Indebtedness	58,237	46,919	53,096	-	-
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ 229,599	\$ 528,753	\$ 426,630	\$ 415,763	\$ 383,781

Note 1: In no case shall total indebtedness exceed seven times annual receipts from taxation of \$895.4 million.

Note 2: In accordance with Connecticut General Statutes, the above indebtedness does not include water bonds.

Note 3: Bonds authorized - unissued includes bond authorizations that have bond anticipation notes outstanding or have previously issued partial permanent financing.

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limitation	\$ 895,489	\$ 884,562	\$ 865,921	\$ 851,704	\$ 821,905	\$ 821,905	\$ 784,448	\$ 756,147	\$ 724,535	\$ 715,554
Total Net Debt Applicable to Limit	<u>158,252</u>	<u>140,818</u>	<u>149,386</u>	<u>146,317</u>	<u>151,247</u>	<u>158,990</u>	<u>141,415</u>	<u>137,996</u>	<u>140,068</u>	<u>162,542</u>
Legal Debt Margin	<u>\$ 737,237</u>	<u>\$ 743,744</u>	<u>\$ 716,535</u>	<u>\$ 705,387</u>	<u>\$ 670,658</u>	<u>\$ 662,915</u>	<u>\$ 643,033</u>	<u>\$ 618,151</u>	<u>\$ 584,467</u>	<u>\$ 553,012</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>17.67%</u>	<u>15.92%</u>	<u>17.25%</u>	<u>17.18%</u>	<u>18.40%</u>	<u>19.34%</u>	<u>18.03%</u>	<u>18.25%</u>	<u>19.33%</u>	<u>22.72%</u>

Note: See Table 9 for calculation of current year debt limitation

Source: Comprehensive Annual Financial Report - Schedule of Debt Limitation

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

Calendar Year	Population (1)	Per Capita Income (2)	Personal Income (3)	Median Age (4)	Public School Enrollment (5)	Unemployment Rate (6)
2022	43,500	\$ 48,146	\$ 2,094,351,000	45.3	6,244	3.40 %
2021	43,447	45,539	1,970,712,473	45.3	6,228	4.90
2020	43,834	45,359	1,988,266,406	45.0	6,298	6.50
2019	43,807	44,026	1,928,646,982	45.0	6,352	3.10
2018	43,863	42,029	1,843,518,027	45.0	6,461	3.50
2017	43,685	41,087	1,794,885,595	45.0	6,540	4.00
2016	43,817	39,430	1,727,704,310	45.0	6,544	4.20
2015	43,815	39,373	1,725,127,995	44.0	6,589	4.60
2014	43,661	37,876	1,653,704,036	44.0	6,666	5.50
2013	43,434	35,628	1,547,466,552	44.0	6,693	6.40

Source:

(1) State of Connecticut Department of Public Health as of July 1st of Prior Year.

(2) U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates.

(3) Personal Income = Population times Per Capita Personal Income.

(4) Connecticut Economic Resource Center (CERC), Town Profiles

(5) Town of Southington, Board of Education.

(6) State of Connecticut Department of Labor website Annual Averages. For 2022, June 2022 is utilized as an estimate. Next year it will be replaced with the Annual Average.



**TOWN OF SOUTHLINGTON, CONNECTICUT  
PRINCIPAL EMPLOYERS  
2022 AND 2013**

Employer	Nature of Business	2022			2013		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Southington	Municipality	1,389	1	5.58 %	1,192	1	4.91 %
Hartford Health Care	Health Care	1,040	2	4.18	-	-	-
Webster Bank	Banking	688	3	2.76	-	-	-
Southington YMCA	Health Care	514	4	2.07	-	-	-
ICU Medical (formerly Smith's Medicaill)	Manufacturing	386	5	1.55	270	5	1.11
Connecticut On-Line Computer Company	IT	342	6	1.37	-	-	-
Yarde Metals	Manufacturing	301	7	1.21	388	2	1.60
The Home Depot	Retail Chain	265	8	1.06	224	6	0.92
Paragon Medical	Manufacturing	243	9	0.98	-	-	-
Target	Retail Chain	210	10	0.84	175	10	0.72
Southington Care Center	Health Care Practice	-	-	-	312	3	1.29
Shop Rite	Retail Chain	-	-	-	200	7	0.82
Stop & Shop	Retail Chain	-	-	-	182	9	0.75
Hospital of Central CT - Bradley Hospital	Hospital	-	-	-	302	4	1.24
Wal-Mart	Retail Chain	-	-	-	187	8	0.77
<b>Total</b>		<b>5,378</b>		<b>21.61 %</b>	<b>3,432</b>		<b>14.13 %</b>

FY 2013 Labor Force 24,269  
 FY 2022 Labor Force 24,890

Source: Town of Southington, Economic Development Office  
 Connecticut Department of Labor

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

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government	60	61	62	62	65	65	65	65	64	60
Police	91	89	87	87	87	87	85	85	82	85
Fire	37	36	36	36	34	34	34	34	34	33
Public Works <sup>(1)</sup>	36	35	34	34	25	25	25	26	26	26
Parks and Recreation <sup>(1)</sup>	2	2	2	2	11	12	12	12	12	12
Library and Barnes	20	20	20	20	20	20	20	20	20	20
Education	1,127	1,145	1,080	1,074	1,070	1,056	1,040	1,033	995	942
Animal Control	2	2	2	2	2	2	2	2	2	2
Sewer Plant and Office	13	13	13	13	13	13	13	9	12	12
Total	<u>1,388</u>	<u>1,403</u>	<u>1,336</u>	<u>1,330</u>	<u>1,327</u>	<u>1,314</u>	<u>1,296</u>	<u>1,285</u>	<u>1,246</u>	<u>1,192</u>

Notes:  
 (1) Beginning FY 2019, Public Works includes Highway and Parks. Recreation is now a standalone function/program.

Source: Town of Southington Finance Department and Board of Education records.  
 Town utilized Department of Labor reports as of June 30th.

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

Function/Program	Fiscal Year									
	2022	2,021	2020	2019	2018	2017	2016	2015	2014	2013
General Government:										
Building Permits Issued	1,168	1,320	1,300	1,496	1,327	1,016	1,392	1,301	1,162	1,340
Police:										
Physical Arrests	632	555	630	675	843	779	857	1,082	932	1,012
Parking Violations	79	29	242	368	558	477	209	246	172	376
Traffic Violations	3,938	2,347	3,316	6,564	8,024	5,859	4,680	5,611	6,963	6,491
Fire:										
Emergency Responses and Fire Calls	2,498	2,153	2,334	2,292	2,311	2,207	1,996	2,154	1,942	1,929
Inspections	788	732	823	908	526	509	552	593	502	528
Refuse Collection:										
Average Refuse Collected (Tons Per Day)	156	170	158	153	139	130	132	124	128	118
Average Recyclables Collected (Tons Per Day)	-	-	-	9	15	16	14	13	12	13
Other Public Works:										
Street Resurfacing (Miles)	3	4	5	6	16	7	18	14	8	2
Library:										
Total Volumes Loaned and Combined Lending	290,284	247,441	287,408	380,288	336,427	323,093	389,811	421,881	482,528	756,993
Water:										
New Connections	53	135	158	59	107	84	69	102	83	85
Average Daily Consumption (Thousands of Gallons)	3,837	3,461	4,655	3,569	3,500	3,837	4,053	3,775	3,752	3,802
Wastewater:										
Average Daily Sewage Treatment (Thousands of Gallons)	4,310	4,450	4,990	4,790	4,790	4,800	4,790	4,725	4,670	4,530

Source: Town of Southington ACFRs, Annual Reports, and department records.

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

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	23	24	24	24	24	23	22	22	22	22
Fire Stations	4	4	4	4	4	4	4	4	4	4
Other Public Works:										
Streets (Miles)	206	206	205	204	204	203	203	202	201	199
Streetlights	3,909	3,907	3,907	3,897	3,875	3,870	3,866	3,865	3,796	3,711
Traffic Signals	10	10	10	10	10	10	10	10	9	9
Parks and Recreation:										
Acreage	527	527	351	351	351	351	351	351	351	351
Parks	11	11	10	10	10	10	10	10	10	10
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Tennis Courts	10	10	10	10	10	10	10	10	10	10
Water:										
Water Mains (Miles) (1)	205	212	256	255	202	201	200	200	200	199
Fire Hydrants	1,492	1,496	1,492	1,486	1,481	1,451	1,426	1,425	1,416	1,420
Storage Capacity (Thousands of Gallons)	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Wastewater:										
Storm Sewers (Miles)	144	144	144	143	143	142	142	141	141	140
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

(1) Data changes as historical information is added to the Water Department's GIS mapping system.

Source: Town of Southington ACFRs, Annual Reports, and department records.