

TOWN OF SUFFIELD, CONNECTICUT

FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
JUNE 30, 2021**

TOWN OF SUFFIELD, CONNECTICUT
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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Finance
Town of Suffield, Connecticut

Report on the Financial Statements

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 Suffield, Connecticut (the "Town"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Suffield, Connecticut, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 13 and the information on pages 67 through 78 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules on pages 79 through 99 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2021, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Certified Public Accountants
Glastonbury, Connecticut
December 29, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

The management of the Town of Suffield, Connecticut (the "Town"), offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2021.

HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$128,627,963 (net position). Of this amount, \$6,635,972 represents the Town's unrestricted net position. The unrestricted net position represents the amounts available to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$5,579,253 during the current fiscal year.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$22,622,707, an increase of \$6,616,772 in comparison with the prior year. Of this amount \$17,656,756, or 78.0%, is considered unrestricted (committed, assigned or unassigned) and is available for spending at the Town's discretion.
- At the close of the current fiscal year, unassigned fund balance of the General Fund was \$5,980,108 or 9.6% of the Town's fiscal year 2022 General Fund budgetary expenditure appropriations. Expressed another way, unassigned fund balance for the General Fund is sufficient to cover approximately 1.15 months of the Town's General Fund budgetary expenditure appropriations.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Government-wide Financial Statements *(Continued)*

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

Both of the government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes 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 include activities such as: general government, planning and development, public safety, public works, health and social services, library, recreation and parks and education. The business-type activities of the Town include sewer activities.

The government-wide financial statements can be found on pages 14 and 15 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

The Town maintains several 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, the Capital Projects Fund, and the American Rescue Plan Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 16 through 20 of this report.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Fund Financial Statements *(Continued)*

Proprietary Funds

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its risk management activities. Because this service predominantly benefits governmental rather than business-type functions it has been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 21 through 23 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs.

The basic fiduciary fund financial statements can be found on pages 24 and 25 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 66 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information, and combining fund and individual fund statements and schedules, which can be found on pages 67 through 99 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

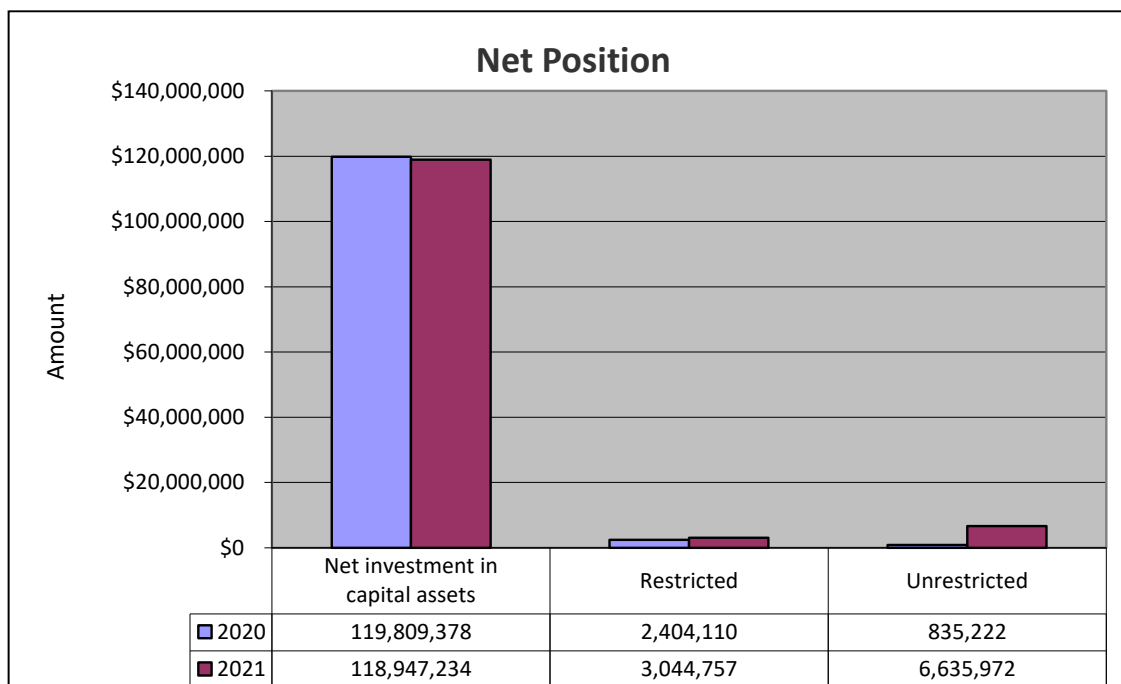
Over time, net position may serve as one measure of a government's financial position. The Town's net position as of June 30, 2020 has been restated for the implementation of GASB Statement No. 84, *Fiduciary Activities*. The effect of implementing GASB Statement No. 84 resulted in an increase to the Town's net position of \$333,877. The Town's total net position (governmental and business-type activities combined) totaled \$128,627,963 as of June 30, 2021 and \$123,048,710 as of June 30, 2020, as restated, and are summarized as follows:

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Position (Continued)

	June 30, 2021			June 30, 2020 (As Restated)		
	Governmental Activities	Business-type Activities	Total	Total	\$ Variance	% Variance
Current and other assets	\$ 30,721,780	\$ 2,926,265	\$ 33,648,045	\$ 24,526,674	\$ 9,121,371	37.2%
Capital assets	122,705,196	18,574,595	141,279,791	135,439,636	5,840,155	4.3%
Total assets	153,426,976	21,500,860	174,927,836	159,966,310	14,961,526	9.4%
Deferred outflows of resources	1,294,730	-	1,294,730	3,615,188	(2,320,458)	-64.2%
Other liabilities	6,669,362	191,602	6,860,964	4,652,027	2,208,937	47.5%
Long-term liabilities	30,477,016	256,234	30,733,250	33,377,586	(2,644,336)	-7.9%
Total liabilities	37,146,378	447,836	37,594,214	38,029,613	(435,399)	-1.1%
Deferred inflows of resources	10,000,389	-	10,000,389	2,503,175	7,497,214	299.5%
Net position:						
Net investment in capital assets	100,628,873	18,318,361	118,947,234	119,809,378	(862,144)	-0.7%
Restricted	3,044,757	-	3,044,757	2,404,110	640,647	26.6%
Unrestricted	3,901,309	2,734,663	6,635,972	835,222	5,800,750	694.5%
Total net position	\$ 107,574,939	\$ 21,053,024	\$ 128,627,963	\$ 123,048,710	\$ 5,579,253	4.5%



As of June 30, 2021, approximately 92.5% of the Town's net position reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Position (Continued)

As of June 30, 2021, approximately 2.4% of net position represents resources that are subject to external restrictions on how they may be used.

The remainder of the Town's net position is considered unrestricted. The Town's overall unrestricted net position increased by \$5,800,750 over the prior year. This increase was primarily due to the following:

- a decrease in the Town's pension and other post-employment liabilities driven by actuarial gains and favorable investment returns on plan assets, and
- the issuance of general obligation bonds for which a portion of the proceeds replenished unrestricted cash utilized by the Town in prior year to fund authorized capital projects.

Overall, net position increased by \$5,579,253 in comparison with the prior year.

Change in Net Position

The change in net position for the year ended June 30, 2020 has also been restated for the implementing GASB Statement No. 84, *Fiduciary Activities*. The effect of implementing GASB Statement No. 84 resulted in an increase to the Town's change in net position of \$2,709 for the year ended June 30, 2020. Changes in net position for the years ended June 30, 2021 and 2020 are as follows.

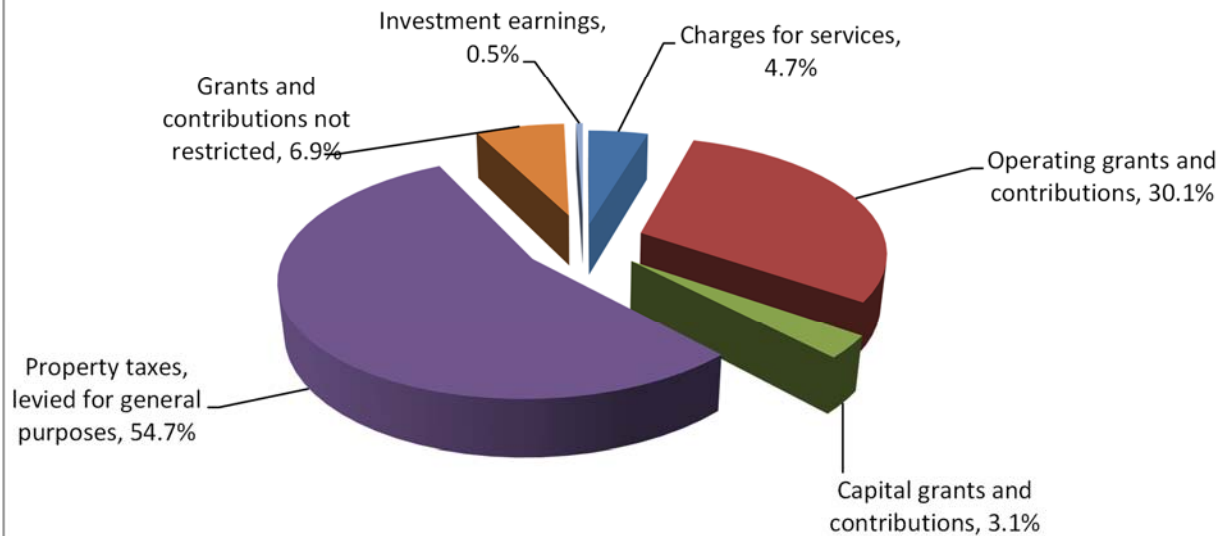
	June 30, 2021			June 30, 2020 (As Restated)		
	Governmental Activities	Business-type Activities	Total	Total	\$ Variance	% Variance
Revenues						
Program revenues:						
Charges for services	\$ 3,699,302	\$ 2,981,416	\$ 6,680,718	\$ 7,426,743	\$ (746,025)	-10.0%
Operating grants and contributions	23,753,150	12,531	23,765,681	17,930,666	5,835,015	32.5%
Capital grants and contributions	2,439,617	-	2,439,617	1,563,422	876,195	56.0%
General revenues:						
Property taxes, levied for general purposes	43,093,336	-	43,093,336	42,617,877	475,459	1.1%
Grants and contributions not restricted to specific programs	5,470,787	-	5,470,787	5,533,301	(62,514)	-1.1%
Investment earnings	408,512	5,348	413,860	272,443	141,417	51.9%
Total revenues	78,864,704	2,999,295	81,863,999	75,344,452	6,519,547	8.7%
Expenses						
General government	2,990,169	-	2,990,169	2,985,495	4,674	0.2%
Planning and development	369,655	-	369,655	462,099	(92,444)	-20.0%
Public safety	6,787,890	-	6,787,890	7,220,026	(432,136)	-6.0%
Public works	6,354,214	-	6,354,214	6,280,527	73,687	1.2%
Health and social services	1,393,201	-	1,393,201	1,673,203	(280,002)	-16.7%
Library, parks and recreation	1,501,359	-	1,501,359	1,541,908	(40,549)	-2.6%
Education	41,253,642	-	41,253,642	40,883,069	370,573	0.9%
Education - State Teachers' Retirement	12,327,738	-	12,327,738	8,382,705	3,945,033	47.1%
Interest expense	577,861	-	577,861	344,069	233,792	67.9%
Sewers	-	2,729,017	2,729,017	2,705,768	23,249	0.9%
Total expenses	73,555,729	2,729,017	76,284,746	72,478,869	3,805,877	5.3%
Changes in net position before transfers	5,308,975	270,278	5,579,253	2,865,583	2,713,670	94.7%
Transfers	(63,051)	63,051	-	-	-	0.0%
Change in net position	\$ 5,245,924	\$ 333,329	\$ 5,579,253	\$ 2,865,583	\$ 2,713,670	94.7%

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

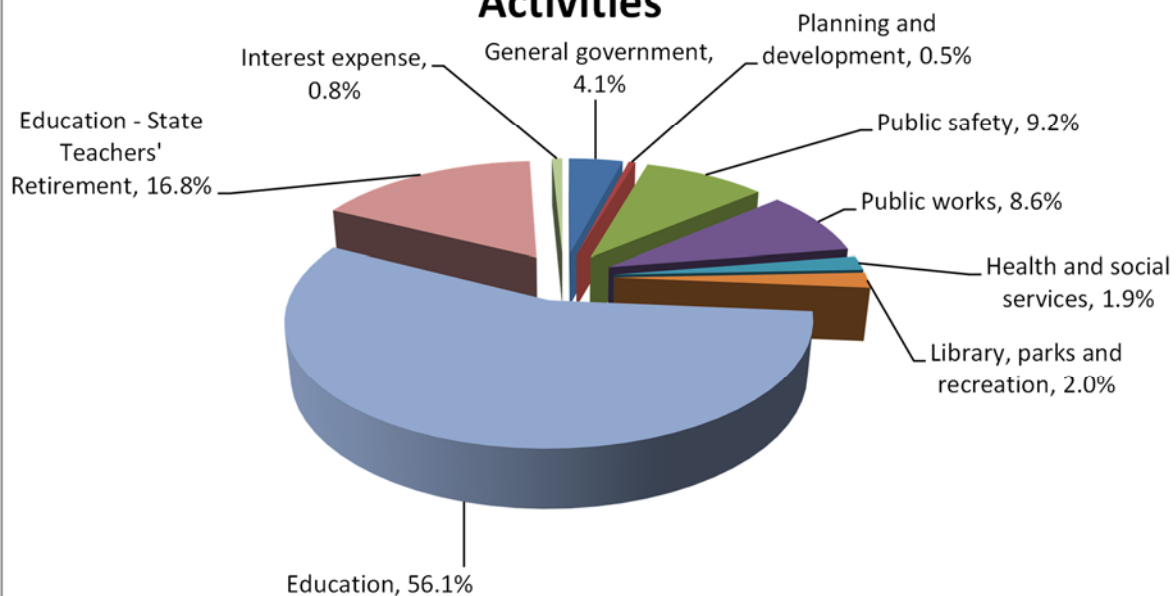
GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Change in Net Position *(Continued)*

2021 Revenue by Source - Governmental Activities



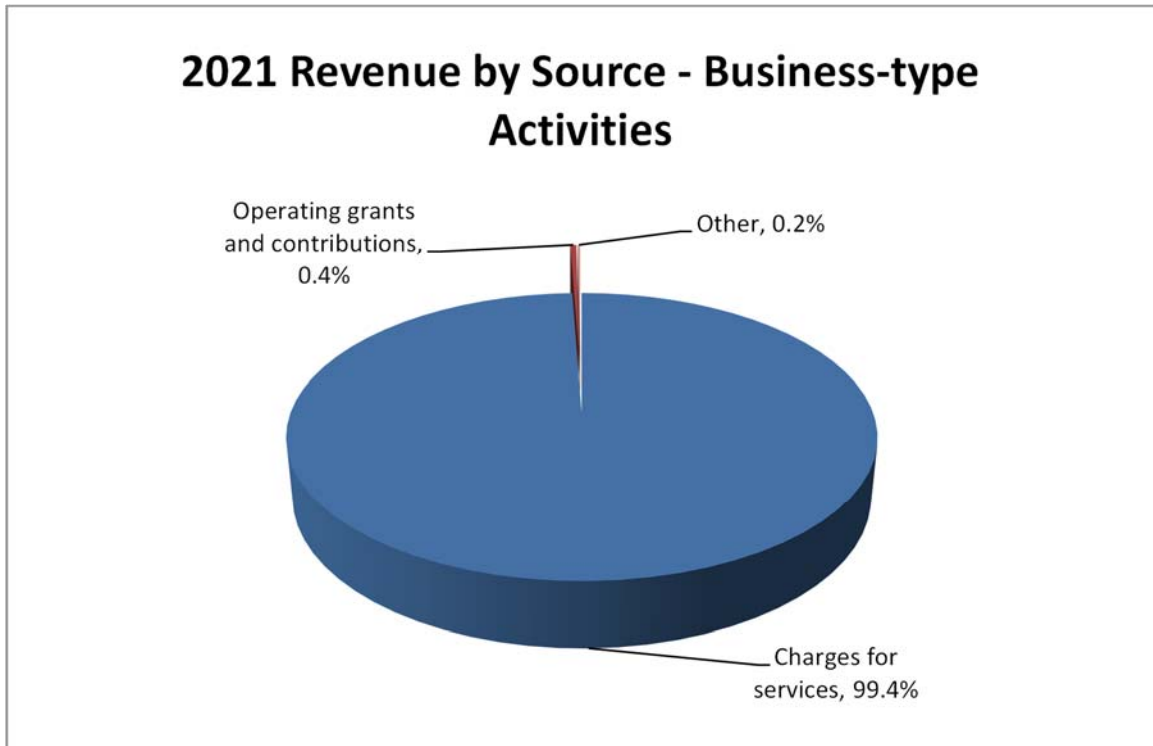
2021 Expenses by Function - Governmental Activities



TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Change in Net Position *(Continued)*



Governmental activities increased the Town's net position by \$5,245,924. Business-type activities decreased the Town's net position by \$333,329.

Revenues generated by the Town increased by \$6,519,547 or 8.7% over the prior year. Significant changes from prior year consisted of the following:

- an increase in operating contributions primarily due to an overall increase of \$3,945,033 in amounts recognized for on-behalf pension and other post-employment benefits associated with the Town's participation in the Connecticut Teachers' Retirement System;
- an increase in federal funding received by the Town for reimbursement of costs and programs impacted by the COVID-19 pandemic; and
- an increase in capital grant reimbursements on school construction projects.

Expenses incurred by the Town increased by \$3,805,877 or 5.3% over the prior year. Significant changes from prior year consisted of the following:

- an increase in education expenses primarily due to an overall increase of \$3,945,033 in amounts recognized for on-behalf pension and other post-employment benefits associated with the Town's participation in the Connecticut Teachers' Retirement System; offset
- by decreases in pension and other post-employment benefits expended as a result of actuarial gains and favorable investment returns on plan assets. The decreased pension and other post-employment expenses resulted in favorable variances across all Town functions.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$22,622,707. Of this amount \$17,656,756, or 78.0%, is considered unrestricted (committed, assigned or unassigned) and is available for spending at the Town's discretion.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,980,108, while total fund balance was \$9,322,903. Included in assigned fund balance is \$2,221,317, which has been appropriated for use in the Town's fiscal year 2022 budget. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 9.6% of the Town's fiscal year 2022 General Fund budgetary appropriations. Expressed another way, unassigned fund balance for the General Fund is sufficient to cover approximately 1.15 months of the Town's General Fund budgetary expenditure appropriations.

The total fund balance of the Town's General Fund increased by \$1,206,344 during the current fiscal year. This increase was driven by a premium received on the issuance of general obligation bonds and the receipt of capital grant reimbursements on school construction projects. A portion of the premium received in the amount of \$307,825 will be used to offset the Town's debt service in the Town's fiscal year 2022 budget.

Capital Projects Fund

The fund balance of the Capital Projects Fund increased by \$4,962,858 during the current fiscal year. The increase was driven by the issuance of general obligation bonds to fund authorized capital projects. Proceeds from the debt issuance and budgetary transfers in were offset by \$11,443,408 in capital outlays. Major capital outlays consisted of bridge and road improvements and renovations to the Town Hall.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original and final budget for the General Fund included the planned use of fund balance in the amount of \$1,000,000. No additional appropriations were authorized during the year ended June 30, 2021. The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$1,024,376 in the current fiscal year, resulting in a favorable budgetary variance of \$2,024,376. The budgetary surplus was primarily driven by a revenue surplus recognized on property taxes, building permits, conveyance taxes, and unbudgeted capital expenditure reimbursements.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

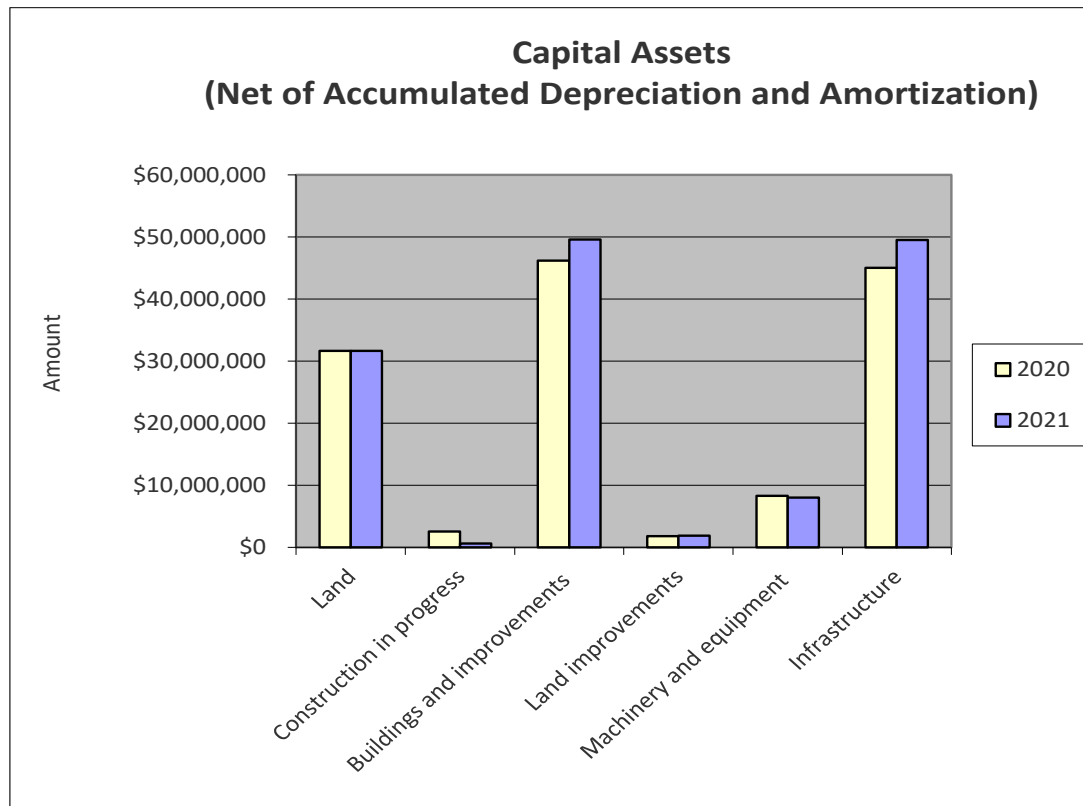
CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets as of June 30, 2021 and 2020 totaled \$141,279,791 and \$135,439,636, respectively (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, land improvements, furniture and equipment, and infrastructure. The total increase in the Town's investment in capital assets for the current fiscal year was \$5,840,155 or 4.3%.

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

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 15,604,234	\$ 15,604,234	\$ 16,038,335	\$ 16,038,335	\$ 31,642,569	\$ 31,642,569
Construction in progress	624,697	2,529,347	-	-	624,697	2,529,347
Buildings and improvements	48,902,393	45,416,078	701,656	758,005	49,604,049	46,174,083
Land improvements	1,885,976	1,800,489	-	-	1,885,976	1,800,489
Machinery and equipment	6,877,491	7,026,225	1,133,659	1,265,332	8,011,150	8,291,557
Infrastructure	48,810,405	44,205,167	700,945	796,424	49,511,350	45,001,591
Totals	\$ 122,705,196	\$ 116,581,540	\$ 18,574,595	\$ 18,858,096	\$ 141,279,791	\$ 135,439,636



Additional information on the Town's capital assets can be found in Note 4 of this report.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Long-term Debt

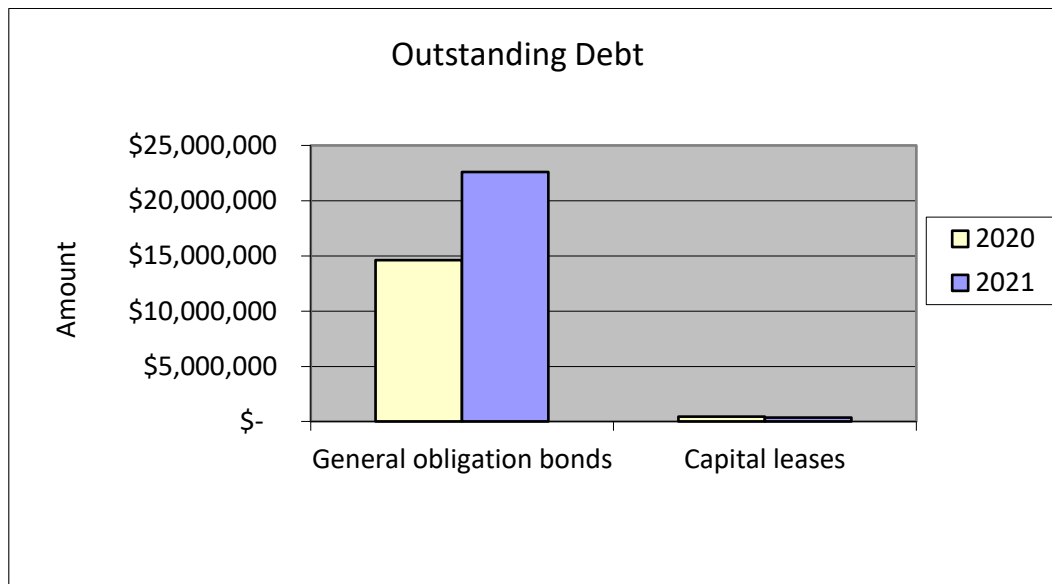
At the end of the current fiscal year, the Town had total long-term debt outstanding of \$22,979,883, consisting of general obligation bonds outstanding of \$22,620,000 and capital leases from direct borrowings in the amount of \$359,883. This entire amount is comprised of debt backed by the full faith and credit of the Town. The Town's total debt increased by \$7,899,537 or 52.4% during the current fiscal year due to the issuance of \$10,535,000 in general obligation funds, offset by scheduled debt service repayments.

The Town currently maintains a bond rating of AA+ by Standard & Poor's.

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

The following table is a two-year comparison of long-term debt:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 22,620,000	\$ 14,630,000	\$ -	\$ -	\$ 22,620,000	\$ 14,630,000
Capital leases	103,649	135,089	256,234	315,257	359,883	450,346
Totals	<u>\$ 22,723,649</u>	<u>\$ 14,765,089</u>	<u>\$ 256,234</u>	<u>\$ 315,257</u>	<u>\$ 22,979,883</u>	<u>\$ 15,080,346</u>



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

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:

- For purposes of calculating property tax revenues for fiscal year 2022, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on-behalf of certain taxpayers.
- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which from time to time will affect the amount of intergovernmental revenues the Town will receive.
- The State has established a minimum budget requirement ("MBR") for budgeted education expenditures. The MBR prohibits towns from budgeting less for education than it did in the previous year unless, and within limits, the Town can demonstrate a decrease in school enrollment or savings through increased efficiencies. Any increases or decreases that the Town receives in its Education Cost Sharing grant will result in a corresponding increase or decrease in the Town's MBR.
- It is unknown how the weakened economy will impact real estate activity and related revenues collected by the Town Clerk, the Building Department and the amount of conveyance taxes and interest income.
- In early March 2020, there was a global outbreak of COVID-19 that was declared a Public Health Emergency of International Concern by the World Health Organization and was subsequently declared a state of emergency by the Governor of Connecticut and a national emergency by the President of the United States. The outbreak of the virus has affected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide. The extent to which COVID-19 will impact the Town's tax base, operations and its financial condition will ultimately depend on future developments that are uncertain and cannot be fully predicted with confidence at this time.

All of these factors were considered in preparing the Town's budget for fiscal year 2022.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, Town of Suffield, 83 Mountain Road, Suffield, Connecticut 06078.

BASIC FINANCIAL STATEMENTS

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 23,763,789	\$ 2,401,311	\$ 26,165,100
Investments	3,203,706	-	3,203,706
Receivables:			
Property taxes and interest, net	1,714,495	-	1,714,495
Assessments, net	177,065	503,271	680,336
Grants and contracts	1,220,127	-	1,220,127
Loans	80,609	-	80,609
Other	538,758	19,914	558,672
Inventories	25,000	-	25,000
Internal balances	(1,769)	1,769	-
Capital assets:			
Non-depreciable	16,228,931	16,038,335	32,267,266
Depreciable, net	106,476,265	2,536,260	109,012,525
Total assets	<u>153,426,976</u>	<u>21,500,860</u>	<u>174,927,836</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	540,423	-	540,423
OPEB related	754,307	-	754,307
Total deferred outflows of resources	<u>1,294,730</u>	<u>-</u>	<u>1,294,730</u>
LIABILITIES			
Accounts payable	1,628,951	180,035	1,808,986
Accrued liabilities	1,770,364	11,567	1,781,931
Unearned revenue	3,270,047	-	3,270,047
Noncurrent liabilities:			
Due within one year	1,839,804	59,023	1,898,827
Due in more than one year	28,637,212	197,211	28,834,423
Total liabilities	<u>37,146,378</u>	<u>447,836</u>	<u>37,594,214</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related	5,906,042	-	5,906,042
OPEB related	4,031,381	-	4,031,381
Advance property tax collections	62,966	-	62,966
Total deferred inflows of resources	<u>10,000,389</u>	<u>-</u>	<u>10,000,389</u>
NET POSITION			
Net investment in capital assets	100,628,873	18,318,361	118,947,234
Restricted for:			
Trust purposes	417,787	-	417,787
Grant and other programs	2,626,970	-	2,626,970
Unrestricted	3,901,309	2,734,663	6,635,972
Total net position	<u>\$ 107,574,939</u>	<u>\$ 21,053,024</u>	<u>\$ 128,627,963</u>

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

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

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
Primary Government:							
Governmental activities:							
General government	\$ 2,990,169	\$ 1,389,998	\$ 47,754	\$ -	\$ (1,552,417)	\$ -	\$ (1,552,417)
Planning and development	369,655	30,907	-	-	(338,748)	-	(338,748)
Public safety	6,787,890	278,621	493,845	-	(6,015,424)	-	(6,015,424)
Public works	6,354,214	454,290	554,880	2,337,323	(3,007,721)	-	(3,007,721)
Health and social services	1,393,201	25,060	359,471	-	(1,008,670)	-	(1,008,670)
Library, recreation and parks	1,501,359	124,446	78,867	-	(1,298,046)	-	(1,298,046)
Education	53,581,380	1,395,980	22,218,333	102,294	(29,864,773)	-	(29,864,773)
Interest expense	577,861	-	-	-	(577,861)	-	(577,861)
Total governmental activities	<u>73,555,729</u>	<u>3,699,302</u>	<u>23,753,150</u>	<u>2,439,617</u>	<u>(43,663,660)</u>	<u>-</u>	<u>(43,663,660)</u>
Business-type activities:							
Sewer	<u>2,729,017</u>	<u>2,981,416</u>	<u>12,531</u>	<u>-</u>	<u>-</u>	<u>264,930</u>	<u>264,930</u>
Total	<u>\$ 76,284,746</u>	<u>\$ 6,680,718</u>	<u>\$ 23,765,681</u>	<u>\$ 2,439,617</u>	<u>(43,663,660)</u>	<u>264,930</u>	<u>(43,398,730)</u>
General revenues:							
Property taxes, levied for general purposes					43,093,336	-	43,093,336
Grants and contributions not restricted to specific programs					5,470,787	-	5,470,787
Investment earnings					408,512	5,348	413,860
Transfers, net					(63,051)	63,051	-
Total general revenues					<u>48,909,584</u>	<u>68,399</u>	<u>48,977,983</u>
Change in net position					5,245,924	333,329	5,579,253
Net position - beginning					101,995,138	20,719,695	122,714,833
Cumulative effect of implementing new accounting standard (see Note 1)					333,877	-	333,877
Net position - beginning, as adjusted					<u>102,329,015</u>	<u>20,719,695</u>	<u>123,048,710</u>
Net position - ending					<u>\$ 107,574,939</u>	<u>\$ 21,053,024</u>	<u>\$ 128,627,963</u>

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

TOWN OF SUFFIELD, CONNECTICUT
BALANCE SHEET -
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021

	General Fund	Capital Projects Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 19,999,365	\$ 737,041	\$ -	\$ 1,894,137	\$ 22,630,543
Investments	-	3,203,706	-	-	3,203,706
Receivables:					
Property taxes, net	1,054,065	-	-	-	1,054,065
Interest on property taxes, net	660,430	-	-	-	660,430
Assessments, net	-	-	-	177,065	177,065
Grants and contracts	91,892	690,551	-	437,684	1,220,127
Loans	-	-	-	80,609	80,609
Other	108,059	-	-	115,663	223,722
Due from other funds	4,269,900	8,422,120	2,340,081	2,217,424	17,249,525
Inventories	-	-	-	25,000	25,000
Total assets	<u>\$ 26,183,711</u>	<u>\$ 13,053,418</u>	<u>\$ 2,340,081</u>	<u>\$ 4,947,582</u>	<u>\$ 46,524,792</u>
LIABILITIES					
Accounts payable	\$ 1,045,540	\$ 380,975	\$ -	\$ 180,903	\$ 1,607,418
Accrued liabilities	655,455	-	-	22,730	678,185
Due to other funds	12,981,394	3,096,110	-	120,194	16,197,698
Performance deposits payable	205,842	-	-	-	205,842
Unearned revenue	287,356	102,241	2,340,081	540,369	3,270,047
Total liabilities	<u>15,175,587</u>	<u>3,579,326</u>	<u>2,340,081</u>	<u>864,196</u>	<u>21,959,190</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes and interest	1,622,255	-	-	-	1,622,255
Unavailable revenue - other	-	-	-	257,674	257,674
Advance property tax collections	62,966	-	-	-	62,966
Total deferred inflows of resources	<u>1,685,221</u>	<u>-</u>	<u>-</u>	<u>257,674</u>	<u>1,942,895</u>
FUND BALANCES					
Nonspendable	-	-	-	417,787	417,787
Restricted	449,255	1,921,194	-	2,177,715	4,548,164
Committed	97,079	8,349,541	-	1,288,853	9,735,473
Assigned	2,796,462	-	-	-	2,796,462
Unassigned	5,980,108	(796,643)	-	(58,643)	5,124,822
Total fund balances	<u>9,322,903</u>	<u>9,474,092</u>	<u>-</u>	<u>3,825,712</u>	<u>22,622,707</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 26,183,711</u>	<u>\$ 13,053,418</u>	<u>\$ 2,340,081</u>	<u>\$ 4,947,582</u>	<u>\$ 46,524,792</u>

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

TOWN OF SUFFIELD, CONNECTICUT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

Total fund balances for governmental funds	\$ 22,622,707
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	122,705,196
Some of the Town's taxes, sewer assessments and loan receivables will be collected after year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources in the funds.	1,879,929
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported in the governmental funds. All liabilities and related amounts - both current and long-term - are reported in the statement of net position.	
Bonds payable	\$ (22,620,000)
Unamortized bond premiums	(1,273,868)
Accrued interest payable	(207,288)
Net OPEB liability	(2,157,901)
Net pension liability	(3,870,805)
Landfill post-closure care liability	(48,600)
Compensated absences	(402,193)
Capital lease obligations	(103,649)
Total long-term liabilities	(30,684,304)
An internal service fund is used by the Town to charge the cost of risk management activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	(305,896)
Deferred charges on net pension and net OPEB liabilities are not susceptible to accrual and therefore are not reported in the funds.	(8,642,693)
Net position of governmental activities	<u>\$ 107,574,939</u>

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

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Capital Projects Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 43,168,652	\$ -	\$ -	\$ 58,459	\$ 43,227,111
Intergovernmental	19,254,155	2,329,933	-	2,856,094	24,440,182
Charges for services	2,950,784	-	-	1,109,984	4,060,768
Interest income	75,990	327,623	-	2,771	406,384
Other	292,012	13,390	-	162,867	468,269
Total revenues	<u>65,741,593</u>	<u>2,670,946</u>	<u>-</u>	<u>4,190,175</u>	<u>72,602,714</u>
EXPENDITURES					
Current:					
General government	2,955,615	-	-	71,928	3,027,543
Planning and development	408,743	-	-	-	408,743
Public safety	6,620,184	-	-	581,113	7,201,297
Public works	4,859,996	10,703	-	-	4,870,699
Health and social services	1,012,541	-	-	379,814	1,392,355
Library, recreation and parks	676,285	8,650	-	484,841	1,169,776
Education	41,962,956	-	-	2,608,893	44,571,849
Debt service	3,211,842	-	-	-	3,211,842
Capital outlays	8,792	11,443,408	-	-	11,452,200
Total expenditures	<u>61,716,954</u>	<u>11,462,761</u>	<u>-</u>	<u>4,126,589</u>	<u>77,306,304</u>
Excess (deficiency) of revenues over expenditures	4,024,639	(8,791,815)	-	63,586	(4,703,590)
OTHER FINANCING SOURCES (USES)					
Bonds issued	-	10,535,000	-	-	10,535,000
Premium on bonds	668,272	180,141	-	-	848,413
Transfers in	125,000	3,102,583	-	508,984	3,736,567
Transfers out	(3,611,567)	(63,051)	-	(125,000)	(3,799,618)
Total other financing sources (uses)	<u>(2,818,295)</u>	<u>13,754,673</u>	<u>-</u>	<u>383,984</u>	<u>11,320,362</u>
Net change in fund balances	1,206,344	4,962,858	-	447,570	6,616,772
Fund balances - beginning, as originally reported	8,116,559	4,511,234	-	3,044,265	15,672,058
Adjustment (see Note 1)	-	-	-	333,877	333,877
Fund balances - beginning	<u>8,116,559</u>	<u>4,511,234</u>	<u>-</u>	<u>3,378,142</u>	<u>16,005,935</u>
Fund balances - ending	<u>\$ 9,322,903</u>	<u>\$ 9,474,092</u>	<u>\$ -</u>	<u>\$ 3,825,712</u>	<u>\$ 22,622,707</u>

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

TOWN OF SUFFIELD, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds	\$	6,616,772
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Total change in net position reported for governmental activities in the statement of activities is different because:

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

Expenditures for capital assets	\$ 10,733,106	
Depreciation and amortization expense	(4,580,150)	
Loss on disposal/write-off of capital assets	(29,300)	
Net adjustment		6,123,656

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

Debt incurred:		
Bonds	(10,535,000)	
Premium on bonds	(848,413)	
Principal repayments:		
Bonds	2,545,000	
Capital lease financing	31,440	
Net adjustment		(8,806,973)

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

Accrued interest	(66,915)	
Amortization of bond premiums	124,457	
Compensated absences	(80,338)	
Landfill post-closure care costs	16,200	
Net pension liability	8,178,486	
Net OPEB liability	3,153,481	
		11,325,371

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

(673,233)
(Continued)

TOWN OF SUFFIELD, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES *(Concluded)*
FOR THE YEAR ENDED JUNE 30, 2021

An internal service fund is used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Town's internal service fund is reported with governmental activities.	\$ 427,526
Deferred outflows of resources resulting from changes in the components of the net pension and net OPEB liabilities are amortized as a component of pension expense in the statements of activities.	<u>(9,767,195)</u>
Change in net position of governmental activities	<u>\$ 5,245,924</u> <i>(Concluded)</i>

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

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
AS OF JUNE 30, 2021

	Business-Type Activities WPCA Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,401,311	\$ 1,133,246
Receivables:		
User charges	503,271	-
Grants and contracts	-	-
Other	19,914	315,036
Due from other funds	1,769	-
Total current assets	<u>2,926,265</u>	<u>1,448,282</u>
Noncurrent assets:		
Capital assets:		
Non-depreciable	16,038,335	-
Depreciable, net	<u>2,536,260</u>	<u>-</u>
Total noncurrent assets	<u>18,574,595</u>	<u>-</u>
Total assets	<u>21,500,860</u>	<u>1,448,282</u>
LIABILITIES		
Current liabilities:		
Accounts payable	180,035	21,533
Accrued liabilities	11,567	679,049
Due to other funds	-	1,053,596
Total liabilities	<u>191,602</u>	<u>1,754,178</u>
Noncurrent liabilities:		
Due within one year	59,023	-
Due in more than one year	<u>197,211</u>	<u>-</u>
Total noncurrent liabilities	<u>256,234</u>	<u>-</u>
Total liabilities	<u>447,836</u>	<u>1,754,178</u>
NET POSITION		
Net investment in capital assets	18,318,361	-
Unrestricted	<u>2,734,663</u>	<u>(305,896)</u>
Total net position	<u>\$ 21,053,024</u>	<u>\$ (305,896)</u>

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

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-Type Activities	Governmental Activities
	WPCA Enterprise Fund	Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 2,978,330	\$ 8,190,626
Contributions	-	500,000
Grants and contracts	12,531	-
Other income	3,086	-
Total operating revenues	<u>2,993,947</u>	<u>8,690,626</u>
OPERATING EXPENSES		
Payroll and benefits	1,524,389	-
Sludge disposal	154,766	-
Plant maintenance, supplies and materials	369,390	-
Utilities	217,923	-
Depreciation and amortization	340,287	-
Insurance and program services	31,698	7,870,573
Administration	78,869	205,531
Other	1,247	189,124
Total operating expenses	<u>2,718,569</u>	<u>8,265,228</u>
Operating income	275,378	425,398
NONOPERATING REVENUE (EXPENSE)		
Interest income	5,348	2,128
Interest expense	(10,448)	-
Total non-operating revenue (expense)	<u>(5,100)</u>	<u>2,128</u>
Change in net position before transfers	270,278	427,526
TRANSFERS		
Transfers in	<u>63,051</u>	<u>-</u>
Change in net position	333,329	427,526
Net position - beginning	<u>20,719,695</u>	<u>(733,422)</u>
Net position - ending	<u>\$ 21,053,024</u>	<u>\$ (305,896)</u>

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

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-Type Activities	Governmental Activities
	WPCA	Internal Service
	Enterprise Fund	Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from the following:		
Customers and users	\$ 2,965,327	\$ 8,206,744
Contributions	30,744	500,000
Cash paid for the following:		
Payroll and benefits	(1,555,759)	-
Insurance	(31,698)	(8,125,476)
Goods and services	(849,320)	(171,852)
Net cash provided by operating activities	<u>559,294</u>	<u>409,416</u>
CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES		
Interfund borrowings	<u>-</u>	<u>(275,273)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Interfund activities	63,051	-
Acquisition of capital assets	(56,786)	-
Payment on capital lease	(59,023)	-
Interest paid on capital debt	(10,448)	-
Net cash used in capital financing activities	<u>(63,206)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	<u>5,348</u>	<u>2,128</u>
Net increase in cash and cash equivalents	501,436	136,271
Cash and cash equivalents, beginning of year	<u>1,899,875</u>	<u>996,975</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,401,311</u></u>	<u><u>\$ 1,133,246</u></u>
RECONCILIATION OF OPERATING INCOME TO		
NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 275,378	\$ 425,398
Adjustments to reconcile operating income (loss) to		
net cash provided by (used in) operating activities:		
Depreciation and amortization	340,287	-
Change in assets and liabilities:		
Receivables	3,327	(87,903)
Accounts payable	(27,125)	17,272
Accrued liabilities	(31,370)	54,649
Other	(1,203)	-
Net cash provided by operating activities	<u><u>\$ 559,294</u></u>	<u><u>\$ 409,416</u></u>

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

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
AS OF JUNE 30, 2021

	Pension and OPEB Trust Funds
ASSETS	
Cash and cash equivalents	\$ 499,912
Investments:	
Corporate bonds	9,266,016
Municipal bonds	227,755
U.S. Treasury securities	4,650,612
Asset backed securities	340,140
Mutual funds	42,649,829
Common stock	1,613,797
Other	641,010
	<u>59,389,159</u>
Receivables	<u>249,301</u>
Total assets	<u><u>60,138,372</u></u>
LIABILITIES	
Accounts payable	<u>12,963</u>
NET POSITION	
Restricted for:	
Pension benefits	43,580,875
OPEB benefits	16,544,534
Total net position	<u><u>\$ 60,125,409</u></u>

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

TOWN OF SUFFIELD, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Pension and OPEB Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 1,670,344
Employee	406,313
Total contributions	<u>2,076,657</u>
Investment earnings:	
Net increase in fair value of investments, net of investment fees	<u>13,658,835</u>
Total additions	<u>15,735,492</u>
DEDUCTIONS	
Benefit payments	2,583,502
Administrative expenses	16,769
Total deductions	<u>2,600,271</u>
Change in net position	13,135,221
Net position - beginning	<u>46,990,188</u>
Net position - ending	<u><u>\$ 60,125,409</u></u>

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Suffield, Connecticut (the "Town"), conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

Financial Reporting Entity

The Town was incorporated in 1749 under the General Statutes of the State of Connecticut. The Town adopted its original charter effective January 7, 1985 with the most recent revisions on November 3, 2015. The Town operates under a Selectman/Town Meeting form of government and provides the following services as authorized by the General Statutes and its charter: public safety (police and fire), public works, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

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, and other organizations which by nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Based on these criteria, there are no component units requiring inclusion in these financial statements.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

Fund Financial Statements

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Government-wide and Fund Financial Statements *(Continued)*

Fund Financial Statements *(Continued)*

The Town reports the following major governmental funds:

General Fund - This fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those not accounted for and reported in another fund.

Capital Projects Fund - This fund is used to account for the financial resources for the acquisition and construction of major capital facilities. Capital outlays are financed by the issuance of general obligation bonds, capital grants, current tax revenues and the issuance of capital leases.

American Rescue Plan Fund - This fund is used to account for the receipt of Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act.

The Town reports the following major proprietary fund:

WPCA Enterprise Fund - This fund is used to account for the activities of the Water Pollution Control Authority.

In addition, the Town reports the following fund types:

Internal Service Funds *(proprietary)* - These funds are used to account for the Town's self-insured healthcare plans and the purchases of fuel by various departments.

Pension Trust Funds - These funds are used to account for the activities of the Town's defined benefit pension and other post-employment benefits plans.

Measurement Focus and Basis of Accounting

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

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Measurement Focus and Basis of Accounting *(Continued)*

The 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 government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital lease are reported as other financing sources.

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

The pension trust and other post-employment benefits trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Implementation of Accounting Standards

Effective July 1, 2020, the Town implemented the provisions of GASB Statement No. 84, *Fiduciary Activities* ("Statement No. 84"). The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Based on the application of Statement No. 84, the Town has recharacterized certain activities previously reported as fiduciary activities. The Town has reported the cumulative effect of applying Statement No. 84 as a restatement of its beginning net position and fund balances as follows:

	Governmental Activities	Governmental Funds
Net position/fund balances - beginning, as originally reported	\$ 101,995,138	\$ 15,672,058
Recharacterization of certain activities previously reported as fiduciary activities	<u>333,877</u>	<u>333,877</u>
Net position/fund balances - beginning, as adjusted	<u><u>\$ 102,329,015</u></u>	<u><u>\$ 16,005,935</u></u>

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

Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the Town's proprietary funds consider demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

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

Investments

Investments are measured by the Town at fair value (generally based on quoted market prices), except for investments in participating interest-earning investment contracts, certain external investment pools and synthetic guaranteed investment contracts as described below.

Investments in certain external investment pools consist of money market mutual funds and the Short-Term Investment Fund (STIF), which is managed by the State of Connecticut Treasurer's Office. Investments in these types of funds, which are permitted to measure their investment holdings at amortized costs, are measured by the Town at the net asset value per share as determined by the fund.

Investments in guaranteed deposit accounts (insurance contracts) are measured by the Town at contract value, which approximates fair value.

Property Taxes

Property taxes are assessed as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1. Taxes not paid within 30 days of the due date are subject to an interest charge of 1.5% per month. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible taxes and interest receivable of \$75,000 as of June 30, 2021.

Sewer Assessments and Usage Charges

Sewer assessments are levied by the Water Pollution Control Authority annually, upon issuance of a certificate of occupancy or completion of a connection permit for existing homes/businesses. Assessment charges are billed annually in September. Usage charges are billed annually in July. Commercial usage is billed based on water usage – with a minimum charge of 1 Equivalent Dwelling Unit (EDU), and residential usage is billed at a flat fee of \$350 in fiscal 2021. Assessments and user charges are due and payable within thirty days and delinquent amounts are subject to interest at prevailing rates. Liens filed on all properties until the assessment is paid in full.

Inventories and Prepaid Items

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories 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 the government-wide and the fund financial statements.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

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

Loans Receivable

Rehabilitation loans consist of deferred loans made to certain qualifying individuals for home improvements in connection with funding received by the Town under a Small Cities Development Block Grant to administer the Town's Housing Rehabilitation Program. The loans bear no interest. Repayment of the loans is deferred, but the loans become due and payable upon sale or transfer of the property, the owner's demise, or when the subject property is no longer the applicant's place of residence. The notes may be paid in full or in part by the borrower at any time without penalty. As of June 30, 2021, loans receivable totaled \$80,609 under this program.

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 Town and WPCA as assets with an initial individual cost of more than \$5,000 and \$500, respectively. Such assets are recorded at historical cost, or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20 – 45
Public domain infrastructure	35
System infrastructure	50
Vehicles	5 – 20
Office Equipment	5 – 10
Computer equipment	7 – 10

Unearned Revenue

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

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

Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources represent a consumption or an acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow or inflow of resources until that time.

Deferred outflows and inflows of resources consists of deferred charges on pension and OPEB expenses and deferred charges on refunding reported in the government-wide statement of net position. Deferred charges on pension and OPEB expenses result from changes in the components of the Town's net pension and OPEB liabilities and are amortized as a component of pension and OPEB expenses on a systematic and rational basis. Deferred charges on refunding resulted from the difference in the carrying value of previously refunded debt and the reacquisition price of the debt and are being amortized to interest expense using the effective-interest method over the life of the related bonds.

Deferred inflows of resources also consist of revenue that is considered unavailable under the modified accrual basis of accounting. Unavailable revenue is reported within the governmental funds balance sheet and is recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental funds 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.

Compensated Absences

Town employees earn and carryover various amounts of vacation and leave time based upon Town policy or bargaining unit contracts. All compensated absences are accrued when incurred in the government-wide financial statements. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year, or the vested amount is expected to be paid with available resources.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

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

Net Position and Fund Balance

The government-wide statement of net position presents the Town's non-fiduciary assets, deferred outflows and inflows of resources and liabilities, with net position as the residual of these elements. Net position is reported in three categories:

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of capital assets.

Restricted net position - This component of net position consists of net position whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - This component of net position is the net amount of assets, liabilities, and deferred outflows and inflows of resources.

The Town's governmental funds report the following fund balance categories:

Nonspendable - Amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

Restricted - Constraints are placed on the use of resources that are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through enabling legislation.

Committed - Amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Finance and Town Meeting (the highest level of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action. The formal action required to be taken by the Board of Finance to commit fund balance is by adoption of a resolution.

Assigned - Amounts are constrained by the Town's intent to be used for specific purposes, but are not restricted or committed, by a governing board or a body or official that has been delegated authority to assign amounts by the Town Charter (Board of Finance, Town Meeting, management of the Town).

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

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

Net Position Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. The Town considers restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. The Town's policy is to first use restricted resources when available. When committed, assigned and unassigned resources are available for use, it is assumed that the Town will use committed resources first, then assigned resources and then unassigned resources as they are needed.

Interfund 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Interfund Services Provided and Used

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers.

Interfund Reimbursements

Interfund reimbursements represent repayments from the funds responsible for particular expenditures, or expenses, to the funds that initially paid for them.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

Cash Deposits

A reconciliation of the Town's cash deposits as of June 30, 2021 is as follows:

Cash and cash equivalents:	
Government-wide statement of net position	\$ 26,165,100
Statement of fiduciary net position	499,912
Less: cash equivalents considered investments for disclosure purposes	<u>(1,447,280)</u>
	<u>\$ 25,217,732</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2021, \$24,843,156 of the Town's bank balance of \$25,964,789 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 22,358,840
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	<u>2,484,316</u>
	<u>\$ 24,843,156</u>

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

Investments

A reconciliation of the Town's investments as of June 30, 2021 is as follows:

Investments:	
Government-wide statement of net position	\$ 3,203,706
Statement of fiduciary net position	59,389,159
Plus: cash equivalents considered investments for disclosure purposes	<u>1,447,280</u>
	<u>\$ 64,040,145</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Investments *(Continued)*

As of June 30, 2021, the Town's investments consisted of the following:

Investment type	Valuation Basis	Value	Investment Maturities (In Years)			
			Less			More
			Than 1	1 to 5	6 to 10	Than 10
Debt Securities:						
<i>Governmental activities:</i>						
Short-term Investment Fund (STIF)	Net asset value	\$ 929,203	\$ 929,203	\$ -	\$ -	\$ -
Money market mutual funds	Net asset value	18,165	18,165	-	-	-
U.S. Treasury securities	Fair Value	1,408,473	251,791	685,716	470,966	-
Asset backed securities	Fair Value	211,074	-	211,074	-	-
<i>Fiduciary:</i>						
Money market mutual funds	Net asset value	499,912	499,912	-	-	-
Corporate bonds	Fair Value	9,266,016	488,288	4,548,176	3,992,107	237,445
Municipal bonds	Fair Value	227,755	-	-	109,178	118,577
U.S. Treasury securities	Fair Value	4,650,612	986,005	2,264,308	1,400,299	-
Asset backed securities	Fair Value	340,140	1,306	20,245	8,567	310,022
		17,551,350	<u>\$ 3,174,670</u>	<u>\$ 7,729,519</u>	<u>\$ 5,981,117</u>	<u>\$ 666,044</u>
Other investments:						
<i>Governmental activities:</i>						
Mutual funds	Fair value	1,584,159				
<i>Fiduciary:</i>						
Mutual funds	Fair value	42,649,829				
Common stock	Fair value	1,613,797				
Insurance contracts	Contract value	641,010				
		<u>\$ 64,040,145</u>				

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

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. However, its practice is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Investments *(Continued)*

Credit Risk

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The Pension Trust Funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee, with the care of a prudent investor.

The Town's investments in debt securities, excluding U.S. Treasury securities, were rated as follows at June 30, 2021:

Investment Type	AAA	AA	A	BBB	Unrated	Total
Debt Securities:						
Short-Term Investment Fund	\$ 929,203	\$ -	\$ -	\$ -	\$ -	\$ 929,203
Money market mutual funds	-	-	-	-	518,077	518,077
Corporate bonds	132,226	1,438,476	3,367,863	4,327,451	-	9,266,016
Municipal bonds	171,393	-	56,362	-	-	227,755
Asset backed securities	112,767	-	-	-	438,447	551,214
	<u>\$ 1,345,589</u>	<u>\$ 1,438,476</u>	<u>\$ 3,424,225</u>	<u>\$ 4,327,451</u>	<u>\$ 956,524</u>	<u>\$ 11,492,265</u>
				U.S. Treasury securities		6,059,085
				Total debt securities		<u>\$ 17,551,350</u>

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. The Town's investments in external investment pools and insurance contracts are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Concentrations of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from concentration of credit risk disclosures. The Town's investment policy generally restricts investments in any one issuer that would expose the Town to a concentration of credit risk. As of June 30, 2021, none of the Town's investments, in any one issuer that is subject to concentration of credit risk disclosures, exceeded 5% or more of the total investments reported for the Town's governmental, business-type or fiduciary activities.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. Authoritative guidance establishes a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (also referred to as observable inputs). The Town classifies its assets and liabilities measured at fair value into Level 1 (securities valued using quoted prices from active markets for identical assets), Level 2 (securities not traded on an active market for which market inputs are observable, either directly or indirectly, and Level 3 (securities valued based on unobservable inputs). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Town's financial assets that are accounted for at fair value on a recurring basis as of June 30, 2021, by level within the fair value hierarchy are presented in the table below:

Financial Assets Measured at Fair Value	Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Mutual Funds	\$ 44,233,988	\$ -	\$ -	\$ 44,233,988
Corporate Bonds	-	9,266,016	-	9,266,016
U.S. Treasury securities	6,059,085	-	-	6,059,085
Common stock	1,613,797	-	-	1,613,797
Asset backed securities	-	551,214	-	551,214
Municipal Bonds	-	227,755	-	227,755
	<u>\$ 51,906,870</u>	<u>\$ 10,044,985</u>	<u>\$ -</u>	61,951,855
		Investments measured at net asset value		1,447,280
		Investments measured at contract value		641,010
				<u>\$ 64,040,145</u>

Investments 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.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2021 consisted of the following:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 15,604,234	\$ -	\$ -	\$ -	\$ 15,604,234
Construction in progress	2,529,347	390,698	-	(2,295,348)	624,697
Total capital assets, not being depreciated	<u>18,133,581</u>	<u>390,698</u>	<u>-</u>	<u>(2,295,348)</u>	<u>16,228,931</u>
Capital assets, being depreciated:					
Buildings and improvements	79,204,060	5,509,932	(143,000)	333,845	84,904,837
Land improvements	2,928,106	52,892	-	146,366	3,127,364
Machinery and equipment	14,984,743	608,355	(121,204)	-	15,471,894
Infrastructure	55,653,640	4,171,229	-	1,815,137	61,640,006
Total capital assets, being depreciated	<u>152,770,549</u>	<u>10,342,408</u>	<u>(264,204)</u>	<u>2,295,348</u>	<u>165,144,101</u>
Less accumulated depreciation for:					
Buildings and improvements	(33,787,982)	(2,343,162)	128,700	-	(36,002,444)
Land improvements	(1,127,617)	(113,771)	-	-	(1,241,388)
Machinery and equipment	(7,958,518)	(742,089)	106,204	-	(8,594,403)
Infrastructure	(11,448,473)	(1,381,128)	-	-	(12,829,601)
Total accumulated depreciation	<u>(54,322,590)</u>	<u>(4,580,150)</u>	<u>234,904</u>	<u>-</u>	<u>(58,667,836)</u>
Total capital assets, being depreciated, net	<u>98,447,959</u>	<u>5,762,258</u>	<u>(29,300)</u>	<u>2,295,348</u>	<u>106,476,265</u>
Governmental activities capital assets, net	<u>\$ 116,581,540</u>	<u>\$ 6,152,956</u>	<u>\$ (29,300)</u>	<u>\$ -</u>	<u>\$ 122,705,196</u>

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

Governmental Activities:	
Education	\$ 1,950,377
Public works	1,562,394
Public safety	407,860
Library, parks and recreation	404,653
General government	159,189
Health and social services	91,486
Planning and development	4,191
Total depreciation expense	<u>\$ 4,580,150</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - CAPITAL ASSETS *(Continued)*

Capital asset activity for business-type activities for the year ended June 30, 2021 consisted of the following:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities					
Capital assets, not being depreciated:					
Land	\$ 16,038,335	\$ -	\$ -	\$ -	\$ 16,038,335
Total capital assets, not being depreciated	<u>16,038,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,038,335</u>
Capital assets, being depreciated:					
Buildings	10,456,929	-	-	-	10,456,929
Machinery and equipment	17,799,799	56,786	-	-	17,856,585
Vehicles	747,470	-	-	-	747,470
Infrastructure	1,248,811	-	-	-	1,248,811
Total capital assets, being depreciated	<u>30,253,009</u>	<u>56,786</u>	<u>-</u>	<u>-</u>	<u>30,309,795</u>
Less accumulated depreciation for:					
Buildings	(9,698,924)	(56,349)	-	-	(9,755,273)
Machinery and equipment	(17,026,383)	(104,339)	-	-	(17,130,722)
Vehicles	(255,554)	(84,120)	-	-	(339,674)
Infrastructure	(452,387)	(95,479)	-	-	(547,866)
Total accumulated depreciation	<u>(27,433,248)</u>	<u>(340,287)</u>	<u>-</u>	<u>-</u>	<u>(27,773,535)</u>
Total capital assets, being depreciated, net	<u>2,819,761</u>	<u>(283,501)</u>	<u>-</u>	<u>-</u>	<u>2,536,260</u>
Governmental activities capital assets, net	<u>\$ 18,858,096</u>	<u>\$ (283,501)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,574,595</u>

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

Business-Type Activities:

Sewer \$ 340,287

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2021 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Funds		
General Fund	Capital Projects Fund	\$ 3,096,110
	Nonmajor Governmental Funds	120,194
	Internal Service Funds	1,053,596
		<u>4,269,900</u>
Capital Projects Fund	General Fund	<u>8,422,120</u>
American Rescue Plan Fund	General Fund	<u>2,340,081</u>
Nonmajor Governmental Funds	General Fund	<u>2,217,424</u>
		<u>\$ 17,249,525</u>
Proprietary Funds		
WPCA Enterprise Fund	General Fund	<u>\$ 1,769</u>

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

NOTE 6 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2021 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Funds		
General Fund	Nonmajor Governmental Funds	\$ 125,000
Capital Projects Fund	General Fund	<u>3,102,583</u>
Nonmajor Governmental Funds	General Fund	<u>508,984</u>
		<u>\$ 3,736,567</u>
Proprietary Funds		
WPCA Enterprise Fund	Capital Projects Fund	<u>\$ 63,051</u>

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 - LONG-TERM DEBT

The applicable accounting standards define debt as a liability that arises from a contractual obligation to pay cash, or other assets that may be used in lieu of cash, in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. For disclosure purposes, debt does not include accounts payable or leases, except for contracts reported as financed purchase of the underlying asset. Changes in long-term debt for the year ended June 30, 2021 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Direct Placements:					
General obligation bonds	\$ 14,630,000	\$ 10,535,000	\$ (2,545,000)	\$ 22,620,000	\$ 1,670,000
Unamortized premium	549,912	848,413	(124,457)	1,273,868	-
Total bonds payable	15,179,912	11,383,413	(2,669,457)	23,893,868	1,670,000
Capital leases from direct borrowings	135,089	-	(31,440)	103,649	32,946
	<u>\$ 15,315,001</u>	<u>\$ 11,383,413</u>	<u>\$ (2,700,897)</u>	<u>\$ 23,997,517</u>	<u>\$ 1,702,946</u>
Business-Type Activities					
Capital leases from direct borrowings	<u>\$ 315,257</u>	<u>\$ -</u>	<u>\$ (59,023)</u>	<u>\$ 256,234</u>	<u>\$ 59,023</u>

Long-term debt is typically liquidated by the General Fund for governmental activities and the WPCA Enterprise Fund for business-type activities.

Direct Placements - General Obligation Bonds

A summary of general obligation bonds outstanding at June 30, 2021 is as follows:

Purpose of Bonds	Original Issue	Interest Rates	Maturity Date	Amount Outstanding
Governmental Activities				
2012 General Obligation Bonds	\$ 9,000,000	2.00 - 3.00%	12/15/2027	\$ 4,485,000
2016 General Obligation Bonds	9,100,000	3.00 - 3.25%	1/15/2036	7,600,000
2020 General Obligation Bonds	10,535,000	2.00 - 5.00%	10/1/2040	10,535,000
				<u>\$ 22,620,000</u>

Annual debt service requirements to maturity on general obligation bonds are as follows as of June 30, 2021:

Year ending June 30:	Governmental Activities		
	General Obligation Bonds		
	Principal	Interest	Totals
2022	\$ 1,670,000	\$ 646,300	\$ 2,316,300
2023	1,670,000	580,700	2,250,700
2024	1,670,000	518,325	2,188,325
2025	1,665,000	459,225	2,124,225
2026	1,665,000	405,175	2,070,175
2027-2031	6,445,000	1,362,400	7,807,400
2032-2036	5,185,000	638,025	5,823,025
2037-2041	2,650,000	132,500	2,782,500
	<u>\$ 22,620,000</u>	<u>\$ 4,742,650</u>	<u>\$ 27,362,650</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Direct Placements - General Obligation Bonds *(Continued)*

Legal Debt Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2021.

Authorized, Unissued Debt

As of June 30, 2021, the Town had authorized but unissued debt in the amount of \$927,440.

Capital Leases from Direct Borrowings

Capital leases from direct borrowings include non-appropriation clauses and provide the obligor with a security interest in the underlying equipment in the event of default.

A summary of assets acquired through capital leases outstanding as of June 30, 2021:

	Governmental Activities	Business-Type Activities
Equipment	\$ 505,544	\$ 436,768
Less: accumulated amortization	339,120	109,463
	<u>\$ 166,424</u>	<u>\$ 327,305</u>

Governmental activities amortization expense relative to leased equipment under the capital lease totaled \$37,614 for the year ended June 30, 2021. Business-type activities amortization expense relative to leased equipment under the capital lease totaled \$85,893 for the year ended June 30, 2021. Such amounts are included in depreciation and amortization expense disclosed in Note 4.

Future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2021 are as follows:

	Governmental Activities	Business-Type Activities
Year Ending June 30:		
2022	\$ 37,911	\$ 69,472
2023	37,911	69,472
2024	37,912	69,472
2025	-	69,471
Total minimum lease payments	113,734	277,887
Less: amount representing interest	10,085	21,653
Present value of minimum lease payments	<u>\$ 103,649</u>	<u>\$ 256,234</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - OTHER LONG-TERM LIABILITIES

Change in other long-term liabilities for the year ended June 30, 2021 are as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Compensated absences	\$ 321,855	\$ 80,338	\$ -	\$ 402,193	\$ 120,658
Landfill post-closure care liability	64,800	-	(16,200)	48,600	16,200
Net pension liability <i>(see Note 10)</i>	12,049,291	-	(8,178,486)	3,870,805	-
Net OPEB liability <i>(see Note 11)</i>	5,311,382	-	(3,153,481)	2,157,901	-
	<u>\$ 17,747,328</u>	<u>\$ 80,338</u>	<u>\$ (11,348,167)</u>	<u>\$ 6,479,499</u>	<u>\$ 136,858</u>

Other long-term liabilities are typically liquidated by the General Fund for governmental activities.

Landfill Post-Closure Care Liability

The Town landfill has been closed. State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill for thirty years after closure. Estimated monitoring costs of \$16,200 per year for the next 3 years total \$48,600 at June 30, 2021. These amounts are based on estimates, which are subject to change due to inflation, technology or changes in applicable laws and regulations.

NOTE 9 - FUND BALANCE

The various components of fund balance at June 30, 2021 are as follows:

	General Fund	Capital Projects Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total
Nonspendable:					
Inventories	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000
Endowments	-	-	-	392,787	392,787
Restricted for:					
Debt service	449,255	-	-	-	449,255
Bonded projects	-	1,921,194	-	-	1,921,194
Grants and donations	-	-	-	217,781	217,781
Economic development	-	-	-	116,294	116,294
Health and social services	-	-	-	83,404	83,404
Library, recreation and parks	-	-	-	33,621	33,621
Education programs	-	-	-	1,669,221	1,669,221
Town clerk	-	-	-	42,716	42,716
Other programs	-	-	-	14,678	14,678
Committed to:					
General government	-	-	-	20	20
Public safety	-	-	-	114,155	114,155
Library, recreation and parks	-	-	-	79,848	79,848
Education	97,079	-	-	196,169	293,248
Capital purposes	-	8,349,541	-	108,824	8,458,365
Debt service	-	-	-	789,837	789,837
Assigned to:					
Encumbrances - General government	68,750	-	-	-	68,750
Encumbrances - Education	506,394	-	-	-	506,394
Subsequent year's budget	2,221,317	-	-	-	2,221,317
Unassigned	5,980,108	(796,643)	-	(58,643)	5,124,822
	<u>\$ 9,322,903</u>	<u>\$ 9,474,092</u>	<u>\$ -</u>	<u>\$ 3,825,712</u>	<u>\$ 22,622,707</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - FUND BALANCE *(Continued)*

Deficit Fund Balances

The following funds have deficit fund balances as of June 30, 2021, which do not constitute a violation of statutory provisions. The deficits are expected to be eliminated by the future funding sources disclosed below.

Fund	Deficit Fund Balance	Future Funding Source
Insurance Fund	\$ (274,559)	Charges for services and OPEB trust contributions
Gas/Diesel Fund	(31,337)	Charges for services
Municipal Grant Fund	(58,623)	General Fund budgetary contributions
Drug Education & Enforcement Grant Fund	(20)	General Fund budgetary contributions
Agriscience Project Fund	(796,643)	Grant reimbursement and/or General Fund budgetary contributions

NOTE 10 - EMPLOYEE RETIREMENT PLANS

Employee's Retirement System

Plan Description

The Town is the administrator of a single-employer public employee retirement system (PERS) defined benefit contributory pension plan established and administered to provide pension benefits for its municipal and Board of Education employees other than teachers. The PERS does not issue stand-alone financial statements and is considered to be part of the Town's financial reporting entity. As such, the PERS is included in the Town's financial statements as a pension trust fund.

Management of the plan rests with the PERS Board, which consists of seven voting members and an additional ad hoc member. Included in the Board is the First Selectman, Treasurer, a Board of Finance member, three citizens, one police union member and one ad hoc non-voting member. Effective January 1, 1989 all regular employees who worked at least 20 hours per week and agreed to make participant contributions were eligible to participate. All groups are now closed to participation for new employees.

Summary of Significant Accounting Policies

The PERS are accounted for using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plans are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans.

Investments - Investments are generally measured at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments in money market mutual funds are measured at net asset value per share as determined by the fund. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Employee's Retirement System *(Continued)*

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

Concentrations - As of June 30, 2021, there were no investments in any one issuer that represented 5.0% or more of the Town Plan's total investments.

Rate of return - For the year ended June 30, 2021, the annual money-weighted rate of return on the pension plan, net of pension plan investment expense, was 29.85%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Plan Membership

Membership of the PERS consisted of the following as of at the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	144
Inactive plan members entitled to but not yet receiving benefits	56
Active plan members	124
	<hr/>
	<hr/> 324

Benefit Provisions

Under the PERS, all employees who work at least 20 hours a week and agree to make contributions are eligible. The retirement benefit is calculated at 2% (2.25% for police officers and firefighters) of the average annual salaries during the three highest years out of the final seven years of employment multiplied by service. Participants are 100% vested after five years of continuous service if their contributions remain in the fund. Benefits and contributions are established by contract and may be amended by union negotiations.

Contributions

Employees are required to contribute 5.25% of their salary to the PERS except for police and firefighters, who contribute 6.0%. The Town is required to contribute the remaining amounts necessary to finance coverage.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Employee's Retirement System *(Continued)*

Net Pension Liability

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

Total pension liability	\$ 47,451,680
Plan fiduciary net position	<u>43,580,875</u>
Town's net pension liability - Town Plan	<u><u>\$ 3,870,805</u></u>

Plan fiduciary net position as a percentage of the total pension liability	91.84%
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The components of the changes in the net pension liability of the Town at June 30, 2021 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2020	\$ 45,953,673	\$ 33,904,382	\$ 12,049,291
Changes for the year:			
Service cost	1,051,615	-	1,051,615
Interest	3,029,894	-	3,029,894
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	1,670,344	(1,670,344)
Contributions - employee	-	406,313	(406,313)
Net investment income	-	10,188,407	(10,188,407)
Benefit payments, including refunds	(2,583,502)	(2,583,502)	-
Administrative expense	-	(5,069)	5,069
Net changes	<u>1,498,007</u>	<u>9,676,493</u>	<u>(8,178,486)</u>
Balance as of June 30, 2021	<u><u>\$ 47,451,680</u></u>	<u><u>\$ 43,580,875</u></u>	<u><u>\$ 3,870,805</u></u>

Actuarial assumptions - The total pension liability measured as of June 30, 2021 was determined by actuarial valuations as of July 1, 2019 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases, including inflation	Service Based
Investment rate of return	6.625%
Discount rate	6.625%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, for nonannuitants and annuitants, projected to the valuation date with Scale MP-2019.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Employee's Retirement System *(Continued)*

Net Pension Liability *(Continued)*

The long-term expected rate of returns on pension plan investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in each of the Plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap Equity	20.00%	4.50%
Mid/Small Cap Equity	11.00%	5.00%
Developed International Equity	17.50%	5.25%
Emerging Market Equity	8.50%	6.25%
Real Estate/MLPs	8.00%	4.50%
Intermediate Fixed Income	25.00%	2.00%
High Yield Fixed Income	4.50%	3.25%
Emerging Market Bonds	2.00%	3.50%
Cash Equivalents	3.50%	0.25%
	<u>100.00%</u>	

Discount rate - The discount rate used to measure the total pension liability for the pension plan was 6.625%. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rates and that the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the 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 rates of return on the Plan's investments were applied to all periods of projected benefit payments to determine the Plan's total pension liability.

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability (asset)	\$ 9,081,873	\$ 3,870,805	\$ (585,720)

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Employee's Retirement System *(Continued)*

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, the Town recognized pension expense of \$514,258 for the Plan. At June 30, 2021, the Town reported deferred outflows and inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferral
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (5,356,934)	\$ (5,356,934)
Changes of assumptions	519,825	-	519,825
Differences between expected and actual experience	20,598	(549,108)	(528,510)
Total	<u>\$ 540,423</u>	<u>\$ (5,906,042)</u>	<u>\$ (5,365,619)</u>

Amounts reported as deferred outflows and inflows of resources will be recognized as a component of pension expense in future years as follows:

Year ended June 30,	
2022	\$ (1,227,459)
2023	(1,250,013)
2024	(1,296,360)
2025	(1,591,787)
	<u>\$ (5,365,619)</u>

Plan Financial Statements

The following presents the statement of fiduciary net position and the statement of changes in fiduciary net position for the Plan as of and for the year ended June 30, 2021:

Statement of Fiduciary Net Position	
ASSETS	
Cash and cash equivalents	\$ 176,710
Investments	43,156,127
Receivables	249,301
Total assets	<u>43,582,138</u>
PAYABLES	<u>1,263</u>
NET POSITION	
Restricted for pension benefits	<u>\$ 43,580,875</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Employee's Retirement System *(Continued)*

Plan Financial Statements *(Continued)*

Statement of Changes in Fiduciary Net Position	
ADDITIONS	
Contributions:	
Employer	\$ 1,670,344
Employees	406,313
Total contributions	<u>2,076,657</u>
Investment earnings:	
Net change in the fair value of	
investments, net of fees	10,188,407
Total investment earnings	<u>10,188,407</u>
Total additions	<u>12,265,064</u>
DEDUCTIONS	
Benefit payments	2,583,502
Administrative expenses	5,069
Total deductions	<u>2,588,571</u>
Change in net position	9,676,493
Net position restricted for pension benefits:	
Beginning of year	33,904,382
End of year	<u><u>\$ 43,580,875</u></u>

Connecticut Teachers' Retirement System

Plan Description

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

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Benefit Provisions

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

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

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

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

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

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

Contributions

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

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

Employees - Effective July 1, 1992, each teacher was required to contribute 6.0% of pensionable salary for the pension benefit. Effective January 1, 2018, the required contribution increased to 7.0% of pensionable salary.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Administrative Expenses

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

Basis of Presentation

The components associated with pension expense and deferred outflows and inflows of resources have been determined based on fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2020. The net pension liability at June 30, 2020 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Comprehensive Annual Financial Report can be obtained at www.ct.gov.

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

Allocation Methodology

The allocations for participating employers are based on the 2020 expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.436% as of the most recent measurement date.

Collective Net Pension Liability

The following summarizes the collective net pension liability of the State for the TRS as of June 30, 2020, the measurement date, in addition to the Town's and State's proportionate shares of the collective net pension liability that is attributed to the Town:

Collective Net Pension Liability of the State for the TRS		<u>\$ 18,846,090,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net Pension Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net Pension Liability attributed to the Town	0.436%	<u>\$ 82,111,000</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Collective Pension Expense

The Town's expected contribution effort for allocation purposes totaled \$5,266,738 or 0.436% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures in the General Fund for the year ended June 30, 2021.

The collective pension expense includes certain current period changes in the collective net pension liability, projected earnings on pension plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the collective pension expense attributed to the Town totaled \$11,762,025 or 0.436% of the total collective pension expense and has been recognized as an operating contribution and related education expenses in the statement of activities for the year ended June 30, 2020.

Actuarial Assumptions

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

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

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

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5.0% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6.0% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5.0% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3.0%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Long-Term Rate of Return *(Continued)*

The current capital market assumptions and the target asset allocation as provided by the Treasurer's Office are summarized in the following table:

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

Discount Rate

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

Deferred Compensation Plans

The Town offers certain full-time employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. Deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of the plan participants and their beneficiaries. Employer contributions are determined based on agreements for each participant's group or collective bargaining unit.

Amounts contributed by the Town into the plans totaled \$221,759 for the year ended June 30, 2021.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - EMPLOYEE RETIREMENT PLANS *(Continued)*

Other Retirement Plan

The Board of Education has established a money-purchase retirement plan in accordance with Section 401(a) of the Internal Revenue Code (the "401(a) Plan") to provide retirement benefits for non-union employees and custodians, secretaries, para-educators, technology support, academic support, food service and nurses hired after July 1, 2016 or July 1, 2017 for all others. Under the provisions of the Plan, all eligible employees (except those covered under a comparable employer plan) may participate. Contribution requirements are established and may be amended by the Board of Education. Participants must contribute 5.25% of their compensation. The Board of Education is currently required to match this 5.25% of the employee's base compensation. In addition, the plan provides for the employees to contribute an optional amount to a separate 403(b) plan. The Board of Education will match up to 1.75% of the employee's compensation contributed to the 403(b) plan. The Board of Education matching contribution will be deposited to the 401(a) plan. Participants become 100% vested in employer contributions upon completion of five years of service.

Amounts contributed by the Board of Education into this plan totaled \$106,921 for the year ended June 30, 2021.

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS

Town Plan

Plan Description

The Retiree Health Plan (RHP) is a single-employer defined benefit healthcare plan administered by the Town. The RHP provides medical and dental insurance benefits to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

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

Funding Policy

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute amounts monthly towards the cost of health insurance premiums.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Town Plan *(Continued)*

Employees Covered by Benefit Terms

Membership of the Plan consisted of the following as of July 1, 2020, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	70
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>421</u>
	<u>491</u>

Contributions

Contribution requirements of the plan members and the Town are established in the provisions of the program and in accordance with the General Statutes of the State of Connecticut. Plan members are currently required to contribute 100% of their premiums to the Town, less any reimbursements received by the Town from the State Retirement Board for retired teachers. Town contributions made to its Other Post-Employment Benefits Trust Fund are based on an actuarially determined rate. No contributions were made into the Trust during the year ended June 30, 2021. Total Town contributions credited under the Plan totaled \$594,673 and include contributions paid out of the Town's Insurance Fund.

Net OPEB Liability

The Town's net OPEB liability reported as of June 30, 2021 totaled \$2,157,901. The net OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020.

Total OPEB liability	\$ 18,702,435
Plan fiduciary net position	<u>16,544,534</u>
Net OPEB liability	<u>\$ 2,157,901</u>
Plan fiduciary net position as a percentage of the total OPEB liability	88.46%

Actuarial Assumptions - The total OPEB liability as of June 30, 2021 was determined using the following actuarial assumptions, applied to all period included in the measurement, unless otherwise specified:

Inflation	2.40%
Investment rate of return	6.50%
Discount rate	6.50%
Medical trend	6.50% decreasing 0.25% per year to an ultimate rate of 4.40%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (with separate tables for General employees, Public Safety employees and Teachers) and for non-annuitants and annuitants, projected to the valuation date with Scale MP-2020.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Town Plan *(Continued)*

Net OPEB Liability *(Continued)*

The long-term expected rate of returns on OPEB Plan investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Lap Cap Equity	21.50%	5.25%
Mid/Small Cap Equity	14.50%	5.75%
Developed International Equity	14.50%	5.75%
Emerging International Equity	9.50%	7.75%
Aggregate Bonds	28.00%	1.25%
High Yield Fixed Income	4.00%	4.00%
Emerging Market Bonds	3.00%	0.75%
Real Estate	5.00%	5.75%
	<u>100.00%</u>	

Discount rate - The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rates and that the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on the OPEB Plan's investments were applied to all periods of projected benefit payments to determine the OPEB Plan's total OPEB liability.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Town Plan *(Continued)*

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2020	\$ 18,495,309	\$ 13,183,927	\$ 5,311,382
Changes for the year:			
Service cost	432,272	-	432,272
Interest	1,253,210	-	1,253,210
Differences between expected and actual experience	(175,018)	-	(175,018)
Changes of benefit terms	-	-	-
Changes of assumptions	(568,357)	-	(568,357)
Contributions - employer	-	594,673	(594,673)
Contributions - TRB subsidy	-	42,186	(42,186)
Net investment income	-	3,470,429	(3,470,429)
Benefit payments, including refunds	(734,981)	(734,981)	-
Administrative expense	-	(11,700)	11,700
Net changes	207,126	3,360,607	(3,153,481)
Balance as of June 30, 2021	<u>\$ 18,702,435</u>	<u>\$ 16,544,534</u>	<u>\$ 2,157,901</u>

Sensitivity of the net OPEB liability to changes in the discount rate - The following presents the Town's net OPEB liability for the OPEB Plan, calculated using the discount rate of 6.50%, as well as what the Town's net OPEB liability would be for the OPEB Plan if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	\$ 4,487,887	\$ 2,157,901	\$ 197,336

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The following presents the Town's net OPEB liability for the OPEB Plan, calculated using the discount rate disclosed above, as well as what the Town's net OPEB liability would be for the OPEB Plan if it were calculated using a discount rate that is 1-percentage-point lower (5.50% decreasing to 3.40%) or 1-percentage-point higher (7.50% decreasing to 5.40%) than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB (asset) liability	\$ (105,511)	\$ 2,157,901	\$ 4,897,310

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Town Plan *(Continued)*

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, the Town recognized OPEB expense of \$174,287. At June 30, 2021, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferral
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ (1,946,027)	\$ (1,946,027)
Changes of assumptions	525,052	(523,604)	1,448
Differences between expected and actual experience	229,255	(1,561,750)	(1,332,495)
Total	<u>\$ 754,307</u>	<u>\$ (4,031,381)</u>	<u>\$ (3,277,074)</u>

Amounts reported as deferred outflows and inflows of resources will be recognized as a net reduction of OPEB expense as follows:

Year ended June 30,	
2022	\$ (582,353)
2023	(590,482)
2024	(612,248)
2025	(635,360)
2026	(118,604)
Thereafter	(738,027)
	<u>\$ (3,277,074)</u>

The following presents the statement of fiduciary net position for the Town's OPEB Plan as of June 30, 2021:

Statement of Fiduciary Net Position	
ASSETS	
Cash and cash equivalents	\$ 323,202
Investments	<u>16,233,032</u>
Total assets	<u>16,556,234</u>
PAYABLES	
	<u>11,700</u>
NET POSITION	
Restricted for OPEB benefits	<u>\$ 16,544,534</u>

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Town Plan *(Continued)*

OPEB Plan Financial Statements

The following presents the statement of changes in fiduciary net position for the Town's OPEB Plan for the year ended June 30, 2021:

Statement of Changes in Fiduciary Net Position	
ADDITIONS	
Contributions:	
Employer	\$ -
Total contributions	-
Investment earnings:	
Net change in the fair value of investments, net of fees	3,470,428
Total investment earnings	3,470,428
Total additions	3,470,428
DEDUCTIONS	
Benefit payments	-
Administrative expenses	11,700
Total deductions	11,700
Change in net position	3,458,728
Net position restricted for OPEB benefits:	
Beginning of year	13,085,806
End of year	\$ 16,544,534

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

Connecticut Teachers' Retirement System

Plan Description

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

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

Benefit Provisions

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

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

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

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Connecticut Teachers' Retirement System *(Continued)*

Contributions *(Continued)*

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

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

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

Administrative Expenses

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

Basis of Presentation

The components associated with other postemployment benefits (OPEB) expense and deferred outflows and inflows of resources have been determined based on fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2020. The net pension liability at June 30, 2020 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Comprehensive Annual Financial Report can be obtained at www.ct.gov.

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

Allocation Methodology

The allocations for participating employers are based on the 2020 expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.436% as of the most recent measurement date.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Connecticut Teachers' Retirement System *(Continued)*

Collective Net OPEB Liability

The following summarizes the collective net OPEB liability of the State for the TRS as of June 30, 2020, the measurement date, in addition to the Town's and State's proportionate shares of the collective net OPEB liability that is attributed to the Town:

Collective Net OPEB Liability of the State for the TRS		<u>\$ 2,810,895,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net OPEB Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net OPEB Liability attributed to the Town	0.436%	<u>\$ 12,247,000</u>

Collective OPEB Expense

The Town's expected contribution effort for allocation purposes totaled \$127,105 or 0.436% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures in the General Fund for the year ended June 30, 2021.

The collective OPEB expense includes certain current period changes in the collective net OPEB liability, projected earnings on OPEB plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the collective OPEB expense attributed to the Town totaled \$565,713 or 0.436% of the total collective OPEB expense and has been recognized as a reduction in operating contributions and related education expenses in the statement of activities for the year ended June 30, 2021.

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

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Connecticut Teachers' Retirement System *(Continued)*

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the actuarial valuation process. Several factors are considered in evaluation the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate was performed in accordance with the applicable standards. The projection's basis was an actuarial valuation performed as of June 30, 2020.

In addition to the actuarial methods and assumptions of the June 30, 2020 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annual at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 12 - RISK MANAGEMENT AND UNCERTAINTIES

Insurance

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The Town purchases commercial insurance for all risks of loss, including blanket and umbrella. Coverage has not been materially reduced, nor have settled claims exceeded commercial coverage in any of the past three years.

Effective July 1, 2001, the town created a separate fund to account for its self-insured medical plan. The Town has assumed all risk associated with providing health insurance up to a maximum of 110% of the fully paid plan. In addition, the Town has purchased a combined stop-loss policy which limits individual loss claims to \$175,000 for hospitalization and for major medical. The Town pays an administration fee to a third party for administering the fund.

Claims expense as reported in the Insurance Fund (Internal Service Fund) amounted to \$7,316,953. This amount includes an estimate of claims incurred but not reported at June 30, 2021 of \$679,049. A schedule of changes in the claims liability for the years ended June 30, 2021, 2020 and 2019 are presented below:

Year Ended June 30	Claims Payable, Beginning of Year	Claims and Changes in Estimates	Claims Paid	Claims Payable, End of Year
2021	\$ 624,400	\$ 7,292,724	\$ 7,238,075	\$ 679,049
2020	657,890	6,416,012	6,449,502	624,400
2019	688,960	6,896,315	6,927,385	657,890

Uncertainties - Pandemic

In early March 2020, there was a global outbreak of COVID-19 that was declared a Public Health Emergency of International Concern by the World Health Organization and was subsequently declared a state of emergency by the Governor of Connecticut and a national emergency by the President of the United States. The outbreak of the virus has effected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide. The extent to which COVID-19 will impact the Town's tax base, operations and its financial condition will ultimately depend on future developments that are uncertain and cannot be fully predicted with confidence at this time.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

There are several legal matters pending against the Town. The outcome and eventual liability to the Town, if any, in these cases is not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not materially affect the financial position of the Town.

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 13 - COMMITMENTS AND CONTINGENCIES *(Continued)*

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

As of June 30, 2021, the Town has recorded \$575,144 in encumbrances for the commitments made for the purchase of goods and services. Encumbrances are included as part of the assigned fund balance in the General Fund.

NOTE 14 - RECENTLY ISSUED ACCOUNTING STANDARDS

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources 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 Statement, 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, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2021. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement should be applied prospectively and are effective for the Town's reporting period beginning July 1, 2021. The Town does not expect this statement to have a material effect on its financial statements.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022. The Town does not expect this statement to have a material effect on its financial statements.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and the requirements of this statement are effective for the Town's reporting period beginning July 1, 2021. The Town does not expect this statement to have a material effect on its financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 14 - RECENTLY ISSUED ACCOUNTING STANDARDS *(Continued)*

In May 2020, the GASB issued Statement 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022. The Town does not expect this statement to have a material effect on its financial statements.

In June 2020, the GASB issued Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - An Amendment of GASB Statement No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this statement that relate to the accounting and reporting of Section 457 plans are effective for the Town's reporting period beginning July 1, 2021. The Town does not expect this statement to have a material effect on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance With
	Original	Final		Final Budget
	Budget	Budget	Actual	Over (Under)
REVENUES				
Property taxes	\$ 42,733,701	\$ 42,733,701	\$ 43,168,652	\$ 434,951
Intergovernmental	12,222,398	12,222,398	12,929,273	706,875
Charges for services	2,561,082	2,561,082	2,937,572	376,490
Investment income	50,000	50,000	75,990	25,990
Other	319,000	319,000	292,227	(26,773)
Total revenues	<u>57,886,181</u>	<u>57,886,181</u>	<u>59,403,714</u>	<u>1,517,533</u>
EXPENDITURES				
Current:				
General government	6,050,585	6,062,286	6,051,777	(10,509)
Planning and development	289,598	303,904	303,904	-
Public safety	4,268,643	4,348,835	4,348,835	-
Public works	4,051,074	4,133,341	4,133,341	-
Health and social services	768,886	757,372	757,372	-
Library, recreation and parks	875,674	868,723	868,723	-
Cemeteries	40,290	40,290	40,290	-
Education	35,901,023	35,901,022	35,853,943	(47,079)
Contingency	500,000	-	-	-
Debt service	2,992,825	2,992,825	2,992,825	-
Total expenditures	<u>55,738,598</u>	<u>55,408,598</u>	<u>55,351,010</u>	<u>(57,588)</u>
Excess of revenues over expenditures	2,147,583	2,477,583	4,052,704	1,575,121
OTHER FINANCING SOURCES (USES)				
Appropriation of fund balance	1,000,000	1,000,000	-	(1,000,000)
Premium on bonds issued	-	-	449,255	449,255
Transfers in	125,000	125,000	125,000	-
Transfers out	(3,272,583)	(3,602,583)	(3,602,583)	-
Total other financing sources (uses)	<u>(2,147,583)</u>	<u>(2,477,583)</u>	<u>(3,028,328)</u>	<u>(550,745)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,024,376</u>	<u>\$ 1,024,376</u>

See accompanying notes to required supplementary information.

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY -
TOWN PENSION PLAN (UNAUDITED)
LAST EIGHT FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:								
Service cost	\$ 1,051,615	\$ 1,104,272	\$ 1,099,140	\$ 1,151,372	\$ 1,160,086	\$ 1,019,628	\$ 980,412	\$ 942,703
Interest	3,029,894	2,995,127	2,894,908	2,863,054	2,745,126	2,629,704	2,509,771	2,396,241
Differences between expected and actual experience	-	(1,235,492)	-	844,498	-	(618,973)	-	-
Changes in assumptions	-	1,110,826	-	1,071,141	-	1,693,828	-	-
Benefit payments, including refunds	(2,583,502)	(2,536,662)	(2,492,971)	(2,421,089)	(2,168,829)	(1,960,780)	(1,900,889)	(1,826,285)
Net change in total pension liability	1,498,007	1,438,071	1,501,077	3,508,976	1,736,383	2,763,407	1,589,294	1,512,659
Total pension liability - beginning	45,953,673	44,515,602	43,014,525	39,505,549	37,769,166	35,005,759	33,416,465	31,903,806
Total pension liability - ending	47,451,680	45,953,673	44,515,602	43,014,525	39,505,549	37,769,166	35,005,759	33,416,465
Plan net position:								
Contributions - employer	1,670,344	1,618,044	1,595,065	1,461,147	1,432,199	1,333,075	1,292,936	1,248,754
Contributions - members	406,313	411,823	426,837	474,593	512,094	557,288	489,811	482,833
Net investment income	10,188,407	777,231	1,852,004	2,251,890	3,131,328	411,116	401,414	3,385,717
Benefit payments, including refunds	(2,583,502)	(2,536,662)	(2,492,971)	(2,421,089)	(2,168,829)	(1,960,780)	(1,900,889)	(1,826,285)
Administrative expenses	(5,069)	(25,702)	(2,084)	(17,202)	(2,254)	(23,198)	(5,044)	(37,288)
Net change in plan net position	9,676,493	244,734	1,378,851	1,749,339	2,904,538	317,501	278,228	3,253,731
Plan net position - beginning	33,904,382	33,659,648	32,280,797	30,531,458	27,626,920	27,309,419	27,031,191	23,777,460
Plan net position - ending	43,580,875	33,904,382	33,659,648	32,280,797	30,531,458	27,626,920	27,309,419	27,031,191
Town's net pension liability	<u>\$ 3,870,805</u>	<u>\$ 12,049,291</u>	<u>\$ 10,855,954</u>	<u>\$ 10,733,728</u>	<u>\$ 8,974,091</u>	<u>\$ 10,142,246</u>	<u>\$ 7,696,340</u>	<u>\$ 6,385,274</u>
Plan net pension as percentage of total pension liability	91.84%	73.78%	75.61%	75.05%	77.28%	73.15%	78.01%	80.89%
Covered payroll	\$ 7,722,760	\$ 7,527,057	\$ 8,257,616	\$ 8,048,359	\$ 9,608,088	\$ 9,238,546	\$ 8,831,530	\$ 8,493,969
Town net pension liability as a percentage of covered payroll	50.12%	160.08%	131.47%	133.37%	93.40%	109.78%	87.15%	75.17%

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

See accompanying notes to required supplementary information.

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS -
TOWN PENSION PLAN (UNAUDITED)
LAST EIGHT FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 1,670,344	\$ 1,618,044	\$ 1,595,065	\$ 1,461,147	\$ 1,432,199	\$ 1,333,075	\$ 1,292,936	\$ 1,209,502
Contributions in relation to actuarially determined contributions	<u>1,670,344</u>	<u>1,618,044</u>	<u>1,595,065</u>	<u>1,461,147</u>	<u>1,432,199</u>	<u>1,333,075</u>	<u>1,292,936</u>	<u>1,248,754</u>
(Excess) deficiency of contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (39,252)</u>
Covered payroll	\$ 7,722,760	\$ 7,527,057	\$ 8,257,616	\$ 8,048,359	\$ 9,608,088	\$ 9,238,546	\$ 8,831,530	\$ 8,493,969
Contributions as a percentage of covered payroll	21.63%	21.50%	19.32%	18.15%	14.91%	14.43%	14.64%	14.70%
Annual money-weighted rate of return, net of investment expense	29.85%	2.28%	5.57%	7.38%	11.37%	1.60%	1.52%	14.01%

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

See accompanying notes to required supplementary information.

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

	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net pension liability attributed to the Town	82,111,000	75,245,000	58,019,000	60,061,000	63,365,000	47,465,000	43,872,000
Total	<u>\$ 82,111,000</u>	<u>\$ 75,245,000</u>	<u>\$ 58,019,000</u>	<u>\$ 60,061,000</u>	<u>\$ 63,365,000</u>	<u>\$ 47,465,000</u>	<u>\$ 43,872,000</u>
Town's covered payroll	\$ 19,338,000	\$ 19,347,000	\$ 19,047,000	\$ 19,045,000	\$ 18,357,000	\$ 17,659,000	\$ 17,021,000
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total collective pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

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

See accompanying notes to required supplementary information.

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY -
OTHER POST-EMPLOYMENT BENEFITS PLAN (UNAUDITED)
LAST FIVE FISCAL YEARS*

	2021	2020	2019	2018	2017
Total OPEB liability:					
Service cost	\$ 432,272	\$ 414,847	\$ 397,058	\$ 372,338	\$ 362,903
Interest	1,253,210	1,205,454	1,259,951	1,197,869	1,163,059
Changes in benefit terms	-	-	(6,748)	-	-
Differences between expected and actual experience	(175,018)	(163,590)	(1,648,958)	341,087	145,349
Changes in assumptions	(568,357)	-	685,783	-	-
Benefit payments, including refunds	(734,981)	(797,234)	(891,895)	(1,201,118)	(1,025,913)
Net change in total OPEB liability	207,126	659,477	(204,809)	710,176	645,398
Total OPEB liability - beginning	18,495,309	17,835,832	18,040,641	17,330,465	16,685,067
Total OPEB liability - ending	18,702,435	18,495,309	17,835,832	18,040,641	17,330,465
Plan fiduciary net position:					
Contributions - employer	594,673	765,121	1,123,832	1,457,479	1,666,760
Contributions - TRB subsidy	42,186	32,113	34,191	39,897	51,583
Net investment income	3,470,429	725,393	704,491	703,702	1,117,525
Benefit payments, including refunds	(734,981)	(797,234)	(891,895)	(1,201,118)	(1,025,913)
Administrative expenses	(11,700)	-	-	-	-
Net change in plan net position	3,360,607	725,393	970,619	999,960	1,809,955
Plan fiduciary net position - beginning	13,183,927	12,458,534	11,487,915	10,487,955	8,678,000
Plan fiduciary net position - ending	16,544,534	13,183,927	12,458,534	11,487,915	10,487,955
Town's net OPEB liability	<u>\$ 2,157,901</u>	<u>\$ 5,311,382</u>	<u>\$ 5,377,298</u>	<u>\$ 6,552,726</u>	<u>\$ 6,842,510</u>
Plan fiduciary net pension as percentage of total OPEB liability	88.46%	71.28%	69.85%	63.68%	60.52%
Covered payroll	\$ 29,710,769	\$ 30,345,345	\$ 29,576,359	\$ 27,028,027	\$ 26,343,106
Town net OPEB liability as a percentage of covered payroll	7.26%	17.50%	18.18%	24.24%	25.97%

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

See accompanying notes to required supplementary information.

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS -
OTHER POST-EMPLOYMENT BENEFITS PLAN (UNAUDITED)
LAST FIVE FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 1,018,144	\$ 998,417	\$ 1,177,653	\$ 1,167,634	\$ 1,858,040
Contributions in relation to actuarially determined contribution	<u>594,673</u>	<u>765,121</u>	<u>1,123,832</u>	<u>1,457,479</u>	<u>1,666,760</u>
(Excess) deficiency of contribution	<u>\$ 423,471</u>	<u>\$ 233,296</u>	<u>\$ 53,821</u>	<u>\$ (289,845)</u>	<u>\$ 191,280</u>
Covered payroll	\$ 29,710,769	\$ 30,345,345	\$ 29,576,359	\$ 27,028,027	\$ 26,343,106
Contributions as a percentage of covered payroll	2.00%	2.52%	3.80%	5.39%	6.33%
Annual money-weighted rate of return, net of investment expense	26.35%	5.82%	6.01%	6.72%	12.32%

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

See accompanying notes to required supplementary information.

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the collective net OPEB liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net OPEB liability attributed to the Town	<u>12,247,000</u>	<u>11,735,000</u>	<u>11,598,000</u>	<u>15,459,000</u>
Total	<u><u>\$ 12,247,000</u></u>	<u><u>\$ 11,735,000</u></u>	<u><u>\$ 11,598,000</u></u>	<u><u>\$ 15,459,000</u></u>
Town's covered payroll	\$ 19,338,000	\$ 19,347,000	\$ 19,047,000	\$ 19,045,000
Town's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total collective OPEB liability	2.50%	2.08%	1.49%	1.79%

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements.

- Not later than the fifteenth day of January, the Board of Finance will make known to the Chairman of those Boards, Committees, Agencies and office of the Town dependent on the Annual Town Budget for any portion of their operating income, such guidelines, forms, requisites as may direct and assist the preparation and presentation of their respective budget proposals.
- The Board of Selectman will receive from all Offices, Department Boards, Committees or Agencies of the Town dependent on the Annual Town Budget for any portion of their operating income, excepting the Board of Education, not later than February 1st a copy of their separate itemized recommended Annual Town Budget for the ensuing year.
- Not later than March 1st, the Board of Selectman will present to the Board of Finance a consolidated recommended Annual Town Budget, containing such detail as required by the Board of Finance and outlining the financial policy of the town government, describing therein features of the Annual Town Budget plan, indicating any major changes from the current fiscal year and changes from those recommendations of the several Boards, Commissions, Agencies with reasons therefore.
- As part of the Annual Town Budget, the Board of Selectman shall present a recommended program concerning municipal improvements or proposed capital projects for the ensuing fiscal year and for five years thereafter.
- The budget proposal of the Board of Education shall be presented to the Board of Finance not later than the last Monday of March.
- The Board of Finance will review the several and joint estimates of expenditures; it will attempt to reconcile priorities, estimates, proposals through meetings with the Chairman and First Selectman; it will refine its review of the preliminary Annual Town Budget with estimates of income and will prepare its own preliminary Annual Town Budget which shall become the proposed Annual Town Budget. These actions should be completed not later than May 1st.
- Not later than fourteen (14) days prior to the scheduled Annual Town Meeting for Annual Town Budget Approval, the Board of Finance will hold at least one public hearing at which time any elector or taxpayer shall have the opportunity to be heard regarding appropriations for the ensuing year.
- Printed copies of the proposed Annual Town Budget shall be available at the office of the Town Clerk not less than forty-eight (48) hours prior to said hearing, and the Board may make such copies available at such other locations and through distributions as it may prescribe.
- After the hearing, the Board of Finance shall then revise the preliminary Annual Town Budget if/as it deems desirable, and shall prepare a final proposed Annual Town Budget which shall be filed with the Town Clerk for presentation at the Town Meeting for its adoption. At least five (5) days prior to the Town Meeting the final proposed Annual Town Budget shall be published in accordance with the General Statutes.
- Within ten (10) days after the adoption of the Annual Town Budget the Board of Finance shall fix the tax rate in mills which shall be levied on the taxable property in the Town for the ensuing fiscal year.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

- Management may not exceed appropriations at the department level and must seek approval from the Board of Selectman to reassign resources between departments. The legal level of budgetary control is the department level. Subsequent to adoption of the budget, any requests for supplemental appropriations or transfers are required to be submitted in writing to the Board of Selectmen, who upon consideration, will forward to the Board of Finance for approval. Any transfers which alter the total budget in an amount equal to or greater than one quarter of one percent of the total budget must be also approved by a Town meeting resolution. Any additional appropriations would also require Town meeting approval.

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP basis"). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2021:

	Total Revenues	Total Expenditures	Total Other Financing Sources (Uses)	Net Change in Fund Balance
Budgetary basis	\$ 59,403,714	\$ 55,351,010	\$ (3,028,328)	\$ 1,024,376
"On-behalf" payments - State Teachers Retirement Fund	5,393,843	5,393,843	-	-
Change in encumbrances	-	(181,968)	-	181,968
Bond premium netted against expenditures for budgetary purposes	-	219,017	219,017	-
Certain transfers recorded as expenditures for budgetary purposes	12,997	4,013	(8,984)	-
Intergovernmental grants netted against expenditures	931,039	931,039	-	-
GAAP basis	<u>\$ 65,741,593</u>	<u>\$ 61,716,954</u>	<u>\$ (2,818,295)</u>	<u>\$ 1,206,344</u>

NOTE 2 - SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY - TOWN PENSION PLAN

The Town began to report this schedule when it implemented GASB Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25* in fiscal year 2014. GASB Statement No. 67 requires the information within this schedule to be presented for the ten most recent fiscal years.

Benefit Changes - There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumption Changes - There have been no changes in assumptions that have had a significant effect on the measurement of the total pension liability.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 3 - SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS - TOWN PENSION PLAN

The Town began to report this schedule when it implemented GASB Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25* in fiscal year 2014. GASB Statement No. 67 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial determined contribution rates are calculated every two years as of July 1. Actuarial determined contribution for fiscal year ending June 30, 2021 were determined from the July 1, 2019 valuation.

The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2021.

Actuarial Cost method	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	20 years, closed
Asset valuation method	5 year period at 20% per year
Inflation rate	2.60%
Salary Increases	Based on years of service
Investment rate of return	6.625%

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables projected to the valuation date with Scale MP-2019.

NOTE 4 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY – CONNECTICUT TEACHERS' RETIREMENT SYSTEM

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

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2020. The liabilities were estimated based on a measurement date of June 30, 2020. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. This information is utilized by the Town for reporting as of June 30, 2021.

Benefit changes - There were no benefit term changes that have had a significant effect on the measurement of the collective net pension liability reported as of June 30, 2021.

Assumption changes - The following significant assumptions had a significant effect on the measurement of the collective pension liability reported as of June 30, 2021.

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

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 5 - SCHEDULE OF CHANGES IN NET OPEB LIABILITY - OTHER POST-EMPLOYMENT BENEFITS PLAN

The Town began to report this schedule when it implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*, in fiscal year 2017. GASB Statement No. 74 requires the information within this schedule to be presented for the ten most recent fiscal years.

Benefit Changes - There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

Assumption Changes - The following significant assumptions had a significant effect on the measurement of the total pension liability as of June 30, 2021:

- a decrease in the discount rate from 6.75% to 6.50%;
- a decrease in the inflation from 2.6% to 2.4%; and
- the use of an updated mortality table.

NOTE 6 - SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS - OTHER POST-EMPLOYMENT BENEFITS PLAN

The Town began to report this schedule when it implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*, in fiscal year 2017. GASB Statement No. 74 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial determined contribution rates are calculated as of July 1. Actuarial determined contribution for fiscal year ending June 30, 2021 were determined from the July 1, 2018 valuation.

The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2021.

Actuarial Cost method	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	20 years, closed
Asset valuation method	5 year period at 20% per year
Inflation rate	2.60%
Investment rate of return	6.75%
Healthcare trend costs	7.00% initial
	4.60% final

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables (with separate tables for General employees, Public Safety employees and Teachers) and for non-annuitants and annuitants, projected to the valuation date with Scale MP-2018.

TOWN OF SUFFIELD, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 7 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OTHER POST-EMPLOYMENT BENEFITS LIABILITY - CONNECTICUT TEACHERS' RETIREMENT SYSTEM

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

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2020. This information is utilized by the Town for reporting as of June 30, 2021.

Benefit Changes - There were no benefit term changes that had a significant effect on the measurement of the collective net OPEB liability reported as of June 30, 2021.

Assumption Changes - The following assumption changes had a significant effect on the measurement of the collective net OPEB liability reported as of June 30, 2021:

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
PROPERTY TAXES:				
Current List	\$ 41,883,701	\$ 41,883,701	\$ 42,041,299	\$ 157,598
Supplemental motor vehicle	400,000	400,000	420,105	20,105
Taxes, prior year	290,000	290,000	422,552	132,552
Interest and fees	160,000	160,000	284,696	124,696
Total property taxes	42,733,701	42,733,701	43,168,652	434,951
INTERGOVERNMENTAL:				
State grants unspecified:				
Mashantucket Pequot and Mohegan Fund	2,760,598	2,760,598	2,760,598	-
Payment in lieu of taxes - State property	1,801,140	1,801,140	1,801,140	-
Town Aid Road grants	291,079	291,079	292,035	956
Municipal stabilization grant	206,051	206,051	206,051	-
Municipal Grants-In-Aid	180,663	180,663	180,663	-
LOCIP reimbursement	91,892	91,892	-	(91,892)
Other	32,419	32,419	131,082	98,663
Board of Selectman authorized - PILOT	15,000	15,000	-	(15,000)
Youth services	14,000	14,000	14,189	189
Tax relief - veterans exemption	7,800	7,800	8,248	448
Tax relief - totally disabled persons	850	850	841	(9)
Capital expenditure reimbursements	-	-	734,476	734,476
Total state grants unspecified	5,401,492	5,401,492	6,129,323	727,831
State grants for school aid:				
Education cost sharing	6,148,151	6,148,151	6,126,681	(21,470)
Vocational agriculture grant	665,378	665,378	665,378	-
Other educational grants	7,377	7,377	7,891	514
Total state grants for school aid	6,820,906	6,820,906	6,799,950	(20,956)
Total intergovernmental	12,222,398	12,222,398	12,929,273	706,875
INVESTMENT INCOME	50,000	50,000	75,990	25,990
CHARGES FOR SERVICES:				
Current services and fees:				
Building Department	325,000	325,000	494,290	169,290
Planning and zoning	19,000	19,000	26,250	7,250
Zoning Board of Appeals	1,240	1,240	1,434	194
Police permits	8,000	8,000	21,912	13,912
Conservation	4,000	4,000	3,223	(777)
Historic District fees	800	800	650	(150)
Total current services and fees	358,040	358,040	547,759	189,719

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Concluded)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
CHARGES FOR SERVICES: (Continued)				
Landfill:				
Operating	\$ 35,000	\$ 35,000	\$ 34,823	\$ (177)
Recycling rebates	4,000	4,000	7,663	3,663
Sale of scrap metal	25,000	25,000	42,960	17,960
Permits	200	200	1,048	848
Total Landfill	<u>64,200</u>	<u>64,200</u>	<u>86,494</u>	<u>22,294</u>
Charges for current services:				
Bulky waste	3,000	3,000	2,165	(835)
Assessor's map sales	325	325	-	(325)
Real estate conveyance fee	163,485	163,485	362,002	198,517
Mini-bus transportation	5,200	5,200	2,650	(2,550)
Animal control fees	31,025	31,025	31,100	75
Town clerk recording fees	174,600	174,600	181,135	6,535
Total charges for current services	<u>377,635</u>	<u>377,635</u>	<u>579,052</u>	<u>201,417</u>
Recreation:				
Camps	62,050	62,050	29,717	(32,333)
Activities	100,000	100,000	93,831	(6,169)
Total Recreation	<u>162,050</u>	<u>162,050</u>	<u>123,548</u>	<u>(38,502)</u>
Revenue from other agencies:				
Telecommunications grant	16,000	16,000	29,800	(13,800)
Tuition, Vo-ag	770,999	770,999	743,707	27,292
Tuition, other	118,249	118,249	133,303	(15,054)
Payment in lieu of taxes, CT Airport Authority	693,909	693,909	693,909	-
Total revenue from other agencies	<u>1,599,157</u>	<u>1,599,157</u>	<u>1,600,719</u>	<u>1,562</u>
Total charges for services	<u>2,561,082</u>	<u>2,561,082</u>	<u>2,937,572</u>	<u>376,490</u>
MISCELLANEOUS:				
Rent - Town property	94,000	94,000	73,500	(20,500)
Cell tower	180,000	180,000	168,799	(11,201)
Other	45,000	45,000	49,928	4,928
Total miscellaneous	<u>319,000</u>	<u>319,000</u>	<u>292,227</u>	<u>(26,773)</u>
Total revenues	<u>57,886,181</u>	<u>57,886,181</u>	<u>59,403,714</u>	<u>1,517,533</u>
OTHER FINANCING SOURCES:				
Appropriation of fund balance	1,000,000	1,000,000	-	(1,000,000)
Premium on bonds issued	-	-	449,255	449,255
Transfers in:				
Off Duty Fund	125,000	125,000	125,000	-
Total other financing sources	<u>1,125,000</u>	<u>1,125,000</u>	<u>574,255</u>	<u>(550,745)</u>
Total revenues and other financing sources	<u>\$ 59,011,181</u>	<u>\$ 59,011,181</u>	<u>\$ 59,977,969</u>	<u>\$ 966,788</u>

(Concluded)

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance With Original Budget Over (Under)
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT:				
Board of Selectman	\$ 270,716	\$ 285,250	\$ 285,250	\$ -
Human resources	170,247	178,212	178,212	-
Probate court	6,100	4,768	4,768	-
Election	60,228	50,374	50,374	-
Board of Finance	11,979	11,431	11,431	-
Assessors	152,124	129,837	129,837	-
Board of Assessment Appeals	648	189	189	-
Tax collector	185,173	181,449	181,449	-
Finance	317,040	317,174	317,174	-
Information technology	391,361	443,409	443,409	-
Town counsel	100,000	171,722	171,722	-
Town clerk	197,035	209,832	209,832	-
Town hall	140,280	130,692	130,692	-
Charter revision	15,000	8,792	8,792	-
Insurance and employee benefits	4,032,654	3,939,155	3,928,646	(10,509)
Total general government	6,050,585	6,062,286	6,051,777	(10,509)
PLANNING AND DEVELOPMENT:				
Planning and zoning	206,819	223,367	223,367	-
Zoning Board of Appeals	4,468	306	306	-
Economic development	24,050	24,106	24,106	-
Historic District Commission	2,231	2,644	2,644	-
Conservation Commission	52,030	53,481	53,481	-
Total planning and development	289,598	303,904	303,904	-
PUBLIC SAFETY:				
Fire Commission	1,108,768	1,165,123	1,165,123	-
Police Commission	2,712,861	2,706,222	2,706,222	-
Emergency management	16,148	13,992	13,992	-
Building Department	238,960	259,108	259,108	-
Town Engineer	126,895	134,834	134,834	-
Animal control	65,011	69,556	69,556	-
Total public safety	4,268,643	4,348,835	4,348,835	-
PUBLIC WORKS:				
Public works	1,922,995	1,979,260	1,979,260	-
State aid road funds	291,079	293,113	293,113	-
Public utilities	1,837,000	1,860,968	1,860,968	-
Total public works	4,051,074	4,133,341	4,133,341	-

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (Concluded)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance With Original Budget Over (Under)
	Original Budget	Final Budget	Actual	
HEALTH AND SOCIAL SERVICES:				
Health and social services	\$ 193,767	\$ 193,767	\$ 193,767	\$ -
Social services commission	1,480	673	673	-
Senior center/Mini-bus transportation	350,700	311,896	311,896	-
EMS/ambulance	222,939	251,036	251,036	-
Total health and social services	<u>768,886</u>	<u>757,372</u>	<u>757,372</u>	<u>-</u>
LIBRARY, RECREATION AND PARKS:				
Kent Memorial Library	404,642	406,788	406,788	-
Recreation	293,414	301,748	301,748	-
Recreation activities	113,159	83,049	83,049	-
Youth services	64,459	77,138	77,138	-
Total library, recreation and parks	<u>875,674</u>	<u>868,723</u>	<u>868,723</u>	<u>-</u>
BOARD OF EDUCATION:				
Education	<u>35,901,023</u>	<u>35,901,022</u>	<u>35,853,943</u>	<u>(47,079)</u>
OTHER:				
Cemeteries	<u>40,290</u>	<u>40,290</u>	<u>40,290</u>	<u>-</u>
DEBT SERVICE				
	<u>2,992,825</u>	<u>2,992,825</u>	<u>2,992,825</u>	<u>-</u>
CONTINGENCY				
	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>55,738,598</u>	<u>55,408,598</u>	<u>55,351,010</u>	<u>(57,588)</u>
OTHER FINANCING USES:				
Transfers out:				
Capital Projects Funds	2,772,583	3,102,583	3,102,583	-
Insurance Fund	500,000	500,000	500,000	-
Total other financing uses	<u>3,272,583</u>	<u>3,602,583</u>	<u>3,602,583</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$ 59,011,181</u>	<u>\$ 59,011,181</u>	<u>\$ 58,953,593</u>	<u>\$ (57,588)</u> <i>(Concluded)</i>

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2021

Grand List Year	Balance Uncollected July 1, 2020	Current Levy	Lawful Corrections		Transfers To Suspense	Balance To Be Collected	Collections, net of refunds			Balance Uncollected June 30, 2021
			Additions	Deductions			Taxes	Interest and Lien Fees	Total	
2019	\$ -	\$ 42,829,336	\$ 146,111	\$ 79,480	\$ 850	\$ 42,895,117	\$ 42,498,532	\$ 112,490	\$ 42,611,022	\$ 396,585
2018	513,651	-	4,519	3,861	-	514,309	232,975	59,759	292,734	281,334
2017	273,157	-	1,512	1,623	60,630	212,416	64,457	30,453	94,910	147,959
2016	182,505	-	-	1,838	56,977	123,690	21,164	15,889	37,053	102,526
2015	68,489	-	-	-	-	68,489	14,356	8,307	22,663	54,133
2014	52,080	-	-	-	-	52,080	8,828	14,343	23,171	43,252
2013	30,535	-	-	-	-	30,535	8,983	9,669	18,652	21,552
2012	37,426	-	-	-	-	37,426	8,008	11,959	19,967	29,418
2011	32,377	-	-	-	-	32,377	9,938	7,274	17,212	22,439
2010	25,634	-	-	-	-	25,634	5,602	4,537	10,139	20,032
2009	12,508	-	-	-	-	12,508	4,099	3,977	8,076	8,409
2008 & prior	4,946	-	-	3,298	-	1,648	225	544	769	1,423
Total	<u>\$ 1,233,308</u>	<u>\$ 42,829,336</u>	<u>\$ 152,142</u>	<u>\$ 90,100</u>	<u>\$ 118,457</u>	<u>\$ 44,006,229</u>	<u>\$ 42,877,167</u>	<u>\$ 279,201</u>	<u>\$ 43,156,368</u>	<u>\$ 1,129,062</u>

TOWN OF SUFFIELD, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
AS OF JUNE 30, 2021

Total cash collections for the year ended
June 30, 2021:

Taxes	\$ 42,877,167
Interest and lien fees	279,201
Total	<u>43,156,368</u>

Reimbursement for loss

Tax relief (CGS 12-129d)	-
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Base	<u><u>\$ 43,156,368</u></u>
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	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 97,101,828	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	194,203,656	-	-	-
3-3/4 times base	-	-	161,836,380	-	-
3-1/4 times base	-	-	-	140,258,196	-
3 times base	-	-	-	-	129,469,104
Total debt limitation	<u>97,101,828</u>	<u>194,203,656</u>	<u>161,836,380</u>	<u>140,258,196</u>	<u>129,469,104</u>
Indebtedness:					
Bonds payable	22,620,000	-	-	-	-
Total indebtedness	<u>22,620,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Add: Authorized but unissued debt	927,440				
Less: assessments receivable	(177,065)	-	-	-	-
Net indebtedness	<u>23,370,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u><u>\$ 73,731,453</u></u>	<u><u>\$ 194,203,656</u></u>	<u><u>\$ 161,836,380</u></u>	<u><u>\$ 140,258,196</u></u>	<u><u>\$ 129,469,104</u></u>
Total capacity of borrowing (7 times base)	\$ 302,094,576				
Total present indebtedness	<u>23,370,375</u>				
Margin for additional borrowing	<u><u>\$ 278,724,201</u></u>				

CAPITAL PROJECTS FUNDS

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
CAPITAL PROJECTS FUNDS
AS OF JUNE 30, 2021

	Capital Project Funds					
	Capital & Nonrecurring Fund	Capital & Nonrecurring Reserve Fund	Capital Contributions Fund	Kent Memorial Library Renovation Fund	Agriscience Project Fund	Open Space Fund
ASSETS						
Cash and cash equivalents	\$ -	\$ 18,165	\$ 203,999	\$ -	\$ -	\$ -
Investments	-	3,203,706	-	-	-	-
Grants receivable	-	-	-	-	-	-
Due from other funds	4,499,288	-	-	246,513	-	907,810
Total assets	<u>\$ 4,499,288</u>	<u>\$ 3,221,871</u>	<u>\$ 203,999</u>	<u>\$ 246,513</u>	<u>\$ -</u>	<u>\$ 907,810</u>
LIABILITIES						
Accounts payable	\$ 87,834	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	995,625	-	118,283	233,984	796,643	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>1,083,459</u>	<u>-</u>	<u>118,283</u>	<u>233,984</u>	<u>796,643</u>	<u>-</u>
FUND BALANCES						
Restricted	-	-	-	-	-	-
Committed	3,415,829	3,221,871	85,716	12,529	-	907,810
Unassigned	-	-	-	-	(796,643)	-
Total fund balances	<u>3,415,829</u>	<u>3,221,871</u>	<u>85,716</u>	<u>12,529</u>	<u>(796,643)</u>	<u>907,810</u>
Total liabilities and fund balances	<u>\$ 4,499,288</u>	<u>\$ 3,221,871</u>	<u>\$ 203,999</u>	<u>\$ 246,513</u>	<u>\$ -</u>	<u>\$ 907,810</u>

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
CAPITAL PROJECTS FUNDS (Continued)
AS OF JUNE 30, 2021

	Capital Project Funds					
	School Building Fund	Sewer Capital Projects Fund	Industrial Park Fund	LOT/CIP Grant Fund	Utility Extension Project Fund	Bridge Projects Fund
ASSETS						
Cash and cash equivalents	\$ -	\$ 514,877	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Grants receivable	375,944	-	-	-	-	314,607
Due from other funds	-	-	82,086	102,241	132,823	-
Total assets	<u>\$ 375,944</u>	<u>\$ 514,877</u>	<u>\$ 82,086</u>	<u>\$ 102,241</u>	<u>\$ 132,823</u>	<u>\$ 314,607</u>
LIABILITIES						
Accounts payable	\$ -	\$ 24,000	\$ -	\$ -	\$ -	\$ -
Due to other funds	375,944	-	-	-	-	241,694
Unearned revenue	-	-	-	102,241	-	-
Total liabilities	<u>375,944</u>	<u>24,000</u>	<u>-</u>	<u>102,241</u>	<u>-</u>	<u>241,694</u>
FUND BALANCES						
Restricted	-	-	-	-	-	72,913
Committed	-	490,877	82,086	-	132,823	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>490,877</u>	<u>82,086</u>	<u>-</u>	<u>132,823</u>	<u>72,913</u>
Total liabilities and fund balances	<u>\$ 375,944</u>	<u>\$ 514,877</u>	<u>\$ 82,086</u>	<u>\$ 102,241</u>	<u>\$ 132,823</u>	<u>\$ 314,607</u>

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
CAPITAL PROJECTS FUNDS (Concluded)
AS OF JUNE 30, 2021

	Capital Project Funds					
	Road & Drainage Improvements Fund	Town Hall Renovations & Improvements Fund	Bridge Street School Renovations & Improvements Fund	Street Light Project Fund	Fire Equipment Acquisition Fund	Total Capital Projects Funds
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 737,041
Investments	-	-	-	-	-	3,203,706
Grants receivable	-	-	-	-	-	690,551
Due from other funds	1,451,681	745,000	-	142,239	112,439	8,422,120
Total assets	\$ 1,451,681	\$ 745,000	\$ -	\$ 142,239	\$ 112,439	\$ 13,053,418
LIABILITIES						
Accounts payable	\$ 129,482	\$ 139,659	\$ -	\$ -	\$ -	\$ 380,975
Due to other funds	-	333,937	-	-	-	3,096,110
Unearned revenue	-	-	-	-	-	102,241
Total liabilities	129,482	473,596	-	-	-	3,579,326
FUND BALANCES						
Restricted	1,322,199	271,404	-	142,239	112,439	1,921,194
Committed	-	-	-	-	-	8,349,541
Unassigned	-	-	-	-	-	(796,643)
Total fund balances	1,322,199	271,404	-	142,239	112,439	9,474,092
Total liabilities and fund balances	\$ 1,451,681	\$ 745,000	\$ -	\$ 142,239	\$ 112,439	\$ 13,053,418

(Concluded)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
CAPITAL PROJECTS FUNDS *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2021

	Capital Project Funds					
	Capital & Nonrecurring Fund	Capital & Nonrecurring Reserve Fund	Capital Contributions Fund	Kent Memorial Library Renovation Fund	Agriscience Project Fund	Open Space Fund
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	326,019	446	-	-	-
Other	-	-	7,390	-	-	6,000
Total revenues	-	326,019	7,836	-	-	6,000
EXPENDITURES						
Current:						
Library, recreation and parks	-	-	-	-	-	8,650
Public works	-	10,703	-	-	-	-
Capital outlays	3,140,359	-	6,368	1,040	-	-
Total expenditures	3,140,359	10,703	6,368	1,040	-	8,650
Excess (deficiency) of revenues over expenditures	(3,140,359)	315,316	1,468	(1,040)	-	(2,650)
OTHER FINANCING SOURCES (USES)						
Bonds issued	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Transfers in	3,102,583	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	3,102,583	-	-	-	-	-
Net change in fund balances	(37,776)	315,316	1,468	(1,040)	-	(2,650)
Fund balances - beginning	3,453,605	2,906,555	84,248	13,569	(796,643)	910,460
Fund balances - ending	\$ 3,415,829	\$ 3,221,871	\$ 85,716	\$ 12,529	\$ (796,643)	\$ 907,810

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Capital Project Funds					
	School Building Fund	Sewer Capital Projects Fund	Industrial Park Fund	LOT/CIP Grant Fund	Utility Extension Project Fund	Bridge Projects Fund
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,322,502
Investment income	-	1,158	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	-	1,158	-	-	-	2,322,502
EXPENDITURES						
Current:						
Library, recreation and parks	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Capital outlays	-	155,148	-	-	-	2,938,414
Total expenditures	-	155,148	-	-	-	2,938,414
Excess (deficiency) of revenues over expenditures	-	(153,990)	-	-	-	(615,912)
OTHER FINANCING SOURCES (USES)						
Bonds issued	-	-	-	-	-	900,000
Premium on bonds issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	(63,051)	-	-	-	-
Total other financing sources (uses)	-	(63,051)	-	-	-	900,000
Net change in fund balances	-	(217,041)	-	-	-	284,088
Fund balances - beginning	-	707,918	82,086	-	132,823	(211,175)
Fund balances - ending	\$ -	\$ 490,877	\$ 82,086	\$ -	\$ 132,823	\$ 72,913

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
CAPITAL PROJECTS FUNDS *(Concluded)*
FOR THE YEAR ENDED JUNE 30, 2021

	Capital Project Funds					
	Road & Drainage Improvements Fund	Town Hall Renovations & Improvements Fund	Bridge Street School Renovations & Improvements Fund	Street Light Project Fund	Fire Equipment Acquisition Fund	Total Capital Projects Funds
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ 7,431	\$ -	\$ 2,329,933
Investment income	-	-	-	-	-	327,623
Other	-	-	-	-	-	13,390
Total revenues	-	-	-	7,431	-	2,670,946
EXPENDITURES						
Current:						
Library, recreation and parks	-	-	-	-	-	8,650
Public works	-	-	-	-	-	10,703
Capital outlays	577,801	4,456,300	-	167,978	-	11,443,408
Total expenditures	577,801	4,456,300	-	167,978	-	11,462,761
Excess (deficiency) of revenues over expenditures	(577,801)	(4,456,300)	-	(160,547)	-	(8,791,815)
OTHER FINANCING SOURCES (USES)						
Bonds issued	1,900,000	4,385,000	-	550,000	2,800,000	10,535,000
Premium on bonds issued	-	-	37,572	142,569	-	180,141
Transfers in	-	-	-	-	-	3,102,583
Transfers out	-	-	-	-	-	(63,051)
Total other financing sources (uses)	1,900,000	4,385,000	37,572	692,569	2,800,000	13,754,673
Net change in fund balances	1,322,199	(71,300)	37,572	532,022	2,800,000	4,962,858
Fund balances - beginning	-	342,704	(37,572)	(389,783)	(2,687,561)	4,511,234
Fund balances - ending	\$ 1,322,199	\$ 271,404	\$ -	\$ 142,239	\$ 112,439	\$ 9,474,092

(Concluded)

NONMAJOR GOVERNMENTAL FUNDS

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021

	Nonmajor Special Revenue Funds							
	Police Off Duty Fund	School Cafeteria Fund	Town Donations Fund	Education Grants Fund	CADAC Grant Fund	Sewer Assessment Fund	Asset Forfeiture Fund	Recreation Fund
ASSETS								
Cash and cash equivalents	\$ -	\$ 1,987	\$ -	\$ -	\$ -	\$ 789,873	\$ -	\$ -
Receivables:								
Assessments	-	-	-	-	-	177,065	-	-
Grants and contracts	-	164,114	-	222,583	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other	55,387	1,957	1,455	-	-	-	-	-
Due from other funds	69,905	30,201	125,713	1,281,478	185	-	10,051	18,503
Inventories	-	25,000	-	-	-	-	-	-
Total assets	<u>\$ 125,292</u>	<u>\$ 223,259</u>	<u>\$ 127,168</u>	<u>\$ 1,504,061</u>	<u>\$ 185</u>	<u>\$ 966,938</u>	<u>\$ 10,051</u>	<u>\$ 18,503</u>
LIABILITIES								
Accounts payable	\$ -	\$ 105,701	\$ 5,239	\$ 40,091	\$ -	\$ 36	\$ -	\$ -
Accrued liabilities	11,137	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	214,400	-	-	-	-
Total liabilities	<u>11,137</u>	<u>105,701</u>	<u>5,239</u>	<u>254,491</u>	<u>-</u>	<u>36</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	-	-	-	-	-	177,065	-	-
FUND BALANCES								
Nonspendable	-	25,000	-	-	-	-	-	-
Restricted	-	92,558	121,929	1,249,570	185	-	10,051	-
Committed	114,155	-	-	-	-	789,837	-	18,503
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>114,155</u>	<u>117,558</u>	<u>121,929</u>	<u>1,249,570</u>	<u>185</u>	<u>789,837</u>	<u>10,051</u>	<u>18,503</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 125,292</u>	<u>\$ 223,259</u>	<u>\$ 127,168</u>	<u>\$ 1,504,061</u>	<u>\$ 185</u>	<u>\$ 966,938</u>	<u>\$ 10,051</u>	<u>\$ 18,503</u>

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS (Continued)
AS OF JUNE 30, 2021

	Nonmajor Special Revenue Funds							
	Senior Center Activity Fund	Municipal Grant Fund	Emergency Food and Shelter Fund	Small Cities Grant Fund	Drug Education & Enforcement Grant Fund	Sunrise Park Fund	Farmington Canal Trail Fund	Veterans Memorial Fund
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ 4,442	\$ 66,921	\$ -	\$ -	\$ -	\$ -
Receivables:								
Assessments	-	-	-	-	-	-	-	-
Grants and contracts	-	50,987	-	-	-	-	-	-
Loans	-	-	-	80,609	-	-	-	-
Other	3,379	-	-	-	-	125	-	-
Due from other funds	55,591	229,234	-	28,931	-	10,977	2,396	2,620
Inventories	-	-	-	-	-	-	-	-
Total assets	<u>\$ 58,970</u>	<u>\$ 280,221</u>	<u>\$ 4,442</u>	<u>\$ 176,461</u>	<u>\$ -</u>	<u>\$ 11,102</u>	<u>\$ 2,396</u>	<u>\$ 2,620</u>
LIABILITIES								
Accounts payable	\$ 673	\$ 12,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	390	-	-	-	-	-	-
Due to other funds	-	-	-	-	20	-	2,376	-
Unearned revenue	-	325,969	-	-	-	-	-	-
Total liabilities	<u>673</u>	<u>338,844</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>2,376</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	4,442	95,852	-	11,102	-	-
Committed	58,297	-	-	-	-	-	20	2,620
Unassigned	-	(58,623)	-	-	(20)	-	-	-
Total fund balances	<u>58,297</u>	<u>(58,623)</u>	<u>4,442</u>	<u>95,852</u>	<u>(20)</u>	<u>11,102</u>	<u>20</u>	<u>2,620</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 58,970</u>	<u>\$ 280,221</u>	<u>\$ 4,442</u>	<u>\$ 176,461</u>	<u>\$ -</u>	<u>\$ 11,102</u>	<u>\$ 2,396</u>	<u>\$ 2,620</u>

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS *(Concluded)*
 AS OF JUNE 30, 2021

	Nonmajor Special Revenue Funds						Nonmajor Permanent Funds		
	Kent Memorial Library Fund	Kent Farm Sewer District Fund	Town Clerk Dollar Fund	Town Center Tax Increment Financing Fund	School Activity Fund	Student Activity Fund	Memorial Fund	Cemetery Fund	Total Nonmajor Governmental Funds
ASSETS									
Cash and cash equivalents	\$ -	\$ 113,716	\$ -	\$ -	\$ -	\$ 327,093	\$ 58,434	\$ 531,671	\$ 1,894,137
Receivables:									
Assessments	-	-	-	-	-	-	-	-	177,065
Grants and contracts	-	-	-	-	-	-	-	-	437,684
Loans	-	-	-	-	-	-	-	-	80,609
Other	49,820	-	-	-	3,540	-	-	-	115,663
Due from other funds	-	-	42,716	116,294	192,629	-	-	-	2,217,424
Inventories	-	-	-	-	-	-	-	-	25,000
Total assets	<u>\$ 49,820</u>	<u>\$ 113,716</u>	<u>\$ 42,716</u>	<u>\$ 116,294</u>	<u>\$ 196,169</u>	<u>\$ 327,093</u>	<u>\$ 58,434</u>	<u>\$ 531,671</u>	<u>\$ 4,947,582</u>
LIABILITIES									
Accounts payable	\$ 15,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,194	\$ 180,903
Accrued liabilities	11,203	-	-	-	-	-	-	-	22,730
Due to other funds	22,705	4,892	-	-	-	-	13,753	76,448	120,194
Unearned revenue	-	-	-	-	-	-	-	-	540,369
Total liabilities	<u>49,392</u>	<u>4,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,753</u>	<u>77,642</u>	<u>864,196</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	-	-	-	-	-	-	-	-	257,674
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	22,162	370,625	417,787
Restricted	-	-	42,716	116,294	-	327,093	22,519	83,404	2,177,715
Committed	428	108,824	-	-	196,169	-	-	-	1,288,853
Unassigned	-	-	-	-	-	-	-	-	(58,643)
Total fund balances	<u>428</u>	<u>108,824</u>	<u>42,716</u>	<u>116,294</u>	<u>196,169</u>	<u>327,093</u>	<u>44,681</u>	<u>454,029</u>	<u>3,825,712</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 49,820</u>	<u>\$ 113,716</u>	<u>\$ 42,716</u>	<u>\$ 116,294</u>	<u>\$ 196,169</u>	<u>\$ 327,093</u>	<u>\$ 58,434</u>	<u>\$ 531,671</u>	<u>\$ 4,947,582</u>
									<i>(Concluded)</i>

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Nonmajor Special Revenue Funds							
	Police Off Duty Fund	School Cafeteria Fund	Town Donations Fund	Education Grants Fund	CADAC Grant Fund	Sewer Assessment Fund	Asset Forfeiture Fund	Recreation Fund
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	645,110	-	1,514,496	-	-	-	-
Charges for services	237,306	74,883	-	-	-	210,500	-	-
Assessments	-	-	-	-	-	124,949	-	-
Investment income	-	43	-	-	-	1,147	-	-
Other	-	-	49,561	-	-	-	-	-
Total revenues	237,306	720,036	49,561	1,514,496	-	336,596	-	-
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	185,075	-	82,836	-	-	-	-	-
Health and social services	-	-	-	-	-	-	-	-
Library, recreation and parks	-	-	-	-	-	-	-	-
Education	-	781,030	-	1,402,296	-	-	-	-
Total expenditures	185,075	781,030	82,836	1,402,296	-	-	-	-
Excess (deficiency) of revenues over expenditures	52,231	(60,994)	(33,275)	112,200	-	336,596	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	90,000	-	-	-	-	-	-
Transfers out	(125,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	(125,000)	90,000	-	-	-	-	-	-
Net change in fund balances	(72,769)	29,006	(33,275)	112,200	-	336,596	-	-
Fund balances - beginning	186,924	88,552	155,204	1,137,370	185	453,241	10,051	18,503
Adjustment (see Note 1)	-	-	-	-	-	-	-	-
Fund balances - beginning, as adjusted	186,924	88,552	155,204	1,137,370	185	453,241	10,051	18,503
Fund balances - ending	\$ 114,155	\$ 117,558	\$ 121,929	\$ 1,249,570	\$ 185	\$ 789,837	\$ 10,051	\$ 18,503

(Continued)

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

	Nonmajor Special Revenue Funds							
	Senior Center Activity Fund	Municipal Grant Fund	Emergency Food and Shelter Fund	Small Cities Grant Fund	Drug Education & Enforcement Grant Fund	Sunrise Park Fund	Farmington Canal Trail Fund	Veterans Memorial Fund
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	13,296	373,451	-	309,741	-	-	-	-
Charges for services	17,361	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Other	500	-	9,750	19,640	-	1,350	-	-
Total revenues	31,157	373,451	9,750	329,381	-	1,350	-	-
EXPENDITURES								
Current:								
General government	-	47,754	-	-	-	-	-	-
Public safety	-	313,202	-	-	-	-	-	-
Health and social services	6,958	12,495	6,833	352,334	-	-	-	-
Library, recreation and parks	-	-	-	-	-	867	-	-
Education	-	-	-	-	-	-	-	-
Total expenditures	6,958	373,451	6,833	352,334	-	867	-	-
Excess (deficiency) of revenues over expenditures	24,199	-	2,917	(22,953)	-	483	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	24,199	-	2,917	(22,953)	-	483	-	-
Fund balances - beginning	34,098	(58,623)	1,525	118,805	(20)	10,619	20	2,620
Adjustment (see Note 1)	-	-	-	-	-	-	-	-
Fund balances - beginning, as adjusted	34,098	(58,623)	1,525	118,805	(20)	10,619	20	2,620
Fund balances - ending	\$ 58,297	\$ (58,623)	\$ 4,442	\$ 95,852	\$ (20)	\$ 11,102	\$ 20	\$ 2,620

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS *(Concluded)*
FOR THE YEAR ENDED JUNE 30, 2021

	Nonmajor Special Revenue Funds						Nonmajor Permanent Funds		
	Kent Memorial Library Fund	Kent Farm Sewer District Fund	Town Clerk Dollar Fund	Town Center Tax Increment Financing Fund	School Activity Fund	Student Activity Fund	Memorial Fund	Cemetery Fund	Total Nonmajor Governmental Funds
REVENUES									
Property taxes	\$ -	\$ -	\$ -	\$ 58,459	\$ -	\$ -	\$ -	\$ -	\$ 58,459
Intergovernmental	-	-	-	-	-	-	-	-	2,856,094
Charges for services	898	-	-	-	91,253	352,834	-	-	985,035
Assessments	-	-	-	-	-	-	-	-	124,949
Investment income	-	255	-	-	-	-	133	1,193	2,771
Other	77,517	-	-	-	-	-	-	4,549	162,867
Total revenues	78,415	255	-	58,459	91,253	352,834	133	5,742	4,190,175
EXPENDITURES									
Current:									
General government	-	-	23,274	-	-	-	900	-	71,928
Public safety	-	-	-	-	-	-	-	-	581,113
Health and social services	-	-	-	-	-	-	-	1,194	379,814
Library, recreation and parks	483,974	-	-	-	-	-	-	-	484,841
Education	-	-	-	-	65,949	359,618	-	-	2,608,893
Total expenditures	483,974	-	23,274	-	65,949	359,618	900	1,194	4,126,589
Excess (deficiency) of revenues over expenditures	(405,559)	255	(23,274)	58,459	25,304	(6,784)	(767)	4,548	63,586
OTHER FINANCING SOURCES (USES)									
Transfers in	405,987	-	12,997	-	-	-	-	-	508,984
Transfers out	-	-	-	-	-	-	-	-	(125,000)
Total other financing sources (uses)	405,987	-	12,997	-	-	-	-	-	383,984
Net change in fund balances	428	255	(10,277)	58,459	25,304	(6,784)	(767)	4,548	447,570
Fund balances - beginning	-	108,569	52,993	57,835	170,865	-	45,448	449,481	3,044,265
Adjustment <i>(see Note 1)</i>	-	-	-	-	-	333,877	-	-	333,877
Fund balances - beginning, as adjusted	-	108,569	52,993	57,835	170,865	333,877	45,448	449,481	3,378,142
Fund balances - ending	\$ 428	\$ 108,824	\$ 42,716	\$ 116,294	\$ 196,169	\$ 327,093	\$ 44,681	\$ 454,029	\$ 3,825,712

(Concluded)

INTERNAL SERVICE FUNDS

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION -
INTERNAL SERVICE FUNDS
AS OF JUNE 30, 2021

	Health Insurance		
	Fund	Gas/Diesel Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,133,246	\$ -	\$ 1,133,246
Receivables	304,551	10,485	315,036
Total assets	<u>1,437,797</u>	<u>10,485</u>	<u>1,448,282</u>
LIABILITIES			
Accounts payable	-	21,533	21,533
Claims incurred but not reported	679,049	-	679,049
Due to other funds	1,033,307	20,289	1,053,596
Total liabilities	<u>1,712,356</u>	<u>41,822</u>	<u>1,754,178</u>
NET POSITION			
Unrestricted	<u>\$ (274,559)</u>	<u>\$ (31,337)</u>	<u>\$ (305,896)</u>

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Health Insurance	Gas/Diesel	Total
	Fund	Fund	
OPERATING REVENUES			
Charges for services	\$ 8,007,489	\$ 183,137	\$ 8,190,626
Contributions	500,000	-	500,000
Total operating revenues	<u>8,507,489</u>	<u>183,137</u>	<u>8,690,626</u>
OPERATING EXPENSES			
Claims	7,316,953	-	7,316,953
Stop loss premiums	553,620	-	553,620
Administration	205,531	-	205,531
Fuel	-	189,124	189,124
Total operating expenses	<u>8,076,104</u>	<u>189,124</u>	<u>8,265,228</u>
Operating income (loss)	431,385	(5,987)	425,398
NONOPERATING REVENUE			
Interest income	<u>2,128</u>	<u>-</u>	<u>2,128</u>
Change in net position	433,513	(5,987)	427,526
Net position - beginning of year	<u>(708,072)</u>	<u>(25,350)</u>	<u>(733,422)</u>
Net position - end of year	<u>\$ (274,559)</u>	<u>\$ (31,337)</u>	<u>\$ (305,896)</u>

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Health Insurance		
	Fund	Gas/Diesel Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from users	\$ 8,007,489	\$ 199,255	\$ 8,206,744
Contributions	500,000	-	500,000
Cash paid to vendors	(8,125,476)	(171,852)	(8,297,328)
Net cash provided by operating activities	<u>382,013</u>	<u>27,403</u>	<u>409,416</u>
CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES			
Interfund borrowings	<u>(247,870)</u>	<u>(27,403)</u>	<u>(275,273)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	<u>2,128</u>	<u>-</u>	<u>2,128</u>
Net increase in cash and cash equivalents	136,271	-	136,271
Cash and cash equivalents - beginning of year	<u>996,975</u>	<u>-</u>	<u>996,975</u>
Cash and cash equivalents - end of year	<u><u>\$ 1,133,246</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,133,246</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 431,385	\$ (5,987)	\$ 425,398
Adjustments to reconcile operating income to net cash provided by operating activities:			
Change in assets and liabilities:			
(Increase) decrease in receivables	(104,021)	16,118	(87,903)
Increase in accounts payable	-	17,272	17,272
Increase in claims incurred but not reported	<u>54,649</u>	<u>-</u>	<u>54,649</u>
Net cash provided by operating activities	<u><u>\$ 382,013</u></u>	<u><u>\$ 27,403</u></u>	<u><u>\$ 409,416</u></u>