

TOWN OF SUFFIELD, CONNECTICUT

FINANCIAL STATEMENTS

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

TOWN OF SUFFIELD, CONNECTICUT
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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of Suffield, Connecticut

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 and the information on pages 67 through 78 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

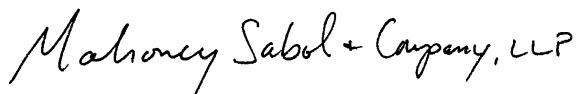
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2023, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Certified Public Accountants
Glastonbury, Connecticut
January 20, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

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, 2022.

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 \$132,517,764 (net position). Of this amount, \$10,816,595 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 \$4,032,301 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 \$23,572,577, an increase of \$949,869 in comparison with the prior year. Of this amount \$19,916,937, or 84.5%, 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 \$7,489,319 or 11.9% of the Town's fiscal year 2023 General Fund budgetary expenditure appropriations. Expressed another way, unassigned fund balance for the General Fund is sufficient to cover approximately 1.43 months of the Town's General Fund budgetary expenditures.

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, 2022

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 15 and 16 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 17 through 21 of this report.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

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 22 through 24 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 25 and 26 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 27 through 66 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information which can be found on pages 67 through 78 of this report, and combining fund and individual fund statements and schedules, which can be found on pages 79 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 total net position (governmental and business-type activities combined) totaled \$132,517,764 as of June 30, 2022 and \$128,485,463 as of June 30, 2021. Amounts reported as of June 30, 2021 have been restated for the implementation of GASB Statement No. 87, *Leases*. The implementation of Statement No. 87 resulted in a decrease in the Town's net position as of June 30, 2021 in the amount of \$142,500.

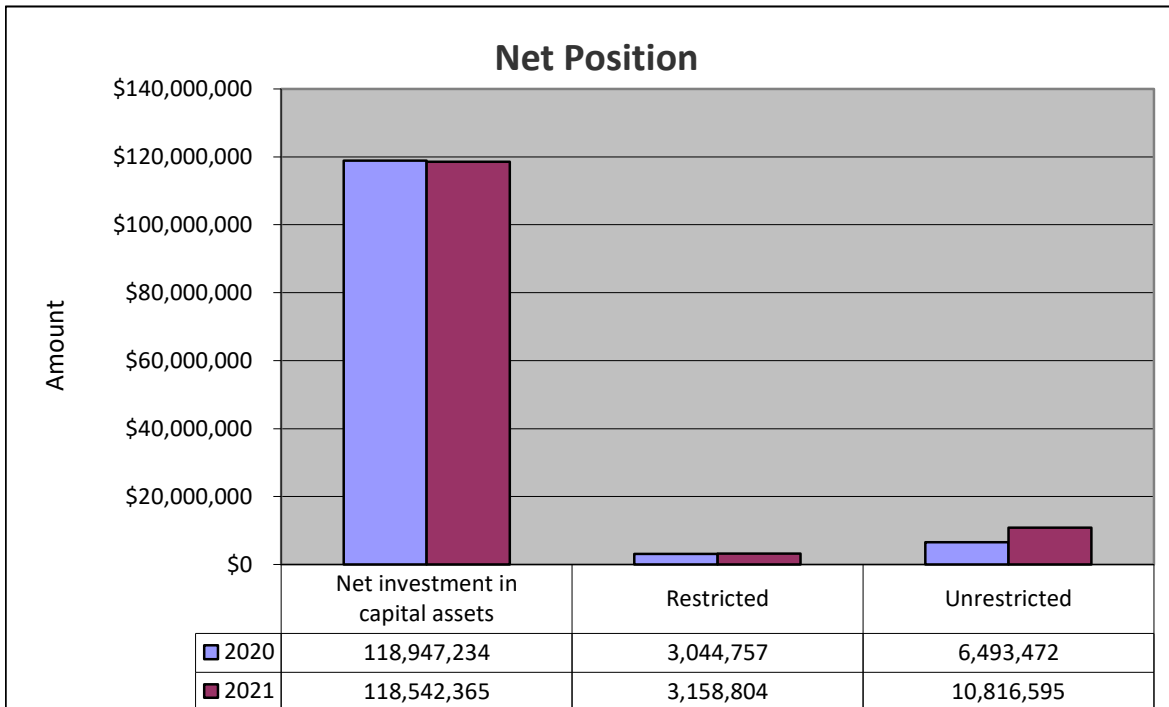
TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Position (Continued)

The Town's total net position as of June 30, 2022 and 2021 are summarized as follows:

	June 30, 2022			June 30, 2021		
	Governmental Activities	Business-type Activities	Total	(As Restated) Total		
					\$ Variance	% Variance
Current and other assets	\$ 32,061,222	\$ 3,095,810	\$ 35,157,032	\$ 33,648,045	\$ 1,508,987	4.5%
Capital assets	121,965,923	19,035,932	141,001,855	141,388,028	(386,173)	-0.3%
Total assets	154,027,145	22,131,742	176,158,887	175,036,073	1,122,814	0.6%
Deferred outflows of resources	6,389,760	-	6,389,760	1,294,730	5,095,030	393.5%
Other liabilities	5,978,598	191,435	6,170,033	7,003,464	(833,431)	-11.9%
Long-term liabilities	41,290,450	195,270	41,485,720	30,841,487	10,644,233	34.5%
Total liabilities	47,269,048	386,705	47,655,753	37,844,951	9,810,802	25.9%
Deferred inflows of resources	2,375,130	-	2,375,130	10,000,389	(7,625,259)	-76.2%
Net position:						
Net investment in capital assets	99,701,703	18,840,662	118,542,365	118,947,234	(404,869)	-0.3%
Restricted	3,158,804	-	3,158,804	3,044,757	114,047	3.7%
Unrestricted	7,912,220	2,904,375	10,816,595	6,493,472	4,323,123	66.6%
Total net position	<u>\$ 110,772,727</u>	<u>\$ 21,745,037</u>	<u>\$ 132,517,764</u>	<u>\$ 128,485,463</u>	<u>\$ 4,032,301</u>	3.1%



As of June 30, 2022, approximately 89.5% 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, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Position (Continued)

As of June 30, 2022, 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 unrestricted net position increased by \$4,323,123 over the prior year while the Town's overall net position increased by \$4,032,301 over the prior year.

Change in Net Position

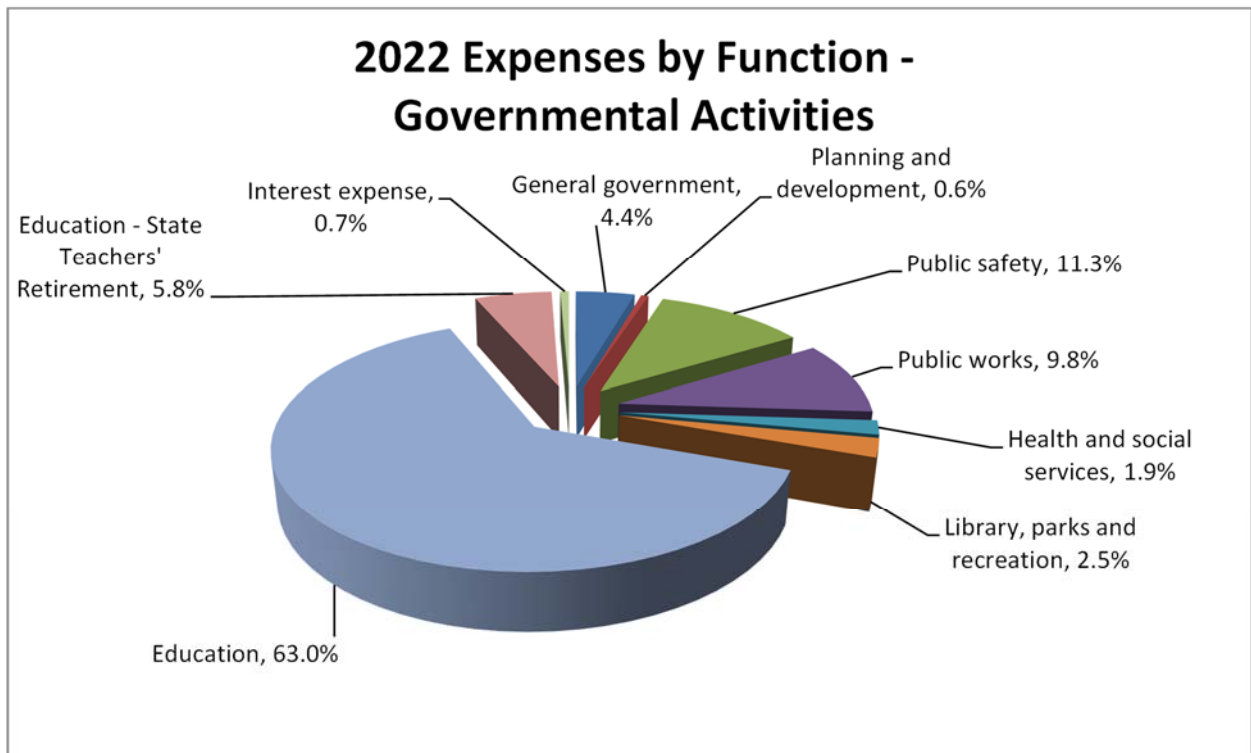
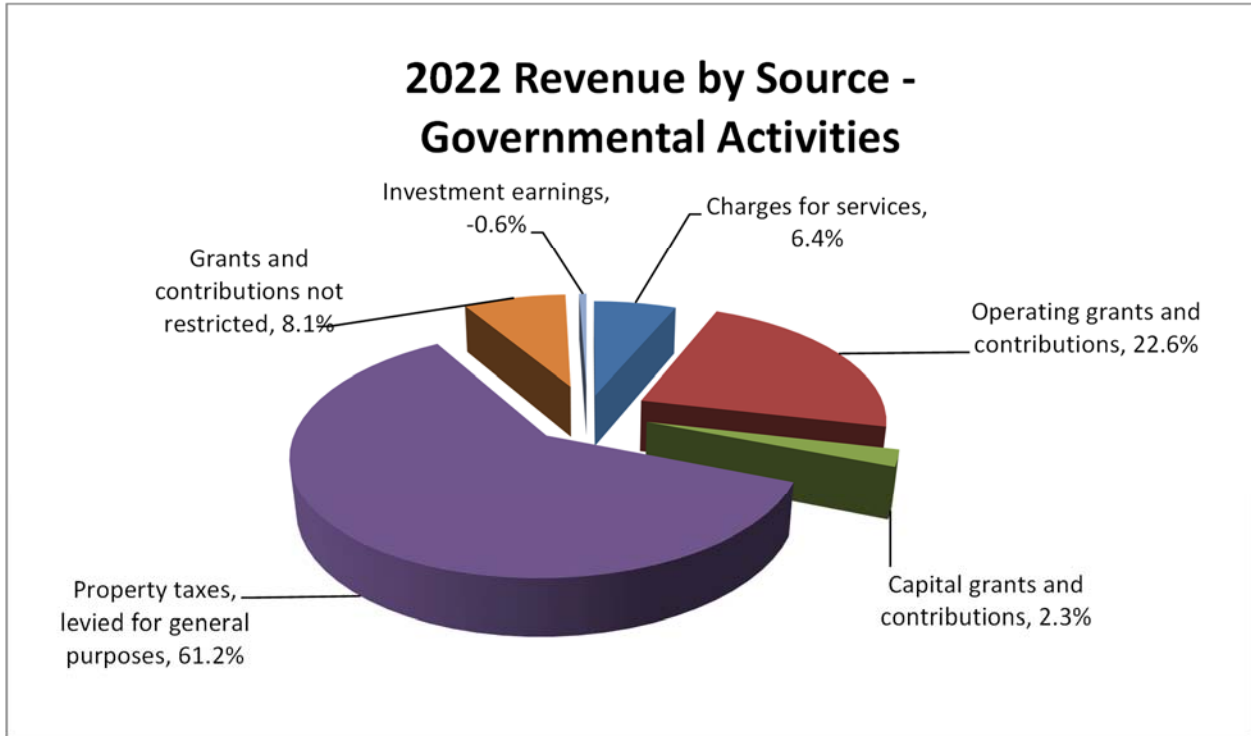
Changes in net position for the years ended June 30, 2022 and 2021 are as follows.

	<u>June 30, 2022</u>			<u>June 30, 2021</u>		<u>\$ Variance</u>	<u>% Variance</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Total</u>			
Revenues							
Program revenues:							
Charges for services	\$ 4,679,271	\$ 3,126,541	\$ 7,805,812	\$ 6,680,718	\$ 1,125,094		16.8%
Operating grants and contributions	16,233,850	2,549	16,236,399	23,765,681	(7,529,282)		-31.7%
Capital grants and contributions	1,659,000	-	1,659,000	2,439,617	(780,617)		-32.0%
General revenues:							
Property taxes, levied for general purposes	43,939,302	-	43,939,302	43,093,336	845,966		2.0%
Grants and contributions not restricted to specific programs	5,804,580	-	5,804,580	5,470,787	333,793		6.1%
Investment earnings	(413,179)	3,897	(409,282)	413,860	(823,142)		-198.9%
Total revenues	<u>71,902,824</u>	<u>3,132,987</u>	<u>75,035,811</u>	<u>81,863,999</u>	<u>(6,828,188)</u>		<u>-8.3%</u>
Expenses							
General government	3,014,895	-	3,014,895	2,990,169	24,726		0.8%
Planning and development	374,472	-	374,472	369,655	4,817		1.3%
Public safety	7,650,234	-	7,650,234	6,787,890	862,344		12.7%
Public works	6,647,622	-	6,647,622	6,354,214	293,408		4.6%
Health and social services	1,286,435	-	1,286,435	1,393,201	(106,766)		-7.7%
Library, parks and recreation	1,697,504	-	1,697,504	1,501,359	196,145		13.1%
Education	42,796,549	-	42,796,549	41,253,642	1,542,907		3.7%
Education - State Teachers' Retirement	3,936,377	-	3,936,377	12,327,738	(8,391,361)		-68.1%
Interest expense	449,936	-	449,936	577,861	(127,925)		-22.1%
Sewers	-	3,149,486	3,149,486	2,729,017	420,469		15.4%
Total expenses	<u>67,854,024</u>	<u>3,149,486</u>	<u>71,003,510</u>	<u>76,284,746</u>	<u>(5,281,236)</u>		<u>-6.9%</u>
Changes in net position before transfers	4,048,800	(16,499)	4,032,301	5,579,253	(1,546,952)		-27.7%
Transfers	(708,512)	708,512	-	-	-		-
Change in net position	<u>\$ 3,340,288</u>	<u>\$ 692,013</u>	<u>\$ 4,032,301</u>	<u>\$ 5,579,253</u>	<u>\$ (1,546,952)</u>		<u>-27.7%</u>

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

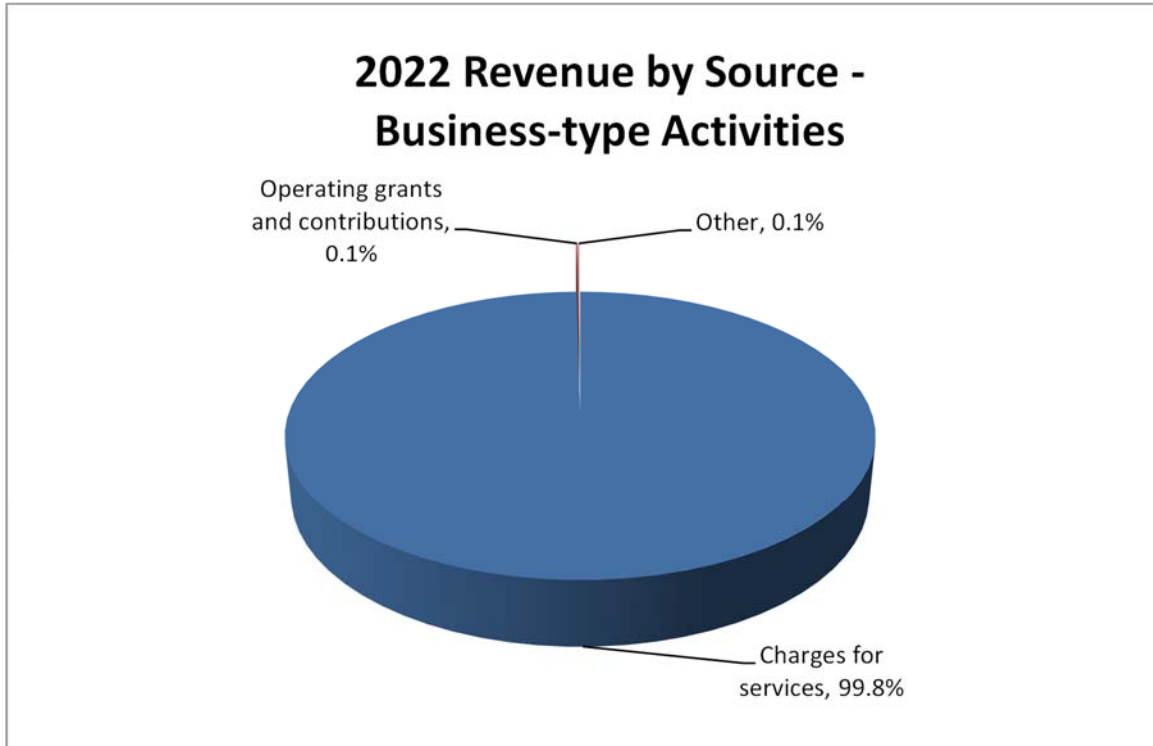
Change in Net Position (Continued)



TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Change in Net Position *(Continued)*



Governmental activities increased the Town's net position by \$3,340,288. Business-type activities increased the Town's net position by \$692,013.

Revenues generated by the Town decreased by \$6,828,188 or 8.3% over the prior year. Significant changes from prior year consisted of the following:

- an increase in charges for services of approximately \$1.1 million driven by an increase in charges for educational activities, recreational activities and police private duty.
- a decrease in operating contributions of approximately \$7.5 million driven by a decrease of approximately \$8.4 million in pension and other post-employment benefit contributions recognized by the Town for its participation in the Connecticut Teachers' Retirement System. Although the Town is not liable for pension and other post-employment benefits provided by the Connecticut Teachers' Retirement System, the Town recognizes both revenues and expenses for the full pension and other post-employment benefit expenses that have been attributed to employees of the Town's School District.
- a decrease in investment earnings of approximately \$832 thousand due primarily to unrealized losses on investments.

Expenses incurred by the Town decreased by \$5,281,236 or 6.9% over the prior year. Significant changes from prior year consisted of the following:

- an increase in public safety expenses of approximately \$862 thousand primarily due to an increase in the amount of pension and other post-employment benefit expenses recognized.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Change in Net Position *(Continued)*

- an increase in education expense of approximately \$1.5 million due to contractual increases in union wages and benefits.
- a decrease of approximately \$8.4 million in pension and other post-employment benefits recognized by the Town related to its participation in the Connecticut Teachers' Retirement System, as discussed above.

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 \$23,572,577. Of this amount \$19,916,937, or 84.5%, 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 \$7,489,319, while total fund balance was \$8,175,270. 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 11.9% of the Town's fiscal year 2023 General Fund budgetary appropriations. Expressed another way, unassigned fund balance for the General Fund is sufficient to cover approximately 1.43 months of the Town's General Fund budgetary expenditures.

The total fund balance of the Town's General Fund decreased by \$1,147,633 during the current fiscal year. This decrease reflects a planned use of fund balance of approximately \$2.5 million, offset by favorable budgetary variances on revenues of approximately \$1.3 million.

Capital Projects Fund

The fund balance of the Capital Projects Fund increased by \$1,442,733 during the current fiscal year. The increase was driven by budgetary transfers in of approximately \$7.2 million, offset by current year capital outlays of approximately \$5.1 million.

American Rescue Plan Fund

The American Rescue Plan Fund was established to account for the receipt of grant funds provided by the American Rescue Plan Act. The Town received the initial funding under the Act during June 2021. This amount has been reported as unearned revenue as of June 30, 2022 and will be recognized as revenue as allowable costs are incurred.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GENERAL FUND BUDGETARY HIGHLIGHTS

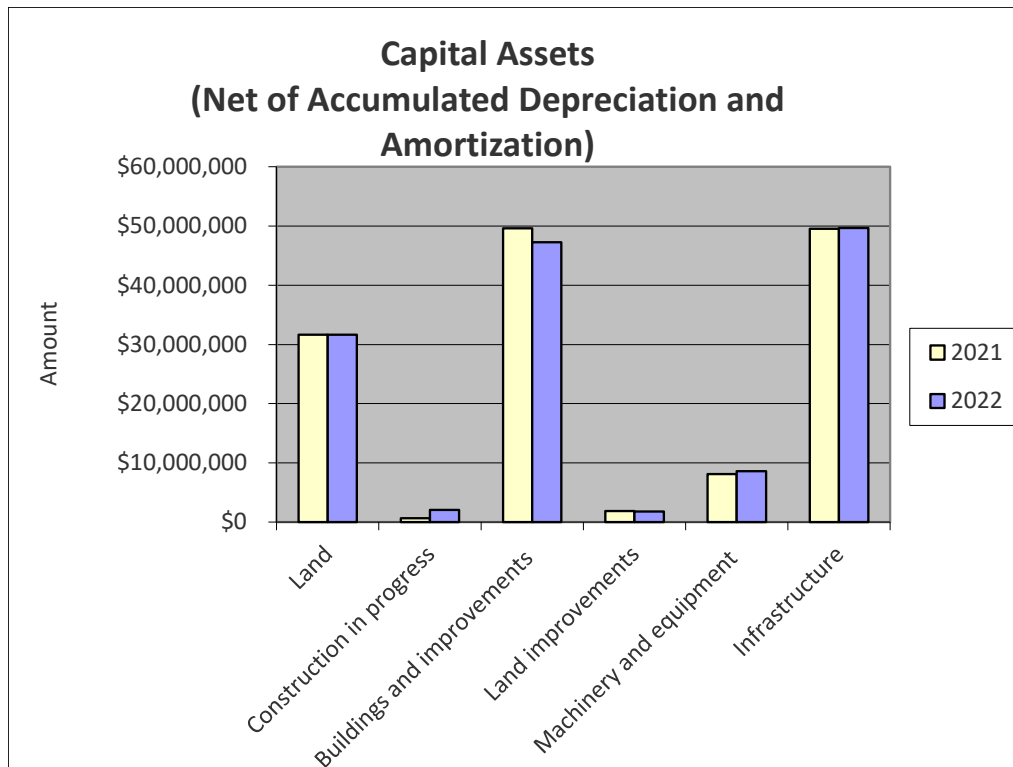
The original and final budget for the General Fund included the planned use of fund balance in the amount of \$2,529,142. No additional appropriations were authorized during the year ended June 30, 2022. The actual net change in fund balance of the General Fund on a budgetary basis was a decrease of \$969,930, resulting in a favorable budgetary variance of \$1,559,212. The budgetary surplus was primarily driven by a revenue surplus of \$1,345,101.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets as of June 30, 2022 and 2021 totaled \$141,001,855 and \$141,388,028, as restated for the implementation of Statement No. 87, *Leases*, 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 decrease in the Town's investment in capital assets for the current fiscal year was \$386,173 or 0.3%. The following table is a two-year comparison of the investment in capital assets:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 15,604,234	\$ 15,604,234	\$ 16,038,335	\$ 16,038,335	\$ 31,642,569	\$ 31,642,569
Construction in progress	1,747,349	624,697	325,158	-	2,072,507	624,697
Buildings and improvements	46,627,690	48,902,393	645,307	701,656	47,272,997	49,604,049
Land improvements	1,771,678	1,885,976	-	-	1,771,678	1,885,976
Machinery and equipment	7,350,656	6,985,728	1,236,942	1,133,659	8,587,598	8,119,387
Infrastructure	48,864,316	48,810,405	790,190	700,945	49,654,506	49,511,350
Totals	<u>\$ 121,965,923</u>	<u>\$ 122,813,433</u>	<u>\$ 19,035,932</u>	<u>\$ 18,574,595</u>	<u>\$ 141,001,855</u>	<u>\$ 141,388,028</u>



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, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

Long-term Debt

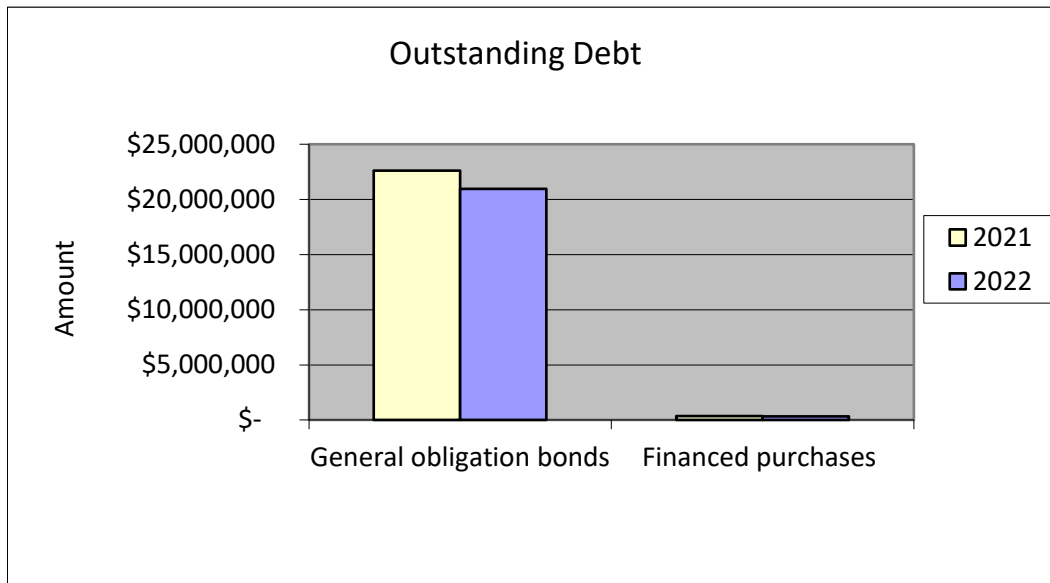
At the end of the current fiscal year, the Town had total long-term debt outstanding of \$21,268,881, consisting of general obligation bonds outstanding of \$20,950,000 and financed purchases of capital assets in the amount of \$318,881. This entire amount is comprised of debt backed by the full faith and credit of the Town. The Town’s total long-term debt decreased by \$1,711,002 or 7.4% during the current fiscal year primarily due to 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	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 20,950,000	\$ 22,620,000	\$ -	\$ -	\$ 20,950,000	\$ 22,620,000
Financed purchases	123,611	103,649	195,270	256,234	318,881	359,883
Totals	\$ 21,073,611	\$ 22,723,649	\$ 195,270	\$ 256,234	\$ 21,268,881	\$ 22,979,883



Additional information on the Town’s long-term debt can be found in Note 8 of this report.

TOWN OF SUFFIELD, CONNECTICUT
MANAGEMENTS DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

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 2023, 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.

All of these factors were considered in preparing the Town's budget for fiscal year 2023.

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, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 22,307,435	\$ 2,567,306	\$ 24,874,741
Investments	4,617,351	-	4,617,351
Receivables:			
Property taxes and interest, net	1,818,578	-	1,818,578
Assessments and user charges, net	173,698	504,076	677,774
Grants and contracts	1,762,017	-	1,762,017
Loans	80,609	-	80,609
Other	1,278,303	22,659	1,300,962
Inventories	25,000	-	25,000
Internal balances	(1,769)	1,769	-
Capital assets:			
Non-depreciable	17,351,583	16,363,493	33,715,076
Depreciable, net	104,614,340	2,672,439	107,286,779
Total assets	<u>154,027,145</u>	<u>22,131,742</u>	<u>176,158,887</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	4,041,782	-	4,041,782
OPEB related	2,347,978	-	2,347,978
Total deferred outflows of resources	<u>6,389,760</u>	<u>-</u>	<u>6,389,760</u>
LIABILITIES			
Accounts payable	1,580,426	165,846	1,746,272
Accrued liabilities	1,038,130	25,589	1,063,719
Unearned revenue	3,360,042	-	3,360,042
Noncurrent liabilities:			
Due within one year	1,803,593	62,977	1,866,570
Due in more than one year	39,486,857	132,293	39,619,150
Total liabilities	<u>47,269,048</u>	<u>386,705</u>	<u>47,655,753</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related	205,916	-	205,916
OPEB related	2,012,584	-	2,012,584
Advance property tax collections	156,630	-	156,630
Total deferred inflows of resources	<u>2,375,130</u>	<u>-</u>	<u>2,375,130</u>
NET POSITION			
Net investment in capital assets	99,701,703	18,840,662	118,542,365
Restricted for:			
Trust purposes	392,787	-	392,787
Grant and other programs	2,766,017	-	2,766,017
Unrestricted	7,912,220	2,904,375	10,816,595
Total net position	<u>\$ 110,772,727</u>	<u>\$ 21,745,037</u>	<u>\$ 132,517,764</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, 2022

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	\$ 3,014,895	\$ 1,635,807	\$ 5,019	\$ -	\$ (1,374,069)	\$ -	\$ (1,374,069)	
Planning and development	374,472	-	-	-	(374,472)	-	(374,472)	
Public safety	7,650,234	510,750	231,807	157,510	(6,750,167)	-	(6,750,167)	
Public works	6,647,622	351,725	473,587	1,462,789	(4,359,521)	-	(4,359,521)	
Health and social services	1,286,435	38,682	15,693	-	(1,232,060)	-	(1,232,060)	
Library, recreation and parks	1,697,504	261,482	63,516	38,701	(1,333,805)	-	(1,333,805)	
Education	46,732,926	1,880,825	15,444,228	-	(29,407,873)	-	(29,407,873)	
Interest expense	449,936	-	-	-	(449,936)	-	(449,936)	
Total governmental activities	<u>67,854,024</u>	<u>4,679,271</u>	<u>16,233,850</u>	<u>1,659,000</u>	<u>(45,281,903)</u>	<u>-</u>	<u>(45,281,903)</u>	
Business-type activities:								
Sewer	<u>3,149,486</u>	<u>3,126,541</u>	<u>2,549</u>	<u>-</u>	<u>-</u>	<u>(20,396)</u>	<u>(20,396)</u>	
Total	<u>\$ 71,003,510</u>	<u>\$ 7,805,812</u>	<u>\$ 16,236,399</u>	<u>\$ 1,659,000</u>	<u>(45,281,903)</u>	<u>(20,396)</u>	<u>(45,302,299)</u>	
General revenues:								
Property taxes, levied for general purposes					43,939,302	-	43,939,302	
Grants and contributions not restricted to specific programs					5,804,580	-	5,804,580	
Investment earnings					(413,179)	3,897	(409,282)	
Transfers, net					(708,512)	708,512	-	
Total general revenues					<u>48,622,191</u>	<u>712,409</u>	<u>49,334,600</u>	
					Change in net position	3,340,288	692,013	4,032,301
					Net position - beginning, as adjusted (see Note 1)	107,432,439	21,053,024	128,485,463
					Net position - ending	<u>\$ 110,772,727</u>	<u>\$ 21,745,037</u>	<u>\$ 132,517,764</u>

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

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

	General Fund	Capital Projects Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 15,373,543	\$ 556,375	\$ 2,349,306	\$ 2,107,114	\$ 20,386,338
Investments	-	4,617,351	-	-	4,617,351
Receivables:					
Property taxes, net	1,088,622	-	-	-	1,088,622
Interest on property taxes, net	729,956	-	-	-	729,956
Assessments, net	-	-	-	173,698	173,698
Grants and contracts	317,192	385,919	-	1,058,906	1,762,017
Loans	-	-	-	80,609	80,609
Other	191,743	-	-	125,192	316,935
Due from other funds	4,987,343	9,221,488	-	1,963,983	16,172,814
Inventories	-	-	-	25,000	25,000
Total assets	<u>\$ 22,688,399</u>	<u>\$ 14,781,133</u>	<u>\$ 2,349,306</u>	<u>\$ 5,534,502</u>	<u>\$ 45,353,340</u>
LIABILITIES					
Accounts payable	\$ 800,271	\$ 502,607	\$ -	\$ 239,892	\$ 1,542,770
Accrued liabilities	248,177	-	-	390	248,567
Due to other funds	11,187,240	3,158,785	9,706	36,116	14,391,847
Performance deposits payable	220,087	-	-	-	220,087
Unearned revenue	159,211	202,916	2,340,081	522,834	3,225,042
Total liabilities	<u>12,614,986</u>	<u>3,864,308</u>	<u>2,349,787</u>	<u>799,232</u>	<u>19,628,313</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes and interest	1,741,513	-	-	-	1,741,513
Unavailable revenue - other	-	-	-	254,307	254,307
Advance property tax collections	156,630	-	-	-	156,630
Total deferred inflows of resources	<u>1,898,143</u>	<u>-</u>	<u>-</u>	<u>254,307</u>	<u>2,152,450</u>
FUND BALANCES					
Nonspendable	-	-	-	417,787	417,787
Restricted	141,430	471,836	-	2,624,587	3,237,853
Committed	147,080	11,241,632	-	1,438,609	12,827,321
Assigned	397,441	-	-	-	397,441
Unassigned	7,489,319	(796,643)	(481)	(20)	6,692,175
Total fund balances	<u>8,175,270</u>	<u>10,916,825</u>	<u>(481)</u>	<u>4,480,963</u>	<u>23,572,577</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 22,688,399</u>	<u>\$ 14,781,133</u>	<u>\$ 2,349,306</u>	<u>\$ 5,534,502</u>	<u>\$ 45,353,340</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, 2022

Total fund balances for governmental funds		\$ 23,572,577
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.		121,965,923
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.		1,995,820
Nonrefundable lease payments received in advance are reported as liabilities and are recognized as revenues over the terms of the lease.		(135,000)
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	\$ (20,950,000)	
Unamortized bond premiums	(1,086,605)	
Financed purchases	(123,611)	
Leases	(73,233)	
Accrued interest payable	(189,919)	
Net pension liability	(13,216,734)	
Net OPEB liability	(5,508,042)	
Landfill post-closure care liability	(32,400)	
Compensated absences	(299,825)	
Total long-term liabilities	(41,480,369)	(41,480,369)
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.		682,516
Deferred charges on net pension and net OPEB liabilities are not susceptible to accrual and therefore are not reported in the funds.		4,171,260
Net position of governmental activities		\$ 110,772,727

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, 2022

	General Fund	Capital Projects Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 43,746,230	\$ -	\$ -	\$ 73,814	\$ 43,820,044
Intergovernmental	19,230,598	884,232	-	4,337,970	24,452,800
Charges for services	2,954,220	-	-	1,776,535	4,730,755
Interest income	104,636	(519,698)	-	1,883	(413,179)
Other	639,900	9,115	-	177,205	826,220
Total revenues	<u>66,675,584</u>	<u>373,649</u>	<u>-</u>	<u>6,367,407</u>	<u>73,416,640</u>
EXPENDITURES					
Current:					
General government	2,684,431	-	481	1,308	2,686,220
Planning and development	387,277	-	-	-	387,277
Public safety	6,941,107	-	-	485,365	7,426,472
Public works	4,997,958	14,082	-	-	5,012,040
Health and social services	1,179,992	-	-	35,687	1,215,679
Library, recreation and parks	700,654	37,200	-	584,281	1,322,135
Education	42,518,289	-	-	4,561,259	47,079,548
Debt service	2,223,213	150,350	-	-	2,373,563
Capital outlays	11,865	5,076,538	-	231,383	5,319,786
Total expenditures	<u>61,644,786</u>	<u>5,278,170</u>	<u>481</u>	<u>5,899,283</u>	<u>72,822,720</u>
Excess (deficiency) of revenues over expenditures	5,030,798	(4,904,521)	(481)	468,124	593,920
OTHER FINANCING SOURCES (USES)					
Transfers in	907,160	7,242,465	-	484,126	8,633,751
Transfers out	(7,085,591)	(895,211)	-	(297,000)	(8,277,802)
Total other financing sources (uses)	<u>(6,178,431)</u>	<u>6,347,254</u>	<u>-</u>	<u>187,126</u>	<u>355,949</u>
Net change in fund balances	(1,147,633)	1,442,733	(481)	655,250	949,869
Fund balances - beginning	<u>9,322,903</u>	<u>9,474,092</u>	<u>-</u>	<u>3,825,713</u>	<u>22,622,708</u>
Fund balances - ending	<u>\$ 8,175,270</u>	<u>\$ 10,916,825</u>	<u>\$ (481)</u>	<u>\$ 4,480,963</u>	<u>\$ 23,572,577</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, 2022

Net change in fund balances - total governmental funds \$ 949,869

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	\$ 4,141,649	
Depreciation and amortization expense	<u>(4,989,159)</u>	
Net adjustment		(847,510)

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:		
Financed purchases	(68,957)	
Principal repayments:		
Bonds	1,670,000	
Financed purchases	48,995	
Leases	<u>35,004</u>	
Net adjustment		1,685,042

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	17,370	
Amortization of bond premiums	187,263	
Compensated absences	102,368	
Landfill post-closure care costs	16,200	
Net pension liability	(9,345,929)	
Net OPEB liability	<u>(3,350,141)</u>	
		(12,372,869)

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.

123,391
(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, 2022

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.	\$ 988,412
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>12,813,953</u>
Change in net position of governmental activities	<u>\$ 3,340,288</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, 2022

	Business-Type Activities	Governmental Activities
	WPCA	Internal Service
	Enterprise Fund	Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,567,306	\$ 1,921,097
Receivables:		
User charges	504,076	-
Grants and contracts	-	-
Other	22,659	1,051,811
Due from other funds	1,769	-
Total current assets	<u>3,095,810</u>	<u>2,972,908</u>
Noncurrent assets:		
Capital assets:		
Non-depreciable	16,363,493	-
Depreciable, net	2,672,439	-
Total noncurrent assets	<u>19,035,932</u>	<u>-</u>
Total assets	<u>22,131,742</u>	<u>2,972,908</u>
LIABILITIES		
Current liabilities:		
Accounts payable	165,846	37,656
Accrued liabilities	25,589	470,000
Due to other funds	-	1,782,736
Total liabilities	<u>191,435</u>	<u>2,290,392</u>
Noncurrent liabilities:		
Due within one year	62,977	-
Due in more than one year	132,293	-
Total noncurrent liabilities	<u>195,270</u>	<u>-</u>
Total liabilities	<u>386,705</u>	<u>2,290,392</u>
NET POSITION		
Net investment in capital assets	18,840,662	-
Unrestricted	2,904,375	682,516
Total net position	<u>\$ 21,745,037</u>	<u>\$ 682,516</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, 2022

	Business-Type Activities	Governmental Activities
	WPCA Enterprise Fund	Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 3,098,832	\$ 7,947,064
Contributions	-	754,653
Grants and contracts	2,549	-
Other income	27,709	-
Total operating revenues	<u>3,129,090</u>	<u>8,701,717</u>
OPERATING EXPENSES		
Payroll and benefits	1,516,812	-
Sludge disposal	191,791	-
Plant maintenance, supplies and materials	388,365	-
Utilities	291,909	-
Depreciation and amortization	359,535	-
Insurance and program services	32,896	7,217,757
Administration	50,001	177,498
Other	309,670	319,250
Total operating expenses	<u>3,140,979</u>	<u>7,714,505</u>
Operating income	(11,889)	987,212
NONOPERATING REVENUE (EXPENSE)		
Interest income	3,897	1,200
Interest expense	(8,507)	-
Total non-operating revenue (expense)	<u>(4,610)</u>	<u>1,200</u>
Change in net position before transfers	(16,499)	988,412
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Capital contribution	1,064,461	-
Transfers in	63,051	-
Transfers out	(419,000)	-
Total transfers	<u>708,512</u>	<u>-</u>
Change in net position	692,013	988,412
Net position - beginning	<u>21,053,024</u>	<u>(305,896)</u>
Net position - ending	<u>\$ 21,745,037</u>	<u>\$ 682,516</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, 2022

	Business-Type Activities	Governmental Activities
	WPCA Enterprise Fund	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from the following:		
Customers and users	\$ 3,122,991	\$ 7,911,634
Contributions	2,549	-
Cash paid for the following:		
Payroll and benefits	(1,502,790)	-
Insurance	(32,896)	(7,550,996)
Goods and services	(959,999)	(303,127)
Net cash provided by operating activities	<u>629,855</u>	<u>57,511</u>
CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES		
Interfund borrowings	-	<u>729,140</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Interfund activities	63,051	-
Acquisition of capital assets	(461,337)	-
Payment on capital lease	(60,964)	-
Interest paid on capital debt	(8,507)	-
Net cash used in capital financing activities	<u>(467,757)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	<u>3,897</u>	<u>1,200</u>
Net increase in cash and cash equivalents	165,995	787,851
Cash and cash equivalents, beginning of year	<u>2,401,311</u>	<u>1,133,246</u>
Cash and cash equivalents, end of year	<u>\$ 2,567,306</u>	<u>\$ 1,921,097</u>
RECONCILIATION OF OPERATING INCOME TO		
NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (11,889)	\$ 987,212
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	359,535	-
Capital contribution expense	285,926	-
Change in assets and liabilities:		
Receivables	(3,550)	(736,775)
Accounts payable	(14,189)	16,123
Accrued liabilities	14,022	(209,049)
Net cash provided by operating activities	<u>\$ 629,855</u>	<u>\$ 57,511</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, 2022

	Pension and OPEB Trust Funds
ASSETS	
Cash and cash equivalents	\$ 898,389
Investments:	
Corporate bonds	7,434,472
Municipal bonds	195,016
U.S. Treasury securities	4,792,493
Asset backed securities	133,140
Mutual funds	31,566,007
Common stock	5,807,671
Other	563,771
	50,492,570
Receivables	73,403
Total assets	51,464,362
LIABILITIES	
Payables	766,353
Total liabilities	766,353
NET POSITION	
Restricted for:	
Pension benefits	36,901,422
OPEB benefits	13,796,587
Total net position	\$ 50,698,009

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, 2022

	Pension and OPEB Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 2,699,523
Employee	459,435
Total contributions	3,158,958
Investment earnings:	
Net decrease in fair value of investments, net of investment fees	(8,905,578)
Total additions	(5,746,620)
DEDUCTIONS	
Benefit payments	3,663,504
Administrative expenses	17,276
Total deductions	3,680,780
Change in net position	(9,427,400)
Net position - beginning	60,125,409
Net position - ending	\$ 50,698,009

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, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The Town was incorporated in 1749 under the General Statutes of the State of Connecticut. The Town adopted its original charter in 1985 with the most recent revisions in 2022. 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, however interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange 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, proprietary 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 non-major funds.

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

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

Government-wide and Fund Financial Statements *(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 recognition in the financial statements of various kinds of transactions or events.

The government-wide, proprietary, and fiduciary fund 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, 2022

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 when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, claims and judgments, and post-employment benefits are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the Town the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise fund consist of charges to customers for services relating to sewer usage. Operating expenses of the Town's enterprise fund include the cost of operations and maintenance, administrative expenses, and depreciation of capital assets. The principal operating revenues of the Town's internal service fund consist of charges for premiums. Operating expenses of the Town's internal service fund consist of claims incurred and administrative expenses. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Implementation of Accounting Standards

Effective July 1, 2021, the Town implemented the provisions of GASB Statement No. 87, *Leases* (Statement No. 87). This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Town has reported the following adjustments in connection with the implementation of Statement No. 87:

	Governmental Activities				
	Assets	Deferred Outflows of Resources	Liabilities	Deferred Inflows of Resources	Net Position
Net position - beginning, as originally reported	\$ 153,426,976	\$ 1,294,730	\$ 37,146,378	\$ 10,000,389	\$ 107,574,939
Recognition of leases	108,237	-	250,737	-	(142,500)
Net position - beginning, as adjusted	<u>\$ 153,535,213</u>	<u>\$ 1,294,730</u>	<u>\$ 37,397,115</u>	<u>\$ 10,000,389</u>	<u>\$ 107,432,439</u>

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

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

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund 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 their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

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

Donor-restricted Funds

The Town allocates investment income of donor-restricted funds in accordance with donor restrictions and Connecticut law, which has adopted the provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Under UPMIFA, investment income earned on donor-restricted endowment funds is considered to be unrestricted in the absence of explicit donor restrictions. Further, in the absence of explicit donor restrictions regarding investment appreciation, such appreciation is treated the same as the related investment income. Investment losses that reduce the value of endowment investments below the original principal amount serve to reduce restricted net position or unrestricted net position, depending on the applicable donor's stipulations regarding the treatment of investment income and appreciation.

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, 2022.

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 \$360 in fiscal 2022. 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.

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

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

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

Inventories and Prepaid Items

Inventories are reported at cost using the first-in first-out (FIFO) method, except for 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.

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, 2022, loans receivable totaled \$80,609 under this program.

Leases (as Lessor)

The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Town uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

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.

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

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

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

Capital Assets *(Continued)*

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

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.

Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources represent a consumption or an acquisition of net assets 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.

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

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

Long-term Obligations

Long-term Debt

The applicable accounting standards define debt as a liability that arises from a contractual obligation to pay cash, or other assets that may be used in lieu of cash, in one or more payments to settle 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 assets.

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

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

Leases (as Lessee)

The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) for a noncancellable lease in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$20,000 or more. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town reasonably certain to exercise. The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt and other long-term obligations on the statement of net position.

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.

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.

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 Activity

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

Use of Estimates

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

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

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

Cash Deposits

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

Cash and cash equivalents:	
Government-wide statement of net position	\$ 24,874,741
Statement of fiduciary net position	898,389
Less: cash equivalents considered investments for disclosure purposes	<u>(6,142,414)</u>
	<u>\$ 19,630,716</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, 2022, \$19,535,213 of the Town's bank balance of \$20,684,131 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 17,581,692
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	<u>1,953,521</u>
	<u>\$ 19,535,213</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, 2022 is as follows:

Investments:	
Government-wide statement of net position	\$ 4,617,351
Statement of fiduciary net position	50,492,570
Plus: cash equivalents considered investments for disclosure purposes	<u>6,142,414</u>
	<u>\$ 61,252,335</u>

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

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

Investments *(Continued)*

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

Investment type	Valuation Basis	Value	Investment Maturities (In Years)			
			Less Than 1	1 to 5	6 to 10	More Than 10
Debt Securities:						
<i>Governmental activities:</i>						
Short-term Investment Fund (STIF)	Amortized cost	\$ 5,174,024	\$ 5,174,024	\$ -	\$ -	\$ -
Money market mutual funds	Amortized cost	70,001	70,001	-	-	-
U.S. Treasury securities	Fair Value	2,400,884	249,222	1,561,298	590,364	-
Asset backed securities	Fair Value	116,364	-	116,364	-	-
<i>Fiduciary:</i>						
Money market mutual funds	Amortized cost	898,389	898,389	-	-	-
Corporate bonds	Fair Value	7,434,472	449,167	3,850,705	3,013,829	120,771
Municipal bonds	Fair Value	195,016	-	-	150,216	44,800
U.S. Treasury securities	Fair Value	4,792,493	718,350	2,728,478	1,345,665	-
Asset backed securities	Fair Value	133,140	-	6,757	9,304	117,079
		<u>21,214,783</u>	<u>\$ 7,559,153</u>	<u>\$ 8,263,602</u>	<u>\$ 5,109,378</u>	<u>\$ 282,650</u>
Other investments:						
<i>Governmental activities:</i>						
Mutual funds	Fair value	2,100,103				
<i>Fiduciary:</i>						
Mutual funds	Fair value	31,566,007				
Common stock	Fair value	5,807,671				
Insurance contracts	Contract value	563,771				
		<u>\$ 61,252,335</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.

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.

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

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

Investments (Continued)

Credit Risk (Continued)

The Town's investments in debt securities, excluding U.S. Treasury securities, were rated as follows at June 30, 2022:

<u>Investment Type</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>Unrated</u>	<u>Total</u>
Debt Securities:						
Short-Term Investment Fund	\$ 5,174,024	\$ -	\$ -	\$ -	\$ -	\$ 5,174,024
Money market mutual funds	-	-	-	-	968,390	968,390
Corporate bonds	119,325	781,531	3,069,190	3,464,426	-	7,434,472
Municipal bonds	150,216	-	44,800	-	-	195,016
Asset backed securities	24,382	-	-	-	225,122	249,504
	<u>\$ 5,467,947</u>	<u>\$ 781,531</u>	<u>\$ 3,113,990</u>	<u>\$ 3,464,426</u>	<u>\$ 1,193,512</u>	<u>\$ 14,021,406</u>
					U.S. Treasury securities	7,193,377
					Total debt securities	<u>\$ 21,214,783</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, 2022, 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 or business-type activities. Refer to Notes 10 and 12 for concentration of credit risk relating to the Town's pension and OPEB trust funds.

NOTE 3 - FAIR VALUE MEASUREMENTS

The Town measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than those in Level 1; and
- Level 3: Unobservable inputs.

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

NOTE 3 - FAIR VALUE MEASUREMENTS *(Continued)*

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, 2022, 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	\$ 33,666,110	\$ -	\$ -	\$ 33,666,110
Corporate Bonds	-	7,434,472	-	7,434,472
U.S. Treasury securities	7,193,377	-	-	7,193,377
Common stock	5,807,671	-	-	5,807,671
Asset backed securities	-	249,504	-	249,504
Municipal Bonds	-	195,016	-	195,016
	<u>\$ 46,667,158</u>	<u>\$ 7,878,992</u>	<u>\$ -</u>	<u>54,546,150</u>
		Investments measured at a amortized cost		6,142,414
		Investments measured at contract value		<u>563,771</u>
				<u>\$ 61,252,335</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.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2022 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	624,697	1,299,603	-	(176,951)	1,747,349
Total capital assets, not being depreciated	<u>16,228,931</u>	<u>1,299,603</u>	<u>-</u>	<u>(176,951)</u>	<u>17,351,583</u>
Capital assets, being depreciated:					
Buildings and improvements	84,904,837	287,905	-	-	85,192,742
Land improvements	3,127,364	-	-	-	3,127,364
Machinery and equipment	15,471,894	1,051,758	(43,249)	176,951	16,657,354
Right-to-use leased equipment	142,212	-	-	-	142,212
Infrastructure	61,640,006	1,502,383	-	-	63,142,389
Total capital assets, being depreciated	<u>165,286,313</u>	<u>2,842,046</u>	<u>(43,249)</u>	<u>176,951</u>	<u>168,262,061</u>
Less accumulated depreciation for:					
Buildings and improvements	(36,002,444)	(2,562,608)	-	-	(38,565,052)
Land improvements	(1,241,388)	(114,298)	-	-	(1,355,686)
Machinery and equipment	(8,594,403)	(827,522)	43,249	-	(9,378,676)
Right-to-use leased equipment	(33,975)	(36,259)	-	-	(70,234)
Infrastructure	(12,829,601)	(1,448,472)	-	-	(14,278,073)
Total accumulated depreciation	<u>(58,701,811)</u>	<u>(4,989,159)</u>	<u>43,249</u>	<u>-</u>	<u>(63,647,721)</u>
Total capital assets, being depreciated, net	<u>106,584,502</u>	<u>(2,147,113)</u>	<u>-</u>	<u>176,951</u>	<u>104,614,340</u>
Governmental activities capital assets, net	<u>\$ 122,813,433</u>	<u>\$ (847,510)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 121,965,923</u>

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

NOTE 4 - CAPITAL ASSETS *(Continued)*

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

Governmental Activities:	
Education	\$ 2,023,546
Public works	1,644,550
Public safety	420,980
Library, parks and recreation	404,479
General government	398,860
Health and social services	96,677
Planning and development	67
Total depreciation expense	<u>\$ 4,989,159</u>

Capital asset activity for business-type activities for the year ended June 30, 2022 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
Construction in progress	-	325,158	-	-	325,158
Total capital assets, not being depreciated	16,038,335	325,158	-	-	16,363,493
Capital assets, being depreciated:					
Buildings	10,456,929	-	-	-	10,456,929
Machinery and equipment	17,856,585	223,171	-	-	18,079,756
Vehicles	747,470	74,624	-	-	822,094
Infrastructure	1,248,811	197,919	-	-	1,446,730
Total capital assets, being depreciated	30,309,795	495,714	-	-	30,805,509
Less accumulated depreciation for:					
Buildings	(9,755,273)	(56,349)	-	-	(9,811,622)
Machinery and equipment	(17,130,722)	(107,727)	-	-	(17,238,449)
Vehicles	(339,674)	(86,785)	-	-	(426,459)
Infrastructure	(547,866)	(108,674)	-	-	(656,540)
Total accumulated depreciation	(27,773,535)	(359,535)	-	-	(28,133,070)
Total capital assets, being depreciated, net	2,536,260	136,179	-	-	2,672,439
Governmental activities capital assets, net	\$ 18,574,595	\$ 461,337	\$ -	\$ -	\$ 19,035,932

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

Business-Type Activities:	
Sewer	<u>\$ 359,535</u>

NOTE 5 - LEASES (AS LESSOR)

The Town is a lessor of property for the use of cell towers under noncancellable lease agreements. Certain leases of property for cell towers included upfront nonrefundable payments and require revenue sharing from the monthly license fees received by the lessee. The Town has recognized the upfront payments as unearned revenue and is recognizing the revenue over the terms of the leases. As of June 30, 2022, unearned revenue totaled \$135,000. During the year ended June 30, 2022, the Town recognized revenue of \$7,500. In addition, the Town recognized revenues of approximately \$234,000 from the revenue sharing arrangements.

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

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2022 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Funds		
General Fund	Capital Projects Fund	\$ 3,158,785
	American Rescue Plan Fund	9,706
	Nonmajor Governmental Funds	36,116
	Internal Service Funds	<u>1,782,736</u>
		4,987,343
Capital Projects Fund	General Fund	9,221,488
Nonmajor Governmental Funds	General Fund	<u>1,963,983</u>
		<u>\$ 16,172,814</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 7 - INTERFUND TRANSFERS

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

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Funds		
General Fund	Capital Projects Fund	\$ 832,160
	Nonmajor Governmental Funds	<u>75,000</u>
		907,160
Capital Projects Fund	General Fund	6,601,465
	Nonmajor Governmental Funds	222,000
	WPCA Enterprise Fund	<u>419,000</u>
		7,242,465
Nonmajor Governmental Funds	General Fund	<u>484,126</u>
		<u>\$ 8,633,751</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, 2022

NOTE 8 - LONG-TERM LIABILITIES

Changes in Long-term Liabilities

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

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 22,620,000	\$ -	\$ (1,670,000)	\$ 20,950,000	\$ 1,670,000
Unamortized premium	<u>1,273,868</u>	-	<u>(187,263)</u>	<u>1,086,605</u>	-
Total bonds payable	23,893,868	-	(1,857,263)	22,036,605	1,670,000
Financed purchases	103,649	68,957	(48,995)	123,611	51,342
Leases	108,237	-	(35,004)	73,233	36,068
Compensated absences	402,193	-	(102,368)	299,825	29,983
Landfill post-closure care liability	48,600	-	(16,200)	32,400	16,200
Net pension liability <i>(see Note 10)</i>	3,870,805	9,345,929	-	13,216,734	-
Net OPEB liability <i>(see Note 12)</i>	<u>2,157,901</u>	<u>3,350,141</u>	-	<u>5,508,042</u>	-
	<u>\$ 30,585,253</u>	<u>\$ 12,765,027</u>	<u>\$ (2,059,830)</u>	<u>\$ 41,290,450</u>	<u>\$ 1,803,593</u>
Business-Type Activities					
Financed purchases	<u>\$ 256,234</u>	<u>\$ -</u>	<u>\$ (60,964)</u>	<u>\$ 195,270</u>	<u>\$ 62,977</u>

Long-term liabilities are typically liquidated by the General Fund and the Capital Projects Fund for governmental activities and the WPCA Enterprise Fund for business-type activities.

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and payable from taxes levied on all taxable properties located within the Town. General obligation bonds currently outstanding are as follows:

A summary of general obligation bonds outstanding at June 30, 2022 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%	12/2027	\$ 3,840,000
2016 General Obligation Bonds	9,100,000	3.00 - 3.25%	1/2036	7,100,000
2020 General Obligation Bonds	10,535,000	2.00 - 5.00%	10/2040	<u>10,010,000</u>
				<u>\$ 20,950,000</u>

Financed Purchases

The Town has entered into financed purchase contracts for the acquisition of capital assets. The contracts include non-appropriation clauses and provide the obligors with security interests in the underlying assets in the event of default. Ownership of the underlying assets are transferred to the Town at the end of the contract. The Town makes equal annual payments of principal and interest at an interest rates ranging from 3.7% to 4.8% through various maturity dates.

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

NOTE 8 - LONG-TERM LIABILITIES *(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 statute does exclude from the Town's aggregate debt calculation any debt issued (a) in anticipation of taxes; (b) for water, gas, or electricity supply, electric demand response, conservation and load management, distributed generation, renewable energy projects, cable, wire, and pipe subway construction, underground cable, wire, and pipe conduit construction, constructing and operating a municipal community antenna television system, or a combination of such projects; (c) in anticipation of public improvement benefit assessment revenue; (d) in anticipation of state or federal grant funding; (e) for water pollution control projects in order to meet the energy and environmental protection commissioner's abatement order requirements; and debt issued (f) for which funds have been placed in escrow (from the proceeds of refunding bonds, notes, or other obligations or other municipal funds) in an amount sufficient, together with investment earnings, to provide for the payment when due of the principal of and interest on such debt. The Town did not exceed this statutory debt limitation as of June 30, 2022.

Authorized, Unissued Debt

As of June 30, 2022, the Town had authorized but unissued debt in the amount of \$927,440.

Long-term Debt Service Requirements

Annual debt service requirements to maturity on long-term debt are as follows as of June 30, 2022:

Year ending June 30:	Governmental Activities			
	General Obligation Bonds		Financed Purchases	
	Principal	Interest	Principal	Interest
2023	\$ 1,670,000	\$ 580,700	\$ 51,342	\$ 5,921
2024	1,670,000	518,325	53,802	3,462
2025	1,665,000	459,225	18,467	885
2026	1,665,000	405,175	-	-
2027	1,670,000	353,800	-	-
2028-2032	5,810,000	1,188,100	-	-
2033-2037	4,680,000	506,225	-	-
2038-2041	2,120,000	84,800	-	-
	<u>\$ 20,950,000</u>	<u>\$ 4,096,350</u>	<u>\$ 123,611</u>	<u>\$ 10,268</u>

Year ending June 30:	Business-Type Activities	
	Financed Purchases	
	Principal	Interest
2023	\$ 62,977	\$ 6,495
2024	65,064	4,408
2025	67,229	2,244
	<u>\$ 195,270</u>	<u>\$ 13,147</u>

Leases

The Town is a lessee for a noncancellable lease of copiers and related equipment. The term of the lease is 4 years. The Town makes fixed monthly payments with interest rates at a rate of 3.0%. The net book value of the right-to-use assets as of the end of June 30, 2022 was \$72,158. As of June 30, 2022, the value of the lease liability was \$73,233.

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

NOTE 8 - LONG-TERM LIABILITIES (Continued)

Leases (Continued)

The future principal and interest lease payments as of June 30, 2022, were as follows:

Year ending <u>June 30:</u>	Governmental Activities	
	Leases	
	Principal	Interest
2023	\$ 36,068	\$ 1,704
2024	37,165	607
	\$ 73,233	\$ 2,311

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 2 years total \$32,400 at June 30, 2022. 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, 2022 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
	-	-	-	417,787	417,787
Restricted for:					
Debt service	141,430	-	-	-	141,430
Bonded projects	-	471,836	-	-	471,836
Grants and donations	-	-	-	313,193	313,193
Economic development	-	-	-	190,108	190,108
Health and social services	-	-	-	5,203	5,203
Library, recreation and parks	-	-	-	126,657	126,657
Education programs	-	-	-	1,926,767	1,926,767
Town clerk	-	-	-	52,608	52,608
Other programs	-	-	-	10,051	10,051
	141,430	471,836	-	2,624,587	3,237,853
Committed to:					
Public safety	-	-	-	229,227	229,227
Library, recreation and parks	-	-	-	79,580	79,580
Education nonlapsing account	147,080	-	-	210,837	357,917
Capital purposes	-	11,241,632	-	108,985	11,350,617
Debt service	-	-	-	809,980	809,980
	147,080	11,241,632	-	1,438,609	12,827,321
Assigned to:					
Encumbrances - General government	117,910	-	-	-	117,910
Encumbrances - Education	279,531	-	-	-	279,531
	397,441	-	-	-	397,441
Unassigned	7,489,319	(796,643)	(481)	(20)	6,692,175
	\$ 8,175,270	\$ 10,916,825	\$ (481)	\$ 4,480,963	\$ 23,572,577

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

NOTE 9 - FUND BALANCE *(Continued)*

Deficit Fund Balances

The following funds have deficit fund balances as of June 30, 2022, which do not constitute a violation of statutory provisions. The deficits are expected to be eliminated by the future funding sources disclosed below.

<u>Fund</u>	<u>Deficit Fund Balance</u>	<u>Future Funding Source</u>
Gas/Diesel Fund	\$ (31,337)	Charges for services
Drug Education & Enforcement Grant Fund	(20)	General Fund budgetary contributions
American Rescue Plan Fund	(481)	Interest income
Agriscience Project Fund	(796,643)	Grant reimbursement and/or General Fund or Capital Reserves

NOTE 10 - PENSION PLANS

The Town accounts for activity relating to two defined benefit pension plans, (1) the Town of Suffield Retirement Plan (the Town Plan), and 2) the Connecticut Teachers' Retirement System. As of and for the year ended June 30, 2022, the plans had the following balances reported in the Town's government-wide financial statements:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>On Behalf Revenues</u>	<u>Pension Expense</u>
Town of Suffield Retirement Plan	\$ 13,216,734	\$ 4,041,782	\$ 205,916	\$ -	\$ 1,951,330
Connecticut Teachers' Retirement System (proportionate share)	-	-	-	4,198,011	4,198,011
	<u>\$ 13,216,734</u>	<u>\$ 4,041,782</u>	<u>\$ 205,916</u>	<u>\$ 4,198,011</u>	<u>\$ 6,149,341</u>

Detailed disclosures for each plan follow.

Town of Suffield Retirement Plan

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.

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

NOTE 10 - PENSION PLANS *(Continued)*

Town of Suffield Retirement Plan *(Continued)*

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.

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, 2022, there were no investments in any one issuer that represented 5.0% or more of the plan's total investments.

Rate of return - For the year ended June 30, 2022, the annual money-weighted rate of return on the pension plan, net of pension plan investment expense, was -13.72%. 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	153
Inactive plan members entitled to but not yet receiving benefits	55
Active plan members	<u>106</u>
	<u><u>314</u></u>

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 2.0% (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, 2022

NOTE 10 - PENSION PLANS *(Continued)*

Town of Suffield Retirement Plan *(Continued)*

Net Pension Liability

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

Total pension liability	\$ 50,044,936
Plan fiduciary net position	<u>36,828,202</u>
Net pension liability	<u><u>\$ 13,216,734</u></u>

Plan fiduciary net position as a percentage of the total pension liability	73.59%
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The components of the changes in the net pension liability of the Town at June 30, 2022 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
	(a)	(b)	(a) - (b)
Balance as of June 30, 2021	\$ 47,451,680	\$ 43,580,875	\$ 3,870,805
Changes for the year:			
Service cost	1,078,957	-	1,078,957
Interest	3,112,604	-	3,112,604
Differences between expected and actual experience	156,541	-	156,541
Changes of assumptions	1,154,005	-	1,154,005
Contributions - employer	-	1,824,625	(1,824,625)
Contributions - employee	-	386,215	(386,215)
Net investment income	-	(6,037,386)	6,037,386
Benefit payments, including refunds	(2,908,851)	(2,908,851)	-
Administrative expense	-	(17,276)	17,276
Net changes	<u>2,593,256</u>	<u>(6,752,673)</u>	<u>9,345,929</u>
Balance as of June 30, 2022	<u><u>\$ 50,044,936</u></u>	<u><u>\$ 36,828,202</u></u>	<u><u>\$ 13,216,734</u></u>

Actuarial assumptions - The total pension liability measured as of June 30, 2022 was determined by actuarial valuations as of July 1, 2021 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	6.50%
Discount rate	6.50%

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-2021.

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

NOTE 10 - PENSION PLANS *(Continued)*

Town of Suffield Retirement Plan *(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 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	25.50%	5.25%
Mid/Small Cap Equity	13.50%	5.75%
Developed International Equity	13.50%	5.75%
Emerging Market Equity	9.00%	7.75%
Real Estate/MLPs	8.50%	5.75%
Intermediate Fixed Income	24.00%	1.25%
High Yield Fixed Income	2.50%	4.00%
Emerging Market Bonds	2.00%	4.25%
Cash Equivalents	1.50%	-0.25%
	<u>100.00%</u>	

Discount rate - The discount rate used to measure the total pension liability for the pension plan was 6.5%. 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	\$ 18,810,646	\$ 13,216,734	\$ 8,488,077

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

NOTE 10 - PENSION PLANS *(Continued)*

Town of Suffield Retirement Plan *(Continued)*

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the Town recognized pension expense of \$1,951,330 for the Plan. At June 30, 2022, 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	\$ 2,982,947	\$ -	\$ 2,982,947
Changes of assumptions	954,474	-	954,474
Differences between expected and actual experience	104,361	(205,916)	(101,555)
Total	\$ 4,041,782	\$ (205,916)	\$ 3,835,866

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,	
2023	\$ 961,917
2024	915,572
2025	183,295
2026	1,775,082
	\$ 3,835,866

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, 2022:

Statement of Fiduciary Net Position	
ASSETS	
Cash and cash equivalents	\$ 516,580
Investments	36,311,439
Receivables	73,403
Total assets	36,901,422
PAYABLES	
	-
NET POSITION	
Restricted for pension benefits	\$ 36,901,422

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

NOTE 10 - PENSION PLANS *(Continued)*

Town of Suffield Retirement Plan *(Continued)*

Plan Financial Statements *(Continued)*

Statement of Changes in Fiduciary Net Position	
ADDITIONS	
Contributions:	
Employer	\$ 1,824,625
Employees	459,435
Total contributions	2,284,060
Investment earnings:	
Net change in the fair value of	
investments, net of fees	(6,037,386)
Total investment earnings	(6,037,386)
Total additions	(3,753,326)
 DEDUCTIONS	
Benefit payments	2,908,851
Administrative expenses	17,276
Total deductions	2,926,127
Change in net position	(6,679,453)
 Net position restricted for pension benefits:	
Beginning of year	43,580,875
End of year	\$ 36,901,422

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, 2022

NOTE 10 - PENSION 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 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, 2022

NOTE 10 - PENSION 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 Annual Comprehensive Financial Report as of and for the year ended June 30, 2021. The net pension liability at June 30, 2021 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Annual Comprehensive Financial Report can be obtained at www.ct.gov.

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

Allocation Methodology

The allocations for participating employers are based on the expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.436% 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, 2021, the measurement date, in addition to the Town's and State's proportionate shares of the collective net pension liability that is attributed to the Town:

Collective Net Pension Liability of the State for the TRS		<u>\$ 14,926,263,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net Pension Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net Pension Liability attributed to the Town	0.436%	<u>\$ 65,033,000</u>

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Collective Pension Expense

The Town's expected contribution effort for allocation purposes totaled \$5,445,442 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, 2022.

The collective pension expense includes certain current period changes in the collective net pension liability, projected earnings on pension plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the collective pension expense attributed to the Town totaled \$4,198,011 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, 2022.

Actuarial Assumptions

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

Inflation	2.50%
Salary increases	3.25% - 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, 2022

NOTE 10 - PENSION 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:

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

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.

NOTE 11 - OTHER RETIREMENT PLANS

Deferred Compensation Plan

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 \$252,109 for the year ended June 30, 2022.

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

NOTE 11 - OTHER RETIREMENT PLANS *(Continued)*

Money Purchase 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 \$142,109 for the year ended June 30, 2022.

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS

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

	<u>Net OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>On Behalf Revenues</u>	<u>OPEB Expense</u>
Town of Suffield Other Post-employment Benefits Plan	\$ 5,508,042	\$ 2,347,978	\$ 2,012,584	\$ -	\$ 696,980
Connecticut Teachers' Retirement System (proportionate share)	-	-	-	(261,634)	(261,634)
	<u>\$ 5,508,042</u>	<u>\$ 2,347,978</u>	<u>\$ 2,012,584</u>	<u>\$ (261,634)</u>	<u>\$ 435,346</u>

Detailed disclosures for each plan follow.

Town of Suffield Other Post-employment Benefits 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.

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

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS *(Continued)*

Town of Suffield Other Post-employment Benefits Plan *(Continued)*

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.

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	421
	491
	491

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. Total Town contributions credited under the Plan totaled \$ and include contributions made to the trust in the amount of \$874,898 and \$72,709 paid from the Town's Insurance Fund.

Net OPEB Liability

The Town's net OPEB liability reported as of June 30, 2022 totaled \$5,508,042. The net OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2020.

Total OPEB liability	\$ 19,304,629
Plan fiduciary net position	13,796,587
Net OPEB liability	\$ 5,508,042
 Plan fiduciary net position as a percentage of the total OPEB liability	71.47%

Actuarial Assumptions - The total OPEB liability as of June 30, 2022 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%

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

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS *(Continued)*

Town of Suffield Other Post-employment Benefits Plan *(Continued)*

Net OPEB Liability *(Continued)*

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.

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 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%
	100.00%	

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, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS (Continued)

Town of Suffield Other Post-employment Benefits 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, 2021	\$ 18,702,435	\$ 16,544,534	\$ 2,157,901
Changes for the year:			
Service cost	377,382	-	377,382
Interest	1,213,000	-	1,213,000
Differences between expected and actual experience	(138,255)	-	(138,255)
Changes of benefit terms	-	-	-
Changes of assumptions	-	-	-
Trust contributions - employer	-	874,898	(874,898)
ISF Contributions - employer	-	72,709	(72,709)
ISF Contributions - TRB subsidy	-	22,571	(22,571)
Net investment income	-	(2,868,192)	2,868,192
Benefit payments, including refunds	(849,933)	(849,933)	-
Administrative expense	-	-	-
Net changes	<u>602,194</u>	<u>(2,747,947)</u>	<u>3,350,141</u>
Balance as of June 30, 2022	<u>\$ 19,304,629</u>	<u>\$ 13,796,587</u>	<u>\$ 5,508,042</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 or 1-percentage-point higher than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Net OPEB liability	\$ 7,932,166	\$ 5,508,042	\$ 3,544,024

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 (6.50% decreasing to 4.40%), 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 or 1-percentage-point higher than the current rate:

	Current		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 3,072,869	\$ 5,508,042	\$ 8,560,967

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

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS (Continued)

Town of Suffield Other Post-employment Benefits Plan (Continued)

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the Town recognized OPEB expense of \$696,980. At June 30, 2022, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferral
Net difference between projected and actual earnings on OPEB plan investments	\$ 1,675,206	\$ -	\$ 1,675,206
Changes of assumptions	471,475	(478,851)	(7,376)
Differences between expected and actual experience	201,297	(1,533,733)	(1,332,436)
Total	\$ 2,347,978	\$ (2,012,584)	\$ 335,394

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,	
2023	\$ 188,003
2024	166,237
2025	143,125
2026	659,881
2027	(129,490)
Thereafter	(692,362)
	\$ 335,394

The following presents the statement of fiduciary net position for the Town's OPEB Plan as of June 30, 2022:

Statement of Fiduciary Net Position	
ASSETS	
Cash and cash equivalents	\$ 381,809
Investments	14,181,131
Total assets	14,562,940
PAYABLES	
	766,353
NET POSITION	
Restricted for OPEB benefits	\$ 13,796,587

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

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS *(Continued)*

Town of Suffield Other Post-employment Benefits Plan *(Continued)*

OPEB Plan Financial Statements *(Continued)*

The following presents the statement of changes in fiduciary net position for the Town's OPEB Plan for the year ended June 30, 2022:

Statement of Changes in Fiduciary Net Position	
ADDITIONS	
Contributions:	
Employer	\$ 874,898
Total contributions	874,898
Investment earnings:	
Net change in the fair value of investments, net of fees	(2,868,192)
Total investment earnings	(2,868,192)
Total additions	(1,993,294)
DEDUCTIONS	
Benefit payments	754,653
Administrative expenses	-
Total deductions	754,653
Change in net position	(2,747,947)
Net position restricted for OPEB benefits:	
Beginning of year	16,544,534
End of year	\$ 13,796,587

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS *(Continued)*

Connecticut Teachers' Retirement System

Plan Description

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

Teachers, principals, superintendents or supervisors engaged in 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, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS *(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 Annual Comprehensive Financial Report as of and for the year ended June 30, 2021. The net pension liability at June 30, 2021 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Annual Comprehensive Financial Report can be obtained at www.ct.gov.

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

Allocation Methodology

The allocations for participating employers are based on the expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.436% 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, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS *(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, 2021, the measurement date, in addition to the Town's and State's proportionate shares of the collective net OPEB liability that is attributed to the Town:

Collective Net OPEB Liability of the State for the TRS		<u>\$ 1,626,189,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net OPEB Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net OPEB Liability attributed to the Town	0.436%	<u>\$ 7,085,000</u>

Collective OPEB Expense

The Town's expected contribution effort for allocation purposes totaled \$128,142 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, 2022.

The collective OPEB expense includes certain current period changes in the collective net OPEB liability, projected earnings on OPEB plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the negative collective OPEB expense attributed to the Town totaled \$(261,634) 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, 2022.

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, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS PLANS *(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:

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

Discount Rate

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

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

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

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

NOTE 13 - 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 \$6,665,711. This amount includes an estimate of claims incurred but not reported at June 30, 2022 of \$470,000. A schedule of changes in the claims liability for the years ended June 30, 2022, 2021 and 2020 are presented below:

<u>Year Ended</u> <u>June 30</u>	<u>Claims Payable,</u> <u>Beginning of</u> <u>Year</u>	<u>Claims and</u> <u>Changes in</u> <u>Estimates</u>	<u>Claims</u> <u>Paid</u>	<u>Claims Payable,</u> <u>End of</u> <u>Year</u>
2022	\$ 679,049	\$ 6,665,711	\$ 6,874,760	\$ 470,000
2021	624,400	7,292,724	7,238,075	679,049
2020	657,890	6,416,012	6,449,502	624,400

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Federal Awards and State Financial Assistance

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

Litigation, Claims and Assessments

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

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

NOTE 13 - COMMITMENTS AND CONTINGENCIES *(Continued)*

Encumbrances

As of June 30, 2022, 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.

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, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ 43,302,796	\$ 43,302,796	\$ 43,746,230	\$ 443,434
Intergovernmental	12,489,260	12,489,260	12,819,131	329,871
Charges for services	2,727,960	2,727,960	2,954,220	226,260
Investment income	75,000	75,000	104,636	29,636
Other	294,000	294,000	609,900	315,900
Total revenues	<u>58,889,016</u>	<u>58,889,016</u>	<u>60,234,117</u>	<u>1,345,101</u>
EXPENDITURES				
Current:				
General government	6,211,634	6,338,463	6,279,213	(59,250)
Planning and development	296,089	279,485	279,485	-
Public safety	4,397,793	4,615,895	4,615,895	-
Public works	4,281,407	4,372,260	4,372,260	-
Health and social services	896,754	874,732	874,732	-
Library, recreation and parks	1,030,403	993,215	993,215	-
Cemeteries	40,290	40,290	40,290	-
Education	35,901,023	35,901,023	35,849,959	(51,064)
Contingency	500,000	252,469	148,672	(103,797)
Debt service	2,316,300	2,203,861	2,203,861	-
Total expenditures	<u>55,871,693</u>	<u>55,871,693</u>	<u>55,657,582</u>	<u>(214,111)</u>
Excess of revenues over expenditures	3,017,323	3,017,323	4,576,535	1,559,212
OTHER FINANCING SOURCES (USES)				
Appropriation of unassigned fund balance	2,221,317	2,221,317	-	(2,221,317)
Appropriation of restricted fund balance	307,825	307,825	-	(307,825)
Transfers in	907,160	907,160	907,160	-
Transfers out	(6,453,625)	(6,453,625)	(6,453,625)	-
Total other financing sources (uses)	<u>(3,017,323)</u>	<u>(3,017,323)</u>	<u>(5,546,465)</u>	<u>(2,529,142)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (969,930)</u>	<u>\$ (969,930)</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*

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:								
Service cost	\$ 1,078,957	\$ 1,051,615	\$ 1,104,272	\$ 1,099,140	\$ 1,151,372	\$ 1,160,086	\$ 1,019,628	\$ 980,412
Interest	3,112,604	3,029,894	2,995,127	2,894,908	2,863,054	2,745,126	2,629,704	2,509,771
Differences between expected and actual experience	156,541	-	(1,235,492)	-	844,498	-	(618,973)	-
Changes in assumptions	1,154,005	-	1,110,826	-	1,071,141	-	1,693,828	-
Benefit payments, including refunds	(2,908,851)	(2,583,502)	(2,536,662)	(2,492,971)	(2,421,089)	(2,168,829)	(1,960,780)	(1,900,889)
Net change in total pension liability	2,593,256	1,498,007	1,438,071	1,501,077	3,508,976	1,736,383	2,763,407	1,589,294
Total pension liability - beginning	47,451,680	45,953,673	44,515,602	43,014,525	39,505,549	37,769,166	35,005,759	33,416,465
Total pension liability - ending	50,044,936	47,451,680	45,953,673	44,515,602	43,014,525	39,505,549	37,769,166	35,005,759
Plan net position:								
Contributions - employer	1,824,625	1,670,344	1,618,044	1,595,065	1,461,147	1,432,199	1,333,075	1,292,936
Contributions - members	386,215	406,313	411,823	426,837	474,593	512,094	557,288	489,811
Net investment income	(6,037,386)	10,188,407	777,231	1,852,004	2,251,890	3,131,328	411,116	401,414
Benefit payments, including refunds	(2,908,851)	(2,583,502)	(2,536,662)	(2,492,971)	(2,421,089)	(2,168,829)	(1,960,780)	(1,900,889)
Administrative expenses	(17,276)	(5,069)	(25,702)	(2,084)	(17,202)	(2,254)	(23,198)	(5,044)
Net change in plan net position	(6,752,673)	9,676,493	244,734	1,378,851	1,749,339	2,904,538	317,501	278,228
Plan net position - beginning	43,580,875	33,904,382	33,659,648	32,280,797	30,531,458	27,626,920	27,309,419	27,031,191
Plan net position - ending	36,828,202	43,580,875	33,904,382	33,659,648	32,280,797	30,531,458	27,626,920	27,309,419
Town's net pension liability	<u>\$ 13,216,734</u>	<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>
Plan net pension as percentage of total pension liability	73.59%	91.84%	73.78%	75.61%	75.05%	77.28%	73.15%	78.01%
Covered payroll	\$ 6,936,860	\$ 7,722,760	\$ 7,527,057	\$ 8,257,616	\$ 8,048,359	\$ 9,608,088	\$ 9,238,546	\$ 8,831,530
Town net pension liability as a percentage of covered payroll	190.53%	50.12%	160.08%	131.47%	133.37%	93.40%	109.78%	87.15%

* 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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 1,686,886	\$ 1,670,344	\$ 1,618,044	\$ 1,595,065	\$ 1,461,147	\$ 1,432,199	\$ 1,333,075	\$ 1,292,936
Contributions in relation to actuarially determined contributions	<u>1,824,625</u>	<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>
(Excess) deficiency of contribution	<u>\$ (137,739)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,936,860	\$ 7,722,760	\$ 7,527,057	\$ 8,257,616	\$ 8,048,359	\$ 9,608,088	\$ 9,238,546	\$ 8,831,530
Contributions as a percentage of covered payroll	26.30%	21.63%	21.50%	19.32%	18.15%	14.91%	14.43%	14.64%
Annual money-weighted rate of return, net of investment expense	-13.72%	29.85%	2.28%	5.57%	7.38%	11.37%	1.60%	1.52%

* 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)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
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	65,033,000	82,111,000	75,245,000	58,019,000	60,061,000	63,365,000	47,465,000
Total	<u>\$ 65,033,000</u>	<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>
Town's covered payroll	\$ 19,337,000	\$ 19,338,000	\$ 19,347,000	\$ 19,047,000	\$ 19,045,000	\$ 18,357,000	\$ 17,659,000
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	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%

* 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*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:					
Service cost	\$ 377,382	\$ 432,272	\$ 414,847	\$ 397,058	\$ 372,338
Interest	1,213,000	1,253,210	1,205,454	1,259,951	1,197,869
Changes in benefit terms	-	-	-	(6,748)	-
Differences between expected and actual experience	(138,255)	(175,018)	(163,590)	(1,648,958)	341,087
Changes in assumptions	-	(568,357)	-	685,783	-
Benefit payments, including refunds	(849,933)	(734,981)	(797,234)	(891,895)	(1,201,118)
Net change in total OPEB liability	602,194	207,126	659,477	(204,809)	710,176
Total OPEB liability - beginning	18,702,435	18,495,309	17,835,832	18,040,641	17,330,465
Total OPEB liability - ending	19,304,629	18,702,435	18,495,309	17,835,832	18,040,641
Plan fiduciary net position:					
Contributions - employer	947,607	594,673	765,121	1,123,832	1,457,479
Contributions - TRB subsidy	22,571	42,186	32,113	34,191	39,897
Net investment income	(2,868,192)	3,470,429	725,393	704,491	703,702
Benefit payments, including refunds	(849,933)	(734,981)	(797,234)	(891,895)	(1,201,118)
Administrative expenses	-	(11,700)	-	-	-
Net change in plan net position	(2,747,947)	3,360,607	725,393	970,619	999,960
Plan fiduciary net position - beginning	16,544,534	13,183,927	12,458,534	11,487,915	10,487,955
Plan fiduciary net position - ending	13,796,587	16,544,534	13,183,927	12,458,534	11,487,915
Town's net OPEB liability	\$ 5,508,042	\$ 2,157,901	\$ 5,311,382	\$ 5,377,298	\$ 6,552,726
Plan fiduciary net pension as percentage of total OPEB liability	71.47%	88.46%	71.28%	69.85%	63.68%
Covered payroll	\$ 30,423,828	\$ 29,710,769	\$ 30,345,345	\$ 29,576,359	\$ 27,028,027
Town net OPEB liability as a percentage of covered payroll	18.10%	7.26%	17.50%	18.18%	24.24%

* 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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 874,898	\$ 1,018,144	\$ 998,417	\$ 1,177,653	\$ 1,167,634
Contributions in relation to actuarially determined contribution	<u>947,607</u>	<u>594,673</u>	<u>765,121</u>	<u>1,123,832</u>	<u>1,457,479</u>
(Excess) deficiency of contribution	<u>\$ (72,709)</u>	<u>\$ 423,471</u>	<u>\$ 233,296</u>	<u>\$ 53,821</u>	<u>\$ (289,845)</u>
Covered payroll	\$ 30,423,828	\$ 29,710,769	\$ 30,345,345	\$ 29,576,359	\$ 27,028,027
Contributions as a percentage of covered payroll	3.11%	2.00%	2.52%	3.80%	5.39%
Annual money-weighted rate of return, net of investment expense	-12.04%	26.35%	5.82%	6.01%	6.72%

* 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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</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>7,085,000</u>	<u>12,247,000</u>	<u>11,735,000</u>	<u>11,598,000</u>
Total	<u>\$ 7,085,000</u>	<u>\$ 12,247,000</u>	<u>\$ 11,735,000</u>	<u>\$ 11,598,000</u>
Town's covered payroll	\$ 19,337,000	\$ 19,338,000	\$ 19,347,000	\$ 19,047,000
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	6.11%	2.50%	2.08%	1.49%

* 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, 2022

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, 2022

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, 2022:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Total Other Financing Sources (Uses)</u>	<u>Net Change in Fund Balance</u>
Budgetary basis	\$ 60,234,117	\$ 55,657,582	\$ (5,546,465)	\$ (969,930)
"On-behalf" payments - State Teachers Retirement Fund	5,573,584	5,573,584	-	-
Change in encumbrances	-	177,703	-	(177,703)
Certain transfers recorded as expenditures for budgetary purposes	-	(631,966)	(631,966)	-
Intergovernmental grants netted against expenditures	867,883	867,883	-	-
GAAP basis	<u>\$ 66,675,584</u>	<u>\$ 61,644,786</u>	<u>\$ (6,178,431)</u>	<u>\$ (1,147,633)</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 reported as of June 30, 2022.

Assumption Changes - The Town lowered the discount rate from 6.625% to 6.5%. There have been no other changes in assumptions that have had a significant effect on the measurement of the total pension liability reported as of June 30, 2022.

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

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, 2022 were determined from the July 1, 2020 valuation.

The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2022.

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	2.40%
Salary Increases	Based on years of service
Investment rate of return	6.50%

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, 2021. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. This information is utilized by the Town for reporting as of June 30, 2022.

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

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

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

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 reported as of June 30, 2022.

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

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, 2022 were determined from the July 1, 2020 valuation.

The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2022.

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	2.40%
Investment rate of return	6.50%
Healthcare trend costs	6.50% initial 4.40% 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-2020.

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

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, 2022.

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, 2022.

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

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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, 2022

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Over (Under)
PROPERTY TAXES:				
Current List	\$ 42,452,796	\$ 42,452,796	\$ 42,587,082	\$ 134,286
Supplemental motor vehicle	400,000	400,000	567,638	167,638
Taxes, prior year	280,000	280,000	357,269	77,269
Interest and fees	170,000	170,000	234,241	64,241
Total property taxes	<u>43,302,796</u>	<u>43,302,796</u>	<u>43,746,230</u>	<u>443,434</u>
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	2,074,072	272,932
Town Aid Road grants	292,035	292,035	292,924	889
LOCIP reimbursement	92,263	92,263	225,300	133,037
Municipal stabilization grant	206,051	206,051	206,051	-
Municipal Grants-In-Aid	180,663	180,663	180,663	-
Capital expenditure reimbursements	236,875	236,875	114,181	(122,694)
Board of Selectman authorized - PILOT	15,000	15,000	30,000	15,000
Youth services	14,000	14,000	14,186	186
Tax relief - veterans exemption	8,200	8,200	6,816	(1,384)
Tax relief - totally disabled persons	800	800	830	30
Federal grants	-	-	94,154	94,154
Other	32,419	32,419	34,883	2,464
Total state grants unspecified	<u>5,640,044</u>	<u>5,640,044</u>	<u>6,034,658</u>	<u>394,614</u>
State grants for school aid:				
Education cost sharing	6,148,151	6,148,151	6,082,795	(65,356)
Vocational agriculture grant	693,698	693,698	693,742	44
Other educational grants	7,367	7,367	7,936	569
Total state grants for school aid	<u>6,849,216</u>	<u>6,849,216</u>	<u>6,784,473</u>	<u>(64,743)</u>
Total intergovernmental	<u>12,489,260</u>	<u>12,489,260</u>	<u>12,819,131</u>	<u>329,871</u>
INVESTMENT INCOME	<u>75,000</u>	<u>75,000</u>	<u>104,636</u>	<u>29,636</u>
CHARGES FOR SERVICES:				
Current services and fees:				
Building Department	450,000	450,000	490,194	40,194
Planning and zoning	18,000	18,000	(1,685)	(19,685)
Zoning Board of Appeals	930	930	252	(678)
Police permits	16,000	16,000	10,190	(5,810)
Sunrise Park Fees	-	-	975	975
Conservation	4,000	4,000	2,242	(1,758)
Historic District fees	800	800	500	(300)
Total current services and fees	<u>489,730</u>	<u>489,730</u>	<u>502,668</u>	<u>12,938</u>

(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, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original Budget	Final Budget		
CHARGES FOR SERVICES: (Continued)				
Landfill:				
Operating	\$ 30,000	\$ 30,000	\$ 42,179	\$ 12,179
Recycling rebates	3,000	3,000	11,436	8,436
Sale of scrap metal	22,000	22,000	55,947	33,947
Permits	-	-	412	412
Total Landfill	<u>55,000</u>	<u>55,000</u>	<u>109,974</u>	<u>54,974</u>
Charges for current services:				
Bulky waste	2,000	2,000	3,845	1,845
Assessor's map sales	200	200	40	(160)
Real estate conveyance fee	300,000	300,000	354,293	54,293
Mini-bus transportation	5,200	5,200	3,214	(1,986)
Animal control fees	31,025	31,025	30,853	(172)
Town clerk recording fees	155,400	155,400	141,528	(13,872)
Total charges for current services	<u>493,825</u>	<u>493,825</u>	<u>533,773</u>	<u>39,948</u>
Recreation:				
Camps	64,950	64,950	73,635	8,685
Activities	100,000	100,000	186,108	86,108
Total Recreation	<u>164,950</u>	<u>164,950</u>	<u>259,743</u>	<u>94,793</u>
Revenue from other agencies:				
Telecommunications grant	28,000	28,000	15,149	(12,851)
Tuition, Vo-ag	682,300	682,300	617,339	(64,961)
Tuition, other	120,246	120,246	221,665	101,419
Payment in lieu of taxes, CT Airport Authority	693,909	693,909	693,909	-
Total revenue from other agencies	<u>1,524,455</u>	<u>1,524,455</u>	<u>1,548,062</u>	<u>23,607</u>
Total charges for services	<u>2,727,960</u>	<u>2,727,960</u>	<u>2,954,220</u>	<u>226,260</u>
MISCELLANEOUS:				
Rent - Town property	63,000	63,000	52,466	(10,534)
Cell tower	186,000	186,000	181,561	(4,439)
Other	45,000	45,000	375,873	330,873
Total miscellaneous	<u>294,000</u>	<u>294,000</u>	<u>609,900</u>	<u>315,900</u>
Total revenues	<u>58,889,016</u>	<u>58,889,016</u>	<u>60,234,117</u>	<u>1,345,101</u>
OTHER FINANCING SOURCES:				
Appropriation of unassigned fund balance	2,221,317	2,221,317	-	(2,221,317)
Appropriation of restricted fund balance	307,825	307,825	-	(307,825)
Transfers in:				
Capital and Nonrecurring Fund	832,160	832,160	832,160	-
Off Duty Fund	75,000	75,000	75,000	-
Total other financing sources	<u>3,436,302</u>	<u>3,436,302</u>	<u>907,160</u>	<u>(2,529,142)</u>
Total revenues and other financing sources	<u>\$ 62,325,318</u>	<u>\$ 62,325,318</u>	<u>\$ 61,141,277</u>	<u>\$ (1,184,041)</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, 2022

	Budgeted Amounts		Actual	Variance With Original Budget Over (Under)
	Original Budget	Final Budget		
GENERAL GOVERNMENT:				
Board of Selectman	\$ 294,893	\$ 273,611	\$ 273,611	\$ -
Human resources	179,748	182,863	182,863	-
Probate court	6,100	7,499	7,499	-
Election	65,293	44,665	44,665	-
Board of Finance	11,979	13,386	13,386	-
Assessors	155,725	145,339	145,339	-
Board of Assessment Appeals	648	225	225	-
Tax collector	186,863	176,595	176,595	-
Finance	336,812	337,630	337,630	-
Information technology	441,324	487,889	487,889	-
Town counsel	93,000	115,053	115,053	-
Town clerk	193,718	190,396	190,396	-
Town hall	61,570	55,396	55,396	-
Charter revision	15,000	11,865	11,865	-
Insurance and employee benefits	4,168,961	4,296,051	4,236,801	(59,250)
Total general government	<u>6,211,634</u>	<u>6,338,463</u>	<u>6,279,213</u>	<u>(59,250)</u>
PLANNING AND DEVELOPMENT:				
Planning and zoning	209,526	196,019	196,019	-
Zoning Board of Appeals	4,468	65	65	-
Economic development	24,050	22,398	22,398	-
Historic District Commission	2,231	1,724	1,724	-
Conservation Commission	55,814	59,279	59,279	-
Total planning and development	<u>296,089</u>	<u>279,485</u>	<u>279,485</u>	<u>-</u>
PUBLIC SAFETY:				
Fire Commission	1,154,111	1,074,560	1,074,560	-
Police Commission	2,771,433	3,073,799	3,073,799	-
Emergency management	10,765	10,472	10,472	-
Building Department	270,312	267,280	267,280	-
Town Engineer	119,111	110,189	110,189	-
Animal control	72,061	79,595	79,595	-
Total public safety	<u>4,397,793</u>	<u>4,615,895</u>	<u>4,615,895</u>	<u>-</u>
PUBLIC WORKS:				
Public works	2,039,372	2,158,790	2,158,790	-
State aid road funds	292,035	291,862	291,862	-
Public utilities	1,950,000	1,921,608	1,921,608	-
Total public works	<u>4,281,407</u>	<u>4,372,260</u>	<u>4,372,260</u>	<u>-</u>

(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, 2022

	Budgeted Amounts		Actual	Variance With Original Budget Over (Under)
	Original Budget	Final Budget		
HEALTH AND SOCIAL SERVICES:				
Health and social services	\$ 197,410	\$ 197,410	\$ 197,410	\$ -
Social services commission	1,480	942	942	-
Senior center/Mini-bus transportation	356,482	332,613	332,613	-
EMS/ambulance	341,382	343,767	343,767	-
Total health and social services	<u>896,754</u>	<u>874,732</u>	<u>874,732</u>	<u>-</u>
LIBRARY, RECREATION AND PARKS:				
Kent Memorial Library	484,927	484,126	484,126	-
Recreation	342,612	299,368	299,368	-
Recreation activities	125,810	135,969	135,969	-
Youth services	77,054	73,752	73,752	-
Total library, recreation and parks	<u>1,030,403</u>	<u>993,215</u>	<u>993,215</u>	<u>-</u>
BOARD OF EDUCATION:				
Education	<u>35,901,023</u>	<u>35,901,023</u>	<u>35,849,959</u>	<u>(51,064)</u>
OTHER:				
Cemeteries	<u>40,290</u>	<u>40,290</u>	<u>40,290</u>	<u>-</u>
DEBT SERVICE	<u>2,316,300</u>	<u>2,203,861</u>	<u>2,203,861</u>	<u>-</u>
CONTINGENCY	<u>500,000</u>	<u>252,469</u>	<u>148,672</u>	<u>(103,797)</u>
Total expenditures	<u>55,871,693</u>	<u>55,871,693</u>	<u>55,657,582</u>	<u>(214,111)</u>
OTHER FINANCING USES:				
Transfers out:				
Capital Projects Funds	<u>6,453,625</u>	<u>6,453,625</u>	<u>6,453,625</u>	<u>-</u>
Total expenditures and other financing uses	<u><u>\$ 62,325,318</u></u>	<u><u>\$ 62,325,318</u></u>	<u><u>\$ 62,111,207</u></u>	<u><u>\$ (214,111)</u></u> <i>(Concluded)</i>

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

Grand List Year	Balance Uncollected July 1, 2021	Current Levy	Lawful Corrections		Transfers To Suspense	Balance To Be Collected	Collections, net of refunds			Balance Uncollected June 30, 2022
			Additions	Deductions			Taxes	Interest and Lien Fees		
								Total		
2020	\$ -	\$ 43,747,163	\$ 67,778	\$ 129,704	\$ 850	\$ 43,684,387	\$ 43,231,599	\$ 101,369	\$ 43,332,968	\$ 452,788
2019	396,585	-	9,500	8,023	-	398,062	187,467	43,381	230,848	210,595
2018	281,334	-	351	2,390	68,429	210,866	73,602	27,857	101,459	137,264
2017	147,959	-	-	-	-	147,959	49,235	22,345	71,580	98,724
2016	102,526	-	-	-	-	102,526	32,852	22,182	55,034	69,674
2015	54,133	-	-	-	-	54,133	2,460	3,690	6,150	51,673
2014	43,252	-	-	-	-	43,252	3,594	3,891	7,485	39,658
2013	21,552	-	-	-	-	21,552	-	-	-	21,552
2012	29,418	-	-	-	-	29,418	-	4,800	4,800	29,418
2011	22,439	-	-	-	-	22,439	-	-	-	22,439
2010	20,032	-	-	-	-	20,032	-	-	-	20,032
2009 & prior	9,832	-	-	27	-	9,805	-	-	-	9,805
Total	\$ 1,129,062	\$ 43,747,163	\$ 77,629	\$ 140,144	\$ 69,279	\$ 44,744,431	\$ 43,580,809	\$ 229,515	\$ 43,810,324	\$ 1,163,622

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

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

Taxes	\$	43,580,809
Interest and lien fees		229,515
Total		43,810,324
Reimbursement for loss		
Tax relief (CGS 12-129d)		6,816
Base	\$	43,817,140

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 98,588,565	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	197,177,130	-	-	-
3-3/4 times base	-	-	164,314,275	-	-
3-1/4 times base	-	-	-	142,405,705	-
3 times base	-	-	-	-	131,451,420
Total debt limitation	98,588,565	197,177,130	164,314,275	142,405,705	131,451,420
Indebtedness:					
Bonds payable	20,950,000	-	-	-	-
Total indebtedness	20,950,000	-	-	-	-
Add: Authorized but unissued debt	927,445				
Less: assessments receivable	(173,698)	-	-	-	-
Net indebtedness	21,703,747	-	-	-	-
Debt limitation in excess of outstanding and authorized debt	\$ 76,884,818	\$ 197,177,130	\$ 164,314,275	\$ 142,405,705	\$ 131,451,420
Total capacity of borrowing (7 times base)	\$ 306,719,980				
Total present indebtedness	21,703,747				
Margin for additional borrowing	\$ 285,016,233				

CAPITAL PROJECTS FUNDS

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
CAPITAL PROJECTS FUNDS
AS OF JUNE 30, 2022

	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	\$ -	\$ 70,001	\$ 193,604	\$ -	\$ -	\$ -
Investments	-	4,617,351	-	-	-	-
Grants receivable	-	-	-	-	-	-
Due from other funds	6,370,880	-	-	246,513	-	876,610
Total assets	<u>\$ 6,370,880</u>	<u>\$ 4,687,352</u>	<u>\$ 193,604</u>	<u>\$ 246,513</u>	<u>\$ -</u>	<u>\$ 876,610</u>
LIABILITIES						
Accounts payable	\$ 41,738	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	995,625	-	180,426	233,984	796,643	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>1,037,363</u>	<u>-</u>	<u>180,426</u>	<u>233,984</u>	<u>796,643</u>	<u>-</u>
FUND BALANCES						
Restricted	-	-	-	-	-	-
Committed	5,333,517	4,687,352	13,178	12,529	-	876,610
Unassigned	-	-	-	-	(796,643)	-
Total fund balances	<u>5,333,517</u>	<u>4,687,352</u>	<u>13,178</u>	<u>12,529</u>	<u>(796,643)</u>	<u>876,610</u>
Total liabilities and fund balances	<u>\$ 6,370,880</u>	<u>\$ 4,687,352</u>	<u>\$ 193,604</u>	<u>\$ 246,513</u>	<u>\$ -</u>	<u>\$ 876,610</u>

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
CAPITAL PROJECTS FUNDS (Continued)
AS OF JUNE 30, 2022

	Capital Project Funds					
	School Building Fund	Sewer Capital Projects Fund	Industrial Park Fund	LOTICIP Grant Fund	Utility Extension Project Fund	Bridge Projects Fund
ASSETS						
Cash and cash equivalents	\$ -	\$ 292,770	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Grants receivable	375,944	-	-	-	-	9,975
Due from other funds	-	-	82,086	422,934	132,823	62,468
Total assets	<u>\$ 375,944</u>	<u>\$ 292,770</u>	<u>\$ 82,086</u>	<u>\$ 422,934</u>	<u>\$ 132,823</u>	<u>\$ 72,443</u>
LIABILITIES						
Accounts payable	\$ -	\$ 189,233	\$ -	\$ 220,018	\$ -	\$ -
Due to other funds	375,944	-	-	-	-	-
Unearned revenue	-	-	-	202,916	-	-
Total liabilities	<u>375,944</u>	<u>189,233</u>	<u>-</u>	<u>422,934</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted	-	-	-	-	-	72,443
Committed	-	103,537	82,086	-	132,823	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>103,537</u>	<u>82,086</u>	<u>-</u>	<u>132,823</u>	<u>72,443</u>
Total liabilities and fund balances	<u>\$ 375,944</u>	<u>\$ 292,770</u>	<u>\$ 82,086</u>	<u>\$ 422,934</u>	<u>\$ 132,823</u>	<u>\$ 72,443</u>

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
CAPITAL PROJECTS FUNDS (Concluded)
AS OF JUNE 30, 2022

	Capital Project Funds				
	Road & Drainage Improvements Fund	Town Hall Renovations & Improvements Fund	Street Light Project Fund	Fire Equipment Acquisition Fund	Total Capital Projects Funds
	ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 556,375
Investments	-	-	-	-	4,617,351
Grants receivable	-	-	-	-	385,919
Due from other funds	139,935	745,000	142,239	-	9,221,488
Total assets	<u>\$ 139,935</u>	<u>\$ 745,000</u>	<u>\$ 142,239</u>	<u>\$ -</u>	<u>\$ 14,781,133</u>
LIABILITIES					
Accounts payable	\$ 48,307	\$ 3,311	\$ -	\$ -	\$ 502,607
Due to other funds	-	576,163	-	-	3,158,785
Unearned revenue	-	-	-	-	202,916
Total liabilities	<u>48,307</u>	<u>579,474</u>	<u>-</u>	<u>-</u>	<u>3,864,308</u>
FUND BALANCES					
Restricted	91,628	165,526	142,239	-	471,836
Committed	-	-	-	-	11,241,632
Unassigned	-	-	-	-	(796,643)
Total fund balances	<u>91,628</u>	<u>165,526</u>	<u>142,239</u>	<u>-</u>	<u>10,916,825</u>
Total liabilities and fund balances	<u>\$ 139,935</u>	<u>\$ 745,000</u>	<u>\$ 142,239</u>	<u>\$ -</u>	<u>\$ 14,781,133</u>

(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, 2022

	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	-	(520,437)	290	-	-	-
Other	-	-	3,115	-	-	6,000
Total revenues	<u>-</u>	<u>(520,437)</u>	<u>3,405</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
EXPENDITURES						
Current:						
Library, recreation and parks	-	-	-	-	-	37,200
Public works	-	14,082	-	-	-	-
Debt service	37,911	-	-	-	-	-
Capital outlays	1,713,866	-	75,943	-	-	-
Total expenditures	<u>1,751,777</u>	<u>14,082</u>	<u>75,943</u>	<u>-</u>	<u>-</u>	<u>37,200</u>
Excess (deficiency) of revenues over expenditures	(1,751,777)	(534,519)	(72,538)	-	-	(31,200)
OTHER FINANCING SOURCES (USES)						
Transfers in	4,501,625	2,000,000	-	-	-	-
Transfers out	(832,160)	-	-	-	-	-
Total other financing sources (uses)	<u>3,669,465</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,917,688	1,465,481	(72,538)	-	-	(31,200)
Fund balances - beginning	<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>
Fund balances - ending	<u>\$ 5,333,517</u>	<u>\$ 4,687,352</u>	<u>\$ 13,178</u>	<u>\$ 12,529</u>	<u>\$ (796,643)</u>	<u>\$ 876,610</u>

(Continued)

TOWN OF SUFFIELD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Capital Project Funds					
	School Building Fund	Sewer Capital Projects Fund	Industrial Park Fund	LOTICIP Grant Fund	Utility Extension Project Fund	Bridge Projects Fund
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ 835,304	\$ -	\$ 48,928
Investment income	-	449	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>449</u>	<u>-</u>	<u>835,304</u>	<u>-</u>	<u>48,928</u>
EXPENDITURES						
Current:						
Library, recreation and parks	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlays	-	1,065,578	-	835,304	-	49,398
Total expenditures	<u>-</u>	<u>1,065,578</u>	<u>-</u>	<u>835,304</u>	<u>-</u>	<u>49,398</u>
Excess (deficiency) of revenues over expenditures	-	(1,065,129)	-	-	-	(470)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	740,840	-	-	-	-
Transfers out	-	(63,051)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>677,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(387,340)	-	-	-	(470)
Fund balances - beginning	<u>-</u>	<u>490,877</u>	<u>82,086</u>	<u>-</u>	<u>132,823</u>	<u>72,913</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 103,537</u>	<u>\$ 82,086</u>	<u>\$ -</u>	<u>\$ 132,823</u>	<u>\$ 72,443</u>

(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, 2022

	Capital Project Funds				
	Road & Drainage Improvements Fund	Town Hall Renovations & Improvements Fund	Street Light Project Fund	Fire Equipment Acquisition Fund	Total Capital Projects Funds
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 884,232
Investment income	-	-	-	-	(519,698)
Other	-	-	-	-	9,115
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,649</u>
EXPENDITURES					
Current:					
Library, recreation and parks	-	-	-	-	37,200
Public works	-	-	-	-	14,082
Debt service	-	-	-	112,439	150,350
Capital outlays	<u>1,230,571</u>	<u>105,878</u>	<u>-</u>	<u>-</u>	<u>5,076,538</u>
Total expenditures	<u>1,230,571</u>	<u>105,878</u>	<u>-</u>	<u>112,439</u>	<u>5,278,170</u>
Excess (deficiency) of revenues over expenditures	(1,230,571)	(105,878)	-	(112,439)	(4,904,521)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	7,242,465
Transfers out	-	-	-	-	(895,211)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,347,254</u>
Net change in fund balances	(1,230,571)	(105,878)	-	(112,439)	1,442,733
Fund balances - beginning	<u>1,322,199</u>	<u>271,404</u>	<u>142,239</u>	<u>112,439</u>	<u>9,474,092</u>
Fund balances - ending	<u>\$ 91,628</u>	<u>\$ 165,526</u>	<u>\$ 142,239</u>	<u>\$ -</u>	<u>\$ 10,916,825</u>

(Concluded)

NONMAJOR GOVERNMENTAL FUNDS

TOWN OF SUFFIELD, CONNECTICUT
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2022

	Nonmajor Special Revenue Funds							
	Police Off Duty Fund	School Cafeteria Fund	Town Donations Fund	Education Open Choice and Grants Fund	CADAC Grant Fund	Sewer Assessment Fund	Asset Forfeiture Fund	Recreation Fund
ASSETS								
Cash and cash equivalents	\$ -	\$ 231,738	\$ -	\$ -	\$ -	\$ 810,017	\$ -	\$ -
Receivables:								
Assessments	-	-	-	-	-	173,698	-	-
Grants and contracts	-	216,836	-	687,636	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other	86,738	1,957	-	-	-	-	-	-
Due from other funds	142,489	46,779	165,745	925,298	185	-	10,051	18,503
Inventories	-	25,000	-	-	-	-	-	-
Total assets	<u>\$ 229,227</u>	<u>\$ 522,310</u>	<u>\$ 165,745</u>	<u>\$ 1,612,934</u>	<u>\$ 185</u>	<u>\$ 983,715</u>	<u>\$ 10,051</u>	<u>\$ 18,503</u>
LIABILITIES								
Accounts payable	\$ -	\$ 75,855	\$ 1,875	\$ 72,249	\$ -	\$ 37	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	6,850	432,929	-	-	-	-
Total liabilities	<u>-</u>	<u>75,855</u>	<u>8,725</u>	<u>505,178</u>	<u>-</u>	<u>37</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	-	-	-	-	-	173,698	-	-
FUND BALANCES								
Nonspendable	-	25,000	-	-	-	-	-	-
Restricted	-	421,455	157,020	1,107,756	185	-	10,051	-
Committed	229,227	-	-	-	-	809,980	-	18,503
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>229,227</u>	<u>446,455</u>	<u>157,020</u>	<u>1,107,756</u>	<u>185</u>	<u>809,980</u>	<u>10,051</u>	<u>18,503</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 229,227</u>	<u>\$ 522,310</u>	<u>\$ 165,745</u>	<u>\$ 1,612,934</u>	<u>\$ 185</u>	<u>\$ 983,715</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, 2022

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	\$ -	\$ -	\$ 5,203	\$ 25,273	\$ -	\$ -	\$ -	\$ -
Receivables:								
Assessments	-	-	-	-	-	-	-	-
Grants and contracts	-	154,434	-	-	-	-	-	-
Loans	-	-	-	80,609	-	-	-	-
Other	4,181	-	-	-	-	125	-	-
Due from other funds	50,769	68,301	-	70,579	-	10,930	2,396	2,620
Inventories	-	-	-	-	-	-	-	-
Total assets	<u>\$ 54,950</u>	<u>\$ 222,735</u>	<u>\$ 5,203</u>	<u>\$ 176,461</u>	<u>\$ -</u>	<u>\$ 11,055</u>	<u>\$ 2,396</u>	<u>\$ 2,620</u>
LIABILITIES								
Accounts payable	\$ 790	\$ 79,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	390	-	-	-	-	-	-
Due to other funds	-	-	-	-	20	-	2,336	-
Unearned revenue	-	83,055	-	-	-	-	-	-
Total liabilities	<u>790</u>	<u>162,599</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>2,336</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	-	-	-	80,609	-	-	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	60,136	5,203	95,852	-	11,055	-	-
Committed	54,160	-	-	-	-	-	60	2,620
Unassigned	-	-	-	-	(20)	-	-	-
Total fund balances	<u>54,160</u>	<u>60,136</u>	<u>5,203</u>	<u>95,852</u>	<u>(20)</u>	<u>11,055</u>	<u>60</u>	<u>2,620</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 54,950</u>	<u>\$ 222,735</u>	<u>\$ 5,203</u>	<u>\$ 176,461</u>	<u>\$ -</u>	<u>\$ 11,055</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, 2022

	Nonmajor Special Revenue Funds						Nonmajor Permanent Funds		Total Nonmajor Governmental 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	
ASSETS									
Cash and cash equivalents	\$ -	\$ 113,877	\$ -	\$ -	\$ -	\$ 397,556	\$ 58,519	\$ 464,931	\$ 2,107,114
Receivables:									
Assessments	-	-	-	-	-	-	-	-	173,698
Grants and contracts	-	-	-	-	-	-	-	-	1,058,906
Loans	-	-	-	-	-	-	-	-	80,609
Other	27,976	-	-	-	4,215	-	-	-	125,192
Due from other funds	-	-	52,608	190,108	206,622	-	-	-	1,963,983
Inventories	-	-	-	-	-	-	-	-	25,000
Total assets	<u>\$ 27,976</u>	<u>\$ 113,877</u>	<u>\$ 52,608</u>	<u>\$ 190,108</u>	<u>\$ 210,837</u>	<u>\$ 397,556</u>	<u>\$ 58,519</u>	<u>\$ 464,931</u>	<u>\$ 5,534,502</u>
LIABILITIES									
Accounts payable	\$ 9,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 239,892
Accrued liabilities	-	-	-	-	-	-	-	-	390
Due to other funds	13,807	4,892	-	-	-	-	15,061	-	36,116
Unearned revenue	-	-	-	-	-	-	-	-	522,834
Total liabilities	<u>23,739</u>	<u>4,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,061</u>	<u>-</u>	<u>799,232</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	-	-	-	-	-	-	-	-	254,307
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	22,162	370,625	417,787
Restricted	-	-	52,608	190,108	-	397,556	21,296	94,306	2,624,587
Committed	4,237	108,985	-	-	210,837	-	-	-	1,438,609
Unassigned	-	-	-	-	-	-	-	-	(20)
Total fund balances	<u>4,237</u>	<u>108,985</u>	<u>52,608</u>	<u>190,108</u>	<u>210,837</u>	<u>397,556</u>	<u>43,458</u>	<u>464,931</u>	<u>4,480,963</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,976</u>	<u>\$ 113,877</u>	<u>\$ 52,608</u>	<u>\$ 190,108</u>	<u>\$ 210,837</u>	<u>\$ 397,556</u>	<u>\$ 58,519</u>	<u>\$ 464,931</u>	<u>\$ 5,534,502</u>

(Concluded)

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

	Nonmajor Special Revenue Funds							
	Police Off Duty Fund	School Cafeteria Fund	Town Donations Fund	Education Open Choice and Grants Fund	CADAC Grant Fund	Sewer Assessment Fund	Asset Forfeiture Fund	Recreation Fund
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	1,291,000	-	2,480,530	-	-	-	-
Charges for services	469,707	177,881	-	-	-	177,000	-	-
Assessments	-	-	-	-	-	64,273	-	-
Investment income	-	22	-	-	-	870	-	-
Other	-	-	83,311	-	-	-	-	-
Total revenues	<u>469,707</u>	<u>1,468,903</u>	<u>83,311</u>	<u>2,480,530</u>	<u>-</u>	<u>242,143</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	279,635	-	48,220	-	-	-	-	-
Health and social services	-	-	-	-	-	-	-	-
Library, recreation and parks	-	-	-	-	-	-	-	-
Education	-	1,140,006	-	2,622,344	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	<u>279,635</u>	<u>1,140,006</u>	<u>48,220</u>	<u>2,622,344</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	190,072	328,897	35,091	(141,814)	-	242,143	-	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(75,000)	-	-	-	-	(222,000)	-	-
Total other financing sources (uses)	<u>(75,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(222,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	115,072	328,897	35,091	(141,814)	-	20,143	-	-
Fund balances - beginning	<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>
Fund balances - ending	<u>\$ 229,227</u>	<u>\$ 446,455</u>	<u>\$ 157,020</u>	<u>\$ 1,107,756</u>	<u>\$ 185</u>	<u>\$ 809,980</u>	<u>\$ 10,051</u>	<u>\$ 18,503</u>

(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, 2022

	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	-	546,353	-	-	-	-	-	-
Charges for services	12,103	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Other	12,565	-	7,000	-	-	1,225	40	-
Total revenues	<u>24,668</u>	<u>546,353</u>	<u>7,000</u>	<u>-</u>	<u>-</u>	<u>1,225</u>	<u>40</u>	<u>-</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	157,510	-	-	-	-	-	-
Health and social services	28,805	-	6,239	-	-	-	-	-
Library, recreation and parks	-	38,701	-	-	-	1,272	-	-
Education	-	-	-	-	-	-	-	-
Capital outlays	-	231,383	-	-	-	-	-	-
Total expenditures	<u>28,805</u>	<u>427,594</u>	<u>6,239</u>	<u>-</u>	<u>-</u>	<u>1,272</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(4,137)	118,759	761	-	-	(47)	40	-
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,137)	118,759	761	-	-	(47)	40	-
Fund balances - beginning	<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>
Fund balances - ending	<u>\$ 54,160</u>	<u>\$ 60,136</u>	<u>\$ 5,203</u>	<u>\$ 95,852</u>	<u>\$ (20)</u>	<u>\$ 11,055</u>	<u>\$ 60</u>	<u>\$ 2,620</u>

(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, 2022

	Nonmajor Special Revenue Funds						Nonmajor Permanent Funds		Total Nonmajor Governmental Funds
	Kent Memorial Library Fund	Kent Farm Sewer District Fund	Town Clerk Dollar Fund	Town Center Tax Increment		Student Activity Fund	Memorial Fund	Cemetery Fund	
				Financing Fund	School Activity Fund				
REVENUES									
Property taxes	\$ -	\$ -	\$ -	\$ 73,814	\$ -	\$ -	\$ -	\$ -	\$ 73,814
Intergovernmental	87	-	-	-	20,000	-	-	-	4,337,970
Charges for services	1,739	-	9,892	-	159,192	704,748	-	-	1,712,262
Assessments	-	-	-	-	-	-	-	-	64,273
Investment income	-	161	-	-	-	-	85	745	1,883
Other	62,164	-	-	-	100	-	-	10,800	177,205
Total revenues	63,990	161	9,892	73,814	179,292	704,748	85	11,545	6,367,407
EXPENDITURES									
Current:									
General government	-	-	-	-	-	-	1,308	-	1,308
Public safety	-	-	-	-	-	-	-	-	485,365
Health and social services	-	-	-	-	-	-	-	643	35,687
Library, recreation and parks	544,308	-	-	-	-	-	-	-	584,281
Education	-	-	-	-	164,624	634,285	-	-	4,561,259
Capital outlays	-	-	-	-	-	-	-	-	231,383
Total expenditures	544,308	-	-	-	164,624	634,285	1,308	643	5,899,283
Excess (deficiency) of revenues over expenditures	(480,318)	161	9,892	73,814	14,668	70,463	(1,223)	10,902	468,124
OTHER FINANCING SOURCES (USES)									
Transfers in	484,126	-	-	-	-	-	-	-	484,126
Transfers out	-	-	-	-	-	-	-	-	(297,000)
Total other financing sources (uses)	484,126	-	-	-	-	-	-	-	187,126
Net change in fund balances	3,808	161	9,892	73,814	14,668	70,463	(1,223)	10,902	655,250
Fund balances - beginning	429	108,824	42,716	116,294	196,169	327,093	44,681	454,029	3,825,713
Fund balances - ending	\$ 4,237	\$ 108,985	\$ 52,608	\$ 190,108	\$ 210,837	\$ 397,556	\$ 43,458	\$ 464,931	\$ 4,480,963

(Concluded)

INTERNAL SERVICE FUNDS

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION -
INTERNAL SERVICE FUNDS
AS OF JUNE 30, 2022

	Health Insurance		
	Fund	Gas/Diesel Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,921,097	\$ -	\$ 1,921,097
Receivables	1,005,896	45,915	1,051,811
Total assets	2,926,993	45,915	2,972,908
LIABILITIES			
Accounts payable	-	37,656	37,656
Claims incurred but not reported	470,000	-	470,000
Due to other funds	1,722,432	60,304	1,782,736
Total liabilities	2,192,432	97,960	2,290,392
NET POSITION			
Unrestricted	\$ 734,561	\$ (52,045)	\$ 682,516

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

	<u>Health Insurance Fund</u>	<u>Gas/Diesel Fund</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 7,648,522	\$ 298,542	\$ 7,947,064
Contributions from OPEB Trust	754,653	-	754,653
Total operating revenues	<u>8,403,175</u>	<u>298,542</u>	<u>8,701,717</u>
OPERATING EXPENSES			
Claims	6,665,711	-	6,665,711
Stop loss premiums	552,046	-	552,046
Administration	177,498	-	177,498
Fuel	-	319,250	319,250
Total operating expenses	<u>7,395,255</u>	<u>319,250</u>	<u>7,714,505</u>
Operating income (loss)	1,007,920	(20,708)	987,212
NONOPERATING REVENUE			
Interest income	<u>1,200</u>	<u>-</u>	<u>1,200</u>
Change in net position	1,009,120	(20,708)	988,412
Net position - beginning of year	<u>(274,559)</u>	<u>(31,337)</u>	<u>(305,896)</u>
Net position - end of year	<u>\$ 734,561</u>	<u>\$ (52,045)</u>	<u>\$ 682,516</u>

TOWN OF SUFFIELD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Health Insurance		
	Fund	Gas/Diesel Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for charges for services	\$ 7,648,522	\$ 263,112	\$ 7,911,634
Cash paid to vendors	(7,550,996)	(303,127)	(7,854,123)
Net cash provided by (used in) operating activities	<u>97,526</u>	<u>(40,015)</u>	<u>57,511</u>
CASH FLOWS FROM NON-CAPITAL RELATED FINANCING ACTIVITIES			
Interfund borrowings	<u>689,125</u>	<u>40,015</u>	<u>729,140</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	<u>1,200</u>	<u>-</u>	<u>1,200</u>
Net increase in cash and cash equivalents	787,851	-	787,851
Cash and cash equivalents - beginning of year	<u>1,133,246</u>	<u>-</u>	<u>1,133,246</u>
Cash and cash equivalents - end of year	<u>\$ 1,921,097</u>	<u>\$ -</u>	<u>\$ 1,921,097</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income	\$ 1,007,920	\$ (20,708)	\$ 987,212
Adjustments to reconcile operating income to net cash provided by operating activities:			
Change in assets and liabilities:			
(Increase) decrease in receivables	(701,345)	(35,430)	(736,775)
Increase in accounts payable	-	16,123	16,123
Decrease in claims incurred but not reported	<u>(209,049)</u>	<u>-</u>	<u>(209,049)</u>
Net cash provided by (used in) operating activities	<u>\$ 97,526</u>	<u>\$ (40,015)</u>	<u>\$ 57,511</u>