

# TOWN OF SOUTH WINDSOR, CONNECTICUT



Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2023

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Finance Department

Patricia Perry  
Director of Finance

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# *Town of South Windsor*

1540 SULLIVAN AVENUE • SOUTH WINDSOR, CT 06074

TELEPHONE (860) 644-2511

December 15, 2023

December xx, 2023

To Members of the Town Council, Town Manager, Board of Education, Superintendent of Schools, and Citizens of the Town of South Windsor:

I am pleased to present the Comprehensive Annual Financial Report for the Town of South Windsor, Connecticut ("the Town") to document the Town's financial position and results of operations as of the fiscal year end June 30, 2023. This report includes the Town's basic financial statements which are presented in conformity with generally accepted accounting principles ("GAAP") and have been audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Town. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the Town's finance activities have been included.

To provide further accountability to our residents this report includes notably more information and analysis than just the basic financial statements, and as such is titled the Comprehensive Annual Financial Report. This report will be submitted by the December 31 due date to the State of Connecticut. Other interested parties such as grantor agencies, the Town's bondholders and rating agencies will use the information to reach conclusions about the Town's financial stability.

CliftonLarsonAllen LLP (CLA), a public accounting firm fully licensed and qualified to perform audits of municipalities within the State of Connecticut, has independently audited the financial statements contained in the ACFR. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended June 30, 2023 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the Town's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town was part of broader, state and federally mandated "Single Audits" designed to meet the special needs of state and federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the Town's internal controls and compliance with certain provisions of laws, regulations, contracts, and grants applicable to state single audit major programs. These reports are available in the Town's separately issued Federal and State Compliance Reports.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **TOWN PROFILE**

The Town of South Windsor (the "Town") was founded in 1633 as part of Windsor and in 1845 incorporated as a separate municipality. Throughout most of its history, the Town has been an agriculture community as of a result of its fertile land and abundant water resources. Today, however, South Windsor affords a blend of residential living, retail, high-tech industry and open space.

Located just northeast of Hartford, the Town occupies 28.5 square miles bounded by East Windsor and Ellington to the north, Vernon to the east, Manchester and East Hartford to the south, and the Connecticut River to the west. The Town is located equidistant from New York City and Boston and is only 20 miles south of Springfield, Massachusetts. South Windsor has immediate access to interstates 84, 91, and 291 and is only minutes from Bradley International Airport. Freight lines connect the Town to the entire northeast corridor.

The Town of South Windsor has been organized under the Council-Manager form of government since 1960 with a nine-member Council elected at large (the "Town Council"). The legislative function is performed by a bipartisan Town Council of nine members, who are elected biennially for two-year terms. Minority political party representation is guaranteed in that no political party may have more than six members. The Town Council elects a Mayor from its membership for the two-year term. The Council appoints the Town Manager for an indefinite term. The Town Manager is the Chief Administrative Officer of the Town and serves at the pleasure of the Town Council. The Town Manager is appointed by the Town Council on the basis of professional executive training and other qualifications.

The Town's public-school system provides a balanced curriculum for approximately 4,800 students. There are more than a dozen local colleges and universities in the area for both undergraduate and graduate studies. The public-school system consists of four schools for pupils in grades K through 5, one middle school for pupils in grades 6-8 and one high school for pupils in grades 9-12. The school system is governed by a nine-member elected Board of Education.

The Town provides a full range of services to its citizens. These include: police and fire protection, emergency medical services; education; library services; public works (streets, waste disposal, engineering and infrastructure maintenance); parks and recreation (parks, athletic fields, and tennis courts); senior services and cultural events; health and welfare services and general administrative services.

## **LOCAL ECONOMY**

South Windsor is a safe, family-friendly community and that has remained financially strong and continues to attract business development investments. The Town also continues to draw new people to the area. This is in large part to the diverse business environment, an outstanding school system, several large colleges and universities nearby and numerous health care facilities. South Windsor is not alone in facing the challenges stemming from the global pandemic, and continues to reinforce fiscal stewardship, operational efficiencies, strategic investments and effective management. The Town continues to be well positioned to adapt to the ongoing pandemic while maintaining its high level of service to the community.

South Windsor is primarily a residential community that features farmlands as well as desirable suburban real estate. The 2010 U.S. Census report shows that over half the employed population of the Town work in finance, insurance, educational and manufacturing occupations with over 51% of the working population having earned bachelor's and advanced college degrees.

The Town has traditionally exhibited a lower unemployment rate compared to other towns in the area and this year is no exception. According to the State of CT Department of Labor, at June 30, 2023, the unemployment rate in South Windsor was 3.1% while in Hartford County it was 3.9%. The Town's unemployment rate is also significantly lower than the June 30, 2023 State of CT unemployment rate of 4.0% and national rate of 3.8%.

South Windsor's October 1, 2021 grand list, effective for the 2022-2023 fiscal year, increased 2.91% or \$86.1 million from the previous year. Growth was primarily due to increases in Real Estate and Motor Vehicles. The 2021 net taxable grand list totals \$3.0 billion and its components are comprised of 55.6% residential, 20.4% commercial, 14.3% personal property and 9.7% motor vehicle. The Town continues to maintain a balanced mix of retail, light industry, manufacturing and retirement communities and its top ten taxpayers comprise 10.27% of the total net assessed value on the October 1, 2021 grand list. Table 6 in the Statistical Section lists details the top taxpayers. Because this list constitutes less than 15% of the total base of taxpayers, the financial distress of any one taxpayer would not impair the stability of tax revenues. The Town's property collection rate has been consistently above 99% for the past five years. Continued collection efforts resulted in a 99.5% collection rate, which exceeded the 99.0% assumed in the fiscal year 2023 budget.

South Windsor has a well-balanced, economically diverse mix of businesses and light manufacturing uses, commercial office buildings, medical facilities and retail space. The number of Residential and Commercial Building Permits totaled 938 through December 1, 2022. Notable economic development included the following:

- Construction has begun at 150 Sullivan Avenue for three units totaling 32,000 square feet of Retail/Office space. One out of the three buildings is complete;
- Whole Foods completed construction of a 50,000 square foot retail space which will open in January 2024;
- A Pride Gas Station and Convenience Store opened a 4,500 square foot location on John Fitch Blvd;
- Work has begun on a 12-home subdivision on Maskel Road;
- Work is almost complete at the Chestnut Ridge subdivision on Barber Hill Road. The development has a total of 19 units of which 15 are occupied;
- Completed Pleasant Valley Elementary School which was occupied for the 2023/2024 school year that started August 30, 2023;
- Site-Plan approval has been given for 165 apartment units at Evergreen Walk;
- Prime Materials Recovery is in active construction of a 29,900 square foot space on Nutmeg Road;
- Approval for 99,200 square feet of climate-controlled storage space on Ellington Road;
- Approval and groundwork was started on the Town-owned splash pad on Nevers Road;
- Vintage Hills II is a six-unit subdivision with four homes completed and occupied;
- Peoples Bank opened a 2,000 square foot branch on Buckland Road;
- Construction is almost complete on the 31,495 square foot senior housing redevelopment at 1060 Main Street;
- GDS Estimating received approval for a 9,000 square foot expansion of two existing spaces on Governors Highway.

## **LONG TERM FINANCIAL PLANNING**

In fiscal year 2023, the Town issued \$28,500,000 in general obligation bonds to finance construction of the PR Smith elementary school, public building and roadwork/drainage improvements. In the next fiscal year, the Town plans to issue debt to permanently finance the new Pleasant Valley Elementary School and roadwork / drainage improvements.

The Town maintains adequate unreserved fund balance to ensure consistent cash flow, generate interest income and offer flexibility for unanticipated opportunities. In addition, the Town has retained its Aa2 rating from Moody's and AAA from Standard and Poor. Each year the Town adopts a capital improvement budget and prepares a 5-year capital plan. The Town continued to manage a number of projects including the following:

- Roof replacements were completed at South Windsor High School, Town Garage and Fire Headquarters.
- The turf field at South Windsor High School was repaired.
- A first-floor renovation including the Town Clerk's Office, Assessor's Office and Collector of Revenue Office at Town Hall was completed.
- The Town and BOE replaced several pieces of rolling stock including Police Interceptor vehicles and a fire pumper truck.
- Major sewer improvement projects including upgrades at the Clark Street Pump Station were completed.
- Lighting improvements were completed at Rye Street Park.
- In October 2013, the Board of Education adopted the Elementary Facilities Ten-Year Master Plan to address our five aging elementary school buildings, which range in age from 51 to 63 years old. This plan stems from the 2011-2014 Strategic Plan which called for the development of a "long-range elementary facilities plan that promotes a safe, engaging learning environment accessible to all students and community members." The Plan calls for a three-phased approach using multiple referenda to address the elementary facilities needs over a span of ten years. Phase I the new Orchard Hill School opened in August 2017. The new building is 71,729 square feet, and houses students in grades K-5. Phase II of the Ten-Year Elementary Facilities Master Plan milestone was completed in August 2020 with two new K-5 schools: Philip R. Smith Elementary a 58,243 building and Eli Terry Elementary a 66,586 building. Phase III to construct the new Pleasant Valley School passed referendum in March of 2020 and opened in August 2023.

## **ACCOUNTING AND BUDGETING**

The Finance Department includes Accounting, Revenue Collection and Tax Assessment. In developing and evaluating the Town's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance to record transactions.

The accounts of the Town are organized in funds and accounted for on the Town's financial management system. Each fund operates with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. Budgetary control of disbursements and encumbrances against appropriations is maintained by department, division or major activity. The Town also maintains an encumbrance accounting system as one technique towards accomplishing budgetary control.

The Town of South Windsor adopts its General Government Operating, Board of Education and Special Revenue Fund budgets in accordance with the provisions of its Charter and the Connecticut General Statutes. The adopted budgets cover the fiscal year beginning July 1 and ending June 30.

The Superintendent of South Windsor's Public Schools develops a district budget that recognizes the need to balance state and local constraints with the needs of the students. This budget is submitted to the South Windsor Board of Education. The Board of Education holds several work sessions to discuss the Superintendent's proposed budget, votes to approve a budget at its last regular meeting in February, and must submit a budget to the Town Council not later than March 15<sup>th</sup>.

A public hearing to receive citizen input on the proposed Town Manager's budget shall be held no later than May 7<sup>th</sup>. After the Town Council considers the recommendations from the public hearings, the Town Council modifies the budgets as it deems appropriate and adopts the General Government Operating, Board of Education and Special Revenue Fund budgets.

Annually, the Town Council adopts a five-year Capital Improvement Plan. This plan is reviewed and modified by the Capital Projects Committee as necessary. The Capital Projects Committee, which consists of elected officials and staff from both the Town and Board of Education, determines the priority of each project and decides which year the projects should be completed.

### ***Balanced Budget Requirement***

A balanced budget is one where revenues are equal to expenses. Section 706 of the Town Charter requires that the adopted budget be in balance. The Council shall determine the amount to be raised by taxes less other estimated income and surplus or deficit to pay the expenses of the Town for the year.

### *Amendments and Additions to the Budget*

Adoption of the Town budget sets the appropriation for each item listed separately for each department, office or commission.

Budget transfers may be necessary for several reasons. At times, objectives may be realigned requiring the corresponding realignment of resources. Transfers may also be needed as a result of actual expenditures that vary from original estimates. Section 711 of the Town Charter allows for transfers of any unencumbered appropriation. The Town Council has the authority to transfer amounts, except those of the Board of Education, between departments. The Town Manager has the authority to transfer funds within the same department made by requested by the Department Head.

Section 315 allows for the Town Council, by affirmative vote of not less than six members, to add to the annual budget appropriation a sum not to exceed \$25,000 in any one fiscal year. Any amount greater than \$25,000 that is not an emergency appropriation requires a public hearing.

### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of South Windsor for its annual comprehensive financial report for the fiscal year ended June 30, 2022. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standard for preparation of state and local government financial reports. This was the sixth consecutive year that the Town has received this prestigious award.

In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement for the annual comprehensive financial report is valid for a period of one year only. The Town of South Windsor believes our current report continues to conform to the Certificate of Achievement program requires, and we are submitting it to GFOA for consideration once again. The Town has also been presented the Distinguished Budget Presentation Award from the GFOA for the past nine years.

The preparation of this Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. I would like to thank CliftonLarsonAllen LLP, our independent auditors, for their efforts and counsel during the audit, ACFR preparation and submission process. The continuing support of the Town Manager, Mayor and members of the Town Council, who remain committed to fiscal integrity and financial leadership, is greatly appreciated.

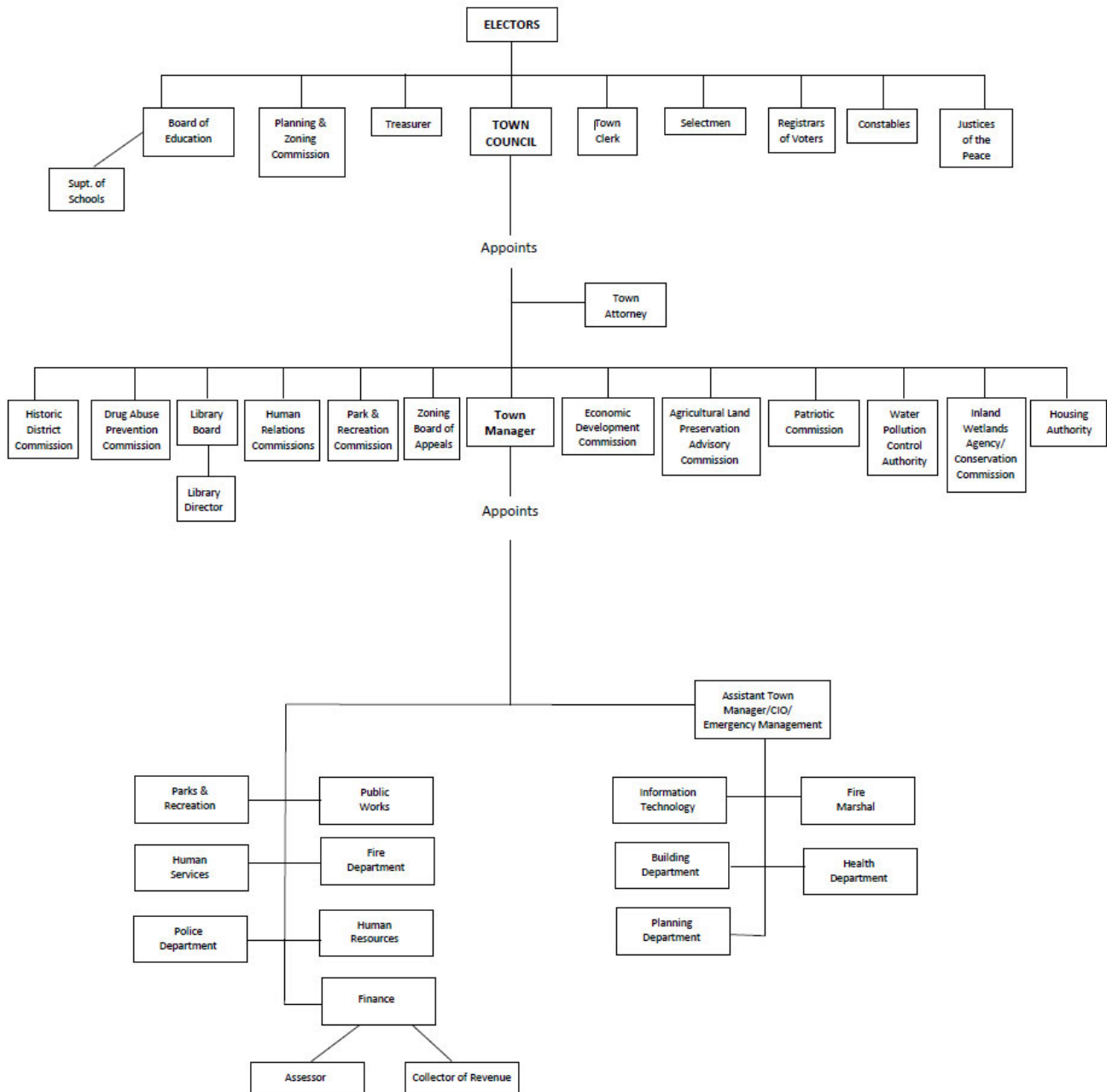
Respectfully submitted,



Patricia Perry  
Director of Finance

# TOWN OF SOUTH WINDSOR, CONNECTICUT ORGANIZATIONAL CHART

## Organizational Chart



**TOWN OF SOUTH WINDSOR, CONNECTICUT  
LISTING OF PRINCIPAL OFFICIALS  
JUNE 30, 2023**

TOWN COUNCIL

Elizabeth Pendleton, Mayor

Steven King, Jr., Deputy Mayor  
Erica Evans  
Jamie Gamble  
Philip Koboski

Marek Kozokowski  
Cesar Lopez  
Karen Lydecker  
Andrew Paterna

BOARD OF EDUCATION

Craig Zimmerman, Chairman

Jessica Waterhouse, Vice Chairman  
Beth Esstman, Secretary  
Arthur Adduci  
Anitha Elango

Madison Gonzalez  
Dipali Kalia  
Lisa Maneeley  
Michael Pafe

ADMINISTRATION

Dr. Kate Carter, Superintendent of Schools  
Tracie Peterson, Assistant Superintendent  
Richard J. Sanzo, Assistant Superintendent  
Chris M. Chemerka, Director of Finance & Operations

TOWN DEPARTMENTS

Michael Maniscalco, Town Manager

Andrea Cofrancesco, Director of Human  
& Adult Services  
Marc Melanson, Chief Building Official  
Kristian Lindstrom, Chief of Police  
Mary Etter, Library Director  
Molly Keys, Director of Recreation  
Vincent Stetson, Director of Public Works  
Mary Huda, Assessor

Michele Lipe, Director of Planning  
Patricia Perry, Director of Finance  
Vanessa Perry, Director of Human Resources  
Jennifer Hilinski-Shirley, Tax Collector  
Scott Roberts, Assistant Town Manager/CIO  
Walter Summers, Fire Marshal  
Bonnie Armstrong, Town Clerk





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of South Windsor  
Connecticut**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrill*

Executive Director/CEO

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Town Council  
Town of South Windsor, Connecticut

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of South Windsor, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of South Windsor, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of South Windsor, Connecticut, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of South Windsor, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

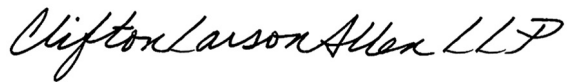
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover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

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

Town Council  
Town of South Windsor, Connecticut

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated **December 19, 2023** December 15, 2023, on our consideration of the Town of South Windsor, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of South Windsor, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of South Windsor, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 15, 2023

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

As management of the Town of South Windsor, Connecticut (the Town), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the transmittal letter and the basic financial statements to enhance understanding of the Town's financial performance.

**FINANCIAL HIGHLIGHTS**

- On a government-wide basis, the assets and deferred outflows of the Town exceeded its liabilities and deferred inflows resulting in total net position at the close of the fiscal year of \$233.4 million. Of the Town's total net position at June 30, 2023, \$16.2 million, or 6.9%, is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.
- On a government wide basis, during the year, the Town's net position increased by \$24,349,745 from \$209.0 million to \$233.4 million. Government-wide expenses were \$167.0 million, while revenues were \$191.3 million.
- At the close of the year, the Town's governmental funds reported combined ending fund balances of \$49.3 million, an increase of \$6.1 million from the prior fiscal year. Of this amount, \$33.3 million is available for spending at the Town's discretion and represents the combined unassigned balance in the General Fund net of the fund deficits in the Capital Projects fund. The deficits in the Capital Projects Fund will be eliminated upon the receipt of final grant reimbursements.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$38.8 million or 28.96 percent of total General Fund budgeted expenditures and transfers out.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains supplementary information and a statistical section as well as the basic financial statements. The statistical section provides comparisons of selected information beginning with fiscal year 2014 and running through the current year.

**Government-Wide Financial Statements**

The analysis of the Town as a whole begins on Exhibits I and II. The statement of net position and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and any annual change. The Town's net position, the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating.

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

The reader needs to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

In the statement of net position and the statement of activities, the Town reports its activities as follows:

- *Governmental Activities* - The Town's basic services are reported here, including education, public safety, public works, sanitation, culture and recreation, debt service and general administration. Property taxes, charges for services and state and federal grants finance these activities.

### **Fund Financial Statements**

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town establishes many other funds to help control and manage financial activities for particular purposes (such as the Sewer Operating Fund) or to show that it is meeting legal responsibilities for using grants and other money (such as grants received for education from the State and Federal governments). The Town's funds are divided into three categories: governmental, proprietary and fiduciary.

- *Governmental Funds (Exhibits III and IV)* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation included with the fund financial statements.
- *Proprietary Funds (Exhibits V to VII)* - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. The Town's proprietary fund consists of the Town's internal service fund and is used to report the Town's self-insurance program.
- *Fiduciary Funds (Exhibits VIII and IX)* - The Town is the trustee, or fiduciary, for its employees' pension plans and other postemployment benefit plans. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.



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

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-76 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town's governmental activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$233.4 million at the close of the most recent fiscal year.

**GOVERNMENTAL ACTIVITIES  
SUMMARY STATEMENT OF NET POSITION  
TABLE 1**

	Governmental Activities	
	2023	2022
<b>Assets:</b>		
Current Assets	\$ 80,453,917	\$ 85,397,287
Capital Assets, Net of Accumulated Depreciation	355,454,202	312,310,803
Total Assets	435,908,119	397,708,090
<b>Deferred Outflows of Resources</b>	7,900,772	11,701,712
<b>Liabilities:</b>		
Long-Term Liabilities Outstanding	19,660,896	32,010,334
Other Liabilities	181,918,105	160,553,122
Total Liabilities	201,579,001	192,563,456
<b>Deferred Inflows of Resources</b>	8,846,901	7,813,102
<b>Net Position:</b>		
Net Investment in Capital Assets	211,454,547	175,877,622
Restricted	5,728,833	5,564,207
Unrestricted	16,199,609	27,591,415
Total Net Position	<u>\$ 233,382,989</u>	<u>\$ 209,033,244</u>

The largest portion of the Town's net position reflects its investment in capital assets (e.g., land, buildings, vehicles, furniture and equipment, water systems and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Town uses these 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. Net investment in capital assets increased by \$35,576,925.

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

The Town's restricted net position of \$5,728,833 increased by \$164,626 compared to last year's restricted net position of \$5,564,207.

The Town's unrestricted net position of \$16,199,609 decreased by \$11,391,806 compared to last year's unrestricted net position of \$27,591,415.

**GOVERNMENTAL ACTIVITIES  
STATEMENT OF CHANGES IN NET POSITION  
TABLE 2**

	Governmental Activities	
	2023	2022
<b>Revenues:</b>		
Program Revenues:		
Charges for Services	\$ 13,385,392	\$ 12,190,755
Operating Grants and Contributions	52,089,536	28,002,125
Capital Grants and Contributions	1,672,292	1,498,000
General Revenues:		
Property Taxes	117,387,046	114,017,844
Grants and Contributions Not Restricted to Specific Purposes	3,926,234	2,436,064
Unrestricted Investment Earnings	2,862,976	181,432
Other General Revenues	2,164	76,024
Total Revenues	<u>191,325,640</u>	<u>158,402,244</u>
<b>Expenses:</b>		
General Government	8,392,719	6,913,025
Public Safety	15,339,048	14,579,379
Public Works	19,305,867	18,653,257
Human Services	2,434,093	1,943,660
Culture and Recreation	6,398,216	6,330,002
Education	113,623,977	98,336,368
Debt Service	1,481,975	2,823,051
Total Expenses	<u>166,975,895</u>	<u>149,578,742</u>
<b>Increase in Net Position</b>	24,349,745	8,823,502
Net Position - Beginning of Year	<u>209,033,244</u>	<u>200,209,742</u>
<b>Net Position - End of Year</b>	<u><u>\$ 233,382,989</u></u>	<u><u>\$ 209,033,244</u></u>

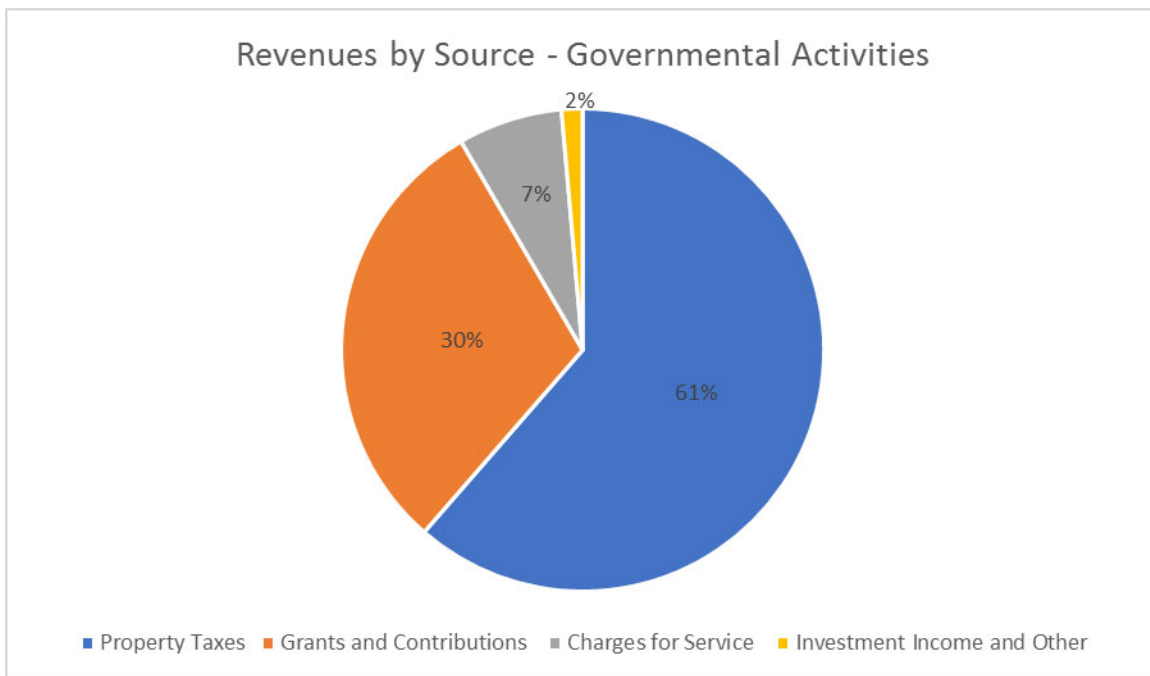
As noted above, total revenues were \$191.3 million and the total cost of all programs and services was \$167.0 million. Our analysis below considers the operations of the fiscal year's governmental activities.

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

**Governmental Activities**

The Town's net position increased \$24.3 million during the current fiscal year. This increase reflects total revenues generated through increased property tax revenues, and other various revenues that exceed operating costs. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements changed from \$27.6 million at June 30, 2021 to \$16.2 million at the end of this year.

Approximately 61.4% of the revenues were derived from property taxes, followed by 30.2% from grants & contributions, 7.0% from charges for services and 1.4% of the Town's revenue in the fiscal year was derived from income from investments and other sources.



Major revenue factors included:

- Operating Grants increased \$24.1 million due to an increase over the year in the on-behalf OPEB and Pension contributions relating to the State Teachers' Retirement System and Excess Cost Grant Revenue.
- Property tax revenue increased by \$3,369,202 compared to the prior year due to increases in the grand list.
- Income from investments increased by \$2,681,544 compared to the prior year due to increases in interest rates.

Approximately 68.0% of the Town's expenditures relate to education, 11.6% to public works, 9.2% to public safety, 5.0% for general government, 3.8% to culture and recreation and 2.4% related to the remainder of the government's expenses. These percentages are fairly consistent with the prior year.

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

The Town continues to employ various cost control methods to keep expenditures as low as possible. These involve ongoing monthly review of all town expenditures as compared to budget; Town Manager review of all purchase orders; and shared service purchasing or state-contract equipment and supplies where possible. The Town continues to be proactive in controlling employee benefit costs through implementation of wellness incentives; working with our insurance broker and negotiating with bargaining units.

Table 3 presents the cost of each of the Town's programs - general government, public safety, public works, human services, culture and recreation, education and debt service - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**GOVERNMENTAL ACTIVITIES**

**TABLE 3**

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
General Government	\$ 8,392,719	\$ 6,913,025	\$ (5,333,253)	\$ (3,934,580)
Public Safety	15,339,048	14,579,379	(13,365,139)	(13,709,417)
Public Works	19,305,867	18,653,257	(11,696,839)	(11,485,461)
Human Services	2,434,093	1,943,660	(1,948,001)	(1,592,477)
Culture and Recreation	6,398,216	6,330,002	(4,086,629)	(4,342,204)
Education	113,623,977	98,336,368	(61,916,839)	(70,218,512)
Debt Service	1,481,975	2,823,051	(1,481,975)	(2,605,211)
Total	<u>\$ 166,975,895</u>	<u>\$ 149,578,742</u>	<u>\$ (99,828,675)</u>	<u>\$ (107,887,862)</u>

**TOWN FUNDS FINANCIAL ANALYSIS**

**Governmental Funds**

The Town's governmental funds (as presented in the balance sheet - Exhibit III) reported combined ending fund balances of \$49.3 million inclusive of an unassigned fund balance of \$33.3 million.

The General Fund is the operating fund of the Town. Fund balance of the Town's General Fund increased by \$6.6 million during the current fiscal year. At June 30, 2023, unassigned fund balance of the General Fund was \$38.8 million while total fund balance was \$45.8 million. The increase in fund balance is due primarily to higher than anticipated tax collection, building permit fees, municipal grants-in-aid and education equalization funds combined with expenditure savings in General Government, Public Works and Public Safety line items.

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

During the year, actual revenues and other financing sources on a budgetary basis were \$138.5 million which exceeded budgetary estimates by \$4.5 million. Due to increases in interest rates, investment earnings were \$2.8 million while the Town only budgeted for \$100,000 in revenue. Increased collection enforcement pushed the collection rate to 99.5% versus the budgeted collection rate of 99.0% and generated positive variances in prior-year taxes, interest and lien revenue accounts. State of Connecticut Education Grants exceeded conservative budget estimates and added \$724,743 to the positive variance. Charges for current services exceeded budget expectations by \$513,127 primarily due to increased activity for building and fire marshal permits due to new construction and economic development, and higher Town Clerk fees.

Actual expenditures on a budgetary basis and other financing uses totaled \$132.6 million which was less than budgeted by \$1.4 million. Culture and Recreation and Public Works accounts contributed \$214,127, and \$321,624 respectively to the overall positive variance due to unfilled positions, overtime savings and overall cost containment.

The Town's collection rate in fiscal year 2023 was 99.5%, which is slightly higher than the average collection rate over the past five fiscal years.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The Town of South Windsor's cumulative investment in capital assets as of June 30, 2023 totals \$355.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, enterprise-wide software, streets & sidewalks, equipment, vehicles, water & sewer systems and construction in progress. The increase in total capital assets, net of depreciation, over the prior fiscal year was \$43.1 million.

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

- Fiber optics network improvements
- Purchase of new police cruisers and 2022 Peirce Fire Vehicle
- Construction in progress added \$35 million for Pleasant Valley Elementary School, bridge and road work, roof replacement projects, sewer upgrades and infrastructure
- New pickleball courts and Nevers Park exercise trail
- Upgrades to the Police Department locker room
- Completion of Town Hall 1<sup>st</sup> floor renovation
- Depreciation expense in the amount of \$6,929,390 was recognized

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

**TABLE 4  
CAPITAL ASSETS (Net of Depreciation)**

	Governmental Activities	
	2023	2022
Land	\$ 19,614,167	\$ 19,614,167
Buildings	82,327,102	84,824,224
Improvements Other than Buildings	17,865,773	16,807,282
Furniture and Equipment	6,665,572	6,816,175
Right to use Lease Assets	1,056,001	1,400,884
Subscriptions Asset	459,564	-
Infrastructure	76,401,602	77,823,859
Construction in Progress	151,064,421	105,024,212
	<u>\$ 355,454,202</u>	<u>\$ 312,310,803</u>
Total		

Additional information on the Town's capital assets can be found in Note 5 of the Basic Financial Statements.

### **Long-Term Debt**

In the current year, the Town issued \$28.5 million of general obligation bonds and \$11.5 million of general obligation refunding bonds to be financed over 20 years with interest rates ranging from 3.0% to 5.0%. The bonds will permanently finance various capital improvement projects. At June 30, 2023, the Town had \$130.4 million in bonds and notes outstanding versus \$110.9 million in the previous year. All of the debt is backed by the full faith and credit of the Town.

Debt service expenditures will continue to increase over the next several years as the Town permanently finances expenditures of \$58.5 million for the construction of Pleasant Valley Elementary School and \$50 million for road and drainage projects as approved in 2018 and 2022 per referendum. All projects are part of the Board of Education 10-year elementary facilities plan and 5-year capital projects plan.

The Town of South Windsor maintained its AAA rating from Standard and Poor's and Aa2 rating from Moody's Investors Service. The overall statutory debt limit for the Town of South Windsor is equal to seven times annual receipts from taxation or \$808.2 million. As of June 30, 2023, the Town recorded total net debt of \$164.1 million, well below its statutory debt limits.

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

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

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

A summary of key economic factors affecting the Town are as follows:

- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which may affect the amount of intergovernmental revenues the Town will receive in fiscal year 2024 and thereafter.
- The unemployment rate for the State is currently 3.7%, which is a decrease from a rate of 4.1% a year ago. The Town's unemployment rate was 2.8% compared to 3.3% in the prior year. The decreases are due to the beginning of the recovery from the impact of the coronavirus pandemic.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town of South Windsor, CT's budget for the 2024 fiscal year.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Michael Maniscalco, Town Manager, Town of South Windsor, 1540 Sullivan Avenue, South Windsor, Connecticut, 06074.

## **BASIC FINANCIAL STATEMENTS**



**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Governmental Activities
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 76,511,226
Investments	196,175
Receivables, Net	3,185,453
Supplies	38,752
Prepaid Items	522,311
Capital Assets Not Being Depreciated	170,678,588
Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>184,775,614</u>
Total Assets	<u>435,908,119</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Charge on Refunding	251,981
Deferred Outflows Related to Pensions	3,428,521
Deferred Outflows Related to OPEB	<u>4,220,270</u>
Total Deferred Outflows of Resources	<u>7,900,772</u>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Liabilities	13,012,606
Unearned Revenue	6,648,290
Noncurrent Liabilities:	
Due Within One Year	12,529,939
Due in More than One Year	<u>169,388,166</u>
Total Liabilities	<u>201,579,001</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Advance Property Tax Collections	5,257,083
Deferred Charge on Refunding	510,193
Deferred Inflows Related to Pensions	118,371
Deferred Inflows Related to OPEB	<u>2,961,254</u>
Total Deferred Inflows of Resources	<u>8,846,901</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	211,454,547
Restricted for:	
Education	3,849,415
Public Safety	197,685
Public Works	718,122
Health and Welfare	963,611
Unrestricted	<u>16,199,609</u>
Total Net Position	<u><u>\$ 233,382,989</u></u>

See accompanying Notes to Basic Financial Statements.

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

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>					
General Government	\$ 8,392,719	\$ 2,379,992	\$ 378,874	\$ 300,600	\$ (5,333,253)
Public Safety	15,339,048	231,183	1,742,726	-	(13,365,139)
Public Works	19,305,867	5,796,128	441,208	1,371,692	(11,696,839)
Human Services	2,434,093	290,497	195,595	-	(1,948,001)
Culture and Recreation	6,398,216	2,259,021	52,566	-	(4,086,629)
Education	113,623,977	2,428,571	49,278,567	-	(61,916,839)
Interest on Long-Term Debt	1,481,975	-	-	-	(1,481,975)
Total Governmental Activities	<u>\$ 166,975,895</u>	<u>\$ 13,385,392</u>	<u>\$ 52,089,536</u>	<u>\$ 1,672,292</u>	(99,828,675)
<b>GENERAL REVENUES</b>					
Property Taxes					117,387,046
Grants and Contributions Not Restricted to Specific Programs					3,926,234
Unrestricted Investment Earnings					2,862,976
Miscellaneous					<u>2,164</u>
Total General Revenues					<u>124,178,420</u>
<b>CHANGE IN NET POSITION</b>					24,349,745
Net Position - Beginning of Year					<u>209,033,244</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 233,382,989</u>

See accompanying Notes to Basic Financial Statements.

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

	General	Capital Projects Fund	Sewer Operating Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 67,147,153	\$ -	\$ 27,439	\$ -	\$ 3,182,758	\$ 70,357,350
Investments	-	-	-	-	196,175	196,175
Receivables, Net	1,477,536	850,945	340,358	-	516,614	3,185,453
Due from Other Funds	56,423	281,680	2,267,561	5,698,742	4,133,021	12,437,427
Other Assets	508,919	-	-	-	52,144	561,063
Total Assets	<u>\$ 69,190,031</u>	<u>\$ 1,132,625</u>	<u>\$ 2,635,358</u>	<u>\$ 5,698,742</u>	<u>\$ 8,080,712</u>	<u>\$ 86,737,468</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts and Other Payables	\$ 4,574,514	\$ 5,122,283	\$ 177,322	\$ 228,363	\$ 612,307	\$ 10,714,789
Due to Other Funds	12,381,004	-	-	-	56,423	12,437,427
Unearned Revenue	-	653,935	-	5,470,379	523,976	6,648,290
Total Liabilities	<u>16,955,518</u>	<u>5,776,218</u>	<u>177,322</u>	<u>5,698,742</u>	<u>1,192,706</u>	<u>29,800,506</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue - Property Taxes	1,150,846	-	-	-	-	1,150,846
Unavailable Revenue - Sewer Use	-	-	340,358	-	-	340,358
Unavailable Grant Revenue	-	850,945	-	-	-	850,945
Advance Property Tax Collections	5,257,083	-	-	-	-	5,257,083
Total Deferred Inflows of Resources	<u>6,407,929</u>	<u>850,945</u>	<u>340,358</u>	<u>-</u>	<u>-</u>	<u>7,599,232</u>
<b>FUND BALANCES</b>						
Nonspendable	508,919	-	-	-	52,144	561,063
Restricted	875,499	-	-	-	4,853,334	5,728,833
Committed	4,700,000	-	2,117,678	-	1,982,528	8,800,206
Assigned	944,738	-	-	-	-	944,738
Unassigned	38,797,428	(5,494,538)	-	-	-	33,302,890
Total Fund Balances	<u>45,826,584</u>	<u>(5,494,538)</u>	<u>2,117,678</u>	<u>-</u>	<u>6,888,006</u>	<u>49,337,730</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 69,190,031</u>	<u>\$ 1,132,625</u>	<u>\$ 2,635,358</u>	<u>\$ 5,698,742</u>	<u>\$ 8,080,712</u>	<u>\$ 86,737,468</u>

See accompanying Notes to Basic Financial Statements.

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

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total Fund Balances - Governmental Funds (Exhibit III) \$ 49,337,730

Amounts reported for governmental activities in the Statement of Net Position (Exhibit I)  
are different because of the following:

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

Governmental Capital Assets	528,280,270
Less: Accumulated Depreciation	(172,826,068)
Net Capital Assets	355,454,202

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

Property Tax Receivables Greater than 60 Days	775,196
Interest Receivable on Property Taxes	375,650
Assessments and User Fee Receivable	298,651
Interest Receivable on Assessments and User Fees	41,707
Grants Receivables Greater than 60 Days	850,945
Deferred Outflows Related to Pension	3,428,521
Deferred Outflows Related to OPEB	4,220,270

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

5,413,976

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

Net Pension Liability	(19,444,320)
Deferred Inflows Related to Pension	(118,371)
Deferred Inflows Related to OPEB	(2,961,254)
Bonds Payable	(130,030,000)
Clean Water Fund Loans	(327,265)
Interest Payable on Bonds and Notes	(1,557,917)
Compensated Absences	(8,808,014)
Lease Financing Arrangements	(3,512,267)
Lease Liability	(993,449)
Subscriptions Payable	(454,498)
Unamortized Bond Premium	(8,423,964)
Net OPEB Liability	(9,924,328)
Deferred Charges on Refunding	(258,212)

Net Position of Governmental Activities as Reported on the Statement of Net Position  
(Exhibit I)

\$ 233,382,989

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2023**

	General	Capital Projects Fund	Sewer Operating Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property Taxes	\$ 117,398,028	\$ -	\$ -	\$ -	\$ -	\$ 117,398,028
Intergovernmental	29,103,205	13,736,786	-	1,697,124	7,669,911	52,207,026
Charges for Services	2,651,227	15,982	5,460,123	-	5,278,856	13,406,188
Investment Earnings	2,813,133	-	27	-	35,783	2,848,943
Miscellaneous	-	-	453	-	473,343	473,796
Total Revenues	151,965,593	13,752,768	5,460,603	1,697,124	13,457,893	186,333,981
<b>EXPENDITURES</b>						
Current:						
General Government	4,578,936	-	-	-	138,025	4,716,961
Public Safety	10,636,678	-	-	1,697,124	150,826	12,484,628
Public Works	8,661,854	-	4,184,057	-	209,513	13,055,424
Human Services	1,218,504	-	-	-	505,997	1,724,501
Culture and Recreation	3,443,180	-	-	-	2,185,601	5,628,781
Insurance and Sundry	8,152,765	-	-	-	-	8,152,765
Education	96,443,013	-	-	-	8,978,116	105,421,129
Debt Service	11,649,205	98,835	-	-	-	11,748,040
Capital Outlay	-	49,562,385	-	-	-	49,562,385
Total Expenditures	144,784,135	49,661,220	4,184,057	1,697,124	12,168,078	212,494,614
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	7,181,458	(35,908,452)	1,276,546	-	1,289,815	(26,160,633)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of General Obligation Bonds	-	28,500,000	-	-	-	28,500,000
Issuance of Refunding Bonds	-	11,505,000	-	-	-	11,505,000
Payments to Refunded Bond Escrow Agent	-	(12,788,625)	-	-	-	(12,788,625)
Issuance of Leases	-	1,156,561	-	-	-	1,156,561
Subscription Based Information Technology Arrangement	-	696,452	-	-	-	696,452
Premium on Refunding Bonds	-	1,382,460	-	-	-	1,382,460
Premium on General Obligation Bonds	1,759,519	-	-	-	-	1,759,519
Transfers In	50,543	3,078,564	23,970	-	-	3,153,077
Transfers Out	(2,360,000)	-	(763,564)	-	(29,513)	(3,153,077)
Total Other Financing Sources (Uses)	(549,938)	33,530,412	(739,594)	-	(29,513)	32,211,367
<b>NET CHANGE IN FUND BALANCES</b>	6,631,520	(2,378,040)	536,952	-	1,260,302	6,050,734
Fund Balances - Beginning of Year	39,195,064	(3,116,498)	1,580,726	-	5,627,704	43,286,996
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 45,826,584</u>	<u>\$ (5,494,538)</u>	<u>\$ 2,117,678</u>	<u>\$ -</u>	<u>\$ 6,888,006</u>	<u>\$ 49,337,730</u>

See accompanying Notes to Basic Financial Statements.

# TOWN OF SOUTH WINDSOR, CONNECTICUT STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS (CONTINUED) YEAR ENDED JUNE 30, 2023

## RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Governmental Funds (Exhibit IV)	\$ 6,050,734
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Amounts reported for governmental activities in the Statement of Activities (Exhibit II) are different because:

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

Capital Outlay	50,482,210
Depreciation Expense	(6,929,390)

In the Statement of Activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.

(409,421)

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

Property Tax Receivable - Accrual Basis Change	6,740
Property Tax Interest and Lien Revenue - Accrual Basis Change	14,113
Sewer User Fees and Assessment Receivable - Accrual Basis Change	192,443
Sewer User Fees and Assessment Interest Receivable - Accrual Basis Change	5,179
Change in Unavailable Grant Revenue	850,945
Deferred Outflows Related to Changes in Pension	(3,533,027)
Deferred Outflows Related to OPEB Changes	(211,319)

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

Bond Principal Payments	7,655,000
Clean Water Fund Loan Payments	110,775
Issuance of General Obligation Bonds	(28,500,000)
Issuance of Refunding Bonds	(11,505,000)
Premium on Bonds	(1,759,519)
Principal Payments - Lease Financing Arrangements	1,060,973
Issuance of Notes Payable - Lease Financing Arrangements	(921,504)
Amortization of Lease Liability	621,304
Issuance of Leases	(235,057)
Subscriptions Based Technology Arrangements	(696,452)
Principal Payments on Subscriptions Payable	241,954
Payments to Escrow Agent	12,788,625
Premium on Bonds Refunded	(1,382,460)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Compensated Absences	(588,881)
Accrued Interest	(378,829)
Amortization of Deferred Charge on Refunding	(57,594)
Amortization of Bond Premiums	1,012,482
Net Pension Liability	556,189
Deferred Inflows Related to Pension Changes	(81,152)
Deferred Inflows Related to OPEB Changes	539,031
Net OPEB Liability	(332,604)

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

(316,743)

Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II)	\$ 24,349,745
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See accompanying Notes to Basic Financial Statements.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2023**

	Governmental Activities
	<u>Internal</u>
	<u>Service Fund</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 6,153,876
<b>LIABILITIES</b>	
Accounts and Other Payables	<u>739,900</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 5,413,976</u></u>

*See accompanying Notes to Basic Financial Statements.*

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**YEAR ENDED JUNE 30, 2023**

	Governmental Activities <u>Internal Service Fund</u>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 14,728,494
<b>OPERATING EXPENSES</b>	
Employee Benefits	<u>15,059,367</u>
<b>OPERATING LOSS</b>	(330,873)
<b>NONOPERATING REVENUE</b>	
Income on Investments	<u>14,130</u>
<b>CHANGE IN NET POSITION</b>	(316,743)
Net Position - Beginning of Year	<u>5,730,719</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 5,413,976</u></u>

See accompanying Notes to Basic Financial Statements.



**TOWN OF SOUTH WINDSOR, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2023**

	Governmental Activities <u>Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Premiums - Town Departments and Agencies	\$ 14,728,494
Claims Paid	<u>(15,403,467)</u>
Net Cash Used by Operating Activities	(674,973)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Income from Investments	<u>14,130</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(660,843)
Cash and Cash Equivalents - Beginning of Year	<u>6,814,719</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 6,153,876</u></u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (330,873)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Decrease In Accounts and Other Payables	<u>(344,100)</u>
Net Cash Used by Operating Activities	<u><u>\$ (674,973)</u></u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2023**

	Pension and Other Employee Benefit Trust Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 538,708
Investments:	
Mutual Funds	<u>61,153,185</u>
Total Assets	<u>61,691,893</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	57,054,115
Net Position Restricted for OPEB	<u>4,637,778</u>
Total Net Position	<u><u>\$ 61,691,893</u></u>

See accompanying Notes to Basic Financial Statements.

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

	Pension and Other Employee Benefit Trust Funds
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 3,405,590
Plan Members	421,015
Total Contributions	<u>3,826,605</u>
Investment Earnings:	
Net Change in Fair Value of Investments	<u>5,435,084</u>
Total Additions	9,261,689
<b>DEDUCTIONS</b>	
Benefits	4,811,959
Administration	146,981
Total Deductions	<u>4,958,940</u>
<b>CHANGE IN NET POSITION</b>	4,302,749
Net Position - Beginning of Year	<u>57,389,144</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 61,691,893</u></u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Town was incorporated in 1845. The Town operates under a Town Council/Town Manager form of government and provides the following services as authorized by its charter: public safety, public works, public health and social services, parks and recreation, and education.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Town has established two single-employer defined benefit pension plans and one postretirement healthcare benefits (OPEB) plan to provide retirement benefits and postretirement healthcare benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

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

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Town has no business-type activities.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**B. Government-Wide and Fund Financial Statements (Continued)**

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

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

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

The government-wide financial statements 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.

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

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

The Town reports the following major governmental funds:

**General Fund**

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

**Capital Projects Fund**

The Capital Projects Fund accounts for the financial resources to be used for major capital asset construction and/or purchases.

**Sewer Operating Fund**

The Sewer Operating Fund accounts for sewer use and assessment fees used to maintain sewer operations within the Town. The major sources of revenue for this fund are sewer assessments and use charges.

**American Rescue Plan Act Fund**

The American Rescue Plan Act Fund accounts for federal funds received under the American Rescue Plan Act.

Additionally, the Town reports the following fund types:

**Internal Service Fund**

The Internal Service Fund accounts for risk financing activities for medical insurance benefits as allowed by GASB Statement No. 10.

**Pension and Other Employee Benefit Trust Funds**

The Pension and Other Employee Benefit Trust Funds account for the fiduciary activities of the South Windsor Employees' Retirement System, which accumulates resources for pension benefit payments to qualified employees and also the accumulated resources and payments associated with both Town and Board of Education health insurance benefits to former qualified employees.

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

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

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

**D. Deposits and Investments**

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

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

**E. Receivables and Payables**

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

Property taxes are levied on all assessed property on the grand list of October 1 prior to the beginning of the fiscal year. Assessed values are established by the Town Assessor's Office at 70% of appraised value. The tax bills are payable in two installments, July and January. In accordance with State Statutes, the oldest outstanding tax is collected first. Delinquent taxes are charged with interest at the rate of 1.5% per month. Outstanding real estate tax accounts are automatically lien-ed each year prior to June 30.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**E. Receivables and Payables (Continued)**

In the governmental fund financial statements property tax revenues are recognized when they become available. Available means due or past due and received within the current period or expected to be collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as deferred revenue.

**F. Inventories and Prepaid Items**

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

**G. 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 activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 for equipment, \$50,000 for improvements, and \$100,000 for infrastructure and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Roads	75 Years
Bridges	50 Years
Sewer Collection Pipes	75 Years
Sewer Collection Manholes	75 Years
Buildings	40 Years
Improvements Other than Buildings	20 Years
Machinery and Equipment	5 to 20 Years
Vehicles	6 to 20 Years
Office Equipment	10 Years
Computer Equipment	3 Years



**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**G. Capital Assets (Continued)**

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

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

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in actuarial assumptions and differences between expected and actual investment returns.

These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). No deferred outflows of resources affect the governmental fund financial statements in the current year.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet and deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred inflow of resources related to pension and OPEB results from changes in assumptions. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

The governmental funds report unavailable revenues from several sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**I. Compensated Absences**

Town and noncertified Board of Education employees are granted vacation and sick leave, and certified employees of the Board of Education are granted sick leave based upon length of employment. In the event of termination, employees are compensated for accumulated vacation and, depending on the terms of their union contract, sick time.

**J. Net Pension Liability**

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

**K. Net OPEB Liability**

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

**L. Long-Term Obligations**

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**L. Long-Term Obligations (Continued)**

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

**M. Leases**

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

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

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

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

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

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

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**N. Fund Balance**

Equity in the government-wide financial statements is defined as “net position” and is classified in the following categories:

*Net Investment in Capital Assets* – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Net Position* – Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Town currently has no assets under restriction.

*Unrestricted Net Position* – This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

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

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

*Committed Fund Balance* – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town Council). The Town Council may commit resources by resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

*Assigned Fund Balance* – This balance represents amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts by the Town Charter.

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

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

**O. Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates of and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues expenditures during the fiscal year.

**P. Adoption of New Accounting Standards**

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Town adopted the requirements of the guidance effective July 1, 2022, and has applied the provisions of this standard to the beginning of the period of adoption.

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

**A. Budgetary Information**

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund, Sewer Operating, and Recreation Fund financial statements:

- Prior to March 15, the Board of Education submits to the Town Council a proposed budget for the year commencing July 1. Prior to March 22, the Town Manager submits to the Town Council a proposed operating budget for the general government for the year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. By April 15, the Town Council must have the Board of Education budget ready for public hearing and by April 22, the Town Council must have the general government budget ready for public hearing.
- By April 30, public hearings are conducted on the Board of Education budget and by May 7, public hearings are conducted on the general government budget.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

- By May 15, the Town Council shall adopt the Board of Education budget and by May 22, the Town Council shall adopt the general government budget.
- The Town Manager may transfer unencumbered funds within a department budget. The Town Council may transfer unencumbered funds between departments and is authorized to make additional appropriations. There were no additional appropriations approved during the year.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.
- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under state law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education and Town Council approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract, or other commitment is issued, and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year-end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year, or no expenditure from or encumbrance of the appropriation has been made for three consecutive fiscal years.

**B. Fund Deficits**

The major fund Capital Projects had a deficit fund balance of \$5,494,538, at June 30, 2023. The deficit will be funded with future charges for services, bonding and contributions from the General Fund.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS**

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

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares. STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There are no limitation or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

**A. Deposits**

Deposit Custodial Credit Risk

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**A. Deposits (Continued)**

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$34,495,037 of the Town's bank balance of \$34,995,037 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 30,995,533
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	<u>3,499,504</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 34,495,037</u></u>

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2023, the Town's cash equivalents amounted to \$40,419,952.

Credit Risk – Cash Equivalents

Credit risk is the risk that an issuer of an investments will not fulfill its obligation to the holder. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. The following chart summarizes year-end ratings for Town of South Windsor, Connecticut as rated by Standard & Poor's:

	Standard & Poor's
State Short-Term Investment Fund (STIF)	<u>AAAm</u>
Principal	*
M&T Bank	*

\* Not Rated

**B. Investments**

Investments as of June 30, 2023, in all funds are as follows:

<u>Investment Type</u>	Fair Value
Mutual Funds	\$ 61,349,360



**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

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. To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements.

Credit Risk - Investments

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

Concentration of Credit Risk

The Town's investment policy does not specify a limit for an investment in any one issuer.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2023, the Town had no uninsured and unregistered securities held by the counterparty or by its trust department or agent that were not in the Town's name.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2023:

	June 30, 2023	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Mutual Funds	\$ 61,349,360	\$ 59,912,598	\$ 1,436,762	\$ -

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Custodial Credit Risk (Continued)

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Town has no Level 3 investments.

**NOTE 4 RECEIVABLES**

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects	Sewer Operating Fund	Nonmajor and Other Funds	Total
Receivables:					
Interest	\$ 375,650	\$ -	\$ 41,707	\$ -	\$ 417,357
Taxes	1,110,204	-	-	-	1,110,204
Accounts	247,029	-	290,277	12,350	549,656
Intergovernmental	-	850,945	-	504,264	1,355,209
Special Assessments	-	-	8,374	-	8,374
Gross Receivables	1,732,883	850,945	340,358	516,614	3,440,800
Less: Allowance for Uncollectibles:					
Taxes	(255,347)	-	-	-	(255,347)
Net Total Receivables	<u>\$ 1,477,536</u>	<u>\$ 850,945</u>	<u>\$ 340,358</u>	<u>\$ 516,614</u>	<u>\$ 3,185,453</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 5 CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 19,614,167	\$ -	\$ -	\$ 19,614,167
Construction In Progress	105,024,212	46,988,740	(948,531)	151,064,421
Total Capital Assets Not Being Depreciated	124,638,379	46,988,740	(948,531)	170,678,588
Capital Assets Being Depreciated:				
Buildings	152,067,410	-	-	152,067,410
Improvements Other than Buildings	31,221,966	1,960,684	-	33,182,650
Furniture and Equipment	25,404,441	1,522,861	(4,954,063)	21,973,239
Right-to-Use Leased Asset	2,000,690	243,803	(197,956)	2,046,537
Subscription Assets	-	714,653	-	714,653
Infrastructure	147,617,193	-	-	147,617,193
Total Capital Assets Being Depreciated	358,311,700	4,442,001	(5,152,019)	357,601,682
Less: Accumulated Depreciation for:				
Buildings	(67,243,186)	(2,497,122)	-	(69,740,308)
Improvements Other than Buildings	(14,414,684)	(902,193)	-	(15,316,877)
Furniture and Equipment	(18,588,266)	(1,264,043)	4,544,642	(15,307,667)
Right-to-Use Lease Assets	(599,806)	(588,686)	197,956	(990,536)
Subscription Asset	-	(255,089)	-	(255,089)
Infrastructure	(69,793,334)	(1,422,257)	-	(71,215,591)
Total Accumulated Depreciation	(170,639,276)	(6,929,390)	4,742,598	(172,826,068)
Total Capital Assets Being Depreciated, Net	187,672,424	(2,487,389)	(409,421)	184,775,614
Governmental Activities Capital Assets, Net	<u>\$ 312,310,803</u>	<u>\$ 44,501,351</u>	<u>\$ (1,357,952)</u>	<u>\$ 355,454,202</u>

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

Governmental Activities:	
General Government	\$ 328,514
Public Safety	1,123,919
Public Works	2,253,002
Culture and Recreation	376,794
Human Services	51,223
Education	2,795,938
Total Depreciation Expense - Governmental Activities	<u>\$ 6,929,390</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

**Construction Commitments**

The Town has active construction projects as of June 30, 2023. At year-end, the Town's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Road Improvement Projects	\$ 7,924,264	\$ 5,243,034
Board of Education Projects	54,469,907	8,004,837
Other Projects	318,632	659,652
Sewer Projects	1,572,999	602,854

The commitments are being financed by General Fund appropriations, permanent financing, and participation in the State's Highway Planning and Construction Program.

**NOTE 6 INTERFUND RECEIVABLES AND PAYABLES**

Interfund balances are a result of timing differences between the dates payments occurred for various activities. A summary of interfund balances as of June 30, 2023, is presented below:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 56,423
Sewer Operating Fund	General Fund	2,267,561
ARPA Fund	General Fund	5,698,742
Nonmajor Governmental Funds	General Fund	4,133,021
Capital Projects Funds	General Fund	281,680
Total		<u><u>\$ 12,437,427</u></u>

Interfund receivables and payables generally represent temporary balances from reimbursement type transactions.

Transfers are used to account for the financing by the General Fund of various programs and activities in other funds. The transfers that occurred during the year are as follows:

	General Fund	Transfers In Capital Projects	Sewer Operating	Total Transfers Out
Transfers Out:				
General Fund	\$ -	\$ 2,360,000	\$ -	\$ 2,360,000
Sewer Operating	45,000	718,564	-	763,564
Nonmajor Governmental	5,543	-	23,970	29,513
Total Transfers In	<u><u>\$ 50,543</u></u>	<u><u>\$ 3,078,564</u></u>	<u><u>\$ 23,970</u></u>	<u><u>\$ 3,153,077</u></u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 7 LONG-TERM DEBT**

**Changes in Long-Term Liabilities**

A schedule of long-term liabilities outstanding at June 30, 2023, is presented below:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
Bonds Payable	\$ 110,500,000	\$ 40,005,000	\$ (20,475,000)	\$ 130,030,000	\$ 8,560,000
Premiums	6,772,284	3,141,979	(1,490,299)	8,423,964	-
Subtotal	117,272,284	43,146,979	(21,965,299)	138,453,964	8,560,000
Direct Placements:					
Clean Water Fund Loans	438,040	-	(110,775)	327,265	113,011
Financed Purchase Arrangements	3,651,736	921,504	(1,060,973)	3,512,267	1,060,123
Lease Liability	1,379,696	235,057	(621,304)	993,449	503,094
Subscriptions Payable	-	696,452	(241,954)	454,498	230,372
Compensated Absences	8,219,133	626,102	(37,221)	8,808,014	2,063,339
Net OPEB Liability	9,591,724	332,604	-	9,924,328	-
Net Pension Liability	20,000,509	-	(556,189)	19,444,320	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 160,553,122</u>	<u>\$ 45,958,698</u>	<u>\$ (24,593,715)</u>	<u>\$ 181,918,105</u>	<u>\$ 12,529,939</u>

For the governmental activities, compensated absences, and net pension and OPEB liabilities are generally liquidated by the General Fund.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

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

Bonds and notes payable at June 30, 2023, comprise the following:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2023
General Purpose:					
Improvement Bond	2/16/2018	2/15/2038	3.0-5.0%	\$ 4,000,000	\$ 640,000
Refunding Bond	8/15/2017	8/15/2033	2.0-4.0%	1,862,000	1,395,000
Improvement Bond	2/14/2019	2/1/2039	2.0-5.0%	750,000	610,000
Refunding Bond	6/27/2019	8/1/2030	2.375-4.0%	9,155,000	7,180,000
Improvement Bond	2/12/2021	6/30/2041	1.1-4.0%	4,000,000	3,600,000
Refunding Bond	3/30/2021	6/30/2035	2.0-4.0%	1,393,000	1,227,000
Improvement Bond	1/27/2022	2/1/2042	2.125-5.0%	5,000,000	4,750,000
Refunding Bond	1/27/2022	2/15/2036	2.0-5.0%	2,144,000	2,005,000
Improvement Bond	1/31/2023	2/1/2043	3.0-5.0%	8,500,000	8,500,000
Refunding Bond	2/16/2023	2/15/2035	4.0-5.0%	3,876,000	3,876,000
Schools:					
Refunding Bond	8/15/2017	8/15/2033	2.0-4.0%	702,000	526,000
Improvement Bond	2/16/2018	2/15/2038	3.0-5.0%	7,500,000	1,115,000
Improvement Bond	2/14/2019	2/1/2039	2.0-5.0%	4,500,000	3,640,000
Improvement Bond	2/13/2020	2/1/2040	2.0-5.0%	13,500,000	11,475,000
Improvement Bond	2/12/2021	6/30/2041	1.1-4.0%	23,000,000	20,700,000
Refunding Bond	3/30/2021	6/30/2035	2.0-4.0%	2,240,000	1,908,000
Improvement Bond	1/27/2022	2/1/2042	2.125-5.0%	15,000,000	14,250,000
Refunding Bond	1/27/2022	2/15/2036	2.0-5.0%	956,000	900,000
Improvement Bond	1/31/2023	2/1/2043	3.0-5.0%	20,000,000	20,000,000
Refunding Bond	2/16/2023	2/15/2035	4.0-5.0%	7,629,000	7,629,000
Sewer:					
Clean Water Note					
Pleasant Valley	11/30/2005	5/31/2025	2%	402,727	45,507
Clean Water Note					
Submersible Pump					
Station	12/28/2006	7/1/2026	2%	1,568,029	281,758
Refunding Bond	8/15/2017	8/15/2033	2.0-4.0%	1,561,000	1,169,000
Refunding Bond	3/30/2021	6/30/2023	2.0-4.0%	15,477,000	12,935,000
Total					<u>\$ 130,357,265</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

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

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

The following is a schedule of future debt service requirements as of June 30, 2023:

Fiscal Year Ending	General Obligation Bonds		Clean Water Fund Loans		Total Debt Service	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments	Principal Payments	Interest Payments
2024	\$ 8,560,000	\$ 4,343,891	\$ 113,011	\$ 5,513	\$ 8,673,011	\$ 4,349,404
2025	8,500,000	4,010,038	113,274	3,232	8,613,274	4,013,270
2026	8,605,000	3,621,538	93,135	1,169	8,698,135	3,622,707
2027	8,760,000	3,230,050	7,845	13	8,767,845	3,230,063
2028	9,090,000	2,854,138	-	-	9,090,000	2,854,138
2029 - 2033	41,650,000	9,768,425	-	-	41,650,000	9,768,425
2034 - 2038	28,065,000	4,710,106	-	-	28,065,000	4,710,106
2039 - 2043	16,800,000	1,305,094	-	-	16,800,000	1,305,094
Total	<u>\$ 130,030,000</u>	<u>\$ 33,843,280</u>	<u>\$ 327,265</u>	<u>\$ 9,927</u>	<u>\$ 130,357,265</u>	<u>\$ 33,853,207</u>

Debt service expenditures were funded by the General Fund and the Sewer Operating Fund.

The Town issued \$28,500,000 of general obligation bonds on January 31, 2023, for various capital improvement projects. The bonds bear interest of 3.0% - 5.0% and mature on February 1, 2043.

On February 16, 2023, the Town issued \$11,505,000 in General Obligation Refunding Bonds with interest rates between 4.00% and 5.00% and a final maturity of February 15, 2035. The bonds were issued to advance refund the 2017A General Obligation Bonds of \$5,800,000 and 2018 General Obligation Bonds of \$7,020,000. The net proceeds of \$12,788,625 (after an original premium of \$1,382,460 and payment of \$98,835 in underwriter's fees and other issuance costs) were deposited with an escrow agent in an irrevocable trust fund. The proceeds were used to buy a portfolio of direct obligations of, or obligations guaranteed by, the United State of America to provide all future debt service payments on the refunded bonds. The refunded bonds with a balance of \$12,820,000 were considered defeased and the liability for those bonds has been removed from the statement of net assets. The transaction generated a cash flow savings of \$348,325 and a present value savings of \$321,810. The bonds were later called prior to year-end and the escrow balance is \$-0- at June 30, 2023.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**Legal Debt Limit**

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

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	\$ 259,764,894	\$ 42,725,583	\$ 217,039,311
Schools	519,529,788	95,202,086	424,327,702
Sewers	432,941,490	26,154,677	406,786,813
Urban Renewal	375,215,958	-	375,215,958
Pension Deficit	346,353,192	-	346,353,192

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$808,157,448.

Authorized and unissued debt is as follows:

Project	Authorized	Bonds/BANS		Authorized But Unissued
		Issued	Grants	
Water Pollution Control Facility	\$ 47,000,000	\$ 27,516,583	\$ 7,760,005	\$ 11,723,412
Orchard Hill Elementary School	33,521,724	21,200,000	11,518,646	803,078
2014 - Road/Drainage	12,000,000	11,350,000	647,417	2,583
Eli Terry Elementary School	37,419,060	23,000,000	13,174,087	1,244,973
Philip R. Smith Elementary School	32,480,940	19,600,000	11,629,210	1,251,730
2009 Open Space Acquisitions	2,000,000	400,000	-	1,600,000
2018 - Road/Various Public	15,000,000	14,500,000	-	500,000
Pleasant Valley Elementary	58,500,000	27,700,000	21,040,695	9,759,305
2021 - Various Public	9,340,000	2,500,000	-	6,840,000
Open Space Acquisitions*	2,000,000	-	-	2,000,000
2022 Road Paving/Sidewalks*	35,470,000	-	-	35,470,000
Total	<u>\$ 284,731,724</u>	<u>\$ 147,766,583</u>	<u>\$ 65,770,060</u>	<u>\$ 71,195,081</u>

\*Amounts not included in the net indebtedness



**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**Financed Purchase Arrangements**

The Town has financing agreements for the purchase of various data processing equipment and copiers, public works equipment, a voicemail system, a minibus, communication equipment, and vehicles. The annual payments for the agreements are provided for by annual general fund appropriations. These agreements vary in duration through June 30, 2031 and interest rates from 1.36% to 6.38%.

The following is a schedule of future payments as of June 30, 2023:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,060,123	\$ 95,159
2025	808,246	62,220
2026	786,033	38,033
2027	335,419	17,055
2028	174,674	7,648
2029 - 2031	347,772	9,572
Total	<u>\$ 3,512,267</u>	<u>\$ 229,687</u>

**Bond Anticipation Notes**

The Town issued bond anticipation notes on February 11, 2022, maturing on February 10, 2023, for \$14,000,000. The interest rate on the notes is 2.25% and there is no liability recorded in the Capital Projects Fund. The following is a schedule of bond anticipation note activity for the fiscal year ended June 30, 2023:

<u>Project</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Balance July 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2023</u>
2018 - Road/Various Public Improvements	2/11/2022	2/10/2023	2.25%	\$ 3,000,000	\$ -	\$ (3,000,000)	\$ -
Pleasant Valley Elementary School	2/11/2022	2/10/2023	2.25%	10,000,000	-	(10,000,000)	-
2021 - Various Public Improvements	2/11/2022	2/10/2023	2.25%	1,000,000	-	(1,000,000)	-
Total				<u>\$ 14,000,000</u>	<u>\$ -</u>	<u>\$ (14,000,000)</u>	<u>\$ -</u>

**Lease Liability**

The Town leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2028.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**Lease Liability (Continued)**

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

<u>Year Ending June 30,</u>	<u>Lease Principal</u>	<u>Lease Interest</u>
2024	\$ 503,094	\$ 27,596
2025	385,226	17,796
2026	100,341	3,660
2027	4,248	51
2028	540	6
Total	<u>\$ 993,449</u>	<u>\$ 49,109</u>

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

	<u>Amount</u>
Equipment	\$ 2,046,537
Accumulated Depreciation	(990,536)
Net Leased Equipment	<u>\$ 1,056,001</u>

**Subscription-Based Information Technology Arrangements**

The Town has entered into subscription based-information technology arrangements (SBITAs). The SBITA arrangements expire at various dates through 2027 and provide for renewal options.

As of June 30, 2023, SBITA assets and the related accumulated amortization totaled \$714,653 and \$255,089, respectively.

The future subscription payments under SBITA agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 230,372	\$ 10,542
2025	123,367	5,607
2026	61,680	2,678
2027	39,079	1,095
Total	<u>\$ 454,498</u>	<u>\$ 19,922</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 8 FUND BALANCE**

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

	General Fund	Capital Projects	Sewer Operating Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 38,752	\$ 38,752
Prepaid Items	508,919	-	-	13,392	522,311
Restricted for:					
Education	875,499	-	-	2,973,916	3,849,415
Public Safety	-	-	-	197,685	197,685
Public Works	-	-	-	718,122	718,122
Health and Welfare	-	-	-	963,611	963,611
Committed to:					
General Government	-	-	-	486,085	486,085
Public Safety	-	-	-	88,572	88,572
Public Works	-	-	2,117,678	-	2,117,678
Culture and Recreation	-	-	-	1,035,821	1,035,821
Education	-	-	-	372,050	372,050
Debt Service	1,500,000	-	-	-	1,500,000
Tax Stabilization Program	3,200,000	-	-	-	3,200,000
Assigned to:					
Various Capital Projects					
Subsequent Year's					
Budget:					
General Government	50,854	-	-	-	50,854
Public Safety	150,283	-	-	-	150,283
Public Works	330,561	-	-	-	330,561
Health and Welfare	2,355	-	-	-	2,355
Culture and Recreation	45,102	-	-	-	45,102
Education	365,583	-	-	-	365,583
Unassigned	38,797,428	(5,494,538)	-	-	33,302,890
Total Fund Balances	<u>\$ 45,826,584</u>	<u>\$ (5,494,538)</u>	<u>\$ 2,117,678</u>	<u>\$ 6,888,006</u>	<u>\$ 49,337,730</u>

Significant encumbrances of \$944,737, \$517,002, and \$14,598 are included in the General Fund, Sewer Operating Fund, and nonmajor governmental fund Recreation, respectively, at June 30, 2023.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

**Pension Trust Fund**

**A. Plan Description and Benefits Provided**

The Town is the administrator of two single-employer, defined benefit pension plans, the Town Plan and Board of Education Plan. Plan provisions are established and amended by the Town Council and Board of Education. The first plan includes the following groups of Town employees: management, police union, Town Hall union, highway union, pollution union, library, and dispatchers' union. The second plan covers Board of Education management, custodians, secretaries, and nurses. The two pension plans are part of the Town's financial reporting entity and are accounted for as pension trust funds. The plans do not issue separate, stand-alone financial reports.

Management of the plans rests with the Pension Committee, which consists of nine members. The Pension Committee is comprised of the Town Manager, Finance Director, the Mayor or designee, two members of the Town Council appointed by the Town Council, two Town employees appointed by the Town Manager, and two committee members representing the Town Board of Education. The Pension Committee members appointed by the Town Council are appointed for two-year terms, except that the terms shall expire concurrent with their term of office or when they leave their council position.

As of July 1, 2023, the plans' membership consisted of:

	Town Plan	Board of Education Plan
Retirees and Beneficiaries Currently Receiving Benefits	101	81
Terminated Members Entitled to Benefits But Not Yet Receiving Them	18	22
Current Active Members	52	50
Total	<u>171</u>	<u>153</u>

**B. Summary of Significant Accounting Policies and Plan Asset Matters**

**Basis of Accounting**

The pension trust funds' financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due, pursuant to formal commitments and contractual requirements, and investment income is recognized when earned. Expenses (benefits and administration) are recognized when due and payable in accordance with the terms of each plan.

**Valuation of Investments**

Investments are valued at fair value, based upon quoted market prices. Securities traded on national exchanges are valued at the last reported sales price.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**C. Benefit Provisions**

Town Plan

Employees become eligible to participate in the plan upon completing one year of continuous service, attaining age 21, and agreeing in writing to make required employee contributions. Police officers are 100% vested after completing 10 years of continuous service. Highway, dispatchers, pollution union, town hall, management, and library employees are 100% vested after completing five years of continuous service. Plan is now closed to newly hired employees.

Board of Education Plan

Employees become eligible to participate in the plan upon completing one year of continuous service, attaining age 21, and agreeing in writing to make required employee contributions. Employees are 100% vested after completing five years of continuous service. Plan is now closed to newly hired employees.

**D. Funding Policy**

Employer Contributions

The Town is required to contribute amounts necessary to fund benefits. The Town's contributions to both plans are actuarially determined on an annual basis using the entry age normal cost method. For both plans, administrative costs are generally financed through investment earnings.

Employee Contributions

Required employee contribution rates under the Town Plan are 7.75% of covered payroll for police employees, 6% for dispatchers, and 4.5% for all other employees. Participants in the Board of Education Plan contribute 4.5% of covered payroll.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**E. Investments**

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Committee by a majority vote of its members. It is the policy of the Pension Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2023:

<u>Asset Class</u>	<u>Targeted Allocation</u>
US Core Fixed Income (Aggregate)	23.50 %
US TIPS (Inflation-Indexed Bonds)	1.23
US Bank/Leveraged Loans	1.50
Global Bonds	2.50
US Large Cap Equity	16.00
US Large & Mid Cap Growth Equity	4.00
US Large & Mid Cap Value Equity	6.50
US Small Cap Equity	9.00
Non-US Equity	28.00
Global REITs	5.85
Infrastructure - Public	0.70
Commodities	1.22
Total	<u>100.00 %</u>

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments for the Town and Board of Education plans, net of pension plan investment expense, were 9.38% and 9.39%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**F. Net Pension Liability of the Town**

The components of the net pension liability of the Town and Board of Education plans at June 30, 2023, were as follows:

	Town	Board of Education
Total Pension Liability	\$ 54,810,588	\$ 21,687,847
Plan Fiduciary Net Position	39,077,157	17,976,958
Net Pension Liability	<u>\$ 15,733,431</u>	<u>\$ 3,710,889</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.29%	82.89%

**Actuarial Assumptions**

The total pension liability for the Town and Board of Education plans were determined by an actuarial valuation as of July 1, 2022, rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.0%, Average, Including Inflation
Investment Rate of Return	6.00% for the Town and Board of Education, Net of Pension Plan Investment Expense, Including Inflation
Amortization Period	22 Years, Closed

Mortality rates were based on the PubS-2010 for Police and PubG-2010 for all others, Mortality Table with generational projection per the MP-2021 ultimate scale.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**F. Net Pension Liability of the Town (Continued)**

**Long-Term Expected Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return included in the pension plan's target asset allocation as of June 30, 2023, (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return	
	Town	Board of Education
US Core Fixed Income (Aggregate)	1.84 %	1.84 %
US TIPS (Inflation-Indexed Bonds)	1.19	1.19
US Bank/Leveraged Loans	3.51	3.51
Global Bonds	(0.10)	(0.10)
US Large Cap Equity	4.08	4.08
US Large & Mid Cap Growth Equity	3.77	3.77
US Large & Mid Cap Value Equity	3.93	3.93
US Small Cap Equity	4.65	4.65
Non-US Equity	6.06	6.06
Global REITs	4.57	4.57
Infrastructure - Public	3.68	3.68
Commodities	1.18	1.18

**Discount Rate**

The discount rate used to measure the total pension liability for the Town and Board of Education plans was 6.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' 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.

The discount rate of 6.00% for the Town and Board of Education plans as of June 30, 2023, changed from 6.25% as of June 30, 2022.



**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**F. Net Pension Liability of the Town (Continued)**

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

The following presents the net pension liability of the Town and Board of Education, calculated using the discount rate of 6.00%, as well as what the Town and Board of Education's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point-lower or 1-percentage-point-higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Town's Net Pension Liability	\$ 22,138,075	\$ 15,733,431	\$ 10,347,063
Board of Education's Net Pension Liability	6,088,530	3,710,889	1,674,994

**Changes in the Net Pension Liability**

	Town Pension Plan Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - July 1, 2022	\$ 52,304,133	\$ 36,512,372	\$ 15,791,761
Changes for the Year:			
Service Cost	648,613	-	648,613
Interest on Total Pension Liability	3,221,417	-	3,221,417
Differences Between Expected and Actual Experience	767,243	-	767,243
Changes in Assumptions	732,714	-	732,714
Employer Contributions	-	1,766,211	(1,766,211)
Member Contributions	-	271,565	(271,565)
Net Investment Income	-	3,459,016	(3,459,016)
Benefit Payments, Including Refund to Employee Contributions	(2,863,532)	(2,863,532)	-
Administrative Expenses	-	(68,475)	68,475
Net Changes	2,506,455	2,564,785	(58,330)
Balances - June 30, 2023	<u>\$ 54,810,588</u>	<u>\$ 39,077,157</u>	<u>\$ 15,733,431</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**F. Net Pension Liability of the Town (Continued)**

**Changes in the Net Pension Liability (Continued)**

	Board of Education Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - July 1, 2022	\$ 20,973,532	\$ 16,764,784	\$ 4,208,748
Changes for the Year:			
Service Cost	433,979	-	433,979
Interest on Total Pension Liability	1,304,303	-	1,304,303
Differences Between Expected and Actual Experience	(171,113)	-	(171,113)
Changes in Assumptions	241,060	-	241,060
Employer Contributions	-	637,460	(637,460)
Member Contributions	-	149,450	(149,450)
Net Investment Income (Loss)	-	1,564,015	(1,564,015)
Benefit Payments, Including Refund to Employee			
Contributions	(1,093,914)	(1,093,914)	-
Administrative Expenses	-	(44,837)	44,837
Net Changes	714,315	1,212,174	(497,859)
Balances - June 30, 2023	<u>\$ 21,687,847</u>	<u>\$ 17,976,958</u>	<u>\$ 3,710,889</u>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2023, the Town and Board of Education pension plans recognized pension expense of \$4,120,886 and \$1,340,775, respectively. At June 30, 2023, the Town and Board of Education pension plans reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Town	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 644,512	\$ -
Changes of Assumptions	571,721	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	1,156,460	-
Total	<u>\$ 2,372,693</u>	<u>\$ -</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**F. Net Pension Liability of the Town (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

	Board of Education	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 82,239	\$ 118,371
Changes of Assumptions	408,874	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	564,715	-
Total	<u>\$ 1,055,828</u>	<u>\$ 118,371</u>

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

<u>Year Ending June 30,</u>	Town	Board of Education
2024	\$ 1,290,160	\$ 399,021
2025	(90,198)	(16,040)
2026	1,413,671	659,960
2027	(240,940)	(105,484)
Total	<u>\$ 2,372,693</u>	<u>\$ 937,457</u>

**G. Combining Financial Statements**

	Town Plan	Board of Education Plan	Other Post Employment Benefit Trust Fund	Total
Assets:				
Cash and Cash Equivalent	\$ 335,447	\$ 176,522	\$ 26,739	\$ 538,708
Investments, at Fair Value:				
Mutual Funds	38,741,710	\$ 17,800,436	4,611,039	61,153,185
Total Assets	<u>\$ 39,077,157</u>	<u>\$ 17,976,958</u>	<u>\$ 4,637,778</u>	<u>\$ 61,691,893</u>
Net Position Restricted for Pension Benefits	<u>\$ 39,077,157</u>	<u>\$ 17,976,958</u>	<u>\$ 4,637,778</u>	<u>\$ 61,691,893</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Trust Fund (Continued)**

**G. Combining Financial Statements (Continued)**

	Town Plan	Board of Education Plan	Other Post Employment Benefit Trust Fund	Total
Additions:				
Contributions:				
Employer	\$ 1,766,211	\$ 637,460	\$ 1,001,919	\$ 3,405,590
Employee	271,565	149,450	-	421,015
Total Contributions	<u>2,037,776</u>	<u>786,910</u>	<u>1,001,919</u>	<u>3,826,605</u>
Investment Income:				
Net Change in Fair Value of Investments	<u>3,459,016</u>	<u>1,564,015</u>	<u>412,053</u>	<u>5,435,084</u>
Total Additions	5,496,792	2,350,925	1,413,972	9,261,689
Deductions:				
Benefits	2,863,532	1,093,914	854,513	4,811,959
Administration	68,475	44,837	33,669	146,981
Total Deductions	<u>2,932,007</u>	<u>1,138,751</u>	<u>888,182</u>	<u>4,958,940</u>
Changes in Net Position	2,564,785	1,212,174	525,790	4,302,749
Net Position - Beginning of Year	<u>36,512,372</u>	<u>16,764,784</u>	<u>4,111,988</u>	<u>57,389,144</u>
Net Position - End of Year	<u><u>\$ 39,077,157</u></u>	<u><u>\$ 17,976,958</u></u>	<u><u>\$ 4,637,778</u></u>	<u><u>\$ 61,691,893</u></u>

**Connecticut Teachers Retirement System – Pension**

**A. Plan Description**

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

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

**B. Benefit Provisions**

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

**Normal Retirement**

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

**Early Retirement**

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

**Disability Retirement**

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

**C. Contributions**

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

**Employer (School Districts)**

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

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

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the State was \$13,454,825 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

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

**C. Contributions (Continued)**

Employees

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

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

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

At June 30, 2023, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	170,653,861
Total	<u><u>\$ 170,653,861</u></u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. At June 30, 2023, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2023, the Town recognized pension expense and revenue of \$16,493,886 in Exhibit II.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

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

**E. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

- Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.

**Cost-of-Living Allowance**

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

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

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

**E. Actuarial Assumptions (Continued)**

Cost of Living Allowance (Continued)

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

Long-Term Rate of Return

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

Asset Class	Expected Return	Target Allocation
Domestic Equity Fund	5.40 %	20.00 %
Developed Market Intl. Stock Fund	6.40	11.00
Emerging Market Intl. Stock Fund	8.60	9.00
Core Fixed Income Fund	0.80	13.00
Inflation Linked Bond Fund	6.50	5.00
Emerging Market Debt Fund	3.80	5.00
High Yield Bond Fund	3.40	3.00
Real Estate Fund	5.20	19.00
Private Equity	9.40	10.00
Alternative Investments	3.10	3.00
Liquidity Fund	(0.40)	2.00
Total		100.00 %



**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

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

**F. Discount Rate**

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

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

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

**H. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

**I. Other Information**

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

**Defined Contribution Plan**

**A. Plan Description**

The Town is the administrator of a single-employer, defined contribution pension plan, the Town of South Windsor Employee Benefit Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Plan covers Town nonbargaining unit employees, members of the Police Union hired after July 1, 2005, and members of the Public Works, Community Service Officers, and Pollution Control Unions hired after July 1, 2008.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Defined Contribution Plan (Continued)**

**B. Plan Provisions**

Town nonbargaining unit employees, members of the Police Union hired after July 1, 2005, and members of the Public Works, Community Service Officers, and Pollution Control Unions hired after July 1, 2008, who have completed a 12-month period of service shall be eligible to participate in the Plan at the beginning of the payroll period next commencing thereafter. There is no minimum age requirement. For Police, Public Works, Community Service Officers, and Pollution Control Union members, benefits vest 20% per year, reaching 100% after five years of participation. For Town nonbargaining unit employees, benefits vest 100% upon eligibility of the employee. Plan provisions and the authority to amend the provisions are established by the Town Council.

**C. Contribution Requirements and Contributions Made**

The employer contribution for members of the Police Union hired after July 1, 2005, and Public Works, Community Service Officers, and Pollution Control Unions hired after July 1, 2008, is 6.0% of earnings. The total Town contribution during the year ended June 30, 2023, for these groups was \$297,973 and represented 6.0% of covered payroll. The employees' contributions were \$343,491 and represented the required 6.0% of covered payroll plus any additional contributions up to the IRS allowable maximum. The employer contribution for Town management group employees is 12.07% of earnings. The total Town contribution during the year ended June 30, 2023, for this group was \$494,735 and represented 12.07% of covered payroll. The employees required contributions were \$193,527 and represented 4.5% of covered payroll. The authority to establish and amend contribution requirements is by the Town Council.

**D. Employer and Employee Obligations**

Members are required to contribute between 4.5% and 6.0% of their annual earnings. The Town is required to contribute between 6.0% and 12.07% of the members' annual earnings.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS**

**OPEB Plan**

**A. Plan Description**

The Town, in accordance with various collective bargaining agreements, provides retiree medical benefits for the lifetime of the retired member and covered dependents. The plan is a single-employer plan that covers Police, Town, Teachers, and Board of Education employees as further defined in collective bargaining agreements and other written materials. Eligibility and premium sharing information is detailed in the various collective bargaining agreements. The Town does not issue separate stand-alone financial statements for the plan.

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2021, actuarial valuation, the entry age normal actuarial cost method was used. The ADC reflects a closed period, level dollar amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 6.25% investment rate of return and inflation rate of 2.50%.

Management of the postemployment benefit plan is vested with the Town Manager and the Finance Office. General oversight is provided by the Pension Committee, which consist of nine members.

At July 1, 2021, plan membership consisted of the following:

Active Members	813
Retired Members	88
Beneficiaries	6
Spouses of Retired Members	43
Total Participants	<u>950</u>

**B. Funding Policy**

The Town currently pays for postemployment healthcare benefits on a pay-as-you-go basis. The Town has established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which is reported as a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the Town have also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums. The funding strategy for postemployment obligations is based on the following:

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Plan (Continued)**

**B. Funding Policy (Continued)**

Teachers and Administrators

- Those individuals retired under the Connecticut State Teachers Retirement system shall be eligible to receive health benefits for self and spouse.
- Earliest of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.
- 100% of premium is paid by retiree.

Board of Education SWESS (Support Staff), BOE Nonunion, BOE Custodians/Maintenance, BOE Food-Service Staff, and BOE Nurses

- A retired member shall be eligible to continue health benefits (medical only for Custodians/Maintenance and Nurses) for self and spouse.
- Retirement date is the later of age 62 or the completion of 10 years of service. Early retirement is the first of any month within 10 years of Normal Retirement Date.
- Nurses must be at least age 55 with 10 years of continuous service as a school nurse.
- 100% of premium is paid by retiree.

Police

- Completion of 25 years of service or attainment of age 50.
- The Town contributes 75% of the cost of the health insurance for members hired before July 1, 2006. Members hired after July 1, 2006, have the option of continuing medical benefits at their own expense. The retiree shall contribute the remainder of the cost. Coverage is pre-65 only.
- In the event of an employee's death in the line of duty, the Town shall contribute 100% of the health insurance cost coverage for spouse and dependents. Such contribution shall not exceed a period of 12 months.

Town Hall Union and Nonbargaining (Management and Library)

- Retired employees with at least 10 years of service shall be eligible to continue health coverage at the Town's group rates.
- Retirement eligibility is age 62 for Town Hall and Management employees and age 65 for the Library.
- 100% of premium is paid by retiree.

Town (Pollution Union, Dispatchers and Public Works)

- Retired employees with attainment of age 60 may continue health coverage at the Town group rates.
- 100% of premium is paid by retiree.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Plan (Continued)**

**C. Investments**

Investment Policy

OPEB Benefit Plan's policy in regard to the allocation of invested assets is established and may be amended by the trust document. It is the policy of the Pension Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Town's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 9.80%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**D. Net OPEB Liability of the Town**

The Town's net OPEB liability was measured at June 30, 2023. The components of the net OPEB liability of the Town at June 30, 2023, were as follows:

	<u>OPEB Plan</u>
Total OPEB Liability	\$ 14,562,106
Plan Fiduciary Net Position	4,637,778
Net OPEB Liability	<u>\$ 9,924,328</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	31.85%
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Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2021, rolled forward to June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	Graded by Age for Teachers and Administrators; 3.00% for all Others
Investment Rate of Return	6.25%
Healthcare Cost Trend Rates	Varies By Year
Amortization Method	Level Dollar Closed, 23 Years

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Plan (Continued)**

**D. Net OPEB Liability of the Town (Continued)**

Actuarial Assumptions (continued)

Mortality rates were based on the PubS-2010 Mortality Table with generational projection per the MP-2014 ultimate scale police and PubG-2010 Mortality Table with generational projection per the MP-2014 ultimate scale for all others. This assumption includes a margin for mortality improvements in longevity beyond the valuation date.

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

Long-Term Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2023, are summarized in the following table:

Asset Class	Targeted Allocation	Long-Term Expected Real Rate of Return
US Core Fixed Income (Aggregate)	23.75 %	1.84 %
US TIPS (Inflation-Indexed Bonds)	1.58	1.19
US Bank/Leveraged Loans	1.75	3.51
Global Bonds	2.00	(0.10)
US Large Cap Equity	16.00	4.08
US Large & Mid Cap Growth Equity	4.00	3.77
US Large & Mid Cap Value Equity	6.50	3.93
US Small Cap Equity	9.00	4.65
Non-US Equity	28.00	5.84
Global REITs	4.95	4.57
Infrastructure - Public	0.90	3.68
Commodities	1.57	1.18
Total	100.00 %	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Plan (Continued)**

**E. Changes in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balances - July 1, 2022	\$ 13,703,712	\$ 4,111,988	\$ 9,591,724
Changes for the Year:			
Service Cost	253,043	-	253,043
Interest on Total Pension Liability	845,998	-	845,998
Differences Between Expected and Actual Experience	-	-	-
Changes in Assumptions	613,866	-	613,866
Employer Contributions	-	1,001,919	(1,001,919)
Net Investment Income (Loss)	-	412,053	(412,053)
Benefit Payments	(854,513)	(854,513)	-
Administrative Expenses	-	(33,669)	33,669
Net Changes	858,394	525,790	332,604
Balances - June 30, 2023	<u>\$ 14,562,106</u>	<u>\$ 4,637,778</u>	<u>\$ 9,924,328</u>

The liability changes include assumption changes to the discount rate, the healthcare cost rate, and annual salary increases.

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point-lower (5.25%) or 1-percentage-point-higher (7.25%) than the current discount rate:

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net OPEB Liability	\$ 11,189,388	\$ 9,924,328	\$ 8,802,786

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Plan (Continued)**

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

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

	1% Decrease (2.90% - 5.60%)	Current Trend Rate (3.90% - 6.60%)	1% Increase (4.90% - 7.60%)
Net OPEB Liability	\$ 8,456,439	\$ 9,924,328	\$ 11,617,409

**H. OPEB Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to OPEB**

For the year ended June 30, 2023, the Town recognized OPEB expense of \$1,006,811. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 3,428,429	\$ 870,329
Changes of Assumptions or Other Inputs	654,067	2,090,925
Net Difference Between Projected and Actual Earning	137,774	-
Total	<u>\$ 4,220,270</u>	<u>\$ 2,961,254</u>

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

<u>Year Ending June 30,</u>	
2024	\$ 116,687
2025	103,126
2026	270,778
2027	343,389
2028	140,226
Thereafter	284,810
Total	<u>\$ 1,259,016</u>



**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Connecticut State Teachers Retirement Plan**

**A. Plan Description**

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

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

**B. Benefit Provisions**

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue healthcare coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of \$440 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 \$440 per month towards coverage under a local school district plan.

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

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Connecticut State Teachers Retirement Plan (Continued)**

**B. Benefit Provisions (Continued)**

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

**C. Eligibility**

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Connecticut State Teachers Retirement Plan (Continued)**

**D. Contributions**

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the State was \$190,304 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

At June 30, 2023, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	14,945,364
Total	<u>\$ 14,945,364</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Connecticut State Teachers Retirement Plan (Continued)**

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

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2022. At June 30, 2023, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2023, the Town recognized OPEB expense and revenue of \$900,868 in Exhibit II.

**F. Actuarial Assumptions**

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

Inflation	2.50%
Healthcare Costs Trend Rate	Know increases until calendar year 2024 then general trend decreasing to an ultimate Rate of 4.50% by 2031
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	3.53%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position Will be Depleted	2027

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

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2011 - June 30, 2019.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Connecticut State Teachers Retirement Plan (Continued)**

**F. Actuarial Assumptions (Continued)**

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

- Discount rate changed from 2.17% to 3.53%.
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience.
- The assumed age-related annual percentage increases in expected annual per capita health care claim costs were updated;
- Long-term health care cost trend rates were updated; and
- The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.

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

- There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$400.

**Long-Term Expected Rate of Return**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.98%).

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Connecticut State Teachers Retirement Plan (Continued)**

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.53%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2022.

In addition to the actuarial methods and assumptions of the June 30, 2022, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

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

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

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

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

**I. OPEB Plan Fiduciary Net Position**

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

**J. Other Information**

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 11 RISK MANAGEMENT**

The Town is exposed to various risks of loss including torts; public official liabilities; police liability; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Generally, the Town obtains commercial insurance for these risks, but has chosen to retain the risk for the Town and Board of Education employees' medical claims. This fund is reported as an Internal Service Fund. During the year, deductibles paid by the Town were insignificant. Settled claims have not exceeded insurance in any of the past three years. There were no significant reductions in insurance coverage from amounts held the prior year.

Town health benefits are provided through an Internal Service Fund. The Self Insurance Reserve Fund accounts for medical claim activity and service fees on a self-insured basis. Town liability is limited through the purchase of Individual Stop Loss (ISL) and that caps the Town's liability annually to \$200,000 per participant. Anthem and Delta Dental are the Town's medical providers and administer payment of claims directly to providers. The town works with a consultant to analyze claims, calculate the incurred but not reported (IBNR) claims liability at year-end as well as advise the town on all health-related issues throughout the year.

An analysis of the activity in the claims liability for the medical insurance fund is as follows:

	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
Medical Insurance Fund:				
2021 - 2022	\$ 789,540	\$ 14,267,292	\$ 13,972,832	\$ 1,084,000
2022 - 2023	1,084,000	15,059,367	15,403,467	739,900

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies, which was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et seq. of the Connecticut General Statutes.

The Town is a member of CIRMA's Liability-Automobile-Property Pool, a risk-sharing pool. The Liability-Automobile-Property Pool provides general liability, automobile liability, employee benefit liability, public officials, and property coverage. The premium is subject to these coverages, and claims and expense payments falling within the deductible amounts are the responsibility of the Town. CIRMA's Liability-Automobile-Property Pool retains \$1,000,000 per occurrence for each line of liability coverage.

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 11 RISK MANAGEMENT (CONTINUED)**

The Town is also a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30, and 42 months after the effective date of coverage. CIRMA's Workers' Compensation Pool retains \$1,000,000 per occurrence and purchases reinsurance above that amount to the limit of liability of \$10 million per occurrence.

**NOTE 12 CONTINGENT LIABILITIES**

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by counsel to be likely to result in a judgment or judgments that would materially affect the Town's financial position.

**NOTE 13 TAX ABATEMENTS**

The Town has entered into multiple tax abatement agreements with developers and real property owners in order to assist in the economic development of the Town. The Town has agreed to provide a reduction to the real property assessments for a period of time to offset the cost of developing the area pursuant to Chapter 203 of the Connecticut General Statutes. The Town reduced its property tax revenue by \$1,643,524 for the year ended June 30, 2023.



## **REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**BUDGET AND ACTUAL – BUDGETARY BASIS**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
<b>REVENUES</b>				
Property Taxes:				
Current Taxes	\$ 114,348,097	\$ 114,348,097	\$ 114,864,847	\$ 516,750
Delinquent Taxes	600,000	600,000	747,550	147,550
Supplemental Motor Vehicles	1,000,000	1,000,000	1,235,298	235,298
Interest	600,000	600,000	478,916	(121,084)
Liens	5,000	5,000	3,168	(1,832)
Housing Authority - Pilot (in Lieu of Taxes)	33,000	33,000	31,835	(1,165)
Telephone Access Relief	35,000	35,000	36,414	1,414
Total Property Taxes	116,621,097	116,621,097	117,398,028	776,931
Intergovernmental:				
State Assistance - Education:				
Education Equalization	10,800,000	10,800,000	11,524,743	724,743
Other Assistance:				
Property Tax Reimbursements	1,460,591	1,460,591	1,460,591	-
Elderly Tax Freeze	-	-	2,210	2,210
State in Lieu of Taxes	142,250	142,250	142,250	-
DOT Elderly Transportation	33,444	33,444	32,951	(493)
FEMA Reimbursements	-	-	263	263
State Sundry Grants	25,000	25,000	17,873	(7,127)
Youth Service Grants	20,746	20,746	20,798	52
Municipal Stabilization	57,854	57,854	57,854	-
Municipal Grants-In-Aid	1,776,486	1,776,486	2,187,387	410,901
Veterans' Exemption	14,000	14,000	11,156	(2,844)
Total Intergovernmental	14,330,371	14,330,371	15,458,076	1,127,705
Charges for Services:				
Public Works Compost Revenue	75,000	75,000	123,014	48,014
Building Permits	800,000	800,000	1,268,186	468,186
Town Manager's Rents	9,600	9,600	3,832	(5,768)
Probate Court Rentals	8,000	8,000	12,295	4,295
Town Clerk Fees	750,000	750,000	670,503	(79,497)
Planning and Zoning Fees	20,000	20,000	23,237	3,237
General Government Sundry	250,000	250,000	240,477	(9,523)
Police	20,000	20,000	19,321	(679)
Recycling Rebate	500	500	3,422	2,922
Health Permits	25,000	25,000	36,500	11,500
Engineering Permits	9,000	9,000	21,220	12,220
Zoning Board of Appeals	1,000	1,000	-	(1,000)
Refuse and Recycling	70,000	70,000	101,180	31,180
Fire Marshal Fees	100,000	100,000	128,040	28,040
Total Charges for Services	2,138,100	2,138,100	2,651,227	513,127
Investment Earnings	100,000	100,000	2,790,103	2,690,103
Other Revenues:				
Cancellation of Prior Year Encumbrances	-	-	142,285	142,285
Total Revenues	133,189,568	133,189,568	138,439,719	5,250,151

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL – BUDGETARY BASIS (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
<b>OTHER FINANCING SOURCES</b>				
Transfers In:				
Sewer Operating	\$ 45,000	\$ 45,000	\$ 45,000	\$ -
Library Funds	14,000	14,000	5,543	(8,457)
Transfer Budget	200,000	200,000	-	(200,000)
Fund Balance Appropriation	500,000	500,000	-	(500,000)
Total Other Financing Sources	<u>759,000</u>	<u>759,000</u>	<u>50,543</u>	<u>(708,457)</u>
 Total Revenues and Other Financing Sources	<u>\$ 133,948,568</u>	<u>\$ 133,948,568</u>	138,490,262	<u>\$ 4,541,694</u>
 Budgetary revenues are different from GAAP revenues because:				
Premiums on bond issuance not budgeted			1,759,519	
Special Ed Reserve revenue not budgeted			23,030	
Cancellation of prior year encumbrances			(142,285)	
State of Connecticut on-behal payment to the State Teachers'				
Retirement System for Town teachers not budgeted - OPEB			190,304	
State of Connecticut on-behal payment to the State Teachers'				
Retirement System for Town teachers not budgeted - Pension			<u>13,454,825</u>	
 Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 153,775,655</u>	

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL – BUDGETARY BASIS  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over) Under
<b>EXPENDITURES</b>				
General Government:				
Legislative:				
Town Council	\$ 195,763	\$ 175,208	\$ 170,418	\$ 4,790
Boards and Commissions:				
Human Relations Commission	2,500	2,500	2,499	1
Historic District Commission	1,000	1,000	205	795
Public Building Commission	2,050	2,050	1,521	529
South Windsor Redevelopment Agency	1,000	1,000	-	1,000
Inland/Wetlands - Conservation	6,455	6,455	3,426	3,029
Land Preservation Advisory	300	300	-	300
Open Space Task Force	500	500	-	500
Juvenile Firesetter Commission	1,000	1,000	500	500
Park and Recreation Commission	4,900	4,552	1,173	3,379
Planning and Zoning	10,500	10,500	10,180	320
Zoning Board of Appeals	3,200	3,200	724	2,476
Economic Development Coordinator	3,300	3,300	1,275	2,025
Total Boards and Commissions	36,705	36,357	21,503	14,854
Judicial:				
Probate Court	20,420	20,768	20,768	-
Elections:				
Registrar of Voters	191,544	178,791	177,290	1,501
Executive:				
Town Manager	258,556	266,534	263,735	2,799
Human Resources	281,319	293,896	292,300	1,596
Total Executive	539,875	560,430	556,035	4,395
Community Development:				
Economic Development	15,769	-	-	-
Planning Department	306,479	294,941	290,234	4,707
Building Department	365,203	369,641	359,922	9,719
Total Community Development	687,451	664,582	650,156	14,426
Finance:				
Assessor	332,857	312,857	310,132	2,725
Collector of Revenue	229,209	220,209	216,765	3,444
Finance Office	374,389	431,064	426,953	4,111
Total Finance	936,455	964,130	953,850	10,280
Recording and Reporting:				
Town Clerk	235,270	245,523	243,584	1,939
Law:				
Town Attorney	200,000	200,000	195,135	4,865

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL – BUDGETARY BASIS (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over) Under
<b>EXPENDITURES (CONTINUED)</b>				
General Government (Continued):				
Central Services:				
Town Hall	\$ 239,755	\$ 239,755	\$ 239,417	\$ 338
Information Technology	1,347,584	1,345,278	1,317,039	28,239
Media	54,777	54,777	52,631	2,146
Total Central Services	1,642,116	1,639,810	1,609,087	30,723
Total General Government	4,685,599	4,685,599	4,597,826	87,773
Public Safety:				
Police Protection:				
Police Administration	631,203	631,203	609,076	22,127
Operations	4,763,638	4,598,304	4,552,351	45,953
Support Services	2,308,511	2,344,760	2,327,344	17,416
Community Services	196,499	196,499	182,589	13,910
Total Police Protection	7,899,851	7,770,766	7,671,360	99,406
Fire Protection:				
Fire Marshal	314,171	314,171	302,537	11,634
Volunteer Fire Department	1,079,167	1,102,387	1,102,387	-
Hydrants and Water Lines	965,000	997,722	997,722	-
Total Fire Protection	2,358,338	2,414,280	2,402,646	11,634
Emergency Management	24,985	24,985	13,372	11,613
Other Protection:				
Street Lights	337,500	433,863	433,853	10
Total Public Safety	10,620,674	10,643,894	10,521,231	122,663
Public Works:				
Engineering:				
Technical Support	448,420	448,420	422,388	26,032
Street Services:				
Highway Maintenance	3,328,417	3,268,417	3,137,004	131,413
Fleet Services	1,108,106	1,108,106	1,078,941	29,165
Total Street Services	4,436,523	4,376,523	4,215,945	160,578
Public Buildings:				
Building Maintenance	1,986,462	1,946,462	1,814,166	132,296
Pollution Control:				
Refuse and Recycling	2,415,821	2,415,821	2,413,103	2,718
Total Public Works	9,287,226	9,187,226	8,865,602	321,624

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL – BUDGETARY BASIS (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over) Under
<b>EXPENDITURES (CONTINUED)</b>				
Human Services:				
Conservation of Health:				
Environmental Health	\$ 205,130	\$ 193,670	\$ 167,748	\$ 25,922
Visiting Nurse Community Care	7,500	7,500	-	7,500
Total Conservation of Health	212,630	201,170	167,748	33,422
Human Service Programs:				
Administration	115,109	131,869	130,794	1,075
Youth and Family Services	349,172	349,172	346,449	2,723
Adult and Senior Services	445,511	445,511	441,628	3,883
Senior Bus Service	131,122	131,122	124,184	6,938
Sheltered Workshops	5,000	5,000	5,000	-
Total Human Services Programs	1,045,914	1,062,674	1,048,055	14,619
Total Human Services	1,258,544	1,263,844	1,215,803	48,041
Culture and Recreation:				
Recreation Administration	2,465,857	2,465,857	2,321,669	144,188
Library	1,227,652	1,227,652	1,157,713	69,939
Total Culture and Recreation	3,693,509	3,693,509	3,479,382	214,127
Education	81,723,440	81,723,440	81,723,440	-
Insurance and Benefits:				
Municipal Insurance:				
Insurance - Casualty	320,058	359,283	359,283	-
Pension Contributions:				
Pension	2,581,617	2,740,712	2,597,229	143,483
Social Security	1,270,041	1,222,348	1,213,408	8,940
Total Pension Contributions	3,851,658	3,963,060	3,810,637	152,423
Health and Life Insurance	3,739,632	3,398,566	3,279,359	119,207
Workers' Compensation	397,522	392,522	391,936	586
Unemployment Compensation	20,000	45,000	40,170	4,830
Salary Contingency	50,000	220,439	220,438	1
Total Insurance and Benefits	8,378,870	8,378,870	8,101,823	277,047
Other:				
Contingency	155,000	126,480	3,190	123,290
South Windsor Patriotic Commission	13,500	13,500	6,455	7,045
Cemeteries	16,000	16,000	16,000	-
Wood Memorial Library	25,000	25,000	25,000	-
Total Other	209,500	180,980	50,645	130,335

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL – BUDGETARY BASIS (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over) Under
<b>EXPENDITURES (CONTINUED)</b>				
Debt Service:				
Principal	\$ 7,783,000	\$ 7,655,000	\$ 7,558,000	\$ 97,000
Interest	4,048,206	4,176,206	4,091,205	85,001
Total Debt Service	<u>11,831,206</u>	<u>11,831,206</u>	<u>11,649,205</u>	<u>182,001</u>
 Total Expenditures	131,688,568	131,588,568	130,204,957	1,383,611
<b>OTHER FINANCING USES</b>				
Transfer Out	<u>2,260,000</u>	<u>2,360,000</u>	<u>2,360,000</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	<u>\$ 133,948,568</u>	<u>\$ 133,948,568</u>	<u>132,564,957</u>	<u>\$ 1,383,611</u>
Budgetary expenditures are different from GAAP expenditures because:				
Special Ed Reserve expenditures not budgeted - combination of fund for GASB 54 purposes			791,000	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes			35,739	
Accrued payroll not budgeted			107,310	
State of Connecticut on-behal payment to the State Teachers' Retirement System for Town teachers not budgeted - OPEB			190,304	
State of Connecticut on-behal payment to the State Teachers' Retirement System for Town teachers not budgeted - Pension			<u>13,454,825</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 147,144,135</u>	

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)**  
**BUDGET AND ACTUAL – BUDGETARY BASIS**  
**SEWER OPERATING FUND**  
**YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
<b>REVENUES</b>				
Charges for Services	\$ 5,569,568	\$ 5,569,568	\$ 5,348,945	\$ (220,623)
Investment Income	50	50	27	(23)
Miscellaneous	114,000	114,000	142,044	28,044
Total Revenues	5,683,618	5,683,618	5,491,016	(192,602)
<b>EXPENDITURES</b>				
Full-Time Salaries	1,120,080	1,120,080	1,139,228	(19,148)
Overtime	121,533	121,533	105,229	16,304
Longevity	700	700	1,000	(300)
Employee Benefits	560,200	560,200	434,339	125,861
Office Supplies	2,000	2,000	1,497	503
Operating Material	149,950	149,950	126,651	23,299
Motor Vehicle Supplies	27,838	27,838	12,985	14,853
Uniforms and Clothing	15,750	15,750	10,139	5,611
Fleet and Equipment Repair	125,000	125,000	112,569	12,431
Professional	173,000	173,000	142,605	30,395
Rental and Leases	33,400	33,400	23,052	10,348
Utilities	501,000	501,000	893,438	(392,438)
Maintenance Contracts	931,200	931,200	871,438	59,762
Repair and Maintenance Equipment	34,300	34,300	22,240	12,060
Fees and Memberships	2,150	2,150	630	1,520
Recruitment and Training	23,400	23,400	16,765	6,635
Other Purchase Services	358,000	358,000	268,460	89,540
Capital Projects	75,000	75,000	58,252	16,748
Department Equipment	595,000	595,000	128,532	466,468
Boards and Commissions - Office Supplies	200	200	-	200
Boards and Commissions - Advertising	2,000	2,000	-	2,000
Boards and Commissions - Fees and Memberships	1,000	1,000	-	1,000
Debt Service	345,301	345,301	320,346	24,955
Total Expenditures	5,198,002	5,198,002	4,689,395	508,607.00
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	485,616	485,616	801,621	316,005



**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)**  
**BUDGET AND ACTUAL – BUDGETARY BASIS (CONTINUED)**  
**SEWER OPERATING FUND**  
**YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 25,000	\$ 25,000	\$ 23,970	\$ (1,030)
Transfers Out	(472,500)	(472,500)	(763,564)	(291,064)
Total Other Financing Sources (Uses)	(447,500)	(447,500)	(739,594)	(292,094)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 38,116</u>	<u>\$ 38,116</u>	62,027	<u>\$ 23,911</u>
Fund Balance - Beginning of Year			1,565,056	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 1,627,083</u>	
<b>RECONCILIATION TO GAAP BASIS</b>				
	Revenues	Expenditures		
Balance, Budgetary Basis - End of Year	\$ 5,491,016	\$ 4,689,395		
Accrued Payroll Not Budgeted	-	6,985		
Encumbrances Outstanding at Beginning of Year, Liquidated and Cancelled During the Current Year	(30,413)	4,679		
Encumbrances Charged to Budgetary Expenditures During the Current Year	-	(517,002)		
Balance, GAAP Basis - End of Year	<u>\$ 5,460,603</u>	<u>\$ 4,184,057</u>		

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**TOWN PLAN**  
**LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability:										
Service Cost	\$ 344,193	\$ 597,904	\$ 566,952	\$ 532,281	\$ 516,713	\$ 729,114	\$ 674,483	\$ 683,048	\$ 668,222	\$ 648,613
Interest	2,494,478	2,658,282	2,931,266	3,052,104	3,073,845	2,877,916	2,965,310	3,021,228	3,105,018	3,221,417
Differences Between Expected and Actual Experience	-	1,272,460	234,828	(996,542)	1,521,292	100,366	(393,226)	107,712	1,565,349	767,243
Changes of Assumptions	3,396,197	(1,861,513)	3,242,915	1,164,263	(4,354,897)	-	-	1,855,754	1,232,180	732,714
Benefit Payments, Including Refunds of Member Contributions	(1,680,365)	(1,591,710)	(1,796,252)	(1,797,376)	(2,050,807)	(2,445,686)	(2,267,474)	(2,591,268)	(2,693,469)	(2,863,532)
Administrative Expense	(75,832)	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	4,478,671	1,075,423	5,179,709	1,954,730	(1,293,854)	1,261,710	979,093	3,076,474	3,877,300	2,506,455
Total Pension Liability - Beginning	31,714,877	36,193,548	37,268,971	42,448,680	44,403,410	43,109,556	44,371,266	45,350,359	48,426,833	52,304,133
Total Pension Liability - Ending	36,193,548	37,268,971	42,448,680	44,403,410	43,109,556	44,371,266	45,350,359	48,426,833	52,304,133	54,810,588
Plan Fiduciary Net Position:										
Contributions - Employer	1,867,793	1,727,470	1,727,470	1,820,733	1,956,477	2,856,477	2,133,752	2,952,021	2,566,211	1,766,211
Contributions - Member	257,692	382,108	345,568	397,315	356,918	340,504	437,496	309,496	223,027	271,565
Net Investment Income (Loss)	3,279,002	70,803	(276,685)	2,772,961	2,256,287	911,856	1,230,917	9,682,823	(5,540,223)	3,459,016
Benefit Payments, Including Refunds of Member Contributions	(1,680,365)	(1,591,710)	(1,796,252)	(1,797,376)	(2,050,807)	(2,445,686)	(2,267,474)	(2,591,268)	(2,693,469)	(2,863,532)
Administrative Expense	(75,832)	(40,061)	(72,564)	(71,177)	(90,956)	(56,241)	(64,036)	(76,646)	(78,033)	(68,475)
Net Change in Plan Fiduciary Net Position	3,648,290	548,610	(72,463)	3,122,456	2,427,919	1,606,910	1,470,655	10,276,426	(5,522,487)	2,564,785
Plan Fiduciary Net Position - Beginning	18,906,056	22,654,346	23,202,956	23,130,493	26,252,949	28,680,868	30,287,778	31,758,433	42,034,859	36,512,372
Plan Fiduciary Net Position - Ending	22,554,346	23,202,956	23,130,493	26,252,949	28,680,868	30,287,778	31,758,433	42,034,859	36,512,372	39,077,157
Net Pension Liability - Ending	<u>\$ 13,639,202</u>	<u>\$ 14,066,015</u>	<u>\$ 19,318,187</u>	<u>\$ 18,150,461</u>	<u>\$ 14,428,688</u>	<u>\$ 14,083,488</u>	<u>\$ 13,591,926</u>	<u>\$ 6,391,974</u>	<u>\$ 15,791,761</u>	<u>\$ 15,733,431</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.32%	62.26%	54.49%	59.12%	66.53%	68.26%	70.03%	86.80%	69.81%	71.29%
Covered Payroll	\$ 4,749,846	\$ 4,716,701	\$ 4,716,701	\$ 4,540,844	\$ 4,177,838	\$ 5,634,675	\$ 5,548,107	\$ 5,078,360	\$ 5,089,679	\$ 4,644,460
Net Pension Liability as a Percentage of Covered Payroll	287.15%	298.22%	409.57%	399.72%	345.36%	249.94%	244.98%	125.87%	310.27%	338.76%

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**BOARD OF EDUCATION PLAN**  
**LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability:										
Service Cost	\$ 225,029	\$ 359,500	\$ 391,848	\$ 378,717	\$ 423,746	\$ 466,647	\$ 437,107	\$ 428,841	\$ 451,020	\$ 433,979
Interest	920,994	986,463	1,108,213	1,167,003	1,174,269	1,105,965	1,152,394	1,224,594	1,268,936	1,304,303
Differences Between Expected and Actual Experience	543,345	460,218	28,823	(566,948)	67,085	229,078	608,927	(90,391)	246,717	(171,113)
Changes of Assumptions	-	-	1,346,357	407,690	(1,226,220)	-	-	834,870	476,623	241,060
Benefit Payments, Including Refunds of Member Contributions	(655,604)	(599,078)	(642,569)	(710,700)	(795,949)	(950,919)	(1,222,131)	(1,015,549)	(1,064,897)	(1,093,914)
Administrative Expense	(43,468)	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	990,296	1,207,103	2,232,672	675,762	(357,069)	850,771	976,297	1,382,365	1,378,399	714,315
Total Pension Liability - Beginning	11,636,936	12,627,232	13,834,335	16,067,007	16,742,769	16,385,700	17,236,471	18,212,768	19,595,133	20,973,532
Total Pension Liability - Ending	12,627,232	13,834,335	16,067,007	16,742,769	16,385,700	17,236,471	18,212,768	19,595,133	20,973,532	21,687,847
Plan Fiduciary Net Position:										
Contributions - Employer	922,555	268,665	535,965	549,460	603,433	530,051	1,424,037	570,615	624,728	637,460
Contributions - Member	197,927	196,719	203,726	190,579	190,968	181,837	172,844	165,128	154,977	149,450
Net Investment Income (Loss)	1,681,148	30,643	(126,326)	1,390,852	1,093,561	495,218	600,459	4,504,993	(2,559,909)	1,564,015
Benefit Payments, Including Refunds of Member Contributions	(655,604)	(599,078)	(642,569)	(710,700)	(795,949)	(950,919)	(1,222,131)	(1,015,549)	(1,064,897)	(1,093,914)
Administrative Expense	(43,468)	(25,907)	(42,202)	(43,369)	(49,869)	(40,352)	(45,216)	(44,552)	(54,257)	(44,837)
Net Change In Plan Fiduciary Net Position	2,102,558	(128,958)	(71,406)	1,376,822	1,042,144	215,835	929,993	4,180,635	(2,899,358)	1,212,174
Plan Fiduciary Net Position - Beginning	10,016,519	12,119,077	11,990,119	11,918,713	13,295,535	14,337,679	14,553,514	15,483,507	19,664,142	16,764,784
Plan Fiduciary Net Position - Ending	12,119,077	11,990,119	11,918,713	13,295,535	14,337,679	14,553,514	15,483,507	19,664,142	16,764,784	17,976,958
Net Pension Liability (Asset) - Ending	<u>\$ 508,155</u>	<u>\$ 1,844,216</u>	<u>\$ 4,148,294</u>	<u>\$ 3,447,234</u>	<u>\$ 2,048,021</u>	<u>\$ 2,682,957</u>	<u>\$ 2,729,261</u>	<u>\$ (69,009)</u>	<u>\$ 4,208,748</u>	<u>\$ 3,710,889</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.98%	86.67%	74.18%	79.41%	87.50%	84.43%	85.01%	100.35%	79.93%	82.89%
Covered Payroll	\$ 3,085,477	\$ 3,122,271	\$ 3,122,271	\$ 3,274,814	\$ 3,133,452	\$ 3,897,575	\$ 4,003,396	\$ 3,779,805	\$ 3,705,922	\$ 3,684,165
Net Pension Liability as a Percentage of Covered Payroll	16.47%	59.07%	132.86%	105.27%	65.36%	68.84%	68.17%	-1.83%	113.57%	100.73%

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TOWN PLAN  
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 1,686,734	\$ 1,727,470	\$ 1,727,470	\$ 1,820,733	\$ 1,956,477	\$ 1,714,348	\$ 1,733,752	\$ 1,602,021	\$ 1,766,211	\$ 1,755,005
Contributions in Relation to the Actuarially Determined Contribution	<u>1,867,793</u>	<u>1,727,470</u>	<u>1,727,470</u>	<u>1,820,733</u>	<u>1,956,477</u>	<u>2,856,477</u>	<u>2,133,752</u>	<u>2,952,021</u>	<u>2,566,211</u>	<u>1,766,211</u>
Contribution Deficiency (Excess)	<u>\$ (181,059)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,142,129)</u>	<u>\$ (400,000)</u>	<u>\$ (1,350,000)</u>	<u>\$ (800,000)</u>	<u>\$ (11,206)</u>
Covered Payroll	\$ 4,749,846	\$ 4,716,701	\$ 4,716,701	\$ 4,540,844	\$ 4,177,838	\$ 5,634,675	\$ 5,548,107	\$ 5,078,360	\$ 5,089,679	\$ 4,611,460
Contributions as a Percentage of Covered Payroll	39.32%	36.62%	36.62%	40.10%	46.83%	50.69%	38.46%	58.13%	50.42%	38.30%

## Notes to Schedule:

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

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

## Methods and Assumptions Used to Determine

## Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Non-Asymptotic
Inflation	2.5%
Salary Increases Including Inflation	3%
Turnover	Graded Rates by Age and Gender
Investment Rate of Return	6.00%
Retirement Age	Graded Rates by Age and Group
Mortality	PubS-2010 (Police) and PubG-2010 (All Others) Mortality Table with generational projection per the MP-2021 ultimate scale.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
BOARD OF EDUCATION PLAN  
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 450,378	\$ 535,965	\$ 535,965	\$ 549,460	\$ 603,433	\$ 530,051	\$ 557,209	\$ 570,615	\$ 624,728	\$ 637,460
Contributions in Relation to the Actuarially Determined Contribution	922,555	268,665	535,965	549,460	603,433	530,051	1,424,037	570,615	624,728	637,460
Contribution Deficiency (Excess)	<u>\$ (472,177)</u>	<u>\$ 267,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (866,828)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 3,085,477	\$ 3,122,271	\$ 3,122,271	\$ 3,274,814	\$ 3,133,452	\$ 3,897,575	\$ 4,003,396	\$ 3,779,805	\$ 3,705,922	\$ 3,684,165
Contributions as a Percentage of Covered Payroll	29.90%	8.60%	17.17%	16.78%	19.26%	13.60%	35.57%	15.10%	16.86%	17.30%

## Notes to Schedule:

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

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

## Methods and Assumptions Used to Determine

## Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Non-Asymptotic
Inflation	2.5%
Salary Increases Including Inflation	3%
Turnover	Graded Rates by Age and Gender
Investment Rate of Return	6.00%
Retirement Age	Graded Rates by Age
Mortality	PubG-2010 Mortality Table with generational projection per the MP-2021 ultimate scale.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual Money-Weighted Rate of Return, Net of Investment Expense:										
Town Plan	16.37%	0.30%	-1.15%	11.54%	8.27%	3.09%	3.97%	29.94%	-13.05%	9.38%
Board of Education Plan	16.90%	0.26%	-1.07%	11.64%	8.31%	3.51%	3.93%	29.79%	-13.29%	9.39%

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Town's Proportion of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Proportionate Share of the Net Pension Liability	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability Associated with the Town	84,668,946	91,603,357	118,505,418	112,326,595	109,538,605	142,062,712	164,034,106	129,916,402	170,653,861
Total	<u>\$ 84,668,946</u>	<u>\$ 91,603,357</u>	<u>\$ 118,505,418</u>	<u>\$ 112,326,595</u>	<u>\$ 109,538,605</u>	<u>\$ 142,062,712</u>	<u>\$ 164,034,106</u>	<u>\$ 129,916,402</u>	<u>\$ 170,653,861</u>
Town's Covered Payroll	\$ 54,350,173	\$ 56,460,373	\$ 57,676,185	\$ 57,779,960	\$ 59,477,857	\$ 60,915,130	\$ 62,058,431	\$ 62,058,431	\$ 67,683,515
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%	49.24%	60.77%	54.06%

## Notes to Schedule:

Changes in Benefit Terms	Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	27.8 Years
Asset Valuation Method	4-Year Smoothed Fair Value
Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment Related Expense

## Notes:

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OPEB PLAN**  
**LAST SEVEN FISCAL YEARS**

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability:							
Service Cost	\$ 300,153	\$ 241,568	\$ 248,909	\$ 323,084	\$ 332,611	\$ 440,843	\$ 253,043
Interest	752,807	781,604	624,382	653,559	839,734	878,068	845,998
Differences Between Expected and Actual Experience	-	(2,610,995)	-	2,328,437	-	2,768,154	-
Changes of Assumptions	-	215,571	-	64,347	-	(2,588,765)	613,866
Benefit Payments, Including Refunds of Member Contributions	(566,113)	(600,465)	(499,040)	(531,909)	(712,671)	(712,671)	(854,513)
Net Change In Total OPEB Liability	486,847	(1,972,717)	374,251	2,837,518	459,674	785,629	858,394
Total OPEB Liability - Beginning	10,732,510	11,219,357	9,246,640	9,620,891	12,458,409	12,918,083	13,703,712
Total OPEB Liability - Ending	11,219,357	9,246,640	9,620,891	12,458,409	12,918,083	13,703,712	14,562,106
Plan Fiduciary Net Position:							
Contributions - Employer	880,974	915,326	755,791	763,348	1,055,879	1,055,879	1,001,919
Net Investment Income	11,450	27,212	79,090	122,082	1,054,505	(657,442)	412,053
Benefit Payments, Including Refunds of Member Contributions	(566,113)	(600,465)	(499,040)	(531,909)	(712,671)	(712,671)	(854,513)
Administrative Expense	(1,125)	(26,500)	(1,717)	(36,141)	(2,523)	(2,583)	(33,669)
Net Change In Plan Fiduciary Net Position	325,186	315,573	334,124	317,380	1,395,190	(316,817)	525,790
Plan Fiduciary Net Position - Beginning	1,741,352	2,066,538	2,382,111	2,716,235	3,033,615	4,428,805	4,111,988
Plan Fiduciary Net Position - Ending	2,066,538	2,382,111	2,716,235	3,033,615	4,428,805	4,111,988	4,637,778
Net OPEB Liability - Ending	<u>\$ 9,152,819</u>	<u>\$ 6,864,529</u>	<u>\$ 6,904,656</u>	<u>\$ 9,424,794</u>	<u>\$ 8,489,278</u>	<u>\$ 9,591,724</u>	<u>\$ 9,924,328</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.42%	25.76%	28.23%	24.35%	34.28%	30.01%	31.85%
Covered Employee Payroll	\$ 53,602,318	\$ 53,602,318	\$ 53,648,114	\$ 53,648,114	\$58,699,042	\$ 58,699,042	\$ 61,525,281
Net OPEB Liability as a Percentage of Covered Employee Payroll	17.08%	12.81%	12.87%	17.57%	14.46%	16.34%	16.13%

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



**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OPEB PLAN  
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 864,000	\$ 1,007,276	\$ 1,007,276	\$ 880,974	\$ 880,974	\$ 755,791	\$ 755,791	\$ 1,055,879	\$ 1,055,879	\$ 1,001,919
Contributions in Relation to the Actuarially Determined Contribution	927,000	1,007,276	1,025,696	880,974	915,326	755,791	763,348	1,055,879	1,055,879	1,001,919
Contribution Deficiency (Excess)	<u>\$ (63,000)</u>	<u>\$ -</u>	<u>\$ (18,420)</u>	<u>\$ -</u>	<u>\$ (34,352)</u>	<u>\$ -</u>	<u>\$ (7,557)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	N/A	\$ 51,315,810	\$ 51,315,810	\$ 53,602,318	\$ 53,602,318	\$ 53,648,114	\$ 53,648,114	\$ 58,699,042	\$ 58,699,042	\$ 61,525,281
Contributions as a Percentage of Covered Employee Payroll	N/A	1.96%	2.00%	1.64%	1.71%	1.41%	1.42%	1.80%	1.80%	1.63%

## Notes to Schedule:

Valuation Date July 1, 2021

Measurement date June 30, 2023

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

## Methods and Assumptions Used to Determine

## Contribution Rates:

Actuarial Cost Method

Inflation

Medical Trend Rate

Salary Increases Including Inflation

Entry Age Normal

2.50%

Varies By Year

Graded by Age for Teachers and Administrators; 3.00% for All Others.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB PLAN  
LAST SEVEN FISCAL YEARS**

	2017	2018	2019	2020	2021	2022	2023
Annual Money-Weighted Rate of Return, Net of Investment Expense	0.56%	1.15%	3.00%	4.19%	31.24%	-13.78%	9.80%

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

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

	2018	2019	2020	2021	2022	2023
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	28,911,595	21,897,445	22,155,482	24,465,693	14,154,154	14,945,364
Total	<u>\$ 28,911,595</u>	<u>\$ 21,897,445</u>	<u>\$ 22,155,482</u>	<u>\$ 24,465,693</u>	<u>\$ 14,154,154</u>	<u>\$ 14,945,364</u>
Town's Covered Payroll	\$ 57,779,960	\$ 59,477,857	\$ 60,915,130	\$ 62,058,431	\$ 64,043,289	\$ 67,683,515
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.79%	1.49%	2.08%	2.50%	6.11%	9.46%

## Notes to Schedule:

Changes in Benefit Terms	There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.
Changes of Assumptions	Based on the procedure described in GASB 74, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2022 was updated to equal the SEIR of 3.53% as of June 30, 2022;
	Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
	The assumed age-related annual percentage increases in expected annual per capita health care claims costs were updated;
	Long-term health care cost trend rates were updated; and the percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll Over an Open Period
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value of Assets
Investment Rate of Return	3.00%, Net of Investment Related Expense Including Price Inflation
Price Inflation	2.50%

## Notes:

- This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

**SUPPLEMENTAL COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

To account for the general operations of the Town, except those required to be accounted for in another fund.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
GENERAL FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 67,147,153	\$ 73,869,366
Property Taxes Receivable (Net of Allowance of \$255,347 in 2023 and \$277,820 in 2022)	854,857	930,092
Other Accounts Receivable	622,679	622,377
Due from Other Funds	56,423	44,390
Prepaid Items	<u>508,919</u>	<u>41,819</u>
Total Assets	<u>\$ 69,190,031</u>	<u>\$ 75,508,044</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 4,574,514	\$ 5,820,353
Due to Other Funds	<u>12,381,004</u>	<u>25,087,036</u>
Total Liabilities	16,955,518	30,907,389
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Revenue - Property Taxes	1,150,846	1,129,993
Advance Property Tax Collections	<u>5,257,083</u>	<u>4,275,598</u>
Total Deferred Inflows of Resources	6,407,929	5,405,591
<b>FUND BALANCE</b>		
Nonspendable	508,919	41,819
Restricted	875,499	1,643,469
Committed	4,700,000	3,200,000
Assigned	944,738	1,122,761
Unassigned	<u>38,797,428</u>	<u>33,187,015</u>
Total Fund Balance	<u>45,826,584</u>	<u>39,195,064</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 69,190,031</u>	<u>\$ 75,508,044</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING**  
**YEAR ENDED JUNE 30, 2023**

Grand List	Uncollected Taxes	Lawful Corrections		Transfers To	Adjusted Taxes	Collections			Uncollected Taxes
	July 1, 2022	Additions	Deductions	Suspense	Collectible	Taxes	Interest	Total	June 30, 2023
2021	\$ 116,747,250	\$ 467,840	\$ 404,663	\$ 4,277	\$ 116,806,150	\$ 116,190,259	\$ 251,868	\$ 116,442,127	\$ 615,891
2020	555,312	397,273	116,894	3,840	831,851	629,306	91,377	720,683	202,545
2019	420,701	30,918	163,283	3,376	284,960	232,654	73,524	306,178	52,306
2018	96,225	49,008	15,407	1,597	128,229	27,769	29,004	56,773	100,460
2017	53,252	22,731	12,772	325	62,886	(2,333)	10,281	7,948	65,219
2016	25,273	591	1,467	-	24,397	3,636	4,190	7,826	20,761
2015	17,185	112	1,440	-	15,857	833	1,264	2,097	15,024
2014	4,793	11	-	-	4,804	-	-	-	4,804
2013	4,441	-	-	-	4,441	-	-	-	4,441
2012	7,325	-	-	-	7,325	-	-	-	7,325
2011	4,892	-	-	-	4,892	-	-	-	4,892
2010	8,906	-	-	-	8,906	-	-	-	8,906
2009	4,801	-	-	-	4,801	610	391	1,001	4,191
2008	2,112	-	-	-	2,112	-	-	-	2,112
2007	1,327	-	-	-	1,327	-	-	-	1,327
2006	1,367	-	1,367	-	-	-	-	-	-
Total	<u>\$ 117,955,162</u>	<u>\$ 968,484</u>	<u>\$ 717,293</u>	<u>\$ 13,415</u>	<u>\$ 118,192,938</u>	<u>\$ 117,082,734</u>	<u>\$ 461,899</u>	<u>117,544,633</u>	<u>\$ 1,110,204</u>

Property Taxes Receivable Considered Available:

June 30, 2022

(161,636)

June 30, 2023

79,662

Total Property Tax Revenue

\$ 117,462,659

**NONMAJOR GOVERNMENTAL FUNDS**



## **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for proceeds of several revenue sources that are legally restricted to expenditures for specific purposes. The Town's special revenue funds are:

**Town Aid Road** – To account for improvements to Town roads funded by State funds.

**Small Cities** – To account for monies for the small cities grant program.

**Animal Control** – To account for the operation of animal control. Funding provided by license fees and fines.

**Town Hall Grants** – To account for monies for employee participation programs.

**Public Works Funds** – To account for road patch and special public works projects. Funded by Town appropriation and capital monies.

**Police Funds** – To account for revenues and expenditures related to services provided by the police department.

**Fees in Lieu of Open Space** – To account for development funds for specified Planning and Zoning projects.

**Library** – To account for monies received for acquisition of books, materials, and other related library services.

**Recreation** – To account for program activities administered by the Parks and Recreation Department that are funded by participation fees.

**BOE Funds** – To account for monies in a reserve for special education.

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

**Cafeteria** – To account for operation of public school food programs. Funding is provided from the sale of food, federal grants, and state grants.

**BOE Accommodations** – To account for medical and dental costs funded by Cobra participants.

**Scholarship Fund** – To account for monies in a reserve for student scholarships.

**High School Athletic Association** – To separately account for school athletic programs. Funding is through participation fees.

**Student Activities Fund** – To account for student activities and clubs within the school district.

**Human Services Fund** – To account for programs and activities administered by Adult & Senior Services and Youth & Family Services. Financing is provided by grants, fees, and contributions.

**Community Use of Buildings** – To account for user charges and expenditures associated with after school use of Board of Education facilities by outside organizations.

## **SPECIAL REVENUE FUNDS (CONTINUED)**

**Fire Marshall Fund** – To account for services and programs administered for fire prevention. Funding is provided by grants and donations.

**Regional Animal Shelter** – To account for the operation of a regional animal control facility. Funding provided by participation fees, grants, and donations.

**IT Reserve Fund** – To account for funds of participants of a regional Information Technology program.

**Health Grants Fund** – To account for monies for health-related programs.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	Special Revenue Funds							
	Town Aid Road	Small Cities	Animal Control	Town Hall Grants	Public Works Funds	Police Funds	Fees in Lieu of Open Space	Library
ASSETS								
Cash and Cash Equivalents	\$ -	\$ 7	\$ -	\$ -	\$ -	\$ 1,397	\$ -	\$ 106,982
Investments	-	-	-	-	-	-	-	196,175
Receivables:								
Accounts Receivable	-	-	-	89	1,332	-	-	-
Grants and Contracts Receivable	-	-	-	-	-	4,550	-	-
Due from Other Funds	718,118	-	101,054	220,498	77,662	134,612	75,387	-
Other Assets	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 718,118</u>	<u>\$ 7</u>	<u>\$ 101,054</u>	<u>\$ 220,587</u>	<u>\$ 78,994</u>	<u>\$ 140,559</u>	<u>\$ 75,387</u>	<u>\$ 303,157</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ -	\$ -	\$ 12,482	\$ 1,859	\$ -	\$ 416	\$ -	\$ -
Due to Other Funds	-	3	-	-	-	-	-	-
Unearned Revenue	-	-	-	7,749	-	35,000	-	-
Total Liabilities	-	3	12,482	9,608	-	35,416	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	718,118	4	-	210,979	78,994	105,143	-	-
Committed	-	-	88,572	-	-	-	75,387	303,157
Total Fund Balances	<u>718,118</u>	<u>4</u>	<u>88,572</u>	<u>210,979</u>	<u>78,994</u>	<u>105,143</u>	<u>75,387</u>	<u>303,157</u>
Total Liabilities and Fund Balances	<u>\$ 718,118</u>	<u>\$ 7</u>	<u>\$ 101,054</u>	<u>\$ 220,587</u>	<u>\$ 78,994</u>	<u>\$ 140,559</u>	<u>\$ 75,387</u>	<u>\$ 303,157</u>

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

	Special Revenue Funds							
	Recreation	BOE	Education Grants	Cafeteria	BOE Accommodations	Scholarship Fund	High School Athletic Association	Student Activities Fund
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 268,755	\$ 93,879	\$ 149,474	\$ 1,826,136	\$ 115,021	\$ 136,100	\$ -	\$ 484,807
Investments	-	-	-	-	-	-	-	-
Receivables:								
Accounts Receivable	-	-	-	-	5,474	-	-	2,010
Grants and Contracts Receivable	-	-	19,536	459,872	-	-	-	-
Due from Other Funds	945,548	-	305,319	-	-	-	11,613	-
Other Assets	11,503	-	1,889	38,752	-	-	-	-
Total Assets	<u>\$ 1,225,806</u>	<u>\$ 93,879</u>	<u>\$ 476,218</u>	<u>\$ 2,324,760</u>	<u>\$ 120,495</u>	<u>\$ 136,100</u>	<u>\$ 11,613</u>	<u>\$ 486,817</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable	\$ 129,944	\$ 5,103	\$ 19,873	\$ 219,738	\$ 110,180	\$ 23,999	\$ 2,975	\$ 28,498
Due to Other Funds	-	38,774	-	17,646	-	-	-	-
Unearned Revenue	351,695	-	-	108,222	2,243	-	-	-
Total Liabilities	481,639	43,877	19,873	345,606	112,423	23,999	2,975	28,498
<b>FUND BALANCES</b>								
Nonspendable	11,503	-	1,889	38,752	-	-	-	-
Restricted	-	-	454,456	1,940,402	-	112,101	8,638	458,319
Committed	732,664	50,002	-	-	8,072	-	-	-
Total Fund Balances	744,167	50,002	456,345	1,979,154	8,072	112,101	8,638	458,319
Total Liabilities and Fund Balances	<u>\$ 1,225,806</u>	<u>\$ 93,879</u>	<u>\$ 476,218</u>	<u>\$ 2,324,760</u>	<u>\$ 120,495</u>	<u>\$ 136,100</u>	<u>\$ 11,613</u>	<u>\$ 486,817</u>

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

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Human Services Fund	Community Use of Buildings	Fire Marshall Fund	Regional Animal Shelter	IT Reserve Fund	Health Grants Fund	
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ 3,182,758
Investments	-	-	-	-	-	-	196,175
Receivables:							
Accounts Receivable	-	3,445	-	-	-	-	12,350
Grants and Contracts Receivable	20,306	-	-	-	-	-	504,264
Due from Other Funds	705,102	310,930	70	96,074	410,698	20,336	4,133,021
Other Assets	-	-	-	-	-	-	52,144
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,144</u>
Total Assets	<u>\$ 725,408</u>	<u>\$ 314,375</u>	<u>\$ 70</u>	<u>\$ 96,274</u>	<u>\$ 410,698</u>	<u>\$ 20,336</u>	<u>\$ 8,080,712</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 53,039	\$ 399	\$ 70	\$ 3,732	\$ -	\$ -	\$ 612,307
Due to Other Funds	-	-	-	-	-	-	56,423
Unearned Revenue	-	-	-	-	-	19,067	523,976
Total Liabilities	<u>53,039</u>	<u>399</u>	<u>70</u>	<u>3,732</u>	<u>-</u>	<u>19,067</u>	<u>1,192,706</u>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	52,144
Restricted	672,369	-	-	92,542	-	1,269	4,853,334
Committed	-	313,976	-	-	410,698	-	1,982,528
Total Fund Balances	<u>672,369</u>	<u>313,976</u>	<u>-</u>	<u>92,542</u>	<u>410,698</u>	<u>1,269</u>	<u>6,888,006</u>
Total Liabilities and Fund Balances	<u>\$ 725,408</u>	<u>\$ 314,375</u>	<u>\$ 70</u>	<u>\$ 96,274</u>	<u>\$ 410,698</u>	<u>\$ 20,336</u>	<u>\$ 8,080,712</u>

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

	Special Revenue Funds							
	Town Aid Road	Small Cities	Animal Control	Town Hall Grants	Public Works Funds	Police	Fees in Lieu of Open Space	Library
REVENUES								
Intergovernmental	\$ 389,033	\$ -	\$ -	\$ -	\$ -	\$ 38,620	\$ -	\$ 29,138
Charges for Services and Assessments	-	-	19,812	35,873	-	49,789	9,166	6,421
Investment Earnings	-	-	-	-	-	25	-	33,184
Miscellaneous	-	-	-	1,919	10,098	-	-	23,428
Total Revenues	389,033	-	19,812	37,792	10,098	88,434	9,166	92,171
EXPENDITURES								
Current:								
General Government	-	-	-	24,265	-	-	-	-
Public Safety	-	-	12,662	-	-	72,923	-	-
Public Works	200,088	-	-	-	9,425	-	-	-
Human Services	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	45,365
Education	-	-	-	-	-	-	-	-
Total Expenditures	200,088	-	12,662	24,265	9,425	72,923	-	45,365
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	188,945	-	7,150	13,527	673	15,511	9,166	46,806
OTHER FINANCING USES								
Transfer Out	-	-	-	-	-	-	-	(5,543)
NET CHANGE IN FUND BALANCE	188,945	-	7,150	13,527	673	15,511	9,166	41,263
Fund Balances - Beginning of Year	529,173	4	81,422	197,452	78,321	89,632	66,221	261,894
FUND BALANCES - END OF YEAR	\$ 718,118	\$ 4	\$ 88,572	\$ 210,979	\$ 78,994	\$ 105,143	\$ 75,387	\$ 303,157

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

	Special Revenue Funds							
	Recreation	BOE	Education Grants	Cafeteria	BOE Accommodations	Scholarship Fund	High School Athletic Association	Student Activities Fund
REVENUES								
Intergovernmental	\$ -	\$ -	\$ 4,813,551	\$ 2,225,982	\$ -	\$ -	\$ -	\$ -
Charges for Services and Assessments	2,358,983	122,572	-	683,941	725,416	-	25,319	932,169
Investment Earnings	908	15	-	1,332	-	138	97	84
Miscellaneous	-	2,408	-	-	-	-	-	-
Total Revenues	2,359,891	124,995	4,813,551	2,911,255	725,416	138	25,416	932,253
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-
Culture and Recreation	2,140,236	-	-	-	-	-	-	-
Education	-	115,085	4,767,148	2,191,646	736,284	75,000	23,460	973,358
Total Expenditures	2,140,236	115,085	4,767,148	2,191,646	736,284	75,000	23,460	973,358
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	219,655	9,910	46,403	719,609	(10,868)	(74,862)	1,956	(41,105)
OTHER FINANCING USES								
Transfer Out	(23,970)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	195,685	9,910	46,403	719,609	(10,868)	(74,862)	1,956	(41,105)
Fund Balances - Beginning of Year	548,482	40,092	409,942	1,259,545	18,940	186,963	6,682	499,424
FUND BALANCES - END OF YEAR	\$ 744,167	\$ 50,002	\$ 456,345	\$ 1,979,154	\$ 8,072	\$ 112,101	\$ 8,638	\$ 458,319

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

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Human Services Fund	Community Use of Buildings	Fire Marshall Fund	Regional Animal Shelter	IT Reserve Fund	Health Grants Fund	
<b>REVENUES</b>							
Intergovernmental	\$ 100,074	\$ -	\$ -	\$ -	\$ 24,300	\$ 49,213	\$ 7,669,911
Charges for Services and Assessments	235,225	74,170	-	-	-	-	5,278,856
Investment Earnings	-	-	-	-	-	-	35,783
Miscellaneous	192,231	-	-	64,010	179,249	-	473,343
Total Revenues	527,530	74,170	-	64,010	203,549	49,213	13,457,893
<b>EXPENDITURES</b>							
Current:							
General Government	-	-	-	-	113,760	-	138,025
Public Safety	-	-	83	65,158	-	-	150,826
Public Works	-	-	-	-	-	-	209,513
Human Services	444,425	-	-	-	-	61,572	505,997
Culture and Recreation	-	-	-	-	-	-	2,185,601
Education	-	96,135	-	-	-	-	8,978,116
Total Expenditures	444,425	96,135	83	65,158	113,760	61,572	12,168,078
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	83,105	(21,965)	(83)	(1,148)	89,789	(12,359)	1,289,815
<b>OTHER FINANCING USES</b>							
Transfer Out	-	-	-	-	-	-	(29,513)
<b>NET CHANGE IN FUND BALANCE</b>	83,105	(21,965)	(83)	(1,148)	89,789	(12,359)	1,260,302
Fund Balances - Beginning of Year	589,264	335,941	83	93,690	320,909	13,628	5,627,704
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 672,369</u>	<u>\$ 313,976</u>	<u>\$ -</u>	<u>\$ 92,542</u>	<u>\$ 410,698</u>	<u>\$ 1,269</u>	<u>\$ 6,888,006</u>



**TOWN OF SOUTH WINDSOR, CONNECTICUT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)**  
**BUDGET AND ACTUAL – BUDGETARY BASIS**  
**RECREATION FUND**  
**YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
<b>REVENUES</b>				
Charges for Services:				
Day Camp	\$ 546,987	\$ 546,987	\$ 519,751	\$ (27,236)
Veterans' Memorial Park	379,222	379,222	318,172	(61,050)
4Th R Revenue	1,021,304	1,021,304	808,948	(212,356)
Outdoor	36,405	36,405	12,469	(23,936)
Indoor	135,938	135,938	97,949	(37,989)
Social and Cultural	66,815	66,815	26,051	(40,764)
Recreation Facilities	68,435	68,435	51,664	(16,771)
Contracted Recreation Programs	307,575	307,575	414,174	106,599
Preschool	159,840	159,840	109,805	(50,035)
Miscellaneous	-	-	469	469
Total Revenues	2,722,521	2,722,521	2,359,452	(363,069)
<b>EXPENDITURES</b>				
Current:				
Day Camp	527,761	527,761	532,447	(4,686)
4Th R Personal Services	1,014,867	1,014,867	658,850	356,017
Veterans' Memorial Park	384,372	384,372	302,839	81,533
Outdoor	34,887	34,887	29,684	5,203
Indoor	129,695	129,695	96,560	33,135
Social and Cultural	103,151	103,151	61,518	41,633
Recreation Facilities	41,209	41,209	19,027	22,182
Contracted Recreation Programs	300,618	300,618	312,377	(11,759)
Preschool	157,498	157,498	105,010	52,488
Total Expenditures	2,694,058	2,694,058	2,118,312	575,746
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	28,463	28,463	241,140	212,677
<b>OTHER FINANCING USES</b>				
Transfers Out	25,000	25,000	(23,970)	(48,970)
Total Other Financing Uses	25,000	25,000	(23,970)	(48,970)
<b>NET CHANGE IN FUND BALANCE</b>	\$ 53,463	\$ 53,463	217,170	\$ 163,707
Fund Balance - Beginning of Year			584,423	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 801,593</u>	
<b>RECONCILIATION TO GAAP BASIS</b>				
	Revenues	Expenditures		
Balance, Budgetary Basis - End of Year	\$ 2,359,452	\$ 2,118,312		
Accrued Payroll Not Budgeted	-	28,164		
Encumbrances Outstanding at Beginning of Year, Liquidated and Cancelled During the Current Year				
Encumbrances Charged to Budgetary Expenditures During the Current Year	439	8,358		
	-	(14,598)		
Balance, GAAP Basis - End of Year	<u>\$ 2,359,891</u>	<u>\$ 2,140,236</u>		

## **FIDUCIARY FUNDS**

## FIDUCIARY FUNDS

Fiduciary Fund types are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, or others. The Town's Fiduciary Funds are as follows:

### **Trust Funds**

#### **Pension Trust Fund**

To account for the activities of the Town's defined benefit plans which accumulate resources for pension benefit payments to qualified employees.

#### **Other Postemployment Benefit Trust Fund**

To account for the activities for both Town and Board of Education for other postemployment benefits (e.g., health insurance, life insurance) which accumulate resources for other postemployment benefit payments to qualified employees.

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
COMBINING STATEMENT OF NET POSITION  
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS  
JUNE 30, 2023**

	Pension Trust Funds		Other Post Employment Benefit Trust	
	Town Plan	Board of Education Plan	Fund	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 335,447	\$ 176,522	\$ 26,739	\$ 538,708
Investments:				
Mutual Funds	38,741,710	17,800,436	4,611,039	61,153,185
Total Assets	<u>39,077,157</u>	<u>17,976,958</u>	<u>4,637,778</u>	<u>61,691,893</u>
<b>NET POSITION</b>				
Restricted for Pension Benefits and Other Purposes	<u>\$ 39,077,157</u>	<u>\$ 17,976,958</u>	<u>\$ 4,637,778</u>	<u>\$ 61,691,893</u>

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
COMBINING STATEMENT OF CHANGES IN NET POSITION  
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS  
YEAR ENDED JUNE 30, 2023**

	Pension Trust Funds		Other Post Employment Benefit Trust	
	Town Plan	Board of Education Plan	Fund	Total
<b>ADDITIONS</b>				
Contributions:				
Employer	\$ 1,766,211	\$ 637,460	\$ 1,001,919	\$ 3,405,590
Employee	271,565	149,450	-	421,015
Total Contributions	2,037,776	786,910	1,001,919	3,826,605
Investment Income:				
Net Change in Fair Value Investments	3,459,016	1,564,015	412,053	5,435,084
Total Additions	5,496,792	2,350,925	1,413,972	9,261,689
<b>DEDUCTIONS</b>				
Benefits	2,863,532	1,093,914	854,513	4,811,959
Administration	68,475	44,837	33,669	146,981
Total Deductions	2,932,007	1,138,751	888,182	4,958,940
<b>CHANGES IN NET POSITION</b>	2,564,785	1,212,174	525,790	4,302,749
Net Position - Beginning of Year	36,512,372	16,764,784	4,111,988	57,389,144
<b>NET POSITION - END OF YEAR</b>	<u>\$ 39,077,157</u>	<u>\$ 17,976,958</u>	<u>\$ 4,637,778</u>	<u>\$ 61,691,893</u>

## **STATISTICAL SECTION**

## STATISTICAL SECTION INFORMATION

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

<b>Contents</b>	<b>Page</b>
<i>Financial Trends</i> – These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	117-121
<i>Revenue Capacity</i> – These schedules contain information to help the reader assess the Town's most significant local revenue source, property taxes.	122-124
<i>Debt Capacity</i> – These schedules present information to help the reader assess the affordability of the Town's current level of outstanding debt and the Town's ability to issue additional debt in the future.	125-128
<i>Demographic and Economic Information</i> – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.	129-130
<i>Operating Information</i> – These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	131-133

TABLE 1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities:										
Net Investment in Capital Assets	\$ 603,648,675	\$ 122,049,902	\$ 121,725,879	\$ 133,891,837	\$ 149,770,014	\$ 148,370,264	\$ 177,794,273	\$ 181,142,167	\$ 175,877,622	\$ 211,454,547
Restricted	-	-	-	-	-	-	-	4,122,315	5,564,207	5,728,833
Unrestricted	71,828,521	3,142,130 *	3,572,905 *	6,257,477	(6,915,481)	9,800,292	1,801,965	14,945,260	27,591,415	16,199,609
Total Governmental Activities Net Position	<u>\$ 675,477,196</u>	<u>\$ 125,192,032</u>	<u>\$ 125,298,784</u>	<u>\$ 140,149,314</u>	<u>\$ 142,854,533</u>	<u>\$ 158,170,556</u>	<u>\$ 179,596,238</u>	<u>\$ 200,209,742</u>	<u>\$ 209,033,244</u>	<u>\$ 233,382,989</u>

\* Restated for GASB 68



TABLE 2

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>EXPENSES</b>										
Governmental Activities:										
General Government	\$ 4,744,705	\$ 4,680,398	\$ 9,644,225	\$ 7,534,628	\$ 5,454,460	\$ 5,578,183	\$ 6,241,142	\$ 5,268,652	\$ 6,913,025	\$ 8,392,719
Public Safety	10,466,567	10,116,105	12,259,882	11,059,584	8,991,281	11,236,537	11,561,692	11,919,633	14,579,379	15,339,048
Public Works	17,311,069	18,662,827	15,648,511	15,615,857	16,594,152	17,646,682	21,897,888	18,883,042	18,653,257	19,305,867
Human Services	1,496,189	1,469,110	1,516,678	1,805,965	1,842,312	1,930,710	1,756,175	1,567,870	1,943,660	2,434,093
Culture and Recreation	5,170,258	5,799,240	7,649,148	5,922,105	6,558,564	6,385,948	5,998,664	5,890,752	6,330,002	6,398,216
Education	82,765,300	85,125,614	83,800,549	96,033,281	93,978,140	84,508,649	97,695,610	109,108,696	98,336,368	113,623,977
Debit Service Interest	1,608,802	1,508,063	1,619,954	1,786,532	2,020,850	2,460,980	1,943,338	1,275,032	2,823,051	1,481,975
Total Governmental Activities Expenses	123,562,890	127,361,357	132,138,947	139,757,952	135,439,759	129,747,689	147,094,509	153,913,677	149,578,742	166,975,895
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
General Government	1,221,156	1,348,396	2,182,425	1,623,465	2,358,541	2,304,560	2,538,788	3,035,551	2,513,351	2,379,992
Public Safety	94,031	146,221	187,007	151,502	315,661	211,142	351,591	360,550	254,201	231,183
Public Works	4,285,579	4,438,121	4,501,771	5,606,794	5,170,610	5,393,886	5,821,633	5,724,964	5,501,451	5,796,128
Human Services	87,797	100,976	208,544	354,339	313,672	481,457	211,860	92,997	196,731	290,497
Culture and Recreation	1,635,322	2,925,417	2,519,572	2,570,164	2,311,662	2,639,450	1,747,937	1,009,269	1,928,873	2,259,021
Education	2,406,020	2,374,627	2,256,463	2,272,817	2,506,772	1,811,356	1,520,250	1,243,934	1,796,148	2,428,571
Operating Grants and Contributions:										
General Government	222,531	481,542	287,925	207,271	213,749	247,800	489,405	1,565,303	307,593	378,874
Public Safety	82,222	60,481	198,884	51,178	77,866	127,748	50,249	28,466	615,761	1,742,726
Public Works	404,160	395,417	388,764	446,383	414,628	428,182	389,533	654,103	325,846	441,208
Human Services	108,808	102,950	106,027	117,242	109,254	109,308	131,349	112,814	154,452	195,595
Culture and Recreation	36,038	43,098	49,800	47,555	40,411	37,784	36,241	71,133	58,925	52,566
Education	24,771,275	23,165,519	24,209,031	29,522,318	29,042,520	20,644,657	31,072,260	40,828,019	26,321,708	49,278,567
Interest On Long-Term Debt	-	-	-	-	-	-	-	78,977	217,840	-
Capital Grants and Contributions:										
General Government	170,906	75,344	71,433	1,946,226	73,676	19,038	7,300	199,519	157,501	300,600
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	759,237	310,314	1,398,722	11,130,720	3,653,882	2,689,236	12,570,710	6,384,134	1,340,499	1,371,692
Human Services	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	380,897	590,440	520,752	-	-	-
Total Governmental Activities Revenues	36,285,082	35,968,423	38,566,368	56,047,974	46,983,801	37,736,044	57,459,858	61,389,733	41,690,880	67,147,220
Total Governmental Activities Net Expense	(87,277,808)	(91,392,934)	(93,572,579)	(83,709,978)	(88,455,958)	(92,011,645)	(89,634,651)	(92,523,944)	(107,887,862)	(99,828,675)

**TABLE 2**  
**(CONTINUED)**

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>GENERAL REVENUES AND OTHER CHANGES</b>										
Changes in Net Position:										
Governmental Activities:										
Property Taxes	\$ 87,371,201	\$ 90,037,532	\$ 91,922,703	\$ 96,106,885	\$ 98,298,151	\$ 104,691,701	\$ 108,137,590	\$ 110,588,208	\$ 114,017,844	\$ 117,387,046
Grants and Contributions Not Restricted to Specific Programs	1,929,166	1,532,895	1,603,494	2,146,206	1,588,901	1,588,087	2,026,181	2,025,279	2,436,064	3,926,234
Unrestricted Investment Earnings	156,863	183,329	121,033	251,754	472,021	1,047,880	896,562	85,687	181,432	2,862,976
Other General Revenues, Net	-	26,834	32,101	55,663	-	-	-	29,560	76,024	2,164
Total Primary Government	<u>89,457,230</u>	<u>91,780,590</u>	<u>93,679,331</u>	<u>98,560,508</u>	<u>100,359,073</u>	<u>107,327,668</u>	<u>111,060,333</u>	<u>112,728,734</u>	<u>116,711,364</u>	<u>124,178,420</u>
<b>CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES</b>	<u>\$ 2,179,422</u>	<u>\$ 387,656</u>	<u>\$ 106,752</u>	<u>\$ 14,850,530</u>	<u>\$ 11,903,115</u>	<u>\$ 15,316,023</u>	<u>\$ 21,425,682</u>	<u>\$ 20,204,790</u>	<u>\$ 8,823,502</u>	<u>\$ 24,349,745</u>

TABLE 3

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nonspendable	\$ 18,722	\$ 970	\$ -	\$ 2,442	\$ 9,307	\$ 13,500	\$ -	\$ 79,619	\$ 41,819	\$ 508,919
Restricted	-	-	-	-	-	-	-	1,409,700	1,643,469	875,499
Committed	-	-	-	-	1,500,000	3,000,000	3,094,594	3,200,000	3,200,000	4,700,000
Assigned	1,772,742	1,527,753	2,096,625	1,621,867	1,293,331	3,825,079	4,813,890	2,131,191	1,122,761	944,738
Unassigned	5,238,041	5,329,639	8,035,255	9,467,497	11,247,314	15,245,581	22,780,140	28,152,804	33,187,015	38,797,428
Total General Fund	<u>\$ 7,029,505</u>	<u>\$ 6,858,362</u>	<u>\$ 10,131,880</u>	<u>\$ 11,091,806</u>	<u>\$ 14,049,952</u>	<u>\$ 22,084,160</u>	<u>\$ 30,688,624</u>	<u>\$ 34,973,314</u>	<u>\$ 39,195,064</u>	<u>\$ 45,826,584</u>
All Other Governmental Funds:										
Nonspendable	\$ 42,355	\$ 56,678	\$ 39,488	\$ 28,426	\$ 31,054	\$ 20,485	\$ 20,735	\$ 20,704	\$ 43,762	\$ 52,144
Restricted	836,513	857,917	839,148	1,205,414	1,483,623	1,555,342	1,756,737	2,712,615	3,920,738	4,853,334
Committed	3,928,403	6,143,366	2,468,694	3,246,582	2,733,535	3,768,240	3,857,390	3,602,594	3,243,930	4,100,206
Unassigned	(282,640)	(28,482)	(3,742,300)	(4,386,400)	(9,160)	(4,261,831)	(24,977,685)	(5,177,951)	(3,116,498)	(5,494,538)
Total All Other Governmental Funds	<u>\$ 4,524,631</u>	<u>\$ 7,029,479</u>	<u>\$ (394,970)</u>	<u>\$ 94,022</u>	<u>\$ 4,239,052</u>	<u>\$ 1,082,236</u>	<u>\$ (19,342,823)</u>	<u>\$ 1,157,962</u>	<u>\$ 4,091,932</u>	<u>\$ 3,511,146</u>

TABLE 4

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>REVENUES</b>										
Property Taxes	\$ 86,482,924	\$ 89,316,302	\$ 92,999,372	\$ 95,483,270	\$ 99,981,359	\$ 105,582,085	\$ 108,607,387	\$ 110,911,702	\$ 114,381,705	\$ 117,398,028
Intergovernmental	28,191,586	25,919,136	27,782,151	45,201,620	35,062,337	25,521,402	41,835,299	37,059,402	34,461,136	52,207,026
Charges for Goods and Services	9,632,436	11,415,230	11,920,765	12,631,202	13,223,259	13,338,337	12,109,119	11,964,484	12,412,041	13,406,188
Investment Earnings	150,955	61,316	111,262	242,072	459,306	1,032,556	885,783	83,384	179,095	2,848,943
Miscellaneous	288,393	360,338	463,547	389,669	349,326	422,353	414,168	456,418	715,658	473,796
Total Revenues	124,746,294	127,072,322	133,277,097	153,947,833	149,075,587	145,896,733	163,851,756	160,475,390	162,149,635	186,333,981
<b>EXPENDITURES</b>										
Current:										
General Government	3,438,550	3,444,744	3,560,662	3,788,541	3,798,686	4,026,834	4,569,240	4,353,621	4,658,205	4,716,961
Public Safety	7,989,555	8,334,840	8,320,505	8,764,069	9,217,176	9,136,196	9,198,231	9,489,706	10,478,475	12,484,628
Public Works	10,675,686	10,975,854	11,143,679	11,983,196	11,747,331	12,651,109	12,247,581	13,628,295	12,976,227	13,055,424
Human Services	1,090,749	1,088,900	1,121,246	1,423,516	1,415,836	1,588,450	1,356,756	1,245,023	1,441,320	1,724,501
Culture and Recreation	4,445,705	4,710,096	4,946,672	4,964,347	5,330,618	5,474,184	5,153,040	4,704,368	5,475,201	5,628,781
Insurance and Sundry	6,630,836	6,467,843	6,556,833	6,340,930	6,708,737	7,459,924	7,592,362	8,392,989	8,368,690	8,152,765
Education	82,367,010	81,650,067	83,381,512	91,479,612	91,736,872	82,483,400	88,847,904	95,355,853	98,056,285	105,421,129
Capital Outlay	5,598,435	6,255,201	18,260,516	28,899,903	14,141,482	16,101,606	52,866,614	18,800,903	26,451,317	49,562,385
Debit Service:										
Principal	3,697,484	4,200,646	4,199,274	4,538,380	5,062,972	4,968,061	5,348,656	6,084,349	6,918,000	7,558,000
Interest	4,082,781	2,978,753	2,675,623	2,827,201	3,408,213	3,410,034	3,344,663	3,724,928	3,807,928	4,190,040
Total Expenditures	130,016,791	130,106,944	144,166,522	165,009,695	152,567,923	147,299,798	190,525,047	165,780,035	178,631,648	212,494,614
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(5,270,497)	(3,034,622)	(10,889,425)	(11,061,862)	(3,492,336)	(1,403,065)	(26,673,291)	(5,304,645)	(16,482,013)	(26,160,633)
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from Bond Refunding	6,615,000	5,160,000	-	-	4,125,000	9,155,000	-	19,110,000	3,100,000	11,505,000
Premium on Bonds	731,924	78,540	207,067	739,043	524,383	1,718,700	574,216	3,476,544	1,784,823	3,141,979
Payments to Escrow Agents	(7,163,837)	-	-	-	(5,567,886)	(10,623,910)	-	(21,129,324)	(3,220,583)	(12,788,625)
Premiums on Bond Anticipation Notes	-	-	-	-	-	-	-	78,977	-	-
Proceeds from Bonds Issued	6,320,000	-	4,300,000	11,860,000	11,500,000	5,250,000	13,500,000	27,000,000	20,000,000	28,500,000
Proceeds from Leases	480,552	826,352	2,946,407	477,850	881,013	514,134	778,480	1,145,209	1,973,493	1,156,561
Proceeds from Subscriptions	-	-	-	-	-	-	-	-	-	696,452
Transfers In	1,183,689	2,000,812	1,761,537	2,080,018	3,656,753	3,308,978	4,628,562	3,758,576	3,869,598	3,153,077
Transfers Out	(1,847,689)	(2,697,372)	(2,476,517)	(2,646,131)	(4,257,218)	(3,308,978)	(4,628,562)	(3,758,576)	(3,869,598)	(3,153,077)
Total Other Financing Sources (Uses)	6,319,639	5,368,332	6,738,494	12,510,780	10,862,045	6,013,924	14,852,696	29,681,406	23,637,733	32,211,367
<b>NET CHANGE IN FUND BALANCE</b>	1,049,142	2,333,710	(4,150,931)	1,448,918	7,369,709	4,610,859	(11,820,595)	24,376,761	7,155,720	6,050,734
Fund Balance - Beginning of Year	10,504,989	11,554,131	13,887,841	9,736,910	11,185,828	18,555,537	23,166,396	11,754,515	36,131,276	43,286,996
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 11,554,131</u>	<u>\$ 13,887,841</u>	<u>\$ 9,736,910</u>	<u>\$ 11,185,828</u>	<u>\$ 18,555,537</u>	<u>\$ 23,166,396</u>	<u>\$ 11,345,801</u>	<u>\$ 36,131,276</u>	<u>\$ 43,286,996</u>	<u>\$ 49,337,730</u>
Debt Service as a Percentage to Noncapital Expenditures	6.30%	5.75%	5.40%	5.43%	6.21%	6.34%	8.71%	6.63%	7.00%	7.25%

TABLE 5

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property Residential	Commercial <sup>(1)</sup>	Personal	Motor Vehicle	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value <sup>(4)</sup>
2023	\$ 1,799,764,148	\$ 660,957,437	\$ 464,101,840	\$ 313,141,887	\$ 193,936,258	\$ 3,044,029,054	38.77/32.46	<sup>(4)</sup> \$ 4,348,612,934
2022	1,790,492,361	630,610,687	458,265,560	256,659,108	178,176,658	2,957,851,058	37.86	4,225,501,511
2021	1,814,742,198	548,984,417	421,117,070	245,327,963	176,178,614	2,853,993,034	37.88	4,077,132,906
2020	1,954,515,583	534,398,778	394,178,512	234,363,918	348,373,852	2,769,082,939	38.5	3,955,832,770
2019 <sup>(2)</sup>	1,940,934,413	517,122,647	381,763,430	230,786,948	321,762,146	2,748,845,292	37.67	3,926,921,846
2018	2,120,523,759	234,463,220	340,605,990	225,387,225	318,272,044	2,602,708,150	38.08/37.00	<sup>(3)</sup> 3,718,154,500
2017	1,691,195,450	227,246,090	272,704,520	217,673,720	104,350,010	2,304,469,770	37.34/37.00	<sup>(3)</sup> 3,292,099,671
2016	1,669,743,361	469,200,191	261,120,500	217,444,060	112,726,620	2,504,781,492	36.54	3,578,259,274
2015	1,681,317,099	465,985,750	287,829,500	216,945,460	119,194,329	2,532,883,480	35.51	3,618,404,971
2014 <sup>(2)</sup>	1,676,514,846	439,529,851	258,829,020	207,156,730	111,344,758	2,470,685,689	34.90	3,529,550,984

Source: Town of South Windsor-Assessor

Note: The Town has no overlapping governments.

<sup>(1)</sup> Note: 2011-2010 not separately available for commercial property.

<sup>(2)</sup> Note: Revaluation year.

<sup>(3)</sup> Note: State of Connecticut enacted a Motor Vehicle Mill Rate Cap of 37.00 mills effective June 30, 2016.

<sup>(4)</sup> Note: By state law, property is assessed at 70% of actual value with periodic revaluation of real property.

TABLE 6

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
PRINCIPAL TAXPAYERS  
CURRENT FISCAL YEAR AND NINE YEARS AGO**

Taxpayer	Nature of Business	2023			2014		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Eversource (formally CL&P)	Utility	\$ 123,029,940	1	39.35 %	\$ 57,035,210	1	31.47 %
Evergreen Walk Lifestyle Center	Real Estate	31,928,600	2	10.21	30,801,300	2	16.99
Aldi Inc.	Distribution	29,364,164	3	9.39	-		
Evergreen Crossing Retirement	Real Estate	29,072,770	4	9.30	-		
456 Sullivan Ave LLC (FedEx)	Retail	24,132,980	5	7.72	-		
Yankee Gas	Utility	18,551,600	6	5.93	-		
CD-HRA Windsor LLC (HarborChase)	Retail	17,285,000	7	5.53	-		
South Windsor Developers, LLC	Real Estate	13,495,390	8	4.32	-		
Town Center of South Windsor	Retail	13,023,700	9	4.17	13,057,600	4	7.20
Broadridge (fka DST Output East, LLC)	Services	12,798,400	10	4.09	11,737,450	5	6.48
Federated Retail Holdings, LLC	Real Estate	-			15,193,140	3	8.38
Connecticut Water Co	Utility	-			11,687,490	6	6.45
Evergreen Walk, LLC	Real Estate	-			11,182,500	7	6.17
Target Corp.	Retail	-			11,040,050	8	6.09
Benchmark GPT Windsor LLC	Healthcare	-			9,909,850	9	5.47
Lowes Home Center	Retail	-			9,603,700	10	5.30
Total		<u>\$ 312,682,544</u>		<u>100.00 %</u>	<u>\$ 181,248,290</u>		<u>100.00 %</u>

Source: Town of South Windsor- Assessor  
2023 - October 1, 2021 Assessment  
2014 - October 1, 2012 Assessment

TABLE 7

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ending June 30,	Taxable Grand List	Tax Rate (In Mills)	Adjusted Levy	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percent of Adjusted Levy		Amount	Percent of Adjusted Levy
2023	\$ 3,044,029,054	38.77/32.46	<sup>(1)</sup> \$ 116,806,150	\$ 116,190,259	99.47 %	\$ -	\$ 116,190,259	99.47 %
2022	2,957,851,058	37.86	111,999,651	111,444,340	99.50 %	348,926	111,793,266	99.82 %
2021	2,853,993,034	37.88	<sup>(1)</sup> 108,473,868	107,647,467	99.24	638,354	108,285,821	99.83
2020	2,769,082,939	38.50	<sup>(1)</sup> 107,383,738	106,637,974	99.31	677,308	107,315,282	99.94
2019	2,748,845,292	37.67	<sup>(1)</sup> 103,762,190	102,979,809	99.25	726,795	103,706,604	99.95
2018	2,602,708,150	38.08/37.00	<sup>(1)</sup> 99,320,301	98,275,075	98.95	1,023,589	99,298,664	99.98
2017	2,304,469,770	37.34/37.00	<sup>(1)</sup> 95,525,838	94,247,010	98.66	1,262,476	95,509,486	99.98
2016	2,504,781,492	36.54	91,894,135	90,891,340	98.91	998,003	91,889,343	99.99
2015	2,532,883,480	35.51	89,399,738	87,965,832	98.40	1,429,464	89,395,296	100.00
2014	2,470,685,689	34.90	86,279,650	85,042,713	98.57	1,229,612	86,272,325	99.99

Source: Town of South Windsor-Tax Collector

<sup>(1)</sup> State of Connecticut enacted a Motor Vehicle Mill Rate Cap of 37.00 mills effective June 30, 2016 and 32.46 effective 7/1/22.

TABLE 8

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

Fiscal Year	General Obligation Bonds <sup>(1)</sup>	Sewer Bonds <sup>(2)</sup>	Leases	Financed Purchase Arrangements	Total Primary Government	Ratio of Debt to Estimated Taxable Value of Property <sup>(3)</sup>	Debt Per Capita <sup>(4)</sup>	Total Debt Outstanding as a Percentage of Personal Income <sup>(5)</sup>
2023	\$ 124,349,964	\$ 14,104,000	\$ 1,447,947	\$ 3,512,267	\$ 143,414,178	3.39 %	\$ 5,358	0.04 %
2022	102,029,284	15,243,000	1,379,696	3,651,736	122,303,716	2.89 %	4,569	0.04 %
2021	87,100,896	16,555,000	3,058,540		106,714,436	2.62	3,964	0.04
2020	63,573,914	19,596,559	3,185,056		86,355,529	2.18	3,344	0.04
2019	54,088,806	20,990,215	3,364,319		78,443,340	2.00	3,040	0.05
2018	51,874,427	23,353,127	3,825,260		79,052,814	2.13	3,063	0.05
2017	45,405,122	24,765,093	3,734,926		73,905,141	2.24	2,864	0.05
2016	36,301,741	26,210,009	4,107,494		66,619,244	1.86	2,583	0.06
2015	34,958,142	27,571,991	2,000,484		64,530,617	1.78	2,502	0.06
2014	32,951,952	28,907,027	1,542,849		63,401,828	1.80	2,457	0.06

Source: Town of South Windsor-Finance.

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

<sup>(1)</sup> Town only issues general obligation bonds and has no overlapping debt.

<sup>(2)</sup> Represents 2% 20-year loans to finance upgrades to the wastewater treatment plant.

<sup>(3)</sup> See Table 5 for taxable property value data.

<sup>(4)</sup> See Table 11 for population data.

<sup>(5)</sup> See Table 11 for personal income data.



TABLE 9

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<sup>(1)</sup> <u>Assessed Value of Property</u>	<u>Net General Bonded Debt</u>	<u>Ratio of Debt to Estimated Taxable Value of Property</u>	<u>Debt Per Capita</u>	<u>Total Debt Outstanding as a Percentage of Personal Income</u>
2023	26,918	\$ 3,044,029,054	\$ 138,453,964	4.55 %	5,144	0.09 %
2022	26,767	2,957,851,058	117,272,284	3.96	4,381	0.10
2021	26,918	2,853,993,034	103,655,896	3.63	3,851	0.12
2020	25,806	2,769,082,939	83,170,473	3.00	3,223	0.13
2019	25,806	2,748,845,292	75,079,021	2.73	2,909	0.13
2018	25,806	2,602,708,150	72,677,127	2.79	2,816	0.14
2017	25,806	2,304,469,770	67,925,093	2.95	2,632	0.15
2016	25,793	2,262,827,391	60,830,009	2.69	2,358	0.16
2015	25,789	2,536,097,921	60,896,991	2.40	2,361	0.16
2014	25,803	2,497,141,588	60,102,027	2.41	2,329	0.17

Source: Town of South Windsor-Finance.

<sup>(1)</sup> Town only issues general obligation bonds and has no overlapping debt.

TABLE 10

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 603,648,675	\$ 624,631,371	\$ 650,125,903	\$ 668,710,378	\$ 668,710,378	\$ 698,350,135	\$ 740,242,202	\$ 760,832,149	\$ 777,811,685	\$ 808,157,448
Total Net Debt Applicable to Limit	71,828,521	72,623,485	92,608,657	83,858,275	86,405,900	132,490,796	141,891,234	196,009,385	198,457,047	164,082,346
Legal Debt Margin	<u>\$ 531,820,154</u>	<u>\$ 552,007,886</u>	<u>\$ 557,517,246</u>	<u>\$ 584,852,103</u>	<u>\$ 582,304,478</u>	<u>\$ 565,859,339</u>	<u>\$ 598,350,968</u>	<u>\$ 564,822,764</u>	<u>\$ 579,354,638</u>	<u>\$ 644,075,102</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.90%	11.63%	14.24%	12.54%	12.92%	18.97%	19.17%	25.76%	25.51%	20.30%

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

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
YEAR ENDED JUNE 30, 2023**

Total Tax Collections (Including Interest and Lien Fees)  
Received by Treasurer for the Year Ended June 30, 2022

\$ 115,451,064

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 Times Base	\$ 259,764,894	\$ -	\$ -	\$ -	\$ -
4-1/2 Times Base	-	519,529,788	-	-	-
3-3/4 Times Base	-	-	432,941,490	-	-
3-1/4 Times Base	-	-	-	375,215,958	-
3 Times Base	-	-	-	-	346,353,192
Total Debt Limitation	<u>259,764,894</u>	<u>519,529,788</u>	<u>432,941,490</u>	<u>375,215,958</u>	<u>346,353,192</u>
Indebtedness:					
Bonds Payable	33,783,000	82,143,000	14,104,000	-	-
CWF Notes Payable	-	-	327,265	-	-
Authorized, Unissued Bonds	<u>8,942,583</u>	<u>13,059,086</u>	<u>11,723,412</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>42,725,583</u>	<u>95,202,086</u>	<u>26,154,677</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 217,039,311</u>	<u>\$ 424,327,702</u>	<u>\$ 406,786,813</u>	<u>\$ 375,215,958</u>	<u>\$ 346,353,192</u>

Note 1: In no case shall total indebtedness exceed seven times annual receipts from taxation (\$808,157,448).

TABLE 12

**TOWN OF SOUTH WINDSOR, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Year	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup>	Per Capita Personal Income <sup>(2)</sup>	Median Age <sup>(2)</sup>	Educational Attainment		School Enrollment <sup>(3)</sup>	Unemployment Rate <sup>(4)</sup>
					High School	Bachelors Degree		
2023	26,918	\$ 56,976	\$ 126,996	41.4	96.7	53.1	4,757	3.0 %
2022	26,767	53,513	119,972	42.8	96.7	53.1	4,657	3.0
2021	26,918	47,910	107,374	43.2	96.6	48.2	4,588	4.0
2020	25,823	38,505	99,774	43.2	96.6	48.2	4,521	3.0
2019	25,802	38,505	99,774	43.3	95.8	49.8	4,239	3.0
2018	25,806	38,505	99,774	43.3	92.6	44.6	4,142	3.8
2017	25,806	38,505	99,774	43.3	92.6	44.6	4,071	4.2
2016	25,793	38,505	99,774	43.3	92.6	44.6	4,032	5.1
2015	25,789	38,505	99,774	43.3	92.6	44.6	4,100	5.2
2014	25,803	38,505	99,774	43.3	92.6	44.6	4,174	5.4

<sup>(1)</sup> U.S. Bureau of Census, American Community Fact Finder/ State of CT - Department of Health

<sup>(2)</sup> U.S. Department of Commerce, Bureau of Census for years 2000 and 2010

<sup>(3)</sup> Town of South Windsor, Board of Education

<sup>(4)</sup> State of Connecticut, Labor Department, Office of Research and Statistics

TABLE 13

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

Employer	Nature of Business	2023			2014		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of South Windsor	Municipality	914	1	25.13 %	811	1	25.96 %
Broadridge (formerly DST)	Services	551	2	15.15	650	2	20.81
Coburn Technologies	Technology	499	3	13.72	-	-	-
Ticket Network	Services	364	4	10.01	441	3	14.12
Target Department Stores	Retailing	252	5	6.93	250	5	8.00
New England Mechanical	Manufacturing	235	6	6.46	-	-	0.00
Doosan Fuel Cell America	Manufacturing	225	7	6.19	-	-	-
The May Company	Distributor	221	8	6.08	389	4	12.45
Electro Methods	Manufacturing	217	9	5.97	155	8	4.96
Lowe's Home Improvement	Retailing	159	10	4.37	170	6	5.44
HPC Food Services	Wholesaler	-	-	-	158	7	5.06
Eastern CT Health Network	Medical	-	-	-	100	9	3.20
Total		<u>3,637</u>		100.00 %	<u>3,124</u>		100.00 %

TABLE 14

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

Function/Program	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government:										
Town Manager's Office	6.0	6.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0	5.0
Registrar of Voters	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance and Taxation	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Town Clerk	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Information Technology	6.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0
Public Safety	64.0	63.0	63.0	60.0	58.0	58.0	54.0	54.0	54.0	54.0
Public Works	50.0	49.0	47.0	50.0	50.0	49.0	47.0	47.0	47.0	47.0
Public Health	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Building	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Planning and Zoning	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Human Services	12.0	13.0	13.0	12.0	12.0	11.0	8.0	8.0	8.0	8.0
Culture and Recreation	23.0	24.0	23.0	22.0	22.0	22.0	18.0	18.0	18.0	18.0
Library	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Education	715.0	719.0	692.0	677.0	668.0	657.0	618.0	628.0	638.0	639.0
Total	<u>914.0</u>	<u>918.0</u>	<u>886.0</u>	<u>869.0</u>	<u>857.0</u>	<u>801.0</u>	<u>810.0</u>	<u>811.0</u>	<u>802.0</u>	<u>787.0</u>

Source: Town of South Windsor-Human Resources

TABLE 15

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

Function/Program	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police:										
General Service Calls	30,034	30,032	29,766	28,341	27,223	30,055	32,521	28,306	33,068	33,329
Criminal Arrests	386	385	304	337	333	428	490	630	427	643
Traffic Accidents	418	418	330	455	486	416	659	395	399	584
Fire Marshal:										
Fire Investigations Completed	20	24	16	22	35	31	10	27	23	19
Inspections	3,619	2,055	836	1,504	1,989	1,875	1,500	1,545	2,565	1,704
Public Works:										
GIS Dashboard Requests*	869	1,312	1,218	1,050	800	1,159	1,200	1,100	958	903
Snow Routes	17	17	7	17	17	22	22	20	21	21
Miles of Road Plowed	141	141	141	140	140	140	140	140	140	140
Road Surface Treatment Miles	15	20	18	13	13	21	7	6	4	6
Catch Basins Cleaned	1,556	1,403	1,809	2,400	1,900	2,001	1,891	1,736	1,997	2,048
Health and Human Services:										
Food Service Inspections (1)	158	190	86	183	288	226	175	140	107	195
Child Care Facility Inspections	7	15	9	8	6	12	5	11	3	13
Youth Development Participants	1,910	1,316	1,132	1,648	2,456	921	901	913	1,900	2,797
Teen Center Participants	282	250	58	263	305	247	245	254	275	313
Parks and Recreation:										
Athletic Fields Maintained	28	28	28	28	28	28	28	25	25	25
Baseball and Softball Fields Maintained	16	16	16	16	16	16	16	16	16	16
Library:										
Total Circulation	199,752	195,448	163,795	178,956	224,924	296,100	222,000	231,708	268,030	277,000
Library Sponsored Programs	377	407	354	543	597	857	575	568	562	433
Wastewater:										
Wastewater Treated (Million Gallons)	929	1,142	888	908	997	824	900	817	857	909
Emergency Call-Outs/Alarms	80	54	65	61	54	86	90	102	94	142
Miles of Sewer Line Cleaned	12	6	44	8	15	30	30	8	6	19

SOURCE: Town of South Windsor-Variou Departments

\* Information not available

<sup>1</sup> FY 2018 includes temporary events, farmers market and itinerant trucks

TABLE 16

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

Function/Program	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public Safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	42	42	44	44	44	44	42	42	42	42
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Vehicles	15	15	14	14	14	14	13	13	13	13
Hydrants	987	981	981	981	976	949	949	937	927	890
Public Works:										
Vehicles and Equipment	193	185	185	162	158	158	156	116	114	102
Streets (Miles)	141	141	141	140	140	140	140	140	140	140
Parks and Recreation:										
Vehicles (Road)	30	30	19	19	17	15	14	14	13	13
Acreage	975.6	975.6	958.0	958.0	958.0	840.5	840.5	840.5	840.5	840.5
Playgrounds	3	3	3	3	3	2	2	2	2	2
Athletic Fields	46.5	44.5	44.5	44.5	44.5	41.5	41.5	41.5	41.5	41.5
Wapping Rec.	1	1	1	1	1	1	1	1	1	1
Swimming Pools	3	3	3	3	3	3	3	3	3	3
Public Libraries:										
Libraries	1	1	1	1	1	1	1	1	1	1
Human Services:										
Community Center	1	1	1	1	1	1	1	1	1	1
Senior Mini-Buses	3	4	4	4	4	4	4	4	4	4
Vehicles	2	2	2	2	2	2	2	2	2	2
Education:										
Schools	6	6	7	7	6	6	7	7	7	7