

**TOWN OF TOLLAND,  
CONNECTICUT**



**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2022**

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## **INTRODUCTORY SECTION**



**TOWN of TOLLAND**  
**21 Tolland Green, Tolland, CT 06084**

December 13, 2022

To the Members of the Town Council and Citizens of the Town of Tolland:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Town of Tolland for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the Town of Tolland. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Tolland has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Tolland's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the Town of Tolland's comprehensive framework of internal controls has been designed to provide reasonable rather than an absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

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

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Tolland's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Town of Tolland**

The Town of Tolland first settled before 1715, is a residential community of 40.4 square miles with a population of 14,713. Tolland, originally a part of the Town of Windsor, was settled by people who felt that Windsor was becoming overcrowded and that their growing families were in need of homesteads. People had started moving to the east, to lands that had been purchased from the Native Americans.

On April 18, 1713, a committee was appointed to lay out a settlement, and the General Assembly was petitioned to charter it as a town. When the Charter was obtained in 1715, the town was named after an English town in Somerset, and was incorporated as Connecticut's 49th town in May 1722.

In 1785, Tolland County was organized by action of the General Assembly and Tolland was designated the county seat. The costs of building the first courthouse and a jail were raised by town subscription. This jail (and three later replacements) proved to be unsatisfactory. The existing jail, of stone construction, was erected in 1856 and served the county continually until 1968 when the state decided to discontinue its use. In 1969 this jail and the 1893 jailer's home, became Town property and are leased to the Tolland Historical Society, and used as a museum.

A new courthouse replaced the original in 1822 at the center of the town green. It is recognized as one of five examples of early civic architecture in Connecticut.

The Tolland Green Historic District was placed on the National Register in June 1997. Several of the important buildings within the District have been adapted to serve modern needs while retaining the flavor of the older village.

The Hicks Municipal Building was built as the Ratcliffe Hicks Memorial School in 1908. The Hicks-Stearns Homestead is also a museum. The Tolland Board of Education building started life in 1830 as Tolland County Bank. Directly across from the Municipal Building, the town's original 1879 Town Hall, has become the Tolland Arts Center. The Courthouse recently became a museum of the Tolland Historical Society and leases the first floor to the French Canadian Genealogy Library.

The Town retains impressive remnants of its rural past and substantial areas of protected open space. Expanding commercial and industrial resources are notably bolstering the economic base of the Town but in a way consistent with planning designed to preserve the community's character.

Tolland is a Town filled with historic heritage, New England village charm, a growing population and an excellent school system, all of which combine to provide ample opportunity for business growth. Tolland's legacy includes a New England town green of substantial proportions as its signature amenity. Tolland Green is the heart of the community, and the area around it is preserved as a National Historic District. Included in the district are several of the Town's historic attractions, such as the former Tolland County Court House, the Old Jail Museum and the Hicks-Stearns Family Museum, plus a number of gracious 18<sup>th</sup> and 19<sup>th</sup> century homes. Many of these Colonial, Greek Revival and Victorian structures are still being used as residences and by several churches and businesses. Municipal offices and the Town Library anchor one end of the Green. A few miles from the Green is the Town's oldest home, the 1733 Daniel Benton Homestead Museum, which was restored by the Historical Society with grant funding thus symbolizing the value the community places on preserving its heritage.

Tolland is located 20 miles northeast of Hartford and approximately 90 miles southwest of Boston, Massachusetts. Interstate 84, a major east-west transportation corridor, bisects the Town. Bradley International Airport - approximately 25 minutes driving time away - provides convenient air connections to the rest of the country and the world. A majority of the Town's labor force is employed in the central Connecticut area, primarily in the financial services, industrial, governmental and higher education sectors. Significant to the Town in several ways, the main campus of the University of Connecticut is within 10 miles to virtually any point within the Town. The main entrance road to the University goes through Tolland which increases the Town's potential for further expansion of retail, commercial and multi-family housing in and around the travel way to the University. The University is in the process of a major expansion of its Storrs Campus that includes the development of a Business Research Park and an expansion in the number of students and faculty.

The Town is a growing outer-ring suburb of the Hartford metropolitan area. Ninety-three percent of its dwellings are owner-occupied and ninety-four percent are single-family homes. Land subdivision activity and housing starts have slowed down over the last 10 years due to the economic downturn, planned changes in zoning regulations and purchase by the Town of open space. There are indications of increased activity in the commercial and multi-family sector based on discussions with potential developers. Tolland has acquired much land for preserved open space, has an outstanding education system and residents that are actively involved in the community.

The Town has a Council/Manager form of Government, which was approved in 1972. The legislative function is performed by a Town Council consisting of seven members elected at large. The Council formulates public policy, which the Town administration is entrusted to implement. The Board of Education, which is the governing body of the school district, appoints the Superintendent of Schools to implement its policies and goals. The Chief Executive Officer of the community is the Town Manager, who is appointed for an indefinite term by the Town Council. Employment decisions associated with management directly reporting to the Town Manager shall be subject to the approval of the Council. The Manager has appointive and removal authority over other employees of the Town. The Town Manager and Director of Finance are responsible for the financial management of the Town.

The Town of Tolland provides its residents with a complete level of municipal services organized around six primary divisions:

- Administration: The Town Manager provides general supervision to all Town departments, which collectively staff 79.93 FTE employees. The Office of the Town Manager includes a Director of Administrative Services who handles the human resources function for all the Town employees. This office also provides clerical support for the Tolland Water System.
- Planning and Community Development: This comprehensive development office houses the departments of Planning and Zoning, Inland Wetlands, Building Inspection, and Public Health. This office provides clerical support for the Water Pollution Control Authority.
- Community Services: This division includes Human Services, Youth, Elderly, Library and Recreation Services. The Human Services staff provides staff support services to the Tolland Water System as well as various grant and construction project oversight.
- Public Safety: This division includes Police (under contract with the Connecticut State Police), a combination volunteer/paid Fire and Ambulance Department, Fire Marshal and Animal Control Services.
- Public Works: This division includes the departments of Highway Maintenance, Parks and Facilities, Cemeteries, and Solid Waste and Recycling. Engineering services are outsourced but the Town reserves the option of converting to a full-time paid Town Engineer if necessary. Department staff provides support for the Water Pollution Control Authority.
- Finance and Records: This division includes Financial Administration and Accounting, Town Clerk, Town Assessment Services, Revenue Collection, Information Technology and Registrar of Voters. The Finance Department provides financial reporting services for the Tolland Non-Profit Housing Authority, the Tolland Water System and the Water Pollution Control Authority. The Department also provides oversight for the shared Information Technology services and all central office needs.



The Town has successfully privatized and contracted out several municipal services. Examples include the construction/reconstruction of roads, refuse and recyclable collection, engineering services, sewer capacity and certain social service functions such as health and sanitary services through the Eastern Highland Health District. The Town is also part of a six Town regional health insurance program that allows for benefits to be administered on a self-insured basis. Information Technology Services are provided through an inter-town cooperative effort to share IT services with the Towns of South Windsor, Andover and Coventry.

The Town of Tolland provides water and sewer services to a small sector of the community. Approximately 504 residences, 34 businesses, 11 private fire services and 6 municipal buildings are serviced by the Tolland water system, while the Connecticut Water Company services other designated sections throughout the Town. The vast majority of the residents are on private wells and septic systems. Public sewers are available in the west central portion of the Town, which includes the expanded Business Park. The sewers have also been extended down to the schools, through the Gateway Design District and up Route 195 which has allowed for current and future economic development.

### **Budget Process & Budgetary Control**

**Budget Process** - As demonstrated by the budgetary schedules included in the financial section of this report, the Town continues to meet its responsibility for sound financial management. In addition to budgetary schedules, NOTE 2 (A) in the Notes to Basic Financial Statements describes the budget process used by the Town. The annual budget serves as the foundation for the Town's financial planning and control. A five-year Capital Improvement Plan is presented, with the annual budget, but only the first year is adopted. The programs, as presented, are generally followed over the course of the five year planning period. The Capital planning process also incorporates a comprehensive debt management plan as part of the funding resource along with grants, pay-as-you-go and other cost sharing. The debt management plan is created in accordance with the Town's debt management policy.

**Budgetary Control** - The Town maintains budgetary controls with the objectives to ensure compliance with legal provisions embodied in the annual appropriated budget, approved by the budget referendum. The Town maintains an encumbrance accounting system as one technique of accomplishing budgetary controls. Expenditures pursuant to the Town's Purchasing Policy are approved first through a purchase order signed by the Town Manager and the Director of Finance and Records. Encumbrances are reserved against appropriations made through contracts or commitments to vendors. Purchase orders that would result in an over expenditure of an appropriation are not issued until transfers or additional appropriations are made. The Town Manager may make unencumbered appropriation transfers between Departments for up to 3% of the department budget from which the funds will be transferred. The Council may by resolution transfer any unencumbered appropriations, balance or portion thereof from one Department, commission, board or office to another. Management approval is required for transfers within departments. Charter Section 9-14 allows for the Council, by resolution, to make appropriations to be funded by grants or gifts, and other additional and supplementary appropriations not to exceed an aggregate of ½ of 1% of the General Fund Budget in any fiscal year. All additional appropriations in excess of the limit must be approved by a public hearing process.

### **Local Economy**

The Town's finances and financial plans remained stable for the end of the fiscal year with over 99.8% of general fund revenues received at June 30, 2022 including 101% of budgeted property taxes. General fund expenditures were 99.8% of the adopted budget. The Town also has strong reserves in an Emergency Declaration fund which allows for the provision of cash flow for emergency safety measures that will be reimbursed by FEMA and other Federal funding sources.

Tolland continues to balance land preservation with the expansion and encouragement of business growth. Exit 68 off Interstate 84 is the main access point to Tolland and the primary gateway to the University of Connecticut's main campus. The Town anticipates that the University's expansion plans, including the development of a research park, will create economic development opportunities in Tolland.

The 2019 Plan of Conservation and Development reflects a strong emphasis on economic development. The plan recommended that the Zoning Regulations be updated to facilitate the types of businesses the Town wishes to see in Tolland, and the Town completed a substantial rewrite of its commercial and industrial zoning regulations in 2021. Along with efforts to produce a regional economic development action plan, it is the Town's goal to be more aggressive in marketing opportunities in Tolland and the region for development. The 2019 Plan of Development promotes the Town's vision for mixed-use development. Studies show there is a market potential for restaurants, apartments, possibly a hotel and other uses. Tolland's updated Tax Abatement policy for businesses provide an enticement to attract new businesses.

In the Technology Campus Zone and Tolland Village Area, Tolland created an innovative Master Plan Overlay Zone option that provides additional flexibility for developers to encourage larger scale development with lessened risk.

The value of building permits have been increasing each year. The Town recently granted Special Permit approval to a 240-unit luxury apartment complex. Construction is expected to begin before the end of the year. This will result in an additional \$300,000 of revenue for the Town.

The Town and its Economic Development Commission have worked with property owners, developers, real estate firms and residents to promote business. Most recently an inventory of all commercial property was taken and an interactive map for developers, future business owners etc., was created. The program includes information such as utilities, zoning, etc. as part of the link to the property. This map can be found on our website at: [Tolland Vacant Commercial Properties Map - Google My Maps](#). Our Economic Development Commission website also contains many resources for businesses. [Resources for Businesses | Town of Tolland CT](#).

Tolland began to allow for drive-through in certain parts of Town, and the Town saw its first drive-through restaurant open in 2021.

The Town has collaborated with Bolton, Coventry and Mansfield to create a regional economic development action plan. It includes short-term low-to-no-cost initiatives, and longer-term actions for the four towns to undertake jointly.

Investment in Tolland's transportation infrastructure remains strong. We are making application for a Federal Bridge repair and maintenance grant to be used to update some of our older bridges.

The Town continues to work with developers to facilitate development through the Economic Development Commission. New business has included several small personal service businesses, a new medical facility, expanded drive-through and outdoor dining options, automotive uses and new home occupations.

The net taxable grand list of 10/1/2020 was \$1.29 Billion, representing an increase of .85% from 2019. Individually the real estate values increased by over \$7.2 million or .65%, personal property values decreased by \$610 thousand or 1.5% and the motor vehicle list increased by \$4.3 million or 3.2%. Real Estate values increased due to several new constructions, building permit activity and 32 homes that were receiving an assessment reduction due to crumbling foundations added back to the list. Personal Property decreased by 27 accounts with several losses due to COVID-19 impacted business closings. Motor Vehicles increased in value, while the number of accounts decreased by 629. The decline in the number of vehicles is mostly due to registration extensions granted by the DMV due to COVID-19.

Despite the decrease in the number of vehicles, there was a significant increase in value, which is due to newer, higher valued vehicles and older vehicles retaining their value.

Tolland remains attractive to business development with a median household income of \$118,194 (American Community Survey 2020). Tolland's unemployment rate was 3.3% in July 2022 vs. the State of CT 4.3% for the same period. As the economy recovers from the impact of the COVID pandemic the unemployment rates are declining.

### **Long-Term Financial Planning**

The Town has embarked on an aggressive long-term financial planning program. Specifically, it has developed, and continues to modify, a "Long-Term Fiscal Trend Analysis Report," which synthesizes several quantifiable variables into a document that forecasts long-term revenue and expenditure line items which make up the total Town budget. These variables include such indicators as Grand List Growth, intergovernmental revenue projections and forecasts in both municipal and educational operating expenses. The drafting of this trend analysis has helped the Town Manager's Office and Town Council immensely in developing affordability benchmarks. In conjunction with this, a debt management plan was structured to layer in debt issues for the next five years based on approved projects and anticipated needs. By employing this tool, it makes it readily apparent when new debt can be issued and when projects should be deferred to the future. The most recent long-term financial plan is in our current budget document under the budget overview section located on the Finance Department website: <https://www.tollandct.gov/finance-department/pages/town-budget-information>.

### **Financial Policies and Practices**

**Management Policies** – The Town has formal financial policies for investments, debt management, capital financing, fund balance and other reserves, purchasing, post bond issuance tax disclosure policy, capital assets, multi-year financial forecasting and risk management. These policies are on our web site at <https://www.tollandct.gov/finance-department/pages/financial-policies>.

**Fund Reserves** – The Town Council approved Fund Balance policy requires a minimum level of fund balance 10% of the General Fund expenditure budget and also provides for detailed requirements for replenishment if the balance should fall below the threshold. It also includes that the preference would be to maintain at least two months of operating reserves if possible. Besides having a goal to maintain a General Fund balance of 10% to 17% of General Fund operating expenditures the Town has created several other reserve funds to address various emergency or other stabilization needs of the Town. These funds include a Municipal Tax Stabilization fund, Debt Service fund, Capital Non-Recurring fund, an Emergency Declaration fund, an Education Reserve fund, a Temporary Education COVID Reserve fund, a Town-wide Property Revaluation fund and a Utility Internal Service fund.

With the creation of the Capital Non-Recurring Fund, which allows more flexibility in investments, the Town employed the services of Webster Trust to oversee these investments. The fund has approximately 30% of investments in equities and the balance in United States government obligations. The intent of this fund is to serve as a future source of pay-as-you-go financing for capital projects.

**Bond Rating** – Due to its strong financial management practices, Tolland has maintained a credit rating of AAA from Standard and Poors Rating Agency since 2013 (Most recent rating was in August 2022). The Town also has an AAA rating from Fitch Rating Agency, which was recently reaffirmed.

### **Major Initiatives**

The Town Council hired a new Town Manager, Brian Foley, in June 2022. He is in the process of familiarizing himself with the needs of the community and operations.

The Town Council has formed a Council Subcommittee to oversee the Tolland Firehouse Improvement project. The design work and bidding is in process for these improvements.

The Birch Grove School Project was completed and opened in August 2021. There were several minor back-ordered items, which delayed the closeout of this project with the State of CT Department of School Construction, and the final steps to close the project and associated grant are moving forward. This was a \$46,000,000 project that was fortunate to be funded by an 89% State Grant.

The Town continues to address the issue of residential/crumbling foundations, assisting property owners to find funding and resources to correct the problem.

The COVID relief fund for the Board of Education was provided with additional funds and has been continued for an additional year to assist the Board of Education with resources to address the safety needs related to the COVID pandemic response.

### **Awards and Acknowledgements**

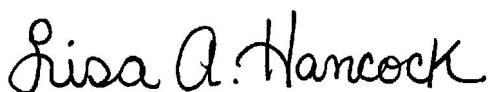
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Tolland for its Annual Comprehensive Financial Report for the year ended June 30, 2021. This was the thirtieth consecutive year that the Town of Tolland has received 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 is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Additionally, the Town received the Distinguished Budget Presentation Award for the 2021-2022 Budget from the GFOA. The Town has received this highest form of recognition in governmental budgeting for ten consecutive years. We have applied for the 2022-23 award and anticipate being eligible for it.

The preparation of this report on a timely basis would not have been possible without the assistance and support of many people. I would like to express our appreciation to all those who contributed to its preparation, including Laura Schwabe, Christopher Jordan and Noreen Botticello from the Finance Office. I would also like to thank the Town Council and the Board of Education for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

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

Lisa A. Hancock, CPFO, CCMO, CCGA, MPA  
Director of Finance and Records



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Tolland  
Connecticut**

For the Fiscal Year Beginning

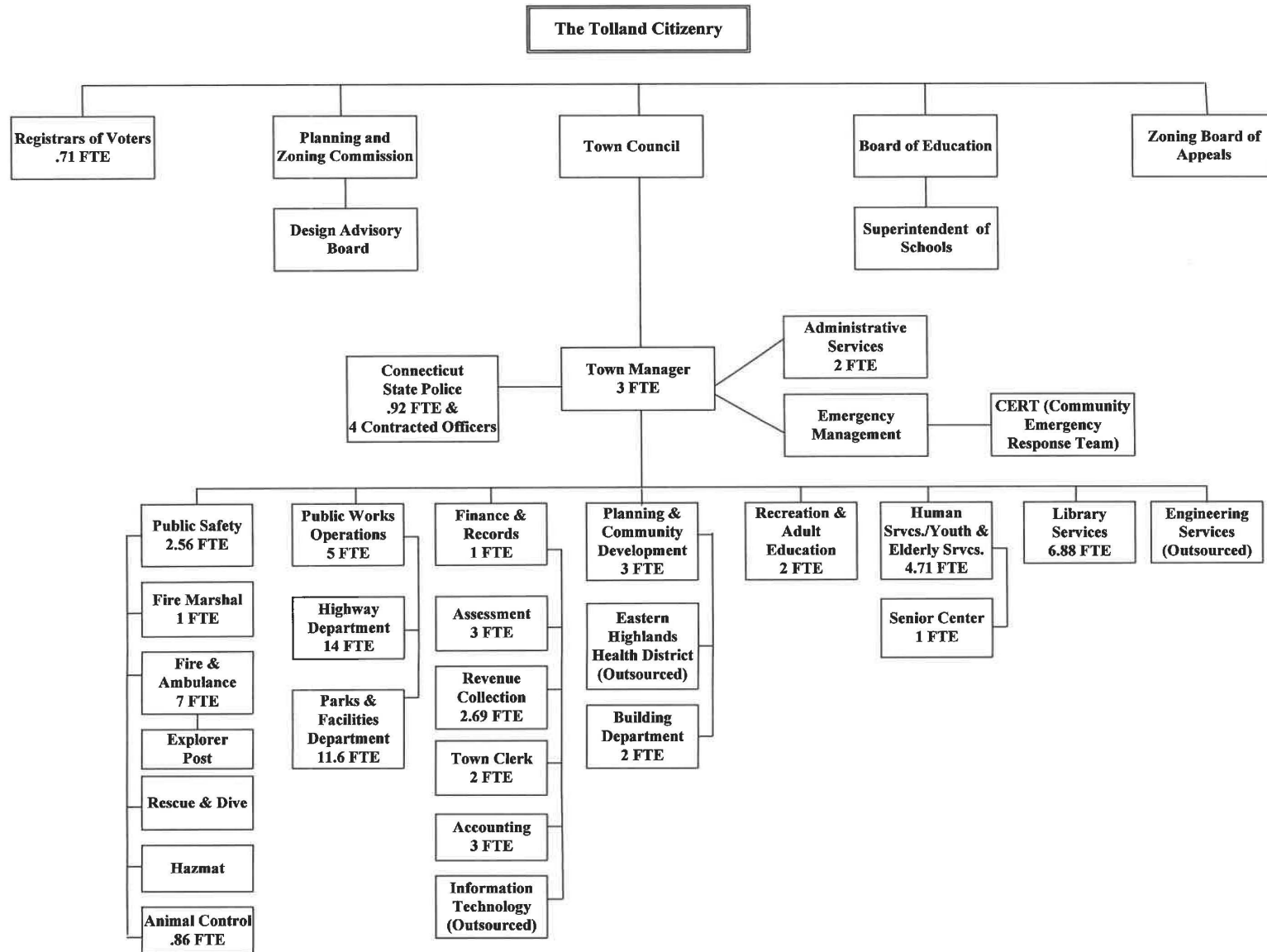
**July 01, 2021**

*Christopher P. Morill*

Executive Director

# Town of Tolland

## Organization Chart



**TOWN OF TOLLAND, CONNECTICUT**

**LIST OF PRINCIPAL OFFICIALS**

**JUNE 30, 2022**

**Town Council**

Steven Jones, Chairperson  
John Reagan, Vice Chairperson  
Tammy Nuccio  
Katie Murray  
Sami Kahn  
Lou Luba  
Colleen Yudichak

**Board of Education**

Ashley Lundgren, Chairperson  
Sophia Shaikh, Vice Chairperson  
Jennifer Gallichant  
Anthony Holt  
Dana Philbin  
Christina Plourd  
Jayden Regisford  
Christine Griffin  
Jacob Marie

Brian Foley, Town Manager

## **FINANCIAL SECTION**





## INDEPENDENT AUDITORS' REPORT

Town Council  
Town of Tolland, Connecticut

### Report on the Audit of the Financial Statements

#### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Tolland, Connecticut, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund 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 Tolland, 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 Tolland, 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 the Town of Tolland, 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 the Town of Tolland, 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 Tolland, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements 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 is 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.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2022, on our consideration of the Town of Tolland, 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 Tolland, 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 the Town of Tolland, Connecticut's internal control over financial reporting and compliance.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 13, 2022

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

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

**Financial Highlights**

- On a government-wide basis, the assets of the Town of Tolland exceeded its liabilities at the close of the most recent year by \$134,013,127 (net position). Of this amount, \$15,893,838 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- On a government-wide basis, the government's total net position increased by \$4,591,642. Governmental and business-type activity expenses were \$71,654,530 while revenues were \$76,246,172.
- The total cost of all Town services for the fiscal year 2022 was \$71,654,530 of which \$70,744,719 was for governmental services and \$909,811 for business-type activities.
- At the close of the fiscal year, the Town's governmental funds reported, on a current resource basis, combined ending fund balances of \$13,128,006, a decrease \$7,754,330 from the prior fiscal year. Of the total fund balance as of June 30, 2022, \$4,297,145 represents the combined unassigned fund balance in the general fund, special revenue funds, capital projects funds and permanent funds.
- At the end of the current fiscal year, the total fund balance on a GAAP basis for the general fund alone was \$12,437,728, a decrease of \$421,869 over the prior fiscal year. Unassigned fund balance for the general fund was \$10,230,012 or 15.54% of general fund expenditures and transfers out. Unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) for the general fund was \$12,437,728 or 18.89% of general fund expenditures and transfers out. There was no restricted fund balance in general fund.

**Overview of the Financial Statements**

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

**Government-Wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Tolland's finances, in a manner similar to a private-sector business. All of the resources available to the Town are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide long-term and short-term information about the Town's overall financial status.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

The *statement of net position* presents information on all of the Town of Tolland's assets and liabilities, with the difference reported as *net position*. One can think of the Town's net position, the difference between assets and liabilities, as one way to measure the Town's financial health and financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Tolland is improving or deteriorating. It addresses the question of whether or not the Town is better or worse off as a result of this year's activities.

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

Both of the government-wide financial statements distinguish functions of the Town of Tolland that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town of Tolland encompass most of the Town's basic services and include administration, planning and community development, community services, public works, public safety services, records and financial services and education. The business-type activities of the Town of Tolland are water and sewer operations. They are reported here because the Town charges a fee for providing water and sewer services to its customers, which are intended to cover the operating costs, including depreciation.

The government-wide financial statements can be found on Exhibits I and II of this report.

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

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

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

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

The Town of Tolland maintains 32 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Sewer Assessment, CDBG Small Cities, Emergency Declaration and Capital Projects, which are considered to be major funds. Data from the other 27 governmental funds are combined into a single, aggregated presentation under the caption "other governmental funds." Nonmajor governmental funds include the Dog, Open Space Maintenance, Stone Pond Sewer Escrow, Tolland Townhouse Sewer Escrow, Lodge Activity, Open Space, Tolland Business Park, Town Aid Road, Recreation, Water Assessment, School Lunch, State and Federal Education Grants, Before/After School Program, Eviction Fund, Cemetery Operations, Training Center, Conservation Fund, Traffic Grant, Field Maintenance, Veterans Memorial, Emergency Declaration, Miscellaneous Grants, Artificial Turf, Cemetery Perpetual Care, Debt Service Fund, Agricultural Fund, Tax Stabilization Fund and Ratcliff Hicks Memorial School funds. Individual fund data for each of these nonmajor governmental funds is provided in the *form of combining statements* elsewhere in this report.

The Town of Tolland adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this authorized budget.

The basic governmental fund financial statements can be found on Exhibits III-V of this report.

**Proprietary Funds.** The Town of Tolland maintains four proprietary funds. The *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Tolland uses enterprise funds to account for its Water and Sewer operations. The *governmental activities* include two internal service funds.

- The ECHIP Internal Service Fund is used to report activities that provide self-insured medical services for both the Town and Board of Education which are funded by other Town programs or activities.
- The Utility Internal Service Fund (UISF) is used to pay for utility related expenses for both the Town and Board of Education which are funded by other Town programs or activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water operations which is considered to be a major fund of the Town of Tolland.

The basic proprietary fund financial statements can be found on Exhibits VI-VIII of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town of Tolland's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibits IX-X of this report.

**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.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

The combining statements and supplemental schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the basic financial statements.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position and an important determinant of its ability to finance services in the future. Town of Tolland's total assets exceeded liabilities by \$134,013,127 at the close of the most recent fiscal year.

By far, the largest portion of the Town of Tolland's net position \$108,165,623 (80.6%) reflects its investment in capital assets (e.g., land, buildings, vehicles, furniture and equipment, water systems and infrastructure) less related outstanding debt used to acquire those assets. The Town of Tolland uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town of Tolland'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.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 45,170,964	\$ 40,830,416	\$ 2,129,944	\$ 1,892,324	\$ 47,300,908	\$ 42,722,740
Capital Assets	144,545,730	140,470,058	7,670,361	7,954,904	152,216,091	148,424,962
Total Assets	189,716,694	181,300,474	9,800,305	9,847,228	199,516,999	191,147,702
Deferred Outflows of Resources	674,351	764,118	-	-	674,351	764,118
Current Liabilities	20,390,589	14,218,769	226,652	184,448	20,617,241	14,403,217
Noncurrent Liabilities	41,871,979	46,340,677	-	-	41,871,979	46,340,677
Total Liabilities	62,262,568	60,559,446	226,652	184,448	62,489,220	60,743,894
Deferred Inflows of Resources	3,689,003	1,746,441	-	-	3,689,003	1,746,441
Net Investment in Capital Assets	100,495,262	86,869,703	7,670,361	7,954,904	108,165,623	94,824,607
Restricted	9,953,666	6,925,865	-	-	9,953,666	6,925,865
Unrestricted	13,990,546	25,963,137	1,903,292	1,707,876	15,893,838	27,671,013
Total Net Position	<u>\$ 124,439,474</u>	<u>\$ 119,758,705</u>	<u>\$ 9,573,653</u>	<u>\$ 9,662,780</u>	<u>\$ 134,013,127</u>	<u>\$ 129,421,485</u>

An additional portion of the Town of Tolland's total net position, 7.46% or \$9,953,666, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$15,893,838 is *unrestricted net position* and may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Tolland is able to report positive balances in all three categories of net position, both for the Town as a whole, as well as for its separate governmental and business-type activities. The same held true in for the prior fiscal year.

Restricted net position in the business-type activities remained at zero and governmental activities increased by \$3,027,801 from the previous year.



**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

The Town of Tolland's overall net position increased \$4,591,642 from the prior fiscal year. The major changes in revenues and expenses creating this overall increase are discussed in the following sections for governmental activities and business-type activities. Governmental activities increased the Town of Tolland's net position by \$4,680,769 and business-type activities decreased it by \$89,127.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,704,909	\$ 2,014,540	\$ 811,142	\$ 794,696	\$ 3,516,051	\$ 2,809,236
Operating Grants and Contributions	17,199,006	23,262,433	-	-	17,199,006	23,262,433
Capital Grants and Contributions	6,606,364	29,482,565	-	-	6,606,364	29,482,565
General Revenues:						
Property Taxes	48,441,449	46,462,712	-	-	48,441,449	46,462,712
Grants and Contributions Not Restricted to Specific Programs	535,533	510,373	-	-	535,533	510,373
Investment Income	(164,693)	355,761	5,967	8,254	(158,726)	364,015
Miscellaneous	106,495	79,812	-	-	106,495	79,812
Total Revenues	75,429,063	102,168,196	817,109	802,950	76,246,172	102,971,146
Expenses:						
Administration	2,243,137	2,012,338	-	-	2,243,137	2,012,338
Planning and Community Development	534,461	528,407	-	-	534,461	528,407
Community Services	1,794,835	1,351,726	-	-	1,794,835	1,351,726
Public Works	9,680,456	8,158,702	-	-	9,680,456	8,158,702
Public Safety Services	2,800,998	3,207,753	-	-	2,800,998	3,207,753
Records and Financial Services	1,100,660	1,137,503	-	-	1,100,660	1,137,503
Board of Education	51,474,320	57,870,430	-	-	51,474,320	57,870,430
Contingency And Other	-	-	-	-	-	-
Interest Expense	1,115,852	1,573,133	-	-	1,115,852	1,573,133
Loss on Disposal	-	-	-	-	-	-
Sewer Fund	-	-	452,405	470,730	452,405	470,730
Water Fund	-	-	457,406	375,927	457,406	375,927
Total Expenses	70,744,719	75,839,992	909,811	846,657	71,654,530	76,686,649
Excess (Deficiency) Before Transfers	4,684,344	26,328,204	(92,702)	(43,707)	4,591,642	26,284,497
Transfers	(3,575)	11,425	3,575	(11,425)	-	-
Change in Net Position	4,680,769	26,339,629	(89,127)	(55,132)	4,591,642	26,284,497
Net Position - July 1	119,758,705	93,419,076	9,662,780	9,717,912	129,421,485	103,136,988
Restatement		-		-		-
Net Position, Restated July 1		93,419,076		-		103,136,988
Net Position - June 30	\$ 124,439,474	\$ 119,758,705	\$ 9,573,653	\$ 9,662,780	\$ 134,013,127	\$ 129,421,485

### Governmental Activities

For governmental activities, approximately 64.2% of the revenues were derived from property taxes, followed by 31.6% in other intergovernmental revenues. These numbers reflect an increase in property tax revenue and an decrease in intergovernmental revenue as compared to the prior fiscal year where property taxes were 45.5% and other intergovernmental revenues were 51.6% of total revenues.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

Major revenue factors included:

1. *Property tax revenues* recorded during the fiscal year 2022 reflect a 1.06 mill increase in the mill rate for the current levy and the impact of a 0.85% increase in the grand list. There was \$1,978,737 in property tax revenues collected over the previous year.
2. *Charges for services* were \$690,369 higher than the prior year. The Board of Education Student Activities, other Education revenue and Family Resource Center revenues increased by \$475,753 and accounts for a majority of the increase. The recreation programs, Library and youth programs and lodge activity also reopened operations after the prior year impact of the COVID pandemic. This resulted in additional revenue of \$140,443. Property conveyance fees also increased \$67,862.
3. *Operating grants* reflected a decrease of \$6,063,427 mainly due to a decrease in State Teacher Retirement pension and OPEB expense for \$7,978,681, a decrease of \$114,769 in Education Cost Sharing, with some offset increases and decreases in other operating grants. Education Cost Sharing was supposed to decrease for the next several years by approximately \$330,000 annually as part of the State phase in plan to reduce ECS for Tolland; however, the State Legislature has frozen this process for the next couple of years. The impact of the decrease this year is mainly due to year-end adjustments in the Tolland allotment.
4. *Capital grants and contributions* reflected a decrease of \$22,876,201 over the previous year due to grants received for one-time school construction and other construction projects in the prior year.
5. *Grants and contributions not restricted to specific programs* increased by \$25,160, mainly due to an increase in the state payment in lieu of taxes allotment.
6. *Investment Income* is reflected as a loss of \$164,693 due to a loss in market value in the Hicks Memorial fund.
7. *Miscellaneous General Revenues* increased by \$26,683 over the previous year due to an increase in bond premiums from debt issuance of \$21,454 and \$5,229 from the sale of assets.

Overall governmental revenue decreased by \$26,739,133. This is mainly due to a decrease in State Teacher Retirement grants of \$7,978,681 as mentioned above and school construction grants for the Birch Grove School building project and other capital grants for \$22,876,201. These reductions were offset by increases in other capital and operating grants. Property taxes increased by \$1,901,179 and there was an increase in miscellaneous of \$26,683.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

**REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES**

The largest component of revenue, which is from property taxes, increased to 64.2% of total revenue in the current year as compared to 47.9% in the prior year. This increase was mainly due to the proportionate share of overall revenues due to decreasing capital and operating grants and a loss in investment income.

**EXPENSES BY SOURCE - GOVERNMENTAL ACTIVITIES**

For governmental activities, 72.8% of the Town's expenses relate to education, 13.7% to public works, 4.0% to public safety, 2.5% to community services, 1.6% to interest payments on long-term debt, 3.1% to administration, 1.5% to records & financial services and contingency and 0.8% to planning and community development.

The overall total of governmental expenses excluding transfers decreased by \$4,580,794. Public Works Capital Asset costs and associated depreciation increased by \$2,036,233. The cost for the State on behalf payment for teachers retirement and school construction costs reduced Educational expenditures by \$6,396,110.

**Business-Type Activities.** Business-type activities decreased the Town of Tolland's net position by \$89,127. Key elements of this year's activities are as follows:

- The Water Fund had operating income of \$2,042 and the Sewer Fund experienced an operating loss of \$96,244 for a combined operating loss of \$94,202. The non-operating income of \$1,500 and transfers out to Capital Reserves of \$11,425, transfers in from general fund for Sewer Operations of \$15,000 brought the decrease in net position to \$89,127 at year-end. A majority of the operating loss in the Sewer Fund relates to the impact of depreciation expense.

**Financial Analysis of the Government's Funds**

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

**Governmental Funds.** The focus of the Town of Tolland's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Town of Tolland's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Tolland's governmental funds reported combined ending fund balances of \$13,128,006, a decrease of \$7,754,330 from the previous year.

The largest change in fund balance was the decrease in the Capital Projects Fund of \$7,788,539. There were also decreases in the General Fund of \$421,869. The Nonmajor Governmental funds had an increase of \$456,078.

*The general fund* balance decreased by \$421,869 due to an excess of \$257,592 in expenditures over revenues combined with other financing sources and uses for a reduction of a net \$164,277.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

The Capital Projects fund decreased by \$7,788,539 due to a delay in reimbursement requests for school construction grant payments for the Birch Grove School project. There is currently a unassigned fund deficit of \$5,932,867 due to the reimbursement delay. Once those funds are received the fund balance totals will increase.

The overall amount of the governmental fund balances totals up to \$13,128,006. Of that amount the assigned fund balance is \$1,161,385 which includes \$893,385 for encumbrances and \$268,000 for the subsequent budget. The restricted amount of the total fund balance is a restriction on spending grant receipts of \$467,597. There are balances committed for \$6,855,575. Of this amount, \$901,169 for the Education Reserve fund, \$145,162 for Municipal Tax Stabilization, \$972,452 for Debt Service, \$681,952 for Sewer Reserve bond payments, \$364,113 for Emergency Declarations Reserve and the balance is for other non-major funds and special commitments. An additional amount of \$346,304 represents the non-spendable portion of fund balance and the unassigned portion of fund balance is \$4,297,145 or 32.7% of total fund balance.

The general fund is the chief operating fund of the Town of Tolland. At the end of the current fiscal year, unassigned fund balance of the general fund was \$10,230,012, while total fund balance was \$12,437,728. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 15.5% of total general fund expenditures including transfers out. Total fund balance represents 18.9% of that same amount. The unassigned portion of fund balance, when compared with unassigned last year portion for the general fund had increased by \$283,005 while the total fund balance decreased by \$421,869.

Key factors contributing to the changes in the *General Fund* were:

- Overall, the Town experienced an excess in revenues for \$1,063,309. The current and prior year property tax levy collections exceeded the budget by \$265,911 and interest and lien fees exceeded budget by \$56,915. Motor vehicle supplemental tax collections came in \$219,997 in excess of the budget due to higher vehicle pricing.
- Revenue collected in investment income and other revenues was \$32,818 less than budgeted mainly due to lower investment rates. The budget within this year was reduced to reflect the lower investment rates and the loss this year was far less than in the previous year.
- Charges for Services exceeded the budget by \$340,246. Of this amount, \$120,145 was for building permit fees that were higher due to an increased amount of home improvements and other construction. In addition, \$158,068 for Property Conveyance Tax and \$23,825 Document Recording fees due to more property transactions.
- Total Expenditures were \$90,258 less than anticipated. Of this amount, \$9,419 was unexpended from the Board of Education.
- The Town unexpended balance of \$80,839 mainly consisted of \$12,500 unexpended fees for the Fire Water Supply rates that were not as high as anticipated and \$50,000 for savings resulting from employee attrition/retirements and delays in the hiring process. Included within those wage savings are funds resulting from a few employees within the Public Works area that were out due to workers compensation claims. Their salaries were paid by insurance, which then resulted in budgetary savings. There were also additional savings in other departments due to other miscellaneous savings.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

The *Capital Projects funds* reflects a temporary deficit of \$5,932,867. This is a result of revenues and other financing sources that were less than expenditures and other financing uses by \$7,788,539 due to the timing of capital projects and the bond issue and school construction grant reimbursements from this year resulting in this reduction in fund balance.

**Proprietary Funds.** The Town of Tolland's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the water fund amounted to \$3,294,339 and \$6,279,314 for the sewer fund at year-end. This represented a decrease of \$2,001 for water and a decrease of \$87,126 for sewer. The decrease in water resulted from an increase in repairs and maintenance costs. While utility costs decreased by \$15,489, there were substantial increases in other operating expenses for professional services for a leak detection and costs associated with the repairs. The decrease in sewer is due mainly to expenses, including depreciation, not covered by user fees. The Sewer Operating expenses were \$18,325 less than the previous fiscal year. This was mainly due to expenditure savings in utilities, professional services and service charges.

The Utility Internal Service Fund operating revenues and transfers in were \$2,053,607 and operating expenses were \$962,458, when combined with non-operating expenses of \$161,473 and transfers-out of \$515,014, resulted in an increase in net position of \$414,662. \$200,000 of this increase was for a settlement payment made by Honeywell Corporation. The balance was due to savings in utility usage versus the estimated increase in tariffs. Total net position as of June 30, 2022 was \$1,095,757. Operating expenses decreased over the last year by \$26,674 due to reduced utility use. Operating revenues increased by \$218,270.

The ECHIP Health Insurance Internal Service Fund had total revenue of \$6,712,235 and operating expenses of \$6,841,608 resulting in a decrease in net position of \$127,184. The total net position as of June 30, 2022 was \$2,650,156.

### **General Fund Budgetary Highlights**

The final amended budget of \$59,204,741 increased by \$989,859. The Town Council approved the increase to the budget to provide \$398,155 to the Education Reserve fund pursuant to the ordinance, which allows reserves to be set aside for the Board of Education from prior year savings; and \$398,155 to the COVID Reserve Fund for the Board of Education. This fund will provide funds for unanticipated COVID related supplies and services for the Board of Education. The Town Council and Board of Education entered into an agreement as to how these funds would be used. Additionally, pursuant to Town Ordinance, excess State revenue received for \$193,549 was transferred to the Municipal Tax stabilization fund for \$145,162 and \$48,387 to the Capital and Non-recurring fund.

During the year, actual revenues and other financing sources on a budgetary basis were \$59,040,947, which was less than the budgetary estimates by \$163,794.

Actual tax revenues were over budget by \$544,903 due to aggressive prior year's delinquent collections of \$77,913 (prior taxes) and \$56,915 (delinquent interest charges) and better than expected current levy collections of \$187,998. Supplemental Motor Vehicle fees were \$219,997 in excess of the budget due to more than anticipated motor vehicles added to the grand list.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

Actual intergovernmental revenue were more than the budget by \$210,978. More funds were received for the Education Cost Sharing grant for \$193,549 resulting from prior year calculation adjustments and additional revenue allocated in the State Legislative approval process for their budget. The Town also had a reduction of \$16,770 in Miscellaneous Grants for additional grant funding received for the PILOT grant netted against other miscellaneous grant reductions.

Charges for current services exceeded the budget by \$340,246 due to higher than anticipated Building Permit applications, Property Conveyance and document recording fees. Investment income was \$27,139 under budget due to lower interest rates. During the budget process, we did lower the estimated amount for investment income; however, it was not quite enough. Other excess revenues received offset this shortfall. Other financing sources included \$112,756 for cancellation of previous year encumbrances for both the Town and Education.

Other revenues fell short of the budget by \$5,679. This shortfall came from less than anticipated funds from our sports leagues to assist with the cost associated with the Artificial Turf field. Since sports are slowly returning from the impact of the COVID pandemic, leagues were unable to do fund raising to support their payments.

The Town had an original budgeted appropriation for the use of fund balance in the amount of \$1,339,859. This entire amount did not have to be used mainly due to unanticipated excess revenues received for current and prior year levies, charges for services and expenditures less than budgeted. The actual amount of Generally Accepted Accounting Principles basis fund balance decreased by \$421,869.

Actual expenditures on a budgetary basis and other financing uses totaled \$59,114,483, which was less than budgeted by \$90,258. These savings are discussed under key factors contributing to the general fund increase.

**Capital Asset and Debt Administration**

**TOWN OF TOLLAND'S CAPITAL ASSETS  
(Net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 14,881,115	\$ 14,881,115	\$ 50,858	\$ 50,858	\$ 14,931,973	\$ 14,931,973
Construction in Progress	553,356	-	48,374	48,374	601,730	48,374
Buildings	107,322,641	103,181,011	-	-	107,322,641	103,181,011
Vehicles, Furniture, and Equipment	6,247,877	6,223,493	-	-	6,247,877	6,223,493
Right to Use Equipment	242,419	346,312	-	-	242,419	346,312
Plant and Pumping Station	-	-	1,380,165	1,446,121	1,380,165	1,446,121
Water Distribution System	-	-	6,190,964	6,409,551	6,190,964	6,409,551
Infrastructure	15,298,322	16,184,439	-	-	15,298,322	16,184,439
Total	<u>\$ 144,545,730</u>	<u>\$ 140,816,370</u>	<u>\$ 7,670,361</u>	<u>\$ 7,954,904</u>	<u>\$ 152,216,091</u>	<u>\$ 148,771,274</u>

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

**Capital Assets.** The Town of Tolland's investment in capital assets for its combined governmental and business-type assets includes land, buildings and improvements, vehicles and equipment, roads, rights of way, water systems, dams, bridges and sewer lines. The total increase in the Town of Tolland's investment in capital assets for the current fiscal year was \$3,444,817 or approximately 2.3%, with an increase of \$3,729,360 for governmental activities and a decrease of \$284,543 for business-type activities.

The Town's Governmental Activities type capital assets increase of \$3,729,360 is the net result of depreciation and deletions combined with the addition of the following assets:

PLAYGROUND EQUIPMENT	26,942
RECREATION CENTER IMPROVEMENT AND STORAGE	146,695
REFRIGERATOR AT LODGE	5,792
SOLAR PANELED PICNIC TABLE	9,198
TACTICAL LOCKDOWN/CABLING	15,337
2021 VOLVO WHEEL LOADER	228,492
SNO-BANDIT SB-14L SNOW PUSHER	5,650
2022 FORD F-550 SERVICE TRUCK	58,041
72" EXMARK MOWER	14,799
72" EXMARK MOWER	14,799
ALAMO TRAXX RC 28 MOWER	47,386
SNOWBLOWER	5,550
2021 FORD TRANSIT	39,854
2022 CAM SUPERLINE TRAILER	9,960
GLOBAL STREET SWEEPER	297,251
THERMAL CAMERA KIT/TELEMETRY KIT	8,778
REPLACEMENT OF RESCUE 240	346,946
HURST CUTTER	12,982
HURST RAM	9,597
HURST RAM	9,371
HURST SPREADER	13,677
REPLACEMENT OF AMBULANCE 640	37,651
FIREHOUSE 340/440 IMPROVEMENTS	141,280
FIREHOUSE 140 IMPROVEMENTS	27,479
STRYKER STRETCHER	20,711
AXON BODY CAM SYSTEM (3)	17,599
STRYKER STAIR PRO (2) (MODEL 6252)	7,565
DELL EXCHANGE SERVER	9,790
PEDESTRIAN PATHWAY	16,818
BIRCH GROVE SCHOOL	7,392,182

Business-type activities decreased by \$284,543 due to the net effect of depreciation. There were no additional assets for Business-type Activities.

Additional information on the Town of Tolland's capital assets can be found in Note 3D.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

**Long-Term Debt.** At the end of the current fiscal year, the Town of Tolland had total bonded debt outstanding of \$33,150,000, all of which is backed by the full faith and credit of the Town. Of this debt, \$16,089,525 is school related and \$17,060,475 is general obligation. The Town of Tolland's total debt decreased in the net amount of \$3,775,000 for additions, payments made and decreases during the fiscal year.

In October 2016, the Town was upgraded to 'AAA' from 'AA+' by Fitch Rating Agency based on revised criteria on prior debt issuances. The last bond rating before June 30, 2022 for the Town of Tolland was in September 2020 reaffirming an "AAA" rating from Standard and Poor's, and Fitch Rating Agency for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 2¼ to 4½ times total tax collections including interest and lien fees and the tax relief for the elderly freeze grant. The current debt limitation for the Town of Tolland is \$325,784,998, which is significantly in excess of the Town of Tolland's outstanding general obligation debt.

Additional information on the Town of Tolland's long-term debt can be found in Note 3F.

### **Economic Factors and Next Year's Budget and Rates**

Local and State Governments throughout the country, including Tolland, continue to deal with the global and national issues and the economic reality of the Federal and State budget deficits. In addition, are also compounded with the impact of the COVID pandemic. The Town Council and staff have continued to address these issues while still trying to provide first-rate services. There are continued efforts to grow the Town's tax base, retain current businesses and increase economic development opportunities. The Town continues to work with the Towns' of Bolton, Coventry and Mansfield to create a regional economic development action plan. Some significant items to note for economic growth are as follows:

- The value of building permits have been increasing each year. The Town recently granted Special Permit approval to a 240 unit luxury apartment complex. Construction is expected to begin before the end of the year. This will result in an additional \$300,000 of revenue for the Town
- The Town and its Economic Development Commission have worked with property owners, developers, real estate firms and residents to promote business. Most recently an inventory of all commercial property was taken and an interactive map for developers, future business owners etc., was created. The program includes information such as utilities, zoning, etc. as part of the link to the property. This map can be found on our website at: [Tolland Vacant Commercial Properties Map - Google My Maps](#). Our Economic Development Commission website also contains many resources for businesses. [Resources for Businesses | Town of Tolland CT](#)
- Tolland began to allow for drive-through in certain parts of Town, and the Town saw its first drive-through restaurant open in 2021.
- Investment in Tolland's transportation infrastructure remains strong. We applied for a Federal Bridge repair and maintenance grant to be used to update some of our older bridges. We have been awarded the grant and will begin these repairs at 100% funding.



**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

- The Town continues to work with developers to facilitate development through the Economic Development Commission. New business has included several small personal service businesses, a new medical facility, expanded drive-through and outdoor dining options, automotive uses and new home occupations.

The new economic indicators were taken into consideration when adopting the general fund budget for fiscal year 2022/2023. The Education Cost Sharing Revenue was held stable once again for FY 22-23. The Legislature has frozen the phase in reduction for two years and this will be the final year. We are uncertain if the future reduction plan will continue after this. For several years the Town adopted budgets at the first referendum. This reflects the support of the citizens for the Town's submission of responsible budgets. With some growth in other revenue sources, the increase in property taxes due to grand list growth, some planned use of fund balance and committed debt reserve funds, we were able to address services.

The 2019 Grand List was a result of the 5-year Revaluation process that brought property values in line with current market trends. There was a 3.8% or \$48,813,432 increase in the October 1, 2021 Grand List. This resulted in an increase of approximately \$1,811,466 in actual tax dollars generated based on the FY 21-22 mill rate. The value of these funds is factored into the FY 22-23 mill rate calculation.

When factoring in all the changes in non-tax revenue sources including the proposed reduction of State Municipal aid, we were fortunate to have an increase revenues. \$200,000 of unassigned fund balance was also used to provide some additional tax relief. The Town Manager and Finance Director have recommended cautious use of fund balance and there is a plan in place for the next budget to continue to responsibly plan for the use and the future needs to replenish fund balance.

In 2022/2023 the overall Town expenditure budget increased by 2.57% with a (1.43) mill decrease. The motor vehicle mill rate is now capped pursuant to State Statute at 32.46 mills. As we have on a regular basis over the last several years in response to the economic times, we have minimized, to the extent practical, expenditures while doing everything possible to retain or improve upon the quality of programs and services offered. Our budget philosophy is to focus on our ability to sustain over time essential services and programs and to address absolute needs in a prioritized manner.

Amounts available for the FY 2022/2023 appropriation in the general fund budget are \$59,710,999, an increase of \$1,496,117 over the fiscal year 2022 budget of \$58,214,882. A combination of increased costs for fixed items such as, insurance, utilities, salaries, employee benefits and other commodities along with a substantial change in the percentage decrease in State aid had the biggest impact on the fiscal year 2022/2023 budget. In order to achieve this budget level, cost savings measures were employed such as eliminating one time expenditure requests and funded them in the prior year with savings and savings in health insurance premiums using revised trend assumptions and some of the reserve balance.

In an attempt to meet the challenge of accomplishing the most with limited resources, the Town continued strong efforts to apply for several grant funding initiatives to address infrastructure and community needs. The Town was successful in obtaining grant funds to do road improvements, community development grants (CDBG-Small Cities) and other social service grants. The Project Manager/Grants Administrator continues to pursue opportunities in locating and obtaining more grants for the Town.

**TOWN OF TOLLAND, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2022**

Tolland's unemployment rate decreased from 4.8% as of June 2021 to 3.2% as of June 2022. The State of CT unemployment rate decreased from 7.7% (June 2021) to 4% as of June 2022. These rates have been declining from COVID pandemic highs as related restrictions have been lifted and people began returning to the workplace.

**Requests for Information**

This financial report is designed to provide a general overview of the Town of Tolland's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance and Records, 21 Tolland Green, Tolland, CT 06084.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF TOLLAND, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 26,402,228	\$ 1,790,535	\$ 28,192,763
Investments	3,610,167	-	3,610,167
Property Taxes Receivable	1,204,971	-	1,204,971
Intergovernmental Receivable	8,431,804	-	8,431,804
Accounts and Other Receivables	2,027,243	339,409	2,366,652
Other Assets	33,241	-	33,241
Advance to Plan Administrator	3,148,247	-	3,148,247
Restricted Cash	292,263	-	292,263
Restricted Investments	20,800	-	20,800
Capital Assets, Nondepreciable	15,434,471	99,232	15,533,703
Capital Assets, Net of Accumulated Depreciation	129,111,259	7,571,129	136,682,388
Total Assets	<u>189,716,694</u>	<u>9,800,305</u>	<u>199,516,999</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to OPEB	239,393	-	239,393
Deferred Charge on Refunding	434,958	-	434,958
Total Deferred Outflows of Resources	<u>674,351</u>	<u>-</u>	<u>674,351</u>
<b>LIABILITIES</b>			
Accounts Payable	2,498,411	172,282	2,670,693
Accrued Liabilities	405,287	-	405,287
Accrued Interest Payable	439,570	-	439,570
Unearned Revenue	1,929,675	54,370	1,984,045
Bond Anticipation Notes Payable	10,615,000	-	10,615,000
Noncurrent Liabilities, Due Within One Year	4,502,646	-	4,502,646
Noncurrent Liabilities, Due in More Than One Year	41,871,979	-	41,871,979
Total Liabilities	<u>62,262,568</u>	<u>226,652</u>	<u>62,489,220</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to OPEB	1,212,228	-	1,212,228
Lease Receivable	725,000	-	725,000
Advance Property Tax Collections	1,751,775	-	1,751,775
Total Deferred Inflows of Resources	<u>3,689,003</u>	<u>-</u>	<u>3,689,003</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	100,495,262	7,670,361	108,165,623
Restricted for:			
Grant Programs	9,640,603	-	9,640,603
Endowments - Nonexpendable	20,800	-	20,800
Perpetual Care - Nonexpendable	292,263	-	292,263
Unrestricted	<u>13,990,546</u>	<u>1,903,292</u>	<u>15,893,838</u>
Total Net Position	<u>\$ 124,439,474</u>	<u>\$ 9,573,653</u>	<u>\$ 134,013,127</u>

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

		Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>							
Administration	\$ 2,243,137	\$ -	\$ 474,586	\$ -	\$ (1,768,551)	\$ -	\$ (1,768,551)
Planning and Community Development	534,461	737,151		-	202,690	-	202,690
Community Services	1,794,835	344,294	70,079	-	(1,380,462)	-	(1,380,462)
Public Works	9,680,456	96,052	595,685	26,388	(8,962,331)	-	(8,962,331)
Public Safety Services	2,800,998	304,882	45,152	-	(2,450,964)	-	(2,450,964)
Record and Financial Services	1,100,660	153,666	-	-	(946,994)	-	(946,994)
Board of Education	51,474,320	1,068,864	16,013,504	6,579,976	(27,811,976)	-	(27,811,976)
Interest Expense	1,115,852	-	-	-	(1,115,852)	-	(1,115,852)
Total Governmental Activities	70,744,719	2,704,909	17,199,006	6,606,364	(44,234,440)	-	(44,234,440)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Sewer Fund	452,405	356,161	-	-	-	(96,244)	(96,244)
Water Fund	457,406	454,981	-	-	-	(2,425)	(2,425)
Total Business-Type Activities	909,811	811,142	-	-	-	(98,669)	(98,669)
Total	\$ 71,654,530	\$ 3,516,051	\$ 17,199,006	\$ 6,606,364	(44,234,440)	(98,669)	(44,333,109)
General Revenues:							
Property Taxes					48,441,449	-	48,441,449
Grants and Contributions not Restricted to Specific Programs					535,533	-	535,533
Investment Income (Loss)					(164,693)	5,967	(158,726)
Miscellaneous					106,495	-	106,495
Transfers					(3,575)	3,575	-
Total General Revenues and Transfers					48,915,209	9,542	48,924,751
Change in Net Position					4,680,769	(89,127)	4,591,642
Net Position - Beginning of Year					119,758,705	9,662,780	129,421,485
<b>NET POSITION - END OF YEAR</b>					<b>\$ 124,439,474</b>	<b>\$ 9,573,653</b>	<b>\$ 134,013,127</b>

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 13,971,494	\$ 4,495,399	\$ 7,130,206	\$ 25,597,099
Investments	1,555,148	967,868	1,107,951	3,630,967
Receivables	1,994,002	8,431,804	1,251,100	11,676,906
Due From Other Funds	-	48,444	-	48,444
Other	-	-	33,241	33,241
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 17,520,644</u>	<u>\$ 13,943,515</u>	<u>\$ 9,522,498</u>	<u>\$ 40,986,657</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts and Other Payables	\$ 1,082,173	\$ 900,584	\$ 8,445	\$ 1,991,202
Accrued Liabilities	405,287	-	-	405,287
Due to Other Funds	48,387	-	57	48,444
Bond Anticipation Notes Payable	-	10,615,000	-	10,615,000
Unearned Revenue	-	-	1,929,675	1,929,675
Total Liabilities	<u>1,535,847</u>	<u>11,515,584</u>	<u>1,938,177</u>	<u>14,989,608</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	843,955	-	-	843,955
Unavailable Revenue - Tax Interest	226,339	-	-	226,339
Lease Receivable	725,000	-	-	725,000
Unavailable Revenue - Special Assessments	-	-	140,568	140,568
Unavailable Revenue - Loans Receivable	-	-	812,208	812,208
Unavailable Revenue - Grant Receivable	-	8,360,798	-	8,360,798
Unavailable Revenue - Cemetery	-	-	8,400	8,400
Advance Property Tax Collections	1,751,775	-	-	1,751,775
Total Deferred Inflows of Resources	<u>3,547,069</u>	<u>8,360,798</u>	<u>961,176</u>	<u>12,869,043</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	346,304	346,304
Restricted	-	-	467,597	467,597
Committed	1,046,331	-	5,809,244	6,855,575
Assigned	1,161,385	-	-	1,161,385
Unassigned	10,230,012	(5,932,867)	-	4,297,145
Total Fund Balances	<u>12,437,728</u>	<u>(5,932,867)</u>	<u>6,623,145</u>	<u>13,128,006</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 17,520,644</u>	<u>\$ 13,943,515</u>	<u>\$ 9,522,498</u>	<u>\$ 40,986,657</u>

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2022**

Reconciliation of Balance Sheet - Governmental Funds to Statement of Net Position:

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different from the governmental fund balance sheet. The details of this difference are as follows:

Total fund balances (Exhibit III)	\$ 13,128,006
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	\$ 257,550,673
Less: accumulated depreciation	(113,004,943)
Net Capital Assets	144,545,730
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Property tax, sewer use, water assessment and community development block grant receivable - accrual basis change	2,031,470
Grant receivable accrual basis change	8,360,798
Allowance for doubtful accounts on interest and liens	(20,371)
Deferred outflows of resources related to OPEB	239,393
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.	3,745,913
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable	(33,150,000)
Other postemployment benefit liability	(1,591,069)
Deferred inflows of resources related to OPEB	(1,212,228)
Deferred charge on refunding	434,958
Compensated absences	(1,198,714)
Accrued interest payable	(439,570)
Notes payable	(8,168,312)
Lease payable	(242,419)
Bond premium	(2,024,111)
Net Position of Governmental Activities (Exhibit I)	\$ 124,439,474

See accompanying Notes to Financial Statements.

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

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 48,316,022	\$ -	\$ -	\$ 48,316,022
Intergovernmental	15,601,834	3,996,337	3,024,430	22,622,601
Charges for Services	958,255	-	1,673,177	2,631,432
Investment Income (Loss)	22,861	(76,747)	(112,996)	(166,882)
Other Revenues	9,321	269,191	63,684	342,196
Total Revenues	64,908,293	4,188,781	4,648,295	73,745,369
<b>EXPENDITURES</b>				
Current:				
Administration	3,415,471	-	291,012	3,706,483
Planning and Community Development	435,405	-	-	435,405
Community Services	998,559	-	446,732	1,445,291
Public Works	4,793,751	-	2,015	4,795,766
Public Safety Services	2,121,705	-	114,435	2,236,140
Record and Financial Services	931,005	-	-	931,005
Contingency and Other	96,355	-	-	96,355
Board of Education	47,195,943	-	3,228,343	50,424,286
Capital Outlay	-	12,173,653	-	12,173,653
Debt Service	5,177,691	-	680,458	5,858,149
Total Expenditures	65,165,885	12,173,653	4,762,995	82,102,533
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(257,592)	(7,984,872)	(114,700)	(8,357,164)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond Anticipation Note Premium	-	-	91,395	91,395
Transfers In	515,014	196,333	479,383	1,190,730
Transfers Out	(679,291)	-	-	(679,291)
Net Other Financing Sources	(164,277)	196,333	570,778	602,834
<b>NET CHANGE IN FUND BALANCES</b>	(421,869)	(7,788,539)	456,078	(7,754,330)
Fund Balances - Beginning of Year	12,859,597	1,855,672	6,167,067	20,882,336
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 12,437,728</u>	<u>\$ (5,932,867)</u>	<u>\$ 6,623,145</u>	<u>\$ 13,128,006</u>

See accompanying Notes to Financial Statements.



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

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (7,754,330)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay	8,998,172
Depreciation expense	(5,232,455)

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.	(36,357)
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Change in deferred outflows related to OPEB	134,021
Change in deferred inflows related to OPEB	275,050

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:

Increase in property tax, tax interest and lien, sewer use, water assessment and community development block grant receivable - accrual basis change	(26,135)
Increase in property tax, sewer use and community development block grant allowance for doubtful accounts	(4,105)
Increase in grant revenue - accrual basis change	3,177,041
Amortization of bond premiums	524,602

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, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Bond payments	3,775,000
Lease payable payments	103,893
Notes payable payments	781,681

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

Compensated absences	3,156
Change in accrued interest	46,275
Amortization of deferred charge on refunding	(223,788)
Net other postemployment benefit expense	(148,430)

The net income of the internal service funds is reported with governmental activities.	287,478
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Change in Net Position of Governmental Activities (Exhibit II)	\$ 4,680,769
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See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 47,771,119	\$ 47,771,119	\$ 48,316,022	\$ 544,903
Intergovernmental	9,300,754	9,300,754	9,511,732	210,978
Charges for Services	618,009	618,009	958,255	340,246
Investment Income	50,000	50,000	22,861	(27,139)
Other Revenues	15,000	15,000	9,321	(5,679)
Total Revenues	57,754,882	57,754,882	58,818,191	1,063,309
<b>EXPENDITURES</b>				
Current:				
Administrative	3,230,414	3,350,473	3,349,774	699
Planning and Community Development	455,019	463,641	453,446	10,195
Community Services	999,650	974,151	971,523	2,628
Public Works	4,540,090	4,565,164	4,515,192	49,972
Public Safety Services	2,170,899	2,121,985	2,104,824	17,161
Record and Financial Services	1,013,225	928,233	928,214	19
Contingency and Other	173,350	96,520	96,355	165
Board of Education	40,819,289	40,819,289	40,809,870	9,419
Debt Service	4,650,000	4,662,677	4,662,677	-
Total Expenditures	58,051,936	57,982,133	57,891,875	90,258
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(297,054)	(227,251)	926,316	1,153,567
<b>OTHER FINANCING SOURCES (USES)</b>				
Cancellation of Prior Year Encumbrances	-	-	112,756	112,756
Appropriation of Fund Balance	350,000	1,339,859	-	(1,339,859)
Transfers-In	110,000	110,000	110,000	-
Transfers-Out	(162,946)	(1,222,608)	(1,222,608)	-
Net Other Financing Sources (Uses)	297,054	227,251	(999,852)	(1,227,103)
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$ -	\$ -	(73,536)	\$ (73,536)
Fund Balance - Beginning of Year			10,569,249	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 10,495,713</u>	

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2022**

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Funds
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 1,263,012	\$ 527,523	\$ 1,790,535	\$ 1,097,392
Advance to Plan Administrator	-	-	-	3,148,247
Accounts Receivable	127,431	211,978	339,409	7,483
Total Current Assets	1,390,443	739,501	2,129,944	4,253,122
<b>NONCURRENT ASSETS</b>				
Capital Assets, Nondepreciable:				
Land	50,858	-	50,858	-
Construction in Progress	48,374	-	48,374	-
Capital Assets, Net of Accumulated Depreciation:	-	-	-	-
Plant and Pumping Station	318,839	1,127,282	1,446,121	-
Distribution System	1,583,312	4,541,696	6,125,008	-
Total Noncurrent Assets	2,001,383	5,668,978	7,670,361	-
Total Assets	3,391,826	6,408,479	9,800,305	4,253,122
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	43,117	129,165	172,282	9,118
Claims Payable	-	-	-	498,091
Unearned Revenue	54,370	-	54,370	-
Total Current Liabilities	97,487	129,165	226,652	507,209
<b>NET POSITION</b>				
Net Investment in Capital Assets	2,001,383	5,668,978	7,670,361	-
Unrestricted	1,292,956	610,336	1,903,292	3,745,913
Total Net Position	\$ 3,294,339	\$ 6,279,314	\$ 9,573,653	\$ 3,745,913

See accompanying Notes to Financial Statements.

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

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 420,874	\$ 356,161	\$ 777,035	\$ 1,853,607
Other Charges for Services	34,107	-	34,107	-
Employer Contributions	-	-	-	6,712,235
Other Income	-	-	-	200,000
Total Operating Revenues	454,981	356,161	811,142	8,765,842
<b>OPERATING EXPENSES</b>				
Professional Services	95,242	40,949	136,191	-
Repairs and Maintenance	103,053	24,393	127,446	-
Service Fees	3,250	122,204	125,454	-
Materials and Supplies	21,607	4,726	26,333	-
Utilities	136,958	26,965	163,923	959,726
Administration	-	-	-	48,293
Employee Benefits	-	-	-	6,796,047
Depreciation	92,829	233,168	325,997	-
Total Operating Expenses	452,939	452,405	905,344	7,804,066
<b>OPERATING INCOME (LOSS)</b>	2,042	(96,244)	(94,202)	961,776
Nonoperating Revenue (Expenses):				
Interest Expense	-	-	-	(161,473)
Investment Income	424	5,543	5,967	2,189
Loss on Disposal	(4,467)	-	(4,467)	-
Net Nonoperating Revenue (Expense)	(4,043)	5,543	1,500	(159,284)
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	(2,001)	(90,701)	(92,702)	802,492
Transfers-In	-	15,000	15,000	-
Transfers-Out	-	(11,425)	(11,425)	(515,014)
Total Transfers	-	3,575	3,575	(515,014)
<b>CHANGE IN NET POSITION</b>	(2,001)	(87,126)	(89,127)	287,478
Net Position - Beginning of Year	3,296,340	6,366,440	9,662,780	3,458,435
<b>NET POSITION - END OF YEAR</b>	\$ 3,294,339	\$ 6,279,314	\$ 9,573,653	\$ 3,745,913

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**YEAR ENDED JUNE 30, 2022**

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers	\$ 437,454	\$ 348,473	\$ 785,927	\$ 8,758,359
Payments to Suppliers	(357,937)	(174,715)	(532,652)	(1,008,795)
Payments to Providers of Benefits	-	-	-	(6,714,424)
Net Cash Provided by Operating Activities	79,517	173,758	253,275	1,035,140
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers In/Out	-	3,575	3,575	(515,014)
Interest Payments	-	-	-	(161,473)
Net Cash Provided (Used) by Noncapital Financing Activities	-	3,575	3,575	(676,487)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of Capital Assets	(14,825)	(31,096)	(45,921)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(14,825)	(31,096)	(45,921)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Income	424	5,543	5,967	2,189
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	65,116	151,780	216,896	360,842
Cash and Cash Equivalents - Beginning of Year	1,197,896	375,743	1,573,639	736,550
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,263,012</u>	<u>\$ 527,523</u>	<u>\$ 1,790,535</u>	<u>\$ 1,097,392</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ 2,042	\$ (96,244)	\$ (94,202)	\$ 961,776
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	92,829	233,168	325,997	-
(Increase) Decrease in Accounts Receivable	(13,036)	(7,688)	(20,724)	(7,483)
Increase (Decrease) in Due to/from Other Funds	-	-	-	-
(Increase) Decrease in Advance to Plan Administrator	-	-	-	122,704
Increase (Decrease) in Accounts Payable	2,173	44,522	46,695	(46,337)
Increase (Decrease) in Claims Payable	-	-	-	4,480
Increase (Decrease) in Unearned Revenue	(4,491)	-	(4,491)	-
Net Cash Provided by Operating Activities	<u>\$ 79,517</u>	<u>\$ 173,758</u>	<u>\$ 253,275</u>	<u>\$ 1,035,140</u>

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2022**

	OPEB Trust Fund	Private Purpose Trust Fund Stevenson Scholarship	Custodial Fund Nonprofit Housing Corporation
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ -	\$ 25,104	\$ 140,484
Investments:			
Mutual Funds	1,580,765	-	-
Accounts Receivable	-	-	22,579
Total Assets	<u>1,580,765</u>	<u>25,104</u>	<u>163,063</u>
<b>NET POSITION</b>			
Restricted for:			
Postemployment Benefits	1,580,765	-	-
Individuals, Organizations, and Other Entities	<u>-</u>	<u>25,104</u>	<u>163,063</u>
Total Net Position	<u><u>\$ 1,580,765</u></u>	<u><u>\$ 25,104</u></u>	<u><u>\$ 163,063</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	OPEB Trust Fund	Private Purpose Trust Fund Stevenson Scholarship	Custodial Fund Nonprofit Housing Corporation
<b>ADDITIONS</b>			
Interest and Dividends	\$ -	\$ 21	\$ 396
Charges for Services	-	-	6,964
Contributions	190,394	-	-
Net Change in Fair Value of Investments	(181,301)	-	-
Total Additions	<u>9,093</u>	<u>21</u>	<u>7,360</u>
<b>DEDUCTIONS</b>			
Community Services	-	-	4,009
Benefits	177,437	-	-
Total Deductions	<u>177,437</u>	<u>-</u>	<u>4,009</u>
<b>CHANGE IN NET POSITION</b>	(168,344)	21	3,351
Net Position - Beginning of Year	<u>1,749,109</u>	<u>25,083</u>	<u>159,712</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 1,580,765</u></u>	<u><u>\$ 25,104</u></u>	<u><u>\$ 163,063</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Tolland, Connecticut (the Town), originally part of the Town of Windsor, was chartered in 1715 and incorporated in 1722. The Town maintains a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), public works, education and social services.

**B. Basis of Presentation**

The financial statements of 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 of the Town's accounting policies are described below.

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

Fiduciary Component Units

The Town has established a postretirement retiree health plan (OPEB) to provide retirement benefits and postretirement health care benefits to employees and their beneficiaries. The Town is required to make contributions to the OPEB plan and can impose its will.

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

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 as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. 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.



**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**B. Basis of Presentation (Continued)**

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement of Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**B. Basis of Presentation (Continued)**

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

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.

The Town reports the following major governmental funds:

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

The *Capital Projects Fund* accounts for revenues to be used for major capital asset construction and/or purchases funded by debt issuances, grants and General Fund appropriations.

The Town reports the following major proprietary funds:

The *Water Fund* accounts for activities of the government's water operations.

The *Sewer Fund* accounts for the maintenance and repair needs of the sewer system. The Town of Tolland does not own its own sanitary sewer treatment plant and contracts for treatment with the Town of Vernon. The Sewer Fund pays for treatment on the basis of volume of waste and in accordance with sewer usage fees of the Town of Vernon. The major source of revenue for this fund is the collection of sewer use fees.

Additionally, the Town reports the following fund types:

The *Internal Service Funds* are used to account for the fees associated with the utilities and the debt service on the ESCO project, along with future system improvements and repairs, and the self-insured medical activities of the Town and Board of Education.

The *Other Postemployment Benefit Trust Fund* is used to account for the activities for both Town and Board of Education for other postemployment benefits (e.g., health insurance, life insurance) that accumulate resources for other postemployment benefit payments to qualified employees.

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**B. Basis of Presentation (Continued)**

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

The *Private Purpose Trust Fund* is used to account for resources legally held in trust for student scholarships. None of the resources of the fund, including any earnings on invested resources, can be used to support the Town's activities. The fund has a nonexpendable portion.

The *Custodial Fund* accounts for monies held on behalf of the Non-Profit Housing Corporation.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Water Fund and Sewer Fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**C. Cash and Cash Equivalents**

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

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.

**D. Investments**

Investments 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."

**F. Restricted Assets**

The Cemetery Perpetual Care and Ratcliff Memorial School Funds are restricted to expenditure of the investment income only for the donor-designated purpose. Any appreciation of the funds is also restricted.

**G. Lease Receivable**

The Entity determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the Entity's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**G. Lease Receivable (Continued)**

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The Entity has elected to recognize payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

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

**H. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 for equipment, \$25,000 for improvements and \$50,000 for infrastructure, and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**H. Capital Assets (Continued)**

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight-line method over the following estimated useful lives.

Buildings	50 to 75 Years
Building Improvements	50 Years
Land Improvements	20 to 30 Years
Roads	30 to 50 Years
Bridges	30 to 50 Years
Sewer Transmission Lines	50 Years
Meters and Hydrants	50 Years
Vehicles	5 to 30 Years
Machinery and Equipment	3 to 10 Years
Fire Equipment	20 to 25 Years

**I. Deferred Outflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to 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 OPEB results from differences between expected and actual experience and investment gains or losses. These amounts are deferred and included in 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 OPEB plan (active employees and inactive employees). No deferred outflows of resources affect the governmental fund financial statements in the current year.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**J. Deferred Inflows of Resources**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections, lease receivables and deferred inflows of resources related to OPEB in the government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term. A deferred inflow of resources related to OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in 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 OPEB plan (active employees and inactive employees). For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, special assessments, grants, leases, cemetery operations and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**K. Compensated Absences**

Based on union contracts, certain Town and Board of Education employees may accumulate a certain amount of unused vacation and sick leave based upon length of employment. The amount recorded as a liability is based upon current salary levels. All vacation and sick pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**L. 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.

**M. Long-Term Obligations**

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

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

**N. Equity**

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* – 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.



**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**N. Equity (Continued)**

*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 the portion of a governmental fund’s resources whose use is subject to a legally binding constraint that is imposed by the Town Council that remains legally binding unless removed in the same manner. These constraints are set by the Town Council through an ordinance.

*Assigned Fund Balance* – This represents amounts constrained for the intent to be used for a specific purpose by the Town Council or finance director 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.

The Town has a minimum fund balance policy that states that the unassigned fund balance of the Town must be between 8% to 5% of the Town’s most recent approved operating budget.

**O. Property Taxes**

Property taxes are assessed as of October 1 and billed the following July 1 and January 1. Interest at the rate of 1.5% per month accrues on all overdue taxes. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of appraised market value. A lien is placed on the property if real estate taxes are unpaid as of June 30 following the payable date.

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**O. Property Taxes (Continued)**

Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year-end. Property taxes receivable not expected to be collected during the available period are reflected in deferred revenue in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

**P. Accounting Estimates**

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

**Q. Adoption of New Accounting Standards**

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

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

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**A. Budgetary Information**

The Town adheres to the following procedures in establishing the budgetary data included in the financial statements of the General Fund, the only fund with a legally adopted annual budget. The budget is prepared by the Town Manager and submitted to the Town Council in March. In April, the Town Council submits the proposed Town budget for the year commencing July 1 to the public for comment. In May, the Town budget is presented at referendum for approval. After approval, the Town Council meets to set the mill rate. The operating budget includes proposed expenditures and the means of financing them.

- The Town Council is authorized to transfer any budgeted amounts between departments and to approve additional appropriations up to \$40,000 in the aggregate in any one year. All additional appropriations in excess of \$40,000 in the aggregate must be subject to a public hearing. During the year ended June 30, 2022, the Town approved additional appropriations of \$989,5859 from fund balance.
- Management is authorized to make budgetary transfers within departments but cannot approve additional appropriations.
- 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 within a function.
- 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 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 Project Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**A. Budgetary Information (Continued)**

A reconciliation of the accounting treatment required by GAAP and budgetary requirements at June 30, 2022 is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Fund Balance
Balance, Budgetary Basis	\$ 59,040,947	\$ 59,114,483	\$ 10,495,713
Prior Year Encumbrances Liquidated	-	1,415,960	-
Prior Year Encumbrances Cancelled	(112,756)	-	-
Prior Year Encumbrances Still Outstanding	-	-	148,618
Utility Service Fund Transfer Nonbudgeted	515,014	515,014	-
Education Reserve Fund Beginning Fund Balance	-	-	503,014
Municipal Stabilization Fund Beginning Fund Balance	-	-	110,000
Education Reserve Fund and Municipal Stabilization Fund Transfers are not Budgeted	(110,000)	(543,317)	433,317
Current Year Encumbrances	-	(747,066)	747,066
State of Connecticut Grants for Special Education Excess Costs, Netted for Budgetary Purposes	790,622	790,622	-
State Teachers' Retirement OPEB On-Behalf Payment	121,840	121,840	-
State Teachers' Retirement Pension On-Behalf Payment	5,177,640	5,177,640	-
Balance, GAAP Basis	<u>\$ 65,423,307</u>	<u>\$ 65,845,176</u>	<u>\$ 12,437,728</u>

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash, Cash Equivalents, and Investments**

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

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the state Short-Term Investment Fund (STIF). 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.

**Deposits**

**Deposit Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town’s deposit policy for custodial credit risk requires prequalification of institutions with which the Town does business. The prequalification requirements include, but are not limited to, proof of creditworthiness, five years or more of operations, evidence of adequate insurance coverage, proof of state registration, and proof of compliance with state and federal capital adequacy guidelines. 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 or up to the FDIC limit in out-of-state banks.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

**Deposits (Continued)**

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$24,513,034 of the Town's bank balance of \$25,856,747 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 21,927,359
Uninsured and Collateral Held by the Pledging Bank's Trust Department, not in the Town's Name	<u>2,585,675</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 24,513,034</u></u>

**Cash Equivalents**

At June 30, 2022, the Town's cash equivalents amounted to \$4,415,552. STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard and Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm

**Investments**

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

Investment Type	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1	1 - 10	More than 10
Certificates of Deposit*		\$ 1,852,159	\$ 1,852,159	\$ -	\$ -
Total		1,852,159	<u>\$ 1,852,159</u>	<u>\$ -</u>	<u>\$ -</u>
Other investments:					
Mutual Funds		3,359,573			
Total Investments		<u>\$ 5,211,732</u>			

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

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

**Investments (Continued)**

The Town categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2022:

	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Mutual Funds	\$ 3,359,573	\$ 3,359,573	\$ -	\$ -
Total Investments by Fair Value Level	3,359,573	<u>\$ 3,359,573</u>	<u>\$ -</u>	<u>\$ -</u>
Certificates of Deposit	1,852,159			
Total Investments	<u>\$ 5,211,732</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using consensus pricing.

Investment Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party. The Town does not have an investment policy for custodial credit risk. The Town does not hold any uninsured or unregistered securities at June 30, 2022.

Credit Risk

The Town has no investment policy that would limit its investment choices due to credit risk other than state statutes governing investments in obligations of any state or political subdivision or in obligations of the state of Connecticut or political subdivision.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

**Investments (Continued)**

Concentration of Credit Risk

The Town places no limit on the amount invested in any one issuer. No more than 5% of the Town's investments were invested in any one issuer in which credit risk was applicable.

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Town's investment policy, in conformity with applicable Connecticut General Statutes, authorizes investment in the State Treasurer's Short-Term Investment Fund (STIF) and MBIA Class Plus Investment. The value of the position in the pools is the same as the value of the pool shares. Regulatory oversight for the State Treasurer's Short-Term Investment Fund is provided quarterly by the Investment Advisory Council and the Treasurer's Cash Management Board. Regulatory oversight for MBIA Class Plus Investment is provided by an investment advisory council consisting of members appointed by the municipalities. Other authorized investments include pooled and joint investments meeting the requirements of the policy, excluding those pools investing in "derivative" securities; certificates of deposit; repurchase agreements; and obligations of the United States and agencies of the federal government.

**B. Endowments Received**

	Cemetery Perpetual Care Fund	Memorial School Fund	Total
Original Principal Received	\$ 292,263	\$ 20,800	\$ 313,063
Net Appreciation on Investments	<u>3,238</u>	<u>882,791</u>	<u>886,029</u>
Total Value	<u><u>\$ 295,501</u></u>	<u><u>\$ 903,591</u></u>	<u><u>\$ 1,199,092</u></u>

The original principal received remains in the net position on the statement of net position and is restricted for the trust principal, and in nonspendable fund balance on the balance sheet - governmental funds. The net appreciation on investments available for expenditures is included in unrestricted net position on the statement of net position, and in committed fund balance on the balance sheet - governmental funds and is spent based on the original criteria established by the trust. The Town's policy is to spend only investment income for the purposes of the trust.



**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Endowments Received (Continued)**

The Town has interpreted the Connecticut Prudent Management of Institutional Funds Act (CTPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Town classifies as nonspendable fund balance (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in nonspendable fund balance is classified as committed fund balance until those amounts are appropriated for expenditure by the Town in a manner consistent with the standard of prudence prescribed by CTPMIFA. In accordance with CTPMIFA, the Town considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Town
- The investment policies of the Town

**C. Receivables**

Receivables as of year-end for the Town's individual major funds and nonmajor and fiduciary funds in the aggregate are as follows:

	General	Capital Projects	Nonmajor and Other Funds	Water	Sewer	Total
Receivables:						
Taxes	\$ 999,003	\$ -	\$ -	\$ -	\$ -	\$ 999,003
Tax interest	226,339	-	-	-	-	226,339
Leases	725,000	-	-	-	-	725,000
Accounts and Other	53,047	-	1,004,267	129,120	213,816	1,400,250
Intergovernmental	19,555	8,431,804	276,895	-	-	8,728,254
Gross Receivables	2,022,944	8,431,804	1,281,162	129,120	213,816	12,078,846
Less: Allowance for						
Collection Losses	28,942	-	-	1,689	1,838	32,469
Net Total Receivables	<u>\$ 1,994,002</u>	<u>\$ 8,431,804</u>	<u>\$ 1,281,162</u>	<u>\$ 127,431</u>	<u>\$ 211,978</u>	<u>\$ 12,046,377</u>

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Capital Assets**

Capital assets activity for the year ended June 30 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets not Being Depreciated or Amortized:				
Land	\$ 14,468,253	\$ -	\$ -	\$ 14,468,253
Rights of Way	412,862	-	-	412,862
Construction in Progress	-	553,356	-	553,356
Total Capital Assets not Being Depreciated or Amortized	14,881,115	553,356	-	15,434,471
Capital Assets Being Depreciated and Amortized:				
Buildings and Improvements	167,019,995	7,538,877	-	174,558,872
Vehicles, Furniture, and Equipment	16,642,804	889,121	261,568	17,270,357
Right to use Equipment	346,312	-	-	346,312
Infrastructure	49,923,843	16,818	-	49,940,661
Total Capital Assets Being Depreciated and Amortized	233,932,954	8,444,816	261,568	242,116,202
Less Accumulated Depreciation and Amortization for:				
Buildings and Improvements	63,838,984	3,397,247	-	67,236,231
Vehicles, Furniture, and Equipment	10,419,311	828,380	225,211	11,022,480
Right to use Equipment	-	103,893	-	103,893
Infrastructure	33,739,404	902,935	-	34,642,339
Total Accumulated Depreciation and Amortization	107,997,699	5,232,455	225,211	113,004,943
Total Capital Assets Being Depreciated and Amortized, Net	125,935,255	3,212,361	36,357	129,111,259
Governmental Activities Capital Assets, Net	<u>\$ 140,816,370</u>	<u>\$ 3,765,717</u>	<u>\$ 36,357</u>	<u>\$ 144,545,730</u>
	\$ 140,470,058			
<b>Business-Type Activities:</b>				
Capital Assets not Being Depreciated:				
Land	\$ 50,858	\$ -	\$ -	\$ 50,858
Construction in Progress	48,374	-	-	48,374
Total Capital Assets not Being Depreciated	99,232	-	-	99,232
Capital Assets Being Depreciated:				
Plant and Pumping stations	3,177,279	45,921	20,000	3,203,200
Water/Sewer Distribution System	10,794,761	-	-	10,794,761
Total Capital Assets Being Depreciated	13,972,040	45,921	20,000	13,997,961
Less Accumulated Depreciation for:				
Plant and Pumping Stations	1,731,158	107,410	15,533	1,823,035
Water/Sewer Distribution System	4,385,210	218,587	-	4,603,797
Total Accumulated Depreciation	6,116,368	325,997	15,533	6,426,832
Total Capital Assets Being Depreciated, Net	<u>7,855,672</u>	<u>(280,076)</u>	<u>4,467</u>	<u>7,571,129</u>

Included in the beginning balance of capital assets was \$346,312 of machinery and equipment, acquired through capital leases that was recorded due to the implementation of GASB Standard 87.

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Capital Assets (Continued)**

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

Governmental Activities:	
General Government	\$ 272,536
Development and Community Affairs	173,834
Public Works	2,189,586
Public Safety Services	270,011
Board of Education	2,326,488
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 5,232,455</u>
Business-Type Activities:	
Water	\$ 92,829
Sewer	233,168
Total Depreciation Expense - Business-Type Activities	<u>\$ 325,997</u>

Construction Commitments

The Town has active construction projects as of June 30, 2022. The projects include new construction. At year-end, the government's commitments with contractors are as follows:

Project	Spent to Date	Remaining Commitment
Tolland Middle School Paving of Parking Lot	\$ -	\$ 259,506
Tolland Middle School Bus Lot Paving	-	140,000
Tolland BOE District-Wide Roofing	36,950	33,676
Tolland High School Boiler Replacement	-	85,000
Education Referendum 2016	5,980,967	3,619,033
Birch Grove School Referendum	45,817,468	182,532
Replacement of Rescue 240 Fire Truck	398,599	351,401
Replacement of Ambulance 640	37,651	274,349
Refurbish ET 240	-	180,000
Replacement of Public Works Truck #53	3,244	74,091
Zero Turn Exmark Roadside Mowers	27,618	28,000
Parks and Rec. Open Space Plan	7,861,804	591,086
Crandall Park Playground	26,942	13,058
Firehouse Improvements	168,758	4,831,242
Drainage and Construction (17/18)	189,667	10,333
Drainage and Construction (18/19)	-	50,000
2018 Referendum Bond Roads	2,416,028	2,583,972
Drainage Construction and Design 192	83,162	52,152
Drainage Construction (20/21)	804	177,931
Drainage Construction (21/22)	-	102,735

The commitments are being financed with general obligation bonds and state and federal grants.

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivables, Payables, and Transfers**

Interfund loans were generally used to transfer monies as a result of issuing bonds. The composition of interfund balances as of June 30 is as follows:

Receivable Fund	Payable Fund	Amount
Capital Projects Fund	Nonmajor Governmental Funds	\$ 57
Capital Projects Fund	General Fund	48,387
		\$ 48,444

All balances are expected to be repaid within a year.

Interfund transfers are generally used to supplement revenues of other funds. The transfers that occurred during the year are as follows:

	Transfers In				Total
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Sewer Fund	Transfers Out
Transfers Out:					
General Fund	\$ -	\$ 196,333	\$ 467,958	\$ 15,000	\$ 679,291
Sewer Fund	-	-	11,425	-	11,425
Internal Service Fund	515,014	-	-	-	515,014
Total Transfers In	\$ 515,014	\$ 196,333	\$ 479,383	\$ 15,000	\$ 1,205,730

**F. Long-Term Debt**

Changes in Long-Term Liabilities

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

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Bonds	\$ 36,925,000	\$ -	\$ 3,775,000	\$ 33,150,000	\$ 3,455,000
Premium	2,548,713	-	524,602	2,024,111	-
Total Bonds and Notes Payable	39,473,713	-	4,299,602	35,174,111	3,455,000
Lease Payable	346,312	-	103,893	242,419	103,893
Notes Payable	8,949,993	-	781,681	8,168,312	792,599
Net OPEB Liability	1,442,639	148,430	-	1,591,069	-
Compensated Absences	1,201,870	32,800	35,956	1,198,714	151,154
Total Governmental Activities					
Long-Term Liabilities	\$ 51,414,527	\$ 181,230	\$ 5,221,132	\$ 46,374,625	\$ 4,502,646

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

Changes in Long-Term Liabilities (Continued)

For the governmental activities, compensated absences are generally liquidated by the General Fund, and the Net OPEB liability is generally liquidated by the General Fund and the Health Insurance Internal Service Fund.

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities.

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town.

General obligation bonds and long-term notes currently outstanding are as follows:

Description	Date of Issue	Maturity	Interest Rate (%)	Amount of Original Issue	Annual Principal	Balance Outstanding June 30, 2022
General Purpose:						
General Obligation	9/1/12	9/1/27	1.5-3.0	\$ 1,145,310	Various	\$ 447,120
General Obligation Refunding	9/1/12	9/1/25	3.0-5.0	1,445,100	Various	392,500
General Obligation Refunding	10/1/14	8/1/24	2.0-4.0	2,117,715	Various	865,855
General Obligation	10/15/15	10/15/35	2.0-4.0	7,275,000	Various	5,088,000
General Obligation	5/15/18	5/15/43	3.0-5.0	7,169,908	Various	6,280,000
General Obligation	9/15/20	9/15/40	2.0-5.0	3,583,582	Various	3,402,000
General Obligation Refunding	9/15/20	8/1/30	4.0-5.0	855,000	Various	585,000
Total General Purpose				23,591,615		17,060,475
School:						
School Improvement	9/1/12	9/1/27	1.5-3.0	314,690	Various	122,880
School Improvement - Refunding	9/1/12	9/1/25	3.0-5.0	6,579,900	Various	3,357,500
School Improvement - Refunding	10/1/14	8/1/27	2.0-4.0	7,517,285	Various	2,734,145
School Improvement	10/15/15	10/15/35	2.0-4.0	290,000	Various	252,000
School Improvement	5/15/18	5/15/43	3.0-5.0	2,170,092	Various	1,890,000
School Improvement	9/15/20	9/15/40	2.0-5.0	6,986,418	Various	6,638,000
School Improvement Refunding	9/15/20	8/1/30	4.0-5.0	1,355,000	Various	1,095,000
Total School				25,213,385		16,089,525
Total Outstanding				\$ 48,805,000		\$ 33,150,000

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

General Obligation Bonds (Continued)

Annual debt service requirements to maturity for general obligation bonds and long-term notes are as follows:

<u>Year Ending June 30,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 3,455,000	\$ 1,030,863
2024	3,485,000	879,038
2025	3,300,000	745,638
2026	2,840,000	632,263
2027	2,120,000	548,438
2028-2032	7,420,000	1,938,590
2033-2037	6,110,000	1,021,225
2038-2042	4,035,000	350,613
2043	385,000	13,475
Total	<u>\$ 33,150,000</u>	<u>\$ 7,160,143</u>

Bond Anticipation Notes

On September 16, 2021, the Town issued \$10,615,000 of bond anticipation notes for a variety of projects, which carried interest at 1.00% and are due September 15, 2022. The bond anticipation note activity for the year ended June 30, 2022 is summarized as follows:

Outstanding - Beginning of Year	\$ 4,505,000
New Borrowings	10,615,000
Repayments	<u>4,505,000</u>
Outstanding - End of Year	<u>\$ 10,615,000</u>

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2022 is \$19,235,272. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

Statutory Debt Limitation

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

Category	Debt Limitation	Net Indebtedness	Balance
General Purpose	\$ 104,716,607	\$ 22,000,066	\$ 82,716,541
Schools	209,433,213	30,385,206	179,048,007
Sewers	174,527,678		174,527,678
Urban Renewal	151,257,321		151,257,321
Pension Deficit	139,622,142		139,622,142

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$325,784,998. All long-term debt obligations are retired through General Fund appropriations. The indebtedness reflected above includes bonds and notes outstanding in addition to the amounts of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

Notes Payable

During 2011, the Town entered into a \$3,600,000 equipment taxable direct pay qualified energy conservation bond (QECB) lease/purchase agreement. The note has an interest rate of 5.11%, a tax credit rate of 5.01% (70% of tax credit rate of 3.51%), and a net effective rate of 1.6% and matures on June 29, 2026. Principal and interest payments are made biannually and vary throughout the life of the lease.

In October 2013, the Town entered into a \$9,598,157 equipment note to finance energy improvements across the Town's facilities to generate energy savings in the future. The lease had an interest rate of 3.49% and matures on October 2, 2033. During 2017, the Town refinanced this note entering into a new note for \$9,572,000, to pay off the old note. The new note has an interest rate of 2.12% and matures on October 3, 2033. The debt is being repaid with the savings resulting from the energy improvements that have been made. Honeywell Corporation was awarded the contract to do the work and the contract provides for a performance guarantee to be paid by them if contractual savings are not met.

**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

Notes Payable (Continued)

The future minimum lease obligation and the net present value of the minimum lease payments as of June 30, 2022 were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>
2023	\$ 994,254
2024	980,626
2025	967,001
2026	953,373
2027	676,487
Thereafter	4,735,415
Total Lease Payments	9,307,156
Less: Amount Representing Interest	1,138,844
Present Value of Future Minimum Lease Payments	<u>\$ 8,168,312</u>

Lease Liability

The Town leases equipment for various terms under long-term, noncancelable, lease agreements. These lease expire at various dates through October 2025. The future minimum lease payments under lease agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>
2023	\$ 103,894
2024	103,894
2025	34,631
Total	<u>\$ 242,419</u>

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

Equipment	\$ 346,312
Less: Accumulated Depreciation	(103,893)
Total	<u>\$ 277,050</u>



**TOWN OF TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 FUND BALANCE**

The components of fund balance for the government funds at June 30 are as follows:

	General Fund	Capital Projects	Nonmajor Governmental Funds	Total
Fund Balances:				
Nonspendable:				
Inventory	\$ -	\$ -	\$ 33,241	\$ 33,241
Permanent Fund Principal	-	-	313,063	313,063
Restricted for:				
Unspent Grant Proceeds	-	-	467,597	467,597
Committed to:				
Dog Warden	-	-	150,933	150,933
Open Space	-	-	134,427	134,427
Sewer Escrow	-	-	25,553	25,553
Lodge Furnishings	-	-	17,125	17,125
Business Park Improvements	-	-	19,165	19,165
Recreation	-	-	188,333	188,333
Water Assessments	-	-	230,074	230,074
Food Service	-	-	513,921	513,921
Education Programs	901,169	-	2,200,100	3,101,269
Municipal Stabilization	145,162	-	-	145,162
Cemeteries	-	-	122,165	122,165
Training Center Repair and Replacement	-	-	5,176	5,176
Field Maintenance	-	-	5,336	5,336
Veterans Memorial	-	-	267	267
Conservation	-	-	1,458	1,458
Library	-	-	96,318	96,318
Artificial Turf Operation	-	-	215	215
Agriculture	-	-	3,695	3,695
Debt Service	-	-	972,452	972,452
Senior Citizen Center	-	-	21,762	21,762
Youth Center	-	-	22,718	22,718
Emergencies	-	-	31,986	31,986
Sewer Assessments	-	-	681,952	681,952
Emergency Declarations	-	-	364,113	364,113
Assigned to:				
Administration	80,006	-	-	80,006
Planning and Community Development	21,445	-	-	21,445
Community Services	7,989	-	-	7,989
Environmental Maintenance	172,007	-	-	172,007
Public Safety Services	51,790	-	-	51,790
Records and Financial Services	30,872	-	-	30,872
Contingency	14,330	-	-	14,330
Education	514,946	-	-	514,946
Contribution to Next Fiscal Budget	268,000	-	-	268,000
Unassigned	10,230,012	(5,932,867)	-	4,297,145
Total Fund Balances	<u>\$ 12,437,728</u>	<u>\$ (5,932,867)</u>	<u>\$ 6,623,145</u>	<u>\$ 13,128,006</u>

Significant encumbrances of \$893,385 at June 30 are contained in the above table in the assigned category of the General Fund.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 EMPLOYEE RETIREMENT PLANS**

**A. Pension Plan – Defined Contribution**

The Town is the administrator of a single employer, defined contribution pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan covers substantially all Town and Board of Education employees except elected officials and certified teachers. Contributions are established and amended by the approval of the Town Council.

Summary Plan Description

All full-time Town employees who work at least 25 hours a week and all Board of Education employees who work 1,000 hours or more per year are required, as a condition of employment, to participate in the plan, except for elected officials and certified teachers. Eligible employees must be at least 18 years of age on or prior to their date of employment. Benefits vest 100% after five years. Any nonvested Town contributions and related interest thereon of employees who leave employment are reserved in a forfeiture account to offset future Town contributions. Normal retirement date is age 65. Plan provisions and the authority to amend the provisions are established by Town ordinance.

Contribution Requirements/Contributions Made

The employer contribution for Town and Board of Education employees for the plan year is 6% of earnings. The total Town and Board of Education contribution during the year ended June 30, 2022 was \$549,486 and represented 6% of covered payroll. The employees' required contributions were \$223,063 and represented 2.5% of covered payroll. The Town fully funded required employer's contributions and members who left the Town employment during a year have forfeiture assets in the amount of \$126,520 which will be available for future contributions.

Employer and Employee Obligations

Members are required to contribute 2.5% of their annual earnings. The Town is required to contribute 6% of the members' annual earnings.

**B. Connecticut Teachers Retirement System – Pension**

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 multiemployer 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 TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

Benefit Provisions

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

Normal Retirement

Retirement benefits for 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.

Contributions

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

**Employer (School Districts)**

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

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$5,177,640 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

**Employees**

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

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

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

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

Town's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	61,834,433
Total	<u><u>\$ 61,834,433</u></u>

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

For the year ended June 30, 2022, the Town recognized pension expense and revenue of \$3,991,556 in Exhibit II.

**Actuarial Assumptions**

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

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

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

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

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

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

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%.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

Long-Term Rate of Return

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

<u>Asset Class</u>	<u>Expected Return</u>	<u>Target Allocation</u>
Domestic Equity Fund	5.60 %	20.00 %
Developed Market Intl. Stock Fund	6.00	11.00
Emerging Market Intl. Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
Emerging Market Debt Fund	2.70	5.00
High Yield Bond Fund	4.00	6.00
Real Estate Fund	4.50	10.00
Private Equity	7.30	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		<u>100.00 %</u>

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that 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.

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.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

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).

Other Information

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

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS**

**A. Retiree Medical Program**

**Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Retiree Medical Program (RMP) are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

Investments are reported at fair value. Investment income is recognized as earned.

Plan Description

The RMP is a single-employer defined benefit healthcare plan administered by the Town. The RMP provides medical and dental benefits to eligible retirees and their spouses. The Town nonunion, Board of Education certified, and Board of Education noncertified groups are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

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

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**A. Retiree Medical Program (Continued)**

**Summary of Significant Accounting Policies (Continued)**

Plan Description (Continued)

Management of the postemployment benefits plan is vested with the Town manager and director of finance. Policy oversight is provided by the OPEB Trust Committee, which consists of four members: the Town manager, director of finance and records, Tolland superintendent of schools and business manager for the Board of Education.

At July 1, 2022 plan membership consisted of the following:

	Retiree Medical Program
Retired Members and Spouses of Retired Members	87
Active Plan Members	250
Total	337

Funding Policy

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

		Monthly Weighted Average Premiums	
		Employee	Spouse
Medical - Town	Pre 65	\$ 697.88	\$ 565.23
	Post 65	289.94	289.94
Medical - BOE	Pre 65	697.88	697.88
	Post 65	371.50	371.50
Dental		53.71	77.93

Employer contributions to the plan of \$547,000 were made in accordance with actuarially determined requirements.



**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**A. Retiree Medical Program (Continued)**

**Investments**

Investment Policy

OPEB Benefits Plan's policy in regard to the allocation of invested assets is established and may be amended by the OPEB Trust Committee by a majority vote of its members. It is the policy of the OPEB Trust 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 Trust requires the funds to be invested in VantageCare RHS Employer Investment Program which is specifically designed to reach goals.

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was (10.32%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2022. The components of the net OPEB liability of the Town at June 30, 2022, were as follows:

Total OPEB Liability	\$ 3,171,834
Plan Fiduciary Net Position	<u>1,580,765</u>
Net OPEB Liability	<u><u>\$ 1,591,069</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	49.84%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, rolled forward to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary Increases	3.15% , Average, Including Inflation
Investment Rate of Return	6.0%, Net of OPEB Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	6.50% in 2020, Reducing 0.2% Each Year to a Final 4.4% in 2031 and Later

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**A. Retiree Medical Program (Continued)**

**Investments (Continued)**

Actuarial Assumptions (Continued)

Mortality rates for teachers and administrators were based on the PUB-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2020. For all others, RP-2000 Mortality Table for Males and Females, with generational project per Scale AA; separate tables for active employees and annuitants.

The actuarial assumptions used in the July 1, 2020 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. A full actuarial experience study has not been completed.

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 July 1, 2020 are summarized in the following table:

Asset Class	Target Allocation	Rate of Return
U.S. Short Bonds	27.55 %	0.80 %
U.S. Large Caps	23.55	5.25
U.S. Core Fixed Income	19.10	1.42
U.S. High Yield Bonds	9.65	4.00
U.S. Inflation-Indexed Bonds	7.50	0.75
Foreign Developed Equity	6.35	5.75
U.S. Mid Caps	3.95	5.75
U.S. Small Caps	1.40	5.75
Emerging Markets Equity	0.95	7.75
Total	100.00 %	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.0%. 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 TOLLAND, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**A. Retiree Medical Program (Continued)**

**Investments (Continued)**

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2021	\$ 3,191,748	\$ 1,749,109	\$ 1,442,639
Changes for the Year:			
Service Cost	65,458	-	65,458
Interest on Total OPEB Liability	190,186	-	190,186
Differences between expected and Actual Experience	(98,121)	-	(98,121)
Employer Contributions	-	133,709	(133,709)
Contributions - TRB Subsidy	-	56,685	(56,685)
Net Investment Income	-	(181,301)	181,301
Benefit Payments	(177,437)	(177,437)	-
Net Changes	(19,914)	(168,344)	148,430
Balances as of June 30, 2022	\$ 3,171,834	\$ 1,580,765	\$ 1,591,069

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% higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	\$ 1,872,700	\$ 1,591,069	\$ 1,344,237

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% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease Healthcare Cost Trend Rates	Current Rate Healthcare Cost Trend Rates	1% Increase Healthcare Cost Trend Rates
Net OPEB Liability	\$ 1,265,992	\$ 1,591,069	\$ 1,972,904

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**A. Retiree Medical Program (Continued)**

**Investments (Continued)**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Town recognized OPEB expense of \$(126,932). At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Earnings on OPEB Plan Investments	\$ 85,859	\$ 461,956
Changes of Assumptions	-	750,272
Differences Between Expected and Actual Experience	153,534	-
Total	<u>\$ 239,393</u>	<u>\$ 1,212,228</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>	
2023	\$ 224,712
2024	226,790
2025	231,679
2026	73,662
2027	56,817
Thereafter	159,175

**B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan**

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 multiemployer 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).

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

Benefit Provisions

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

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

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

If a member participating in Medicare Parts A and B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplemental 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 health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

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 \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

Eligibility

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

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

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.

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, 2022, the amount of "on-behalf" contributions made by the state was \$121,840 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

Contributions (Continued)

*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.

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

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

Town's Proportionate Share of the Net OPEB Liability	\$ -
State's Proportionate Share of the Net OPEB Liability	
Associated with the Town	6,736,748
Total	<u><u>\$ 6,736,748</u></u>

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

For the year ended June 30, 2022, the Town recognized OPEB expense of (\$248,767) in Exhibit II.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

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

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

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

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

- Discount rate changed from 2.21% to 2.17%.
- Expected annual per capita claims costs were updated to better reflect anticipated Medicare and prescription drug claim experience based on scheduled premium increases through calendar year 2024.

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

- There were no changes to benefit terms in the two years preceding the measurement date.



**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

Actuarial Assumptions (Continued)

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

Discount Rate

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2020.

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

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

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

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)**

**B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

Sensitivity of the Net OPEB Liability to Changes in the Health Care 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 health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

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).

Other Information

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

**NOTE 7 OTHER INFORMATION**

**A. Risk Management**

The Town is exposed to various risks of loss related to public officials and police liability; Board of Education liability; torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The Town purchases commercial insurance for all risks of loss. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2022. There have been no significant reductions in insurance coverage during the year.

Health Insurance Internal Service Fund

The Health Insurance Fund (the Fund), which has been recorded as an Internal Service Fund, was established to provide medical and dental health coverage for all eligible Town and Board of Education employees. The Fund is substantially funded by the Town's General Fund based upon estimates for the number of employees and type of coverage (single or family) as well as trends in the costs of coverage and costs of administration. The program's general objectives are to provide the members of the health insurance program with lower costs for coverage and to develop a systematic method to control health costs through wellness initiatives.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 OTHER INFORMATION (CONTINUED)**

**A. Risk Management (Continued)**

Health Insurance Internal Service Fund (Continued)

The Town and Board of Education participate in the Eastern Connecticut Health Insurance Program (ECHIP). This group consists of five entities, the Towns and Boards of Education of Coventry, Tolland, Plainfield and Putnam, and also includes EASTCONN, a regional educational service center. This partnership is the first in the state of Connecticut and was formed with a goal to reduce costs through collaboration. A third party administers the plan for which the Fund pays a fee. The Fund has purchased individual stop loss coverage of \$150,000 per claim.

The Town has advanced cash to ECHIP to fund claims on an ongoing basis. These amounts are held by ECHIP on behalf of the Town and are reported as Advance to plan administrator in the Internal Service Fund on the proprietary fund statement of net position.

The Town's health self-insurance fund is used to account for medical insurance coverage for Town and Board of Education employees. The Town examines the coverage on a yearly basis to determine adequate coverage and minimize risk. A schedule of changes in the claims liability for the years ended June 30, 2021 and 2022, are as follows:

	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2020-2021	\$ 474,273	\$ 6,578,967	\$ 6,559,629	\$ 493,611
2021-2022	493,611	6,796,047	6,791,567	498,091

**B. Contingent Liabilities**

The Town is periodically the subject of litigation by a variety of plaintiffs. The Town's management, based on the advice of counsel, believes that such amounts claimed by these plaintiffs, net of the applicable insurance coverage, are immaterial.

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. The amount, if any, of expenditures which may be disallowed cannot be determined at this time, although, based on prior experience, Town management believes such disallowances, if any, will not be material.

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

**TOWN OF TOLLAND, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 8    SUBSEQUENT EVENTS**

On September 15, 2022, the Town issued \$9,170,000 of general obligation bond anticipation notes for a variety of projects. The notes carry interest at 3.75%, and they are due on September 14, 2023. On September 15, 2022, the Town issued \$2,640,000 of general obligation bonds for a variety of projects. The bonds carry interest between 3.125% to 5.00% and mature serially through September 15, 2037.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>\$ 61,834,433</u>	<u>\$ 78,072,943</u>	<u>\$ 68,093,479</u>	<u>\$ 54,504,028</u>	<u>\$ 59,256,551</u>	<u>\$ 62,516,115</u>	<u>\$ 49,337,774</u>	<u>\$ 45,543,825</u>
Total	<u><u>\$ 61,834,433</u></u>	<u><u>\$ 78,072,943</u></u>	<u><u>\$ 68,093,479</u></u>	<u><u>\$ 54,504,028</u></u>	<u><u>\$ 59,256,551</u></u>	<u><u>\$ 62,516,115</u></u>	<u><u>\$ 49,337,774</u></u>	<u><u>\$ 45,543,825</u></u>
Town's Covered Payroll	\$ 18,179,180	\$ 17,593,194	\$ 17,698,053	\$ 17,279,176	\$ 16,181,359	\$ 16,928,720	\$ 17,285,173	\$ 17,474,844
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

## Notes to Schedule

Changes in Benefit Terms	None
Changes of Assumptions	None
Actuarial Cost Method	Entry age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	30 years
Asset Valuation Method	Four-year smoothed market
Inflation	2.50%
Salary Increase	3.25%-6.50%, including inflation
Investment Rate of Return	6.90%, net of investment-related expense

## Notes:

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

**TOWN OF TOLLAND, CONNECTICUT**  
**OPEB**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**LAST SIX FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017
Total OPEB Liability:						
Service Cost	\$ 65,458	\$ 70,900	\$ 98,441	\$ 130,972	\$ 137,121	\$ 129,359
Interest	190,186	212,230	202,455	294,142	289,134	287,531
Changes of Benefit Terms						
Differences Between Expected and Actual Experience	(98,121)	(313,276)	144,398	(279,634)	-	-
Changes of Assumptions	-	(189,595)	-	(1,309,039)	-	-
Benefit Payments	(177,437)	(107,996)	(397,455)	(268,458)	(402,893)	(393,092)
Net Change in Total OPEB Liability	(19,914)	(327,737)	47,839	(1,432,017)	23,362	23,798
Total OPEB Liability - Beginning	3,191,748	3,519,485	3,471,646	4,903,663	4,880,301	4,856,503
Total OPEB Liability - Ending	3,171,834	3,191,748	3,519,485	3,471,646	4,903,663	4,880,301
Plan Fiduciary Net Position:						
Contributions - Employer	133,709	116,417	434,552	325,723	444,283	473,839
Contributions - TRB Subsidy	56,685	65,947	64,947	-	-	-
Net Investment Income	(181,301)	234,653	55,519	61,219	45,139	71,772
Benefit Payments	(177,437)	(107,996)	(397,455)	(268,458)	(402,893)	(393,092)
Net Change in Plan Fiduciary Net Position	(168,344)	309,021	157,563	118,484	86,529	152,519
Plan Fiduciary Net Position - Beginning	1,749,109	1,440,088	1,282,525	1,164,041	1,077,512	924,993
Plan Fiduciary Net Position - Ending	1,580,765	1,749,109	1,440,088	1,282,525	1,164,041	1,077,512
Net OPEB Liability - Ending	<u>\$ 1,591,069</u>	<u>\$ 1,442,639</u>	<u>\$ 2,079,397</u>	<u>\$ 2,189,121</u>	<u>\$ 3,739,622</u>	<u>\$ 3,802,789</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	49.84%	54.80%	40.92%	36.94%	23.74%	22.08%
Covered Payroll	\$ 17,091,640	\$ 17,091,640	\$ 16,895,065	\$ 16,323,734	\$ 16,323,734	\$ 16,844,405
Net OPEB Liability as a Percentage of Covered Payroll	9.31%	8.44%	12.31%	13.41%	22.91%	22.58%

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

**TOWN OF TOLLAND, CONNECTICUT  
OPEB  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution (1)	\$ 547,000	\$ 485,000	\$ 508,000	\$ 447,781	\$ 466,488	\$ 437,420	\$ 446,295	\$ 303,217	\$ 313,173	\$ 252,386
Contributions in Relation to the Actuarially Determined Contribution	549,000	483,000	512,000	457,613	473,839	444,283	325,723	434,552	116,417	133,709
Contribution Deficiency (Excess)	\$ (2,000)	\$ 2,000	\$ (4,000)	\$ (9,832)	\$ (7,351)	\$ (6,863)	\$ 120,572	\$ (131,335)	\$ 196,756	\$ 118,677
Covered Payroll	N/A	\$ 22,286,770	\$ 22,286,770	\$ 16,844,405	\$ 16,844,405	\$ 16,323,734	\$ 16,323,734	\$ 16,895,065	\$ 17,091,640	\$ 17,630,027
Contributions as a Percentage of Covered Payroll	0.00%	2.17%	2.30%	2.72%	2.81%	2.72%	2.00%	2.57%	0.68%	0.76%

(1) Actuarially Determined Contributions prior to fiscal year ended June 30, 2017 are based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule

Valuation Date: July 1, 2020

Measurement Date: June 30, 2022

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Amortization Period	12 years
Asset Valuation Method	Actuarial value - 5-year smoothing period
Inflation	2.40%
Healthcare Cost Trend Rates	6.50% in 2020, reducing 0.2% each year to a final 4.4% per year rate for 2031 and later.
Salary Increases	Graded by service for Teachers and Administrators, and 3.15%, average, including inflation
Investment Rate of Return	6.00%, net of pension plan investment expense, including inflation
Retirement Age	Scale from 15% at age 59 with 20 years of service, to 100% at age 70 with 20 years of service.
Mortality	Teachers and Administrators: PUB-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2020. For All others, RP-2000 Mortality Table for males and females with generational



**TOWN OF TOLLAND, CONNECTICUT  
OPEB  
SCHEDULE OF INVESTMENT RETURNS  
LAST SIX FISCAL YEARS\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	-10.32%	16.21%	4.14%	5.05%	4.06%	7.39%

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

**TOWN OF TOLLAND, CONNECTICUT**  
**OPEB**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**TEACHERS RETIREMENT PLAN**  
**LAST FIVE FISCAL YEARS\***

	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	6,736,748	11,644,582	10,619,563	10,495,900	15,251,964
Total	<u>\$ 6,736,748</u>	<u>\$ 11,644,582</u>	<u>\$ 10,619,563</u>	<u>\$ 10,495,900</u>	<u>\$ 15,251,964</u>
Town's Covered Payroll	\$ 18,179,180	\$ 17,593,194	\$ 17,698,053	\$ 17,279,176	\$ 16,181,359
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.11%	2.50%	2.08%	1.49%	1.79%

## Notes to Schedule

Changes in Benefit Terms

None

Changes of Assumptions

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

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

Actuarial Cost Method

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

2.75%

## 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.

## **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

The General Fund is the general operating fund of the Town. It is used to account for all unrestricted resources, except those required to be accounted for in another fund. It accounts for all activities in relation to the normal recurring operations of the Town. These activities are funded principally by property taxes, user fees and grants from other governmental units.

The Board of Education Reserve Fund is accounted for on the Town's general ledger. It provides funding resources solely for future Board of Education capital, technology, and/or unanticipated special education funding needs. The Board of Education Special Reserve Fund is funded through unexpended funds of the school district from the prior fiscal year's budgeted appropriation, not to exceed 1% of the Board of Education's adopted budget for the given fiscal year. After the Board of Education has approved a funding request, they shall provide a written request to the Town Council for these funds. The appropriation shall not be considered until the end of the third quarter of the fiscal year. If prior to the appropriation being made, the state of Connecticut reduces and/or withholds ECS revenue in an amount greater than provided for in the Town budget, the appropriation request of the BOE may be denied in part or whole. All income derived from said fund in any securities shall be paid into the Town's General fund and become a part thereof.

The Tax Stabilization Fund (TSF) is accounted for on the Town's general ledger. The Town's general tax revenues are sensitive to economic conditions as well as actions taken by state and federal government. Unanticipated revenue shortfalls during a fiscal year are usually addressed through reductions to services or increased taxes. The TSF program is established for sound financial management and fiscal accountability and enforces spending discipline by setting aside monies received from higher than anticipated state revenues allocated to the Town after formal adoption of the Town budget for the next fiscal year. The TSF program may also reduce Town borrowing costs due to stronger bond ratings. The purpose of the TSF is to set aside revenue in a fund which does not lapse at the end of the municipal fiscal year, which monies would then be available when revenue is stagnant or in decline and may be expended to prevent large tax increases and protect against the reduction of services in future years.

**TOWN OF TOLLAND, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES--  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
FOR YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Property Taxes:				
Current Year Levy	\$ 46,754,212	\$ 46,754,212	\$ 46,942,210	\$ 187,998
Prior Year Levy	282,257	282,257	360,170	77,913
Interest and Lien Fees	160,000	160,000	216,915	56,915
Motor Vehicle Supplement	556,650	556,650	776,647	219,997
Suspense	1,000	1,000	2,114	1,114
Telecommunications Access Line	17,000	17,000	17,966	966
Total Property Taxes	<u>47,771,119</u>	<u>47,771,119</u>	<u>48,316,022</u>	<u>544,903</u>
Intergovernmental:				
Education:				
Adult Education	6,773	6,773	7,432	659
Education Equalization	<u>8,775,218</u>	<u>8,775,218</u>	<u>8,968,767</u>	<u>193,549</u>
Total Education	<u>8,781,991</u>	<u>8,781,991</u>	<u>8,976,199</u>	<u>194,208</u>
General Government:				
PILOT State-Owned Property	24,569	24,569	47,277	22,708
SDE/MH and AS/DEEP Grants	27,976	27,976	23,679	(4,297)
Civil Defense Grant	6,000	6,000	6,000	-
Miscellaneous Grants	38,382	38,382	35,612	(2,770)
Veterans	6,900	6,900	7,802	902
Town Clerk Preservation	5,500	5,500	5,500	-
Disability Grant	1,395	1,395	1,622	227
MRSA: Municipal Projects	85,064	85,064	85,064	-
MRSA: Sales Tax Funds	<u>322,977</u>	<u>322,977</u>	<u>322,977</u>	<u>-</u>
Total General Government	<u>518,763</u>	<u>518,763</u>	<u>535,533</u>	<u>16,770</u>
Total Intergovernmental	9,300,754	9,300,754	9,511,732	210,978

**TOWN OF TOLLAND, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES--  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Charges for Services:				
Building Permit Fees	\$ 220,000	\$ 220,000	\$ 340,145	\$ 120,145
Fines, Fees, and Penalties	300	300	(97)	(397)
Pistol Permits	4,500	4,500	6,930	2,430
Zoning Permit Fees	8,200	8,200	9,495	1,295
General Permits	-	-	250	250
Town Clerk	17,500	17,500	32,847	15,347
Library Fees	7,500	7,500	5,052	(2,448)
Motor Vehicle Fine	16,000	16,000	17,955	1,955
Planning and Zoning and IWWC	2,000	2,000	14,451	12,451
Rents/PILOT	32,069	32,069	37,998	5,929
Property Conveyance Tax	170,000	170,000	328,068	158,068
Document Recording Fees	80,000	80,000	103,825	23,825
Map and Copy Sales	12,000	12,000	15,556	3,556
Notary Fees	1,000	1,000	1,438	438
Zoning Board of Appeals	1,800	1,800	1,173	(627)
Public Safety Services	1,000	1,000	446	(554)
Town Preservation	5,000	5,000	5,571	571
Ambulance	39,140	39,140	37,152	(1,988)
Total Charges for Services	618,009	618,009	958,255	340,246
Investment Income:				
General Fund	50,000	50,000	22,861	(27,139)
Other Revenues	15,000	15,000	9,321	(5,679)
Total Revenues	57,754,882	57,754,882	58,818,191	1,063,309
Other Financing Sources:				
Cancellation of Prior Year Encumbrances	-	-	112,756	112,756
Appropriation of Fund Balance	350,000	1,339,859	-	(1,339,859)
Transfers in	110,000	110,000	110,000	-
Total Other Financing Sources	460,000	1,449,859	222,756	(1,227,103)
Total Revenues and Other Financing Sources	<u>\$ 58,214,882</u>	<u>\$ 59,204,741</u>	<u>\$ 59,040,947</u>	<u>\$ (163,794)</u>

**TOWN OF TOLLAND, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL  
(BUDGETARY BASIS)  
YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Administrative:				
Town Council	\$ 37,734	\$ 35,865	\$ 35,862	\$ 3
Town Manager	268,329	276,761	276,758	3
Economic Development Commission	6,001	5,000	5,000	-
HR Administrative Services	2,328,894	2,474,624	2,474,616	8
Miscellaneous Support Services	244,611	229,861	229,856	5
Information Technology and Telecommunications	-	-	-	-
Insurance	248,639	234,876	234,199	677
Legal Services	81,000	81,000	80,999	1
Probate Court	15,206	12,486	12,484	2
Total Administrative	3,230,414	3,350,473	3,349,774	699
Planning and Community Development:				
Building Inspection Services	134,355	142,234	141,914	320
Zoning Board of Appeals	4,050	3,690	2,409	1,281
Environmental Health Services	86,100	86,100	83,103	2,997
Planning and Zoning Services	210,089	191,522	190,650	872
Inland Wetlands Commission	3,670	3,340	2,957	383
Planning and Zoning Commission	13,170	13,610	10,377	3,233
Conservation Commission	2,985	22,545	22,023	522
Agricultural Commission	600	600	13	587
Total Planning and Community Development	455,019	463,641	453,446	10,195
Community Services:				
Youth Services	-	-	-	-
Elderly Services	64,919	66,900	66,889	11
Human Services	362,059	363,008	362,056	952
Library	438,107	407,149	405,485	1,664
Recreation and Adult Education	134,565	137,094	137,093	1
Total Community Services	999,650	974,151	971,523	2,628
Public Works:				
Engineering Services	76,310	47,235	30,137	17,098
Parks and Facilities	1,495,799	1,478,457	1,455,474	22,983
Refuse and Recycling Services	1,011,700	1,026,995	1,026,993	2
Streets and Roads	1,956,281	2,012,477	2,002,588	9,889
Total Public Works	4,540,090	4,565,164	4,515,192	49,972

**TOWN OF TOLLAND, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Public Safety Services:				
Water Supply	\$ 112,487	\$ 112,487	\$ 99,987	\$ 12,500
Ambulance	450,442	494,534	493,784	750
Animal Control	69,803	17,810	17,599	211
Emergency Preparedness	15,347	13,592	13,528	64
Fire Prevention	83,367	80,028	80,018	10
Fire Suppression	683,155	665,991	663,366	2,625
Community Emergency Response Team	6,769	5,670	5,669	1
Law Enforcement	749,529	731,873	730,873	1,000
Total Public Safety Services	2,170,899	2,121,985	2,104,824	17,161
Record and Financial Services:				
Accounting Services	366,397	334,524	334,519	5
Assessment Services	234,005	202,761	202,755	6
Board of Assessment Appeals	600	148	147	1
Independent Audit	27,450	27,450	27,450	-
Registrar of Voters	59,858	60,838	60,836	2
Revenue Services	169,165	164,038	164,035	3
Town Clerk	155,750	138,474	138,472	2
Total Record and Financial Services	1,013,225	928,233	928,214	19
Contingency and Other	173,350	96,520	96,355	165
Board of Education:	40,819,289	40,819,289	40,809,870	9,419
Debt Service	4,650,000	4,662,677	4,662,677	-
Total Expenditures	58,051,936	57,982,133	57,891,875	90,258
Other Financing Uses:				
Transfers Out:				
Sewer Fund	15,000	15,000	15,000	-
Dog Fund	-	69,803	69,803	-
Tax Stabilization Fund	-	145,162	145,162	-
Education Reserve Fund	-	398,155	398,155	-
Education COVID Reserve Fund	-	398,155	398,155	-
Capital Improvements	147,946	196,333	196,333	-
Total Other Financing Uses	162,946	1,222,608	1,222,608	-
Total Expenditures and Other Financing Uses	\$ 58,214,882	\$ 59,204,741	\$ 59,114,483	\$ 90,258



**TOWN OF TOLLAND, CONNECTICUT  
GENERAL FUND  
COMBINING BALANCE SHEET SCHEDULE  
JUNE 30, 2022**

	General	Education Reserve Fund	Tax Stabilization Fund	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 12,925,163	\$ 901,169	\$ 145,162	\$ 13,971,494
Investments	1,555,148	-	-	1,555,148
Receivables	1,994,002	-	-	1,994,002
Total Assets	<u>\$ 16,474,313</u>	<u>\$ 901,169</u>	<u>\$ 145,162</u>	<u>\$ 17,520,644</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts and Other Payables	\$ 1,082,173	\$ -	\$ -	\$ 1,082,173
Accrued Liabilities	405,287	-	-	405,287
Due to other funds	48,387	-	-	48,387
Total Liabilities	<u>1,535,847</u>	<u>-</u>	<u>-</u>	<u>1,535,847</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	843,955	-	-	843,955
Unavailable Revenue - Tax Interest	226,339	-	-	226,339
Lease Receivable	725,000	-	-	725,000
Advance Property Tax Collections	1,751,775	-	-	1,751,775
Total Deferred Inflows of Resources	<u>3,547,069</u>	<u>-</u>	<u>-</u>	<u>3,547,069</u>
<b>FUND BALANCES</b>				
Committed	-	901,169	145,162	1,046,331
Assigned	1,161,385	-	-	1,161,385
Unassigned	10,230,012	-	-	10,230,012
Total Fund Balances	<u>11,391,397</u>	<u>901,169</u>	<u>145,162</u>	<u>12,437,728</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 16,474,313</u>	<u>\$ 901,169</u>	<u>\$ 145,162</u>	<u>\$ 17,520,644</u>

**TOWN OF TOLLAND, CONNECTICUT  
GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2022**

	General	Education Reserve Fund	Tax Stabilization Fund	Eliminations	Total
<b>REVENUES</b>					
Property Taxes	\$ 48,316,022	\$ -	\$ -	\$ -	\$ 48,316,022
Intergovernmental	15,601,834	-	-	-	15,601,834
Charges for Services	958,255	-	-	-	958,255
Investment Income	22,861	-	-	-	22,861
Other Revenues	9,321	-	-	-	9,321
Total Revenues	64,908,293	-	-	-	64,908,293
<b>EXPENDITURES</b>					
Current					
Administration	3,415,471	-	-	-	3,415,471
Planning and Community Development	435,405	-	-	-	435,405
Community Services	998,559	-	-	-	998,559
Public Works	4,793,751	-	-	-	4,793,751
Public Safety Services	2,121,705	-	-	-	2,121,705
Record and Financial Services	931,005	-	-	-	931,005
Contingency and Other	96,355	-	-	-	96,355
Board of Education	47,195,943	-	-	-	47,195,943
Debt Service	5,177,691	-	-	-	5,177,691
Total Expenditures	65,165,885	-	-	-	65,165,885
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(257,592)	-	-	-	(257,592)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers-In	625,014	398,155	145,162	(653,317)	515,014
Transfers-Out	(1,222,608)	-	(110,000)	653,317	(679,291)
Net Other Financing Sources (Uses)	(597,594)	398,155	35,162	-	(164,277)
<b>NET CHANGE IN FUND BALANCES</b>	(855,186)	398,155	35,162	-	(421,869)
Fund Balances - Beginning of Year	12,246,583	503,014	110,000	-	12,859,597
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 11,391,397</u>	<u>\$ 901,169</u>	<u>\$ 145,162</u>	<u>\$ -</u>	<u>\$ 12,437,728</u>

**TOWN OF TOLLAND, CONNECTICUT  
GENERAL FUND  
REPORT OF TAX COLLECTOR  
YEAR ENDED JUNE 30, 2022**

Grand List Year	Uncollected Taxes July 1, 2021	Supplement	Lawful Corrections		Transfers to Suspense	Adjusted Amount Collectible	Collections			Uncollected Taxes June 30, 2022
			Additions	Deductions			Taxes	Interest and Lien Fees	Total	
2010	\$ 6,556	\$ -	\$ -	\$ -	\$ -	\$ 6,556	\$ -	\$ -	\$ -	\$ 6,556
2011	7,091	-	148	-	-	7,239	148	236	384	7,091
2012	11,746	-	193	-	-	11,939	193	280	473	11,746
2013	14,205	-	169	-	-	14,374	169	215	384	14,205
2014	20,800	-	-	-	-	20,800	3,333	1,159	4,492	17,467
2015	20,299	-	352	-	-	20,651	3,896	1,691	5,587	16,755
2016	31,454	-	1,490	553	-	32,391	9,400	3,920	13,320	22,991
2017	69,122	-	278	512	-	68,888	35,077	16,828	51,905	33,811
2018	227,501	-	799	737	-	227,563	120,496	40,111	160,607	107,067
2019	512,222	-	18,981	25,455	-	505,748	223,960	44,762	268,722	281,788
Total Prior Years	920,996	-	22,410	27,257	-	916,149	396,672	109,202	505,874	519,477
2020	47,449,756	822,945	105,955	220,337	-	48,158,319	47,678,793	125,552	47,804,345	479,526
Total	<u>\$ 48,370,752</u>	<u>\$ 822,945</u>	<u>\$ 128,365</u>	<u>\$ 247,594</u>	<u>\$ -</u>	<u>\$ 49,074,468</u>	<u>\$ 48,075,465</u>	<u>\$ 234,754</u>	<u>\$ 48,310,219</u>	<u>\$ 999,003</u>

**NONMAJOR GOVERNMENTAL FUNDS**

## **SPECIAL REVENUE FUNDS**

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specified purposes.

**Dog Fund** - To account for the sales of dog tags and the expenditures of the dog warden and pound.

**Open Space Maintenance** - To account for maintenance expenditures at open space land.

**Stone Pond Sewer Escrow and Tolland Townhouse Sewer Escrow** - To account for accumulation of revenues from the housing projects to provide funds in the event of a failure of the on-site sewage disposal system.

**Lodge Activity Fund** - To account for the receipt of rental, constable and attendant fees for special activities held at the lodge. Donations are also recognized. Revenues are used to provide furnishings for the lodge.

**Open Space Fund** - To account for the receipt of payments from builders in lieu of land. Money will be accumulated to purchase land for open space.

**Tolland Business Park Fund** - To account for monies from property sales in the business park to be used for future improvements.

**Town Aid Road** - To account for state revenues and expenditures for maintenance of both improved and unimproved Town roads.

**Recreation** - To account for Town recreation programs.

**Water Assessment** - To account for water main assessments to defray the cost of borrowing.

**School Lunch** - To account for the operation of the school lunch program.

**State and Federal Education Grants** - To account for the expenditure of various state and federal education grants not accounted for in the General Fund.

**FRC Before/After School Programs** - To account for the operation of the before and after school programs.

**Eviction Fund** - To account for the cost of storage for tenants' property until reimbursed.

**Cemetery Operations Fund** - To account for the operating expenditures and revenues of the Town cemeteries.

**Training Center Fund** - To account for user fees to provide for the replacement or repair of furniture and equipment at the training center.

**Traffic Fund** - To account for the State of Connecticut Speed Enforcement Grant that overlaps two fiscal years.

**Field Maintenance** - To utilize donations for field maintenance.

**Veterans Memorial Fund** - To account for donations and expenditures for the repairs and upkeep of existing monuments and plaques and the addition of new ones.

## **SPECIAL REVENUE FUNDS**

**Miscellaneous Grants Fund** - To account for various state, federal and local grants and their activities.

**Emergency Storm Fund** - To account for FEMA emergency storm disaster grant revenues and expenditures, and to create reserves for unanticipated future storm funding needs.

**Turf Field Operations Fund** - To account for revenues from field rental, donations and expenditures towards maintenance of the field.

**Agriculture Fund** - To account for revenues from gifts, donations and other contributions to raise funds in order to promote agriculture and farming in Tolland.

**Conservation Fund** - To provide a mechanism for the Conservation Commission to accept gifts, donations and other contributions and to raise funds in order to promote conservation education, activities and efforts in Tolland. This fund is not intended for the purchase of land nor activities necessary for the purchase of land, such as surveys, appraisals and similar activities.

**Youth Center Reserve** - To accumulate student fundraising monies and donations, which are used to sponsor youth outings and camp scholarships.

**Student Activity Fund** - To collect monies from all sources outside the budget to be used to pay for various student activities.

**Senior Citizens Center** - To accumulate donations and fundraising monies to provide for the operations of the center.

**Tolland Public Library** - To accumulate money received from donations and ConnectiCard state funds for future capital and media purchases.

**Tolland Emergency Fund** - To help residents in crisis with food, fuel or medical relief. Private donations finance this effort.

**Education COVID Relief Fund** - To account for COVID relief activities for the school system. Federal and state grants finance these activities.

**Sewer Assessment Fund** – To account for the capital resources used for sewer capital improvements that benefit property owners in a limited area. A special assessment on the benefiting property owners imposes the recovery of the cost of the improvements. A special assessment debt is secured by anticipated payments from property owners with the option of paying in a lump sum or in interest bearing annual installments over the life of the bonds. The major source of revenue is derived from assessment fees and use charges.

**CDBG Small Cities Fund** – To account for funds for rehabilitation loans to property owners. The major source of revenue for this fund is intergovernmental revenues and program income.

**Emergency Declaration Fund** – To account for funds reserved to manage unanticipated disasters, or emergency situations. The major source of revenue is derived from state and federal grants.

## **SPECIAL REVENUE FUNDS**

### **DEBT SERVICE FUND**

**Debt Service Fund** - To account for and report financial resources that are restricted, committed, or assigned to pay interest, principal, and other fees associated with short-term and long-term debt.

### **PERMANENT FUNDS**

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

**Cemetery Perpetual Care Fund** - To account for donations and proceeds from the sale of plots. The interest on the investment of funds is used for the perpetual care of those plots accounted for in a Special Revenue Fund.

**Ratcliffe Hicks Memorial School Fund** - To account for maintenance of the Hicks Memorial School Building, which now houses the Town offices. Interest earnings are available to defray costs of improvements and/or maintenance expenses.

**TOWN OF TOLLAND, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2022**

	Special Revenue Funds								
	Dog Fund	Open Space Maintenance	Stone Pond Sewer Escrow	Tolland Townhouse Sewer Escrow	Lodge Activity Fund	Open Space Fund	Tolland Business Park Fund	Town Aid Road	Recreation
ASSETS									
Cash	\$ 149,284	\$ 2,940	\$ 15,300	\$ 10,253	\$ 23,754	\$ 131,487	\$ 19,165	\$ 10,072	\$ 189,215
Investments	-	-	-	-	-	-	-	-	-
Receivables	1,800	-	-	-	-	-	-	-	499
Due From Other Funds	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 151,084</u>	<u>\$ 2,940</u>	<u>\$ 15,300</u>	<u>\$ 10,253</u>	<u>\$ 23,754</u>	<u>\$ 131,487</u>	<u>\$ 19,165</u>	<u>\$ 10,072</u>	<u>\$ 189,714</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts and Other Payables/Due to State	\$ 151	\$ -	\$ -	\$ -	\$ 34	\$ -	\$ -	\$ -	\$ 1,381
Due to Other Funds	-	-	-	-	-	-	-	57	-
Unearned Revenue	-	-	-	-	6,595	-	-	-	-
Total Liabilities	151	-	-	-	6,629	-	-	57	1,381
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Cemetery	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	10,015	-
Committed	150,933	2,940	15,300	10,253	17,125	131,487	19,165	-	188,333
Total Fund Balances	<u>150,933</u>	<u>2,940</u>	<u>15,300</u>	<u>10,253</u>	<u>17,125</u>	<u>131,487</u>	<u>19,165</u>	<u>10,015</u>	<u>188,333</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 151,084</u>	<u>\$ 2,940</u>	<u>\$ 15,300</u>	<u>\$ 10,253</u>	<u>\$ 23,754</u>	<u>\$ 131,487</u>	<u>\$ 19,165</u>	<u>\$ 10,072</u>	<u>\$ 189,714</u>



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

	Special Revenue Funds								
	Water Assessment	School Lunch	State and Federal Education Grants	FRC Before/After School Programs	Eviction Fund	Cemetery Operations Fund	Training Center Fund	Traffic Fund	Field Maintenance
ASSETS									
Cash	\$ 230,074	\$ 556,880	\$ 7,847	\$ 622,595	\$ -	\$ 114,085	\$ 5,176	\$ -	\$ 5,336
Investments	-	-	-	-	-	-	-	-	-
Receivables	18,636	270,064	6,831	7,398	-	8,632	-	-	-
Due From Other Funds	-	-	-	-	-	1,510	-	-	-
Other	-	33,241	-	-	-	-	-	-	-
Total Assets	<u>\$ 248,710</u>	<u>\$ 860,185</u>	<u>\$ 14,678</u>	<u>\$ 629,993</u>	<u>\$ -</u>	<u>\$ 124,227</u>	<u>\$ 5,176</u>	<u>\$ -</u>	<u>\$ 5,336</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts and Other Payables/Due to State	\$ -	\$ 3,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	39,378	14,678	1	-	-	-	-	-
Total Liabilities	-	42,959	14,678	1	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments	18,636	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Cemetery	-	-	-	-	-	5,300	-	-	-
Total Deferred Inflows of Resources	<u>18,636</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Nonspendable	-	33,241	-	-	-	-	-	-	-
Restricted	-	270,064	-	-	-	-	-	-	-
Committed	230,074	513,921	-	629,992	-	118,927	5,176	-	5,336
Total Fund Balances	<u>230,074</u>	<u>817,226</u>	<u>-</u>	<u>629,992</u>	<u>-</u>	<u>118,927</u>	<u>5,176</u>	<u>-</u>	<u>5,336</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 248,710</u>	<u>\$ 860,185</u>	<u>\$ 14,678</u>	<u>\$ 629,993</u>	<u>\$ -</u>	<u>\$ 124,227</u>	<u>\$ 5,176</u>	<u>\$ -</u>	<u>\$ 5,336</u>

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

	Special Revenue Funds								
	Veterans Memorial Fund	Miscellaneous Grants Fund	Turf Field Operations Fund	Agriculture Fund	Conservation Fund	Youth Center Reserve	Student Activity Fund	Senior Citizens Center	Tolland Public Library
ASSETS									
Cash	\$ 267	\$ 29,240	\$ 215	\$ 3,695	\$ 1,458	\$ 23,109	\$ 405,966	\$ 22,089	\$ 96,402
Investments	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 267</u>	<u>\$ 29,240</u>	<u>\$ 215</u>	<u>\$ 3,695</u>	<u>\$ 1,458</u>	<u>\$ 23,109</u>	<u>\$ 405,966</u>	<u>\$ 22,089</u>	<u>\$ 96,402</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts and Other Payables/Due to State	\$ -	\$ 2,231	\$ -	\$ -	\$ -	\$ 391	\$ -	\$ 327	\$ 84
Due to Other Funds	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	-	2,231	-	-	-	391	-	327	84
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Cemetery	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	27,009	-	-	-	-	-	-	-
Committed	267	-	215	3,695	1,458	22,718	405,966	21,762	96,318
Total Fund Balances	<u>267</u>	<u>27,009</u>	<u>215</u>	<u>3,695</u>	<u>1,458</u>	<u>22,718</u>	<u>405,966</u>	<u>21,762</u>	<u>96,318</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 267</u>	<u>\$ 29,240</u>	<u>\$ 215</u>	<u>\$ 3,695</u>	<u>\$ 1,458</u>	<u>\$ 23,109</u>	<u>\$ 405,966</u>	<u>\$ 22,089</u>	<u>\$ 96,402</u>

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

	Special Revenue Funds					Debt Service Funds	Permanent Funds			Total Nonmajor Governmental Funds
	Tolland Emergency Fund	Education COVID Relief Fund	Sewer Assessment Fund	CDBG Small Cities Fund	Emergency Declaration Fund	Debt Service Fund	Cemetery Perpetual Care Fund	Ratcliff Hicks Memorial School Fund	Eliminations	
<b>ASSETS</b>										
Cash	\$ 32,251	\$ 281,351	\$ 681,952	\$ 160,509	\$ 2,233,136	\$ 972,452	\$ -	\$ 92,651	\$ -	\$ 7,130,206
Investments	-	-	-	-	-	-	297,011	810,940	-	1,107,951
Receivables	-	-	121,932	812,208	-	-	3,100	-	-	1,251,100
Due From Other Funds	-	-	-	-	-	-	-	-	(1,510)	-
Other	-	-	-	-	-	-	-	-	-	33,241
Total Assets	<u>\$ 32,251</u>	<u>\$ 281,351</u>	<u>\$ 803,884</u>	<u>\$ 972,717</u>	<u>\$ 2,233,136</u>	<u>\$ 972,452</u>	<u>\$ 300,111</u>	<u>\$ 903,591</u>	<u>\$ (1,510)</u>	<u>\$ 9,522,498</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts and Other Payables/Due to State	\$ 265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,445
Due to Other Funds	-	-	-	-	-	-	1,510	-	(1,510)	57
Unearned Revenue	-	-	-	-	1,869,023	-	-	-	-	1,929,675
Total Liabilities	265	-	-	-	1,869,023	-	1,510	-	(1,510)	1,938,177
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable Revenue - Special Assessments	-	-	121,932	-	-	-	-	-	-	140,568
Unavailable Revenue - Loans Receivable	-	-	-	812,208	-	-	-	-	-	812,208
Unavailable Revenue - Cemetery	-	-	-	-	-	-	3,100	-	-	8,400
Total Deferred Inflows of Resources	-	-	121,932	812,208	-	-	3,100	-	-	961,176
<b>FUND BALANCES</b>										
Nonspendable	-	-	-	-	-	-	292,263	20,800	-	346,304
Restricted	-	-	-	160,509	-	-	-	-	-	467,597
Committed	31,986	281,351	681,952	-	364,113	972,452	3,238	882,791	-	5,809,244
Total Fund Balances	<u>31,986</u>	<u>281,351</u>	<u>681,952</u>	<u>160,509</u>	<u>364,113</u>	<u>972,452</u>	<u>295,501</u>	<u>903,591</u>	<u>-</u>	<u>6,623,145</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 32,251</u>	<u>\$ 281,351</u>	<u>\$ 803,884</u>	<u>\$ 972,717</u>	<u>\$ 2,233,136</u>	<u>\$ 972,452</u>	<u>\$ 300,111</u>	<u>\$ 903,591</u>	<u>\$ (1,510)</u>	<u>\$ 9,522,498</u>

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

	Special Revenue Funds								
	Dog Fund	Open Space Maintenance	Stone Pond Sewer Escrow	Tolland Townhouse Sewer Escrow	Lodge Activity Fund	Open Space Fund	Tolland Business Park Fund	Town Aid Road	Recreation
REVENUES									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283	\$ -
Charges for Services	22,198	-	-	-	52,668	5,205	-	-	216,968
Investment Income	-	-	19	-	-	-	-	-	-
Other	4,891	-	-	-	-	-	-	-	50
Total Revenues	27,089	-	19	-	52,668	5,205	-	283	217,018
EXPENDITURES									
Current									
General Government	-	-	-	-	-	-	-	-	-
Community Services	-	-	-	-	44,444	-	-	-	181,830
Public Works	-	-	-	-	-	-	-	57	-
Public Safety Services	74,344	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-
Total Expenditures	74,344	-	-	-	44,444	-	-	57	181,830
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(47,255)	-	19	-	8,224	5,205	-	226	35,188
OTHER FINANCING SOURCES (USES)									
Transfers-In	69,803	-	-	-	-	-	-	-	-
Transfers-Out	-	-	-	-	-	-	-	-	-
BAN Premium	-	-	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	69,803	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	22,548	-	19	-	8,224	5,205	-	226	35,188
Fund Balances - Beginning of Year	128,385	2,940	15,281	10,253	8,901	126,282	19,165	9,789	153,145
FUND BALANCES - END OF YEAR	\$ 150,933	\$ 2,940	\$ 15,300	\$ 10,253	\$ 17,125	\$ 131,487	\$ 19,165	\$ 10,015	\$ 188,333

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

	Special Revenue Funds								
	Water Assessment	School Lunch	State and Federal Education Grants	FRC Before/After School Programs	Eviction Fund	Cemetery Operations Fund	Training Center Fund	Traffic Fund	Field Maintenance
REVENUES									
Intergovernmental	\$ -	\$ 1,356,899	\$ 1,143,902	\$ -	\$ -	\$ 3,432	\$ -	\$ -	\$ -
Charges for Services	485	-	-	384,401	-	30,071	295	-	-
Investment Income	280	-	-	-	-	145	-	-	-
Other	-	-	-	-	-	-	-	-	2,000
Total Revenues	765	1,356,899	1,143,902	384,401	-	33,648	295	-	2,000
EXPENDITURES									
Current									
General Government	-	-	-	-	-	-	-	-	-
Community Services	-	-	-	-	-	41,056	-	-	-
Public Works	-	-	-	-	-	-	-	-	1,958
Public Safety Services	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Education	-	948,938	1,143,902	356,272	-	-	-	-	-
Total Expenditures	-	948,938	1,143,902	356,272	-	41,056	-	-	1,958
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	765	407,961	-	28,129	-	(7,408)	295	-	42
OTHER FINANCING SOURCES (USES)									
Transfers-In	-	-	-	-	-	536	-	-	-
Transfers-Out	-	-	-	-	-	-	-	-	-
BAN Premium	-	-	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	-	-	536	-	-	-
NET CHANGE IN FUND BALANCES	765	407,961	-	28,129	-	(6,872)	295	-	42
Fund Balances - Beginning of Year	229,309	409,265	-	601,863	-	125,799	4,881	-	5,294
FUND BALANCES - END OF YEAR	\$ 230,074	\$ 817,226	\$ -	\$ 629,992	\$ -	\$ 118,927	\$ 5,176	\$ -	\$ 5,336

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

	Special Revenue Funds								
	Veterans Memorial Fund	Miscellaneous Grants Fund	Turf Field Operations Fund	Agriculture Fund	Conservation Fund	Youth Center Reserve	Student Activity Fund	Senior Citizens Center	Tolland Public Library
<b>REVENUES</b>									
Intergovernmental	\$ -	\$ 39,018	\$ -	\$ -	\$ -	\$ 11,888	\$ -	\$ -	\$ 1,286
Charges for Services	-	-	-	-	-	-	685,142	-	22,663
Investment Income	-	-	-	-	-	-	-	-	-
Other	40	6,134	2,940	1,500	-	5,356	-	19,624	11
Total Revenues	40	45,152	2,940	1,500	-	17,244	685,142	19,624	23,960
<b>EXPENDITURES</b>									
Current									
General Government	-	-	-	-	-	-	-	-	-
Community Services	85	-	5,770	-	-	15,209	-	14,137	16,373
Public Works	-	-	-	-	-	-	-	-	-
Public Safety Services	-	40,091	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	646,234	-	-
Total Expenditures	85	40,091	5,770	-	-	15,209	646,234	14,137	16,373
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(45)	5,061	(2,830)	1,500	-	2,035	38,908	5,487	7,587
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers-In	-	-	-	-	-	-	-	-	-
Transfers-Out	-	-	-	-	-	-	-	-	-
BAN Premium	-	-	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(45)	5,061	(2,830)	1,500	-	2,035	38,908	5,487	7,587
Fund Balances - Beginning of Year	312	21,948	3,045	2,195	1,458	20,683	367,058	16,275	88,731
<b>FUND BALANCES - END OF YEAR</b>	\$ 267	\$ 27,009	\$ 215	\$ 3,695	\$ 1,458	\$ 22,718	\$ 405,966	\$ 21,762	\$ 96,318

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

	Special Revenue Funds					Debt Service Funds	Permanent Funds			Total Nonmajor Governmental Funds
	Tolland Emergency Fund	Education COVID Relief Fund	Sewer Assessment Fund	CDBG Small Cities Fund	Emergency Declaration Fund	Debt Service Fund	Cemetery Perpetual Care Fund	Ratcliff Hicks Memorial School Fund	Eliminations	
<b>REVENUES</b>										
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 467,722	\$ -	\$ -	\$ -	\$ -	\$ 3,024,430
Charges for Services	-	-	164,754	88,327	-	-	-	-	-	1,673,177
Investment Income	-	-	-	-	2,558	887	536	(117,421)	-	(112,996)
Other	14,153	-	24	-	6,961	-	-	-	-	63,684
Total Revenues	14,153	-	164,778	88,327	477,241	887	536	(117,421)	-	4,648,295
<b>EXPENDITURES</b>										
Current										
General Government	-	-	-	-	291,012	-	-	-	-	291,012
Community Services	29,997	-	-	97,831	-	-	-	-	-	446,732
Public Works	-	-	-	-	-	-	-	-	-	2,015
Public Safety Services	-	-	-	-	-	-	-	-	-	114,435
Debt Service	-	-	180,852	-	-	499,606	-	-	-	680,458
Education	-	116,960	-	-	-	-	-	16,037	-	3,228,343
Total Expenditures	29,997	116,960	180,852	97,831	291,012	499,606	-	16,037	-	4,762,995
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(15,844)	(116,960)	(16,074)	(9,504)	186,229	(498,719)	536	(133,458)	-	(114,700)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers-In	-	398,155	11,425	-	-	-	-	-	(536)	479,383
Transfers-Out	-	-	-	-	-	-	(536)	-	536	-
BAN Premium	-	-	-	-	-	91,395	-	-	-	91,395
Net Other Financing Sources (Uses)	-	398,155	11,425	-	-	91,395	(536)	-	-	570,778
<b>NET CHANGE IN FUND BALANCES</b>	(15,844)	281,195	(4,649)	(9,504)	186,229	(407,324)	-	(133,458)	-	456,078
Fund Balances - Beginning of Year	47,830	156	686,601	170,013	177,884	1,379,776	295,501	1,037,049	-	6,167,067
<b>FUND BALANCES - END OF YEAR</b>	\$ 31,986	\$ 281,351	\$ 681,952	\$ 160,509	\$ 364,113	\$ 972,452	\$ 295,501	\$ 903,591	\$ -	\$ 6,623,145

## **INTERNAL SERVICE FUNDS**



## **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for all of the activity associated with utility costs and debt service costs on the ESCO project and for providing Medical insurance to all eligible Town and Board of Education Employees.

**Utility Service Fund** - To account for all of the fees associated with utilities and the debt service on the ESCO project, the associated consultant fees, and future system improvements and repairs.

**Health Insurance Fund** - To account for the self-insured medical activities of the Town and Board of Education.

**TOWN OF TOLLAND, CONNECTICUT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2022**

	Utility Service Fund	Health Insurance	Total Internal Service Funds
<b>ASSETS</b>			
Current:			
Cash and Cash Equivalents	\$ 1,097,392	\$ -	\$ 1,097,392
Receivables	7,483	-	7,483
Advance to Plan Administrator	-	3,148,247	3,148,247
Total Assets	<u>1,104,875</u>	<u>3,148,247</u>	<u>4,253,122</u>
<b>LIABILITIES</b>			
Current:			
Accounts Payable	9,118	-	9,118
Claims Payable	-	498,091	498,091
Total Liabilities	<u>9,118</u>	<u>498,091</u>	<u>507,209</u>
<b>NET POSITION</b>			
Unrestricted	<u>\$ 1,095,757</u>	<u>\$ 2,650,156</u>	<u>\$ 3,745,913</u>

**TOWN OF TOLLAND, CONNECTICUT**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**YEAR ENDED JUNE 30, 2022**

	Utility Service Fund	Health Insurance	Total Internal Service Funds
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,853,607	\$ -	\$ 1,853,607
Employer Contributions	-	6,712,235	6,712,235
Other Income	200,000	-	200,000
Total Operating Revenues	<u>2,053,607</u>	<u>6,712,235</u>	<u>8,765,842</u>
<b>OPERATING EXPENSES</b>			
Utilities	959,726	-	959,726
Administration	2,732	45,561	48,293
Employee Benefits	-	6,796,047	6,796,047
Total Operating Expenses	<u>962,458</u>	<u>6,841,608</u>	<u>7,804,066</u>
<b>OPERATING INCOME (LOSS)</b>	1,091,149	(129,373)	961,776
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Investment Income	-	2,189	2,189
Interest Expense	(161,473)	-	(161,473)
Net Nonoperating Revenue (Expenses)	<u>(161,473)</u>	<u>2,189</u>	<u>(159,284)</u>
<b>TRANSFERS IN AND OUT</b>			
Transfers-Out	(515,014)	-	(515,014)
Total transfers	<u>(515,014)</u>	<u>-</u>	<u>(515,014)</u>
<b>CHANGE IN NET POSITION</b>	414,662	(127,184)	287,478
Net Position - Beginning of Year	<u>681,095</u>	<u>2,777,340</u>	<u>3,458,435</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 1,095,757</u></u>	<u><u>\$ 2,650,156</u></u>	<u><u>\$ 3,745,913</u></u>

**TOWN OF TOLLAND, CONNECTICUT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2022**

	Utility Service Fund	Health Insurance	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Received from Customers	\$ 2,046,124	\$ 6,712,235	\$ 8,758,359
Payments to Suppliers	(1,008,795)	-	(1,008,795)
Payments to Providers of Benefits	-	(6,714,424)	(6,714,424)
Net Cash Provided (Used) by Operating Activities	1,037,329	(2,189)	1,035,140
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers In/Out	(515,014)	-	(515,014)
Interest Expense	(161,473)	-	(161,473)
Net Cash Provided (Used) by Noncapital Financing Activities	(676,487)	-	(676,487)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment Income	-	2,189	2,189
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
Cash Equivalents	360,842	-	360,842
Cash and Cash Equivalents - Beginning of Year	736,550	-	736,550
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,097,392</u>	<u>\$ -</u>	<u>\$ 1,097,392</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating Income (Loss)	\$ 1,091,149	\$ (129,373)	\$ 961,776
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
(Increase) Decrease in Accounts Receivable	(7,483)	-	(7,483)
(Increase) Decrease in Advance to Plan Administrator	-	122,704	122,704
Increase (Decrease) in Accounts Payable	(46,337)	-	(46,337)
Increase (Decrease) in Claims Payable	-	4,480	4,480
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,037,329</u>	<u>\$ (2,189)</u>	<u>\$ 1,035,140</u>

## **STATISTICAL SECTION**

## STATISTICAL SECTION INFORMATION

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

<b>Contents</b>	<b>Page</b>
Financial Trends	111-115
These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	
Revenue Capacity	116-118
These schedules contain information to help the reader assess the Town's most significant local revenue source, property taxes.	
Debt Capacity	119-121
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	
Demographic and Economic Information	122-123
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.	
Operating Information	124-126
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.	

TABLE 1

**TOWN OF TOLLAND, CONNECTICUT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>GOVERNMENTAL ACTIVITIES</b>										
Net Investment in Capital Assets	\$ 78,699,978	\$ 81,610,820	\$ 76,933,951	\$ 76,382,043	\$ 77,127,304	\$ 68,793,985	\$ 73,179,715	\$ 77,712,083	\$ 86,869,703	\$ 100,495,262
Restricted	313,063	313,063	313,063	313,063	313,063	313,063	313,063	313,063	6,925,865	9,953,666
Unrestricted	15,874,642	14,558,545	18,974,027	18,030,770	18,211,767	22,957,775	22,180,817	15,393,930	25,963,137	13,990,546
Total Governmental Activities										
Net Position	94,887,683	96,482,428	96,221,041	94,725,876	95,652,134	92,064,823	95,673,595	93,419,076	119,758,705	124,439,474
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net Investment in Capital Assets	9,609,679	9,313,922	9,007,412	8,705,538	8,465,681	8,200,166	7,966,653	8,281,210	7,954,904	7,670,361
Restricted	30,682	36,239	42,725	49,825	49,825	66,520	76,294	87,107	-	-
Unrestricted	303,016	379,213	489,150	637,253	784,452	948,955	1,130,315	1,349,595	1,707,876	1,903,292
Total Business-Type Activities										
Net Position	9,943,377	9,729,374	9,539,287	9,392,616	9,299,958	9,215,641	9,173,262	9,717,912	9,662,780	9,573,653
<b>PRIMARY GOVERNMENT</b>										
Net Investment in Capital Assets	88,309,657	90,924,742	85,941,363	85,087,581	85,592,985	76,994,151	81,146,368	85,993,293	94,824,607	108,165,623
Restricted	343,745	349,302	355,788	362,888	362,888	379,583	389,357	400,170	6,925,865	9,953,666
Unrestricted	16,177,658	14,937,758	19,463,177	18,668,023	18,996,219	23,906,730	23,311,132	16,743,525	27,671,013	15,893,838
Total Primary Government										
Net Position	\$ 104,831,060	\$ 106,211,802	\$ 105,760,328	\$ 104,118,492	\$ 104,952,092	\$ 101,280,464	\$ 104,846,857	\$ 103,136,988	\$ 129,421,485	\$ 134,013,127

TABLE 2

**TOWN OF TOLLAND, CONNECTICUT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>EXPENSES</b>										
Governmental Activities:										
Administration	\$ 1,128,418	\$ 1,100,996	\$ 1,058,486	\$ 1,600,623	\$ 1,440,490	\$ 1,413,134	\$ 1,075,524	\$ 1,753,006	\$ 2,012,338	\$ 2,243,137
Planning and Community Development	478,632	355,708	448,187	438,009	474,277	491,843	502,276	645,191	528,407	534,461
Community Services	1,307,822	1,993,470	1,724,251	1,687,426	2,292,140	1,698,846	1,777,504	1,414,041	1,351,726	1,794,835
Public Works	9,389,371	7,775,750	8,579,435	9,763,091	8,422,874	8,165,431	9,388,239	10,252,618	8,158,702	9,680,456
Public Safety Services	2,068,676	2,147,154	2,170,204	2,445,574	2,478,544	2,308,812	2,563,483	1,903,423	3,207,753	2,800,998
Records and Financial Services	1,093,230	1,051,896	1,149,410	875,914	1,139,430	1,186,970	1,242,415	1,531,846	1,137,503	1,100,660
Board of Education	44,748,673	45,552,363	45,685,969	47,211,938	50,393,047	51,267,751	43,885,556	72,076,692	57,870,430	51,474,320
Interest Expense	1,405,217	1,515,547	1,405,788	1,247,428	915,251	1,112,080	1,394,808	1,273,113	1,573,133	1,115,852
Total Governmental Activities Expenses	61,620,039	61,492,884	62,221,730	65,270,003	67,556,053	67,644,867	61,829,805	90,849,930	75,839,992	70,744,719
Business-Type Activities:										
Water	376,706	386,035	342,447	324,016	313,802	332,778	384,383	411,474	375,927	457,406
Sewer	460,248	427,194	535,004	472,864	487,772	491,475	436,016	442,663	470,730	452,405
Total Business-Type Activities Expenses	836,954	813,229	877,451	796,880	801,574	824,253	820,399	854,137	846,657	909,811
Total Primary Government Expenses	62,456,993	62,306,113	63,099,181	66,066,883	68,357,627	68,469,120	62,650,204	91,704,067	76,686,649	71,654,530
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
Administration	10,756									-
Planning and Community Development	302,962	382,127	347,892	360,580	454,427	437,551	481,779	494,635	680,424	737,151
Community Services	376,711	545,223	409,067	463,717	504,979	414,253	453,327	252,405	133,445	344,294
Public Works	48,035	72,179	110,844	93,451	128,353	91,366	56,112	44,038	47,986	96,052
Public Safety Services	135,789	330,423	344,714	286,369	311,219	407,397	443,682	377,393	388,675	304,882
Records and Financial Services	125,682	104,747	103,599	105,751	107,063	99,445	94,022	114,066	170,899	153,666
Board of Education	1,236,580	1,227,663	1,087,047	1,100,158	1,194,206	1,262,058	1,113,293	825,952	593,111	1,068,864
Operating Grants and Contributions:										
Administration									141,140	474,586
Community Services	54,620	38,258	55,909	22,015	12,499	7,427	28,535	17,957	38,907	70,079
Public Works	243,507	200,290	338,861	98,715	-	22,622	24,443	20,622	49,730	595,685
Public Safety Services	26,500	11,500	39,527	46,916	34,743	21,609	1,713	5,699	32,087	45,152
Board of Education	16,733,049	17,510,095	16,687,608	17,211,591	19,683,233	18,678,318	14,079,044	18,839,063	23,000,569	16,013,504
Capital Grants and Contributions:										
Administration	-	-	16,586	387,114	-	-	-	-	-	-
Planning and Community Development	102,017	247,737	150,957	262	-	28,302	-	16,132	-	-
Community Services	300,640	642,137	107,521	512,213	1,273,987	85,401	-	-	-	-
Public Works	436,075	94,000	-	362,888	390,955	685,461	2,084,524	1,246,111	890,771	26,388
Public Safety Services	-	-	-	-	-	-	-	-	-	-
Board of Education	-	765,355	-	11,938	-	853,821	78,571	18,505,087	28,591,794	6,579,976
Interest Expense	43,731	35,860	28,023	20,238	12,051	3,874	-	-	-	-
Total Governmental Activities Program Activities	20,176,654	22,207,594	19,828,155	21,083,916	24,107,715	23,098,905	18,939,045	40,759,160	54,759,538	26,510,279
Business-Type Activities:										
Water	243,188	257,244	313,502	267,256	327,083	338,695	346,297	331,568	355,367	356,161
Sewer	333,676	325,755	356,904	362,674	378,006	399,493	432,571	421,173	439,329	454,981
Capital Grants and Contributions:										
Water	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	576,864	582,999	670,406	629,930	705,089	738,188	778,868	752,741	794,696	811,142
Total Primary Government Program Revenues	20,753,518	22,790,593	20,498,561	21,713,846	24,812,804	23,837,093	19,717,913	41,511,901	55,554,234	27,321,421



**TABLE 2  
(CONTINUED)**

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>NET REVENUE (EXPENSE)</b>										
Governmental Activities	\$ (41,443,385)	\$ (39,285,290)	\$ (42,393,575)	\$ (44,186,087)	\$ (43,448,338)	\$ (44,545,962)	\$ (42,890,760)	\$ (50,090,770)	\$ (21,080,454)	\$ (44,234,440)
Business-Type Activities	(260,090)	(230,230)	(207,045)	(166,950)	(96,485)	(86,065)	(41,531)	(101,396)	(51,961)	(98,669)
Total Primary Government Net Expense	(41,703,475)	(39,515,520)	(42,600,620)	(44,353,037)	(43,544,823)	(44,632,027)	(42,932,291)	(50,192,166)	(21,132,415)	(44,333,109)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Property Taxes	39,058,990	39,472,811	40,575,260	42,207,337	43,527,376	44,299,403	45,216,830	46,685,864	46,462,712	48,441,449
Unrestricted Grants and Contributions	529,845	267,332	371,281	318,864	627,533	281,712	521,497	519,024	510,373	535,533
Investment Income	264,739	293,666	108,406	102,253	196,135	227,649	610,285	475,553	355,761	(164,693)
Loss on Sale of Asset	-	-	-	-	-	-	-	-	-	-
Donated asset	-	-	-	-	-	-	-	-	-	-
Miscellaneous	274,316	88,287	1,092,241	77,468	23,552	128,703	139,495	169,561	79,812	106,495
Transfers	(50,000)	(15,000)	(15,000)	(15,000)	-	5,000	11,425	(638,575)	11,425	(3,575)
Total Governmental Activities	40,077,890	40,107,096	42,132,188	42,690,922	44,374,596	44,942,467	46,499,532	47,211,427	47,420,083	48,915,209
Business-Type Activities:										
Investment income	1,245	1,227	1,958	5,279	3,827	6,748	10,577	7,471	8,254	5,967
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Donated asset										
Transfers	50,000	15,000	15,000	15,000	-	(5,000)	(11,425)	638,575	(11,425)	3,575
Total Business-Type Activities	51,245	16,227	16,958	20,279	3,827	1,748	(848)	646,046	(3,171)	9,542
Total Primary Government	40,129,135	40,123,323	42,149,146	42,711,201	44,378,423	44,944,215	46,498,684	47,857,473	47,416,912	48,924,751
<b>CHANGE IN NET POSITION</b>										
Governmental Activities	(1,365,495)	821,806	(261,387)	(1,495,165)	926,258	396,505	3,608,772	(2,879,343)	26,339,629	4,680,769
Business-Type Activities	(208,845)	(214,003)	(190,087)	(146,671)	(92,658)	(84,317)	(42,379)	544,650	(55,132)	(89,127)
Total Primary Government	\$ (1,574,340)	\$ 607,803	\$ (451,474)	\$ (1,641,836)	\$ 833,600	\$ 312,188	\$ 3,566,393	\$ (2,334,693)	\$ 26,284,497	\$ 4,591,642

TABLE 3

**TOWN OF TOLLAND, CONNECTICUT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Restricted	\$ 170,722	\$ 59,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	-	-	75,249	63,813	46,580	46,580	696,522	731,635	888,014	1,046,331
Assigned	1,086,458	1,281,734	1,537,737	1,764,973	2,053,282	2,363,364	2,030,521	2,732,318	2,024,576	1,161,385
Unassigned	<u>6,649,387</u>	<u>7,053,690</u>	<u>6,853,234</u>	<u>7,113,653</u>	<u>7,923,976</u>	<u>8,320,481</u>	<u>8,150,176</u>	<u>9,494,295</u>	<u>9,947,007</u>	<u>10,230,012</u>
Total General Fund	<u>\$ 7,735,845</u>	<u>\$ 8,335,424</u>	<u>\$ 8,466,220</u>	<u>\$ 8,942,439</u>	<u>\$ 10,023,838</u>	<u>\$ 10,730,425</u>	<u>\$ 10,877,219</u>	<u>\$ 12,958,248</u>	<u>\$ 12,859,597</u>	<u>\$ 12,437,728</u>
All Other Governmental Funds:										
Nonspendable	\$ 354,191	\$ 353,280	\$ 350,288	\$ 342,832	\$ 347,922	\$ 347,381	\$ 354,799	\$ 346,304	\$ 346,749	\$ 346,304
Restricted	5,685,035	3,100,145	7,017,336	5,693,424	4,183,849	11,726,422	8,368,948	9,638,891	529,896	467,597
Committed	89,708	4,127,934	110,228	264,540	189,978	193,061	172,483	824,615	7,146,094	5,809,244
Unassigned	<u>-</u>	<u>(4,173)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,932,867)</u>
Total All Other Governmental Funds	<u>\$ 6,128,934</u>	<u>\$ 7,577,186</u>	<u>\$ 7,477,852</u>	<u>\$ 6,300,796</u>	<u>\$ 4,721,749</u>	<u>\$ 12,266,864</u>	<u>\$ 8,896,230</u>	<u>\$ 10,809,810</u>	<u>\$ 8,022,739</u>	<u>\$ 690,278</u>

TABLE 4

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>REVENUES</b>										
Property Taxes	\$ 39,100,634	\$ 39,438,201	\$ 40,552,478	\$ 42,183,337	\$ 43,606,051	\$ 44,200,499	\$ 45,048,508	\$ 46,434,593	\$ 46,540,270	\$ 48,316,022
Intergovernmental	18,414,199	20,026,194	18,020,668	18,849,801	22,280,089	17,885,492	18,318,759	36,817,529	40,821,778	22,622,601
Charges for Services	2,414,067	2,520,931	2,378,727	2,385,095	2,545,736	2,414,424	2,329,730	1,896,036	1,866,533	2,631,432
Investment Income	264,739	289,584	108,406	102,253	196,135	227,649	569,312	446,413	320,521	(166,882)
Other Revenues	552,436	268,990	1,348,950	332,545	317,609	501,696	573,210	429,435	966,083	342,196
Total Revenues	60,746,075	62,543,900	62,409,229	63,853,031	68,945,620	65,229,760	66,839,519	86,024,006	90,515,185	73,745,369
<b>EXPENDITURES</b>										
Administration	2,585,864	2,587,899	2,674,620	3,024,034	2,950,835	2,813,641	2,808,468	3,091,499	3,179,418	3,706,483
Planning and Community Development	369,838	328,045	360,179	355,841	397,518	406,893	412,478	431,155	453,723	435,405
Community Services	1,258,941	1,477,915	1,383,962	1,310,176	1,323,475	1,284,980	1,346,691	1,258,788	1,068,220	1,445,291
Public Works	5,079,375	4,423,762	4,506,859	4,488,925	4,374,697	4,199,887	4,638,670	4,371,825	4,196,803	4,795,766
Public Safety Services	1,623,645	1,667,369	1,812,677	1,927,065	1,920,063	1,774,044	2,035,755	1,389,095	2,690,900	2,236,140
Records and Financial Services	887,048	860,910	935,031	633,230	936,000	956,625	997,461	963,999	978,270	931,005
Contingency and Other	39,993	144,636	144,844	124,671	68,707	176,038	76,296	203,128	156,006	96,355
Board of Education	42,599,914	43,424,363	43,904,035	45,133,023	48,670,545	45,852,991	47,335,526	47,140,491	47,448,200	50,424,286
Capital Outlay	4,575,746	10,319,486	7,526,243	5,322,867	3,888,346	4,239,918	5,673,805	27,870,340	31,667,295	12,173,653
Debt Service:										
Principal	3,402,386	3,383,503	3,241,654	3,500,204	4,290,336	4,317,216	3,833,129	4,011,659	4,052,633	4,742,297
Interest	1,572,380	1,572,380	1,572,380	1,247,428	915,251	1,112,080	1,394,808	1,273,113	1,573,133	1,115,852
Total Expenditures	63,995,130	70,190,268	68,062,484	67,067,464	69,735,773	67,134,313	70,553,087	92,005,092	97,464,601	82,102,533
<b>EXCESS OF REVENUES OVER (UNDER)</b>										
<b>EXPENDITURES</b>	(3,249,055)	(7,646,368)	(5,653,255)	(3,214,433)	(790,153)	(1,904,553)	(3,713,568)	(5,981,086)	(6,949,416)	(8,357,164)
Other Financing Sources (Uses):										
Proceeds from Capital Lease	-	-	-	-	9,572,000	-	-	-	-	-
Refinancing of Capital Lease	-	-	-	-	(9,332,590)	-	-	-	-	-
Bond Anticipation Note Repayment	-	-	-	(5,410,000)	-	-	-	-	-	-
Bond Issue Proceeds	1,460,000	9,598,157	5,410,000	7,565,000	-	9,340,000	-	8,165,000	2,405,000	-
Bond Anticipation Notes Proceeds	-	-	-	-	-	-	-	-	-	-
Issuance of Refunding Bonds	8,025,000	-	9,635,000	-	-	-	-	-	2,210,000	-
Payments to Escrow Agents	(9,122,074)	-	(10,592,003)	-	-	-	-	-	(2,503,790)	-
Bond Premium	134,338	-	49,838	285,400	-	287,694	-	95,593	1,025,131	91,395
Premium on Refunding Bond Issuance	1,158,124	-	1,065,684	-	-	-	-	-	320,483	-
Transfers-In	603,353	510,704	297,907	798,678	428,023	608,139	1,520,243	1,518,654	1,832,876	1,190,730
Transfers-Out	(653,353)	(525,704)	(241,389)	(725,482)	(374,928)	(79,578)	(1,030,515)	(428,376)	(1,226,006)	(679,291)
Total Other Financing Sources (Uses)	1,605,388	9,583,157	5,625,037	2,513,596	292,505	10,156,255	489,728	9,350,871	4,063,694	602,834
<b>NET CHANGE IN FUND BALANCES</b>	(1,643,667)	1,936,789	(28,218)	(700,837)	(497,648)	8,251,702	(3,223,840)	3,369,785	(2,885,722)	(7,754,330)
Fund Balances - Beginning of Year	15,679,168	14,035,501	15,972,290	15,944,072	15,243,235	14,745,587	22,997,289	19,773,449	23,768,058 *	20,882,336
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 14,035,501</u>	<u>\$ 15,972,290</u>	<u>\$ 15,944,072</u>	<u>\$ 15,243,235</u>	<u>\$ 14,745,587</u>	<u>\$ 22,997,289</u>	<u>\$ 19,773,449</u>	<u>\$ 23,143,234</u>	<u>\$ 20,882,336</u>	<u>\$ 13,128,006</u>
Debt Service as a Percentage of										
Noncapital Expenditures	8.0%	7.2%	8.3%	7.4%	7.7%	7.9%	8.2%	6.9%	6.9%	8.0%

\* Fund Balance Restated

TABLE 5

**TOWN OF TOLLAND, CONNECTICUT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year Ended June 30	Real Estate Assessed Value	Motor Vehicle Assessed Value	Personal Property Assessed Value	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Percentage of Total Assessed Value to Full Value
2013	\$ 1,147,601,690	\$ 132,924,706	\$ 25,791,953	\$ 1,306,318,349	29.99	\$ 1,795,873,452	72.74%
2014	1,150,683,695	132,639,318	26,055,411	1,309,378,424	30.19	1,794,898,456	72.95%
2015	1,153,559,570	134,824,899	27,043,573	1,315,428,042	31.05	1,828,253,012	71.95%
2016	1,104,541,199	137,134,911	29,171,246	1,270,847,356	33.36	1,815,496,223	70.00%
2017	1,106,946,632	144,981,536	30,240,615	1,282,168,783	34.19	1,836,128,860	69.83%
2018	1,105,855,007	143,597,879	35,252,570	1,284,705,456	34.48	1,886,498,467	68.10%
2019	1,110,792,274	145,884,778	40,004,119	1,296,681,171	35.00	1,867,071,521	69.45%
2020	1,112,668,682	147,989,711	39,453,734	1,300,112,127	36.05	1,895,759,882	68.58%
2021	1,101,230,365	147,737,460	41,723,378	1,290,691,203	36.05	1,843,844,576	70.00%
2022	1,108,244,860	158,847,921	41,097,125	1,308,189,906	36.05	1,868,842,723	70.00%

Assessed values were taken from Board of Tax Appeal corrected abstracts. Motor vehicle includes supplement.

Ratios are predicted on the State of Connecticut Office of Policy and Management Sales/Ratio.

Personal property value is based on a 70% assessment ratio.

Personal property was adjusted to reflect newly enacted exemption for manufacturing/research equipment starting with 1991 list.

Tax-exempt property not broken out by category.

TABLE 6

**TOWN OF TOLLAND, CONNECTICUT  
PRINCIPAL PROPERTY TAXPAYERS  
LAST TEN FISCAL YEARS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Eversource/Connecticut Light and Power	\$ 16,484,520	1	1.23%	\$ 8,236,230	2	0.64%
Capitol Ventures	13,641,800	2	1.02%	12,335,300	1	0.95%
Gerber Scientific, Inc.	8,440,480	3	0.63%	4,136,700	4	0.32%
MRT of Connecticut SNF (Woodlake)	8,012,410	4	0.60%			
Summers and Summers Realty				4,128,000	5	0.32%
JM Associates LLC (CNC Software)	7,860,290	5	0.59%			
Norwegian Woods, Inc.	5,544,100	6	0.42%	3,597,000	8	0.28%
Connecticut Water Company	5,512,760	7	0.41%			
Ivy Woods LLC	5,009,900	8	0.38%	3,964,000	6	0.31%
MJB Realty (Star Hill Athletic Facility)	4,615,740	9	0.35%	6,260,300	3	0.48%
Carriage Crossing LLC				3,817,100	7	0.29%
Silva Real Estate/Dari Farms				3,383,600	9	0.26%
Gerber Associates LLC (Raggozino)	4,309,860	10	0.32%			
Tomlen, LLC				2,798,500	10	0.22%
Total	<u>\$ 79,431,860</u>		<u>5.95%</u>	<u>\$ 52,656,730</u>		<u>4.07%</u>

Note: Based on net taxable grand list, October 1, 2021 and October 1, 2012.

TABLE 7

**TOWN OF TOLLAND, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year Ended June 30	Mill Rate	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	29.99	\$ 38,831,162	\$ 38,481,041	99.10%	\$ 79,275	\$ 38,560,316	99.30%
2014	30.19	39,263,225	38,885,680	99.04%	89,504	38,975,184	99.27%
2015	31.05	40,469,270	40,094,577	99.07%	69,760	40,164,337	99.25%
2016	33.36	41,981,338	41,653,686	99.22%	92,967	41,746,653	99.44%
2017	34.19	43,430,320	42,996,306	99.00%	115,858	43,112,164	99.27%
2018	34.48	44,114,882	43,699,966	99.06%	136,128	43,836,094	99.37%
2019	35.00	44,997,409	44,475,818	98.84%	357,613	44,833,431	99.64%
2020	36.05	46,462,354	45,793,939	98.56%	424,388	46,218,327	99.47%
2021	36.05	46,192,111	45,677,610	98.89%	575,079	46,252,688	100.13%
2022	36.05	48,158,319	47,718,857	99.09%	403,630	48,122,487	99.93%

TABLE 8

**TOWN OF TOLLAND, CONNECTICUT  
RATIOS OF GENERAL BONDED DEBT TO  
ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	General Bonded Debt			Percentage of Actual Taxable		Sewer Notes	Financing Notes Payable	Total Primary Government	Percentage of Personal Income (b)	Total Net Debt Per Capita
	General Obligation Bonds	Notes Payable	Total	Value of Property (a)	Per Capita					
2013	\$ 36,696,551	n/a	\$ 36,696,551	2.8%	\$ 2,438	\$ 384,543	\$ 3,466,667	\$ 40,547,761	6.43%	\$ 2,694
2014	34,176,289	n/a	34,176,289	2.6%	2,289	256,195	12,798,157	47,230,641	7.55%	3,163
2015	31,760,588	\$ 5,410,000	37,170,588	2.4%	2,482	155,251	12,459,972	49,785,811	7.58%	3,324
2016	36,401,600	n/a	36,401,600	2.9%	2,431	52,268	12,105,109	48,558,977	7.40%	3,244
2017	32,742,212	n/a	32,742,212	2.6%	2,192		11,971,999	44,714,211	6.83%	2,994
2018	38,648,439	n/a	38,648,439	3.0%	2,583		11,231,771	49,880,210	7.60%	3,333
2019	35,271,825	n/a	35,271,825	2.7%	2,396		10,481,503	45,753,328	7.09%	3,108
2020	31,765,456	8,165,000	39,930,456	2.4%	2,691		9,720,983	49,651,439	7.63%	3,346
2021	39,473,713	n/a	39,473,713	3.1%	2,683		8,949,993	48,423,706	7.51%	3,291
2022	35,174,111	10,615,000	45,789,111	2.7%	3,112		8,168,312	48,423,706	7.51%	3,291

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

a: See Table 5 for taxable property value data.

b: See Table 11 for personal income and population data.  
These ratios are calculated using personal income and population for the prior calendar year.

TABLE 9

**TOWN OF TOLLAND, CONNECTICUT  
COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2022  
(UNAUDITED)**

Total Tax Collections (Including Interest and Lien Fees) for the Year Ended June 30, 2021	<u>\$ 46,540,714</u>
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Base for Debt Limitation Computation	<u><u>\$ 46,540,714</u></u>
--------------------------------------	-----------------------------

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 1/4 Times Base	\$ 104,716,607	\$ -	\$ -	\$ -	\$ -
4 1/2 Times Base	-	209,433,213	-	-	-
3 3/4 Times Base	-	-	174,527,678	-	-
3 1/4 Times Base	-	-	-	151,257,321	-
3 Times Base	-	-	-	-	139,622,142
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Debt Limitation	<u>\$ 104,716,607</u>	<u>\$ 209,433,213</u>	<u>\$ 174,527,678</u>	<u>\$ 151,257,321</u>	<u>\$ 139,622,142</u>
Indebtedness:					
Bonds Payable	17,060,475	16,089,525	-	-	-
Bond Authorized but Unissued	<u>4,939,591</u>	<u>14,295,681</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Indebtedness (1) (2)	<u>22,000,066</u>	<u>30,385,206</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Indebtedness	<u><u>\$ 82,716,541</u></u>	<u><u>\$ 179,048,007</u></u>	<u><u>\$ 174,527,678</u></u>	<u><u>\$ 151,257,321</u></u>	<u><u>\$ 139,622,142</u></u>

(1) The total of the above net indebtedness amounts to:	<u><u>\$ 52,385,272</u></u>
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In no event shall total indebtedness exceed seven times the base for debt limitation computation:	<u><u>\$ 325,784,998</u></u>
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(2) There is no overlapping debt.



TABLE 10

**TOWN OF TOLLAND, CONNECTICUT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 273,336,217	\$ 276,365,677	\$ 283,577,056	\$ 295,505,581	\$ 304,004,526	\$ 304,004,526	\$ 309,929,662	\$ 315,295,260	\$ 324,905,350	\$ 325,784,998
Total net debt applicable to limit	37,096,154	37,193,008	34,137,145	37,610,716	45,685,921	44,074,405	41,416,769	62,605,770	61,113,679	52,385,272
Legal Debt Margin	<u>\$ 236,240,063</u>	<u>\$ 239,172,669</u>	<u>\$ 249,439,911</u>	<u>\$ 257,894,865</u>	<u>\$ 258,318,605</u>	<u>\$ 259,930,121</u>	<u>\$ 268,512,893</u>	<u>\$ 252,689,490</u>	<u>\$ 263,791,671</u>	<u>\$ 273,399,726</u>
Total net debt applicable to the limit as a percentage of debt limit	13.6%	13.5%	12.0%	12.7%	15.0%	14.5%	13.4%	19.9%	18.8%	16.1%

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 in the notes to the financial statements.

**TOWN OF TOLLAND, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS  
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Population (2)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (2)</u>	<u>School Enrollment</u>	<u>Unemployment Rate (2)</u>
2013	15,052	\$ 630,422,916	\$ 41,883	40.0	2,837	5.9%
2014	14,931	625,355,073	41,883	40.0	2,733	5.2%
2015	14,977	656,681,542	43,846	41.0	2,676	3.5%
2016	14,971	656,418,466	43,846	43.0	2,706	4.5%
2017	14,935	654,840,010	43,846	43.0	2,484	3.8%
2018	14,964	656,111,544	43,846	42.0	2,467	3.5%
2019	14,722	645,500,812	43,846	42.0	2,393	3.0%
2020	14,838	650,586,948	43,846	44.0	2,354	7.3%*
2021	14,713	645,106,198	43,846	44.0	2,281	4.8%
2022	14,713	645,106,198	43,846	44.0	2,217	5.0%

\* Impact of COVID related employee layoffs etc. As employees began to return to work in the following months, the unemployment rate began to decline. August, 2020 declined to 5.2%.

Sources:

- (1) U.S. Department of Commerce, Bureau of Census, 2010 Census
- (2) Connecticut Economic Resource Center (CERC) Town Profile (2021)

TABLE 12

**TOWN OF TOLLAND, CONNECTICUT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Town of Tolland (1)	498	1	6.1%	507	1	6.4%
Gerber Garment Technologies	290	2	3.5%	335	2	4.2%
Woodlake at Tolland	262	3	3.2%	241	3	3.0%
Big Y	189	4	2.3%	220	4	2.8%
CNC Software	152	5	1.8%	146	5	1.8%
Dari Farms				126	6	1.6%
Standard Register				71	7	0.9%
State Police Troop C	79	6	1.0%			
Star Hill Family Athletic Center	75	7	0.9%			
Eversource/Northeast Utilities	64	8	0.8%	62	9	0.8%
Soldream, Inc.				60	10	0.8%
NERAC, Inc.	39	9	0.5%	62	8	0.8%
USDA	22	10	0.3%			
	<u>1,670</u>			<u>1,830</u>		

Notes:

(1): Full-time equivalents

Source: Assessor Office / Official Statements

**TOWN OF TOLLAND, CONNECTICUT**  
**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Administration	4	4	4	4	4	4	4	4	4	4
Planning and community development	5	4	4	4	4	5	5	5	5	5
Community services	18	16	17	17	17	17	17	17	17	17
Public works	32	31	32	32	31	31	31	32	32	32
Public safety services	13	13	13	13	13	13	13	13	14	14
Records and financial services	14	14	14	14	14	14	14	14	14	14
Total	<u>86</u>	<u>82</u>	<u>84</u>	<u>84</u>	<u>83</u>	<u>84</u>	<u>84</u>	<u>85</u>	<u>86</u>	<u>86</u>

Source: Accounting Department

TABLE 14

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

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Planning and community development:										
Residential permits (single family dwelling)	7	13	17	8	10	8	8	11	20	21
Commercial permits	34	21	22	24	66	51	65	22	21	25
Subdivision lots approved (P&Z Comm)	0	0	2	2	2	2	1	4	2	0
COs issued (P&Z Services) ***	28	195	15	20	14	19	8	8	20	20
Elderly services:										
Senior center attendance	8,231	8,311	8,070	9,246	9,701	9,021	10,334	7,758	871 *	9,506
Library:										
Total circulation	119,949	122,365	125,480	120,000	98,074 *	105,898	99,179	73,567	33,352 *	96,092
Attendance at library	77,231	77,630	75,996	70,933	60,000 *	71,000	97,098	77,977	69,310 *	57,783
Recreation:										
Youth programs and sports participation	1,853	1,858	1,835	2,092	1,806	1,640	1,657	1,479	498 *	1,100
Adult programs and sports participation	710	731	755	795	880	997	1,019	992	438 *	875
Refuse and recycling:										
Tons of refuse co-generated	4,348	4,256	4,325	4,347	4,180	4,252	4,391	4,549	4,729	4,623
Tons of single stream recycling	1,772	1,730	1,753	1,711	1,761	1,611	1,139	1,577	1,608	1,579
Public safety:										
Ambulance medical calls	1,135	1,235	1,272	1,307	1,338	1,285	1,356	1,349	1,582	2,090
Ambulance non-emergency calls	2,464	2,563	2,750	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire calls	516	405	525	525	478	470	515	512	637	214
Fire medical calls*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire non-emergency calls	2,464	2,563	2,750	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hazardous materials	46	33	40	29	32	33	34	35	32	163
Other calls/service calls**	869	368	375	237	322	314	353	307	331	203
Vehicle Accidents			131	139	117	115	120	94	105	162
Law enforcement:										
Criminal investigations	398	396	458	502	456	399	402	273	181	212
Motor vehicle accident investigations	234	251	316	266	288	252	261	208	163	242
Registrar of voters:										
Total registered voters	9,415	9,271	9,400	9,436	10,128	10,125	10,301	10,339	10,557	10,416
Revenue services:										
Total taxes collected	\$ 38,505,984	\$ 38,882,421	\$ 40,094,577	\$ 41,653,686	\$ 42,996,306	\$ 43,699,966	\$ 44,475,818	\$ 45,793,939	\$ 45,677,610	\$ 47,718,857

\* no longer used

\*\* new in 2013

\*\*\* only for new houses starting in 2015

\* due to library expansion and being closed for 5 weeks

\*\*\*\* due to Senior Center/Recreation/Library being closed April, May and June of 2020 because of COVID-19. Senior Center did not open until April of 2021 with limitations, Recreation started with Winter programming on a very limited basis. Library partially opened as of July with limitations to programs.

June tax collector's report (current year only)

Source : Department Heads

TABLE 15

**TOWN OF TOLLAND, CONNECTICUT**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<u>Function</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Fire stations	5	5	5	5	5	5	5	5	5	5
Municipal buildings	21	21	21	21	21	21	21	21	21	21
Schools	4	4	4	4	4	4	4	4	4	4
Parks and recreation:										
Fields - Municipal	16	16	16	16	16	16	16	16	16	16
Fields - Schools	16	16	16	16	16	16	16	16	16	16
Water:										
Water mains (Municipal) (miles)	66,994	66,994	66,994	66,994	66,994	66,994	66,994	66,994	66,994	66,994
Water mains (Private) (miles)	69,772	69,772	69,772	69,772	69,772	69,772	69,772	69,772	69,772	69,772
Fire hydrants (Public)	83	83	83	83	83	83	83	83	83	83
Fire hydrants (Private)	14	14	14	14	14	14	14	14	14	14
Wastewater:										
Sewer line (feet)	46,432	46,432	46,432	46,432	46,432	46,432	46,432	46,432	46,432	46,432
Highway:										
Paved miles	123.68	123.68	123.68	123.68	123.68	123.68	123.93	123.93	123.93	123.93
Unimproved miles	8.85	8.85	8.85	8.85	8.85	8.85	8.85	8.85	8.85	8.85

Source: Accounting Department