

TOWN OF ELLINGTON, CONNECTICUT
ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TOWN OF ELLINGTON, CONNECTICUT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Department of Finance

Tiffany Pignataro, CPA, MBA
Finance Officer, Treasurer

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INTRODUCTORY SECTION



STATE OF CONNECTICUT – COUNTY OF TOLLAND
INCORPORATED 1786

TOWN OF ELLINGTON

Finance Office

55 MAIN STREET – PO BOX 187
ELLINGTON, CONNECTICUT 06029-0187
TEL 870-3115 FAX 870-3158
www.ellington-ct.gov

November 4, 2022

Board of Finance and Citizens
Town of Ellington, Connecticut

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to this requirement, we are pleased to issue the Annual Comprehensive Financial Report (ACFR) of the Town of Ellington for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the Town of Ellington. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Ellington has established an 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 Ellington's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of Ellington's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. 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 Ellington's financial statements have been audited by CliftonLarsonAllen LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Ellington 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 Ellington'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.

The independent audit of the financial statements of the Town of Ellington was part of broader “Single Audits” mandated by the federal government and the State of Connecticut and designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Ellington’s separately issued Single Audit Reports. 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 Ellington’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The Town of Ellington, incorporated in May 1786, is nestled in the Connecticut River Valley and set against the backdrop of the Shenipsit State Forest. Ellington is best known for its roots as an agricultural community and remains one of the largest agricultural production towns in Connecticut. The Town currently covers an area of 34.59 square miles and serves an estimated population of 16,348. The Town of Ellington is empowered to levy a property tax on both real and personal properties located within its boundaries.

The legislative power of the Town is vested in a seven-member Board of Selectmen and the Town Meeting. The First Selectman, elected for a two-year term, serves as the full-time chief executive officer of the Town. The First Selectman presides over the Board of Selectmen and has full voting privileges on the Board. Their designee is also an ex-officio member of all Town boards, commissions and agencies, but without power to vote.

The annual budget serves as the foundation for the Town’s financial planning and controls. Annual budgets are recommended by the Board of Selectmen and Board of Education to the Board of Finance. Upon completion of budget hearings and careful review and deliberations, the Board of Finance recommends a final budget which is subject to voter approval through Town Meeting and referendum. The Town maintains a comprehensive budgetary reporting system and controls to monitor results of budget operations and ensure compliance with legal provisions embodied in the annual appropriated budget approved by referendum. The General Fund is the only fund for which a legal budget is adopted. Activities of the General Fund are included in the annual appropriated budget. The coordination and administration of the budget and financial affairs of the Town is performed by the Finance Officer/Treasurer.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level. Transfers within departments require approval from the Board of Finance after recommendation by the Board of Selectmen. Open encumbrances, reflecting goods and services not received, are reported as an assigned fund balance at June 30.

The Town provides a full range of services, including: general government services; police and fire protection; public works for the management, care and maintenance of Town properties and vehicles, and construction and maintenance of highways, streets and other infrastructure; health and welfare services; library; cultural and recreational activities and education.

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

Economic Condition and Outlook

Ellington is a desirable rural community with an excellent school system and a high standard of living. The Town has one public beach; in Crystal Lake area, as well as a public boat launch. The Town also owns recreation facilities that provide hiking, camping, picnicking, soccer, lacrosse, tennis, football and baseball/softball activities.

Through the Conservation Commission, the Town pursues and reviews opportunities to purchase open space land that would provide for future passive recreational and municipal use, in addition to maintaining open space.

Unemployment in Ellington is consistently lower than state and national averages, standing at 3.10% as of June 2022 compared to the State unemployment rate of 4.3%. The decrease in unemployment for the Town of Ellington and the State of Connecticut is attributed to the after-effect of COVID-19 on local businesses. Ellington's personal per capita income and its and education attainment exceed the State of Connecticut averages.

Ellington has a well-balanced, economically diverse mix of businesses, commercial office buildings, medical facilities, and retail space. Major employers include municipal, retail, healthcare services, manufacturing and farming.

The Town's October 1, 2020 Net Taxable Grand List of \$1,506,548,300 increased by \$75,446,161 or 5.27%. The tax base in Ellington is primarily residential (approximately 85% of the total taxable grand list). Property taxes, interest, and lien fees comprise 78.4% of Town General Fund revenues, and the current property tax collection rate remains consistently strong at 99.3%.

Adding to the Town's economic base is a priority, while balancing Ellington's historic status, preserving open space and protection Ellington's distinctive character as a small, residential town.

Long-Term Financial Planning

The unassigned fund balance in the General Fund as of June 30, 2022 was 5.9% of annual operating expenditures, an increase from 5.6% as of June 30, 2021. The town has made progress in reaching its recommended guideline of a minimum of 10% of annual operating expenditures pursuant to the formal Fund Balance Policy adopted by the Board of Selectmen. The Policy calls for the Town to maintain the fund balance above the minimum level when reviewed annually during the budget process except under extraordinary events or in unanticipated situations. The maintenance of unassigned levels is an element of sound fiscal management required for sustaining high credit rating and financial management flexibility.

The Town prepares and approves a Capital Improvement Program (CIP) annually, which is subject to the approval of the Board of Selectmen. The CIP is a long-term planning and policy document. Projects are evaluated and prioritized in terms of need, cost effectiveness, ability to generate economic benefit, and sources of funding. The Town funds a portion of the CIP annually through the General Fund operating budget.

Major Initiatives

During fiscal year 2022, road reconstruction continued to be a key multi-year initiative as the Town was actively involved in several major road and bridge projects. The Town actively pursues all State and Federal grant opportunities to supplement local funding for these projects.

Improvements and maintenance of Town buildings and infrastructure, and the vehicle and equipment replacement program will continue to be a multi-year priority, and will be prioritized in accordance with the Five-Year Capital Plan.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report. In order to be awarded a Certificate of Achievement, the Town must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. I believe our current report conforms to Certificate of Achievement for Excellence in Financial Reporting Program requirements, and I am submitting it to GFOA to determine its eligibility for a certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the staff of the entire Finance Department and the many departments who provided information. I would like to express my appreciation to all who assisted and contributed to its preparation. The continuing support of the Board of Finance and the Board of Selectmen, who remain committed to fiscal integrity and financial leadership, is greatly appreciated.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'TPgn'.

Tiffany Pignataro, CPA, MBA
Finance Officer/Treasurer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Ellington
Connecticut**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

TOWN OF ELLINGTON, CONNECTICUT

**PRINCIPAL OFFICIALS
AS OF JUNE 30, 2022**

BOARD OF SELECTMEN

Lori L Spielman, First Selectman
David Stavens, Deputy First Selectman
James Prichard, Selectman
Charlotte Ward, Selectman
Melinda Ferry, Selectman
Ronald Stomberg, Selectman
John Turner, Selectman

BOARD OF FINANCE

Michael Purcaro, Chairman
David Olender, Vice Chairman
Douglas Harding
Barry Pinto
James Fay
Peg Busse

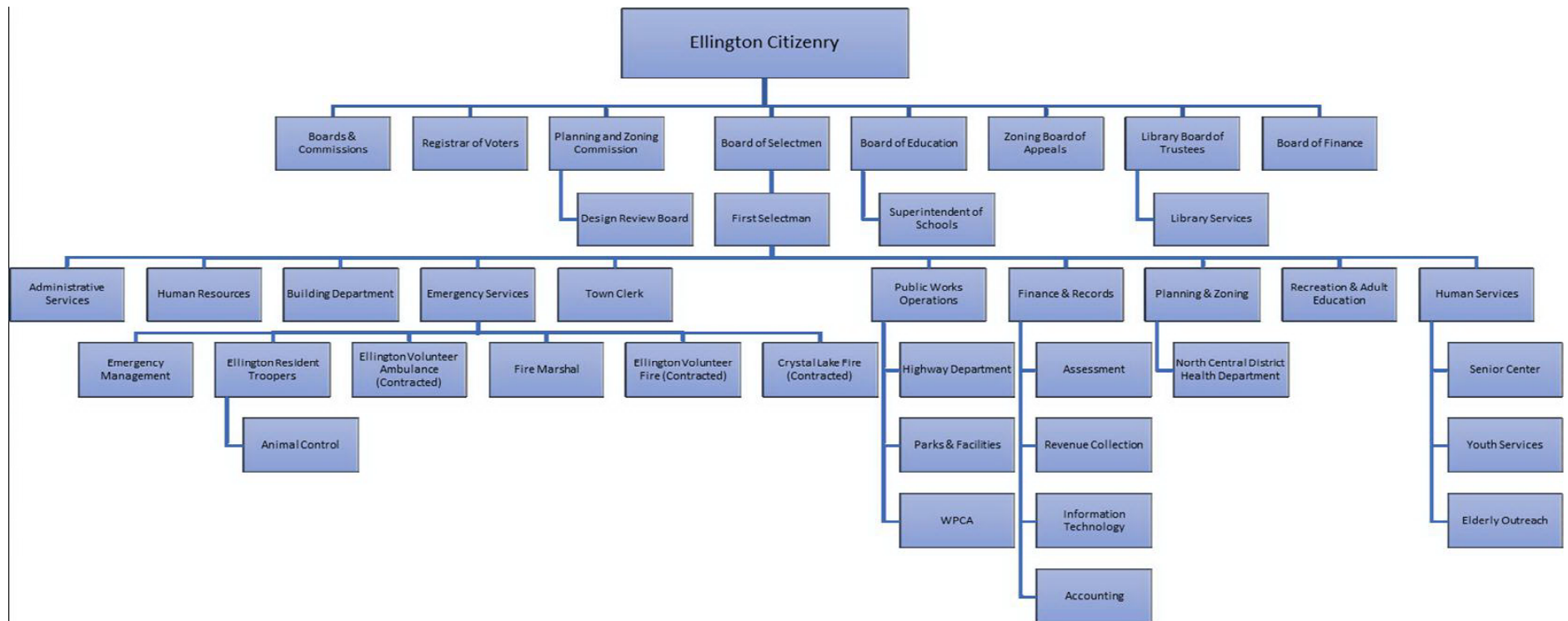
BOARD OF EDUCATION

Jennifer Dzen, Chairman
Michael Young, Vice Chairman
Elizabeth Nord, Treasurer
Jennifer Mullin, Secretary
Steve Viens
Miriam Underwood
Gary Blanchette
Marcia Kupferschmid
Kerry Socha
Angela Moser

OTHER OFFICIALS

Dr. Scott Nicol, Superintendent of Schools

TOWN OF ELLINGTON, CONNECTICUT ORGANIZATION CHART



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Finance
Town of Ellington, 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 Ellington, 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 Ellington, 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 Ellington, Connecticut, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Ellington, 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 Ellington, Connecticut's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Ellington, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Ellington, 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, as listed in the table of contents, 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 Ellington, Connecticut's basic financial statements. The accompanying supplementary information such as 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 accompanying supplementary information such as 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 November 4, 2022, on our consideration of the Town of Ellington, 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 Ellington, 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 Ellington, Connecticut's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
November 4, 2022

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

The management of the Town of Ellington, Connecticut (the "Town"), offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$89,602,880 (net position). Of this amount, \$17,201,999 represents the Town's unrestricted net position, which may be used to meet the Town's ongoing obligations to its citizens and creditors.
- The Town's change in net position for the year ended June 30, 2022 amounted to an increase of \$251,022.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$23,594,059, a decrease of \$(87,344) in comparison with the prior year.
- At the end of the current fiscal year, the total fund balance of the Town's General Fund was \$14,282,489, a decrease of \$(864,043) in comparison with the prior year.
- The Town's total long-term debt decreased by \$(2,361,963) or 14.3% due to scheduled principal repayments on general obligation bonds and direct placement notes payable arrangements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Government-wide Financial Statements *(Continued)*

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

Both of the government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, recreation, library, human services and education. The business-type activities of the Town include sewer and solid waste activities.

The government-wide financial statements can be found on pages 18 and 19 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, School Lunch Fund, and ARPA Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 20 through 23 of this report.

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

OVERVIEW OF THE FINANCIAL STATEMENTS (*Continued*)

Proprietary Funds

The Town maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its sewer and solid waste disposal operations. Internal service funds are used for the financing of goods and services provided by one department or agency to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis. The Town uses internal service funds to account for the Board of Education's medical and dental self-insurance funds.

The Town maintains four individual enterprise funds. The Town maintains two individual internal service funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Information is presented separately in the proprietary fund financial statements for the Sewer Authority Fund and the Crystal Lake Sewers Fund, both of which are considered to be major funds. Data from the other two enterprise funds are combined into a single, aggregated presentation. Data from the two internal service funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor enterprise and internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 24 through 27 of this report.

Fiduciary Funds

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

The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 through 80 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information and combining and individual fund statements and schedules that can be found on pages 82 through 133 of this report.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

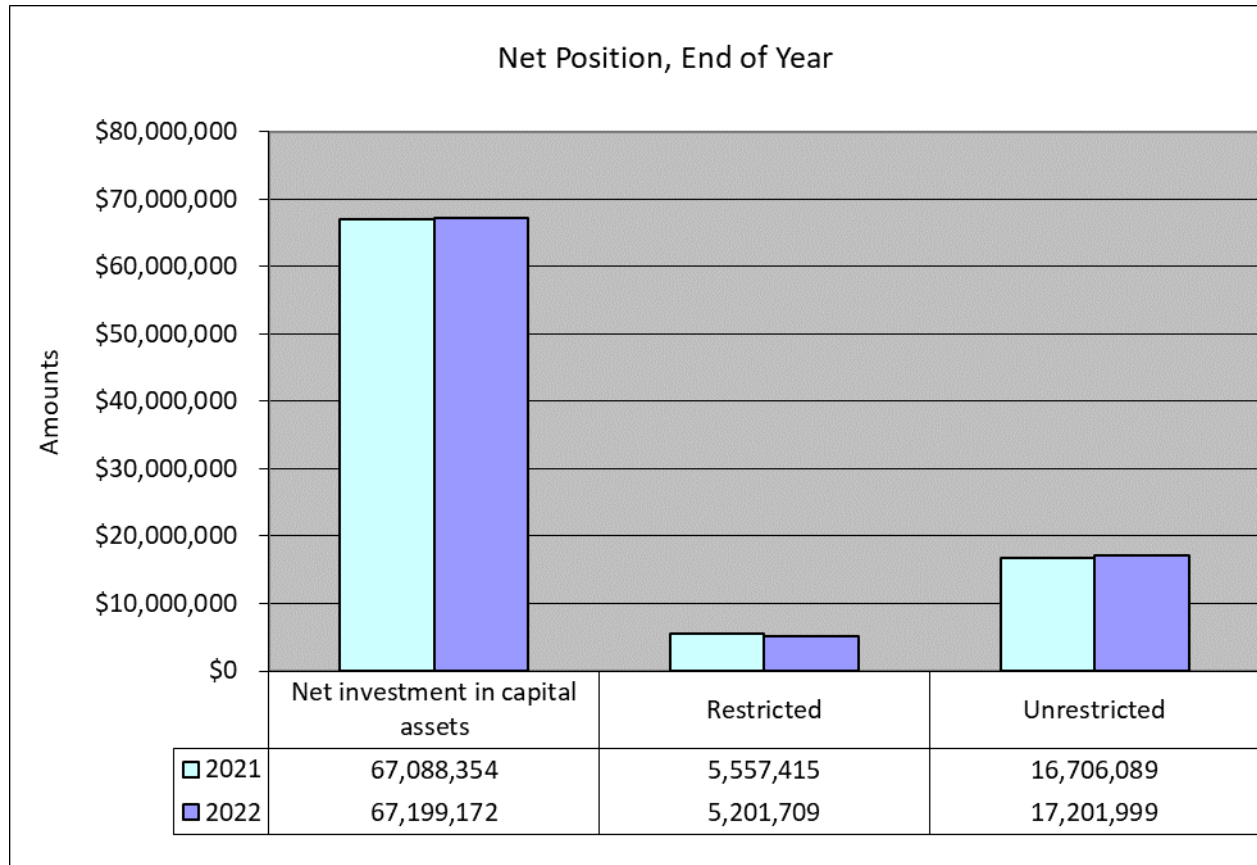
Over time, net position may serve as one measure of a government's financial position. Total net position (governmental and business-type activities combined) of the Town totaled \$89,602,880 and \$89,351,858 as of June 30, 2022 and 2021, respectively, and are summarized below.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets:						
Current Assets	\$ 28,923,475	\$ 30,345,794	\$ 11,314,096	\$ 11,090,493	\$ 40,237,571	\$ 41,436,287
Capital Assets, Net of Accumulated Depreciation	73,927,188	75,295,398	8,682,812	8,973,275	82,610,000	84,268,673
Total Assets	102,850,663	105,641,192	19,996,908	20,063,768	122,847,571	125,704,960
Deferred Outflows of Resources	3,573,402	5,687,559	-	2,665	3,573,402	5,690,224
Liabilities:						
Current Liabilities	7,054,872	7,273,564	864,254	585,126	7,919,126	7,858,690
Long-Term Liabilities Outstanding	23,872,656	32,004,093	527,827	600,732	24,400,483	32,604,825
Total Liabilities	30,927,528	39,277,657	1,392,081	1,185,858	32,319,609	40,463,515
Deferred Inflows of Resources	4,498,484	1,579,811	-	-	4,498,484	1,579,811
Net Position:						
Net Investments in Capital Assets	59,143,433	58,724,896	8,055,739	8,363,458	67,199,172	67,088,354
Restricted	5,201,709	5,557,415	-	-	5,201,709	5,557,415
Unrestricted	6,652,911	6,188,972	10,549,088	10,517,117	17,201,999	16,706,089
Total Net Position	<u>\$ 70,998,053</u>	<u>\$ 70,471,283</u>	<u>\$ 18,604,827</u>	<u>\$ 18,880,575</u>	<u>\$ 89,602,880</u>	<u>\$ 89,351,858</u>

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Position (Continued)



Net position of the Town is reflected 75% in investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Net position of the Town is comprised 5.8% of which is subject to external restrictions on how they may be used and are therefore presented as restricted net position.

The remainder of the Town's net position is considered unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

Overall, net position increased by \$251,022 in comparison to the prior year.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position

Changes in net position for the years ended June 30, 2022 and 2021 are as follows. Certain amounts reported for the year ended June 30, 2021 have been reclassified to conform to the current year presentation.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	\$ 4,589,304	\$ 3,653,980	\$ 2,892,649	\$ 3,671,293	\$ 7,481,953	\$ 7,325,273
Operating Grants and Contributions	19,232,277	27,297,852	-	-	19,232,277	27,297,852
Capital Grants and Contributions	353,180	704,512	-	-	353,180	704,512
General Revenues:						
Property Taxes	48,223,616	47,330,283	-	-	48,223,616	47,330,283
Grants not Restricted to Specific Programs	74,180	88,849	-	-	74,180	88,849
Unrestricted Investment Earnings	77,342	180,487	24,302	8,369	101,644	188,856
Miscellaneous Revenue	456,246	353,420	-	-	456,246	353,420
Total Revenues	<u>73,006,145</u>	<u>79,609,383</u>	<u>2,916,951</u>	<u>3,679,662</u>	<u>75,923,096</u>	<u>83,289,045</u>
Expenses:						
General Government	4,170,310	5,012,849	-	-	4,170,310	5,012,849
Public Safety	5,063,390	4,680,388	-	-	5,063,390	4,680,388
Public Works	6,258,242	5,758,110	-	-	6,258,242	5,758,110
Recreation	885,048	618,773	-	-	885,048	618,773
Library	1,404,318	1,183,120	-	-	1,404,318	1,183,120
Human Services	1,043,031	1,156,472	-	-	1,043,031	1,156,472
Education	53,303,515	60,756,248	-	-	53,303,515	60,756,248
Interest Expense	351,521	536,234	-	-	351,521	536,234
Sewer and Solid Waste	-	-	3,192,699	3,053,010	3,192,699	3,053,010
Total Expenses	<u>72,479,375</u>	<u>79,702,194</u>	<u>3,192,699</u>	<u>3,053,010</u>	<u>75,672,074</u>	<u>82,755,204</u>
Change in Net Position Before Transfers	526,770	(92,811)	(275,748)	626,652	251,022	533,841
Transfers	-	(29,375)	-	29,375	-	-
Change in Net Position	<u>526,770</u>	<u>(122,186)</u>	<u>(275,748)</u>	<u>656,027</u>	<u>251,022</u>	<u>533,841</u>
Beginning Net Position	<u>70,471,283</u>	<u>70,593,469</u>	<u>18,880,575</u>	<u>18,224,548</u>	<u>89,351,858</u>	<u>88,818,017</u>
Ending Net Position	<u>\$ 70,998,053</u>	<u>\$ 70,471,283</u>	<u>\$ 18,604,827</u>	<u>\$ 18,880,575</u>	<u>\$ 89,602,880</u>	<u>\$ 89,351,858</u>

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position (Continued)

Governmental Activities

Governmental activities increased the Town's net position by \$526,770 during fiscal year 2022, compared to a prior year decrease of \$(122,186).

Overall revenues decreased by \$(6,603,238) or (8.3)% from the prior year. Revenues from operating and capital grants decreased by \$(8,416,907) due to a decrease year over year in the State Teachers Retirement, State Teachers Retirement OPEB and Excess Cost Grant revenue. Revenues from charges for services increased by \$935,324 or 25.6%. This increase was mainly due to an increase in the charges for service related to the education district and student activities, as well as the charges for service related to the education special revenue activities. Revenues from property taxes increased by \$893,333 or 1.9%, which was driven by an overall increase in the taxable grand list.

Overall expenses decreased by \$(7,222,819) or (9.1)% over the prior year. Expenses include a decrease of \$(842,539) for general government which includes \$824,823 for the CMERS plan and \$961,005 reallocation of capital outlay expenditures not capitalized. A decrease of \$(7,452,733) in Education which includes an increase of \$1,824,438 reallocation of capital outlay expenditures not capitalized, \$833,182 for the CMERS plan, \$395,770 from the Board of Education Medical and Dental Self Insurance, insurance and administration costs, and an increase of \$1,996,190 in State Teacher Retirement expenses.

Business-type Activities

Business-type activities decreased the Town's net position by \$(275,748) during fiscal year 2022, compared to a prior year increase of \$656,027.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds

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

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

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)

Governmental Funds (Continued)

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$23,594,059, a decrease of \$(87,344) in comparison with the prior year. Of the total governmental fund balances, \$3,606,956 constitutes unassigned fund balance, which is primarily derived from the General Fund. The remainder of the Town's fund balance has been classified as either nonspendable, restricted, committed or assigned, and is not available for other use without authorization from the governing bodies of the Town or external parties.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,628,476, while total fund balance was \$14,282,489. In addition to unassigned fund balance, the Town maintains a capital reserve pursuant to its Charter in the amount of \$6,097,572. The remaining General Fund fund balance has been committed or assigned for various other purposes, including \$1,585,442, which has been assigned for use in the Town's fiscal year 2023 budget.

The fund balance of the Town's General Fund decreased by \$(864,043) in comparison with the prior year.

School Lunch Fund

At the end of the current fiscal year, the fund balance in the Town's School Lunch Fund was \$478,124, which was an increase of \$424,042 from the prior year.

ARPA Fund

The fund balance of the Town's ARPA Fund increased by \$5,252 to \$5,252.

Proprietary Funds

Unrestricted net position of the Sewer Authority Fund as of June 30, 2022 totaled \$8,772,691. Unrestricted net position of the Crystal Lake Sewer Fund as of June 30, 2022 totaled \$1,642,941.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for 2022 planned for the utilization of fund balance of \$2,946,748. The final budget for 2022 included additional appropriations of \$45,000. The actual net change in fund balance of the General Fund on a budgetary basis was a decrease of \$595,701. Revenues were \$2,247,572 less than budgeted and expenditures were \$1,651,871 less than budgeted. The Town recognized a favorable variance in tax collections as the percent of collection ended higher than budgeted, as well as increased revenue to budget in state and federal grants, charges for goods and services, investment earnings and other revenue. This was offset by needing less of an appropriation from fund balance than originally budgeted. Expenditures were generally under budget across all departments, most notably in Center Fire Department, General Town Roads and Capital Reserve Fund expenditures. Final budgetary results also reflected continued funding of the Town's Reserve for Other Post-employment Benefits in the amount of \$100,000.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2022 totaled \$82,610,000 (net of accumulated depreciation and amortization). This investment in capital assets includes an art collection, land, property development rights, buildings and improvements, machinery, equipment and vehicles, and infrastructure. The total increase in the Town's investment in capital assets for the current fiscal year was \$110,818 or 0.2%. The decrease is due to current year depreciation and amortization in the amount of \$4,361,164, current year net disposal of \$108,750 and adjustments of \$(102,389), offset by current year capital asset additions of \$2,442,366.

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

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

Significant capital asset additions included the following:

- Infrastructure improvements made to various Town roads and sidewalks;
- Parking lot renovations in the amount of \$71,823;
- DPW Snow Plow/Dump Truck in the amount of \$199,997;
- Hall Memorial Library air handler replacement in the amount of \$94,072;
- Veteran's Memorial Park in the amount of \$116,765;
- Upgrade of the Town's phone system in the amount of \$62,510;
- Acquisition of 59 Maple Street in the amount of \$416,466.

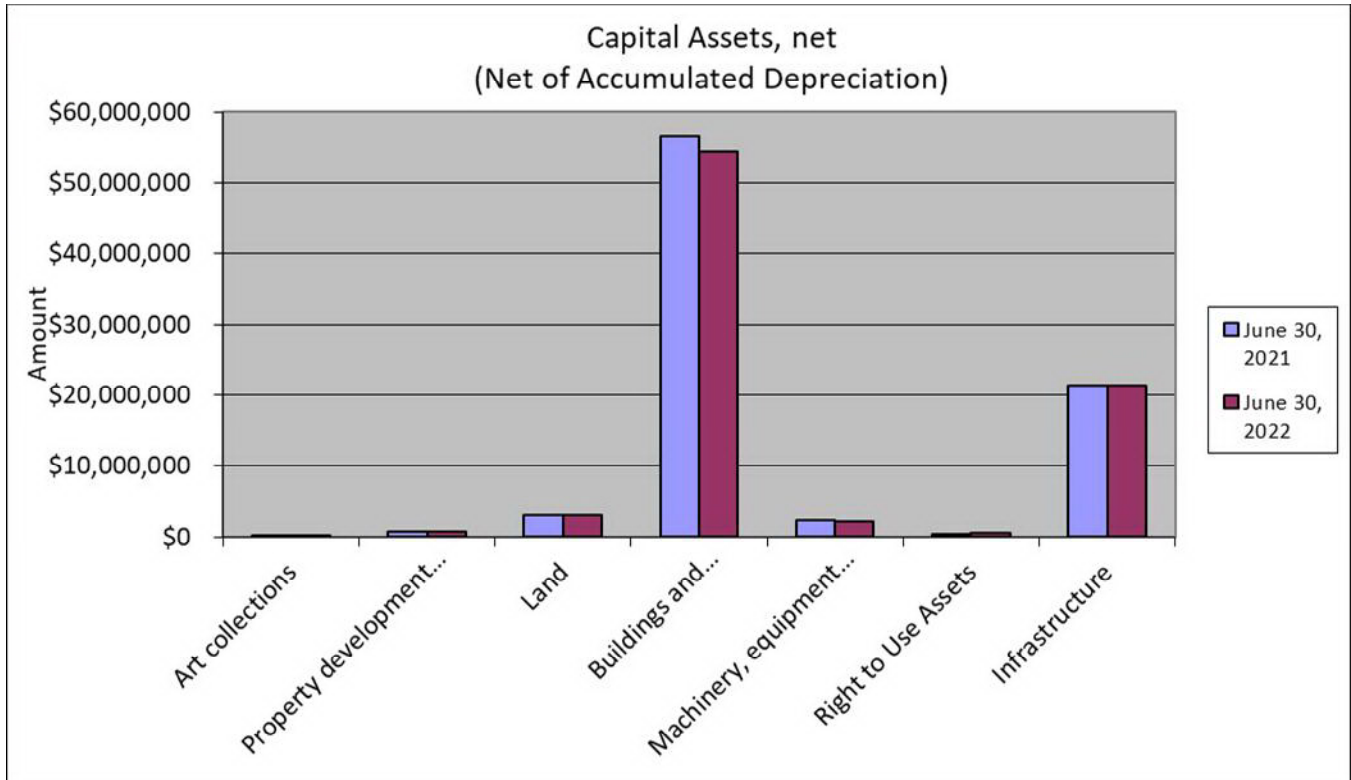
The following table is a two-year comparison of the investment in capital assets presented for both governmental and business-type activities:

	Governmental		Business-Type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Art Collections	\$ 35,598	\$ 35,598	\$ -	\$ -	\$ 35,598	\$ 35,598
Property Development Rights	817,877	817,877	-	-	817,877	817,877
Land	3,056,666	3,056,666	-	-	3,056,666	3,056,666
Buildings and Improvements	54,439,938	56,619,272	-	-	54,439,938	56,619,272
Machinery, Equipment, and Vehicles	2,217,868	2,380,604	-	-	2,217,868	2,380,604
Right to Use Assets	637,409	471,264	99,516	-	736,925	471,264
Infrastructure	12,721,832	12,385,381	8,583,296	8,973,275	21,305,128	21,358,656
Total	<u>\$ 73,927,188</u>	<u>\$ 75,766,662</u>	<u>\$ 8,682,812</u>	<u>\$ 8,973,275</u>	<u>\$ 82,610,000</u>	<u>\$ 84,739,937</u>

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

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)



Additional information on the Town's capital assets can be found in Note 3C to the basic financial statements.

Long-term Debt

At the end of the current fiscal year, the Town had total general obligation debt outstanding of \$14,125,107. This entire amount is comprised of debt backed by the full faith and credit of the Town. In addition, the Town had notes payable from direct borrowings outstanding of \$791,284, which is collateralized by the related capital assets.

The Town's total debt decreased by \$(2,361,963) or (14.3)% due to scheduled principal repayments.

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

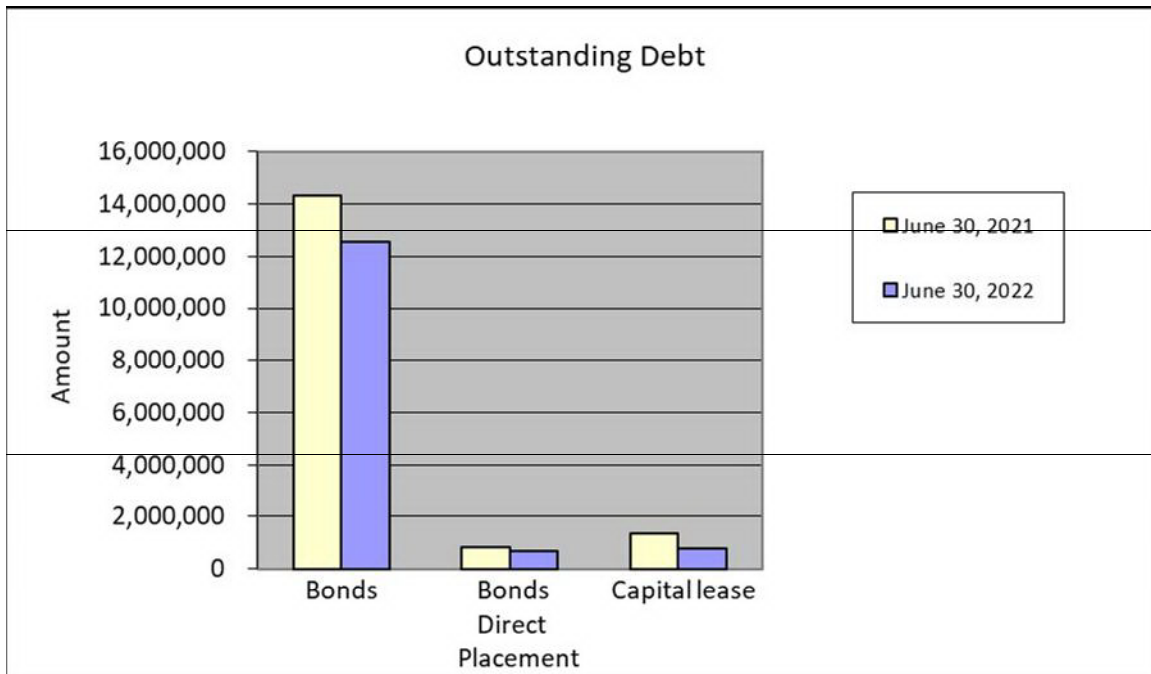
**TOWN OF ELLINGTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2022**

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Long-term Debt (Continued)

The following table is a two-year comparison of long-term debt presented for both governmental and business-type activities:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	\$ 12,031,750	\$ 13,690,000	\$ 627,073	\$ 612,482	\$ 12,658,823	\$ 14,302,482
General Obligation Bonds - Direct Placement	675,000	815,000	-	-	675,000	815,000
Notes Payable - Direct Placement	791,284	1,369,588	-	-	791,284	1,369,588
Total	<u>\$ 13,498,034</u>	<u>\$ 15,874,588</u>	<u>\$ 627,073</u>	<u>\$ 612,482</u>	<u>\$ 14,125,107</u>	<u>\$ 16,487,070</u>



Additional information on the Town's long-term debt can be found in Note 3E to the basic financial statements.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which may affect the amount of intergovernmental revenues the Town will receive in fiscal year 2023 and thereafter.
- The State imposes a cap on municipal spending to limit the budgeted expenditures to 2.5% above the previous year, or the rate of inflation, whichever is greater. The cap includes certain exemptions relating to increases in debt service, special education costs, claims and judgments and costs incurred related to major disaster or emergency declarations. Municipalities that increase their adopted budget expenditures over the previous fiscal year by an amount that exceeds the cap may receive a reduced municipal revenue sharing grant.
- The State has established a minimum budget requirement ("MBR") for budgeted education expenditures. The MBR prohibits towns from budgeting less for education than it did in the previous year unless, and within limits, the Town can demonstrate a decrease in school enrollment or savings through increased efficiencies. Any increases or decreases that the Town receives in its Education Cost Sharing grant will result in a corresponding increase or decrease in the Town's MBR.
- Inflationary trends in the region compare favorably to national indices.
- The financial implications of COVID-19 in which costs have increased and revenue has slightly decreased.

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

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Finance Officer, Town of Ellington, 55 Main Street, Ellington, CT 06029.

BASIC FINANCIAL STATEMENTS

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 24,838,376	\$ 8,342,214	\$ 33,180,590
Investments	1,200,543	-	1,200,543
Receivables	4,519,797	931,333	5,451,130
Internal Balances	(1,667,693)	1,667,693	-
Due from Fiduciary Funds	154	-	154
Supplies	32,298	-	32,298
Assessments Receivable - Long-Term Portion	-	372,856	372,856
Capital Assets, Nondepreciable	3,910,141	-	3,910,141
Capital Assets, Net of Accumulated Depreciation	70,017,047	8,682,812	78,699,859
Total Assets	<u>102,850,663</u>	<u>19,996,908</u>	<u>122,847,571</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to LOSAP	280,880	-	280,880
Deferred Outflows Related to MERS	2,235,711	-	2,235,711
Deferred Outflows Related to OPEB	1,056,811	-	1,056,811
Total Deferred Outflows of Resources	<u>3,573,402</u>	<u>-</u>	<u>3,573,402</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	1,026,500	721,631	1,748,131
Unearned Revenue	2,718,228	43,377	2,761,605
Noncurrent Liabilities:			
Due Within One Year	3,310,144	99,246	3,409,390
Due in More than One Year	23,872,656	527,827	24,400,483
Total Liabilities	<u>30,927,528</u>	<u>1,392,081</u>	<u>32,319,609</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to LOSAP	36,411	-	36,411
Deferred Inflows Related to MERS	3,368,351	-	3,368,351
Deferred Inflows Related to OPEB	1,093,722	-	1,093,722
Total Deferred Inflows of Resources	<u>4,498,484</u>	<u>-</u>	<u>4,498,484</u>
NET POSITION			
Net Investment in Capital Assets	59,143,433	8,055,739	67,199,172
Restricted for:			
Grant Purposes	3,954,830	-	3,954,830
Employee Benefits	37,154	-	37,154
Endowments - Expendable	1,157,228	-	1,157,228
Endowments - Nonexpendable	52,497	-	52,497
Unrestricted	6,652,911	10,549,088	17,201,999
Total Net Position	<u>\$ 70,998,053</u>	<u>\$ 18,604,827</u>	<u>\$ 89,602,880</u>

See accompanying Notes to Financial Statements.

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

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	\$ 4,170,310	\$ 816,572	\$ 381,105	\$ -	\$ (2,972,633)	\$ -	\$ (2,972,633)
Public Safety	5,063,390	1,404,205	-	-	(3,659,185)	-	(3,659,185)
Public Works	6,258,242	2,800	340,896	128,858	(5,785,688)	-	(5,785,688)
Recreation	885,048	285,473	16,767	-	(582,808)	-	(582,808)
Library	1,404,318	-	49,677	-	(1,354,641)	-	(1,354,641)
Human Services	1,043,031	36,411	147,124	-	(859,496)	-	(859,496)
Education	53,303,515	2,043,843	18,296,708	224,322	(32,738,642)	-	(32,738,642)
Interest and Fiscal Charges	351,521	-	-	-	(351,521)	-	(351,521)
Total Governmental Activities	72,479,375	4,589,304	19,232,277	353,180	(48,304,614)	-	(48,304,614)
Business-Type Activities:							
Sewer Authority Fund	2,813,476	2,642,851	-	-	-	(170,625)	(170,625)
Crystal Lake Sewers Fund	375,297	239,797	-	-	-	(135,500)	(135,500)
Nonmajor Enterprise Funds	3,926	10,001	-	-	-	6,075	6,075
Total Business-Type Activities	3,192,699	2,892,649	-	-	-	(300,050)	(300,050)
Total	\$ 75,672,074	\$ 7,481,953	\$ 19,232,277	\$ 353,180	(48,304,614)	(300,050)	(48,604,664)
GENERAL REVENUES							
Property Taxes					48,223,616	-	48,223,616
Grants and Contributions not Restricted to Specific Programs					74,180	-	74,180
Unrestricted Investment Earnings					77,342	24,302	101,644
Miscellaneous					456,246	-	456,246
Total General Revenues and Transfers					48,831,384	24,302	48,855,686
CHANGE IN NET POSITION					526,770	(275,748)	251,022
Net Position - Beginning of Year					70,471,283	18,880,575	89,351,858
NET POSITION - END OF YEAR					<u>\$ 70,998,053</u>	<u>\$ 18,604,827</u>	<u>\$ 89,602,880</u>

See accompanying Notes to Financial Statements.

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

	General Fund	School Lunch Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 17,006,045	\$ 1,437,965	\$ 2,441,961	\$ 3,467,501	\$ 24,353,472
Investments	-	-	-	1,200,543	1,200,543
Receivables	680,409	284,616	-	3,471,375	4,436,400
Due from Other Funds	2,155,436	-	-	2,050,490	4,205,926
Supplies	-	32,298	-	-	32,298
Total Assets	<u>\$ 19,841,890</u>	<u>\$ 1,754,879</u>	<u>\$ 2,441,961</u>	<u>\$ 10,189,909</u>	<u>\$ 34,228,639</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 603,536	\$ -	\$ -	\$ 15,190	\$ 618,726
Due to Other Funds	4,488,457	1,276,755	-	768,986	6,534,198
Unearned Revenue	-	-	2,436,709	281,519	2,718,228
Total Liabilities	<u>5,091,993</u>	<u>1,276,755</u>	<u>2,436,709</u>	<u>1,065,695</u>	<u>9,871,152</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	467,408	-	-	-	467,408
Unavailable Revenue - Grants	-	-	-	296,020	296,020
Total Deferred Inflows of Resources	<u>467,408</u>	<u>-</u>	<u>-</u>	<u>296,020</u>	<u>763,428</u>
FUND BALANCES					
Nonspendable	-	32,298	-	52,497	84,795
Restricted	-	445,826	5,252	4,698,134	5,149,212
Committed	8,888,301	-	-	4,099,083	12,987,384
Assigned	1,765,712	-	-	-	1,765,712
Unassigned	3,628,476	-	-	(21,520)	3,606,956
Total Fund Balances	<u>14,282,489</u>	<u>478,124</u>	<u>5,252</u>	<u>8,828,194</u>	<u>23,594,059</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,841,890</u>	<u>\$ 1,754,879</u>	<u>\$ 2,441,961</u>	<u>\$ 10,189,909</u>	<u>\$ 34,228,639</u>

See accompanying Notes to Financial Statements.

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

**RECONCILIATION OF THE BALANCE SHEET- GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION**

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Fund Balances - Total Governmental Funds (Exhibit III)	\$ 23,594,059
--	---------------

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

Governmental Capital Assets	\$ 142,715,390	
Less: Accumulated Depreciation	<u>(68,788,202)</u>	
Net Capital Assets		73,927,188

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

Property Tax Receivables Greater than 30 Days	467,408	
Interest Receivable on Property Taxes	63,987	
Grant Receivable Greater than 60 Days	296,020	
Deferred Outflows Related to MERS	2,235,711	
Deferred Outflows Related to LOSAP	280,880	
Deferred Outflows Related to OPEB	1,056,811	

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.

822,603

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

Bonds Payable	(12,706,750)	
Unamortized Premium on Bonds Payable	(640,462)	
Notes Payable	(791,284)	
Lease Payable	(645,259)	
Interest Payable on Bonds	(65,330)	
Total OPEB Liability	(5,327,212)	
Compensated Absences	(1,030,433)	
Total MERS Liability	(5,016,210)	
Total LOSAP Liability	(1,025,190)	
Deferred Inflows Related to MERS	(3,368,351)	
Deferred Inflows Related to LOSAP	(36,411)	
Deferred Inflows Related to OPEB	<u>(1,093,722)</u>	

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

\$ 70,998,053

See accompanying Notes to Financial Statements.

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

	General Fund	School Lunch Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes, Interest, and Lien Fees	\$ 48,203,657	\$ -	\$ -	\$ -	\$ 48,203,657
Intergovernmental Revenues	17,586,867	1,678,384	-	2,264,172	21,529,423
Charges for Services	1,797,216	82,311	-	2,811,436	4,690,963
Investment Earnings (Loss)	67,183	-	5,252	(254,946)	(182,511)
Other	351,574	-	-	178,852	530,426
Total Revenues	68,006,497	1,760,695	5,252	4,999,514	74,771,958
EXPENDITURES					
Current:					
General Government	1,665,855	-	-	265,584	1,931,439
Boards and Agencies	90,278	-	-	-	90,278
Public Safety	3,084,454	-	-	230,736	3,315,190
Public Works	4,852,726	-	-	-	4,852,726
Recreation	504,709	-	-	-	504,709
Library	704,816	-	-	93,412	798,228
Human Services	710,084	-	-	106,052	816,136
Town Properties	839,021	-	-	-	839,021
Education	48,496,520	1,336,653	-	3,885,271	53,718,444
Other	3,244,047	-	-	-	3,244,047
Debt Service:					
Principal Payments	2,256,151	-	-	-	2,256,151
Interest and Fiscal Charges	482,122	-	-	-	482,122
Capital Outlay	2,322,557	-	-	61,596	2,384,153
Total Expenditures	69,253,340	1,336,653	-	4,642,651	75,232,644
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,246,843)	424,042	5,252	356,863	(460,686)
OTHER FINANCING SOURCES (USES)					
Lease Proceeds	\$ 373,342	\$ -	\$ -	\$ -	\$ 373,342
Transfers In from Other Funds	51,878	-	-	42,420	94,298
Transfers Out to Other Funds	(42,420)	-	-	(51,878)	(94,298)
Total Other Financing Sources (Uses)	382,800	-	-	(9,458)	373,342
NET CHANGE IN FUND BALANCES	(864,043)	424,042	5,252	347,405	(87,344)
Fund Balances - Beginning of Year	15,146,532	54,082	-	8,480,789	23,681,403
FUND BALANCES - END OF YEAR	<u>\$ 14,282,489</u>	<u>\$ 478,124</u>	<u>\$ 5,252</u>	<u>\$ 8,828,194</u>	<u>\$ 23,594,059</u>

See accompanying Notes to Financial Statements.

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ (87,344)

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

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:

Capital Outlay	2,297,557
Depreciation Expense	(3,925,892)
Loss on Disposition of Capital Assets	(211,139)

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

Property Taxes Collected after 30 Days	67,846
Change in Interest Receivable on Property Taxes	(47,887)
Grants Collected after 60 Days	(268,611)
Deferred Outflows Related to MERS	(1,777,030)
Deferred Outflows Related to LOSAP	41,193
Deferred Outflows Related to OPEB	(378,320)

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 issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Lease Proceeds	(373,342)
Principal Payments on Bonds Payable	1,798,250
Principal Payments on Notes Payable	473,381
Principal Payments on Leases	199,348
Reassessment of Capital Lease Liability in Accordance with GASB 87	104,923

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:

Amortization of Premium	123,717
Accrued Interest	(8,595)
Change in Total OPEB Liability	1,185,140
Change in Long-Term Compensated Absences	31,435
Change in Net Pension Liability - MERS Plans	3,970,934
Change in Net Pension Liability - LOSAP Plan	(127,335)
Deferred Inflows Related to MERS Plans	(2,036,594)
Deferred Inflows Related to LOSAP Plan	(20,949)
Deferred Inflows Related to OPEB	(861,130)

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

357,214

Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II) \$ 526,770

See accompanying Notes to Financial Statements.

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

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 7,112,923	\$ 1,229,291	\$ -	\$ 8,342,214	\$ 484,904
Receivables, Net	796,545	132,029	2,759	931,333	19,410
Due from Other Funds	1,271,592	303,587	202,055	1,777,234	660,733
Total Current Assets	9,181,060	1,664,907	204,814	11,050,781	1,165,047
Noncurrent Assets:					
Assessments Receivable	334,673	-	38,183	372,856	-
Capital Assets, Net of Accumulated Depreciation	5,796,620	2,886,192	-	8,682,812	-
Total Noncurrent Assets	6,131,293	2,886,192	38,183	9,055,668	-
Total Assets	15,312,353	4,551,099	242,997	20,106,449	1,165,047
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	699,665	21,966	-	721,631	342,444
Bonds Payable - Current	99,246	-	-	99,246	-
Due to Other Funds	-	-	109,541	109,541	-
Unearned Revenue	43,377	-	-	43,377	-
Total Current Liabilities	842,288	21,966	109,541	973,795	342,444
Noncurrent Liabilities:					
Bonds Payable after One Year	527,827	-	-	527,827	-
Total Liabilities	1,370,115	21,966	109,541	1,501,622	342,444
NET POSITION					
Net Investment in Capital Assets	5,169,547	2,886,192	-	8,055,739	-
Unrestricted	8,772,691	1,642,941	133,456	10,549,088	822,603
Total Net Position	\$ 13,942,238	\$ 4,529,133	\$ 133,456	\$ 18,604,827	\$ 822,603

See accompanying Notes to Financial Statements.

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

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES					
User Charges	\$ 2,524,589	\$ 238,224	\$ -	\$ 2,762,813	\$ -
Assessments	67,159	-	-	67,159	-
Permits and Fees	7,800	-	-	7,800	-
Solid Waste Fees	-	-	10,001	10,001	-
Employer Contributions	-	-	-	-	5,429,225
Charges for Services	-	-	-	-	777,252
Other	43,303	1,573	-	44,876	377,520
Total Operating Revenues	2,642,851	239,797	10,001	2,892,649	6,583,997
OPERATING EXPENSES					
Town of Vernon Fees	2,153,958	-	-	2,153,958	-
Town of Stafford Fees	-	93,692	-	93,692	-
Solid Waste Fees	-	-	3,926	3,926	-
Depreciation and Amortization	296,028	139,244	-	435,272	-
Salaries and Benefits	70,013	105,018	-	175,031	-
Utilities	36,248	11,933	-	48,181	-
Equipment	18,100	16,383	-	34,483	-
Administration	31,488	3,499	-	34,987	-
Engineering	151,549	80	-	151,629	-
Repairs and Maintenance	21,547	5,448	-	26,995	-
Claims	-	-	-	-	6,226,783
Other	20,722	-	-	20,722	-
Total Operating Expenses	2,799,653	375,297	3,926	3,178,876	6,226,783
OPERATING INCOME (LOSS)	(156,802)	(135,500)	6,075	(286,227)	357,214
NONOPERATING REVENUES (EXPENSES)					
Income on Investments	20,721	3,581	-	24,302	-
Interest Expense	(13,823)	-	-	(13,823)	-
Total Nonoperating Revenues (Expenses)	6,898	3,581	-	10,479	-
CHANGE IN NET POSITION	(149,904)	(131,919)	6,075	(275,748)	357,214
Net Position - Beginning of Year	14,092,142	4,661,052	127,381	18,880,575	465,389
NET POSITION - END OF YEAR	<u>\$ 13,942,238</u>	<u>\$ 4,529,133</u>	<u>\$ 133,456</u>	<u>\$ 18,604,827</u>	<u>\$ 822,603</u>

See accompanying Notes to Financial Statements.

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

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 2,811,474	\$ 250,509	\$ 60,023	\$ 3,122,006	\$ 6,564,587
Payments to Suppliers	(2,263,946)	(109,069)	(3,926)	(2,376,941)	(5,923,609)
Payments to Employees	(70,013)	(105,018)	-	(175,031)	-
Payments for Interfund Services Used	(336,139)	(36,422)	(56,097)	(428,658)	(333,773)
Net Cash Provided by Operating Activities	141,376	-	-	141,376	307,205
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Additions to Property, Plant, and Equipment	(25,390)	-	-	(25,390)	-
Interest Paid	(13,823)	-	-	(13,823)	-
Principal Paid on Bonds Outstanding	(102,163)	-	-	(102,163)	-
Net Cash Used by Capital and Related Financing Activities	(141,376)	-	-	(141,376)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Income on Investments	20,721	3,581	-	24,302	-
Net Cash Provided by Investing Activities	20,721	3,581	-	24,302	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	20,721	3,581	-	24,302	307,205
Cash and Cash Equivalents - Beginning of Year	7,092,202	1,225,710	-	8,317,912	177,699
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 7,112,923</u>	<u>\$ 1,229,291</u>	<u>\$ -</u>	<u>\$ 8,342,214</u>	<u>\$ 484,904</u>

See accompanying Notes to Financial Statements.

**TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (156,802)	\$ (135,500)	\$ 6,075	\$ (286,227)	\$ 357,214
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	296,028	139,244	-	435,272	-
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	168,623	10,712	50,022	229,357	(19,410)
Decrease in Due from Other Funds	-	-	(56,097)	(56,097)	-
Increase (Decrease) in Accounts Payable and Accrued Items	169,666	21,966	-	191,632	-
(Increase) Decrease in Due from Other Funds	(336,139)	(36,422)	-	(372,561)	(333,773)
Increase (Decrease) in Claims Payable	-	-	-	-	303,174
Total Adjustments	<u>298,178</u>	<u>135,500</u>	<u>(6,075)</u>	<u>427,603</u>	<u>(50,009)</u>
Net Cash Provided by Operating Activities	<u>\$ 141,376</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,376</u>	<u>\$ 307,205</u>

See accompanying Notes to Financial Statements.

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

	Pension Trust Fund (July 31, 2021)	Private Purpose Trust Funds
ASSETS		
Cash and Cash Equivalents	\$ 8,544	\$ 64,781
Investments:		
Insurance Contracts	<u>1,231,836</u>	<u>-</u>
Total Assets	1,240,380	64,781
LIABILITIES		
Accounts Payable	-	1,962
Due to Other Funds	<u>-</u>	<u>154</u>
Total Liabilities	<u>-</u>	<u>2,116</u>
NET POSITION		
Restricted for Pension Benefits and Trust Purposes	<u><u>\$ 1,240,380</u></u>	<u><u>\$ 62,665</u></u>

See accompanying Notes to Financial Statements.

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

	Pension Trust Fund (July 31, 2021)	Private Purpose Trust Funds
ADDITIONS:		
Contributions:		
Private	\$ -	\$ 18,876
Investment Income:		
Interest	37,231	159
Total Additions	37,231	19,035
DEDUCTIONS:		
Benefits	86,716	18,593
Total Deductions	86,716	18,593
CHANGE IN NET POSITION	(49,485)	442
Net Position - Beginning of Year	1,289,865	62,223
NET POSITION - END OF YEAR	<u>\$ 1,240,380</u>	<u>\$ 62,665</u>

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Ellington, Connecticut (the Town) was incorporated in 1786. It operates under an elected, seven-member Board of Selectmen and an elected, six-member Board of Finance form of government and provides the following services: public safety (police, ambulance and fire), public works, recreation, library, human services, education and general government.

The legislative power of the Town is vested with the Board of Selectmen and Town Meeting. The Board of Selectmen may enact, amend or repeal ordinances and resolutions. The Board of Finance is responsible for financial and taxation matters as prescribed by Connecticut General Statutes, including presenting fiscal operating budgets for Town Meeting approval.

Accounting principles generally accepted in the United States of America (GAAP) 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 Unit

The Town has established a single-employer Length of Service Award Program (LOSAP) to provide retirement benefits to active volunteer firefighters of the Crystal Lake Fire Department, the Ellington Ambulance and the Ellington Fire Department. The Town appoints a majority of the Pension Board and is required to make contributions to the pension plan and can impose its will.

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

Related Organizations

The Board of Selectmen is responsible for appointing members to the Board of the Housing Authority of the Town of Ellington, but the Town's accountability for the Housing Authority does not extend beyond making the appointments.

The Board of Selectmen is also responsible for appointing a Board member to the Town's regional group for public health, the North Central District Health Department, but the Town's accountability for the Health Department does not extend beyond making the appointment.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

The financial statements of the Town have been prepared in conformity with 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.

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's primary government. For the most part, the effect of interfund activity has been eliminated within these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

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

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 tax revenues to be available if they are collected within 30 days of the end of the current fiscal period, and grant revenues to be available if it is collected within 60 days of the end of the current fiscal period.

Property taxes, licenses 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.

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.

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. Operating expenses for enterprise funds and internal service 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.

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 enterprise funds 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, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

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

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.

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 *School Lunch Fund* accounts for the operation of the public school lunch program. Revenues are provided by the sale of food and federal and state grants.
- The *ARPA Fund* accounts for the American Rescue Plan Act of 2021 grant.

The Town reports the following major enterprise funds:

- The *Sewer Authority Fund* accounts for all sewer use activities and assessments in the Hockanum river section of the Town.
- The *Crystal Lake Sewers Fund* accounts for all sewer use activities and assessments in the Crystal Lake section of the Town.

Additionally, the Town reports the following fund types:

- The *Internal Service Funds* are used to account for the Board of Education's self-insured medical and dental programs.
- The *Pension Trust Fund* is used to account for resources held in trust for participants in the Town's volunteer firefighters' LOSAP.
- The *Private Purpose Trust Funds* are used to account for trust arrangements under which principal and income benefit individuals, private organizations or other governments.

TOWN OF ELLINGTON, 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 consist of all cash on hand, checking, savings, money market accounts, and certificates of deposit with an original maturity of 90 days or less.

D. Investments

Investments are stated at fair value.

E. Supplies and Prepaid Items

All supplies are valued at cost using the first-in/first-out (FIFO) method. Supplies of donated commodities are stated at fair market value. Supplies of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

F. Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

The Town provides low interest loans in connection with the Town's small business and residential housing rehabilitation loan programs. Loans made by the Town under the program bear an interest rate of 0% and repayment of the loans is deferred. These loans become due and payable only upon sale or transfer of the property, the owner's demise, or when the subject property is no longer the applicant's principal place of residence. The Town records loans receivable at the time the loan proceeds are advanced, and such amounts are reported net of an allowance for uncollectible amounts.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets

Capital assets, which include arts collection, property development rights, land, construction in progress, buildings and improvements, equipment, vehicles, right-to-use leased 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Property, equipment, and infrastructure of the Town is depreciated using the straight-line method over the following estimated useful lives:

Infrastructure	50 Years
Building and Improvements	40 Years
Vehicles	5 to 10 Years
Equipment	3 to 7 Years

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets 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 pension and other post-employment benefits (OPEB) in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs, and difference between projected and actual earnings on investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets 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 deferred inflows of resources for pension and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience and changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (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 property taxes and grants. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Compensated Absences

Both the Town and Board of Education employees accumulate compensated leave balances for subsequent use or for payment upon termination or retirement. The Town employees can accumulate vacation time and the Board of Education employees can accumulate both vacation time and sick leave. Compensated absences are accrued when incurred in the government-wide, proprietary or 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.

J. Net Pension Liability

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

K. Total Other Postemployment Benefits Other than Pensions Liability

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

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. 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.

M. Leases

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

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

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

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

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

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

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Leases (Continued)

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

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 – 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.

Unrestricted – This component of net position consists of amounts that do 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 – This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

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

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Equity (Continued)

Committed – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Ellington Board of Finance). Amounts remain committed until action is taken by the Board of Finance (resolution) to remove or revise the limitations.

Assigned – This includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance that has been delegated authority to assign amounts by the Town Charter.

Unassigned – 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.

O. Property Taxes

Property taxes are assessed as of October 1 and are levied on the following July 1. Real estate and personal property taxes are due in two installments, July 1 and the following January 1. Motor vehicle taxes are payable on July 1 and supplemental motor vehicle taxes are payable on 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 May 15 following the payable date. The Town establishes an allowance for doubtful accounts based on historical collections, experience and other factors.

Property tax revenues are recognized when they become available. 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 30 days after year-end. Property taxes receivable not expected to be collected during the available period are reflected as a deferred inflow 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 a deferred inflow in both the fund financial statements and the government-wide financial statements.

P. Sewer Use Charges and Assessments

User charges and assessments are due and payable within thirty days and delinquent amounts are subject to interest at prevailing rates. Upon completion of sewer projects, sewer assessments are levied and assessed to the users. The Town establishes an allowance for doubtful accounts based on historical collections, experience and other factors.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Accounting Estimates

The preparation of financial statements in conformity with GAAP 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.

R. 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.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The annual budget is prepared by the Board of Finance and employed for management control of the General Fund.

The budget is adopted via Town Meeting. The Town adhered to the following procedures in establishing the budgetary data included in the General Fund financial statements:

- The Board of Finance submits a proposed operating budget for the fiscal year commencing July 1 to a public budget hearing, at which taxpayer comments are obtained. The Board of Finance then prepares the recommended Town budget, which it presents at the annual Town Meeting held on the second Tuesday in May. The operating budget includes proposed expenditures and the means of financing them.
- Expenditures are budgeted by function, department and object. Management may not exceed appropriations at the department level and must seek approval from the Board of Finance to reassign resources within a department, except for the Board of Education. The Board of Education may reassign resources within its department without seeking Board of Finance approval.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

- The legal level of budgetary control (the level at which expenditures may not exceed appropriations) is the department level. The Board of Finance is authorized to transfer budgeted amounts within and between departments and objects.
- Additional appropriations of less than one half of one percent of the total annual budget must be approved by the Board of Finance. Appropriations in excess of one half of one percent of the total annual budget must be approved at a Town Meeting. During the year, the Board of Finance and, where required, Town Meeting(s), approved additional appropriations of \$45,000.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on the modified accrual basis of accounting. Intergovernmental and other reimbursement for certain special education costs are recorded as reductions to expenditures for budgetary purposes, and "on-behalf" payments made by the state of Connecticut into the State Teachers' Retirement System are not recorded for budgetary purposes.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year.
- All unexpended appropriations lapse at year-end, except capital projects.

B. Deficit Fund Equity

For the year ended June 30, 2022, the following funds had deficit balances:

Nonmajor Governmental Funds:

Special Revenue Fund:

Small Cities Rehabilitation 17 Fund	\$ 2,624
Athletic Lighting Project Fund	9,546
Windermere School Addition/Renovation Fund	9,350

These amounts will be funded through bonds, contributions, and future revenues.

TOWN OF ELLINGTON, 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 the Statutes or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an “out of state bank” as defined by the Statutes, which is not a “qualified public depository.”

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

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

Based on the criteria described in the GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$5,555,577 of the Town’s bank balance of \$6,183,611 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 4,950,020
Uninsured and Collateral Held by the Pledging Bank’s Trust Department, Not in the Town’s Name	605,557
Total Amount Subject to Custodial Risk	<u><u>\$ 5,555,577</u></u>

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2022, the Town's cash equivalents amounted to \$29,079,379. The following table provides summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

Cash Equivalents	
STIF	\$ 28,997,483
People's United Bank	73,352
Flushing Bank	8,544
Total	<u>\$ 29,079,379</u>

Investments

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

Investment Type	Value	Investment Maturities (Years)		
		Less than 1	1 - 10	More than 10
Interest-Bearing Investments:				
U.S. Government Securities	\$ 76,605	\$ 10,009	\$ 66,596	\$ -
U.S. Government Agencies	158,742	44,883	113,859	-
Corporate Bonds	197,247	-	197,247	-
Total	432,594	<u>\$ 54,892</u>	<u>\$ 377,702</u>	<u>\$ -</u>
Other Investments:				
Mutual Funds	521,738			
Common Stock	246,211			
Insurance Contracts	1,231,836			
Total Investments	<u>\$ 2,432,379</u>			

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.

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 ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

Credit Risk (Continued)

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies
Aaa	\$ 19,322	\$ 76,605	\$ 158,742
Aa3	26,768	-	-
A1	36,731	-	-
A2	50,229	-	-
A3	33,018	-	-
Baa1	14,099	-	-
Baa2	17,080	-	-
Total	<u>\$ 197,247</u>	<u>\$ 76,605</u>	<u>\$ 158,742</u>

Concentration of Credit Risk

The Town places no limit on the amount invested in any one issuer. As of June 30, 2022, 100% of the investments of the Volunteer Firefighters' Length of Service Award Program were invested in an insurance contract held with First Security Benefit Life Insurance and Annuity Company of New York. Fully guaranteed insurance contracts totaled \$1,231,836.

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 Pension Trust Fund is also authorized to invest in corporate bonds, domestic common stocks, domestic equity real estate and international equities. The investments of this fund are held in trust by a trustee bank, which executes investment transactions under the direction of the pension plan's investment manager.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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).

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

Fair Value (Continued)

The Town has the following recurring fair value measurements as of June 30, 2022:

	June 30, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ 76,605	\$ 76,605	\$ -	\$ -
U.S. Government Agencies	158,742	158,742	-	-
Corporate Bonds	197,247	-	197,247	-
Common Stock	246,211	246,211	-	-
Mutual Funds	521,738	521,738	-	-
Total Investments by Fair Value Level	1,200,543	<u>\$ 1,003,296</u>	<u>\$ 197,247</u>	<u>\$ -</u>
Investments not Recorded at Fair Value:				
Insurance Contracts	<u>1,231,836</u>			
Total Investments	<u>\$ 2,432,379</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.

The insurance contract is valued at cost.

Donor-Restricted Endowments

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 ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

Donor-Restricted Endowments (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.

B. Receivables

Receivables by type at year-end for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	School Lunch Fund	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor and Other Funds	Total
Property Taxes Receivable	\$ 502,016	\$ -	\$ -	\$ -	\$ -	\$ 502,016
Interest on Property Taxes	-	-	-	-	-	-
Sewer Usage	-	-	629,891	75,703	-	705,594
Assessments	-	-	136,285	48,994	-	185,279
Solid Waste	-	-	-	-	2,759	2,759
Grants and Contracts	2,548	284,616	-	-	316,033	603,197
Loans	-	-	-	-	2,961,980	2,961,980
Other	199,954	-	30,369	7,332	212,772	450,427
Less: Allowance for						
Uncollectible Accounts	(24,109)	-	-	-	-	(24,109)
Net Accounts Receivable	<u>\$ 680,409</u>	<u>\$ 284,616</u>	<u>\$ 796,545</u>	<u>\$ 132,029</u>	<u>\$ 3,493,544</u>	<u>\$ 5,387,143</u>

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

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

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Arts Collection	\$ 35,598	\$ -	\$ -	\$ -	\$ 35,598
Property Development Rights	817,877	-	-	-	817,877
Land	3,056,666	-	-	-	3,056,666
Total Capital Assets Not Being Depreciated	3,910,141	-	-	-	3,910,141
Capital Assets Being Depreciated:					
Buildings and Improvements	103,601,942	989,117	150,000	-	104,441,059
Machinery, Equipment, and Vehicles	15,687,847	242,559	-	(409,557)	15,520,849
Right-to-Use - Leased Equipment	471,264	373,342	-	-	844,606
Infrastructure	17,306,196	692,539	-	-	17,998,735
Total Capital Assets Being Depreciated	137,067,249	2,297,557	150,000	(409,557)	138,805,249
Less Accumulated Depreciation for:					
Buildings and Improvements	46,982,670	3,059,701	41,250	-	50,001,121
Machinery, Equipment, and Vehicles	13,307,243	302,906	-	(307,168)	13,302,981
Right-to-Use - Leased Equipment		207,197	-	-	207,197
Infrastructure	4,920,815	356,088	-	-	5,276,903
Total Accumulated Depreciation	65,210,728	3,925,892	41,250	(307,168)	68,788,202
Total Capital Assets Being Depreciated, Net	71,856,521	(1,628,335)	108,750	(102,389)	70,017,047
Governmental Activities Capital Assets, Net	\$ 75,766,662	\$ (1,628,335)	\$ 108,750	\$ (102,389)	\$ 73,927,188

Included in the beginning balance of capital assets was \$409,557 of machinery and equipment and \$307,168 of accumulated depreciation related to machinery and equipment acquired through capital leases that was adjusted due to the implementation of GASB Standard 87; additionally, the opening balance of right-to-use leased equipment of \$471,264 was recorded.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets Being Depreciated:				
Equipment - Sewer Authority	\$ 222,854	\$ -	\$ -	\$ 222,854
Infrastructure - Sewer Authority	13,282,683	25,390	-	13,308,073
Right-to-Use - Leased Equipment	-	119,419	-	119,419
Infrastructure - Watermains	162,015	-	-	162,015
Equipment - Crystal Lake	23,135	-	-	23,135
Infrastructure - Crystal Lake	6,962,205	-	-	6,962,205
Total Capital Assets Being Depreciated	20,652,892	144,809	-	20,797,701
Less Accumulated Depreciation for:				
Equipment - Sewer Authority	222,854	-	-	222,854
Infrastructure - Sewer Authority	7,334,844	276,125	-	7,610,969
Right-to-Use - Leased Equipment	-	19,903	-	19,903
Infrastructure - Watermains	162,015	-	-	162,015
Equipment - Crystal Lake	23,135	-	-	23,135
Infrastructure - Crystal Lake	3,936,769	139,244	-	4,076,013
Total Accumulated Depreciation	11,679,617	435,272	-	12,114,889
Total Capital Assets Being Depreciated, Net	8,973,275	(290,463)	-	8,682,812
Business-Type Activities Capital Assets, Net	\$ 8,973,275	\$ (290,463)	\$ -	\$ 8,682,812

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

Governmental Activities:	
General Government	\$ 815,964
Public Safety	614,880
Public Works	608,335
Library	22,401
Education	1,864,312
Total Depreciation Expense - Governmental Activities	<u>\$ 3,925,892</u>
Business-Type Activities:	
Sewer	<u>\$ 435,272</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 435,272</u>

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	School Lunch Fund	\$ 1,276,755
	Nonmajor Enterprise	109,541
	Nonmajor Governmental Funds	768,986
	Fiduciary Funds	154
		<u>2,155,436</u>
Nonmajor Enterprise	General Fund	202,055
Sewer Authority	General Fund	1,271,592
Crystal Lake Sewers Fund	General Fund	303,587
Nonmajor Governmental Funds	General Fund	2,050,490
Internal Service Funds	General Fund	<u>660,733</u>
Total		<u><u>\$ 6,643,893</u></u>

The outstanding balances between funds result mainly from the timing between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

The transfers that occurred during the year are as follows:

	Transfers In		Total
	General Fund	Nonmajor Governmental Funds	Transfers Out
Transfers Out:			
General Fund	\$ -	\$ 42,420	\$ 42,420
Nonmajor Governmental Funds	51,878	-	51,878
Total Transfers In	<u>\$ 51,878</u>	<u>\$ 42,420</u>	<u>\$ 94,298</u>

Transfers are used to move funds from the General Fund to the other funds in accordance with budget authorizations. Transfers from the General Fund to the nonmajor governmental funds in the current year were a result of grant reimbursements. Transfers from the nonmajor governmental funds to the general fund in the current year were a result of program fees used to fund interest payments on long-term debt.

E. Long-Term Debt

Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Adjustments	Ending Balance	Due Within One Year
Governmental Activities:						
Bonds Payable:						
General Obligation Bonds	\$ 13,690,000	\$ -	\$ 1,658,250	\$ -	\$ 12,031,750	\$ 1,468,750
General Obligation Bonds - Direct Placement	815,000	-	140,000	-	675,000	135,000
Unamortized Premium	764,179	-	123,717	-	640,462	-
Total Bonds Payable	15,269,179	-	1,921,967	-	13,347,212	1,603,750
Notes Payable - Direct Placement	1,264,665	-	473,381	-	791,284	368,513
Lease Liability	576,188 *	373,342	199,348	(104,923) *	645,259	198,238
Compensated Absences	1,061,868	82,565	114,000	-	1,030,433	844,000
Net Pension Liability - LOSAP	897,855	127,335	-	-	1,025,190	-
Net Pension Liability - MERS	8,987,144	-	3,970,934	-	5,016,210	-
Total OPEB Liability	6,512,352	-	1,185,140	-	5,327,212	295,643
Total Governmental Activities						
Long-Term Liabilities	<u>\$ 34,569,251</u>	<u>\$ 583,242</u>	<u>\$ 7,864,770</u>	<u>\$ (104,923)</u>	<u>\$ 27,182,800</u>	<u>\$ 3,310,144</u>

*Included in the beginning lease liability is \$104,923 of prior year capital leases. The beginning balance of notes payable direct placement was previously included in capital leases. These were adjusted due to the implementation of GASB Standard 87.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Changes in Long-Term Liabilities (Continued)

For the governmental activities, compensated absences, net pension liability, and total OPEB liability are generally liquidated by the General Fund:

	Beginning Balance	Additions	Reductions	Adjustments	Ending Balance	Due Within One Year
Business-Type Activities:						
Bonds Payable:						
General Obligation Bonds	\$ 560,000	\$ -	\$ 100,000	\$ -	\$ 460,000	\$ 95,000
Premium on Bonds	52,482	-	886	-	51,596	-
Subtotal	612,482	-	100,886	-	511,596	95,000
Lease Liability	-	123,385	7,908	-	115,477	4,246
Total Business-Type Activities						
Long-Term Liabilities	\$ 612,482	\$ 123,385	\$ 108,794	\$ -	\$ 627,073	\$ 99,246

General obligation bonds currently outstanding are as follows:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2022
Governmental Activities					
General Obligation	2015	6/15/35	2-4.0%	\$ 10,630,000	\$ 6,890,000
General Obligation	2021	9/15/40	2-4.0%	5,345,000	5,141,750
Direct Placement:					
General Obligation	2017	6/15/27	2.06%	1,375,000	675,000
Total Governmental Activities					12,706,750
Business-Type Activities					
General Obligation	2021	9/15/34	3-4.0%	560,000	460,000
Total Business-Type Activities					460,000
Total Outstanding					\$ 13,166,750

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Changes in Long-Term Liabilities (Continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation

	Governmental Activities		Business-Type Activities	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 1,468,750	\$ 403,723	\$ 95,000	\$ 16,300
2024	1,133,000	351,688	95,000	12,600
2025	873,750	311,553	90,000	9,000
2026	873,750	281,903	90,000	5,400
2027	873,750	255,034	90,000	1,800
2028-2032	3,976,250	847,068	-	-
2033-2037	2,412,500	222,600	-	-
2038-2041	420,000	25,200	-	-
Total	<u>\$ 12,031,750</u>	<u>\$ 2,698,769</u>	<u>\$ 460,000</u>	<u>\$ 45,100</u>

Direct Placement

	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2023	\$ 135,000	\$ 13,905
2024	135,000	11,124
2025	135,000	8,343
2026	135,000	5,562
2027	135,000	2,781
Total	<u>\$ 675,000</u>	<u>\$ 41,715</u>

The Town is subject to the general statutes of Connecticut, which limits the amount of debt outstanding at June 30, 2022 to the following:

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	\$ 106,627,185	\$ 6,370,750	\$ 100,256,435
Schools	213,254,370	7,138,812	206,115,558
Sewers	177,711,975	460,000	177,251,975
Urban Renewal	154,017,045	-	154,017,045
Pension Deficit	142,169,580	-	142,169,580

Total debt outstanding may not exceed seven times annual receipts of taxation of \$331,729,020.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Notes Payable – Direct Placement

The Town has financing agreements for various vehicles, equipment and technology. These agreements vary in duration through June 30, 2025 and interest rates from 1.87% to 3.1%.

The following is a schedule of future payments as of June 30, 2022:

	<u>Governmental Activities</u>	
	<u>Notes Payable-Direct Placement</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 368,513	\$ 21,517
2024	208,477	11,797
2025	214,294	5,980
Total	<u>\$ 791,284</u>	<u>\$ 39,294</u>

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2022 is \$22,341,812. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

F. Lease Liability

The Town leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2037.

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

	<u>Governmental Activities</u>		<u>Business-Type</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 198,238	\$ 18,999	\$ 4,246	\$ 3,820
2024	158,769	12,747	4,564	3,664
2025	144,075	7,107	4,896	3,495
2026	84,026	3,818	5,244	3,315
2027	60,151	808	5,608	3,123
2028-2032	-	-	34,098	12,246
2033-2037	-	-	45,965	5,203
2038	-	-	10,856	-
Total	<u>\$ 645,259</u>	<u>\$ 43,479</u>	<u>\$ 115,477</u>	<u>\$ 34,866</u>

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Lease Liability (Continued)

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

	Governmental Activities	Business-Type Activities
Equipment	\$ 844,606	\$ 119,419
Less: Accumulated Depreciation	(207,197)	(19,903)
Total	<u>\$ 637,409</u>	<u>\$ 99,516</u>

G. Fund Balance

The components of fund balance for the governmental funds at June 30, 2022 are as follows:

	General Fund	School Lunch Fund	ARPA Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Supplies	\$ -	\$ 32,298	\$ -	\$ -	\$ 32,298
Endowments	-	-	-	52,497	52,497
Restricted for:					
Grants	-	-	5,252	224,339	229,591
Loans Receivable	-	-	-	3,043,510	3,043,510
Education	-	445,826	-	273,057	718,883
Special Reserves - External	-	-	-	1,157,228	1,157,228
Committed to:					
General Government	-	-	-	214,761	214,761
Capital Reserves	6,097,572	-	-	-	6,097,572
Capital and Nonrecurring	946,957	-	-	-	946,957
School Alterations	-	-	-	164,163	164,163
OPEB	1,683,774	-	-	-	1,683,774
Land Acquisition	-	-	-	546,510	546,510
Road Repair and Sidewalk	-	-	-	4,661	4,661
Public Safety	-	-	-	622,938	622,938
Education	150,000	-	-	1,762,732	1,912,732
Culture and Recreation Programs	-	-	-	89,016	89,016
Sanitation	9,998	-	-	-	9,998
Library	-	-	-	485,148	485,148
Various Capital Projects	-	-	-	209,154	209,154
Assigned to:					
General Government Encumbrances	19,797	-	-	-	19,797
Public Safety Encumbrances	13,079	-	-	-	13,079
Public Works Encumbrances	65,800	-	-	-	65,800
Health and Welfare Encumbrances	58,600	-	-	-	58,600
Culture and Recreation Encumbrances	19,394	-	-	-	19,394
Library Encumbrances	3,600	-	-	-	3,600
Use in Subsequent Budget	1,585,442	-	-	-	1,585,442
Unassigned	3,628,476	-	-	(21,520)	3,606,956
Total Fund Balances	<u>\$ 14,282,489</u>	<u>\$ 478,124</u>	<u>\$ 5,252</u>	<u>\$ 8,828,194</u>	<u>\$ 23,594,059</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Fund Balance (Continued)

Major encumbrances are reported in the assigned fund balance of the General Fund totaling \$180,270.

NOTE 4 EMPLOYEE RETIREMENT PLANS

A. Defined Contribution Money Purchase Plan

The Town provides retirement benefits for full-time and part-time eligible employees of the Town through a noncontributory money purchase plan. Employees are eligible to participate from the date of employment. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested from the date of employment. The Town is required to contribute 7.1% of the payroll of active employees. In addition, the Town matches employee contributions up to an additional 4.64% of the employee's salary.

The Town's contribution amounted to \$498,612 the year ended June 30, 2022. All monies contributed are used to purchase insurance contracts on-behalf of the participants, therefore, the assets of the plan are not included in the Town's basic financial statements.

B. Deferred Compensation Plan

The Town offers its employees a deferred compensation plan (the Plan) in accordance with Internal Revenue Code Section 457. The Plan, available to all Town employees, permits employees to defer a portion of their salary until future years. Employee deferrals totaled \$187,232 for the year ended June 30, 2022. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust for the exclusive benefit of the plan participants and their beneficiaries. Accordingly, the assets of the Plan are not included in the Town's basic financial statements.

C. Volunteer Firefighters' Length of Service Award Program (LOSAP)

The Town sponsors a single-employer defined benefit LOSAP for active volunteer firefighters of the Crystal Lake Fire Department and the Ellington Fire Department. The program was established pursuant to Connecticut General Statutes and provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (Continued)

Plan Description and Benefits Provided

Active volunteer firefighters who have reached the age of 17 and who have completed one year of firefighting service are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is 65.

A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to \$8.00 multiplied by the person's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed 35 years. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program also provides certain death and disability benefits on some active participants, which is provided through a group term life insurance policy.

The Town funds the plan based on an actuarial recommended contribution, which includes the current year cost plus a payment to amortize the unfunded liability. The plan actuarial required contribution for the year was between \$58,137 and \$95,715. The Town did not contribute to the plan for the year ended June 30, 2022.

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

Entitled Participants	50
Inactive Participants with Deferred Benefits	96
Active Participants	80
Total Participants	<u>226</u>

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the LOSAP. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Investments in insurance contracts are measured at contract value, which approximates fair value. Investment income is recognized as earned.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (Continued)

Summary of Significant Accounting Policies (Continued)

Investment Policy

The allocation of invested assets for the LOSAP is developed by Town management and the investment advisor. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

Rate of Return

For the year ended July 31, 2021, the annual money-weighted rate of return on pension investments, net of pension plan investment expense, was 3.82%. The money-weighted rate of return expressed investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Town

The components of the net pension liability of the Town at July 31, 2021 were as follows:

Total LOSAP Liability	\$ 2,265,570
Plan Fiduciary Net Position	1,240,380
Net LOSAP Liability	<u>\$ 1,025,190</u>

Plan Fiduciary Net Position as a Percentage of the Total LOSAP Liability	55%
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Actuarial Assumptions

The total pension liability was measured as of July 31, 2021 and it was determined by an actuarial valuation as of August 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return, Including Inflation	3.75 %
Discount Rate	3.57 %

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (Continued)

Summary of Significant Accounting Policies (Continued)

Actuarial Assumptions (Continued)

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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Insurance Contract	100.00 %	5.00 %
Total	100.00 %	

Changes in the Net Pension Liability

Volunteer Firefighter's LOSAP			
	Increase (Decrease)		
	Total LOSAP Liability (a)	Plan Fiduciary Net Position (b)	Net LOSAP Liability (a)-(b)
Balance as of August 1, 2020	\$ 2,187,720	\$ 1,289,865	\$ 897,855
Changes for the Year:			
Service Cost	27,133	-	27,133
Interest on Total Pension Liability	82,727	-	82,727
Difference Between Expected and Actual Experience	4,982	-	4,982
Effect of Assumption Changes or Inputs	49,724	-	49,724
Net Investment Income	-	37,231	(37,231)
Benefit Payments, Including Refund Employee Contributions	(86,716)	(86,716)	-
Net Changes	<u>77,850</u>	<u>(49,485)</u>	<u>127,335</u>
Balance as of July 31, 2021	<u>\$ 2,265,570</u>	<u>\$ 1,240,380</u>	<u>\$ 1,025,190</u>

Discount Rate

The discount rate used to measure the total pension liability was 3.57%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the actuarially determined contribution rate. For this purpose, only Town contributions that are intended to fund benefits of current plan members and their beneficiaries are included.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (Continued)

Summary of Significant Accounting Policies (Continued)

Discount Rate (Continued)

Projected contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the LOSAP's fiduciary net position was projected to be depleted prior to making 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 up to the depletion date and the municipal bond rate was applied to all periods after the depletion date to determine the total pension liability.

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

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

	1% Decrease (2.57%)	Current Discount Rate (3.57%)	1% Increase (4.57%)
Employee's Net Pension Liability	\$ 1,381,000	\$ 1,025,190	\$ 738,000

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

For the year ended June 30, 2022, the Town recognized pension expense of \$78,109 and reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 12,703	\$ 22,105
Changes of Assumptions	152,718	14,306
Net Difference Between Projected and Actual Earning on Pension Plan Investments	28,491	-
Town Contributions Subsequent to the Measurement Date	86,968	-
Total	<u>\$ 280,880</u>	<u>\$ 36,411</u>

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (Continued)

Summary of Significant Accounting Policies (Continued)

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

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 27,790
2024	25,521
2025	22,470
2026	19,406
2027	16,674
Thereafter	45,640
Total	<u>\$ 157,501</u>

D. Municipal Employees' Retirement System

Plan Description

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

Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service.

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

Normal Retirement

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

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Benefits are deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement – Service Connected

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

Disability Retirement – Non-Service Connected

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

Pre-Retirement Death Benefit

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

Contributions

Member

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

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

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

At June 30, 2022, the Town reports a liability of \$5,016,210 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2021. The actuarial assumptions used in the June 30, 2021 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2022, the Town's proportion was 0.71%. The decrease in proportion from the prior year was 0.101%.

For the year ended June 30, 2022, the Town recognized pension expense of \$1,059,943. At June 30, 2022, the Town reported deferred outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ -	\$ 2,149,006
Change in Proportionate Share	121,659	486,197
Change of Assumptions	674,758	-
Net Difference Between Projected and Actual Actuarial Experience	436,663	733,148
Town Contributions Subsequent to the Measurement Date	1,002,631	-
Total	<u>\$ 2,235,711</u>	<u>\$ 3,368,351</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 197,450
2024	(872,376)
2025	(709,887)
2026	(750,458)
Total	<u>\$ (2,135,271)</u>

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

Actuarial Assumptions

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

Inflation	2.50%
Salary Increase	3.50-10.00%, including inflation
Investment Rate of Return	7.00% net of pension plan investment expense, including inflation

Mortality rates were based on:

RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.

RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire.

For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

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

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

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	20.00 %	5.30 %
Developed Market International	11.0	5.1
Emerging Market International	9.0	7.4
Core Fixed Income	16.0	1.6
Inflation Linked Bond Fund	5.0	1.3
Emerging Market Debt	5.0	2.9
High Yield Bond	6.0	3.4
Real Estate	10.0	4.7
Private Equity	10.0	7.3
Alternative Investments	7.0	3.2
Liquidity Fund	1.0	0.9
Total	<u>100.00 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Town's proportionate share of the net pension liability, calculated using the current discount rate, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Town's Proportionate Share of the Net Pension Liability	\$ 8,458,811	\$ 5,016,210	\$ 2,033,302

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. 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 multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

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.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. Connecticut Teachers Retirement System - Pension (Continued)

Contributions (Continued)

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, 2021 the amount of "on-behalf" contributions made by the state was \$5,910,445 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

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	70,585,999
Total	<u><u>\$ 70,585,999</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 of 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 \$4,556,490 in Exhibit II.

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. Connecticut Teachers Retirement System - Pension (Continued)

Actuarial Assumptions

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

Inflation	2.50%
Salary Increase	3.00-6.50%, including inflation
Investment Rate of Return	6.90% net of pension plan investment expense, including inflation

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

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

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the CPI, 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 ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. 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	5.60 %	20.00 %
Developed Market International	6.0	11.0
Emerging Market International	7.9	9.0
Core Fixed Income	2.1	16.0
Inflation Linked Bond Fund	1.1	5.0
Emerging Market Debt	2.7	5.0
High Yield Bond	4.0	6.0
Real Estate	4.5	10.0
Private Equity	7.3	10.0
Alternative Investments	2.9	7.0
Liquidity Fund	0.4	1.0
Total		<u>100.00 %</u>

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. Connecticut Teachers Retirement System – Pension (Continued)

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.

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.

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.

F. Pension Expense

The Town recognized total pension expense of \$1,138,052 for the LOSAP and MERS pension plans.

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS

A. Town and Board of Education Program

Plan Description

The Town provides eligible retirees and their spouses with OPEB Program for medical and dental coverage through the Town's group health insurance plans, which cover both active and retired members in a single employer OPEB defined benefit plan. Benefit and contribution provisions are established through negotiations between the Town and the union representing Town employees and are renegotiated between three-year and five-year bargaining periods.

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Town and Board of Education Program (Continued)

Plan Description (Continued)

The Town currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2022, the Town has not established a trust fund to irrevocably segregate assets to fund liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines.

Funding Policy

Participant contribution requirements are established and may be amended through negotiations between the Town and the respective labor union. Board of Education employees age 55 with 5 or more consecutive years of service or any age with 25 years of service in the Ellington school system are eligible to receive benefits. Town employees with 25 or more years of service, and age plus service greater than or equal to 75 years, are eligible to receive benefits.

Board of Education retirees contribute 100% towards dental and medical premiums. For nonunion employees, the Town contributes 100% of the premium cost for retiree's health and dental insurance coverage. For Town Hall employees, the Town contributes 85% towards pre-age 65 retiree medical and dental premiums and 100% of the premium cost for Medicare and dental coverage for retirees age 65 and older. Employees hired on or after December 4, 2008 are not eligible for any postemployment premium cost share by the Town. For public works department employees, the Town contributes 85% towards pre-age 65 retiree and medical and dental premiums and 100% of the premium cost for Medicare and dental coverage for retirees age 65 and older. Employees hired on or after September 28, 2009 are not eligible for any postemployment premium cost share by the Town.

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

Retirees, Beneficiaries, and Dependents Currently	
Receiving Benefits	51
Active Participants	468
Total	<u>519</u>

Total OPEB Liability

The Town's total OPEB liability of \$6,512,352 was measured as of June 30, 2022 and was determined by an actuarial valuation dated July 1, 2020 rolled forward to June 30, 2022.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Town and Board of Education Program (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation Rate	2.00%
Discount Rate	3.54%
Salary Increases:	3.50% annually
Medical Trend Rates	6.50% decreasing to an ultimate rate of 5.00%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index as of the measurement date. This represents municipal bond trends based on a portfolio of 20 general obligation bonds that mature in 20 years. Mortality rates were based on PUB-2010 head-weighted projected generationally with scale MP-2020.

Other significant assumptions were as follows:

- 85.0% of the current Town active employees covered under the active plan on the day before retirement would enroll in the retiree medical plan upon retirement.
- 30.0% of the current BOE active employees covered under the active plan on the day before retirement would enroll in the retiree medical plan upon retirement.
- 50.0% of the male and 50.0% of the female employees who elect retiree health care coverage for themselves would also elect coverage for their spouse upon retirement.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of July 1, 2021	\$ 6,512,352
Changes for the Year:	
Service Cost	156,290
Interest on Total OPEB Liability	140,866
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	(1,186,653)
Benefit Payments	(295,643)
Net Changes	(1,185,140)
Balance as of June 30, 2022	\$ 5,327,212

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Town and Board of Education Program (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	<u>\$ 6,150,691</u>	<u>\$ 5,327,212</u>	<u>\$ 4,660,234</u>

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

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

	1% Decrease (5.00%) Decreasing to 4.00%)	Healthcare Cost Trend Rates (6.50%) Decreasing to 5.00%)	1% Increase (7.50%) Decreasing to 6.00%)
Total OPEB Liability	<u>\$ 4,588,964</u>	<u>\$ 5,327,212</u>	<u>\$ 6,261,976</u>

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 \$339,993. At June 30, 2022, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 134,681	\$ 59,219
Changes in Assumptions	922,130	1,034,503
Total	<u>\$ 1,056,811</u>	<u>\$ 1,093,722</u>

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Town and Board of Education Program (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to OPEB (Continued)

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 41,427
2024	49,725
2025	69,080
2026	(5,971)
2027	(180,646)
Thereafter	(10,526)
Total	<u>\$ (36,911)</u>

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 multiple-employer defined benefit other postemployment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

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

Benefit Provisions

There are two types of 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 Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue 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.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

Benefit Provisions (Continued)

A subsidy amount of \$220 per month may be paid for a retired member, spouse, or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their 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 Supplement 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.

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.

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

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 \$139,084 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

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	7,690,215
Total	<u>\$ 7,690,215</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 and revenue of (\$283,975) in Exhibit II.

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.

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

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.

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.

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

Discount Rate (Continued)

- 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.

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 Fiduciary Net Position

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

Other Information

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

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties except for workers' compensation and Liability-Automobile-Property insurance, for which the Town participates in risk-sharing pools. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2022. The Town is a member of CIRMA's Liability-Automobile-Property Pool, a risk-sharing pool. The Liability-Automobile-Property Pool provides general liability, automobile liability, employee benefit liability, law enforcement liability, public officials, and property coverage. The premium is subject to these coverages and claims and expense payments falling within the deductible amounts are the responsibility of the Town. CIRMA's Liability-Automotive-Property Pool retains \$1,000,000 per occurrence for each line of liability coverage.

The Town is a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 32, and 40 months after the effective date of coverage. The premium is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains \$1,000,000 per occurrence.

The Town has chosen to retain the risks for Board of Education employee dental claims and Board of Education employee medical insurance claims. These funds are reported as Internal Service Funds.

The claims liability of \$45,200 for the BOE Dental Self-Insurance Fund, reported at June 30, 2022 is based on estimated claims incurred but not reported. The changes in the claim liability was as follows:

BOE Dental Self-Insurance	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,	Due Within One Year
2021 - 2022	\$ 39,270	\$ 299,430	\$ 293,500	\$ 45,200	\$ 45,200
2020 - 2021	-	384,132	344,862	39,270	39,270

The claims liability of \$297,244 for the BOE Medical Self Insurance Fund, reported at June 30, 2022 is based on estimated claims incurred but not reported. The changes in the claim liability was as follows:

BOE Medical Self-Insurance	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,	Due Within One Year
2021 - 2022	\$ -	\$ 6,230,527	\$ 5,933,283	\$ 297,244	\$ 297,244
2020 - 2021	-	329,426	329,426	-	-

TOWN OF ELLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 OTHER INFORMATION (CONTINUED)

B. Contingent Liabilities

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

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, 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.

REQUIRED SUPPLEMENTARY INFORMATION

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Property Taxation:				
Current Year Levy	\$ 47,180,737	\$ 47,180,737	\$ 47,778,361	\$ 597,624
Prior Year Levy	140,000	140,000	230,152	90,152
Interest and Lien Fees	140,000	140,000	195,144	55,144
Total Property Taxation	47,460,737	47,460,737	48,203,657	742,920
State and Federal Grants:				
Education Cost Sharing Grant	9,946,889	9,946,889	10,047,982	101,093
Adult Education and Vocational Agriculture	20,221	20,221	13,029	(7,192)
Town Road Aid	341,395	341,395	340,896	(499)
Disability Reimbursement	1,715	1,715	1,647	(68)
State Property Forest	4,540	4,540	5,656	1,116
Pequot/Mohegan Funds	4,081	4,081	2,721	(1,360)
Circuit Court Fines	6,338	6,338	-	(6,338)
Telecomm Serv Pers Prop Tax	17,625	17,625	14,868	(2,757)
Additional Income Veterans	11,859	11,859	10,457	(1,402)
Local Capital Improvement Program	108,005	108,005	106,113	(1,892)
Revenue Sharing	-	-	2,010	2,010
Erase Grant	3,905	3,905	7,103	3,198
Historical Preserve Award	5,500	5,500	-	(5,500)
Emergency Management	-	-	69	69
North Central Area Agency on Aging	2,000	2,000	6,998	4,998
Municipal Grants-in-Aid	223,527	223,527	223,527	-
NCAAA-Nutrition PP (ENPP)	1,700	1,700	584	(1,116)
DOT Sidewalk Ext & Renovation	-	-	22,745	22,745
CT Fair Plan Anti Arson Grant	-	-	500	500
State of CT Neighborhood Assistance	-	-	12,000	12,000
State of CT CRF Reimbursement	113,934	113,934	4,633	(109,301)
State of CT Summer Enrichment	-	-	16,767	16,767
State of CT 'Nip Sales'	-	-	10,435	10,435
STEAP-Veteran Memorial Park	116,765	116,765	-	(116,765)
CT State Library HDP Grant	-	-	14,293	14,293
Hall Memorial Library ARPA	-	-	-	-
FEMA	-	-	97,609	97,609
Total State and Federal Grants	10,929,999	10,929,999	10,962,642	32,643

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Charges for Goods and Services:				
Building Department	\$ 300,000	\$ 300,000	\$ 437,503	\$ 137,503
Rights of Way Permits	2,250	2,250	2,800	550
Fire Marshal	300	300	320	20
Planning and Zoning	35,000	35,000	46,949	11,949
Recreation Program Receipts	229,961	229,961	285,473	55,512
Town Clerk Conveyance Tax	175,000	175,000	304,283	129,283
Town Clerk Record Fees and License	128,200	128,200	184,046	55,846
Aircraft Registration	1,080	1,080	1,080	-
Animal Control Officer Fees and Licenses	23,000	23,000	27,028	4,028
Animal Control Donations	200	200	-	(200)
Adhoc Patriotic Committee	200	200	173	(27)
Adhoc Ell Trails Committee	100	100	525	425
Board Of Education	-	-	19,000	19,000
Police-Special Duty	377,000	377,000	290,137	(86,863)
Police-Dare Donations	500	500	1,480	980
Youth Services Donations	200	200	-	(200)
Youth Services Activities	8,000	8,000	13,827	5,827
Human Services-Municipal Agent	-	-	1,188	1,188
Human Services-Fuel Administration	1,400	1,400	-	(1,400)
Human Services Donations	2,400	2,400	-	(2,400)
Senior Center Donations	200	200	2,564	2,364
Senior Center Emats	900	900	6	(894)
Senior Center Transportation Center	400	400	696	296
Senior Center Programs	14,364	14,364	18,034	3,670
Senior Center Rental Income	100	100	96	(4)
Hall Memorial Library Reimbursement	30,000	30,000	6,579	(23,421)
Friends of the Library Reimbursement	-	-	12,001	12,001
Total Charges for Goods and Services	1,330,755	1,330,755	1,655,788	325,033
Investment Earnings:				
Interest on Earnings	20,000	20,000	67,135	47,135
Airport Sewer Debt	100,000	100,000	100,000	-
Other Revenues:				
Ambulance Fee Program	160,000	160,000	160,000	-
Insurance Claims and Refunds	4,000	4,000	10,462	6,462
WPCA Reimbursement	-	-	34,987	34,987
Snow Removal Charge - Developers	-	-	126	126
Sundry Refunds and Receipts	63,000	63,000	226,968	163,968
Rental Income of Town Property	4,025	4,025	5,425	1,400
Sale of Property	35,000	35,000	39,502	4,502
Total Other Revenues	266,025	266,025	477,470	211,445
Total Revenues	60,107,516	60,107,516	61,466,692	1,359,176

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
OTHER FINANCING SOURCES				
Appropriation of Fund Balance	\$ 2,946,748	\$ 2,991,748	\$ -	\$ (2,991,748)
Transfer from Capital Reserve Fund	615,000	615,000	-	(615,000)
Total Other Financing Sources	<u>3,561,748</u>	<u>3,606,748</u>	<u>-</u>	<u>(3,606,748)</u>
 Total Revenues and Other Financing Sources	 <u>\$ 63,669,264</u>	 <u>\$ 63,714,264</u>	 61,466,692	 <u>\$ (2,247,572)</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement Pension System for Town teachers are not budgeted			5,910,445	
State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement OPEB System for Town teachers are not budgeted			139,084	
CRRRA Sanitation fund not budgeted			48	
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes			590,228	
Airport sewer debt payment receipts not included for GAAP			(100,000)	
Lease issuance, not budgeted for			373,342	
Transfer not budgeted for			<u>51,878</u>	
 Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds - Exhibit IV			 <u>\$ 68,431,717</u>	

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Board of Selectmen	\$ 299,192	\$ 318,003	\$ 318,003	\$ -
Board of Finance	11,820	11,820	10,697	1,123
Auditors	54,150	61,610	61,610	-
Auditors - Special Project	1	1	-	1
Finance Officer	393,707	402,752	378,471	24,281
Tax Assessor	216,876	219,482	198,103	21,379
Tax Collector	187,509	191,035	174,514	16,521
Board of Assessment Appeals	125	125	60	65
Insurance Advisory Board	1	1	-	1
Town Clerk	206,445	209,844	184,331	25,513
Town Counsel	110,000	110,000	87,961	22,039
Probate Court	7,508	7,508	7,508	-
Town Planner	245,532	249,600	246,600	3,000
Total	1,732,866	1,781,781	1,667,858	113,923
Boards and Agencies:				
Registrars and Electors	74,710	74,710	48,581	26,129
Economic Development Commission	5,350	5,350	4,048	1,302
Planning and Zoning	30,400	30,400	29,915	485
Design Review Board	1	1	-	1
Zoning Board of Appeals	4,000	4,000	3,581	419
Shared Services Commission	1	1	-	1
Permanent Building Commission	200	275	275	-
Ethics Commission	350	350	-	350
Inland Wetland Agency	5,400	5,400	5,383	17
Flood and Erosion Control Board	1	1	-	1
Conservation Commission	3,025	3,025	1,895	1,130
WPCA	1	1	-	1
Total	123,439	123,514	93,678	29,836
Public Safety:				
Center Fire Department	233,050	233,050	163,147	69,903
Crystal Lake Fire Department	70,600	90,483	90,483	-
Fire Protection Hydrants	400,000	405,439	405,439	-
Emergency 911	51,133	51,148	51,148	-
Police	1,372,178	1,198,972	1,198,972	-
Police Special Duty	227,000	227,000	194,699	32,301
Police Drug Abuse Resistance Education	1,500	1,500	1,813	(313)
Animal Control Officer	107,969	107,969	105,216	2,753
Emergency Management	56,567	82,645	82,645	-
Building Department	167,466	173,714	173,714	-
Volunteer Ambulance	348,070	348,070	334,014	14,056
Emergency Service Incentive Program	143,000	143,000	121,151	21,849
Adhoc Emergency Service Committee	1	1	-	1
Preemption	5,000	5,000	-	5,000
Public Safety Commission	1	1	-	1
Fire Marshall	200,073	203,730	175,088	28,642
Total	3,383,608	3,271,722	3,097,529	174,193

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works:				
General Town Roads	\$ 2,113,143	\$ 2,116,601	\$ 2,055,451	\$ 61,150
New Equipment	10,000	10,000	4,721	5,279
Equipment Maintenance	228,100	228,100	212,107	15,993
Town Garage Maintenance	74,500	74,500	69,504	4,996
Street Signs	11,500	11,500	7,773	3,727
Grounds Maintenance - BOE/Parks	132,732	132,732	108,967	23,765
Town Aid Road - Winter	215,000	215,000	155,675	59,325
Town Aid Road - Materials	275,000	446,008	446,008	-
Sanitary Landfill	576,400	576,400	542,579	33,821
Mun-Solid/Bulky Waste Curb	627,300	676,911	676,911	-
Sanitary Recycling	384,744	391,863	391,863	-
Household Hazardous Waste	15,000	18,451	18,451	-
Street Lighting	87,000	87,000	75,030	11,970
Engineering and Inspections	105,000	112,049	112,049	-
Total	4,855,419	5,097,115	4,877,089	220,026
Recreation:				
Parks Recreation Equipment	513,984	541,097	484,103	56,994
Crystal Lake Water Monitor	40,000	40,000	40,000	-
Total	553,984	581,097	524,103	56,994
Library:				
Hall Memorial Library	731,838	731,838	708,416	23,422
Human Services:				
Nutmeg Big Brothers Big Sisters	1,000	1,000	1,000	-
Cornerstone Foundation, Inc.	3,000	3,000	3,000	-
Connecticut Legal Services	2,200	2,200	2,200	-
YWCA/SACS	2,000	2,000	2,000	-
Regional Mental Health Board	1,092	1,092	1,092	-
Kidsafe CT	3,000	3,000	3,000	-
Hockanum Valley Community Council	37,500	37,500	37,500	-
Youth Activity Programs	218,654	218,654	208,780	9,874
Hartford Interval House	3,000	3,000	3,000	-
Human Services	200,618	208,128	193,789	14,339
North Central Health District	76,901	76,901	76,901	-
Municipal Agent	2,000	2,000		2,000
Senior Center	268,713	268,713	236,422	32,291
Total	819,678	827,188	768,684	58,504

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Town Properties:				
Town Hall	\$ 517,718	\$ 517,718	\$ 479,771	\$ 37,947
Center Cemetery	3,700	3,700	3,700	-
Hall Memorial Library Building	120,600	120,600	112,328	8,272
EVAC Building	46,750	53,372	53,372	-
Crystal Lake Fire Building	21,700	30,592	30,592	-
Crystal Fire Building - Main Street	33,100	33,100	32,123	977
Crystal Fire Building - Nutmeg Drive	24,600	24,600	19,756	4,844
Arbor Commons - Human Services	20,700	20,700	18,932	1,768
Arbor Commons - Police	14,386	14,386	13,804	582
Animal Control Facility	2,000	2,000	1,828	172
Senior Center Building	64,500	64,500	50,596	13,904
Pinney House	2,400	3,224	3,224	-
Old Crystal Lake School House	12,250	12,250	9,533	2,717
Total	884,404	900,742	829,559	71,183
Debt Service:				
Principal Retirement	2,241,320	2,356,151	2,356,151	-
Interest	477,914	482,122	482,122	-
Total	2,719,234	2,838,273	2,838,273	-
Other:				
Social Security	513,704	513,704	487,155	26,549
Insurance	2,704,142	2,625,098	2,554,034	71,064
Insurance Reimbursement and Claims	21,225	21,225	16,511	4,714
Service Insurance	86,968	86,968	86,968	-
Contingency Fund	200,000	-	-	-
Capital Reserve Fund	200,000	200,000	-	200,000
AD HOC Prevention Council Developing	10,000	10,000	9,993	7
Erase	3,907	7,102	7,102	-
AD HOC Patriotic Committee	4,200	4,200	3,717	483
AD HOC Beautification Committee	2,000	2,612	2,612	-
AD HOC Trails Committee	8,000	8,142	8,142	-
AD HOC Committee on Diversity and Inclusion	2,560	2,560	917	1,643
Charter Revision Commission	4,100	4,100	-	4,100
Miscellaneous	1,200	1,396	1,396	-
GASB-OPEB	100,000	100,000	100,000	-
Referendum	12,500	15,508	15,508	-
Building Demolition/Eviction	30,000	30,000	10,545	19,455
Salary Adjustment	84,997	8,018	-	8,018
Employee Education Development	7,500	7,500	-	7,500
Town Communications	2,608	2,678	2,678	-
Town Website	20,000	20,000	20,000	-
Grant Applications	500	500	-	500
GIS	6,000	6,000	3,000	3,000
Total	4,026,111	3,677,311	3,330,278	347,033

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

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Education	\$ 41,588,751	\$ 41,588,751	\$ 41,556,763	\$ 31,988
Capital Outlays	2,249,932	2,294,932	1,770,163	524,769
Total Budgetary Expenditures	<u>\$ 63,669,264</u>	<u>\$ 63,714,264</u>	<u>\$ 62,062,393</u>	<u>\$ 1,651,871</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement Pension System for Town teachers are not budgeted	\$ 5,910,445
State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement OPEB System for Town teachers are not budgeted	139,084
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes	590,228
Change in designations recorded as expenditures for budget purposes:	
Capital reserve	179,052
OPEB Reserve	(100,000)
CRRA Sanitation fund not budgeted for	41,437
Lease issuance, not budgeted for	373,342
Airport debt payment receipts not included for GAAP	(100,000)
Transfers not budgeted for	342,420
Encumbrances outstanding at June 30, 2021 paid during current year	37,629
Encumbrances outstanding at June 30, 2022	(180,270)

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

\$ 69,295,760

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND
RELATED RATIOS – VOLUNTEER FIREFIGHTERS’
LENGTH OF SERVICE AWARD PROGRAM
YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019
Total LOSAP Liability:				
Service Cost	\$ 27,133	\$ 27,489	\$ 23,340	\$ 31,255
Interest on Total Pension Liability	82,727	85,458	84,438	84,051
Difference Between Expected and Actual Experience	4,982	(26,343)	(1,974)	13,832
Effect of Assumption Changes or Inputs	49,724	106,446	34,885	(23,954)
Benefit Payments	(86,716)	(89,049)	(94,420)	(100,133)
Net Change in Total LOSAP Liability	77,850	104,001	46,269	5,051
Total LOSAP Liability - Beginning	2,187,720	2,083,719	2,037,450	2,032,399
Total LOSAP Liability - Ending	2,265,570	2,187,720	2,083,719	2,037,450
Plan Fiduciary Net Position:				
Contributions - Employer	-	214,977	-	107,681
Net Investment Income (Loss)	37,231	32,271	34,972	36,735
Benefit Payments	(86,716)	(89,049)	(94,420)	(100,133)
Net Change in Plan Fiduciary Net Position	(49,485)	158,199	(59,448)	44,283
Plan Fiduciary Net Position - Beginning	1,289,865	1,131,666	1,191,114	1,146,831
Plan Fiduciary Net Position - Ending	1,240,380	1,289,865	1,131,666	1,191,114
Town's Net LOSAP Liability	<u>\$ 1,025,190</u>	<u>\$ 897,855</u>	<u>\$ 952,053</u>	<u>\$ 846,336</u>
Plan Fiduciary Net Position as a Percentage of Total LOSAP Liability	54.75%	58.96%	54.31%	58.46%
Covered Payroll	N/A	N/A	N/A	N/A
Town Net LOSAP Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

Notes:

The Town does not have a trust to pay related benefits for the LOSAP plan.

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

**TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
VOLUNTEER FIREFIGHTERS' LENGTH OF SERVICE AWARD PROGRAM
LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution*	\$ 95,715	\$ 86,968	\$ 101,156	\$ 107,681	\$ 93,306	\$ 100,911	\$ 96,341	\$ 99,463	\$ 65,123	\$ 68,082
Contributions in Relation to the Actuarially Determined Contribution	86,716	214,977	-	107,681	93,306	101,000	96,341	90,200	79,200	68,100
Contribution Deficiency (Excess)	<u>\$ 182,431</u>	<u>\$ (128,009)</u>	<u>\$ 101,156</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (89)</u>	<u>\$ -</u>	<u>\$ 9,263</u>	<u>\$ (14,077)</u>	<u>\$ (18)</u>
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Valuation date: August 1, 2021

Measurement date: July 31, 2021

Actuarially determined contribution rates are calculated based on actuarial valuation as of August 1 of the beginning of each fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Unit credit
Amortization method	10 and 30 years
Single equivalent amortization period	10 year/30 year
Asset valuation method	Smoothed fair value
Inflation	3.0%
Investment rate of return	3.57%, net of investment related expense
Mortality Table	RP2000 - Combined Unisex

* Contribution amounts for fiscal year ending June 30, 2014 and prior are Annual Required Contribution (ARC) under GASB 27.

**TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
VOLUNTEER FIREFIGHTERS' LENGTH OF SERVICE AWARD PROGRAM
LAST EIGHT FISCAL YEARS***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	3.82 %	3.79 %	3.82 %	3.93 %	4.22 %	3.59 %	3.82 %	3.57 %

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

**TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Proportion of the Net Pension Liability	0.71 %	0.81 %	0.82 %	0.92 %	1.32 %	1.16 %	0.86 %	0.90 %
Town's Proportionate Share of the Net Pension Liability	<u>\$ 5,016,210</u>	<u>\$ 8,987,144</u>	<u>\$ 8,425,498</u>	<u>\$ 8,814,000</u>	<u>\$ 3,265,400</u>	<u>\$ 3,877,319</u>	<u>\$ 2,853,323</u>	<u>\$ 2,143,846</u>
Town's Covered Payroll	\$ 5,736,463	\$ 6,770,657	\$ 6,487,231	\$ 5,641,060	\$ 4,702,434	\$ 4,624,684	\$ 4,624,684	\$ 4,434,633
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	114.36%	132.74 %	129.88 %	156.25 %	69.44 %	83.84 %	61.70 %	48.34 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.59 %	71.18 %	72.69 %	73.60 %	91.68 %	88.29 %	92.72 %	90.48 %

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

**TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contribution*	\$ 952,257	\$ 811,260	\$ 809,991	\$ 692,362	\$ 662,260	\$ 535,138	\$ 587,703	\$ 526,289	\$ 531,269	\$ 512,950
Contributions in Relation to the Actuarially Determined Contribution	952,257	811,260	809,991	692,362	662,260	535,138	587,703	526,289	531,269	512,950
Contribution Deficiency (Excess)	\$ 1,904,514	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 5,986,905	\$ 5,736,463	\$ 6,770,657	\$ 6,487,231	\$ 5,641,060	\$ 4,702,434	\$ 4,624,684	\$ 4,624,684	\$ 4,434,633	\$ 4,281,720
Contributions as a Percentage of Covered Payroll	15.91 %	14.14 %	11.96 %	10.67 %	11.74 %	11.38 %	12.71 %	11.38 %	11.98 %	11.98 %

Notes to Schedule:

Valuation date: June 30, 2021

Measurement date: June 30, 2021

The actuarially determined contributions are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Single equivalent amortization period	20 years
Asset valuation method	5 years smoothed fair value
Inflation	2.50%
Salary increases	3.50% - 10.00%, including inflation
Investment rate of return	7%, net of investment related expense

Changes in assumptions

In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June 30, 2020 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2017.

* Contribution amounts for fiscal year ending June 30, 2014 and prior are Annual Required Contribution (ARC) under GASB 27.

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

	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability	- %	- %	- %	- %	- %	- %	- %	- %
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Attributed to the Town	70,585,999	89,122,783	78,949,572	60,875,000	59,744,000	63,060,000	48,421,000	44,756,000
Total	<u>\$ 70,585,999</u>	<u>\$ 89,122,783</u>	<u>\$ 78,949,572</u>	<u>\$ 60,875,000</u>	<u>\$ 59,744,000</u>	<u>\$ 63,060,000</u>	<u>\$ 48,421,000</u>	<u>\$ 44,756,000</u>
Town's Covered Payroll	\$ 21,561,516	\$ 20,684,364	\$ 20,202,945	\$ 18,831,000	\$ 18,122,000	\$ 17,669,000	\$ 17,616,000	\$ 17,176,000
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %
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	4-year smoothed fair value
Inflation	2.50%
Salary increase	3.25%-6.50%, including inflation
Investment rate of return	6.90%, net of investment related expense

Notes:

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

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS PLAN
LAST FIVE FISCAL YEARS*

	2022	2021	2020	2019	2018
Total OPEB Liability:					
Service Cost	\$ 156,290	\$ 150,622	\$ 108,160	\$ 96,754	\$ 134,486
Interest	140,866	142,646	186,939	194,158	170,578
Changes of Benefit Terms	-	-	-	(1,791)	-
Differences in Expected and Actual Experience	-	(45,467)	-	-	-
Changes of Assumptions and Other Inputs	(1,186,653)	(22,665)	1,158,435	849,238	(192,419)
Benefit Payments, Including Refunds of Member Contributions	(295,643)	(267,879)	(260,508)	(244,996)	(543,651)
Net Change in Total OPEB Liability	(1,185,140)	(42,743)	1,193,026	893,363	(431,006)
Total OPEB Liability - Beginning	6,512,352	6,555,095	5,362,069	4,468,706	4,899,712
Total OPEB Liability - Ending	<u>\$ 5,327,212</u>	<u>\$ 6,512,352</u>	<u>\$ 6,555,095</u>	<u>\$ 5,362,069</u>	<u>\$ 4,468,706</u>
Covered-Employee Payroll	\$ 30,600,591	\$ 29,854,235	\$ 26,874,892	\$ 26,219,407	N/A
Total OPEB Liability as a Percentage of Covered-Employee Payroll	17.41 %	21.81 %	24.39 %	20.45 %	N/A
Notes to Schedule:					
Changes of Assumptions	None				

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

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

	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	- %	- %	- %	- %	- %
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Attributed to the Town	7,690,215	13,292,666	12,312,630	12,169,000	15,377,000
Total	\$ 7,690,215	\$ 13,292,666	\$ 12,312,630	\$ 12,169,000	\$ 15,377,000
Town's Covered Payroll	\$ 21,561,516	\$ 20,684,364	\$ 20,202,945	\$ 18,831,000	\$ 18,122,000
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	- %	- %	- %	- %	- %
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
Changes of assumptions

None

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

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

Actuarial cost method
Amortization method
Remaining amortization period
Asset valuation method
Investment rate of return
Price inflation

Entry age
Level percent of payroll over an open period
30 years
Fair value of assets
3.00%, net of investment related expense including price inflation
2.75%

Notes:

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is the principal operating fund of the Town. It is used to account for activities traditionally associated with government that are not required to be accounting for in another fund.

TOWN OF ELLINGTON, CONNECTICUT
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2022

	General	CRRA Sanitation	Unexpended Fund	Eliminations	Total General Fund
ASSETS					
Cash and Cash Equivalents	\$ 16,996,047	\$ 9,998	\$ -	\$ -	\$ 17,006,045
Receivables, Net	680,409	-	-	-	680,409
Due from Other Funds	2,155,436	-	150,000	(150,000)	2,155,436
Total Assets	<u>\$ 19,831,892</u>	<u>\$ 9,998</u>	<u>\$ 150,000</u>	<u>\$ (150,000)</u>	<u>\$ 19,841,890</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 603,536	\$ -	\$ -	\$ -	\$ 603,536
Due to Other Funds	4,638,457	-	-	(150,000)	4,488,457
Total Liabilities	5,241,993	-	-	(150,000)	5,091,993
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	467,408	-	-	-	467,408
FUND BALANCES					
Committed	8,728,303	9,998	150,000	-	8,888,301
Assigned	1,765,712	-	-	-	1,765,712
Unassigned	3,628,476	-	-	-	3,628,476
Total Fund Balances	<u>14,122,491</u>	<u>9,998</u>	<u>150,000</u>	<u>-</u>	<u>14,282,489</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,831,892</u>	<u>\$ 9,998</u>	<u>\$ 150,000</u>	<u>\$ (150,000)</u>	<u>\$ 19,841,890</u>

TOWN OF ELLINGTON, CONNECTICUT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	General	CRRA Sanitation	Unexpended Fund	Total General Fund
REVENUES				
Property Taxes, Interest, and Lien Fees	\$ 48,203,657	\$ -	\$ -	\$ 48,203,657
Intergovernmental Revenues	17,586,867	-	-	17,586,867
Charges for Services	1,797,216	-	-	1,797,216
Investment Income	67,135	48	-	67,183
Other	351,574	-	-	351,574
Total Revenues	68,006,449	48	-	68,006,497
EXPENDITURES				
Current:				
General Government	1,665,855	-	-	1,665,855
Boards and Agencies	90,278	-	-	90,278
Public Safety	3,084,454	-	-	3,084,454
Public Works	4,811,289	41,437	-	4,852,726
Recreation	504,709	-	-	504,709
Library	704,816	-	-	704,816
Human Services	710,084	-	-	710,084
Town Properties	839,021	-	-	839,021
Education	48,496,520	-	-	48,496,520
Other	3,244,047	-	-	3,244,047
Debt Service:				
Principal Payments	2,256,151	-	-	2,256,151
Interest and Fiscal Charges	482,122	-	-	482,122
Capital Outlay	2,322,557	-	-	2,322,557
Total Expenditures	69,211,903	41,437	-	69,253,340
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,205,454)	(41,389)	-	(1,246,843)
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	373,342	-	-	373,342
Transfers in from Other Funds	51,878	-	-	51,878
Transfers out to Other Funds	(42,420)	-	-	(42,420)
Total Other Financing Sources	382,800	-	-	382,800
NET CHANGE IN FUND BALANCES	(822,654)	(41,389)	-	(864,043)
Fund Balances - Beginning of Year	14,945,145	51,387	150,000	15,146,532
FUND BALANCES - END OF YEAR	<u>\$ 14,122,491</u>	<u>\$ 9,998</u>	<u>\$ 150,000</u>	<u>\$ 14,282,489</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specific purposes. The nature and purpose of each Special Revenue Fund is as follows:

Fund	Funding Source	Function
Small Cities Program Income	Grants	General government
Education Programs	Grants and charges for services	Education
District and Student Activities	Charges for services	Education
Education	Grants	Education
Education Grants Fund	Grants	Education
Central Office Flex Spending	Charges for services	Education
Ambulance Fee Program	Charges for services	Public safety
Youth Service Bureau	Grants	Human services
HUD Small Cities Housing Rehab	Grants	Human services
Historic Document Preservation	Grants	General government
Town Land Preservation	Charges for services	General government
DOT Elderly and Disabled	Grants	Human services
Land Use Fees	Local funding	General government
Open Space	Local funding	General government
Small Cities Regular Rehab 16	Grants	General government
Small Cities Regular Rehab 17	Grants	General government
Veteran	Local funding	Human services
Robert Tedford	Local funding	Human services
Food Bank	Local funding	Human services
Fuel Bank	Local funding	Human services
Hall Memorial Library	Local funding	Library
Municipal Land Trust	Private donations	General government
John T. McKnight	Private donations	Library
Hall Memorial Library	Private donations	Library
Senior Donation	Private donations	Human services
Senior Center Activity	Private donations	Human services
Hall Memorial Endowment	Private donations	Library
Hall Memorial Myrtle Eddy	Private donations	Library
Hall Memorial Moriarty	Private donations	Library
Ellington Senior Center Building	Private donations	Human services

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for the proceeds of specific revenue sources (other than special revenue or expendable trusts) that are restricted to expenditures for specific purposes. The nature and purpose of each Capital Project Fund is as follows:

Fund	Funding Source	Function
Windsorville Road Improvement	Capital	General government
Crystal Lake School Addition/Renovation	Capital	Education
Town Sidewalk	Capital	General government
Windermere Road Improvements	Capital	General government
Department of Public Works Maintenance	Capital	General government
Senior Center Building	Capital	General government
Windermere School Alterations	Capital	Education
Oakridge Dairy Farmland Preservation	Capital	General government
Athletic Lighting Project	Capital	General government
Windermere School Addition/Renovation	Capital	Education

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 as categorized by the fund title. They account for the funds endowed to the Town to benefit various purposes.

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

	Special Revenue Funds							
	Small Cities Program Income Fund	Education Programs Fund	District and Student Activities	Education Special Revenue Fund	Education Grants Fund	Central Office Flex Spending	Ambulance Fee Program Fund	Youth Service Bureau Fund
ASSETS								
Cash and Cash Equivalents	\$ 34,617	\$ 363,419	\$ 292,601	\$ -	\$ 524,275	\$ 37,154	\$ 386,388	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables	2,668,621	25,090	-	26,823	20,013	-	141,449	-
Due from Other Funds	340,272	990,934	-	209,080	-	-	95,101	-
Total Assets	<u>\$ 3,043,510</u>	<u>\$ 1,379,443</u>	<u>\$ 292,601</u>	<u>\$ 235,903</u>	<u>\$ 544,288</u>	<u>\$ 37,154</u>	<u>\$ 622,938</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	473,799	-	-	-
Unearned Revenue	-	7,433	-	-	70,489	-	-	-
Total Liabilities	<u>-</u>	<u>7,433</u>	<u>-</u>	<u>-</u>	<u>544,288</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:								
Unavailable Revenue - Grants	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	3,043,510	-	-	235,903	-	37,154	-	-
Committed	-	1,372,010	292,601	-	-	-	622,938	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>3,043,510</u>	<u>1,372,010</u>	<u>292,601</u>	<u>235,903</u>	<u>-</u>	<u>37,154</u>	<u>622,938</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,043,510</u>	<u>\$ 1,379,443</u>	<u>\$ 292,601</u>	<u>\$ 235,903</u>	<u>\$ 544,288</u>	<u>\$ 37,154</u>	<u>\$ 622,938</u>	<u>\$ -</u>

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

	Special Revenue Funds						
	HUD Small Cities Housing Rehab Program Fund	Historic Document Preservation Fund	Town Land Preservation Fund	DOT Elderly and Disabled Fund	Land Use Fees Fund	Open Space Fund	Small Cities Regular Rehab 16 Fund
ASSETS							
Cash and Cash Equivalents	\$ 105,196	\$ 115,595	\$ 56,190	\$ -	\$ 48,212	\$ 750,107	\$ -
Investments	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	184,346
Due from Other Funds	-	477	8,805	-	-	-	-
Total Assets	<u>\$ 105,196</u>	<u>\$ 116,072</u>	<u>\$ 64,995</u>	<u>\$ -</u>	<u>\$ 48,212</u>	<u>\$ 750,107</u>	<u>\$ 184,346</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ -	\$ -	\$ 14,926	\$ -	\$ 142	\$ -	\$ -
Due to Other Funds	30,398	-	-	-	20,043	-	83,926
Unearned Revenue	-	-	-	-	-	203,597	-
Total Liabilities	<u>30,398</u>	<u>-</u>	<u>14,926</u>	<u>-</u>	<u>20,185</u>	<u>203,597</u>	<u>83,926</u>
Deferred Inflows of Resources:							
Unavailable Revenue - Grants	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	74,798	-	-	-	-	-	100,420
Committed	-	116,072	50,069	-	28,027	546,510	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	<u>74,798</u>	<u>116,072</u>	<u>50,069</u>	<u>-</u>	<u>28,027</u>	<u>546,510</u>	<u>100,420</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 105,196</u>	<u>\$ 116,072</u>	<u>\$ 64,995</u>	<u>\$ -</u>	<u>\$ 48,212</u>	<u>\$ 750,107</u>	<u>\$ 184,346</u>

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

	Special Revenue Funds							
	Small Cities Regular Rehab 17 Fund	Veteran Fund	Robert Tedford Fund	Food Bank Fund	Fuel Bank Fund	Hall Memorial Library	Municipal Land Trust Fund	John T. McKnight Fund
ASSETS								
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,593	\$ 27,245
Investments	-	-	-	-	-	-	-	-
Receivables	109,013	-	-	-	-	-	-	-
Due from Other Funds	-	6,503	4,399	21,271	1,759	40,000	-	-
Total Assets	\$ 109,013	\$ 6,503	\$ 4,399	\$ 21,271	\$ 1,759	\$ 40,000	\$ 20,593	\$ 27,245
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	111,637	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Total Liabilities	111,637	-	-	-	-	-	-	-
Deferred Inflows of Resources:								
Unavailable Revenue - Grants	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-
Fund Balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	6,503	4,399	21,271	1,759	40,000	20,593	27,245
Unassigned	(2,624)	-	-	-	-	-	-	-
Total Fund Balances	(2,624)	6,503	4,399	21,271	1,759	40,000	20,593	27,245
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 109,013	\$ 6,503	\$ 4,399	\$ 21,271	\$ 1,759	\$ 40,000	\$ 20,593	\$ 27,245

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

	Special Revenue Funds						
	Hall Memorial Library Fund	Senior Center Donation Fund	Senior Center Activity Fund	Hall Memorial Endowment Fund	Hall Memorial Myrtle Eddy Fund	Hall Memorial Moriarty Fund	Ellington Senior Center Building
ASSETS							
Cash and Cash Equivalents	\$ 179,802	\$ -	\$ 55,084	\$ 13,827	\$ 462	\$ 924	\$ 1,924
Investments	-	-	-	226,302	7,563	15,127	-
Receivables	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	751	1,508	-
Total Assets	<u>\$ 179,802</u>	<u>\$ -</u>	<u>\$ 55,084</u>	<u>\$ 240,129</u>	<u>\$ 8,776</u>	<u>\$ 17,559</u>	<u>\$ 1,924</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	30,287	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,287</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:							
Unavailable Revenue - Grants	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	179,802	-	55,084	209,842	8,776	17,559	1,924
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	<u>179,802</u>	<u>-</u>	<u>55,084</u>	<u>209,842</u>	<u>8,776</u>	<u>17,559</u>	<u>1,924</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 179,802</u>	<u>\$ -</u>	<u>\$ 55,084</u>	<u>\$ 240,129</u>	<u>\$ 8,776</u>	<u>\$ 17,559</u>	<u>\$ 1,924</u>

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

	Capital Project Funds							
	Windsorville Road Improvement Fund	Crystal Lake School Addition Renovation Fund	Town Sidewalk Fund	Windermere Road Improvements Fund	Department of Public Works Maintenance Fund	Senior Center Building Fund	Windermere School Alterations Fund	Oakridge Dairy Farm Land Preservation Fund
ASSETS								
Cash and Cash Equivalents	\$ -	\$ -	\$ 4,661	\$ -	\$ 209,154	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables	-	210,612	-	-	-	-	85,408	-
Due from Other Funds	-	49,121	-	-	-	-	164,163	98,121
Total Assets	<u>\$ -</u>	<u>\$ 259,733</u>	<u>\$ 4,661</u>	<u>\$ -</u>	<u>\$ 209,154</u>	<u>\$ -</u>	<u>\$ 249,571</u>	<u>\$ 98,121</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:								
Unavailable Revenue - Grants	-	210,612	-	-	-	-	85,408	-
Total Deferred Inflows of Resources	<u>-</u>	<u>210,612</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,408</u>	<u>-</u>
Fund Balances:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	49,121	-	-	-	-	-	-
Committed	-	-	4,661	-	209,154	-	164,163	98,121
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>-</u>	<u>49,121</u>	<u>4,661</u>	<u>-</u>	<u>209,154</u>	<u>-</u>	<u>164,163</u>	<u>98,121</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ 259,733</u>	<u>\$ 4,661</u>	<u>\$ -</u>	<u>\$ 209,154</u>	<u>\$ -</u>	<u>\$ 249,571</u>	<u>\$ 98,121</u>

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

	Capital Project Funds		Permanent Funds				
	Athletic Lighting Project Fund	Windermere School/Addition Renovation Fund	Marshall E. Charter Fund	Kimball Memorial Fund	John T. McKnight Maintenance Fund	Eugene K. Mosley Fund	Arthur Hyde Fund
ASSETS							
Cash and Cash Equivalents	\$ -	\$ -	\$ 148,227	\$ 22,907	\$ 4,592	\$ 107	\$ 213
Investments	-	-	495,104	113,211	22,690	-	-
Receivables	-	-	-	-	-	-	-
Due from Other Funds	-	-	9,536	2,181	437	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 652,867</u>	<u>\$ 138,299</u>	<u>\$ 27,719</u>	<u>\$ 107</u>	<u>\$ 213</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7	\$ 13
Due to Other Funds	9,546	9,350	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total Liabilities	<u>9,546</u>	<u>9,350</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>13</u>
Deferred Inflows of Resources:							
Unavailable Revenue - Grants	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Nonspendable	-	-	29,697	5,000	1,000	100	200
Restricted	-	-	623,170	133,299	26,719	-	-
Committed	-	-	-	-	-	-	-
Unassigned	(9,546)	(9,350)	-	-	-	-	-
Total Fund Balances	<u>(9,546)</u>	<u>(9,350)</u>	<u>652,867</u>	<u>138,299</u>	<u>27,719</u>	<u>100</u>	<u>200</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 652,867</u>	<u>\$ 138,299</u>	<u>\$ 27,719</u>	<u>\$ 107</u>	<u>\$ 213</u>

(Continued on next page)

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

	Permanent Funds				
	Sarah H. McKinney Fund	Mary Wadsworth Gardner Fund	Hall Memorial Library Fund	Wiley Fund	Total
ASSETS					
Cash and Cash Equivalents	\$ 534	\$ 14,424	\$ 47,999	\$ 1,068	\$ 3,467,501
Investments	-	83,318	237,228	-	1,200,543
Receivables	-	-	-	-	3,471,375
Due from Other Funds	-	1,502	4,569	-	2,050,490
Total Assets	<u>\$ 534</u>	<u>\$ 99,244</u>	<u>\$ 289,796</u>	<u>\$ 1,068</u>	<u>\$ 10,189,909</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 34	\$ -	\$ -	\$ 68	\$ 15,190
Due to Other Funds	-	-	-	-	768,986
Unearned Revenue	-	-	-	-	281,519
Total Liabilities	<u>34</u>	<u>-</u>	<u>-</u>	<u>68</u>	<u>1,065,695</u>
Deferred Inflows of Resources:					
Unavailable Revenue - Grants	-	-	-	-	296,020
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,020</u>
Fund Balances:					
Nonspendable	500	5,000	10,000	1,000	52,497
Restricted	-	94,244	279,796	-	4,698,134
Committed	-	-	-	-	4,099,083
Unassigned	-	-	-	-	(21,520)
Total Fund Balances	<u>500</u>	<u>99,244</u>	<u>289,796</u>	<u>1,000</u>	<u>8,828,194</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 534</u>	<u>\$ 99,244</u>	<u>\$ 289,796</u>	<u>\$ 1,068</u>	<u>\$ 10,189,909</u>

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

	Special Revenue Funds							
	Small Cities Program Income Fund	Education Programs Fund	District and Student Activities	Education Special Revenue Fund	Education Grants Fund	Central Office Flex Spending	Ambulance Fee Program Fund	Youth Service Bureau Fund
REVENUES								
Intergovernmental Revenues	\$ -	\$ 714,012	\$ -	\$ 41,930	\$ 1,220,268	\$ -	\$ -	\$ 22,879
Other Local Revenues:								
Charges for Services	-	462,852	438,458	922,413	-	118,809	494,295	-
Investment earnings (loss)	101	-	-	-	-	-	738	-
Other Revenue	-	32,945	-	-	-	-	-	-
Total Revenues	101	1,209,809	438,458	964,343	1,220,268	118,809	495,033	22,879
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	230,736	-
Library	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	22,879
Education	-	1,005,649	531,635	1,024,506	1,220,268	103,213	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	1,005,649	531,635	1,024,506	1,220,268	103,213	230,736	22,879
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	101	204,160	(93,177)	(60,163)	-	15,596	264,297	-
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	42,420	-
Transfers Out	-	-	-	-	-	-	-	-
Net Change in Fund Balance	101	204,160	(93,177)	(60,163)	-	15,596	306,717	-
Fund Balance - Beginning of Year	3,043,409	1,167,850	385,778	296,066	-	21,558	316,221	-
FUND BALANCE - END OF YEAR	\$ 3,043,510	\$ 1,372,010	\$ 292,601	\$ 235,903	\$ -	\$ 37,154	\$ 622,938	\$ -

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

	Special Revenue Funds						
	HUD Small Cities Housing Rehab Program Fund	Historic Document Preservation Fund	Town Land Preservation Fund	DOT Elderly and Disabled Fund	Land Use Fees Fund	Open Space Fund	Small Cities Regular Rehab 16 Fund
REVENUES							
Intergovernmental Revenues	\$ -	\$ 13,268	\$ 470	\$ 27,023	\$ -	\$ -	\$ -
Other Local Revenues:							
Charges for Services	-	-	274,789	-	-	-	-
Investment earnings (loss)	307	492	151	-	140	2,050	-
Other Revenue	-	-	-	-	11,589	18,823	-
Total Revenues	307	13,760	275,410	27,023	11,729	20,873	-
EXPENDITURES							
General Government	-	-	226,228	-	30,182	-	-
Public Safety	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Human Services	2,559	1,224	-	27,023	-	-	-
Education	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	2,559	1,224	226,228	27,023	30,182	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,252)	12,536	49,182	-	(18,453)	20,873	-
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Net Change in Fund Balance	(2,252)	12,536	49,182	-	(18,453)	20,873	-
Fund Balance - Beginning of Year	77,050	103,536	887	-	46,480	525,637	100,420
FUND BALANCE - END OF YEAR	<u>\$ 74,798</u>	<u>\$ 116,072</u>	<u>\$ 50,069</u>	<u>\$ -</u>	<u>\$ 28,027</u>	<u>\$ 546,510</u>	<u>\$ 100,420</u>

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

	Special Revenue Funds							
	Small Cities Regular Rehab 17 Fund	Veteran Fund	Robert Tedford Fund	Food Bank Fund	Fuel Bank Fund	Hall Memorial Library	Municipal Land Trust Fund	John T. McKnight Fund
REVENUES								
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Revenues:								
Charges for Services	-	-	-	-	-	-	-	-
Investment earnings (loss)	-	-	-	-	-	-	58	76
Other Revenue	-	-	1,530	25,178	1,000	-	-	-
Total Revenues	-	-	1,530	25,178	1,000	-	58	76
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Human Services	-	601	-	16,248	556	-	-	-
Education	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	601	-	16,248	556	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(601)	1,530	8,930	444	-	58	76
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Net Change in Fund Balance	-	(601)	1,530	8,930	444	-	58	76
Fund Balance - Beginning of Year	(2,624)	7,104	2,869	12,341	1,315	40,000	20,535	27,169
FUND BALANCE - END OF YEAR	<u>\$ (2,624)</u>	<u>\$ 6,503</u>	<u>\$ 4,399</u>	<u>\$ 21,271</u>	<u>\$ 1,759</u>	<u>\$ 40,000</u>	<u>\$ 20,593</u>	<u>\$ 27,245</u>

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

	Special Revenue Funds						
	Hall Memorial Library Fund	Senior Center Donation Fund	Senior Center Activity Fund	Hall Memorial Endowment Fund	Hall Memorial Myrtle Eddy Fund	Hall Memorial Moriarty Fund	Ellington Senior Center Building
REVENUES							
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Revenues:							
Charges for Services	46,999	-	52,821	-	-	-	-
Investment earnings (loss)	49	-	19	(49,072)	(1,640)	(3,280)	34
Other Revenue	13,607	-	-	13,983	467	935	-
Total Revenues	60,655	-	52,840	(35,089)	(1,173)	(2,345)	34
EXPENDITURES							
General Government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Library	20,710	-	-	69,398	99	192	-
Human Services	-	1	34,961	-	-	-	-
Education	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	20,710	1	34,961	69,398	99	192	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	39,945	(1)	17,879	(104,487)	(1,272)	(2,537)	34
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Net Change in Fund Balance	39,945	(1)	17,879	(104,487)	(1,272)	(2,537)	34
Fund Balance - Beginning of Year	139,857	1	37,205	314,329	10,048	20,096	1,890
FUND BALANCE - END OF YEAR	<u>\$ 179,802</u>	<u>\$ -</u>	<u>\$ 55,084</u>	<u>\$ 209,842</u>	<u>\$ 8,776</u>	<u>\$ 17,559</u>	<u>\$ 1,924</u>

(Continued on next page)

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

	Capital Project Funds							
	Windsorville Road Improvement Fund	Crystal Lake School Addition Renovation Fund	Town Sidewalk Fund	Windemere Road Improvements Fund	Department of Public Works Maintenance Fund	Senior Center Building Fund	Windemere School Alterations Fund	Oakridge Dairy Farm Land Preservation Fund
REVENUES								
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 224,322	\$ -
Other Local Revenues:								
Charges for Services	-	-	-	-	-	-	-	-
Investment earnings (loss)	51	-	13	36	586	-	-	-
Other Revenue	-	-	-	-	-	-	-	-
Total Revenues	51	-	13	36	586	-	224,322	-
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	42,700
Total Expenditures	-	-	-	-	-	-	-	42,700
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	51	-	13	36	586	-	224,322	(42,700)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(27,400)	-	-	(19,558)	-	(4,920)	-	-
Net Change in Fund Balance	(27,349)	-	13	(19,522)	586	(4,920)	224,322	(42,700)
Fund Balance - Beginning of Year	27,349	49,121	4,648	19,522	208,568	4,920	(60,159)	140,821
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 49,121</u>	<u>\$ 4,661</u>	<u>\$ -</u>	<u>\$ 209,154</u>	<u>\$ -</u>	<u>\$ 164,163</u>	<u>\$ 98,121</u>

(Continued on next page)

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

	Capital Project Funds		Permanent Funds				
	Athletic Lighting Project Fund	Windermere School/Addition Renovation Fund	Marshall E. Charter Fund	Kimball Memorial Fund	John T. McKnight Maintenance Fund	Eugene K. Mosley Fund	Arthur Hyde Fund
REVENUES							
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Revenues:							
Charges for Services	-	-	-	-	-	-	-
Investment earnings (loss)	-	-	(107,045)	(24,508)	(4,912)	-	1
Other Revenue	-	-	30,592	6,995	1,402	-	-
Total Revenues	-	-	(76,453)	(17,513)	(3,510)	-	1
EXPENDITURES							
General Government	-	-	6,284	1,436	287	-	1
Public Safety	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital Outlay	9,546	9,350	-	-	-	-	-
Total Expenditures	9,546	9,350	6,284	1,436	287	-	1
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,546)	(9,350)	(82,737)	(18,949)	(3,797)	-	-
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Net Change in Fund Balance	(9,546)	(9,350)	(82,737)	(18,949)	(3,797)	-	-
Fund Balance - Beginning of Year	-	-	735,604	157,248	31,516	100	200
FUND BALANCE - END OF YEAR	<u>\$ (9,546)</u>	<u>\$ (9,350)</u>	<u>\$ 652,867</u>	<u>\$ 138,299</u>	<u>\$ 27,719</u>	<u>\$ 100</u>	<u>\$ 200</u>

(Continued on next page)

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

	Permanent Funds				
	Sarah H. McKinney Fund	Mary Wadsworth Gardner Fund	Hall Memorial Library Fund	Wiley Fund	Total
REVENUES					
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ 2,264,172
Other Local Revenues:					
Charges for Services	-	-	-	-	2,811,436
Investment earnings (loss)	2	(18,042)	(51,354)	3	(254,946)
Other Revenue	-	5,148	14,658	-	178,852
Total Revenues	2	(12,894)	(36,696)	3	4,999,514
EXPENDITURES					
General Government	2	1,161	-	3	265,584
Public Safety	-	-	-	-	230,736
Library	-	-	3,013	-	93,412
Human Services	-	-	-	-	106,052
Education	-	-	-	-	3,885,271
Capital Outlay	-	-	-	-	61,596
Total Expenditures	2	1,161	3,013	3	4,642,651
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(14,055)	(39,709)	-	356,863
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	42,420
Transfers Out	-	-	-	-	(51,878)
Net Change in Fund Balance	-	(14,055)	(39,709)	-	347,405
Fund Balance - Beginning of Year	500	113,299	329,505	1,000	8,480,789
FUND BALANCE - END OF YEAR	\$ 500	\$ 99,244	\$ 289,796	\$ 1,000	\$ 8,828,194

NONMAJOR ENTERPRISE FUNDS

ENTERPRISE FUNDS

Enterprise funds are used for the operations that are financed and operated primarily through user fees.

Solid Waste Collection Fund – Accounts for the revenues and related expenses for the collection of solid waste.

Watermains Tripp and Middle Roads Fund – Accounts for the assessment revenues and related expenses for the extension of water mains on Tripp and Middle Road. The installation was necessitated by the discovery of EDB tainted wells in the area in 1985. Local ordinance 180-1 and 180-2, as well as State Statute 7-137 (c) (d), allow the Board of Selectmen to levy water main assessments to recover the cost of the installation.

**TOWN OF ELLINGTON, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2022**

	Solid Waste Collection Fund	Watermains Tripp and Middle Roads Fund	Total
ASSETS			
Current Assets:			
Accounts Receivable, Net	\$ 2,759	\$ -	\$ 2,759
Due from Other Funds	202,055	-	202,055
Total Current Assets	<u>204,814</u>	<u>-</u>	<u>204,814</u>
Noncurrent Assets:			
Assessments Receivable	<u>-</u>	<u>38,183</u>	<u>38,183</u>
Total Assets	204,814	38,183	242,997
LIABILITIES			
Current Liabilities:			
Due to Other Funds	<u>-</u>	<u>109,541</u>	<u>109,541</u>
NET POSITION			
Unrestricted	<u>204,814</u>	<u>(71,358)</u>	<u>133,456</u>
Total Net Position	<u><u>\$ 204,814</u></u>	<u><u>\$ (71,358)</u></u>	<u><u>\$ 133,456</u></u>

TOWN OF ELLINGTON, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2022

	Solid Waste Collection Fund	Watermains Tripp and Middle Roads Fund	Total
OPERATING REVENUES			
Solid Waste Fees	\$ 10,001	\$ -	\$ 10,001
OPERATING EXPENSES			
Solid Waste Fees	<u>3,926</u>	<u>-</u>	<u>3,926</u>
CHANGE IN NET POSITION	6,075	-	6,075
Net Position - Beginning of Year	<u>198,739</u>	<u>(71,358)</u>	<u>127,381</u>
NET POSITION - END OF YEAR	<u><u>\$ 204,814</u></u>	<u><u>\$ (71,358)</u></u>	<u><u>\$ 133,456</u></u>

**TOWN OF ELLINGTON, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2022**

	Solid Waste Collection Fund	Watermains Tripp and Middle Roads Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 60,023	\$ -	\$ 60,023
Payments to Suppliers	(3,926)	-	(3,926)
Interfund Activities	(56,097)	-	(56,097)
Net Cash Provided (Used) by Operating Activities	-	-	-
NET INCREASE (DECREASE) IN CASH	-	-	-
Cash and Cash Equivalents - Beginning of Year	-	-	-
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income	\$ 6,075	\$ -	\$ 6,075
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable, Net	50,022	-	50,022
(Increase) Decrease in Due from Other Funds	(56,097)	-	(56,097)
Total Adjustments	(6,075)	-	(6,075)
Net Cash Provided (Used) by Operating Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal Service funds are used for the financing of goods and services provided by one department or agency to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis.

BOE Medical Self - Insurance Fund – To account for the revenues and related expenses for the health self-insurance plan for Board of Education employees.

BOE Dental Self - Insurance Fund – To account for the revenues and related expenses for the dental self-insurance plan for Board of Education employees.

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

	BOE Medical Self-Insurance Fund	BOE Dental Self-Insurance Fund	Total
ASSETS			
Current Assets:			
Cash And Cash Equivalents	\$ 484,904	\$ -	\$ 484,904
Accounts Receivable, Net	19,410	-	19,410
Due From Other Funds	537,309	123,424	660,733
Total Assets	<u>1,041,623</u>	<u>123,424</u>	<u>1,165,047</u>
LIABILITIES			
Current Liabilities:			
Claims Payable And Accrued Items	297,244	45,200	342,444
NET POSITION			
Unrestricted	<u>744,379</u>	<u>78,224</u>	<u>822,603</u>
Total Net Position	<u><u>\$ 744,379</u></u>	<u><u>\$ 78,224</u></u>	<u><u>\$ 822,603</u></u>

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

	BOE Medical Self-Insurance Fund	BOE Dental Self-Insurance Fund	Total
OPERATING REVENUES			
Employer Contributions	\$ 5,159,593	\$ 269,632	\$ 5,429,225
Charges For Services	739,850	37,402	777,252
Other	377,520	-	377,520
Total Operating Revenues	<u>6,276,963</u>	<u>307,034</u>	<u>6,583,997</u>
OPERATING EXPENSES			
Claims	<u>5,933,283</u>	<u>293,500</u>	<u>6,226,783</u>
Total Operating Expenses	<u>5,933,283</u>	<u>293,500</u>	<u>6,226,783</u>
CHANGE IN NET POSITION	343,680	13,534	357,214
Net Position - Beginning of Year	<u>400,699</u>	<u>64,690</u>	<u>465,389</u>
NET POSITION - END OF YEAR	<u><u>\$ 744,379</u></u>	<u><u>\$ 78,224</u></u>	<u><u>\$ 822,603</u></u>

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

	BOE Medical Self-Insurance Fund	BOE Dental Self-Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 6,257,553	\$ 307,034	\$ 6,564,587
Payments to Suppliers	(5,636,039)	(287,570)	(5,923,609)
Interfund Activities	(314,309)	(19,464)	(333,773)
Net Cash Provided by Operating Activities	<u>307,205</u>	<u>-</u>	<u>307,205</u>
NET INCREASE IN CASH	307,205	-	307,205
Cash and Cash Equivalents - Beginning of Year	<u>177,699</u>	<u>-</u>	<u>177,699</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 484,904</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 484,904</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 343,680	\$ 13,534	\$ 357,214
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable, Net	(19,410)	-	(19,410)
(Increase) Decrease in Due from Other Funds	(314,309)	(19,464)	(333,773)
Increase (Decrease) in Claims Payable	297,244	5,930	303,174
Total Adjustments	<u>(36,475)</u>	<u>(13,534)</u>	<u>(50,009)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 307,205</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 307,205</u></u>

FIDUCIARY FUNDS

FIDUCIARY FUNDS

PRIVATE PURPOSE TRUST FUNDS

The Private Purpose Trust Funds are used to account for resources legally held in trust for the benefit of individual, private organizations, or other governments. The Town's private purpose trust funds are listed below:

Public Health Nursing Fund is used to accept the bank book to hold funds for a Public Health Nursing Fund which shall be added to as the Town sees fit, until such a time as the Town may establish its own Public Health Nursing Association and that a vote of thanks be given to Miss Hattie R.M. Berr, Chairman of the Committee which had raised the original sum of money.

Graduation Fund is used to account for the revenues and expenditures involved with the annual Ellington High School Graduation Party put on by the Graduation Committee.

TOWN OF ELLINGTON, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
YEAR ENDED JUNE 30, 2022

	Public Health Nursing Fund	Graduation Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 2,418	\$ 62,363	\$ 64,781
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ 1,962	\$ 1,962
Due to Other Funds	-	154	154
Total Liabilities	<u>-</u>	<u>2,116</u>	<u>2,116</u>
NET POSITION			
Restricted For Trust Purposes	<u>2,418</u>	<u>60,247</u>	<u>62,665</u>
Total Net Position	<u>2,418</u>	<u>60,247</u>	<u>62,665</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	\$ 2,418	\$ 62,363	\$ 64,781
	<u> </u>	<u> </u>	<u> </u>

**TOWN OF ELLINGTON, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN NET POSITION
PRIVATE PURPOSE TRUST FUNDS
YEAR ENDED JUNE 30, 2022**

	Public Health Nursing Fund	Graduation Fund	Total
ADDITIONS:			
Contributions	\$ -	\$ 18,876	\$ 18,876
Other	-	-	-
Total Contributions and Other	-	18,876	18,876
Investment Earnings:			
Interest	7	152	159
Total Additions	7	19,028	19,035
DEDUCTIONS:			
Program Expenses	-	18,593	18,593
Total Deductions	-	18,593	18,593
CHANGE IN NET POSITION	7	435	442
Net Position - Beginning of Year	2,411	59,812	62,223
NET POSITION - END OF YEAR	<u>\$ 2,418</u>	<u>\$ 60,247</u>	<u>\$ 62,665</u>

OTHER SCHEDULES

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

Grand List of October 1,	Uncollected Taxes July 1, 2021 and Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Tax Levy	Collections				Uncollected Taxes June 30, 2022
	Additions	Deductions	Taxes			Interest	Liens	Total		
2020	\$ 48,195,058	\$ 69,811	\$ 138,290	\$ -	\$ 48,126,579	\$ 47,784,389	\$ 105,765	\$ 2,622	\$ 47,892,776	\$ 342,190
2019	354,962	16,000	10,383	-	360,579	217,962	52,447	1,104	271,513	142,617
2018	120,238	-	599	60,526	59,113	57,419	20,644	435	78,498	1,694
2017	9,285	803	-	-	10,088	8,080	4,901	96	13,077	2,008
2016	1,959	49	-	-	2,008	-	-	-	-	2,008
2015	1,795	77	-	-	1,872	-	351	-	351	1,872
2014	1,522	352	-	-	1,874	-	-	-	-	1,874
2013	1,432	-	-	-	1,432	-	-	-	-	1,432
2012	1,406	-	-	-	1,406	-	-	-	-	1,406
2011	1,383	-	-	-	1,383	-	-	-	-	1,383
2010	1,363	-	-	-	1,363	-	-	-	-	1,363
2009	1,284	-	-	-	1,284	-	-	-	-	1,284
2008	683	-	-	-	683	-	-	-	-	683
2007	112	-	-	-	112	-	130	-	130	112
2006	150	-	-	-	150	150	310	96	556	-
2005	201	90	201	-	90	-	-	-	-	90
	<u>\$ 48,692,833</u>	<u>\$ 87,182</u>	<u>\$ 149,473</u>	<u>\$ 60,526</u>	<u>\$ 48,570,016</u>	48,068,000	<u>\$ 184,548</u>	<u>\$ 4,353</u>	\$ 48,256,901	<u>\$ 502,016</u>
				Suspense collections		<u>7,557</u>			<u>7,557</u>	
				Total collections		<u>\$ 48,075,557</u>			<u>\$ 48,264,458</u>	

STATISTICAL SECTION

STATISTICAL SECTION

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

TABLE 1

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 59,143,433	\$ 58,724,896	\$ 60,996,188	\$ 64,181,710	\$ 63,480,746	\$ 63,117,556	\$ 62,378,909	\$ 51,171,283	\$ 49,480,060	\$ 48,142,944
Restricted	5,201,709	5,557,415	4,387,994	5,394,264	4,103,173	4,553,133	3,730,455	3,756,332	3,800,869	3,511,836
Unrestricted	6,652,911	6,188,972	4,015,132	803,394	3,122,600	4,372,058	883,399	9,697,129	9,462,071	8,443,458
Total Governmental Activities Net Position	<u>\$ 70,998,053</u>	<u>\$ 70,471,283</u>	<u>\$ 69,399,314</u>	<u>\$ 70,379,368</u>	<u>\$ 70,706,519</u>	<u>\$ 72,042,747</u>	<u>\$ 66,992,763</u>	<u>\$ 64,624,744</u>	<u>\$ 62,743,000</u>	<u>\$ 60,098,238</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 8,055,739	\$ 8,363,458	\$ 8,689,211	\$ 8,466,861	\$ 8,778,160	\$ 9,095,729	\$ 9,580,773	\$ 9,760,379	\$ 9,642,673	\$ 9,015,674
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	10,549,088	10,517,117	8,965,852	8,677,482	8,129,206	7,527,622	7,003,997	6,526,112	6,126,739	6,213,855
Total Business-Type Activities Net Position	<u>\$ 18,604,827</u>	<u>\$ 18,880,575</u>	<u>\$ 17,655,063</u>	<u>\$ 17,144,343</u>	<u>\$ 16,907,366</u>	<u>\$ 16,623,351</u>	<u>\$ 16,584,770</u>	<u>\$ 16,286,491</u>	<u>\$ 15,769,412</u>	<u>\$ 15,229,529</u>
Primary Government:										
Net Investment in Capital Assets	\$ 67,199,172	\$ 67,088,354	\$ 69,685,399	\$ 72,648,571	\$ 72,258,906	\$ 72,213,285	\$ 71,959,682	\$ 60,931,662	\$ 59,122,733	\$ 57,158,618
Restricted	5,201,709	5,557,415	4,387,994	5,394,264	4,103,173	4,553,133	3,730,455	3,756,332	3,800,869	3,511,836
Unrestricted	17,201,999	16,706,089	12,980,984	9,480,876	11,251,806	11,899,680	7,887,396	16,223,241	15,588,810	14,657,313
Total Primary Government Net Position	<u>\$ 89,602,880</u>	<u>\$ 89,351,858</u>	<u>\$ 87,054,377</u>	<u>\$ 87,523,711</u>	<u>\$ 87,613,885</u>	<u>\$ 88,666,098</u>	<u>\$ 83,577,533</u>	<u>\$ 80,911,235</u>	<u>\$ 78,512,412</u>	<u>\$ 75,327,767</u>

TABLE 2

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
EXPENSES										
Governmental Activities:										
General Government	\$ 4,170,310	\$ 5,012,849	\$ 2,892,490	\$ 3,488,861	\$ 2,360,988	\$ 5,068,504	\$ 5,237,130	\$ 4,549,832	\$ 3,687,078	\$ 5,172,224
Public Safety	5,063,390	4,680,388	5,367,237	4,653,766	4,746,307	3,863,314	3,749,440	3,092,339	2,811,699	2,740,546
Public Works	6,258,242	5,758,110	5,997,920	5,355,904	4,975,686	4,177,237	3,773,923	4,132,255	3,817,452	3,927,383
Recreation	885,048	618,773	806,586	689,235	661,809	481,008	452,503	438,095	457,629	400,118
Library	1,404,318	1,183,120	1,518,703	1,209,463	956,542	672,689	650,886	631,713	766,496	730,947
Human Services	1,043,031	1,156,472	1,109,667	1,153,003	1,291,835	879,329	884,363	1,247,971	1,269,587	1,581,678
Education	53,303,515	60,756,248	55,226,175	47,615,905	51,516,128	44,234,592	43,166,230	42,793,916	41,508,765	39,388,446
Interest and Fiscal Charges	351,521	536,234	529,006	668,700	535,276	633,486	664,166	368,361	126,740	303,924
Total Governmental Activities Expenses	72,479,375	79,702,194	73,447,784	64,834,837	67,044,571	60,010,159	58,578,641	57,254,482	54,445,446	54,245,266
Business-Type Activities:										
Sewer Authority Fund	2,813,476	2,092,478	2,144,828	1,960,249	1,823,722	1,744,844	1,660,757	1,536,411	1,759,090	2,084,109
Crystal Lake Sewers Fund	375,297	332,283	254,322	333,824	266,194	419,096	269,899	278,123	337,532	307,882
Nonmajor Enterprise Funds	3,926	628,249	623,946	623,670	615,266	604,939	589,272	599,312	601,445	565,454
Total Business-Type Activities Expenses	3,192,699	3,053,010	3,023,096	2,917,743	2,705,182	2,768,879	2,519,928	2,413,846	2,698,067	2,957,445
Total Primary Government Expenses	<u>\$ 75,672,074</u>	<u>\$ 82,755,204</u>	<u>\$ 76,470,880</u>	<u>\$ 67,752,580</u>	<u>\$ 69,749,753</u>	<u>\$ 62,779,038</u>	<u>\$ 61,098,569</u>	<u>\$ 59,668,328</u>	<u>\$ 57,143,513</u>	<u>\$ 57,202,711</u>
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	\$ 816,572	\$ 726,293	\$ 481,078	\$ 990,471	\$ 1,013,569	\$ 1,757,466	\$ 1,415,276	\$ 1,157,275	\$ 1,132,407	\$ 972,411
Public Safety	1,404,205	1,212,838	1,813,375	247,084	675,817	428,151	542,122	392,365	532,359	473,246
Public Works	2,800	2,240	125,172	8,155	60,347	108,662	-	-	4,709	68,344
Recreation	285,473	140,981	180,212	292,913	286,678	278,849	273,758	239,705	266,066	257,876
Human Services	36,411	10,838	25,579	47,633	193,763	167,453	191,152	252,608	239,187	180,843
Education	2,043,843	1,560,790	2,113,438	2,201,305	2,679,262	1,527,906	896,583	477,441	454,771	483,221
Operating Grants and Contributions	19,232,277	27,297,852	21,839,596	15,242,912	18,592,979	16,548,906	16,167,164	16,781,648	16,883,532	15,437,413
Capital Grants And Contributions	353,180	704,512	2,514,966	591,871	2,549,043	3,029,350	634,113	4,976,047	997,814	1,525,945
Total Governmental Activities Program Revenues	24,174,761	31,656,344	29,093,416	19,622,344	26,051,458	23,846,743	20,120,168	24,277,089	20,510,845	19,399,299

**TABLE 2
(CONTINUED)**

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
PROGRAM REVENUES (CONTINUED)										
Business-Type Activities:										
Sewer Authority Fund	\$ 2,642,851	\$ 2,731,625	\$ 2,457,611	\$ 1,953,976	\$ 1,824,662	\$ 1,711,005	\$ 1,811,558	\$ 1,987,065	\$ 2,183,717	\$ 1,601,761
Crystal Lake Sewers Fund	239,797	247,181	263,235	329,805	417,105	378,160	308,883	239,252	235,445	246,247
Nonmajor Enterprise Funds	10,001	692,487	653,729	649,440	649,390	645,374	647,323	651,664	554,283	519,795
Total Business-Type Activities										
Revenues	2,892,649	3,671,293	3,374,575	2,933,221	2,891,157	2,734,539	2,767,764	2,877,981	2,973,445	2,367,803
Total Primary Government										
Program Revenues	27,067,410	35,327,637	32,467,991	22,555,565	28,942,615	26,581,282	22,887,932	27,155,070	23,484,290	21,767,102
NET REVENUE (EXPENSES)										
Governmental Activities	(48,304,614)	(48,045,850)	(44,354,368)	(45,212,493)	(40,993,113)	(36,163,416)	(38,458,473)	(32,977,393)	(33,934,601)	(34,845,967)
Business-Type Activities	(300,050)	618,283	351,479	15,478	185,975	(34,340)	247,836	464,135	275,378	(589,642)
Total Primary Government										
Net Expense	(48,604,664)	(47,427,567)	(44,002,889)	(45,197,015)	(40,807,138)	(36,197,756)	(38,210,637)	(32,513,258)	(33,659,223)	(35,435,609)
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	48,223,616	47,330,283	46,552,654	44,468,447	43,595,630	41,020,985	40,669,789	37,651,098	36,483,519	35,911,010
Grants and Contributions Not										
Restricted to Specific Programs	74,180	88,849	50,613	26,898	165,345	160,304	175,887	189,781	340,532	535,251
Unrestricted Investment Earnings	77,342	180,487	301,052	427,497	249,891	77,361	29,816	69,328	15,312	51,773
Miscellaneous	456,246	353,420	175,709	-	-	-	-	-	-	-
Transfers	-	(29,375)	(33,500)	(37,500)	-	(45,250)	(49,000)	(52,750)	(260,000)	(70,291)
Total Governmental Activities	48,831,384	47,923,664	47,046,528	44,885,342	44,010,866	41,213,400	40,826,492	37,857,457	36,579,363	36,427,743
Business-Type Activities:										
Unrestricted Investment Earnings	24,302	8,369	125,741	183,999	98,040	27,671	1,443	194	4,505	1,794
Transfers	-	29,375	33,500	37,500	-	45,250	49,000	52,750	260,000	70,291
Total Business-Type Activities	24,302	37,744	159,241	221,499	98,040	72,921	50,443	52,944	264,505	72,085
Total Primary Government	48,855,686	47,961,408	47,205,769	45,106,841	44,108,906	41,286,321	40,876,935	37,910,401	36,843,868	36,499,828
CHANGES IN NET POSITION										
Governmental Activities	526,770	(122,186)	2,692,160	(327,151)	3,017,753	5,049,984	2,368,019	4,880,064	2,644,762	1,581,776
Business-Type Activities	(275,748)	656,027	510,720	236,977	284,015	38,581	298,279	517,079	539,883	(517,557)
Total Primary Government	\$ 251,022	\$ 533,841	\$ 3,202,880	\$ (90,174)	\$ 3,301,768	\$ 5,088,565	\$ 2,666,298	\$ 5,397,143	\$ 3,184,645	\$ 1,064,219

TABLE 3

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 259,407	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	8,888,301	8,621,323	9,008,378	7,730,242	6,964,229	6,379,338	5,964,646	5,544,838	4,967,019	4,613,565
Assigned	1,765,712	2,970,608	1,824,156	3,047,746	3,668,890	3,336,518	4,472,781	3,341,901	3,983,701	1,061,457
Unassigned	3,628,476	3,554,601	3,403,758	1,338,387	2,059,204	2,590,354	1,750,335	1,867,100	2,094,065	4,792,253
Total General Fund	<u>\$ 14,282,489</u>	<u>\$ 15,146,532</u>	<u>\$ 14,236,292</u>	<u>\$ 12,116,375</u>	<u>\$ 12,692,323</u>	<u>\$ 12,306,210</u>	<u>\$ 12,187,762</u>	<u>\$ 11,013,246</u>	<u>\$ 11,044,785</u>	<u>\$ 10,467,275</u>
All Other Governmental Funds:										
Nonspendable	\$ 84,795	\$ 70,391	\$ 78,564	\$ 74,590	\$ 55,683	\$ 56,794	\$ 57,905	\$ 59,969	\$ 62,715	\$ 59,881
Restricted	5,149,212	4,940,287	4,854,501	5,341,767	4,050,676	4,500,636	3,677,958	2,821,343	2,882,909	2,716,567
Committed	4,099,083	3,586,976	2,349,640	1,803,365	2,665,285	2,005,286	2,120,483	1,290,458	1,224,289	1,113,506
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(21,520)	(62,783)	(3,256,049)	(3,267,838)	(3,258,514)	(5,254,246)	(8,632,512)	2,617,069	(694,777)	(1,589,732)
Total All Other Governmental Funds	<u>\$ 9,311,570</u>	<u>\$ 8,534,871</u>	<u>\$ 4,026,656</u>	<u>\$ 3,951,884</u>	<u>\$ 3,513,130</u>	<u>\$ 1,308,470</u>	<u>\$ (2,776,166)</u>	<u>\$ 6,788,839</u>	<u>\$ 3,475,136</u>	<u>\$ 2,300,222</u>

TABLE 4

TOWN OF ELLINGTON, CONNECTICUT
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Property Taxes, Interest, and Lien Fees	\$ 48,203,657	\$ 47,391,833	\$ 46,433,841	\$ 44,470,458	\$ 43,643,949	\$ 41,134,356	\$ 40,924,360	\$ 37,720,924	\$ 36,379,511	\$ 35,221,229
Intergovernmental Revenues	21,529,423	21,129,111	20,449,312	18,898,644	18,250,750	19,906,476	16,975,273	21,920,370	18,279,731	17,574,066
Charges for Services	4,690,963	1,495,801	1,985,263	3,511,090	4,397,226	3,042,747	2,206,109	1,495,631	1,612,994	1,395,022
Investment Income	(182,511)	20,314	262,857	427,540	249,891	130,047	9,887	(23,084)	68,580	51,773
Other Local Revenues	530,426	2,792,533	3,018,108	475,986	519,098	1,005,138	1,134,602	1,143,281	1,313,906	1,409,290
Total Revenues	74,771,958	72,829,592	72,149,381	67,783,718	67,060,914	65,218,764	61,250,231	62,257,122	57,654,722	55,651,380
EXPENDITURES										
Current:										
General Government	1,931,439	1,974,331	1,734,741	1,702,215	1,531,117	1,480,368	1,432,694	1,404,465	1,315,806	1,402,541
Board and Agencies	90,278	111,711	101,470	125,925	107,064	118,433	109,798	97,454	95,993	95,230
Public Safety	3,315,190	3,505,657	3,909,808	3,326,155	3,637,499	3,203,054	2,863,610	2,442,775	2,283,245	2,252,001
Public Works	4,852,726	4,098,906	4,666,249	3,927,874	3,751,595	3,902,341	3,380,905	3,752,066	3,429,914	3,419,145
Recreation	504,709	388,628	435,600	457,988	479,758	481,008	452,503	438,095	457,629	400,118
Library	798,228	698,833	679,654	622,760	622,512	597,624	572,804	557,052	689,922	661,350
Human Services	816,136	789,028	876,549	764,378	681,067	633,693	633,748	659,203	636,646	590,221
Town Properties	839,021	814,963	749,294	939,789	693,116	766,685	701,597	705,558	594,015	530,147
Education	53,718,444	50,502,925	48,652,526	48,136,406	42,806,046	40,678,815	39,371,523	39,195,495	37,658,420	35,342,309
Other	3,244,047	2,974,691	3,076,672	3,082,443	6,441,636	6,284,881	6,297,963	6,112,188	5,972,866	5,746,113
Capital Outlay	2,384,153	2,413,735	2,841,461	2,979,490	1,344,264	1,805,529	10,967,463	12,625,121	4,941,834	2,950,917
Debt Service:										
Principal Retirement	2,256,151	2,213,072	2,018,399	2,380,840	2,259,027	2,016,595	2,051,728	1,843,512	1,718,671	1,908,085
Interest	482,122	615,726	575,697	636,455	676,824	710,332	755,384	433,928	208,870	392,415
Total Expenditures	75,232,644	71,102,206	70,318,120	69,082,718	65,031,525	62,679,358	69,591,720	70,266,912	60,003,831	55,690,592
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(460,686)	1,727,386	1,831,261	(1,299,000)	2,029,389	2,539,406	(8,341,489)	(8,009,790)	(2,349,109)	(39,212)

TABLE 4

TOWN OF ELLINGTON, CONNECTICUT
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
OTHER FINANCING SOURCES (USES)										
Bonds Issued	\$ -	\$ 2,145,000	\$ -	\$ -	\$ -	\$ 1,375,000	\$ -	\$ 10,630,000	\$ 4,361,533	\$ -
Capital Lease	373,342	624,424	396,928	1,199,306	561,384	333,928	-	455,297	-	386,000
Premium On Issuance Of Debt	-	271,487	-	-	-	-	-	259,407	-	-
Premium On Refunding Bonds	-	3,200,000	-	-	-	-	-	-	-	-
Payment To Refunded Bond Escrow Agent	-	393,324	-	-	-	-	-	-	-	-
Issuance Of Refunding Bonds	-	(3,533,527)	-	-	-	-	-	-	-	-
Transfers In From Other Funds	94,298	47,025	-	302,632	1,279,066	786,484	-	-	274,730	1,359,061
Transfers Out To Other Funds	(94,298)	(299,400)	-	(340,132)	(1,279,066)	(831,734)	(49,000)	(52,750)	(534,730)	(1,429,352)
Total Other Financing Sources (Uses)	<u>373,342</u>	<u>2,848,333</u>	<u>396,928</u>	<u>1,161,806</u>	<u>561,384</u>	<u>1,663,678</u>	<u>(49,000)</u>	<u>11,291,954</u>	<u>4,101,533</u>	<u>315,709</u>
NET CHANGE IN FUND BALANCES	(87,344)	4,575,719	2,228,189	(137,194)	2,590,773	4,203,084	(8,390,489)	3,282,164	1,752,424	276,497
Fund Balances - Beginning of Year	<u>23,681,403</u>	<u>16,068,259</u>	<u>16,068,259</u>	<u>16,205,453</u>	<u>13,614,680</u>	<u>9,411,596</u>	<u>17,802,085</u>	<u>14,519,921</u>	<u>12,767,497</u>	<u>12,491,000</u>
FUND BALANCES - END OF YEAR	<u>\$ 23,594,059</u>	<u>\$ 20,643,978</u>	<u>\$ 18,296,448</u>	<u>\$ 16,068,259</u>	<u>\$ 16,205,453</u>	<u>\$ 13,614,680</u>	<u>\$ 9,411,596</u>	<u>\$ 17,802,085</u>	<u>\$ 14,519,921</u>	<u>\$ 12,767,497</u>
Debit Service as a Percentage to Noncapital Expenditures	3.75%	4.11%	3.83%	4.56%	4.65%	4.56%	4.85%	4.02%	3.60%	4.28%

TABLE 5

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

Fiscal Year	Real Property			Total RE Exemptions	Personal Property	Motor Vehicle	Total Taxable Assessed Value	Total Direct Tax Rate	Taxable Estimated Actual	Assessed Value
	Residential	Commercial	Industrial						Taxable Value	As a Percentage of Actual Taxable Value
2022	\$ 1,035,793,900	\$ 219,154,200	\$ 38,749,240	\$ (10,594,650)	\$ 98,865,380	\$ 198,378,580	\$ 1,580,346,650	31.6 %	\$ 51,519,301	70%
2021	1,027,560,949	220,621,090	38,051,780	(35,667,240)	92,441,619	159,848,570	1,502,856,768	32.6	48,993,131	70%
2020	1,019,124,313	191,390,400	18,217,200	(10,145,405)	63,560,638	148,746,155	1,430,893,301	32.6	46,647,122	70%
2019	1,022,801,783	186,170,740	18,178,320	(13,021,470)	56,872,222	142,923,980	1,413,925,575	31.7	44,821,441	70%
2018	1,014,178,621	174,169,550	18,013,700	(13,149,600)	53,839,455	137,867,285	1,384,919,011	31.7	43,901,933	70%
2017	990,758,392	165,980,540	18,318,620	(6,640,070)	51,014,877	134,557,157	1,353,989,516	30.5	41,296,680	70%
2016	977,904,755	162,195,490	17,488,550	(6,502,990)	46,312,830	130,222,777	1,327,621,412	30.5	40,492,453	70%
2015	987,684,153	141,417,630	18,118,470	(6,187,770)	45,777,946	124,565,500	1,311,375,929	28.7	37,636,489	70%
2014	977,255,086	137,050,440	18,070,990	(6,186,580)	44,136,675	121,673,858	1,292,000,469	28.4	35,400,813	70%
2013	967,013,366	134,208,135	17,693,070	(5,122,080)	40,308,440	117,200,796	1,271,301,727	27.9	35,469,318	70%

TABLE 6

**TOWN OF ELLINGTON, CONNECTICUT
PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Town Direct Rates			
	General Town Government Rate	Board of Education Rate	Debt Service Rate	Total Direct Rate
2022	9.61	20.64	1.35	31.6
2021	10.30	20.90	1.40	32.6
2020 (a)	9.89	21.24	1.46	32.6
2019	9.25	20.80	1.65	31.7
2018	9.39	20.47	1.84	31.7
2017	8.99	19.89	1.61	30.5
2016	8.89	19.81	1.80	30.5
2015	8.38	18.96	1.35	28.7
2014 (a)	8.25	18.63	1.53	28.4
2013	8.12	18.27	1.51	27.9

Note: The Town has no overlapping debt.

(a) - Revaluation year

Source: Town of Ellington Finance Department

TABLE 7

**TOWN OF ELLINGTON, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS
OCTOBER 1, 2021 AND OCTOBER 1, 2011**

Taxpayer	Grand List Year 10/1/2021			Taxpayer	Grand List Year 10/1/2011		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Deer Valley LLC	\$ 36,563,040	1	2.30 %	Deer Valley LLC	\$ 21,862,690	1	1.70 %
Autumn Chase LLC	34,691,180	2	2.20	Autumn Chase LLC	18,534,030	2	1.50
Deer Valley North LLC	32,970,850	3	2.20	Cornerstone Ellington LLC	10,234,600	3	0.80
Connecticut Light & Power Co	22,683,720	4	1.50	Connecticut Water Company	8,544,970	4	0.80
Ellington Cornfield Associates LLC	16,413,550	5	1.10	Connecticut Light & Power	8,411,210	5	0.80
Cornerstone Ellington LLC	12,845,540	6	0.90	Cornfield Associates Limited Partnershi	6,711,890	6	0.60
Connecticut Water Company	9,815,310	7	0.70	Natural Country Farms	6,589,770	7	0.50
Natural Country Farms Inc	8,350,400	8	0.60	Johnny Appleseed LLC	4,575,510	8	0.40
West Road Limited Partnership	8,326,590	9	0.60	GPT-High Meadow LLC	4,402,500	9	0.40
Johnny Appleseed LLC	6,473,380	10	0.50	Meadowbrook Apartments LLC	4,268,730	10	0.30
Total	<u>\$ 189,133,560</u>		12.60		<u>\$ 94,135,900</u>		7.80

Source: Town of Ellington, Office of Tax Assessor

TABLE 8

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

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2022	31.6	\$ 48,126,579	\$ 47,784,391	99.3 %	\$ -	\$ 47,784,391	99.3 %
2021	32.6	47,144,136	46,789,173	99.2	217,962	47,007,135	99.7
2020	32.6	46,435,907	46,043,904	99.2	327,680	46,371,584	99.9
2019	31.7	44,342,640	44,059,691	99.4	173,001	44,232,692	99.8
2018	31.7	43,371,144	43,133,192	99.5	87,714	43,220,906	99.7
2017	30.5	40,882,815	40,648,318	99.4	21,888	40,670,206	99.5
2016	30.5	40,405,604	40,168,926	99.4	119,010	40,287,936	99.7
2015	28.7	37,320,836	36,992,464	99.1	176,179	37,168,643	99.6
2014	28.4	36,315,834	35,893,052	98.8	147,813	36,040,865	99.2
2013	27.9	35,308,881	34,866,838	98.7	292,305	35,159,143	99.6

Source: Town of Ellington, Office of Tax Collector

TABLE 9

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

Fiscal Year	General Bonded Debt Bonds General Obligation Bonds	Accumulated Resources Restricted for Debt Repayment	Net Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Taxable Value	Bonded Debt Per Capita (not Rounded)	Direct Placement Notes Payable	Total Debt	Debt Per Capita (not Rounded)	Percentage of Debt to Personal Income
2022	\$ 13,947,058	\$ -	\$ 13,947,058	27.07 %	\$ 853	\$ 791,284	\$ 14,738,342	\$ 902	0.15 %
2021	15,881,661	-	15,881,661	32.42	982	1,369,588	17,251,249	1,067	0.17
2020	14,935,000	-	14,935,000	32.02	909	1,383,629	16,318,629	993	0.16
2019	16,655,000	-	16,655,000	37.16	1,011	1,322,717	17,977,717	1,092	0.19
2018	18,207,465	-	18,207,465	41.47	1,117	650,515	18,857,980	1,157	0.22
2017	20,190,399	-	20,190,399	48.89	1,249	382,483	20,572,882	1,273	0.23
2016	20,732,245	-	20,732,245	51.20	1,292	225,149	20,957,394	1,306	0.25
2015	22,683,464	-	22,683,464	60.27	1,425	416,876	23,100,340	1,451	0.27
2014	13,208,689	-	13,208,689	37.31	837	456,025	13,664,714	866	0.17
2013	10,214,286	-	10,214,286	28.80	648	889,696	11,103,982	704	0.14

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

TABLE 10

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 331,729,020	\$ 324,872,618	\$ 311,050,327	\$ 311,050,327	\$ 305,431,966	\$ 288,098,167	\$ 287,986,153	\$ 264,344,381	\$ 256,809,119	\$ 249,773,762
Total Net Debt Applicable to Limit	13,969,562	15,867,812	18,725,658	16,655,000	23,220,658	28,109,574	34,570,000	23,235,000	14,422,375	12,004,788
Legal Debt Margin	<u>\$ 317,759,458</u>	<u>\$ 309,004,806</u>	<u>\$ 292,324,669</u>	<u>\$ 294,395,327</u>	<u>\$ 282,211,308</u>	<u>\$ 259,988,593</u>	<u>\$ 253,416,153</u>	<u>\$ 241,109,381</u>	<u>\$ 242,386,744</u>	<u>\$ 237,768,974</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.21%	4.88%	6.02%	5.35%	7.60%	9.76%	12.00%	8.79%	5.62%	4.81%

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 2021 debt limit can be found on Table 11 of this report.

**TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
YEAR ENDED JUNE 30, 2022**

Total Tax Collections, (Including Interest and Lien Fees) Received by Treasurer					\$ 47,389,860
Base					<u>\$ 47,389,860</u>
	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2.25 times base	\$ 106,627,185				
4.50 times base		\$ 213,254,370			
3.75 times base			\$ 177,711,975		
3.25 times base				\$ 154,017,045	
3 times base					\$ 142,169,580
	<u>106,627,185</u>	<u>213,254,370</u>	<u>177,711,975</u>	<u>154,017,045</u>	<u>142,169,580</u>
Total debt limitation	<u>106,627,185</u>	<u>213,254,370</u>	<u>177,711,975</u>	<u>154,017,045</u>	<u>142,169,580</u>
Indebtedness:					
General Obligation Bonds	6,370,750	6,336,000	460,000		
Bond Anticipation Notes					
Capital Lease					
Authorized but Unissued Debt		802,812			
	<u>6,370,750</u>	<u>7,138,812</u>	<u>460,000</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>6,370,750</u>	<u>7,138,812</u>	<u>460,000</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 100,256,435</u>	<u>\$ 206,115,558</u>	<u>\$ 177,251,975</u>	<u>\$ 154,017,045</u>	<u>\$ 142,169,580</u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation, or \$331,729,020.

Note: School bonds authorized and unissued of \$801,312 are presented net of State grants in the amount of \$9,718,688.

TABLE 12

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

Calendar Year	Population(1)	Per Capita Income(5)	Median Age(6)	School Enrollment(3)	Unemployment Rate(6)	Total Personal Income(6) (in Thousands)
2022	16,348	\$ 48,985	40	2,621	3.10 %	\$ 613,530
2021	16,170	50,643	41	2,699	6.00	640,570
2020	16,426	50,643	41	2,682	5.80	640,570
2019	16,467	50,643	41	2,732	3.00	563,770
2018	16,305	50,643	42	2,684	3.40	536,802
2017	16,166	50,643	40	2,644	3.70	546,033
2016	16,044	50,643	40	2,630	4.10	532,853
2015	15,920	43,323	43	2,655	4.90	545,870
2014	15,783	41,200	43	2,655	5.50	519,120
2013	15,771	38,939	42	2,712	6.50	490,631

(1) Source: Connecticut Department of Public Health and Census

(3) Source: Annual Budget

(5) Source: Census ACS

(6) Source: Advance CT

U.S. Census - American Fact Finder

Board of Education

U.S. Census data (2015-2019)

CT DOL

TABLE 13

**TOWN OF ELLINGTON, CONNECTICUT
PRINCIPAL EMPLOYERS
2022 AND 2012**

Employer	Nature of Business	2022			2012		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Ellington	Municipality	560	1	14.37 %	458	1	13.21 %
Country Pure Foods	Dairy Products/Fruit Juices	231	2	5.93	109	4	3.14
Indian Valley Family YMCA	Youth Organization Center	149	3	3.82	200	2	5.77
Big Y	Supermarket	125	4	3.21	160	3	4.62
Kloter Farms Country Store	Retail Country Store	104	5	2.67	94	5	2.71
Earthlight	Solar Energy	75	6	1.93	5	7	0.14
LuAnn's Bakery	Bakery	75	7	1.93	0	9	-
Barn Yard/Great Country Garages	Retail Country Store	64	8	1.64	0	10	-
Dymotek	Plastic-Mold Manufacturer	50	9	1.28	92	6	2.65
Oakridge Dairy	Agriculture	25	10	0.64	5	8	0.14
Total		<u>1,458</u>		37.42 %	<u>1,123</u>		32.38 %

Source: Town of Ellington, Community Development Office/Assessor
Employees are full and part-time. Total town employment is based on full-time.

TABLE 14

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

Function/Program	Full-Time Equivalent Town Government Employees As of June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	40	41	36	36	37	38	36	36	37	37
Police	7	7	7	6	5	4	4	4	4	4
Fire	0	0	0	0	0	0	0	0	0	0
Refuse collection	0	0	0	0	0	0	0	0	0	0
Other public works	24	21	25	24	24	22	22	23	21	21
Parks and recreation	8	6	15	8	8	5	7	6	7	7
Library	8	8	6	6	5	5	5	5	5	5
Education	<u>473</u>	<u>430</u>	<u>426</u>	<u>431</u>	<u>417</u>	<u>416</u>	<u>403</u>	<u>404</u>	<u>399</u>	<u>392</u>
Total	<u><u>560</u></u>	<u><u>513</u></u>	<u><u>515</u></u>	<u><u>511</u></u>	<u><u>496</u></u>	<u><u>490</u></u>	<u><u>477</u></u>	<u><u>478</u></u>	<u><u>473</u></u>	<u><u>466</u></u>

TABLE 15

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

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government:										
Building Permits Issued	1,299	1,430	1,095	1,168	1,116	1,162	1,231	1,164	1,184	1,162
Building Inspections Conducted	1,228	1,322	1,079	1,315	1,392	1,491	1,401	1,373	1,261	1,291
Police:										
Physical Arrests	123	89	96	106	80	130	119	84	161	139
Parking Violations	146	-	5	4	2	2	10	2	-	4
Traffic Violations	2	350	864	1,723	1,360	1,762	2,263	2,411	2,923	3,254
Fire:										
Emergency Responses	1,167	1,136	903	903	801	787	774	774	689	743
Fires Extinguished	37	72	43	22	31	39	51	43	37	48
Inspections	1,559	1,705	1,461	2,115	1,761	1,341	1,993	1,095	996	1,109
Refuse Collection:										
Refuse Collected (Tons Per Day)	17	18	18	22	22	21	20	20	20	21
Recyclables Collected (Tons Per Day)	1	5	5	5	5	5	5	5	5	5
Other Public Works:										
Street Resurfacing (Miles)	6	2	4	4	6	5	8	7	6	5
Potholes Repaired	65	12	NT	NT	NT	NT	NT	NT	NT	NT
Parks And Recreation:										
Athletic Field Permits Issued	14	16	11	15	15	14	14	13	13	13
Community Center Admissions	-	-	-	-	-	-	-	-	-	-
Library:										
Volumes In Collection	65,147	57,415	67,415	71,791	70,857	72,390	71,708	69,233	67,573	63,138
Total Volumes Borrowed	89,035	92,604	92,604	117,514	119,971	124,279	125,197	129,232	141,249	144,866
Water:										
New Connections	-	-	-	-	-	-	-	-	-	-
Water Main Breaks	-	-	-	-	-	-	-	-	-	-
Average Daily Consumption (Thousands Of Gallons)	-	-	-	-	-	-	-	-	-	-
Peak Daily Consumption (Thousands Of Gallons)	-	-	-	-	-	-	-	-	-	-
Wastewater:										
Average Daily Sewage Treatment (Thousands Of Gallons)	724,598	619,471	593,040	634,650	639,670	542,910	507,415	500,992	589,495	520,734
(Thousands Of Gallons)	45,117	44,095	41,491	43,417	45,900	40,350	37,712	40,720	140,713	32,580
Transit:										
Total Route Miles	14,697	66	650	3,583	5,321	8,979	6,425	16,467	12,255	16,400
Passengers	1,424	-	187	741	1,613	1,960	2,356	2,370	2,044	2,437

Source: Annual Reports, Budgets, and Department records

* Including digital titles

** Library buildings were closed 3/24-6/30/20

***NT (Not Tracked), pot holes tracked starting 21-22

TABLE 16

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

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	7	6	6	6	5	5	5	5	5	5
Fire Stations	3	3	3	3	3	3	2	2	2	2
Refuse Collection:										
Collection Trucks	0	0	0	0	0	0	0	0	0	0
Other Public Works:										
Streets (Miles)	110.4	101.13	101.13	101.13	100.13	99.13	99.13	99.13	98.13	98.13
Streetlights	3861	595	595	595	595	590	590	590	590	590
Traffic Signals	351	1	1	1	1	1	1	1	1	1
Parks and Recreation: ***										
Acreage	106.41	106.41	106.41	106.41	106.41	106.41	106.41	86.28	86.28	86.28
Playgrounds	4	1	1	1	1	1	1	1	1	1
Baseball/Softball Diamonds	10	5	5	5	5	5	5	5	5	5
Soccer/Football Fields	20	6	6	6	6	6	6	6	6	6
Community Centers	0	0	0	0	0	0	0	0	0	0
Water:										
Water Mains (Miles)	**	**	**	**	**	**	**	**	**	**
Fire Hydrants	351	221	221	226	226	226	226	226	226	223
Storage Capacity (Thousands of Gallons)	**	**	**	**	**	**	**	**	**	**
Wastewater:										
Sanitary Sewers (Miles)	56.8	43.77	43.77	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Storm Sewers (Miles)	62	101.13	101.13	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Treatment Capacity (Thousands of Gallons)*	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Transit - Mini-Buses	1	1	1	1	1	1	1	1	1	1

Source: Annual Reports, Budgets and Department records

*all outsource to Town of Vernon and Town of Stafford

**all owned and operated by CT Water Company