

Town of Thomaston, Connecticut
Annual Comprehensive Financial Report



For the Year Ended June 30, 2021

**Annual
Comprehensive
Financial Report
of the
Town of Thomaston,
Connecticut**

For the Year Ended

June 30, 2021

Prepared by:

The Finance Department

Tracy A. Decker, Finance Director

Town of Thomaston, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

	<u>Page</u>
<u>Introductory Section</u>	
Transmittal Letter	1-5
Organizational Chart	6
Principal Officials	7
Certificate of Achievement for Excellence in Financial Reporting For the Year Ended June 30, 2020	8
<u>Financial Section</u>	
Independent Auditors' Report	9-11
Management's Discussion and Analysis	12-24
<u>Exhibits</u>	
<u>Basic Financial Statements</u>	
<u>Government-Wide Financial Statements</u>	
A Statement of Net Position	25-26
B Statement of Activities	27
<u>Fund Financial Statements</u>	
C Balance Sheet - Governmental Funds and Reconciliation of Fund Balance to Net Position	28-29
D Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	30
E Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31-32
F Statement of Fiduciary Net Position - Fiduciary Funds	33
G Statement of Changes in Fiduciary Net Position - Fiduciary Funds	34
H Notes to Financial Statements	35-84

Town of Thomaston, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

	<u>Page</u>
<u>RSI</u>	
<u>Required Supplementary Information</u>	
1A Schedule of Revenues and Other Financing Sources – Budget and Actual – General Fund	85-86
1B Schedule of Expenditures and Other Financing Uses – Budget and Actual – General Fund	87-88
1C Notes to Required Supplementary Information – Budgets and Budgetary Accounting	89
<u>Town Retirement Plan</u>	
2A Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns	90
2B Schedule of Contributions	91
2C Notes to Required Supplementary Information	92
<u>Connecticut State Teachers' Retirement System</u>	
3A Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions	93
3B Notes to Required Supplementary Information	94
<u>Town Other Post-Employment Benefit (OPEB) Plan</u>	
4A Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns	95
4B Schedule of Contributions	96
4C Notes to Required Supplementary Information	97
<u>Education Other Post-Employment Benefit (OPEB) Plan</u>	
5A Schedule of Changes in Total OPEB Liability and Related Ratios	98

Town of Thomaston, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

		<u>Page</u>
	<u>Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan</u>	
6A	Schedule of Proportionate Share of the Net OPEB Liability and Schedule of Contributions	99
6B	Notes to Required Supplementary Information	100
<u>Schedules</u>	<u>Supplemental Schedules</u>	
	<u>General Fund</u>	
1	Report of Tax Collector	101
2	Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis)	102
	<u>Other Governmental Funds</u>	
3	Combining Balance Sheet	103-105
4	Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	106-108
5	Sewer Commission Usage Fund Schedule of Sewer Use Charges Receivable	109
	<u>Fiduciary Funds</u>	
6	Combining Schedule of Fiduciary Net Position - Private Purpose Trust Funds	110
7	Combining Schedule of Changes in Fiduciary Net Position - Private Purpose Trust Funds	111

Town of Thomaston, Connecticut
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021

Table of Contents

<u>Tables</u>	<u>Statistical Section</u>	<u>Page</u>
1	Net Position by Component	112
2	Changes in Net Position	113
3	Fund Balances - Governmental Funds	114
4	Changes in Fund Balances - Governmental Funds	115
5	Assessed and Estimated Actual Value of Taxable Property	116
6	Principal Property Taxpayers	117
7	Tax Rates, Levies and Cash Collections	118
8	Ratios of Outstanding Debt by Type	119
9	Ratios of Long-Term Debt to Net Assessed Value and Long-Term Debt per Capita	120
10	Schedule of Debt Limitation	121
11	Legal Debt Margin Information	122
12	Demographic and Economic Statistics	123
13	Principal Employers	124
14	Full-Time Equivalent Employees by Function/Program	125
15	Operating Indicators by Function/Program	126
16	Capital Asset Statistics by Function/Program	127

Introductory Section



Town of Thomaston
Finance Department
158 Main Street
Thomaston, Connecticut 06787
(860) 283-9678

January 28, 2022

Board of Finance
Town of Thomaston
Thomaston, Connecticut 06787

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, I hereby submit the Annual Comprehensive Financial Report (ACFR) of the Town of Thomaston, Connecticut, for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the Town of Thomaston. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Thomaston has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town of Thomaston's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefit, the Town of Thomaston'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 Thomaston's financial statements have been audited by PKF O'Conner Davies, LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Thomaston for the fiscal year ended June 30, 2021, 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 auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Thomaston's financial statements for the fiscal year ended June 30, 2021, 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 Thomaston was part of a broader, federal and state mandated "Single Audits" designed to meet the special needs of 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 Town's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of state awards. These reports are available in the Town of Thomaston's separately issued Federal and State Single Audit Reports.

GAAP require 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 Thomaston's MD&A can be found immediately following the independent auditors' report.

Profile of the Town of Thomaston

The Town of Thomaston, located in Litchfield County, is a suburb consisting of 12 square miles and located 10 miles south of Torrington, Connecticut, 23 miles west of Hartford, Connecticut, with a population of 7,863. The Town is easily accessible by an excellent highway system. Route 8, a four-lane State highway, provides north-south interstate connections from Bridgeport to Winsted, where it meets Route 44 and continues north to the Massachusetts border. Interstate 84, the major east-west highway through Connecticut, is located just 11 miles south of the Town. Intra-town traffic is served by U.S. Route 6 and State routes 254, 109, and 262, which pass through the Town. Air transport is available at the Oxford Regional, New Haven-Tweed and Bradley International Airports.

Thomaston originated in 1674 as part of the Mattatuck Plantation, now the City of Waterbury. The Town operates under a Town Meeting form of government, with a Board of Selectmen consisting of three elected members and a Board of Finance made up of six elected members. The Town Meeting is the legislative body of the Town and must approve the annual budget and all bond and note authorizations, except for refunding bonds which only need to be approved by the Board of Selectmen. The First Selectman is the Chief Executive of the Town, and is responsible for carrying out the policies and ordinances, overseeing the day-to-day operations of the Town, and for appointing the various department heads. The First Selectman presides over the Board of Selectmen, has full voting privileges, and is elected to a two-year term of office every odd-numbered year.

The Town of Thomaston provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructure, a water pollution control facility, household waste collection and disposal, health and welfare, education and recreational activities.

The annual budget serves as the foundation for the Town of Thomaston's financial planning and control. All agencies of the Town of Thomaston are required to submit requests for appropriations to the Board of Finance. The Board of Finance uses these requests as the starting point for developing a proposed budget for presentation to the public. The Board of Finance holds one or more public hearings on the budget not later than sixty days before the end of the fiscal year. The general fund is the only fund for which a legal budget is adopted.

Local Economy and Major Initiatives

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

Local Economy

The current worldwide financial downturn that began in March 2020 due to the COVID-19 pandemic is having impacts across the state and local economy. Fortunately, Thomaston's unemployment rate which had risen to 8.0% in June of 2020 has dropped to 5.7% which is lower than the national average of 5.9% and below regional and state levels.

Thomaston is a residential community with a diversified manufacturing economic base. The Town's proximity to the Naugatuck River continues to be a major factor in its natural appeal to the development of certain types of industries.

Best known for its namesake and founder, Seth Thomas, who established the Seth Thomas Clock Company in Thomaston in the late 1800s, the Town continues to be home to many small and medium-sized manufacturers. The original clock factory has now become a vibrant industrial park and is home to more than 20 tenants, employing nearly 500 people, many of whom work in skilled manufacturing

trades. The current owners have expanded the site from 275,000 square feet to nearly 312,000 over the past decade to accommodate growth and demand for industrial and manufacturing space. There are plans in the approval process to add a brewery in the building.

The Town of Thomaston has made changes in its Plan of Development that permits the creation of an industrial park located on Reynolds Bridge Road adjacent to an area already zoned and in use by many small to medium size manufacturers. The area is contiguous to Route 8, a divided highway which permits easy access to freight transport. The developer of this industrial park has already constructed a 51 unit senior housing complex near the industrial park. There is currently a 47-unit active adult community under construction at 500 South Main Street by a local developer.

Local Economy

The former Star Manufacturing building located on Route 254 and the former CPI building on Watertown Road have been transformed into mixed use professional services and office space buildings. The developers took advantage of a tax assessment abatement ordinance that the Town of Thomaston has in place to assist with development.

Recently, a portion of the Town of Thomaston was deemed an enterprise zone allowing businesses in the Town to apply for both property and income tax incentives.

The Planning & Zoning Commission is in the process of updating the zoning maps based upon a digitized parcel map created by the Central Naugatuck Valley Council of Governments and working in conjunctions with the WPCA to create a master sewer plan for the Town of Thomaston that is in conformance with the State of Connecticut Plan of Conservation and Development. Changes to the Zoning District Map have been made to slow the pace of residential development, which in the past decade has been more than double the State average, by increasing lot sizes, particularly in those areas not served by municipal water and sewer service.

Also economically significant is the ongoing renovations of the town-owned Thomaston Opera House, which is considered to be one of the finest examples of Victorian/Gothic architecture in the state. In the past decade, the theater has undergone many improvements and restorations perpetuating its original function as a multipurpose cultural and recreational center for Litchfield County and Greater Waterbury. The Thomaston Opera House Commission leases the facility to a management company. A portion of each ticket sold is contributed to a fund for future restoration projects and the Town's Opera House Commission plans additional restoration projects once the theater reopens. Due to the coronavirus pandemic, the Opera House is currently closed for large shows. However, they are producing virtual shows and set up a haunted house within the Town Hall/Opera House building.

The Economic Development Commission's mission is to organize and promote sound economic growth in Thomaston by stimulating the expansion of existing business, attracting new enterprises and assuring a favorable community climate for new ideas and economic growth while respecting the character and history of the community. This nine member commission has been proactive in seeking business growth opportunities in Thomaston since its reestablishment. The Town has established a tax incentive program in order to attract, retain, and expand qualified businesses, to create employment opportunities, and to promote responsible economic growth to ensure Thomaston's future as a desirable community in which to live and work. Although developers have taken advantage of this ordinance in the past, all incentive agreements have since expired.

The Board of Selectmen appointed the previously established Thomaston Historical Commission to manage and oversee the Seth Thomas-Bradstreet House, grounds and furnishings at 237 Main Street, and such other historic properties or assets as the Town of Thomaston may acquire in the future. The home, which the Town purchased in November 2005 has stood on Main Street at least since 1838. A very well preserved two-story building, it has a long association with one of the most important families in

Connecticut. Seth Thomas was the famed clockmaker whose company would attain an international reputation. The Town has made this home into a museum, which will entice future economic development.

The Department of Economic and Community Development approved the reallocation of certain Small Cities federal funds the Town holds, which will benefit low to moderate income families and Americans with Disabilities. \$300,000 has been reallocated for housing rehabilitation for those who qualify. Many taxpayers have taken advantage of this program.

A ten year Plan of Conservation and Development was recently completed. The plan is intended to address all aspects of governmental services including economic development. One aspect of this plan is to establish goals and develop a plan for the Downtown Development District in conjunction with local merchants.

Local Economy

The Small Town Economic Assistance Program (STEAP) funds economic development, community conservation and quality of life projects for localities that are ineligible to receive Urban Action (CGS Section 4-66c) bonds. Public Act 05-194 allows an Urban Act Town that is not designated as a regional center under the State Plan of Conservation and Development to opt out of the Urban Action program and become a STEAP town for a period of four years.

The Town elected this option in 2006 and has since been awarded \$1,098,300 for sidewalk replacement, \$300,000 for the repair of Altair Avenue Bridge and culvert, \$100,000 for an emergency generator, \$500,000 towards a town-wide communication system and \$500,000 for the first phase of improvements to an athletic facility at Nystroms Park. The Town is currently seeking funding for additional projects including additional sidewalk replacement and a downtown parking area.

Thomaston's residential sector consists predominantly of single-family homes affordable across a broad range of income levels. Affordability and accessibility have been prime factors in the consistent levels of residential development. The Planning & Zoning Commission is reviewing an Incentive Housing Zone in an effort to encourage redevelopment of the downtown for commercial and residential uses.

Long-Term Financial Planning

Prepared as part of the annual budget process, a five year plan of capital improvement projects attempts to identify and provide a responsible funding/execution plan for public betterments to ensure a stable community infrastructure. The plan is designed to budget adequate reserves for replacement of obsolete equipment and vehicles and provide for the betterment of town-wide roads. The Town recently had an architectural/engineering firm perform an assessment of all town facilities. The results of this assessment will assist the capital improvement committee in prioritizing future capital needs.

The Town recently had a road assessment study performed in order to prioritize road reconstruction. Several roads in town were reconstructed and long-term borrowing for additional roads is being evaluated.

Relevant Financial Policies

The Town's financial policies have been applied consistently with the prior year and had no notable current year effect on the financial statements. There were no developments at the State level that impacted the current year financial statements.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Thomaston for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2019. This was the thirteenth consecutive year that the Town has achieved this prestigious award. The Town has submitted the June 30, 2020 Annual Comprehensive Financial Report for consideration but has not received the results yet. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Awards and Acknowledgements

The Finance Department continuously strives to enhance the quality and ensure the integrity of the financial information provided to elected officials and staff, as well as to the citizens of the Town of Thomaston. The Finance Department will continue pursuit of its goals: to provide the highest degree of public credibility and confidence in its operations; working to foster and maintain a local government environment which demonstrates fiscal accountability, efficiency, integrity, and stability, and of course, the overall strive towards excellence.

The preparation of this report would not have been possible without the dedicated service of the finance staff and the cooperation of Town departments. My sincerest appreciation is extended to all of the contributing staff members. We also appreciate the professional service and assistance rendered by PKF O'Connor Davies, LLP.

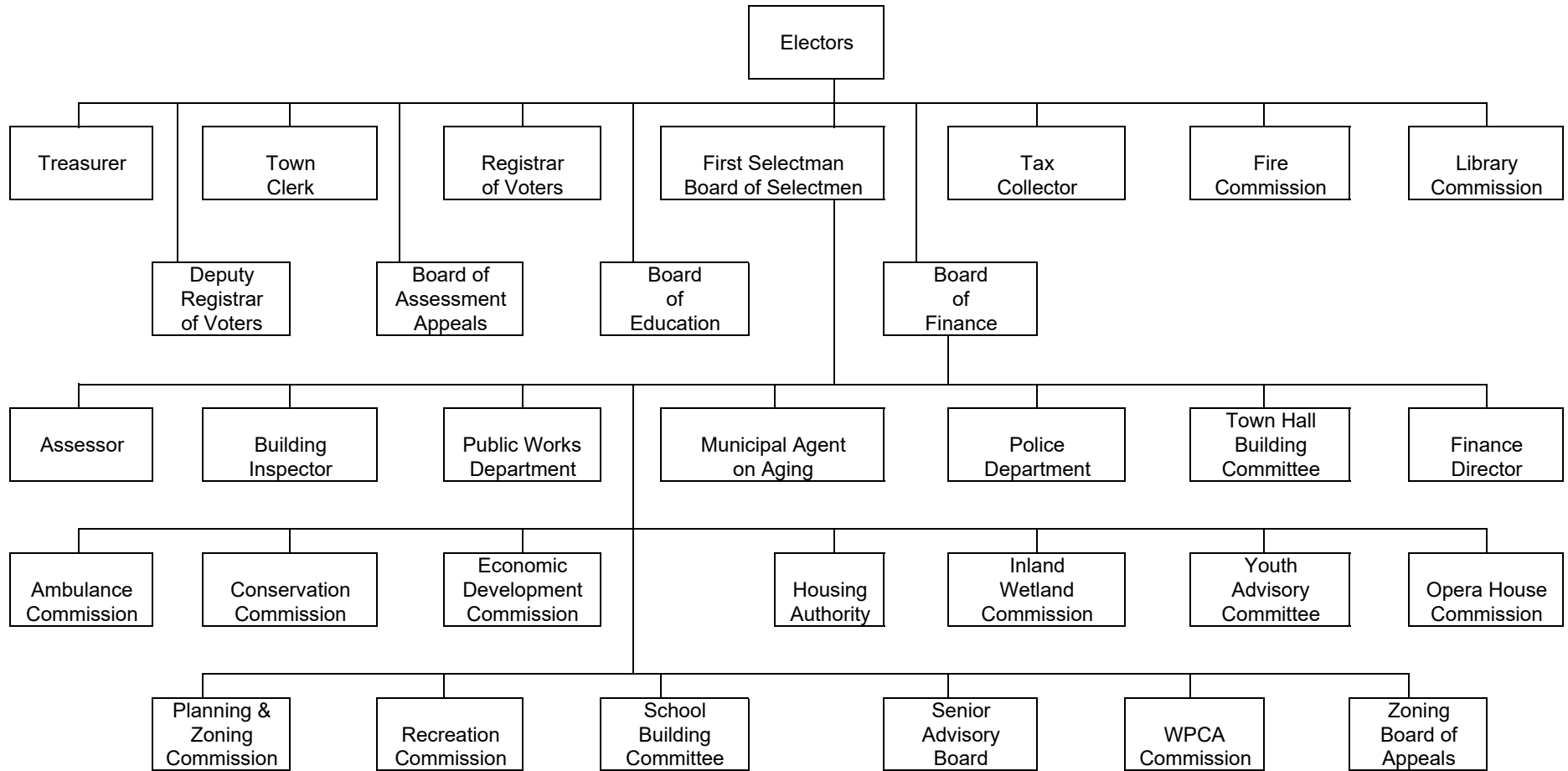
Respectfully submitted,

A handwritten signature in dark ink that reads "Tracy Decker". The signature is written in a cursive, flowing style.

Tracy A. Decker
Finance Director

Town of Thomaston, Connecticut

Organizational Chart



Town of Thomaston, Connecticut

**Principal Officials
June 30, 2021**

Board of Selectmen

Edmond V. Mone, First Selectman
Jeffrey P. Dunn, Selectman
Roger Perreault, Selectman

Board of Finance

George Seabourne, Chairman
Luke Freimuth
Michael S. Madow
Richard Sileo
Adam Silverman
Stephen R. Turner

Town Departments

Kristin L. Mosimann, Treasurer
Tracy A. Decker, Finance Director
Todd Bendtsen, School Business Manager
Robert Dudek, Tax Assessor
Cassie Gorman, Tax Collector
Francine Coss, Superintendent of Schools
Glenn C. Clark, Superintendent of Highway
Robert Galpin, Jr., Superintendent of W.P.C.A.
Catherine P. Dupont, Town Clerk
Jeffrey Madden, Chief of Police
James O'Neil, Fire Chief
Robert V. Norton, Sr., Fire Marshal
Martin Egan, Park and Recreation Director

Auditors

PKF O'Connor Davies, LLP

GFOA Certificate of Achievement Program

The Town submitted the June 30, 2020 Annual Financial Report to the GFOA Certificate of Achievement Program but had not received the results as of the date of report issuance.

A Certificate of Achievement is valid for a period of one year only. We believe that our June 30, 2020 meets the Certificate of Achievement Program's requirements.

Financial Section

Independent Auditors' Report

**Board of Finance
Town of Thomaston, Connecticut**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Thomaston, Connecticut ("Town"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

**Board of Finance
Town of Thomaston, Connecticut**

Page 2

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Thomaston, Connecticut, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, supplemental schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

**Board of Finance
Town of Thomaston, Connecticut**

Page 3

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2022, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
January 28, 2022



Town of Thomaston
Finance Department
158 Main Street
Thomaston, Connecticut 06787
(860) 283-9678

Management's Discussion and Analysis
For the Year Ended June 30, 2021

As management of the Town of Thomaston, Connecticut ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2021.

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 \$30,763,747 (*net position*). *Unrestricted net position*, the amount that may be used to meet the Town's ongoing obligations to citizens and creditors, was a deficit balance of (\$18,031,188).
- The Town's total net position increased by \$6,171,939. This increase is due to:

Governmental funds activity:

- positive operations of the general fund of \$ 651,999

The positive operations were offset by:

- negative operations of the capital or nonrecurring fund of (1,585,740)
- negative operations of the debt service fund of (193,681)

Conversion to accrual basis on Exhibit E:

- capital outlay net of depreciation expense of 3,268,928
- net principal debt activity of 2,149,301
- change in pension liability (asset) of 3,142,255
- amortization of deferred outflows of resources of 1,349,581
- amortization of deferred inflows of resources of (3,186,101)

- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,881,569 a decrease of \$991,877 in comparison with the prior year. This decrease is the result of:

- positive operations of the general fund of \$ 651,999
- negative operations of the capital or nonrecurring fund of (1,585,740)
- negative operations of the debt service fund of (193,681)

- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,503,803, an increase of \$465,438 in comparison with the prior year. This fund balance represents 20.19% of total budgetary actual general fund expenditures and transfers out.

Overview of the basic financial statements

This discussion and analysis is intended to serve as an introduction to the Town of Thomaston'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. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The *statement of net position* and *statement of activities* report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, liabilities and deferred outflows and inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

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

You will need to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's infrastructure, to assess the overall health of the Town.

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 occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, public works, health and welfare, culture and recreation, housing and development and education.

Fund financial statements. The fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town establishes many other funds to help it maintain control and manage money that has been segregated for specific activities or objectives. Funds are also established to ensure and demonstrate compliance with finance related legal requirements for using certain grants. All of the funds of the Town can be divided into two categories: governmental 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.

For 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, small cities, capital or nonrecurring, and debt service funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the combining schedules in Schedules 3 and 4 of this report.

Fiduciary funds. The Town is the trustee, or fiduciary, for its employees' pension and OPEB plans. It is also responsible for other assets that, because of a trust agreement, can be used only for the trust beneficiaries and other funds for which the Town has custody of the assets. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position (Exhibits F and G). We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information as follows:

- A budgetary comparison schedule for the General Fund to demonstrate compliance with this budget.
- Schedules to demonstrate the Town's progress in funding its obligation to provide pension benefits.
- Schedules to demonstrate the Town's progress in funding its obligation to provide other post-employment benefits.

Other information. Other required schedules and the combining schedules referred to earlier in connection with other governmental funds are presented immediately following the required supplementary information section.

Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. The Town's combined net position increased by 25.10% from a year ago – increasing from \$24,591,808 to \$30,763,747.

**Summary Statement of Net Position
June 30**

	<u>2021</u>	<u>2020</u> (as restated)
Current and other assets	\$21,229,022	\$ 16,033,028
Capital assets (net)	<u>69,650,937</u>	<u>66,382,009</u>
Total assets	<u>90,879,959</u>	<u>82,415,037</u>
Total deferred outflows of resources	<u>3,204,249</u>	<u>1,854,668</u>
Long-term liabilities outstanding	42,269,097	47,489,974
Other liabilities	<u>15,064,965</u>	<u>9,378,072</u>
Total liabilities	<u>57,334,062</u>	<u>56,868,046</u>
Total deferred inflows of resources	<u>5,986,399</u>	<u>2,809,851</u>
Net position:		
Net investment in capital assets	43,029,812	37,728,275
Restricted	5,765,123	1,703,192
Unrestricted	<u>(18,031,188)</u>	<u>(14,839,659)</u>
Total net position	<u><u>\$ 30,763,747</u></u>	<u><u>\$ 24,591,808</u></u>

By far the largest portion of the Town's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure), 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.

A portion of the Town's net position (18.74%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is the amount available to meet the Town's ongoing obligations to citizens and creditors.

Management's Discussion and Analysis (continued)

The Town's net position increased by \$6,171,939. Key elements of this increase are as follows:

Statement of Changes in Net Position For the Years Ended June 30

	<u>2021</u>	<u>2020</u>
<u>Revenues:</u>		
Program revenues:		
Charges for services	\$ 2,153,496	\$ 2,100,338
Operating grants and contributions	9,560,177	9,269,644
Capital grants and contributions	3,460,998	348,717
General revenues:		
Property taxes	21,095,405	20,896,033
Grants and contributions not restricted to specific programs	473,207	469,655
Income from investments	141,581	99,198
Other	24,558	48,047
Total revenues	<u>36,909,422</u>	<u>33,231,632</u>
<u>Expenses:</u>		
General government	1,231,754	781,152
Public safety	3,082,932	1,910,201
Public works	4,597,714	3,474,517
Health and welfare	213,994	195,350
Culture and recreation	981,339	773,464
Housing and development	297,236	296,520
Education	19,599,685	19,440,731
Interest	732,829	709,646
Total expenses	<u>30,737,483</u>	<u>27,581,581</u>
Change in Net Position	6,171,939	5,650,051
Net Position - July 1	24,591,808	18,807,041
Restatement (Note VI)	<u>-</u>	<u>134,716</u>
Net Position - June 30	<u>\$ 30,763,747</u>	<u>\$ 24,591,808</u>

Management's Discussion and Analysis (continued)

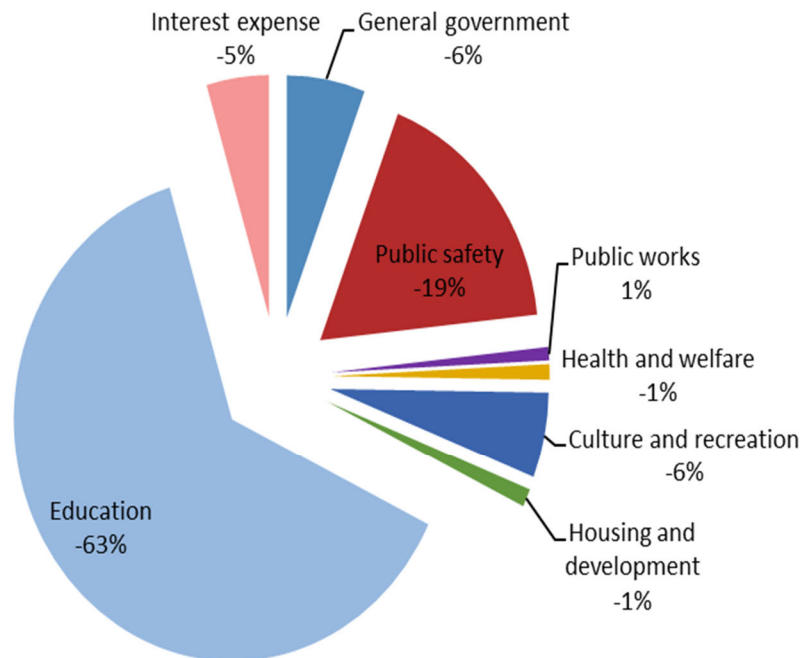
Revenues:

- Capital grants and contributions increased by \$3,112,281 mostly due to an increase of \$1,758,038 in the local transportation capital improvement program grant for the Hickory Hill project and the Town receiving in \$1,114,994 for the American Rescue Plan Act grant.

Expenses:

- Public safety expenses increased by \$1,172,731 due to an increase in pension and OPEB expense.
- Public works expenses increased by \$1,123,197 due to an increase in pension and OPEB expense.
- General government expenses increased by \$450,602 due to an increase in employee benefits costs.

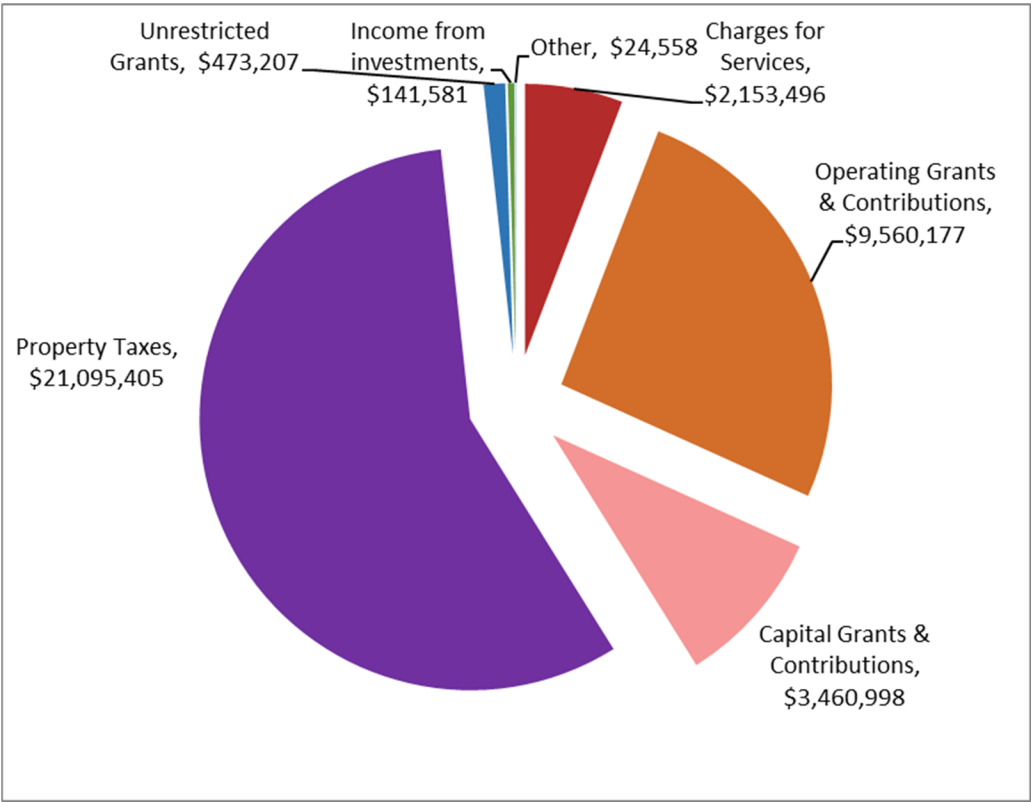
Expenses and Program Revenues (Net) - Governmental Activities



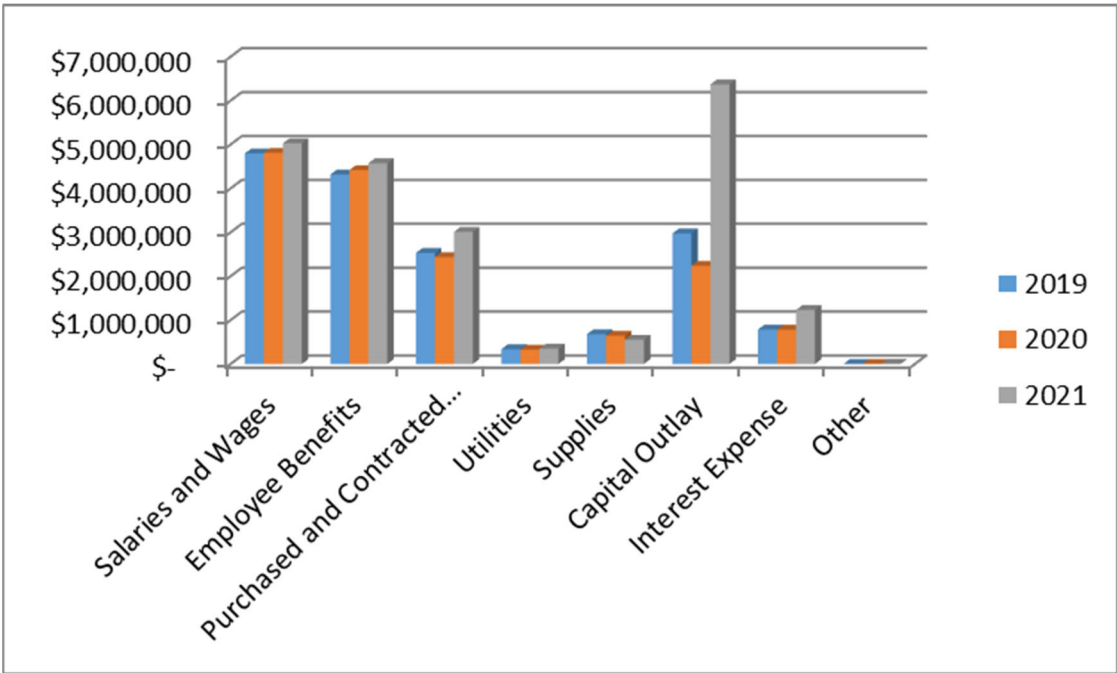
The above represents the percentage of net cost by function as presented in the statement of activities (Exhibit B). In most cases, the above chart represents the true cost of the departments because we have offset the costs by the revenues derived by those departments. For example, the net cost of Education of \$10,013,156 includes expenses of \$19,599,685 offset by charges for services of \$43,185 and operating grants and contributions (including the Education Cost sharing grant) of \$9,543,344.

The statement of activities requires that we report capital grants, which often offset capital outlay and not operating expenses. Therefore, in this particular case, capital grants tend to distort the net costs in the statement of activities.

Revenues by Source



The chart above reflects the sources of revenue for the fiscal year, which provide the services the taxpayers of Thomaston receive. Property taxes of \$21,095,405 (57.15%) is the major source of revenue, followed by operating grants and contributions of \$9,560,177 (25.90%), capital grants and contributions of \$3,460,998 (9.38%), charges for services of \$2,153,496 (5.83%), unrestricted grants of \$473,207 (1.28%), and the remaining \$166,139 (0.45%) is made up of income from investments and other revenue.



Management's Discussion and Analysis (continued)

The previous chart was derived directly from the classification of expenses in the Town's chart of accounts on a government-wide basis excluding the Board of Education operating budget and the education grant fund for fiscal years 2021, 2020 and 2019. The overall trend is level spending. The large increase in capital outlay is due to the road construction and Woodbridge Lane pump station projects.

Capital outlay includes construction, building improvements, improvements to roads and other infrastructure assets, vehicles and machinery and equipment purchases. Purchased and contracted services include professional and technical services such as data processing, legal fees, repairs and maintenance, water, telephone, advertising, dues and rental of equipment. Supplies include general supplies, postage, gas, diesel and oil, sand and salt and other infrastructure materials.

Financial analysis of the Town's funds

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,881,569. GASB No. 54 requires that fund balance be reported in one of five categories: nonspendable, restricted, committed, assigned or unassigned. At the end of the current fiscal year the fund balance for each category was as follows:

Nonspendable	\$ 170,200
Restricted	5,594,923
Committed	2,947,627
Assigned	812,340
Unassigned	<u>(1,643,521)</u>
Total	<u>\$ 7,881,569</u>

The Town has a nonspendable balance that has been reserved to generate income to pay for the perpetual care of Kenea Park and the municipal cemetery, and to generate income for various projects at the Fire Department.

The total fund balances decreased by \$991,877. This was substantially due to negative operations of the capital or nonrecurring fund of \$1,585,740, offset by the positive operations of the general fund of \$651,999.

General Fund. The general fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$5,503,803. As a measure of the general fund's liquidity, it is useful to compare unassigned fund balance to total fund revenue. Unassigned fund balance represents 20.19% of total budgetary actual general fund expenditures and transfers out.

The fund balance of the Town's general fund increased \$651,999 during the current fiscal year. This was due to the Town revenues exceeding the amount budgeted by \$640,781, offset by \$310,571 appropriated to balance the budget combined with under expenditure of various departments totaling \$321,789. The details of these variances are discussed under budgetary highlights.

Management's Discussion and Analysis (continued)

A comparative analysis of the general fund (GAAP basis) is shown below.

General Fund For the Years Ended June 30

	2021	2020	Increase (Decrease)
Revenues:			
Property taxes	\$ 21,145,103	\$ 20,826,558	\$ 318,545
Charges for services	498,041	397,598	100,443
Intergovernmental	8,145,014	8,471,447	(326,433)
Income from investments	18,850	78,001	(59,151)
Other	24,558	48,047	(23,489)
Total revenues	29,831,566	29,821,651	9,915
Expenditures:			
General government	3,658,061	3,695,596	(37,535)
Public safety	1,940,570	1,802,838	137,732
Public works	1,928,297	1,897,836	30,461
Health and welfare	101,282	96,423	4,859
Culture and recreation	468,623	476,815	(8,192)
Housing and development	186,019	193,529	(7,510)
Education	16,823,518	17,108,300	(284,782)
Total expenditures	25,106,370	25,271,337	(164,967)
Excess (deficiency) of revenues over expenditures	4,725,196	4,550,314	174,882
Other financing sources (uses):			
Transfers in	15,000	15,000	-
Transfers out	(4,088,197)	(3,867,441)	(220,756)
Net other financing sources (uses)	(4,073,197)	(3,852,441)	(220,756)
Net change in fund balances	\$ 651,999	\$ 697,873	\$ (45,874)

Revenues:

- Property taxes increased by \$318,545 due to an increase in the adopted budget and, therefore, the related tax levy.
- Intergovernmental revenue decreased by \$326,433 due to a decrease in the State Teachers' pension on behalf amount of \$193,651 and a decrease in the education cost sharing grant of \$22,992.

Expenditures

- Public safety expenditures increased by \$137,732 from the prior year due to additional personnel and overtime to cover for an employee out on workmen's compensation.
- Education expenditures decreased by \$284,782 due to a decrease in budgeted amounts and a decrease in on behalf payments for State Teachers' pension and OPEB.

General Fund Budgetary Highlights

Significant budget transfers and additional appropriations made during the year were as follows:

- There were additional appropriations of fund balance totaling \$310,571 for the transfer to capital or nonrecurring fund for the purchase/lease of three public works trucks (\$237,898) and an additional transfer to the Education 2% non-lapsing fund for the 2019-2020 fiscal year (\$72,673).
- Transfers out to the capital or nonrecurring fund budget was increased by \$253,853, for the purchase/lease of three public works trucks, a car and an ADA lift at the library. Additional details on budget transfers can be found in RSI 1B.

Small Cities Fund. The Small Cities fund provides residential loan assistance and commercial economic development loans to qualifying citizens and Town businesses. The Town started receiving Federal funds for this program in 1985. The Small Cities funded activities must meet one of three national objectives: (1) benefit low and moderate income persons; (2) aid in the prevention or elimination of slums or blight; or (3) meet community development needs having a particular urgency. The Town provided new residential loans in the amount of \$69,037. The ending loan balance was \$817,242 (net of an allowance for uncollectible loans).

Capital or Nonrecurring Fund. This fund accounts for the financial revenues including resources from borrowing to be used for major capital asset construction and/or purchases and items, which are reserved for special purposes. A summary of the projects can be found in Note II.C. of the notes to financial statements. The capital or nonrecurring fund's expenditures and other financing uses exceeded its revenues and other financing sources by \$1,585,740, primarily due to project expenditures being funded with \$4,000,000 of short-term financing (BANS) that will be permanently financed in a subsequent fiscal year.

Debt Service Fund. This fund accounts for financial resources to be used for current and future principal and interest payments for long-term debt. As part of the Town's capital improvement policy, the Town committed to funding a minimum annual appropriation of \$2,800,000 into the Debt Service Fund to minimize a mill rate impact of an expected significant increase in debt service in future budget years. The assigned fund balance totals \$625,779. The debt service fund had negative operations of \$193,681 due to debt service expenditures in excess of revenues and other financing sources as planned during the budget process.

Capital assets and debt administration

Capital assets. The Town's investment in capital assets amounts to \$69,650,937 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, land improvements, machinery and equipment, vehicles, sewer lines, roads, bridges, sidewalks and storm drains. The total increase in the Town's investment in capital assets for the current fiscal year was \$3,268,928 (4.92%).

**Capital Assets
(Net of Accumulated Depreciation)
June 30**

	<u>2021</u>	<u>2020</u>
Land	\$ 1,341,961	\$ 1,341,961
Construction in progress	6,308,289	2,289,984
Buildings	30,055,339	31,046,560
Land improvements	3,447,320	3,537,467
Machinery and equipment	5,802,669	5,519,798
Vehicles	2,592,359	2,047,902
Infrastructure	<u>20,103,000</u>	<u>20,598,337</u>
Total	<u>\$ 69,650,937</u>	<u>\$ 66,382,009</u>

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

- Construction in progress:
 - Road construction and Woodbridge pump station \$2,830,247
 - Hickory Hill Road 1,777,384
- Machinery and equipment:
 - Security system 600,160
- Vehicles:
 - Ambulance 221,923
 - International dump truck 202,146

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

Long-term debt. At the end of the current fiscal year, the Town had total bonded debt outstanding of \$19,735,000. All debt is backed by the full faith and credit of the Town. The remainder of the Town's debt represents notes totaling \$1,746,943 funded by the State of Connecticut Clean Water Fund and equipment financing notes, and unamortized bond premium of \$554,750.

Outstanding Debt Long-Term Obligations June 30		
	2021	2020
General obligation bonds	\$ 19,735,000	\$ 21,715,000
Notes	1,746,943	1,916,244
Premium	554,750	626,508
Total	<u>\$ 22,036,693</u>	<u>\$ 24,257,752</u>

The Town's total debt decreased by \$2,221,059 due to scheduled principal payments of \$2,581,380 offset by the issuance of notes in the amount of \$432,079.

The Town maintains a "AA" rating from Standard and Poor's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total prior year tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the Town is \$145,505,136, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note III. G.

Economic factors and next year's budget and rates

- The unemployment rate for the Town is currently 5.7%, which is down from 8.0% one year ago. The Town's rate is favorable compared to the State rate of 7.7% and the Hartford labor market rate of 7.0%. The Town is slightly below the national average of 5.9%.
- The Town is under even greater fiscal pressure from voter opposition in the tax levy. Voter opposition remains regardless of the fact that the Town has no control over its significant revenue sources other than property taxes. The Town faces cost increases from contractual obligations and fixed costs as well as significant decreases in revenue from the State of Connecticut and failed budgets will only result in loss of services, personnel and infrastructure improvements.
- The potential impact of the pandemic on the local economy, businesses and Town revenues is being continually monitored. For fiscal year 2021, there was a negative impact on income from investments, but other revenues such as conveyance taxes were positively impacted. The Town did not see any impact on tax collections for the prior fiscal year and there is no indication that there will be an impact on 2022 collections.

These factors were considered in preparing the Town's budget for the 2021-2022 fiscal year.

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 financial information should be addressed to the Finance Director, Tracy Decker, Town of Thomaston, CT 158 Main Street, Thomaston, CT 06787.

Basic Financial Statements

Town of Thomaston, Connecticut

Statement of Net Position
Governmental Activities
June 30, 2021

Assets

Current assets:	
Cash	\$ 1,623,408
Investments	17,225,795
Receivables (net):	
Property taxes	284,183
Assessments/use charges	71,501
Loans	59,535
Intergovernmental	460,603
Other	90,856
Other	16,993
Total current assets	<u>19,832,874</u>
Noncurrent assets:	
Restricted assets:	
Temporarily restricted:	
Investments	112,201
Permanently restricted:	
Investments	<u>170,200</u>
Total restricted assets	<u>282,401</u>
Receivables (net):	
Property taxes	234,456
Assessments/use charges	80,628
Loans	<u>757,707</u>
Total receivables (net)	<u>1,072,791</u>
Net pension asset	<u>40,956</u>
Capital assets (net of accumulated depreciation):	
Land	1,341,961
Construction in progress	6,308,289
Buildings	30,055,339
Land improvements	3,447,320
Machinery and equipment	5,802,669
Vehicles	2,592,359
Infrastructure	<u>20,103,000</u>
Total capital assets (net of accumulated depreciation)	<u>69,650,937</u>
Total noncurrent assets	<u>71,047,085</u>
Total assets	<u>90,879,959</u>

Deferred Outflows of Resources

Pension related	424,214
OPEB related	<u>2,780,035</u>
Total deferred outflows of resources	<u>3,204,249</u>

(Continued)

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

Statement of Net Position
Governmental Activities
June 30, 2021

Liabilities

Current liabilities:	
Accounts payable	\$ 1,375,597
Retainage payable	198,003
Accrued payroll	1,059,921
Unearned revenue	6,002,208
Accrued interest payable	198,868
Bond anticipation notes	4,000,000
Bonds and notes payable	2,004,727
Compensated absences	102,668
Termination benefits	122,973
	<hr/>
Total current liabilities	15,064,965
Noncurrent liabilities:	
Bonds and notes payable and related liabilities	20,031,966
Net OPEB liability	21,552,699
Compensated absences	581,782
Termination benefits	102,650
	<hr/>
Total noncurrent liabilities	42,269,097
	<hr/>
Total liabilities	57,334,062

Deferred Inflows of Resources

Deferred charge on refunding	386,429
Pension related	2,359,083
OPEB related	3,240,887
	<hr/>
Total deferred inflows of resources	5,986,399

Net Position

Net investment in capital assets	43,029,812
Restricted for:	
Endowments:	
Nonexpendable	65,700
Expendable	40,631
Perpetual care:	
Nonexpendable	104,500
Expendable	71,570
Construction contracts	4,047,493
Housing rehabilitation	923,178
Public safety	30,117
Sewer operations	310,711
Education	154,325
Library	5,490
Other	11,408
Unrestricted	(18,031,188)
	<hr/>
Total net position	\$ 30,763,747

(Concluded)

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

Statement of Activities
Governmental Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net Expenses and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General government	\$ 1,231,754	\$ 248,467	\$ 5,500	\$ 59,605	\$ (918,182)
Public safety	3,082,932	260,540	-	46,674	(2,775,718)
Public works	4,597,714	1,504,333	-	3,234,899	141,518
Health and welfare	213,994	-	11,333	37,767	(164,894)
Culture and recreation	981,339	9,181	-	64,283	(907,875)
Housing and development	297,236	87,790	-	17,770	(191,676)
Education	19,599,685	43,185	9,543,344	-	(10,013,156)
Interest	732,829	-	-	-	(732,829)
Total	<u>\$ 30,737,483</u>	<u>\$ 2,153,496</u>	<u>\$ 9,560,177</u>	<u>\$ 3,460,998</u>	<u>(15,562,812)</u>
General revenues:					
Property taxes					21,095,405
Grants and contributions not restricted to specific programs					473,207
Income from investments					141,581
Other					<u>24,558</u>
Total general revenues					<u>21,734,751</u>
Change in net position					6,171,939
Net position - July 1, 2020 (as restated)					<u>24,591,808</u>
Net position - June 30, 2021					<u>\$ 30,763,747</u>

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

Balance Sheet
Governmental Funds
June 30, 2021

	General	Small Cities	Capital or Nonrecurring	Debt Service	Other Governmental Funds	Total
<u>Assets</u>						
Cash	\$ 564,680	\$ 93,879	\$ -	\$ -	\$ 964,849	\$ 1,623,408
Investments	15,276,025	15,478	3,864	448,679	1,764,150	17,508,196
Receivables (net):						
Property taxes	415,356	-	-	-	-	415,356
Assessments/use charges	-	-	-	-	123,883	123,883
Loans	-	817,242	-	-	-	817,242
Intergovernmental	-	-	128,205	-	332,398	460,603
Other	62,609	-	-	-	28,247	90,856
Due from other funds	2,345,997	-	9,957,419	4,178,550	449,385	16,931,351
Other	7,751	-	-	-	9,242	16,993
Total assets	<u>\$ 18,672,418</u>	<u>\$ 926,599</u>	<u>\$ 10,089,488</u>	<u>\$ 4,627,229</u>	<u>\$ 3,672,154</u>	<u>\$ 37,987,888</u>
<u>Liabilities</u>						
Accounts payable	\$ 1,057,405	\$ 3,421	\$ 116,730	\$ 1,450	\$ 196,591	\$ 1,375,597
Retainage payable	-	-	198,003	-	-	198,003
Accrued payroll	1,015,392	-	-	-	44,529	1,059,921
Due to other funds	10,427,691	-	1,941,632	4,000,000	562,028	16,931,351
Unearned revenue	66,210	-	5,801,344	-	134,654	6,002,208
Bond anticipation notes	-	-	4,000,000	-	-	4,000,000
Total liabilities	<u>12,566,698</u>	<u>3,421</u>	<u>12,057,709</u>	<u>4,001,450</u>	<u>937,802</u>	<u>29,567,080</u>
<u>Deferred Inflows of Resources</u>						
Unavailable revenue - property taxes	415,356	-	-	-	-	415,356
Unavailable revenue - assessments/use charges	-	-	-	-	123,883	123,883
Total deferred inflows of resources	<u>415,356</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,883</u>	<u>539,239</u>
<u>Fund Balances</u>						
Nonspendable	-	-	-	-	170,200	170,200
Restricted	-	923,178	4,047,493	-	624,252	5,594,923
Committed	-	-	1,114,632	-	1,832,995	2,947,627
Assigned	186,561	-	-	625,779	-	812,340
Unassigned	5,503,803	-	(7,130,346)	-	(16,978)	(1,643,521)
Total fund balances	<u>5,690,364</u>	<u>923,178</u>	<u>(1,968,221)</u>	<u>625,779</u>	<u>2,610,469</u>	<u>7,881,569</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,672,418</u>	<u>\$ 926,599</u>	<u>\$ 10,089,488</u>	<u>\$ 4,627,229</u>	<u>\$ 3,672,154</u>	<u>\$ 37,987,888</u>

(Continued)

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

Reconciliation of Fund Balance to Net Position
June 30, 2021

Amounts reported in the statement of net position (Exhibit A) are different from the governmental funds balance sheet due to:

Total fund balance (Exhibit C, page 1)	<u>\$ 7,881,569</u>
--	---------------------

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

Beginning capital assets	66,382,009
Current year additions (net of construction in progress)	5,493,788
Depreciation expense	<u>(2,224,860)</u>
 Total	 <u>69,650,937</u>

Other long-term assets are not available resources and, therefore, are not reported in the funds:

Net pension asset	<u>40,956</u>
-------------------	---------------

Other long-term assets and deferred outflows of resources are not available resources and, therefore, are not reported in the funds:

Property tax, sewer use and sewer assessment interest and lien accrual	288,529
Allowance for doubtful accounts	(157,000)
Deferred outflows related to pensions	424,214
Deferred outflows related to OPEB	<u>2,780,035</u>
 Total	 <u>3,335,778</u>

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

Property tax, sewer use and sewer assessment receivable - accrual basis change	<u>539,239</u>
--	----------------

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

Bonds and notes payable	(21,481,943)
Premium	(554,750)
Net OPEB liability	(21,552,699)
Compensated absences	(684,450)
Termination benefits	(225,623)
Accrued interest payable	(198,868)
Deferred charge on refunding	(386,429)
Deferred inflows related to pensions	(2,359,083)
Deferred inflows related to OPEB	<u>(3,240,887)</u>
 Total	 <u>(50,684,732)</u>

Net position (Exhibit A)	<u><u>\$ 30,763,747</u></u>
--------------------------	-----------------------------

(Concluded)

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021**

	General	Small Cities	Capital or Nonrecurring	Debt Service	Other Governmental Funds	Total
Revenues:						
Property taxes	\$ 21,145,103	\$ -	\$ -	\$ -	\$ -	\$ 21,145,103
Charges for services	498,041	-	84,607	-	1,586,315	2,168,963
Intergovernmental	8,145,014	-	3,045,693	-	2,127,206	13,317,913
Contributions	-	-	84,511	-	91,958	176,469
Income from investments	18,850	8	12	966	29,226	49,062
Net change in fair value of investments	-	-	-	-	92,519	92,519
Other	24,558	-	-	-	-	24,558
Total revenues	29,831,566	8	3,214,823	966	3,927,224	36,974,587
Expenditures:						
Current:						
General government	3,658,061	-	54,775	-	13,071	3,725,907
Public safety	1,940,570	-	97,119	-	9,158	2,046,847
Public works	1,928,297	-	84,118	-	1,566,941	3,579,356
Health and welfare	101,282	-	-	-	81,017	182,299
Culture and recreation	468,623	-	100,845	-	30,401	599,869
Housing and development	186,019	13,130	2,798	-	-	201,947
Education	16,823,518	-	40,661	-	2,273,173	19,137,352
Debt service	-	-	143,411	3,287,767	-	3,431,178
Capital outlay	-	-	5,235,486	-	258,302	5,493,788
Total expenditures	25,106,370	13,130	5,759,213	3,287,767	4,232,063	38,398,543
Excess (deficiency) of revenues over expenditures	4,725,196	(13,122)	(2,544,390)	(3,286,801)	(304,839)	(1,423,956)
Other financing sources (uses):						
Issuance of notes	-	-	432,079	-	-	432,079
Transfers in	15,000	-	606,923	3,093,120	631,311	4,346,354
Transfers out	(4,088,197)	-	(80,352)	-	(177,805)	(4,346,354)
Net other financing sources (uses)	(4,073,197)	-	958,650	3,093,120	453,506	432,079
Net change in fund balances	651,999	(13,122)	(1,585,740)	(193,681)	148,667	(991,877)
Fund balances - July 1, 2020 (as restated)	5,038,365	936,300	(382,481)	819,460	2,461,802	8,873,446
Fund balances - June 30, 2021	\$ 5,690,364	\$ 923,178	\$(1,968,221)	\$ 625,779	\$ 2,610,469	\$ 7,881,569

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021**

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

Net change in fund balances - total governmental funds (Exhibit D)	<u>\$ (991,877)</u>
--	---------------------

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	5,493,788
Depreciation expense	<u>(2,224,860)</u>

Total	<u>3,268,928</u>
-------	------------------

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

Notes receivable (sewer)	(7,929)
Change in property tax, sewer use and sewer assessment receivable - accrual basis change	(121,305)
Change in property tax, sewer use and sewer assessment interest and lien revenue	<u>64,069</u>

Total	<u>(65,165)</u>
-------	-----------------

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

Debt issued or incurred:	
General obligation bonds and notes	(432,079)
Principal repayments:	
General obligation bonds	1,980,000
Notes payable	<u>601,380</u>

Total	<u>2,149,301</u>
-------	------------------

(Continued)

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021**

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	\$ 71,758
Change in:	
Net pension liability (asset)	3,142,255
Net OPEB liability	180,377
Compensated absences	129,665
Termination benefits	78,006
Accrued interest payable	35,658
Amortization of deferred charges on refunding	9,553
Amortization of deferred outflows of resources related to pension and OPEB	1,349,581
Amortization of deferred inflows of resources related to pension and OPEB	<u>(3,186,101)</u>
Total	<u>1,810,752</u>
Change in net position (Exhibit B)	<u>\$ 6,171,939</u>
	(Concluded)

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

<u>Assets</u>	<u>Pension and OPEB Trust Funds</u>	<u>Private- Purpose Trust Funds</u>	<u>Custodial Fund</u>
Cash	\$ -	\$ 660	\$ -
Investments:			
Certificates of deposit	-	6,892	-
Mutual funds/exchange traded funds:			
Money market	138,409	-	20,051
Equity	14,068,891	-	1,159,264
Bond	7,677,384	-	641,487
Real estate investment trust	1,105,872	-	91,749
Total investments	<u>22,990,556</u>	<u>6,892</u>	<u>1,912,551</u>
Total assets	<u>22,990,556</u>	<u>7,552</u>	<u>1,912,551</u>
<u>Net Position</u>			
Restricted for:			
Pension benefits	22,488,813	-	-
OPEB benefits	501,743	-	-
Individuals and organizations	<u>-</u>	<u>7,552</u>	<u>1,912,551</u>
Total net position	<u>\$ 22,990,556</u>	<u>\$ 7,552</u>	<u>\$ 1,912,551</u>

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

	Pension and OPEB Trust Funds	Private- Purpose Trust Funds	Custodial Fund
Additions:			
Contributions:			
Employer	\$ 1,389,472	\$ -	\$ 40,000
Plan members	137,447	-	-
Total contributions	1,526,919	-	40,000
Investment income (loss):			
Net change in fair value of investments	3,934,701	-	319,271
Interest and dividends	772,132	32	73,987
Total investment income (loss)	4,706,833	32	393,258
Less investment expenses	51,450	-	6,774
Net investment income (loss)	4,655,383	32	386,484
Total additions	6,182,302	32	426,484
Deductions:			
Benefits	1,983,099	-	79,733
Administration	29,976	-	-
Awards	-	210	-
Total deductions	2,013,075	210	79,733
Changes in net position	4,169,227	(178)	346,751
Net position - July 1, 2020 (as restated)	18,821,329	7,730	1,565,800
Net position - June 30, 2021	\$ 22,990,556	\$ 7,552	\$ 1,912,551

The notes to financial statements are an integral part of this statement.

Town of Thomaston, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2021****History and organization**

The Town of Thomaston, Connecticut ("Town") was incorporated July 6, 1875, and operates under the provisions of the General Statutes of the State of Connecticut. The legislative power of the Town is vested in a Board of Selectmen and the Town Meeting. The Town provides the following services: Public Safety (police, fire and ambulance), Public Works (streets and solid waste), Public Health and Welfare, Culture and Recreation (parks, programs and public library), Housing and Development (building and land use) and Education encompassing grades PreK-12.

The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The Town is financially accountable for the pension and OPEB trust funds; therefore, the pension and OPEB trust funds are considered fiduciary component units. The financial statements of the fiduciary component units are reported as pension and OPEB trust funds in the fiduciary fund financial statements. The pension and OPEB trust funds do not issue separate financial statements.

I. Summary of significant accounting policies**A. 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. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

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

B. 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 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers tax revenues to be available if they are collected by the end of the current fiscal period. For reimbursement grants, intergovernmental grants, charges for services and interest the Town considers revenues to be available if they are collected within one year of the end of the current fiscal period.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

B. Measurement focus, basis of accounting and financial statement presentation (continued)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and OPEB benefits, certain other employee benefits, and certain other long-term liabilities, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Expenditure reimbursement type grants, charges, certain intergovernmental revenues, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund	Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
Small Cities Fund	Accounts for the revolving loans for commercial and residential use under the Federal program administered by the Department of Economic and Community Development. Revenue consists of interest due on loan repayments and investment income.
Capital or Nonrecurring Fund	Accounts for the financial revenues to be used for major capital asset construction and/or purchases and items, which are reserved for special purposes.
Debt Service Fund	Accounts for the accumulation of resources for, and the payment of, long-term debt, principal, interest and related costs.

Additionally, the Town reports the following fund types:

Special Revenue Funds	Accounts for and report the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes other than debt.
Capital Project Funds	Accounts for and report resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.
Permanent Funds	Report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the Town's programs.
Pension Trust Funds	Accounts for the activities of the Town's Employees' Retirement System, which accumulates resources for pension benefit payments to qualified employees.
OPEB Trust Funds	Accounts for the activities of the Town OPEB Plan, which accumulate resources for OPEB benefits.
Private-Purpose Trust Funds	Accounts for resources legally held in trust for educational purposes.
Custodial Funds	Accounts for monies held for the volunteer firefighters' award program.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are charges between the Town's sewer usage fund and the various other functions of the Town. 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, including special assessments, 2) operating grants and contributions and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Town of Thomaston pension and OPEB plans, the Connecticut State Teachers' Retirement System ("TRS") and the Connecticut State Retiree Health Insurance Plan ("RHIP") have been determined on the same basis as they are reported by the Town of Thomaston pension and OPEB plans, TRS, and RHIP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

C. Assets, liabilities, deferred outflows/inflows of resources and equity**1. Deposits and investments****a. Deposits**

The Town considers cash as cash on hand and demand deposits.

b. Investments

In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. For the capital nonrecurring fund, not more than 31% can be invested in equity securities. Investment income is recorded in the fund in which it was earned.

State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c - 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The Town's pension and OPEB funds have adopted a formal investment policy that defines allowable investments, prohibited investments, prohibited transactions, asset allocation guidelines, diversification guidelines and fixed income and cash guidelines.

Pension fund investments may be invested in fixed income, equities, and real estate. Professional investment managers are employed to manage the assets allocated to them. The Retirement Plan Committee, as trustee of the pension plan, is responsible for overall investment policy.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

The target asset allocation for the pension fund and the other post-employment benefits fund are as follows:

Asset Class	Target Allocation	
	Pension	OPEB
Fixed income	40.00%	40.00%
Equity	55.00%	55.00%
Real estate	5.00%	5.00%
Total	100.00%	100.00%

There are also minimum and maximum target levels defined.

c. Method used to value investments

Investments for the Town are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Fair value of investments

The Town measures and records its investments using fair value measurement guidelines established by accounting principles generally accepted in the United States of America (GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1	Quoted prices for identical investments in active markets
Level 2	Quoted prices for identical investments in markets that are not active
Level 3	Unobservable inputs

d. Risk policies

Interest rate risk	Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. 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.
Credit risk	Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. 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 Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

Concentration of credit risk	Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital in any one depository.
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 of its investment or collateral securities that are in the possession of an outside party. The Town does not have a formal policy with respect to custodial credit risk.
Foreign currency risk	Foreign currency risk is the risk that the value of the investment may be affected by changes in the rate of exchange. The Town does not have a formal policy with respect the foreign currency risk.

2. Receivables and payables**a. Interfunds**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

b. Property taxes and other receivables

In the government-wide financial statements, all trade, property tax, sewer use, sewer assessment and loan receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 2 to 24% of outstanding receivable balances and are calculated based upon prior collections.

Loan receivables consist of low interest bearing loans to Town residents and businesses primarily for residential rehabilitation and economic development. The loans were provided through the State Department of Economic and Community Development Small Cities grant program.

In the fund financial statements, all property taxes receivable at June 30, which have not been collected by June 30, have been recorded as a deferred inflow of resources since they are not considered to be available to finance expenditures of the current year.

Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date.

3. Restricted assets

The restricted assets of the Town are restricted for endowment and perpetual care purposes determined by the donor requests.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**4. Capital assets**

Capital assets, which include construction in progress, property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

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

<u>Asset Class</u>	<u>Years</u>
Buildings	100
Land improvements	20-50
Machinery and equipment	3-40
Intangible assets	10
Vehicles	8-15
Infrastructure:	
Roads	50-75
Sewer lines	65
Storm drains	65

5. 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 represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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 represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide statements for differences between expected and actual experience, changes in assumptions, and net difference between projected and actual earnings on plan investments. The deferred outflow or inflow related to differences between expected and actual experience and changes in assumptions will be amortized over the average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period.

Town of Thomaston, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2021****C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

Deferred inflows of resources also include deferred inflows relating to advance refunding of debt. These amounts are deferred and are amortized over the shorter of the life of the old or new debt.

Advance tax collections represent taxes associated with a future period. This amount is recognized during the period in which the revenue is associated.

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from several sources: property taxes (including advance collections, if any), and sewer assessment and use charges. These amounts are recognized as an inflow of resources in the period that the amounts become available.

6. Compensated absences

All employees are granted vacation and sick time based upon contractual provisions. Employees are not permitted to carry vacation days from one calendar year to the next without prior approval. Board of Education employees are paid vacation on a fiscal year basis and, therefore, unused vacation lapses at June 30. Town employees are paid vacation on an anniversary date basis and, therefore, a liability for unused vacation has been recorded. Certified employees at the Board of Education may accumulate up to 165 days of unused sick time. Employees are one-third vested with 20 - 24 years of service and two-thirds vested with 25 or more years of service. Unused sick time does not accumulate for certified employees hired after July 1, 1992.

For employees other than certified teachers, sick leave accrues at the rate of 1¼ days per month, cumulative to a maximum of 100 days. Upon the death or retirement of an employee an amount will be due equal to the accumulated sick days times the rate of pay per day of such employee at the time of such death or retirement. Employees who resign or are terminated are not entitled to their unused sick days. Police officers hired after July 1, 2005 are entitled to 45% up to a maximum of 50 days; public works employees hired after January 1, 2006 are entitled to 50% up to a maximum of 50 days; and sewer and white collar employees hired after July 1, 2005 are not entitled to the benefit. Compensated absences are only reported in governmental funds if they are due and payable to an employee who has resigned or retired before or at fiscal year end.

7. Termination benefits

Termination benefits represent the present value of future benefits to be paid to former employees. Certain Board of Education employees were granted retirement awards based on years of service and other provisions in their contracts. A liability for these amounts has been recorded in the government-wide financial statements.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**8. Long-term liabilities**

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

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.

9. Fund equity and net position

In the government-wide financial statements, net position is classified into the following categories:

Net Investment in Capital Assets	This category presents the net position that reflects capital assets net of depreciation and net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded.
Restricted Net Position	This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).
Unrestricted Net Position	The category presents the net position of the Town, which is not classified in the preceding two categories.

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

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable	This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
Restricted	This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.
Committed	This category presents amounts that can be used only for specific purposes established, modified or rescinded through resolutions approved by Town Meeting for capital and appropriation and Board of Finance for special revenue and other commitments.
Assigned	This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the passage of a resolution by the Board of Finance or a properly approved purchase order.
Unassigned	This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Finance has provided otherwise in its commitment or assignment actions.

Minimum fund balance policy

The Board of Finance adopted a minimum fund balance policy for the general fund. The policy is that Town Boards shall propose budgets that provide for the unassigned fund balance at fiscal year-end to be not less than 5% nor more than 10% of the total operating general fund expenditures.

Town of Thomaston, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2021****C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)****10. Use of estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred outflows and inflows of resources including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Actual results could differ from those estimates.

11. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

II. Stewardship, compliance and accountability**A. Basis of budgeting**

Only the General Fund has a legally adopted annual budget.

The Town uses the budgetary basis of accounting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation. 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 the budgetary statements included as required supplementary information.

Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Donor-restricted endowments

The Town has received certain endowments for the maintenance of Edith Kenea Park, the Hillside Cemetery and fire department operation purposes. The amounts are reflected in net position as restricted for endowments and perpetual care. Investment income (including appreciation) is approved for expenditure by the individual Boards. The amount of appreciation (depreciation) included in fund balance of the Hillside Cemetery Trust was \$218,462.

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

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Capital or nonrecurring project authorizations

The following is a summary of capital or nonrecurring projects:

	Project Authorization	Current Year Expenditures*	Cumulative Expenditures	Balance June 30, 2021
Assessors revaluation	\$ 665,137	\$ 35,142	\$ 593,764	\$ 71,373
Beautification: Seth Thomas Park sign	625	-	171	454
Education projects	880,940	122,420	844,152	36,788
Bradstreet house repairs	16,320	-	15,282	1,038
Christmas lights-reserve	12,000	-	10,000	2,000
Emergency management projects	23,939	190	19,546	4,393
Energy efficiency project	3,177,835	11,098	3,159,857	17,978
Fire department projects	370,780	80,711	327,535	43,245
Grove manor chimney swift roost	29,462	-	29,605	(143)
Inland wetland engineering	36,083	2,798	17,363	18,720
Kenea park clock restoration	16,000	-	13,150	2,850
K-9 donation reserves	14,297	-	11,244	3,053
Library projects	82,965	64,049	82,944	21
NAA grants	23,670	2,980	2,980	20,690
Opera house projects	20,422	8,731	8,731	11,691
Park bench wood repairs	1,125	-	889	236
Police department projects	496,002	34,933	356,104	139,898
Public works department projects	18,117,793	3,218,383	17,887,288	230,505
Recreation department projects	10,000	-	-	10,000
Registrar computer upgrade	1,495	1,495	1,495	-
Roofs engineering repairs	4,142,099	-	4,073,137	68,962
Selectmen department projects	6,005	6,005	6,005	-
Senior Center - CT Community Foundation grant	1,400	-	1,320	80
Seth Thomas park	9,653	7,600	8,100	1,553
Skate park proceeds	1,090	-	-	1,090
Social services reserve	21,172	-	-	21,172
Street lights	20,879	3,829	9,868	11,011
Town-wide sick pay reserve	877,555	-	873,691	3,864
Track committee	3,344,373	17,485	3,321,350	23,023
Town hall projects	546,291	6,850	414,827	131,464
TVAC projects	29,925	-	18,242	11,683
WPCA projects	1,640,000	-	1,281,734	358,266
Totals	<u>\$ 34,637,332</u>	<u>\$ 3,624,699</u>	<u>\$ 33,390,374</u>	<u>\$ 1,246,958</u>

* Includes \$80,352 of transfers out.

The Grove manor chimney swift roost project was over expended due to unanticipated costs related to the drafting of bid specifications. The Town will increase this project's authorization at a future meeting.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

III. Detailed notes**A. Cash and investments****1. Deposits – custodial credit risk**

At year end, the Town's bank balance of \$8,738,641 (including certificates of deposit and bank money market funds) was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 6,053,980
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>2,184,661</u>
Total amount subject to custodial credit risk	<u><u>\$ 8,238,641</u></u>

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

2. Investments

- a. The Town's investments (including restricted investments) consisted of the following investment types and maturities. Specific identification was used to determine the maturities.

Type of Investment	Fair Value	Investment Maturities (In Years)		
		N/A	Less Than 1	5-10 Years
Certificates of deposit	\$ 266,375	\$ -	\$ 266,375	\$ -
Bank money market funds	8,472,266	-	8,472,266	-
Pooled fixed income	8,104,459	-	8,104,459	-
Mutual funds/exchange traded funds:				
Money market	155,460	-	155,460	-
Equity	15,794,598	15,794,598	-	-
Bond	8,321,871	-	-	8,321,871
Real estate investment trust	1,197,621	1,197,621	-	-
Totals	<u><u>\$42,418,195</u></u>	<u><u>\$ 17,097,764</u></u>	<u><u>\$ 16,998,560</u></u>	<u><u>\$ 8,321,871</u></u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

A. Cash and investments (continued)

- b. The Town had the following recurring fair value measurement:

<u>Investments by fair value level</u>	<u>Amount</u>	<u>Quoted Market Prices in Active Markets Level 1</u>
Mutual funds/exchange traded funds:		
Money market	\$ 155,460	\$ 155,460
Equity	15,794,598	15,794,598
Bond	8,321,871	8,321,871
Real estate investment trust	1,197,621	1,197,621
Common stock	<u>105,545</u>	<u>105,545</u>
Total investments by fair value level	<u>25,575,095</u>	<u>\$ 25,575,095</u>
<u>Other investments</u>		
Certificates of deposit	266,375	
Bank money market funds	8,472,266	
Pooled fixed income	<u>8,104,459</u>	
Total other investments	<u>16,843,100</u>	
Total investments	<u>\$ 42,418,195</u>	

Level 1: Quoted prices for identical investments in active markets

- c. The Town's investments subject to credit risk have average ratings by Standard & Poor's as follows:

<u>Average Rating</u>	<u>Pooled Fixed Income</u>	<u>Mutual funds/exchange traded funds</u>	
		<u>Money Market</u>	<u>Bond</u>
AAA	\$ 8,104,459	\$ 155,460	\$ 4,408,791
AA	-	-	171,183
A	-	-	1,037,796
BBB	-	-	1,344,911
BB	-	-	406,735
B	-	-	750,153
Below B	<u>-</u>	<u>-</u>	<u>202,302</u>
Totals	<u>\$ 8,104,459</u>	<u>\$ 155,460</u>	<u>\$ 8,321,871</u>

d. Custodial credit risk

The investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, bonds, debentures, certificates of deposit and money market funds. The Town does not have any investments subject to custodial credit risk since the common stock is held in the Town's name.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

B. Receivables

Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables in the Town's financial statements with allowances for uncollectible accounts, including the applicable allowances for uncollectible accounts, are presented below.

	Property Taxes		
	Taxes	Interest and lien fees	Total
Current portion	<u>\$ 173,414</u>	<u>\$ 110,769</u>	<u>\$ 284,183</u>
Long-term portion	241,942	142,514	384,456
Less allowance for uncollectibles	<u>(100,000)</u>	<u>(50,000)</u>	<u>(150,000)</u>
Net long-term portion	<u>141,942</u>	<u>92,514</u>	<u>234,456</u>
Totals	<u>\$ 315,356</u>	<u>\$ 203,283</u>	<u>\$ 518,639</u>

	Sewer Use			CDBG Loans
	Use	Interest and lien fees	Total	
Current portion	<u>\$ 55,640</u>	<u>\$ 15,861</u>	<u>\$ 71,501</u>	<u>\$ 59,535</u>
Long-term portion	68,243	19,385	87,628	857,707
Less allowance for uncollectibles	<u>(5,500)</u>	<u>(1,500)</u>	<u>(7,000)</u>	<u>(100,000)</u>
Net long-term portion	<u>62,743</u>	<u>17,885</u>	<u>80,628</u>	<u>757,707</u>
Totals	<u>\$ 118,383</u>	<u>\$ 33,746</u>	<u>\$ 152,129</u>	<u>\$ 817,242</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Interfund accounts**1. Interfund payables and receivables**

The amounts due from and due to other funds were as follows:

	Corresponding Fund	Due From	Due To
General fund			
Capital or nonrecurring	N/A	\$ 1,941,632	\$ -
Debt service	N/A	-	4,178,550
Sewer commission usage fund	N/A	76,253	-
Education funds	N/A	205,558	277,718
Transfer station fund	N/A	8,335	-
Recreation funds	N/A	1,223	15,358
Gift fund	N/A	-	250
EMS fund	N/A	15,000	-
Hickory Hill road	N/A	-	5,955,815
Edith Kenea park and tree fund	N/A	1,482	-
Hillside cemetery trust fund	N/A	96,514	-
Total general fund		<u>2,345,997</u>	<u>10,427,691</u>
Capital or nonrecurring			
General fund	N/A	-	1,941,632
Debt service	N/A	4,000,000	-
Capital projects fund	N/A	1,604	-
Hickory Hill Road	N/A	5,955,815	-
Total capital or nonrecurring		<u>9,957,419</u>	<u>1,941,632</u>
Debt service			
General fund	N/A	4,178,550	-
Capital or nonrecurring	N/A	-	4,000,000
Total debt service		<u>4,178,550</u>	<u>4,000,000</u>
Other governmental funds			
Special revenue funds			
Sewer commission usage fund	General fund	-	76,253
Sewer commission usage fund	Capital projects fund	154,568	-
Education funds	General fund	277,718	205,558
Education funds	School activity fund	1,491	-
School activity fund	Education funds	-	1,491
Transfer station fund	General fund	-	8,335
Recreation funds	General fund	15,358	1,223
Gift fund	General fund	250	-
EMS fund	General Fund	-	15,000
Capital project funds			
Capital projects fund	Sewer commission usage fund	-	154,568
Capital projects fund	Capital or nonrecurring	-	1,604
Permanent funds			
Edith Kenea park and tree fund	General fund	-	1,482
Hillside cemetery trust fund	General fund	-	96,514
Total other governmental funds		<u>449,385</u>	<u>562,028</u>
Total		<u>\$16,931,351</u>	<u>\$16,931,351</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Interfund accounts (continued)

The debt service fund interfund balance is a result of amounts invested with general fund monies, to be used for the payment of bond anticipation notes in the capital or nonrecurring fund. The capital projects balances relate to the timing of the payment of vendor invoices and the reimbursement of the general fund. All other interfund balances resulted from the time lag between the dates payments occurred between funds for short-term internal financing or in instances where certain funds do not have a cash account.

2. Interfund transfers

A summary of interfund transfers for the fiscal year is as follows:

	Corresponding Fund	Transfers In	Transfers Out
General fund			
Capital or nonrecurring	N/A	\$ -	\$ 598,686
Debt service	N/A	-	3,093,120
Education fund	N/A	-	350,391
Recreation funds	N/A	-	10,000
Social services crisis fund	N/A	-	10,000
EMS fund	N/A	15,000	-
Hillside cemetery trust fund	N/A	-	26,000
Total general fund		15,000	4,088,197
Capital or nonrecurring			
General fund	N/A	598,686	-
Gift fund	N/A	8,237	-
Education fund	N/A	-	80,352
Total capital or nonrecurring		606,923	80,352
Debt service	General fund	3,093,120	-
Other governmental funds			
Special revenue funds			
Sewer commission usage fund	Capital projects fund	154,568	-
Education fund	General fund	350,391	-
Education fund	Capital or nonrecurring	80,352	-
Gift fund	Capital or nonrecurring	-	8,237
Recreation fund	General fund	10,000	-
Social services crisis fund	General fund	10,000	-
EMS fund	General fund	-	15,000
Capital project funds			
Capital projects fund	Sewer commission usage fund	-	154,568
Permanent funds			
Hillside cemetery trust fund	General fund	26,000	-
Total other governmental funds		631,311	177,805
Total		\$ 4,346,354	\$ 4,346,354

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Interfund accounts (continued)

Transfers are used to account for the financing by the general fund of various programs and activities in the debt service fund, capital or nonrecurring fund, special revenue funds, capital projects fund, and permanent funds. In turn, the EMS fund offsets its budget by transferring money to the general fund. Surpluses (deficits) in the sewer commission usage fund are transferred to (from) the capital projects funds.

D. Capital assets

Capital asset activity for the year was as follows:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
<u>Capital assets, not being depreciated:</u>				
Land	\$ 1,341,961	\$ -	\$ -	\$ 1,341,961
Construction in progress	2,289,984	4,617,058	598,753	6,308,289
Total capital assets, not being depreciated	3,631,945	4,617,058	598,753	7,650,250
<u>Capital assets, being depreciated:</u>				
Buildings	46,160,904	-	-	46,160,904
Land improvements	4,618,262	-	-	4,618,262
Machinery and equipment	13,092,829	600,160	70,783	13,622,206
Vehicles	5,208,920	875,323	1,269,682	4,814,561
Infrastructure	29,431,401	-	-	29,431,401
Total capital assets, being depreciated	98,512,316	1,475,483	1,340,465	98,647,334
Total capital assets	102,144,261	6,092,541	1,939,218	106,297,584
<u>Less accumulated depreciation for:</u>				
Buildings	15,114,344	991,221	-	16,105,565
Land improvements	1,080,795	90,147	-	1,170,942
Machinery and equipment	7,573,031	317,289	70,783	7,819,537
Vehicles	3,161,018	330,866	1,269,682	2,222,202
Infrastructure	8,833,064	495,337	-	9,328,401
Total accumulated depreciation	35,762,252	2,224,860	1,340,465	36,646,647
Total capital assets, being depreciated, net	62,750,064	(749,377)	-	62,000,687
Governmental Activities Capital Assets, net	<u>\$ 66,382,009</u>	<u>\$ 3,867,681</u>	<u>\$ 598,753</u>	<u>\$ 69,650,937</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Capital assets (continued)

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

General government	\$ 114,729
Public safety	366,351
Public works	852,572
Culture and recreation	111,820
Education	<u>779,388</u>
Total Depreciation expense	<u><u>\$ 2,224,860</u></u>

E. Construction commitments

At year end, the Town's commitments with contractors were as follows:

<u>Project Description</u>	<u>Commitment</u>
Hickory Hill Road Reconstruction	<u><u>\$ 4,047,493</u></u>

F. Short-term obligations – bond anticipation notes

The Town uses bond anticipation notes (BANs) during the construction period of various projects prior to the issuance of bonds.

Short-term obligation activity was as follows:

<u>Type of Obligation</u>	<u>Maturity Date</u>	<u>Coupon Rate</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>
Bond anticipation notes:						
General purpose	8/10/2021	0.75%	\$ 3,378,000	\$ 3,378,000	\$ 3,378,000	\$ 3,378,000
Schools	8/10/2021	0.75%	372,000	372,000	372,000	372,000
Woodbridge lane pump station	8/10/2021	0.75%	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Total			<u><u>\$ 4,000,000</u></u>	<u><u>\$ 4,000,000</u></u>	<u><u>\$ 4,000,000</u></u>	<u><u>\$ 4,000,000</u></u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

G. Changes in long-term liabilities**1. Summary of changes**

The following is a summary of changes in long-term liabilities during the fiscal year:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Current Portion	Long Term Portion
<u>Bonds/Notes</u>										
General Purpose:										
Refunding Bond	\$ 140,008	06/01/11	12/01/22	2.0 - 4.0%	\$ 27,315	\$ -	\$ 11,088	\$ 16,227	\$ 8,165	\$ 8,062
Improvement Bond	5,725,000	11/01/14	11/01/34	3.0 - 4.0%	4,275,000	-	300,000	3,975,000	300,000	3,675,000
Refunding Bond	5,809,500	05/19/15	02/01/30	3.0 - 4.0%	3,964,500	-	337,500	3,627,000	337,500	3,289,500
Improvement Bond	7,135,000	07/17/18	07/15/38	3.0 - 4.0%	6,723,773	-	411,227	6,312,546	411,227	5,901,319
Refunding Bond	2,512,500	06/11/20	05/01/33	2.0 - 5.0%	2,512,500	-	181,121	2,331,379	174,412	2,156,967
Total General Purpose	21,322,008				17,503,088	-	1,240,936	16,262,152	1,231,304	15,030,848
Schools:										
Refunding Bond	6,244,960	06/01/11	12/01/22	2.0 - 4.0%	1,218,421	-	494,561	723,860	364,177	359,683
Refunding Bond	645,500	05/19/15	02/01/30	3.0 - 4.0%	440,500	-	37,500	403,000	37,500	365,500
Refunding Bond	1,237,500	06/11/20	05/01/33	2.0 - 5.0%	1,237,500	-	88,879	1,148,621	85,588	1,063,033
Total Schools	8,127,960				2,896,421	-	620,940	2,275,481	487,265	1,788,216
Sewer:										
Refunding Bond	560,032	06/01/11	12/01/22	2.0 - 4.0%	109,264	-	44,351	64,913	32,658	32,255
Improvement Bond	1,280,000	07/17/18	07/15/38	3.0 - 4.0%	1,206,227	-	73,773	1,132,454	73,773	1,058,681
Total Sewer	1,840,032				1,315,491	-	118,124	1,197,367	106,431	1,090,936
Total Bonds	31,290,000				21,715,000	-	1,980,000	19,735,000	1,825,000	17,910,000
<u>Equipment financing notes (direct borrowings):</u>										
Vehicles	252,768	11/30/17	09/01/23	3.52- 6.90%	194,394	432,079	136,595	489,878	120,463	369,415
Clean water note	9,091,656	02/28/02	03/31/21	2.00%	406,693	-	406,693	-	-	-
Clean water note	1,394,449	04/30/20	04/30/39	2.00%	1,315,157	-	58,092	1,257,065	59,264	1,197,801
Total notes	1,647,217				1,916,244	432,079	601,380	1,746,943	179,727	1,567,216
Total bonds and notes	32,937,217				23,631,244	432,079	2,581,380	21,481,943	2,004,727	19,477,216

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

G. Changes in long-term liabilities (continued)

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Current Portion	Long Term Portion
Premiums					\$ 626,508	\$ -	\$ 71,758	\$ 554,750	\$ -	\$ 554,750
Total bonds, notes and related liabilities					24,257,752	432,079	2,653,138	22,036,693	2,004,727	20,031,966
Net OPEB liability					21,733,076	4,090,675	4,271,052	21,552,699	-	21,552,699
Compensated absences					814,115	173,545	303,210	684,450	102,668	581,782
Termination benefits					303,629	53,296	131,302	225,623	122,973	102,650
Total long-term liabilities					<u>\$ 47,108,572</u>	<u>\$ 4,749,595</u>	<u>\$ 7,358,702</u>	<u>\$ 44,499,465</u>	<u>\$ 2,230,368</u>	<u>\$ 42,269,097</u>

All long-term liabilities are generally liquidated by the General Fund.

The following is a summary of bond and note maturities:

Fiscal Year Ended June 30	Bonds		Notes	
	Principal	Interest	Principal	Interest
2022	\$ 1,825,000	\$ 513,525	\$ 179,727	\$ 41,829
2023	1,820,000	469,875	172,178	35,618
2024	1,820,000	422,425	151,798	30,096
2025	1,815,000	366,475	117,147	25,956
2026	1,415,000	313,000	120,040	23,062
2027	1,415,000	273,250	123,007	20,095
2028	1,405,000	234,375	66,813	17,051
2029	1,410,000	195,600	68,162	15,702
2030	1,335,000	156,900	69,538	14,326
2031	985,000	119,150	70,941	12,923
2032	985,000	97,850	72,373	11,491
2033	980,000	79,150	73,834	10,030
2034	675,000	60,050	75,324	8,540
2035	590,000	48,431	76,845	7,019
2036	315,000	38,194	78,396	5,468
2037	315,000	27,562	79,978	3,886
2038	315,000	16,538	81,592	2,272
2039	315,000	5,513	69,250	636
Totals	<u>\$ 19,735,000</u>	<u>\$ 3,437,863</u>	<u>\$ 1,746,943</u>	<u>\$ 286,000</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

G. Changes in long-term liabilities (continued)**2. Assets pledged as collateral**

The Town's outstanding equipment financing notes of \$489,878 are secured with collateral of the equipment purchased.

3. Statutory debt limitations

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

<u>Category</u>	<u>Debit Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 46,769,508	\$ 19,640,152	\$ 27,129,356
Schools	93,539,016	2,647,481	90,891,535
Sewers	77,949,180	1,447,367	76,501,813
Urban renewal	67,555,956	-	67,555,956
Pension deficit	62,359,344	-	62,359,344

The total overall statutory debt limit for the Town is equal to seven times annual receipts from prior year taxation, \$145,505,136.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

4. Authorized/unissued bonds

The amount of authorized, unissued bonds is as follows:

<u>Project</u>	<u>Bonding Authorization</u>	<u>Previously Bonded</u>	<u>Authorized But Unissued</u>
WPCA upgrade - phosphorus effluent limits	\$ 662,850	\$ -	\$ 662,850
Municipal building roofs	3,998,400	2,250,000	1,748,400
Fire truck	600,000	540,000	60,000
Payloader	150,000	130,000	20,000
Dump truck	194,900	150,000	44,900
Reconstruction and Repair of Roads	3,270,000	2,701,000	569,000
WPCA sewer lines	1,390,000	1,280,000	110,000
Road Reconstruction - Phase I	4,836,000	3,177,000	1,659,000
BOE Security Projects	403,786	372,000	31,786
Woodbridge Lane Pump Station	900,000	250,000	650,000
Carter Road Bridge	91,800	-	91,800
Refunding bond	5,000,000	-	5,000,000
Nystroms dam and dike	1,200,000	-	1,200,000
Opera House air handlers	217,000	-	217,000
WPCA SCADA computer system	450,000	-	450,000
Total	<u>\$23,364,736</u>	<u>\$10,850,000</u>	<u>\$12,514,736</u>

5. Termination benefits

The Board of Education provides severance benefit payments to eligible former employees. Benefits are paid annually based on the retirement agreement for each employee and are payable through 2021. The benefits were paid from the General Fund Education department.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

H. Fund Balances

Fund balances are composed of the following:

	General	Small Cities	Capital or Nonrecurring	Debt Service	Other Governmental Funds	Total
Nonspendable:						
Permanent fund principal	\$ -	\$ -	\$ -	\$ -	\$ 170,200	\$ 170,200
Restricted:						
Cemetery maintenance	-	-	-	-	71,570	71,570
School lunch operations*	-	-	-	-	154,325	154,325
Public safety programs	-	-	-	-	30,117	30,117
Library operations	-	-	-	-	5,490	5,490
Park maintenance	-	-	-	-	38,328	38,328
Other	-	-	-	-	13,711	13,711
Construction contracts	-	-	4,047,493	-	-	4,047,493
Housing rehabilitation	-	923,178	-	-	-	923,178
Sewer operations*	-	-	-	-	310,711	310,711
Total restricted	-	923,178	4,047,493	-	624,252	5,594,923
Committed:						
Town wide projects	-	-	1,114,632	-	-	1,114,632
Public safety - EMS	-	-	-	-	137,378	137,378
Cemetery maintenance	-	-	-	-	549,512	549,512
Health and Welfare	-	-	-	-	62,015	62,015
Education programs	-	-	-	-	645,383	645,383
Recreation programs	-	-	-	-	13,929	13,929
Approved CNR projects	-	-	-	-	424,778	424,778
Total committed	-	-	1,114,632	-	1,832,995	2,947,627
Assigned:						
Subsequent year's budget	186,561	-	-	-	-	186,561
Future debt service payments	-	-	-	625,779	-	625,779
Total assigned	186,561	-	-	625,779	-	812,340
Unassigned:	5,503,803	-	(7,130,346)	-	(16,978)	(1,643,521)
Total	\$ 5,690,364	\$ 923,178	\$ (1,968,221)	\$ 625,779	\$ 2,610,469	\$ 7,881,569

* The amount of restricted net position, which was restricted by enabling legislation, totaled \$465,036.

I. Deficit fund balances

The transfer station fund had a deficit fund balance at year end of \$16,978.

The deficit will be reduced or eliminated in future years as amounts are received from charges for services and transfers from the general fund.

Town of Thomaston, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2021****IV. Other information****A. Risk management**

The Town is exposed to various risks of loss related to public official liability, police liability, Board of Education legal liability, theft or impairment of assets, errors and omissions, injury to employees and natural disasters. The Town purchases commercial insurance for all other risks of loss, including blanket and umbrella policies. Settled claims have not exceeded commercial coverage in any of the past three years and there has not been any significant reduction in insurance coverage from amounts held in prior years.

The Town is currently a member in Connecticut Interlocal Risk Management Agency ("CIRMA") an unincorporated association of Connecticut local public agencies which was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-47-a et. seq. of the Connecticut General Statutes.

The Town is a member of CIRMA's Liability-Automobile-Property Pool, a risk sharing pool. The Town paid CIRMA for provisions of general liability, personal and advertising injury, medical payments, automobile liability, uninsured/underinsured motorist coverage, employee benefit liability, law enforcement liability, public officials liability, and school leaders liability. The premium is subject to these coverages and claims and expense payments falling within the deductible amounts are the responsibility of the Town. CIRMA's Liability-Automobile-Property Pool retains \$1,000,000 per occurrence for each line of liability coverage.

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

B. Commitments and litigation

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

The Town is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. The resolution of these matters are not expected to have a material adverse effect on the financial condition of the Town.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

C. Contingencies*Coronavirus*

In March 2020, the United States declared the outbreak of Coronavirus a national emergency. Similarly, the Governor of the State of Connecticut declared a state of emergency. Although the national shut down has ended, the Coronavirus continues to have an impact on the economy including effects on the Town's economically sensitive revenues such as park and recreation program fees, interest earnings and certain other charges for services. This has been offset to varying degrees by increases in building permit fees and conveyance taxes. In addition, the supply chain has been disrupted and prices have increased for various types of items, including construction costs. The pandemic has also resulted in labor shortages.

In response to the pandemic and the economic impact on local governments, the federal government has provided the following funding beginning in April 2020 and April 2021. The Town had received grants from the federal government for the costs and impact of the pandemic as follows:

Grant Name	Amount
Coronavirus Relief Fund ("CRF")	\$ 362,005
Education Stabilization Fund ("ESF")	363,683
American Rescue Plan Act ("ARPA")	<u>1,114,994</u>
Total	<u><u>\$ 1,840,682</u></u>

The second payment of the ARPA grant of \$1,114,994 is to be received in fiscal year 2022.

The Town is continuously monitoring its financial condition and will take proactive measures as necessary to maintain operations and meet its obligations. Given this level of uncertainty, management cannot reasonably estimate the complete impact on the Town's future financial position at this time.

V. Pensions and other post-employment benefit ("OPEB") plans**A. Pension plan****1. Plan description****a. Plan administration**

The Town administers the Town of Thomaston Retirement Plan - a single-employer defined benefit pension plan that provides pensions for any person who has completed or is expected to complete a Year of Participation Service with a minimum of 1,250 hours and is employed by the employer, including the school nurse and paid elected officials. The plan was established through an ordinance at a Town Meeting and may be amended by the Board of Selectmen per Article IX of the Pension Plan. The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial statements as a pension trust fund. The plan does not issue stand-alone financial statements.

Management of the plan is vested in the Retirement Committee, which consists of four members appointed by the Board of Selectmen.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

A. Pension plan (continued)**b. Plan membership**

At January 1, 2021, pension plan membership consisted of the following:

Active members	45
Terminated employees entitled to benefits	23
Retirees, disabled employees, and beneficiaries receiving benefits	<u>79</u>
Total	<u><u>147</u></u>

This plan was closed to new entrants in 2010. At that time, employees became eligible for participation in the Town's 457(b) deferred compensation plan.

2. Benefit provisions

Normal retirement	Hired before 1/1/1998: Age 55 with 10 years credited service
Normal retirement (Police)	Hired after 1/1/1998: Age 65 with 25 years credited service
Benefit calculation	Age 50 with 10 years credited service
Benefit calculation (Police)	2.00% of final average compensation per year of service to a maximum of 50.00%
Early retirement service requirement/benefit	2.25% of final average compensation per year of service to a maximum of 67.50%
Service connected disability amount	10 years of credited service. Benefit actuarially reduced.
Non-service connected disability service requirement	2.00% of final average compensation per year of service, paid as an annuity and reduced by compensation payments
	10 years

3. Contributions

The plan provides that employees make mandatory contributions of 2.00 – 8.00% as required by their respective collective bargaining agreements or by their employment agreement with the employer.

The Town is required to contribute the amount determined by the actuary, considering the member contributions.

The average active member contribution rate was 5.20% of pensionable wages, and the Town's average contribution rate was 24.57% of covered payroll.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

A. Pension plan (continued)**4. Investments****a. Investment policy**

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Committee by a majority vote of its members. It is the policy of the Town's Retirement Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following is the Board's adopted asset allocation policy:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed income	40.00%
Domestic equity	35.00%
International equity	20.00%
Real estate	5.00%
Total	<u>100.00%</u>

b. Concentrations

There were no investments in any one organization that represents 5% or more of the pension plan's net position.

c. Rate of return

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

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	3.24%
Domestic equity	6.31%
International equity	7.14%
Real estate	6.00%
Cash	1.95%

The weighted average expected rate of return is 7.00%.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

A. Pension plan (continued)**d. Annual money-weighted rate of return**

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 25.47%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

5. Net pension liability (asset)

The components of the net pension liability (asset) were as follows:

Total pension liability	\$ 22,447,857
Plan fiduciary net position	<u>22,488,813</u>
Net pension asset	<u>\$ (40,956)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>100.18%</u>

6. Actuarial assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	January 1, 2021
Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Post-retirement increases	None
Inflation	2.20%
Salary increase	4.00%, average, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Mortality rates	PUB-2010 mortality table with generational improvements from 2010 based on the SOA Scale MP-2020

7. Changes from prior year**a. Changes in assumptions**

The mortality assumption was updated from RP-2014 table projected from 2006 to the Pub-2010 mortality table with generational improvements from 2010 based on the SOA Scale MP-2020.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

A. Pension plan (continued)**b. Changes in benefit terms**

There were no changes in benefit terms.

8. 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 Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension 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.

9. Changes in the net pension liability (asset)

The Town's net pension liability (asset) was measured at June 30, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2020. The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at July 1, 2020	\$ 21,540,870	\$ 18,439,571	\$ 3,101,299
Service cost	231,805	-	231,805
Interest	1,480,035	-	1,480,035
Differences between expected and actual experience	(394,655)	-	(394,655)
Changes in assumptions	848,429	-	848,429
Contributions - employer	-	640,000	(640,000)
Contributions - member	-	137,447	(137,447)
Net investment income	-	4,559,838	(4,559,838)
Benefit payments, including refunds of member contributions	(1,258,627)	(1,258,627)	-
Administrative expenses	-	(29,416)	29,416
Net change	906,987	4,049,242	(3,142,255)
Balance at June 30, 2021	\$ 22,447,857	\$ 22,488,813	\$ (40,956)

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

A. Pension plan (continued)**10. Sensitivity of the net pension liability (asset) to changes in the discount rate**

The following presents the net pension liability, calculated using the discount rate as well as what the Town's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate of 7.00%:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Net pension liability (asset)	<u>\$ 2,286,439</u>	<u>\$ (40,956)</u>	<u>\$ (2,013,356)</u>

11. Pension expense and deferred outflows of resources and deferred inflows of resources

For the fiscal year, the Town recognized pension expense of \$(288,477). The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ -	\$ 197,327	\$ (197,327)
Changes in assumptions	424,214	-	424,214
Net difference between projected and actual earnings on pension plan investments		2,161,756	(2,161,756)
Total	<u>\$ 424,214</u>	<u>\$ 2,359,083</u>	<u>\$ (1,934,869)</u>

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

<u>Year Ending June 30,</u>	
2022	\$ (282,247)
2023	(499,022)
2024	(502,303)
2025	<u>(651,297)</u>
Total	<u>\$ (1,934,869)</u>

Actual investment earnings below (or above) projected earnings are amortized over 5 years. Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive, which is also 5 years.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

B. Connecticut state teachers' retirement system**1. Plan description**

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

2. Benefit provisions

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
Benefit calculation	2.00% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary)
Early retirement	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
Early retirement amount	Benefit amounts are reduced by 6.00% per year for the first 5 years preceding normal retirement age and 4.00% per year for the next 5 years preceding the normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.00% per year by which retirement precedes normal retirement date
Service connected disability amount	2.00% 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. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of annual average salary
Non-service connected disability service requirement	Five years of credited service
Vesting - service	10 years of service
Vesting - amount	100%
Pre-retirement death benefit amount	Lump-sum return of contributions with interest or surviving spouse benefit depending on length of service

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

B. Connecticut state teachers' retirement system (continued)**3. Contributions****State of Connecticut**

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

Employer (school districts)

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

Employees

Each teacher is required to contribute 7.00% of their salary for the pension benefit.

4. Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

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 amounts 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	<u>29,490,739</u>
Total	<u><u>\$ 29,490,739</u></u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

B. Connecticut state teachers' retirement system (continued)

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

During the year, the Town recognized pension expense and revenue of \$1,891,580 for on-behalf amounts for contributions to the plan by the State.

5. 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:

Investment rate of return	6.90%
Inflation	2.50%
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019

Future cost-of-living increases - For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3.00% and a maximum of 5.00% 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 6.00% per annum. If the return on assets in the previous year was less than 8.50%, the maximum increase is 1.50%. 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 5.00% per annum. If the return on assets in the previous year was less than 11.50%, the maximum increase is 3.00%, and if the return on the assets in the previous year was less than 8.50%, the maximum increase is 1.00%.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

Changes in assumptions and inputs

- The salary increases assumption was decreased from 3.25% to 3.00%.
- The mortality tables were changed from the RPH-2014 White Collar Table, projected to the year 2020 using the BB improvement scale to the PubT-2010 Table, projected generationally with MP-2019.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

B. Connecticut state teachers' retirement system (continued)**Long-term expected 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 target asset allocation and best estimates of geometric rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity fund	20.00%	5.60%
Developed market international stock fund	11.00%	6.00%
Emerging market international stock fund	9.00%	7.90%
Core fixed income fund	16.00%	2.10%
Inflation linked bond fund	5.00%	1.10%
Emerging market debt fund	5.00%	2.70%
High yield bond fund	6.00%	4.00%
Real estate fund	10.00%	4.50%
Private equity	10.00%	7.30%
Alternative investments	7.00%	2.90%
Liquidity fund	1.00%	0.40%
Total	<u>100.0%</u>	

6. 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 rates equal to the difference between actuarially determined contribution rates and the member rate. 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.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

B. Connecticut state teachers' retirement system (continued)**7. 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.

8. Plan fiduciary net position

Detailed information about the Connecticut State Teachers' Retirement Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2020.

C. Defined contribution retirement savings plan

Town employees are eligible to participate in a defined contribution plan administered by the Town. The benefits and contribution requirements are established by approval of the Board of Finance.

The Plan requires the Town to contribute an amount to the plan based upon 50% of each participants contributions.

<u>Years of Service</u>	<u>Vesting Percentage</u>
2-3	50%
4-5	75%
6 or more	100%

Voluntary contributions are allowed in combination with the Town's contribution up to the maximum amount allowed by IRS regulations. Employee contributions may be withdrawn at any time, although earned interest will not be paid until such time as benefits are otherwise payable to the employee.

Upon termination of employment, for any reason other than death or retirement, an employee shall be entitled to a deferred vested benefit based upon the number of years of credit service completed. Payment of benefits is payable at normal retirement age but distribution must begin at age 70 ½. The unvested accrued benefit of the employee is forfeited and used to offset the Town's matching contributions.

During the year, the employer contributions were \$55,732 and employee contributions totaled \$80,953. Employee covered payroll totaled \$1,263,105.

D. Other post-employment benefits ("OPEB") plan**1. Plan description****a. Plan administration**

The Town administers two single-employer, post-retirement healthcare plans: Town (Police, Sewer, Highway, Non-Union and White Collar) and Education (Administrators, AFSCME, Non-Union, Superintendent, Teachers and Non-Union Cafeteria). The Town plan is accounted for in a trust. The Education plan is not currently accounted for in a trust. The Town plan does not issue a stand-

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

alone financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 for the Education Plan.

D. Other post-employment benefits plan (continued)**b. Plan membership**

As of July 1, 2020 for Town and Education, the plans' membership consisted of:

	<u>Town</u>	<u>Education</u>
Active members	15	131
Retirees, disabled employees, and beneficiaries receiving benefits	<u>46</u>	<u>26</u>
Total	<u><u>61</u></u>	<u><u>157</u></u>

2. Benefit provisions

The Town plan provides for medical and dental benefits for all eligible retirees and their spouses. The Education plan provides medical, dental and life insurance benefits to eligible retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations. Benefits are provided by a third party insurer and the full cost of benefits is covered by the plan.

3. Contributions**a. Employer contributions**

The Town's recommended contributions are actuarially determined on an annual basis using the entry age normal method. The Town's total plan contributions were \$749,472.

b. Employee contributions

There are no employee contributions to the Town and Education plans.

Teachers who no longer work for the Education department are allowed by State Statute to participate in the Town's group medical insurance plan until they formally begin receiving benefits from the State Teachers' Retirement Plan. These teachers are required to contribute the cost of the insurance to the Town.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Other post-employment benefits plan (continued)**c. Retiree contributions**

Contribution requirements are as follows:

Town plan

White collar union employees and non-union employees	13.00% of premium
Public works union employees	12.50% of premium
Police employees	12.00% of premium
Sewer union employees	11.00% of premium

Education plan

Teachers and administrators	100% of premium
AFSCME, non-union:	
Retired before the age of 65	100% of premium
Retired at or after the age of 65:	
Before July 1, 2006	0.00% of premium
Before July 1, 2011	5.00% of premium
On or after July 1, 2011	7.50% of premium

There are no retiree contributions required for employees who retired prior to July 1, 2005.

4. Investments**a. Investment policy**

The Town OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board by a majority vote of its members. It is the policy of the Town's Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy for the Town Plan:

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. large cap	37.50%
Fixed income	30.00%
Short duration	10.00%
International developed	8.00%
U.S. mid/small cap	7.50%
Real estate	5.00%
International emerging	2.00%
Cash	0.00%
Total	<u>100.00%</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Other post-employment benefits plan (continued)**b. Concentrations**

There were no investments in any one organization that represents 5% or more of the Town OPEB plan's net position.

c. Rate of return

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

Asset Class	Long-Term Expected Real Rate of Return
U.S. large cap	6.30%
Fixed income	2.10%
Short duration	1.70%
International developed	7.90%
U.S. mid/small cap	6.70%
Real estate	6.20%
International emerging	9.40%
Cash	0.72%

Inflation is estimated to be 2.20%.

d. Annual money-weighted rate of return

The annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 24.56% for the Town OPEB Plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Other post-employment benefits plan (continued)**5. Net OPEB liability – Town Plan**

The components of the net OPEB liability were as follows:

	Town Plan
Total OPEB liability	\$ 14,922,243
Plan fiduciary net position	<u>501,743</u>
Net OPEB liability	<u>\$ 14,420,500</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>3.36%</u>

6. OPEB liability – Education Plan

The Education OPEB liability of \$7,132,199 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019.

7. Actuarial methods and significant assumptions

The total OPEB liability for the plans was determined based upon a July 1, 2019 actuarial valuation using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Asset valuation method	Fair value
Discount rate - Town (blended)	4.43%
Discount rate - Education	2.19%
Investment rate of return	4.80%, net of pension plan investment expense, including inflation
Projected healthcare cost increases:	
Inflation	2.20%
Initial	8.00%
Ultimate	4.50%
Mortality rate	SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021

The discount rate was based on the Standard and Poors municipal bond 20 year high grade index as of the measurement date.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021**D. Other post-employment benefits plan (continued)****8. Changes from prior year****a. Changes in assumptions**

The Town's plan had the following changes in assumptions:

- The discount rate decreased from 5.21% to 4.43% for the Town Plan and decreased from 2.66% to 2.19% for the Education Plan since the prior measurement date.
- The investment rate of return decreased from 6.07% to 4.80%.
- The healthcare cost rates increased from the initial rate of 7.50% to the initial rate of 8.00%.

b. Changes in benefit terms

The Town's plan had the following changes in benefit terms:

- For active employees retiring on or after July 1, 2020 and by June 30, 2021, retirees' premium share increased to 13.00% for white collar, 12.50% for public works, and 11.00% for sewer.
- For active employees retiring on or after July 1, 2021, retirees' premium share increased to 14.00% for white collar, 13.00% for public works, and 11.00% for sewer.

9. Discount rate

The final equivalent discount rate used to measure the total OPEB liability was 4.43% for the Town Plan. For the Town Plan, the projection of cash flows used to determine the discount rate assumed that the Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Town Plan's long-term real rate of return is expected to be 4.80%, but the plan investments are insufficient to pay for future benefits. Therefore, the 20-year tax exempt general obligation municipal bond rate as of June 30, 2021 of 2.19% is used once the plan assets are exhausted resulting in the final equivalent rate of 4.43%.

The Education plan has no plan assets and therefore the discount rate used to measure the total OPEB liability is the 20-year tax exempt general obligation municipal bond rate as of June 30, 2021 of 2.19%.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Other post-employment benefits plan (continued)**10. Changes in the OPEB liability**

The Town's OPEB liability was measured at June 30, 2021, and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation as of July 1, 2019. The changes in OPEB liability for each plan for the fiscal year were as follows

<u>Town Plan</u>	<u>Increase (Decrease)</u>		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at July 1, 2020	\$ 14,581,677	\$ 381,758	\$14,199,919
Service cost	111,128	-	111,128
Interest	746,862	-	746,862
Differences between expected and actual experience	(1,727,106)	-	(1,727,106)
Changes of benefits terms	(29,237)	-	(29,237)
Changes in assumptions	1,963,391	-	1,963,391
Contributions - employer	-	749,472	(749,472)
Net investment income	-	95,545	(95,545)
Benefit payments, including refunds of member contributions	(724,472)	(724,472)	-
Administrative expenses	-	(560)	560
Net change	340,566	119,985	220,581
Balance at June 30, 2021	\$ 14,922,243	\$ 501,743	\$14,420,500

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Other post-employment benefits plan (continued)

<u>Education Plan</u>	<u>Total OPEB Liability</u>
Balance at July 1, 2020	<u>\$ 7,533,157</u>
Service cost	340,201
Interest	206,607
Differences between expected and actual experience	(1,455,969)
Changes in assumptions	721,926
Benefit payments, including refunds of member contributions	<u>(213,723)</u>
Net change	<u>(400,958)</u>
Balance at June 30, 2021	<u><u>\$ 7,132,199</u></u>

11. Sensitivity of the OPEB liability to changes in the discount rate

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate of 4.43% for the Town Plan and 2.19% for the Education Plan:

<u>OPEB Liability</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Town Plan (net)	<u>\$16,565,904</u>	<u>\$14,420,500</u>	<u>\$ 12,678,634</u>
Education Plan (total)	<u>\$ 8,237,358</u>	<u>\$ 7,132,199</u>	<u>\$ 6,228,728</u>

12. Sensitivity of the OPEB liability to changes in the healthcare cost trend rate

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current trend rate of 8.00% decreasing to 4.50%:

<u>OPEB Liability</u>	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Town Plan (net)	<u>\$12,690,859</u>	<u>\$14,420,500</u>	<u>\$ 16,526,153</u>
Education Plan (total)	<u>\$ 6,162,055</u>	<u>\$ 7,132,199</u>	<u>\$ 8,338,569</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Other post-employment benefits plan (continued)**13. OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB**

For the fiscal year the Town recognized OPEB expense of \$84,036 for the Town Plan and \$321,524 for the Education Plan. The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Town Plan</u>	Deferred	Deferred	
<u>Description of Outflows/Inflows</u>	<u>Outflows of</u>	<u>Inflows of</u>	<u>Net</u>
	<u>Resources</u>	<u>Resources</u>	
Differences between expected and actual experience	\$ -	\$ 863,553	\$ (863,553)
Changes in assumptions	981,695	-	981,695
Net difference between projected and actual earnings on plan investments	-	58,813	(58,813)
Total	<u>\$ 981,695</u>	<u>\$ 922,366</u>	<u>\$ 59,329</u>

<u>Education Plan</u>	Deferred	Deferred	
<u>Description of Outflows/Inflows</u>	<u>Outflows of</u>	<u>Inflows of</u>	<u>Net</u>
	<u>Resources</u>	<u>Resources</u>	
Differences between expected and actual experience	\$ 336,265	\$ 2,053,077	\$ (1,716,812)
Changes in assumptions	1,462,075	265,444	1,196,631
Total	<u>\$1,798,340</u>	<u>\$2,318,521</u>	<u>\$ (520,181)</u>

Actual investment earnings below (or above) projected earnings are amortized over 5 years for the Town plan. Experience losses (gains) and changes in assumptions are amortized over the average remaining service period of active and inactive participants, which was 2 years for the Town Plan and 8 years for the Education Plan.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

D. Other post-employment benefits plan (continued)

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

Year Ending June 30,	Town Plan	Education Plan
2022	\$ 102,987	(225,284)
2023	(15,298)	(225,281)
2024	(14,147)	(7,076)
2025	(14,213)	100,135
2026	-	(35,460)
Thereafter	-	(127,215)
Total	<u>59,329</u>	<u>(520,181)</u>

E. Total OPEB plans

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Town plan	\$ 14,420,500	\$ 981,695	\$ 922,366	\$ 84,036
Education plan	<u>7,132,199</u>	<u>1,798,340</u>	<u>2,318,521</u>	<u>321,524</u>
Total	<u>\$ 21,552,699</u>	<u>\$ 2,780,035</u>	<u>\$ 3,240,887</u>	<u>\$ 405,560</u>

E. Connecticut state teachers' retirement board retiree health insurance plan**1. Plan description**

Teachers, principals, superintendents or supervisors engaged in service of public schools that are currently receiving a retirement or disability benefit through the Connecticut Teachers' Retirement System 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 post-employment benefit plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a Section 10-183t 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.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

E. Connecticut state teachers' retirement board retiree health insurance plan (continued)**2. Benefit provisions**

The Plan provides for retiree health insurance benefits. Eligibility is as follows:

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Early retirement	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
Service connected disability service requirement	No service requirement
Non-service connected disability service requirement	Five years of credited service
Vesting - service	10 years of service

Retiree health care coverage

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits offered. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost.

The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

E. Connecticut state teachers' retirement board retiree health insurance plan (continued)

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

Those participants electing vision, hearing, and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the Plan for these benefits.

Survivor health care coverage

Survivors of former employees or retirees remain eligible to participate in the Plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

3. Contributions**State of Connecticut**

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are 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 pays for one third of plan costs through an annual appropriation in the General Fund.

Employer (school districts)

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

Employees

Each member is required to contribute 1.25% of their annual salary.

4. OPEB liabilities, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

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 amounts 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 were as follows:

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

E. Connecticut state teachers' retirement board retiree health insurance plan (continued)

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>4,398,545</u>
Total	<u><u>\$ 4,398,545</u></u>

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

The Town recognized OPEB expense and revenue of \$45,650 for on-behalf amounts for contributions to the plan by the State.

5. 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:

Investment rate of return	3.00%
Inflation	2.50%
Health care cost trend rate (Medicare)	5.125% decreasing to 4.50% by 2023
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019
Year fund net position will be depleted	2021

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

Changes in assumptions and inputs

- The Medicare health care cost trend rate changed from 5.00% decreasing to 4.75% by 2028 to 5.125% decreasing to 4.50% by 2023.
- The salary increases assumption was decreased from 3.25% to 3.00%.
- The mortality tables were changed from the RPH-2014 White Collar Table, projected to the year 2020 using the BB improvement scale to the PubT-2010 Table, projected generationally with MP-2019.
- The discount rate was decreased from 3.50% to 2.21% to reflect the change in the Municipal Bond Index rate.

Town of Thomaston, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2021****E. Connecticut state teachers' retirement board retiree health insurance plan (continued)**

Additionally, expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on January 1, 2019. Further, the expected rate of inflation was decreased and the real wage growth assumption was increased.

Long-term expected rate of return

The long-term expected rate of return on OPEB 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 OPEB 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

All the plan assets are assumed to be invested in cash equivalents due to the need for liquidity. The expected rate of return is 2.00%. Since there have not been any changes to the asset allocation and the recent economic downturn is expected to be temporary, the funding rate of 3.00% continues to be used for the long-term investment rate of return as of June 30, 2020.

6. Discount rate

The discount rate used to measure the total OPEB liability was 2.21%. The Municipal Bond Index Rate was used in the determination in the discount rate. 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 annual State contributions will equal the most recent 5-year average of state contributions.

7. Sensitivity of the OPEB liability to changes in the discount rate and the health care cost trend rate

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

8. Plan fiduciary net position

Detailed information about the Connecticut State Teachers' OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2020.

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

F. Pension and other post-employment benefit plan statements

Combining Schedule of Fiduciary Net Position
Pension and Other Post-Employment Benefit Trust Funds
June 30, 2021

	Pension Trust Fund	Other Post- Employment Benefit Trust Fund	Total
	<u> </u>	<u> </u>	<u> </u>
<u>Assets</u>			
Investments:			
Mutual funds/exchange traded funds:			
Money market	\$ 112,941	\$ 25,468	\$ 138,409
Equity	13,776,768	292,123	14,068,891
Bond	7,515,165	162,219	7,677,384
Real estate investment trust	1,083,939	21,933	1,105,872
	<u>22,488,813</u>	<u>501,743</u>	<u>22,990,556</u>
Total investments			
	<u>22,488,813</u>	<u>501,743</u>	<u>22,990,556</u>
<u>Net Position</u>			
Restricted for:			
Pension benefits	22,488,813	-	22,488,813
OPEB benefits	<u>-</u>	<u>501,743</u>	<u>501,743</u>
Total net position	<u>\$ 22,488,813</u>	<u>\$ 501,743</u>	<u>\$ 22,990,556</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

F. Pension and other post-employment benefit plan statements (continued)

Combining Schedule of Changes in Fiduciary Net Position
Pension and Other Post-Employment Benefit Trust Funds
For the Year Ended June 30, 2021

	Pension Trust Fund	Other Post- Employment Benefit Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 640,000	\$ 749,472	\$ 1,389,472
Plan members	137,447	-	137,447
	<u>777,447</u>	<u>749,472</u>	<u>1,526,919</u>
Total contributions			
Investment income (loss):			
Net change in fair value of investments	3,846,740	87,961	3,934,701
Interest and dividends	763,472	8,660	772,132
	<u>4,610,212</u>	<u>96,621</u>	<u>4,706,833</u>
Total investment income (loss)			
Less investment expenses	50,374	1,076	51,450
	<u>4,559,838</u>	<u>95,545</u>	<u>4,655,383</u>
Net investment income (loss)			
Total additions	5,337,285	845,017	6,182,302
Deductions:			
Benefits	1,258,627	724,472	1,983,099
Administration	29,416	560	29,976
	<u>1,288,043</u>	<u>725,032</u>	<u>2,013,075</u>
Total deductions			
Changes in net position	4,049,242	119,985	4,169,227
Net position - July 1, 2020	18,439,571	381,758	18,821,329
Net position - June 30, 2021	<u>\$ 22,488,813</u>	<u>\$ 501,743</u>	<u>\$ 22,990,556</u>

Town of Thomaston, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2021

VI. Prior period adjustments (continued)

Beginning equity balances were restated as a result of the implementation of GASB No. 84 as follows:

	Governmental Activities	Other Governmental Funds	Custodial Funds
Net position/fund balance as previously reported at June 30, 2020	\$ 24,457,092	\$ 2,327,086	\$ 134,716
Reclassification to proper fund type	134,716	134,716	(134,716)
To record volunteer fire award program assets as custodial fund	<u>-</u>	<u>-</u>	<u>1,565,800</u>
Net position/fund balance as restated at July 1, 2020	<u><u>\$ 24,591,808</u></u>	<u><u>\$ 2,461,802</u></u>	<u><u>\$ 1,565,800</u></u>

Required Supplementary Information

Type	Description
Budgetary	Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund
	Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund
	Notes to Required Supplementary Information - Budgets and Budgetary Accounting
<u>Pension Plans</u> Town State Teacher's Retirement System	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
	Schedule of Proportionate Share of the Net Pension Liability
	Schedule of Contributions
	Notes to Required Supplementary Information
<u>Other Post-Employment Benefits Plans</u> Town Education State Teacher's Retirement Board Retiree Health Insurance Plan	Schedule of Changes in Net and Total OPEB Liability and Related Ratios and Schedule of Investment Returns
	Schedule of Proportionate Share of the Net OPEB Liability
	Schedule of Contributions
	Notes to Required Supplementary Information

Town of Thomaston, Connecticut

Required Supplementary Information

General Fund
Schedule of Revenues and Other Financing Sources
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Property taxes:					
Taxes	\$ 20,251,525	\$ -	\$ 20,251,525	\$ 20,694,159	\$ 442,634
Prior year taxes	175,000	-	175,000	275,851	100,851
Interest and lien fees	100,000	-	100,000	132,495	32,495
Housing authority in lieu of taxes	26,987	-	26,987	29,502	2,515
Telecommunications property tax	12,413	-	12,413	13,096	683
Total property taxes	20,565,925	-	20,565,925	21,145,103	579,178
Charges for services:					
Building permits	70,000	-	70,000	77,884	7,884
Conveyance tax	55,000	-	55,000	99,052	44,052
Special duty police reimbursements	75,000	-	75,000	96,752	21,752
Accident reports	250	-	250	535	285
Gun permits	2,000	-	2,000	20,621	18,621
Zoning and land use fees	7,500	-	7,500	9,906	2,406
Recreation - Nystroms	5,150	-	5,150	5,150	-
Fingerprinting	100	-	100	100	-
Town of Litchfield - sewer upgrade	7,928	-	7,928	18,033	10,105
Dam patrol	19,031	-	19,031	19,926	895
Parking fines	500	-	500	-	(500)
Dog fines and fees	4,000	-	4,000	5,914	1,914
Rent of tower	94,500	-	94,500	99,845	5,345
Rent of tower - Town of Plymouth	15,000	-	15,000	-	(15,000)
Rent of Opera House	26,486	-	26,486	26,486	-
PA 09-229 LOCIP project funding	7,500	-	7,500	17,837	10,337
Total charges for services	389,945	-	389,945	498,041	108,096
Intergovernmental:					
Property tax relief - state owned property	19,583	-	19,583	19,583	-
Property tax relief - Veterans' exemption	14,755	-	14,755	9,641	(5,114)
Property tax relief - totally disabled	1,069	-	1,069	1,020	(49)
Property tax relief - municipal stabilization grant	395,346	-	395,346	395,346	-
Property tax relief - manufacturing	-	-	-	9,790	9,790
Federal PILOT - land authorization	1,625	-	1,625	1,727	102
LOCIP	53,512	-	53,512	53,179	(333)
Education cost sharing	5,481,226	-	5,481,226	5,447,924	(33,302)
Mashantucket Pequot	16,872	-	16,872	16,872	-
Town aid road	222,214	-	222,214	222,141	(73)
Elderly services transportation grant	11,333	-	11,333	11,333	-
Help America Vote Act	-	-	-	6,170	6,170
CARES Act DOL Unemployment Grant	-	-	-	5,701	5,701
FEMA disaster grants - public assistance	-	-	-	7,357	7,357
Total intergovernmental	6,217,535	-	6,217,535	6,207,784	(9,751)

(Continued)

See Notes to Required Supplementary Information.

Town of Thomaston, Connecticut

Required Supplementary Information

General Fund
Schedule of Revenues and Other Financing Sources
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Income from investments	\$ 75,000	\$ -	\$ 75,000	\$ 18,850	\$ (56,150)
Other:					
Recycling rebates	150	-	150	-	(150)
Miscellaneous	5,000	-	5,000	24,558	19,558
Total other	5,150	-	5,150	24,558	19,408
Total revenues	27,253,555	-	27,253,555	27,894,336	640,781
Other financing sources:					
Appropriation of fund balance	-	310,571	310,571	-	(310,571)
Transfers in:					
EMS Fund	15,000	-	15,000	15,000	-
Total other financing sources	15,000	310,571	325,571	15,000	(310,571)
Total revenues and other financing sources	\$ 27,268,555	\$ 310,571	\$ 27,579,126	\$ 27,909,336	\$ 330,210

(Concluded)

Town of Thomaston, Connecticut
Required Supplementary Information
General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
General government:					
Board of Selectmen	\$ 124,832	\$ 287	\$ 125,119	\$ 125,119	\$ -
Elections	30,050	3,481	33,531	33,531	-
Board of Finance	2,000	-	2,000	1,706	294
Treasurer	201,379	205	201,584	201,584	-
Computer information systems	55,752	693	56,445	56,445	-
Independent audit	58,600	-	58,600	58,600	-
Legal	85,500	(19,270)	66,230	60,289	5,941
Tax collector	118,919	-	118,919	108,751	10,168
Tax assessor	144,616	-	144,616	144,192	424
Board of Assessment Appeals	150	-	150	-	150
Insurance	475,250	-	475,250	450,527	24,723
Town Hall operations and maintenance	235,195	-	235,195	221,272	13,923
Town Clerk	51,865	-	51,865	47,275	4,590
Probate court	4,219	-	4,219	4,219	-
Social security	260,000	-	260,000	232,141	27,859
Unemployment expense	-	11,328	11,328	11,328	-
Pension - Town employees	438,035	3,927	441,962	441,962	-
Pension - Volunteer Firefighters and Ambulance	104,000	-	104,000	93,725	10,275
Medical / life insurance	738,284	-	738,284	681,670	56,614
Retirees medical insurance	719,959	-	719,959	675,009	44,950
Council of governments	3,936	-	3,936	3,822	114
CT Conference of Municipalities	4,894	-	4,894	4,894	-
Contingency	100,000	(100,000)	-	-	-
Total general government	3,957,435	(99,349)	3,858,086	3,658,061	200,025
Public safety:					
Police	1,260,126	-	1,260,126	1,220,272	39,854
Emergency management	14,204	-	14,204	10,250	3,954
Communications and dispatch	386,797	-	386,797	375,837	10,960
Fire protection	187,187	974	188,161	188,161	-
Fire marshal	28,265	-	28,265	26,756	1,509
Ambulance	61,150	8,346	69,496	69,496	-
Tree removal	25,000	-	25,000	24,726	274
Animal control	27,070	-	27,070	25,072	1,998
Total public safety	1,989,799	9,320	1,999,119	1,940,570	58,549
Public works:					
Highways	625,311	16,563	641,874	641,874	-
Town aid road	222,214	-	222,214	222,214	-
Snow and ice removal	189,550	9,514	199,064	199,064	-
Street lighting	20,000	-	20,000	18,824	1,176
Fire hydrants	221,553	-	221,553	201,662	19,891
Solid waste and recycling	578,059	24,773	602,832	602,832	-
Groundwater remediation	42,538	-	42,538	41,827	711
Total public works	1,899,225	50,850	1,950,075	1,928,297	21,778

(Continued)

See Notes to Required Supplementary Information.

Town of Thomaston, Connecticut

Required Supplementary Information

General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Health and welfare:					
Medical services	\$ 4,500	\$ -	\$ 4,500	\$ 3,023	\$ 1,477
Torrington Area Health District	41,429	7,357	48,786	48,786	-
Social services	20,241	1,153	21,394	21,394	-
Elderly nutrition	6,486	-	6,486	6,486	-
Susan B. Anthony project	2,000	-	2,000	2,000	-
Central Naugatuck Valley Regional Action Council	1,200	-	1,200	-	1,200
Minibus	19,898	-	19,898	17,693	2,205
Veterans' administration	1,900	-	1,900	1,900	-
Total health and welfare	97,654	8,510	106,164	101,282	4,882
Culture and recreation:					
Recreation programs	121,127	14,714	135,841	135,841	-
Memorial day	2,500	-	2,500	2,500	-
Public library	346,446	-	346,446	330,282	16,164
Total culture and recreation	470,073	14,714	484,787	468,623	16,164
Housing and development:					
Conservation commission	1,795	-	1,795	1,795	-
Economic development commission	2,150	-	2,150	668	1,482
Housing, land use and development	201,465	-	201,465	182,556	18,909
Brownfields	1,000	-	1,000	1,000	-
Total housing and development	206,410	-	206,410	186,019	20,391
Education	15,164,006	(277,718)	14,886,288	14,886,288	-
Total expenditures	23,784,602	(293,673)	23,490,929	23,169,140	321,789
Other financing uses:					
Transfers out:					
Debt service fund	3,000,000	-	3,000,000	3,000,000	-
Debt service fund (education)	93,120	-	93,120	93,120	-
Hillside cemetery trust fund	26,000	-	26,000	26,000	-
Capital or nonrecurring	344,833	253,853	598,686	598,686	-
Seth Thomas/Bradstreet house	10,000	-	10,000	10,000	-
Social service crisis fund	10,000	-	10,000	10,000	-
Education funds	-	350,391	350,391	350,391	-
Total other financing uses	3,483,953	604,244	4,088,197	4,088,197	-
Total expenditures and other financing uses	\$ 27,268,555	\$ 310,571	\$ 27,579,126	\$ 27,257,337	\$ 321,789

(Concluded)

See Notes to Required Supplementary Information.

Town of Thomaston, Connecticut
Notes to Required Supplementary Information

Budgets and Budgetary Accounting
For the Year Ended June 30, 2021

The Town operates under State statutes for budgetary procedures.

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements. The general fund is the only fund for which a legal budget is adopted.

This budget is adopted on a basis consistent with generally accepted accounting principles (modified accrual basis) with the following exceptions:

- The Town does not budget for as revenue or expenditures payments made for the State Teachers' pension and OPEB by the State of Connecticut on the Town's behalf.

<u>Reconciliation to Exhibit D</u>	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis - RSI-1	\$ 27,894,336	\$ 23,169,140
State Teachers' pension on behalf amount	1,891,580	1,891,580
State Teachers' OPEB on behalf amount	<u>45,650</u>	<u>45,650</u>
GAAP Basis - Exhibit D	<u>\$ 29,831,566</u>	<u>\$ 25,106,370</u>

Formal budgetary integration is employed as a management control device during the year.

The Board of Finance submits a proposed operating budget for the fiscal year commencing July 1 to the annual Town Meeting at which taxpayer comments are obtained. The operating budget includes proposed expenditures and the means of financing them.

Prior to July 1, the budget is legally adopted by vote at the annual Town budget meeting.

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

The Board of Selectmen and the Board of Education are authorized to transfer budgeted amounts within departments. Transfers of budgeted amounts between departments must be approved by the Board of Finance.

The Board of Finance can approve additional appropriations for a department, provided such additional appropriations do not exceed \$20,000. Appropriations in excess of \$20,000 must be approved by vote of a Town Meeting.

The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under state law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education and Board of Finance approval and, if over \$20,000, Town Meeting approval.

During the year, there were additional appropriations from fund balance of \$310,571.

Town of Thomaston, Connecticut

Required Supplementary Information

Town Retirement Plan
Last Eight Years (1)

	2021	2020	2019	2018	2017	2016	2015	2014
<u>Schedule of Changes in Net Pension Liability and Related Ratios</u>								
Total pension liability:								
Service cost	\$ 231,805	\$ 279,997	\$ 296,619	\$ 321,322	\$ 357,930	\$ 387,724	\$ 363,897	\$ 401,270
Interest	1,480,035	1,459,716	1,432,379	1,420,327	1,407,359	1,365,722	1,295,503	1,269,639
Differences between expected and actual experience	(394,655)	(116,692)	(151,278)	(419,938)	(414,928)	(110,825)	(265,689)	(19,597)
Changes in assumptions	848,429	(87,688)	(48,888)	(38,197)	(92,172)	-	607,611	-
Benefit payments, including refunds of member contributions	(1,258,627)	(1,135,097)	(1,108,281)	(1,064,984)	(1,007,682)	(1,028,327)	(1,015,713)	(1,059,644)
Net change in total pension liability	906,987	400,236	420,551	218,530	250,507	614,294	985,609	591,668
Total pension liability - July 1	21,540,870	21,140,634	20,720,083	20,501,553	20,251,046	19,636,752	18,651,143	18,059,475
Total pension liability - June 30 (a)	<u>\$ 22,447,857</u>	<u>\$ 21,540,870</u>	<u>\$ 21,140,634</u>	<u>\$ 20,720,083</u>	<u>\$ 20,501,553</u>	<u>\$ 20,251,046</u>	<u>\$ 19,636,752</u>	<u>\$ 18,651,143</u>
Plan fiduciary net position:								
Contributions - employer	\$ 640,000	\$ 710,000	\$ 685,000	\$ 775,000	\$ 790,000	\$ 800,000	\$ 830,000	\$ 924,999
Contributions - member	137,447	149,901	147,029	157,619	175,704	159,545	167,530	153,778
Net investment income	4,559,838	519,957	1,203,971	1,186,593	1,739,088	134,539	366,071	1,902,564
Benefit payments, including refunds of member contributions	(1,258,627)	(1,135,097)	(1,108,281)	(1,064,984)	(1,007,682)	(1,028,327)	(1,015,713)	(1,059,644)
Administration	(29,416)	(26,758)	(43,134)	(25,324)	(29,092)	(35,932)	(35,337)	(31,839)
Net change in plan fiduciary net position	4,049,242	218,003	884,585	1,028,904	1,668,018	29,825	312,551	1,889,858
Plan fiduciary net position - July 1	18,439,571	18,221,568	17,336,983	16,308,079	14,640,061	14,610,236	14,297,685	12,407,827
Plan fiduciary net position - June 30 (b)	<u>\$ 22,488,813</u>	<u>\$ 18,439,571</u>	<u>\$ 18,221,568</u>	<u>\$ 17,336,983</u>	<u>\$ 16,308,079</u>	<u>\$ 14,640,061</u>	<u>\$ 14,610,236</u>	<u>\$ 14,297,685</u>
Net pension liability (asset) - June 30 (a)-(b)	<u>\$ (40,956)</u>	<u>\$ 3,101,299</u>	<u>\$ 2,919,066</u>	<u>\$ 3,383,100</u>	<u>\$ 4,193,474</u>	<u>\$ 5,610,985</u>	<u>\$ 5,026,516</u>	<u>\$ 4,353,458</u>
Plan fiduciary net position as a percentage of the total pension liability	100.18%	85.60%	86.19%	83.67%	79.55%	72.29%	74.40%	76.66%
Covered payroll	<u>\$ 2,605,167</u>	<u>\$ 2,842,038</u>	<u>\$ 3,029,570</u>	<u>\$ 3,171,283</u>	<u>\$ 3,369,027</u>	<u>\$ 3,415,672</u>	<u>\$ 3,309,461</u>	<u>\$ 3,285,183</u>
Net pension liability (asset) as a percentage of covered payroll	<u>-1.57%</u>	<u>109.12%</u>	<u>96.35%</u>	<u>106.68%</u>	<u>124.47%</u>	<u>164.27%</u>	<u>151.88%</u>	<u>132.52%</u>
<u>Schedule of Investment Returns</u>								
Annual money weighted rate of return, net of investment expense	<u>25.47%</u>	<u>-0.43%</u>	<u>6.40%</u>	<u>6.33%</u>	<u>12.71%</u>	<u>0.83%</u>	<u>1.89%</u>	<u>15.34%</u>

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

Town of Thomaston, Connecticut
Required Supplementary Information

Town Retirement Plan
Schedule of Contributions
Last Ten Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contributions	\$ 522,281	\$ 522,281	\$ 587,272	\$ 585,540	\$ 657,455	\$ 714,209	\$ 741,399	\$ 734,912	\$ 824,021	\$ 852,964
Contributions in relation to the actuarially determined contribution	<u>640,000</u>	<u>710,000</u>	<u>685,000</u>	<u>775,000</u>	<u>790,000</u>	<u>800,000</u>	<u>830,000</u>	<u>924,999</u>	<u>895,000</u>	<u>913,000</u>
Contribution excess (deficiency)	<u>\$ 117,719</u>	<u>\$ 187,719</u>	<u>\$ 97,728</u>	<u>\$ 189,460</u>	<u>\$ 132,545</u>	<u>\$ 85,791</u>	<u>\$ 88,601</u>	<u>\$ 190,087</u>	<u>\$ 70,979</u>	<u>\$ 60,036</u>
Covered payroll	<u>\$ 2,605,167</u>	<u>\$ 2,842,038</u>	<u>\$ 3,029,570</u>	<u>\$ 3,171,283</u>	<u>\$ 3,369,027</u>	<u>\$ 3,415,672</u>	<u>\$ 3,309,461</u>	<u>\$ 3,285,183</u>	<u>\$ 3,381,120</u>	<u>\$ 3,805,200</u>
Contributions as a percentage of covered payroll	<u>24.57%</u>	<u>24.98%</u>	<u>22.61%</u>	<u>24.44%</u>	<u>23.45%</u>	<u>23.42%</u>	<u>25.08%</u>	<u>28.16%</u>	<u>26.47%</u>	<u>23.99%</u>

Town of Thomaston, Connecticut
Notes to Required Supplementary Information

Town Retirement Plan
Schedule of Contributions
Last Eight Years (1)

	2021	2020	2019	2018	2017	2016	2015	2014
Changes of Benefit Terms	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	January 1, 2021	January 1, 2020	January 1, 2019	January 1, 2018	January 1, 2017	January 1, 2016	January 1, 2015	January 1, 2014
Actuarial methods and assumptions used to determine contribution rates:								
Actuarial Cost Method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed
Asset Valuation Method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation	2.20%	2.20%	2.20%	2.25%	2.25%	2.25%	3.00%	3.00%
Salary Increases	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Investment Rate of Return (Net)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Mortality Rate	RP-2014 Total mortality table projected from 2006 based on assumptions from the 2019 Social Security Administration Trustee's Report	RP-2014 Total mortality table projected from 2006 based on assumptions from the 2019 Social Security Administration Trustee's Report	RP-2014 Total mortality table projected from 2006 based on assumptions from the 2018 Social Security Administration Trustee's Report	RP 2014+ mortality based on assumptions from the 2017 Social Security Administration Trustee's Report	RP-2014+ mortality with social security generational improvement scale from 2006	Police, public works, WPCA and highway members - RP-2014 blue collar mortality with improvement scale from 2006. All other members - RP-2014 total mortality with social security generational improvement scale from 2006	Police, public works, WPCA and highway members - RP-2014 blue collar mortality with improvement scale from 2006. All other members - RP-2014 total mortality with social security generational improvement scale from 2006	N/A

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

N/A - Not Available

Town of Thomaston, Connecticut

Required Supplementary Information

Connecticut State Teachers' Retirement System
Last Seven Years (3)

	2021	2020	2019	2018	2017	2016	2015
<u>Schedule of Proportionate Share of the Net Pension Liability</u>							
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net pension liability associated with the Town	29,490,739	27,547,926	21,241,051	21,209,807	22,376,509	18,724,328	17,306,889
Total	<u>\$29,490,739</u>	<u>\$27,547,926</u>	<u>\$21,241,051</u>	<u>\$21,209,807</u>	<u>\$22,376,509</u>	<u>\$18,724,328</u>	<u>\$17,306,889</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	<u>49.24%</u>	<u>52.00%</u>	<u>57.69%</u>	<u>55.93%</u>	<u>52.86%</u>	<u>59.50%</u>	<u>61.50%</u>

Schedule of Contributions

Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the net pension liability

(3) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

Town of Thomaston, Connecticut

Notes to Required Supplementary Information

Connecticut State Teachers' Retirement System
Schedule of Contributions
Last Seven Years (1)

	2021	2020	2019	2018	2017	2016	2015
Changes of Benefit Terms	None	None	Beginning January 1, 2018, member contributions increased from 6.00% to 7.00% of salary	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 2014
Actuarial methods and assumptions used to determine contribution rates:							
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining Amortization Period	27.8 years	30 years	30 years	20.4 years	20.4 years	21.4 years	22.4 years
Asset Valuation Method	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing
Inflation	2.50%	2.50%	2.75%	2.75%	2.75%	3.00%	3.00%
Salary Increases	3.00%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation
Cost-of-Living Adjustments	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date
Investment Rate of Return (Net)	6.90%	6.90%	8.00%	8.00%	8.00%	8.50%	8.50%
Mortality Rate	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

Town of Thomaston, Connecticut
Required Supplementary Information
Town Other Post-Employment Benefit (OPEB) Plan
Last Five Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Schedule of Changes in Net OPEB Liability and Related Ratios</u>					
Total OPEB Liability:					
Service cost	\$ 111,128	\$ 125,373	\$ 216,810	\$ 205,034	\$ 219,329
Interest	746,862	758,496	1,091,922	1,202,380	1,175,639
Difference between expected and actual experience	(1,727,106)	(870,529)	(6,504,575)	(1,847,217)	2,266,952
Changes in benefit terms	(29,237)	-	-	-	-
Changes in assumptions	1,963,391	(775,933)	840,426	999,754	(196,530)
Benefit payments, including refunds of member contributions	<u>(724,472)</u>	<u>(656,996)</u>	<u>(839,356)</u>	<u>(844,480)</u>	<u>(875,766)</u>
Net Change in Total OPEB Liability	340,566	(1,419,589)	(5,194,773)	(284,529)	2,589,624
Total OPEB Liability - July 1	<u>14,581,677</u>	<u>16,001,266</u>	<u>21,196,039</u>	<u>21,480,568</u>	<u>18,890,944</u>
Total OPEB Liability - June 30 (a)	<u>\$ 14,922,243</u>	<u>\$ 14,581,677</u>	<u>\$ 16,001,266</u>	<u>\$ 21,196,039</u>	<u>\$ 21,480,568</u>
Plan Fiduciary Net Position:					
Contributions - employer	\$ 749,472	\$ 681,996	\$ 864,356	\$ 869,480	\$ 900,766
Net investment income	95,545	18,038	23,452	18,083	18,590
Benefit payments, including refunds of member contributions	(724,472)	(656,996)	(839,356)	(844,480)	(875,766)
Administration	<u>(560)</u>	<u>(501)</u>	<u>(761)</u>	<u>(500)</u>	<u>(416)</u>
Net Change in Plan Fiduciary Net Position	119,985	42,537	47,691	42,583	43,174
Plan Fiduciary Net Position - July 1	<u>381,758</u>	<u>339,221</u>	<u>291,530</u>	<u>248,947</u>	<u>205,773</u>
Plan Fiduciary Net Position - June 30 (b)	<u>\$ 501,743</u>	<u>\$ 381,758</u>	<u>\$ 339,221</u>	<u>\$ 291,530</u>	<u>\$ 248,947</u>
Net OPEB Liability - June 30 (a)-(b)	<u>\$ 14,420,500</u>	<u>\$ 14,199,919</u>	<u>\$ 15,662,045</u>	<u>\$ 20,904,509</u>	<u>\$ 21,231,621</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>3.36%</u>	<u>2.62%</u>	<u>2.12%</u>	<u>1.38%</u>	<u>1.16%</u>
Covered payroll	<u>\$ 898,297</u>	<u>\$ 1,303,639</u>	<u>\$ 1,253,499</u>	<u>\$ 2,770,895</u>	<u>\$ 2,664,322</u>
Net OPEB liability as a percentage of covered payroll	<u>6.23%</u>	<u>9.18%</u>	<u>8.00%</u>	<u>13.26%</u>	<u>12.55%</u>

Schedule of Investment Returns

Annual money weighted rate of return, net investment expense	<u>24.56%</u>	<u>3.26%</u>	<u>4.02%</u>	<u>3.49%</u>	<u>3.97%</u>
--	---------------	--------------	--------------	--------------	--------------

(1) These schedules are intended to present information for 10 years. Additional years will be presented as the information becomes available.

See Notes to Required Supplementary Information.

Town of Thomaston, Connecticut

Required Supplementary Information

Town Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
Last Ten Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contributions	\$ 828,319	\$ 868,989	\$ 1,215,346	\$ 1,211,597	\$ 1,151,113	\$ 1,558,534	\$ 1,480,136	\$ 1,249,797	\$ 1,225,729	\$ 1,059,036
Contributions in relation to the actuarially determined contribution	<u>749,472</u>	<u>681,996</u>	<u>864,356</u>	<u>869,480</u>	<u>900,766</u>	<u>685,657</u>	<u>631,108</u>	<u>652,571</u>	<u>607,716</u>	<u>514,196</u>
Contribution excess (deficiency)	<u>\$ (78,847)</u>	<u>\$ (186,993)</u>	<u>\$ (350,990)</u>	<u>\$ (342,117)</u>	<u>\$ (250,347)</u>	<u>\$ (872,877)</u>	<u>\$ (849,028)</u>	<u>\$ (597,226)</u>	<u>\$ (618,013)</u>	<u>\$ (544,840)</u>
Covered payroll	<u>\$ 898,297</u>	<u>\$ 1,303,639</u>	<u>\$ 1,253,499</u>	<u>\$ 2,770,895</u>	<u>\$ 2,664,332</u>	<u>\$ 2,546,003</u>	<u>\$ 2,471,848</u>	<u>\$ 2,310,927</u>	<u>\$ 2,243,618</u>	<u>\$ 2,400,858</u>
Contributions as a percentage of covered payroll	<u>83.43%</u>	<u>52.31%</u>	<u>68.96%</u>	<u>31.38%</u>	<u>33.81%</u>	<u>26.93%</u>	<u>25.53%</u>	<u>28.24%</u>	<u>27.09%</u>	<u>21.42%</u>

Town of Thomaston, Connecticut
Notes to Required Supplementary Information
Town Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
Last Eight Years (1)

	2021	2020	2019	2018	2017	2016	2015	2014
Changes of Benefit Terms	For active employees retiring on or after July 1, 2020 and by June 30, 2021, retirees' premium share is 13.00% for white collar, 12.50% for public works, and 11.00% for sewer	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	January 1, 2020	January 1, 2018	January 1, 2018	January 1, 2016	January 1, 2016	January 1, 2014	January 1, 2014	January 1, 2012
Actuarial methods and assumptions used to determine contribution rates:								
Actuarial Cost Method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit	Projected unit credit
Amortization Method	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level percentage of salary	Level dollar	Level dollar	Level dollar
Asset Valuation Method	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	N/A
Inflation	2.50%	2.20%	2.20%	3.50%	3.50%	3.00%	3.00%	N/A
Salary Increases	4.00%	4.00%	4.00%	N/A	N/A	N/A	N/A	N/A
Investment Rate of Return - Town (Net)	6.07%	6.00%	6.00%	5.60%	5.60%	5.33%	5.33%	5.33%
Investment Rate of Return - Education (Net)	2.66%	3.51%	3.51%	3.56%	3.56%	4.50%	4.50%	4.50%
Mortality Rate	SOA Pub-2010 general headcount weighted mortality table fully generational using Scale MP-2021	SOA Pub-2010 general headcount weighted mortality table fully generational using Scale MP-2019	SOA Pub-2010 general headcount weighted mortality table fully generational using Scale MP-2019	SOA RPH-2016 Total Dataset Headcount-Weighted Mortality Table fully generational using Scale MP-2016	SOA RPH-2016 Total Dataset Headcount-Weighted Mortality Table fully generational using Scale MP-2016	N/A	N/A	N/A

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

N/A - Not Available.

Town of Thomaston, Connecticut

Required Supplementary Information

Education Other Post-Employment Benefit (OPEB) Plan
Last Five Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Schedule of Changes in Total OPEB Liability and Related Ratios</u>					
Total OPEB liability:					
Service cost	\$ 340,201	\$ 278,538	\$ 226,046	\$ 256,700	\$ 342,342
Interest	206,607	243,931	220,611	220,059	205,769
Difference between expected and actual experience	(1,455,969)	(381,988)	588,466	(513,843)	(933,922)
Changes in assumptions	721,926	832,351	360,723	(236,655)	(562,365)
Benefit payments, including refunds of member contributions	<u>(213,723)</u>	<u>(219,578)</u>	<u>(179,196)</u>	<u>(173,960)</u>	<u>(174,221)</u>
Net change in total OPEB liability	(400,958)	753,254	1,216,650	(447,699)	(1,122,397)
Total OPEB liability - July 1	<u>7,533,157</u>	<u>6,779,903</u>	<u>5,563,253</u>	<u>6,010,952</u>	<u>7,133,349</u>
Total OPEB liability - June 30*	<u>\$ 7,132,199</u>	<u>\$ 7,533,157</u>	<u>\$ 6,779,903</u>	<u>\$ 5,563,253</u>	<u>\$ 6,010,952</u>
Covered employee payroll	<u>N/A</u>	<u>\$ 8,094,378</u>	<u>\$ 7,783,056</u>	<u>N/A</u>	<u>N/A</u>
Total OPEB liability as a percentage of covered employee payroll	<u>N/A</u>	<u>107.45%</u>	<u>114.80%</u>	<u>N/A</u>	<u>N/A</u>

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

* There are no assets that are being accumulated in a trust that meets the criteria in GASB No. 75 to pay benefits

N/A - Not available

Town of Thomaston, Connecticut

Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
Last Four Years (3)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Schedule of Proportionate Share of the Net OPEB Liability</u>				
Town's proportion of the net OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the net OPEB liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	<u>4,398,545</u>	<u>4,296,255</u>	<u>4,246,205</u>	<u>5,459,175</u>
Total	<u>\$4,398,545</u>	<u>\$4,296,255</u>	<u>\$4,246,205</u>	<u>\$5,459,175</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>2.50%</u>	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>

Schedule of Contributions

Contractually required contribution (1)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the net OPEB liability

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Town of Thomaston, Connecticut

Notes to Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
Schedule of Contributions
Last Four Years (1)

	2021	2020	2019	2018
Changes of Benefit Terms	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016
Actuarial methods and assumptions used to determine contribution rates:				
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age
Amortization Method	Level percentage, closed	Level percentage, open	Level percentage, open	Level percentage, open
Amortization Period	30 years	30 years	30 years	30 years
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.75%	2.75%	2.75%
Healthcare Inflation Rate	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 7.25% decreasing to 5.00% (ultimate) by 2022
Salary Increases	3.00% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation
Investment Rate of Return (Net)	3.00%	3.00%	3.00%	4.25%
Mortality Rate	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Supplemental Schedules

General Fund

The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health and welfare, culture and recreation, housing and development, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

Town of Thomaston, Connecticut

**General Fund
Report of Tax Collector
For the Year Ended June 30, 2021**

Grand List Year	Uncollected Taxes July 1, 2020	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2021
			Additions	Deductions			Net Taxes Collected	Interest and Liens	Total	
2005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,325	\$ 1,325	\$ -
2006	-	-	-	-	-	-	-	1,282	1,282	-
2007	-	-	-	-	-	-	-	657	657	-
2008	7,265	-	-	-	6,872	393	393	2,891	3,284	-
2009	7,518	-	-	-	502	7,016	856	1,725	2,581	6,160
2010	6,358	-	-	-	-	6,358	563	922	1,485	5,795
2011	10,223	-	-	-	-	10,223	839	1,137	1,976	9,384
2012	19,316	-	-	-	-	19,316	691	544	1,235	18,625
2013	19,533	-	-	958	351	18,224	1,455	1,838	3,293	16,769
2014	19,093	-	-	315	129	18,649	932	810	1,742	17,717
2015	23,977	-	289	131	-	24,135	2,224	1,725	3,949	21,911
2016	36,584	-	-	418	268	35,898	4,922	2,541	7,463	30,976
2017	75,619	-	589	2,004	20	74,184	36,130	11,442	47,572	38,054
2018	302,451	-	2,273	6,649	598	297,477	225,573	47,660	273,233	71,904
Subtotal	527,937	-	3,151	10,475	8,740	511,873	274,578	76,499	351,077	237,295
2019	-	20,894,123	50,568	74,092	333	20,870,266	20,692,205	50,982	20,743,187	178,061
Total	<u>\$ 527,937</u>	<u>\$20,894,123</u>	<u>\$53,719</u>	<u>\$ 84,567</u>	<u>\$ 9,073</u>	<u>\$ 21,382,139</u>	<u>\$20,966,783</u>	<u>\$ 127,481</u>	<u>\$21,094,264</u>	<u>\$ 415,356</u>

Other Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted, committed, or assigned to expenditures for particular purposes.

Fund	Funding Source	Function
Sewer Commission Usage Fund	Charges for services	To account for sewer operations
Sewer Commission Assessment and Appropriation Fund	Charges for services	To account for connection fees to the sewer system
School Lunch Fund	Sale of meals and grants	To account for the operations of the school lunch program
Education Funds	Grants and contributions	To account for Federal and State education grants, local grants, donations, student athletes "pay to play" and school field trips
School Activity Fund	Fees and contributions	Education programs
Town Clerk Preservation Fund	Charges for services and grants	To account for fees charged for land records to be used for historical document preservation
Transfer Station Fund	Charges for services	To account for the operations of the transfer station
Thomaston Opera House Fund	Contributions	To account for a performance related scholarship program
Public Library Funds	Grants and contributions	To account for the library programs and other library sponsored activities
Public Safety Funds	Charges for services and contributions	To account for public safety programs including fire marshal fees and permits, substance abuse grants, and forfeiture monies
Recreation Funds	Charges for services and contributions	To account for recreation programs

Other Governmental Funds

Fund	Funding Source	Function
Gift Fund	Contributions	To account for various donations, such as the clock tower restoration, Citizen Emergency Response Team (CERT), Beautification fund, Greenway Committee and Tri-Centennial Committee
Social Services Crisis Fund	Contributions	To account for social service programs
EMS Fund	Charges for services	To account for the Volunteer Ambulance operations

Capital Projects Funds

Capital projects funds are used to account for acquisition and construction of major capital assets other than those financed by proprietary and trust funds.

Fund	Funding Source	Function
Capital Projects Fund	Charges for services and grants	To account for financial resources to be used for the construction or acquisition of capital equipment or facilities

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.

Fund	Funding Source	Function
Edith Kenea Park and Tree Fund	Income from investments	To account for money bequeathed for the purpose of replacing flowers and trees and beautification of Town parks
Fire Department Trust Fund	Income from investments	To account for money endowed to the Fire Department from Edith Kenea
Hillside Cemetery Trust Fund	Charges for services and income from investments	To account for the endowments, perpetual care assets and operations of the Hillside Cemetery

Town of Thomaston, Connecticut

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Revenues:					
Property taxes	\$ 20,565,925	\$ -	\$ 20,565,925	\$ 21,145,103	\$ 579,178
Charges for services	389,945	-	389,945	498,041	108,096
Intergovernmental	6,217,535	-	6,217,535	6,207,784	(9,751)
Income from investments	75,000	-	75,000	18,850	(56,150)
Other	5,150	-	5,150	24,558	19,408
Total revenues	<u>27,253,555</u>	<u>-</u>	<u>27,253,555</u>	<u>27,894,336</u>	<u>640,781</u>
Expenditures:					
Current:					
General government	3,957,435	(99,349)	3,858,086	3,658,061	200,025
Public safety	1,989,799	9,320	1,999,119	1,940,570	58,549
Public works	1,899,225	50,850	1,950,075	1,928,297	21,778
Health and welfare	97,654	8,510	106,164	101,282	4,882
Culture and recreation	470,073	14,714	484,787	468,623	16,164
Housing and development	206,410	-	206,410	186,019	20,391
Education	15,164,006	(277,718)	14,886,288	14,886,288	-
Total expenditures	<u>23,784,602</u>	<u>(293,673)</u>	<u>23,490,929</u>	<u>23,169,140</u>	<u>321,789</u>
Excess (deficiency) of revenues over expenditures	<u>3,468,953</u>	<u>293,673</u>	<u>3,762,626</u>	<u>4,725,196</u>	<u>962,570</u>
Other financing sources (uses):					
Appropriation of fund balance	-	310,571	310,571	-	(310,571)
Transfers in	15,000	-	15,000	15,000	-
Transfers out	(3,483,953)	(604,244)	(4,088,197)	(4,088,197)	-
Net other financing sources (uses)	<u>(3,468,953)</u>	<u>(293,673)</u>	<u>(3,762,626)</u>	<u>(4,073,197)</u>	<u>(310,571)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	651,999	<u>\$ 651,999</u>
Fund balance - July 1, 2020				<u>5,038,365</u>	
Fund balance - June 30, 2021				<u>\$ 5,690,364</u>	

Town of Thomaston, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2021

	Special Revenue Funds							
	Sewer Commission Usage Fund	Sewer Commission Assessment and Appropriation Fund	School Lunch Fund	Education Funds	School Activity Fund	Town Clerk Preservation Fund	Transfer Station Fund	Thomaston Opera House Fund
<u>Assets</u>								
Cash	\$ -	\$ 118,910	\$ 117,201	\$ 425,463	\$ 113,578	\$ 11,408	\$ -	\$ 10
Investments	-	191,801	-	-	-	-	-	-
Receivables:								
Assessments/use charges	123,883	-	-	-	-	-	-	-
Intergovernmental	-	-	48,948	283,450	-	-	-	-
Other	-	-	-	16,447	-	-	-	-
Due from other funds	154,568	-	-	279,209	-	-	-	-
Other	-	-	9,242	-	-	-	-	-
Total assets	<u>\$ 278,451</u>	<u>\$ 310,711</u>	<u>\$ 175,391</u>	<u>\$ 1,004,569</u>	<u>\$ 113,578</u>	<u>\$ 11,408</u>	<u>\$ -</u>	<u>\$ 10</u>
<u>Liabilities</u>								
Accounts payable	\$ 35,145	\$ -	\$ 21,066	\$ 136,615	\$ -	\$ -	\$ 2,981	\$ -
Accrued payroll	43,170	-	-	-	-	-	108	-
Due to other funds	76,253	-	-	205,558	1,491	-	8,335	-
Unearned revenue	-	-	-	129,100	-	-	5,554	-
Total liabilities	<u>154,568</u>	<u>-</u>	<u>21,066</u>	<u>471,273</u>	<u>1,491</u>	<u>-</u>	<u>16,978</u>	<u>-</u>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue - assessments/use charges	<u>123,883</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund Balances</u>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	310,711	154,325	-	-	11,408	-	-
Committed	-	-	-	533,296	112,087	-	-	10
Unassigned	-	-	-	-	-	-	(16,978)	-
Total fund balances	<u>-</u>	<u>310,711</u>	<u>154,325</u>	<u>533,296</u>	<u>112,087</u>	<u>11,408</u>	<u>(16,978)</u>	<u>10</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 278,451</u>	<u>\$ 310,711</u>	<u>\$ 175,391</u>	<u>\$ 1,004,569</u>	<u>\$ 113,578</u>	<u>\$ 11,408</u>	<u>\$ -</u>	<u>\$ 10</u>

(Continued)

Town of Thomaston, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2021

Special Revenue Funds

	Public Library Funds	Public Safety Funds	Recreation Funds	Gift Fund	Social Services Crisis Fund	EMS Fund	Total Special Revenue Funds
<u>Assets</u>							
Cash	\$ 5,490	\$27,262	\$ 355	\$48,005	\$ 9,033	\$ -	\$ 876,715
Investments	-	2,855	-	4,577	150	140,578	339,961
Receivables:							
Assessments/use charges	-	-	-	-	-	-	123,883
Intergovernmental	-	-	-	-	-	-	332,398
Other	-	-	-	-	-	11,800	28,247
Due from other funds	-	-	15,358	250	-	-	449,385
Other	-	-	-	-	-	-	9,242
Total assets	<u>\$ 5,490</u>	<u>\$30,117</u>	<u>\$ 15,713</u>	<u>\$52,832</u>	<u>\$ 9,183</u>	<u>\$ 152,378</u>	<u>\$ 2,159,831</u>
<u>Liabilities</u>							
Accounts payable	\$ -	\$ -	\$ 571	\$ -	\$ -	\$ -	\$ 196,378
Accrued payroll	-	-	-	-	-	-	43,278
Due to other funds	-	-	1,223	-	-	15,000	307,860
Unearned revenue	-	-	-	-	-	-	134,654
Total liabilities	<u>-</u>	<u>-</u>	<u>1,794</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>682,170</u>
<u>Deferred Inflows of Resources</u>							
Unavailable revenue - assessments/use charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,883</u>
<u>Fund Balances</u>							
Nonspendable	-	-	-	-	-	-	-
Restricted	5,490	30,117	-	-	-	-	512,051
Committed	-	-	13,919	52,832	9,183	137,378	858,705
Unassigned	-	-	-	-	-	-	(16,978)
Total fund balances	<u>5,490</u>	<u>30,117</u>	<u>13,919</u>	<u>52,832</u>	<u>9,183</u>	<u>137,378</u>	<u>1,353,778</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,490</u>	<u>\$30,117</u>	<u>\$ 15,713</u>	<u>\$52,832</u>	<u>\$ 9,183</u>	<u>\$ 152,378</u>	<u>\$ 2,159,831</u>

(Continued)

Town of Thomaston, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2021

	Capital Projects Fund	Permanent Funds				Total Other Governmental Funds
	Capital Projects Fund	Edith Kenea Park and Tree Fund	Fire Department Trust Fund	Hillside Cemetery Trust Fund	Total Permanent Funds	
<u>Assets</u>						
Cash	\$ 20,825	\$ -	\$ -	\$ 67,309	\$ 67,309	\$ 964,849
Investments	560,125	89,810	18,003	756,251	864,064	1,764,150
Receivables:						
Assessments/use charges	-	-	-	-	-	123,883
Intergovernmental	-	-	-	-	-	332,398
Other	-	-	-	-	-	28,247
Due from other funds	-	-	-	-	-	449,385
Other	-	-	-	-	-	9,242
Total assets	<u>\$ 580,950</u>	<u>\$ 89,810</u>	<u>\$ 18,003</u>	<u>\$ 823,560</u>	<u>\$ 931,373</u>	<u>\$ 3,672,154</u>
<u>Liabilities</u>						
Accounts payable	\$ -	\$ -	\$ -	\$ 213	\$ 213	\$ 196,591
Accrued payroll	-	-	-	1,251	1,251	44,529
Due to other funds	156,172	1,482	-	96,514	97,996	562,028
Unearned revenue	-	-	-	-	-	134,654
Total liabilities	<u>156,172</u>	<u>1,482</u>	<u>-</u>	<u>97,978</u>	<u>99,460</u>	<u>937,802</u>
<u>Deferred Inflows of Resources</u>						
Unavailable revenue - assessments/use charges	-	-	-	-	-	123,883
<u>Fund Balances</u>						
Nonspendable	-	50,000	15,700	104,500	170,200	170,200
Restricted	-	38,328	2,303	71,570	112,201	624,252
Committed	424,778	-	-	549,512	549,512	1,832,995
Unassigned	-	-	-	-	-	(16,978)
Total fund balances	<u>424,778</u>	<u>88,328</u>	<u>18,003</u>	<u>725,582</u>	<u>831,913</u>	<u>2,610,469</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 580,950</u>	<u>\$ 89,810</u>	<u>\$ 18,003</u>	<u>\$ 823,560</u>	<u>\$ 931,373</u>	<u>\$ 3,672,154</u>

(Concluded)

Town of Thomaston, Connecticut

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds							
	Sewer Commission Usage Fund	Sewer Commission Assessment and Appropriation Fund	School Lunch Fund	Education Funds	School Activity Fund	Town Clerk Preservation Fund	Transfer Station Fund	Thomaston Opera House Fund
Revenues:								
Charges for services	\$ 1,364,459	\$ 34,000	\$ 7,839	\$ -	\$ 35,346	\$ 5,247	\$ 33,201	\$ -
Intergovernmental	-	-	235,012	1,886,694	-	5,500	-	-
Contributions	-	-	-	36,484	-	-	-	-
Income from investments	-	1,406	-	-	-	7	7	-
Net change in fair value of investments	-	-	-	-	-	-	-	-
Total revenues	1,364,459	35,406	242,851	1,923,178	35,346	10,754	33,208	-
Expenditures:								
Current:								
General government	-	-	-	-	-	13,031	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	1,519,027	-	-	-	-	-	33,708	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	10
Education	-	-	250,606	1,964,592	57,975	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	1,519,027	-	250,606	1,964,592	57,975	13,031	33,708	10
Excess (deficiency) of revenues over expenditures	(154,568)	35,406	(7,755)	(41,414)	(22,629)	(2,277)	(500)	(10)
Other financing sources (uses):								
Transfers in	154,568	-	-	430,743	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Net other financing sources (uses)	154,568	-	-	430,743	-	-	-	-
Net change in fund balances	-	35,406	(7,755)	389,329	(22,629)	(2,277)	(500)	(10)
Fund balances, July 1, 2020 (as restated)	-	275,305	162,080	143,967	134,716	13,685	(16,478)	20
Fund balances, June 30, 2021	\$ -	\$ 310,711	\$ 154,325	\$ 533,296	\$ 112,087	\$ 11,408	\$ (16,978)	\$ 10

(Continued)

Town of Thomaston, Connecticut

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds

	Public Library Funds	Public Safety Funds	Recreation Funds	Gift Fund	Social Services Crisis Fund	EMS Fund	Total Special Revenue Funds
Revenues:							
Charges for services	\$ -	\$ 225	\$ 4,030	\$ -	\$ -	\$ 31,800	\$ 1,516,147
Intergovernmental	-	-	-	-	-	-	2,127,206
Contributions	12,258	14,003	-	9,553	19,660	-	91,958
Income from investments	2	12	-	28	-	-	1,462
Net change in fair value of investments	-	-	-	-	-	-	-
Total revenues	12,260	14,240	4,030	9,581	19,660	31,800	3,736,773
Expenditures:							
Current:							
General government	-	-	-	40	-	-	13,071
Public safety	-	9,158	-	-	-	-	9,158
Public works	-	-	-	396	-	-	1,553,131
Health and welfare	-	-	-	-	21,502	-	21,502
Culture and recreation	15,144	-	10,016	4,778	-	-	29,948
Education	-	-	-	-	-	-	2,273,173
Capital outlay	-	-	-	-	-	221,923	221,923
Total expenditures	15,144	9,158	10,016	5,214	21,502	221,923	4,121,906
Excess (deficiency) of revenues over expenditures	(2,884)	5,082	(5,986)	4,367	(1,842)	(190,123)	(385,133)
Other financing sources (uses):							
Transfers in	-	-	10,000	-	10,000	-	605,311
Transfers out	-	-	-	(8,237)	-	(15,000)	(23,237)
Net other financing sources (uses)	-	-	10,000	(8,237)	10,000	(15,000)	582,074
Net change in fund balances	(2,884)	5,082	4,014	(3,870)	8,158	(205,123)	196,941
Fund balances, July 1, 2020 (as restated)	8,374	25,035	9,905	56,702	1,025	342,501	1,156,837
Fund balances, June 30, 2021	\$ 5,490	\$ 30,117	\$ 13,919	\$ 52,832	\$ 9,183	\$ 137,378	\$ 1,353,778

(Continued)

Town of Thomaston, Connecticut

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2021

	Capital Projects Fund	Permanent Funds				Total Other Governmental Funds
	Capital Projects Fund	Edith Kenea Park and Tree Fund	Fire Department Trust Fund	Hillside Cemetery Trust Fund	Total Permanent Funds	
Revenues:						
Charges for services	\$ 26,853	\$ -	\$ -	\$ 43,315	\$ 43,315	\$1,586,315
Intergovernmental	-	-	-	-	-	2,127,206
Contributions	-	-	-	-	-	91,958
Income from investments	758	259	177	26,570	27,006	29,226
Net change in fair value of investments	-	-	-	92,519	92,519	92,519
Total revenues	<u>27,611</u>	<u>259</u>	<u>177</u>	<u>162,404</u>	<u>162,840</u>	<u>3,927,224</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	13,071
Public safety	-	-	-	-	-	9,158
Public works	13,810	-	-	-	-	1,566,941
Health and welfare	-	-	-	59,515	59,515	81,017
Culture and recreation	5	448	-	-	448	30,401
Education	-	-	-	-	-	2,273,173
Capital outlay	<u>36,379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>258,302</u>
Total expenditures	<u>50,194</u>	<u>448</u>	<u>-</u>	<u>59,515</u>	<u>59,963</u>	<u>4,232,063</u>
Excess (deficiency) of revenues over expenditures	<u>(22,583)</u>	<u>(189)</u>	<u>177</u>	<u>102,889</u>	<u>102,877</u>	<u>(304,839)</u>
Other financing sources (uses):						
Transfers in	-	-	-	26,000	26,000	631,311
Transfers out	<u>(154,568)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(177,805)</u>
Net other financing sources (uses)	<u>(154,568)</u>	<u>-</u>	<u>-</u>	<u>26,000</u>	<u>26,000</u>	<u>453,506</u>
Net change in fund balances	(177,151)	(189)	177	128,889	128,877	148,667
Fund balances, July 1, 2020 (as restated)	<u>601,929</u>	<u>88,517</u>	<u>17,826</u>	<u>596,693</u>	<u>703,036</u>	<u>2,461,802</u>
Fund balances, June 30, 2021	<u>\$424,778</u>	<u>\$ 88,328</u>	<u>\$ 18,003</u>	<u>\$725,582</u>	<u>\$831,913</u>	<u>\$2,610,469</u>

(Concluded)

Town of Thomaston, Connecticut

**Sewer Commission Usage Fund
Schedule of Sewer Use Charges Receivable
For the Year Ended June 30, 2021**

Fiscal Year	Uncollected Balance July 1, 2020	Current Year Charges	Corrections		Adjusted User Charges Collectible	Collections			Uncollected Balance June 30, 2021
			Additions	Deductions		Use Charges	Interest and Liens	Total	
2015	\$ 593	\$ -	\$ -	\$ -	\$ 593	\$ -	\$ 132	\$ 132	\$ 593
2016	1,406	-	-	-	1,406	714	1,544	2,258	692
2017	5,132	-	-	-	5,132	2,964	3,025	5,989	2,168
2018	13,686	-	-	-	13,686	5,034	8,413	13,447	8,652
2019	36,491	-	-	368	36,123	19,729	11,919	31,648	16,394
2020	<u>75,299</u>	<u>-</u>	<u>-</u>	<u>372</u>	<u>74,927</u>	<u>48,026</u>	<u>7,118</u>	<u>55,144</u>	<u>26,901</u>
Total Prior Years	132,607	-	-	740	131,867	76,467	32,151	108,618	55,400
2021	<u>-</u>	<u>1,311,512</u>	<u>4,375</u>	<u>-</u>	<u>1,315,887</u>	<u>1,247,404</u>	<u>6,775</u>	<u>1,254,179</u>	<u>68,483</u>
Total	<u><u>\$ 132,607</u></u>	<u><u>\$ 1,311,512</u></u>	<u><u>\$ 4,375</u></u>	<u><u>\$ 740</u></u>	<u><u>\$ 1,447,754</u></u>	<u><u>\$ 1,323,871</u></u>	<u><u>\$ 38,926</u></u>	<u><u>\$ 1,362,797</u></u>	<u><u>\$ 123,883</u></u>

Town of Thomaston, Connecticut

Private-Purpose Trust Funds
Combining Schedule of Fiduciary Net Position
June 30, 2021

	Leander Smith Award Fund	Peppie Wagner Fund	Seth Thomas Prize Fund	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Assets</u>				
Cash	\$ -	\$ 660	\$ -	\$ 660
Investments	<u>5,754</u>	<u>-</u>	<u>1,138</u>	<u>6,892</u>
Total assets	<u>5,754</u>	<u>660</u>	<u>1,138</u>	<u>7,552</u>
<u>Net Position</u>				
Net position restricted for individuals	<u><u>\$ 5,754</u></u>	<u><u>\$ 660</u></u>	<u><u>\$ 1,138</u></u>	<u><u>\$ 7,552</u></u>

Town of Thomaston, Connecticut

Private-Purpose Trust Funds
Combining Schedule of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021

	Leander Smith Award Fund	Peppie Wagner Fund	Seth Thomas Prize Fund	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Additions:				
Income from investments	\$ 26	\$ -	\$ 6	\$ 32
Deductions:				
Awards	<u>-</u>	<u>210</u>	<u>-</u>	<u>210</u>
Changes in net position	26	(210)	6	(178)
Net position, July 1, 2020	<u>5,728</u>	<u>870</u>	<u>1,132</u>	<u>7,730</u>
Net position, June 30, 2021	<u><u>\$ 5,754</u></u>	<u><u>\$ 660</u></u>	<u><u>\$ 1,138</u></u>	<u><u>\$ 7,552</u></u>

Town of Thomaston, Connecticut

Net Position by Component
Governmental Activities
Last Ten Years
(Unaudited)

	June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
		(as restated)								
Net investment in capital assets	\$ 43,029,812	\$ 37,728,275	\$ 39,632,659	\$ 38,688,922	\$ 32,655,352	\$ 38,387,002	\$ 35,802,178	\$ 32,848,325	\$ 32,134,289	\$ 32,469,999
Restricted for:										
Endowments:										
Nonexpendable	65,700	65,700	65,700	65,700	65,700	65,700	95,700	95,700	95,700	95,700
Expendable	40,631	40,643	39,579	37,525	42,860	42,860	13,170	13,502	13,329	12,772
Perpetual care:										
Nonexpendable	104,500	104,500	104,500	104,500	104,500	104,500	104,500	104,500	104,500	104,500
Expendable	71,570	71,570	71,570	71,570	71,570	71,570	71,570	71,570	71,570	71,570
Construction contracts	4,047,493	-	-	-	-	-	-	-	-	-
Housing and rehabilitation	923,178	936,300	950,170	73,768	-	195,991	169,072	183,242	317,089	233,177
Public safety	30,117	25,035	21,403	29,411	-	-	-	38,365	58,365	58,365
Sewer operations	310,711	275,305	144,282	221,057	206,985	185,494	130,651	177,277	173,322	168,203
Education	154,325	162,080	198,659	152,036	99,382	46,131	-	-	-	-
Library	5,490	8,374	13,574	18,304	9,860	15,397	-	-	-	-
Other	11,408	13,685	16,834	10,991	7,272	7,744	47,158	25,960	25,909	41,023
Unrestricted	<u>(18,031,188)</u>	<u>(14,839,659)</u>	<u>(22,451,889)</u>	<u>(26,102,210)</u>	<u>(19,669,339)</u>	<u>(6,562,121)</u>	<u>(3,630,183)</u>	<u>(2,296,658)</u>	<u>1,418,992</u>	<u>260,607</u>
Total net position	<u>\$ 30,763,747</u>	<u>\$ 24,591,808</u>	<u>\$ 18,807,041</u>	<u>\$ 13,371,574</u>	<u>\$ 13,594,142</u>	<u>\$ 32,560,268</u>	<u>\$ 32,803,816</u>	<u>\$ 31,261,783</u>	<u>\$ 34,413,065</u>	<u>\$ 33,515,916</u>

Source: Current and prior financial statements.

Table 2

Town of Thomaston, Connecticut

**Changes in Net Position
Governmental Activities
Last Ten Years
(Unaudited)**

For the Year Ended June 30

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
		(as restated)								
Expenses:										
General government	\$ 1,231,754	\$ 781,152	\$ 1,009,995	\$ 1,509,908	\$ 1,417,618	\$ 1,417,021	\$ 1,468,054	\$ 1,662,601	\$ 1,718,977	\$ 1,792,675
Public safety	3,082,932	1,910,201	2,100,352	3,716,219	3,558,258	3,326,695	3,164,883	2,817,840	2,531,191	2,645,588
Public works	4,597,714	3,474,517	3,697,513	5,217,983	5,126,370	4,781,865	4,907,857	4,523,074	4,590,427	4,264,949
Health and welfare	213,994	195,350	174,134	233,960	222,395	209,795	203,022	189,646	142,874	82,192
Culture and recreation	981,339	773,464	678,631	1,098,082	1,015,466	1,084,776	1,034,470	856,538	873,818	849,888
Housing and development	297,236	296,520	249,609	276,818	544,178	787,911	460,058	384,582	255,635	208,886
Education	19,599,685	19,440,731	19,180,664	19,875,111	19,401,777	18,527,836	17,988,363	17,715,754	18,236,951	17,893,897
Interest	732,829	709,646	882,574	647,763	750,391	703,177	675,831	778,821	695,454	1,011,416
Total expenses	<u>30,737,483</u>	<u>27,581,581</u>	<u>27,973,472</u>	<u>32,575,844</u>	<u>32,036,453</u>	<u>30,839,076</u>	<u>29,902,538</u>	<u>28,928,856</u>	<u>29,045,327</u>	<u>28,749,491</u>
Program revenues:										
Charges for services:										
General government	248,467	203,273	188,285	150,294	153,730	145,299	149,298	143,897	132,663	112,966
Public safety	260,540	160,575	194,083	300,032	203,715	219,899	243,508	158,884	144,636	178,532
Public works	1,504,333	1,475,119	1,434,453	1,345,075	1,363,837	1,378,548	1,314,456	1,216,145	1,207,400	1,174,669
Health and welfare	-	-	-	209	859	723	473	444	596	915
Culture and recreation	9,181	43,433	48,830	41,976	62,326	61,159	54,212	50,645	55,195	51,091
Housing and development	87,790	90,344	94,449	60,709	61,176	78,967	68,995	69,425	57,044	55,659
Education	43,185	127,594	180,492	184,912	205,641	189,665	188,604	213,589	221,288	243,921
Operating grants and contributions	9,560,177	9,269,644	9,681,796	9,207,222	9,596,263	8,923,066	8,450,907	8,781,136	9,515,488	8,860,269
Capital grants and contributions	3,460,998	348,717	838,130	540,038	115,622	605,945	2,230,932	655,034	299,942	386,186
Total program revenues	<u>15,174,671</u>	<u>11,718,699</u>	<u>12,660,518</u>	<u>11,830,467</u>	<u>11,763,169</u>	<u>11,603,271</u>	<u>12,701,385</u>	<u>11,289,199</u>	<u>11,634,252</u>	<u>11,064,208</u>
Net expenses	<u>(15,562,812)</u>	<u>(15,862,882)</u>	<u>(15,312,954)</u>	<u>(20,745,377)</u>	<u>(20,273,284)</u>	<u>(19,235,805)</u>	<u>(17,201,153)</u>	<u>(17,639,657)</u>	<u>(17,411,075)</u>	<u>(17,685,283)</u>
General revenues:										
Property taxes	21,095,405	20,896,033	20,081,678	19,473,610	18,906,623	18,347,627	18,156,595	18,118,289	17,679,388	16,785,654
Grants and contributions not restricted to specific programs	473,207	469,655	453,192	562,109	680,052	516,623	521,843	517,874	509,956	691,072
Income from investments	141,581	99,198	167,124	134,586	86,423	62,240	34,434	64,153	47,706	49,314
Other	24,558	48,047	46,427	88,936	56,172	65,734	30,314	31,362	71,174	47,102
Total general revenues	<u>21,734,751</u>	<u>21,512,933</u>	<u>20,748,421</u>	<u>20,259,241</u>	<u>19,729,270</u>	<u>18,992,224</u>	<u>18,743,186</u>	<u>18,731,678</u>	<u>18,308,224</u>	<u>17,573,142</u>
Change in net position	<u>\$ 6,171,939</u>	<u>\$ 5,650,051</u>	<u>\$ 5,435,467</u>	<u>\$ (486,136)</u>	<u>\$ (544,014)</u>	<u>\$ (243,581)</u>	<u>\$ 1,542,033</u>	<u>\$ 1,092,021</u>	<u>\$ 897,149</u>	<u>\$ (112,141)</u>

Source: Current and prior financial statements.

Table 3

Town of Thomaston, Connecticut

Governmental Funds
Fund Balances
Last Ten Years
(Modified Accrual Basis of Accounting)
(Unaudited)

June 30

	2021	2020 (as restated)	2019	2018	2017	2016	2015	2014	2013	2012
General fund:										
Assigned	\$ 186,561	\$ -	\$ 140,000	\$ 100,000	\$ 675,000	\$ 102,266	\$ 160,000	\$ 250,000	\$ 315,000	\$ 84,533
Unassigned	5,503,803	5,038,365	4,200,492	3,502,786	2,956,906	3,340,323	3,007,183	2,890,109	2,701,438	2,240,778
Total general fund	5,690,364	5,038,365	4,340,492	3,602,786	3,631,906	3,442,589	3,167,183	3,140,109	3,016,438	2,325,311
All other governmental funds:										
Nonspendable	170,200	170,200	170,200	1,051,114	170,200	170,200	1,050,267	1,279,423	1,305,819	1,306,788
Restricted	5,594,923	1,667,708	1,456,071	614,662	1,393,058	1,361,668	531,621	509,916	659,584	585,110
Committed	2,947,627	1,576,672	1,637,755	1,560,187	1,210,838	1,016,604	1,037,766	930,964	2,520,150	558,852
Assigned	625,779	819,460	1,061,834	921,708	916,931	1,259,874	1,380,309	1,086,043	1,179,720	363,589
Unassigned	(7,147,324)	(398,959)	(690,113)	(5,481)	(2,274,592)	(494,329)	-	(109,805)	(2,505,405)	(1,980,505)
Total all other governmental funds	2,191,205	3,835,081	3,635,747	4,142,190	1,416,435	3,314,017	3,999,963	3,696,541	3,159,868	833,834
Grand total	<u>\$ 7,881,569</u>	<u>\$ 8,873,446</u>	<u>\$ 7,976,239</u>	<u>\$ 7,744,976</u>	<u>\$ 5,048,341</u>	<u>\$ 6,756,606</u>	<u>\$ 7,167,146</u>	<u>\$ 6,836,650</u>	<u>\$ 6,176,306</u>	<u>\$ 3,159,145</u>

Source: Current and prior financial statements.

Notes:General fund:
Unassigned

Increased due to positive operations offset by an increase in assigned fund balance for subsequent year's budget

All other governmental funds:

Restricted
Committed
Assigned
Unassigned

Increase in restrictions for construction contracts
Increase due to increase in amounts committed for Town wide projects
Decreased due to negative operations of the debt service fund
Decreased due to negative operations of the capital or nonrecurring fund due to the use of short-term financing

Table 4

Town of Thomaston, Connecticut

Governmental Funds
Changes in Fund Balances
Last Ten Years
(Unaudited)

	For the Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
		(as restated)								
Revenues:										
Property taxes	\$ 21,145,103	\$ 20,826,558	\$ 20,033,981	\$ 19,357,281	\$ 18,880,582	\$ 18,477,767	\$ 18,337,484	\$ 18,134,271	\$ 17,943,306	\$ 16,932,230
Charges for services	2,168,963	2,120,672	2,154,081	2,071,836	2,143,933	2,140,092	2,064,253	1,864,263	1,826,482	1,817,625
Intergovernmental	13,317,913	9,886,147	10,864,252	10,156,081	10,451,748	10,053,041	11,090,040	10,023,755	9,815,369	9,730,818
Contributions	176,469	201,869	250,129	299,456	91,089	148,692	275,701	109,013	684,800	129,773
Income from investments	49,062	100,011	148,405	113,408	55,553	28,086	20,924	19,144	47,709	49,314
Net change in fair value of investments	92,519	(813)	18,719	21,178	30,870	34,154	13,510	45,009	-	-
Other	24,558	48,047	46,427	88,936	55,369	57,426	30,314	31,361	79,912	47,104
Total revenues	36,974,587	33,182,491	33,515,994	32,108,176	31,709,144	30,939,258	31,832,226	30,226,816	30,397,578	28,706,864
Expenditures:										
Current:										
General government	3,725,907	3,727,824	3,740,840	3,873,266	3,814,056	3,678,660	3,737,170	3,517,321	3,412,749	3,343,498
Public safety	2,046,847	1,832,090	1,861,910	1,703,190	1,768,195	1,626,723	1,618,411	1,562,456	1,506,881	1,536,180
Public works	3,579,356	3,318,312	3,320,887	3,154,183	3,049,696	2,786,773	2,995,295	3,000,019	2,758,011	2,686,572
Health and welfare	182,299	204,070	180,023	174,465	170,466	152,747	153,566	150,984	126,396	64,551
Culture and recreation	599,869	683,797	542,749	589,386	513,582	541,350	532,772	504,198	502,030	494,639
Housing and development	201,947	211,570	161,703	152,173	417,337	658,758	319,731	294,715	159,504	115,834
Education	19,137,352	18,617,311	18,424,641	19,007,633	18,394,057	17,368,884	16,903,635	17,181,062	17,361,746	17,148,470
Debt service:										
Principal	2,581,380	2,788,717	2,458,000	2,497,191	2,528,909	2,730,826	2,330,597	2,364,762	2,054,987	1,959,360
Interest	849,798	900,831	782,313	689,533	807,120	729,413	930,238	824,059	736,859	659,585
Capital outlay	5,493,788	1,932,020	2,787,469	5,487,777	2,007,611	1,176,861	2,399,439	6,258,365	5,842,077	4,960,660
Total expenditures	38,398,543	34,216,542	34,260,535	37,328,797	33,471,029	31,450,995	31,920,854	35,657,941	34,461,240	32,969,349
Excess (deficiency) of revenues over expenditures	(1,423,956)	(1,034,051)	(744,541)	(5,220,621)	(1,761,885)	(511,737)	(88,628)	(5,431,125)	(4,063,662)	(4,262,485)
Other financing sources (uses):										
Issuance of notes	432,079	-	-	33,947	39,758	73,298	-	54,085	127,645	-
Issuance of bonds (BANS)	-	1,647,217	795,000	7,620,000	-	-	-	6,025,000	6,735,000	-
Issuance of refunding bonds	-	3,750,000	-	-	-	-	6,455,000	-	-	-
Payment to refunding bond escrow agent	-	(4,378,450)	-	-	-	-	(6,654,127)	-	-	-
Premium	-	777,775	168,134	-	13,059	19,591	618,251	12,384	218,178	16,200
Sale of capital assets	-	-	12,670	-	803	8,308	-	-	-	-
Transfers in	4,346,354	4,118,313	3,702,209	3,428,503	3,410,476	3,727,326	3,843,788	3,679,843	3,247,341	3,059,313
Transfers out	(4,346,354)	(4,118,313)	(3,702,209)	(3,428,503)	(3,410,476)	(3,727,326)	(3,843,788)	(3,679,843)	(3,247,341)	(3,059,313)
Net other financing sources (uses)	432,079	1,796,542	975,804	7,653,947	53,620	101,197	419,124	6,091,469	7,080,823	16,200
Net change in fund balances	\$ (991,877)	\$ 762,491	\$ 231,263	\$ 2,433,326	\$ (1,708,265)	\$ (410,540)	\$ 330,496	\$ 660,344	\$ 3,017,161	\$ (4,246,285)
Debt service as a percentage of noncapital expenditures	10.43%	11.43%	10.30%	10.01%	10.55%	11.05%	11.05%	10.85%	9.76%	9.40%

Source: Current and prior financial statements.

Table 5

Town of Thomaston, Connecticut

Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
(Unaudited)

Year Ended June 30	Grand List	Real Estate		Personal Property				Totals		Ratio of Total Assessed Value to Total Estimated Actual Value	Total Direct Tax Rate
		Net Assessed Value	Estimated Actual Value	Net Motor Vehicle Assessed Value	Net Personal Property Assessed Value	Total Assessed Value	Estimated Actual Value	Net Assessed Value	Estimated Actual Value		
2021	2019	\$457,264,604	\$653,235,148	\$61,172,578	\$53,721,950	\$114,894,528	\$164,135,040	\$572,159,132	\$817,370,188	70.00%	36.13
2020	2018	454,543,240	649,347,486	60,190,394	49,362,638	109,553,032	156,504,331	564,096,272	805,851,817	70.00%	36.53
2019	2017	453,773,020	648,247,171	58,510,914	39,218,985	97,729,899	139,614,141	551,502,919	787,861,312	70.00%	35.79
2018	* 2016	451,278,920	644,684,171	57,862,428	38,534,860	96,397,288	137,710,411	547,676,208	782,394,582	70.00%	35.05
2017	2015	450,597,961	643,711,373	57,313,798	38,226,764	95,540,562	136,486,517	546,138,523	780,197,890	70.00%	34.07
2016	2014	448,599,342	640,856,203	55,901,286	35,731,216	91,632,502	130,903,574	540,231,844	771,759,777	70.00%	33.63
2015	2013	447,896,489	639,852,127	54,890,395	31,130,613	86,021,008	122,887,154	533,917,497	762,739,281	70.00%	33.63
2014	2012	449,149,304	641,641,863	54,777,754	35,497,126	90,274,880	128,964,114	539,424,184	770,605,977	70.00%	33.13
2013	* 2011	449,210,250	641,728,929	53,773,376	35,292,409	89,065,785	127,236,836	538,276,035	768,965,765	70.00%	32.83
2012	2010	534,078,455	762,969,221	49,779,666	31,009,992	80,789,658	115,413,797	614,868,113	878,383,018	70.00%	26.98

Source: Office of Tax Assessor.

Note:

* Revaluation performed

Table 6

Town of Thomaston, Connecticut

Principal Property Taxpayers
Current Year and Nine Years ago
(Unaudited)

Taxpayer	2021			2012		
	Assessment	Rank	Percent of Net Taxable Grand List	Assessment	Rank	Percent of Net Taxable Grand List
Connecticut Light & Power Co.	\$ 20,626,790	1	3.61%	\$ 7,396,140	2	1.20%
Silgon Dispension (formerly Albea/Rexam)	9,389,010	2	1.64%	8,963,160	1	1.46%
Yankee Gas Services Company	4,213,930	3	0.74%	2,663,540	9	0.43%
Thomaston Savings Bank	3,924,450	4	0.69%	3,320,380	3	0.54%
Connecticut Water Company	3,410,570	5	0.60%	2,871,820	6	0.47%
Thomaston Valley Village	3,025,890	6	0.53%	N/A	N/A	-
Summit Corp of America	3,013,560	7	0.53%	2,709,370	8	0.44%
Long Horizon Development, LLC	2,764,230	8	0.48%	N/A	N/A	-
GLC Associates One, LLC	2,722,900	9	0.48%	3,086,950	4	0.50%
DLM Services, LLC	2,455,690	10	0.43%	N/A	N/A	-
Tyler Properties	N/A	N/A	-	2,943,680	5	0.48%
WL Real Estate Company	N/A	N/A	-	2,824,520	7	0.46%
Whyco Technologies, Inc.	N/A	N/A	-	2,620,070	10	0.43%
Totals	<u>\$ 55,547,020</u>		<u>9.73%</u>	<u>\$ 39,399,630</u>		<u>6.41%</u>
Net taxable grand list:	<u>\$572,159,132</u>			<u>\$614,868,113</u>		

Source: Town Assessor Department.

N/A - Not available and/or not applicable

Table 7

Town of Thomaston, Connecticut
Tax Rates, Levies and Cash Collections
Last Ten Years
(Unaudited)

Year Ended June 30	(1) (2) Total Tax Rate in Mills	Grand List of October 1,	Total Adjusted Tax Levy	Net Current Tax Collections	Percent of Current Levy Collected	Total Collections			
						Collections in Subsequent Years	Total Collections	Percentage of Levy Collected	Current Delinquent Balance
2021	36.13	2019	\$ 20,870,266	\$ 20,692,205	99.1%	-	\$ 20,692,205	99.1%	\$ 178,061
2020	36.53	2018	20,749,386	20,446,935	98.5%	230,547	20,446,935	98.5%	71,904
2019	35.79	2017	19,894,653	19,626,694	98.7%	229,905	19,626,694	98.7%	38,054
2018	*	2016	19,320,944	19,036,595	98.5%	253,373	19,036,595	98.5%	30,976
2017		2015	18,744,659	18,537,433	98.9%	185,315	18,537,433	98.9%	21,911
2016		2014	18,294,050	18,081,176	98.8%	195,157	18,276,333	99.9%	17,717
2015		2013	18,080,787	17,844,146	98.7%	219,872	18,064,018	99.9%	16,769
2014		2012	17,879,100	17,614,927	98.5%	245,548	17,860,475	99.9%	18,625
2013	*	2011	17,645,073	17,364,941	98.4%	270,748	17,635,689	99.9%	9,384
2012		2010	16,626,776	16,324,968	98.2%	296,013	16,620,981	100.0%	5,795

Source: Current and prior financial statements.

Notes:

(1) There are no overlapping tax rates

(2) Tax levy is per \$1,000 of the assessed value of taxable property

* Revaluation performed

Table 8

Town of Thomaston, Connecticut
Ratios of Outstanding Debt by Type
Last Ten Years
(Unaudited)

Year Ended June 30	(1) General Obligation Bonds	Notes	Premium	Total	Percentage of Personal Income	Debt per Capita
2021	\$ 19,735,000	\$ 1,746,943	\$ 554,750	\$ 22,036,693	0.33%	\$ 2,925
2020	21,715,000	1,916,244	626,508	24,257,752	0.30%	3,096
2019	24,425,000	952,744	697,335	26,075,079	0.28%	3,328
2018	25,540,000	1,500,744	607,060	27,647,804	0.27%	3,516
2017	19,860,000	2,023,988	676,512	22,560,500	0.33%	2,970
2016	21,850,000	2,523,139	745,964	25,119,103	0.29%	3,296
2015	23,985,000	3,045,667	815,417	27,846,084	0.24%	3,624
2014	25,545,000	3,651,264	608,756	29,805,020	0.22%	3,791
2013	21,290,000	4,191,941	664,948	26,146,889	0.25%	3,336
2012	16,000,000	4,624,694	582,448	21,207,142	0.31%	2,659

Source: Current and prior financial statements

Notes:

(1) Includes permanently financed bond anticipation notes

There is no overlapping debt

Table 9

Town of Thomaston, Connecticut

**Ratios of Long-Term Debt to Net Assessed Value and Long-Term Debt per Capita
Last Ten Years
(Unaudited)**

Year Ended June 30	(1) Population	(2) Net Assessed Value	(3) Long-Term Debt and Related Liabilities	Ratio of Bonded Debt/Notes to Net Assessed Value	Debt per Capita
2021	7,535	\$ 572,159,132	\$ 22,036,693	3.85%	\$ 2,925
2020	7,836	564,096,272	24,257,752	4.30%	3,096
2019	7,836	551,502,919	26,075,079	4.73%	3,328
2018	7,863	547,676,208	27,647,804	5.05%	3,516
2017	7,595	546,138,523	22,560,500	4.13%	2,970
2016	7,621	540,231,844	25,119,103	4.65%	3,296
2015	7,683	533,917,497	27,846,084	5.22%	3,624
2014	7,862	539,424,184	29,805,020	5.53%	3,791
2013	7,838	538,276,035	26,146,889	4.86%	3,336
2012	7,975	614,868,113	21,207,142	3.45%	2,659

Sources:

(1) CT Health Department

(2) Table 5

(3) Table 8

Town of Thomaston, Connecticut

Schedule of Debt Limitation
Connecticut General Statutes, Section 7-374 (b)
As of and for the Year Ended June 30, 2021
(Unaudited)

Total tax collections (including interest and lien fees) for prior year					<u>\$ 20,786,448</u>
Debt Limitation:	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
2 1/4 times base	\$46,769,508	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	93,539,016	-	-	-
3 3/4 times base	-	-	77,949,180	-	-
3 1/4 times base	-	-	-	67,555,956	-
3 times base	-	-	-	-	62,359,344
Total Debt Limitation	<u>46,769,508</u>	<u>93,539,016</u>	<u>77,949,180</u>	<u>67,555,956</u>	<u>62,359,344</u>
Indebtedness:					
Bonds payable	16,262,152	2,275,481	1,197,367	-	-
Bond anticipation notes - short-term	<u>3,378,000</u>	<u>372,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>19,640,152</u>	<u>2,647,481</u>	<u>1,447,367</u>	<u>-</u>	<u>-</u>
Debt Limitation in excess of outstanding debt	<u>\$27,129,356</u>	<u>\$90,891,535</u>	<u>\$76,501,813</u>	<u>\$67,555,956</u>	<u>\$ 62,359,344</u>
The total net indebtedness above amounts to:					<u>\$ 23,735,000</u>
In no event shall total indebtedness exceed seven times the base for debt limitation computation					<u>\$ 145,505,136</u>

Source: Current and prior financial statements

Note:

There is no overlapping debt

Table 11

Town of Thomaston, Connecticut

**Legal Debt Margin Information
Last Ten Years
(Unaudited)**

<u>Year Ended June 30</u>	<u>Debt Limit</u>	<u>Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable</u>
2021	\$ 145,505,136	\$ 23,735,000	\$ 121,770,136	16.31%
2020	139,930,329	23,735,000	116,195,329	16.96%
2019	134,490,097	24,425,000	110,065,097	18.16%
2018	131,863,949	31,751,390	100,112,559	24.08%
2017	131,863,949	27,377,554	104,486,395	20.76%
2016	127,094,254	24,477,554	103,876,768	19.26%
2015	128,082,052	24,205,284	103,876,768	18.90%
2014	126,610,372	25,993,009	100,617,363	20.53%
2013	125,550,264	24,245,997	101,304,267	19.31%
2012	117,980,709	18,686,529	99,294,180	15.84%

Source: Current and prior financial statements.

Table 12

Town of Thomaston, Connecticut
Demographic and Economic Statistics
Last Ten Years
(Unaudited)

Year Ended June 30	(1) Population	(2) Personal Income	(2) Median Age	(2) Education Level in Years of Schooling	(3) School Enrollment	(4) Unemployment Percentage
2021	7,535	\$ 67,639	44	High School 37% Some College 36%	828	5.7%
2020	7,836	67,639	44	High School 37% Some College 36%	848	8.0%
2019	7,836	65,901	44	High School 37% Some College 32%	845	4.3%
2018	7,863	65,901	43	High School 37% Some College 32%	875	3.9%
2017	7,595	67,191	43	High School 37% Some College 32%	897	3.9%
2016	7,621	73,679	44	High School 35% Some College 36%	895	4.9%
2015	7,683	67,426	43	High School 35% Some College 35%	856	4.5%
2014	7,862	64,982	43	High School 35% Some College 35%	941	5.8%
2013	7,838	66,197	44	High School 35% Some College 58%	1,004	8.0%
2012	7,975	66,197	44	High School 35% Some College 58%	1,010	8.5%

Sources:

(1) State of Connecticut, Department of Public Health and Addiction Services

(2) Advance CT

(3) Thomaston Board of Education

(4) Connecticut Labor Department - Research and Statistics

Table 13

Town of Thomaston, Connecticut

Principal Employers
Current Year and Nine Years ago
(Unaudited)

Employer	2021			2012		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Silgon Dispension (formerly Albea/Rexam)	232	1	5%	357	1	8%
Town of Thomaston (including Thomaston Public Schools)	230	2	5%	221	3	5%
Thomaston Savings Bank	226	3	5%	298	2	7%
Ward Leonard Electric, Inc.	146	4	3%	156	4	4%
UniMetal/ Quality Rolling & Deburring	130	5	3%	140	5	3%
Stewart Eyelets for Industry, Inc.	115	6	3%	115	6	3%
State of Connecticut *	100	7	2%	100	7	2%
Summit Corporation of America	66	8	1%	84	8	2%
WHYCO Chromium, Inc.	34	9	1%	32	10	1%
Stevens Co., Inc.	30	10	1%	45	9	1%
Total	1,309		29%	1,548		36%
Total Town Employment	4,589			4,281		

Source: Annual Town survey

Note:

* Company did not respond or information was unavailable, but number of employees in prior years supports ranking

Table 14

Town of Thomaston, Connecticut
Full-Time Equivalent Employees by Function/Program
Last Ten Years
(Unaudited)

Function / Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Selectmen	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Elections	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Treasurer	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.0	3.0	3.9
Tax Collector	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Assessor/Assessment appeals	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Town Hall maintenance	1.3	1.3	1.3	1.4	1.3	1.3	1.5	1.5	1.4	1.5
Town Clerk	1.4	1.4	1.4	1.6	1.7	1.7	1.7	1.7	1.5	1.7
Public Safety:										
Police officers	15.7	15.7	12.7	13.0	13.5	13.3	13.1	13.4	11.6	11.7
Dispatch	4.7	4.9	4.9	5.0	4.5	4.8	4.9	4.5	4.8	4.0
Fire Marshal	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.6
Animal control	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.2	1.1
Public Works:										
Highway	8.6	8.4	8.7	8.6	7.2	8.0	7.0	7.0	8.0	6.0
Solid waste and recycling	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.3	0.2
Sewer plant	8.1	7.0	7.0	6.4	7.0	6.0	7.0	7.0	7.0	5.0
Hillside Cemetery	2.0	2.0	2.2	2.0	1.8	1.9	1.8	1.7	1.9	1.7
Health and Welfare:										
Social services	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0	0.0
Minibus	0.5	0.5	0.4	0.3	0.2	0.4	0.2	0.2	0.4	0.4
Veterans administration	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1
Culture and Recreation:										
Recreation	1.7	1.6	1.6	1.6	1.6	1.8	2.0	1.6	1.6	3.5
Public library	6.1	6.1	6.1	5.9	5.7	6.8	6.1	5.4	6.1	5.8
Housing and Development:										
Housing, land use & development	2.4	2.3	2.5	2.5	2.3	2.5	2.5	2.1	2.1	2.5
Education	165.0	133.0	135.0	132.0	158.5	141.7	136.5	162.8	163.5	165.9
Total	229.6	196.3	195.9	192.5	216.5	201.5	195.6	219.3	220.0	221.0

Source: Town and Education payroll data.

Table 15

Town of Thomaston, Connecticut
Operating Indicators by Function/Program
Last Ten Years
(Unaudited)

Function / Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Public Safety:										
Fire:										
Emergency responses	323	286	304	336	298	270	265	239	266	436
Fires extinguished	47	37	27	29	30	38	39	26	17	43
Police:										
Incidents	35,004	34,098	31,252	35,892	36,136	35,807	39,126	37,715	32,646	33,503
Accidents	286	252	362	309	296	307	353	347	195	217
Physical arrests	222	131	317	367	380	385	629	565	236	258
Traffic violations	1,846	1,576	2,014	1,544	1,201	922	898	853	841	949
Public Works:										
Street resurfacing (miles)	0.0	5.0	3.0	0.0	0.0	0.0	3.0	2.0	0.0	0.0
Streets rebuilt (miles)	0.0	0.0	0.0	2.2	0.0	0.0	0.0	0.0	4.86	4.86
Parks and Recreation:										
Athletic field permits issued	33	44	41	44	31	38	42	40	41	46
Number of recreation programs	-	31	33	29	29	34	32	34	36	34
Health and Welfare:										
Number of elderly serviced	N/A	N/A	N/A	98	98	146	109	86	N/A	N/A
Number of families serviced	N/A	N/A	N/A	274	274	185	162	150	N/A	N/A
Number of disabled serviced	N/A	N/A	N/A	82	82	98	87	60	N/A	N/A
Library:										
Total print items	38,886	38,707	38,571	38,982	39,253	39,327	40,285	40,885	40,637	41,243
Total non-print items	7,300	7,320	7,347	7,370	7,102	7,060	6,876	6,291	5,991	5,775
Circulation	40,448	39,459	47,725	52,652	58,218	63,700	70,396	75,418	80,528	80,371
Interlibrary borrows	1,984	1,690	2,328	2,331	2,698	3,497	3,346	3,605	3,537	3,662
Interlibrary loans	2,068	1,740	2,353	2,513	2,068	2,259	2,275	2,427	3,003	3,391
Education:										
Enrollment:										
High School	364	361	376	405	428	408	417	412	438	460
Middle School	199	196	189	190	205	216	206	237	256	227
Elementary School	265	291	280	280	264	271	233	292	310	323
Total	<u>828</u>	<u>848</u>	<u>845</u>	<u>875</u>	<u>897</u>	<u>895</u>	<u>856</u>	<u>941</u>	<u>1,004</u>	<u>1,010</u>
Sewer Fund:										
Average daily sewage treatment (million gallons)	0.868	0.920	1.174	0.898	0.810	0.834	0.980	0.989	0.924	0.871
Residential customers	2,758	2,783	2,767	2,679	2,635	2,635	2,635	2,700	2,695	2,619
Commercial and industrial customers	129	129	131	75	134	131	129	128	130	130
Manhole repair as part of I/I reduction	4	7	3	4	-	20	6	9	42	48
Solid Waste & Recycling:										
MIRA/CRRRA tonnage (annual)	5,306	4,756	4,623	4,372	2,534	2,400	2,462	2,506	3,069	3,817

Sources: Various Town Departments

N/A - Data not available

Town of Thomaston, Connecticut
Capital Asset Statistics by Function/Program
Last Ten Years
(Unaudited)

Function / Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Election voting machines	2	2	2	2	2	2	2	2	2	2
Vehicles	1	1	1	1	1	1	1	2	2	2
Public Safety:										
Fire and ambulance stations	2	2	2	2	2	2	2	2	2	2
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	11	11	11	11	11	11	11	11	8	8
Fire trucks	4	4	4	4	4	4	5	5	7	7
Ambulances	2	2	2	2	2	2	2	2	2	2
Other emergency vehicles	5	5	5	5	5	5	5	6	6	6
Public Works:										
Miles of Streets:										
Paved	41.25	41.25	41.25	41.25	41.25	41.25	41.25	41.25	41.25	41.25
Accepted	41.25	41.25	41.25	41.25	41.25	41.25	41.25	41.25	41.25	41.25
Private	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
State Highway	64.89	64.89	64.89	64.89	64.89	64.89	64.89	64.89	64.89	64.89
Miles of Sidewalks	10.88	10.88	10.88	10.88	10.88	10.88	10.88	10.88	10.88	10.88
Miles of Sewer:										
Storm	95.25	95.25	95.25	95.25	95.25	95.25	95.25	95.25	95.25	95.25
Sanitation	50.50	50.50	50.50	50.50	50.50	50.50	50.50	50.50	50.50	50.50
Dump trucks	9	9	9	9	9	10	10	10	10	10
Other public works vehicles and heavy equipment	28	28	28	28	28	28	28	28	27	27
Health and Welfare:										
Minibus	1	1	1	1	1	1	1	1	1	1
Culture and Recreation:										
Acres of park land	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0
Hardball baseball diamonds	1	1	1	1	1	1	1	1	1	1
Youth baseball diamonds	5	5	5	5	5	5	5	5	5	5
Basketball courts	1	1	1	1	1	1	1	3	3	3
Soccer fields	3	3	3	3	3	3	3	3	3	3
Nature areas	1	1	1	1	1	1	1	1	1	1
Picnic areas	1	1	1	1	1	1	1	1	1	1
Playgrounds	4	4	4	4	4	4	4	7	7	7
Public beach	1	1	1	1	1	1	1	1	1	1
Public greens	3	3	3	3	3	3	3	3	3	3
Public indoor theatres	1	1	1	1	1	1	1	1	1	1
Public library	1	1	1	1	1	1	1	1	1	1
Tennis courts	6	6	6	6	6	6	6	3	3	3
Tracks	1	1	1	1						
Education:										
Number of high schools	1	1	1	1	1	1	1	1	1	1
Number of middle schools	1	1	1	1	1	1	1	1	1	1
Number of elementary schools	1	1	1	1	1	1	1	1	1	1

Sources: Various Town Departments