

TOWN OF WOODSTOCK, CONNECTICUT

FINANCIAL STATEMENTS

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

TOWN OF WOODSTOCK, CONNECTICUT
TABLE OF CONTENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

	Page
Independent Auditor’s Report	1
Management’s Discussion and Analysis (Unaudited)	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Reconciliation of the Balance Sheet of Governmental Funds to the Government-wide Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Government-wide Statement of Activities	20
Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	22
Statement of Cash Flows - Proprietary Funds	23
Notes to the Financial Statements	24
Required Supplementary Information (Unaudited):	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Budgetary Basis	56
Schedule of the Town’s Proportionate Share of the Net Pension Liability - State of Connecticut Municipal Employees’ Retirement System	57
Schedule of Contributions - Connecticut Municipal Employees’ Retirement System	58
Schedule of the Town’s Proportionate Share of the Collective Net Pension Liability - Connecticut Teachers’ Retirement System	59
Schedule of Changes in Total OPEB Liability - Other Post-Employment Benefits	60
Schedule of the Town’s Proportionate Share of the Collective Net Other Post-Employment Benefits Liability - Connecticut Teachers’ Retirement System	61
Notes to the Required Supplementary Information	62

TOWN OF WOODSTOCK, CONNECTICUT
TABLE OF CONTENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

	Page
Combining and Individual Fund Statements and Schedules:	
General Fund:	
Schedule of Revenues and Other Financing Sources - Budget and Actual - Budgetary Basis	66
Schedule of Expenditures and Other Financing Uses - Budget and Actual - Budgetary Basis	67
Schedule of Property Taxes Levied, Collected and Outstanding	69
Schedule of Debt Limitation	70
Nonmajor Governmental Funds:	
Combining Balance Sheet	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	76
Project Summary Status - Capital Nonrecurring Fund	81

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of Woodstock, Connecticut

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

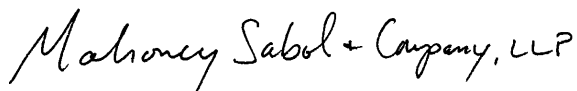
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 and the information on pages 56 through 65 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 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.



Certified Public Accountants
Glastonbury, Connecticut
December 22, 2022

Management's Discussion and Analysis

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

As management of the Town of Woodstock, Connecticut (the 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, 2022.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$37,552,284 (net position). Of this amount, \$3,469,296 represents the portion of the Town's unrestricted net position.
- The Town's total net position decreased by \$2,160,605 during the current fiscal year.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$14,385,731, a decrease of \$2,275,102 in comparison with the prior year. Approximately 38.6% or \$5,547,493 of this total amount is available for spending at the Town's discretion (committed, assigned, and unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,360,610 or 13.08% of the Town's total General Fund expenditure appropriations for fiscal year 2023. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.57 months of General Fund appropriations.
- The Town's total capital assets increased by \$61,834 or 0.2% during the current year.
- The Town's total long-term debt decreased by \$408,439 or 13.4% during the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Government-wide Financial Statements *(Continued)*

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

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town has no business type activities. The governmental activities of the Town include general government, public safety, public works, health and welfare, recreation, and education.

The government-wide financial statements include only the Town itself because there are no legally separate organizations for which the Town is financially accountable.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund Financial Statements

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Fund Financial Statements *(Continued)*

Governmental Funds (Continued)

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Herbert W. Bowen Fund, and the American Rescue Plan Fund, 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 nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 17 through 20 of this report.

Proprietary Funds

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its risk management activities and to account for activities that provide supplies and services to the Town's governmental functions.

The basic proprietary fund financial statements can be found on pages 21 through 23 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 55 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information other than management's discussion and analysis that can be found on pages 56 through 65 of this report. Combining and individual fund statements and schedules, which can be found on pages 66 through 81 of this report.

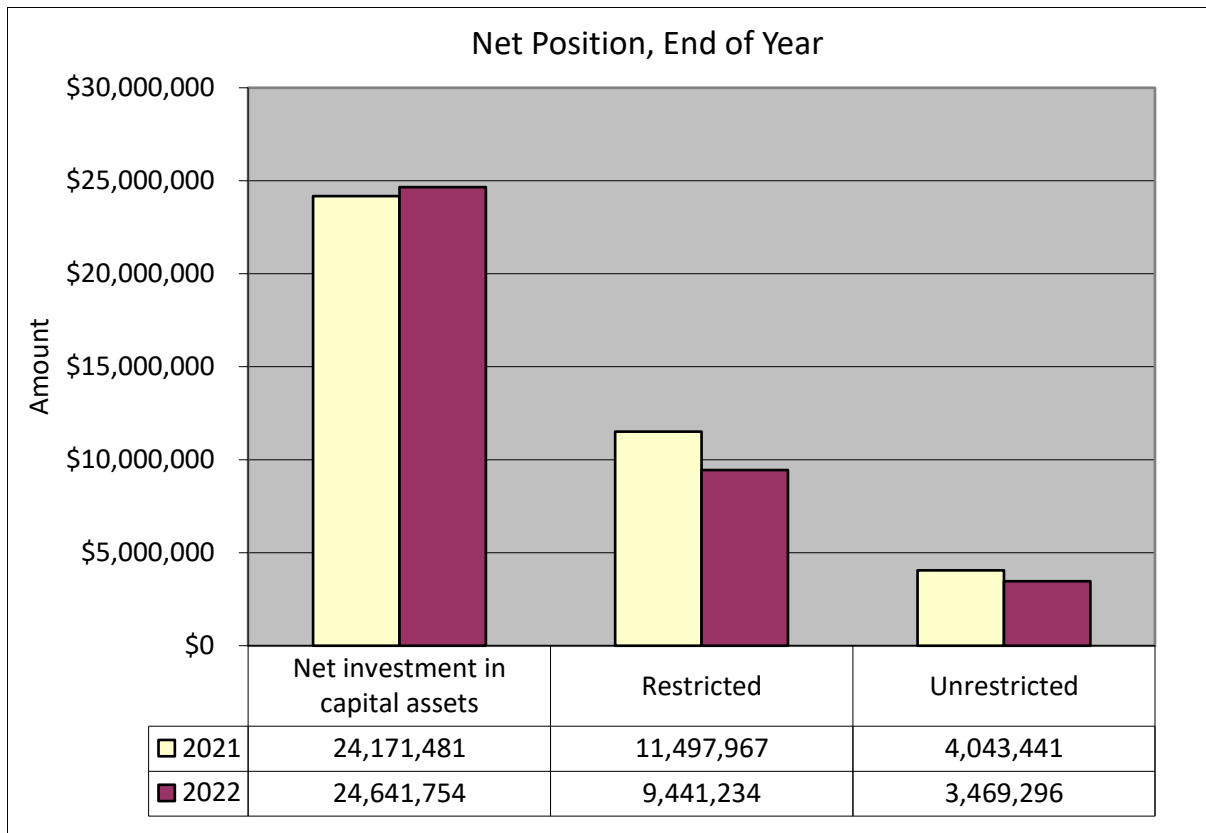
TOWN OF WOODSTOCK, CONNECTICUT
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

Over time, net position may serve as one measure of a government's financial position. The Town has restated its statement of net position as of June 30, 2021 for the implementation of GASB Statement No. 87, *Leases*. The net position of the Town totaled \$37,552,284 and \$39,712,889 as of June 30, 2022 and 2021, respectively, and are summarized as follows:

	<u>2022</u>	<u>2021</u> <i>(As Restated)</i>	<u>\$ Change</u>	<u>% Change</u>
Current and other assets	\$ 16,832,096	\$ 20,051,197	\$ (3,219,101)	-16.1%
Capital assets, net	27,282,278	27,220,444	61,834	0.2%
Total assets	<u>44,114,374</u>	<u>47,271,641</u>	<u>(3,157,267)</u>	-6.7%
Deferred outflows of resources	<u>772,983</u>	<u>1,315,677</u>	<u>(542,694)</u>	-41.2%
Long-term liabilities	5,028,064	6,309,464	(1,281,400)	-20.3%
Other liabilities	<u>1,189,393</u>	<u>1,870,124</u>	<u>(680,731)</u>	-36.4%
Total liabilities	<u>6,217,457</u>	<u>8,179,588</u>	<u>(1,962,131)</u>	-24.0%
Deferred inflows of resources	<u>1,117,616</u>	<u>694,841</u>	<u>422,775</u>	60.8%
Net position:				
Net investment in capital assets	24,641,754	24,171,481	470,273	1.9%
Restricted	9,441,234	11,497,967	(2,056,733)	-17.9%
Unrestricted	<u>3,469,296</u>	<u>4,043,441</u>	<u>(574,145)</u>	-14.2%
Total net position	<u>\$ 37,552,284</u>	<u>\$ 39,712,889</u>	<u>\$ (2,160,605)</u>	-5.4%



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

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Net Position *(Continued)*

Of the Town's net position, 65.6% reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Approximately 25.1% of the Town's net position is subject to external restrictions on how they may be used and are therefore presented as restricted net position.

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

Changes in Net Position

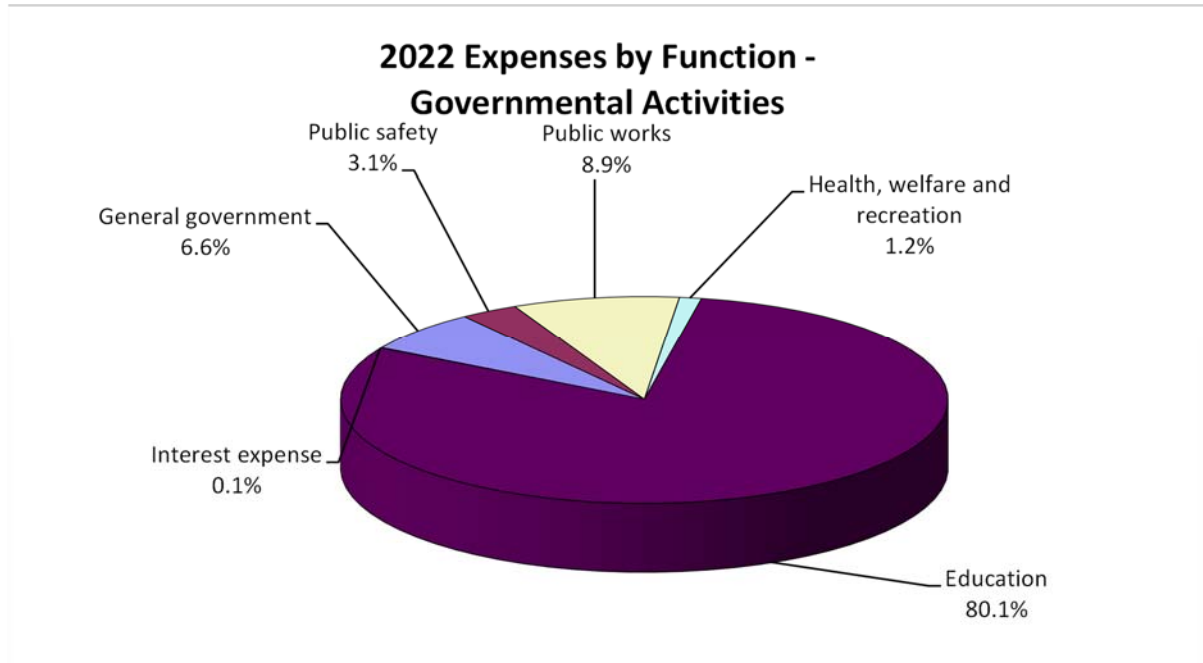
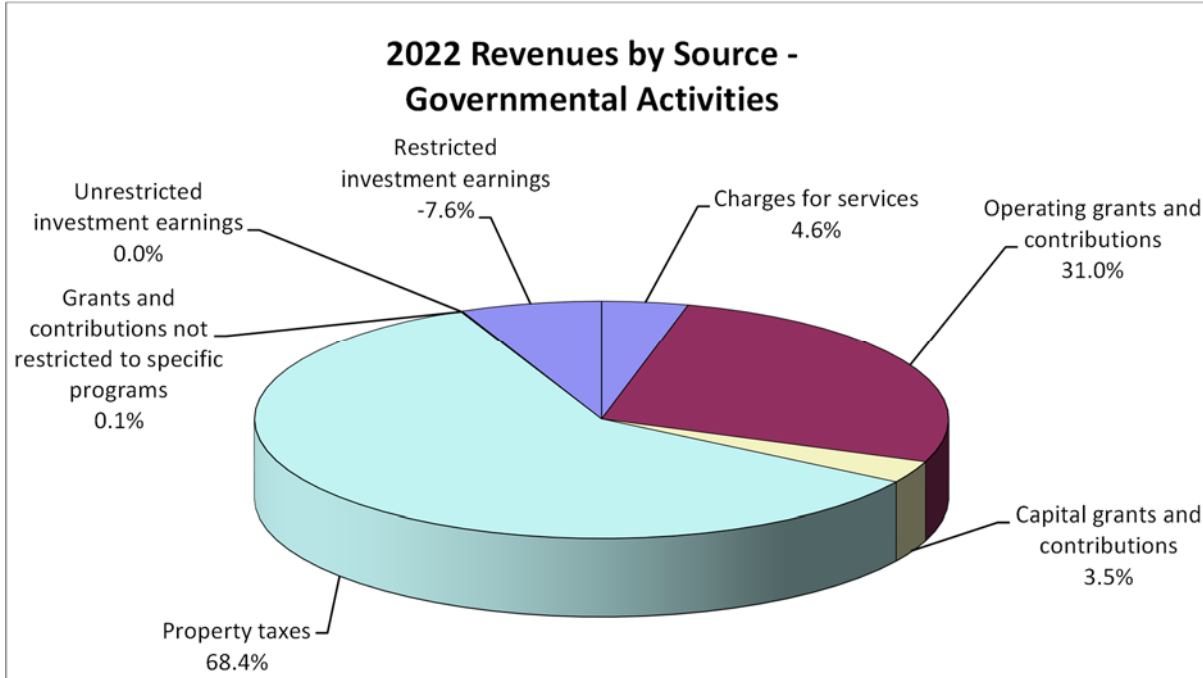
Changes in net position for the years ended June 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Program revenues:				
Charges for services	\$ 1,296,880	\$ 967,015	\$ 329,865	34.1%
Operating grants and contributions	8,678,038	10,722,258	(2,044,220)	-19.1%
Capital grants and contributions	975,575	445,392	530,183	119.0%
General revenues:				
Property taxes	19,191,501	18,197,092	994,409	5.5%
Grants and contributions not restricted to specific programs	19,872	13,668	6,204	45.4%
Unrestricted investment earnings	8,286	38,979	(30,693)	-78.7%
Restricted investment earnings	(2,128,157)	3,437,758	(5,565,915)	-161.9%
Total revenues	<u>28,041,995</u>	<u>33,822,162</u>	<u>(5,780,167)</u>	-17.1%
Program expenses:				
General government	1,980,987	2,084,307	(103,320)	-5.0%
Public safety	931,379	907,929	23,450	2.6%
Public works	2,680,437	2,492,069	188,368	7.6%
Health, welfare and recreation	353,220	287,037	66,183	23.1%
Education	24,224,854	25,771,616	(1,546,762)	-6.0%
Interest expense	31,723	88,048	(56,325)	-64.0%
Total expenses	<u>30,202,600</u>	<u>31,631,006</u>	<u>(1,428,406)</u>	-4.5%
Change in net position	(2,160,605)	2,191,156	<u>\$ (4,351,761)</u>	-198.6%
Net position, beginning	<u>39,712,889</u>	<u>37,521,733</u>		
Net position - ending	<u>\$ 37,552,284</u>	<u>\$ 39,712,889</u>		

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position (Continued)



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

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Changes in Net Position *(Continued)*

Governmental activities decreased the Town's net position by \$2,160,605.

Revenues generated by the Town decreased by \$5,780,167 or 17.1% in comparison to the prior year. Significant variances in revenues were due to the following:

- A decrease in operating grants and contributions of approximately \$2.0 million driven by a decrease in the amount of on-behalf pension and OPEB expenses recognized by the Town for its participation in the Connecticut Teachers' Retirement System. Although the Town is not liable for pension and other post-employment benefits provided by the Connecticut Teachers' Retirement System, the Town recognizes both revenues and expenses for the full pension and other post-employment benefit expenses that have been attributed to employees of the Town's School District.
- A decrease in restricted investment earnings of approximately \$5.6 million primarily driven by unrealized losses on investments maintained in the Herbert W. Bowen Fund.

Expenses decreased by \$1,428,406 or 4.5% in comparison to the prior year. This decrease is primarily due to the decrease in pension and OPEB expense recognized by the Town for its participation in the Connecticut Teachers' Retirement System offset by an increase in education operating expenses.

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 \$14,385,731, a decrease of \$2,275,102 in comparison with the prior year. Of this amount, \$3,360,610 represents the total unassigned fund balance of the Town.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,360,610, while total fund balance was \$3,551,716. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 13.08% of the Town's total General Fund expenditure appropriations for fiscal year 2023. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.57 months of General Fund appropriations. The Town's adopted policy states that in the event the unassigned fund balance of the General Fund is greater than 15.0% at the end of any fiscal year, the excess may be used in one or a combination of the following ways: transfer such excess to the Debt Service Fund for future debt payments, transfer such excess to the Capital or Nonrecurring Fund for future capital projects, or use directly to reduce the tax rate in the subsequent year provided that care is taken to avoid major fluctuation in the tax rate in succeeding years.

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

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS *(Continued)*

General Fund *(Continued)*

The fund balance of the Town's General Fund decreased by \$315,070 during the current fiscal year, which was primarily due to current year budgetary operating results as outlined below, offset by the transfer out of year end unexpended appropriations to fund the Town's Capital and Nonrecurring Fund.

Herbert W. Bowen Fund

The fund balance of the Herbert W. Bowen Fund decreased by \$2,128,194 during the current fiscal year. This decrease was due to current year losses on investments. The common stock bequest, made by Herbert W. Bowen upon his death in 1927, requires the annual income of the investment to be restricted in use to purchase additional shares of the common stock given, for the term of one hundred years. At the end of this period, annual income generated from the investment is to be used to reduce the taxes of the Town.

American Rescue Plan Fund

The American Rescue Plan Fund was established to account for the receipt of Coronavirus State and Local Fiscal Recovery Fund grant funding provided by the American Rescue Plan Act. The Town received initial funding under the Act during June 2021. Unspent funds are reported as unearned until allowable expenditures are incurred. In the current year, revenue and expenditures in the amount of \$570,189 were recognized.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original operating budget for the General Fund planned for the use of fund balance in the amount of \$752,800. During the year, an additional appropriation was authorized by Town Meeting in the amount of \$300,000 to be transferred to the Capital Nonrecurring Fund. In addition, during the year the Board of Finance approved the transfer of the prior year unexpended Board of Education surplus in an amount of \$2,147 to the Board of Education's non-lapsing education fund, resulting in a planned decrease in fund balance of \$1,054,947. The actual net change in the fund balance of the General Fund on a budgetary basis was a decrease of \$315,070. Revenues exceeded budgetary estimates by \$739,434, primarily as a result of favorable collections on property taxes, conveyance taxes, building permits, and Town Clerk fees. Expenditures were \$471,783 less than budgeted. Of this amount, \$467,235 related to non-educational expenditures and was subsequently authorized to be transferred to the Town's Capital and Nonrecurring Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities as of June 30, 2022 totaled \$27,282,278 (net of accumulated depreciation). This investment in capital assets includes land and land rights, construction in progress, buildings and improvements, land improvements, machinery and equipment, and infrastructure. The Town's investment in capital assets increased by \$61,834 or 0.2%. Significant capital asset additions during the current fiscal year included the following:

- an increase in machinery and equipment of approximately \$360 thousand for the purchase of Town equipment; and
- an increase to construction in progress of approximately \$632 thousand for road improvements and costs incurred for upgrades to the Town's emergency communications system..

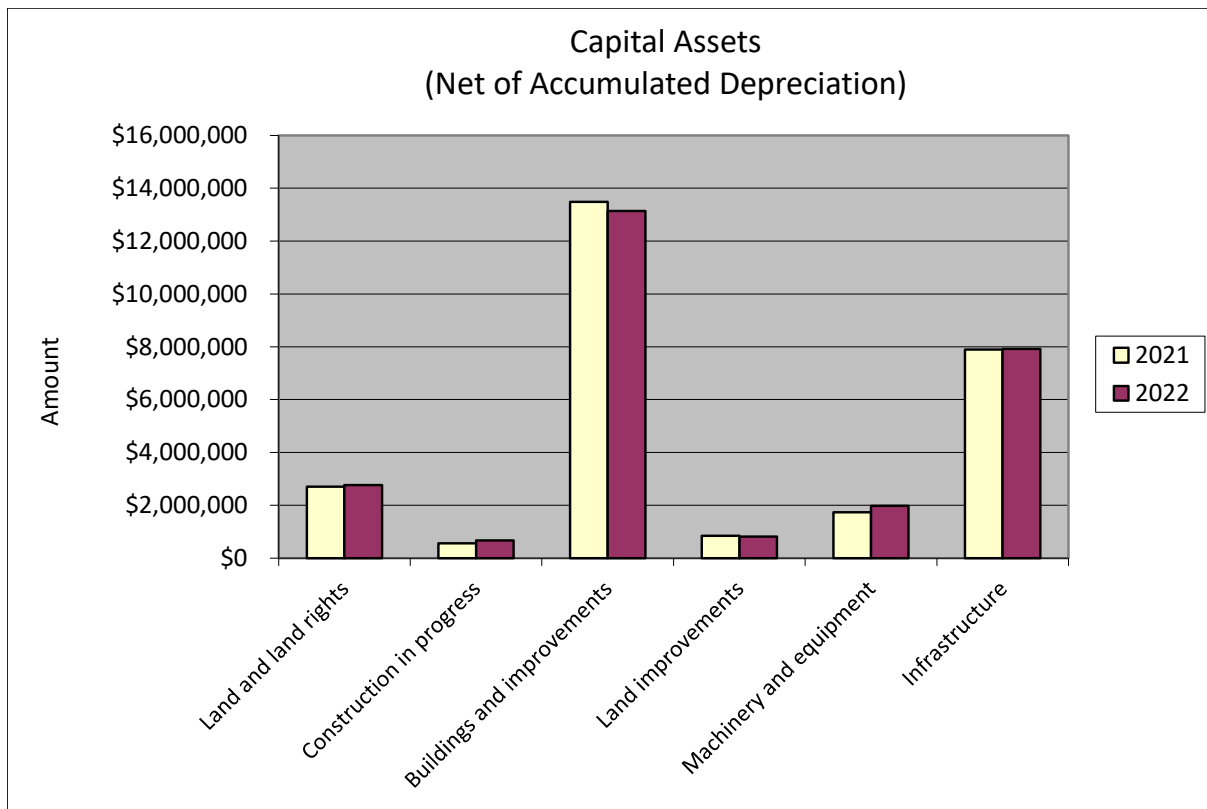
TOWN OF WOODSTOCK, CONNECTICUT
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

Capital Assets *(Continued)*

The following table is a two-year comparison of the investment in capital assets, net of accumulated depreciation:

	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Land and land rights	\$ 2,765,995	\$ 2,709,268	\$ 56,727	2.1%
Construction in progress	671,549	558,844	112,705	20.2%
Buildings and improvements	13,140,430	13,478,750	(338,320)	-2.5%
Land improvements	812,134	844,267	(32,133)	-3.8%
Machinery and equipment	1,974,154	1,737,913	236,241	13.6%
Infrastructure	7,918,016	7,891,402	26,614	0.3%
Totals	<u>\$ 27,282,278</u>	<u>\$ 27,220,444</u>	<u>\$ 61,834</u>	0.2%



Additional information on the Town's capital assets can be found in Note 5 of this report.

Long-term Debt

At the end of the current fiscal year, the Town had total debt outstanding of \$2,640,524, all of which is backed by the full faith and credit of the government. The Town's total debt decreased by \$408,439 or 13.4% during the current fiscal year due scheduled debt service payments.

The Town's general obligation bond rating was rated Aa3 by Moody's in May 2020.

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

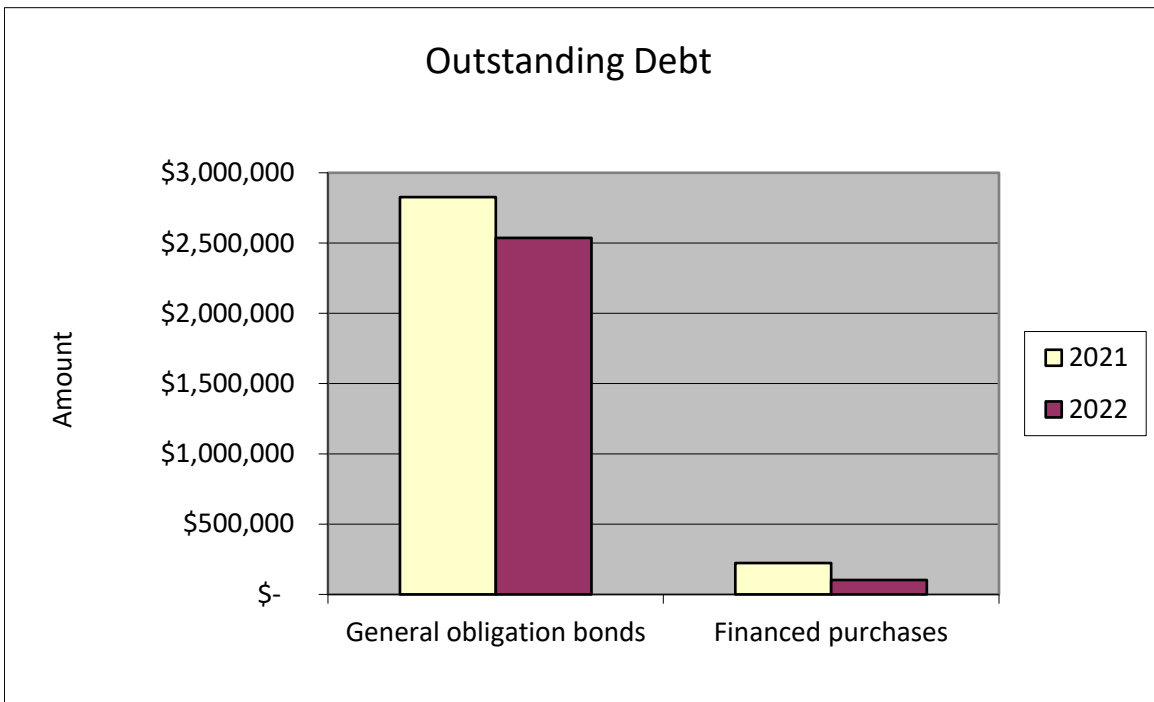
CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

Long-term Debt *(Continued)*

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

The following tables are a two-year comparison of long-term debt:

	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
General obligation bonds	\$ 2,537,150	\$ 2,826,800	\$ (289,650)	-10.2%
Financed purchases	103,374	222,163	(118,789)	-53.5%
Totals	<u>\$ 2,640,524</u>	<u>\$ 3,048,963</u>	<u>\$ (408,439)</u>	-13.4%



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

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

- The Town has an ordinance limiting the increase in the Town's combined annual expenditure budget to the increases in the Town's grand list, State and Federal assistance, and other income. The limit on expenditure increases does not apply to increases necessary to cover debt services, court judgments, State mandated programs and emergency expenditures. In revaluation years, the dollar amount of the combined annual expenditure budget is limited to the dollar increase of the preceding year's budget or the average amount of increase of the preceding three years, whichever is less.

Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:

- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which from time to time will affect the amount of intergovernmental revenues the Town will receive. The Town's budget for such grants were based on estimates from the State.
- For purposes of calculating property tax revenues for fiscal year 2023, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on behalf of certain taxpayers.
- It is unknown how changes in market interest rates will impact real estate activity and related revenues collected by the Town Clerk and the amount of conveyance taxes and interest income.

All of these factors were considered in preparing the Town's budget for fiscal year 2023. In June 2022, the Town's fiscal year 2023 budget was approved at referendum. The fiscal year 2023 budget includes the use of fund balance in the amount of \$191,106 and resulted in a 4.65 mill decrease from 25.50 mills to 20.85 mills.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Treasurer, Town of Woodstock, 415 Route 169, Woodstock, Connecticut 06281.

Basic Financial Statements

TOWN OF WOODSTOCK, CONNECTICUT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 7,164,556
Investments	225,309
Receivables:	
Property taxes and interest, net	467,871
Sewer usage and assessments, net	335,739
Grants and contracts	420,886
Other	121,814
Inventories	6,154
Contracts receivables, long-term portion	589,500
Loans receivable, long-term portion	771,295
Restricted investments	6,728,972
Capital assets:	
Non-depreciable	3,437,544
Depreciable, net	23,844,734
Total assets	44,114,374
 DEFERRED OUTFLOWS OF RESOURCES	
Pension related	772,983
 LIABILITIES	
Accounts payable	355,302
Accrued liabilities	41,398
Accrued interest payable	13,224
Deposits payable	123,361
Unearned revenue	656,108
Noncurrent liabilities:	
Due within one year	515,962
Due in more than one year	4,512,102
Total liabilities	6,217,457
 DEFERRED INFLOWS OF RESOURCES	
Pension related	1,047,965
Lease related	69,651
Total deferred inflows of resources	1,117,616
 NET POSITION	
Net investment in capital assets	24,641,754
Restricted for:	
Endowment - nonexpendable	6,742,974
Endowment - expendable	4,475
Grants and other programs	1,943,073
Repayment of debt	609,150
Capital purposes	141,562
Unrestricted	3,469,296
Total net position	\$ 37,552,284

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

TOWN OF WOODSTOCK, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Changes in Net</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Position</u>
					<u>Governmental</u>
					<u>Activities</u>
Primary Government:					
Governmental activities:					
General government	\$ 1,980,987	\$ 565,784	\$ 75,068	\$ 101,870	\$ (1,238,265)
Public safety	931,379	3,275	2,963	338,667	(586,474)
Public works	2,680,437	486,531	151,047	535,038	(1,507,821)
Health, welfare and recreation	353,220	75,802	13,627	-	(263,791)
Education	24,224,854	165,488	8,435,333	-	(15,624,033)
Interest expense	31,723	-	-	-	(31,723)
Total governmental activities	<u>\$ 30,202,600</u>	<u>\$ 1,296,880</u>	<u>\$ 8,678,038</u>	<u>\$ 975,575</u>	<u>(19,252,107)</u>
General revenues:					
Property taxes, payments in lieu of taxes, interest and liens					19,191,501
Grants and contributions not restricted to specific programs					19,872
Unrestricted investment earnings					8,286
Restricted investment earnings (losses)					<u>(2,128,157)</u>
Total general revenues					<u>17,091,502</u>
					Change in net position
					(2,160,605)
					Net position - beginning
					<u>39,712,889</u>
					Net position - ending
					<u>\$ 37,552,284</u>

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

TOWN OF WOODSTOCK, CONNECTICUT

BALANCE SHEET -
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2022

	General Fund	Herbert W. Bowen Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 5,052,432	\$ -	\$ 849,573	\$ 1,262,551	\$ 7,164,556
Investments	-	-	-	225,309	225,309
Receivables:					
Property taxes and interest, net	467,871	-	-	-	467,871
Sewer usage and assessments, net	-	-	-	335,739	335,739
Grants and contracts	-	-	-	401,236	401,236
Loans	-	-	-	771,295	771,295
Other	87,775	-	-	4,578	92,353
Due from other funds	752,481	902	-	1,787,794	2,541,177
Inventories	-	-	-	6,154	6,154
Restricted investments	-	6,728,972	-	-	6,728,972
Total assets	\$ 6,360,559	\$ 6,729,874	\$ 849,573	\$ 4,794,656	\$ 18,734,662
LIABILITIES					
Accounts payable	\$ 333,920	\$ -	\$ 14,174	\$ 7,208	\$ 355,302
Accrued liabilities	41,370	-	-	28	41,398
Due to other funds	1,844,785	-	241,841	499,407	2,586,033
Deposits payable	123,361	-	-	-	123,361
Unearned revenue	-	-	593,558	62,550	656,108
Total liabilities	2,343,436	-	849,573	569,193	3,762,202
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - Property taxes and interest	395,756	-	-	-	395,756
Unavailable revenue - Sewer usage and assessments	-	-	-	121,322	121,322
Lease related	69,651	-	-	-	69,651
Total deferred inflows of resources	465,407	-	-	121,322	586,729
FUND BALANCES					
Nonspendable	-	-	-	19,254	19,254
Restricted	-	6,729,874	-	2,089,110	8,818,984
Committed	-	-	-	1,763,104	1,763,104
Assigned	191,106	-	-	232,673	423,779
Unassigned	3,360,610	-	-	-	3,360,610
Total fund balances	3,551,716	6,729,874	-	4,104,141	14,385,731
Total liabilities, deferred inflows of resources and fund balances	\$ 6,360,559	\$ 6,729,874	\$ 849,573	\$ 4,794,656	\$ 18,734,662

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

TOWN OF WOODSTOCK, CONNECTICUT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

Total fund balance for governmental funds	\$	14,385,731
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Land and land rights	\$	2,765,995
Construction in progress		671,549
Buildings and improvements		23,495,254
Land improvements		1,329,737
Machinery and equipment		4,530,550
Infrastructure		11,673,281
Accumulated depreciation		<u>(17,184,088)</u>
Total capital assets, net		27,282,278
Long-term contract receivable from Woodstock Academy is not susceptible to accrual and is therefore not reported in the funds.		
		609,150
Some of the Town's taxes, assessments, interest and usage receivables will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.		
		517,078
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position.		
Accrued interest payable		(13,224)
Long-term debt:		
General obligation bonds		(2,537,150)
Financed purchases		(103,374)
Other long-term liabilities:		
Contract payable		(75,385)
Compensated absences		(169,049)
Termination benefits		(54,000)
Post-closure care of landfill		(21,860)
Net pension liability		(1,601,069)
Total OPEB liability		<u>(466,177)</u>
Total long-term liabilities		(5,041,288)
Deferred outflows of resources resulting from changes in the components of the net pension liability is reported in the statements of net position.		
		(274,982)
An internal service fund is used by the Town to charge the cost of risk management activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
		<u>74,317</u>
Net position of governmental activities	\$	<u><u>37,552,284</u></u>

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

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

	General Fund	Herbert W. Bowen Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 19,259,766	\$ -	\$ -	\$ -	\$ 19,259,766
Grants and contracts	6,903,912	-	569,232	2,428,999	9,902,143
Charges for services	750,126	-	-	529,064	1,279,190
Other	93,318	-	-	196,065	289,383
Investment income (loss)	15,937	(2,128,194)	957	(8,787)	(2,120,087)
Total revenues	<u>27,023,059</u>	<u>(2,128,194)</u>	<u>570,189</u>	<u>3,145,341</u>	<u>28,610,395</u>
EXPENDITURES					
Current:					
General government	1,930,380	-	29,901	5,803	1,966,084
Public safety	912,765	-	2,963	-	915,728
Public works	1,796,577	-	20,337	271,067	2,087,981
Health, welfare and recreation	210,423	-	-	106,767	317,190
Education	21,774,881	-	-	2,315,069	24,089,950
Debt service:					
Principal payments	286,559	-	-	121,880	408,439
Interest and fiscal charges	25,974	-	-	24,881	50,855
Capital outlays	35,594	-	516,988	660,552	1,213,134
Total expenditures	<u>26,973,153</u>	<u>-</u>	<u>570,189</u>	<u>3,506,019</u>	<u>31,049,361</u>
Excess (deficiency) of revenues over expenditures	49,906	(2,128,194)	-	(360,678)	(2,438,966)
OTHER FINANCING SOURCES (USES)					
Transfers in	163,864	-	-	528,840	692,704
Transfers out	(528,840)	-	-	-	(528,840)
Total other financing sources (uses)	<u>(364,976)</u>	<u>-</u>	<u>-</u>	<u>528,840</u>	<u>163,864</u>
Net change in fund balances	(315,070)	(2,128,194)	-	168,162	(2,275,102)
Fund balances - beginning	<u>3,866,786</u>	<u>8,858,068</u>	<u>-</u>	<u>3,935,979</u>	<u>16,660,833</u>
Fund balances - ending	<u>\$ 3,551,716</u>	<u>\$ 6,729,874</u>	<u>\$ -</u>	<u>\$ 4,104,141</u>	<u>\$ 14,385,731</u>

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

TOWN OF WOODSTOCK, 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, 2022

Net change in fund balances - total governmental funds	\$	(2,275,102)
Total change in net position reported for governmental activities in the statement of activities is different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation and amortization expense in the current period is as follows:</p>		
Expenditures for capital assets	\$ 1,146,895	
Depreciation and amortization expense	(1,085,061)	
Net adjustment		61,834
<p>Contract revenue from Woodstock Academy is not susceptible to accrual and therefore, is only reported as revenue in the governmental funds when the cash is received. In the government-wide financial statements, the cash received reduces the contract receivable recognized.</p>		
		(19,650)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term obligations is as follows:</p>		
Principal repayments:		
General obligation bonds	289,650	
Financed purchases	118,789	
Net adjustment		408,439
<p>Certain revenues reported in the statement of activities do not provide current financial resources and therefore are reported as deferred inflows of revenue in governmental funds. This amount represents the change in unavailable revenues.</p>		
		(57,854)
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This amount represents the effect of such items.</p>		
Accrued interest	1,840	
Contract payable	25,128	
Compensated absences	(26,327)	
Termination benefits	66,000	
Post-closure care of landfill	9,000	
Net pension liability	1,092,997	
Total OPEB liability	(293,837)	
		874,801
<p>Deferred inflows and outflows of resources resulting from changes in the components of the net pension liability is amortized as components of pension expenses in the statement of activities.</p>		
		(984,064)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of a certain internal service fund is reported with governmental activities.</p>		
		(169,009)
Change in net position of governmental activities	\$	<u>(2,160,605)</u>

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

TOWN OF WOODSTOCK, CONNECTICUT

STATEMENT OF NET POSITION -

PROPRIETARY FUNDS

AS OF JUNE 30, 2022

	Governmental Activities			Total
	Town Employees' Benefits Fund	Board of Education Employees' Benefits Fund	Fuel Depot Fund	
ASSETS				
Receivables	\$ -	\$ -	\$ 29,461	\$ 29,461
Due from other funds	56,089	-	-	56,089
Total assets	<u>56,089</u>	<u>-</u>	<u>29,461</u>	<u>85,550</u>
LIABILITIES				
Due to other funds	-	-	11,233	11,233
Total liabilities	<u>-</u>	<u>-</u>	<u>11,233</u>	<u>11,233</u>
NET POSITION				
Unrestricted	<u>\$ 56,089</u>	<u>\$ -</u>	<u>\$ 18,228</u>	<u>\$ 74,317</u>

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

TOWN OF WOODSTOCK, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities			Total
	Town Employees' Benefits Fund	Board of Education Employees' Benefits Fund	Fuel Depot Fund	
OPERATING REVENUES				
Charges to other funds	\$ -	\$ -	\$ 194,331	\$ 194,331
Total operating revenues	-	-	194,331	194,331
OPERATING EXPENSES				
Fuel	-	-	198,358	198,358
Other	-	-	1,334	1,334
Total operating expenses	-	-	199,692	199,692
Operating loss	-	-	(5,361)	(5,361)
NON-OPERATING INCOME				
Interest income	-	216	-	216
Change in net position before transfers	-	216	(5,361)	(5,145)
TRANSFERS OUT	-	(163,864)	-	(163,864)
Change in net position	-	(163,648)	(5,361)	(169,009)
Net position - beginning	56,089	163,648	23,589	243,326
Net position - ending	\$ 56,089	\$ -	\$ 18,228	\$ 74,317

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

TOWN OF WOODSTOCK, CONNECTICUT
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities			Total
	Town Employees' Benefits Fund	Board of Education Employees' Benefits Fund	Fuel Depot Fund	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from the following:				
Charges to other funds	\$ -	\$ -	\$ 174,322	\$ 174,322
Cash paid for the following:				
Fuel and other related purchases	-	-	(199,692)	(199,692)
Net cash used in operating activities	<u>-</u>	<u>-</u>	<u>(25,370)</u>	<u>(25,370)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund activity	<u>-</u>	<u>(163,864)</u>	<u>25,370</u>	<u>(138,494)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	<u>-</u>	<u>216</u>	<u>-</u>	<u>216</u>
Net decrease in cash and cash equivalents	-	(163,648)	-	(163,648)
Cash and cash equivalents, beginning of year	<u>-</u>	<u>163,648</u>	<u>-</u>	<u>163,648</u>
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES				
Operating loss	\$ -	\$ -	\$ (5,361)	\$ (5,361)
Changes in assets and liabilities:				
Decrease in receivables	-	-	(20,009)	(20,009)
Net cash used in operating activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25,370)</u>	<u>\$ (25,370)</u>

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

TOWN OF WOODSTOCK, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The Town was incorporated as Woodstock in 1749 under the provisions of the Connecticut General Statutes. The Town operates under the Board of Selectmen, Town Meeting and Board of Finance form of government and provides the following services: public safety, public works, health, welfare and recreation, education, and general administrative services. The legislative power of the Town is invested with the Board of Selectmen and Town Meeting. The Board of Selectmen may enact, amend or repeal ordinances and resolutions. The Board of Finance is responsible for financial and taxation matters as prescribed by Connecticut General Statutes, and is responsible for presenting fiscal operating budgets for Town Meeting approval.

The basic financial statements of the reporting entity include only the funds of the Town as no component units exist based on operational or financial relationships with the Town.

Jointly Governed Organizations

The Town is a member of the Northeastern Connecticut Council of Governments (the Council), which provides certain member initiated regional programs and services. The Town's First Selectman serves on the Council's Board of Directors. The Council issues publicly available financial reports.

The Town, in a joint venture with the Town of Eastford, Connecticut, has created the Crystal Pond Park Commission to oversee and maintain the Crystal Pond Park. The Commission consists of four registered voters from each Town, as appointed by their respective Boards of Selectmen. The Commission adopts an annual operating budget. Each Town's Board of Selectmen include \$900 in their budget to offset expenses.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town and include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The Town has no business-type activities.

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

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

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

Government-wide and Fund Financial Statements *(Continued)*

Fund Financial Statements

The fund financial statements provide information about the Town's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

General Fund - This fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those not accounted for and reported in another fund.

Herbert W. Bowen Fund - This fund is used to account for an endowment and related earnings, which will be used to support the Town's operations. The common stock bequest, made by Herbert W. Bowen upon his death in 1927, requires the annual income of the investment to be restricted in use to purchase additional shares of the common stock given, for the term of one hundred years. At the end of this period, annual income generated from the investment is to be used to reduce the taxes of the Town.

American Rescue Plan Fund - This fund is used to account for the receipt of Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act.

In addition, the Town reports the following fund types:

Internal Service Fund (proprietary) - These funds account for activities that provide goods or services to other funds, departments, or agencies of the Town on a cost-reimbursement basis. The Town utilizes internal service funds to account for risk management activities related to medical and dental insurance and to charge costs of fuel to various Town departments.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

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

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

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

Measurement Focus and Basis of Accounting *(Continued)*

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

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

Implementation of Accounting Standard

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

	Governmental Activities				
	Assets	Deferred Outflows of Resources	Liabilities	Deferred Inflows of Resources	Net Position
Beginning balances, as originally reported	\$ 47,183,395	\$ 1,315,677	\$ 8,179,588	\$ 606,595	\$ 39,712,889
Recognition of leases (as lessor)	88,246	-	-	88,246	-
Beginning balances, as adjusted	\$ 47,271,641	\$ 1,315,677	\$ 8,179,588	\$ 694,841	\$ 39,712,889

The implementation of Statement No. 87 had no cumulative effect on the beginning net position of the Town.

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

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

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Balance

Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the Town's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

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

Restricted Investments

The Herbert W. Bowen Fund is restricted to expenditures of the investment income only for the donor-designated purpose. As such, related investment accounts have been presented as restricted investments in both the statement of net position and the governmental funds balance sheet. Any appreciation of the funds is also restricted. The Town allocates investment income in accordance with donor restrictions and Connecticut law. The State of Connecticut adopted the provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective October 1, 2007. UPMIFA requires the investment of endowments in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. It requires prudence in incurring investment costs, authorizing only costs that are appropriate and reasonable. Factors to be considered in investing are expanded to include, for example, the effects of inflation. UPMIFA emphasizes that investment decisions be made in relation to the overall resources of the Town.

Inventories

Inventories are reported at the lower of cost or net realizable value using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

Property Taxes

Property taxes are assessed as of October 1. Real estate and personal property taxes are billed in the following July and are due in two installments, July 1 and January 1. Motor vehicle taxes are billed in July and are due in one installment, July 1, and supplemental motor vehicle taxes are due in full January 1. Taxes become delinquent thirty days after the installment is due and interest on delinquent accounts is charged at a rate of 1.5% per month. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible taxes and interest of \$101,000 as of June 30, 2022.

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

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

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

Sewer Charges

Upon completion of projects, sewer assessments are levied and assessed to the users semi-annually. Sewer assessment charges are billed semi-annually on March and September 1. Sewer usage charges are billed semi-annually in July and January. Assessments and user charges are due and payable within thirty days and delinquent amounts are subject to interest at a rate of 1.5% per month. Liens are filed on all delinquent properties until the assessment is paid in full. Based on historical collection experience and other factors, the Town has established an allowance for uncollectible sewer assessments and usage of \$37,160 as of June 30, 2022.

Leases (as Lessor)

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

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, and sidewalks), are reported in the government-wide financial statements. Donated capital assets are recorded at acquisition value at the date of donation. All other assets are recorded at historical cost, or estimated historical cost, if purchased or constructed. Intangible assets lack physical substance, are nonfinancial in nature and have a useful life that extends beyond a single reporting period. Intangible assets with no legal, contractual, or regulatory factors limiting their useful life are considered to have an indefinite useful life. The costs of normal maintenance and repairs that do not add to the value of a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

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

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

Capital Assets *(Continued)*

Capital assets are defined by the Town as assets with an initial individual cost and estimated useful life as follows:

<u>Assets</u>	<u>Years</u>	<u>Capitalization Threshold</u>
Land and land rights	N/A	\$ 20,000
Construction in progress	N/A	20,000
Building and systems	50 – 75	20,000
Land improvements	75	20,000
Machinery and equipment:		
Vehicles	10 – 20	5,000
Furniture and equipment	5 – 50	5,000
Infrastructure	50 – 75	100,000

Unearned Revenue

This liability represents resources that have been received but not yet earned.

Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources represent an acquisition or consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow or inflow of resources until that time.

Deferred outflows and inflows of resources consists of deferred charges on pension expense reported in the government-wide statement of net position. Deferred charges on pension expense resulted from changes in the components of the Town’s net pension liability and are being amortized as a component of pension expense on a systematic and rational basis.

Deferred inflows of resources also include unavailable revenues from property taxes and related interest in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations

Long-term Debt

The applicable accounting standards define debt as a liability that arises from a contractual obligation to pay cash, or other assets that may be used in lieu of cash, in one or more payments to settle and amount that is fixed at the date the contractual obligation is established. For disclosure purposes, debt does not include accounts payable or leases, except for contracts reported as financed purchase of the underlying assets.

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

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

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

Long-term Obligations *(Continued)*

Long-term Debt (Continued)

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

Leases (as Lessee)

The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) for a noncancellable lease in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$20,000 or more.

Compensated Absences and Termination Benefits

Compensated absences and termination benefits are accrued when incurred in the government-wide financial statements. Expenditures for compensated absences and termination benefits are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year, or the vested amount is expected to be paid with available resources.

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of those assets. Deferred outflows and inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related are also included in this component of net position.

Restricted net position - This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on the use of those assets either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position - This component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund 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 practice to consider restricted net position to have been depleted before unrestricted net position is applied.

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

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

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

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called fund balance. The Town's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

The Town's governmental funds report the following fund balance categories:

Nonspendable - Amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

Restricted - Constraints are placed on the use of resources that are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action by Town Meeting or Referendum (the highest level of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action.

Assigned - Amounts that are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as committed. Amounts may be constrained to be used for a specific purpose by a governing board or body or official that has been delegated authority to assign amounts by Connecticut General Statutes and include Town officials and the Superintendent of Schools. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Unassigned - Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's practice to use restricted resources first, then unrestricted resources as needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance.

Interfund Activity

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

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

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

Use of Estimates

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

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

Cash Deposits

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

Government-wide statement of net position:	
Cash and cash equivalents	\$ 7,164,556
Add: certificates of deposit considered cash deposits for disclosure purposes	164,710
Less: cash equivalents considered investments for disclosure purposes	<u>(1,530,090)</u>
	<u>\$ 5,799,176</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town's policy provides for uninsured demand and time deposits with banks and savings and loan institutions to be collateralized as prescribed in the Connecticut general statutes, as described below. In addition, in order to anticipate market changes and provide for a level of security for all funds, all public deposits shall be held in qualified public depositories. As of June 30, 2022, \$4,943,496 of the Town's bank balance of \$6,253,019 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 4,449,146
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	<u>494,350</u>
	<u>\$ 4,943,496</u>

All of the Town's deposits were in qualified public institutions as defined by Connecticut general statutes. Under these statutes, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

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

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

Investments

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

Government-wide statement of net position:	
Investments	\$ 225,309
Restricted assets - investments	<u>6,728,972</u>
	6,954,281
Add: cash equivalents considered investments for disclosure purposes	1,530,090
Less: certificates of deposit considered cash deposits for disclosure purposes	<u>(164,710)</u>
	<u><u>\$ 8,319,661</u></u>

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

<u>Investment type</u>	<u>Valuation Basis</u>	<u>Credit Rating</u>	<u>Value</u>	<u>Investment Maturities (In Years) Less Than 1</u>
Debt Securities:				
Short-term Investment Fund	Amortized cost	AAA	\$ 1,530,090	<u>\$ 1,530,090</u>
Other Investments:				
Equity securities	Fair value	Unrated	6,728,972	
Mutual funds	Fair value	Unrated	<u>60,599</u>	
			<u><u>\$ 8,319,661</u></u>	

Because investments in the Short-term Investment Fund have weighted average maturities of less than 90 days, they have been presented as investments with maturities of less than one year.

Interest Rate Risk

The Town does not have a formal investment policy that limits Town investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Generally, the Town does not invest in any long-term investment obligations.

Credit Risk

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut general statutes. Connecticut general statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service.

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

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

Investments *(Continued)*

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town’s investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from concentration of credit risk disclosures. As of June 30, 2022, 65% and 16% of the Town’s investments were invested in JP Morgan Chase common stock and Bank of New York Mellon common stock, respectively. Investments in these securities are donor restricted and are reported within the Herbert W. Bowen Fund.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town’s investments consist primarily of investments in various mutual funds, equity securities, and external investment pools and are therefore not exposed to custodial credit risk, because they are not evidenced by securities that exist in physical or book entry form. The Town’s investment policy does not address custodial credit risk with respect to investments.

NOTE 3 - FAIR VALUE MEASUREMENTS

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

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

Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Town’s financial assets that are accounted for at fair value on a recurring basis as of June 30, 2022, by level within the fair value hierarchy are presented in the table below:

Financial Assets Measured at Fair Value	Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Mutual funds	\$ 8,086	\$ -	\$ -	\$ 8,086
Equity securities	6,781,485	-	-	6,781,485
	<u>\$ 6,789,571</u>	<u>\$ -</u>	<u>\$ -</u>	6,789,571
		Investments measured at amortized costs		<u>1,530,090</u>
				<u>\$ 8,319,661</u>

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

NOTE 4 - RECEIVABLES

Leases (as Lessor)

The Town is a lessor for a noncancellable cell tower ground lease through January 1, 2026. The Town recognized \$20,988 in lease related revenue during the current fiscal year. As of June 30, 2022, the Town's receivable for lease payments totaled \$69,651. In addition the Town has recognized a deferred inflow of resources associated with the lease that will be recognized as revenue over the lease term. Future minimum lease payments to be received under lease agreements are as follows:

<u>Year ending June 30:</u>	Governmental Activities	
	Principal	Interest
2023	\$ 19,161	\$ 1,828
2024	19,743	1,245
2025	20,344	644
2026	10,403	91
	\$ 69,651	\$ 3,808

Loans

The Town administers a Residential Rehabilitation Loan Program for low to moderate income families. The loans bear an interest rate of 0%. Repayment of the loans is deferred, but the loans become due and payable upon sale or transfer of the property, the owner's demise, or when the subject property is no longer the applicant's principal place of residence. The notes may be paid in full or in part by the borrower at any time without penalty. As of June 30, 2022, loans receivable totaled \$771,295 under this program.

Contracts

The Town has entered into a long-term contract with the Woodstock Academy for the reimbursement of bond principal and interest as more fully disclosed in Note 8.

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 consisted of the following:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land and land rights	\$ 2,709,268	\$ 56,727	\$ -	\$ -	\$ 2,765,995
Construction in progress	558,844	631,558	-	(518,853)	671,549
Total capital assets, not being depreciated	3,268,112	688,285	-	(518,853)	3,437,544
Capital assets, being depreciated:					
Buildings and improvements	23,396,266	98,988	-	-	23,495,254
Land improvements	1,329,737	-	-	-	1,329,737
Machinery and equipment	3,991,668	359,622	-	179,260	4,530,550
Infrastructure	11,333,688	-	-	339,593	11,673,281
Total capital assets, being depreciated	40,051,359	458,610	-	518,853	41,028,822
Less accumulated depreciation for:					
Buildings and improvements	9,917,516	437,308	-	-	10,354,824
Land improvements	485,470	32,133	-	-	517,603
Machinery and equipment	2,253,755	302,641	-	-	2,556,396
Infrastructure	3,442,286	312,979	-	-	3,755,265
Total accumulated depreciation	16,099,027	1,085,061	-	-	17,184,088
Total capital assets, being depreciated, net	23,952,332	(626,451)	-	518,853	23,844,734
Governmental activities capital assets, net	\$ 27,220,444	\$ 61,834	\$ -	\$ -	\$ 27,282,278

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

NOTE 5 - CAPITAL ASSETS *(Continued)*

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

Governmental Activities:	
General government	\$ 44,382
Public safety	13,095
Public works	556,846
Health, welfare and recreation	36,030
Education	434,708
Total depreciation expense - governmental activities	<u>\$ 1,085,061</u>

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES

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

Receivable Fund	Payable Fund	Amount
Governmental Funds		
General Fund	Nonmajor Governmental Funds	\$ 499,407
	American Rescue Plan Fund	241,841
	Internal Service Funds	<u>11,233</u>
		752,481
Herbert W. Bowen Fund	General Fund	902
Nonmajor Governmental Funds	General Fund	<u>1,787,794</u>
		2,541,177
Proprietary Funds		
Internal Service Funds	General Fund	<u>56,089</u>
Total interfund receivables/payables		<u>\$ 2,597,266</u>

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 7 - INTERFUND TRANSFERS

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

Transfers In	Transfers Out	Amount
Governmental Funds		
General Fund	Proprietary Funds	\$ 163,864
Nonmajor Governmental Funds	General Fund	<u>528,840</u>
Total transfers		<u>\$ 692,704</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them, and (2) use revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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

NOTE 8 - LONG-TERM LIABILITIES

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

	Beginning			Ending Balance	Due Within One Year
	Balance	Increases	Decreases		
Governmental Activities					
General obligation bonds	\$ 2,826,800	\$ -	\$ (289,650)	\$ 2,537,150	\$ 290,650
Financed purchases	222,163	-	(118,789)	103,374	103,374
Contract payable	100,513	-	(25,128)	75,385	25,128
Compensated absences	142,722	49,051	(22,724)	169,049	33,810
Termination benefits	120,000	-	(66,000)	54,000	54,000
Post-closure care of landfill	30,860	-	(9,000)	21,860	9,000
Net pension liability <i>(see Note 10)</i>	2,694,066	-	(1,092,997)	1,601,069	-
Total OPEB liability <i>(see Note 11)</i>	172,340	293,837	-	466,177	-
	<u>\$ 6,309,464</u>	<u>\$ 342,888</u>	<u>\$ (1,624,288)</u>	<u>\$ 5,028,064</u>	<u>\$ 515,962</u>

Long-term liabilities are typically liquidated by the General Fund and transfers in from the WPCA Fund.

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are uncollateralized, direct obligations and are pledged by the full faith and credit of the Town. General obligation bonds outstanding at June 30, 2022, are as follows:

<u>Purpose of Bonds</u>	<u>Issue Year</u>	<u>Original Amount</u>	<u>Final Maturity Dates</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
Governmental Activities					
General obligation refunding bonds	8/2020	\$ 1,386,000	8/2030	1.080%	\$ 1,232,000
General obligation bonds	7/2017	1,160,000	7/1/2027	2.210%	696,000
General obligation bonds	6/2013	786,000	6/1/2053	2.75%	609,150
					<u>\$ 2,537,150</u>

Financed Purchases

The Town has entered into financed purchase contracts for the acquisition of capital assets. The contracts include non-appropriation clauses and provide the obligors with security interests in the underlying assets in the event of default. Ownership of the underlying assets are transferred to the Town at the end of the contracts. The Town makes periodic principal and interest payments at an interest rates ranging from 1.12% to 2.47% through various maturity dates.

Advance Refundings

The Town defeased general obligation bonds in a prior year by placing the proceeds of the new bonds into irrevocable trust accounts to provide for all future debt service payments on the old bonds. Accordingly, those trust account assets and the liability for those defeased bonds are not included in the Town's financial statements. As of June 30, 2022, \$1,070,000 of defeased bonds remain outstanding.

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

NOTE 8 - LONG-TERM LIABILITIES *(Continued)*

Legal Debt Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the statute. Further, the statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The statute does exclude from the Town's aggregate debt calculation any debt issued (a) in anticipation of taxes; (b) for water, gas, or electricity supply, electric demand response, conservation and load management, distributed generation, renewable energy projects, cable, wire, and pipe subway construction, underground cable, wire, and pipe conduit construction, constructing and operating a municipal community antenna television system, or a combination of such projects; (c) in anticipation of public improvement benefit assessment revenue; (d) in anticipation of state or federal grant funding; (e) for water pollution control projects in order to meet the energy and environmental protection commissioner's abatement order requirements; and debt issued (f) for which funds have been placed in escrow (from the proceeds of refunding bonds, notes, or other obligations or other municipal funds) in an amount sufficient, together with investment earnings, to provide for the payment when due of the principal of and interest on such debt. The Town did not exceed this statutory debt limitation as of June 30, 2022.

Long-term Debt Service Requirements

The debt service requirements for the Town's long-term debt are as follows:

Year ending June 30:	Governmental Activities			
	General Obligation Bonds		Financed Purchases	
	Principal	Interest	Principal	Interest
2023	\$ 290,650	\$ 43,365	\$ 103,374	\$ 1,157
2024	285,650	38,605	-	-
2025	280,650	33,901	-	-
2026	275,650	29,250	-	-
2027	275,650	24,626	-	-
2028-2032	716,250	76,630	-	-
2033-2037	98,250	51,336	-	-
2038-2042	98,250	37,827	-	-
2043-2047	98,250	24,317	-	-
2048-2052	98,250	10,808	-	-
2053	19,650	538	-	-
	<u>\$ 2,537,150</u>	<u>\$ 371,203</u>	<u>\$ 103,374</u>	<u>\$ 1,157</u>

Contractual Reimbursements

The Town has entered into a long-term contract in connection with the general obligation sewer bonds issued in fiscal year 2013, in which Woodstock Academy is liable to reimburse the Town for bond principal and interest costs. The amount of principal and interest reimbursements for the year ended June 30, 2022 was \$19,650 and \$17,292, respectively. Additional reimbursements of principal and interest aggregating \$609,150 and \$268,025, respectively, are expected to be received through the applicable bond's maturity dates.

Contract Payable

The Town has entered into a long-term contract with the Northeastern Connecticut Council of Governments and other local Connecticut municipalities in connection with revaluation services. The initial contract totaled \$125,641, with annual required payments of \$25,128 through 2025.

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

NOTE 8 - LONG-TERM LIABILITIES *(Continued)*

Termination Benefits

The Town provides special termination benefits to former employees in the form of an early retirement incentive. During the year, payments made by the Town on existing arrangements totaled \$66,000. As of June 30, 2022, the Town's liability for early retirement incentives totaled \$54,000. The total amount of remaining incentives are expected to be paid during fiscal year 2023.

Post-closure Care of Landfill

The Town landfill has been closed. State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Estimated monitoring costs for the next three years totaled \$21,860 as of June 30, 2022. These amounts are based on estimates, which are subject to change due to inflation, technology or changes in applicable laws and regulations.

NOTE 9 - FUND BALANCE

Fund Balance Policy

The Town's adopted policy states that the Board of Finance shall propose annual budgets that provide for an unassigned General Fund balance of not less than 10.0% or more than 15.0% of the total operating General Fund expenditures. As of June 30, 2022, unassigned fund balance represented 13.08% of total General Fund expenditures. The various components of fund balance at June 30, 2022 are as follows:

	<u>General Fund</u>	<u>Herbert W. Bowen Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:				
Permanent principal	\$ -	\$ -	\$ 13,100	\$ 13,100
Inventories	-	-	6,154	6,154
	-	-	19,254	19,254
Restricted for:				
Donor restrictions	-	6,729,874	4,475	6,734,349
Town Aid Road program	-	-	609,653	609,653
Small Cities loan program	-	-	1,055,313	1,055,313
Cafeteria operations	-	-	143,734	143,734
Other grant programs	-	-	535	535
Capital purposes	-	-	141,562	141,562
Record restoration	-	-	39,841	39,841
Education programs	-	-	93,997	93,997
	-	6,729,874	2,089,110	8,818,984
Committed for:				
WPCA operations	-	-	235,736	235,736
Capital purposes	-	-	1,397,669	1,397,669
General government	-	-	33,004	33,004
Health, welfare, recreation	-	-	96,695	96,695
	-	-	1,763,104	1,763,104
Assigned to:				
Subsequent year's budget	191,106	-	-	191,106
Capital purposes	-	-	232,673	232,673
	191,106	-	232,673	423,779
Unassigned	3,360,610	-	-	3,360,610
	<u>\$ 3,551,716</u>	<u>\$ 6,729,874</u>	<u>\$ 4,104,141</u>	<u>\$ 14,385,731</u>

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

NOTE 10 - PENSION PLANS

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

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>On Behalf Revenues</u>	<u>Pension Expense</u>
CT Municipal Employees' Retirement System (proportionate share)	\$ 1,601,069	\$ 772,983	\$ 1,047,965	\$ -	\$ 346,029
CT Teachers' Retirement System (proportionate share)	-	-	-	1,214,938	1,214,938
	<u>\$ 1,601,069</u>	<u>\$ 772,983</u>	<u>\$ 1,047,965</u>	<u>\$ 1,214,938</u>	<u>\$ 1,560,967</u>

Detailed disclosures for each plan follow.

Connecticut Municipal Employees' Retirement System

The Town participates in the Connecticut's Municipal Employees' Retirement System (CMERS). CMERS is the public pension plan offered by the State of Connecticut for municipal employees in participating municipalities. The plan was established in 1947 and is governed by Connecticut Statute Title 7, Chapter 113. Chapter 113, Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes PERS benefits, member contribution rates, and other plan provisions.

Municipalities may designate which departments are to be covered under the CMERS. Only employees covered under the State Teachers' Retirement System may not be included. There are no minimum age or service requirements. Membership is mandatory for all regular full time employees of participating departments except Police and Fire hired after age 60.

The plan has 4 sub plans as follows:

- General employees with social security
- General employees without social security
- Policemen and firemen with social security
- Policemen and firemen without social security

Certain employees of the Town are eligible to participate in CMERS and are classified within the general employees with social security sub plan. The following disclosures have been provided for this sub plan.

Plan Description

Plan administration - CMERS is a multiemployer pension plan administered by the Connecticut State Retirement Commission. The State Retirement Commission is responsible for the administration of the CMERS. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members.

Plan membership - All full-time employees of the Town, except for certified Board of Education personnel who are eligible for the State Teachers' Retirement System, who are age 55 or younger at the date of hire, participate in the CMERS plan for general employees with social security.

Benefits provided - The Plan provides retirement, disability and death benefits as defined in the Statutes. General employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active non-continuous service. Employees under the age of 55 are eligible to retire with 25 years of service. Police are eligible at the compulsory retirement age for police and fire members are eligible at the age of 65.

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Plan Description *(Continued)*

For members covered by social security, the benefit is 1.5% of the average final compensation not in excess of the year's breakpoint plus 2.0% of average final compensation in excess of the year's breakpoint, times years of service.

The maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include workers' compensation and social security benefits. If any member covered by social security retires before age 62, the benefit until age 62 is reached or a social security disability award is received, is computed as if the member is not under social security.

Employees are eligible for early retirement after 5 years of active continuous or 15 years of active non-continuous service. The benefit is calculated on the basis of average final compensation and service to date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Employees are eligible for service-related disability benefits from being permanently or totally disabled from engaging in the service of the municipality provided such disability has arisen out of and in the course of employment with the municipality. Disability due to hypertension or heart disease, in the case of firemen and policemen, is presumed to have been suffered in the line of duty. Disability benefits are calculated based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.

Employees are eligible for non-service-related disability benefits with 10 years of service and being permanently or totally disabled from engaging in gainful employment in the service of the municipality. Disability benefits are calculated based on compensation and service to the date of the disability. The plan also offers a pre-retirement death benefit in the form of a lump sum return of contributions with interest or surviving spouse benefit depending on length of service.

Contributions - The contribution requirements of plan members are established and may be amended by the State Retirement Commission. The Town is required to contribute annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment which covers the liabilities of the system not met by member contributions. There is also an administrative fee per active and retired member.

For employees covered by social security, each person is required to contribute 3.75% of compensation up to the social security taxable wage base plus 6.0% of compensation, if any, in excess of such base.

Summary of Significant Accounting Policies

Pensions - For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions and pension expense, information about the fiduciary net position of CMERS and additions and deletions from CMERS' net position are prepared on the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Summary of Significant Accounting Policies *(Continued)*

Investment policy - The CMERS' policy in regard to the allocation of invested assets is established and may be amended by the State Retirement Commission. It is the policy of the State to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members.

Investment policy - The CMERS' policy in regard to the allocation of invested assets is established and may be amended by the State Retirement Commission. It is the policy of the State to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members.

Collective Net Pension Liability

The total estimated collective net pension liability of the CMERS as of June 30, 2021 was \$710.0 million, the most recent available reporting provided by the Board. The collective net pension liability of the CMERS sub plan for general employees with social security was \$236.7 million as of June 30, 2021. The portion that was associated with the Town totaled \$1,601,069 or approximately 0.676% of the total estimated collective net pension liability. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The portion of the collective net pension liability associated with the Town was based on the 2021 actuarial (expected) payroll amounts reported by participating employers. Expected payroll adjusts actual payroll for known changes in the status of employees, annualized salaries for partial year employees and anticipated salary increases.

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

Inflation	2.50%
Salary increases	3.50% - 10.00%, including inflation
Long-term investment rate of return	7.00%, net of pension plan investment expense, including inflation

For the period after retirement and for dependent beneficiaries, mortality rates were based on the RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees. For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

The long-term expected rate of return on pension plan investments was determined using a statistical analysis 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 allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Collective Net Pension Liability *(Continued)*

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Target Expected Real Rate of Return</u>
Domestic Equity	20.0%	5.3%
Developed Market International	11.0%	5.1%
Emerging Market International	9.0%	7.4%
Core Fixed Income	16.0%	1.6%
Inflation Linked Bond	5.0%	1.3%
Emerging Market Debt	5.0%	2.9%
High Yield Bond	6.0%	3.4%
Real Estate	10.0%	4.7%
Private Equity	10.0%	7.3%
Alternative Investments	7.0%	3.2%
Liquidity Fund	1.0%	0.9%
	<u>100.0%</u>	

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

Sensitivity of the net pension liability to changes in the discount rate - The following presents the Town's proportionate share of the net pension liability for the general employees with social security sub plan calculated using the discount rate of 7.00%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Proportionate share of the collective net pension liability	\$ 2,672,250	\$ 1,601,069	\$ 678,755

Pension plan fiduciary net position - Detailed information about the CMERS plan's fiduciary net position is included in the State of Connecticut's basic financial statements.

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the Town recognized pension expense related to the CMERS of \$346,029. At June 30, 2022, the Town reported its proportionate share of deferred outflows and inflows of resources related to the CMERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferrals</u>
Differences between expected and actual experience	\$ 139,374	\$ (234,006)	\$ (94,632)
Net difference between projected and actual earnings on pension plan investments	-	(685,918)	(685,918)
Change of assumptions	215,368	-	215,368
Contributions paid to the CMERS subsequent to the measurement date	330,797	-	330,797
Other	<u>87,444</u>	<u>(128,041)</u>	<u>(40,597)</u>
Total	<u>\$ 772,983</u>	<u>\$ (1,047,965)</u>	<u>\$ (274,982)</u>

Amounts reported as deferred outflows and inflows of resources related to the CMERS will be recognized as a component of pension expense in future years as follows:

Year ended June 30,	
2023	\$ 21,816
2024	(112,599)
2025	(81,527)
2026	<u>(102,672)</u>
	<u>\$ (274,982)</u>

Connecticut Teachers' Retirement System

Plan Description

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

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Plan Description *(Continued)*

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

Benefit Provisions

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

Normal Retirement: Retirement benefits for the employees are calculated as 2.0% of the average annual salary times the years of credited service (maximum benefit is 75.0% of average annual salary during the 3 years of highest salary). In addition, amounts derived from the accumulation of the 6.0% contributions made prior to July 1, 1989 and voluntary contributions are payable.

Early Retirement: Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service. Benefit amounts are reduced by 6.0% per year for the first 5 years preceding normal retirement age and 4.0% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

Minimum Benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly benefit of \$1,200 to teachers who retire under the normal retirement provisions and who have completed at least 25 years of full time Connecticut service at retirement.

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required to be eligible for non-service related disability. Disability benefits are calculated as 2.0% per year of service times the average of the highest three years of pensionable salary, but not less than 15.0%, nor more than 50.0%. In addition, disability benefits under this Plan (without regard to cost-of-living adjustments) plus any initial award of Social Security benefits and workers' compensation cannot exceed 75.0% of average annual salary. A plan member who leaves service and has attained 10 years of service will be entitled to 100.0% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60, and early retirement reductions are based on the number of years of service the member would have had if they had continued work until age 60.

Pre-Retirement Death Benefit: The plan also offers a lump-sum return of contributions with interest or surviving spouse benefit depending on length of service.

Contributions

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

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Contributions *(Continued)*

Employers - School District employers are not required to make contributions to the Plan, as contributions are required only from employees and the State.

Employees - Effective January 1, 2018, the required contribution increased to 7.0% of pensionable salary for the pension benefit.

Administrative Expenses

Administrative costs of the plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

Basis of Presentation

The components associated with pension expense and deferred outflows and inflows of resources have been determined based on fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2021. The net pension liability at June 30, 2021 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Annual Comprehensive Financial Report can be obtained at www.ct.gov.

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

Allocation Methodology

The allocations for participating employers are based on the expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.126% as of the most recent measurement date.

Collective Net Pension Liability

The following summarizes the collective net pension liability of the State for the TRS as of June 30, 2021, the measurement date, in addition to the Town's and State's proportionate shares of the collective net pension liability that is attributed to the Town:

Collective Net Pension Liability of the State for the TRS		<u>\$ 14,926,263,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net Pension Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net Pension Liability attributed to the Town	0.126%	<u>\$ 18,821,000</u>

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Collective Pension Expense

The Town's expected contribution effort for allocation purposes totaled \$1,575,954 or 0.126% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures in the General Fund for the year ended June 30, 2022.

The collective pension expense includes certain current period changes in the collective net pension liability, projected earnings on pension plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the collective pension expense attributed to the Town totaled \$1,214,938 or 0.126% of the total collective pension expense and has been recognized as an operating contribution and related education expenses in the statement of activities for the year ended June 30, 2022.

Actuarial Assumptions

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

Inflation	2.50%
Salary increases	3.00% - 6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Administrative expenses	\$0 assumption as expenses are paid for by the General Assembly

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

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3.0% and a maximum of 5.0% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6.0% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5.0% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3.0%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

Long-Term Rate of Return

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

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

NOTE 10 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

The current capital market assumptions and the target asset allocation as provided by the Treasurer's Office are summarized in the following table:

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

Discount Rate

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

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

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

	<u>Total/Net OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>On Behalf Revenues</u>	<u>OPEB Expense</u>
BOE Other Post-employment Benefits Plan	\$ 466,177	\$ -	\$ -	\$ -	\$ 293,837
CT Teachers' Retirement System (proportionate share)	-	-	-	(75,719)	(75,719)
	<u>\$ 466,177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (75,719)</u>	<u>\$ 218,118</u>

Detailed disclosures for each plan follow.

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

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan

Plan Description

The Town’s Board of Education administers one single-employer defined benefit healthcare plan (the Plan) to provide medical benefits to certain eligible retirees, spouses and beneficiaries. The plan provides for medical, prescription drugs and dental benefits. Benefits provisions are established by contract and may be amended by union negotiations each bargaining period. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

Benefits Provided

The OPEB Plan provides for medical, prescription, dental and vision insurance benefits to eligible retirees, spouses and beneficiaries. Contribution requirements of the participants and the Town are established by and may be amended through negotiations between the Town and the union representing the employees. Currently, participants are required to contribute 100% of their healthcare and dental premiums to the Town, less any reimbursements received by the Town from the State Retirement Board. The Town pays the benefits on a pay-as-you-go basis.

Employees Covered by Benefit Terms

As of June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Retirees, beneficiaries, and dependents currently receiving benefits	24
Active participants	54
	78

Total OPEB Liability

The Town’s OPEB liability reported as of June 30, 2022 totaled \$466,177. The total OPEB liability was measured as of June 30, 2022 using the Alternative Measurement Method.

Actuarial Assumptions and Other Inputs - The total OPEB liability as of June 30, 2022 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.540% as of June 30, 2022
Healthcare cost trend rates:	
Medical	4.80% decreasing each year, 4.20% ultimate rate
Pharmacy	5.20% decreasing each year, 4.20% ultimate rate
Dental	3.50% decreasing each year, 3.00% ultimate rate
Vision	3.00%

The discount rate was based on the Bond Buyer 20 (GO 20 Index) as of the measurement date, which represents municipal bond trends based on a portfolio of 20 general obligation bonds that mature in 20 years. Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

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

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan *(Continued)*

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2021	\$ 172,340
Changes for the year:	
Service cost	29,125
Interest	4,493
Changes of benefit terms	-
Changes of assumptions and differences between expected and actual experience	260,219
Benefit payments	-
Net changes	293,837
Balance as of June 30, 2022	\$ 466,177

Changes of assumptions primarily reflects a change in the discount rate from 2.23% to 3.54%.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1- percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease	Current Discount	1% Increase
Total OPEB Liability	\$ 569,664	\$ 466,177	\$ 366,714

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Total OPEB Liability	\$ 464,480	\$ 466,177	\$ 468,099

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

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System

Plan Description

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

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

Benefit Provisions

The Plan covers retired teachers and administrators of public schools in the State who are receiving benefits from the Plan. The Plan provides healthcare insurance benefits to eligible retirees and their spouses. Any member that is currently receiving a retirement or disability benefit through the Plan is eligible to participate in the healthcare portion of the Plan. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the TRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

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

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the Plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage. If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

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 TRB and appropriated by the General Assembly. The State pays for one third of plan costs through an annual appropriation in the General Fund.

Employers - School District employers are not required to make contributions to the Plan.

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

Administrative Expenses

Administrative costs of the Plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

Basis of Presentation

The components associated with the other postemployment benefits (OPEB) expense and deferred inflows and outflows of resources have been determined using the unrecognized portions of each year's experience and assumption changes as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2021. The net OPEB liability at June 30, 2020 has been calculated using the audited amounts. The OPEB trust fund is included in the TRS, and the TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Annual Comprehensive Financial Report can be obtained at www.ct.gov.

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

Allocation Methodology

The allocations for participating employers are based on the expected contribution effort for each participating employer. The employer allocations were then applied to the net OPEB liability and OPEB expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to the Town totaled 0.126% as of the most recent measurement date.

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

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Collective Net OPEB Liability

The following summarizes the collective net OPEB liability of the State for the TRS as of June 30, 2021, the measurement date, in addition to the Town's and State's proportionate shares of the collective net OPEB liability that is attributed to the Town:

Collective Net OPEB Liability of the State for the TRS		<u>\$ 1,626,189,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net OPEB Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net OPEB Liability attributed to the Town	0.126%	<u>\$ 2,051,000</u>

Collective OPEB Expense

The Town's expected contribution effort for allocation purposes totaled \$37,085 or 0.126% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures in the General Fund for the year ended June 30, 2022.

The collective OPEB expense includes certain current period changes in the collective net OPEB liability, projected earnings on OPEB plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the negative collective OPEB expense attributed to the Town totaled \$(163,722) or 0.126% of the total collective OPEB expense and has been recognized as an operating contribution and related education expense in the statement of activities for the year ended June 30, 2022.

Actuarial Assumptions

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

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary increases	3.00% - 6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates:	
Medicare	5.125% for 2020 decreasing to an ultimate rate of 4.50% by 2023

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

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

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the actuarial valuation process. Several factors are considered in evaluation the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

Discount Rate

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

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

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

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

NOTE 12 - RISK MANAGEMENT

Insurance

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The Town purchases commercial insurance for all risks of loss except workers' compensation and liability-automobile-property insurance for which it participates in risk sharing pools. During the year ended June 30, 2022, deductibles paid by the Town were insignificant. Neither the Town nor its insurers have settled any claims that exceeded the Town's insurance coverage during the past three years. In addition, there have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies that was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program.

Workers' Compensation Pool

The Town is a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 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.

Liability-Automobile-Property Pool

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

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Federal Awards and State Financial Assistance

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

Litigation, Claims and Assessments

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

Required Supplementary Information

TOWN OF WOODSTOCK, CONNECTICUT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Property taxes	\$ 18,726,762	\$ 18,726,762	\$ 19,259,766	\$ 533,004
Intergovernmental	5,095,334	5,095,334	5,100,220	4,886
Charges for services	479,000	479,000	731,298	252,298
Other	73,600	73,600	82,909	9,309
Interest income	76,000	76,000	15,937	(60,063)
Total revenues	<u>24,450,696</u>	<u>24,450,696</u>	<u>25,190,130</u>	<u>739,434</u>
EXPENDITURES				
Current:				
General government	2,141,614	1,966,021	1,965,731	(290)
Public safety	922,829	912,765	912,765	-
Public works	1,851,434	1,826,820	1,826,820	-
Health, recreation and welfare	241,555	237,923	237,923	-
Education	19,745,209	19,795,209	19,795,056	(153)
Debt service	300,855	295,565	295,565	-
Total expenditures	<u>25,203,496</u>	<u>25,034,303</u>	<u>25,033,860</u>	<u>(443)</u>
Excess (deficiency) of revenues over expenditures	(752,800)	(583,607)	156,270	739,877
OTHER FINANCING SOURCES (USES)				
Appropriation of fund balance	752,800	1,054,947	-	(1,054,947)
Transfer out to Capital Nonrecurring Fund	-	(471,340)	(471,340)	-
Total other financing sources (uses)	<u>752,800</u>	<u>583,607</u>	<u>(471,340)</u>	<u>(1,054,947)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (315,070)</u>	<u>\$ (315,070)</u>

See accompanying notes to required supplementary information.

TOWN OF WOODSTOCK, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (UNAUDITED)
LAST EIGHT FISCAL YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.68%	0.69%	0.64%	0.74%	0.51%	0.46%	0.54%	0.75%
Town's proportionate share of the net pension liability	<u>\$ 1,601,069</u>	<u>\$ 2,694,066</u>	<u>\$ 2,370,834</u>	<u>\$ 2,820,324</u>	<u>\$ 1,276,181</u>	<u>\$ 1,515,330</u>	<u>\$ 1,046,736</u>	<u>\$ 742,062</u>
Town's covered payroll	\$ 2,012,000	\$ 1,757,000	\$ 1,651,000	\$ 2,076,000	\$ 1,838,000	\$ 1,962,000	\$ 1,895,000	\$ 1,697,000
Town's proportionate share of the net pension liability as a percentage of its covered payroll	79.6%	153.3%	143.6%	135.9%	69.4%	77.2%	55.2%	43.7%
Plan fiduciary net position as a percentage of the total pension liability	82.59%	71.18%	72.69%	73.60%	91.68%	88.29%	92.72%	90.48%

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

See accompanying notes to required supplementary information.

TOWN OF WOODSTOCK, CONNECTICUT
SCHEDULE OF CONTRIBUTIONS -
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (UNAUDITED)
LAST EIGHT FISCAL YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 330,797	\$ 243,190	\$ 201,013	\$ 221,532	\$ 209,142	\$ 223,259	\$ 215,656	\$ 203,247
Contributions in relation to the contractually required contribution	<u>330,797</u>	<u>243,190</u>	<u>201,013</u>	<u>221,532</u>	<u>209,142</u>	<u>223,259</u>	<u>215,656</u>	<u>203,247</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,012,000	\$ 1,757,000	\$ 1,651,000	\$ 2,076,000	\$ 1,838,000	\$ 1,962,000	\$ 1,895,000	\$ 1,697,000
Contributions as a percentage of covered payroll	16.44%	13.84%	12.18%	10.67%	11.38%	11.38%	11.38%	11.98%

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

TOWN OF WOODSTOCK, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY -
CONNECTICUT TEACHERS' RETIREMENT SYSTEM (UNAUDITED)
LAST EIGHT FISCAL YEARS*
(Rounded to nearest thousand)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net pension liability attributed to the Town	<u>18,821,000</u>	<u>23,764,000</u>	<u>20,323,000</u>	<u>15,670,000</u>	<u>16,804,000</u>	<u>17,728,000</u>	<u>14,473,000</u>	<u>13,377,000</u>
Total	<u>\$ 18,821,000</u>	<u>\$ 23,764,000</u>	<u>\$ 20,323,000</u>	<u>\$ 15,670,000</u>	<u>\$ 16,804,000</u>	<u>\$ 17,728,000</u>	<u>\$ 14,473,000</u>	<u>\$ 13,377,000</u>
Town's covered payroll	\$ 5,675,000	\$ 5,489,000	\$ 5,225,000	\$ 5,144,000	\$ 5,326,000	\$ 5,134,000	\$ 5,380,000	\$ 5,189,000
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total collective pension liability	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

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

See accompanying notes to required supplementary information.

TOWN OF WOODSTOCK, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY -
OTHER POST-EMPLOYMENT BENEFITS PLAN (UNAUDITED)
LAST FIVE FISCAL YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service cost	\$ 29,125	\$ 29,125	\$ 29,125	\$ 24,481	\$ 27,981
Interest	4,493	6,587	8,951	16,256	231,619
Changes in benefit terms	-	-	-	-	-
Changes of assumptions and differences between expected and actual experience	260,219	(129,624)	(74,207)	(75,122)	(112,507)
Benefit payments, including refunds	-	-	-	-	-
Net change in total OPEB liability	293,837	(93,912)	(36,131)	(34,385)	147,093
Total OPEB liability - beginning	172,340	266,252	302,383	336,768	189,675
Total OPEB liability - ending	<u>\$ 466,177</u>	<u>\$ 172,340</u>	<u>\$ 266,252</u>	<u>\$ 302,383</u>	<u>\$ 336,768</u>
 Town's covered payroll	 \$ 5,597,000	 \$ 5,596,000	 \$ 5,225,000	 \$ 5,144,000	 \$ 5,326,000
 Total OPEB liability as a percentage of covered payroll	 8.33%	 3.08%	 5.10%	 5.88%	 6.32%

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

TOWN OF WOODSTOCK, CONNECTICUT
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY -
 CONNECTICUT TEACHERS' RETIREMENT SYSTEM (UNAUDITED)
 LAST FIVE FISCAL YEARS*
 (Rounded to Nearest Thousand)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the collective net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net OPEB liability attributed to the Town	<u>2,051,000</u>	<u>3,544,000</u>	<u>3,169,000</u>	<u>3,133,000</u>	<u>4,325,000</u>
Total	<u><u>\$ 2,051,000</u></u>	<u><u>\$ 3,544,000</u></u>	<u><u>\$ 3,169,000</u></u>	<u><u>\$ 3,133,000</u></u>	<u><u>\$ 4,325,000</u></u>
Town's covered payroll	\$ 5,597,000	\$ 5,596,000	\$ 5,225,000	\$ 5,144,000	\$ 5,326,000
Town's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total collective OPEB liability	6.11%	2.50%	2.08%	1.49%	1.79%

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

See accompanying notes to required supplementary information.

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

NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND

A legally adopted budget is authorized annually for the General Fund. The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements, in accordance with provisions of Connecticut General Statutes:

- The head of each department, office or agency of the Town, supported wholly or in part from Town funds, except the Board of Education, files with the Board of Selectmen a detailed estimate of the expenditures to be made and the revenues, other than property taxes, to be collected in the ensuing fiscal year.
- The Board of Selectmen presents an estimate of revenues and expenditures and justifications to the Board of Finance for all Town-supported functions. The Board of Education presents estimates of revenues and expenditures and justifications to the Board of Finance for all local education functions.
- The Board of Finance holds at least one public hearing on the proposed budget. The Board of Finance may review the budget requests with the head of each department, board, agency and commission including the Board of Education. The Board of Finance then prepares a budget to be presented at the Town's Annual Budget meeting. The Annual Budget meeting will adjourn to referendum.
- The Town has an ordinance limiting the increase in the Town's combined annual expenditure budget to the increases in the Town's grand list, State and Federal assistance, and other income. The limit on expenditure increases does not apply to increases necessary to cover debt services, court judgments, State mandated programs and emergency expenditures. In revaluation years, the dollar amount of the combined annual expenditure budget is limited to the dollar increase of the preceding year's budget or the average amount of increase of the preceding three years, whichever is less.
- Expenditures are budgeted by function, department and object. The legal level of budget control is the department level. The Board of Finance may approve additional appropriations for a department, provided such additional appropriations do not exceed \$20,000 or are not a second request for an appropriation by the asking board, commission or department. Appropriations in excess of \$20,000 must also be approved by vote of a Town Meeting.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on the modified accrual basis of accounting. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year. Generally, all unexpended appropriations lapse at year-end, except those for capital improvements and nonrecurring expenditures. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

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

NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND *(Continued)*

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP basis). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2022:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Net Change in Fund Balance</u>
Budgetary basis	\$ 25,190,130	\$ 25,033,860	\$ (471,340)	\$ (315,070)
"On-behalf" payments - State Teachers Retirement Fund	1,613,039	1,613,039	-	-
Reimbursement for certain grant and other revenues recorded as a reduction to expenditures for budgetary purposes	219,890	219,890	-	-
Transfers recorded as revenues or expenditures for budgetary purposes	-	106,364	106,364	-
	<u> -</u>	<u> 106,364</u>	<u> 106,364</u>	<u> -</u>
GAAP basis	<u>\$ 27,023,059</u>	<u>\$ 26,973,153</u>	<u>\$ (364,976)</u>	<u>\$ (315,070)</u>

NOTE 2 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY - CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

The Town began to report this schedule in fiscal year 2019. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2021. This information is utilized by the Town for reporting as of June 30, 2022.

Benefit Changes - There were no changes in benefit terms that had a significant effect on the measurement of the collective total pension liability reported as of June 30, 2022.

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

NOTE 3 - SCHEDULE OF CONTRIBUTIONS - CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

The Town began to report the schedule of contributions and investment returns in fiscal year 2019. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarially determined contribution rates are calculated as of June 30 for the fiscal year ending two years after the valuation date.

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

NOTE 3 - SCHEDULE OF CONTRIBUTIONS - CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
(Continued)

Methods and Assumptions Utilized

- Actuarial cost method: Entry Age Actuarial Cost Method;
- Amortization method: Level dollar, closed;
- Remaining amortization period: 20 years;
- Asset valuation method: 5-year smoothed market
- Inflation: 2.50%;
- Salary increases: 3.50% to 10.00%, including inflation
- Investment rate of return: 7.00%, net of investment related expenses; and
- Mortality rates - For the period after retirement and for dependent beneficiaries, mortality rates were based on the RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees and the RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire. For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

NOTE 4 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY - CONNECTICUT TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, in fiscal year 2015. GASB Statement No. 68 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2020. The liabilities were estimated based on a measurement date of June 30, 2021. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. This information is utilized by the Town for reporting as of June 30, 2022.

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

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

NOTE 5 - SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY - OTHER POST-EMPLOYMENT BENEFITS PLAN

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years.

The Town measures the total OPEB liability at the end of each fiscal year using the Alternative Measurement Method.

Benefit Changes - There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

Assumption Changes - The following assumption changes collectively had a significant effect on the measurement of the total OPEB liability reported as of June 30, 2022.

- an increase in the discount rate assumption from 2.23% to 3.54%.

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

NOTE 6 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OTHER POST-EMPLOYMENT BENEFITS LIABILITY - CONNECTICUT TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2020. The liabilities were estimated based on a measurement date of June 30, 2021. This information is utilized by the Town for reporting as of June 30, 2022.

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

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

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

Combining and Individual Fund Statements and Schedules

General Fund

TOWN OF WOODSTOCK, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
PROPERTY TAXES				
Current taxes	\$ 18,226,762	\$ 18,226,762	\$ 18,468,321	\$ 241,559
Motor vehicle supplement	210,000	210,000	340,333	130,333
Prior taxes	190,000	190,000	269,281	79,281
Interest and lien fees	100,000	100,000	181,831	81,831
Total property taxes	<u>18,726,762</u>	<u>18,726,762</u>	<u>19,259,766</u>	<u>533,004</u>
INTERGOVERNMENTAL REVENUES				
Education equalization grant	4,990,532	4,990,532	4,985,449	(5,083)
In lieu of taxes	13,000	13,000	21,507	8,507
Pequot grant	5,694	5,694	5,694	-
Totally disabled tax relief	500	500	836	336
Veterans tax relief	2,000	2,000	2,244	244
Local capital improvement grant	83,608	83,608	83,159	(449)
FEMA grant	-	-	1,331	1,331
Total intergovernmental revenues	<u>5,095,334</u>	<u>5,095,334</u>	<u>5,100,220</u>	<u>4,886</u>
CHARGES FOR SERVICES				
Inland wetlands	500	500	1,760	1,260
Planning & zoning fees	9,000	9,000	12,879	3,879
Building permits	90,000	90,000	206,606	116,606
Conveyance tax	110,000	110,000	186,050	76,050
Town clerk fees	60,000	60,000	82,449	22,449
Landfill permits	205,000	205,000	236,203	31,203
Dog licenses	2,000	2,000	2,076	76
Fire marshal fees	2,500	2,500	3,275	775
Total charges for services	<u>479,000</u>	<u>479,000</u>	<u>731,298</u>	<u>252,298</u>
INTEREST INCOME	<u>76,000</u>	<u>76,000</u>	<u>15,937</u>	<u>(60,063)</u>
OTHER REVENUES				
Utility grant	12,500	12,500	11,905	(595)
Miscellaneous receipts	25,000	25,000	25,217	217
WPCA administration fees	4,100	4,100	4,100	-
Cell tower rental	32,000	32,000	41,687	9,687
Total other revenues	<u>73,600</u>	<u>73,600</u>	<u>82,909</u>	<u>9,309</u>
Total revenues	<u>24,450,696</u>	<u>24,450,696</u>	<u>25,190,130</u>	<u>739,434</u>
OTHER FINANCING SOURCES				
Appropriation of fund balance	<u>752,800</u>	<u>1,054,947</u>	<u>-</u>	<u>(1,054,947)</u>
Total revenues and other financing sources	<u>\$ 25,203,496</u>	<u>\$ 25,505,643</u>	<u>\$ 25,190,130</u>	<u>\$ (315,513)</u>

TOWN OF WOODSTOCK, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
GENERAL GOVERNMENT				
Board of Selectmen	\$ 195,529	\$ 186,316	\$ 186,316	\$ -
Assessor	134,608	115,714	115,714	-
Tax collector	115,917	111,439	111,439	-
Finance	164,772	164,727	164,727	-
Town clerk	128,260	125,104	125,104	-
Election	32,621	27,938	27,938	-
Probate Court	8,970	8,944	8,944	-
Town counsel	32,000	12,031	12,031	-
Town hall	120,800	117,151	117,151	-
Data processing	93,904	93,614	93,614	-
Insurance and employee benefits	871,769	848,971	848,681	(290)
Planning and zoning commission	2,100	1,568	1,568	-
Town planner	33,326	33,326	33,326	-
Land use	85,794	62,985	62,985	-
Inland/Wetlands commission	2,000	857	857	-
Economic development commission	1,200	1,185	1,185	-
Contingency fund	70,000	10,770	10,770	-
Boards and commissions	48,044	43,381	43,381	-
Total general government	<u>2,141,614</u>	<u>1,966,021</u>	<u>1,965,731</u>	<u>(290)</u>
PUBLIC SAFETY				
Building department	111,833	110,636	110,636	-
Fire marshal	32,806	30,229	30,229	-
Fire protection association	518,630	518,630	518,630	-
Police protection	13,262	9,418	9,418	-
Public safety boards and commissions	246,298	243,852	243,852	-
Total public safety	<u>922,829</u>	<u>912,765</u>	<u>912,765</u>	<u>-</u>
PUBLIC WORKS				
Highway department	1,524,816	1,524,816	1,524,816	-
Environmental	46,000	39,220	39,220	-
Transfer station/recycling center	280,618	262,784	262,784	-
Total public works	<u>1,851,434</u>	<u>1,826,820</u>	<u>1,826,820</u>	<u>-</u>
HEALTH, WELFARE AND RECREATION				
	<u>241,555</u>	<u>237,923</u>	<u>237,923</u>	<u>-</u>

(Continued)

TOWN OF WOODSTOCK, CONNECTICUT
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND *(Concluded)*
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
BOARD OF EDUCATION				
Board of Education	\$ 19,745,209	\$ 19,795,209	\$ 19,795,056	\$ (153)
DEBT SERVICE				
Principal payments	270,000	270,000	270,000	-
Interest and fiscal charges	30,855	25,565	25,565	-
Total debt service	<u>300,855</u>	<u>295,565</u>	<u>295,565</u>	<u>-</u>
 Total expenditures	 25,203,496	 25,034,303	 25,033,860	 (443)
OTHER FINANCING USES				
Transfer out to Capital Nonrecurring Fund	<u>-</u>	<u>471,340</u>	<u>471,340</u>	<u>-</u>
 Total expenditures and other financing uses	 <u>\$ 25,203,496</u>	 <u>\$ 25,505,643</u>	 <u>\$ 25,505,200</u>	 <u>\$ (443)</u> <i>(Concluded)</i>

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

Grand List Year	Balance Uncollected June 30, 2021	Current Levy	Lawful Corrections		Transfers To Suspense	Balance To Be Collected	Collections			Balance Uncollected June 30, 2022
			Additions	Deductions			Taxes	Interest, Liens and Fees	Total	
2020	\$ -	\$ 19,084,563	\$ 24,065	\$ 72,229	\$ 2,807	\$ 19,033,592	\$ 18,805,306	\$ 70,993	\$ 18,876,299	\$ 228,286
2019	363,951	-	4,255	3,904	3,738	360,564	154,867	55,925	210,792	205,697
2018	87,882	-	-	194	5,713	81,975	56,151	21,712	77,863	25,824
2017	38,502	-	-	205	4,012	34,285	32,511	18,568	51,079	1,774
2016	19,329	-	-	-	177	19,152	15,079	10,058	25,137	4,073
2015	6,749	-	-	-	2	6,747	2,780	1,626	4,406	3,967
2014	1,891	-	-	-	-	1,891	-	-	-	1,891
2013	280	-	-	-	-	280	277	357	634	3
2012	-	-	-	-	-	-	-	-	-	-
	<u>\$ 518,584</u>	<u>\$ 19,084,563</u>	<u>\$ 28,320</u>	<u>\$ 76,532</u>	<u>\$ 16,449</u>	<u>\$ 19,538,486</u>	<u>\$ 19,066,971</u>	<u>\$ 179,239</u>	<u>\$ 19,246,210</u>	<u>\$ 471,515</u>

TOWN OF WOODSTOCK, CONNECTICUT
 SCHEDULE OF DEBT LIMITATION -
 CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
 FOR THE YEAR ENDED JUNE 30, 2022

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

Taxes	\$ 19,066,971
Interest and lien fees	179,239
Total	<u>19,246,210</u>

Total cash collections for the year ended
 June 30, 2022 - coterminous governments

	424,356
Base	<u>\$ 19,670,566</u>

	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 44,258,774	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	88,517,547	-	-	-
3-3/4 times base	-	-	73,764,623	-	-
3-1/4 times base	-	-	-	63,929,340	-
3 times base	-	-	-	-	59,011,698
Total debt limitation	<u>44,258,774</u>	<u>88,517,547</u>	<u>73,764,623</u>	<u>63,929,340</u>	<u>59,011,698</u>
Indebtedness:					
Bonds payable	<u>1,232,000</u>	<u>696,000</u>	<u>609,150</u>	<u>-</u>	<u>-</u>
Total indebtedness	<u>1,232,000</u>	<u>696,000</u>	<u>609,150</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 43,026,774</u>	<u>\$ 87,821,547</u>	<u>\$ 73,155,473</u>	<u>\$ 63,929,340</u>	<u>\$ 59,011,698</u>
Total capacity of borrowing (7 times base)	\$ 137,693,962				
Total present indebtedness	<u>2,537,150</u>				
Margin for additional borrowing	<u>\$ 135,156,812</u>				

* Coterminous governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule discloses the portion of indebtedness of those overlapping governments that is borne by the residents and businesses of the Town. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. Overlapping governments consist of the Witches Woods Tax District, the Quassett Lake Tax District, and the Lake Bungee Tax District.

Nonmajor Governmental Funds

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

	Nonmajor Special Revenue Funds					
	Conservation Commission Fund	School Cafeteria Fund	Quasset School Fund	Education Grant Fund	Beautification Committee Fund	Recreation Committee Fund
ASSETS						
Cash and cash equivalents	\$ -	\$ 71,858	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Receivables:						
Sewer usage and assessments, net	-	-	-	-	-	-
Grants and contracts	-	105,481	-	295,755	-	-
Loans	-	-	-	-	-	-
Other	-	89	-	-	-	-
Due from other funds	2,161	-	2,052	-	1,238	67,329
Inventories	-	6,154	-	-	-	-
Total assets	<u>\$ 2,161</u>	<u>\$ 183,582</u>	<u>\$ 2,052</u>	<u>\$ 295,755</u>	<u>\$ 1,238</u>	<u>\$ 67,329</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,976
Accrued liabilities	-	-	-	-	-	28
Due to other funds	-	29,475	-	235,287	-	-
Unearned revenue	-	4,219	-	58,331	-	-
Total liabilities	<u>-</u>	<u>33,694</u>	<u>-</u>	<u>293,618</u>	<u>-</u>	<u>3,004</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue:						
Sewer usage and assessments	-	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	6,154	-	-	-	-
Restricted	-	143,734	-	2,137	-	-
Committed	2,161	-	2,052	-	1,238	64,325
Assigned	-	-	-	-	-	-
Total fund balances	<u>2,161</u>	<u>149,888</u>	<u>2,052</u>	<u>2,137</u>	<u>1,238</u>	<u>64,325</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,161</u>	<u>\$ 183,582</u>	<u>\$ 2,052</u>	<u>\$ 295,755</u>	<u>\$ 1,238</u>	<u>\$ 67,329</u>

(Continued)

TOWN OF WOODSTOCK, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS (Continued)
 AS OF JUNE 30, 2022

	Nonmajor Special Revenue Funds					
	WPCA Fund	Town Aid Road Fund	Recycling Fund	Crystal Pond Park Revenue Fund	Arboretum Fund	Record Restoration Fund
ASSETS						
Cash and cash equivalents	\$ 208,020	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Receivables:						
Sewer usage and assessments, net	335,739	-	-	-	-	-
Grants and contracts	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Other	3,447	-	-	600	-	-
Due from other funds	-	613,154	19,546	31,935	8,007	39,841
Inventories	-	-	-	-	-	-
Total assets	<u>\$ 547,206</u>	<u>\$ 613,154</u>	<u>\$ 19,546</u>	<u>\$ 32,535</u>	<u>\$ 8,007</u>	<u>\$ 39,841</u>
LIABILITIES						
Accounts payable	\$ 124	\$ 3,501	\$ -	\$ 165	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-
Due to other funds	190,024	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>190,148</u>	<u>3,501</u>	<u>-</u>	<u>165</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue:						
Sewer usage and assessments	121,322	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	609,653	-	-	-	39,841
Committed	235,736	-	19,546	32,370	8,007	-
Assigned	-	-	-	-	-	-
Total fund balances	<u>235,736</u>	<u>609,653</u>	<u>19,546</u>	<u>32,370</u>	<u>8,007</u>	<u>39,841</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 547,206</u>	<u>\$ 613,154</u>	<u>\$ 19,546</u>	<u>\$ 32,535</u>	<u>\$ 8,007</u>	<u>\$ 39,841</u>

(Continued)

TOWN OF WOODSTOCK, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS (Continued)
 AS OF JUNE 30, 2022

	Nonmajor Special Revenue Funds				
	Small Cities Fund	Miscellaneous Grants Fund	Scholarship Fund	Student Activity Fund	Total Special Revenue Funds
ASSETS					
Cash and cash equivalents	\$ 290,153	\$ -	\$ -	\$ 31,261	\$ 601,292
Investments	-	-	60,599	-	60,599
Receivables:					
Sewer usage and assessments, net	-	-	-	-	335,739
Grants and contracts	-	-	-	-	401,236
Loans	771,295	-	-	-	771,295
Other	-	-	-	-	4,136
Due from other funds	-	535	-	-	785,798
Inventories	-	-	-	-	6,154
Total assets	<u>\$ 1,061,448</u>	<u>\$ 535</u>	<u>\$ 60,599</u>	<u>\$ 31,261</u>	<u>\$ 2,966,249</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 6,766
Accrued liabilities	-	-	-	-	28
Due to other funds	6,135	-	-	-	460,921
Unearned revenue	-	-	-	-	62,550
Total liabilities	<u>6,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>530,265</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue:					
Sewer usage and assessments	-	-	-	-	121,322
FUND BALANCES					
Nonspendable	-	-	-	-	6,154
Restricted	1,055,313	535	60,599	31,261	1,943,073
Committed	-	-	-	-	365,435
Assigned	-	-	-	-	-
Total fund balances	<u>1,055,313</u>	<u>535</u>	<u>60,599</u>	<u>31,261</u>	<u>2,314,662</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,061,448</u>	<u>\$ 535</u>	<u>\$ 60,599</u>	<u>\$ 31,261</u>	<u>\$ 2,966,249</u>

(Continued)

TOWN OF WOODSTOCK, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS (Continued)
 AS OF JUNE 30, 2022

	Nonmajor Capital Projects Funds				
	Open Space Fund	Capital Nonrecurring Fund	Highway Fund	School Roof Fund	Total Capital Projects Funds
ASSETS					
Cash and cash equivalents	\$ 638,953	\$ -	\$ -	\$ -	\$ 638,953
Investments	-	164,710	-	-	164,710
Receivables:					
Sewer usage and assessments, net	-	-	-	-	-
Grants and contracts	-	-	-	-	-
Loans	-	-	-	-	-
Other	-	-	442	-	442
Due from other funds	-	997,004	-	-	997,004
Inventories	-	-	-	-	-
Total assets	<u>\$ 638,953</u>	<u>\$ 1,161,714</u>	<u>\$ 442</u>	<u>\$ -</u>	<u>\$ 1,801,109</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 442	\$ -	\$ 442
Accrued liabilities	-	-	-	-	-
Due to other funds	28,763	-	-	-	28,763
Unearned revenue	-	-	-	-	-
Total liabilities	<u>28,763</u>	<u>-</u>	<u>442</u>	<u>-</u>	<u>29,205</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue:					
Sewer usage and assessments	-	-	-	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	141,562	-	-	141,562
Committed	610,190	787,479	-	-	1,397,669
Assigned	-	232,673	-	-	232,673
Total fund balances	<u>610,190</u>	<u>1,161,714</u>	<u>-</u>	<u>-</u>	<u>1,771,904</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 638,953</u>	<u>\$ 1,161,714</u>	<u>\$ 442</u>	<u>\$ -</u>	<u>\$ 1,801,109</u>

(Continued)

TOWN OF WOODSTOCK, CONNECTICUT
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS *(Concluded)*
 AS OF JUNE 30, 2022

	Nonmajor Permanent Funds			Total Nonmajor Governmental Funds
	Bradford Marcy Cemetery Fund	Memorial Fund	Total Permanent Funds	
ASSETS				
Cash and cash equivalents	\$ 22,306	\$ -	\$ 22,306	\$ 1,262,551
Investments	-	-	-	225,309
Receivables:				
Sewer usage and assessments, net	-	-	-	335,739
Grants and contracts	-	-	-	401,236
Loans	-	-	-	771,295
Other	-	-	-	4,578
Due from other funds	-	4,992	4,992	1,787,794
Inventories	-	-	-	6,154
Total assets	<u>\$ 22,306</u>	<u>\$ 4,992</u>	<u>\$ 27,298</u>	<u>\$ 4,794,656</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 7,208
Accrued liabilities	-	-	-	28
Due to other funds	9,723	-	9,723	499,407
Unearned revenue	-	-	-	62,550
Total liabilities	<u>9,723</u>	<u>-</u>	<u>9,723</u>	<u>569,193</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Sewer usage and assessments	-	-	-	121,322
FUND BALANCES				
Nonspendable	10,100	3,000	13,100	19,254
Restricted	2,483	1,992	4,475	2,089,110
Committed	-	-	-	1,763,104
Assigned	-	-	-	232,673
Total fund balances	<u>12,583</u>	<u>4,992</u>	<u>17,575</u>	<u>4,104,141</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 22,306</u>	<u>\$ 4,992</u>	<u>\$ 27,298</u>	<u>\$ 4,794,656</u>

(Concluded)

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

	Nonmajor Special Revenue Funds					
	Conservation Commission Fund	School Cafeteria Fund	Quasset School Fund	Education Grant Fund	Beautification Committee Fund	Recreation Committee Fund
REVENUES						
Grants and contracts	\$ -	\$ 524,615	\$ -	\$ 1,449,562	\$ -	\$ -
Charges for services	-	49,696	-	-	-	54,935
Other	-	-	-	119,814	-	11,471
Investment income (loss)	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>574,311</u>	<u>-</u>	<u>1,569,376</u>	<u>-</u>	<u>66,406</u>
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health, welfare and recreation	-	-	-	-	-	97,664
Education	-	447,843	-	1,462,708	-	-
Debt service:						
Principal payments	-	-	-	102,230	-	-
Interest and fiscal charges	-	-	-	2,301	-	-
Capital outlays	-	19,785	-	-	-	-
Total expenditures	<u>-</u>	<u>467,628</u>	<u>-</u>	<u>1,567,239</u>	<u>-</u>	<u>97,664</u>
Excess (deficiency) of revenues over expenditures	-	106,683	-	2,137	-	(31,258)
OTHER FINANCING SOURCES						
Transfers in	-	-	750	-	-	26,600
Net change in fund balances	-	106,683	750	2,137	-	(4,658)
Fund balances - beginning	2,161	43,205	1,302	-	1,238	68,983
Fund balances - ending	<u>\$ 2,161</u>	<u>\$ 149,888</u>	<u>\$ 2,052</u>	<u>\$ 2,137</u>	<u>\$ 1,238</u>	<u>\$ 64,325</u>

(Continued)

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

	Nonmajor Special Revenue Funds					
	WPCA Fund	Town Aid Road Fund	Recycling Fund	Crystal Pond Park Revenue Fund	Arboretum Fund	Record Restoration Fund
REVENUES						
Grants and contracts	\$ -	\$ 386,055	\$ -	\$ -	\$ -	\$ -
Charges for services	276,859	-	-	20,867	-	6,860
Other	36,942	-	4,495	2,156	1,575	-
Investment income (loss)	606	-	-	-	-	-
Total revenues	<u>314,407</u>	<u>386,055</u>	<u>4,495</u>	<u>23,023</u>	<u>1,575</u>	<u>6,860</u>
EXPENDITURES						
Current:						
General government	-	-	-	-	-	4,843
Public works	271,067	-	-	-	-	-
Health, welfare and recreation	-	-	-	9,103	-	-
Education	-	-	-	-	-	-
Debt service:						
Principal payments	19,650	-	-	-	-	-
Interest and fiscal charges	17,292	-	-	-	-	-
Capital outlays	-	315,421	-	-	-	-
Total expenditures	<u>308,009</u>	<u>315,421</u>	<u>-</u>	<u>9,103</u>	<u>-</u>	<u>4,843</u>
Excess (deficiency) of revenues over expenditures	6,398	70,634	4,495	13,920	1,575	2,017
OTHER FINANCING SOURCES						
Transfers in	-	-	-	900	3,355	-
Net change in fund balances	6,398	70,634	4,495	14,820	4,930	2,017
Fund balances - beginning	<u>229,338</u>	<u>539,019</u>	<u>15,051</u>	<u>17,550</u>	<u>3,077</u>	<u>37,824</u>
Fund balances - ending	<u>\$ 235,736</u>	<u>\$ 609,653</u>	<u>\$ 19,546</u>	<u>\$ 32,370</u>	<u>\$ 8,007</u>	<u>\$ 39,841</u>

(Continued)

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

	Nonmajor Special Revenue Funds				
	Small Cities Fund	Miscellaneous Grants Fund	Scholarship Fund	Student Activity Fund	Total Special Revenue Funds
REVENUES					
Grants and contracts	\$ -	\$ -	\$ -	\$ -	\$ 2,360,232
Charges for services	-	-	-	96,964	506,181
Other	-	-	-	16,012	192,465
Investment income (loss)	-	-	(12,584)	-	(11,978)
Total revenues	<u>-</u>	<u>-</u>	<u>(12,584)</u>	<u>112,976</u>	<u>3,046,900</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	4,843
Public works	-	-	-	-	271,067
Health, welfare and recreation	-	-	-	-	106,767
Education	-	-	-	118,509	2,029,060
Debt service:					
Principal payments	-	-	-	-	121,880
Interest and fiscal charges	-	-	-	-	19,593
Capital outlays	-	-	-	-	335,206
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>118,509</u>	<u>2,888,416</u>
Excess (deficiency) of revenues over expenditures	-	-	(12,584)	(5,533)	158,484
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	31,605
Net change in fund balances	-	-	(12,584)	(5,533)	190,089
Fund balances - beginning	<u>1,055,313</u>	<u>535</u>	<u>73,183</u>	<u>36,794</u>	<u>2,124,573</u>
Fund balances - ending	<u>\$ 1,055,313</u>	<u>\$ 535</u>	<u>\$ 60,599</u>	<u>\$ 31,261</u>	<u>\$ 2,314,662</u>

(Continued)

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

	Nonmajor Capital Projects Funds				
	Open Space Fund	Capital Nonrecurring Fund	Highway Fund	School Roof Fund	Total Capital Projects Funds
REVENUES					
Grants and contracts	\$ -	\$ 68,767	\$ -	\$ -	\$ 68,767
Charges for services	22,883	-	-	-	22,883
Other	-	3,600	-	-	3,600
Investment income (loss)	2,519	635	-	-	3,154
Total revenues	<u>25,402</u>	<u>73,002</u>	<u>-</u>	<u>-</u>	<u>98,404</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public works	-	-	-	-	-
Health, welfare and recreation	-	-	-	-	-
Education	-	286,009	-	-	286,009
Debt service:					
Principal payments	-	-	-	-	-
Interest and fiscal charges	-	-	-	5,288	5,288
Capital outlays	<u>56,727</u>	<u>268,619</u>	<u>-</u>	<u>-</u>	<u>325,346</u>
Total expenditures	<u>56,727</u>	<u>554,628</u>	<u>-</u>	<u>5,288</u>	<u>616,643</u>
Excess (deficiency) of revenues over expenditures	(31,325)	(481,626)	-	(5,288)	(518,239)
OTHER FINANCING SOURCES					
Transfers in	<u>30,000</u>	<u>467,235</u>	<u>-</u>	<u>-</u>	<u>497,235</u>
Net change in fund balances	(1,325)	(14,391)	-	(5,288)	(21,004)
Fund balances - beginning	<u>611,515</u>	<u>1,176,105</u>	<u>-</u>	<u>5,288</u>	<u>1,792,908</u>
Fund balances - ending	<u>\$ 610,190</u>	<u>\$ 1,161,714</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,771,904</u>

(Continued)

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

	Nonmajor Permanent Funds			Total Nonmajor Governmental Funds
	Bradford Marcy Cemetery Fund	Memorial Fund	Total Permanent Funds	
REVENUES				
Grants and contracts	\$ -	\$ -	\$ -	\$ 2,428,999
Charges for services	-	-	-	529,064
Other	-	-	-	196,065
Investment income (loss)	32	5	37	(8,787)
Total revenues	<u>32</u>	<u>5</u>	<u>37</u>	<u>3,145,341</u>
EXPENDITURES				
Current:				
General government	960	-	960	5,803
Public works	-	-	-	271,067
Health, welfare and recreation	-	-	-	106,767
Education	-	-	-	2,315,069
Debt service:				
Principal payments	-	-	-	121,880
Interest and fiscal charges	-	-	-	24,881
Capital outlays	-	-	-	660,552
Total expenditures	<u>960</u>	<u>-</u>	<u>960</u>	<u>3,506,019</u>
Excess (deficiency) of revenues over expenditures	(928)	5	(923)	(360,678)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	528,840
Net change in fund balances	(928)	5	(923)	168,162
Fund balances - beginning	<u>13,511</u>	<u>4,987</u>	<u>18,498</u>	<u>3,935,979</u>
Fund balances - ending	<u>\$ 12,583</u>	<u>\$ 4,992</u>	<u>\$ 17,575</u>	<u>\$ 4,104,141</u>

(Concluded)

TOWN OF WOODSTOCK, CONNECTICUT
PROJECT STATUS SUMMARY -
CAPITAL NONRECURRING FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Beginning Fund Balance July 1, 2021	Revenues			Internal Transfers	Expenditures			Transfers In (Out)	Ending Fund Balance June 30, 2022
		Grants	Investment Income	Other Income		General Government	Education	Capital Outlays		
Restricted Fund Balance										
Public Act 05-228	\$ 69,195	\$ -	\$ -	\$ 3,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,795
Municipal Grants-In-Aid	137,534	68,767	-	-	-	-	-	(137,534)	-	68,767
	<u>206,729</u>	<u>68,767</u>	<u>-</u>	<u>3,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(137,534)</u>	<u>-</u>	<u>141,562</u>
Committed Fund Balance										
Nonlapsing education funds	87,887	-	-	-	-	-	(63,666)	(26,366)	2,147	2
Transfer station	67,817	-	-	-	-	-	-	-	-	67,817
Highway equipment	60,528	-	-	-	-	-	-	(60,528)	-	-
Parking lot expansion	533	-	-	-	-	-	-	(342)	-	191
TH Drainage & Sidewalks Upgrade	6,631	-	-	-	-	-	-	-	-	6,631
Plan of development	18,439	-	-	-	-	-	-	(4,936)	-	13,503
Town Hall HVAC system upgrade	17,025	-	-	-	-	-	-	-	-	17,025
Quasset School	1,319	-	-	-	-	-	-	-	-	1,319
Local Bridge Project - Phase I	19,587	-	-	-	-	-	-	(19,587)	-	-
Lucas Compression Machines	8,503	-	-	-	-	-	-	-	-	8,503
Lebanon Hill Road Phase I	52,839	-	-	-	-	-	-	-	-	52,839
Emergency Tree Removal FY 21	19,326	-	-	-	-	-	-	(19,326)	-	-
Town Hall Generator replacement	100,000	-	-	-	-	-	-	-	-	100,000
Town Hall Roof Replacement	50,000	-	-	-	-	-	-	-	-	50,000
Local Bridge Project - Phase 2	26,360	-	-	-	-	-	-	-	-	26,360
2026 Revaluation	30,000	-	-	-	-	-	-	-	60,000	90,000
Breaching of Dam CPP	50,000	-	-	-	-	-	-	-	-	50,000
Grader	148,201	-	-	-	-	-	-	-	-	148,201
Emergency Tree Removal FY 21	50,000	-	-	-	-	-	-	-	-	50,000
Woodstock Academy Assessment	-	-	-	-	-	-	(222,343)	-	222,343	-
Upper Prospect St Reclamation	-	-	-	-	-	-	-	-	105,088	105,088
	<u>814,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(286,009)</u>	<u>(131,085)</u>	<u>389,578</u>	<u>787,479</u>
Assigned Fund Balance										
Uncommitted capital projects funding	154,381	-	635	-	-	-	-	-	77,657	232,673
Total	<u>\$ 1,176,105</u>	<u>\$ 68,767</u>	<u>\$ 635</u>	<u>\$ 3,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (286,009)</u>	<u>\$ (268,619)</u>	<u>\$ 467,235</u>	<u>\$ 1,161,714</u>