

Town of Wallingford, Connecticut Annual Comprehensive Financial Report

**Fiscal Year Ended
June 30, 2023**

Prepared by:
Town Department of Finance

**TOWN OF WALLINGFORD, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

INTRODUCTORY SECTION

TOWN OFFICIALS	i
ORGANIZATION CHART	ii
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	iv
LETTER OF TRANSMITTAL	v

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	5

BASIC FINANCIAL STATEMENTS

	EXHIBIT	
STATEMENT OF NET POSITION	I	16
STATEMENT OF ACTIVITIES	II	17
GOVERNMENTAL FUNDS		
BALANCE SHEET	III	18
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	IV	20

PROPRIETARY FUNDS

STATEMENT OF NET POSITION	V	23
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	VI	24
STATEMENT OF CASH FLOWS	VII	25

**TOWN OF WALLINGFORD, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

PENSION TRUST FUND		
STATEMENT OF FIDUCIARY NET POSITION	VIII	27
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	IX	28
NOTES TO BASIC FINANCIAL STATEMENTS		29
REQUIRED SUPPLEMENTARY INFORMATION		
GENERAL FUND		
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES – BUDGET AND ACTUAL	RSI-1	85
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES – BUDGET AND ACTUAL	RSI-2	87
TOWN		
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS	RSI-3	94
SCHEDULE OF EMPLOYER CONTRIBUTIONS	RSI-4	95
SCHEDULE OF INVESTMENT RETURNS	RSI-5	96
VOLUNTEER FIRE		
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS	RSI-6	97
SCHEDULE OF EMPLOYER CONTRIBUTIONS	RSI-7	98
SCHEDULE OF INVESTMENT RETURNS	RSI-8	99
SCHEDULE OF THE TOWN’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – TEACHERS RETIREMENT PLAN	RSI-9	100
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS	RSI-10	101
SCHEDULE OF THE TOWN’S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – TEACHERS RETIREMENT PLAN	RSI-11	102

**TOWN OF WALLINGFORD, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND
SCHEDULES**

GENERAL FUND

COMPARATIVE BALANCE SHEET	A-1	105
REPORT OF TAX COLLECTOR	A-2	106

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET	B-1	109
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-2	110

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET	B-3	111
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-4	114

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET	B-5	117
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-6	119

PERMANENT FUNDS

COMBINING BALANCE SHEET	B-7	121
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	B-8	123

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION	C-1	126
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION	C-2	127
COMBINING STATEMENT OF CASH FLOWS	C-3	128

**TOWN OF WALLINGFORD, CONNECTICUT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

SUPPLEMENTARY DATA

SCHEDULE OF CHANGES IN BONDS AND SERIAL NOTES	D	130
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STATISTICAL SECTION

	TABLE	
NET POSITION BY COMPONENT	1	133
CHANGES IN NET POSITION	2	134
GOVERNMENTAL FUNDS		
FUND BALANCES	3	136
CHANGES IN FUND BALANCES	4	137
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	5	138
PRINCIPAL PROPERTY TAXPAYERS	6	139
PROPERTY TAX LEVIES AND COLLECTIONS	7	140
RATIOS OF OUTSTANDING DEBT BY TYPE	8	141
STATEMENT OF DEBT LIMITATION	9	142
LEGAL DEBT MARGIN INFORMATION	10	143
DEMOGRAPHIC AND EMPLOYMENT STATISTICS	11	144
PRINCIPAL EMPLOYERS	12	145
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM	13	146
OPERATING INDICATORS BY FUNCTION/PROGRAM	14	147
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM	15	148

INTRODUCTORY SECTION

TOWN OF WALLINGFORD, CONNECTICUT

TOWN OFFICIALS AS OF JUNE 30, 2023

PRINCIPAL OFFICIALS

MAYOR

William W. Dickinson, Jr.

TOWN COUNCIL

Vincent Cervoni, Chair
Thomas Laffin, Vice Chair
Autumn Allinson
Samuel Carmody
Craig C. Fishbein
Joseph A. Marrone III
Christina Tatta
Vincent F. Testa Jr.
Jason Zandri

APPOINTED OFFICIALS

Town Attorney
Corporation Counsel
Town Clerk
Comptroller
 Deputy Comptroller
 Treasurer
 Tax Collector
 Purchasing Agent
 Assessor
Director of Public Works
Building Inspector
Town Engineer
Economic Devel./Business Recruiter
Chief of Police
Fire Chief/EMD
Animal Control Officer
Acting Director of Health
Recreation Director
Human Resources Director
Town Planner
Environmental Planner

Gerald Farrell, Sr.
Janis Small
Kristen Panzo
Timothy M. Sena
Brian Naples
William Raddatz
Jo-Anne Rusczek
Sal Amadeo
Kevin Coons
Robert Baltramaitis
Justin Rossetti
Alison Kapushinski
Donald Crouch
John Ventura
Joseph Czentnar
Mitch Gibbs
Katherine Bautista
Ken Michaels
James Hutt
Kevin Pagini
Erin O'Hare

BOARD OF EDUCATION

Tammy Raccio, Chair
Ray Ross, Vice Chair
Marla Roscoe, Secretary
Kathy Castelli
Rajan Doering
Jen Passaretti
Donna Regan
Patrick Reynolds
Michael J. Votto, Sr.

APPOINTED OFFICIALS

Superintendent of Schools
Assistant Superintendents
Business Manager

Danielle Bellizzi
Carrie LaTorre, Dr. Francis Thompson, Aimee Turner
Dominic Barone

PUBLIC UTILITIES COMMISSION

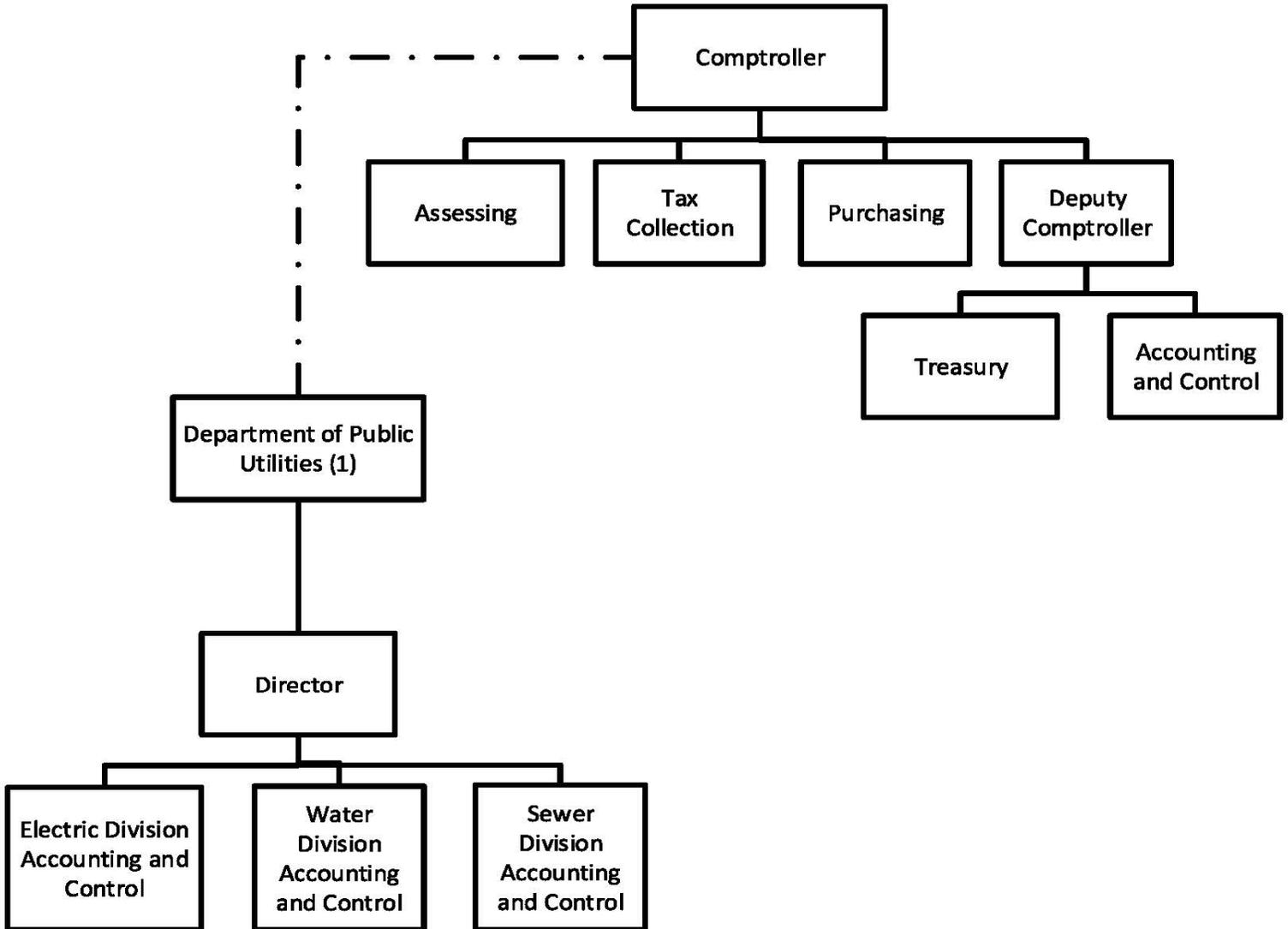
Robert Beaumont, Chair
Joel Rinebold
Laurence Zabrowski

APPOINTED OFFICIALS

PUC Director
General Manager-Electric Division
General Manager-Water & Sewer Division
 Business Manager-Electric Division
 Business Manager-Water & Sewer Division

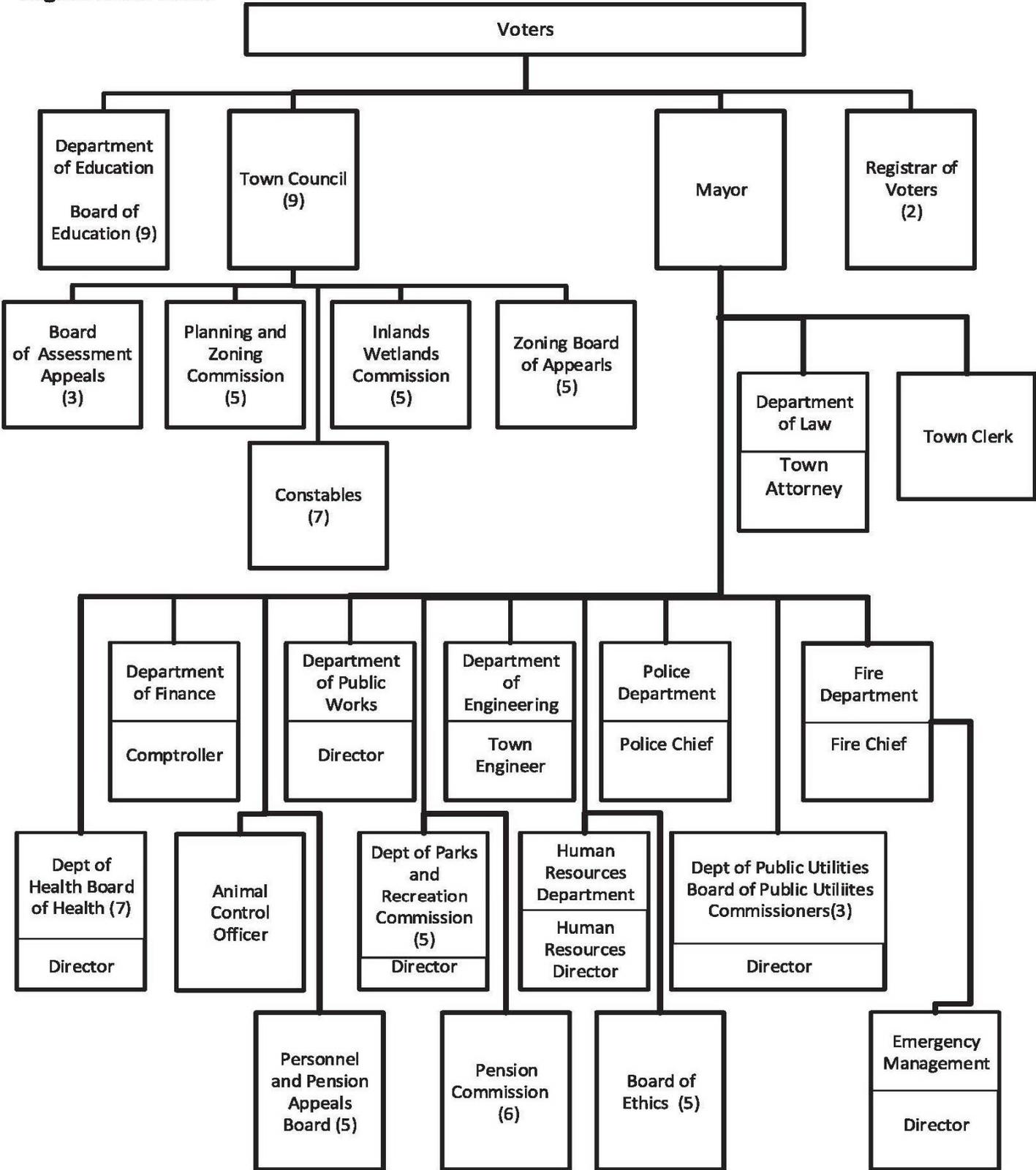
Richard A. Hendershot
Jacob Arborio
Neil Amwake
Marianne Dill
Donald Langenauer

**Wallingford Department of Finance
Organization Chart**



(1) The Comptroller has fiscal responsibility and control over the Department of Public Utilities as prescribed by the Town Charter.

**Wallingford Town Government
Organization Chart**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Wallingford
Connecticut**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

December 12, 2023

To the Citizens of the Town of Wallingford, Connecticut
Honorable Mayor William Dickinson and
Members of the Town Council

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Town of Wallingford, Connecticut (the Town) for the fiscal year ended June 30, 2023. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner to present fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as well as the Connecticut Single Audit Act. Information related to these single audits, including the schedule of expenditures of federal awards and State financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are issued under separate cover and are not included in this report. Copies of the reports are on file in the Town Clerk's office.

CliftonLarsonAllen LLP, Certified Public Accountants have audited the financial statements of the Town of Wallingford. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended June 30, 2023 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town's financial statements for the fiscal year ended June 30, 2023 are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The independent auditors' opinion is presented as the first component of the financial section of this report. Included in the audit report is a section called Management's Discussion and Analysis, which provides an overview of the Town's financial activities for the fiscal year ended June 30, 2023.

PROFILE OF THE TOWN

Wallingford was settled in 1638 and incorporated in 1670. A separate borough of Wallingford was incorporated in 1853, and on June 3, 1957 the Borough and Town voted to consolidate effective January 1, 1958. The Town serves a population of approximately 46,000 and covers an area of 39.8 square miles astride the Quinnipiac River in south central Connecticut.

The Town has operated under a Mayor-Council form of government since 1962. The Town Council consists of nine members with minority representation guaranteed. Members are elected to two-year terms. The legislative power of the Town is vested exclusively in the Town Council.

The Mayor is elected separately from the Council. In accordance with Town Charter, the Mayor is the Chief Executive Officer of the Town. The Mayor is directly responsible for the administration of all departments, ensures all laws and ordinances governing the town are executed, attends all Council meetings, makes reports and recommendations to the Council for action, submits an annual budget and exercises other powers and duties as may be required by ordinance or resolution of the Council.

The Town provides a full range of municipal services including public safety (police, fire and emergency medical and transport services), street maintenance, health and social services, solid waste disposal, parks, recreation, libraries, public education, utilities (electric, sewer and water) and general administration.

Department of Public Utilities

The Department of Public Utilities (DPU) is responsible for the provision of electric, water and sewer services, under the jurisdiction of a Board of Public Utility Commissioners consisting of three members appointed by the Mayor and confirmed by the Town Council. The Town Council has oversight of the actions of the board and may veto any action, except personnel appointments, by a positive act of seven or more affirmative votes within fifteen days of any action. The Commissioners appoint a Director of Public Utilities who is responsible for the efficient and economical operation of the Department. The Town's Comptroller, by Charter, is the fiscal officer of the Utility Department.

Electric Division

The Electric Division, created in 1899, is overseen by a General Manager. Prior to January 1, 2014, it purchased electric power jointly with the other five municipally owned electric utilities in Connecticut through participation with the Connecticut Municipal Electric Energy Cooperative (CMEEC). Beginning on January 1, 2014 the Town left CMEEC and began purchasing electric power directly on the open power procurement market, (the Independent System Operators of New England), using the services of a third-party consultant. The Division distributes the power and provides electrical service to residential, commercial and industrial customers of Wallingford and the Northford section of North Branford. Residential rates are consistently 40% to 45% lower than the two stockholder owned power companies in Connecticut, Eversource (formerly the Connecticut Light and Power Company division of Northeast Utilities Inc.) and United Illuminating Inc. Average daily consumption of power is approximately 1,557 megawatt hours. The Division owns 404 miles of electrical lines and serves approximately 25,250 customers.

Water Division

The Water Division is managed by the General Manager of Water and Sewer. The Division operates a filter plant and maintains four reservoirs with usable storage capacity of 1.9 billion gallons and three wells with a safe daily yield of 2.7 million gallons. Average water production is about 3.54 million gallons per day. There are approximately 7 miles of raw water mains, 200 miles of finished water mains, 1,341 public hydrants, 497 private hydrants, five booster stations and 3 raw water transfer stations. The Division serves approximately 14,100 customers.

Sewer Division

The Sewer Division is also managed by the General Manager of Water and Sewer, and is responsible for treating domestic wastewater. The Division operates 12 pumping stations and treats a daily average of 5.2 million gallons. There are approximately 199 miles of accepted sewer mains. The Sewer treatment plant is designed to treat an average flow of eight million gallons per day. The Division serves in excess of 13,500 customers.

Accounting System and Budgetary Control

Management of the government is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of control should not exceed the benefits likely to be derived, and 2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations, with the exception of the School Activity Fund, certain leases and the Scholarship Fund that by Connecticut State Statute are in the custody and control of the Board of Education, occur within the above framework. As Comptroller and Chief Financial Officer, I believe the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgeting is an essential element of financial planning, control and evaluation of operations. The annual operating budgets are legally adopted plans of financial operation embodying estimates of proposed expenditures for specific purposes and the methods of financing them. Budgetary control for the General Fund and Enterprise Funds is maintained at the operating department level on an object basis. The Town Charter prescribes the budget authorization process, which is described in the Notes to the Financial Statements, included herewith. The encumbrance method is employed to record obligations by line items. Certification of fund availability is required prior to issuance of purchase orders. Those encumbrances for which goods and services have not been received on June 30 of each year are reported as part of Assigned Fund Balance.

The Department of Finance employs a monthly reporting system. Management uses these monthly financial statements to administer and monitor the Town's financial position.

ECONOMIC CONDITION

Local Economy

Wallingford's overall economy remains stable, as evidenced by real estate values, unemployment data, and Grand List growth. Real estate values have increased. The Town's unemployment rate at fiscal year ending June 30, 2023 of 3.2% is less than the rate at June 30, 2022 of 3.4.

The Town's Grand List of October 1, 2021, a summary of all taxable real estate, motor vehicles and business property in town in effect for fiscal 2022/23, increased by 2.09% over last year. A significant portion of this increase was due to the motor vehicle market continuing its trend of increasing in value which was true state-wide. There was a 25.66% growth in the motor vehicle grand list.

The former Bristol Myers Squibb (BMS) property is currently a vacant campus after the decision to demolish the building was made by the current owner of the property. The property continues to be marketed for several potential uses.

Due to the uncertainty of any development of the former BMS campus, we anticipate modest short-term growth in future Grand Lists of taxable property.

The Town continued its economic development efforts to retain current businesses and attract new ones. A primary goal of the Town is to maintain and expand a diversified industrial and commercial tax base. The Town heavily promotes its five office and industrial parks and the Interchange Zone. The office and industrial parks primarily house small to mid-sized manufacturers in a wide array of industries. The Interchange Zone, approximately 360 acres

located at the intersection of Interstate 91 and State Route 68, is zoned for development of office parks, research and development centers and hotels.

The Town also utilizes a tax incentive program to lure new businesses into these areas. This program abates 20% of real estate taxes for seven years for companies that relocate to these areas and construct at least 60,000 square feet of new facilities costing \$12 million or more.

The following identifies some of the major results of these efforts during fiscal 2022/2023:

- North Colony Development Group LLC: Toyota of Wallingford continues to be under construction on the existing car dealership at 859 North Colony Road. This project will expand the building by 18,000 square feet and renovate the interior. The current gross assessment is \$3,554,800.
- 5 Brookside Drive was sold by the American Heart Association to Walt Investments LLC and has become fully taxable. The current gross assessment is \$1,046,800.
- Rowland Technologies continues a project to expand office and warehouse space at 320 Barnes Road. The project will increase the facility by over 140,000 square feet. The current gross assessment is \$4,538,000.

In addition, the following residential construction activity occurred during fiscal 2022/2023:

- 88 Woodhouse Ave: Sunwood Development started construction of a 36-unit, 4 building apartment complex. This project is less than 10% complete. The current gross assessment is \$611,000.

State Route 5 is a large retail and commercial hub. Economic activity along this major artery remains active, as several retailers, restaurants and other commercial enterprises constructed new buildings or completed renovation of existing ones in fiscal 2022/2023.

Employment diversification is demonstrated by Wallingford's major employers ranging from medical device manufacturers, subcontractors for the U.S. Defense Department, private hospitals and schools, specialty steel manufacturers, health insurers and service centers, plastic and resin manufacturers, mobile communication operation centers, auto dealerships, warehouse and distribution centers, retail stores and diagnostic laboratories.

Long-term Financial Planning

Capital Improvement Plan

The Town, through ordinance, established a Capital Non-Recurring Fund to accumulate funds to finance its six-year capital improvement plan. This ordinance allows for funds to be raised for financing these activities from annual P.I.L.O.T. contributions from the Town's Electric Division, General Fund appropriation, Federal and State grants and bonding. The Town, however, has avoided bonding these projects for the last 20 years to maintain a low level of debt service. Projects included in the six-year capital plan are primarily major reconstruction or rehabilitation of roads, sidewalks, bridges and culverts; and open space purchases.

During fiscal year 2022/2023, the Town expended approximately \$2.3 million of Capital Non-Recurring funds, primarily for rehabilitation of several local streets and sidewalks projects.

Planning for One Time Revenue Distribution

The Town received total distributions of approximately \$13 million from the Connecticut Resource Recovery Authority (CRRRA) over the last nine fiscal years. The CRRRA, a public instrumentality of the State of Connecticut, had leased the Town-owned landfill since 1988 as part of its mass burn, waste to energy project. In December 2008, Wallingford and the other four other municipal members of this project entered into a new contract for these services, which took effect in July 2010. Each municipal member received its pro-rata distribution of certain tip fee amounts collected and held by the CRRRA since 1988 for various capital and reserve funds. The Town of Wallingford established a Special Revenue Fund to record this financial activity.

During fiscal year 2022/2023 the Town expended \$193 thousand of these funds for a Plow Truck and \$37 thousand for an Aerial Lift for the Public Works Department. The Town also expended \$738 thousand of these funds on a Pumper Truck for the Fire Department.

The Town intends to utilize the remaining balance of these funds for capital or emergency needs.

These actions have maintained the Town's past practice of utilizing material one-time revenue sources such as this for capital, non-recurring needs that will provide long-term benefit to its citizens and reduce the need to incur debt for these expenditures.

Major Initiatives

The Town continued construction on a new Police Headquarters. This project is estimated to cost up to \$35 million. The Town has expended \$4.2 million in fiscal year 2022/2023. The Town has expended \$6.4 million in total so far on this project. The Project is expected to be completed by the fall of calendar year 2024.

The Town was awarded approximately \$ 13 million in Federal funding under the American Rescue Plan Act of 2021 (ARPA). The Town has designated these funds to be used for Business & Nonprofits who have shown to be negatively affected by the COVID-19 pandemic. The Town has also designated some of this funding to be used for municipal projects. During fiscal year 2022/2023 the Town expended approximately \$2.1 million of the ARPA funds for these purposes.

The Town continued construction to upgrade the water pollution control facility/treatment plant to treat phosphorous before discharge into the Quinnipiac River. Temporary funding has been provided by the State Clean Water Fund grant and loan program for this State-mandated project estimated at \$60,000,000. Any funds borrowed in the future for this project will be repaid through sewer rates and recorded in the Town's Sewer Enterprise Fund.

Cash Management

State of Connecticut General Statutes promulgate the allowable investment products for municipal funds. The Department of Finance is responsible for the treasury function and utilizes a short-term cash management approach. The three main objectives of the Town's operating cash policy are safety of principal; liquidity; and rate of return. Available cash is invested on a daily basis in certificates of deposit ranging from 7 to 200 days, municipal money market accounts and other products allowed by State law. Derivatives and highly leveraged investments are not utilized for operating cash management purposes because of their unacceptable exposure to risk.

Consolidated Pension Plan

The Town is responsible for the administration of a single employer, contributory, defined benefit consolidated pension plan covering virtually all full-time Town employees and noncertified members of the Board of Education (certified teachers are covered by the Connecticut State Teachers Retirement Board).

A six-member Pension Commission, consisting of the Comptroller, Treasurer, Human Resources Director and three mayoral appointees oversees the investment of pension funds in accordance with the Town Charter. The Commission employs an independent investment consultant to assist selecting investment options and measure performance. The Commission utilizes an adopted Investment Policy Statement to communicate goals, strategy and performance expectations and utilizes an investment strategy to generate long-term steady growth. Performance is compared to appropriate benchmarks. The Commission meets quarterly with its consultant to review performance and as needed to address other pertinent issues related to the pension fund assets.

Volunteer Firefighters' Plan

The Town implemented a Length of Service Award Program (the Plan) for the exclusive benefit of its volunteer firefighters. The Plan was adopted in accordance with provisions of Connecticut General Statutes and became effective January 1, 1992. The reader's attention is directed to the Notes to Financial Statements in the Financial Section of this report for full disclosure of this plan.

Risk Management and Insurance

The Risk Management Office, a unit of the Department of Human Resources, administers the property and casualty insurance programs, and the workers' compensation benefits program. A professional risk manager supervises this function. In addition, the Town has retained an experienced risk management-oriented broker/agent to serve as a consultant to the Town.

The Town is self-insured for worker's compensation claims. A professional third-party administrator investigates claims and processes them for payment. Weekly disability and medical benefit payments and specific awards granted by the state Worker's Compensation Commission are budgeted annually.

The Town is self-insured for employee health claims and costs. A professional third-party administrator processes claims, reports financial activity, monitors costs and trends, and prepares analyses for annual budget purposes. The Town procures the service of a professional consulting firm to assist in this function.

The Town procures insurance policies with commercial insurance companies to protect itself against various property and liability exposures such as general liability, property damage and errors and omissions.

Debt Administration

The Town utilizes a combination of self-financing and issuance of general obligation bonds when planning and implementing major improvements and managing its debt position. The full faith and credit of the Town supports all bonded debt. Bonds are used to finance only large-scale permanent improvements, such as schools, public libraries and public safety facilities. The Town does not issue bonds for operating costs or replacement equipment.

General obligation bonds are also issued to finance major capital improvements to the Town's three utility systems. The principal and interest on these bonds are completely supported by the respective utility rate and additionally are backed by the full faith and credit of the Town.

Debt administration is guided by the following significant financial practices: maintain steady debt service funding as existing issues mature, provide additional or level funding in each successive fiscal year, maintain rapid retirement schedules for new debt, attempt to avoid entering the short-term market by utilizing the Town's favorable cash position and self-finance at least a portion of each project's cost to reduce debt issuance.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Wallingford for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. The June 30, 2022 ACFR was determined to be easily readable, efficiently organized and in compliance with generally accepted accounting principles and legal requirements in order to be awarded this designation by the GFOA.

The preparation of this report could not have been accomplished without the professional and dedicated services of the management and staff of the Department of Finance, as well as members of other departments who provided information to assist in its compilation. I hereby express my sincere appreciation to all of you.

I extend my sincere appreciation to Mayor William W. Dickinson for his consistent approach in conducting the financial operations of the community in a professional and prudent manner and maintaining a long-term financial position outlook in fiscal decision making. I also thank the Mayor and Town Council members for their support of the financial function of the Town and for conducting the financial operations of the Town in a responsible manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Tim Sena', is written over a faint horizontal line.

Timothy M. Sena, CPA
Comptroller

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Town Council
Town of Wallingford, Connecticut

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

During fiscal year ended June 30, 2023, the Town of Wallingford, Connecticut adopted GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. The guidance requires the recognition of a Subscription Based Information Technology Arrangement asset and corresponding liability. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended June 30, 2023 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Wallingford, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements and schedules for the year ended June 30, 2023 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 for the year ended June 30, 2023 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2023.

We also previously audited, in accordance with GAAS, the basic financial statements of the Town of Wallingford, Connecticut as of and for the year ended **June 30, 2022**, (not presented herein), and have issued our report thereon dated December 18, 2022 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The accompanying General Fund balance sheet for the year ended **June 30, 2022** is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2022 basic financial statements. The information was subjected to the audit procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended **June 30, 2022**.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2023, on our consideration of the Town of Wallingford, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Wallingford, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Wallingford, Connecticut's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
December 12, 2023

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

This discussion and analysis of the Town of Wallingford, Connecticut's (the Town) financial performance is offered by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2023. Please read this Management's Discussion and Analysis in conjunction with the transmittal letter and the Town's financial statements, Exhibits I to IX.

Financial Highlights

- The Town's total net position increased as a result of this year's operations by \$5.7 million, an increase of 1.9% from last year.
- During the year, governmental activity expenses exceeded revenues by \$5.4 million (including transfers) and business-type activities revenues exceeded expenses by \$11.1 million (including transfers).
- Total cost of all of the Town's programs was \$319.4 million, an increase of 9% from last year, primarily due to increased educational expenses.
- The General Fund reported a total fund balance this year of \$30.3 million, which includes \$18.9 million 'Unassigned' and available for future use.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented in Exhibits III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

Government-Wide Financial Statements

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

These two statements report the Town's net position and changes in them. The Town's net position, the difference between assets and liabilities, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

In the statement of net position and the statement of activities, the Town is divided into two types of activities:

- *Governmental Activities* – Most of the Town's basic services are reported here, including education, public safety, public works, health and social services, parks and recreation, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.
- *Business-Type Activities* – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Electric Fund, Water Fund, and Sewer Fund are reported here.

Fund Financial Statements

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

- *Governmental Funds* (Exhibits III and IV) – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.
- *Proprietary Funds* (Exhibits V, VI and VII) – When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

- *Fiduciary Funds* (Exhibits VIII and IX) – The Town is the trustee, or fiduciary, for its employees' pension plans. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Government-Wide Financial Analysis

The Town's combined net position increased from \$295.2 million to \$300.8 million. This was primarily due to capital additions made during the fiscal year for the Sewer Plant upgrade project. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental and business-type activities.

**TABLE 1
NET POSITION
(in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 75,643	\$ 65,369	\$ 115,628	\$ 103,015	\$ 191,271	\$ 168,384
Capital Assets	225,217	227,167	151,308	149,580	376,525	376,747
Total Assets	300,860	292,536	266,936	252,595	567,796	545,131
Deferred Outflows of Resources	30,731	34,643	7,474	8,626	38,205	43,269
Long-Term Debt Outstanding	162,427	165,939	59,173	56,660	221,600	222,599
Other Liabilities	22,308	13,820	16,060	14,881	38,368	28,701
Total Liabilities	184,735	179,759	75,233	71,541	259,968	251,300
Deferred Inflows of Resources	23,361	18,494	21,859	23,450	45,220	41,944
Net Position:						
Net Investments in Capital Assets	191,415	189,738	118,064	116,814	309,479	306,552
Restricted	2,651	2,851	3,773	2,832	6,424	5,683
Unrestricted	(70,571)	(63,663)	55,481	46,584	(15,090)	(17,079)
Total Net Position	\$ 123,495	\$ 128,926	\$ 177,318	\$ 166,230	\$ 300,813	\$ 295,156

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

**TABLE 2
CHANGES IN NET POSITION
(in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	\$ 8,611	\$ 7,694	\$ 98,513	\$ 91,153	\$ 107,124	\$ 98,847
Operating Grants and Contributions	60,936	47,150	-	-	60,936	47,150
Capital Grants and Contributions	1,501	1,909	1,930	5,590	3,431	7,499
General Revenues:						
Property Taxes	133,955	129,471	-	-	133,955	129,471
Grants and Contributions Not Restricted to Specific Purposes	8,855	7,936	-	-	8,855	7,936
Unrestricted Investment Earnings	1,710	55	1,893	268	3,603	323
Other General Revenues	4,861	3,636	2,260	2,232	7,121	5,868
Total Revenues	<u>220,429</u>	<u>197,851</u>	<u>104,596</u>	<u>99,243</u>	<u>325,025</u>	<u>297,094</u>
Program Expenses:						
General Government	30,196	29,633	-	-	30,196	29,633
Public Safety	25,499	23,119	-	-	25,499	23,119
Public Works	9,675	12,442	-	-	9,675	12,442
Health and Social Services	5,100	2,797	-	-	5,100	2,797
Parks and Recreation	2,523	10,513	-	-	2,523	10,513
Education	153,490	127,449	-	-	153,490	127,449
Interest on Long-Term Debt	1,139	826	-	-	1,139	826
Electric	-	-	75,956	71,459	75,956	71,459
Water	-	-	7,600	6,981	7,600	6,981
Sewer	-	-	8,190	7,789	8,190	7,789
Total Program Expenses	<u>227,622</u>	<u>206,779</u>	<u>91,746</u>	<u>86,229</u>	<u>319,368</u>	<u>293,008</u>
Change in Net Position Before Transfers	(7,193)	(8,928)	12,850	13,014	5,657	4,086
Transfers	1,762	1,781	(1,762)	(1,781)	-	-
Change in Net Position	(5,431)	(7,147)	11,088	11,233	5,657	4,086
Net Position - Beginning of Year	128,926	136,073	166,230	154,997	295,156	291,070
Net Position - End of Year	<u>\$ 123,495</u>	<u>\$ 128,926</u>	<u>\$ 177,318</u>	<u>\$ 166,230</u>	<u>\$ 300,813</u>	<u>\$ 295,156</u>

The net position of the Town's Governmental activities decreased by \$5.4 million, from \$128.9 million to \$123.5 million. Unrestricted net position—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—decreased by \$6.9 million, from (\$63.7) million to (\$70.6) million.

The net position of the Town's business-type activities increased by \$11.1 million from \$166.2 million to \$177.3 million. \$7.5 million of this increase is due mostly to the operating surplus in the Electric Division due to higher operating income created by purchase power costs being less than market projections and higher non-operating revenues due to increased interest rates. \$2.7 million of this increase can be attributed to the Sewer Plant upgrade construction.

The Town's total revenues (excluding transfers) were \$325 million. The total cost of all programs and services was \$319.4 million. Our analysis below separately considers the operations of governmental and business-type activities.

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

Governmental Activities

Governmental activities decreased the Town's net position by \$5.4 million. Revenues of the Town's total governmental activities increased \$22.5 million in 2023, \$197.9 million compared to \$220.4 million. This is primarily due to the \$13.7 million increase in Operating Grants and Contributions. The increase in expenses of \$20.8 million, \$227.6 million versus \$206.8 million for Governmental activities is attributed a significant increase in Education expenses. Governmental Accounting Standards require that the activity from the Teacher's Retirement Fund be recognized in the financial statements as both a revenue and an expense. Despite this overall decrease in net position, budgetary conservatism allowed the Town to provide services consistent with previous years' levels.

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

**TABLE 3
GOVERNMENTAL ACTIVITIES
(in Thousands)**

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
General Government	\$ 30,196	\$ 29,633	\$ 26,582	\$ 25,635
Public Safety	25,499	23,119	21,062	19,574
Public Works	9,675	12,442	8,541	11,437
Health and Social Services	5,100	2,797	4,188	1,740
Education	153,490	127,449	93,542	81,033
All Others	3,662	11,339	2,659	10,607
Total	<u>\$ 227,622</u>	<u>\$ 206,779</u>	<u>\$ 156,574</u>	<u>\$ 150,026</u>

Business-Type Activities

Business-type activities increased the Town's net position by \$11.1 million, primarily due to the aforementioned operating surplus in the electric division and the cost of the Sewer Plant upgrade project capitalized as an asset during the fiscal year.

TOWN FUNDS FINANCIAL ANALYSIS

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 the near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the Town's financing requirements.

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

At June 30, 2023 the Town's governmental funds (as presented in the balance sheet, Exhibit III) reported a combined fund balance of \$32.8 million, a decrease of \$2.4 million from last year's total of \$35.2 million, mostly due to expenditures in the Police Headquarters construction project this year that will be bonded next year.

General Fund

The General Fund is the primary operating fund of the Town. The Town's General Fund reported a total fund balance this year of \$30.3 million reflecting an increase of \$2.5 million over the prior year. The general Fund's unassigned component is \$18.9 million with \$7.9 million assigned to the FY 2024 Budget.

Key factors that contributed to the financial outcome are as follows:

Revenue exceeded the amended budget by \$3.8 million. Interest income, Ambulance revenue & State grants were factors in the increase.

Town Departments and the Board of Education expended \$8.2 million less than budgeted. Of this amount, \$2 million was appropriated to the BOE non-lapsing account and \$1.1 million was assigned to fiscal year 2024 for purchases on order at June 30, 2023.

The Town's pension contributions were approximately \$672 thousand less than budgeted, and the Town's health insurance contributions were approximately \$1 million less than budgeted primarily due to employee retirements exceeding the Town's expectations and the time lag in replacing them.

The same reason caused a total positive \$1.7 million budget variance in Regular Wages for the Comptroller's, Police, and Public Works departments.

Capital and Nonrecurring Fund

The Town's Capital and Nonrecurring Fund reported a fund balance this year of \$4.0 million reflecting a decrease of \$.2 million over the prior year. The \$2.3 million in expenditures shows the Town's continued commitment to capital improvements.

American Rescue Plan Act

The Town was awarded \$13.1 million in ARPA funds. As of June 30, 2023, the Town has received \$13.1 million and expended \$2.1 million, reporting the balance of \$11 million as unearned revenue.

General Fund Budgetary Highlights

The following were the primary General Fund revenue budget variances:

The Town collected \$420 thousand less in General Property Taxes.

The Town Clerk collected \$219 thousand less than budgeted due to decreased activity in the real estate market.

The Town earned \$1.5 million more interest income than budgeted, as rates increased significantly after the Town adopted its budget and as the fiscal year progressed.

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

The Town collected \$551 thousand more than budgeted in ambulance billings.

The Town received \$880 thousand more than budgeted in municipal revenue sharing from the State of Connecticut.

The Town received \$820 thousand more than budgeted in telecommunication revenue.

The larger General Fund expenditure budget variances were in the following areas:

The Town's pension contributions were approximately \$672 thousand less than budgeted, and the Town's health insurance contributions were approximately \$1 million less than budgeted primarily due to employee retirements exceeding the Town's expectations and the time lag in replacing them.

The same reason caused a total positive \$1.7 million budget variance in Regular Wages for the Comptroller's, Police, and Public Works departments.

A mild winter season resulted in \$238 thousand less spent than budgeted for Public Works Operating costs.

The Town had \$605 thousand remaining in the Contingency budget.

There were no significant expenditure budget line items that required additional funding during the year.

The final amended expenditure budget was \$3.7 million higher than the original budget, primarily due to general government and school items approved as Appropriations-in-Force carried forward from prior fiscal years budgets, as reported as part of the General Fund "Committed" Fund Balance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the Town had \$376.5 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and electric, water, and sewer utility plant, and transmission and distribution lines (see Table 4). This amount represents a net decrease (including additions, deductions, and depreciation) of \$200 thousand or 0.05% less than last year. The Town's administration views this as a moderate decrease and sufficient to meet the Town's needs, balanced with the economic times.

**TABLE 4
CAPITAL ASSETS AT YEAR END (Net of Depreciation)
(in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land and Land Improvements	\$ 41,723	\$ 42,501	\$ 1,510	\$ 755	\$ 43,233	\$ 43,256
Buildings, Utility Plant, and Improvements	137,613	143,627	27,822	28,989	165,435	172,616
Vehicles, Machinery, and Equipment	4,167	3,611	10,160	10,460	14,327	14,071
Infrastructure	31,346	32,157	60,972	61,264	92,318	93,421
Lease Assets	711	1,013	-	-	711	1,013
Subscription Based Information Technology Arrangements	130	-	-	-	130	-
Construction in Progress	9,527	4,258	50,844	48,112	60,371	52,370
Total	\$ 225,217	\$ 227,167	\$ 151,308	\$ 149,580	\$ 376,525	\$ 376,747

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

This year's major capital additions included:

Sewer Treatment Plant Upgrade	\$3.4 Million
Police HQ Building	\$4.2 Million

The Town's fiscal year 2023/2024 budget calls for spending \$1.7 million for capital projects, principally for road reconstruction. More detailed information about the Town's capital assets is presented in Note 6 to the financial statements.

Long-Term Debt

At June 30, 2023, the Town had \$63.4 million in bonds and serial notes outstanding versus \$66.1 million last year, as shown in Table 8.

**TABLE 5
OUTSTANDING DEBT AT YEAR END
(in Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds and State of Connecticut Serial Notes (Backed by the Town)	30.4	34.7	33.0	31.3	63.4	66.1

The Town of Wallingford's total debt outstanding decreased by \$2.7 million or 4.1% during the 2022-2023 fiscal year. The Town issued no bonds during this fiscal year. The last time the Town sold bonds, in August 2021, Moody' Investors Service Rating Agency provided a rating of Aa1. The Town also participates in the State Clean Water Fund Program which provides grants and short-term/interim financing for qualifying projects. The Town utilized \$31.6 million of this interim financing, pending closing of this project with the state upon project completion. See Note 8 to the financial statements for more detailed information.

State statutes limit the amount of general obligation debt a governmental entity may issue to up to seven times its annual receipts from taxation. The current debt limitation for the Town of Wallingford is \$901.5 million. The Town's outstanding general obligation debt is significantly below this limitation.

Other obligations include accrued vacation pay and sick leave. More detailed information about the Town's long-term liabilities is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Some of the unemployment rate for the Town of Wallingford has continued to improve. At June 30, 2023 the unemployment rate was 3.2%, down from 3.4% one year ago. This also compares favorably to 4.0% for the state of Connecticut in 2023.

In addition, the real estate market for commercial/industrial and residential property has continued to be strong. Growth in the last few Grand Lists has been sustained, even through the COVID-19 pandemic.

Results of municipal financial operations show stability and consistency, as demonstrated by solid financial results in the past few audits.

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

As previously stated, the General Fund total fund balance increased from \$27.8 million at June 30, 2022 to \$30.3 million at June 30, 2023. Of this \$30.3 million General Fund balance is \$18.9 million of unassigned fund balance. The Town feels that the \$18.9 million in the unassigned fund balance places the Town in a strong position to withstand unexpected events.

The Town adopted a General Fund budget that contains conservative revenue forecasts as follows:

- Utilized an estimated tax collection rate of 98.2%, in recognition of the unemployment rate of homeowners who may fall delinquent on taxes.
- The Town will continue to work with its State assembly delegation and municipal cooperative organizations to minimize reductions in State aid and make necessary budget decisions if State grants are reduced.

The Town adopted expenditure budgets attempting to maintain essential services with no new programs or initiatives. Some of the major highlights of these efforts are:

- Most part time positions in the general government, which were eliminated over the last several years, remain unfilled and excluded from the budget.
- Several major capital items were reduced from General Fund budgets for consideration of funding from the American Rescue Plan Act, which is recorded as a special revenue fund.

The taxable Grand List of October 1, 2022, which is in effect for fiscal 2023/2024 increased 2.1% from the previous year, primarily due to supply and demand factors that have driven motor vehicles values up dramatically in Connecticut and across the country.

Although this is a moderate increase in taxable property, expenditure requests had to be pared to present a modest tax increase to the Town Council. The Town Council also utilized \$7.9 million of fund balance, \$1.5 million more than last year, to achieve this.

The total adopted General Fund expenditure budget for fiscal year 2023/2024 increased \$6.1 million, or 3.39% higher than the fiscal year 2022/2023. The general government budget increased \$2.5 million, or 3.54%, mostly due increases in employee benefits for pension and health insurance. The Board of Education budget increased \$3.6 million, or 3.29%, mostly due to increases in wages and employee benefits.

As for the Town's business-type activities, the Electric Division operating expense budget reflects an increase of \$7.18 million, or 9.3%, mostly due to increased purchase power costs, depreciation expense, and distribution expense. Base electric rates were unchanged in July 2023 on the results of the cost of service study completed in Quarter 2 of 2021. Wallingford Electric Division rates remain the lowest in Connecticut and among the lowest in New England. The Water Division operating expense budget increased by approximately \$865 thousand, or 10.3%, from the prior fiscal year. Water rates may potentially change as a result of a planned water rate study in the current fiscal year. The Sewer Division operating expense budget increased by \$1.18 million, or 11%, from the prior fiscal year, due mainly to a projected increase in depreciation expense related to the Wastewater Treatment Plant upgrades. Sewer rates increased by approximately 14.9% effective July 2023.

**TOWN OF WALLINGFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the Comptroller, 45 South Main Street, Wallingford, Connecticut 06492.

BASIC FINANCIAL STATEMENTS

TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2023
(IN THOUSANDS)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 65,458	\$ 31,129	\$ 96,587
Investments	-	45,226	45,226
Receivables, Net	8,184	13,318	21,502
Lease Receivables	-	22,306	22,306
Due from Pension Trust	1,854	-	1,854
Supplies	43	2,861	2,904
Other Assets	27	788	815
Net Pension Asset	77	-	77
Capital Assets:			
Assets Not Being Depreciated	41,994	52,354	94,348
Assets Being Depreciated, Net	183,223	98,954	282,177
Total Assets	<u>300,860</u>	<u>266,936</u>	<u>567,796</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	254	-	254
Deferred Outflows Related to OPEB	6,013	320	6,333
Deferred Outflows Related to Pension	24,464	7,154	31,618
Total Deferred Outflows of Resources	<u>30,731</u>	<u>7,474</u>	<u>38,205</u>
LIABILITIES			
Accounts Payable and Accrued Expenses	7,985	11,828	19,813
Internal Balances	1	(1)	-
Customer Deposits	-	4,233	4,233
Unearned Revenue	12,788	-	12,788
Other Liabilities	1,535	-	1,535
Noncurrent Liabilities:			
Due Within One Year	12,807	1,054	13,861
Due in More than One Year	149,619	58,119	207,738
Total Liabilities	<u>184,735</u>	<u>75,233</u>	<u>259,968</u>
DEFERRED INFLOWS OF RESOURCES			
Advanced Property Tax Collections	9,752	-	9,752
Deferred Inflows Related to OPEB	13,334	521	13,855
Deferred Inflows Related to Pension	275	58	333
Lease Receivables	-	21,280	21,280
Total Deferred Inflows of Resources	<u>23,361</u>	<u>21,859</u>	<u>45,220</u>
NET POSITION			
Net Investment in Capital Assets	191,415	118,064	309,479
Restricted:			
Conservation Programs	-	3,773	3,773
Trust Purposes:			
Nonexpendable	1,418	-	1,418
Education	552	-	552
Other Purposes	681	-	681
Unrestricted	<u>(70,571)</u>	<u>55,481</u>	<u>(15,090)</u>
Total Net Position	<u>\$ 123,495</u>	<u>\$ 177,318</u>	<u>\$ 300,813</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Program Revenues	Net Revenues (Expenses) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$ 30,196	\$ 1,423	\$ 2,191	\$ -	\$ (26,582)	\$ -	\$ (26,582)
Public Safety	25,499	4,264	173	-	(21,062)	-	(21,062)
Public Works	9,675	11	-	1,123	(8,541)	-	(8,541)
Health and Social Services	5,100	9	903	-	(4,188)	-	(4,188)
Parks and Recreation	2,523	1,002	1	-	(1,520)	-	(1,520)
Education	153,490	1,902	57,668	378	(93,542)	-	(93,542)
Interest on Long-Term Debt	1,139	-	-	-	(1,139)	-	(1,139)
Total Governmental Activities	<u>227,622</u>	<u>8,611</u>	<u>60,936</u>	<u>1,501</u>	<u>(156,574)</u>	<u>-</u>	<u>(156,574)</u>
Business-Type Activities:							
Electric	75,956	81,444	-	745	-	6,233	6,233
Water	7,600	7,921	-	17	-	338	338
Sewer	8,190	9,148	-	1,168	-	2,126	2,126
Total Business-Type Activities	<u>91,746</u>	<u>98,513</u>	<u>-</u>	<u>1,930</u>	<u>-</u>	<u>8,697</u>	<u>8,697</u>
Total	<u>\$ 319,368</u>	<u>\$ 107,124</u>	<u>\$ 60,936</u>	<u>\$ 3,431</u>	<u>(156,574)</u>	<u>8,697</u>	<u>(147,877)</u>
GENERAL REVENUES							
Property Taxes					133,955	-	133,955
Grants and Contributions Not Restricted to Specific Programs					8,855	-	8,855
Unrestricted Investment Earnings					1,710	1,893	3,603
Miscellaneous					4,861	2,260	7,121
Total General Revenues					<u>149,381</u>	<u>4,153</u>	<u>153,534</u>
TRANSFERS					<u>1,762</u>	<u>(1,762)</u>	<u>-</u>
Total General Revenues and Transfers					<u>151,143</u>	<u>2,391</u>	<u>153,534</u>
CHANGE IN NET POSITION					(5,431)	11,088	5,657
Net Position - Beginning of Year					<u>128,926</u>	<u>166,230</u>	<u>295,156</u>
NET POSITION - END OF YEAR					<u>\$ 123,495</u>	<u>\$ 177,318</u>	<u>\$ 300,813</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

	General	Capital and Nonrecurring	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 61,639	\$ -	\$ -	\$ 3,819	\$ 65,458
Receivables, Net	8,566	-	-	1,274	9,840
Due from Other Funds	7,925	4,267	11,023	6,681	29,896
Supplies	-	-	-	43	43
Prepaid Items	11	-	-	16	27
	<u>78,141</u>	<u>4,267</u>	<u>11,023</u>	<u>11,833</u>	<u>105,264</u>
Total Assets	<u>\$ 78,141</u>	<u>\$ 4,267</u>	<u>\$ 11,023</u>	<u>\$ 11,833</u>	<u>\$ 105,264</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts and Other Payables	\$ 5,021	\$ 234	\$ 15	\$ 2,298	\$ 7,568
Due to Other Funds	26,949	-	-	7,925	34,874
Unearned Revenue	694	-	11,008	1,086	12,788
Other Liabilities	-	-	-	1,535	1,535
Total Liabilities	<u>32,664</u>	<u>234</u>	<u>11,023</u>	<u>12,844</u>	<u>56,765</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	5,428	-	-	-	5,428
Advanced Property Tax Collections	9,752	-	-	-	9,752
Unavailable Revenue - Intergovernmental Receivables	-	-	-	510	510
Total Deferred Inflows of Resources	<u>15,180</u>	<u>-</u>	<u>-</u>	<u>510</u>	<u>15,690</u>
FUND BALANCES					
Nonspendable	11	-	-	1,477	1,488
Restricted	-	-	-	1,233	1,233
Committed	2,367	4,033	-	5,340	11,740
Assigned	8,979	-	-	-	8,979
Unassigned	18,940	-	-	(9,571)	9,369
Total Fund Balances	<u>30,297</u>	<u>4,033</u>	<u>-</u>	<u>(1,521)</u>	<u>32,809</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 78,141</u>	<u>\$ 4,267</u>	<u>\$ 11,023</u>	<u>\$ 11,833</u>	<u>\$ 105,264</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Fund Balances - Total Governmental Funds	\$	32,809
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Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

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

Governmental Capital Assets		437,385
Less: Accumulated Depreciation		(212,168)
Net Capital Assets		225,217

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

Property Tax Receivables Greater Than 60 Days		4,130
Interest Receivable on Property Taxes		1,298
Intergovernmental Receivables Greater Than 60 Days		510
Deferred Charges on Refunding		254
Deferred Outflows Related to Pension		24,464
Deferred Outflows Related to OPEB		6,013
Net Pension Asset		77

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

986

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

Bonds and Notes Payable		(30,380)
Interest Payable on Bonds and Notes		(417)
Leases Payable		(726)
Compensated Absences		(12,821)
Retired Employee Obligations		(123)
Heart and Hypertension		(1,523)
Premium on Bond Issuance		(843)
Net Pension Liability		(81,630)
Deferred Inflows Related to Pension		(275)
Deferred Inflows Related to OPEB		(13,334)
Total OPEB Liability		(30,191)

Net Position of Governmental Activities (Exhibit I)

\$ 123,495

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	General	Capital and Nonrecurring	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
General Property Taxes	\$ 133,639	\$ -	\$ -	\$ -	\$ 133,639
Licenses and Permits	1,149	-	-	-	1,149
Intergovernmental Revenues	50,105	379	2,103	13,025	65,612
Charges for Services	5,706	-	-	1,724	7,430
Investment Income	1,693	-	-	-	1,693
Other	3,242	-	-	1,700	4,942
Total Revenues	<u>195,534</u>	<u>379</u>	<u>2,103</u>	<u>16,449</u>	<u>214,465</u>
EXPENDITURES					
Current:					
General Government	27,884	-	94	16	27,994
Public Safety	20,776	-	-	43	20,819
Public Works	6,355	-	-	861	7,216
Health and Social Services	2,155	-	2,009	833	4,997
Parks and Recreation	816	-	-	813	1,629
Education	129,350	-	-	12,907	142,257
Capital Outlay	-	2,280	-	5,967	8,247
Debt Service	5,454	-	-	-	5,454
Total Expenditures	<u>192,790</u>	<u>2,280</u>	<u>2,103</u>	<u>21,440</u>	<u>218,613</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,744	(1,901)	-	(4,991)	(4,148)
OTHER FINANCING SOURCES (USES)					
Transfers In	2,022	1,762	-	485	4,269
Transfers Out	(2,247)	-	-	(260)	(2,507)
Total Other Financing Sources (Uses)	<u>(225)</u>	<u>1,762</u>	<u>-</u>	<u>225</u>	<u>1,762</u>
NET CHANGE IN FUND BALANCES	2,519	(139)	-	(4,766)	(2,386)
Fund Balance - Beginning of Year	<u>27,778</u>	<u>4,172</u>	<u>-</u>	<u>3,245</u>	<u>35,195</u>
FUND BALANCE - END OF YEAR	<u>\$ 30,297</u>	<u>\$ 4,033</u>	<u>\$ -</u>	<u>\$ (1,521)</u>	<u>\$ 32,809</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ (2,386)

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

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

Capital Outlay	7,850
Depreciation Expense	(9,800)

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

Property Tax Receivable - Accrual Basis Change	312
Property Tax Interest and Lien Revenue - Accrual Basis Change	4
Intergovernmental Receivable - Accrual Basis Change	510
Change in Deferred Outflows related to Pension	(3,907)
Change in Deferred Outflows related to OPEB	102
Change in Net Pension Asset	16

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

Bond Principal Payments	4,360
Issuance of Leases	(20)
Lease Payments	316

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES (CONTINUED)

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

Compensated Absences	\$	855
Retired Employee Obligations		126
Heart and Hypertension		664
Accrued Interest		(166)
Amortization of Bond Premium		228
Amortization of Deferred Charge on Refunding		(107)
Total OPEB Liability		(537)
Change in Net Pension Liability		(3,435)
Change in Deferred Inflows related to Pension		284
Change in Deferred Inflows related to OPEB		993

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

(1,693)

Change in Net Position of Governmental Activities (Exhibit II)

\$ (5,431)

TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities				Governmental Activities
	Electric Fund	Water Fund	Sewer Fund	Total	Internal Service Fund
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 21,124	\$ 1,621	\$ 3,716	\$ 26,461	\$ -
Restricted Cash	4,233	435	-	4,668	-
Receivables, Net	8,607	2,173	2,538	13,318	198
Lease Receivables	22,306	-	-	22,306	-
Investments	15,826	13,100	16,300	45,226	-
Supplies	2,534	327	-	2,861	-
Due from Other Funds	1	-	-	1	4,977
Other Assets	781	-	7	788	-
Total Current Assets	75,412	17,656	22,561	115,629	5,175
Noncurrent Assets:					
Capital Assets, Net	42,193	36,842	72,273	151,308	-
Total Assets	117,605	54,498	94,834	266,937	5,175
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows of Resources Related to OPEB	239	57	24	320	-
Deferred Outflows of Resources Related to Pension	3,897	1,866	1,391	7,154	-
Total Deferred Outflows of Resources	4,136	1,923	1,415	7,474	-
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Expenses	8,777	989	2,062	11,828	-
Bond and Notes Payable	-	195	100	295	-
Risk Management Claims	-	-	-	-	3,150
Compensated Absences	285	165	143	593	-
Total OPEB Liability	146	15	5	166	-
Current Liabilities Payable from Restricted Assets:					
Customer Deposits Payable	4,233	-	-	4,233	-
Total Current Liabilities	13,441	1,364	2,310	17,115	3,150
Noncurrent Liabilities:					
Bond and Notes Payable	-	1,273	31,676	32,949	-
Compensated Absences	485	202	174	861	-
Total OPEB Liability	679	268	235	1,182	-
Net Pension Liability	13,685	5,113	4,329	23,127	-
Risk Management Claims	-	-	-	-	1,039
Total Noncurrent Liabilities	14,849	6,856	36,414	58,119	1,039
Total Liabilities	28,290	8,220	38,724	75,234	4,189
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows of Resources Related to OPEB	156	254	111	521	-
Deferred Inflows of Resources Related to Pension	32	15	11	58	-
Lease Receivables	21,280	-	-	21,280	-
Total Deferred Inflows of Resources	21,468	269	122	21,859	-
NET POSITION					
Net Investment in Capital Assets	42,193	35,374	40,497	118,064	-
Restricted for Conservation Programs	3,773	-	-	3,773	-
Unrestricted	26,017	12,558	16,906	55,481	986
Total Net Position	\$ 71,983	\$ 47,932	\$ 57,403	\$ 177,318	\$ 986

See accompanying Notes to Basic Financial Statements.

TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Business-Type Activities				Governmental Activities
	Electric Fund	Water Fund	Sewer Fund	Total	Internal Service Fund
OPERATING REVENUES					
Operations	\$ 79,953	\$ 7,267	\$ 8,743	\$ 95,963	\$ -
Fund Premiums	-	-	-	-	30,195
Other	1,491	654	405	2,550	-
Total Operating Revenues	<u>81,444</u>	<u>7,921</u>	<u>9,148</u>	<u>98,513</u>	<u>30,195</u>
OPERATING EXPENSES					
Operations	69,659	5,711	5,489	80,859	-
Depreciation	3,716	1,875	2,076	7,667	-
Gross Earnings and Property Taxes	2,410	-	-	2,410	-
Employee Benefits	-	-	-	-	28,262
Other	104	-	-	104	3,626
Total Operating Expenses	<u>75,889</u>	<u>7,586</u>	<u>7,565</u>	<u>91,040</u>	<u>31,888</u>
OPERATING INCOME (LOSS)	5,555	335	1,583	7,473	(1,693)
NONOPERATING INCOME (LOSS)					
Lease Income	1,491	-	-	1,491	-
Rental Income	665	104	-	769	-
Gain on Disposal of Capital Assets	2	-	-	2	-
Interest and Amortization Expense	-	(14)	(625)	(639)	-
Interest on Customer Deposits	(69)	-	-	(69)	-
Investment and Interest Income	898	441	554	1,893	-
Total Nonoperating Income (Loss)	<u>2,987</u>	<u>531</u>	<u>(71)</u>	<u>3,447</u>	<u>-</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	8,542	866	1,512	10,920	(1,693)
CONTRIBUTIONS AND TRANSFERS					
Capital Grants and Contributions	745	17	1,168	1,930	-
Transfer Out	(1,762)	-	-	(1,762)	-
CHANGE IN NET POSITION	7,525	883	2,680	11,088	(1,693)
Total Net Position - Beginning of Year	<u>64,458</u>	<u>47,049</u>	<u>54,723</u>	<u>166,230</u>	<u>2,679</u>
TOTAL NET POSITION - END OF YEAR	<u>\$ 71,983</u>	<u>\$ 47,932</u>	<u>\$ 57,403</u>	<u>\$ 177,318</u>	<u>\$ 986</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Business-Type Activities				Governmental Activities
	Electric Fund	Water Fund	Sewer Fund	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Operations	\$ 81,495	\$ 8,019	\$ 9,094	\$ 98,608	\$ 32,826
Cash Payments to Vendors and Other	(77,280)	(9,693)	(7,853)	(94,826)	(32,826)
Cash Payments to Employees	7,135	3,989	2,850	13,974	-
Net Cash Provided by Operating Activities	11,350	2,315	4,091	17,756	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Lease Principal Payments Received	1,491	-	-	1,491	-
Lease Interest Payments Received	454	-	-	454	-
Rental Income	665	104	-	769	-
Capital Grants	745	17	1,168	1,930	-
Purchase of Capital Assets	(3,784)	(2,312)	(3,297)	(9,393)	-
Principal Payment on Bonds and Notes	-	(240)	-	(240)	-
Proceeds from Notes Payable	-	-	1,888	1,888	-
Interest Paid on Bonds and Notes	-	(14)	(625)	(639)	-
Net Cash Used by Capital and Related Financing Activities	(429)	(2,445)	(866)	(3,740)	-
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES					
Customer Deposits	(69)	-	-	(69)	-
Transfers to Other Funds and Agencies	(1,762)	-	-	(1,762)	-
Net Cash Used by Noncapital and Related Financing Activities	(1,831)	-	-	(1,831)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale of Investments	(15,826)	(13,100)	(16,300)	(45,226)	-
Income on Investments and Interest	444	441	554	1,439	-
Net Cash Used by Investing Activities	(15,382)	(12,659)	(15,746)	(43,787)	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,292)	(12,789)	(12,521)	(31,602)	-
Cash and Cash Equivalents - Beginning of Year	31,649	14,845	16,237	62,731	-
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 25,357</u>	<u>\$ 2,056</u>	<u>\$ 3,716</u>	<u>\$ 31,129</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Business-Type Activities				Governmental
	Electric Fund	Water Fund	Sewer Fund	Total	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 5,555	\$ 335	\$ 1,583	\$ 7,473	\$ (1,693)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation Expense	3,716	1,875	2,076	7,667	-
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:					
(Increase) Decrease in Receivables and Unbilled Revenue	51	98	(54)	95	53
(Increase) Decrease in Lease Receivables	1,003	-	-	1,003	-
Decrease in Due from Other Funds	60	-	-	60	2,578
(Increase) Decrease in Inventory	(455)	34	-	(421)	-
Decrease in Deferred Charges and Other Assets	334	-	-	334	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	1,347	(394)	65	1,018	(938)
Increase (Decrease) in Total OPEB Liability	(30)	15	17	2	-
Increase in Net Pension Liability	710	61	193	964	-
Decrease in Deferred Outflows of Resources - Pension	617	327	230	1,174	-
Increase in Deferred Onflows of Resources - Lease Receivable	(1,491)	-	-	(1,491)	-
Decrease in Deferred Inflows of Resources - Pension	(33)	(14)	(10)	(57)	-
(Increase) Decrease in Deferred Outflows of Resources - OPEB	(24)	1	1	(22)	-
Decrease in Deferred Inflows of Resources - OPEB	(10)	(23)	(10)	(43)	-
Total Adjustments	<u>5,795</u>	<u>1,980</u>	<u>2,508</u>	<u>10,283</u>	<u>1,693</u>
Net Cash Provided by Operating Activities	<u>\$ 11,350</u>	<u>\$ 2,315</u>	<u>\$ 4,091</u>	<u>\$ 17,756</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND
JUNE 30, 2023
(IN THOUSANDS)**

	Pension Trust Fund
ASSETS	
Cash and Cash Equivalents	\$ 1,981
Investments:	
Mutual Funds	240,441
Accounts Receivable	387
Total Assets	242,809
LIABILITIES	
Accounts and Other Payables	2,059
NET POSITION	
Restricted for Pensions	\$ 240,750

See accompanying Notes to Basic Financial Statements.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 11,650
Plan Members	3,378
Total Contributions	15,028
Investment Income (Loss):	
Net Change in Fair Value of Investments	17,519
Interest and Dividends	5,987
Other Income	18
Investment Fee Expense	(29)
Net Investment Income	23,495
Total Additions	38,523
DEDUCTIONS	
Benefits	21,102
Refunds of Contributions	379
Administration	175
Total Deductions	21,656
CHANGE IN NET POSITION	16,867
Net Position Restricted for Pensions - Beginning of Year	223,883
NET POSITION RESTRICTED FOR PENSIONS - END OF YEAR	\$ 240,750

See accompanying Notes to Basic Financial Statements.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in May 1670 under the provisions of the State of Connecticut General Assembly. It operates under a Mayor-Council form of government and provides services as authorized by its charter including public safety (police and fire), sanitation, health, recreation, social services, libraries, education, planning and zoning, and general administrative services.

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

Fiduciary Component Units

The Town has established a single-employer Public Retirement Systems (PERS) to provide retirement benefits to employees and their beneficiaries. The Town appoints a majority of the Pension Board and is required to make contributions to the pension plan and can impose its will.

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. The effect of interfund activity has been removed from these statements where appropriate. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Town reports the following major governmental funds:

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

The *Capital and Nonrecurring Fund* accounts for the resources accumulated and expenditures made for the construction of capital facilities and other capital improvements and equipment purchases.

The *American Rescue Plan Act Fund* accounts for grant revenues and expenditures related to the federal American Rescue Plan Act grant.

The Town reports the following major proprietary funds:

The *Electric Fund* accounts for the activities of the Town's electric distribution operations.

The *Water Fund* accounts for the activities of the water plant, the collection system, the storage facilities, and the pumping system.

The *Sewer Fund* accounts for the activities of the sewage treatment plant, sewage pumping stations, and collection systems.

Additionally, the Town reports the following fund types:

The *Internal Service Fund* accounts for the health benefits and risk management activities of the Town.

The *Pension Trust Fund* accounts for the fiduciary activities of the Consolidated Pension Fund and the Volunteer Firefighters Pension Fund, which accumulates resources for pension benefit payments to qualified participants.

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

D. Adoption of New Accounting Standards

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

The Town adopted the requirements of the guidance effective July 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the City reporting a SBITA asset as disclosed in Note 6.

E. Deposits and Investments

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables and Payables

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

Property taxes on all property are assessed as of October 1 prior to the beginning of the fiscal year and become legally due and payable on the following July 1 and January 1. If taxes are unpaid as of June 30 following the payable date, a lien is placed on the real property. Property assessments are made at 70% of the market value. Property taxes receivable are recorded on the due date. Taxes not paid within 30 days of the due date are subject to an interest charge of 1.5% per month. The Town is not a part of any overlapping government that assesses separate property taxes.

G. Supplies and Prepaid Items

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

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

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value rather than estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

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

Buildings	50 Years
Building Improvements	20 Years
Public Domain Infrastructure	50 Years
System Infrastructure	30 Years
Vehicles	5 Years
Office Equipment	5 Years
Computer Equipment	5 Years

Lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

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

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB can result from differences between expected and actual experience, changes in assumptions, projected versus actual investment earnings or other inputs. With the exception of differences between projected and actual earnings, which are required to be recognized over a five-year period, these amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (participating active employees and vested former employees).

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB can result from differences between expected and actual experience, changes in assumptions, projected versus actual investment earnings, or other inputs. With the exception of differences between projected and actual earnings, which are required to be recognized over a five-year period, these amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (participating active employees and vested former employees). The Town also reports deferred inflow(s) of resources related to advanced property tax collections and leases in the government-wide statement of net position and in the governmental funds. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, interest on property taxes, loans and other receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

J. Compensated Absences

Employees are granted sick and vacation leave in varying amounts. Upon retirement, termination or death, eligible employees are compensated for unused sick and vacation leave (subject to certain limitations) at specified payment rates established by contract, regulation or policy. Accumulated vacation and sick time are recognized as a liability of the Town in the statement of net position.

K. Net Pension Liability (Asset)

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Total Other Postemployment Benefits Other than Pensions (OPEB) Liability

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

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

N. Fund Equity

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

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

Restricted Net Position – Net position is restricted because it is externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This component consists of net position that does not meet the definition of "restricted" or "net investments in capital assets."

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

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

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

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

Committed Fund Balance – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town Council). A fund balance commitment is established, modified and/or rescinded by ordinance.

Assigned Fund Balance – This balance represents amounts constrained for the intent to be used for a specific purpose by the Town Council or the Comptroller, as they have been delegated authority to assign amounts by the Town Charter.

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

The Town does not have a minimum fund balance policy. When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

O. Accounting Estimates

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Departmental managers submit their budgets to the finance department 120 days prior to year-end for the fiscal year commencing the following July 1. Thirty days later, the Mayor and Comptroller present the proposed operating budget to the Town Council. The operating budget includes proposed expenditures and the means of financing them. The Town Council holds a public hearing to obtain taxpayer comments, and the budget is legally adopted through passage of an ordinance prior to June 1. The enterprise funds are also under the same budgetary control.

Supplemental budget appropriations must be adopted by the Town Council. During the fiscal year ended June 30, 2023, there were General Fund supplemental budget appropriations totaling \$826.

In the General Fund, capital purchase appropriations in force of \$2,843 were carried forward from prior years.

The annual budget is approved at the line-item level. The Town issues a separately prepared budget report by line item to comply with this legal requirement. Upon approval of the Town Council, transfers from one budgetary line to another, or from contingency accounts, may be made within a department. Transfers between departments can be made upon request of the Mayor and by passage of a resolution by the Council during the last three months of the fiscal year. Appropriations lapse at year-end except appropriations of the capital projects funds, which continue until completion of the applicable project.

The General Fund is the only governmental fund with a legally adopted annual budget.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported in either restricted, committed or assigned fund balance depending on level of restriction and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

**TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Deficit Fund Equity

Nonmajor Funds:

Capital Project Funds:	
School Renovations*	\$ 1,377
Vernon E. Cleaves Vo-Ag Center*	1,610
School Roof Projects*	1,373
BOE Capital Projects*	305
Police Headquarters*	4,557
Sheehan Track & Field*	333
Workers' Compensation Fund**	235

- * Deficit will be funded through permanent financing or through transfers from the General Fund.
- ** Deficit will be funded through receipt of additional program revenues or through transfers from the General Fund.

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

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

A. Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures: an amendment of GASB Statement No. 3*, \$100,618 of the Town's bank balance of \$148,290 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$	90,317	
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name		10,301	
Total Amount Subject to Custodial Credit Risk	\$	100,618	

B. Investments

As of June 30, 2023, the Town had the following investments:

	Investment Maturities			Fair Value
	Less than 1 Year	1 to 10 Years	More than 10 Years	
Interest-Bearing Investment:				
Certificate of Deposit*	\$ 45,226	\$ -	\$ -	\$ 45,226
Total	\$ 45,226	\$ -	\$ -	45,226
Other Investments:				
Mutual Funds				240,441
Total Investments				\$ 285,667

* Certificates of deposit are unrated.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

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

B. Investments (Continued)

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

	Fair Value Measurements Using			Fair Value
	Level 1	Level 2	Level 3	
Investments by Fair Value Level:				
Mutual Funds	\$ 240,441	\$ -	\$ -	\$ 240,441
Total Investments by Fair Value Level	\$ 240,441	\$ -	\$ -	240,441
Investments Not Recorded at Fair Value				45,226
Total Investments				\$ 285,667

* Subject to coverage by Federal Depository Insurance and collateralization as described under "Deposits" above

Interest Rate Risk

The Town's formal investment policy limits short-term investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Short-term investment maturities are allowed to range from seven days to one year. To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements.

Credit Risk – Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town's investment policy further limits its investment choices. Derivatives, leveraged investments, repurchase agreements and reverse repurchase agreements are not used because of the unacceptable exposure to risk from these investment products. The Town does not have any further restrictions other than the state statute governing investments in obligations of any state or political subdivision or in obligations of the state of Connecticut or political subdivision.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

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

B. Investments (Continued)

Concentration of Credit Risk

The Town's investment policy does not restrict investments in any one issuer that is in excess of 5% of the Town's total investments. The investment policy does limit pooled investments in the management of pension funds; however, no additional restrictions on individual investments are established in the policy.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's formal investment policy includes sections regarding safekeeping and custody of investments to mitigate custodial credit risk. At June 30, 2023, the Town did not have any uninsured and unregistered securities held by the counterparty or by its trust department or agent that were not in the Town's name.

NOTE 4 RECEIVABLES

Receivables as of year-end for the Town's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Electric	Water	Sewer	Nonmajor and Other Funds	Total
Receivables:						
Taxes	\$ 6,044	\$ -	\$ -	\$ -	\$ -	\$ 6,044
Accrued Interest	1,298	-	-	-	-	1,298
Intergovernmental	-	-	-	-	1,274	1,274
Service Fees and Interest	-	4,575	442	503	-	5,520
Unbilled Service Fees	-	3,685	1,631	1,992	-	7,308
Leases	-	22,306	-	-	-	22,306
Due from Pension Trust	1,854	-	-	-	-	1,854
Accounts and Other	1,173	538	100	43	198	2,052
Gross Receivables	10,369	31,104	2,173	2,538	1,472	47,656
Less Allowance for Uncollectibles:						
Taxes	(1,088)	-	-	-	-	(1,088)
Interest on Taxes	(156)	-	-	-	-	(156)
Service Fees	-	(191)	-	-	-	(191)
Accounts and Other	(559)	-	-	-	-	(559)
Total Allowance	(1,803)	(191)	-	-	-	(1,994)
Net Total Receivables	\$ 8,566	\$ 30,913	\$ 2,173	\$ 2,538	\$ 1,472	\$ 45,662

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 5 LEASE RECEIVABLES

The Town, acting as lessor, leases land, buildings and electrical pole space under long-term, noncancelable lease agreements. The leases expire at various dates through 2043. During the year ended June 30, 2023, the Town recognized \$1,491 and \$454 in lease revenue and interest revenue, respectively, pursuant to these contracts.

NOTE 6 CAPITAL ASSETS

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

	Balance - Beginning of Year	Transfers	Increases	Decreases	Balance - End of Year
Governmental Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 32,416	\$ -	\$ 51	\$ -	\$ 32,467
Construction in Progress	4,258	(249)	5,518	-	9,527
Total Capital Assets Not Being Depreciated	<u>36,674</u>	<u>(249)</u>	<u>5,569</u>	<u>-</u>	<u>41,994</u>
Capital Assets Being Depreciated:					
Land Improvements	18,093	-	-	-	18,093
Buildings and Improvements	270,827	249	95	-	271,171
Vehicles, Machinery, and Equipment	23,074	-	1,977	(948)	24,103
Infrastructure	80,734	-	-	-	80,734
Total Capital Assets Being Depreciated	<u>392,728</u>	<u>249</u>	<u>2,072</u>	<u>(948)</u>	<u>394,101</u>
Less Accumulated Depreciation for:					
Land Improvements	(8,008)	-	(829)	-	(8,837)
Buildings and Improvements	(127,200)	-	(6,358)	-	(133,558)
Vehicles, Machinery, and Equipment	(19,463)	-	(1,421)	948	(19,936)
Infrastructure	(48,577)	-	(811)	-	(49,388)
Total Accumulated Depreciation	<u>(203,248)</u>	<u>-</u>	<u>(9,419)</u>	<u>948</u>	<u>(211,719)</u>
Lease Assets Being Amortized:					
Buildings and Improvements	704	-	-	-	704
Vehicles, Machinery, and Equipment	533	-	19	(156)	396
Total Lease Assets Being Amortized	<u>1,237</u>	<u>-</u>	<u>19</u>	<u>(156)</u>	<u>1,100</u>
Less Accumulated Amortization for:					
Buildings and Improvements	(146)	-	(145)	-	(291)
Vehicles, Machinery, and Equipment	(78)	-	(176)	156	(98)
Total Accumulated Amortization	<u>(224)</u>	<u>-</u>	<u>(321)</u>	<u>156</u>	<u>(389)</u>
Intangible Subscription Based Information					
Technology Arrangement Assets					
Subscription Based Information Technology Arrangements	-	-	190	-	190
Less Accumulated Amortization for:					
Subscription Based Information Technology Arrangements	-	-	(60)	-	(60)
Total Capital Assets Being Depreciated/Amortized, Net	<u>190,493</u>	<u>249</u>	<u>(7,519)</u>	<u>-</u>	<u>183,223</u>
Governmental Activities Capital Assets, Net	<u>\$ 227,167</u>	<u>\$ -</u>	<u>\$ (1,950)</u>	<u>\$ -</u>	<u>\$ 225,217</u>
Business-Type Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 755	\$ -	\$ 755	\$ -	\$ 1,510
Construction in Progress	48,112	-	2,732	-	50,844
Total Capital Assets Not Being Depreciated	<u>48,867</u>	<u>-</u>	<u>3,487</u>	<u>-</u>	<u>52,354</u>
Capital Assets Being Depreciated:					
Utility Plant	111,835	-	1,676	-	113,511
Infrastructure	161,179	-	3,283	(145)	164,317
Machinery and Equipment	42,696	-	966	(1,332)	42,330
Total Capital Assets Being Depreciated	<u>315,710</u>	<u>-</u>	<u>5,925</u>	<u>(1,477)</u>	<u>320,158</u>
Less Accumulated Depreciation for:					
Utility Plant	(82,846)	-	(2,843)	-	(85,689)
Infrastructure	(99,915)	-	(3,560)	130	(103,345)
Machinery and Equipment	(32,236)	-	(1,263)	1,329	(32,170)
Total Accumulated Depreciation	<u>(214,997)</u>	<u>-</u>	<u>(7,666)</u>	<u>1,459</u>	<u>(221,204)</u>
Total Capital Assets Being Depreciated, Net	<u>100,713</u>	<u>-</u>	<u>(1,741)</u>	<u>(18)</u>	<u>98,954</u>
Business-Type Activities Capital Assets, Net	<u>\$ 149,580</u>	<u>\$ -</u>	<u>\$ 1,746</u>	<u>\$ (18)</u>	<u>\$ 151,308</u>

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 6 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government	\$ 476
Public Safety	996
Public Works	1,385
Parks and Recreation	828
Education	6,115
Total Depreciation/Amortization Expense - Governmental Activities	<u>\$ 9,800</u>
Business-Type Activities:	
Electric	\$ 2,843
Water	3,560
Sewer	1,263
Total Depreciation Expense - Business-Type Activities	<u>\$ 7,666</u>

Construction Commitments

The Town has active construction projects as of June 30, 2023. At year-end, the projects unexpended authorization available to fund commitments with contractors is as follows:

Description	Cumulative Authorization	Current Expenditures	Cumulative Expenditures	Balance
Police HQ Building	\$ 34,848	\$ 4,245	\$ 6,384	\$ 28,464
Sewer Phosphorous Removal and Improvements	60,000	3,352	52,315	7,685
Northford Road Bridge	2,030	251	379	1,651
Sheehan Track & Field	2,000	333	333	1,667
Total	<u>\$ 98,878</u>	<u>\$ 8,181</u>	<u>\$ 59,411</u>	<u>\$ 39,467</u>

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. A summary of interfund balances as of June 30, 2023 is presented below.

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 7,925
American Rescue Plan Act	General	11,023
Capital and Nonrecurring	General	4,267
Proprietary Funds	General	1
Nonmajor Governmental	General	6,681
Internal Service Fund	General	4,977
Total		<u>\$ 34,874</u>

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund receivables from the General Fund are the result of the General Fund holding cash on behalf of the other funds. Interfund payables to the General Fund are the result of the completion of projects which were temporarily financed by the General Fund. The General Fund will be repaid upon the permanent financing of the projects.

A summary of interfund transfers is presented below:

	Transfers In			Total Transfers Out
	General	Capital and Nonrecurring	Nonmajor Governmental	
Transfers Out:				
General Fund	\$ -	\$ 1,762	\$ 485	\$ 2,247
Nonmajor Governmental	260	-	-	260
Electric Fund	1,762	-	-	1,762
Total Transfers In	<u>\$ 2,022</u>	<u>\$ 1,762</u>	<u>\$ 485</u>	<u>\$ 4,269</u>

General Fund transfers are made in accordance with budget appropriations. The General Fund transfers to other funds are primarily for the purpose of establishing local funding for capital projects to reduce bonding. The transfer from the Electric Fund to the General Fund represents a payment in lieu of taxes. The General Fund uses the payment in lieu of taxes to fund budgeted transfers to the Capital and Nonrecurring Fund.

NOTE 8 LONG-TERM DEBT

A. Governmental Activities

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2023 was as follows:

	Balance - Beginning of Year	Additions	Reductions	Balance - End of Year	Due within One Year
Governmental Activities:					
Bonds Payable	\$ 34,740	\$ -	\$ 4,360	\$ 30,380	\$ 3,795
Plus Premiums	1,071	-	228	843	167
Total Bonds Payable	35,811	-	4,588	31,223	3,962
Lease Payable	1,022	20	316	726	312
Accrued Compensated Absences	13,676	1,686	2,541	12,821	2,310
Retired Employee Obligations	249	300	426	123	41
Heart and Hypertension	2,187	-	664	1,523	742
Net Pension Liability	78,195	3,435	-	81,630	-
Total OPEB Liability	29,654	537	-	30,191	2,290
Risk Management	5,084	-	895	4,189	3,150
Total Governmental Activities Long-Term Liabilities	<u>\$ 165,878</u>	<u>\$ 5,978</u>	<u>\$ 9,430</u>	<u>\$ 162,426</u>	<u>\$ 12,807</u>

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 8 LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Changes in Long-Term Liabilities (Continued)

A schedule of government activities bonds outstanding at June 30, 2023 is presented below:

Description	Date of Issue	Interest Rate	Amount of Original Issue	Balance Outstanding
General Purpose:				
Library and Land Acquisition (2007 and 2008 Refunding)	August 27, 2015	2.00% to 5.00%	\$ 6,424	\$ 1,100
North Farms Fire Station Building	March 13, 2019	2.00% to 4.00%	4,285	3,485
Town-Wide Radio Communication System	March 13, 2019	2.00% to 4.00%	5,000	4,170
33 North Cherry Street Purchase	March 13, 2019	2.00% to 4.00%	365	75
Town-Wide Radio, Police HQ, Roads	August 11, 2021	2.00% to 4.00%	3,567	3,269
Total General Purpose				<u>12,099</u>
School:				
Schools (2003 and 2005 Refunding)	March 15, 2012	2.00% to 4.00%	15,190	2,255
Schools (2007 and 2008 Refunding)	August 27, 2015	2.00% to 5.00%	4,606	985
Schools	October 1, 2015	2.00% to 4.00%	10,320	6,435
Schools	March 13, 2019	2.00% to 4.00%	7,000	5,600
Schools CIP Phase II	August 11, 2021	2.00% to 4.00%	2,925	2,774
Schools CIP Phase III	August 11, 2021	2.00% to 4.00%	288	232
Total Schools				<u>18,281</u>
Total				<u>\$ 30,380</u>

Annual maturities of bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 3,795	\$ 899	\$ 4,694
2025	3,305	750	4,055
2026	2,415	643	3,058
2027	2,385	563	2,948
2028	1,665	504	2,169
2029 to 2033	7,895	1,861	9,756
2033 to 2037	6,955	763	7,718
2038 to 2043	1,965	73	2,038
Total	<u>\$ 30,380</u>	<u>\$ 6,056</u>	<u>\$ 36,436</u>

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 8 LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Leases Payable

The Town leases equipment, fiberoptic cable and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2027.

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

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 243	\$ 12	\$ 255
2025	250	7	257
2026	229	2	231
2027	4	-	4
Total	<u>\$ 726</u>	<u>\$ 21</u>	<u>\$ 747</u>

Lease assets acquired through outstanding leases are shown below, by underlying asset class.

Equipment	\$ 704
Buildings	396
Less: Accumulated Amortization	(389)
Total	<u>\$ 711</u>

B. Business-Type Activities

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2023 was as follows:

	<u>Balance - Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance - End of Year</u>	<u>Due within One Year</u>
Bonds Payable	\$ 1,455	\$ -	\$ 190	\$ 1,265	\$ 195
Plus Premiums	253	-	50	203	-
State of Connecticut - Serial Notes - Direct Borrowing	29,888	1,888	-	31,776	100
Total Bonds and Serial Notes Payable	31,596	1,888	240	33,244	295
Net Pension Liability	22,163	964	-	23,127	-
Total OPEB Liability	1,346	2	-	1,348	166
Accrued Compensated Absences	1,555	524	625	1,454	593
Business-Type Activity Long-Term Liabilities	<u>\$ 56,660</u>	<u>\$ 3,378</u>	<u>\$ 865</u>	<u>\$ 59,173</u>	<u>\$ 1,054</u>

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 8 LONG-TERM DEBT (CONTINUED)

B. Business-Type Activities (Continued)

Changes in Long-Term Liabilities (Continued)

A schedule of business-type activities bonds and serial notes outstanding at June 30, 2023 is presented below:

Description	Date of Issue	Interest Rate	Amount of Original Issue	Balance Outstanding
Water Division:				
McKenzie Reservoir	May 15, 2011	1.75% to 3.75%	\$ 2,820	\$ 1,070
Pistapaug Water Tank	October 15, 2015	2.00% to 4.00%	680	195
Total Water Obligations				<u>1,265</u>
Sewer Division:				
State of Connecticut Serial Note 479-C	August 11, 2005	2.00%	1,997	209
State of Connecticut Serial Note 721-DC	August 31, 2023	* 2.00%	31,621	* 31,567
Total Sewer Obligations				<u>31,776</u>
Total				<u>\$ 33,041</u>

*Interim funding obligation was permanently financed subsequent to year end.

Annual maturities of bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 195	\$ 57	\$ 252
2025	195	49	244
2026	195	41	236
2027	130	34	164
2028	135	28	163
2029 to 2031	415	42	457
Total	<u>\$ 1,265</u>	<u>\$ 251</u>	<u>\$ 1,516</u>

Annual maturities of notes payable – direct borrowing are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 100	\$ 5	\$ 105
2025	100	3	103
2026	9	1	10
Total	<u>\$ 209</u>	<u>\$ 9</u>	<u>\$ 218</u>

Interim financing obligations mature and convert to permanent loan obligations as follows:

Year Ending June 30,	Principal	Interest
2024	<u>\$ 31,567</u>	<u>\$ 1,471</u>

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 8 LONG-TERM DEBT (CONTINUED)

B. Business-Type Activities (Continued)

Bonds Authorized/Unissued

Bonds authorized/unissued for which bonds or notes are outstanding are as follows:

	Authorized	Bonds/ Notes Issued	Grants Received	Self-Funded	Authorized Unissued
Northford Road Bridge	\$ 2,030	\$ 186	\$ -	\$ 61	\$ 1,783
Toelles Road Construction & Bridge	1,000	191	-	-	809
School CIP Phase II	11,175	9,925	-	-	1,250
Town-Wide Radio Communications System	6,205	6,121	-	-	84
Community Pool	625	395	-	-	230
School CIP Phase III	490	288	-	-	202
Sewer Phosphorous Removal & Improvements	60,000	29,579	19,069	-	11,352
Police HQ Building	34,848	1,674	-	-	33,174
School CIP Phase IV	490	-	-	-	490
22/23 CNR	1,762	-	-	-	1,762
22/24 CNR	1,758	-	-	-	1,758
Sheehan Track & Field	2,000	-	-	-	2,000
Total	<u>\$ 122,383</u>	<u>\$ 48,359</u>	<u>\$ 19,069</u>	<u>\$ 61</u>	<u>\$ 54,894</u>

Debt Limitations

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

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	\$ 289,764	\$ 52,425	\$ 237,339
Schools	579,528	22,223	557,305
Sewers	482,940	11,352	471,588
Urban Renewal	418,548	-	418,548
Pension Deficit	386,352	-	386,352

The total of the Town's net statutory indebtedness of \$86 million does not exceed the legal debt limitation of \$901 million (seven times the base for debt limitation computation).

The net indebtedness excludes water bonds of \$1.3 million and clean water notes of \$31.8 million, which are considered to be self-funding.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 9 FUND EQUITY

A. Fund Balance

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

	General Fund	Capital and Nonrecurring	American Rescue Plan Act	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Supplies	\$ -	\$ -	\$ -	\$ 43	\$ 43
Prepaid Items	11	-	-	16	27
Permanent Fund Principal	-	-	-	1,418	1,418
Restricted for:					
General Government	-	-	-	102	102
Public Works	-	-	-	11	11
Health and Social Services	-	-	-	103	103
Education	-	-	-	864	864
Trusts	-	-	-	153	153
Committed to:					
General Government	-	-	-	362	362
Public Works	-	-	-	234	234
Health and Social Services	-	-	-	47	47
Parks and Recreation	-	-	-	10	10
Education	-	-	-	2,569	2,569
Capital Projects	2,367	4,033	-	2,118	8,518
Assigned to:					
General Government - Use of					
Fund Balance	7,900	-	-	-	7,900
Conservation Operating Expenditures	8	-	-	-	8
Public Safety Encumbrances:					
Police Operating Expenditures	9	-	-	-	9
Police Capital Expenditures	13	-	-	-	13
Fire Capital Expenditures	3	-	-	-	3
Public Works Encumbrances:					
Public Works Capital Expenditures	103	-	-	-	103
Public Works Operating Expenditures	2	-	-	-	2
Parks and Recreation Encumbrances:					
Parks and Recreation Capital Expenditures	87	-	-	-	87
Education Encumbrances:					
Education Equipment Expenditures	412	-	-	-	412
Education Other Expenditures	442	-	-	-	442
Unassigned	18,940	-	-	(9,571)	9,369
Total Fund Balances	<u>\$ 30,297</u>	<u>\$ 4,033</u>	<u>\$ -</u>	<u>\$ (1,521)</u>	<u>\$ 32,809</u>

There were no individually significant encumbrances as of June 30, 2023.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 9 FUND EQUITY (CONTINUED)

B. Electric Fund – Restricted Net Position

Through December 31, 2013, the Connecticut Municipal Electric Energy Cooperative (CMEEC) administered a Municipal Energy Conservation and Load Management Fund (ECLMF) on behalf of the Town of Wallingford. The ECLMF was established to comply with provisions of House Bill 7501, Public Act No. 05-1 requiring municipal electric utilities to contribute to the fund and CMEEC to administer the fund. Effective January 1, 2014, with the expiration of the “full requirements” contract mentioned below, CMEEC transferred custody of the balance of that portion of the ECLMF held for Wallingford contributions to the Town of Wallingford. The Town’s contribution rate for fiscal year 2016 is 2.5 mills per kilowatt hour sold. The contributions formerly sent by the Town to CMEEC are now deposited directly into a fund held by the Town. Disbursements from the ECLMF are required to be made pursuant to a comprehensive electric conservation and load management plan. In addition to the ECLMF, the Town receives revenues from periodic Regional Greenhouse Gas Initiative (RGGI) auctions. The Town also received custody from CMEEC of Renewable Resource Investment Funds (RRIF), for revenues received from Independent System Operators-New England (ISO-NE) through the forward capacity market (FCM) for ECLMF measures installed in Wallingford’s service territory which CMEEC used to fulfill its obligations in the FCM. Beginning in January 2019, Wallingford, through its agent, CPower, began receiving additional credits from Independent System Operators-New England (ISO-NE) through the forward capacity market (FCM) for ECLMF measures installed in Wallingford’s service territory.

Investment income earned on the Town’s deposits along with the Fund’s authorized expenses during the year are recorded in the Electric Fund’s statement of activities. The funds held now by the Town are recorded as assets on the Electric Fund’s statement of net position, and, accordingly, the Electric Fund’s net position has been restricted. The balance of these unexpended funds held by the Town was \$ 3,773 at June 30, 2023.

NOTE 10 ELECTRIC DIVISION – POWER SUPPLY AGREEMENT AND SPECIAL FUNDS

Through December 31, 2013, the Town purchased its wholesale power requirements under an “all requirements” Power Sales Agreement (PSA) with the Connecticut Municipal Electric Energy Cooperative (CMEEC). Under the PSA the Town was required to purchase from CMEEC and CMEEC was required to sell to the Town, essentially all electric capacity and energy that Wallingford required for sale at retail. On February 23, 2012, in recognition of the fact that the Town was contemplating not renewing the PSA, the Town and CMEEC entered into a Memorandum of Agreement (MOA), which was amended on April 2, 2013. Under the MOA, CMEEC continued to purchase forward energy on behalf of the Town through July 31, 2013.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 10 ELECTRIC DIVISION – POWER SUPPLY AGREEMENT AND SPECIAL FUNDS
(CONTINUED)

On July 1, 2006, the Town entered into the Contract for the Sale of Pierce Project Electric Power and Energy (Pierce Project Contract) with CMEEC. The Pierce Project Contract enables the Town to receive its entitlement allocation of all electric products of the Pierce Project and obligates the Town to pay its entitlement allocation of all fixed and variable costs associated with the Project, in the event the PSA is not extended.

As of June 1, 2009, the Town entered into the Contract for the Sale of 50 in 5 Peaking Electric Power and Energy and Crediting of Avoided Costs Benefits (50 in 5 Project Contract) with CMEEC. The 50 in 5 Project Contract enables the Town to receive its entitlement allocation of all electric products and crediting of avoided cost benefits of the 50 in 5 Project and obligates the Town to pay its entitlement allocation of all fixed and variable costs associated with the Project, in the event the PSA is not extended.

Since the Town did not extend the term of the PSA beyond December 31, 2013, the provisions for each of the project contracts went into effect as of January 1, 2014. The Town did not exercise its option to extend the 50 in 5 Project contract beyond the period ended December 2018, and, therefore, is no longer a participant.

On May 15, 2013, the Town entered into the Energy Portfolio Management and Power Supply Consulting Service Agreement (the Agreement) with Energy New England (ENE). The initial term of the Agreement is through December 31, 2018 and it provided for a single, three-year extension which has been exercised.

Under the terms of the Agreement, the Wallingford Electric Division (WED) operates as an ISO-NE Market Participant (which it became on October 1, 2013) and enters into contracts directly with counterparties for the purpose of hedging the risks associated with its wholesale power supply. ENE acts as the WED's agent in all matters related to the WED's power supply acquisition activities and it assists the WED in fulfilling its obligations in the ISO-NE market. As the WED's agent, ENE managed the forward energy that CMEEC procured on the WED's behalf under the MOA.

As of this writing, the WED has entered into six Master Power Purchase and Sale Agreements with counterparties.

The WED's power procurement activities are governed by its Energy Risk Management Policy and its Hedging Policy, which were adopted by the Wallingford Board of Public Utilities Commissioners on August 8, 2013, and October 1, 2013, respectively. The Energy Risk Management Policy was amended on September 8, 2018. The Hedging Policy was amended on May 1, 2018.

The foregoing discussion of the Energy Portfolio Agreement, CMEEC contracts, Memorandum of Agreement, Master Power Purchase Agreements and Project Contracts is intended to be a summary of such contracts and funds and is qualified in its entirety by reference to the contracts themselves, which may be obtained from the Town.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 11 RISK MANAGEMENT

The Town procures insurance policies with commercial insurance companies to protect itself against various risk exposures such as general liability, property damage and professional liability. The Town’s Legal Counsel defends the Town in any lawsuits that arise from the normal course of operations.

The Town has a workers’ compensation fund and is self-insured for claims up to a maximum of \$500,000. The Town purchases commercial insurance for claims in excess of self-insured coverage. There is an individual claim maximum of \$500,000. Settled claims have not exceeded coverage in any of the past three years. The Town’s third-party administrator estimates claims payable for incurred claims as of June 30, 2023, at \$ 2,516 for workers’ compensation and heart and hypertension claims.

The Town administers the medical self-insurance program through the Health Benefits fund. The Town has an Anthem Blue Cross/Blue Shield medical plan for which payments are based upon actual claims (versus premium payments). In this case, Anthem Blue Cross/Blue Shield acts as a claims processor and a transfer of risk does not occur.

All funds of the Town participate in the program and make payments to the Health Benefits Fund to pay claims, claim reserves and administrative costs of the program. During the fiscal year ended June 30, 2023, \$ 28,034 in health care benefits and administrative costs were paid. Incurred but not reported health claims of \$ 1,673 have been accrued as a liability based upon information supplied by the Town’s Health Care Administrator. Actuarial estimated liability for claims incurred but not reported is not available.

The changes in the claims liability were as follows for the years ended June 30:

	Balance - Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance - End of Year
Workers' Compensation Fund:				
2021 to 2022	\$ 2,659	\$ 1,631	\$ 1,358	\$ 2,932
2022 to 2023	2,932	750	1,166	2,516
Health Benefits Fund:				
2021 to 2022	1,487	26,021	25,313	2,195
2022 to 2023	2,195	27,512	28,034	1,673

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 12 TAX ABATEMENTS

As of June 30, 2023, the Town provides tax abatements via Tax Assessment (Stabilization) Agreements. The Town enters into Tax Assessment Agreements (Stabilization Agreements) which provide real property tax abatements for real property improvements pursuant to Connecticut General Statutes Section 12-65. The agreements are entered into by the Town and are approved by the Town Council. The abatements are obtained pursuant to a contract between the Town and the owner of the property. The agreements fix the assessment value prior to improvement and defer the increase in the assessed value attributable to the construction/renovation over a period of 7 to 15 years. Continuation of the agreement is conditioned upon continued compliance with the provisions of the agreement and is terminated upon sale or transfer of the property for any other purpose unless the Town has consented thereto. There are no provisions to recapture abated taxes under this program. No other commitments have been made by the Town to the abatement recipients under this program. For the fiscal year ended June 30, 2023, taxes abated through this program total \$1,277.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS

Town OPEB

The Town, in accordance with various collective bargaining agreements, is committed to provide health and other benefits to eligible retirees and their spouses through a single-employer postemployment benefit plan. Benefits are established and amended through negotiations between the Town and the various unions representing Town employees. The Town provides postemployment healthcare benefits, in accordance with current contracts, to Board of Education certified teachers and administrators who retire from the Town in accordance with criteria listed in Note 14. For those employees who terminate without retirement, healthcare benefits continue for 30 days after termination.

Retiree health insurance is provided as a combination of HMO and indemnity coverage, with the retiree selecting the type of coverage. The Town pays for a major portion or all of the total health insurance cost for retirees depending on the coverage election. The Town pays approximately 50% of the cost of coverage for dependents and surviving spouses eligible to participate in the group plan. The remainder of the premium is paid by the retirees for their dependents or the surviving spouse for themselves.

The Town also provides health care benefits to retired police and fire employees as well as chiefs and assistant chiefs, in accordance with union contracts. When they retire, police and fire employees may have up to 50% of their health care benefits paid for by the Town until they reach age 65.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Town OPEB (Continued)

A. Funding Policy (Not Rounded)

The Town's current strategy is to fund current claims and administrative costs for postemployment benefits through its purchase of premium-based coverage.

Although a trust fund may be established in the future to exclusively control the funding and reporting of postemployment benefits, the Town's current commitment is to fund the other postemployment benefits provided to Town retirees on a pay-as-you-go basis.

The Town has not established an OPEB Trust fund, as of June 30, 2023, to irrevocably segregate assets to fund the liability associated with postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines.

The following is the current census of Town benefit participants as of July 1, 2021:

Inactive Employees Currently Receiving Benefit	
Payments	74
Active Employees	1,115
Total	1,189

Postemployment retiree benefit payments for the year ended June 30, 2023, net of retiree and other contributions, amounted to approximately - .

B. Total OPEB Liability

The Town's total OPEB liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability as of June 30, 2023, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.60%
Salary Increases	3.30%, including Inflation
Discount Rate	3.65%
Healthcare Cost Trend Rates	6.60% in 2021, Reducing by 0.5% Each Year to an Ultimate Rate of 4.60% per Year for 2025 and Later
	Dental is assumed to increased by 4.00% per year
Retirees' Share of Benefit-Related Costs	Various

**TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Town OPEB (Continued)

B. Total OPEB Liability (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the 20-year AA municipal bond index for unfunded OPEB plans.

Mortality rates were based on RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment for Police, Fire, and Lineman (no collar adjustment for all others), combined table for non-annuitants and annuitants, projected to the valuation date with Scale BB.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2007, to June 30, 2012.

C. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance - July 1, 2022	\$ 31,000
Changes for the Year:	
Service Cost	1,109
Interest on Total OPEB Liability	1,097
Difference between Expected and Actual Experience	874
Changes in Assumptions or Other Inputs	(307)
Benefit Payments	(2,234)
Net Changes	539
Balance - June 30, 2023	\$ 31,539

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% in 2022 to 3.65% in 2023.

D. 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% lower or 1% higher than the current discount rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$ 34,467	\$ 31,539	\$ 28,915

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Town OPEB (Continued)

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

	1% Decrease (5.60% Decreasing to 3.60%)	Healthcare Cost Trend Rates (6.60% Decreasing to 4.60%)	1% Increase (7.60% Decreasing to 5.60%)
Total OPEB Liability	\$ 27,763	\$ 31,539	\$ 36,018

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

For the year ended June 30, 2023, the Town recognized OPEB expense of \$1,429. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,952	\$ (9,288)
Changes of Assumptions or Other Inputs	4,381	(4,567)
Total	\$ 6,333	\$ (13,855)

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

Year Ending June 30,	Amount
2024	\$ (593)
2025	(593)
2026	(593)
2027	(593)
2028	(593)
Thereafter	(4,557)

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers OPEB

A. Plan Description

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

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

B. Benefit Provisions (Not Rounded)

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least \$440 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue 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.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers OPEB (Continued)

B. Benefit Provisions (Not Rounded) (Continued)

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

Survivor Health Care Coverage

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

C. Eligibility

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

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

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

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

Proratable Retirement – Age 60 with 10 years of Credited Service.

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

Termination of Employment – Ten or more years of Credited Service.

**TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers OPEB (Continued)

D. Contributions

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the state was \$261 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

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

Town's Proportionate Share of the Net OPEB Liability	\$ -
State's Proportionate Share of the Net OPEB Liability associated with the Town	20,490
Total	<u>\$ 20,490</u>

**TOWN OF WALLINGFORD, CONNECTICUT
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2023
 (IN THOUSANDS)**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers OPEB (Continued)

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

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

For the year ended June 30, 2023, the Town recognized OPEB expense and revenue of \$1,235 in Exhibit II.

F. Actuarial Assumptions

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

Inflation	2.50%
Health Care Costs Trend Rate	Known increases until calendar year 2024 then general trend decreasing to an ultimate rate of 4.50% by 2031
Salary Increases	3.00%-6.50%, including Inflation
Investment Rate of Return	3.53%, Net of OPEB Plan Investment Expense, including Inflation
Year Fund Net Position will be Depleted	2027

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

The actuarial assumptions used in the **June 30, 2022**, valuation were based on the results of an actuarial experience study for the period July 1, 2014, to June 30, 2019.

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

- Discount rate changed from 2.17% to 3.53%;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- The assumed age-related annual percentage increases in expected annual per capita health care claim costs were updated;
- Long-term health care cost trend rates were updated; and

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers OPEB (Continued)

F. Actuarial Assumptions (Continued)

- The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.

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

- There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.

The long-term expected rate of return on plan assets is reviewed as part of the GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is -0.98%.

G. Discount Rate

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

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

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers OPEB (Continued)

G. Discount Rate (Continued)

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

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

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

I. OPEB Plan Fiduciary Net Position

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

J. Other Information

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Wallingford Consolidated Pension Plan

A. Plan Description and Benefits Provided (Not Rounded)

The Town of Wallingford is the administrator of the Town's Consolidated Pension Plan, a single-employer contributory defined benefit public employee retirement system (PERS) established and administered by the Town to provide pension benefits to all full-time noncertified employees. The plan is considered to be part of the Town of Wallingford's financial reporting entity and is included in the Town's financial reports as a pension trust fund. The plan does not issue a stand-alone report.

Per the Town Charter, the Personnel Department administers the pension system, receives retirement applications from employees, determines pension eligibility of those employees, calculates pension amounts for those eligible and handles all communication with retirees. The Personnel Department also procures the services of actuaries for pension plan valuation and other consultants as needed for advice regarding the pension plan. Also, per the Town Charter, a Pension Commission determines and invests the pension assets. The Commission consists of six members: the Town Comptroller, Town Treasurer, Personnel Director and three resident electors of the Town who have experience and training in investments and finance, who are appointed by the Mayor with the approval of the Town Council. The Town Treasurer has custody of all pension funds and sees to the investment of pension assets in conformity with actions and policies of the Pension Commission. The Commission may appoint a financial custodian to implement investment decisions and trustees to manage the pension funds.

Membership as of **July 1, 2022**, of the PERS consisted of the following:

	Number of Employees
Retirees and Beneficiaries Currently Receiving Benefits	582
Terminated Employees Not Yet Receiving Benefits	105
Active Plan Members	693
Total	1,380

Members are required to contribute to the plan, and the Town is required to contribute amounts necessary to finance the coverage for its employees. Benefits and contributions are established by the Town and may be amended only by the Town Charter and Union negotiation.

**TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan (Continued)

A. Plan Description and Benefits Provided (Not Rounded) (Continued)

The following summarizes the major provisions of the plan. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Regular Employees:	
Normal Retirement:	
Age and Service Requirement:	
Public Works	30 Years of Credited Service or Age 62 with 10 Years of Credited Service
Management and Supervisors	30 Years of Credited Service or Age 62 with 10 Years of Credited Service.
Electric Division and Water Division	29 Years of Credited Service or Age 60 with 10 Years of Credited Service
Benefit:	
Public Works	2.15% of Final Average Salary Multiplied by Years of Credited Service, Subject to a Maximum of 75% Final Average Salary, including Social Security if Applicable
Management and Supervisors:	2.25% of Final Average Salary Multiplied by Years of Credited Service, Subject to a Maximum of 75% Final Average Salary, including Social Security if Applicable
Electric Division and Water Division:	2.35% of Final Average Salary Multiplied by Years of Credited Service, Subject to a Maximum of 75% Final Average Salary, including Social Security if Applicable
Employees Covered by Social Security:	1.00% to 1.30% Final Average Salary Multiplied by Years of Credited Service, Subject to a Maximum of 70% Final Average Salary, including Social Security if Applicable
Early Retirement:	
Age Requirement	55
Service Requirement	15 Years
Amount:	Normal Pension Accrued Reduced by 0.25% for Each Month that the Participant's Retirement Date Precedes Normal Retirement
Vesting	100% Vested with 5 Years of Credited Service
Employee Contributions:	
Public Works	5% of Weekly Salary
Management and Supervisors	7% of Weekly Salary
Water or Electric Divisions	7.5% of Weekly Salary
	Interest is Credited at 3% per Year

**TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan (Continued)

A. Plan Description and Benefits Provided (Not Rounded) (Continued)

Hazard Employees:	
Normal Pension:	
Police, Firefighters, and Lineworkers:	
Age Requirement:	None
Service Requirement:	
Police	22 Years of Service
Firefighter	23 Years of Service
Lineworker	25 Years of Service
Benefit:	
Police:	For Pre-February 23, 2018 Hires: 2.35% of Final Average Salary per Year of Credited Service, Subject to a Maximum of 75% Final Average Salary For Post-February 22, 2018 Hires: 2.25% of Final Average Salary per Year of Credited Service, Subject to a Maximum of 75% Final Average Salary
Firefighter	2.35% of Final Average Salary per Year of Credited Service, Subject to a Maximum of 75% Final Average Salary, Minimum of \$1,200 per Year For Post-July 1, 2015, Hires: 2.25%
Lineworker	For Pre-July 1, 2007 Hires: 2.35% of Final Average Salary per Year of Credited Service, Subject to a Maximum of 75% Final Average Salary, Minimum of \$1,200 per Year For Post-July 1, 2007, Hires: 2.25% of Final Average Salary per Year of Credited Service, Subject to a Maximum of 75% Final Average Salary. Minimum of \$1,200 per Year
Vesting	100% Vesting after 5 Years of Credited Service
Employee Contributions:	
Police	9.0% of Weekly Salary
Firefighter	9.0% of Weekly Salary
Lineworker	8.5% of Weekly Salary
	Interest is Credited at 3% per Year
Cost-of-Living Adjustment:	
Police	2% per Year after Age 60. Normal Retirements Only
Firefighter	2% per Year after Age 60, Normal and Disability Retirements
Lineworker	2% per Year after Age 60, if Hired on or before January 1, 2001, All Normal Retirement Benefits on or after July 1, 1992, with at Least 25 Years of Service

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan (Continued)

B. Summary of Significant Accounting Policies and System Assets

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plan. Plan member contributions are recognized in the period in which they are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

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

Concentration of Investments

There were no investments in any one organization that represented 5% or more of net position available for benefits, except for investments in United States backed bonds.

Plan Expenses

Expenses of administering the plan are paid for from contributions to the plan.

Measurement Date

The most recent valuation was performed as of July 1, 2021, rolled forward to a measurement date of June 30, 2023.

C. Funding Policy

Employees contribute between 5% and 7.5% of their weekly salary to the plan. Contributions earn 3% interest returnable upon termination before retirement. The Town is required to contribute the remaining amounts necessary to finance the benefits for its employees as determined by its actuaries; the current rate is 25.65% of annual covered payroll. Benefits and employee contributions are fixed by contract and may be amended subject to union negotiations.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan (Continued)

D. Investments

The Pension Commission utilizes the plan's Investment Policy Statement (IPS) to determine the allocation of the plan's invested assets. The goal of the IPS is to reduce risk by utilizing an investment strategy through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy as of June 30, 2023.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>	<u>Weighting</u>
Fixed Income	24.50 %	2.40 %	0.59 %
U.S. Equity	41.50	7.60	3.15
International Equity	30.00	10.30	3.09
International Equity	4.00	5.60	0.22
Total Portfolio	100.00 %		7.05
Long-Term Expected Nominal Return			7.05 %

*Long-Term Returns are provided by Fiducient Advisors. The returns are geometric means.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.66%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability of the Town

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

Total Pension Liability	\$ 343,942
Plan Fiduciary Net Position	239,184
Town's Net Pension Liability	\$ 104,758

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.54 %
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TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan (Continued)

E. Net Pension Liability of the Town (Continued)

Actuarial Assumptions

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

Inflation	2.40%
Salary Increases:	
Hazardous Plan	Ranges from 2.4% to 8.9%, Based on Age
Non-Hazardous Plan	Ranges from 2.4% to 8.7%, Based on Age
Investment Rate of Return	7.00%

For hazard employees and regular employees, mortality rates were based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees and Public Safety, projected to valuation date with Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included along with the pension plan's long-term target asset allocation. Since the term rates shown above are geometric averages, the impact of asset allocation and rebalancing is not reflected in the expected return. An expected rate of return of 7.00% was used.

Discount Rate

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan (Continued)

E. Net Pension Liability of the Town (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Consolidated Pension Fund:			
Balance - July 1, 2022	\$ 322,729	\$ 222,371	\$ 100,358
Changes for the Year:			
Service Cost	6,750	-	6,750
Interest on Total Pension Liability	22,327	-	22,327
Differences between Expected and Actual Experience	6,775	-	6,775
Changes in Assumptions	6,775	-	6,775
Employer Contributions	-	11,639	(11,639)
Member Contributions	-	3,378	(3,378)
Net Investment Income	-	23,383	(23,383)
Benefit Payments, Including Refunds of Employee Contributions	(21,414)	(21,414)	-
Administrative Expenses	-	(173)	173
Other Changes	-	-	-
Net Changes	<u>21,213</u>	<u>16,813</u>	<u>4,400</u>
Balance - June 30, 2023	<u>\$ 343,942</u>	<u>\$ 239,184</u>	<u>\$ 104,758</u>

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	<u>\$ 144,677</u>	<u>\$ 104,758</u>	<u>\$ 71,216</u>

**TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Volunteer Firefighters Length of Service Award Plan

A. Plan Description and Benefits Provided (Not Rounded)

The Town of Wallingford is the administrator of the Town’s Volunteer Firefighters Length of Service Award Plan, a single-employer defined benefit public employee retirement system (PERS) established and administered by the Town to provide pension benefits to qualified volunteer firefighters. The plan is considered to be part of the Town of Wallingford’s financial reporting entity and is included in the Town’s financial reports as a pension trust fund. The plan does not issue a stand-alone report.

The plan is administered by the Personnel Department and Pension Commission as previously stated in the Consolidated Pension Plan Note above.

Membership as of July 1, 2021, of the PERS consisted of the following:

	Number of Employees
Inactive Members Currently Receiving Benefits	17
Inactive Vested Members	64
Current Active Members	35
Total	116

Benefits are established by the Town and may be amended only by the Town Charter.

**TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)**

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Volunteer Firefighters Length of Service Award Plan (Continued)

A. Plan Description and Benefits Provided (Not Rounded) (Continued)

The following is a brief summary of the plan provisions:

Normal Pension:

Age Requirement	65
Service Requirement	5 Years (1 Year After Program's Initiation)
Amount	\$10 per Month for the 1st 10 Years of Service Plus \$15 per Month for the 2nd 10 Years of Service; Plus \$20 per Month for Each Year of Service for the Next 10 Years of Service (30-Year Maximum). The monthly pension amount is subject to a \$450 maximum.

Disability:

Age Requirement	None
Service Requirement	None
Amount	Regular Pension Accrued Deferred to Age 65 or Lump-Sum Cash Benefit Equal to the Accrued Benefit Multiplied by 120

Vesting:

Age Requirement	None
Service Requirement	5 Years
Amount	Regular Pension Accrued Deferred to Age 65
Service	One year of service will be credited for each year the activity requirement is met. Currently, this requirement is 100 points.

B. Summary of Significant Accounting Policies and System Assets

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plan. Plan member contributions are recognized in the period in which they are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

The plan reports investments at fair value. Investment income is recognized as earned.

Concentration of Investments

There were no investments in any one organization that represented 5% or more of net position available for benefits, except for investments in United States-backed bonds.

Plan Expenses

Expenses of administering the plan are paid for from contributions to the plan.

Measurement Date

The most recent valuation was performed as of July 1, 2021, rolled forward to a measurement date of June 30, 2023.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Volunteer Firefighters Length of Service Award Plan (Continued)

C. Funding Policy

The Town funding policy is to contribute the amount equal to the normal cost, plus a past service payment representing amortization of the unfunded accrued liability.

D. Investments

Funds are invested in the same manner as in the Consolidated Pension Plan Note above.

The following was the Board's adopted asset allocation policy as of June 30, 2023.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>	<u>Weighting</u>
Fixed Income	24.50 %	2.40 %	0.59 %
U.S. Equity	41.50	7.60	3.15
International Equity	30.00	10.30	3.09
Real Assets	4.00	5.60	0.22
Total Portfolio	<u>100.00 %</u>		<u>7.05</u>
Long-Term Expected Nominal Return			<u>7.05 %</u>

*Long-Term Returns are provided by Fiducient Advisors. The returns are geometric means.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability (Asset) of the Town

The components of the net pension liability (asset) of the Town at June 30, 2023 were as follows:

Total Pension Liability	\$ 1,490
Plan Fiduciary Net Position	1,566
Town's Net Pension Asset (Liability)	<u>\$ (76)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	105.10 %

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Volunteer Firefighters Length of Service Award Plan (Continued)

E. Net Pension Liability (Asset) of the Town (Continued)

Actuarial Assumptions

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

Inflation	2.60%
Salary Increases	N/A - Members are Volunteers
Investment Rate of Return	7.0%, Including Inflation

Mortality rates were based on the RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, combined table for nonannuitants and annuitants, projected to the valuation date with Scale BB.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included along with the pension plan's long-term target asset allocation. Since the term rates shown above are geometric averages, the impact of asset allocation and rebalancing is not reflected in the expected return. An expected rate of return of 7.00% was used.

Discount Rate

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Volunteer Firefighters Length of Service Award Plan (Continued)

E. Net Pension Liability (Asset) of the Town (Continued)

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Volunteer Firefighter's Pension Fund:			
Balance - July 1, 2022	\$ 1,450	\$ 1,512	\$ (62)
Changes for the Year:			
Service Cost	7	-	7
Interest on Total Pension Liability	100		100
Employer Contributions	-	11	(11)
Net Investment Income	-	112	(112)
Benefit Payments, Including Refund to Employee Contributions	(67)	(67)	-
Administrative Expenses	-	(2)	2
Net Changes	<u>40</u>	<u>54</u>	<u>(14)</u>
Balance - June 30, 2023	<u>\$ 1,490</u>	<u>\$ 1,566</u>	<u>\$ (76)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability (Asset)	<u>\$ 72</u>	<u>\$ (76)</u>	<u>\$ (202)</u>

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan and Volunteer Firefighters Length of Service Award Plan Information

A. Net Pension Liability (Asset) of the Town

The Town maintains two pension trust funds. The following tables are prepared combining the Consolidated Pension Plan and the Volunteer Firefighters Length of Service Award Plan.

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

For the year ended June 30, 2023, the Town recognized total pension expense of \$20,774 . At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related pension from the following sources:

	Deferred Outflows of Resources		
	Consolidated Pension	Volunteer Firefighters	Total
Differences Between Expected and Actual Experience	\$ 8,902	\$ 2	\$ 8,904
Changes of Assumptions	9,720	20	9,740
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	12,796	178	12,974
Total	<u>\$ 31,418</u>	<u>\$ 200</u>	<u>\$ 31,618</u>

	Deferred Inflows of Resources		
	Consolidated Pension	Volunteer Firefighters	Total
Differences Between Expected and Actual Experience	\$ 248	\$ 85	\$ 333

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan and Volunteer Firefighters Length of Service Award Plan Information (Continued)

A. Net Pension Liability (Asset) of the Town (Continued)

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

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

<u>Year Ending June 30,</u>	<u>Consolidated Pension</u>	<u>Volunteer Firefighters</u>	<u>Total</u>
2024	\$ 8,566	\$ (4)	\$ 8,562
2025	6,211	33	6,244
2026	14,175	88	14,263
2027	987	(2)	985
2028	1,231	-	1,231
Total	<u>\$ 31,170</u>	<u>\$ 115</u>	<u>\$ 31,285</u>

The following schedules present the net position held in trust for pension benefits at June 30, 2023, and the changes in net position for the year then ended:

	<u>Consolidated Pension Fund</u>	<u>Volunteer Firefighters Pension Fund</u>	<u>Interfund Eliminations</u>	<u>Totals</u>
Assets:				
Cash and Cash Equivalents	\$ 1,981	\$ -	\$ -	\$ 1,981
Investments:				
Mutual Funds	240,441	-	-	240,441
Accounts Receivable	387			387
Due from Consolidated Pension Fund	-	1,727	(1,727)	-
Total Assets	<u>242,809</u>	<u>1,727</u>	<u>(1,727)</u>	<u>242,809</u>
Liabilities:				
Accounts and Other Payables	43	161	-	204
Due to Other Funds	3,582	-	(1,727)	1,855
Total Liabilities	<u>3,625</u>	<u>161</u>	<u>(1,727)</u>	<u>2,059</u>
Net Position:				
Restricted for Pensions	<u>\$ 239,184</u>	<u>\$ 1,566</u>	<u>\$ -</u>	<u>\$ 240,750</u>

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Wallingford Consolidated Pension Plan and Volunteer Firefighters Length of Service Award Plan Information (Continued)

A. Net Pension Liability (Asset) of the Town (Continued)

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

	Combining Statement of Changes in Fiduciary Net Position		
	Consolidated Pension Fund	Volunteer Firefighters Pension Fund	Totals
Additions:			
Contributions:			
Employer	\$ 11,639	\$ 11	\$ 11,650
Plan Members	3,378	-	3,378
Total Contributions	15,017	11	15,028
Investment Income:			
Net Change in Fair Value of Investments	17,435	84	17,519
Interest and Dividends	5,959	28	5,987
Other Income	18	-	18
Investment Fee Expense	(29)	-	(29)
Total Investment Income	23,383	112	23,495
Total Additions	38,400	123	38,523
Deductions:			
Benefits	21,035	67	21,102
Refunds of Contributions	379	-	379
Administration	173	2,000	175
Total Deductions	21,587	69	21,656
Net Change	16,813	54	16,867
Net Position Restricted for Pensions - Beginning of Year	222,371	1,512	223,883
Net Position Restricted for Pensions - End of Year	\$ 239,184	\$ 1,566	\$ 240,750

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

C. Contributions

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

C. Contributions (Continued)

Employer (School Districts)

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

For the year ended June 30, 2023, the amount of “on-behalf” contributions made by the state was \$18,447 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

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

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

Town’s Proportionate Share of the Net Pension Liability	\$	-
State’s Proportionate Share of the Net Pension Liability associated with the Town		233,968
Total	\$	<u>233,968</u>

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

For the year ended June 30, 2023, the Town recognized pension expense and revenue of \$22,613 in Exhibit II.

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions

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

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

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

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

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

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

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

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Long-Term Rate of Return

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

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

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

F. Discount Rate

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

TOWN OF WALLINGFORD, CONNECTICUT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023
(IN THOUSANDS)

NOTE 14 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

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

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

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

I. Other Information

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

NOTE 15 CONTINGENT LIABILITIES

The Town is contingently liable in connection with litigation involving personal injury claims, zoning matters, property tax appeals, other miscellaneous suits and unasserted claims. The Town intends to vigorously defend these actions; however, there can be no assurance that the Town will prevail.

The Town Attorney estimates that the potential claims against the Town not covered by insurance resulting from such litigation would not materially affect the financial position of the Town. When it has been determined that the Town faces an exposure in matters of litigation, the Town's policy is to establish an appropriate reserve.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues:				
General Property Taxes:				
Current Tax Levy	\$ 131,774	\$ 131,774	\$ 131,022	\$ (752)
Prior Year's Levy	1,530	1,530	1,722	192
Interest and Liens	755	755	895	140
Total General Property Taxes	<u>134,059</u>	<u>134,059</u>	<u>133,639</u>	<u>(420)</u>
Licenses and Permits:				
Building	750	750	1,100	350
Public Safety	29	29	28	(1)
Public Works	5	5	7	2
Health	21	21	14	(7)
Total Licenses and Permits	<u>805</u>	<u>805</u>	<u>1,149</u>	<u>344</u>
Intergovernmental Revenues:				
Education Cost Sharing	20,856	20,856	20,875	19
Pilot Housing/State	4,374	4,374	4,424	50
Municipal Revenue Sharing	3,482	3,482	4,362	880
Disability and Veterans Exemptions	39	39	33	(6)
Pequot Funds	33	33	33	-
Health	28	28	27	(1)
Vocational Agriculture	1,377	1,377	1,464	87
CARES Act - Covid-19	-	14	14	-
FEMA Reimbursement	-	-	67	67
Miscellaneous Grants	100	145	144	(1)
Total Intergovernmental Revenues	<u>30,289</u>	<u>30,348</u>	<u>31,443</u>	<u>1,095</u>
Charges for Services:				
Rent	229	229	245	16
Town Clerk	1,050	1,050	831	(219)
Public Safety	2,580	2,831	3,354	523
Public Works	46	46	37	(9)
Veterans	13	13	14	1
Tuition	1,213	1,213	1,179	(34)
Total Charges for Services	<u>5,131</u>	<u>5,382</u>	<u>5,660</u>	<u>278</u>
Use of Money:				
Investment Income	175	175	1,693	1,518

**TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues (Continued):				
Other Revenue:				
Sewer Assessment	\$ 1	\$ 1	\$ 3	\$ 2
In Lieu of Taxes/Telephone	550	550	1,370	820
Compensation and Insurance Recovery	87	405	383	(22)
Proportionate Charges	1,242	1,242	1,242	-
Encumbrance Cancellations	50	50	80	30
Miscellaneous	49	182	244	62
Total Other Revenue	1,979	2,430	3,322	892
Total Revenues	172,438	173,199	176,906	3,707
Other Financing Sources:				
Transfers In:				
Electric Division	1,762	1,762	1,762	-
Other Funds	103	103	260	157
Total Other Financing Sources	1,865	1,865	2,022	157
Total Revenues and Other Financing Sources	\$ 174,303	\$ 175,064	178,928	\$ 3,864

Budgetary revenues are different than GAAP revenues because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted:

Pension	18,447
OPEB	261

Under liquidation of prior year encumbrances is recorded as miscellaneous revenue for budgetary reporting. This amount is excluded for financial reporting purposes.

(80)

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

\$ 197,556

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General Government:				
Town Council:				
Salaries and Wages	\$ 75	\$ 66	\$ 51	\$ 15
Operating and Maintenance	8	17	13	4
Total Town Council	83	83	64	19
Mayor:				
Salaries and Wages	249	246	240	6
Operating and Maintenance	72	75	67	8
Total Mayor	321	321	307	14
Program Planning:				
Salaries and Wages	100	100	92	8
Operating and Maintenance	6	6	4	2
Total Program Planning	106	106	96	10
Government Access TV:				
Salaries and Wages	43	43	39	4
Operating and Maintenance	11	20	16	4
Capital	-	-	-	-
Total Government Access TV	54	63	55	8
Department of Law:				
Salaries and Wages	364	364	353	11
Operating and Maintenance	204	222	198	24
Capital	-	7	6	1
Total Department of Law	568	593	557	36
Board of Assessment Appeals:				
Salaries and Wages	8	8	7	1
Operating and Maintenance	2	2	1	1
Total Board of Assessment Appeals	10	10	8	2

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General Government (Continued):				
Finance:				
Salaries and Wages	\$ 1,920	\$ 1,909	\$ 1,753	\$ 156
Operating and Maintenance	686	697	633	64
Capital	106	106	14	92
Total Finance	<u>2,712</u>	<u>2,712</u>	<u>2,400</u>	<u>312</u>
Library:				
Operating and Maintenance	3,241	3,241	3,241	-
Personal Pension and Risk Management:				
Salaries and Wages	589	589	584	5
Operating and Maintenance	285	302	275	27
Capital	11	11	7	4
Total Personal Pension and Risk Management	<u>885</u>	<u>902</u>	<u>866</u>	<u>36</u>
Pension Fund:				
Operating and Maintenance	10,120	10,120	9,448	672
Employee Insurance and Other Benefits:				
Salaries and Wages	613	611	433	178
Operating and Maintenance	8,399	8,384	7,344	1,040
Total Employee Insurance and Other Benefits	<u>9,012</u>	<u>8,995</u>	<u>7,777</u>	<u>1,218</u>
Property and Casualty Insurance:				
Operating and Maintenance	1,331	1,331	1,288	43
Building Department:				
Salaries and Wages	466	483	475	8
Operating and Maintenance	33	45	42	3
Total Building Department	<u>499</u>	<u>528</u>	<u>517</u>	<u>11</u>
Register of Voters:				
Salaries and Wages	178	178	154	24
Operating and Maintenance	47	47	26	21
Capital	-	-	-	-
Total Register of Voters	<u>225</u>	<u>225</u>	<u>180</u>	<u>45</u>

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General Government (Continued):				
Town Clerk:				
Salaries and Wages	\$ 233	\$ 236	\$ 212	\$ 24
Operating and Maintenance	78	87	57	30
Capital	-	2	2	-
Total Town Clerk	311	325	271	54
Planning and Zoning:				
Salaries and Wages	250	253	252	1
Operating and Maintenance	36	36	29	7
Capital	-	-	-	-
Total Planning and Zoning	286	289	281	8
Inland/Wetlands Commission:				
Salaries and Wages	100	100	99	1
Operating and Maintenance	9	11	9	2
Capital	-	1	1	-
Total Inland/Wetlands Commission	109	112	109	3
Zoning Board of Appeals:				
Salaries and Wages	1	1	1	-
Operating and Maintenance	11	11	9	2
Total Zoning Board of Appeals	12	12	10	2
Economic Development Commission:				
Salaries and Wages	81	81	30	51
Operating and Maintenance	36	36	12	24
Capital	-	-	-	-
Total Economic Development Commission	117	117	42	75
Conservation Commission:				
Salaries and Wages	1	1	1	-
Operating and Maintenance	8	8	7	1
Total Conservation Commission	9	9	8	1
Public Utilities Commission:				
Salaries and Wages	288	288	282	6
Operating and Maintenance	6	6	6	-
Total Public Utilities Commission	294	294	288	6

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
General Government (Continued):				
Probate Court:				
Operating and Maintenance	\$ 11	\$ 11	\$ 11	\$ -
Civil Preparedness:				
Salaries and Wages	13	13	13	-
Operating and Maintenance	8	8	2	6
Capital	11	11	10	1
Total Civil Preparedness	<u>32</u>	<u>32</u>	<u>25</u>	<u>7</u>
Contingency Accounts:				
General and Accrued Expenses	<u>775</u>	<u>605</u>	<u>-</u>	<u>605</u>
Total General Government	31,123	31,036	27,849	3,187
Public Safety:				
Police Department:				
Salaries and Wages	9,849	10,148	9,099	1,049
Operating and Maintenance	1,525	1,540	1,356	184
Capital	252	417	375	42
Total Police Department	<u>11,626</u>	<u>12,105</u>	<u>10,830</u>	<u>1,275</u>
Dog Pound:				
Salaries and Wages	192	192	174	18
Operating and Maintenance	53	53	42	11
Capital	1	1	1	-
Total Dog Pound	<u>246</u>	<u>246</u>	<u>217</u>	<u>29</u>
Fire Department:				
Salaries and Wages	8,358	8,275	8,144	131
Operating and Maintenance	1,192	1,374	1,194	180
Capital	293	294	213	81
Total Fire Department	<u>9,843</u>	<u>9,943</u>	<u>9,551</u>	<u>392</u>
Total Public Safety	21,715	22,294	20,598	1,696

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General Government (Continued):				
Public Works:				
Engineering Department:				
Salaries and Wages	\$ 413	\$ 413	\$ 411	\$ 2
Operating and Maintenance	60	65	59	6
Capital	20	24	4	20
Total Engineering Department	493	502	474	28
Department of Public Works:				
Salaries and Wages	3,456	3,287	2,840	447
Operating and Maintenance	2,773	2,831	2,593	238
Capital	277	388	382	6
Total Department of Public Works	6,506	6,506	5,815	691
Total Public Works	6,999	7,008	6,289	719
Health and Social Services:				
Health Department:				
Salaries and Wages	455	457	343	114
Operating and Maintenance	43	44	33	11
Capital	4	5	5	-
Total Health Department	502	506	381	125
Social Services:				
Salaries and Wages	396	396	381	15
Operating and Maintenance	94	91	80	11
Capital	-	4	4	-
Pass-Through Agency Contributions	1,303	1,303	1,288	15
Total Social Services	1,793	1,794	1,753	41
Veteran's Service Center:				
Salaries and Wages	24	24	24	-
Operating and Maintenance	1	1	1	-
Capital	-	1	1	-
Total Veteran's Service Center	25	26	26	-
Total Health and Social Services	2,320	2,326	2,160	166

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Parks and Recreation:				
Department of Parks and Recreation:				
Salaries and Wages	\$ 777	\$ 777	\$ 700	\$ 77
Operating and Maintenance	145	142	118	24
Capital	25	97	96	1
Total Parks and Recreation	<u>947</u>	<u>1,016</u>	<u>914</u>	<u>102</u>
Education	109,898	110,148	110,040	108
Debt Service:				
Principal	4,360	4,360	4,360	-
Interest	1,077	1,077	1,077	-
Administration, Registration, and Other	17	17	17	-
Total Debt Service	<u>5,454</u>	<u>5,454</u>	<u>5,454</u>	<u>-</u>
Appropriations in Force Carryforward:				
Capital and Nonrecurring Items	<u>-</u>	<u>2,843</u>	<u>657</u>	<u>2,186</u>
Total Expenditures	178,456	182,125	173,961	8,164
Other Financing Uses:				
Transfers Out	<u>2,247</u>	<u>2,247</u>	<u>2,247</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 180,703</u>	<u>\$ 184,372</u>	176,208	<u>\$ 8,164</u>

**TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2023
(NON-GAAP BUDGETARY BASIS)
(IN THOUSANDS)**

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted:

Pension	\$	18,447
OPEB		261

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes.	(1,079)
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Encumbrances for purchases and commitments ordered in the previous year, that were received and liquidated in the current year are reported for in the current year are reported for financial statement reporting purposes.	910
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The Town and Board of Education do not budget for accrued payroll services earned at year end. The accrued wages are charged to the subsequent year's budget. The change in the accrual is recorded as an adjustment to the current year expenditure for GAAP financial statement purposes.	290
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Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV	\$ 195,037
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TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWN
LAST NINE FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:									
Service Cost	\$ 6,750	\$ 6,661	\$ 6,507	\$ 6,456	\$ 6,014	\$ 6,069	\$ 5,664	\$ 5,280	\$ 5,102
Interest	22,327	21,625	20,892	20,393	19,524	18,772	17,964	17,178	16,642
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-
Differences between Expected and Actual Experience	6,775	3,339	2,691	(957)	2,850	(1,276)	1,596	1,376	(1,525)
Changes of Assumptions	6,775	3,372	3,197	2,230	2,847	5,242	2,618	-	-
Benefit Payments, including Refunds of Member Contributions	(21,414)	(20,026)	(18,071)	(16,659)	(15,702)	(14,698)	(13,966)	(13,828)	(12,847)
Net Change in Total Pension Liability	21,213	14,971	15,216	11,463	15,533	14,109	13,876	10,006	7,372
Total Pension Liability - Beginning of Year	322,729	307,758	292,542	281,079	265,546	251,437	237,561	227,555	220,183
Total Pension Liability - End of Year	343,942	322,729	307,758	292,542	281,079	265,546	251,437	237,561	227,555
Plan Fiduciary Net Position:									
Contributions - Employer	11,639	11,043	9,194	9,602	9,367	9,297	8,639	8,411	8,192
Contributions - Member	3,378	3,204	3,042	3,046	2,989	2,919	2,797	2,723	2,626
Net Investment Income	23,383	(39,545)	59,407	5,912	11,504	14,521	23,070	766	4,904
Benefit Payments, including Refunds of Member Contributions	(21,414)	(20,026)	(18,071)	(16,659)	(15,702)	(14,698)	(13,966)	(13,828)	(12,849)
Administrative Expense	(173)	(124)	(132)	(106)	(112)	(109)	(97)	(102)	(95)
Other	-	-	-	-	2	7	80	33	697
Net Change in Plan Fiduciary Net Position	16,813	(45,448)	53,440	1,795	8,048	11,937	20,523	(1,997)	3,475
Plan Fiduciary Net Position - Beginning of Year	222,371	267,819	214,379	212,584	204,536	192,599	172,076	174,073	170,598
Plan Fiduciary Net Position - End of Year	239,184	222,371	267,819	214,379	212,584	204,536	192,599	172,076	174,073
Net Pension Liability - End of Year	\$ 104,758	\$ 100,358	\$ 39,939	\$ 78,163	\$ 68,495	\$ 61,010	\$ 58,838	\$ 65,485	\$ 53,482
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.54 %	68.90 %	87.02 %	73.28 %	75.63 %	77.02 %	76.60 %	72.43 %	76.50 %
Covered Payroll	\$ 44,546	\$ 43,061	\$ 43,559	\$ 43,663	\$ 43,222	\$ 43,097	\$ 42,990	\$ 41,595	\$ 39,273
Net Pension Liability as a Percentage of Covered Payroll	235.17 %	233.06 %	91.69 %	179.01 %	158.47 %	141.56 %	136.86 %	157.43 %	136.18 %

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

**TOWN OF WALLINGFORD, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 TOWN
 LAST TEN FISCAL YEARS
 (IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 10,526	\$ 10,505	\$ 9,194	\$ 9,602	\$ 9,367	\$ 9,297	\$ 8,639	\$ 8,411	\$ 8,192	\$ 7,446
Contributions in Relation to the Actuarially Determined Contribution	<u>11,639</u>	<u>11,043</u>	<u>9,194</u>	<u>9,602</u>	<u>9,367</u>	<u>9,297</u>	<u>8,639</u>	<u>8,411</u>	<u>8,192</u>	<u>7,446</u>
Contribution Deficiency (Excess)	<u>\$ (1,113)</u>	<u>\$ (538)</u>	<u>\$ -</u>							
Covered Payroll	\$ 44,546	\$ 43,061	\$ 43,559	\$ 43,663	\$ 43,222	\$ 43,097	\$ 42,990	\$ 41,595	\$ 39,273	\$ 38,849
Contributions as a Percentage of Covered Payroll	26.13 %	25.65 %	21.11 %	21.99 %	21.67 %	21.57 %	20.10 %	20.22 %	20.86 %	19.17 %

Notes to Schedule:

Valuation Date: July 1, 2021
 Measurement Date: June 30, 2023
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:
 Actuarial Cost Method Entry Age Normal
 Amortization Method Level Percentage of Salary
 Remaining Amortization Period 24 Years, Open
 Asset Valuation Method 5-Year Smoothed
 Inflation 2.40%
 Salary Increases:
 Hazardous Plan Ranges from 2.4% to 8.9%, Based on Age
 Non-Hazardous Plan Ranges from 2.4% to 8.7%, Based on Age
 Investment Rate of Return 7.00%

Retirement Age - Hazardous Plan:
 Police 22 Years of Service
 Fire 23 Years of Service
 Lineman 25 Years of Service

Retirement Age - Non-Hazardous Plan:
 Public Works 30 Years of Credited Service or Age 62 with 10 Years of Credited Service
 Management and Supervisors 30 Years of Credited Service or Age 62 with 10 Years of Credited Service
 Electric and Water Division 29 Years of Credited Service or Age 60 with 10 Years of Credited Service

Mortality:

**TOWN OF WALLINGFORD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 TOWN
 LAST NINE FISCAL YEARS*
 (IN THOUSANDS)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	10.66 %	(14.93)%	28.03 %	2.81 %	5.68 %	7.60 %	13.57 %	0.46 %	3.30 %

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

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
VOLUNTEER FIRE
LAST NINE FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:									
Service Cost	\$ 7	\$ 8	\$ 8	\$ 13	\$ 13	\$ 23	\$ 22	\$ 17	\$ 18
Interest	100	103	100	117	112	115	110	103	101
Differences Between Expected and Actual Experience	-	(84)	-	(298)	-	(115)	-	22	(38)
Changes of Assumptions	-	32	-	27	-	26	16	-	-
Benefit Payments, Including Refunds of Member Contributions	(67)	(62)	(53)	(57)	(53)	(59)	(63)	(50)	(52)
Net Change in Total Pension Liability	40	(3)	55	(198)	72	(10)	85	92	29
Total Pension Liability - Beginning of Year	1,450	1,453	1,398	1,596	1,524	1,534	1,449	1,357	1,328
Total Pension Liability - End of Year	1,490	1,450	1,453	1,398	1,596	1,524	1,534	1,449	1,357
Plan Fiduciary Net Position:									
Contributions - Employer	11	13	13	26	26	43	43	41	42
Net Investment Income	112	(312)	365	20	62	124	178	(10)	127
Benefit Payments, Including Refunds of Member Contributions	(67)	(62)	(53)	(57)	(53)	(59)	(62)	(50)	(52)
Administrative Expense	(2)	-	-	(7)	-	(8)	-	-	-
Net Change in Plan Fiduciary Net Position	54	(361)	325	(18)	35	100	159	(19)	117
Plan Fiduciary Net Position - Beginning of Year	1,512	1,873	1,548	1,566	1,531	1,431	1,272	1,291	1,174
Plan Fiduciary Net Position - End of Year	1,566	1,512	1,873	1,548	1,566	1,531	1,431	1,272	1,291
Net Pension Liability (Asset) - End of Year	\$ (76)	\$ (62)	\$ (420)	\$ (150)	\$ 30	\$ (7)	\$ 103	\$ 177	\$ 66
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	105.10 %	104.28 %	128.91 %	110.73 %	98.12 %	100.46 %	93.29 %	87.78 %	95.14 %
Covered Payroll*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Covered payroll is not included in the above schedule as the persons covered are volunteers.

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

**TOWN OF WALLINGFORD, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 VOLUNTEER FIRE
 LAST TEN FISCAL YEARS
 (IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 11	\$ 13	\$ 13	\$ 26	\$ 26	\$ 43	\$ 43	\$ 41	\$ 42	\$ 31
Contributions in Relation to the Actuarially Determined Contribution	11	13	13	26	26	43	43	41	42	31
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	N/A									

Notes to Schedule:

Valuation Date July 1, 2021
 Measurement Date June 30, 2023

Actuarially determined contribution rates are calculated as of January 1, one and a half years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry Age Normal
 Amortization Method Level Percentage of Salary
 Remaining Amortization Period 25 Years, Open
 Asset Valuation Method 5-Year Smoothed
 Inflation 2.60%
 Investment Rate of Return 7.00%
 Retirement Age The Later of Age 65 and 5 Years of Service
 Mortality RP-2000 Mortality Table with Separate Male and Female Rates, with Blue Collar Adjustment, Combined Table for Non-Annuitants and Annuitants, Projected to the Valuation Date with Scale BB. The base year used for projection is 2006.

**TOWN OF WALLINGFORD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 VOLUNTEER FIRE
 LAST NINE FISCAL YEARS*
 (IN THOUSANDS)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	7.54 %	(16.84)%	23.79 %	1.28 %	4.07 %	8.64 %	13.90 %	(0.79)%	10.62 %

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

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST NINE FISCAL YEARS*
(IN THOUSANDS)

	<u>2023</u>	<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	- %	- %	- %	- %	- %	- %	- %	- %	- %
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>233,968</u>	<u>188,480</u>	<u>237,978</u>	<u>214,685</u>	<u>165,534</u>	<u>166,166</u>	<u>175,306</u>	<u>133,407</u>	<u>123,308</u>
Total	<u>\$ 233,968</u>	<u>\$ 188,480</u>	<u>\$ 237,978</u>	<u>\$ 214,685</u>	<u>\$ 165,534</u>	<u>\$ 166,166</u>	<u>\$ 175,306</u>	<u>\$ 133,407</u>	<u>\$ 123,308</u>
Town's Covered Payroll	\$ 58,065	\$ 57,631	\$ 55,439	\$ 53,946	\$ 52,545	\$ 51,357	\$ 50,654	\$ 49,221	\$ 47,622
Town's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %	- %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.06 %	60.77 %	49.24 %	49.24 %	49.24 %	49.24 %	49.24 %	49.24 %	49.24 %

Notes to Schedule:

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

Note: the measurement date is one year earlier than the employer's reporting date.

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

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST SIX FISCAL YEARS*
(IN THOUSANDS)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:						
Service Cost	\$ 1,109	\$ 1,718	\$ 1,627	\$ 1,195	\$ 1,066	\$ 1,077
Interest	1,097	988	995	1,291	1,327	1,226
Differences Between Expected and Actual Experience	874	(10,400)	(713)	1,346	26	429
Changes of Assumptions and Other Inputs	(307)	(4,457)	214	5,111	1,276	(1,022)
Benefit Payments	<u>(2,234)</u>	<u>(1,773)</u>	<u>(1,134)</u>	<u>(1,176)</u>	<u>(1,493)</u>	<u>(1,789)</u>
Net Change in Total OPEB Liability	539	(13,924)	989	7,767	2,202	(79)
Total OPEB Liability - Beginning of Year	<u>31,000</u>	<u>44,924</u>	<u>43,935</u>	<u>36,168</u>	<u>33,966</u>	<u>34,045</u>
Total OPEB Liability - End of Year	<u>\$ 31,539</u>	<u>\$ 31,000</u>	<u>\$ 44,924</u>	<u>\$ 43,935</u>	<u>\$ 36,168</u>	<u>\$ 33,966</u>
Covered-Employee Payroll	\$ 96,482	\$ 93,400	\$ 92,723	\$ 89,760	\$ 89,958	\$ 87,084
Total OPEB Liability as a Percentage of Covered-Employee Payroll	32.69 %	33.19 %	48.45 %	48.95 %	40.21 %	39.00 %

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

TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST SIX FISCAL YEARS*
(IN THOUSANDS)

	2023	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	- %	- %	- %	- %	- %	- %
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	20,490	20,535	35,494	33,481	33,091	42,769
Total	<u>\$ 20,490</u>	<u>\$ 20,535</u>	<u>\$ 35,494</u>	<u>\$ 33,481</u>	<u>\$ 33,091</u>	<u>\$ 42,769</u>
Town's Covered Payroll	\$ 58,065	\$ 57,631	\$ 55,439	\$ 53,946	\$ 52,545	\$ 51,357
Town's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	- %	- %	- %	- %	- %	- %
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule:

Changes in Benefit Terms

There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.

Changes of Assumptions

Based on the procedure described in GASB 74, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2022 was updated to equal the SEIR of 3.53% as of June 30, 2022;

Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;

The assumed age-related annual percentage increases in expected annual per capita health care claims costs were updated;

Long-term health care cost trend rates were updated; and

The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.

Actuarial Cost Method

Entry Age

Amortization Method

Level Percent of Payroll over an Open Period

Remaining Amortization Period

30 Years

Asset Valuation Method

Market Value of Assets

Investment Rate of Return

3.00%, Net of Investment-Related Expense including Price Inflation

Price Inflation

2.50%

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund, which is the principal fund of the Town, is used to account for all activities of the Town not included in other specific funds. The General Fund accounts for the normal recurring activities of the Town (i.e., police, fire, education, recreation, public works, general government, etc.). These activities are funded principally by property taxes on individuals and businesses, and grants from other governmental units.

TOWN OF WALLINGFORD, CONNECTICUT
COMPARATIVE BALANCE SHEET
GENERAL FUND
JUNE 30, 2023 AND 2022
(IN THOUSANDS)

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 61,639	\$ 52,835
Receivables:		
Property Taxes Receivable, Net of an Allowance for Uncollectibles of \$1,088 in 2023 and \$1,002 in 2022	4,956	4,564
Property Taxes Accrued Interest Receivable, Net of an Allowance for Uncollectibles of \$156 in 2023 and \$143 in 2022	1,142	1,052
Accounts Receivable, Net	2,468	2,313
Due from Other Funds	7,925	5,198
Prepaid Items	11	10
	<u>78,141</u>	<u>65,972</u>
Total Assets	<u>\$ 78,141</u>	<u>\$ 65,972</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
LIABILITIES		
Accounts and Other Payables	\$ 5,021	\$ 3,667
Due to Other Funds	26,949	25,277
Unearned Revenues	694	529
Total Liabilities	<u>32,664</u>	<u>29,473</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes	5,428	5,113
Advanced Property Tax Collections	9,752	3,608
Total Deferred Inflows of Resources	<u>15,180</u>	<u>8,721</u>
FUND BALANCE		
Nonspendable	11	10
Committed	2,367	2,843
Assigned	8,979	7,391
Unassigned	18,940	17,534
Total Fund Balance	<u>30,297</u>	<u>27,778</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 78,141</u>	<u>\$ 65,972</u>

**TOWN OF WALLINGFORD, CONNECTICUT
REPORT OF TAX COLLECTOR
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

Grand List	Uncollected Taxes - Beginning of Year	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Taxes	Interest	Lien Fees	Total	Uncollected Taxes - End of Year
		Additions	Deductions							
2021	\$ 134,124 *	\$ -	\$ 656	\$ -	\$ 133,468	\$ 131,022	\$ 438	\$ 33	\$ 131,493	\$ 2,446
2020	2,252	71	330	-	1,993	804	205	7	1,016	1,189
2019	1,074	19	131	-	962	179	92	2	273	783
2018	556	1	16	-	541	251	49	1	301	290
2017	397	-	-	-	397	187	23	-	210	210
2016	204	-	-	-	204	21	8	-	29	183
2015	185	-	-	-	185	16	-	3	19	169
2014	170	-	-	-	170	12	6	-	18	158
2013	151	-	-	-	151	16	2	-	18	135
2012	143	-	-	-	143	17	2	-	19	126
2011	127	-	-	-	127	12	2	-	14	115
2010	97	-	-	-	97	7	1	-	8	90
2009	94	-	-	-	94	5	-	-	5	89
2008	67	-	-	-	67	6	-	-	6	61
2007	49	-	-	45	4	4	-	-	4	-
Total	\$ 139,690	\$ 91	\$ 1,133	\$ 45	\$ 138,603	132,559	828	46	133,433	\$ 6,044
Suspense Collections						19	21		40	
Total Tax Collections						\$ 132,578	\$ 849	\$ 46	133,473	
Property Taxes Receivable Considered Available:										
June 30, 2022									(504)	
June 30, 2023									670	
Total									\$ 133,639	

* Uncollected Taxes - Beginning of Year includes motor vehicle supplement tax levy of \$1,531.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are designated or legally restricted to expenditures for specific purposes. The nature and purpose of each special revenue fund is as follows:

Fund	Funding Source	Function
Educational Grants and Programs	State and Federal Grants, Program Income	Specific Education Programs
School Cafeteria	State and Federal Grants, Program Income	Operations of the School Lunch Program
Town Aid Road	State Grant	General Town Road Maintenance
Wallingford 350	State and Federal Grants/ Contributions	350 Year Jubilee
Open Space Resource Management	Fees	Land Preservation
Child Day Care Grant	State Grants	Child Day Care Services
Youth Services Donations	Contributions	Improvement of Youth's Welfare
Young Astronauts Club	Contributions	Explore the Concepts of Astronomy
Council on Substance Abuse Grant	Intergovernmental Revenue and Contributions	Substance Abuse Awareness and Prevention
Narcotics Forfeiture	State and Federal Grants	Drug Enforcement, Training, and Education
Covanta	Program Income	Services Performed by the Town as Liaison between Covanta, the Town, and Other Communities
Connecticut Resource Recovery Authority Distribution	Contributions	Agreement between Town and CRRRA for Refunding of Prepaid Fees
Historic Document Preservation Grant	State Grant and Fees	Preserve Historical Documents
Recreation Department Programs	Program Income	Recreational Programs
Public Health Grants	Federal and State Grants	Public Health
EMP Grant	Federal Grant	Emergency Management
Summer Youth Employment	Federal Grant	Summer Youth Employment
Miscellaneous Grants and Donations	State and Federal Grants/ Contributions	Administer Miscellaneous Programs
Fuel Crisis	Contributions	Energy Bill Assistance to Working Families
Student Activities	Charges for Services	Student Activities
Education Trust	Contributions and Investment Income	Award Scholarships
Dog Pound Trust	Contributions and Investment Income	Improvements to the Dog Pound and General Welfare of Impounded Animals
Irving H. Prageman	Contributions and Investment Income	General Upkeep of Prageman Park
Charles R. Clulee	Contributions and Investment Income	Preservation of Monuments and Historical Sites

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS

Capital Projects Funds are established in the Town of Wallingford pursuant to local resolutions authorizing specific capital projects. Funding sources are generally comprised of Town appropriated transfers from the General Fund, the receipt of intergovernmental grants and proceeds from the sale of bonds. Expenditures relate to the expansion, improvement or replacement of the Town's capital assets.

PERMANENT FUNDS

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

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023
(IN THOUSANDS)

ASSETS	Special Revenue Funds	Capital Projects	Permanent Funds	Total
Cash and Cash Equivalents	\$ 2,401	\$ -	\$ 1,418	\$ 3,819
Receivables:				
Intergovernmental	1,232	-	-	1,232
Other	42	-	-	42
Due from Other Funds	2,805	3,876	-	6,681
Inventory	43	-	-	43
Prepaid Items	16	-	-	16
	<u>6,539</u>	<u>3,876</u>	<u>1,418</u>	<u>11,833</u>
Total Assets	<u>\$ 6,539</u>	<u>\$ 3,876</u>	<u>\$ 1,418</u>	<u>\$ 11,833</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts and Other Payables	\$ 425	\$ 1,873	\$ -	\$ 2,298
Due to Other Funds	20	7,905	-	7,925
Unearned Revenue	1,086	-	-	1,086
Other Liabilities	-	1,535	-	1,535
Total Liabilities	<u>1,531</u>	<u>11,313</u>	<u>-</u>	<u>12,844</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Intergovernmental Receivables	<u>510</u>	<u>-</u>	<u>-</u>	<u>510</u>
FUND BALANCES				
Nonspendable	59	-	1,418	1,477
Restricted	1,233	-	-	1,233
Committed	3,222	2,118	-	5,340
Unassigned	(16)	(9,555)	-	(9,571)
Total Fund Balances	<u>4,498</u>	<u>(7,437)</u>	<u>1,418</u>	<u>(1,521)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,539</u>	<u>\$ 3,876</u>	<u>\$ 1,418</u>	<u>\$ 11,833</u>

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

	Special Revenue Funds	Capital Projects	Permanent Funds	Interfund Eliminations	Total
REVENUES					
Intergovernmental	\$ 12,774	\$ 251	\$ -	\$ -	\$ 13,025
Charges for Services	1,724	-	-	-	1,724
Other Revenue	1,539	146	15	-	1,700
Total Revenues	<u>16,037</u>	<u>397</u>	<u>15</u>	<u>-</u>	<u>16,449</u>
EXPENDITURES					
Current:					
General Government	16	-	-	-	16
Public Safety	43	-	-	-	43
Public Works	861	-	-	-	861
Health and Social Services	833	-	-	-	833
Parks and Recreation	813	-	-	-	813
Education	12,907	-	-	-	12,907
Capital Outlay	968	4,999	-	-	5,967
Total Expenditures	<u>16,441</u>	<u>4,999</u>	<u>-</u>	<u>-</u>	<u>21,440</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(404)	(4,602)	15	-	(4,991)
OTHER FINANCING SOURCES (USES)					
Transfers In	288	485	-	(288)	485
Transfers Out	(260)	(287)	(1)	288	(260)
Total Other Financing Sources (Uses)	<u>28</u>	<u>198</u>	<u>(1)</u>	<u>-</u>	<u>225</u>
NET CHANGE IN FUND BALANCES	(376)	(4,404)	14	-	(4,766)
Fund Balance - Beginning of Year	<u>4,874</u>	<u>(3,033)</u>	<u>1,404</u>	<u>-</u>	<u>3,245</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,498</u>	<u>\$ (7,437)</u>	<u>\$ 1,418</u>	<u>\$ -</u>	<u>\$ (1,521)</u>

**TOWN OF WALLINGFORD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
 JUNE 30, 2023
 (IN THOUSANDS)**

	Educational Grants and Programs	School Cafeteria	Town Aid Road	Wallingford 350	Open Space	Child Day Care Grant	Youth Services Donations	Young Astronauts Club
ASSETS								
Cash and Cash Equivalents	\$ -	\$ 1,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:								
Intergovernmental	714	518	-	-	-	-	-	-
Other	30	-	-	-	-	-	-	-
Due from Other Funds	628	-	661	-	46	-	44	10
Inventory	-	43	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-	-
Total Assets	\$ 1,372	\$ 2,062	\$ 661	\$ -	\$ 46	\$ -	\$ 44	\$ 10
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts and Other Payables	\$ 44	\$ 3	\$ 308	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-
Unearned Revenue	266	86	\$ 342	-	-	-	-	-
Total Liabilities	310	89	650	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Intergovernmental Receivables	510	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	-	43	-	-	-	-	-	-
Restricted	552	-	11	-	-	-	-	-
Committed	-	1,930	-	-	46	-	44	10
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	552	1,973	11	-	46	-	44	10
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,372	\$ 2,062	\$ 661	\$ -	\$ 46	\$ -	\$ 44	\$ 10

**TOWN OF WALLINGFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

	Council on Substance Abuse Grant	Narcotics Forfeitures	Covanta	CRRA Distribution	Historic Document Preservation Grant	Recreation Department Programs	Public Health Grants	EMP Grant	Summer Youth Employment
ASSETS									
Cash and Cash Equivalents	\$ -	\$ 97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:									
Intergovernmental	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	12
Due from Other Funds	7	-	-	584	102	368	27	12	-
Inventory	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	16	-	-	-
Total Assets	\$ 7	\$ 97	\$ -	\$ 584	\$ 102	\$ 384	\$ 27	\$ 12	\$ 12
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts and Other Payables	\$ 1	\$ -	\$ -	\$ 38	\$ -	\$ 31	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-	12
Unearned Revenue	-	-	-	-	-	353	27	12	-
Total Liabilities	1	-	-	38	-	384	27	12	12
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Intergovernmental Receivables	-	-	-	-	-	-	-	-	-
FUND BALANCES									
Nonspendable	-	-	-	-	-	16	-	-	-
Restricted	6	97	-	312	102	-	-	-	-
Committed	-	-	-	234	-	-	-	-	-
Unassigned	-	-	-	-	-	(16)	-	-	-
Total Fund Balances	6	97	-	546	102	-	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 7	\$ 97	\$ -	\$ 584	\$ 102	\$ 384	\$ 27	\$ 12	\$ 12

**TOWN OF WALLINGFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

	Miscellaneous Grants and Donations	Fuel Crisis Fund	Student Activities	Education Trust	Dog Pound Trust	Irving H. Prageman	Charles R. Clulee	Interfund Eliminations	Total
ASSETS									
Cash and Cash Equivalents	\$ -	\$ 3	\$ 639	\$ -	\$ 10	\$ 149	\$ 2	\$ -	\$ 2,401
Receivables:									
Intergovernmental	-	-	-	-	-	-	-	-	1,232
Other	-	-	-	-	-	-	-	-	42
Due from Other Funds	316	-	-	-	-	-	-	-	2,805
Inventory	-	-	-	-	-	-	-	-	43
Prepaid Items	-	-	-	-	-	-	-	-	16
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16</u>
Total Assets	<u>\$ 316</u>	<u>\$ 3</u>	<u>\$ 639</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 149</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 6,539</u>
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts and Other Payables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 425
Due to Other Funds	-	-	-	-	8	-	-	-	20
Unearned Revenue	-	-	-	-	-	-	-	-	1,086
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,531</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Intergovernmental Receivables	-	-	-	-	-	-	-	-	510
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>510</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	59
Restricted	-	-	-	-	2	149	2	-	1,233
Committed	316	3	639	-	-	-	-	-	3,222
Unassigned	-	-	-	-	-	-	-	-	(16)
Total Fund Balances	<u>316</u>	<u>3</u>	<u>639</u>	<u>-</u>	<u>2</u>	<u>149</u>	<u>2</u>	<u>-</u>	<u>4,498</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 316</u>	<u>\$ 3</u>	<u>\$ 639</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 149</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 6,539</u>

**TOWN OF WALLINGFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2023
 (IN THOUSANDS)**

	Educational Grants and Programs	School Cafeteria	Town Aid Road	Wallingford 350	Open Space	Child Day Care Grant	Youth Services Donations	Young Astronauts Club
REVENUES								
Intergovernmental	8,024	\$ 2,921	\$ 857	\$ -	\$ -	\$ 638	\$ -	\$ -
Charges for Services	157	567	-	-	10	-	-	-
Other Revenue	169	-	-	5	-	-	18	12
Total Revenues	8,350	3,488	857	5	10	638	18	12
EXPENDITURES								
Current:								
General Government	-	-	-	-	4	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	857	-	-	-	-	-
Health and Social Services	-	-	-	-	-	638	31	-
Parks and Recreation	-	-	-	-	-	-	-	11
Education	8,853	2,844	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	8,853	2,844	857	-	4	638	31	11
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(503)	644	-	5	6	-	(13)	1
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	(29)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(29)	-	-	-	-
NET CHANGE IN FUND BALANCE	(503)	644	-	(24)	6	-	(13)	1
Fund Balance - Beginning of Year	1,055	1,329	11	24	40	-	57	9
FUND BALANCE - END OF YEAR	\$ 552	\$ 1,973	\$ 11	\$ -	\$ 46	\$ -	\$ 44	\$ 10

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Council on Substance Abuse Grant	Narcotics Forfeitures	Covanta	CRRA Distribution	Historic Document Preservation Grant	Recreation Department Programs	Public Health Grants	EMP Grant	Summer Youth Employment
REVENUES									
Intergovernmental	\$ -	\$ 7	\$ -	\$ -	\$ 7	\$ -	\$ 91	\$ 15	\$ -
Charges for Services	-	-	-	-	12	978	-	-	-
Other Revenue	26	-	-	-	-	-	-	-	41
Total Revenues	<u>26</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>978</u>	<u>91</u>	<u>15</u>	<u>41</u>
EXPENDITURES									
Current:									
General Government	-	-	-	-	12	-	-	-	-
Public Safety	-	9	-	-	-	-	-	2	-
Public Works	-	-	4	-	-	-	-	-	-
Health and Social Services	27	-	-	-	-	-	91	-	-
Parks and Recreation	-	-	-	-	-	760	-	-	41
Education	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	968	-	-	-	-	-
Total Expenditures	<u>27</u>	<u>9</u>	<u>4</u>	<u>968</u>	<u>12</u>	<u>760</u>	<u>91</u>	<u>2</u>	<u>41</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1)	(2)	(4)	(968)	7	218	-	13	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	287	-	-	-	-	-
Transfers Out	-	-	-	-	-	(218)	-	(13)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>287</u>	<u>-</u>	<u>(218)</u>	<u>-</u>	<u>(13)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1)	(2)	(4)	(681)	7	-	-	-	-
Fund Balance - Beginning of Year	<u>7</u>	<u>99</u>	<u>4</u>	<u>1,227</u>	<u>95</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 6</u>	<u>\$ 97</u>	<u>\$ -</u>	<u>\$ 546</u>	<u>\$ 102</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Miscellaneous Grants and Donations	Fuel Crisis Fund	Student Activities	Education Trust	Dog Pound Trust	Irving H. Prageman	Charles R. Clulee	Total
REVENUES								
Intergovernmental	\$ 214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,774
Charges for Services	-	-	-	-	-	-	-	1,724
Other Revenue	42	11	1,142	35	10	28	-	1,539
Total Revenues	<u>256</u>	<u>11</u>	<u>1,142</u>	<u>35</u>	<u>10</u>	<u>28</u>	<u>-</u>	<u>16,037</u>
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	16
Public Safety	24	-	-	-	8	-	-	43
Public Works	-	-	-	-	-	-	-	861
Health and Social Services	38	8	-	-	-	-	-	833
Parks and Recreation	-	-	-	-	-	1	-	813
Education	-	-	1,174	36	-	-	-	12,907
Capital Outlay	-	-	-	-	-	-	-	968
Total Expenditures	<u>62</u>	<u>8</u>	<u>1,174</u>	<u>36</u>	<u>8</u>	<u>1</u>	<u>-</u>	<u>16,441</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	194	3	(32)	(1)	2	27	-	(404)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	1	-	-	-	288
Transfers Out	-	-	-	-	-	-	-	(260)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28</u>
NET CHANGE IN FUND BALANCE	194	3	(32)	-	2	27	-	(376)
Fund Balance - Beginning of Year	<u>122</u>	<u>-</u>	<u>671</u>	<u>-</u>	<u>-</u>	<u>122</u>	<u>2</u>	<u>4,874</u>
FUND BALANCE - END OF YEAR	<u>\$ 316</u>	<u>\$ 3</u>	<u>\$ 639</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 149</u>	<u>\$ 2</u>	<u>\$ 4,498</u>

**TOWN OF WALLINGFORD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

ASSETS	<u>Quinnipiac Linear Trail</u>	<u>School Renovations</u>	<u>Vernon E. Cleaves Vo-Ag Center</u>	<u>School Roof Projects</u>	<u>Transfer Station</u>	<u>Toelles Road</u>	<u>BOE Capital Projects</u>
Due from Other Funds	<u>\$ 733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35</u>	<u>\$ 84</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts and Other Payables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138
Due to Other Funds	-	1,377	1,610	1,373	-	-	167
Other Liabilities	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>1,377</u>	<u>1,610</u>	<u>1,373</u>	<u>-</u>	<u>-</u>	<u>305</u>
FUND BALANCE							
Committed	733	-	-	-	35	84	-
Unassigned	<u>-</u>	<u>(1,377)</u>	<u>(1,610)</u>	<u>(1,373)</u>	<u>-</u>	<u>-</u>	<u>(305)</u>
Total Fund Balance	<u>733</u>	<u>(1,377)</u>	<u>(1,610)</u>	<u>(1,373)</u>	<u>35</u>	<u>84</u>	<u>(305)</u>
Total Liabilities and Fund Balance	<u>\$ 733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35</u>	<u>\$ 84</u>	<u>\$ -</u>

**TOWN OF WALLINGFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

ASSETS	<u>BOE Projects CRRRA</u>	<u>Police Headquarters</u>	<u>Town Building Projects</u>	<u>Northford Road</u>	<u>Community Pool Park</u>	<u>Sheehan Track & Field</u>	<u>Total</u>
Due from Other Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127</u>	<u>\$ 1,890</u>	<u>\$ 1,007</u>	<u>\$ -</u>	<u>\$ 3,876</u>
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts and Other Payables	\$ -	\$ 1,179	\$ -	\$ 223	\$ -	\$ 333	\$ 1,873
Due to Other Funds	-	3,378	-	-	-	-	7,905
Other Liabilities	-	-	-	1,535	-	-	1,535
Total Liabilities	<u>-</u>	<u>4,557</u>	<u>-</u>	<u>1,758</u>	<u>-</u>	<u>333</u>	<u>11,313</u>
FUND BALANCE							
Committed	-	-	127	132	1,007	-	2,118
Unassigned	<u>-</u>	<u>(4,557)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(333)</u>	<u>(9,555)</u>
Total Fund Balance	<u>-</u>	<u>(4,557)</u>	<u>127</u>	<u>132</u>	<u>1,007</u>	<u>(333)</u>	<u>(7,437)</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127</u>	<u>\$ 1,890</u>	<u>\$ 1,007</u>	<u>\$ -</u>	<u>\$ 3,876</u>

**TOWN OF WALLINGFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2023
 (IN THOUSANDS)**

	Quinnipiac Linear Trail	School Renovations	Vernon E. Cleaves Vo-Ag Center	School Roof Projects	Transfer Station	Toelles Road	BOE Capital Projects
REVENUES							
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenues	146	-	-	-	-	-	-
Total Revenues	<u>146</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Capital Outlay	4	-	-	-	-	2	164
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	142	-	-	-	-	(2)	(164)
OTHER FINANCING SOURCES							
Transfers In	-	332	-	-	-	-	153
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>332</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153</u>
NET CHANGE IN FUND BALANCES	142	332	-	-	-	(2)	(11)
Fund Balance - Beginning of Year	591	(1,709)	(1,610)	(1,373)	35	86	(294)
FUND BALANCE - END OF YEAR	<u>\$ 733</u>	<u>\$ (1,377)</u>	<u>\$ (1,610)</u>	<u>\$ (1,373)</u>	<u>\$ 35</u>	<u>\$ 84</u>	<u>\$ (305)</u>

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	BOE Projects CRRA	Police Headquarters	Town Building Projects	Northford Road	Community Pool Park	Sheehan Track & Field	Total
REVENUES							
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ 251	\$ -	\$ -	\$ 251
Other Revenues	-	-	-	-	-	-	146
Total Revenues	-	-	-	251	-	-	397
EXPENDITURES							
Capital Outlay	-	4,245	-	251	-	333	4,999
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(4,245)	-	-	-	(333)	(4,602)
OTHER FINANCING SOURCES							
Transfers In	-	-	-	-	-	-	485
Transfers Out	(287)	-	-	-	-	-	(287)
Total Other Financing Sources	(287)	-	-	-	-	-	198
NET CHANGE IN FUND BALANCES	(287)	(4,245)	-	-	-	(333)	(4,404)
Fund Balance - Beginning of Year	287	(312)	127	132	1,007	-	(3,033)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ (4,557)</u>	<u>\$ 127</u>	<u>\$ 132</u>	<u>\$ 1,007</u>	<u>\$ (333)</u>	<u>\$ (7,437)</u>

**TOWN OF WALLINGFORD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS – PERMANENT FUNDS
 JUNE 30, 2023
 (IN THOUSANDS)**

	<u>Charles B. Yale Fund #1</u>	<u>Charles B. Yale Fund #2</u>	<u>Edwin H. Brown Fund</u>	<u>Harrison Park Fund</u>	<u>William P. Dorsey Fund</u>	<u>Anna M. Fredericks Fund</u>	<u>Alice Kelly Memorial Fund</u>	<u>Walters Memorial Fund</u>
ASSETS								
Cash and Cash Equivalents	<u>\$ 10</u>	<u>\$ 30</u>	<u>\$ 5</u>	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 12</u>	<u>\$ 1</u>
LIABILITIES AND FUND BALANCE								
FUND BALANCE								
Nonspendable - Reserved for Trusts	<u>\$ 10</u>	<u>\$ 30</u>	<u>\$ 5</u>	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 12</u>	<u>\$ 1</u>

**TOWN OF WALLINGFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS – PERMANENT FUNDS
JUNE 30, 2023
(IN THOUSANDS)**

	<u>Polish American Veterans Scholarship Fund</u>	<u>Judge Francis R. Sabota Memorial Trust Fund</u>	<u>Patrick M. Wall Memorial Scholarship Fund</u>	<u>Jerry Lehmann Memorial Scholarship Fund</u>	<u>Ortense Memorial Lyman High Scholarship Fund</u>	<u>Ortense Memorial Sheehan High Scholarship Fund</u>	<u>Dog Pound Trust Fund</u>	<u>Total</u>
ASSETS								
Cash and Cash Equivalents	<u>\$ 37</u>	<u>\$ 26</u>	<u>\$ 5</u>	<u>\$ 4</u>	<u>\$ 284</u>	<u>\$ 284</u>	<u>\$ 709</u>	<u>\$ 1,418</u>
LIABILITIES AND FUND BALANCE								
FUND BALANCE								
Nonspendable - Reserved for Trusts	<u>\$ 37</u>	<u>\$ 26</u>	<u>\$ 5</u>	<u>\$ 4</u>	<u>\$ 284</u>	<u>\$ 284</u>	<u>\$ 709</u>	<u>\$ 1,418</u>

**TOWN OF WALLINGFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS – PERMANENT FUNDS
 YEAR ENDED JUNE 30, 2023
 (IN THOUSANDS)**

	Charles B. Yale Fund #1	Charles B. Yale Fund #2	Edwin H. Brown Fund	Harrison Park Fund	William P. Dorsey Fund	Anna M. Fredericks Fund	Alice Kelly Memorial Fund	Walters Memorial Fund
REVENUES								
Other Revenue - Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)								
Transfers Out	-	-	-	-	-	-	(1)	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	(1)	-
Fund Balance - Beginning of Year	10	30	5	1	5	5	13	1
FUND BALANCE - END OF YEAR	<u>\$ 10</u>	<u>\$ 30</u>	<u>\$ 5</u>	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 12</u>	<u>\$ 1</u>

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS – PERMANENT FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Polish American Veterans Scholarship Fund	Judge Francis R. Sabota Memorial Trust Fund	Patrick M. Wall Memorial Scholarship Fund	Jerry Lehmann Memorial Scholarship Fund	Ortense Memorial Lyman High Scholarship Fund	Ortense Memorial Sheehan High Scholarship Fund	Dog Pound Trust Fund	Total
REVENUES								
Other Revenue - Donations	\$ -	\$ -	\$ -	\$ -	\$ 7	\$ 7	\$ 1	\$ 15
OTHER FINANCING SOURCES (USES)								
Transfers Out	-	-	-	-	-	-	-	(1)
NET CHANGE IN FUND BALANCES	-	-	-	-	7	7	1	14
Fund Balance - Beginning of Year	37	26	5	4	277	277	708	1,404
FUND BALANCE - END OF YEAR	<u>\$ 37</u>	<u>\$ 26</u>	<u>\$ 5</u>	<u>\$ 4</u>	<u>\$ 284</u>	<u>\$ 284</u>	<u>\$ 709</u>	<u>\$ 1,418</u>

INTERNAL SERVICE FUNDS

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

Health Benefits Fund – to provide reserves needed to support health benefit costs.

Workers' Compensation Fund – to provide reserves needed to support workers' compensation claims.

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2023
(IN THOUSANDS)

	Health Benefits Fund	Workers' Compensation Fund	Total
ASSETS			
Accounts Receivable	\$ 164	\$ 34	\$ 198
Due from Other Funds	2,730	2,247	4,977
Total Assets	<u>2,894</u>	<u>2,281</u>	<u>5,175</u>
LIABILITIES			
Risk Management Claims:			
Current	1,673	1,477	3,150
Noncurrent	-	1,039	1,039
Total Liabilities	<u>1,673</u>	<u>2,516</u>	<u>4,189</u>
NET POSITION			
Unrestricted	<u>1,221</u>	<u>(235)</u>	<u>986</u>
Total Net Position	<u>\$ 1,221</u>	<u>\$ (235)</u>	<u>\$ 986</u>

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Health Benefits Fund	Workers' Compensation Fund	Total
OPERATING REVENUES			
Fund Premiums	\$ 28,564	\$ 1,631	\$ 30,195
OPERATING EXPENSES			
Employee Benefits	27,512	750	28,262
Other	3,623	3	3,626
Total Operating Expenses	<u>31,135</u>	<u>753</u>	<u>31,888</u>
OPERATING INCOME (LOSS)	(2,571)	878	(1,693)
Net Position - Beginning of Year	<u>3,792</u>	<u>(1,113)</u>	<u>2,679</u>
NET POSITION - END OF YEAR	<u>\$ 1,221</u>	<u>\$ (235)</u>	<u>\$ 986</u>

TOWN OF WALLINGFORD, CONNECTICUT
COMBINING STATEMENT CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)

	Health Benefits Fund	Workers' Compensation Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Operations	\$ 31,657	\$ 1,169	\$ 32,826
Cash Payments to Vendors and Others	(31,657)	(1,169)	(32,826)
Net Cash Provided by Operating Activities	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	-	-
Cash and Cash Equivalents - Beginning of Year	-	-	-
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Net Income (Loss)	\$ (2,571)	\$ 878	\$ (1,693)
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	46	7	53
Decrease in Accounts Payable and Accrued Expenses	(522)	(416)	(938)
(Increase) Decrease in Due from Other Funds	3,047	(469)	2,578
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTARY DATA

**TOWN OF WALLINGFORD, CONNECTICUT
SCHEDULE OF CHANGES IN BONDS AND SERIAL NOTES
YEAR ENDED JUNE 30, 2023
(IN THOUSANDS)**

	Date of Issue	Maturity Date	Interest Rate	Amount of Original Issue	Balance Outstanding - Beginning of Year	Issued	Retired	Balance Outstanding - End of Year
Bond Indebtedness:								
General:								
General Purpose:								
Library and Land Acquisition (2007 and 2008 Refunding)	August 27, 2015	March 15, 2027	2.00% to 5.00%	\$ 6,424	\$ 1,657	\$ -	\$ 557	\$ 1,100
North Farms Fire Station Building	March 13, 2019	March 1, 2039	2.00% to 4.00%	4,285	3,685	-	200	3,485
Town-Wide Radio Communication System	March 13, 2019	March 1, 2039	2.00% to 4.00%	5,000	4,375	-	205	4,170
33 North Cherry Street Purchase	March 13, 2019	March 1, 2024	2.00% to 4.00%	365	150	-	75	75
Various Projects	July 25, 2021	August 25, 2041	2.00% to 4.00%	3,567	3,567	-	298	3,269
Total General					<u>13,434</u>	<u>-</u>	<u>1,335</u>	<u>12,099</u>
Schools:								
Schools (2003 and 2005 Refunding)	March 15, 2012	March 15, 2025	2.00% to 4.00%	15,190	3,635	-	1,380	2,255
Schools (2007 and 2008 Refunding)	August 27, 2015	March 15, 2027	2.00% to 5.00%	4,606	1,518	-	533	985
School Roof Program	October 1, 2015	October 15, 2035	2.00% to 4.00%	7,200	5,040	-	360	4,680
Lyman Hall Track & Field	October 1, 2015	October 15, 2035	2.00% to 4.00%	2,000	1,400	-	100	1,300
School System CIP Phase I	October 1, 2015	October 15, 2035	2.00% to 4.00%	1,120	550	-	95	455
School System CIP Phase II	March 13, 2019	March 1, 2039	2.00% to 4.00%	7,000	5,950	-	350	5,600
Schools	August 25, 2021	August 25, 2041	2.00% to 4.00%	3,213	3,213	-	207	3,006
Total Schools					<u>21,306</u>	<u>-</u>	<u>3,025</u>	<u>18,281</u>
Total Bond Indebtedness					<u>\$ 34,740</u>	<u>\$ -</u>	<u>\$ 4,360</u>	<u>\$ 30,380</u>
Bond Indebtedness:								
Business-Type Activities:								
Water Division:								
McKenzie Reservoir (Refunding 2021)	August 25, 2021	August 25, 2030	5.00%	1,340	\$ 1,195	\$ -	\$ 125	\$ 1,070
Pistapaug Water Tank	October 1, 2015	October 15, 2025	2.00% to 4.00%	680	260	-	65	195
Total					<u>1,455</u>	<u>-</u>	<u>190</u>	<u>1,265</u>
Sewer Division:								
State of Connecticut - Serial Note 479-C	August 11, 2005	July 1, 2025	2.00%	1,997	309	-	100	209
State of Connecticut - Serial Note 721-DC	June 21, 2019	August 31, 2023	* 2.00%	31,621	29,579	1,988	-	31,567
Total					<u>29,888</u>	<u>1,988</u>	<u>100</u>	<u>31,776</u>
Total Bond Indebtedness					<u>\$ 31,343</u>	<u>\$ 1,988</u>	<u>\$ 290</u>	<u>\$ 33,041</u>

*Interim funding obligation was permanently financed subsequent to year end.

STATISTICAL SECTION

STATISTICAL SECTION INFORMATION

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

Statistical section information is presented in the following categories:

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

The accompanying tables are presented in the above order. Refer to the table of contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

**TOWN OF WALLINGFORD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental Activities:										
Net Investments in Capital Assets	\$ 191,415	\$ 189,738	\$ 199,001	\$ 201,373	\$ 199,111	\$ 208,230	\$ 208,663	\$ 208,853	\$ 212,475	\$ 213,199
Restricted	2,651	2,851	2,944	1,541	1,473	1,466	1,465	1,417	1,407	1,401
Unrestricted	<u>(70,571)</u>	<u>(63,663)</u>	<u>(65,872)</u>	<u>(65,482)</u>	<u>(58,049)</u>	<u>(56,940)</u>	<u>(33,221)</u>	<u>(28,945)</u>	<u>(37,647)</u>	<u>7,141</u>
Total Governmental Activities Net Position	123,495	128,926	136,073	137,432	142,535	152,756	176,907	181,325	176,235	221,741
Business-Type Activities:										
Net Investments in Capital Assets	118,064	116,814	113,829	106,612	101,859	99,954	97,293	97,908	98,653	99,734
Restricted	3,773	2,832	1,601	1,049	307	278	515	608	1,436	1,579
Unrestricted	<u>55,481</u>	<u>46,584</u>	<u>39,567</u>	<u>39,181</u>	<u>33,377</u>	<u>32,264</u>	<u>41,246</u>	<u>37,563</u>	<u>41,363</u>	<u>41,236</u>
Total Business-Type Activities Net Position	<u>177,318</u>	<u>166,230</u>	<u>154,997</u>	<u>146,842</u>	<u>135,543</u>	<u>132,496</u>	<u>139,054</u>	<u>136,079</u>	<u>141,452</u>	<u>142,549</u>
Primary Government:										
Net Investment in Capital Assets	309,479	306,552	312,830	307,985	300,970	308,184	305,956	306,761	311,128	312,933
Restricted	6,424	5,683	4,545	2,590	1,780	1,744	1,980	2,025	2,843	2,980
Unrestricted	<u>(15,090)</u>	<u>(17,079)</u>	<u>(26,305)</u>	<u>(26,301)</u>	<u>(24,672)</u>	<u>(24,676)</u>	<u>8,025</u>	<u>8,618</u>	<u>3,716</u>	<u>48,377</u>
Total Primary Government Net Position	<u>\$ 300,813</u>	<u>\$ 295,156</u>	<u>\$ 291,070</u>	<u>\$ 284,274</u>	<u>\$ 278,078</u>	<u>\$ 285,252</u>	<u>\$ 315,961</u>	<u>\$ 317,404</u>	<u>\$ 317,687</u>	<u>\$ 364,290</u>

Note: Schedule is prepared on the accrual basis of accounting.

**TOWN OF WALLINGFORD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
EXPENSES										
Governmental Activities:										
General Government	\$ 30,196	\$ 29,633	\$ 25,059	\$ 25,872	\$ 30,703	\$ 29,481	\$ 25,590	\$ 24,766	\$ 25,674	\$ 22,956
Public Safety	25,499	23,119	18,435	21,964	20,938	19,794	17,873	12,961	15,653	15,435
Public Works	9,675	12,442	10,418	11,218	10,432	9,360	10,279	9,316	9,633	9,988
Health and Social Services	5,100	2,797	2,638	2,609	2,627	2,823	2,782	2,515	2,679	2,616
Parks and Recreation	2,523	10,513	1,952	2,526	2,496	2,487	2,339	2,433	2,314	2,286
Education	153,490	127,449	157,973	141,144	123,742	134,849	132,065	120,828	114,748	116,567
Interest on Long-Term Debt	1,139	826	153	1,282	1,017	913	1,034	1,140	1,122	1,229
Total Governmental Activities Expenses	<u>227,622</u>	<u>206,779</u>	<u>216,628</u>	<u>206,615</u>	<u>191,955</u>	<u>199,707</u>	<u>191,962</u>	<u>173,959</u>	<u>171,823</u>	<u>171,077</u>
Business-Type Activities:										
Electric	75,956	71,459	67,117	65,691	73,727	73,776	68,136	73,788	68,089	71,476
Water	7,600	6,981	6,285	6,864	7,043	6,849	6,805	9,032	7,113	7,191
Sewer	8,190	7,789	7,102	7,554	7,179	6,925	7,354	8,157	7,530	7,155
EMS Transport	-	-	-	-	-	1,184	1,427	1,721	1,741	1,681
Total Business-Type Activities Expenses	<u>91,746</u>	<u>86,229</u>	<u>80,504</u>	<u>80,109</u>	<u>87,949</u>	<u>88,734</u>	<u>83,722</u>	<u>92,698</u>	<u>84,473</u>	<u>87,503</u>
Total Expenses	<u>319,368</u>	<u>293,008</u>	<u>297,132</u>	<u>286,724</u>	<u>279,904</u>	<u>288,441</u>	<u>275,684</u>	<u>266,657</u>	<u>256,296</u>	<u>258,580</u>
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	1,423	2,496	2,135	1,888	1,016	2,121	836	2,068	1,781	1,805
Public Safety	4,264	3,095	2,639	2,794	4,151	2,589	1,780	969	808	571
Education	1,902	1,329	1,592	2,096	3,529	3,475	3,551	2,592	2,459	2,519
Other	1,022	774	528	903	1,055	1,021	1,024	1,005	977	946
Operating Grants and Contributions	60,936	47,150	68,558	55,177	36,736	47,732	48,390	41,599	40,847	43,067
Capital Grants and Contributions	1,501	1,909	704	1,747	846	365	2,675	4,228	730	6,468
Total Governmental Activities Program Revenues	<u>71,048</u>	<u>56,753</u>	<u>76,156</u>	<u>64,605</u>	<u>47,333</u>	<u>57,303</u>	<u>58,256</u>	<u>52,461</u>	<u>47,602</u>	<u>55,376</u>
Business-Type Activities:										
Charges for Services:										
Electric	81,444	76,309	66,133	69,882	76,046	70,676	69,141	69,681	71,443	72,621
Water	7,921	6,980	7,448	7,235	7,407	7,478	8,028	7,904	7,766	7,186
Sewer	9,148	7,864	7,196	6,681	6,788	6,785	7,162	7,123	7,125	7,152
EMS Transport	-	-	-	7,038	-	-	2,132	2,130	2,075	2,067
Capital Grants and Contributions	1,930	5,590	7,831	7,038	88	25	342	762	260	91
Total Business-Type Activities Program Revenues	<u>100,443</u>	<u>96,743</u>	<u>88,608</u>	<u>97,874</u>	<u>90,329</u>	<u>84,964</u>	<u>86,805</u>	<u>87,600</u>	<u>88,669</u>	<u>89,117</u>
Total Program Revenues	<u>171,491</u>	<u>153,496</u>	<u>164,764</u>	<u>162,479</u>	<u>137,662</u>	<u>142,267</u>	<u>145,061</u>	<u>140,061</u>	<u>136,271</u>	<u>144,493</u>

**TABLE 2
(CONTINUED)**

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
NET COST OF SERVICES										
Governmental Activities	\$ (156,574)	\$ (150,026)	\$ (140,472)	\$ (142,010)	\$ (144,622)	\$ (142,404)	\$ (133,706)	\$ (121,498)	\$ (124,221)	\$ (115,701)
Business-Type Activities	8,697	10,514	8,104	17,765	2,380	(3,770)	3,083	(5,098)	4,196	1,614
Total Net Cost of Services	<u>(147,877)</u>	<u>(139,512)</u>	<u>(132,368)</u>	<u>(124,245)</u>	<u>(142,242)</u>	<u>(146,174)</u>	<u>(130,623)</u>	<u>(126,596)</u>	<u>(120,025)</u>	<u>(114,087)</u>
CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	133,955	129,471	126,606	125,331	122,128	121,056	118,474	118,771	115,619	110,529
Grants and Contributions Not Restricted to Specific Programs	8,855	7,936	7,146	7,343	6,465	5,413	6,455	5,714	5,820	5,416
Unrestricted Investment Earnings	1,710	55	134	949	1,101	588	296	187	141	93
Other General Revenues	4,861	3,636	2,764	2,097	2,806	2,511	2,370	243	377	369
Transfers	1,762	1,781	1,842	1,808	1,901	3,452	1,693	1,673	1,746	1,662
Total Governmental Activities	<u>151,143</u>	<u>142,879</u>	<u>138,492</u>	<u>137,528</u>	<u>134,401</u>	<u>133,020</u>	<u>129,288</u>	<u>126,588</u>	<u>123,703</u>	<u>118,069</u>
Business-Type Activities:										
Unrestricted Investment Earnings	1,893	268	256	765	941	677	366	225	183	186
Other General Revenues	2,260	2,232	1,637	1,615	1,627	1,405	1,219	1,173	1,065	959
Transfers	(1,762)	(1,781)	(1,842)	(1,808)	(1,901)	(3,452)	(1,693)	(1,673)	(1,746)	(1,662)
Total Business-Type Activities	<u>2,391</u>	<u>719</u>	<u>51</u>	<u>572</u>	<u>667</u>	<u>(1,370)</u>	<u>(108)</u>	<u>(275)</u>	<u>(498)</u>	<u>(517)</u>
Total General Revenues and Other Charges	<u>153,534</u>	<u>143,598</u>	<u>138,543</u>	<u>138,100</u>	<u>135,068</u>	<u>131,650</u>	<u>129,180</u>	<u>126,313</u>	<u>123,205</u>	<u>117,552</u>
CHANGES IN NET POSITION										
Governmental Activities	(5,431)	(7,147)	(1,980)	(4,482)	(10,221)	(9,384)	(4,418)	5,090	(518)	2,368
Business-Type Activities	11,088	11,233	8,155	18,337	3,047	(5,140)	2,975	(5,373)	3,698	1,097
Total Changes in Net Position	<u>\$ 5,657</u>	<u>\$ 4,086</u>	<u>\$ 6,175</u>	<u>\$ 13,855</u>	<u>\$ (7,174)</u>	<u>\$ (14,524)</u>	<u>\$ (1,443)</u>	<u>\$ (283)</u>	<u>\$ 3,180</u>	<u>\$ 3,465</u>

Note: Schedule is prepared on the accrual basis of accounting.

**TOWN OF WALLINGFORD, CONNECTICUT
FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Nonspendable	\$ 11	\$ 10	\$ 523	\$ 182	\$ 189	\$ 142	\$ 143	\$ 126	\$ -	\$ -
Committed	2,367	2,843	2,956	3,721	2,496	2,333	1,693	1,517	2,889	1,858
Assigned	8,979	7,391	8,736	8,397	6,671	6,680	7,335	5,098	4,871	4,869
Unassigned	18,940	17,534	14,667	16,274	16,785	17,126	18,659	22,509	19,811	18,837
Total General Fund	<u>\$ 30,297</u>	<u>\$ 27,778</u>	<u>\$ 26,882</u>	<u>\$ 28,574</u>	<u>\$ 26,141</u>	<u>\$ 26,281</u>	<u>\$ 27,830</u>	<u>\$ 29,250</u>	<u>\$ 27,571</u>	<u>\$ 25,564</u>
All Other Governmental Funds:										
Nonspendable	\$ 1,477	\$ 1,460	\$ 1,446	\$ 1,478	\$ 1,435	\$ 1,424	\$ 1,434	\$ 1,441	\$ 1,460	\$ 1,411
Restricted	1,233	1,391	1,498	1,159	1,283	989	844	1,036	1,118	893
Committed	9,373	9,801	6,550	9,931	12,799	13,256	13,570	13,407	14,809	14,629
Unassigned	(9,571)	(5,235)	(8,208)	(9,080)	(5,832)	(12,240)	(10,251)	(9,518)	(14,992)	(14,766)
Total All Other Governmental Funds	<u>\$ 2,512</u>	<u>\$ 7,417</u>	<u>\$ 1,286</u>	<u>\$ 3,488</u>	<u>\$ 9,685</u>	<u>\$ 3,429</u>	<u>\$ 5,597</u>	<u>\$ 6,366</u>	<u>\$ 2,395</u>	<u>\$ 2,167</u>

**TOWN OF WALLINGFORD, CONNECTICUT
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
REVENUES										
General Property Taxes	\$ 133,639	\$ 128,784	\$ 126,326	\$ 125,303	\$ 121,737	\$ 121,325	\$ 118,393	\$ 119,376	\$ 115,657	\$ 111,543
Licenses and Permits	1,149	836	712	822	774	990	660	764	637	629
Intergovernmental Revenues	65,612	60,108	56,360	54,930	52,899	45,003	57,511	48,796	44,809	52,677
Charges for Services	7,430	6,996	6,104	7,950	8,990	8,231	6,533	6,383	6,030	5,954
Investment Income	1,693	55	133	948	1,099	590	294	184	136	100
Other	4,942	5,119	2,788	2,231	2,800	2,498	2,371	2,570	2,344	2,138
Total Revenues	214,465	201,898	192,423	192,184	188,299	178,637	185,762	178,073	169,613	173,041
EXPENDITURES										
General Government	27,994	27,152	27,663	27,807	26,331	26,042	25,014	24,998	23,763	22,857
Public Safety	20,819	19,394	19,364	18,559	18,439	18,038	16,193	16,346	15,458	15,524
Public Works	7,216	7,473	7,973	7,091	7,606	7,036	7,651	6,938	7,920	6,868
Health and Social Services	4,997	2,687	2,618	2,621	2,623	2,793	2,727	2,634	2,669	2,606
Parks and Recreation	1,629	1,679	1,177	1,599	1,775	1,788	1,784	1,855	1,833	1,808
Education	142,257	133,689	130,311	124,987	125,812	120,306	126,663	115,257	110,364	111,859
Capital Outlay	8,247	6,653	4,179	8,847	14,023	4,728	4,919	12,635	2,388	13,857
Debt Service:										
Principal	4,360	4,065	4,280	4,285	3,455	3,455	3,460	3,090	3,519	3,185
Interest and Other Charges	1,094	1,150	1,215	1,339	1,040	1,101	1,233	1,285	1,210	1,326
Total Expenditures	218,613	203,942	198,780	197,135	201,104	185,287	189,644	185,038	169,124	179,890
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,148)	(2,044)	(6,357)	(4,951)	(12,805)	(6,650)	(3,882)	(6,965)	489	(6,849)
OTHER FINANCING SOURCES (USES)										
Transfers In	4,269	4,288	3,559	4,090	4,647	5,229	4,125	4,443	4,024	4,085
Transfers Out	(2,507)	(2,507)	(1,717)	(2,282)	(2,746)	(2,296)	(2,432)	(2,770)	(2,278)	(2,423)
Bonds Issued	-	6,780	-	-	16,650	-	-	10,625	-	-
Bond Premium	-	510	-	-	370	-	-	1,424	-	-
Refunding Bonds Issued	-	-	-	-	-	-	-	11,030	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-	-	(12,137)	-	-
Total Other Financing Sources (Uses)	1,762	9,071	1,842	1,808	18,921	2,933	1,693	12,615	1,746	1,662
NET CHANGE IN FUND BALANCES	(2,386)	7,027	(4,515)	(3,143)	6,116	(3,717)	(2,189)	5,650	2,235	(5,187)
Fund Balances - Beginning of Year	35,195	28,168	32,683	35,826	29,710	33,427	35,616	29,966	27,731	32,918
FUND BALANCES - END OF YEAR	\$ 32,809	\$ 35,195	\$ 28,168	\$ 32,683	\$ 35,826	\$ 29,710	\$ 33,427	\$ 35,616	\$ 29,966	\$ 27,731
Debt Service as a Percentage of Noncapital Expenditures	2.59 %	2.64 %	2.79 %	2.94 %	2.51 %	2.41 %	2.53 %	2.54 %	2.84 %	2.72 %

Note: Schedule is prepared on the modified accrual basis of accounting.

**TOWN OF WALLINGFORD, CONNECTICUT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (IN THOUSANDS)**

Fiscal Year	Grand List Year	Real Property			Personal Property	Motor Vehicle	Gross Taxable Grand List	Less Tax Exempt Property	Net Taxable Grand List	Total Direct Tax Rate (in mils)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage Taxable of Taxable Value
		Residential	Commercial	Industrial								
2023	2021	\$ 2,840,725	\$ 632,761	\$ 274,055	\$ 490,924	\$ 524,356	\$ 4,762,821	\$ 190,326	\$ 4,572,495	29.04	\$ 6,532,136	70.00 %
2022	2020	2,835,030	642,142	277,161	495,881	415,739	4,665,953	183,676	4,482,277	28.52	6,403,253	70.00
2021	2019	2,726,052	618,010	259,318	469,047	391,141	4,463,568	184,245	4,279,323	29.19	6,113,319	70.00
2020	2018	2,719,351	599,004	279,073	442,179	382,049	4,421,656	184,920	4,236,736	29.19	6,052,480	70.00
2019	2017	2,709,690	588,831	276,173	483,079	369,262	4,427,035	236,079	4,190,956	28.64	5,987,080	70.00
2018	2016	2,701,132	588,259	332,839	478,304	363,675	4,464,209	246,433	4,217,776	28.55	6,025,394	70.00
2017	2015	2,693,081	587,445	333,030	476,981	356,825	4,447,362	243,665	4,268,211	27.89	6,005,281	70.00
2016	2014	2,757,725	541,103	325,867	518,000	348,129	4,490,824	222,613	4,250,582	27.47	6,097,444	70.00
2015	2013	2,730,788	540,524	332,580	499,885	340,828	4,444,605	194,023	4,219,169	26.89	6,072,260	70.00
2014	2012	2,722,992	540,182	330,506	474,912	331,580	4,400,172	181,003	4,182,786	26.22	6,027,384	70.00

Source: Town of Wallingford, Assessor's Office

Notes:

2015 and 2020 real property grand list is adjusted to reflect statutory revaluation.
 The Town assesses property at 70% of actual for all types of real and personal property.

**TOWN OF WALLINGFORD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO
(IN THOUSANDS)**

Taxpayer	Nature of Business	Fiscal Year Ended June 30, 2023 for the Grand List of October 1, 2021			Fiscal Year Ended June 30, 2014 for the Grand List of October 1, 2012		
		Taxable Assessed Value	Rank	Percentage of Net Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Net Town Taxable Assessed Value
Yankee Gas	Utility	\$ 44,141	1	0.97 %	\$ 16,724	9	0.40 %
Connecticut Light & Power	Utility	36,150	2	0.79	19,762	7	0.47
Cellco Partnership	Communications	26,313	3	0.58	37,463	3	0.89
665 Foxon Road LLC	Property Development & Management	25,900	4	0.57	-		-
Agree Eastern	Retail	24,579	5	0.54	-		-
Masonic Health Care Center	Retirement Community	21,302	6	0.47	21,943	6	0.52
Leigus TEI Equities I LLC	Property Development	20,373	7	0.45	-		-
Wal-Mart Stores	Retail	15,372	8	0.34	14,669	10	0.35
Stop & Shop	Retail	14,779	9	0.32	-		-
1070 North Farms Road	Warehousing	14,718	10	0.32	-		-
Bristol-Meyers-Squibb	Pharmaceutical Research & Dev	-	-	-	106,883	1	2.53
Wallingford Energy LLC	Energy Producer	-	-	-	38,405	2	0.91
Covanta Projects of Wallingford	Energy Producer	-	-	-	27,142	4	0.64
Workstage Conn, LLC	Property Development	-	-	-	22,578	5	0.54
Blue Dog Properties Trust	Property Development & Management	-	-	-	18,461	8	0.44
		<u>\$ 243,627</u>		<u>5.35 %</u>	<u>\$ 324,030</u>		<u>7.69 %</u>

Source: Town of Wallingford, Assessor's Office

**TOWN OF WALLINGFORD, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year Ended June 30,	Grand List Year	Net Taxable Grand List	Mill Rate	Total Tax Levy	Collected within the Fiscal Year of Levy		Tax Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Levy		Amount	Percentage of Levy
2023	2021	\$ 4,572,495	29.04	\$ 133,468	\$ 131,022	98.17 %	\$ -	\$ 131,022	98.17 %
2022	2020	4,482,277	28.52	128,822	126,570	98.25	804	127,374	0.99
2021	2019	4,279,323	29.19	125,872	123,872	98.33	1,031	124,903	99.23
2020	2018	4,236,736	29.19	124,727	122,804	98.46	1,455	124,259	99.62
2019	2017	4,190,956	28.64	121,327	119,545	98.53	1,567	121,112	99.82
2018	2016	4,217,776	28.55	120,824	119,173	98.63	1,451	120,624	99.83
2017	2015	4,203,697	27.89	118,055	116,264	98.48	1,182	117,446	99.48
2016	2014	4,268,211	27.47	118,027	116,411	98.63	1,245	117,656	99.69
2015	2013	4,250,582	26.89	115,054	113,353	98.52	1,362	114,715	99.71
2014	2012	4,219,169	26.22	111,148	109,269	98.31	1,158	110,427	99.35

Note: Total Tax Levy includes Motor Vehicle Supplemental Taxes that are excluded for the Net Taxable Grand List and Assessors Certificates of Change.

**TOWN OF WALLINGFORD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Ratio of Total Debt to Net Taxable Assessed Value	Total Debt per Capita	Ratio of Net General Bonded Debt to Net Taxable Assessed Value	Ratio of Net General Bonded Debt per Capita
	General Obligation Bonds		Unamortized Bond Premiums	Leases Payable	General Obligation Bonds			Clean Water Notes					
	General Purpose	Schools			Electric	Water	Sewer						
2023	\$ 12,099	\$ 18,281	\$ 843	\$ 726	\$ -	\$ 1,265	\$ -	\$ 31,776	\$ 64,990	1.42 %	1,476	0.71 %	\$ 738
2022	13,434	21,306	1,071	1,022	-	1,455	-	29,888	68,176	1.50	1,513	0.83	839
2021	11,136	20,889	815	-	-	1,890	-	20,805	55,535	1.30	1,253	0.81	760
2020	12,468	23,837	1,929	-	-	2,115	-	8,523	48,872	1.15	1,103	0.95	863
2019	13,800	26,790	2,210	-	-	2,340	-	610	45,750	1.09	1,027	1.09	911
2018	5,002	22,393	2,116	-	-	2,715	-	710	32,936	0.78	736	0.78	612
2017	5,854	24,996	2,380	-	-	3,090	-	811	37,131	0.87	831	0.87	691
2016	6,711	30,242	2,643	-	-	3,450	-	976	44,022	1.04	981	1.04	794
2015	7,890	21,167	1,462	-	-	3,030	-	1,146	34,695	0.82	770	0.82	612
2014	9,339	23,373	1,598	-	-	3,321	-	1,316	38,947	0.93	863	0.93	689

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements. The Town does not have any overlapping debt.

**TOWN OF WALLINGFORD, CONNECTICUT
STATEMENT OF DEBT LIMITATION
JUNE 30, 2023
(IN THOUSANDS)**

Total Tax Collections (including Interest and Penalties) June 30, 2022	\$ 128,784
State Reimbursement for:	
Tax Relief for Elderly - Freeze	-
Total	\$ 128,784

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 Times Base	\$ 289,764	\$ -	\$ -	\$ -	\$ -
4-1/2 Times Base	-	579,528	-	-	-
3-3/4 Times Base	-	-	482,940	-	-
3-1/4 Times Base	-	-	-	418,548	-
3 Times Base	-	-	-	-	386,352
Total Debt Limitation	289,764	579,528	482,940	418,548	386,352
Debt as Defined by Statute:					
Bonds Payable and Notes	12,099	18,281	-	-	-
Leases Payable	726	-	-	-	-
Bonds Authorized and Unissued	39,600	3,942	11,352	-	-
Total Indebtedness	52,425	22,223	11,352	-	-
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ 237,339	\$ 557,305	\$ 471,588	\$ 418,548	\$ 386,352

Note 1: in no event shall total debt exceed seven times annual receipts from taxation. The maximum amount permitted would be \$901,488.

Note 2: Bonds payable do not include water bonds of \$1,265 and clean water notes of \$31,776 which are considered to be self-funding.

**TOWN OF WALLINGFORD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 901,488	\$ 884,282	\$ 877,121	\$ 852,159	\$ 849,275	\$ 828,751	\$ 828,842	\$ 835,639	\$ 809,613	\$ 781,151
Total Net Debt Applicable to Limit	<u>86,000</u>	<u>44,053</u>	<u>48,198</u>	<u>35,863</u>	<u>35,388</u>	<u>42,466</u>	<u>42,727</u>	<u>48,470</u>	<u>45,579</u>	<u>40,542</u>
Legal Debt Margin	<u>\$ 815,488</u>	<u>\$ 840,229</u>	<u>\$ 828,923</u>	<u>\$ 816,296</u>	<u>\$ 813,887</u>	<u>\$ 786,285</u>	<u>\$ 786,115</u>	<u>\$ 787,169</u>	<u>\$ 764,034</u>	<u>\$ 740,609</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.54 %	4.98 %	5.50 %	4.21 %	4.17 %	5.12 %	5.16 %	5.80 %	5.63 %	5.19 %

**TOWN OF WALLINGFORD, CONNECTICUT
DEMOGRAPHIC AND EMPLOYMENT STATISTICS
LAST TEN CALENDAR YEARS
(IN THOUSANDS)**

Calendar Year	Population (1)	School Enrollment (2)	Median Household Income (3)	Labor Force		Percentage Unemployed (4)			
				Employed (4)	Unemployed (4)	Town of Wallingford	New Haven Labor Market	State of Connecticut	United States
2023	44,017	5,299	\$ 88,605	26,207	865	3.20 %	3.80 %	4.00 %	3.80 %
2022	44,396	5,412	83,054	26,094	906	3.40	3.90	4.10	3.80
2021	44,317	5,472	80,793	23,827	1,341	5.30	6.70	6.00	5.50
2020	44,326	5,546	77,128	24,274	2,324	8.70	9.30	10.20	11.20
2019	44,535	5,731	77,128	25,793	900	3.40	3.80	3.90	3.80
2018	44,741	5,893	75,942	25,537	1,052	4.00	4.50	4.20	4.20
2017	44,660	5,872	75,467	26,017	1,195	4.40	5.20	5.10	4.50
2016	44,893	5,908	75,467	25,356	1,273	5.00	5.90	5.90	5.10
2015	45,074	6,120	75,467	23,949	1,574	6.20	6.90	6.70	6.40
2014	45,141	6,270	72,531	23,219	1,806	7.20	8.40	8.20	7.80

Total personal income is not available for the Town of Wallingford.

Sources:

- (1) State of Connecticut, Department of Health
- (2) Wallingford Board of Education - Superintendent's Office October 1st, 2022 Student Count
- (3) Connecticut Economic Resources Council (CERC)
- (4) State of Connecticut, Department of Labor - June 30 year-end figures, not seasonally adjusted

**TOWN OF WALLINGFORD, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO**

Business Name	Nature of Business	2023			2014		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Wallingford	Municipality	1,478	1	5.64 %	1,387	1	5.97 %
Anthem BC/BS	Health Insurer	1,225	2	4.67	1,300	2	5.60
Gaylord Hospital	Medical & Rehabilitation Facility	529	3	2.02	480	6	2.07
Community Health Network of CT, Inc.	Nonprofit Managed Care	438	4	1.67	457	7	1.97
Masonic Healthcare Center	Healthcare	417	5	1.59	1,019	3	4.39
Choate Rosemary Hall	Private School	397	6	1.51	300	10	1.29
Ulbrich Stainless Steels & Specialty Metals	Manufacture Stainless Steel	215	7	0.82	194	13	0.84
BYK	Manufacturer of Chemical Additives	197	8	0.75	-	-	-
Thurston Foods	Wholesale Food Distribution	169	9	0.64	195	12	0.84
Fosdick Fulfillment Corp	Fulfillment	157	10	0.60	-	-	-
Burns & McDonnell	Engineering & Architecture	148	11	0.56	-	-	-
Nucor Steel CT	Rebar & Wire Products	145	12	0.55	164	14	0.71
Holo-Krome	Critical Application Fasteners	123	13	0.47	-	-	-
Infra-Metals	Structural Steel Distributor	120	14	0.46	-	-	-
APS Technologies	Manufacture/Design Equipment for Drilling	96	15	0.37	299	11	1.29
Bristol-Myers-Squibb	Pharmaceutical R & D	-	-	-	931	4	4.01
Verizon Wireless	Cellular Wireless Communications	-	-	-	590	5	2.54
U.S. Postal Service	Mail Distribution and Processing	-	-	-	335	8	1.44
Quest Diagnostics Inc	Diagnostic Laboratories	-	-	-	328	9	1.41
FiServe	Financial Services	-	-	-	160	15	0.69
Total		5,854		22.32 %	8,139		35.06 %

Source: Town of Wallingford, Office of Economic Development

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government:										
General Government	20	19	19	19	19	19	18	19	19	19
Finance	27	27	27	27	28	28	28	29	29	29
Personnel and Pensions	7	7	7	7	7	7	7	7	7	7
Other Services	20	19	22	22	22	26	26	23	23	15
Public Safety:										
Police	104	100	98	98	96	95	95	95	95	95
Fire and EMS	88	84	82	82	72	68	68	68	68	68
Public Works:										
Public Works	48	46	45	45	45	45	45	45	45	45
Engineering	4	4	5	5	5	5	5	4	5	5
Parks and Recreation	5	5	5	5	5	5	5	6	6	6
Board of Education:										
Teachers	611	594	597	586	585	587	588	588	574	575
Administration	38	36	46	37	42	40	31	32	29	29
Custodial and Maintenance	41	38	123	38	41	37	37	37	37	37
Other	335	348	219	312	306	300	304	296	298	305
Total Governmental Activities	<u>1,348</u>	<u>1,327</u>	<u>1,295</u>	<u>1,283</u>	<u>1,273</u>	<u>1,262</u>	<u>1,257</u>	<u>1,249</u>	<u>1,235</u>	<u>1,235</u>
Public Utilities:										
Electric Division	63	63	63	63	63	64	64	63	61	61
Water Division	37	37	37	37	37	37	37	37	37	37
Sewer Division	30	30	29	29	29	29	29	29	29	29
Total Business-Type Activities	<u>130</u>	<u>130</u>	<u>129</u>	<u>129</u>	<u>129</u>	<u>130</u>	<u>130</u>	<u>129</u>	<u>127</u>	<u>127</u>
Total	<u>1,478</u>	<u>1,457</u>	<u>1,424</u>	<u>1,412</u>	<u>1,402</u>	<u>1,392</u>	<u>1,387</u>	<u>1,378</u>	<u>1,362</u>	<u>1,362</u>

Source: Town of Wallingford Departments, Agencies, and Divisions

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

Function / Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government:										
Building Permits Issued	2,519	2,542	2,769	2,436	2,555	2,218	2,277	2,125	918	899
Building Inspections Conducted	10,076	10,168	11,076	9,744	10,220	8,872	8,617	14,875	8,716	8,091
Public Safety:										
Police:										
Physical Arrests	1,406	1,369	1,203	1,672	1,851	1,816	2,010	2,214	1,996	1,862
Parking Violations	174	14	19	238	348	170	392	399	681	641
Traffic Violations	1,509	1,543	1,602	2,136	2,822	2,971	3,124	3,507	4,775	3,615
Fire:										
Emergency Responses	7,829	7,482	6,575	6,384	6,674	6,899	6,322	6,484	6,249	6,540
Fires Extinguished	158	92	133	122	129	110	106	88	86	178
Inspections	992	2,193	1,951	2,357	2,347	2,375	1,752	1,784	1,037	1,579
Public Works:										
Street Resurfacing (Miles)	3	6	5	7	6	4	5	8	6	5
Pothole Tons of Patch	375	325	350	360	300	325	325	350	435	250
Parks and Recreation:										
Athletic Field and Park Permits Issued	1,105	3,286	1,996	996	1,141	911	942	815	851	894
Library:										
Holdings in Collection Print and Nonprint	186,272	194,177	204,430	215,323	226,798	232,485	246,864	244,683	235,916	228,310
Total Volumes Borrowed	429,592	391,418	292,712	488,918	488,918	484,108	501,402	540,065	590,312	622,045
Electric Enterprise:										
Miles of Lines	404	404	402	402	402	401	401	400	398	398
Kilowatt Hours - Daily Average (000)	1,473	1,544	1,596	1,574	1,661	1,633	1,679	1,652	1,690	1,701
Water Enterprise:										
Water Main Breaks	9	13	17	20	15	17	16	10	14	17
Average Daily Production (000)	3.290	3.280	3.538	3.372	3.591	3.609	3.839	3.926	3.631	3.973
Maximum Daily Production (000)	4.077	5.012	5.652	5.714	5.466	5.940	6.191	6.048	5.920	5.771
Sewer Enterprise:										
Average Daily Sewage Treatment (000)	4.960	5.200	4.763	5.292	6.381	5.387	5.020	4.910	5.201	5.358

Source: Town of Wallingford Departments, Agencies, and Divisions

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	36	36	36	36	36	36	36	36	36	36
Fire Services:										
Firefighting/Rescue Vehicles	11	11	11	11	11	11	11	11	11	11
Other Vehicles	5	5	5	5	5	5	5	5	5	5
Fire Stations	2	2	2	2	2	2	2	2	2	2
Volunteer Fire Services:										
Fire Stations	2	2	2	2	2	2	2	2	2	2
Firefighting/Rescue Vehicles	8	8	8	8	8	8	8	8	8	8
Public Works:										
Street Maintenance:										
Dump Trucks	30	30	30	30	30	30	30	30	30	30
Sweepers	2	2	2	2	2	2	2	2	2	2
Parks and Cemeteries:										
Parks	18	18	18	18	18	18	18	18	18	18
Cemeteries	1	1	1	1	1	1	1	1	1	1
Mowers	8	8	8	8	8	8	8	8	8	8
Parking Lots	9	9	9	9	9	9	9	9	9	9
Health and Social Services:										
Senior Center	1	1	1	1	1	1	1	1	1	1
Parks and Recreation:										
Basketball Courts - Outdoors	8	8	8	8	8	8	8	8	8	8
Football Fields - High School	2	2	2	2	2	2	2	2	2	2
Multipurpose Field	1	1	1	1	1	-	-	-	-	-
Playgrounds	10	10	10	10	10	10	10	10	10	10
Soccer Fields	8	8	8	8	8	8	8	8	8	8
Softball Fields	15	15	15	15	15	15	15	15	15	15
Hardball Fields	4	4	4	4	4	4	4	4	4	4
Tennis Courts	14	14	17	17	17	17	17	17	17	17
Pickleball courts	8	8	-	-	-	-	-	-	-	-
Education:										
School Buildings	12	12	12	12	12	12	12	12	12	12
Administrative Buildings	1	1	1	1	1	1	1	1	1	1

Source: Town of Wallingford Departments, Agencies, and Divisions