



STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT
OFFICE OF FINANCE

FY 2021-2022 MUNICIPAL AUDIT QUESTIONNAIRE

- ❖ This Questionnaire is required to be submitted to OPM with the audit reports of municipalities and audited agencies (as defined under Section 7-391 of the Connecticut General Statutes).

Name of Auditee Town of Plymouth, Connecticut

Fiscal Period under Audit July 1, 2021 - June 30, 2022

CliftonLarsonAllen LLP

(Audit Firm Name)

Santo Carta Digitally signed by Santo Carta
Date: 2023.06.08 11:44:03 -04'00'

(Signature)

6/8/2023

(Date)

This Questionnaire was reviewed with and a copy given to:

Grace Zweig

Name of Municipal Official

on 6/8/2023

Date

Director of Finance

Title of Municipal Official

860-585-4008

Telephone

	<u>YES</u>	<u>NO</u>	<u>NA</u>
1. Did you inform the town, city or Borough clerk of that part of Section 7-394 of the General Statutes which provides that within one week after receiving the audit report he/she shall cause to be published a legal notice in a newspaper having a substantial circulation in the municipality that the report is on file in said clerk's office?	_____	_____	_____
2. Did you obtain a letter from municipal counsel with respect to unpaid or pending judgments and as to any other legal proceeding affecting the municipality's finances?	_____	_____	_____
3. Were financial statements and/or books and records of the entity made available within a reasonable time after the close of the fiscal year?	_____	_____	_____
4. Did the entity issue tax anticipation notes (TANs) during the fiscal year? (If yes, the notes to the financial statements should provide details regarding such TANs, including the purpose for which the TANs were issued.)	_____	_____	_____
5. Was a separate management letter issued in addition to the Internal Control Report? If so, it must be submitted to the Office of Policy and Management with the audit report.	_____	_____	_____
6. Were municipal officials (including the chief elected or executive official and governing body of the municipal entity) made aware of findings and recommendations resulting from the audit?	_____	_____	_____
7. Federal Single Audit Act as Amended, 1996; Uniform Guidance for Federal Awards (Title 2 of CFR, 12/26/13)			
(a) Did you conduct a Single Audit of Federal Financial Assistance expended by the entity for FY 2021-22?	_____	_____	_____
(b) Is a copy of the Single Audit included in the reporting package submitted?	_____	_____	_____
8. State Single Audit (SSA) Act as amended by P.A. 09-7; Regulations to the SSA Act as amended by P.A. 09-7			
(a) Did you conduct a Single Audit of state financial assistance expended by the entity for FY 2021-22 or a program-specific audit of the entity's sole state program?	_____	_____	_____
(b) Is a copy of the State Single Audit or program-specific audit included in the reporting package submitted?	_____	_____	_____

	<u>YES</u>	<u>NO</u>	<u>NA</u>
(c) If applicable, did officials prepare a Corrective Action Plan (CAP) in sufficient time for inclusion in the audit report package [C.G.S. Sec.4-233(d)] to be filed with OPM as the cognizant state agency (hardcopy and electronic)?	_____	_____	_____
(d) Did you upload the corrective action plan with the audit report package on OPM's Electronic Audit Reporting System?	_____	_____	_____

Town of Plymouth Connecticut



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

Town of Plymouth Connecticut

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

Prepared by:
COMPTROLLER'S OFFICE

DIRECTOR OF FINANCE
Grace Zweig

TOWN OF PLYMOUTH, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Introductory Section

TOWN OF PLYMOUTH, CONNECTICUT

For Fiscal Year Ended June 30, 2022

PRINCIPAL OFFICIALS

MAYOR AND TOWN COUNCIL

Joseph T. Kilduff, Mayor
Councilman Nate Brown
Councilman Daniel Gentile
Councilman Joe Green
Councilwoman Roxanne McCann
Councilman Ron Tiscia

BOARD OF FINANCE

James Kilduff, Chairperson
Victoria A. Carey, Vice-Chairperson
Briana J. Brumaghim
Jennifer Brunoli
Eugene Croce
Barbara Rockwell

ADMINISTRATION

Registrar of Voters – Democrat
Registrar of Voters – Republican
Interim Assessor
Tax Collector
Director of Finance
Treasurer
Town Attorney
Town Clerk
Fire Marshal
Judge of Probate
Director of Planning and Economic Development
Zoning Enforcement Officer
Police Chief
Fire Chief
Civil Preparedness Director
Building Official
Interim Director of Public Works
Library Director
Parks and Recreation Director
Superintendent of Schools

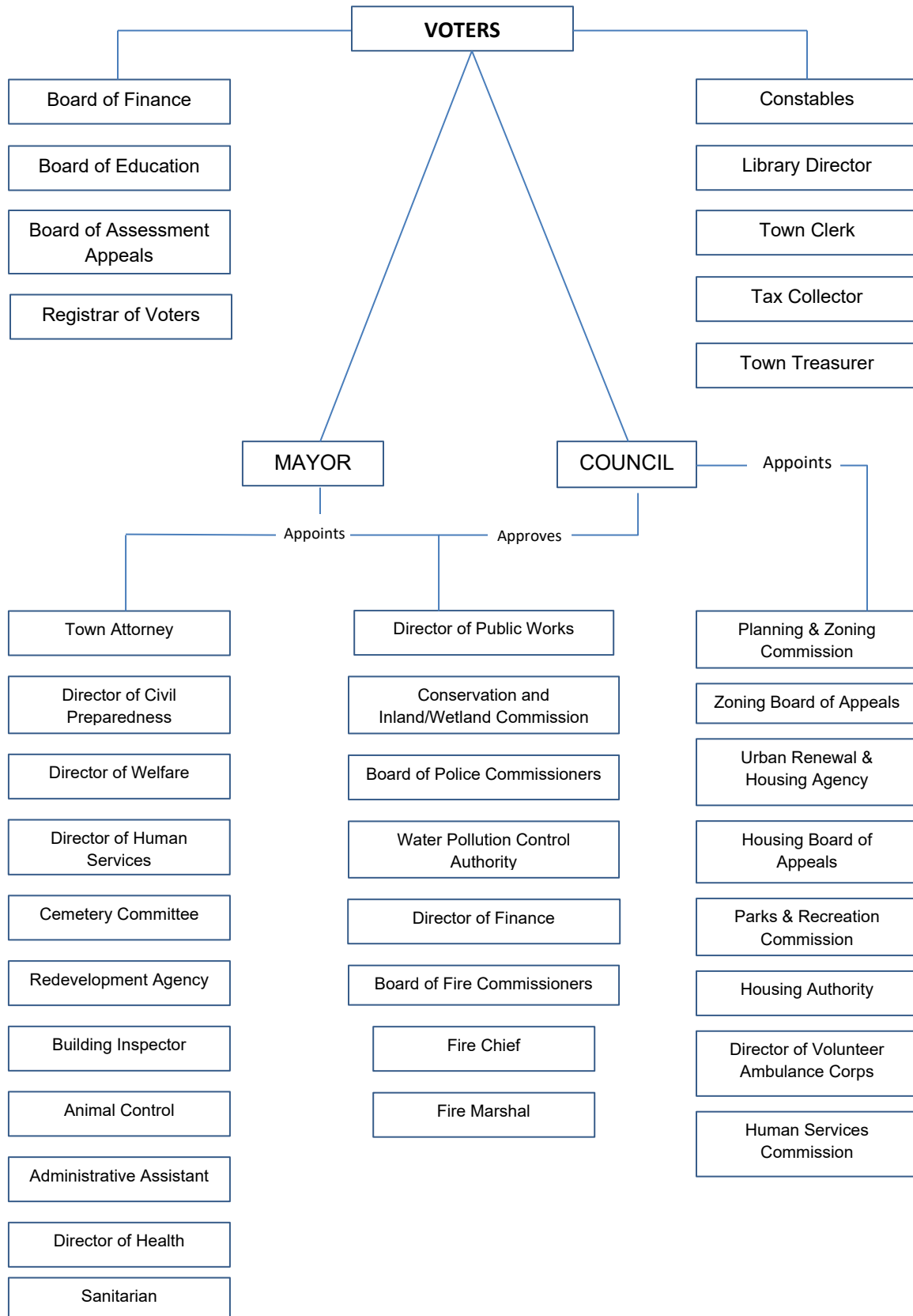
Barbara S. Galvin
Debra Brown
Kelly Conrad
Pam Pelletier
Grace Zweig
David C. Mischke
William Hamzy
Erica Cabiya
Ray Kovalski
William Hamzy
Margus T. Laan
Scott Eisenlohr
Karen M. Krasicky
Mark Sekorski
Anthony J. Orsini
Clarence B. Atkinson
Paul Pronovost
Gretchen DelCegno
Maureen Cappetto
Brian Falcone

BOARD OF EDUCATION

Walt Seaman, Chairperson
Karen E. Kulesa, Vice-Chairperson
Michelle Lucian
Gregory Showers
Richard Foote

Cindy Candrea-Floresiani
Dia Fusco
Patrick Perugino
Louis Zbuska

TOWN OF PLYMOUTH ORGANIZATIONAL CHART





200 Years of Quality Service

80 Main Street, Terryville, Connecticut 06786

Telephone: (860) 585-4001

Fax: (860) 585-4015

May 30, 2023

To the Honorable Mayor, Members of the Town Council, Members of the Board of Finance and Citizens of the Town of Plymouth:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements. The Town of Plymouth was approved for an extension to publish a complete set of financial statements for the fiscal year ended June 30, 2022, by May 31, 2023. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

CliftonLarsonAllen, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Plymouth's financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The Town of Plymouth was incorporated in 1795, making it the one hundred third town established in the State of Connecticut. Plymouth is located within Litchfield County, approximately twenty-one miles southwest of Hartford and five miles north of Waterbury. The Town is contiguous to the Towns of Wolcott, Thomaston, Harwinton, Burlington, and the Cities of Waterbury and Bristol. Plymouth covers a 22.4 square mile area.

Plymouth is a community predominantly composed of owner-occupied, single-family dwellings. Single-family dwellings comprise over 80% of all housing units in the Town. Estimated population at June 30, 2020 is 11,646.

To the west of Plymouth is Connecticut Route 8 which provides north-south interstate connections from Bridgeport to the Massachusetts border. Connecticut Routes 6, 72, 222 and 262 also serve the Town.

Rail service is available connecting with Waterbury and the south, while coach and motor freight companies serve the Town's residents and businesses.

Local firms are involved in a wide range of products and services with nearly 200 commercial properties and over 100 industrial facilities contributing to the Town's tax base. Products manufactured in Town include conduits, screw machines, modular buildings, airplane equipment, and chemicals.

In 1965 the Town adopted its first Plan of Development. As part of that plan, and subsequent revised plans, comprehensive planning and zoning regulations have been enacted to reflect current development standards and practices. These have resulted in a balanced economy, improved residential development and have helped to stabilize the tax rate. The most recent Plan of Development was adopted in June 2015.

The Town's educational system consists of two elementary schools, one middle school and one high school.

Form of Government

The Town of Plymouth is organized under the Council-Mayor form of government. The Town Charter was adopted in the 1974 and most recent revisions were approved by voters in November 2009.

The legislative function is performed by a bipartisan Town Council of five members, who are elected biennially for two-year terms. The Town electorate elects a Mayor for two-year terms. The Board of Finance consists of six members who serve staggered six-year terms. Two members are elected to the Board of Finance in each municipal election.

Beginning with the fiscal year 2019 budget, the Town Charter was updated to require a referendum vote only if certain criteria are met. The Board of Finance recommends the annual budget for referendum to be held before May 3. Upon approval, the Board of Finance sets the tax rate.

STATE & LOCAL ECONOMY

The Town has a mix of manufacturing base that has been somewhat stable during the past year and the town continues to pursue new business openings in the Town's business park.

The global COVID pandemic continued to impair operations through the fiscal year 2022. Thankfully, the Town was able to lift certain access restrictions put in place in the prior fiscal year. The Town Hall was opened for unrestricted public use again as well as in-person meetings. Through the date of this audit, the Town and Board of Education continue to follow COVID safety precautions and protocol.

The State of Connecticut continues to address COVID related cost reimbursements and budget issues that affect all businesses and citizens of the State. It is anticipated that there will be reduced grants to cities and towns, including Plymouth in the next few years. This may affect the services provided to town residents.

The town's Grand List remained level in comparison to many communities surrounding Plymouth. The Town continues to be very aggressive in the collection of current and back taxes and will continue to pursue all tax dollars owed.

UNEMPLOYMENT

Unemployment rates and the number of unemployed people, not seasonally adjusted, were all higher in all of the states' nine labor market areas due largely to the global pandemic. Connecticut's unemployment rate was at 4.0%, slightly higher than the national rate of 3.6% for June 2022. The Town of Plymouth's unemployment rate is slightly lower than the national and regional average at 3.3% for June 2022, a large decrease from the prior year due to the recovery from the global COVID pandemic.

The National Government as well as the State of Connecticut has enacted legislation directly aimed at COVID relief as well as continued social service programs to assist the unemployed.

LONG-TERM FINANCIAL PLANNING

The Town of Plymouth has addressed many of the financial market downturns during the past several years with spending freezes on non-contractual items and efficiencies in performing the same service levels with lower costs. Additionally, unfilled labor positions are closely scrutinized before replacements are hired.

In addition, the Town currently maintains a debt policy approved by the Board of Finance and Town Council that will ensure that debt payments will not fluctuate above a debt ceiling from year to year and will allow the Town flexibility in borrowing for the future as well as keep the tax rate budgeted for debt service expenditures constant. This policy was adopted in conjunction with the Capital Improvements Committee for future capital improvement projects.

Tax base growth through economic development continues to be a top priority for the Town of Plymouth. The Economic Development Commission in conjunction with the Mayor are working to attract businesses to the Town and to fill the remaining vacant lots in Phase III of the Industrial Park.

FINANCIAL POLICIES

The Town has several financial policies as summarized below:

Budgetary Procedures

The Town adheres to the following procedure in establishing the annual budget. No later than December 31, each department head, office or agency shall file with the mayor, a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 10. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 28. The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the public hearings the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the town council. Beginning with fiscal year 2019, the Town Charter was amended to require a budget referendum only if the annual proposed budget increase or decrease exceeds 3% of the current year approved budget. If the proposed budget increase or decrease is 3% or less, the recommended budget is presented directly to the Town Council for approval. If the increase or decrease is greater than 3% the budget will require a budget referendum. If the budget must go to referendum, within ten business days after such meeting the Board of Finance shall present the recommended budget to the budget referendum, and, at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper. The Town Council schedules the annual budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, a second referendum will be scheduled by the Town Council to be held within twenty days. If the budget is rejected a second time, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service shall not exceed three percent of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and will also fix the tax rate in mills.

All unencumbered appropriations lapse at year-end, except those for the Capital Projects Fund and certain special revenue grants. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Investment Policies and Procedures

The Town's investment practices have been to invest only in the following investments: (1) certificates of deposit; and (2) overnight repurchase agreements collateralized by U.S. government agency obligations which are priced daily. Additional information on the Town's specific investment policies and investments are available upon request to the Director of Finance.

Assessment Practices

The Town of Plymouth last revalued its real property effective October 1, 2016. Under Section 12-62 of the Connecticut General Statutes, the Town must revalue all real estate by physical inspection no later than ten years following the preceding physical inspection. The Town must conduct a statistical revaluation no later than five years after the last physical inspection. The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor. The Grand List represents the total of assessed value for all taxable real and personal property located within the Town as of October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at seventy percent (70%) of market value at the time of the last general revaluation.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed as of the revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automotive price schedule as recommended by the State Office of Policy and Management and the Assessor. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the pro-ration is based on the number of months of ownership between October 1 and the following July 31. Cars purchased in August and September are not taxed until the next October 1 Grand list. If the motor vehicle replaces a motor vehicle that was taxed on the October Grand List, the taxpayer is entitled to certain credits.

All business personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's clerk audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy (70%) of present market value.

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval of its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed eight percent of the owner's total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum, or at such rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien. The Town has approved the use of this abatement provision.

Tax Collection Procedures

Taxes for the fiscal year are paid on the grand list of the prior October 1, and are due July 1, payable in two installments, one half on July 1 and one half on January 1. Payments not received by August 1 and February 1 become delinquent. Motor vehicle taxes must be paid in a single installment due July 1. Real estate and personal property taxes of less than \$100 are due in full in July. Supplemental motor vehicle taxes (those vehicles registered between October 2 and July 31) are due in one installment in January.

According to Connecticut General Statutes, delinquent property taxes are subject to interest at the rate of 1.5% per month for all delinquent property taxes. A lien is placed on Real estate for delinquent taxes within one year after the tax due date.

ACKNOWLEDGEMENTS

I thank our independent auditors, CliftonLarsonAllen, LLP, Certified Public Accountants, specifically Audit Relationship Principal, Nikoleta McTigue, and Audit Principal, Santo Carta, for their expertise in guiding the Town through the required annual reporting updates and modifications as well as the entire audit process.

The preparation of this report would not have been possible without the assistance of the staff of the Town's Finance Office, as well as the Board of Education business office. Lastly, appreciation must also be given to the Mayor, to the Town Council, and to the Board of Finance for their support throughout the completion of this audit.

Respectfully submitted,

Grace Zweig
Director of Finance

Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Finance
Town of Plymouth, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Plymouth, 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, each major fund, and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of June 30, 2022, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Plymouth, 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

As discussed in Note 13, to the financial statements, the Town restated beginning net position for governmental activities and beginning fund balance for the Capital Projects Fund resulting from an accounting error that occurred in the prior period. 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 Plymouth, 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 Town of Plymouth, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Plymouth, Connecticut's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended June 30, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Plymouth, Connecticut's basic financial statements. The balance sheet of the General Fund, report of tax collector, combining nonmajor fund financial statements, schedule of water assessment receivable, schedule of sewer use charges receivable for the year ended June 30, 2022 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, 2022 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 balance sheet of the General Fund, report of tax collector, combining nonmajor fund financial statements, schedule of water assessment receivable, schedule of sewer use charges receivable is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2022.

We also previously audited, in accordance with GAAS, the basic financial statements of the Town of Plymouth, Connecticut as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated September 16, 2022, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The balance sheet of the General Fund for the year ended June 30, 2021 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 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 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 balance sheet of the General Fund is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

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 May 30, 2023, on our consideration of the Town of Plymouth, 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 Plymouth, 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 Plymouth, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

West Hartford, Connecticut
May 30, 2023

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2022

As management of the Town of Plymouth, Connecticut, we offer readers of the Town of Plymouth's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$142,827,193 (net position).
- The Town's total net position increased by \$2,624,980, or 1.87%. Unrestricted net position, the amount that may be used to meet the Town's ongoing obligations to citizens and creditors, was (\$17,276,558) on June 30, 2022. The inclusion of future postemployment obligations as a long-term liability, as required by Government Accounting Standards Board (GASB) Statement 75, has a negative impact on the unrestricted net position.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$15,823,533.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,182,271 or 14.6% of total general fund expenditures and other financing uses.
- The Town of Plymouth's long-term debt decreased by \$5,906,738 or 11.8% during the current fiscal year as a result of \$2,370,000 of bond payments as well as other payments of other annual regularly scheduled bond payments.

Overview of the Basic Financial Statements

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

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

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

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general administration, public safety, public works, health and welfare, libraries, recreation, education, land use and interest expense.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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

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

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

The Town maintains 27 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Sewer Operating Fund, ARPA Fund, Capital and Nonrecurring Projects Fund and Capital Projects Fund, which are considered to be major funds. Data from the other 24 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual budget for its General Fund. The Sewer Operating Fund legally adopts its annual budget as well. A budgetary comparison schedule has been provided for the General Fund and Sewer Operating Fund to demonstrate compliance with their respective budgets.

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found following the footnotes.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a town's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$142,827,193 at June 30, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

By far the largest portion of the Town's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt and other borrowings used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Town of Plymouth, Connecticut
Net Position**

	Governmental Activities	
	2022	2021
Current and other assets	\$ 22,137,380	\$ 24,473,610
Capital assets, net of accumulated depreciation	172,728,009	173,551,283
Total assets	<u>194,865,389</u>	<u>198,024,893</u>
Deferred Outflows of Resources	<u>5,110,633</u>	<u>5,768,401</u>
Long-term debt outstanding	44,413,446	50,320,184
Other liabilities	3,973,734	5,524,522
Total liabilities	<u>48,387,180</u>	<u>55,844,706</u>
Deferred Inflows of Resources	<u>8,761,649</u>	<u>6,606,399</u>
Net Position:		
Net investment in capital assets	155,359,937	157,609,103
Restricted	4,743,814	3,623,988
Unrestricted	<u>(17,276,558)</u>	<u>(19,890,902)</u>
Total Net Position	<u>\$ 142,827,193</u>	<u>\$ 141,342,189</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

A portion of the Town's net position, \$4,743,814, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (\$17,276,558). The Town's net position increased by \$2,624,980, or 1.87%, during the current fiscal year. Approximately, 58% of the revenues were derived from property taxes, followed by 30% from operating grants. The remaining 12% is from charges for services, capital grants and contributions and other grants that were not restricted for specific purposes. Key elements of the increase are as follows:

**Town of Plymouth, Connecticut
Net Position**

	Governmental Activities	
	2022	2021
Revenues:		
Program revenues:		
Charges for services	\$ 3,565,979	\$ 3,697,015
Operating grants and contributions	16,308,328	19,288,190
Capital grants and contributions	2,690,268	617,585
General revenues:		
Property taxes	31,599,555	31,248,820
Grants and contributions not restricted to specific purposes	336,574	62,810
Unrestricted investment earnings (loss)	(264,008)	432,027
Miscellaneous	309,561	555,191
Total revenues	<u>54,546,257</u>	<u>55,901,638</u>
Program expenses:		
General administration	5,831,280	5,353,334
Public safety	4,640,105	4,803,126
Public works	7,450,482	7,546,964
Health and welfare	356,581	414,933
Library	476,565	487,973
Recreation	285,202	236,595
Education	32,259,534	35,133,836
Land use	198,651	204,729
Interest on long-term debt	422,877	295,128
Total program expenses	<u>51,921,277</u>	<u>54,476,618</u>
Change in Net Position	2,624,980	1,425,020
Net Position - Beginning of Year	141,342,189	139,696,949
Restatement	<u>(1,139,976)</u>	<u>220,220</u>
Net Position - End of Year	<u>\$ 142,827,193</u>	<u>\$ 141,342,189</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

- Charges for services decreased by \$131,036 mainly due to decreases in general administration, public safety, health and welfare revenues and metal reimbursements. These decreases were partially offset by an increase in lunch program revenue.
- Operating grants decreased by \$2,979,862 during the year. This decrease is primarily due to a decrease in the state's contribution on behalf of the Town to the State Teacher's Retirement Board.
- Capital grants and contributions increased by \$2,072,683 primarily due to an increase in funds for Harwinton Ave. Project received from the State of Connecticut.
- Property tax revenue increased \$350,735 from the prior year. The increase largely reflects higher current year tax collections by \$262,843, supplemental motor vehicle taxes by \$109,119, partially offset by declines in prior year tax collections by \$76,600 and interest & liens by \$49,120.
- Investment earnings decreased \$696,035 due mainly to a decrease in the fair market value of invested assets.
- Education expenses decreased by \$2,874,302 due mainly to a \$4.9 million decrease in the State teachers' pension and OPEB costs. The decrease in education expense was partially offset by an overall increase in Education and Cafeteria costs.
- Public works expenses decreased by \$96,482 mainly due to a decrease in professional/technical service.
- General Administration expenses increased by \$477,9446 due mainly to an increase in employee and legal costs.
- Public safety expenses decreased by \$163,021. The decrease is due mainly to decreased storms from the prior year and decreased Extra Duty expenditures.
- Library expenses decreased \$11,408 due mainly to a decrease in Repairs & Maintenance.
- Interest on long-term debt expenses increased \$127,749 due mainly to effect of debt refunding transaction in the prior year.
- The Cost of Services is provided below. This table shows the cost of each of the Town's five largest programs - education, public works, general administration, public safety and interest expense - 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Town of Plymouth, Connecticut Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Education	\$ 32,259,534	\$ 35,133,836	\$ 16,405,156	\$ 15,826,107
Public works	7,450,482	7,546,964	2,708,695	4,965,181
General administration	5,831,280	5,353,334	4,822,619	4,914,488
Public safety	4,640,105	4,803,126	3,810,508	3,735,659
Interest expense	422,877	295,128	422,877	295,128
All others	1,316,999	1,344,230	1,186,847	1,137,265
Total	\$ 51,921,277	\$ 54,476,618	\$ 29,356,702	\$ 30,873,828

Financial Analysis of the Government's Funds

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

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

As of June 30, 2022, the Town's governmental funds reported a combined ending fund balance of \$15,823,533, a decrease of \$74,796 from the prior year. The decrease over prior year reflects an increase of \$452,126 in the General Fund with slight changes in all other funds combined. A portion of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed; (1) to liquidate contracts and purchase orders of the prior period \$978,124, (2) to pay debt service of \$426,475, (3) to fund Board of Education capital needs of \$872,086, and (4) endowments \$1,093,216.

The General Fund is the operating fund of the Town. At the end of 2022, the unassigned fund balance of the General Fund was \$6,182,271 while total fund balance was \$7,265,159. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.9% of total general fund expenditures, while total fund balance represents 17.0% of that same amount. The Town and Board of Education continue to take a variety of steps aimed at reducing spending and generating operating surpluses to increase the fund balance going forward.

The Capital and Nonrecurring Fund, used for infrastructure improvements in the Town, held a balance of \$760,378 at June 30, 2022.

The ARPA Fund at the end of 2022 has total assets and liabilities of \$1,563,102.

The Sewer Operating Fund has a total fund balance of \$1,124,121, all of which is committed to liquidate contracts and purchase orders of the prior period.

The Capital Projects Fund, used for capital purchases, has a total fund balance of \$837,667.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

General Fund Budgetary Highlights

The Town experienced a variety of significant General Fund budgetary events that affected the year ending equity balances. The major impacts include:

General Fund revenues were above the estimated budget by \$912,413 in the current year:

- Current year, supplemental motor vehicle, prior year and interest and lien fees tax collections exceeded budget levels by \$87,285, \$107,200, and below budget by \$31,668 and \$15,879, respectively.
- Charges for services exceeded budget by \$170,162, due to higher conveyance tax, vital statistics, recreation, public works/metal reimbursement and recording fee revenue. All permit revenues exceeded budget by \$67,228.
- The Town's intergovernmental revenues were below budget by \$36,337, mainly due to out ECS Grant income of \$23,642.

General Fund expenditures were above budgeted appropriations by \$282,854.

- Total general administration costs were above budget by \$285,454, largely driven by unutilized Registrar expenses of \$21,346 and savings in employee benefit expenses and legal expenses of \$255,725 and \$32,007, respectively. In addition there was an excess contribution to the pension fund that caused the net overage.
- Public safety costs were \$32,226 below budget attributable mainly to lower than budgeted police expenses and communication service contracts and unemployment compensation of \$56,634 and \$22,061, respectively.
- Public works costs were \$161,531 above budget due mainly to higher than budgeted other public building maintenance of \$81,471. Savings across all other public works departments attributed to the remaining lower than budgeted expenses.
- Library costs were \$8,667 below budget attributable mainly to salary and utility cost savings incurred from COVID related shut down of the facility.
- Positive variances existed in all departments which was attributable to continued cost cutting measures and careful monitoring of department spending.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental activities as of June 30, 2022, amounted to \$172,728,009 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, building improvements, machinery and equipment, vehicles, and infrastructure.

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

- Building improvements decreased by \$514,961 due to depreciation.
- Vehicle additions of \$288,908 includes 2 Police Department and a Public Works vehicles.
- Equipment purchases totaling \$973,155 primarily for Fire department SCBA Airpacks.
- Infrastructure additions of \$3,065,821 resulted from the various road upgrades and chip sealing.
- Construction in progress at June 30, 2022 of \$1,543,234 includes WPCA UV disinfection and phosphorous removal and road engineering

Town of Plymouth, Connecticut Capital Assets (Net)

	Governmental Activities	
	2022	2021
Land	\$ 6,740,855	\$ 6,740,855
Buildings	40,068,558	41,656,269
Buildings improvements	12,771,650	13,281,802
Land improvements	1,518,406	1,694,044
Machinery and equipment	4,555,372	4,057,685
Vehicles	2,993,753	3,007,809
Infrastructure	102,536,181	101,569,585
Construction in progress	1,543,234	1,543,234
Total	<u>\$ 172,728,009</u>	<u>\$ 173,551,283</u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Long-term debt. At the end of the current fiscal year, the Town had general obligation bonds and notes outstanding of \$14,847,056. The amount reflects debt backed by the full faith and credit of the Town.

Town of Plymouth, Connecticut Long-Term Debt

	Governmental Activities	
	2022	2021
General obligation bonds	\$ 14,050,000	\$ 16,420,000
Clean water notes payable	797,056	851,399
Total General Obligation Bonds and Notes Payable	<u>\$ 14,847,056</u>	<u>\$ 17,271,399</u>

The Town's long-term total debt decreased by \$2,424,343, or 14.0%, during the current fiscal year due to payments on existing debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections including interest and lien fees. The current debt limitation for the Town is \$221,435,165, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 7.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Town as of June 30, 2022 was 3.3%, which is a decrease from June 30, 2021 rate of 6.3%, and less than the state's unemployment rate of 4.0%.
- Inflationary trends in the region are in line with national indices.
- The Town is continuing to aggressively pursue new commercial enterprises to increase the value of the net grand list, including additional tenants for, and expansions within, the business park.

The 2022-23 overall budget for expenditures in the General Fund increased by \$1,214,364, with the change coming in costs for Education to meet the minimum budget requirement (MBR). The mill rate for 2022-2023 property tax rate decreased to 36.32 mils.

The 2022-23 budget assumes a current collection rate of 98.4% for real estate property taxes, a 93.0% collection rate for motor vehicle taxes and a 95.0% for personal property taxes. The Board of Finance reviews tax collections and results from the Tax office on an ongoing basis.

The grand list, the total of all taxable property that sets the property tax collection rate, increased by \$133,808,737 or 17.4% from the prior year.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, The Town of Plymouth, 80 Main Street, Terryville, Connecticut, 06786.

Basic Financial Statements

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

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 17,045,437
Investments	406,739
Restricted investments	1,143,072
Receivables, net	2,863,132
Assets held for sale	1,770,176
Capital assets not being depreciated	8,284,089
Capital assets being depreciated, net	<u>164,443,920</u>
Total assets	<u>195,956,565</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	11,519
Deferred outflows related to PERS	1,000,028
Deferred outflows related to MERS	1,508,855
Deferred outflows related to OPEB	<u>2,590,231</u>
Total deferred outflows of resources	<u>5,110,633</u>
Liabilities:	
Accounts and other payables	2,510,548
Accrued interest payable	107,571
Unearned revenue	1,355,615
Noncurrent liabilities:	
Due within one year	3,508,990
Due in more than one year	<u>40,904,456</u>
Total liabilities	<u>48,387,180</u>
Deferred Inflows of Resources:	
Deferred charge on refunding	10,456
Deferred inflows related to PERS	28,017
Deferred inflows related to MERS	1,725,709
Deferred inflows related to OPEB	<u>6,997,467</u>
Total deferred inflows of resources	<u>8,761,649</u>
Net Position:	
Net investment in capital assets	155,840,026
Restricted for:	
Perpetual care:	
Expendable	368,568
Nonexpendable	494,624
Libraries:	
Expendable	57,321
Nonexpendable	598,592
Debt service	426,475
Open space	317,218
Other programs	209,014
Grants	1,045,533
Unrestricted	<u>(15,439,002)</u>
Total Net Position	<u>\$ 143,918,369</u>

The accompanying notes are an integral part of the financial statements

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General administration	\$ 5,831,280	\$ 326,080	\$ 682,581	\$	\$ (4,822,619)
Public safety	4,640,105	829,597			(3,810,508)
Public works	7,450,482	2,056,319		2,685,468	(2,708,695)
Health and welfare	356,581	46,566	12,725		(297,290)
Library	476,565	2,005	10,050		(464,510)
Recreation	285,202	38,272			(246,930)
Education	32,259,534	251,406	15,602,972		(16,405,156)
Land use	198,651	15,734		4,800	(178,117)
Interest expense	422,877				(422,877)
Total Governmental Activities	<u>\$ 51,921,277</u>	<u>\$ 3,565,979</u>	<u>\$ 16,308,328</u>	<u>\$ 2,690,268</u>	<u>(29,356,702)</u>
General revenues:					
Property taxes					31,599,555
Grants and contributions not restricted to specific programs					336,574
Investment earnings					(264,008)
Miscellaneous					260,761
Total general revenues					<u>31,932,882</u>
Change in Net Position					2,576,180
Net Position at Beginning of Year					<u>141,342,189</u>
Net Position at End of Year					<u>\$ 143,918,369</u>

The accompanying notes are an integral part of the financial statements

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

	General	Sewer Operating	ARPA Fund	Capital Projects	Capital and Nonrecurring	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 9,242,279	\$ 2,091,344	\$ 1,563,102	\$ 277,762	\$ 480,089	\$ 3,390,861	\$ 17,045,437
Investments		110,772				295,967	406,739
Restricted investments						1,143,072	1,143,072
Receivables, net:							
Property taxes	675,374						675,374
Interest	159,053	50,697					209,750
Assessments/use charges		258,734				4,098	262,832
Intergovernmental	719				655,040	156,121	811,880
Loans						807,646	807,646
Other	1,003					94,647	95,650
Due from other funds	2,171,922	555		548,422	1,273,955	1,960,056	5,954,910
Total Assets	\$ 12,250,350	\$ 2,512,102	\$ 1,563,102	\$ 826,184	\$ 2,409,084	\$ 7,852,468	\$ 27,413,290
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 836,786	\$ 87,513	\$ 513,377	\$ 345,210	\$ 685,117	\$ 42,545	\$ 2,510,548
Due to other funds	3,476,936	991,037		317,307	260,847	908,783	5,954,910
Unearned revenue			1,049,725	5,000	47,702	253,188	1,355,615
Total liabilities	4,313,722	1,078,550	1,563,102	667,517	993,666	1,204,516	9,821,073
Deferred inflows of resources:							
Unavailable revenue - property taxes	671,469						671,469
Unavailable revenue - sewer use receivable		309,431					309,431
Unavailable revenue - special assessments						4,098	4,098
Unavailable revenue - loans receivable						807,646	807,646
Unavailable revenue - grants					655,040		655,040
Total deferred inflows of resources	671,469	309,431	-	-	655,040	811,744	2,447,684
Fund balances:							
Nonspendable						1,093,216	1,093,216
Restricted						2,424,129	2,424,129
Committed	100,000	1,124,121		158,667	760,378	2,387,075	4,530,241
Assigned	982,888						982,888
Unassigned	6,182,271					(68,212)	6,114,059
Total fund balances	7,265,159	1,124,121	-	158,667	760,378	5,836,208	15,144,533
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,250,350	\$ 2,512,102	\$ 1,563,102	\$ 826,184	\$ 2,409,084	\$ 7,852,468	\$ 27,413,290

The accompanying notes are an integral part of the financial statements

TOWN OF PLYMOUTH, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022

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

Amounts reported for governmental activities in the Statement of Net Position (Exhibit I) are
different from the governmental fund balance sheet because of the following:

Fund balances - total governmental funds (Exhibit III)	\$ 15,144,533
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Assets held for sale		1,770,176
Governmental capital assets	\$ 268,651,189	
Less accumulated depreciation	<u>(95,923,180)</u>	
Net capital assets		172,728,009

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 receivable greater than 60 days	512,416
Interest receivable on property taxes	159,053
Sewer use and assessments receivable	309,431
Water assessment receivable	4,098
Housing loans	807,646
Grants	655,040
Deferred outflows related to refunding	11,519
Deferred outflows related to PERS	1,000,028
Deferred outflows related to MERS	1,508,855
Deferred outflows related to OPEB	2,590,231

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 payable	(14,050,000)
Notes payable	(797,056)
Direct borrowings	(1,071,051)
Premium	(420,701)
Interest payable on bonds	(107,571)
Total OPEB liability	(12,527,110)
Compensated absences	(1,210,001)
Early retirement incentive	(18,750)
Net pension liability	(14,093,777)
Landfill postclosure costs	(225,000)
Deferred inflows related to refunding	(10,456)
Deferred inflows related to PERS	(28,017)
Deferred inflows related to MERS	(1,725,709)
Deferred inflows related to OPEB	<u>(6,997,467)</u>

Net Position of Governmental Activities (Exhibit I)	\$ <u>143,918,369</u>
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The accompanying notes are an integral part of the financial statements

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

	<u>General</u>	<u>Sewer Operating</u>	<u>ARPA Fund</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:							
Property taxes	\$ 31,554,599	\$	\$	\$	\$	\$	\$ 31,554,599
Charges for services	561,104	1,856,780				1,147,798	3,565,682
Intergovernmental	14,076,272		666,493		2,292,703	2,822,075	19,857,543
Income from investments	19,177	3,028				22,985	45,190
Net change in fair value of investments		(19,126)				(290,073)	(309,199)
Contributions	44,449					27,239	71,688
Other	308,385			270,700		1,175	580,260
Total revenues	<u>46,563,986</u>	<u>1,840,682</u>	<u>666,493</u>	<u>270,700</u>	<u>2,292,703</u>	<u>3,731,199</u>	<u>55,365,763</u>
Expenditures:							
Current:							
General administration	6,073,584		563,740			120,722	6,758,046
Public safety	3,355,230	22,886	27,753			685,528	4,091,397
Public works	3,084,776	1,435,987	75,000				4,595,763
Health and welfare	213,400					113,229	326,629
Library	424,541					37,060	461,601
Recreation	269,192					-	269,192
Education	28,793,988					2,820,698	31,614,686
Land use	152,166						152,166
Debt service	3,246,110	124,625					3,370,735
Capital outlay	1,134,687	103,129			3,425,055		4,662,871
Total expenditures	<u>46,747,674</u>	<u>1,686,627</u>	<u>666,493</u>	<u>-</u>	<u>3,425,055</u>	<u>3,777,237</u>	<u>56,303,086</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(183,688)</u>	<u>154,055</u>	<u>-</u>	<u>270,700</u>	<u>(1,132,352)</u>	<u>(46,038)</u>	<u>(937,323)</u>
Other Financing Sources (Uses):							
Transfers in	251,977			35,000	705,140	9,250	1,001,367
Transfers out	(749,390)				(50,000)	(201,977)	(1,001,367)
Notes issuance	1,133,227						1,133,227
Total other financing sources (uses)	<u>635,814</u>	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>655,140</u>	<u>(192,727)</u>	<u>1,133,227</u>
Net Change in Fund Balances	452,126	154,055	-	305,700	(477,212)	(238,765)	195,904
Fund Balances at Beginning of Year	<u>6,813,033</u>	<u>970,066</u>	<u>-</u>	<u>(147,033)</u>	<u>1,237,590</u>	<u>6,074,973</u>	<u>14,948,629</u>
Fund Balances at End of Year	<u>\$ 7,265,159</u>	<u>\$ 1,124,121</u>	<u>\$ -</u>	<u>\$ 158,667</u>	<u>\$ 760,378</u>	<u>\$ 5,836,208</u>	<u>\$ 15,144,533</u>

The accompanying notes are an integral part of the financial statements

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

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 195,904
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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	4,332,693
Depreciation expense	(5,155,967)

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:

Assets held for sale	(319,500)
Property tax receivable - accrual basis change	48,233
Property tax interest revenue - accrual basis change	(3,277)
Sewer use and assessment receivable - accrual basis change	2,703
Water assessment receivable - accrual basis change	(2,402)
Housing loans receivable - accrual basis change	(28,360)
Grants - accrual basis change	392,762
Deferred outflows related to PERS	301,996
Deferred outflows related to MERS	(488,472)
Deferred outflows related to OPEB	(465,008)

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 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:

Bonds principal payments	2,370,000
Notes principal payments	54,343
Direct borrowing issuance	(1,133,227)
Direct borrowing payments	344,046

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

Total OPEB liability	2,357,348
Compensated absences	(4,674)
Early retirement incentive	(9,000)
Net pension liability	1,750,814
Landfill postclosure costs	12,500
Accrued interest payable	19,671
Amortization of deferred charge on refunding	(4,790)
Amortization of premium	164,588
Deferred inflows related to PERS	46,693
Deferred inflows related to MERS	(1,131,864)
Deferred inflows related to OPEB	(1,071,573)

Change in Net Position of Governmental Activities (Exhibit II)	\$ <u>2,576,180</u>
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The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
FIDUCIARY FUND
STATEMENT OF NET POSITION
JUNE 30, 2022**

	Pension Fund
Assets:	
Investments:	
Guaranteed investment contracts	\$ 7,304,748
Mutual funds	<u>2,131,981</u>
Total investments	<u>9,436,729</u>
Accounts receivable	<u>30,212</u>
Total assets	<u>9,466,941</u>
Net Position:	
Restricted for Pension/Other Benefits	\$ <u><u>9,466,941</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF PLYMOUTH, CONNECTICUT
FIDUCIARY FUND
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022**

	Pension Fund
	<hr/>
Additions:	
Contributions:	
Employer	\$ 1,807,855
Plan members	41,811
Total contributions	<hr/> 1,849,666 <hr/>
Investment income:	
Net change in fair value of investments	(506,524)
Interest and dividends	337,691
Total investment income	<hr/> (168,833)
Less investment expense	(73,110)
Net investment income	<hr/> (241,943) <hr/>
Total additions	<hr/> 1,607,723 <hr/>
Deductions:	
Benefits	1,527,383
Administration	7,359
Total deductions	<hr/> 1,534,742 <hr/>
Change in Net Position	72,981
Net Position at Beginning of Year	<hr/> 9,393,960 <hr/>
Net Position at End of Year	\$ <hr/> 9,466,941 <hr/>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Plymouth (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 operates under a home rule charter that was adopted in 1974. The Town operates under a Mayor-Town Council form of government and provides the following public services as authorized by its charter: public safety (police and fire), public works, parks and recreation, sanitation, health and social services, planning and zoning, and education.

Fiduciary Component Units

The Town has established two single-employer Public Retirement System (PERS) pension plans, the Town Plan and the Board of Education Plan, to provide retirement benefits to qualified employees. The Town appoints the majority of the Board and is required to make contributions to the pension plans.

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

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

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds 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 is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as 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.

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 *Sewer Operating Fund* accounts for operations of the Sewer Collection System. The main source of revenue is the user charge fee.

The *ARPA Fund* accounts for activity related to the American Rescue Plan Act federal grant program. The main source of revenue for this fund is federal assistance.

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

The *Capital and Nonrecurring Fund* is used to account for the financial resources that are restricted, committed or assigned to be used for capital outlays, including the acquisition or construction of capital facilities and other capital assets funded by debt issuance and grants.

Additionally, the Town reports the following fund types:

The *Pension Trust Fund* accounts for the activities of the Town pension plans, which accumulate resources for pension benefit payments to qualified Town and Board of Education employees.

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's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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.

D. 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.

Investments are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." All trade and property tax receivables are shown net of an allowance for uncollectibles. Allowances for uncollectibles are computed based on historical data.

Loan receivables consist of Community Development Block Grant loans. The Town provides low-interest loans for residential rehabilitation as well as loans to local businesses for facility improvements.

Property taxes (receivable - taxes) are assessed as of October 1, levied after the adoption of the Town budget by referendum and become legally due and payable on July 1. Taxes are overdue on August 1, and interest is levied at a rate of 1-1/2% per month. Liens are placed on delinquent real estate taxes owed on June 30th. Liens will be placed sooner in cases where the Tax Collector deems the taxes to be in jeopardy.

An amount of \$200,000 has been established as an allowance for uncollectible taxes as of June 30, 2022.

F. Restricted Investments

CDBG Loans Fund

Certain investments accounts are pledged as collateral for loans made by the bank to participants in the Town's Community Development Loan Program. This amount is adjusted as loans are repaid.

Permanent Funds

Restricted investments in permanent funds are to be used for the Cemetery and Library improvements.

G. Assets Held for Sale

Assets held for sale are the Phase III Industrial Park lots available for sale. Assets held for sale are not depreciated.

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

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 government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	75-100
Building improvements	50
Land improvements	50
Roads	50-100
Bridges	50-75
Sewer plant	50
Sewer lines	100
Vehicles	5-20
Office equipment	5-25

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 position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pensions 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 results from contributions made subsequent to measurement date, changes in assumptions or other inputs, change net difference between projected and actual earnings on investments, and change in proportional share. The contributions made subsequent to measurement date are recognized the following year. All other 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 plans (active employees and inactive employees) or in the case of the difference in projected and actual earning on pension plan investments, over a systematic and rational method over a closed five-year period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred charge on refunding in the government-wide statement of net position. The Town also reports deferred inflows 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 results from differences between expected and actual experience, and changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). 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. The governmental funds report unavailable revenues from several sources: property taxes, sewer use fees, special assessments and long-term loans. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Compensated Absences

Employees are paid by a prescribed formula for absence due to vacation and sickness based upon the various union contracts and the Town's personnel policies. The eligibility for vacation pay, and in some instances sick pay, does not vest.

K. Net Pension Liability

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

L. Total Other Postemployment Benefits Other than Pension (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, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

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 Investment in Capital Assets

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

Restricted Net Position

This component of net position consists of restrictions that are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This component consists of net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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 of Plymouth Board of Finance) by adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned Fund Balance

For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as nonspendable, restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance that has been delegated authority to assign amounts by the Town Charter.

Unassigned 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.

O. Fund Balance Flow Assumptions

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

P. Accounting Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Town adheres to the following procedures in establishing the annual budget. No later than January 31, each department head, office or agency shall file with the mayor a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 10. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 15. The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the public hearings, the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the Town referendum. Within ten business days after such meeting, the Board of Finance shall present the recommended budget to the budget referendum, and at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper. In the event that the proposed budget is not more than three percent (3%) higher or lower than the current year's original approved budget, the Town Council may consider and approve the same by a majority vote. If the budget is more than 3% higher or lower than the current year's original approved budget, the Town Council shall schedule a budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, a second referendum will be scheduled by the Town Council to be held within 20 days. If the budget is rejected a second time, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service, shall not exceed 3% of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and also fix the tax rate in mills.

- The Sewer Operating Budget is approved prior to July 1st by the Water Pollution Control Authority.

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

- The Finance Director is authorized to transfer budgeted amounts within departments up to \$1,000; all transfers over \$1,000 require Board of Finance approval. Budget over expenditures in departmental line items are approved by the Board of Finance, although no actual budgetary entries are made. Additional appropriations must be approved by the Town Council. Appropriations in excess of \$50,000 must be submitted to a Town Meeting for approval.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund and at the fund level for the Sewer Operating Fund.
- Budgeted amounts shown are as originally adopted, or as amended by the Town Council and Board of Finance during the course of the year.
- The Board of Education is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education and Town Council approval and, if over \$50,000, Town Meeting approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year-end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2022, the following expenditures exceeded appropriations for the General Fund:

Human Resource	\$	7,298
Comptroller		4,007
Central Office		4,728
Clerical Office Staff		13
Board of Finance		8,635
Employee Benefits		342,005
Fire Department		30,289
Snow Removal		34,486
Highway Department		9,613
Transfer Station		121,404
Maintenance Garage		13,373
Utilities - Hydrants and Streetlights		2,053
Ambulance Corps		1,260
Parks and Recreation		116,030
	\$	<u>695,194</u>

For the year ended June 30, 2022, the Sewer Operating Fund exceeded appropriations by \$94,999.

C. Fund Deficits

Fund balance deficits existed as of June 30, 2022 in the following funds:

Economic Development	\$	16,116
Recreational Revolving		52,096

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

This fund deficit will be reduced or eliminated by future proceeds and transfers from the General Fund.

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 asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

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 does not have a deposit policy for 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*, \$16,952,676 of the Town's bank balance of \$17,880,240 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 15,174,650
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,778,026</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 16,952,676</u></u>

Cash Equivalents

At June 30, 2022, the Town's cash equivalents amounted to \$30,707. The Town's cash equivalents (excluding U.S. government guaranteed obligations) are mainly money markets with Bank of America, Torrington Savings Bank, Thomaston Savings Bank and Wells Fargo, which are not rated. The pools all have maturities of less than one year.

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

Investments

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

Investment Type	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1	1-10	More Than 10
Interest-bearing investments:					
Guaranteed investment contracts	N/A	\$ 7,304,748	\$	\$	\$ 7,304,748
Certificates of deposit	*	<u>83,697</u>	<u>33,841</u>	<u>49,856</u>	
Total		7,388,445	<u>\$ 33,841</u>	<u>\$ 49,856</u>	<u>\$ 7,304,748</u>
Other investments:					
Mutual funds		<u>3,598,095</u>			
Total Investments		<u>\$ 10,986,540</u>			

* Subject to coverage by Federal Depository Insurance and collateralization.

N/A - Not applicable

Interest Rate Risk

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

Credit Risk - Investments

As indicated above, state statutes limit the investment options of cities and towns. The Town allows the same type of investments as state statutes.

Concentration of Credit Risk

The Town and Pension Fund has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments. Information regarding concentration of the investments that represent more than 5% of the investments in the Pension Fund is detailed in Note 10.

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 does not have a policy for custodial credit risk. At June 30, 2022, 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.

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

Fair Value

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

	June 30, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
Guaranteed investment contracts	\$ 7,304,748	\$	\$ 7,304,748	\$
Mutual funds	3,598,095	3,366,090	147,366	84,639
Total Investments by Fair Value Level	\$ 10,902,843	\$ 3,366,090	\$ 7,452,114	\$ 84,639

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Guaranteed investment contracts classified in Level 2 of the fair value hierarchy are valued using the present value of benefits for retirees based on premium rate tables in their contract. In addition, unallocated funds in excess of annuity allocations are valued using a market value factor of 107%.

4. RECEIVABLES

Receivables by type at June 30, 2022 for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	Property Taxes	Interest and Lien Fees	Assessments/ Use Charges	Due From State	Loans	Other Receivables	Total
Accounts receivable	\$ 875,374	\$ 209,750	\$ 262,832	\$ 811,880	\$ 807,646	\$ 95,650	\$ 3,063,132
Less allowance for uncollectible accounts	(200,000)						(200,000)
Net Accounts Receivable	\$ 675,374	\$ 209,750	\$ 262,832	\$ 811,880	\$ 807,646	\$ 95,650	\$ 2,863,132

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

5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,740,855	\$	\$	\$ 6,740,855
Construction in progress	<u>1,543,234</u>	<u>3,359,011</u>	<u>3,359,011</u>	<u>1,543,234</u>
Total capital assets not being depreciated	<u>8,284,089</u>	<u>3,359,011</u>	<u>3,359,011</u>	<u>8,284,089</u>
Capital assets being depreciated:				
Buildings	72,681,002			72,681,002
Building improvement	19,566,374	4,809		19,571,183
Land improvement	6,712,443			6,712,443
Machinery and equipment	8,589,142	973,155		9,562,297
Vehicles	7,552,959	288,908		7,841,867
Infrastructure	<u>140,932,487</u>	<u>3,065,821</u>		<u>143,998,308</u>
Total capital assets being depreciated	<u>256,034,407</u>	<u>4,332,693</u>	<u>-</u>	<u>260,367,100</u>
Less accumulated depreciation for:				
Buildings	(31,024,733)	(1,587,711)		(32,612,444)
Building improvement	(6,284,572)	(514,961)		(6,799,533)
Land improvement	(5,018,399)	(175,638)		(5,194,037)
Machinery and equipment	(4,531,457)	(475,468)		(5,006,925)
Vehicles	(4,545,150)	(302,964)		(4,848,114)
Infrastructure	<u>(39,362,902)</u>	<u>(2,099,225)</u>		<u>(41,462,127)</u>
Total accumulated depreciation	<u>(90,767,213)</u>	<u>(5,155,967)</u>	<u>-</u>	<u>(95,923,180)</u>
Total capital assets being depreciated, net	<u>165,267,194</u>	<u>(823,274)</u>	<u>-</u>	<u>164,443,920</u>
Governmental Activities Capital Assets, Net	\$ <u>173,551,283</u>	\$ <u>2,535,737</u>	\$ <u>3,359,011</u>	\$ <u>172,728,009</u>

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

Governmental activities:	
General administration	\$ 123,922
Public safety	460,435
Public works	2,738,258
Health and welfare	30,323
Library	16,457
Recreation	15,994
Education	1,724,093
Land use	<u>46,485</u>
Total Depreciation Expense - Governmental	\$ <u>5,155,967</u>

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

Construction Commitments

The Town has active construction projects as of June 30, 2022. The projects include the following:

Project	Appropriations	Cumulative Expenditures	Balance
Harwinton Avenue	\$ 2,010,101	\$ 1,928,827	\$ 81,274
WPCA - Phosphorous Removal Project	<u>6,211,828</u>	<u>102,372</u>	<u>6,109,456</u>
Total	<u>\$ 8,221,929</u>	<u>\$ 2,031,199</u>	<u>\$ 6,190,730</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The interfund receivables and payables are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects	\$ 292,657
	Nonmajor Governmental Funds	908,228
	Sewer Operating	<u>971,037</u>
		<u>2,171,922</u>
Sewer Operating	Nonmajor Governmental Funds	<u>555</u>
Capital Projects	General Fund	387,575
	Capital and Nonrecurring	<u>160,847</u>
		<u>548,422</u>
Capital and Nonrecurring	General Fund	<u>1,273,955</u>
Nonmajor Funds	General Fund	1,815,406
	Capital Projects	24,650
	Sewer Operating	20,000
	Capital and Nonrecurring	<u>100,000</u>
		<u>1,960,056</u>
Total		<u>\$ 5,954,910</u>

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

Interfund receivables and payables generally represent temporary balances arising from reimbursement type transactions.

Interfund transfers:

	Transfer In				
	<u>General Fund</u>	<u>Capital Projects</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental</u>	<u>Total Transfer Out</u>
Transfers out:					
General Fund	\$	\$ 35,000	\$ 705,140	\$ 9,250	\$ 749,390
Capital and Nonrecurring Fund	50,000				50,000
Nonmajor Governmental Funds	201,977				201,977
Total Transfer In	<u>\$ 251,977</u>	<u>\$ 35,000</u>	<u>\$ 705,140</u>	<u>\$ 9,250</u>	<u>\$ 1,001,367</u>

Transfers are used to 1) move money from General Fund to Dog Fund, Education Sinking Fund, and Cemetery Trust Funds, and 2) to move revenues from General Fund to Capital and Nonrecurring Fund for capital and nonrecurring projects.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds and notes payable:					
General obligation bonds	\$ 16,420,000	\$	\$ 2,370,000	\$ 14,050,000	\$ 2,410,000
Clean water notes from direct borrowings	851,399		54,343	797,056	55,440
Premium	585,289		164,588	420,701	
Total bonds and notes payable	17,856,688	-	2,588,931	15,267,757	2,465,440
Direct borrowings-other	281,870	1,133,227	344,046	1,071,051	259,901
Total OPEB liability	14,884,458	692,122	3,049,470	12,527,110	748,073
Compensated absences	1,205,327	17,444	12,770	1,210,001	17,826
Early retirement incentive	9,750	15,000	6,000	18,750	5,250
Net pension liability - PERS	11,203,487	1,739,330	1,849,666	11,093,151	
Net pension liability - MERS	4,641,104		1,640,478	3,000,626	
Landfill postclosure costs	237,500		12,500	225,000	12,500
Total Governmental Activities Long-Term Liabilities	<u>\$ 50,320,184</u>	<u>\$ 3,597,123</u>	<u>\$ 9,503,861</u>	<u>\$ 44,413,446</u>	<u>\$ 3,508,990</u>

Compensated absences, net pension liability, total OPEB liability, and all others are generally liquidated by the general fund.

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

A schedule of bonds and notes payable at June 30, 2022 is presented below:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2022</u>
General Obligation Bonds Payable:					
General purpose:					
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	\$ 7,150,000	\$ 1,765,000
General obligation bonds	8/30/2013	8/15/2025	2.00-3.25	3,000,000	1,000,000
Refunding bonds	4/22/2014	7/15/2023	2.00-5.00	778,000	178,000
General obligation bonds	10/24/2018	10/15/2038	3.00-4.00	6,950,000	6,395,000
Refunding bonds	10/16/2019	12/15/2028	3.00-5.00	409,000	327,000
School:					
General obligation bonds	7/19/2012	7/15/2024	2.00-4.00	2,350,000	560,000
Refunding bonds	4/22/2014	7/15/2023	2.00-5.00	2,887,000	652,000
Refunding bonds	10/16/2019	12/15/2026	3.00-5.00	4,051,000	3,073,000
Sewer:					
General obligation bonds	8/30/2013	8/15/2025	2.00-3.25	500,000	<u>100,000</u>
Total General Obligation Bonds Payable					<u><u>\$ 14,050,000</u></u>
Clean Water Notes Payable:					
Clean Water Notes Payable	5/1/2016	3/1/2035	2.00	1,200,499	<u><u>\$ 797,056</u></u>

The annual requirements to amortize all bonds outstanding as of June 30, 2022, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 2,410,000	\$ 485,969
2024	2,410,000	401,988
2025	2,110,000	318,966
2026	1,365,000	253,019
2027	1,100,000	201,350
2028-2032	1,995,000	717,175
2033-2037	1,900,000	342,000
2038-2040	<u>760,000</u>	<u>30,400</u>
Total	<u><u>\$ 14,050,000</u></u>	<u><u>\$ 2,750,867</u></u>

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

Clean Water Note Payable from Direct Borrowings

The state of Connecticut Department of Energy and Environmental Protection has provided Clean Water financing in the form of permanently financed serial notes. The Town has a note payable at June 30, 2022 of \$797,056. The note was issued for a sewer construction project. The loan bears interest of 2%. The loan is payable in monthly installments of \$5,906, including interest through March 2035. The Town's outstanding clean water notes contains a provision that in event of default the state may declare, by notice to the Town, that the principal of and interest accrued on any outstanding amounts are immediately due and payable in full, automatically without further notices or demand of any kind.

Annual debt service requirements to maturity on these obligations are as follows:

Fiscal Year Ending June 30,	Clean Water Note Payable from Direct Borrowings	
	Principal	Interest
2023	\$ 55,440	\$ 15,435
2024	56,559	14,316
2025	57,701	13,174
2026	58,866	12,009
2027	60,054	10,821
2028-2032	318,921	35,428
2033-2035	189,515	7,435
Total	<u>\$ 797,056</u>	<u>\$ 108,618</u>

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 71,175,589	\$ 10,265,000	\$ 60,910,589
Schools	142,351,178	4,384,420	137,966,758
Sewers	118,625,981	1,021,467	117,604,514
Urban renewal	102,809,184	-	102,809,184
Pension deficit	94,900,785	-	94,900,785

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$221,435,165.

The definition of indebtedness above includes bonds and notes outstanding in addition to the amounts of bonds authorized and unissued against which debt is issued and outstanding. Debt authorized and unissued at June 30, 2022 is \$823,831.

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

Notes Payable – Direct Borrowings

The Town entered into finance agreements for the purchase of three vehicles and communication equipment. The agreements qualify as notes payable for accounting purposes (title transfer at end of terms) and therefore, have been recorded at the present value of the future minimum payments as of the date of their inception. The Town's outstanding notes for equipment contain a provision that in event of default, full and unencumbered legal title of the equipment shall, at the Lender's option, pass to the Lender, and the Town shall have no further interest therein.

Fiscal Year Ending June 30,	Governmental Activities	
	Notes Payable from	
	Direct Borrowings	
	Principal	Interest
2023	\$ 259,901	\$ 28,526
2024	159,098	21,665
2025	163,390	17,373
2026	167,804	12,958
2027	173,810	8,417
2028	147,048	3,692
Total	\$ 1,071,051	\$ 92,631

Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require landfill closures to meet certain standards. The Town has finalized an agreement with the State Department of Environmental Protection for final capping of the landfill. Monitoring costs for the next 18 years at \$12,500 per year are \$225,000. These amounts are based on estimates that are subject to change due to inflation, technology or applicable laws and regulations.

Termination Benefits

The Board of Education provides early retirement incentive benefits to former employees. Benefits are paid annually based on the retirement agreement for each employee from the Board of Education budget. The amount paid for the fiscal year ended June 30, 2022 was \$6,000 and the balance at year-end is \$18,750. Benefits are payable through 2023.

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

8. FUND BALANCE

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

	<u>General Fund</u>	<u>Sewer Operating</u>	<u>Capital Projects Fund</u>	<u>Capital and Nonrecurring</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:						
Nonspendable:						
Cemetery trust funds	\$	\$	\$	\$	\$ 494,624	\$ 494,624
Terryville public library trust					407,050	407,050
Mercy J Cone trust					191,542	191,542
Restricted for:						
Grants					1,571,765	1,571,765
Debt service					426,475	426,475
Cemetery trust funds					368,568	368,568
Terryville public library trust					39,235	39,235
Mercy J Cone trust					9,693	9,693
St. Mathews trust					8,393	8,393
Committed to:						
Pension obligations	100,000					100,000
Various capital improvements			158,667	760,378		919,045
Education sinking fund					872,086	872,086
Sewer operating and assessment		1,124,121			23,388	1,147,509
Water assessment					757,365	757,365
Dog fund					155,616	155,616
Fuel bank and small wonders					62,247	62,247
Police extra duty					269,461	269,461
Historical preservation					59,926	59,926
Blight Fund					151,625	151,625
ATM Fund					32,212	32,212
Town Fund					3,149	3,149
Assigned to:						
Education encumbrances	452,268					452,268
General administration	49,459					49,459
Public safety	79,050					79,050
Public works	304,772					304,772
Health and Welfare	2,262					2,262
Library	14,260					14,260
Parks and recreation	63,842					63,842
Land use	12,211					12,211
Performance bonds	4,764					4,764
Unassigned	6,182,271				(68,212)	6,114,059
Total Fund Balances	\$ 7,265,159	\$ 1,124,121	\$ 158,667	\$ 760,378	\$ 5,836,208	\$ 15,144,533

Major encumbrances are reported in the assigned fund balance of the General Fund of \$978,124.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Trust Fund

A. Plan Description and Benefits Provided

The Town administers two single-employer Public Employee Retirement Systems (PERS), contributory, defined benefit pension plans (Town Plan and Board of Education). Plan benefit and contribution requirements are established by plan documents as amended April 1, 1982, and approved by the Town Council. The Plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. The plans do not issue separate stand-alone financial reports.

Management of the pension plans is made up of a five-member board, which includes the Mayor, Director of Finance, Town Treasurer, Board of Education Business Manager and a Board of Finance member. In addition, there is a Town Council liaison assigned to the Board.

The plans provide for retirement and disability income for all eligible employees. All employees who work at least 20 hours a week and have been hired before July 1, 2001 are eligible on their date of hire. The plans cover substantially all noncertified Board of Education employees and all regular Town employees except police personnel and elected officials. Effective July 1, 2009, Custodian and Central office employees no longer have the option to participate in this plan.

At July 1, 2020 the plan's membership consisted of:

	Town	Board of Education
Retirees and beneficiaries currently receiving benefits	62	39
Terminated employees entitled to benefits but not receiving them	7	3
Active plan members	8	24
	<hr/>	<hr/>
Total	<u>77</u>	<u>66</u>

The plan is closed to new participants.

B. Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the defined benefit pension plans fund. Plan member contributions are recognized in the period in which the contributions 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 plans.

Method Used to Value Investments

Investments are reported at market value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

C. Funding Policy

Employees covered under the Town and Board of Education plans are required to contribute 5% and 2.5%, respectively, of their earnings to the plan. The Town and Board of Education contributions are actuarially determined on an annual basis.

Administrative costs of the Plans are financed through investment earnings.

D. Investments

Investment Policy: The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Concentration: The Town holds a guaranteed investment contract which represents more than 5% of the respective funds net position at June 30, 2022. The amount held at June 30, 2022 is \$7,304,748.

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (2.56)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

E. Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2022 were as follows:

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Total pension liability	\$ 11,726,482	\$ 8,833,610	\$ 20,560,092
Plan fiduciary net position	<u>(4,531,136)</u>	<u>(4,935,805)</u>	<u>(9,466,941)</u>
Town's Net Pension Liability	<u>\$ 7,195,346</u>	<u>\$ 3,897,805</u>	<u>\$ 11,093,151</u>
Plan fiduciary net position as a percentage of the total pension liability	38.64%	55.88%	46.05%

Actuarial Assumptions

The total pension liability at June 30, 2022 was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Town</u>	<u>Board of Education</u>
Inflation	2.75%	2.75%
Salary increases including inflation	3.50%	3.50%
Discount rate	6.25%	6.25%
Long-term expected rate of return	6.25%	6.25%
Municipal bond rate	N/A	N/A

Mortality tables were based on PubG-2010 Mortality Table, with generational projection per the MP-2019 Ultimate Scale.

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

The Town and Board of Education plans have not had a formal actuarial experience study performed.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
U.S. Long Credit Bonds	82.01 %	2.32 %
U.S. Interm Treasury Bonds	3.40	0.45
U.S. Large & Mid Cap Value	2.34	5.14
U.S. Broad Equity Market	2.33	5.33
U.S. Core Fixed Income	1.80	1.37
U.S. Large & Mid Cap Growth	1.46	5.29
U.S. Short Treasury Bonds	1.43	0.16
Global Bonds	1.42	(0.13)
U.S. Inflation-Indexed Bonds	1.08	0.61
Emerging Markets Equity	0.73	8.64
U.S. Small Cap Equity	0.72	6.58
Non-U.S. Small Cap Equity	0.54	6.76
U.S. Mid Cap Equity	0.37	5.71
Commodities	0.19	1.93
U.S. High Yield Bonds	0.18	3.95
	<u>100.00 %</u>	

Discount Rate

Town/Board of Education Plans

The discount rate used to measure the total pension liability at June 30, 2022 was 6.25%, same rate the Town plan reported in the prior year. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

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

Changes in the Net Pension Liability

Town Pension Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2021	\$ 11,964,698	\$ 4,176,944	\$ 7,787,754
Changes for the year:			
Service cost	63,387		63,387
Interest on total pension liability	720,304		720,304
Employer contributions		1,471,838	(1,471,838)
Member contributions		19,688	(19,688)
Net investment income		(112,020)	112,020
Benefit payments, including refund to employee contributions	(1,021,907)	(1,021,907)	-
Administrative expenses		(3,407)	3,407
Net changes	(238,216)	354,192	(592,408)
Balances as of June 30, 2022	\$ 11,726,482	\$ 4,531,136	\$ 7,195,346

Board of Education Pension Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2021	\$ 8,632,749	\$ 5,217,016	\$ 3,415,733
Changes for the year:			
Service cost	171,621		171,621
Interest on total pension liability	534,716		534,716
Employer contributions		336,017	(336,017)
Member contributions		22,123	(22,123)
Net investment income		(129,923)	129,923
Benefit payments, including refund to employee contributions	(505,476)	(505,476)	-
Administrative expenses		(3,952)	3,952
Net changes	200,861	(281,211)	482,072
Balances as of June 30, 2022	\$ 8,833,610	\$ 4,935,805	\$ 3,897,805

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

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 percentage point lower or 1 percentage point higher than the current rate:

Town			
	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net Pension Liability	\$ <u>8,287,613</u>	\$ <u>7,195,346</u>	\$ <u>6,259,301</u>

Board of Education			
	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net Pension Liability	\$ <u>4,852,078</u>	\$ <u>3,897,805</u>	\$ <u>3,088,542</u>

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

At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Deferred Outflows of Resources			
	Town Pension Plan	Board of Education Pension Plan	Total
Changes in assumptions	\$	\$ 119,068	\$ 119,068
Net difference between projected and actual earnings on pension plan investments	<u>405,704</u>	<u>475,256</u>	<u>880,960</u>
Total	\$ <u>405,704</u>	\$ <u>594,324</u>	\$ <u>1,000,028</u>

Deferred Inflows of Resources			
	Town Pension Plan	Board of Education Pension Plan	Total
Differences between expected and actual experience	\$ <u></u>	\$ <u>28,017</u>	\$ <u>28,017</u>

TOWN OF PLYMOUTH, CONNECTICUT
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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>Town Pension Plan</u>	<u>Board of Education Pension Plan</u>	<u>Total</u>
2023	\$ 127,866	\$ 240,517	\$ 368,383
2024	111,880	131,746	243,626
2025	88,426	103,869	192,295
2026	<u>77,532</u>	<u>90,175</u>	<u>167,707</u>
	\$ <u>405,704</u>	\$ <u>566,307</u>	\$ <u>972,011</u>

For the year ended June 30, 2022, the Town recognized pension expense of \$1,348,830 as follows:

	<u>Pension Expense</u>
Town	\$ 647,809
Board of Education	<u>701,021</u>
Total	\$ <u>1,348,830</u>

The following schedule presents the net position held in trust for the pension benefits at June 30, 2022 and the changes in net position for the year ended.

Schedule of Plan Net Position - June 30, 2022

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Assets:			
Investments:			
Guaranteed investment contracts	\$ 3,496,252	\$ 3,808,496	\$ 7,304,748
Mutual funds	<u>1,021,591</u>	<u>1,110,390</u>	<u>2,131,981</u>
Total investments	4,517,843	4,918,886	9,436,729
Accounts receivable	<u>13,293</u>	<u>16,919</u>	<u>30,212</u>
Total assets	<u>4,531,136</u>	<u>4,935,805</u>	<u>9,466,941</u>
Net Position:			
Restricted for Pensions	\$ <u>4,531,136</u>	\$ <u>4,935,805</u>	\$ <u>9,466,941</u>

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

Schedule of Changes in Plan Net Position for the Year Ended June 30, 2022

	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 1,471,838	\$ 336,017	\$ 1,807,855
Plan members	19,688	22,123	41,811
Total contributions	<u>1,491,526</u>	<u>358,140</u>	<u>1,849,666</u>
Investment income:			
Net change in fair value of investments	(222,870)	(283,654)	(506,524)
Interest and dividends	143,018	194,673	337,691
Total investment income	<u>(79,852)</u>	<u>(88,981)</u>	<u>(168,833)</u>
Less investment expense	<u>(32,168)</u>	<u>(40,942)</u>	<u>(73,110)</u>
Net investment income	<u>(112,020)</u>	<u>(129,923)</u>	<u>(241,943)</u>
Total additions	<u>1,379,506</u>	<u>228,217</u>	<u>1,607,723</u>
Deductions:			
Benefits	1,021,907	505,476	1,527,383
Administration	<u>3,407</u>	<u>3,952</u>	<u>7,359</u>
Total deductions	<u>1,025,314</u>	<u>509,428</u>	<u>1,534,742</u>
Change in Net Position	354,192	(281,211)	72,981
Net Position at Beginning of Year	<u>4,176,944</u>	<u>5,217,016</u>	<u>9,393,960</u>
Net Position at End of Year	<u>\$ 4,531,136</u>	<u>\$ 4,935,805</u>	<u>\$ 9,466,941</u>

Municipal Employees' Retirement System

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement - Service Connected

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

Disability Retirement - Non-Service Connected

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

Pre-Retirement Death Benefit

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

C. Contributions

Member

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

TOWN OF PLYMOUTH, CONNECTICUT
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Employer

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

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

At June 30, 2022, the Town reports a liability of \$3,000,626 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2021. The actuarial assumptions used in the June 30, 2021 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2022, the Town's proportion was .42%. There is no change in proportion from the prior year.

For the year ended June 30, 2022, the Town recognized pension expense of \$579,344. At June 30, 2022, the Town reported deferred outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$	\$ 1,320,106
Change in assumptions	391,434	
Differences between expected and actual experience	233,376	405,603
Changes in proportional share	216,402	
Contributions made subsequent to measurement date	667,643	
Total	\$ 1,508,855	\$ 1,725,709

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

Year Ending June 30,

2023	\$ 58,080
2024	(275,704)
2025	(287,396)
2026	(379,477)
Total	\$ (884,497)

TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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E. Actuarial Assumptions

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

Inflation	2.50%
Salary increase	3.50-10.00%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on:

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

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	20.0 %	5.3 %
Developed market international	11.0	5.1
Emerging market international	9.0	7.4
Core fixed income	16.0	1.6
Inflation linked bond fund	5.0	1.3
Emerging market debt	5.0	2.9
High yield bond	6.0	3.4
Real estate	10.0	4.7
Private equity	10.0	7.3
Alternative investments	7.0	3.2
Liquidity fund	1.0	0.9
Total	<u>100.0 %</u>	

F. Discount Rate

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of the net pension liability (asset)	\$ <u>1,216,292</u>	\$ <u>3,000,626</u>	\$ <u>5,059,942</u>

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 3 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.

TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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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.

Employer (School Districts)

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

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$3,187,906 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, 2022, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>38,071,822</u>
Total	\$ <u><u>38,071,822</u></u>

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

TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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For the year ended June 30, 2022, the Town recognized pension expense and revenue of \$2,457,625 in Exhibit II.

E. Actuarial Assumptions

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

Inflation	2.50%
Salary increase	3.00-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

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

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

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the 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 PLYMOUTH, CONNECTICUT
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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	5.60 %	20.00 %
Developed Market Intl. Stock Fund	6.00	11.00
Emerging Market Intl. Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
Emerging Market Debt Fund	2.70	5.00
High Yield Bond Fund	4.00	6.00
Real Estate	4.50	10.00
Private Equity	7.30	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		100.00 %

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.

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.

Defined Contribution Retirement Plan

In July 2001, the Town adopted the Town of Plymouth Retirement Savings Plan, a defined contribution plan for all employees other than police and those whose collective bargaining unit opts out of plan participation. In a defined contribution plan, the benefits depend solely on amounts contributed to the plan plus investment earnings. As of June 30, 2022, there were 85 members in the plan. After six months of employment, all employees except as noted above are eligible to participate in the plan. Failure to enroll in the plan within thirty days of eligibility precludes an employee from joining the plan during the remainder of employment with the Town. Employees who are currently members of the town's defined benefit pension plan may opt to freeze their benefit in the former plan and elect to contribute to the retirement savings plan. The plan requires employees to contribute 3% of earnings and the Town to contribute 6%. For the fiscal year ended June 30, 2022, contributions were \$72,664 and \$418,703, respectively. Town contributions along with the related earnings are fully vested after five years of continuous service. Town contribution vesting increases on 20% increasing scale from one to five years. Town contributions for, and interest forfeited by, employees who leave employment before five years of services are used to pay administrative expenses and/or utilized to reduce the Town's current contribution requirements. Pursuant to the administrative service agreement, Voya Financial Services administers the plan.

10. OTHER POSTEMPLOYMENT BENEFITS

Retiree Health Care Plan

A. Plan Description

The Town and Board of Education provide postretirement health care benefits, in accordance with various labor and personnel contracts, to employees meeting specific service and age requirements. The postretirement health care benefits plan is a single-employer defined benefit plan. The Town does not issue stand-alone financial statements for this program. The OPEB plan is administered by the Town. Plan provisions are determined by union contract and may be amended by union negotiations.

The healthcare benefits payable to members for the Town plan are for members who are age 55 with 25 years of service or at age 62 or older who are eligible for benefits from the pension plan. The retirees will pay the Town's share of the co-payment when they retire and shall be eligible for single coverage only. The retiree has the option to purchase health insurance at 100% of the cost for their spouse upon retirement. At age 65, the Town provides health insurance coverage up to 75% of the cost of Connecticut Blue Cross Blue Shield for the eligible retirees once enrolled in Medicare A & B programs.

B. Benefit Provided

The Town plan provides for medical benefits for all eligible Board of Education retirees. Summary of benefits provided should be provided as follows: Benefit terms, including 1) classes of employees covered, 2) types of benefits, 3) key elements of OPEB formula, 4) terms or policies with respect to automatic benefit changes, including ad hoc cost of living adjustments (COLAs), and 5) legal authority.

TOWN OF PLYMOUTH, CONNECTICUT
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C. Employees Covered by Benefit Terms

Membership in the plan consisted of the following at July 1, 2020:

	Retiree Healthcare Plan
Active members	235
Retired members	70
Beneficiaries	5
Spouses of retirees	22
	<hr/>
Total	332
	<hr/> <hr/>

D. Total OPEB Liability

The Town's total OPEB liability of \$12,527,110 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2020.

E. Actuarial Assumptions and Other Inputs

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

Inflation	2.70%
Salary increases	3.50%
Discount rate	3.54%
Healthcare cost trend rates	BOE Certified and Non-Certified: 5.3% to 4.1% over 54 years
	Town and Police: 5.1% to 4.2% over 53 years pre-Medicare, 4.8% to 4.2% over 52 years post-Medicare

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index. The plan has not had a formal actuarial experience study performed.

TOWN OF PLYMOUTH, CONNECTICUT
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F. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance as of July 1, 2021	\$ <u>14,884,458</u>
Changes for the year:	
Service cost	370,648
Interest on total OPEB liability	321,474
Changes in assumptions	(2,301,397)
Benefit payments, including refund to employee contributions	<u>(748,073)</u>
Net changes	<u>(2,357,348)</u>
Balance as of June 30, 2022	\$ <u><u>12,527,110</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

G. Sensitivity of the Total OPEB Liability to Change in the Discount Rate

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

	<u>1% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Total OPEB liability	\$ <u>14,129,685</u>	\$ <u>12,527,110</u>	\$ <u>11,205,385</u>

H. Sensitivity of the Total OPEB Liability to Change in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town using the current healthcare cost trend rate, as well as what the Town's total OPEB liability would be if it were calculated using the current healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ <u>10,873,223</u>	\$ <u>12,527,110</u>	\$ <u>14,588,979</u>

**TOWN OF PLYMOUTH, CONNECTICUT
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I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Town recognized OPEB expense (revenue) of \$(72,694). At June 30, 2022, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 2,821,991
Changes in assumptions or other inputs	2,590,231	4,175,476
Total	<u>\$ 2,590,231</u>	<u>\$ 6,997,467</u>

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

Year Ending June 30,	Town OPEB Plan
2023	\$ (764,816)
2024	(764,816)
2025	(700,470)
2026	(672,895)
2027	(510,681)
Thereafter	(993,558)

Other Postemployment Benefit - Connecticut State Teachers Retirement Plan

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

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.

**TOWN OF PLYMOUTH, CONNECTICUT
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JUNE 30, 2022**

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

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

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

Survivor Health Care Coverage

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

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.

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

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

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 appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

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

For the year ended June 30, 2022, the amount of "on-behalf" contributions made by the state was \$75,017 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, 2022, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>4,147,855</u>
Total	<u>\$ 4,147,855</u>

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

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

For the year ended June 30, 2022, the Town recognized OPEB expense and revenue of \$(153,167) in Exhibit II.

F. Actuarial Assumptions

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

Inflation	2.50%
Health care costs trend rate	5.125% for 2020, decreasing to an ultimate Rate of 4.50% by 2023
Salary increases	3.00-6.50%, including inflation
Investment rate of return	2.17%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2023

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

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

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

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

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

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

The long-term expected rate of return on plan assets is reviewed as part of the GASB Statement No. 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB Statement No. 75. The projection was based on an actuarial valuation performed as of June 30, 2020.

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

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

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

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 PLYMOUTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. TAX ABATEMENTS

As of June 30, 2022, the Town provides tax abatements to multiple organizations through the following program:

Program:	Economic Development Tax Abatement Program		
	Nutmeg Spice Company	Coscina Associates	Inland Fuel
Purpose of Program:	Generate Jobs and Tax Revenues	Generate Jobs and Tax Revenues	Generate Tax Revenues
Tax being abated:	Real and Personal Property	Real and Personal Property	Real and Personal Property
Authority under which abatement agreement is entered into:	Section 15-81 of Plymouth Municipal Code derived from CT General Statutes Sec 12-65b	Section 15-81 of Plymouth Municipal Code derived from CT General Statutes Sec 12-65b	Section 15-81 of Plymouth Municipal Code derived from CT General Statutes Sec 12-65b
Criteria to be eligible to receive abatement:	Agreements between municipality and owner or lessee of real property	Agreements between municipality and owner or lessee of real property	Agreements between municipality and owner or lessee of real property
How recipients' taxes are reduced:	Through adjustments to annual tax bills	Through adjustments to annual tax bills	Through adjustments to annual tax bills
How amount of abatement is determined:	Town Council approved agreement and resolutions	Town Council approved agreement and resolutions	Town Council approved agreement and resolutions
Provisions for recapturing abated taxes:	Abatement must be limited in duration and generate more taxes eventually then original property value	Abatement must be limited in duration and generate more taxes eventually then original property value	Abatement must be limited in duration and generate more taxes eventually then original property value
Types of commitments made by the Town other than to reduce taxes:	None	None	None
Gross dollar amount (accrual basis) by which the Town's taxes were reduced as a result of the abatement agreement program:	\$38,312	\$3,621	\$63,035

12. CONTINGENT LIABILITIES

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

Required Supplementary Information

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

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Property taxes:				
Current taxes	\$ 30,229,184	\$ 30,229,184	\$ 30,316,469	\$ 87,285
Supplemental motor vehicle tax	415,000	415,000	522,200	107,200
Prior year taxes	475,000	475,000	443,332	(31,668)
Interest and lien fees	260,000	260,000	244,121	(15,879)
Collection agency fees	1,000	1,000	28,477	27,477
PILOT - retirement community	15,000	15,000	21,295	6,295
PILOT - housing authority	5,000	5,000	-	(5,000)
PILOT - telephone access	15,000	15,000	15,670	670
Total property taxes	31,415,184	31,415,184	31,591,564	176,380
Licenses and Permits:				
Zoning permits	5,000	5,000	7,050	2,050
Transfer station permits	10,000	10,000	13,555	3,555
ROW permits	2,000	2,000	1,320	(680)
Gun permits	15,000	15,000	13,200	(1,800)
Structural permits	50,000	50,000	92,580	42,580
Electrical permits	10,000	10,000	25,882	15,882
Demolition permits	2,000	2,000	2,540	540
Plumbing permits	3,000	3,000	3,460	460
Heating permits	10,000	10,000	14,641	4,641
Total permits	107,000	107,000	174,228	67,228
Charges for services:				
Recording fees	60,000	60,000	89,488	29,488
Conveyance tax	85,000	85,000	148,172	63,172
Vital statistics	7,500	7,500	14,342	6,842
Miscellaneous town clerk	18,000	18,000	24,389	6,389
Land Use system fees	2,500	2,500	1,369	(1,131)
Zoning board of appeals	2,000	2,000	715	(1,285)
Fire marshal	500	500	1,250	750
Fire Hawk Program	250	250	340	90
Recreation facility rental	1,500	1,500	1,500	-
Recreational - other			36,772	36,772
Insurance reports	1,000	1,000	1,130	130
Hancock dam control	13,000	13,000	13,539	539
Miscellaneous public works/Metal Reimbursement	14,000	14,000	39,085	25,085
Conservation commission	1,000	1,000	960	(40)
Permit application fees	7,500	7,500	8,946	1,446
Aircraft registrations	1,000	1,000	450	(550)
Public hearings	1,000	1,000	1,935	935
Sub-division hearings	500	500	2,030	1,530
Total charges for services	216,250	216,250	386,412	170,162
Fines:				
Parking tickets & alarm fines	150	150	382	232
Library	3,000	3,000	82	(2,918)
False alarms	1,500	1,500	-	(1,500)
Total fines	4,650	4,650	464	(4,186)

(Continued on next page)

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

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Intergovernmental revenues:				
PILOT - state property	\$ 5,936	\$ 5,936	\$ -	\$ (5,936)
PILOT - federal			7,468	7,468
Veteran's grant	7,500	7,500	6,279	(1,221)
Disability exemption	2,500	2,500	2,680	180
ECS grant	9,802,121	9,802,121	9,778,479	(23,642)
Adult education	8,186	8,186	-	(8,186)
Pequot PILOT	33,955	33,955	33,955	-
Judicial refunds	5,000	5,000	-	(5,000)
Total intergovernmental revenues	<u>9,865,198</u>	<u>9,865,198</u>	<u>9,828,861</u>	<u>(36,337)</u>
Income from investments	<u>35,000</u>	<u>35,000</u>	<u>15,277</u>	<u>(19,723)</u>
Other revenues:				
Fire Marshal donations	500	500	-	(500)
Foreclosure sale proceeds	-	-	65,954	65,954
Insurance reimbursements	200	200	-	(200)
WPCA insurance reimbursement	65,000	65,000	69,700	4,700
Miscellaneous	5,000	5,000	421,958	416,958
Total other revenues	<u>70,700</u>	<u>70,700</u>	<u>557,612</u>	<u>486,912</u>
Total Revenues	<u>41,713,982</u>	<u>41,713,982</u>	<u>42,554,418</u>	<u>840,436</u>
Other financing sources:				
Transfers in	<u>180,000</u>	<u>180,000</u>	<u>251,977</u>	<u>71,977</u>
Total other financing sources	<u>180,000</u>	<u>180,000</u>	<u>251,977</u>	<u>71,977</u>
Total Revenues and Other Financing Sources	<u>\$ 41,893,982</u>	<u>\$ 41,893,982</u>	<u>42,806,395</u>	<u>\$ 912,413</u>
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 Plan			3,187,906	
OPEB Plan			75,017	
Performance Bond interest revenue not budgeted			3,900	
Direct borrowings - note issued			1,133,227	
Magnet school transportation grant			46,800	
Miscellaneous grants not budgeted			44,449	
Excess cost grant not budgeted			651,496	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Exhibit IV			<u>\$ 47,949,190</u>	

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

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
General administration:				
Mayor	\$ 157,595	\$ 157,595	\$ 149,143	\$ 8,452
Town Council	5,575	5,575	4,179	1,396
Human Resource	43,000	43,990	51,288	(7,298)
Comptroller	309,267	314,467	318,474	(4,007)
Central Office	144,816	164,776	169,504	(4,728)
Treasurer	3,600	3,600	3,600	-
Registrar	72,787	60,487	43,647	16,840
Clerical Office Staff	143,757	171,007	171,020	(13)
Board of Finance	167,000	82,950	91,585	(8,635)
Assessors	105,000	81,300	71,108	10,192
Board of Assessment Appeals	800	800	73	727
Tax Collector	81,539	88,129	86,400	1,729
Legal Services	117,000	92,000	71,111	20,889
Property & Casualty Insurance	1,166,340	1,057,440	1,046,356	11,084
Employee Benefits	3,129,000	3,365,428	3,707,433	(342,005)
Town Clerk	129,595	129,595	126,466	3,129
Probate Court	7,025	7,025	7,025	-
Special Services	11,425	11,425	4,631	6,794
Total general administration	5,795,121	5,837,589	6,123,043	(285,454)
Public safety:				
Fire Marshal	66,143	79,070	76,285	2,785
Police Department	2,648,027	2,594,912	2,579,733	15,179
Emergency Management	50,300	104,920	94,624	10,296
Animal Control	44,775	44,775	37,347	7,428
Communications	332,429	323,564	301,503	22,061
Fire Department	254,765	254,765	285,054	(30,289)
Terryville Station	20,650	25,153	24,329	824
Plymouth Station	25,400	25,187	23,355	1,832
Fall Mountain Station	14,100	14,160	12,050	2,110
Total public safety	3,456,589	3,466,506	3,434,280	32,226
Public works:				
Facilities	76,300	72,771	67,965	4,806
Snow Removal	393,500	371,926	406,412	(34,486)
Highway Department	659,098	682,079	691,692	(9,613)
Transfer Station	687,777	586,627	708,031	(121,404)
Public Works Director	90,908	142,230	141,597	633
Maintenance Garage	502,675	462,596	475,969	(13,373)
Utilities - Hydrants and Streetlights	495,000	488,000	490,053	(2,053)
Other Public Buildings	198,854	260,358	247,084	13,274
Building Inspector	82,833	91,085	90,400	685
Total public works	3,186,945	3,157,672	3,319,203	(161,531)
Health and welfare:				
Human Services Commission	56,982	56,982	54,635	2,347
Public Health	66,915	65,693	64,414	1,279
Ambulance Corps	53,054	62,609	63,869	(1,260)
Public Health - Dial a Ride	27,500	33,355	32,744	611
Total health and welfare	204,451	218,639	215,662	2,977

(Continued on next page)

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

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Terryville Library	\$ 447,468	447,468	\$ 438,801	\$ 8,667
Parks and Recreation	207,704	217,004	333,034	(116,030)
Education	24,552,027 *	24,552,027 *	24,462,723	89,304
Land use:				
Planning and Zoning	136,461	139,861	136,141	3,720
Zoning Board of Appeals	3,200	3,200	605	2,595
Conservation Commission	5,065	5,065	2,477	2,588
Economic Development	32,310	32,310	24,654	7,656
Historic Properties	3,000	3,000	500	2,500
Total land use	180,036	183,436	164,377	19,059
Debt service	3,287,288	3,287,288	3,246,110	41,178
Total expenditures	41,317,629	41,367,629	41,737,233	(369,604)
Other financing uses:				
Transfers out:				
Capital and nonrecurring	705,140	705,140	705,140	-
High School Building	35,000	35,000	35,000	-
BOE Sinking Fund*		60,000		60,000
Dog Fund	11,000	11,000	3,250	7,750
Cemeteries	25,000	25,000	6,000	19,000
Total other financing uses	776,140	836,140	749,390	86,750
Total Expenditures and Other Financing Uses	\$ 42,093,769	\$ 42,203,769	42,486,623	\$ (282,854)

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers'

Retirement System for Town teachers are not budgeted

Pension

3,187,906

OPEB

75,017

Magnet school transportation grant

46,800

Miscellaneous grants not budgeted

44,449

Direct borrowings not budgeted

1,133,227

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

523,042

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

\$ 47,497,064

* The sum of these two line items is equal to the total the amount approved for the BOE Budget in FY22

TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Revenues:				
Use charges collected:				
Current year	\$ 1,685,264	\$ 1,685,264	\$ 1,580,945	\$ (104,319)
Prior year			176,213	176,213
Interest and lien			87,767	87,767
Sewer connection - lateral fees			10,500	10,500
Investment income			(16,098)	(16,098)
Permit fees			1,355	1,355
Total revenues	<u>1,685,264</u>	<u>1,685,264</u>	<u>1,840,682</u>	<u>155,418</u>
Expenditures:				
Wages and benefits:				
Wages	380,000	380,000	375,216	4,784
Wages - tax collector	4,000	4,000	4,056	(56)
Wages - overtime	40,000	40,000	47,622	(7,622)
Wages - call in pay	9,360	9,360	10,200	(840)
Wages/benefits adjustment	7,500	7,500	-	7,500
Medical health insurance	102,950	102,975	109,798	(6,823)
Social Security	32,596	32,596	32,631	(35)
Worker's compensation	15,000	15,000	13,136	1,864
Seniority pay	1,725	1,725	1,325	400
Retirement	25,500	25,500	99,331	(73,831)
Audit	4,750	4,750	4,750	-
Accidental health and insurance	3,000	3,000	1,151	1,849
Conferences/memberships	450	475	475	-
Education	3,500	4,000	4,000	-
Unused vacation & sick time	1,000	1,000	-	1,000
Compensated Absences	5,000	5,000	-	5,000
Total wages and benefits	<u>636,331</u>	<u>636,881</u>	<u>703,691</u>	<u>(66,810)</u>
Plant Expenditures:				
Physical Plant:				
Maintenance/service contracts	20,000	19,975	20,189	(214)
Repair and maintenance	25,000	25,611	22,639	2,972
Vehicle repairs	5,000	7,800	6,107	1,693
Safety	5,000	8,100	8,082	18
Insurance	65,000	65,000	69,700	(4,700)
Supplies:				
Plant & System Supplies	5,000	7,000	6,403	597
Chemicals	47,000	37,200	28,391	8,809
Lab tests/chemical/equip calib	35,000	39,000	37,805	1,195
Clothing allowance	7,000	7,000	6,365	635
Utilities:				
Electric	106,108	106,108	105,272	836
Fuel	2,000	2,000	1,684	316
Natural gas	15,000	22,000	24,002	(2,002)
Water	3,500	3,500	2,636	864
Telephone	13,000	13,000	10,563	2,437
Sludge disposal	190,000	190,000	224,150	(34,150)
Grit/screening removal	6,000	6,000	5,363	637
Total plant expenditures	<u>549,608</u>	<u>559,294</u>	<u>579,351</u>	<u>(20,057)</u>

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF REVENUES, OTHER FINANCING SOURCES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
Collection System Expenditures:				
Utilities:				
Electric	\$ 35,000	\$ 35,000	\$ 37,741	\$ (2,741)
Maintenance: manhole rehabilitation	30,000	30,000	27,712	2,288
System/Pump Station Repair	30,000	30,000	24,067	5,933
Generator maintenance	3,000	3,000	1,653	1,347
Total collection system expenditures	<u>98,000</u>	<u>98,000</u>	<u>91,173</u>	<u>6,827</u>
Administrative Expenditures:				
Office supplies	3,000	3,000	2,762	238
Advertising/printing	1,750	1,750	2,909	(1,159)
Postage	4,000	3,900	1,750	2,150
Legal/Bank fees	11,725	2,725	3,020	(295)
Mileage reimbursement	500	500	164	336
Conferences & training	1,500	1,500	1,491	9
NPDES permit fee	2,800	2,800	2,638	162
Nitrogen purchase	33,941	33,941	33,941	-
System Equipment	2,000	2,000	1,851	149
Computer/software	5,500	5,500	5,208	292
Total administrative expenditures	<u>66,716</u>	<u>57,616</u>	<u>55,734</u>	<u>1,882</u>
Capital Projects:				
Capital outlay	60,000	59,500	83,119	(23,619)
Emergency repairs		22,642	9,344	13,298
Computer software parts - new	15,000	15,000	14,729	271
Ultra-Violet Disinfection	33,000	33,000	-	33,000
Engineer services	10,000	10,000	7,166	2,834
Debt service	82,000	82,000	124,625	(42,625)
Total capital projects	<u>200,000</u>	<u>222,142</u>	<u>238,983</u>	<u>(16,841)</u>
Total expenditures	<u>1,550,655</u>	<u>1,573,933</u>	<u>1,668,932</u>	<u>(94,999)</u>
Excess of Revenues and Other Financing Sources over Expenditures	\$ <u>134,609</u>	\$ <u>111,331</u>	171,750	\$ <u>60,419</u>
Budgetary excess of revenues over expenditures is different than GAAP net change in fund balance because of the following reconciling items:				
Encumbrances outstanding at June 30, 2021 liquidated during the year ended June 30, 2022			(17,695)	
Total Net Change in Fund Balance - GAAP Basis as Reported on Exhibit IV			\$ <u>154,055</u>	

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWN PLAN
LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:									
Service cost	\$ 63,387	\$ 58,624	\$ 73,472	\$ 74,251	\$ 114,084	\$ 98,404	\$ 115,976	\$ 98,673	\$ 119,042
Interest	720,304	733,469	749,589	729,721	694,335	723,989	732,516	767,685	747,524
Differences between expected and actual experience		(602,507)		400,227		(494,442)		628,618	
Changes of assumptions or inputs		632,524		(215,414)	(976,609)	(242,319)	682,826	84,414	286,593
Benefit payments, including refunds of member contributions	(1,021,907)	(1,052,607)	(1,079,311)	(1,034,011)	(1,031,860)	(1,015,886)	(981,480)	(982,385)	(960,342)
Net change in total pension liability	(238,216)	(230,497)	(256,250)	(45,226)	(1,200,050)	(930,254)	549,838	597,005	192,817
Total pension liability - beginning	11,964,698	12,195,195	12,451,445	12,496,671	13,696,721	14,626,975	14,077,137	13,480,132	13,287,315
Total pension liability - ending	11,726,482	11,964,698	12,195,195	12,451,445	12,496,671	13,696,721	14,626,975	14,077,137	13,480,132
Plan fiduciary net position:									
Contributions - employer	1,471,838	852,991	905,871	895,388	896,925	535,642	506,258	427,558	255,055
Contributions - member	19,688	22,009	24,129	28,812	28,792	33,819	36,739	38,924	45,385
Net investment income	(112,020)	199,618	139,000	173,650	112,123	113,085	145,026	143,751	198,906
Benefit payments, including refunds of member contributions	(1,021,907)	(1,052,607)	(1,079,311)	(1,034,011)	(1,031,860)	(1,015,886)	(981,480)	(982,385)	(960,342)
Administrative expense	(3,407)	(3,341)	(2,026)	(2,041)	(1,855)	(1,782)	(2,036)	(2,850)	(3,109)
Net change in plan fiduciary net position	354,192	18,670	(12,337)	61,798	4,125	(335,122)	(295,493)	(375,002)	(464,105)
Plan fiduciary net position - beginning	4,176,944	4,158,274	4,170,611	4,108,813	4,104,688	4,439,810	4,735,303	5,110,305	5,574,410
Plan fiduciary net position - ending	4,531,136	4,176,944	4,158,274	4,170,611	4,108,813	4,104,688	4,439,810	4,735,303	5,110,305
Net Pension Liability - Ending	\$ <u>7,195,346</u>	\$ <u>7,787,754</u>	\$ <u>8,036,921</u>	\$ <u>8,280,834</u>	\$ <u>8,387,858</u>	\$ <u>9,592,033</u>	\$ <u>10,187,165</u>	\$ <u>9,341,834</u>	\$ <u>8,369,827</u>
Plan fiduciary net position as a percentage of the total pension liability	38.64%	34.91%	34.10%	33.49%	32.88%	29.97%	30.35%	33.64%	37.91%
Covered payroll	\$ 478,484	\$ 478,484	\$ 604,243	\$ 604,243	\$ 698,640	\$ 698,640	\$ 822,601	\$ 822,601	\$ 1,013,728
Net pension liability as a percentage of covered payroll	1503.78%	1627.59%	1330.08%	1370.45%	1200.60%	1372.96%	1238.41%	1135.65%	825.65%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Benefit changes: None
Assumption changes: None

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
BOARD OF EDUCATION PLAN
LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:									
Service cost	\$ 171,621	\$ 156,690	\$ 152,735	\$ 147,570	\$ 189,081	\$ 164,406	\$ 188,475	\$ 177,388	\$ 176,387
Interest	534,716	499,120	489,364	474,580	467,016	447,670	435,979	422,826	429,660
Differences between expected and actual experience		(121,403)		112,537		159,905		(73,776)	
Changes of assumptions		515,964				(36,238)		666,442	
Benefit payments, including refunds of member contributions	(505,476)	(486,341)	(493,426)	(512,946)	(474,749)	(427,733)	(399,341)	(402,323)	(319,860)
Net change in total pension liability	200,861	564,030	148,673	221,741	181,348	308,010	225,113	790,557	286,187
Total pension liability - beginning	8,632,749	8,068,719	7,920,046	7,698,305	7,516,957	7,208,947	6,983,834	6,193,277	5,907,090
Total pension liability - ending	8,833,610	8,632,749	8,068,719	7,920,046	7,698,305	7,516,957	7,208,947	6,983,834	6,193,277
Plan fiduciary net position:									
Contributions - employer	336,017	336,017	486,017	381,220	336,017	343,169	308,169	193,702	210,664
Contributions - member	22,123	27,007	25,864	25,523	27,530	29,976	30,817	31,568	36,820
Net investment income	(129,923)	246,157	168,456	209,094	133,118	125,188	147,602	135,703	190,954
Benefit payments, including refunds of member contributions	(505,476)	(486,341)	(493,426)	(512,946)	(474,749)	(427,733)	(399,341)	(402,323)	(319,860)
Administrative expense	(3,952)	(4,119)	(2,455)	(2,458)	(2,203)	(1,972)	(2,072)	(1,167)	(2,985)
Net change in plan fiduciary net position	(281,211)	118,721	184,456	100,433	19,713	68,628	85,175	(42,517)	115,593
Plan fiduciary net position - beginning	5,217,016	5,098,295	4,913,839	4,813,406	4,793,693	4,725,065	4,639,890	4,682,407	4,566,814
Plan fiduciary net position - ending	4,935,805	5,217,016	5,098,295	4,913,839	4,813,406	4,793,693	4,725,065	4,639,890	4,682,407
Net Pension Liability - Ending	\$ 3,897,805	\$ 3,415,733	\$ 2,970,424	\$ 3,006,207	\$ 2,884,899	\$ 2,723,264	\$ 2,483,882	\$ 2,343,944	\$ 1,510,870
Plan fiduciary net position as a percentage of the total pension liability	55.88%	60.43%	63.19%	62.04%	62.53%	63.77%	65.54%	66.44%	75.60%
Covered payroll	\$ 1,072,445	\$ 1,072,445	\$ 1,013,992	\$ 1,013,992	\$ 1,248,150	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909	\$ 1,597,580
Net pension liability as a percentage of covered payroll	363.45%	318.50%	292.94%	296.47%	231.13%	218.18%	189.48%	178.80%	94.57%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Benefit changes: None
Assumption changes: None

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TOWN PLAN
LAST TEN FISCAL YEARS**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 837,263	\$ 772,087	\$ 772,087	\$ 697,840	\$ 697,840	\$ 655,422	\$ 655,422	\$ 489,090	\$ 489,090	\$ 354,912
Contributions in relation to the actuarially determined contribution	<u>1,471,838</u>	<u>852,991</u>	<u>905,871</u>	<u>895,388</u>	<u>896,925</u>	<u>535,642</u>	<u>506,258</u>	<u>427,558</u>	<u>255,055</u>	<u>269,350</u>
Contribution Deficiency (Excess)	<u>\$ (634,575)</u>	<u>\$ (80,904)</u>	<u>\$ (133,784)</u>	<u>\$ (197,548)</u>	<u>\$ (199,085)</u>	<u>\$ 119,780</u>	<u>\$ 149,164</u>	<u>\$ 61,532</u>	<u>\$ 234,035</u>	<u>\$ 85,562</u>
Covered payroll	\$ 478,484	\$ 478,484	\$ 604,243	\$ 604,243	\$ 698,640	\$ 698,640	\$ 822,601	\$ 822,601	\$ 1,013,728	\$ 1,261,567
Contributions as a percentage of covered payroll	307.60%	178.27%	149.92%	148.18%	128.38%	76.67%	61.54%	51.98%	25.16%	21.35%

Notes to Schedule

Valuation date:

July 1, 2020

Measurement date:

June 30, 2022

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Projected unit credit

Amortization method

Level percentage of payroll, closed

Remaining amortization period

12 years

Inflation

2.75%

Salary increases

3.5%, average, including inflation

Investment rate of return

6.25%

Retirement age

Age-based rates (from age 55 to age 70).

Mortality

PubG-2010 Mortality Table, with generational projection per the MP-2019 Ultimate Scale

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
BOARD OF EDUCATION PLAN
LAST TEN FISCAL YEARS**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 409,938	\$ 338,430	\$ 338,430	\$ 336,017	\$ 336,017	\$ 293,169	\$ 293,169	\$ 245,080	\$ 245,080	\$ 218,012
Contributions in relation to the actuarially determined contribution	336,017	336,017	486,017	381,220	336,017	343,169	308,169	193,702	210,664	193,850
Contribution Deficiency (Excess)	\$ 73,921	\$ 2,413	\$ (147,587)	\$ (45,203)	\$ -	\$ (50,000)	\$ (15,000)	\$ 51,378	\$ 34,416	\$ 24,162
Covered payroll	\$ 1,072,445	\$ 1,072,445	\$ 1,013,992	\$ 1,013,992	\$ 1,248,150	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909	\$ 1,597,580	\$ 1,682,735
Contributions as a percentage of covered payroll	31.33%	31.33%	47.93%	37.60%	26.92%	27.49%	23.51%	14.78%	13.19%	11.52%

Notes to Schedule

Valuation date: July 1, 2020
Measurement date: June 30, 2022
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of payroll, closed
Remaining amortization period	14 years
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	6.25%
Retirement age	Age based rates (from 55 to age 70)
Mortality	PubG-2010 Mortality Table, with generational projection per the MP-2019 Ultimate Scale

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS - PENSION PLAN
LAST NINE FISCAL YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense									
Town	-2.56%	4.91%	3.46%	4.38%	2.83%	2.70%	3.24%	2.98%	4.04%
Board of Education	-2.56%	4.91%	3.46%	4.38%	2.83%	2.70%	3.24%	2.98%	4.04%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

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

	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	38,071,822	48,069,968	41,935,227	32,334,497	35,923,636	37,899,711	31,111,382	28,756,238
Total	<u>\$ 38,071,822</u>	<u>\$ 48,069,968</u>	<u>\$ 41,935,227</u>	<u>\$ 32,334,497</u>	<u>\$ 35,923,636</u>	<u>\$ 37,899,711</u>	<u>\$ 31,111,382</u>	<u>\$ 28,756,238</u>
Town's covered payroll	\$ 11,856,849	\$ 10,553,667	\$ 10,896,793	\$ 10,553,667	\$ 10,219,392	\$ 10,367,890	\$ 10,781,038	\$ 9,810,595
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

Changes in benefit terms None

Changes of assumptions None

Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	30 years
Asset valuation method	4-year smoothed market
Inflation	2.50%
Salary increase	3.25% to 6.50%, including Inflation
Investment rate of return	6.90%, net of investment related expense

Notes:

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.42%	0.42%	0.35%	0.25%	0.85%	0.74%	0.90%	1.30%
Town's proportionate share of the net pension liability	\$ 3,000,626	\$ 4,641,104	\$ 4,068,038	\$ 3,511,701	\$ 2,117,489	\$ 2,475,886	\$ 1,726,911	\$ 1,276,975
Town's covered payroll	2,715,313	2,542,505	2,350,505	2,451,816	2,436,144	2,376,745	2,504,545	2,153,852
Town's proportionate share of the net pension liability as a percentage of its covered payroll	110.51%	182.54%	173.07%	143.23%	86.92%	104.17%	68.95%	59.29%
Plan fiduciary net position as a percentage of the total pension liability	71.18%	71.18%	72.69%	73.60%	91.68%	88.29%	92.72%	90.48%

*Notes:

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

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS - MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 667,643	\$ 670,496	\$ 577,582	\$ 480,537	\$ 521,967	\$ 459,067	\$ 332,951	\$ 443,277	\$ 465,719	\$ 463,200
Contributions in relation to the actuarially determined contribution	<u>667,643</u>	<u>670,496</u>	<u>577,582</u>	<u>480,537</u>	<u>521,967</u>	<u>459,067</u>	<u>332,951</u>	<u>443,277</u>	<u>465,719</u>	<u>463,200</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 2,715,313	\$ 2,542,505	\$ 2,350,505	\$ 2,451,816	\$ 2,436,144	\$ 2,376,745	\$ 2,504,545	\$ 2,153,852	\$ 2,168,515	\$ 1,798,581
Contributions as a percentage of covered payroll	24.59%	26.37%	24.57%	19.60%	21.43%	19.31%	13.29%	20.58%	21.48%	25.75%

Notes to Schedule

Valuation date: June 30, 2021
Measurement date: June 30, 2021
Actuarially determined contribution rates are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level dollar, closed
Single equivalent amortization period	20 years
Asset valuation method	5 years smoothed market
Inflation	2.50%
Salary increases	3.50% - 10.00%, including inflation
Investment rate of return	7%, net of investment related expense
Changes in assumptions:	In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June, 30, 2021 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2017.

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST FIVE FISCAL YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:					
Service cost	\$ 370,648	\$ 340,745	\$ 275,840	\$ 443,847	\$ 518,079
Interest	321,474	373,723	511,253	703,558	664,878
Differences between expected and actual experience		(3,620,631)		(45,770)	
Changes of assumptions and other inputs	(2,301,397)	1,576,047	2,230,112	(3,683,969)	(671,022)
Benefit payments	<u>(748,073)</u>	<u>(706,658)</u>	<u>(847,450)</u>	<u>(796,716)</u>	<u>(863,119)</u>
Net change in total OPEB liability	(2,357,348)	(2,036,774)	2,169,755	(3,379,050)	(351,184)
Total OPEB liability - beginning	<u>14,884,458</u>	<u>16,921,232</u>	<u>14,751,477</u>	<u>18,130,527</u>	<u>18,481,711</u>
Total OPEB Liability - Ending	<u>\$ 12,527,110</u>	<u>\$ 14,884,458</u>	<u>\$ 16,921,232</u>	<u>\$ 14,751,477</u>	<u>\$ 18,130,527</u>
Covered-employee payroll	\$ 14,938,812	\$ 14,938,812	\$ 12,233,133	\$ 12,233,133	\$ 14,782,465
Total OPEB liability as a percentage of covered-employee payroll	83.86%	99.64%	138.32%	120.59%	122.65%

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

Notes to Schedule:

Benefit changes: None
Assumption changes:
Discount rate 3.54%; Prior: 2.16%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>4,147,855</u>	<u>7,169,637</u>	<u>6,540,035</u>	<u>6,463,879</u>	<u>6,463,879</u>
Total	<u>\$ 4,147,855</u>	<u>\$ 7,169,637</u>	<u>\$ 6,540,035</u>	<u>\$ 6,463,879</u>	<u>\$ 6,463,879</u>
Town's covered payroll	\$ 11,856,849	\$ 10,553,667	\$ 10,896,793	\$ 10,553,667	\$ 10,553,667
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	6.11%	2.50%	2.08%	1.49%	1.49%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2020 was updated to equal the Municipal Bond Index Rate as of June 30, 2020; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Long-term health care cost trend rates were updated; The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated based on observed plan experience. Additionally, participants are no longer assumed to migrate from the Medicare Supplement Plan to the Medicare Advantage Plan after selecting an option; and, The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019. The changes in assumptions are summarized below: - Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%. - Decrease payroll growth assumption from 3.25% to 3.00%. - Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated 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	2.75%

* Notes:

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

Combining and Individual Fund Statements and Schedules

General Fund

GENERAL FUND

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund budget is legally adopted at the budget referendum. The General Fund utilizes the modified accrual basis of accounting.

TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
SUMMARIZED COMPARATIVE BALANCE SHEET
JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 9,242,279	\$ 9,105,055
Receivables:		
Property taxes receivable, net of allowance for uncollectible of \$200,000 in 2022 and 2021	675,374	605,767
Interest tax receivable	159,053	162,331
Intergovernmental	719	719
Other	1,003	26,033
Due from other funds	<u>2,171,922</u>	<u>1,449,064</u>
Total Assets	<u>\$ 12,250,350</u>	<u>\$ 11,348,969</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts and other payables	\$ 836,786	\$ 432,823
Due to other funds	<u>3,476,936</u>	<u>3,476,600</u>
Total liabilities	<u>4,313,722</u>	<u>3,909,423</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	<u>671,469</u>	<u>626,513</u>
Total deferred inflows of resources	<u>671,469</u>	<u>626,513</u>
Fund Balance:		
Committed	100,000	100,000
Assigned	982,888	733,634
Unassigned	<u>6,182,271</u>	<u>5,979,399</u>
Total fund balance	<u>7,265,159</u>	<u>6,813,033</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,250,350</u>	<u>\$ 11,348,969</u>

**TOWN OF PLYMOUTH, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2022**

Grand List as of October 1,	Uncollected Taxes July 1, 2021	Lawful Corrections		Transfers to Suspense	Net Amount Collectible	Collections				Uncollected Taxes June 30, 2022
		Additions	Deductions			Taxes	Interest and Lien Fees	Suspense Collection	Total	
2006	\$ 158	\$	\$	\$ (158)	\$	\$	\$	\$	\$	\$
2007	158			(158)						
2008	158			(158)						
2009	162			(162)						
2010	165			(165)						
2011	137			(137)						
2012	1,353			(1,353)						
2013	1,330			(1,330)						
2014	1,352			(1,352)						
2015	1,659			(1,488)	171	171	174	48	393	
2016	9,825	66	4,153	(3,544)	2,194	1,424	3,675	96	5,195	770
2017	48,448	73	6,258	(18,149)	24,114	22,696	8,432	192	31,320	1,418
2018	198,321	828	8,387	(103,008)	87,754	75,631	27,296	4,769	107,696	12,123
2019	542,339	11,192	20,296	(1,169)	532,066	312,422	63,764	3,739	379,925	219,644
Total prior years	805,565	12,159	39,094	(132,331)	646,299	412,344	103,341	8,844	524,529	233,955
2020	31,650,061	51,098	224,757	(1,445)	31,474,957	30,833,538	124,490	14,804	30,972,832	641,419
Total	\$ 32,455,626	\$ 63,257	\$ 263,851	\$ (133,776)	\$ 32,121,256	\$ 31,245,882	\$ 227,831	\$ 23,648	\$ 31,497,361	\$ 875,374

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Special Revenue Funds utilize the modified accrual basis of accounting.

Fund	Funding Source	Function
Sewer Assessment	Special Assessment	Collection of old assessments levied for sewer connections
Water Assessment	Grants and General Fund appropriations	Collection of water assessments and asset construction/purchases
Dog Fund	Fees, GF Contribution	Operations of animal control and K9
Miscellaneous Contributions	Donations	Management of funds related to Fuel Bank, Small Wonders and trust fund income accounts.
ATM Fund	State and Federal grants	Police department drug and asset forfeiture fund and various police department grants and contributions
CDBG Loan	State and Federal grants	Loan administration by the Town and a third party contractor that benefit low and moderate income households for housing and commercial rehabilitation.
Open Space	Charges for Services	Purchase and procurement of open space pursuant to State Statutes and Town ordinances.
Economic Development	Sale of Land, GF Contribution	Grants to businesses and related expenses for expansion of economic development within the Town.
Police Extra Duty	Charges for Services	Accounts for extra duty hired police officers paid for by contractors.
Recreational Revolving	Charges for Services	Accounts for recreational activities and programs that are self supporting.
Historical Preservation	Charges for Services, Fees	Accounts for document and historic preservation and stated in the Connecticut General Statutes
Education Grants	State and Federal Grants, Donations	Providing additional educational opportunities.
School Cafeteria	Intergovernmental, Charges for Services	School cafeteria program in the Town school system.
Blight Fund	Fines Levied	Fund established for the administration of blighted properties.
Town Fund	Donations	Hospice to benefit local individuals
Small Cities	State and Federal grants	State/Federal administered loan/grant by the Town and a third party contractor that benefit low and moderate income households for housing and rehabilitation.
Student Activities Fund	Charges for Services	To provide students educational opportunities within school programs

Education Sinking Fund is used to account for the financial resources committed for the replacement of capital outlay for building and grounds for the Board of Education. The fund is funded by transfers from surplus funds in the General Fund at the end of the fiscal year from the Board of Education as approved by the Board of Finance. The fund value may not exceed 1% of the latest Board of Education's operating budget.

Debt Service Fund is used to account for the accumulation of resources for debt payments.

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.

Fund	Funding Source	Function
Hillside Cemetery Trust	Trust Income, GF Contribution	To pay for the maintenance and operations of Hillside Cemetery
Plymouth Cemetery Trust	Trust Income, GF Contribution	To pay for the maintenance and operations of the Plymouth Cemetery
Terryville Public Library Trust	Trust Income, Intergovernmental	To assist the Terryville Library in its expansion of books for circulation and operations
Mercy J. Cone Trust	Trust Income	To assist the Terryville Library in its expansion of books for circulation and operations
St. Matthews Trust	Contributions	To pay for the maintenance of St. Matthews Cemetery

TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	Special Revenue								
	Sewer Assessment	Water Assessment	Dog Fund	Miscellaneous Contributions	ATM Fund	CDBG Loan Fund	Open Space	Student Activity Fund	Economic Development
ASSETS									
Cash and cash equivalents	\$	\$ 206,621	\$ 21,476	\$ 63,497	\$ 26,581	\$	\$ 40,019	\$ 209,014	\$
Investments					5,631				
Restricted investments						49,856			
Receivables:									
Assessments/use charges		4,098							
Intergovernmental									
Loans									
Other									
Due from other funds	23,388	553,110	138,659				277,199		24,650
Total Assets	\$ 23,388	\$ 763,829	\$ 160,135	\$ 63,497	\$ 32,212	\$ 49,856	\$ 317,218	\$ 209,014	\$ 24,650
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$	\$	\$ 4,519	\$ 400	\$	\$	\$	\$	\$
Due to other funds		2,366		850		38,842			40,766
Unearned revenue									
Total liabilities	-	2,366	4,519	1,250	-	38,842	-	-	40,766
Deferred inflows of resources:									
Unavailable revenue - special assessments		4,098							
Unavailable revenue - loans receivable									
Total deferred inflows of resources	-	4,098	-	-	-	-	-	-	-
Fund balances:									
Nonspendable									
Restricted						11,014	317,218	209,014	
Committed	23,388	757,365	155,616	62,247	32,212				
Unassigned									(16,116)
Total fund balances	23,388	757,365	155,616	62,247	32,212	11,014	317,218	209,014	(16,116)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,388	\$ 763,829	\$ 160,135	\$ 63,497	\$ 32,212	\$ 49,856	\$ 317,218	\$ 209,014	\$ 24,650

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET (CONTINUED)
 JUNE 30, 2021

	Special Revenue									Capital Project	Debt Service
	Police Extra Duty	Recreational Revolving	Historical Preservation	Small Cities	Education Grants	School Cafeteria	Blight Fund	Town Fund	Total	Education Sinking Fund	Debt Service Fund
ASSETS											
Cash and cash equivalents	\$ 579,584	\$	\$ 14,294	\$ 404,804	\$ 880,667	\$ 226,772	\$ 63,659	\$ 3,149	\$ 2,740,137	\$ 535,613	\$
Investments									5,631		
Restricted investments									49,856		
Receivables:											
Assessments/use charges									4,098		
Intergovernmental					8,525	147,596			156,121		
Loans				807,646					807,646		
Other	94,647								94,647		
Due from other funds			45,632	20,000			87,966		1,170,604	336,473	426,475
Total Assets	\$ 674,231	\$ -	\$ 59,926	\$ 1,232,450	\$ 889,192	\$ 374,368	\$ 151,625	\$ 3,149	\$ 5,028,740	\$ 872,086	\$ 426,475
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES											
Liabilities:											
Accounts payable	\$ 404,770	\$ 52,096	\$	\$ 33,098	\$ 37,348	\$	\$	\$	\$ 42,267	\$	\$
Due to other funds					330,211				902,999		
Unearned revenue					244,774	8,414			253,188		
Total liabilities	404,770	52,096	-	33,098	612,333	8,414	-	-	1,198,454	-	-
Deferred inflows of resources:											
Unavailable revenue - special assessments									4,098		
Unavailable revenue - loans receivable				807,646					807,646		
Total deferred inflows of resources	-	-	-	807,646	-	-	-	-	811,744	-	-
Fund balances:											
Nonspendable									-		
Restricted				391,706	276,859	365,954			1,571,765		426,475
Committed	269,461		59,926				151,625	3,149	1,514,989	872,086	
Unassigned		(52,096)							(68,212)		
Total fund balances	269,461	(52,096)	59,926	391,706	276,859	365,954	151,625	3,149	3,018,542	872,086	426,475
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 674,231	\$ -	\$ 59,926	\$ 1,232,450	\$ 889,192	\$ 374,368	\$ 151,625	\$ 3,149	\$ 5,028,740	\$ 872,086	\$ 426,475

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2021

	Permanent						
	Hillside Cemetery Trust	Plymouth Cemetery Trust	Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust	Total	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 67,776	\$ 18,574	\$ 19,068	\$ 9,693	\$	\$ 115,111	\$ 3,390,861
Investments	27,728	262,608				290,336	295,967
Restricted investments	494,624		407,050	191,542		1,093,216	1,143,072
Receivables:							
Assessments/use charges						-	4,098
Intergovernmental						-	156,121
Loans						-	807,646
Other						-	94,647
Due from other funds			20,445		8,393	28,838	1,960,056
Total Assets	<u>\$ 590,128</u>	<u>\$ 281,182</u>	<u>\$ 446,563</u>	<u>\$ 201,235</u>	<u>\$ 8,393</u>	<u>\$ 1,527,501</u>	<u>\$ 7,852,468</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$	\$	\$ 278	\$	\$	\$ 278	\$ 42,545
Due to other funds	8,118					8,118	908,783
Unearned revenue						-	253,188
Total liabilities	<u>8,118</u>	<u>-</u>	<u>278</u>	<u>-</u>	<u>-</u>	<u>8,396</u>	<u>1,204,516</u>
Deferred inflows of resources:							
Unavailable revenue - special assessments						-	4,098
Unavailable revenue - loans receivable						-	807,646
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>811,744</u>
Fund balances:							
Nonspendable	494,624		407,050	191,542		1,093,216	1,093,216
Restricted	87,386	281,182	39,235	9,693	8,393	425,889	2,424,129
Committed						-	2,387,075
Unassigned						-	(68,212)
Total fund balances	<u>582,010</u>	<u>281,182</u>	<u>446,285</u>	<u>201,235</u>	<u>8,393</u>	<u>1,519,105</u>	<u>5,836,208</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 590,128</u>	<u>\$ 281,182</u>	<u>\$ 446,563</u>	<u>\$ 201,235</u>	<u>\$ 8,393</u>	<u>\$ 1,527,501</u>	<u>\$ 7,852,468</u>

**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	Special Revenue								
	Sewer Assessment	Water Assessment	Dog Fund	Miscellaneous Contributions	ATM Fund	CDBG Loan Fund	Open Space	Student Activity Fund	Economic Development
Revenues:									
Charges for services	\$	\$ 3,584	\$ 8,170	\$	62	\$	8,725	\$ 183,058	\$
Intergovernmental									
Income from investments				29	15	295			
Net change in fair value of investments									
Contributions				12,725			4,800		
Other									
Total revenues	-	3,584	8,170	12,754	77	295	13,525	183,058	-
Expenditures:									
Current:									
General administration					482				68,750
Public safety			9,842						
Health and welfare				31,760					
Library									
Education								172,298	
Total expenditures	-	-	9,842	31,760	482	-	-	172,298	68,750
Excess (Deficiency) of Revenues over Expenditures	-	3,584	(1,672)	(19,006)	(405)	295	13,525	10,760	(68,750)
Other Financing Sources (Uses):									
Transfers in			3,250						
Transfers out									
Total other financing sources (uses)	-	-	3,250	-	-	-	-	-	-
Net Change in Fund Balances	-	3,584	1,578	(19,006)	(405)	295	13,525	10,760	(68,750)
Fund Balances at Beginning of Year	23,388	753,781	154,038	81,253	32,617	10,719	303,693	198,254	52,634
Fund Balances at End of Year	\$ 23,388	\$ 757,365	\$ 155,616	\$ 62,247	\$ 32,212	\$ 11,014	\$ 317,218	\$ 209,014	\$ (16,116)

(Continued on next page)

TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue									Capital Projects
	Police Extra Duty	Recreational Revolving	Historical Preservation	Small Cities	Education Grants	School Cafeteria	Blight Fund	Town Fund	Total	Education Sinking Fund
Revenues:										
Charges for services	\$ 804,818	\$	\$ 3,331	\$ 28,360	\$	\$ 68,345	\$ 19,216	\$	\$ 1,127,669	\$
Intergovernmental					1,931,539	890,200			2,821,739	
Income from investments									339	
Net change in fair value of investments									-	
Contributions									17,525	
Other							1,175		1,175	
Total revenues	804,818	-	3,331	28,360	1,931,539	958,545	20,391	-	3,968,447	-
Expenditures:										
Current:										
General administration				51,490					120,722	
Public safety	675,686								685,528	
Health and welfare									31,760	
Library									-	
Education					1,892,398	756,002			2,820,698	
Total expenditures	675,686	-	-	51,490	1,892,398	756,002	-	-	3,658,708	-
Excess (Deficiency) of Revenues over Expenditures	129,132	-	3,331	(23,130)	39,141	202,543	20,391		309,739	-
Other Financing Sources (Uses):										
Transfers in									3,250	
Transfers out	(130,000)	(71,977)							(201,977)	
Total other financing sources (uses)	(130,000)	(71,977)	-	-	-	-	-	-	(198,727)	-
Net Change in Fund Balances	(868)	(71,977)	3,331	(23,130)	39,141	202,543	20,391		111,012	-
Fund Balances at Beginning of Year	270,329	19,881	56,595	414,836	237,718	163,411	131,234	3,149	2,907,530	872,086
Fund Balances at End of Year	\$ 269,461	\$ (52,096)	\$ 59,926	\$ 391,706	\$ 276,859	\$ 365,954	\$ 151,625	\$ 3,149	\$ 3,018,542	\$ 872,086

(Continued on next page)

**TOWN OF PLYMOUTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	Debt Service		Permanent						Total Nonmajor Governmental Funds
	Debt Service Fund	Hillside Cemetery Trust	Plymouth Cemetery Trust	Terryville Public Library Trust	Mercy J. Cone Trust	St. Matthews Trust	Total	Eliminations	
Revenues:									
Charges for services	\$	\$ 9,665	\$ 8,541	\$ 1,923	\$	\$	\$ 20,129	\$	\$ 1,147,798
Intergovernmental				336			336		2,822,075
Income from investments		11,961	6,636		4,049		22,646		22,985
Net change in fair value of investments		(92,877)	(50,708)	(101,978)	(44,510)		(290,073)		(290,073)
Contributions				9,714			9,714		27,239
Other							-		1,175
Total revenues	-	(71,251)	(35,531)	(90,005)	(40,461)	-	(237,248)	-	3,731,199
Expenditures:									
Current:									
General administration							-		120,722
Public safety							-		685,528
Health and welfare		35,755	45,714				81,469		113,229
Library				24,653	12,407		37,060		37,060
Education							-		2,820,698
Total expenditures	-	35,755	45,714	24,653	12,407	-	118,529	-	3,777,237
Excess (Deficiency) of Revenues over Expenditures	-	(107,006)	(81,245)	(114,658)	(52,868)	-	(355,777)		(46,038)
Other Financing Sources (Uses):									
Transfers in		4,000	2,000				6,000	-	9,250
Transfers out							-	-	(201,977)
Total other financing sources (uses)	-	4,000	2,000	-	-	-	6,000	-	(192,727)
Net Change in Fund Balances	-	(103,006)	(79,245)	(114,658)	(52,868)	-	(349,777)		(238,765)
Fund Balances at Beginning of Year	426,475	685,016	360,427	560,943	254,103	8,393	1,868,882	-	6,074,973
Fund Balances at End of Year	\$ 426,475	\$ 582,010	\$ 281,182	\$ 446,285	\$ 201,235	\$ 8,393	\$ 1,519,105	\$ -	\$ 5,836,208

**TOWN OF PLYMOUTH, CONNECTICUT
 WATER ASSESSMENT FUND
 SCHEDULE OF WATER ASSESSMENT RECEIVABLE
 FOR THE YEAR ENDED JUNE 30, 2022**

<u>Due Date</u>	<u>Uncollected Balance July 1, 2021</u>	<u>Current Year Adjustments</u>	<u>Collections</u>	<u>Uncollected Balance June 30, 2022</u>
Water Line Assessment	\$ <u>6,500</u>	\$ <u></u>	\$ <u>2,402</u>	\$ <u>4,098</u>

**TOWN OF PLYMOUTH, CONNECTICUT
SEWER OPERATING FUND
SCHEDULE OF SEWER USE CHARGES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2022**

Due Date	Uncollected Balance July 1, 2021	Current Year Use Charges and Adjustments	Collections	Uncollected Balance June 30, 2022
October 1, 2021	\$	\$ 1,747,941	\$ 1,580,945	\$ 166,996
October 1, 2020	145,412	7,813	98,721	54,504
October 1, 2019	72,591	15,828	60,011	28,408
October 1, 2018	23,981	(5,967)	11,891	6,123
October 1, 2017	8,266	(1,800)	4,566	1,900
October 1, 2016	1,503	(194)	1,024	285
October 1, 2015	275			275
October 1, 2014	243			243
October 1, 2013				-
October 1, 2012				-
October 1, 2011				-
Total	\$ <u>252,271</u>	\$ <u>1,763,621</u>	1,757,158	\$ <u>258,734</u>
Interest and lien fees			<u>87,767</u>	
Total Collections			\$ <u>1,844,925</u>	

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 PLYMOUTH, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net investment in capital assets	\$ 155,840,026	\$ 157,609,103	\$ 156,612,906	\$ 159,206,125	\$ 154,601,111	\$ 157,247,133	\$ 157,324,466	\$ 153,245,507	\$ 157,424,652	\$ 163,863,638
Restricted for:										
Perpetual care:										
Nonexpendable	368,568	447,043	376,702	368,235	463,919	478,004	112,351	84,488	84,491	86,850
Expendable	494,624	598,400	499,867	475,733	363,521	325,588	704,615	817,664	738,943	687,550
Libraries:										
Nonexpendable	57,321	37,020	41,791	42,092	48,786	53,575	44,681	42,999	40,553	38,234
Expendable	598,592	786,419	606,208	577,281	529,392	436,080	321,342	332,574	291,308	270,073
Debt service	426,475	426,475	426,475	205,536	205,536	205,536	205,536	205,533	205,530	19,860
Open space	317,218	303,693								
Other programs	209,014	198,254								
Grants	1,045,533	826,684								
Unrestricted	(15,439,002)	(19,890,902)	(18,646,780)	(21,826,316)	(4,849,563)	(7,425,872)	(5,081,858)	13,732,522	16,853,737	9,325,937
Total Net Position	<u>\$ 143,918,369</u>	<u>\$ 141,342,189</u>	<u>\$ 139,917,169</u>	<u>\$ 139,048,686</u>	<u>\$ 151,362,702</u>	<u>\$ 151,320,044</u>	<u>\$ 153,631,133</u>	<u>\$ 168,461,287</u>	<u>\$ 175,639,214</u>	<u>\$ 174,292,142</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting.

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

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental activities:										
General government	\$ 5,831,280	\$ 5,353,334	\$ 5,991,197	\$ 4,321,900	\$ 4,888,571	\$ 6,819,627	\$ 6,661,824	\$ 5,412,485	\$ 4,951,895	\$ 5,344,207
Public safety	4,640,105	4,803,126	3,992,007	4,067,794	3,644,971	3,712,614	3,327,013	3,545,286	3,173,319	2,731,321
Public works	7,450,482	7,546,964	7,485,062	6,748,667	6,996,417	6,546,134	7,237,335	6,907,749	8,207,132	7,142,486
Health and welfare	356,581	414,933	245,955	283,431	274,696	296,369	361,225	414,831	480,436	470,324
Library	476,565	487,973	446,108	395,690	506,880	502,572	500,388	449,205	486,295	500,323
Recreation	285,202	236,595	293,424	291,532	290,241	290,445	292,027	285,825	268,241	279,488
Education	32,259,534	35,133,836	28,628,355	31,823,765	32,257,631	29,534,659	29,387,177	30,678,545	27,636,311	28,268,369
Land use	198,651	204,729	228,356	179,437	192,175	225,389	261,447	257,262	227,292	239,813
Interest expense	422,877	295,128	820,010	623,282	583,283	581,762	600,292	917,518	711,595	707,960
Total Expenses	51,921,277	54,476,618	48,130,474	48,735,498	49,634,865	48,509,571	48,628,728	48,868,706	46,142,516	45,684,291
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	326,080	366,172	402,054	281,392	221,711	210,543	387,065	251,954	227,517	312,065
Public safety	829,597	1,067,467	447,202	721,528	583,014	801,636	642,647	748,413	330,358	185,007
Public works	2,056,319	1,965,798	1,679,881	1,676,149	1,565,551	1,559,204	1,584,771	1,699,786	1,598,798	1,745,884
Health and welfare	46,566	123,916	23,943	25,462	44,459	63,164	36,806	436,271	235,963	70,027
Library	2,005	13,990	6,813	10,799	4,818	12,484	12,297	17,047	16,391	12,709
Recreation	38,272	32,810	86,935	94,680	85,679	83,020	80,379	65,812	56,174	87,811
Education	251,406	113,642	421,681	457,088	457,456	455,078	502,010	539,031	491,591	206,700
Land use	15,734	13,220	295,148	17,780	18,815	10,078	26,639	20,111	8,561	11,638
Operating grants and contributions	16,308,328	19,288,190	13,028,065	15,307,874	15,913,718	14,776,852	13,842,949	14,679,246	15,160,952	15,336,169
Capital grants and contributions	2,690,268	617,585	1,310,683	2,201,169	2,463,497	919,464	1,065,411	479,819	2,176,497	1,705,314
Total Program Revenues	22,564,575	23,602,790	17,702,405	20,793,921	21,358,718	18,891,523	18,180,974	18,937,490	20,302,802	19,673,324
Net Expenses:										
Governmental activities	(29,356,702)	(30,873,828)	(30,428,069)	(27,941,577)	(28,276,147)	(29,618,048)	(30,447,754)	(29,931,216)	(25,839,714)	(26,010,967)
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes	31,599,555	31,248,820	29,834,035	28,912,490	27,700,908	26,871,040	25,507,258	27,340,437	26,512,181	26,206,360
Grants and contributions not restricted to specific programs	336,574	62,810	208,096	875,042	471,148	272,821	307,281	412,420	484,554	525,354
Investment income (loss)	(264,008)	432,027	106,921	132,842	128,558	(2,090)	9,017	206,947	143,188	39,059
Miscellaneous	260,761	555,191	284,927	10,375	18,191	165,188	296,966	5,000	46,863	52,062
Special Item - Loss of Assets							268,349	(278,349)		
Total Governmental Activities	31,932,882	32,298,848	30,433,979	29,930,749	28,318,805	27,306,959	26,388,871	27,686,455	27,186,786	26,822,835
Changes in Net Position	\$ 2,576,180	\$ 1,425,020	\$ 5,910	\$ 1,989,172	\$ 42,658	\$ (2,311,089)	\$ (4,058,883)	\$ (2,244,761)	\$ 1,347,072	\$ 811,868

Notes:

(1) Schedule prepared on the accrual basis of accounting.

TABLE 3

**TOWN OF PLYMOUTH, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS**

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Committed	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$	
Assigned	982,888	733,634	854,715	588,034	699,618	1,092,917	529,681	992,663	1,423,169	1,538,968
Unassigned	<u>6,182,271</u>	<u>5,979,399</u>	<u>2,898,442</u>	<u>1,683,452</u>	<u>808,790</u>	<u>380,632</u>	<u>1,643,638</u>	<u>1,787,337</u>	<u>2,163,609</u>	<u>1,853,353</u>
Total General Fund	<u>\$ 7,265,159</u>	<u>\$ 6,813,033</u>	<u>\$ 3,853,157</u>	<u>\$ 2,371,486</u>	<u>\$ 1,608,408</u>	<u>\$ 1,573,549</u>	<u>\$ 2,273,319</u>	<u>\$ 2,880,000</u>	<u>\$ 3,586,778</u>	<u>\$ 3,392,321</u>
All other governmental funds:										
Nonspendable	\$ 1,093,216	\$ 1,384,819	\$ 1,084,492	\$ 1,053,014	\$ 892,913	\$ 761,668	\$ 1,025,957	\$ 1,150,238	\$ 1,030,251	\$ 957,623
Restricted	2,424,129	2,239,169	1,986,153	1,548,968	1,682,404	1,793,260	1,273,106	1,125,932	1,170,858	714,644
Committed	4,430,241	4,658,641	2,962,830	2,910,265	2,941,080	4,013,535	2,761,606	6,119,718	7,054,130	1,223,419
Unassigned	<u>(68,212)</u>	<u>(147,033)</u>	<u>(303,462)</u>	<u>(6,615,572)</u>	<u>(1,355,144)</u>	<u>(833,312)</u>	<u>(532,996)</u>	<u>(257,087)</u>	<u>(314,363)</u>	<u>(5,937,009)</u>
Total all Other Governmental Funds	<u>\$ 7,879,374</u>	<u>\$ 8,135,596</u>	<u>\$ 5,730,013</u>	<u>\$ (1,103,325)</u>	<u>\$ 4,161,253</u>	<u>\$ 5,735,151</u>	<u>\$ 4,527,673</u>	<u>\$ 8,138,801</u>	<u>\$ 8,940,876</u>	<u>\$ (3,041,323)</u>

Note 1: Schedule prepared on the modified accrual basis of accounting

TABLE 4

TOWN OF PLYMOUTH, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Property taxes	\$ 31,554,599	\$ 31,292,223	\$ 29,888,998	\$ 29,097,402	\$ 27,981,899	\$ 27,131,451	\$ 27,022,201	\$ 28,144,326	\$ 26,663,027	\$ 25,774,406
Charges for services	3,565,682	3,676,261	2,660,036	2,946,777	5,405,065	4,130,283	3,862,075	3,638,031	3,701,765	4,201,083
Intergovernmental	19,857,543	15,555,236	16,262,778	16,568,306	16,308,914	14,970,413	14,780,217	15,055,668	16,680,953	15,871,373
Income on investments	(264,009)	432,027	105,528	130,696	125,886	(4,029)	7,698	205,582	141,246	36,949
Other revenues	651,948	724,988	1,141,048	328,028	319,600	519,683	755,419	349,582	322,587	637,964
Total revenues	<u>55,365,763</u>	<u>51,680,735</u>	<u>50,058,388</u>	<u>49,071,209</u>	<u>50,141,364</u>	<u>46,747,801</u>	<u>46,427,610</u>	<u>47,393,189</u>	<u>47,509,578</u>	<u>46,521,775</u>
Expenditures:										
General government	6,758,046	5,492,512	5,321,491	5,326,318	5,251,144	5,602,713	5,644,423	4,924,547	4,670,723	4,586,050
Public safety	4,091,397	3,968,218	3,542,381	3,680,398	3,376,115	3,377,382	3,272,085	3,262,566	2,835,741	2,527,326
Public works	4,595,763	4,368,312	4,169,922	4,359,616	4,331,371	4,446,052	6,298,937	4,829,757	4,600,298	4,630,873
Health and welfare	326,629	285,841	270,458	261,531	252,796	274,469	337,718	389,718	454,608	445,631
Library	461,601	463,571	438,094	399,400	488,457	499,400	481,312	471,414	480,379	477,896
Recreation	269,192	202,244	291,547	265,548	254,493	251,097	247,922	245,364	227,885	242,163
Board of Education	31,614,686	29,172,614	28,176,248	27,856,522	29,741,021	27,422,633	27,110,023	28,372,356	27,070,240	27,287,693
Land use	152,166	158,244	181,871	132,952	145,690	178,905	214,962	210,774	180,807	205,759
Capital outlay	4,662,871	1,549,296	3,735,544	8,519,097	5,207,975	2,403,027	4,293,021	6,021,445	3,062,731	4,015,792
Debt service:										
Principal	2,370,000	2,270,000	2,155,000	2,185,169	2,169,176	2,313,092	2,300,000	1,912,162	1,059,263	2,420,635
Interest	1,000,735	1,016,912	1,144,860	884,078	820,854	671,822	713,365	1,018,403	725,914	725,914
Total expenditures	<u>56,303,086</u>	<u>48,947,764</u>	<u>49,427,416</u>	<u>53,870,629</u>	<u>52,039,092</u>	<u>47,440,592</u>	<u>50,913,768</u>	<u>51,658,506</u>	<u>45,368,589</u>	<u>47,565,732</u>
Excess of revenue over (under) expenditures	<u>(937,323)</u>	<u>2,732,971</u>	<u>630,972</u>	<u>(4,799,420)</u>	<u>(1,897,728)</u>	<u>(692,791)</u>	<u>(4,486,158)</u>	<u>(4,265,317)</u>	<u>2,140,989</u>	<u>(1,043,957)</u>
Other financing sources (uses):										
Transfers in	1,001,367	1,575,003	848,863	636,611	789,965	840,713	843,225	978,380	2,288,414	1,167,315
Transfers out	(1,001,367)	(1,575,003)	(848,863)	(636,611)	(789,965)	(840,713)	(843,225)	(978,380)	(2,288,414)	(1,167,315)
Capital lease issuance	1,133,227	-	633,098	297,920	358,689					
Premium on debt issue		-	100,939					54,709	535,667	
Issuance of bonds and loans		-	6,950,000			1,200,499		3,500,000	9,500,000	
Issuance of refunding bonds		-						3,665,000		
Premium on refunding bonds		-						201,466		
Payment to escrow bond agent		-						(3,777,838)		
Total other financing sources	<u>1,133,227</u>	<u>-</u>	<u>7,684,037</u>	<u>297,920</u>	<u>358,689</u>	<u>1,200,499</u>	<u>-</u>	<u>3,643,337</u>	<u>10,035,667</u>	<u>-</u>
Special Item - Loss of Assets							268,349	(278,349)		
Net Change in Fund Balances	<u>\$ 195,904</u>	<u>\$ 2,732,971</u>	<u>\$ 8,315,009</u>	<u>\$ (4,501,500)</u>	<u>\$ (1,539,039)</u>	<u>\$ 507,708</u>	<u>\$ (4,217,809)</u>	<u>\$ (900,329)</u>	<u>\$ 12,176,656</u>	<u>\$ (1,043,957)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>6.5%</u>	<u>6.9%</u>	<u>7.3%</u>	<u>6.5%</u>	<u>6.4%</u>	<u>6.6%</u>	<u>6.6%</u>	<u>6.4%</u>	<u>4.1%</u>	<u>7.1%</u>

Note 1: Schedule prepared on the modified accrual basis of accounting

TABLE 5

TOWN OF PLYMOUTH, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value (1)
	Residential	Commercial	Industrial							
2022	\$ 656,124	\$ 54,121	\$ 26,358	\$ 56,460	\$ 126,064	\$ 16,959	\$ 902,168	40.63	1,288,811	70%
2021	631,288	32,225	26,593	47,534	94,820	14,072	818,388	40.63	1,169,126	70%
2020	569,374	31,547	26,320	57,158	93,342	14,661	763,080	40.63	\$ 1,090,114	70%
2019	570,029	32,723	26,822	42,285	90,734	15,404	747,189	39.69	1,067,413	70%
2018 (2)(3)	570,051	32,740	27,768	38,125	87,682	15,221	741,145	39.69	1,058,779	70%
2017	558,809	32,913	21,297	31,244	85,220	7,553	721,930	36.02	1,031,329	70%
2016	596,243	36,358	22,241	29,738	84,369	7,761	761,189	35.43	1,087,413	70%
2015	605,200	27,590	24,256	27,465	81,779	8,708	757,582	34.85	1,082,260	70%
2014	600,516	32,588	23,494	27,360	81,932	8,023	757,867	35.45	1,082,667	70%
2013 (4)	598,806	32,950	25,288	27,465	81,779	8,706	757,582	34.90	1,082,260	70%

Note: Assessed values for all real and personal property located within the Town on October 1, are included on the Grand List by the Assessor's office. A Board of Assessment Appeals determines whether adjustments to the Assessor's list under appeal are warranted. Assessments are computed at 70% of market value. A revaluation of all property within the Town is required to be completed no less than every ten years.

- (1) Equalized Net Grand List is compiled by the State of Connecticut Office of Policy and Management as a factor in figuring aid to education and is produced by comparing sample sales of real estate, or market value, to the assessed value of the property on the Town books. The resulting sales assessment ratio is used to equalize grand lists for each Town/City in Connecticut. These computations usually take one year to compile.
- (2) Assessed values include adjustments made by certificates of corrections that were significant in nature.
- (3) Real Property revalued as of October 1, 2016
- (4) Real Property revalued as of October 1, 2011

TABLE 6

**TOWN OF PLYMOUTH, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	October 1, 2020			October 1, 2011		
	Taxable Assessed Value	Rank	Percentage Of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage Of Total Town Taxable Assessed Value
CONNECTICUT LIGHT & POWER COMPANY	\$ 17,406,280	1	2.27%	\$ 6,930,190	1	0.91%
CONNECTICUT WATER COMPANY	5,997,700	2	0.8%	5,377,500	2	0.7%
YANKEE GAS SERVICE CO	3,571,070	3	0.5%	1,423,750	10	0.2%
ROTH COLLECTIONS INC	2,905,000	4	0.4%	3,359,020	3	0.4%
CITY OF BRISTOL-WATER COMPANY	2,604,210	5	0.3%	2,662,450	5	0.4%
SENIOR HOUSING AT QUAIL HOLLOW INC	2,306,850	6	0.3%	1,954,470	7	0.3%
COOK WILLOW REALTY PARTNERSHIP	1,832,530	7	0.2%	2,128,070	6	0.3%
PLYMOUTH VILLAGE APTS LLC	1,542,450	8	0.2%			
INLAND INTERMODAL LLC	1,461,530	9	0.2%			
DIMEO TERRYVILLE LLC	1,406,410	10	0.2%			
Total	\$ <u>23,627,750</u>		<u>2.62%</u>	\$ <u>16,905,260</u>		<u>2.23%</u>

Source: Town of Plymouth Assessor

October 1 Net Assessment	\$ 902,168,000	\$ 757,582,000
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TABLE 7

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

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal year	Collected Within the Fiscal Year of the Levy		Collection In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2022	40.63	\$ 30,254,184	30,395,465	100.47	\$ N/A	30,395,465	100.47
2021	40.63	29,763,561	30,024,430	100.88	30,869,487	30,024,430	100.88
2020	40.63	30,739,655	\$ 30,157,284	98.11	822,944	\$ 30,980,228	100.78
2019	39.69	29,691,615	29,094,392	97.99	446,507	29,540,899	99.49
2018	39.69	28,810,622	28,244,598	98.04	496,702	28,741,300	99.76
2017	36.02	27,781,374	27,159,212	97.76	522,221	27,681,433	99.64
2016	35.43	27,003,100	26,429,209	97.87	444,893	26,874,102	99.52
2015	34.85	26,416,625	25,911,185	98.09	398,184	26,309,369	99.59
2014	35.45	26,796,701	26,084,373	97.34	500,163	26,584,536	99.21
2013	34.90	26,362,764	25,390,107	96.31	756,763	26,146,870	99.18

Source: Tax Collector's Report; Comprehensive Annual Financial Report

TABLE 8

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

Fiscal Year	Governmental Activities			Total Primary Government	Ratio of Debt to Estimated Taxable Assessed Value	Debt Per Capita
	General Obligation Bonds	Notes Payable	Capital Leases			
2022	15,054,667		422,680	15,477,347	1.72%	1,329
2021	17,374,667		665,324	18,039,991	2.20%	1,546
2020	\$ 19,594,667		696,848	\$ 20,291,515	2.66%	1,750
2019	21,345,000	956,881	742,233	23,044,114	3.08%	1,938
2018	17,558,062	6,950,000	357,517	24,865,579	3.36%	2,122
2017	19,743,231	5,000,000	227,182	24,970,413	3.46%	2,131
2016	21,912,407			21,912,407	2.88%	1,865
2015	23,025,000			23,025,000	3.04%	1,949
2014	25,325,000	1,500,000		26,825,000	3.54%	2,252
2013	24,492,349	1,500,000		25,992,349	3.43%	2,150

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

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
JUNE 30, 2022

Total tax collections, including interest and lien fees
for the year ended June 30, 2022 \$ 31,633,595

Reimbursement for loss of revenues:

Tax relief for elderly - freeze

Base \$ 31,633,595

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 71,175,589	\$	\$	\$	\$
4-1/2 times base		142,351,179			
3-3/4 times base			118,625,982		
3-1/4 times base				102,809,185	
3 times base					94,900,786
Total	<u>71,175,589</u>	<u>142,351,179</u>	<u>118,625,982</u>	<u>102,809,185</u>	<u>94,900,786</u>
Indebtedness:					
Bonds and notes payable	9,665,000	4,285,000	897,056		
Bond anticipated notes payable					
Bonds authorized-unissued	600,000	99,420 *	124,411		
Less: State of Connecticut building grants receivable					
Total	<u>10,265,000</u>	<u>4,384,420</u>	<u>1,021,467</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 60,910,589</u>	<u>\$ 137,966,759</u>	<u>\$ 117,604,515</u>	<u>\$ 102,809,185</u>	<u>\$ 94,900,786</u>

*Bonds authorized and unissued have been reduced by State of Connecticut grant commitments in the amount of \$29,000,000.00

1. In no event shall total debt exceed seven times annual receipts from taxation. The maximum permitted under this formula would be \$221,435,167
2. There is no overlapping debt for the Town of Plymouth.
3. Per Connecticut General Statutes, the Water loans are not included in the indebtedness amount.

TABLE 10

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

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt limitation	\$ 221,435,167	\$ 215,982,746	\$ 209,389,985	\$ 203,735,742	\$ 195,400,576	\$ 195,400,576	\$ 189,236,432	\$ 189,563,086	\$ 197,383,618	\$ 186,229,050
Total net debt applicable to limit	<u>15,670,887</u>	<u>14,901,399</u>	<u>20,418,498</u>	<u>22,301,881</u>	<u>17,558,062</u>	<u>19,743,231</u>	<u>21,912,407</u>	<u>21,457,000</u>	<u>24,537,000</u>	<u>29,149,420</u>
Legal Debt Margin	<u>\$ 205,764,280</u>	<u>\$ 201,081,347</u>	<u>\$ 188,971,487</u>	<u>\$ 181,433,861</u>	<u>\$ 177,842,514</u>	<u>\$ 175,657,345</u>	<u>\$ 167,324,025</u>	<u>\$ 168,106,086</u>	<u>\$ 172,846,618</u>	<u>\$ 157,079,630</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>7.08%</u>	<u>6.90%</u>	<u>9.75%</u>	<u>10.95%</u>	<u>8.99%</u>	<u>10.10%</u>	<u>11.58%</u>	<u>11.32%</u>	<u>12.43%</u>	<u>15.65%</u>

Source: Annual financial reports - Schedule of Debt Limitation

Note: See Table 9 for calculation of current year debt limitation

TABLE 11

**TOWN OF PLYMOUTH, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Calendar Year	Population (1)	Per Capita Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2022	11,646	41,705	42.4	1,303	3.30%
2021	11,671	23,244	44.8	1,298	8.50%
2020	11,598	\$ 38,455	43.5	1,368	9.7%
2019	11,888	34,297	43.5	1,470	4.3%
2018	11,718	33,602	41.9	1,475	5.0%
2017	11,718	32,522	41.9	1,500	5.6%
2016	11,749	32,522	41.9	1,519	6.5%
2015	11,813	31,511	41.9	1,578	6.7%
2014	11,914	28,564	41.2	1,583	6.7%
2013	12,089	28,564	41.2	1,610	8.7%

(1) Source: U.S. Department of Commerce, Bureau of Census, Census 2019 Quick Facts & City-data.com

(2) Source: Plymouth Board of Education

(3) Source: State Department of Labor - Local Area Unemployment Statistics (LAUS)

TABLE 12

**TOWN OF PLYMOUTH, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR**

2022				
Employer	Nature of Business	Employees	Rank	Percentage of Total Employment
Town of Plymouth	Government	371	1	17.50%
Nutmeg Spice Co	Spices-Wholesale	126	2	5.94%
Cook Willow Convalescent Home	Convalescent Facility	120	3	5.66%
Richards Corporation	Construction	120	3	5.66%
Modelcraft Co.	Manufacturer	56	5	2.64%
Phoenix Products	Pool Equipment Retailer	55	6	2.59%
Laurentano Sign Group	Manufacturer	55	6	2.59%
Triem Industries	Manufacturer	38	8	1.79%
The Learning Center	Daycare Facility	37	9	1.75%
North East Fasteners	Manufacturer	34	10	1.60%
EdAdvance	Educational Services	31	11	1.46%
Elm Press	Commercial Printing	27	12	1.27%
All Star Bus	Transportation	27	12	1.27%
Terryville Chevrolet	Car Dealership	22	13	1.04%
Total		<u>2,120</u>		<u>52.78%</u>

Source: CT Department of Labor

Source: Economic Development

Source: Town of Plymouth

TABLE 13

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

Function/Program	Full-Time Equivalent Employees as of June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Mayor's Office	2	2	2	2	2	2	2	2	2	3
Public Safety	28.5	24	29	30	29	30	31	32	29	30
Public Health	-	-	-	-	-	1	1	1	1	1
Planning & Zoning	1.5	2	2	2	1	1	3	3	3	3
Finance and Accounting	3	3	3	3	3	3	3	3	3	3
Town Clerk	2	2	2	1	1	2	2	2	2	2
Town Assessor	1	1	1	1	1	1	1	2	1	1
Tax Collector	1	1	1	1	1	2	2	2	2	2
Recreation	1	3	3	3	3	3	3	3	3	3
Library	7	5	5	6	4	5	5	5	5	5
Public Works	15	13	13	12	12	15	15	17	16	16
Clerical	3	3	3	2	3					
Education	284	217	261	253	250	211	209	211	219	248
Water Pollution Control	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Total	<u>355</u>	<u>282</u>	<u>331</u>	<u>322</u>	<u>316</u>	<u>282</u>	<u>283</u>	<u>289</u>	<u>292</u>	<u>323</u>

Source: Town of Plymouth Human Resources

TABLE 14

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

Function/Program	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government:										
Building permits issued	890	922	1,510	696	626	634	655	500	507	664
Birth Certificates Issued	558	110	92	95	97	92	115	115	113	135
Marriage Certificates	29	71	65	69	72	68	70	80	82	45
Police:										
Calls for Service	9,078	10,037	9,973	11,835	13,390	14,212	15,585	13,953	13,160	22,512
Criminal Arrests	137	213	202	308	344	276	282	259	259	331
Accidents	269	244	236	485	345	318	299	293	339	145
Fire:										
Emergency responses	480	504	422	384	405	386	350	331	364	401
Investigations/Inspections	421	360	381	321	343	354	328	612	317	185
Refuse collection:										
Guaranteed Tonnage	5,180	4,789	4,899	4,924	4,790	4,790	4,790	4,790	5,850	6,100
Parks and recreation:										
Number of Activities Offered	21	4	125	125	125	103	87	88	29	39
Library:										
Total Programs	1,015	660	346	297	296	390	422	417	437	341
Active Cardholders	2,240	2,542	2,748	3,074	2,938	3,249	3,438	3,552	3,770	4,930
Reference Questions	2,364	1,626	1,547	2,093	3,062	6,549	6,000	5,670	6,105	5,740
Volumes in Collection	64,596	63,410	65,019	68,167	41,751	62,511	62,252	61,149	61,597	63,216
Use of Public Computers	5,060	1,361	5,554	5,793	6,156	8,456	9,129	9,162	10,800	12,010
Public Works										
Street Resurfacing (miles)	2.66	1.36	2.26	2.81	3.66	4.86	16.53	6.70	8.80	4.50
Education										
School Enrollment	1,303	1,298	1,368	1,470	1,475	1,500	1,519	1,578	1,583	1,610
Wastewater:										
Average daily sewage treatment (millions of gallons daily)	1.05	0.98	1.09	1.19	0.90	0.66	0.64	0.77	0.77	0.99

Source: Various Town Departments

TABLE 15

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

Function/Program	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Zones	3	3	3	3	3	3	3	3	3	3
Police Cars	16	16	16	16	16	15	14	13	13	11
Fire stations:										
Stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks	9	9	9	9	11	11	11	11	11	11
Rescue Boats	1	1	4	3	3	3	3			
Fire Vehicles	5	5	5	4	2	2	2			
Public Works:										
Streets (miles)	82.42	82.42	82.42	82.42	82.42	82.42	82.42	82.42	82.83	82.83
State Highways	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42	12.42
Streetlights	1,430	1,430	1,428	1,428	1,428	1,428	1,428	1,428	1,186	1,186
Fire hydrants	310	310	310	308	308	308	308	308	241	241
Parks and recreation:										
Acres of Park Land (including water)	260	260	260	260	260	260	260	260	217	25
Acres of Water	55	55	55	55	55	55	55	55		
Basketball Courts	1	1	1	1	3	3	3	3	3	3
Playgrounds	3	3	3	3	4	4	4	4	6	6
Baseball/softball diamonds	1	1	1	1	2	2	2	2	5	5
Tennis Courts	2	2	2	2	2	2	2	2	4	4
Multiple Use Fields	2	2	2	2	5	5	5	6	6	6
Library:										
Public Library Locations	1	1	1	1	1	1	1	1	1	1
Private Library Locations					1	1	1	1	1	1
Education:										
Number of High Schools	1	1	1	1	1	1	1	1	1	1
Number of Middle School	1	1	1	1	1	1	1	1	1	1
Number of Elementary Schools	2	2	2	2	2	2	2	2	2	2
Water Pollution Control:										
Treatment capacity (millions per day)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75

Source: Various Town Departments

TOWN OF PLYMOUTH, CONNECTICUT
STATE SINGLE AUDIT REPORT
JUNE 30, 2022



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**TOWN OF PLYMOUTH, CONNECTICUT
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL
ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT**

Board of Finance
Town of Plymouth, Connecticut

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Town of Plymouth, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town of Plymouth, Connecticut's major state programs for the year ended June 30, 2022. The Town of Plymouth, Connecticut's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Plymouth, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Plymouth, Connecticut and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major state program. Our audit does not provide a legal determination of the Town of Plymouth, Connecticut's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town of Plymouth, Connecticut's state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Plymouth, Connecticut's compliance based on our audit. 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, *Government Auditing Standards*, and the State Single Audit will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Plymouth, Connecticut's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Town of Plymouth, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Plymouth, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Plymouth, Connecticut's basic financial statements, and have issued our report thereon dated May 30, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

West Hartford, Connecticut
May 30, 2023

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

State Grantor/Pass-Through Grantor/ Program Title	State Grant Program Core-CT Number	Expenditures
Department of Education		
Child Nutrition State Match	11000-SDE64370-16211	\$ 5,285
Non Sheff Transportation	11000-SDE64370-12632	46,800
Health Foods Initiative	11000-SDE64370-16212	10,844
Adult Education	11000-SDE64370-17030	17,324
School Breakfast Program	11000-SDE64370-17046	10,596
Magnet Schools	11000-SDE64370-17057	<u>46,800</u>
Total Department of Education		<u>137,649</u>
Connecticut State Library		
Connecticard Payments	11000-CSL66051-17010	<u>336</u>
Department of Transportation		
Local Transportation Capital Program	13033-DOT57197-43584	1,928,827
Town Aid Road Grants-Municipal	12052-DOT57131-43455	129,468
Town Aid Road-STO	13033-DOT57131-43459	<u>129,468</u>
Total Department of Transportation		<u>2,187,763</u>
Office of Early Childhood		
Child Care Quality Enhancement	11000-OEC64845-16158	3,880
Early Care and Education	11000-OEC64845-16274	131,385
Smart Start	11000-OEC64845-16279	<u>75,000</u>
Total Office of Early Childhood		<u>210,265</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

State Grantor/Pass-Through Grantor/ Program Title	State Grant Program Core-CT Number	Expenditures
Office of Policy and Management		
Tiered Payment in Lieu of Taxes	11000-OPM20600-17111	\$ 7,468
MRSA - Tiered Pilot	12060-OPM20600-35691	2,654
Reimbursement Property Tax Disability Exemption	11000-OPM20600-17011	2,680
Property Tax Relief for Veterans	11000-OPM20600-17024	6,279
Local Capital Improvement	12050-OPM20600-40254	486,830
Municipal Purposes & Projects	12052-OPM20600-43587	<u>152,434</u>
Total Office of Policy and Management		<u>658,345</u>
Department of Social Services		
Medicaid	11000-DSS60000-16020	<u>56,097</u>
Department of Emergency Services and Public Protection		
Enhanced 911 Telecomm Fund	12060-DPS32741-35190	<u>55,390</u>
Total State Financial Assistance Before Exempt Programs		<u>3,305,845</u>
Exempt Programs		
Department of Education		
Education Cost Sharing	11000-SDE64370-17041-82010	9,778,479
Excess Cost - Student Based	11000-SDE64370-17047	<u>651,496</u>
Total Department of Education		<u>10,429,975</u>
Office of Policy and Management		
Grants To Towns	12009-OPM20600-17005	<u>33,955</u>
Total Exempt Programs		<u>10,463,930</u>
Total State Financial Assistance		<u><u>\$ 13,769,775</u></u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the Town of Plymouth, Connecticut, under programs of the State of Connecticut for the year ended June 30, 2022. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. Because the Schedule presents only a selected portion of the operations of the Town of Plymouth, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance or changes in net position of the Town of Plymouth, Connecticut.

Basis of Accounting

The accounting policies of the Town of Plymouth, Connecticut, conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

NOTE 2 LOAN PROGRAMS

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the schedule of expenditures of state financial assistance shall include loans and loan activities. The following is a summary of the various loan program activity for the year ended June 30, 2022:

Department of Energy and Environmental Protection

Clean Water Funds:

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance Beginning</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Ending</u>
5/1/2016	2.00%	\$ 1,200,499	\$ 851,399	\$ -	\$ 54,343	\$ 797,056



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Finance
Town of Plymouth, Connecticut

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Town of Plymouth, Connecticut's basic financial statements, and have issued our report thereon dated May 30, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Plymouth, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Plymouth, Connecticut's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of Plymouth, Connecticut's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Plymouth, Connecticut's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town of Plymouth, Connecticut's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Plymouth, Connecticut's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

West Hartford, Connecticut
May 30, 2023

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
 - Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

State Financial Assistance

1. Internal control over major programs:
 - Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? yes x none reported
2. Type of auditors' report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? x yes no

The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Department of Transportation:		
Local Transportation Capital Program	13033-DOT57197-43584	\$ 1,928,827
Town Aid Road - STO	13033-DOT57131-43459	129,468
Town Aid Road Grants - Municipal	12052-DOT57131-43455	129,468

Dollar threshold used to distinguish between Type A and Type B programs: \$ 200,000

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

2022-001

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition

Material restatements were required to beginning balances of fund balance and net position due to land held for resale was not properly reconciled in prior years and not shown on fund level.

Criteria

Management is responsible for the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements.

Context

Assets held for sale beginning balances were overstated due to a lack of recalculation. In addition, assets held for sale were not recorded in appropriate fund.

Effect

Without adequate controls, balances could be materially misstated.

Cause

Lack of recalculation of final balances along with not recorded land held for resale in appropriate fund.

Repeat Finding

No

Recommendation

We recommend the Town implement policies and procedures to ensure systems are all being properly utilized.

Views of Responsible Officials and Planned Corrective Actions

Town is now aware of recalculations needed along with recording activity in appropriate fund and this as a non-recurring event.

Section III – Findings and Questioned Costs – State Financial Assistance

Our audit did not disclose any matters required to be reported in accordance with the State Single Audit Act.

TOWN OF PLYMOUTH, CONNECTICUT
FEDERAL SINGLE AUDIT REPORT
JUNE 30, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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**TOWN OF PLYMOUTH, CONNECTICUT
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Finance
Town of Plymouth, Connecticut

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Plymouth, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Town of Plymouth, Connecticut's major federal programs for the year ended June 30, 2022. The Town of Plymouth, Connecticut's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Plymouth, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Plymouth, Connecticut and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of Plymouth, Connecticut's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town of Plymouth, Connecticut's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Plymouth, Connecticut's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Plymouth, Connecticut's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Town of Plymouth, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Town of Plymouth, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

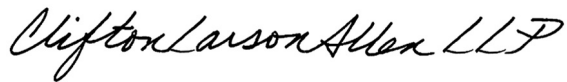
Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Plymouth, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Plymouth, Connecticut's basic financial statements, and have issued our report thereon dated May 30, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

West Hartford, Connecticut
May 30, 2023

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
United States Department of Agriculture				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	12060-SDE64370-20560	\$	\$ 33,043
National School Lunch Program	10.555	12060-SDE64370-20560		625,636
National School Lunch Program	10.555	12060-SDE64370-23085		4,545
School Breakfast Program	10.553	12060-SDE64370-20508		204,796
Child Nutrition Cluster Total			-	\$ 868,020
State Administrative Expenses for Child Nutrition	10.560	12060-SDE64370-23126		27,928
Total United States Department of Agriculture			-	895,948
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12060-OPM20350-21921		10,000
Total United States Department of Justice			-	10,000
United States Department of Education				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Special Education Cluster (IDEA):				
Special Education Grants to States	84.027	12060-SDE64370-20977-2022		192,008
Special Education Grants to States	84.027	12060-SDE64370-20977-2021		217,507
Special Education Grants to States	84.027	12060-SDE64370-20977-2020		19,982
Special Education Preschool Grants	84.173	12060-SDE64370-20983-2021		14,480
Special Education Cluster (IDEA) Total			-	443,977
Education Stabilization Fund:				
COVID 19 - ESSERF K-12 Fund	84.425d	12060-SDE64370-29571-2021		590,448
COVID 19 - ESSERF K-12 Fund	84.425d	12060-SDE64370-29571-2021		11,543
American Rescue Plan - Emergency	84.425u	12060-SDE64370-29636-2021		329,310
Education Stabilization Fund Total			-	931,301
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2022		183,319
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2021		5,147
Title I Grants to Local Educational Agencies Total			-	188,466
Career and Technical Education -- Basic Grants to States	84.048	12060-SDE64370-20742-2022	-	17,756
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2022	-	28,555
Title IV - Student Support	84.424	12060-SDE64370-22854-2022		6,046
Title IV - Student Support	84.424	12060-SDE64370-22854-2021		13,802
Title IV - Student Support	84.424	12060-SDE64370-22854-2020		425
Title IV - Student Support Total			-	20,273
Total United States Department of Education			-	1,630,328
United States Department of Homeland Security				
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	12060-DPS32990-21891	-	167,688
Total United States Department of Homeland Security			-	167,688
United States Department of the Treasury				
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>				
COVID 19 - ARPA Local Fiscal Recovery	21.027	12060-OPM20600-29669		666,492
COVID 19 - ARPA Local Fiscal Recovery Total			-	666,492
Total Federal Expenditures			\$ -	\$ 3,370,456

See accompanying Notes to Schedule of Expenditures of Federal Awards..

**TOWN OF PLYMOUTH, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Plymouth, Connecticut, under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the Town of Plymouth, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance or changes in net position of the Town of Plymouth, Connecticut

Basis of Accounting

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. Under these principles certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2 INDIRECT COST RECOVERY

The Town of Plymouth, Connecticut, has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance

NOTE 3 NONCASH AWARDS

Donated commodities in the amount of \$33,043 are included in the Department of Agriculture's National School Lunch Program, Assistance Listing #10.555. The amount represents the market value of commodities received.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Finance
Town of Plymouth, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Plymouth, Connecticut, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Plymouth, Connecticut's basic financial statements, and have issued our report thereon dated May 30, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Plymouth, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Plymouth, Connecticut's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Plymouth, Connecticut's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of Plymouth, Connecticut's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Plymouth, Connecticut's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town of Plymouth, Connecticut's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

West Hartford, Connecticut
May 30, 2023

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes x no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? yes x none reported
2. Type of auditors' report issued on compliance for federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs

Assistance Listing Numbers

84.425d/84.425u

21.027

Name of Federal Program or Cluster

Education Stabilization Fund

ARPA Local Fiscal Recovery

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 yes x no

**TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

2022-001

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: Material restatement was required to beginning balances of land held for resale to ensure financial statements were in accordance with generally accepted accounting principles.

Criteria or specific requirement: Management is responsible for the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements.

Effect: Without adequate controls, balances could be materially misstated.

Cause: Lack of recalculation of final balances along with not recorded land held for resale in appropriate fund.

Repeat Finding: No

Recommendation: We recommend the Town implement policies and procedures to ensure systems are all being properly utilized.

Views of responsible officials and planned corrective actions: Town is now aware of recalculations needed along with recording activity in appropriate fund and this as a non-recurring event.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



Board of Finance
Town of Plymouth, Connecticut

In planning and performing our audit of the financial statements of Town of Plymouth, Connecticut (the Town) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below.

This letter should be read in conjunction with our report on Internal Control over Financial Reporting and on Compliance Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 30, 2023. This letter does not affect our report on the financial statements dated May 30, 2023, nor our internal control communication dated May 30, 2023.

Bank Reconciliation – Timeliness

During the audit, we noted the Town bank reconciliations were not completed in a timely manner.

Recommendation:

We recommend the Town reconcile cash balances monthly between the bank and the general ledger.

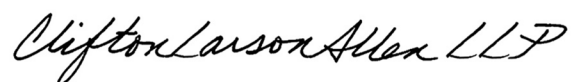
General Ledger Maintenance

During the audit we noted that various client journal entries were needed after the commencement of final fieldwork. This included Cafeteria and Educational Grants Fund which needed numerous entries to ensure all accounts were in agreement to the Board of Education records.

Recommendation:

We recommend the Town and Board of Education complete all required journal entries prior to the commencement of final fieldwork.

This communication is intended solely for the information and use of management, the board of finance, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The script is cursive and fluid, with the letters connected in a continuous line.

CliftonLarsonAllen LLP

West Hartford, Connecticut
May 30, 2023



Town of Plymouth Finance Department

80 Main Street
Terryville, CT 06786
Phone: (860) 585-4008 Fax: (860) 585-4015
Grace Zweig – Director of Finance
gzweig@plymouthct.us

SINGLE AUDIT CORRECTIVE ACTION PLAN For the Fiscal Year Ended June 30, 2022

To Government Officials:

SINGLE AUDIT FINDINGS:

Finding 2022-001

General Ledger Maintenance

Description of Finding

Material journal entries required to correct account balances.

Statement of Concurrence or Nonconcurrence

The Town concurs.

Corrective Action

Town is now aware of recalculations needed along with recording activity in appropriate fund and this as a non-recurring event.

Name of Contact Person

Grace Zweig, Director of Finance

Projected Completion Date

5/30/2023