



CONNECTICUT

Policy and Management

FY 2023-24 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 _____

Fiscal Period under Audit _____

(Audit Firm Name)

(Signature)

(Date)

This Questionnaire was reviewed with and a copy given to:

Name of Municipal Official

on _____
Date

Title of Municipal Official

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) or revenue anticipation notes (RANs) during the fiscal year?	_____	_____	_____
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. Did you clearly identify in the report each repeated audit Finding and identify the fiscal year in which the finding initially occurred?	_____	_____	_____
8. Were there any audit findings repeated from both of the two most prior fiscal year ended audits? (FY2022 and FY2023)?	_____	_____	_____
9. Were municipal officials made aware of section 2(c) of P.A. 23-197 for a public meeting to be held when the OPM Secretary makes certain findings based upon the review of the audit report?	_____	_____	_____
10. 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 2023-24?	_____	_____	_____
(b) Is a copy of the Single Audit included in the reporting package submitted?	_____	_____	_____

	<u>YES</u>	<u>NO</u>	<u>NA</u>
11. 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 2023-24 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?	_____	_____	_____
(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?	_____	_____	_____

CITY OF ANSONIA, CONNECTICUT
AUDITED FINANCIAL STATEMENTS
AND
REQUIRED AND OTHER SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024



**CITY OF ANSONIA, CONNECTICUT
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Accavallo & Company LLC
Certified Public Accountants
1000 Bridgeport Avenue, Suite 410
Shelton, Connecticut 06484
P: 203-925-9600
F: 203-925-9610

Principals
John A. Accavallo CPA
Marilyn L. Ferris MBA CPA

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor,
Members of the Board of Aldermen and
Members of the Board of Apportionment and Taxation
City of Ansonia, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ansonia, Connecticut, as of and for the City of Ansonia, Connecticut year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Ansonia, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ansonia, Connecticut, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Ansonia, 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 obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Ansonia, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Ansonia, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Ansonia, 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 information on pages 7 through 14 and the required supplementary information on pages 69 through 76 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ansonia, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements, schedule of property taxes, schedule of nationally recognized municipal securities information repository, and the schedule of property tax levies and collections 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 or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2025 on our consideration of the City of Ansonia, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Ansonia, Connecticut's internal control over financial reporting and compliance.

Accavallo & Company, LLC

Shelton, Connecticut

June 11, 2025

**CITY OF ANSONIA, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED
JUNE 30, 2024**

As management of the City of Ansonia, Connecticut (City), we offer readers of the City's financial statements this narrative overview and analysis of the financing activities of the City for the fiscal year ended June 30, 2024. All amounts are expressed in thousands of dollars (\$000) unless otherwise indicated.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$37,940 (*net position*).
- The Governmental and Business-Type activities total net position increased/(decreased) by (\$2,110) and \$1,436, respectively.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10,476, an increase of \$1,801 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,683 or 7.97% of total general fund expenditures.
- The City's government-wide activities total debt decreased by \$18 (.02%) during the current fiscal year.
- The City's business-type activities total debt decreased by \$2,149 (13.01%) during the current fiscal year.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the City's assets and liabilities, 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 City is improving or deteriorating.

The *statement of activities* presents information showing how the government'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).

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

The government-wide financial statements can be found on pages 16 to 17 of this report.

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

**CITY OF ANSONIA, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED
JUNE 30, 2024**

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 government'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 government'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 City maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the City Grants, Board of Education-Grants and Capital Projects Fund, all of which are considered to be major funds and in the Other Governmental Funds which includes the other funds of the City (see details on page 82). Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 16 to 20 of this report.

Proprietary Fund — The City maintains one proprietary fund. This fund is used to report the same functions presented as a *business-type activity* in the government-wide financial statements. The City uses this business-type activity to account for its Water Pollution Control Authority.

The proprietary fund provides the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Pollution Control Authority.

The basic proprietary funds financial statements can be found on pages 22 to 24 of this report.

Subsequent to year end the City entered into an agreement with Aquarion Water Company of Connecticut to sell the water and wastewater systems assets of the City of Ansonia Water Pollution Control Authority for \$41 million dollars. The agreement was signed June 21, 2024 and a down payment of \$5 million dollars was paid. The closing occurred on December 3, 2024 with the balance of the funds owed being transferred to the City.

The agreement has numerous clauses obligating both parties for future years. Some of the major clauses include a municipal property tax exemption for 10 years on wastewater system assets starting the first full year after the closing date for Aquarion Water Company of Connecticut and the City of Ansonia has to maintain a \$7 million dollar rate stabilization fund for 10 years where the funds can returned to customers in the form of monthly bill credits.

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 City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 25 and 26 of this report.

**CITY OF ANSONIA, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED
JUNE 30, 2024**

Notes to the 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. The notes to the financial statements can be found on pages 27 to 70 of this report.

Other Information — In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. Required supplementary information can be found on pages 72 to 79 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and other schedules can be found on pages 77 to 89 of this report.

Other schedules are presented following the combining statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$37,940 at the June 30, 2024 a decrease of \$2,110 from the previous year.

By far the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the City'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.

City's Net Position (\$000)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 18,419	\$ 30,021	\$ 9,744	\$ 9,699	\$ 28,164	\$ 39,720
Capital assets	84,730	83,877	37,826	40,428	122,556	124,305
Total assets	103,150	113,898	47,570	50,127	150,720	164,025
Deferred outflows of resources	21,134	25,170	-	-	21,134	25,170
Long-term liabilities outstanding	80,752	117,332	14,368	20,689	95,120	138,021
Other liabilities	5,675	11,728	224	474	5,899	12,202
Total liabilities	86,426	129,060	14,592	21,163	101,019	150,223
Deferred inflows of resources	32,895	2,829	-	-	32,895	2,829
Net position:						
Invested in capital assets, net of related debt	57,362	53,514	23,458	19,738	80,820	73,252
Restricted	754	745	-	-	754	745
Unrestricted	(53,153)	(47,080)	9,520	9,226	(43,633)	(37,854)
Total net position	\$ 4,962	\$ 7,179	\$ 32,978	\$ 28,964	\$ 37,940	\$ 36,143

**CITY OF ANSONIA, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED
JUNE 30, 2024**

At the end of the current fiscal year, the City is able to report positive balances in two categories of net position as a whole, and for its separate governmental and business-type activities. Two categories in the prior year were able to report positive net asset numbers.

The City's combined net position decreased by \$2,110 in the current fiscal year. The government-wide activities accounted for \$3,546 of this decrease added against the Business-type activities that had an increase in net position of \$1,436 primarily due to the consistent charges for services in the business activities which were more than the ongoing expenses during the fiscal year.

Governmental Activities — Governmental activities decreased the City's net position by \$3,546. Key elements of the increase are as follows:

- Overall expenses increased by approximately \$7,056 (8.25%) due to increases in General Government \$6,259 (517.71%), Education \$3,666 (6.49%) offset against decreases in Public Works \$2,500 (21.77%), Capital Outlay \$191 (6.65%).
- Depreciation for the current year was \$4,030.
- Overall revenues increased by \$1,029 (1.17%). The primary reason was an increase in Unrestricted Grants and Contributions of \$4,698 (667.34%) and Operating Grants and Contributions \$1,591 (4.62%) offset against decreases in Capital Grants and Contributions \$3,684 (59.31%) Property Taxes \$2,294 (5.77%) when compared against prior year.

City's Changes in Net position (\$000)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program revenues:						
Charges for services	\$ 4,289	\$ 3,498	\$ 4,345	\$ 4,233	\$ 8,634	\$ 7,731
Operating grants/contributions	38,986	37,392	11	23	38,996	37,415
Capital grants/contributions	2,527	6,211	-	-	2,527	6,211
General revenues:						
Property taxes	37,483	39,777	-	-	37,483	39,777
Grants and contributions not restricted to specific programs	5,402	704	-	-	5,402	704
Unrestricted investment earnings	448	403	188	18	636	421
Gain(Loss) on disposal of assets	(121)	-	-	-	(121)	-
TOTAL REVENUES	89,014	87,985	4,544	4,274	93,557	92,259
EXPENSES						
General government	7,468	1,209	-	-	7,468	1,209
Education	60,199	56,533	-	-	60,199	56,533
Public works	8,987	11,487	2,797	2,682	11,783	14,169
Public safety	10,773	10,953	-	-	10,773	10,953
Human services	1,476	1,392	-	-	1,476	1,392
Capital outlay	2,684	2,875	-	-	2,684	2,875
Debt service	973	1,054	311	353	1,284	1,407
TOTAL EXPENSES	92,559	85,503	3,107	3,035	95,667	88,538
INCREASE(DECREASE) IN NET POSITION	(3,546)	2,482	1,436	1,239	(2,110)	3,721
Net position at beginning of year	8,508	6,026	31,542	30,303	40,050	36,329
NET POSITION AT END OF YEAR	\$ 4,962	\$ 8,508	\$32,978	\$ 31,542	\$ 37,940	\$ 40,050

**CITY OF ANSONIA, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED
JUNE 30, 2024**

Business-type Activities — Business-type activities increased the City's net position by \$1,436. Key elements of this increase are as follows:

- Charges for services, for business-type activities, increased by \$112 due to a decrease in user charges and demand.
- Operating grants/contributions from the State of Connecticut decreased by \$12.
- Investment earnings increased by \$170 due to higher cash balances in interest bearing accounts.
- Operating costs were reported at \$72 (2.4%) increase in the year ended June 30, 2024 compared to June 30, 2023.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10,476, an increase of \$635 in comparison with the prior year. Approximately 52.07% of this total amount or \$5,683 constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending because it has already been 1) committed for bond projects (\$46), 2) committed for medical costs (\$300), 3) committed for compensated absences (\$300), 4) Committed for Capital Projects (\$655), 5) Committed for Future Budgets (\$147), 6) committed for workers compensation (\$250), 7) Committed for Board of Education (\$540), 8) assigned for Special Revenue Funds (\$2,030), 9) is non-spendable (\$754).

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$5,683, while total fund balance reached \$7,920. 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 general fund expenditures of \$71,348. Unassigned fund balance represents 7.97% of the total general fund expenditures, while total fund balance represents 11.10% of that same amount.

In the current fiscal year, the City's general fund balance increased by \$1,801, as indicated on page 21. The revenues amounted to \$66,364 while expenditures were \$64,575. It was anticipated during the preparation of the budget for the year ended June 30, 2024 that \$640 of fund balance would be used to balance 2023-2024 original general fund budget.

Proprietary Funds — The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Water Pollution Control Authority at the end of the year amounted to \$32,978 of which \$23,458 represents an investment in capital assets net of related debt. The total increase in net position for the fund was \$1,436. Other factors concerning the finances of the fund have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget (\$954 increase in appropriations) can be briefly summarized as follows:

- \$531 increase in appropriations for City Government,
- \$354 increase in appropriations for Police Department,
- \$381 increase in appropriations for Waste Collection,
- \$138 increase in appropriations for Building Utilities
- \$106 increase in appropriations for Public Works,
- \$335 decrease in appropriations for Pension
- \$221 in net decreases in various other departments.

The increase in the City Government was to increase appropriations to blight and legal costs.

The increase in the Police Department was a reaction by the Board to increase appropriations to cover overtime and police extra duty costs in the current fiscal year.

The increase in the Waste Collection was to increase appropriations to cover increase waste collection contract costs.

The increase in the Building Utilities Department was more than anticipated utility/electric costs.

The increase in Public Works was for additional overtime that was not originally anticipated and increased gasoline costs.

The decrease in Pension was for less than anticipated insurance costs in the current year.

Differences between the final budget and actual results are summarized as follows:

- Actual revenues were favorable when compared to the final budget by \$1,090 due primarily more State grants-municipal \$596, Current Charges \$352, and Licenses and Permits \$240 offset against less than anticipated Property taxes \$37 and State grants-education \$37.
- Actual expenditures were favorable when compared to the Final Budget by \$741 primarily due to favorable results in all departments except Board of Education-miscellaneous funds \$245, Economic Development \$188, and Capital Outlay of \$83.

Capital Asset and Debt Administration

Capital Assets — The City's investment in capital assets for its governmental and business type activities as of June 30, 2024, amounts to \$122,556 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and system, machinery and equipment and park facilities, roads, highways, and bridges (infrastructure). The total increase in the City's investment in capital assets for the current fiscal year was 2.8% before depreciation.

During the fiscal year the City's governmental activities invested \$1,662 in fixed assets of which \$956 was specifically for construction in progress projects. Those projects expenditures during the year include, but are not limited to, the New Police Station \$587, Senior Center Relocation \$66 Riverwalk Segment III/V \$79 and various other projects of \$225. There were new machinery and equipment purchases of \$706 and infrastructure improvements.

The business-type activities (WPCA) had \$69 of equipment additions during the year.

City's Capital Assets (\$000)
(Net of depreciation)

	Governmental Activities	Business-type Activities	Total
Land	\$ 13,347	\$ 1,000	\$ 14,347
Construction in progress	2,769	-	2,769
Land improvements	4,032	-	4,032
Buildings and system	44,427	-	44,427
Machinery and equipment	4,899	464	5,363
Right-to-Use - Lease Assets	35	-	35
SBITA - Lease Assets	46	-	46
Infrastructure	15,174	36,362	51,536
	<u>\$ 84,730</u>	<u>\$ 37,826</u>	<u>\$ 122,556</u>

Additional information on the City's capital assets can be found in Note 7 of this report.

Long-Term Debt

City's Outstanding Debt (\$000)

General Obligation Bonds - At the end of the current fiscal year, the General Fund had total bonded debt outstanding of \$23,610. This amount is backed by the full faith and credit of the government. The City's bonded debt increased by the regular principal payments of \$1,235.

Compensated Absences – the compensated absences liability of the City increases by \$16 to \$2,626. City departments which comprise the majority of the balance are the Board of Education (\$912), Police (\$1,178), Public Works (\$177), Finance (\$90) and the Town Clerk (\$59).

Net Pension Liability — the City had total net pension liability of \$24,673. This obligation increased by \$200 during the year ended June 30, 2024.

Other Post-Employment Benefits – At the end of the current fiscal year, the City had total other post-employment benefit obligations of \$25,053. This obligation increased by \$1,452 during the year ended June 30, 2024.

Government-wide General Obligation Bonds - a summary of the general obligation bonds of the City of Ansonia, Connecticut, at June 30, 2024 is as follows:

Governmental Activities

Year Ended

June 30,

	Principal	Interest	Total
2025	\$ 1,245	\$ 661	\$ 1,906
2026	1,255	619	1,874
2027	1,265	577	1,842
2028	1,275	533	1,808
2029	1,285	489	1,774
2030-2034	6,385	1,852	8,237
2035-2039	4,840	982	5,822
2040-2044	2,495	541	3,036
2045-2049	2,490	290	2,780
2050-2051	1,075	36	1,111
	<u>\$ 23,610</u>	<u>\$ 6,581</u>	<u>\$ 30,191</u>

Business-type Notes Payable - a summary of the note payable of the City of Ansonia, Connecticut, at June 30, 2024 is as follows:

Business-type Activities

Year Ended

June 30,

	Principal	Interest	Total
Due in 2025	\$ 2,196	\$ 267	\$ 2,464
Due in 2026 to 2030	10,040	732	10,772
Due in 2031 to 2035	2,131	23	2,155
	<u>\$ 14,368</u>	<u>\$ 1,022</u>	<u>\$ 15,390</u>

The City maintains an “AA-” rating from Standard & Poor’s for general obligation debt.

The current debt limitation for the City is \$272,151 which is significantly in excess of the City’s outstanding general obligation debt. Additional information on the City’s long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate for the City decreased to 4% vs. 8% in the prior year, which is lower than the Connecticut unemployment rate of 5%.
- The Connecticut state government has reported an anticipated surplus for 2023-2024, which may translate into additional state aid to the City.
- Inflationary trends in the region compare favorably to national indices.
- During the current fiscal year, unassigned fund balance in the general fund decreased to \$5,683.

All of these factors were considered in preparing the City’s budget for the 2024-2025 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City'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 Office of the Comptroller, 253 Main Street Ansonia, Connecticut, 06401.

BASIC FINANCIAL STATEMENTS

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 11,216,893	\$ 1,910,187	\$ 13,127,080
Investments	1,228,066	5,120,923	6,348,989
Receivables:			
Property taxes, net of allowance	2,313,637	-	2,313,637
Sewer, net of allowance		2,675,085	2,675,085
Intergovernmental	2,824,341	37,809	2,862,150
Accounts	664,354	-	664,354
Inventory	14,884	-	14,884
Prepaid items	156,157	-	156,157
Internal balances	1,167	(1,167)	-
TOTAL CURRENT ASSETS	18,419,499	9,742,837	28,162,336
Capital assets not being depreciated	16,116,546	1,000,285	17,116,831
Capital assets net of accumulated depreciation	<u>68,613,798</u>	<u>36,825,783</u>	<u>105,439,581</u>
TOTAL NONCURRENT ASSETS	84,730,344	37,826,068	122,556,412
TOTAL ASSETS	103,149,843	47,568,905	150,718,748
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	6,346,780	-	6,346,780
Deferred outflows related to OPEB	<u>14,787,064</u>	<u>-</u>	<u>14,787,064</u>
TOTAL DEFERRED OUTFLOWS	21,133,844	-	21,133,844
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 124,283,687</u>	<u>\$ 47,568,905</u>	<u>\$ 171,852,592</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 3,783,183	\$ 223,079	\$ 4,006,262
Deferred revenue - grants	995,061	-	995,061
Deferred revenue -other	896,352	-	896,352
Noncurrent liabilities:			
Due within one year	4,144,553	2,196,256	6,340,809
Due in more than one year	<u>76,607,219</u>	<u>12,171,838</u>	<u>88,779,057</u>
TOTAL LIABILITIES	86,426,368	14,591,173	101,017,541
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	1,264,131	-	1,264,131
Deferred inflows related to OPEB	<u>31,630,872</u>	<u>-</u>	<u>31,630,872</u>
TOTAL DEFERRED INFLOWS	32,895,003	-	32,895,003
Investment in capital assets, net of related debt	57,361,562	23,457,974	80,819,536
Restricted	753,550	-	753,550
Unrestricted	<u>(53,152,796)</u>	<u>9,519,758</u>	<u>(43,633,038)</u>
TOTAL NET POSITION	<u>4,962,316</u>	<u>32,977,732</u>	<u>37,940,048</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 124,283,687</u>	<u>\$ 47,568,905</u>	<u>\$ 171,852,592</u>

See notes to financial statements.

**CITY OF ANSONIA, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

					Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
PRIMARY GOVERNMENT							
Governmental activities:							
General government	\$ (7,468,114)	\$ 849,783	\$ 1,943,303	\$ 517,846	\$ (4,157,182)	\$ -	\$ (4,157,182)
Education	(60,198,911)	794,941	36,855,618	-	(22,548,352)	-	(22,548,352)
Public works	(8,986,730)	673,620	55,967	-	(8,257,143)	-	(8,257,143)
Public safety	(10,773,182)	1,870,584	50,246	-	(8,852,352)	-	(8,852,352)
Human services	(1,475,537)	99,766	80,497	-	(1,295,274)	-	(1,295,274)
Capital outlay	(2,683,948)	-	-	2,009,569	(674,379)	-	(674,379)
Interest on long-term debt	(972,862)	-	-	-	(972,862)	-	(972,862)
 TOTAL GOVERNMENTAL ACTIVITIES	 (92,559,284)	 4,288,694	 38,985,631	 2,527,415	 (46,757,544)	 -	 (46,757,544)
 TOTAL BUSINESS-TYPE ACTIVITIES	 (3,107,476)	 4,344,837	 10,595	 -	 -	 1,247,956	 1,247,956
 TOTAL PRIMARY GOVERNMENT	 \$ (95,666,760)	 \$ 8,633,531	 \$ 38,996,226	 \$ 2,527,415	 (46,757,544)	 1,247,956	 (45,509,588)
GENERAL REVENUES							
Property taxes					37,482,913	-	37,482,913
Grants and contributions not restricted to specific programs					5,402,087	-	5,402,087
Unrestricted investment earnings					447,723	188,226	635,949
Loss on disposal of assets					(120,730)	-	(120,730)
TOTAL GENERAL REVENUES					43,211,993	188,226	43,400,219
CHANGE IN NET POSITION					(3,545,551)	1,436,182	(2,109,369)
Net position at July 1, 2023					8,507,867	31,541,550	40,049,417
NET POSITION AT JUNE 30, 2024					\$ 4,962,316	\$ 32,977,732	\$ 37,940,048

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2024

	General	City Grants	Board of Education Grants	Capital Projects	Other Governmental Funds	Totals Governmental Funds
ASSETS						
Cash	\$ 9,154,605	\$ 386,077	\$ (47,496)	\$ 231,265	\$ 1,492,439	\$ 11,216,890
Investments	472,896	-	-	-	755,170	1,228,066
Receivables, net:						
Property taxes	2,313,637	-	-	-	-	2,313,637
Intergovernmental	-	1,661,529	871,779	-	291,033	2,824,341
Accounts and other	617,895	-	-	-	46,459	664,354
Inventory	-	-	-	-	14,883	14,883
Prepaid items	156,154	-	-	-	-	156,154
Due from other funds	1,870,144	-	-	-	-	1,870,144
TOTAL ASSETS	\$ 14,585,331	\$ 2,047,606	\$ 824,283	\$ 231,265	\$ 2,599,984	\$ 20,288,469
LIABILITIES						
Accounts payable and accrued liabilities	\$ 2,990,030	\$ -	\$ 769,379	123	\$ 23,657	\$ 3,783,189
Deferred revenue - grants	1,168,253	631,893	19,145	-	72,122	\$ 1,891,413
Due to other funds	237,547	1,136,330	35,607	459,493	-	1,868,977
TOTAL LIABILITIES	4,395,830	1,768,223	824,131	459,616	95,779	7,543,579
DEFERRED INFLOWS OF RESOURCES						
Taxes	2,268,760	-	-	-	-	2,268,760
FUND BALANCES						
Nonspendable	-	-	-	-	753,550	753,550
Committed funds	2,237,482	-	-	-	-	2,237,482
Assigned	-	279,383	-	-	1,750,655	2,030,038
Unassigned	5,683,259	-	152	(228,351)	-	5,455,060
TOTAL FUND BALANCES	7,920,741	279,383	152	(228,351)	2,504,205	10,476,130
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES	\$ 14,585,331	\$ 2,047,606	\$ 824,283	\$ 231,265	\$ 2,599,984	
Amounts reported for governmental activities in the statement of net assets are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.						84,730,344
Long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.						2,268,760
Deferred outflows and inflows of resources related to pensions, deferred charges or credits on debt refundings and OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.						(11,761,146)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.						(80,751,772)
Net position of governmental activities						<u>\$ 4,962,316</u>

See notes to financial statements.

**CITY OF ANSONIA, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES JUNE 30, 2024**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 634,645
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.	(2,810,728)
Revenues from taxes and assessments are reported as income in the year revenues provide current financial resources to governmental funds.	(1,415,379)
City pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the City's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities as Pension expense	(1,932,296)
Change in deferred and inflows related to OPEB	1,960,424
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	17,783
Change in net position of governmental activities	\$ (3,545,551)

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	General	City Grants	Board of Education Grants	Capital Projects	Other Governmental Funds	Totals Governmental Funds
REVENUES						
Property taxes	\$ 38,898,297	\$ -	\$ -	\$ -	\$ -	\$ 38,898,297
State grants-education	21,882,736	-	-	-	2,440,024	24,322,760
State grants-municipal	2,464,149	1,495,088	12,889,009	-	-	16,848,246
Licenses and permits	514,822	-	-	-	-	514,822
Current charges	3,159,014	-	-	-	529,893	3,688,907
Fines	27,784	-	-	-	-	27,784
Interest, reimbursements and other	6,190,490	341	-	208,972	88,727	6,488,530
TOTAL REVENUES	73,137,292	1,495,429	12,889,009	208,972	3,058,644	90,789,346
EXPENDITURES						
Current:						
General government	3,864,786	-	-	-	-	3,864,786
Education	42,792,290	-	12,889,265	-	2,790,287	58,471,842
Public works	2,055,715	-	-	-	-	2,055,715
City utilities	4,380,640					4,380,640
City insurance	676,746					676,746
Public safety	7,651,368	-	-	-	30,071	7,681,439
Human services	962,133	-	-	-	13,961	976,094
Pension and employee benefits	5,985,467	-	-	-	-	5,985,467
Grants	97,645	-	-	-	-	97,645
Contingency	174,137	-	-	-	-	174,137
Capital outlay	209,628	1,373,146	-	1,403,544	306,060	3,292,378
Debt Service	2,497,812	-	-	-	-	2,497,812
TOTAL EXPENDITURES	71,348,367	1,373,146	12,889,265	1,403,544	3,140,379	90,154,701
REVENUES OVER (UNDER) EXPENDITURES	1,788,925	122,283	(256)	(1,194,572)	(81,735)	634,645
OTHER FINANCING SOURCES (USES):						
Operating transfer in (out)	12,000	-	-	-	(12,000)	-
Proceeds from leases	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES(USES)	12,000	-	-	-	(12,000)	-
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	1,800,925	122,283	(256)	(1,194,572)	(93,735)	634,645
Fund balances at July 1, 2023	6,119,816	157,100	408	966,221	2,597,940	9,841,485
FUND BALANCES AT JUNE 30, 2024	\$ 7,920,741	\$ 279,383	\$ 152	\$ (228,351)	\$ 2,504,205	\$ 10,476,130

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL-GENERAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted amounts			Variance with Final Budget-
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
REVENUES				
Property taxes	\$ 38,920,249	\$ 38,935,249	\$ 38,898,297	\$ (36,952)
State grants-education	15,146,337	15,146,337	15,109,497	(36,840)
State grants-municipal	1,851,581	1,868,094	2,464,149	596,055
Licenses and permits	13,500	275,256	514,822	239,566
Current charges	2,355,750	2,806,703	3,159,014	352,311
Fines	19,000	39,348	27,784	(11,564)
Interest, reimbursements, and other	6,056,200	6,203,359	6,190,490	(12,869)
TOTAL REVENUES	64,362,617	65,274,346	66,364,053	1,089,707
EXPENDITURES				
Current				
City government	650,428	1,181,000	1,041,306	139,694
Elections	92,137	92,137	89,742	2,395
Board of Apportionment and Taxation	25,574	26,019	26,017	2
Mayors office	146,615	156,615	152,185	4,430
Finance	703,185	703,185	636,603	66,582
Economic development	225,012	228,762	416,521	(187,759)
Tax collector	233,410	233,410	227,221	6,189
Tax assessor	223,572	223,572	217,874	5,698
Town and city clerk	401,185	404,185	369,456	34,729
Municipal planning	15,000	15,000	15,000	-
Information technology	419,200	424,000	421,950	2,050
Land use	267,084	267,084	250,910	16,174
Shared Services	200,000	-	-	-
Police	5,849,442	6,203,311	6,105,569	97,742
Fire	330,535	335,557	334,960	597
Arms	1,066,487	1,095,212	1,084,683	10,529
Emergency operation center	53,599	53,599	45,642	7,957
Fire marshal	86,569	86,569	80,514	6,055
Public works	1,931,681	2,037,674	2,036,021	1,653
Engineering	38,950	38,950	19,694	19,256
Nature center	250,631	258,631	257,842	789
Senior Center	168,985	216,128	163,817	52,311
Library	429,564	429,564	414,252	15,312
Recreation	113,550	126,550	126,222	328
Bond redemption	1,335,038	1,335,038	1,335,038	-
Debt and interest	701,196	701,196	701,194	2
Lease Payments	452,347	461,583	461,580	3
Pension	2,826,090	2,490,550	2,484,817	5,733
Employee benefits	3,823,872	3,828,222	3,500,650	327,572
Waste collection	2,111,968	2,492,468	2,489,140	3,328
Street lighting	283,000	308,185	308,067	118
City buildings	633,352	626,109	553,659	72,450
Building utilities	892,250	1,029,840	1,029,774	66
City insurances	882,512	873,276	676,746	196,530
Board of education-operations	35,776,212	35,776,212	35,773,558	2,654
Board of Education-miscellaneous funds	-	-	245,494	(245,494)
Capital outlay	121,219	126,219	209,628	(83,409)
Grant expenditures	218,166	231,679	97,645	134,034
Contingency	383,000	199,055	174,137	24,918
TOTAL EXPENDITURES	64,362,617	65,316,346	64,575,128	741,218
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(42,000)	1,788,925	1,830,925
OTHER FINANCING SOURCES (USES)				
Operating transfers in(out)	-	12,000	12,000	-
TOTAL OTHER FINANCING SOURCES (USES)	-	12,000	12,000	-
REVENUES AND OTHER FINANCING USES OVER(UNDER) EXPENDITURES	\$ -	\$ (30,000)	1,800,925	\$ 1,830,925
Fund balance at July 1, 2023			6,119,816	
FUND BALANCE AT JUNE 30, 2024			<u>\$ 7,920,741</u>	

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF NET POSITION – PROPRIETARY FUND
JUNE 30, 2024

	Business-type Activities-
	Water Pollution Control Authority
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 1,910,187
Investments	5,120,923
Sewer user project fees receivable (net of allowance for uncollectable of \$97,000)	2,019,816
Sewer user fees receivable (net of allowance for uncollectable of \$75,000)	655,269
Intergovernmental	37,809
TOTAL CURRENT ASSETS	9,744,004
Capital assets, net of accumulated depreciation	37,826,068
TOTAL ASSETS	\$ 47,570,072
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities, including compensated absences	\$ 223,079
Due to other funds	1,167
Current portion of long-term debt	2,196,256
TOTAL CURRENT LIABILITIES	2,420,502
LONG-TERM DEBT - net of current portion	12,171,838
TOTAL LIABILITIES	14,592,340
NET POSITION	
Investment in capital assets, net of related debt	23,457,974
Unrestricted	9,519,758
TOTAL NET POSITION	32,977,732
TOTAL LIABILITIES AND NET POSITION	\$ 47,570,072

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION – PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Business-type Activities-
	Major Water Pollution Control Authority
OPERATING REVENUES	
Charges for services	\$ 2,090,532
OPERATING EXPENSES	
Salaries, benefits and claims	554,332
Materials and supplies	443,644
Depreciation	1,070,186
Utilities	344,578
Professional and consulting	101,372
Administration and operation	282,516
Total operating expenses	2,796,628
OPERATING LOSS	(706,096)
NON-OPERATING REVENUES (EXPENSES)	
Project fee revenue	2,254,305
Grant income	10,595
Interest income	188,226
Interest expense	(310,848)
NET NON-OPERATING REVENUE	2,142,278
NET INCOME	1,436,182
Net position at July 1, 2023	31,541,550
NET POSITION AT JUNE 30, 2024	\$ 32,977,732

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF CASH FLOWS – PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Business-type Activities- Water Pollution Control Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 2,026,528
Cash payments to suppliers	(1,384,948)
Cash payments to employees	(625,044)
NET CASH FROM OPERATING ACTIVITIES	16,536
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	188,226
Purchase of investments	(5,120,923)
	(4,932,697)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Noncapital grant receipts	10,595
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	10,595
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Project fees revenues	2,203,942
Purchase of capital assets	(69,497)
Payments of principal and interest	(2,460,126)
NET CASH FROM CAPITAL FINANCING ACTIVITIES	(325,681)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,231,247)
Cash and cash equivalents at July 1, 2023	7,141,434
CASH AND CASH EQUIVALENTS AT JUNE 30, 2024	\$ 1,910,187
RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES	
Operating loss	\$ (706,096)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	1,070,186
Changes in assets and liabilities:	
Accounts receivable	(26,196)
Intergovernmental	(37,809)
Accounts payable	(238,375)
Due to other funds	(45,174)
NET CASH FROM OPERATING ACTIVITIES	\$ 16,536

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

	<u>Pension Trust Funds</u>
ASSETS	
Cash and cash equivalents	\$ 42,850
Investments	3,983,437
Other receivables	<u>186</u>
TOTAL ASSETS	4,026,473
LIABILITIES - other liabilities	<u>-</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES	<u><u>\$4,026,473</u></u>

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2024

	Pension Trust Funds
ADDITIONS	
Contributions:	
City of Ansonia	\$ 681,896
Plan members	<u>17,194</u>
	699,090
Investment income:	
Net appreciation (depreciation) in fair value of investments	352,016
Interest and dividends	<u>86,993</u>
	439,009
Less investment management fees	<u>26,669</u>
Net investment income	<u>412,340</u>
TOTAL ADDITIONS	1,111,430
DEDUCTIONS	
Benefits and other deductions	<u>694,490</u>
TOTAL DEDUCTIONS	<u>694,490</u>
CHANGE IN NET ASSETS	416,940
Net position held in trust for pension benefits and other purposes at July 1, 2023	<u>3,609,533</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES AT JUNE 30, 2024	<u>\$ 4,026,473</u>

See notes to financial statements.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – REPORTING ENTITY, DESCRIPTION OF FUNDS, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Ansonia, Connecticut, operates under a Mayor/Board of Aldermen form of Government and provides services as authorized by its Charter including police and fire protection, education services, recreation and parks, health services and general administrative services. A Board of Apportionment and Taxation, consisting of twelve members, nominated by the Mayor and confirmed by the Board of Aldermen has the power to adopt the City's budget (preparation of a statement of appropriations) and levy a tax rate to cover such statement of appropriations.

The accounting policies of the City of Ansonia conform to generally accepted accounting principles as applicable to governmental units. Proprietary funds and similar component units apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. A summary of the more significant policies are stated herein.

The City provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning, and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Actual results could differ from those estimates.

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 non-fiduciary activities of the primary government. 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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges for services to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. 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.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property taxes to be available if they are collected within 60 days of the end of the current fiscal year. Property taxes receivable, not expected to be collected within sixty days of year end, are reflected as deferred revenue. Expenditures are recorded when the related 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.

Those revenues susceptible to accrual are property taxes, special assessments due within one year and interest. Fines, permits and charges for services are not susceptible to accrual because generally they are not measurable until received in cash.

The City reports the following major governmental funds:

- (i) *General Fund* — The General Fund is the general operating fund of the City government. All unrestricted resources except those required to be accounted for in another fund are accounted for in this fund. From this fund are paid general operating expenditures, fixed charges, principal and interest on long-term debt, and capital improvement costs of the City, which are not paid through a special fund.
- (ii) *City Grants* — is used to account for grant activity that requires more than one year to complete.
- (iii) *Board of Education Grants* — is used to account for grant activity that requires more than one year to complete for the Board of Education.
- (iv) *Capital Projects Fund* — is used to account for construction, demolition and acquisition of capital assets that requires more than one year to complete.

The City reports the following major proprietary fund:

- (i) *Water Pollution Control Authority* — The Water Pollution Control Authority accounts for the operations of the City's wastewater treatment plant. It is independent in terms of its relationship to other City functions. Its operations are financed from special assessments and direct charges to the users of the service.

Additionally, the City reports the following fund type:

- (ii) *Pension Trust Fund* — this fund accounts for the activities of the City's two defined benefit pension plans, which accumulate resources for pension benefit payments to qualified employees.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Interfund activity has been eliminated from the government-wide financial statements except for charges between the government's sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments.

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resourced as they are needed.

Property Taxes — Property taxes are assessed as of October 1 and are levied on the following July 1. Real estate and personal property taxes are due in two installments on July 1 and the following January 1. Motor vehicle taxes are payable on July 1 and supplemental motor vehicle taxes are payable on January 1. Liens are filed on delinquent real estate taxes within one year.

Cash Equivalents — The City considers all highly liquid investments and those with original maturities of three months or less to be cash equivalents.

Investments — Investments are stated at fair value. Fair value is determined based on quoted market prices.

Inventories — Inventories are stated at the lower of cost or market using the consumption method on the first-in, first-out basis for governmental fund types.

Interfund Transactions — Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditure/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

The three types of interfund transactions and the related accounting policies are as follows:

1. Transactions to reimburse the fund for expenditures made by it for the benefit of another fund. These transactions are recorded as expenditures in the disbursing fund and as a reduction of expenditures in the receiving fund.
2. Transactions to shift revenue or contributions from the fund budgeted to receive them to the fund budgeted to expend them. These transactions are recorded as transfers in to and out of the respective funds.
3. Transactions to record equity contributions between funds. The receiving fund records such transactions as a transfer in and an addition to fund balance. The disbursement fund records the transaction as a transfer out and a reduction of fund balance.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Capital Assets

Capital Assets - City — Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business type activities columns in government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

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

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

Land improvements	20 years
Building and building improvements	25 – 50 years
Infrastructure	10 – 65 years
Machinery and equipment	5 – 20 years
Right-to-Use – Leased assets	5 years
SBITA – Leased assets	2-5 years
Licensed vehicles	8 years

Proprietary Fund Types — Property, plant and equipment owned by the Proprietary Funds are recorded based on the 2002 appraisal by a professional appraisal company and, subsequently, at acquisition cost or if contributed property at fair market value at the time of contribution.

Assets capitalized have an original cost of \$1,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20 – 50 years
Sewer System	30 – 50 years

Deferred Revenue — Deferred revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenue also arises when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

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 that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City reports deferred outflows and inflows of resources related to pensions and OPES in the government-wide statements for differences between expected and actual experience, changes in assumptions and net difference between projected and actual earnings on plan investments. The deferred outflow or inflow related to differences between expected and actual experience and changes in assumptions will be amortized over the

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period.

Deferred outflows of resources also include deferred outflows relating to advance refunding of debt. These amounts are deferred and are amortized over the life of the debt.

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

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

Compensated absences—Under the terms of various union contracts, City and Board of Education employees are granted vacation in varying amounts based on length of service. City employees accumulate sick and vacation in varying amounts based on length of service. City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Sick leave and vacation leave expenditures are recognized in the governmental funds in the current year to the extent they are paid during the year, or the vested amount is expected to be paid with available resources. A liability for these amounts has been recorded in the government-wide financial statements.

Long-Term Obligations — In the government-wide financial statements, and proprietary fund types in fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

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

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

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

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

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

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

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Net Position — Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for debt service and special revenue funds. The balance is classified as unrestricted.

Fund Balance — Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance —amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance —when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for capital projects and debt service obligations and for other items contained in the Connecticut statutes.

Committed fund balance — amounts that can only be used for specific purposes pursuant to formal action of the City's highest level of decision making authority. The Board of Apportionment and Taxation and the Board of Aldermen are the highest level of decision making authority for the City that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Board of Apportionment and Taxation and the Board of Aldermen removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Apportionment and Taxation and the Board of Aldermen.

Assigned fund balance— in the General Fund, will represent amounts constrained by Board of Apportionment and Taxation and the Board of Aldermen for amounts assigned for balancing the subsequent year's budget or the Comptroller for amounts assigned for encumbrances. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance— in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, the City considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

The City adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the fiscal year ending June 30, 2023. GASS Statement No. 96 provides accounting and financial reporting guidance for subscription-based information technology arrangements (SSITAs). It is based on the standards established in Statement No. 87, *Leases*. It:

- Defines a SSITA as a contract that conveys control of the right to use a SSITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction;
- Requires governments with SSITAs to recognize a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability (with an exception for short-term SBITAs-those with a maximum possible term of 12 months); and
- Provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SSITA.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The City also adopted GASS Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which had no impact on the City's financial statements.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net position:

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$80,651,433 difference are as follows:

Bonds payable	\$ 23,610,000
Deferred interest	889,297
Net pension liability	24,672,857
Capital lease obligations	3,758,782
Lease liability	41,018
Other post retirement benefits	25,053,176
Compensated absences	<u>2,626,303</u>
Net adjustment to reduce fund balance - total	
governmental funds to arrive at net assets - governmental activities	<u>\$ 80,651,433</u>

Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities:

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$2,810,728 difference are as follows:

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Capital outlay	\$ 1,550,569
Depreciation expense	(4,030,265)
Loss on disposal of assets	<u>(331,032)</u>
Net adjustment to increase net changes in fund balances- total	
governmental funds, to arrive at changes in net assets of governmental activities	<u>\$ (2,810,728)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases)” provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$17,783 difference are as follows:

General obligation debt principal repayments	\$ 1,235,000
Premium on bonds	82,198
Note payable	100,037
Capital lease	214,944
Subscription-based IT Assets	52,579
Net pension liability	(199,691)
Other post retirement benefits	(1,451,833)
Compensated absences	<u>(15,451)</u>
Net adjustment to decrease net assets in fund balances - total	
governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 17,783</u>

NOTE 3 – BUDGETS AND BUDGETARY ACCOUNTING

General Fund

The City uses the following procedures in establishing the budgetary data included in the financial statements for the General Fund. Prior to January 15, each Board of the City Government, each committee of the Board of Aldermen and each Officer of the City shall report to the Board of Aldermen an estimate of the amount of money required by said board, committee or officer for the ensuing fiscal year. Prior to the third Tuesday of February, the Board of Aldermen shall prepare and submit to the Board of Apportionment and Taxation an estimate of the amounts required by each department of the City Government for the ensuing year. The Board of Aldermen will recommend appropriations for all the City expenses for said year and shall also recommend such tax necessary to meet such expenses. The Board of Apportionment and Taxation shall hold a meeting on the fourth Tuesday of February in each year and up to the third Monday of May hold meetings to hear all parties relative to any alterations in the estimates, appropriations and tax rates. The Board of Apportionment and Taxation shall hold a meeting on the third Monday of May in each year to make further alterations in the estimates, appropriations and tax rates and shall have the power to make appropriations and set taxes for all City purposes. This budget, as adopted by the Board of Apportionment and Taxation, becomes a legal level of control.

For management purposes only, the Board of Apportionment and Taxation is authorized to transfer legally budgeted amounts between any existing category of appropriation or transfer funds to a newly established category of appropriation. The legal level of budgetary control is the departmental budget line level. The Board of Apportionment and Taxation shall not have the power to make any appropriations in excess of the revenues of the City of Ansonia for the year as estimated by said board, and in no case shall the expenses of the City exceed its revenues for any year, except in cases and for purposes for which the City is authorized to issue bonds and when bonds or temporary notes in anticipation thereof are so issued. Unexpended and unencumbered appropriations, in

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

the General Fund, lapse at the end of the fiscal year. Supplemental appropriations in the amount of \$953,729 were approved by the Board of Apportionment and Taxation during the fiscal year. Appropriations for capital projects and special revenue funds are continued until completion of the applicable project, which often lasts more than one year.

The City's formal budgeting system is employed as a management control device only for the General Fund and requires accounting for certain transactions to be on a basis other than generally accepted accounting principles (GAAP) basis. The general fund budget is prepared on the modified accrual basis of accounting. The major difference between the budget and GAAP basis is that 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 reflected in budgetary reports as expenditures in the current year, whereas on a GAAP basis, encumbrances are recorded as a reservation of fund balance and are not reflected as expenditures or liabilities. In addition, State of Connecticut payments on-behalf of the City of Ansonia teachers for the State teacher retirement system are reported for GAAP purposes only. A reconciliation between the accounting treatment for encumbrances as required by the Governmental Accounting Standards Board (the combining statement of revenues, expenditures, and changes in fund balance), and the budgetary basis (the statement of revenues, expenditures and changes in fund balance – budgetary basis – budget and actual – general fund) is as follows:

	Revenues And Other Sources	Expenditures And Other Financing Uses	Fund Balance
Balance, Budgetary basis at June 30, 2024	\$ 66,364,053	\$ 64,575,128	\$ 7,920,741
State Teachers' Retirement on-behalf payments, not recognized for budgetary purposes	6,073,159	6,073,159	-
State Teachers' OPEB on-behalf payments, not recognized for budgetary purposes	<u>700,080</u>	<u>700,080</u>	<u>-</u>
Balance, GAAP basis at June 30, 2024	<u>\$ 73,137,292</u>	<u>\$ 71,348,367</u>	<u>\$ 7,920,741</u>

Special Revenue Funds

The City does not have legally adopted annual budgets for the Special Revenue Funds. Budgets for the various special revenue funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies such budgets carryover until completion of the grants.

Capital Projects Funds

Legal authorization for expenditures of the Capital Projects Funds is provided by the related bond ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until completion of the applicable projects.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

Following is a reconciliation of the City's deposit and investment balances as of June 30, 2024:

	<u>Carrying and Fair Values</u>
Deposits	\$ 5,894,557
Moneymarket	<u>7,275,373</u>
	<u>\$ 13,169,930</u>

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party.

At June 30, 2024, the carrying amount of the City's deposits was \$13,169,930. The Primary Government balances were \$13,127,080 and the Pension Trust Fund was \$42,848. The bank balances of funds on deposit totaled \$15,508,981. Of the bank balance, \$695,372 was covered by federal depository insurance, \$1,481,361 was protected under provisions of the Connecticut General Statutes, which provide for protection against loss in excess of depository insurance through assessment against segregated collateral required to be maintained by public depositories, but not held in the City's name, and \$13,332,248 was uninsured and uncollateralized.

The level of the City's deposits varies significantly throughout the year as a result of higher cash flows during certain periods. As a result, uninsured and/or uncollateralized amounts at those times were substantially higher than at year-end.

Investments

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investing activities are managed under the custody of the City Treasurer. Investing is performed in accordance with investment policies adopted by the Board of Aldermen complying with State Statutes and the City Charter.

The City's investments are categorized as either (1) insured or registered, or securities held by the City or its agency in the City's name, (2) uninsured and unregistered, with securities held by the counterpart's trust department or agent in the City's name or (3) uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the City's name.

The State statutes authorize the City to invest in obligations of the United States, including its agencies, in obligations of any state or of any political subdivision, authority or agency thereof, provided that at the time of investment such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service.

The pension and other trust funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, in stocks or bonds, or in other securities selected by the trustee with the care of a prudent investor.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City generally invests in certificates of deposit that mature in less than one year and mutual funds. The City follows the State Statutes as its investment policy. The City's investments at June 30, 2024 are shown below:

	Carrying and Fair Values	Cost	Average Credit Quality Ratings	Weighted Average Maturity (Years)
General Fund:				
State of CT Short-Term Investment Fund	\$ 5,593,819 *	\$ 5,593,819	AAA	>1
Special Revenue:				
Mutual funds-Equity	56,279	48,795	N/A	N/A
Library Endowment Fund:				
Hedge Funds-Directional	11,907	10,057	N/A	N/A
Mutual Fund - Fixed Income				
Pimco Investment Grade Corp BD	13,800 *	36,732	N/A	9.65
JP Morgan Core Bond	53,414 *	62,446	AA	9.35
Metropolitan West Total Return BD I #512	60,389	59,147	N/A	9.31
Other mutual funds	109,137	120,235	N/A	N/A
Fixed Income Alternative Strategies	- *	-	N/A	N/A
Mutual funds-Equity				
Principal MidCap Instl.	35,174 *	18,380	N/A	N/A
Pimco Total Return Instl #35	49,688 *	59,745	N/A	N/A
Investco Oppenheimer Develop Markets	10,514 *	13,677	N/A	N/A
Wells Fargio Premier LG Co Growth	- *	-	N/A	N/A
Other mutual funds	341,566	252,161	N/A	N/A
Real estate	13,303	13,719	N/A	N/A
Pension Trust Fund:				
Mutual funds-Equity				
American Fundamental Investor	345,143 *	265,818	N/A	N/A
American Europacific Growth	501,413 *	475,997	N/A	N/A
Harbor Capital Appreciation	338,335 *	228,235	N/A	N/A
Dodge & Cox International Stock Fund	379,303 *	316,711	N/A	N/A
Neuberger and Berman Genesis	294,654 *	284,861	N/A	N/A
Vanguard 500 Index	686,290 *	354,163		N/A
Parametric Comm-Strategy-I	200,812 *	185,028	N/A	N/A
Mutual Fund - Fixed Income			N/A	
Vanguard Total Bond Mkt	466,694 *	523,431	AAA	9.21
Western Asset Core Plus Bond	770,792 *	931,740	AAA	8.91
	<u>\$ 10,332,426</u>	<u>\$ 9,854,897</u>		

*Amounts represent greater than 5% of the total carrying amount of investments of their respective portfolio. The City's investments are classified under category 1. Category 1 investments are investments that are insured or registered, or securities held by the City or its agent in the City's name.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 — RECEIVABLES

As of June 30, 2024, receivables by type for the City's government-wide financial statements were as follows:

	General	City Grants	Board of Education Grants	Nonmajor governmental Funds	Water Pollution Control Authority	Total
Receivables:						
Taxes and interest	\$ 2,533,637	\$ -	\$ -	\$ -	\$ -	\$ 2,533,637
Accounts and Other	617,895	-	-	46,459	-	664,354
Sewer User Fees	-	-	-	-	730,269	730,269
Sewer User Project Fees	-	-	-	-	2,116,816	2,116,816
Intergovernmental	-	1,661,529	871,779	291,033	37,809	2,862,150
Gross receivables	3,151,532	1,661,529	871,779	337,492	2,884,894	8,907,226
Less allowance for collection losses	220,000	-	-	-	172,000	392,000
Net receivables	<u>\$ 2,931,532</u>	<u>\$ 1,661,529</u>	<u>\$ 871,779</u>	<u>\$ 337,492</u>	<u>\$ 2,712,894</u>	<u>\$ 8,515,226</u>

Governmental funds report deferred inflows of resources in connection with receivables that are not considered available to be liquidate liabilities for the current period. Governmental funds also record unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
General Fund		
Delinquent property taxes	\$ 2,268,760	\$ -
Unearned revenue	-	1,168,253
City Grants	-	631,893
Board of Education-Grants	-	19,145
Nonmajor governmental funds:		
Economic Community Development	-	69,722
Economic NTA	-	2,400
	<u>\$ 2,268,760</u>	<u>\$ 1,891,413</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 – INTERFUND ACCOUNTS AND TRANSFERS

The General Fund interfund receivable is due from the City Grant Fund and Board of Education Grant Fund for monies loaned to their respective funds in anticipation of grant revenues. General Fund interfund payable represents amounts due to the Capital Project Fund for amounts received for demolition costs yet to be paid out. All of the interfund payable are expected to be repaid within one year.

As of June 30, 2024, interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due from Other Funds	Due to Other Funds
Major Funds:		
General Fund	\$ 1,870,144	\$ 237,548
Enterprise Fund	-	1,166
Special Revenue-City Grants	28,971	1,165,301
Special Revenue-Board of Education	-	35,607
Capital Project Fund	-	459,493
	<u>\$ 1,899,115</u>	<u>\$ 1,899,115</u>

The purpose of the transfers to/from the General Fund to the various Special Revenue Funds was fund the matching requirement on grants. The transfer from the General fund to the Capital Project Fund was to provide funding for ongoing capital projects. The interfund transfers for the year ended June 30, 2024 were as follows:

	Tranfers From Other Funds	Transfers To Other Funds
Major Funds:		
General Fund	\$ 12,000	\$ -
Special Revenue-Municipal Parking	-	12,000
	<u>\$ 12,000</u>	<u>\$ 12,000</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions/ Transfers	Disposal/ Transfers	Balance June 30, 2024
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 13,377,372	\$ 81,100	\$ 111,400	\$ 13,347,072
Construction in progress	22,202,877	956,542	20,389,945	2,769,474
	35,580,249	1,037,642	20,501,345	16,116,546
Capital assets, being depreciated:				
Land improvements	6,658,075	378,865	-	7,036,940
Buildings and system	66,638,251	20,037,655	69,807	86,606,099
Machinery and equipment	25,799,260	432,812	967,842	25,264,230
Infrastructure	34,269,773	164,940	98,508	34,336,205
Right-of-Use - Leased Assets	99,497	-	-	99,497
Subscription-based IT Assets	155,502	-	-	155,502
	133,620,358	21,014,272	1,136,157	153,498,473
Less accumulated depreciation for:				
Land improvements	2,793,871	211,188	-	3,005,059
Buildings and system	38,258,977	1,760,985	69,807	39,950,155
Machinery and equipment	22,239,336	1,031,464	676,708	22,594,092
Infrastructure	18,256,496	964,031	58,610	19,161,917
Right to-Use - Leased Assets	35,085	29,191	-	64,276
Subscription-based IT Assets	75,770	33,406	-	109,176
	81,659,535	4,030,265	805,125	84,884,675
Total capital assets, being depreciated, net	51,960,823	16,984,007	331,032	68,613,798
Governmental activities capital assets, net	\$ 87,541,072	\$ 18,021,649	\$ 20,832,377	\$ 84,730,344

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Business-type activity:

Capital assets, not being depreciated:

Land	\$ 1,000,285	\$ -	\$ -	\$ 1,000,285
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Capital assets, being depreciated:

Buildings and system	2,024,400	-	-	2,024,400
Machinery and equipment	2,441,597	11,998	-	2,453,595
Infrastructure	<u>54,678,691</u>	<u>57,500</u>	<u>-</u>	<u>54,736,191</u>
	59,144,688	69,498	-	59,214,186

Less accumulated depreciation for:

Buildings and system	2,024,400	-	-	2,024,400
Machinery and equipment	1,930,658	58,833	-	1,989,491
Infrastructure	<u>17,363,158</u>	<u>1,011,353</u>	<u>-</u>	<u>18,374,511</u>
	21,318,216	1,070,186	-	22,388,402

Total capital assets being depreciated, net	<u>37,826,472</u>	<u>(1,000,688)</u>	<u>-</u>	<u>36,825,784</u>
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Business-type activity capital assets, net	<u>\$ 38,826,757</u>	<u>\$ (1,000,688)</u>	<u>\$ -</u>	<u>\$ 37,826,069</u>
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Depreciation expense was charged to functions of the primary government as follows:

Depreciation expense was charged to functions of the primary government as follows:

Governmental activities:

Education	\$ 1,562,602
Public works	969,639
Public safety	902,385
General government	456,906
Human services	<u>138,733</u>

Total depreciation expense - governmental activities	<u>\$ 4,030,265</u>
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CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 – LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2024 was as follows:

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024	Due Within One Year
Governmental activities:					
General obligation					
bonds	\$ 24,845,000	\$ -	\$ 1,235,000	\$ 23,610,000	\$ 1,245,000
Note Payable	175,366	-	100,037	75,329	75,329
Premium on bonds	971,496	-	82,198	889,298	77,986
Capital leases	3,950,747	-	191,965	3,758,782	215,362
Lease liability	63,997	-	22,979	41,018	17,625
Subscription-based IT Assets	77,586	-	52,579	25,007	25,007
Compensated absences	2,610,854	132,835	117,384	2,626,305	60,000
Other post retirement					
benefit obligations	23,601,343	1,451,833	-	25,053,176	2,428,244
Net pension					
Liability	24,473,166	702,723	503,032	24,672,857	-
Governmental activity					
long-term liabilities	<u>\$ 80,769,555</u>	<u>\$ 2,287,391</u>	<u>\$ 2,305,174</u>	<u>\$ 80,751,772</u>	<u>\$ 4,144,553</u>
Business type activities:					
Notes payable -					
State of Connecticut	<u>\$ 16,517,372</u>	<u>\$ -</u>	<u>\$ 2,149,278</u>	<u>\$ 14,368,094</u>	<u>\$ 2,196,256</u>

Long term debt related to governmental activities is liquidated by the General Fund of the City. Long term debt related to business-type activities is liquidated by revenues generated through sewer user fees.

Compensated Absences

Under the terms of various union contracts, City and Board of Education employees are granted and paid vacation and sick time in varying amounts based on length of service. Certain City and Board of Education employees may carry over a limited number of unused vacation days based on the terms of employment contract or union agreement.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

General Obligation Bonds

As of June 30, 2024, the outstanding general obligation bonded indebtedness serviced by the general fund of the City was as follows:

	<u>Outstanding Amount</u>
\$11,100,000 serial bond; issue of 2021; due February 2051; effective interest ranging from 2.25% to 4.0%	\$ 10,855,000
\$5,000,000 serial bond; issue of 2019; due August 2020; effective interest ranging from 1.9% to 5.0%	4,000,000
\$3,150,000 serial bond issue of 2018; due June 2033; effective interest ranging from 3.1% to 4.0%	1,890,000
\$5,295,000 serial bond issue of 2018; due June 2038; effective interest ranging from 2.25% to 4.0%	3,895,000
\$4,970,000 serial bond issue of 2016; due March 2036; effective interest ranging from 2.0% to 3.0%	2,970,000
	<u>\$ 23,610,000</u>

The annual debt service requirements of the City's bonded indebtedness recorded in the Governmental activities described above are as follows:

Year Ended <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,245,000	\$ 660,664	\$ 1,905,664
2026	1,255,000	619,454	1,874,454
2027	1,265,000	576,934	1,841,934
2028	1,275,000	533,104	1,808,104
2029	1,285,000	488,769	1,773,769
2030-2034	6,385,000	1,851,916	8,236,916
2035-2039	4,840,000	982,208	5,822,208
2040-2044	2,495,000	541,422	3,036,422
2045-2049	2,490,000	289,794	2,779,794
2050-2051	1,075,000	36,450	1,111,450
	<u>\$ 23,610,000</u>	<u>\$ 6,580,716</u>	<u>\$ 30,190,716</u>

Authorized/Unissued Bonds

The amount of authorized, unissued bonds as of June 30, 2024 are as follows:

	Amount Authorized	Amount Authorized but Unissued
Capital Improvements 2016-2017	<u>\$ 18,295,000</u>	<u>\$ 2,195,000</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Notes Payable- State of Connecticut

As of June 30, 2024, the outstanding notes payable serviced by the Business-type activities are as follows:

	<u>Outstanding Amount</u>
\$5,082,808 note payable to the State of Connecticut; payable in monthly installments of \$25,474 until September 30, 2026; effective interest rate at 2.0%	305,792
\$36,753,163 note payable to the State of Connecticut; payable in monthly installments to be determined upon completion of the project; effective interest rate at 2.0%	14,062,302
	<u>\$ 14,368,094</u>

The annual debt service requirements of the City's bonded indebtedness recorded in Business-type activities described above are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,196,256	\$ 267,281	\$ 2,463,537
2026	1,928,622	225,817	2,154,439
2027	1,967,550	186,889	2,154,439
2028	2,007,363	147,175	2,154,538
2029	2,047,779	106,660	2,154,439
2030	2,089,112	65,327	2,154,439
2031	2,131,412	23,159	2,154,571
	<u>\$ 14,368,094</u>	<u>\$ 1,022,308</u>	<u>\$ 15,390,402</u>

Note Payable- Newtown Saving Bank

As of June 30, 2024, the outstanding notes payable serviced by the City are as follows:

	<u>Outstanding Amount</u>
\$300,000 note payable to Newtown Savings bank maturing January 2025 with quarterly principal and interest payment of \$25,167 and annual effective interest rate of 0.50%.	<u>\$ 75,329</u>

The future minimum principal payments on the above note are as follows:

<u>Year Ending</u>	
2025	<u>75,329</u>
Total	<u>\$ 75,329</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Prior Year's Defeasement of Debt

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of June 30, 2024, the amount of defeased bonds outstanding but removed from the City's government-wide financial statements amounted to \$14,265,000.

Capital Lease Obligations

Property and equipment carried at \$1,075,054, with \$446,616 in accumulated depreciation, in the governmental activities was acquired under capital lease obligations. Future minimum lease payments under the capital lease are as follows:

<u>Year Ended June 30,</u>	
2025	\$ 306,862
2026	309,429
2027	312,100
2028	314,877
2029	317,763
Thereafter	<u>2,944,655</u>
	4,505,686
Less amounts representing interest	<u>746,904</u>
	<u>\$ 3,758,782</u>

Leases

The City leases equipment for various terms under long-term, non-cancellable lease agreement. The lease expires are various dates through 2027.

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

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 17,625	\$ 1,170
2026	12,469	611
2027	<u>10,924</u>	<u>175</u>
Total	<u>\$ 41,018</u>	<u>\$ 1,956</u>

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

Office Equipment	\$ 99,497
Less: Accumulated Amortization	<u>(64,276)</u>
Total	<u>\$ 35,221</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Subscription-Based Information Technology Arrangements Liability

The City subscribes to various subscription based technology arrangements under long-term, noncancelable agreements. The agreements expire at various dates through 2025.

The following is a schedule of future payments:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2025	<u>25,007</u>	<u>1,250</u>
Total	<u>\$ 25,007</u>	<u>\$ 1,250</u>

Subscription assets acquired through outstanding leases are shown below, by underlying assets class:

Software	\$ 155,502
Less: Accumulated Amortization	<u>109,176</u>
Total	<u>\$ 46,326</u>

Debt Limitation

The Connecticut General Statutes provide that the total authorized debt of the City shall not exceed seven times the above base, or \$272,151,432, nor shall the total authorized particular purpose debt exceed the individual debt limitations reflected in the table below:

Total tax collections (including interest and lien fees) for the year ended June 30, 2024				\$ 38,878,776	
Reimbursement for revenue loss:					
Tax Relief for Elderly				<u>-</u>	
			Base	<u>\$ 38,878,776</u>	
	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation:					
2 ¼ times base	\$ 87,477,246				
4 ½ times base		\$ 174,954,492			
3 ¾ times base			\$ 145,795,410		
3 ¼ times base				\$ 126,356,022	
3 times base	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	\$ 116,636,328
Total debt limitation	87,477,246	174,954,492	145,795,410	126,356,022	116,636,328
Indebtedness:					
Bonds payable	23,610,000	-	-	-	-
Bond authorized but unissued	<u>2,195,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in excess of outstanding and authorized debt	<u>\$ 61,672,246</u>	<u>\$ 174,954,492</u>	<u>\$ 145,795,410</u>	<u>\$ 126,356,022</u>	<u>\$ 116,636,328</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 – FUND BALANCE/DEFICITS AND EXPENDITURES IN EXCESS OF BUDGETED AMOUNTS

The components of fund balance for the governmental funds at June 30, 2024 are as follows:

	General	City Grants	Board of Education Grants	Capital Projects	Other Governmental Funds	Totals Governmental Funds
FUND BALANCES						
Nonspendable- inventories	\$ -	\$ -	\$ -	\$ -	\$ 14,883	\$ 14,883
Nonspendable- investments	-	-	-	-	738,667	738,667
	-	-	-	-	753,550	753,550
Committed for Board of Education	540,000	-	-	-	-	540,000
Committed for bond projects	45,550	-	-	-	-	45,550
Committed for medical costs	300,000	-	-	-	-	300,000
Committed for compensated absences	300,000	-	-	-	-	300,000
Committed for capital projects	654,932	-	-	-	-	654,932
Committed for future budgets	147,000	-	-	-	-	147,000
Committed for workers compensation	250,000	-	-	-	-	250,000
	2,237,482	-	-	-	-	2,237,482
Assigned for Special Revenue Funds:						
General government	-	-	-	-	147,130	147,130
Education	-	-	-	-	1,510,872	1,510,872
Public safety	-	-	-	-	82,564	82,564
Human services	-	-	-	-	10,089	10,089
Capital outlay	-	279,383	-	-	-	279,383
	-	279,383	-	-	1,750,655	2,030,038
Unassigned	5,683,259	-	152	(228,351)	-	5,455,060
TOTAL FUND BALANCES	\$ 7,920,741	\$ 279,383	\$ 152	\$ (228,351)	\$ 2,504,205	\$ 10,476,130

The following expenditure category within the General Fund exceeded their respective budget by the amount indicated:

Economic development	187,759
Board of Education-miscellaneous funds	\$ 245,494
Capital outlay	\$ 83,409

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Litigation Matters

There are several claims pending against the City. The outcome and eventual liability of the City, if any, in these cases are not known at this time. The City's legal counsel estimates that potential claims against the City not covered by insurance, resulting from such litigation would not materially affect the financial position of the City.

NOTE 11 – RISK MANAGEMENT

The City and Board of Education are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; medical (partially self-insured) and workers' compensation claims and natural disasters for which the City carries commercial insurance. For insured programs, there have been no significant reductions in insurance coverage. Workers' compensation claims are covered through an insurance premium plan. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. Insurance premiums of \$258,790 are accounted for as expenditures of the General Fund.

NOTE 12 – EMPLOYEE RETIREMENT PLANS

Connecticut Municipal Employees' Retirement Plan

Organization

Connecticut's Municipal Employees Retirement System (CMERS) is the public pension plan offered by the State of Connecticut for municipal employees in participating municipalities. The plan was established in 1947 and is governed by Connecticut Statute Title 7, Chapter 113. CMERS is a multiemployer pension plan administered by the Connecticut State Retirement Commission. The State Retirement Commission is responsible for the administration of the Connecticut Municipal Employees Retirement System (CMERS). The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members. The City has three different participating groups of employees with in this plan, the Ansonia Clerical Employees, the Ansonia City Employees and the Ansonia Police Employees.

Plan description

Municipalities may designate which departments (including elective officers if so specified) are to be covered under the Municipal Employees Retirement System. This designation may be the result of collective bargaining. Only employees covered under the State Teachers Retirement System may not be included. There is no minimum age or service requirements. Membership is mandatory for all regular full-time employees of participating departments except Police and Fire hired after age 60.

The plan has 4 sub plans as follows:

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

Benefit provisions

The plan provides retirement, disability and death benefits.

CITY OF ANSONIA, CONNECTICUT
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JUNE 30, 2024

General Employees-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.

Policemen and Firemen-Compulsory retirement age for police and fire members is age 65.

Normal Retirement: For members not covered by social security, the benefit is 2% of average final compensation times years of service.

For members covered by social security, the benefit is 1% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service.

The maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include workers' compensation and social security benefits.

If any member covered by social security retires before age 62, the benefit until age 62 is reached or a social security disability award is received, is computed as if the member is not under social security.

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

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

Employees are eligible for non-service-related disability benefits with 10 years of service and being permanently or totally disabled from engaging in gainful employment in the service of the municipality. Disability benefits are calculated based on compensation and service to the date of the disability.

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

Contributions

Employer:

Participating municipalities 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 the system not met by member contributions.

Employees:

For employees not covered by social security, each person is required to contribute 5% of compensation.

For employees covered by social security, each person is required to contribute 2 % of compensation up to the social security taxable wage base plus 5% of compensation, if any, in excess of such base.

Allocation methodology for Pension Liability, Pension Expense and Deferred outflows/inflows of resources

The schedules of employer allocations were calculated based upon the 2020 actuarial (expected) payroll amounts reported by participating employers. Expected payroll adjusts actual payroll for known changes in the status of

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

employees, annualized salaries for partial year employees and anticipated salary increases. The employer allocations were then applied to the net pension liability, pension expense, deferred inflows, sensitivity analysis and the deferred inflow amounts to be recognized in fiscal years subsequent to the reporting date to determine the amount applicable to each employer. The schedules of employer allocations reflect actuarial employer payroll for the fiscal year ended June 30, 2020. Based upon the employer's payroll as compared to the total, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above.

Pension Liability

At June 30, 2024, the City reported a liability of \$19,851,237 for its proportionate share of the CMERS' net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2023.

Net Pension Liability of the City: The components of the net pension liability of the City at June 30, 2024 was as follows:

	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Total City of Ansonia MERS
Total pension liability	\$ 14,177,291	\$ 11,690,869	\$ 39,304,165	\$ 65,172,325
Plan fiduciary net assets	<u>9,858,944</u>	<u>8,129,875</u>	<u>27,332,269</u>	<u>45,321,088</u>
Net Pension Liability	<u>\$ 4,318,348</u>	<u>\$ 3,560,993</u>	<u>\$ 11,971,896</u>	<u>\$ 19,851,237</u>
Plan fiduciary net position as a percentage of the total pension liability	69.54%	69.54%	69.54%	69.54%
Percentage of the total	<u>0.946484%</u>	<u>0.780489%</u>	<u>2.41679%</u>	<u>4.14376%</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Pension expense and deferred outflows/inflows of resources

For the year ended June 30, 2024, the City recognized pension expense for their portion of the CMERS of \$1,638,595. At June 30, 2024, the City reported deferred outflows of resources related to pensions from the following sources:

	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Total
	Deferred Outflows (Inflows) of Resources	Deferred Outflows (Inflows) of Resources	Deferred Outflows (Inflows) of Resources	Deferred Outflows (Inflows) of Resources
Differences between expected and actual experience	\$ 225,482	\$ 168,576	\$ 1,675,234	\$ 2,069,292
Net difference between projected and actual earnings on investments	356,340	266,409	1,383,438	2,006,187
Changes in assumptions	387,100	289,406	771,573	1,448,079
Changes in proportional difference between employer contributions and proportional shares of contributions	(117,349)	(238,325)	(321,018)	(676,692)
Total	<u>\$ 851,573</u>	<u>\$ 486,066</u>	<u>\$ 3,509,227</u>	<u>\$ 4,846,866</u>
Percentage of total				
Pension Expense	<u>\$ 277,309</u>	<u>\$ 143,614</u>	<u>\$ 1,217,672</u>	<u>\$ 1,638,595</u>

Deferred outflows of resources related to CMERS pensions will be recognized in pension expense as follows:

Year Ending June 30,	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Total
2025	\$ 180,071	\$ 76,070	\$ 918,584	\$ 1,174,725
2026	134,669	60,049	818,022	1,012,740
2027	462,835	297,492	1,348,029	2,108,356
2028	52,057	36,642	322,347	411,046
2029	21,941	15,813	102,245	139,999
Total	<u>\$ 851,573</u>	<u>\$ 486,066</u>	<u>\$ 3,509,227</u>	<u>\$ 4,846,866</u>

**CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Long- Term Investment Rate of Return, net of pension plan investment expense, including inflation	7%
Salary	3.5-9.50%, including inflation
Mortality rates	The Pub-2010 Mortality Tables set-forward one year (except Active Employees) are projected generationally with scale MP-2021.

Future Cost-of-Living Annually compounded increases are applied to disabled and nondisabled retirement benefits and vary based upon member age and date of retirement.

For members that retired prior to January 1, 2002	Increases of 3.25% are assumed for those who have reached age 65 and (effective January 1, 2002) increases of 2.50% are assumed for those who have not yet reached age 65.
For members that retire after December 31, 2001	Increases of 2.55% are assumed, regardless of age.
For members retiring between July 1, 2025 and June 30, 2026	The COLA assumption is 2.5%.
For members retiring between July 1, 2026 and June 30, 2027	The COLA assumption is 2.3%.
For members retiring between July 1, 2027 and June 30, 2028	The COLA assumption is 2.1%.
For members retiring after July 1, 2028	The COLA assumption is 2.0%.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2017 - June 30, 2022.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	MERS Target Allocation	MERS Long-Term Expected Real Rate of Return
Global Equity	37%	6.80%
Public Credit	2%	2.90%
Core fixed income	13%	0.40%
Liquidity Fund	1%	-0.40%
Risk Mitigation	5%	0.10%
Private Equity	15%	11.20%
Private Credit	10%	6.10%
Real Estate	10%	6.30%
Infra. & Natural Resources	<u>7%</u>	7.70%
	<u>100%</u>	

Sensitivity

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability, calculated using the discount rate of 7.00% as well as what 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 to 6%	Current Discount Rate 7%	1% Increased to 8%
<u>Net Pension Liability (Asset)</u>			
Ansonia Clerical-MERS	\$ 5,992,926	\$ 4,318,348	\$ 2,907,465
Ansonia City Employees-MERS	\$ 4,941,883	\$ 3,560,993	\$ 2,397,552
Ansonia Police-MERS	\$ 16,883,703	\$ 11,971,896	\$ 7,927,927

Connecticut State Teachers' Retirement Fund

Organization

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

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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 multiemployer 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 TRB. TRS issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit provisions

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

Normal Retirement: Retirement benefits for the employees are calculated as 2% 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).

In addition, amounts derived from the accumulation of 1 % contributions made prior to July 1, 1989 and voluntary contributions are payable.

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. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

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

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required 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. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of average annual salary.

A plan member who leaves service and has attained 10 years of service will be entitled to 100% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60 and early retirement reductions are based on the number of years of service the member would have had if they had continued work until age 60.

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

Contributions-State of Connecticut

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

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employer (School Districts)

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

Employees:

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

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

At June 30, 2024, the City 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 City 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 City were as follows:

City's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the City	<u>\$ 63,431,088</u>
Total	<u>\$ 63,431,088</u>
City's covered-employee payroll	<u>N/A</u>
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	<u>0%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>58.39%</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. At June 30, 2024, the City has no proportionate share of the net pension liability. For the year ended June 30, 2024, the City recognized pension expense and revenue of \$6,073,159 in on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

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

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% 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%.

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

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	37%	6.80%
Public Credit	2%	2.90%
Core Fixed Income	13%	0.40%
Liquidity Fund	1%	-0.40%
Risk Mitigation	5%	0.10%
Private Equity	15%	11.20%
Private Credit	10%	6.10%
Real Estate	10%	6.20%
Infrastructure and Natural Resources	7%	7.70%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 6.9%. 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.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

The following presents the net pension liability, calculated using the discount rate of 6.90% as well as what 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 to 5.9%	Current Discount Rate 6.9%	1% Increased to 7.9%
State's share of NPL associated with the City	<u>\$ 82,868,957</u>	<u>\$ 63,431,088</u>	<u>\$ 47,295,308</u>

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 City has no obligation to contribute to the plan.

A copy of the plan's comprehensive annual financial report can be obtained from the State of Connecticut Teachers Retirement Board.

Police Retirement Plan and City Employees' Retirement Plan

The City maintains two single-employer defined benefit pension plans covering its police and its other full-time employees (excluding employees who are covered under plans described above). These plans are considered to be part of the City's financial reporting entity and are included as pension trust funds of the City. The cost of administration is borne by the respective fund.

Police Retirement Plan

Plan description – All full-time employees of the force are covered. The plan provides retirement, disability and death benefits to members and beneficiaries.

Benefit provision may be amended by the employer through the collective bargaining agreement. As of July 1, 2023, the latest valuation date, employee membership data is:

Retirees and beneficiaries currently receiving benefits and
terminated employees entitled to benefits but not yet
receiving them

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Contributions – Contribution rates for employees may be amended by the employer through the collective bargaining agreement. Plan members are required to contribute 3% of their annual covered salary.

City Employees Retirement Plan

Plan Description – The plan covers all full-time employees (other than employees covered by other plans) who were vested in a benefit as of July 1, 1991. The plan provides retirement, disability and death benefits to members and beneficiaries. The employee vests with 15 years of service (50%) to 25 years of service (100%). As of July 1, 2023, the latest valuation date, employee membership data there are only retirees and beneficiaries receiving benefits. All active participants were transferred to MERS.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Benefit provision may be amended by the employer through the collective bargaining agreement. As of July 1, 2023, the latest valuation date, employee membership data is:

Retirees and beneficiaries currently receiving benefits and
terminated employees entitled to benefits but not yet
receiving them

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Contributions – Contribution rates for employees may be amended by the employer through the collective bargaining agreement. Plan members are required to contribute 2% of their annual covered salary. The employer is funding the remaining amounts necessary to finance the benefit through periodic contributions at actuarially determined rates.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

PENSION TRUST FUNDS
COMBINING STATEMENT OF NET POSITION

JUNE 30, 2024

	Police Pension Fund	City Employees' Retirement	Total Pension Trust Funds
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 8,019	\$ 34,831	\$ 42,850
Investments	560,099	3,423,338	3,983,437
Other receivables	26	160	186
TOTAL ASSETS	<u>\$ 568,144</u>	<u>\$ 3,458,329</u>	<u>\$ 4,026,473</u>
NET POSITION			
Reserved for employee retirement system	<u>\$ 568,144</u>	<u>\$ 3,458,329</u>	<u>\$ 4,026,473</u>

CITY OF ANSONIA, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
YEAR ENDED JUNE 30, 2023

ADDITIONS			
Contributions			
City of Ansonia	\$ 381,225	\$ 300,671	\$ 681,896
Plan members	-	17,194	17,194
Total contributions	<u>381,225</u>	<u>317,865</u>	<u>699,090</u>
Investment income (loss)			
Net appreciation in fair value of investments	43,829	308,186	352,015
Interest and dividends	10,786	76,207	86,993
	<u>54,615</u>	<u>384,393</u>	<u>439,008</u>
Less investment management fees	14,168	12,500	26,668
Net investment income	<u>40,447</u>	<u>371,893</u>	<u>412,340</u>
TOTAL ADDITIONS	<u>421,672</u>	<u>689,758</u>	<u>1,111,430</u>
DEDUCTIONS - benefits and other			
benefits and other deductions	321,032	373,458	694,490
TOTAL DEDUCTIONS	<u>321,032</u>	<u>373,458</u>	<u>694,490</u>
CHANGE IN NET ASSETS	<u>100,640</u>	<u>316,300</u>	<u>416,940</u>
Net position held for pension benefits and other purposes at July 1, 2023	<u>467,504</u>	<u>3,142,029</u>	<u>3,609,533</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES AT JUNE 30, 2024	<u>\$ 568,144</u>	<u>\$ 3,458,329</u>	<u>\$ 4,026,473</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following was the adopted allocation policy as of June 30, 2014.

	<u>Police Pension</u>	<u>City Employees' Retirement</u>
Large Cap Equity	40.00%	32.50%
Mid/Small Cap Equity	10.00%	7.50%
International Equity (Developed)	8.00%	18.00%
International Equity (Emerging)	2.00%	4.50%
High Quality Fixed Income	30.00%	32.50%
Commodity	<u>10.00%</u>	<u>5.00%</u>
	<u>100%</u>	<u>100%</u>

Rate of Return: For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Asset Class	<u>Police Pension</u>		<u>City Employees' Retirement</u>	
	<u>Long-Term</u>		<u>Long-Term</u>	
	<u>Expected Real</u>		<u>Expected Real</u>	
	<u>Rate of Return</u>	<u>Weighting</u>	<u>Rate of Return</u>	<u>Weighting</u>
Large Cap Equity	5.00%	2.99%	5.00%	2.19%
Mid/Small Cap Equity	5.35%	0.40%	5.35%	0.32%
International Equity (Developed)	5.45%	0.44%	5.45%	0.92%
International Equity (Emerging)	6.55%	0.13%	6.55%	0.37%
High Quality Fixed Income	1.75%	0.53%	1.75%	0.57%
Commodity	2.63%	<u>0.26%</u>	2.63%	<u>0.13%</u>
		4.75%		4.50%
Long-term inflation expectation		<u>2.00%</u>		<u>2.25%</u>
Long-term expected nominal return		<u>6.75%</u>		<u>6.75%</u>

Concentrations

Investments that represent 5% or more of net position available for benefits are listed in Note 4.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Net Pension Liability of the City: The components of the net pension liability of the City at June 30, 2024 were as follows:

	Police Pension Fund	City Employees' Retirement
Total pension liability	\$ 3,229,172	\$ 6,352,033
Plan fiduciary net assets	<u>568,143</u>	<u>3,458,328</u>
Net Pension Liability	<u>\$ 2,661,029</u>	<u>\$ 2,893,705</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>17.59%</u>	<u>54.44%</u>

Actuarial Assumptions (GASB 67): The total pension liability was determined by an actuarial valuation as of July 1, 2024, calculated based on the discount rate and actuarial assumptions below, and then was projected forward to the measurement date June 30, 2024. There have been no significant changes between the valuation date and the fiscal year end.

	Police Retirement Plan	Employees' Retirement Plan
Valuation date	June 30, 2024	June 30, 2024
Actuarial cost method	Unit Credit	Projected unit credit
Actuarial accrued liability	Level dollar	Level dollar
Remaining amortization period	30 years	30 years
Asset valuation method	Fair Market value	Fair Market value
Discount rate	6.50%	6.50%
Inflation	2.25%	2.25%
Retirement age	65	60-70
	RP-2014 adjusted to 2006	RP-2014 adjusted to 2006
Mortality	MP-2020	MP-2020

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

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Police Pension	City Employees' Retirement
	Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return
Large Cap Equity	5.00%	5.00%
Mid/Small Cap Equity	5.35%	5.35%
International Equity (Developed)	5.45%	5.45%
International Equity (Emerging)	6.55%	6.55%
High Quality Fixed Income	1.75%	1.75%
Commodity	2.63%	2.63%

Discount Rate: The discount rate used to measure the total pension liability was 6.75% for the City Pension and 6.75% for the Police Pension. 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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Therefore, the long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate: The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75% for the City Pension and 6.75% for the Police Pension, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the rate utilized:

	1% Decrease to 5.75%	Current Discount Rate 6.75%	1% Increased to 7.75%
<u>Net Pension Liability (Asset)</u>			
Police Pension	<u>\$ 2,938,669</u>	<u>\$ 2,661,029</u>	<u>\$ 2,421,240</u>
		Current	
	1% Decrease to 5.75%	Discount Rate 6.75%	1% Increased to 7.75%
<u>Net Pension Liability (Asset)</u>			
City Employees' Retirement	<u>\$ 3,597,655</u>	<u>\$ 2,893,705</u>	<u>\$ 2,298,199</u>

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions: For the year ended June 30, 2024, the City recognized pension expense of \$201,597 for the Police Pension Plan and \$557,829 for the City Pension Plan. The City reported deferred outflows of resources related to pensions from the following sources:

	Police Pension		City Pension		Total	Total
	Deferred	Deferred	Deferred	Deferred	Deferred	Deferred
	Outflows of	Inflows of	Outflows of	Inflows of	Outflows of	Inflows of
	Resources	Resources	Resources	Resources	Resources	Resources
Differences between expected and actual experience	\$ -	\$ (338,449)	\$ -	\$ (29,285)	\$ -	\$ (367,734)
Changes in assumptions	284,423	-	290,926	-	575,349	-
Net difference between projected and actual earnings on investments	5,422	-	22,746	-	28,168	-
Total	<u>\$ 289,845</u>	<u>\$ (338,449)</u>	<u>\$ 313,672</u>	<u>\$ (29,285)</u>	<u>\$ 603,517</u>	<u>\$ (367,734)</u>

Actual investment earnings below (or above) projected earnings are amortized over 5 years. Change of assumption and experience losses (gains) are amortized over the average remaining service period of actives and inactive, which was also 5 years. Amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

	Police	City
Year Ending June 30,	Pension	Pension
2025	\$ 26,852	\$ 149,743
2026	36,113	157,408
2027	(9,190)	(4,418)
2028	(4,770)	(24,020)
2029	(4,369)	5,674
Thereafter	(93,240)	-
Total	<u>\$ (48,604)</u>	<u>\$ 284,387</u>

NOTE 13 – OTHER POST-RETIREMENT BENEFITS

City Plan

Plan description-The City provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2019. The post-retirement plan does not issue stand-alone financial reports.

GASB 75 governs the specifics of accounting for public OPEB plan obligations for participating employers and is required to be implemented for employer fiscal years beginning after June 15, 2017. GASB 75 requires a liability for OPEB obligations, known as the Net OPEB Liability (Total OPEB Liability for unfunded plans), to be recognized on the balance sheets of participating employers. Changes in the Net OPEB Liability (Total OPEB Liability for unfunded plans) will be immediately recognized as OPEB Expense on the income statement or reported as deferred inflows/outflows of resources depending on the nature of the change.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

The employer does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis.

Membership in the plan consisted of the following at July 1, 2023, the date of the last actuarial valuation.

Active plan members	390
Retirees	57
Spouses of Retirees	22
Beneficiaries	3
Total members	<u>472</u>

The City's annual OPEB Liability is as follows:

Total OPEB liability	\$ 25,053,176
Plan fiduciary net position	<u>-</u>
Towns net OPEB liability	<u>\$ 25,053,176</u>

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 74 and 75.

Discount rate

Discount rate	3.93%
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The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Actuarial Assumptions

Valuation Date	July 1, 2023
Measurement date	June 30, 2024
Actuarial cost method	Entry Age Normal
Inflation	2.60%
Healthcare cost trend rates	3.9% - 4.30% over 65 years
Salary increases	Grade by service for certified, 3.50% for all others
Medical Trend Rate	Police and City Pre-65: 5.70% - 4.10% over 55 years BOE Pre-65: 6.40% - 4.30% over 62 years All Post-65: 3.90% - 4.30% over 53 years

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

The calculation of the Total Other Post-Retirement Benefits (OPEB) is detailed as follows and is recorded in Governmental Activities:

Balance as of June 30, 2023	\$ 23,601,343
Service cost	\$ 1,136,380
Interest on net OPEB liability	886,834
Effect of plan changes	-
Effect of economic/demographic gains or losses	5,695,739
Effect of assumptions changes or inputs	(5,377,322)
Benefit payments	(889,798)
Increase in net OPEB liability	<u>1,451,833</u>
Net OPEB liability, ending	<u>\$ 25,053,176</u>

Sensitivity Analysis

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.54%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16%) or 1 percentage point higher (3.16%) than the current rate.

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Net OPEB liability	<u>\$ 28,801,600</u>	<u>\$ 25,053,176</u>	<u>\$ 22,020,386</u>

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

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	<u>\$ 21,432,320</u>	<u>\$ 25,053,176</u>	<u>\$ 22,020,386</u>

OPEB Expense and Deferred outflows/inflows of Resources

The City recognized OPEB expense of \$381,207. The City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (20,442,164)	\$ 7,318,113
Changes of assumptions or other inputs	<u>(11,188,708)</u>	<u>7,468,951</u>
Total	<u>\$ (31,630,872)</u>	<u>\$ 14,787,064</u>

**CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

<u>Year Ending June 30,</u>	
2025	\$ (1,642,007)
2026	(1,648,449)
2027	(1,719,872)
2028	(4,035,475)
2029	(4,636,254)
Thereafter	<u>(3,161,751)</u>
Total	<u>\$ (16,843,808)</u>

The City also provides certain health care benefits to 90 retirees as required by various collective bargaining agreements. Expenditures of \$456,275 for retirees receiving these benefits were recognized during the year ended June 30, 2024. Expenditures are recognized when premiums are paid to the insurance carriers. There is no requirement for participant contributions for premiums.

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan

Plan description

Teachers, principals, superintendents, supervisors and professional employees at State schools of higher education if they choose to be covered that are currently receiving a retirement or disability benefit are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan ("TRS-RHIP") - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a Section 10-183t of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

Benefit provisions

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

- Normal Retirement: Eligibility - 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: Eligibility - 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.
- Proratable Retirement: Eligibility - Age 60 with 10 years of Credited Service.
- Disability Retirement: Eligibility - 5 years of Credited Service in Connecticut if not incurred in the performance of duty and no service requirement if incurred in the performance of duty.
- Termination of Employment: Eligibility – 10 or more years of Credited Service.

Retiree health care coverage

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits offered through the system. Subsidized Local School District

CITY OF ANSONIA, CONNECTICUT
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JUNE 30, 2024

Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

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

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

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

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

Survivor health care coverage

Survivors of former employees or retirees remain eligible to participate in the Plan and continue to be eligible to receive either the \$2200 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

Contributions-State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State 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.

Employees

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

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

The City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the City 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 City were as follows:

City's proportionate share of the OPEB liability	
liability	\$ -
State's proportionate share of the OPEB liability associated with the City	<u>\$ 5,942,622</u>
Total	<u>\$ 5,942,622</u>

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The City has no proportionate share of the net OPEB liability. The City recognized OPEB expense and revenue of \$700,080 for on-behalf amounts for the contributions to the plan by the State.

Actuarial assumptions

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary increases	3.00-6.50%, including inflation
	3.00%, net of OPEB plan investment expense,
Long-term investment rate of return	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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Discount rate

The discount rate used to measure the total OPEB liability was 3.53%. The projection of cash flows used to determine the discount rate assumed that 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 will be made at the current member contribution rate and that 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 to the fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination.

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

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

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 City has no obligation to contribute to the plan. 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.

NOTE 14– ACCOUNTING STANDARDS NOT YET EFFECTIVE

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements.

The impact of the following accounting pronouncements are currently being assessed by the Town as to the impact to the financial statements. Other recently issued financial statements are not expected to have a material effect to the Town's financial statements.

GASB Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Effective Date: For fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Effective Date: The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

CITY OF ANSONIA, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15– SUBSEQUENT EVENT

Subsequent events were evaluated through June 11, 2025, the date the financial statements were available to be issued.

The City entered into an agreement with Aquarion Water Company of Connecticut to sell the water and wastewater systems assets of the City of Ansonia Water Pollution Control Authority for \$41 million dollars. The agreement was signed June 21, 2024 and a down payment of \$5 million dollars was paid. The closing occurred on December 3, 2024 with the balance of the funds owed being transferred to the City.

The agreement has numerous clauses obligating both parties for future years. Some of the major clauses include a municipal property tax exemption for 10 years on wastewater system assets starting the first full year after the closing date for Aquarion Water Company of Connecticut and the City of Ansonia has to maintain a \$7 million dollar rate stabilization fund for 10 years where the funds can returned to customers in the form of monthly bill credits.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
JUNE 30, 2024

Fiscal Year Ended June 30,	Police Retirement Plan		City Employee Retirement Plan	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2005	\$ 486,869	179%	\$ 19,868	108%
2006	459,830	115%	66,665	36%
2007	460,673	26%	65,104	39%
2008	434,928	57%	155,251	0%
2009	434,928	201%	161,321	0%
2010	382,139	137%	239,098	0%
2011	382,139	122%	254,041	0%
2012	333,542	135%	350,818	0%
2013	333,542	152%	405,047	0%
2014	315,777	127%	356,918	0%
2015	315,777	127%	326,623	265%
2016	294,243	107%	297,672	120%
2017	294,243	107%	297,672	120%
2018	294,243	100%	297,672	100%
2019	274,103	107%	294,059	101%
2020	274,103	107%	294,059	101%
2021	279,465	105%	311,296	202%
2022	279,465	105%	311,296	100%
2023	267,283	152%	287,201	70%
2024	224,064	170%	325,106	92%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	Police Retirement Plan	Employees' Retirement Plan
Valuation date	June 30, 2024	June 30, 2024
Actuarial cost method	Unit Credit	Projected unit credit
Actuarial accrued liability	Level dollar	Level dollar
Remaining amortization period	30 years	30 years
Asset valuation method	Fair Market value	Fair Market value
Discount rate	6.50%	6.50%
Inflation	2.25%	2.25%
Retirement age	65	60-70
	RP-2014 adjusted to 2006	RP-2014 adjusted to 2006
Mortality	MP-2020	MP-2020

CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
JUNE 30, 2024

Police Retirement Plan (in thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Under- funded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 1998	\$ 956	\$ 5,963	\$ 5,007	16.0%	\$ 1,407	356%
July 1, 2000	1,999	6,287	4,288	31.8%	1,616	265%
July 1, 2002	2,763	6,785	4,022	40.7%	1,883	214%
July 1, 2005	4,930	8,176	3,246	60.3%	2,051	158%
July 1, 2007	6,047	8,063	2,016	75.0%	2,105	96%
July 1, 2009	880	5,182	4,302	17.0%	-	-
July 1, 2010	880	5,182	4,302	17.0%	-	-
July 1, 2011	1,111	4,866	3,755	22.8%	-	-
July 1, 2012	1,111	4,866	3,755	22.8%	-	-
July 1, 2013	1,141	4,696	3,555	24.3%	-	-
July 1, 2014	1,141	4,696	3,555	24.3%	-	-
July 1, 2015	1,157	4,590	3,433	25.2%	-	-
July 1, 2016	1,157	4,590	3,433	25.2%	-	-
July 1, 2017	926	4,414	3,488	21.0%	-	-
July 1, 2018	723	4,199	3,476	17.2%	-	-
July 1, 2019	629	4,085	3,457	15.4%	-	-
July 1, 2020	629	3,920	3,312	16.0%	-	-
July 1, 2021	608	3,748	3,362	16.2%	-	-
July 1, 2022	385	3,279	2,812	11.7%	-	-
July 1, 2023	468	3,229	2,661	14.5%	-	-

City Retirement Plan

The City has adopted the Aggregate Actuarial Cost Method.

(*) biennial valuation

CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS-POLICE RETIRMENT PLAN

	Year ending June 30, 2024	Year ending June 30, 2023	Year ending June 30, 2022	Year ending June 30, 2021	Year ending June 30, 2020	Year ending June 30, 2019	Year ending June 30, 2018	Year ending June 30, 2017
	Police Retirement Plan	Police Retirement Plan	Police Retirement Plan	Police Retirement Plan	Police Retirement Plan	Police Retirement Plan	Police Retirement Plan	Police Retirement Plan
Total Pension Liability								
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total pension liability	187,144	214,118	232,229	251,380	268,594	283,153	282,415	293,790
Effect of economic/demographic gains or (losses)								
gains or (losses)	20,259	(387,560)	(72,085)	(28,456)	73,995	(49,570)	76,395	5,143
Change in assumptions	63,213	64,110	77,228	47,933	(16,859)	(7,257)	104,846	-
Benefit payments	<u>(321,032)</u>	<u>(359,415)</u>	<u>(409,411)</u>	<u>(435,720)</u>	<u>(439,327)</u>	<u>(444,688)</u>	<u>(460,771)</u>	<u>(474,143)</u>
Net change in total pension liability	(50,416)	(468,747)	(172,039)	(164,863)	(113,597)	(218,362)	2,885	(175,210)
Total Pension Liability, beginning	<u>3,279,588</u>	<u>3,748,335</u>	<u>3,920,374</u>	<u>4,085,237</u>	<u>4,198,834</u>	<u>4,417,196</u>	<u>4,414,311</u>	<u>4,589,521</u>
Total pension liability, ending (a)	3,229,172	3,279,588	3,748,335	3,920,374	4,085,237	4,198,834	4,417,196	4,414,311
Fiduciary Net Position								
Employer contributions	\$ 381,225	\$ 405,539	\$ 294,243	\$ 294,243	\$ 294,243	\$ 294,243	\$ 294,243	\$ 310,314
Member contributions	-	-	-	-	-	-	-	-
Investment income net								
of investment expenses	40,447	35,495	(107,046)	120,911	50,285	23,803	90,878	118,758
Benefit payments	<u>(321,032)</u>	<u>(359,415)</u>	<u>(409,411)</u>	<u>(435,720)</u>	<u>(439,327)</u>	<u>(444,688)</u>	<u>(460,771)</u>	<u>(474,143)</u>
Administrative expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	100,640	81,619	(222,214)	(20,566)	(94,799)	(126,642)	(75,650)	(45,071)
Fiduciary Net Position, beginning	467,503	385,884	608,098	628,664	723,463	850,105	925,755	970,826
Fiduciary net position, ending (b)	<u>568,143</u>	<u>467,503</u>	<u>385,884</u>	<u>608,098</u>	<u>628,664</u>	<u>723,463</u>	<u>850,105</u>	<u>925,755</u>
Net pension liability, ending (a)-(b)	<u>\$ 2,661,029</u>	<u>\$ 2,812,085</u>	<u>\$ 3,362,451</u>	<u>\$ 3,312,276</u>	<u>\$ 3,456,573</u>	<u>\$ 3,475,371</u>	<u>\$ 3,567,091</u>	<u>\$ 3,488,556</u>
Fiduciary net position as a % of total pension liability	17.59%	14.25%	10.29%	15.51%	15.39%	17.23%	19.25%	20.97%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a % of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: See notes to the financial statements for actuarial methods and assumptions.

CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS-CITY RETIRMENT PLAN

	Year ending June 30, 2024	Year ending June 30, 2023	Year ending June 30, 2022	Year ending June 30, 2021	Year ending June 30, 2020	Year ending June 30, 2019	Year ending June 30, 2018	Year ending June 30, 2017
	Employees' Retirement Plan	Employees' Retirement Plan	Employees' Retirement Plan	Employees' Retirement Plan	Employees' Retirement Plan	Employees' Retirement Plan	Employees' Retirement Plan	Employees' Retirement Plan
Total Pension Liability								
Service cost	\$ 61,956	\$ 56,750	\$ 56,884	\$ 52,276	\$ 52,536	\$ 56,113	\$ 57,525	\$ 64,096
Interest on total pension liability	363,015	349,931	356,364	349,607	355,478	337,643	322,853	311,337
Effect of economic/demographic gains or (losses)								
gains or (losses)	(94,619)	29,896	(81,483)	223,702	41,064	140,700	523	42,192
Change in assumptions	158,163	153,264	160,129	14,502	(67,331)	(13,857)	92,907	-
Benefit payments	<u>(373,458)</u>	<u>(370,084)</u>	<u>(352,992)</u>	<u>(280,692)</u>	<u>(258,322)</u>	<u>(254,442)</u>	<u>(254,953)</u>	<u>(239,067)</u>
Net change in total pension liability	115,057	219,757	138,902	359,395	123,425	266,157	218,855	178,558
Total Pension Liability, beginning	<u>6,236,976</u>	<u>6,017,219</u>	<u>5,878,317</u>	<u>5,518,922</u>	<u>5,395,497</u>	<u>5,129,340</u>	<u>4,910,485</u>	<u>4,731,927</u>
Total pension liability, ending (a)	6,352,033	6,236,976	6,017,219	5,878,317	5,518,922	5,395,497	5,129,340	4,910,485
Fiduciary Net Position								
Employer contributions	\$ 300,000	\$ 200,000	\$ 312,000	\$ 605,539	\$ 300,000	\$ 297,672	\$ 297,672	\$ 356,918
Member contributions	17,865	18,651	18,134	24,011	23,486	24,107	24,303	29,471
Investment income net								
of investment expenses	371,893	312,385	(516,226)	434,270	159,855	132,524	166,912	243,410
Benefit payments	<u>(373,458)</u>	<u>(370,084)</u>	<u>(352,992)</u>	<u>(280,692)</u>	<u>(258,322)</u>	<u>(254,442)</u>	<u>(254,953)</u>	<u>(239,067)</u>
Administrative expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	316,300	160,952	(539,084)	783,128	225,019	199,861	233,934	390,732
Fiduciary Net Position, beginning	3,142,028	2,981,076	3,520,160	2,737,032	2,512,013	2,312,152	2,078,218	1,687,486
Fiduciary net position, ending (b)	<u>3,458,328</u>	<u>3,142,028</u>	<u>2,981,076</u>	<u>3,520,160</u>	<u>2,737,032</u>	<u>2,512,013</u>	<u>2,312,152</u>	<u>2,078,218</u>
Net pension liability, ending (a)-(b)	<u>\$ 2,893,705</u>	<u>\$ 3,094,948</u>	<u>\$ 3,036,143</u>	<u>\$ 2,358,157</u>	<u>\$ 2,781,890</u>	<u>\$ 2,883,484</u>	<u>\$ 2,817,188</u>	<u>\$ 2,832,267</u>
Fiduciary net position as a %								
of total pension liability	54.44%	50.38%	49.54%	59.88%	49.59%	46.56%	45.08%	42.32%
Covered payroll	\$ 764,357	\$ 926,224	\$ 908,122	\$ 1,155,051	\$ 1,122,999	\$ 1,062,197	\$ 1,062,197	\$ 1,089,169
Net pension liability as a % of covered payroll	379%	334%	334%	204%	248%	271%	265%	260%

Note: See notes to the financial statements for actuarial methods and assumptions.

CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
PENSION CONTRIBUTIONS

	Year ending June 30, 2024			Year ending June 30, 2023			Year ending June 30, 2022			Year ending June 30, 2021		
	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS
Contractually required contribution	\$ 494,352	\$ 365,741	\$ 1,159,564	\$ 462,987	\$ 289,977	\$ 1,094,586	\$ 399,681	\$ 313,617	\$ 975,326	\$ 367,997	\$ 282,802	\$ 892,361
Contributions in relation to the contractually required contribution	<u>(494,352)</u>	<u>(365,741)</u>	<u>(1,159,564)</u>	<u>(462,987)</u>	<u>(289,977)</u>	<u>(1,094,586)</u>	<u>(399,681)</u>	<u>(313,617)</u>	<u>(975,326)</u>	<u>(367,997)</u>	<u>(282,802)</u>	<u>(892,361)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered payroll	<u>\$2,813,178</u>	<u>\$2,103,208</u>	<u>\$4,757,759</u>	<u>\$2,714,903</u>	<u>\$2,035,944</u>	<u>\$4,353,929</u>	<u>\$2,562,908</u>	<u>\$2,113,424</u>	<u>\$4,392,366</u>	<u>\$2,658,610</u>	<u>\$2,043,113</u>	<u>\$4,316,128</u>
Contributions as a percentage of covered payroll	<u>17.57%</u>	<u>17.39%</u>	<u>24.37%</u>	<u>17.05%</u>	<u>14.24%</u>	<u>25.14%</u>	<u>15.59%</u>	<u>14.84%</u>	<u>22.21%</u>	<u>13.84%</u>	<u>13.84%</u>	<u>20.68%</u>
	Year ending June 30, 2020			Year ending June 30, 2019			Year ending June 30, 2018			Year ending June 30, 2017		
	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS	Ansonia Clerical MERS	Ansonia City MERS	Ansonia Police MERS
Contractually required contribution	\$ 100,000	\$ 439,042	\$ 977,579	\$ 97,672	\$ 385,286	\$ 765,647	\$ 97,672	\$ 363,499	\$ 714,097	\$ 156,918	\$ 365,527	\$ 695,888
Contributions in relation to the contractually required contribution	<u>(100,000)</u>	<u>(439,042)</u>	<u>(977,579)</u>	<u>(97,672)</u>	<u>(385,286)</u>	<u>(765,647)</u>	<u>(97,672)</u>	<u>(363,499)</u>	<u>(714,097)</u>	<u>(156,918)</u>	<u>(365,527)</u>	<u>(695,888)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered payroll	<u>\$2,549,132</u>	<u>\$2,136,551</u>	<u>\$4,594,194</u>	<u>\$2,833,093</u>	<u>\$2,306,078</u>	<u>\$4,497,351</u>	<u>\$2,550,925</u>	<u>\$1,936,957</u>	<u>\$4,130,423</u>	<u>\$2,254,708</u>	<u>\$1,984,058</u>	<u>\$4,130,423</u>
Contributions as a percentage of covered payroll	<u>3.92%</u>	<u>20.55%</u>	<u>21.28%</u>	<u>3.45%</u>	<u>16.71%</u>	<u>17.02%</u>	<u>3.83%</u>	<u>18.77%</u>	<u>17.29%</u>	<u>6.96%</u>	<u>18.42%</u>	<u>16.85%</u>

Note: See notes to the financial statements for actuarial methods and assumptions.

**CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE STATE TEACHERS' RETIREMENT PLAN**

Schedule of Proportionate Share of the Net Pension Liability

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City	\$ 63,431,088	\$ 64,806,928	\$ 49,220,696	\$ 62,146,678	\$ 56,265,332	\$ 43,383,840	\$ 43,622,931	\$ 46,022,526
Total	\$ 63,431,088	\$ 64,806,928	\$ 49,220,696	\$ 62,146,678	\$ 56,265,332	\$ 43,383,840	\$ 43,622,931	\$ 46,022,526
City's covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0%	0%	0%	0%	0%	0%	0%	0%
Plan fiduciary net position as a percentage of the total pension liability	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%

Schedule of Contributions

Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
City's covered payroll	N/A	N/A	N/A	(3) N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

- (1) Not applicable since 0% proportional share of the net OPEB liability
(2) Local employers are not required to contribute to the plan
(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Note: See notes to the financial statements for actuarial methods and assumptions.

CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 1,136,380	\$ 819,176	\$ 1,375,053	\$ 2,591,205	\$ 1,481,272	\$ 1,171,506	\$ 1,217,245
Interest	886,834	832,023	1,353,944	1,330,785	1,192,862	1,178,873	1,086,085
Effect of economic/demographic gains/losses	5,695,739	-	(31,201,199)	-	5,743,786		
Expected assumptions changes or inputs	(5,377,322)	(227,025)	(9,182,090)	647,736	17,452,781	1,802,518	(1,348,511)
Benefit payments, including refunds of member contributions	<u>(889,798)</u>	<u>(1,005,520)</u>	<u>(936,159)</u>	<u>(839,236)</u>	<u>(849,797)</u>	<u>(835,008)</u>	<u>(736,117)</u>
Net change in total OPEB liability	1,451,833	418,654	(38,590,451)	3,730,490	25,020,904	3,317,889	218,702
Total OPEB liability - beginning	<u>23,601,343</u>	<u>23,182,689</u>	<u>61,773,140</u>	<u>58,042,650</u>	<u>33,021,746</u>	<u>29,703,857</u>	<u>29,485,155</u>
Total OPEB liability - ending (a)	<u>\$25,053,176</u>	<u>\$ 23,601,343</u>	<u>\$ 23,182,689</u>	<u>\$ 61,773,140</u>	<u>\$ 58,042,650</u>	<u>\$ 33,021,746</u>	<u>\$ 29,703,857</u>
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Note: See notes to the financial statements for actuarial methods and assumptions.

**CITY OF ANSONIA, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE STATE TEACHERS' RETIREMENT
HEALTH INSURANCE PLAN**

Schedule of Proportionate Share of the Net OPEB Liability

	2024	2023	2022	2021	2020	2019	2018
City's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>\$ 5,942,622</u>	<u>\$ 5,675,600</u>	<u>\$ 5,362,505</u>	<u>\$ 9,269,179</u>	<u>\$ 8,774,896</u>	<u>\$ 8,672,677</u>	<u>\$ 11,228,037</u>
Total	<u>\$ 5,942,622</u>	<u>\$ 5,675,600</u>	<u>\$ 5,362,505</u>	<u>\$ 9,269,179</u>	<u>\$ 8,774,896</u>	<u>\$ 8,672,677</u>	<u>\$ 11,228,037</u>
City's covered-employee payroll	(1) <u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
City's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00000%</u>	<u>0.00000%</u>	<u>0.32980%</u>	<u>0.32980%</u>	<u>0.32956%</u>	<u>0.32956%</u>	<u>0.32308%</u>

Schedule of Contributions

Contractually required contribution	(2) \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	(3) <u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

- (1) Not applicable since 0% proportional share of the net OPEB liability
(2) Local employers are not required to contribute to the plan
(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

Note: See notes to the financial statements for actuarial methods and assumptions.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

**CITY OF ANSONIA, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Special Revenue Funds	Permanent Fund - Library Endowment	Total Other Governmental Funds
ASSETS			
CURRENT ASSETS			
Cash	\$ 1,453,622	\$ 38,817	\$ 1,492,439
Investments	56,279	698,891	755,170
Receivables:			
Intergovernmental	291,033	-	291,033
Other	45,500	959	46,459
Inventory	14,883	-	14,883
TOTAL ASSETS	<u>\$ 1,861,317</u>	<u>\$ 738,667</u>	<u>\$ 2,599,984</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 23,657	\$ -	\$ 23,657
Due to other funds	-	-	-
TOTAL LIABILITIES	<u>23,657</u>	<u>-</u>	<u>23,657</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue-grants	72,122	-	72,122
FUND BALANCES			
Restricted			
Nonspendable	14,883	738,667	753,550
Assigned	1,750,655	-	1,750,655
Unassigned	-	-	-
TOTAL FUND BALANCES	<u>1,765,538</u>	<u>738,667</u>	<u>2,504,205</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	<u>\$ 1,861,317</u>	<u>\$ 738,667</u>	<u>\$ 2,599,984</u>

CITY OF ANSONIA, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds	Permanent Fund - Library Endowment	Total Other Governmental Funds
REVENUES			
Federal and state grants	\$ 2,440,024	\$ -	\$ 2,440,024
Charges for services	529,893	-	529,893
Income (Loss) on investments	14,538	74,189	88,727
TOTAL REVENUES	2,984,455	74,189	3,058,644
EXPENDITURES			
Education	2,790,287	-	2,790,287
Public safety	30,071	-	30,071
Human services	13,961	-	13,961
Capital outlay	306,060	-	306,060
TOTAL EXPENDITURES	3,140,379	-	3,140,379
EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	(155,924)	74,189	(81,735)
OTHER FINANCING SOURCES(USES)			
Operating transfers in (out)	(5,382)	(6,618)	(12,000)
Fund balance at July 1, 2023	1,926,844	671,096	2,597,940
FUND BALANCE AT JUNE 30, 2024	<u>\$ 1,765,538</u>	<u>\$ 738,667</u>	<u>\$ 2,504,205</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Police Seizure — is used to account for the seized assets from assets made by the Ansonia Police Department.

Municipal Parking Authority — is used to account for fees paid for parking.

School Cafeteria — is used to account for a school lunch program and the federal and state grants that are included within that program.

Economic NTA — is used to account for funds used for the economic betterment of the City of Ansonia.

Economic Development Commission — The Economic Development Commission is a special revenue fund used to account for community development block grants/small cities program funds which are principally used for developing viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Library — is used to account for the programs to provide literature and educational programs.

School Readiness Program — is used to account a childcare or preschool education program.

School Activity Fund — is used to account for in school student programs and to provide scholarships for students.

CITY OF ANSONIA, CONNECTICUT
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	Police Seizure	Municipal Parking Authority	School Cafeteria	Economic NTA	Economic Development Commission	School Readiness Program	Library Fund	Student Activity Fund	Total
ASSETS									
CURRENT ASSETS									
Cash	\$ 82,564	\$ 140,400	\$ 902,199	\$ 9,130	\$ 24,222	\$ 85,171	\$ 11,459	\$ 198,477	\$ 1,453,622
Investments	-	-	-	-	-	-	-	56,279	56,279
Receivables:									
Intergovernmental	-	-	291,033	-	-	-	-	-	291,033
Other	-	-	-	-	45,500	-	-	-	45,500
Inventory	-	-	14,883	-	-	-	-	-	14,883
TOTAL ASSETS	<u>\$ 82,564</u>	<u>\$ 140,400</u>	<u>\$ 1,208,115</u>	<u>\$ 9,130</u>	<u>\$ 69,722</u>	<u>\$ 85,171</u>	<u>\$ 11,459</u>	<u>\$ 254,756</u>	<u>\$ 1,861,317</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,646	1,370	\$ 7,641	\$ 23,657
Due to other funds	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	14,646	1,370	7,641	23,657
DEFERRED INFLOWS OF RESOURCES									
Unearned revenue-grants	-	-	-	2,400	69,722	-	-	-	72,122
FUND BALANCES									
Nonspendable	-	-	14,883	-	-	-	-	-	14,883
Assigned	82,564	140,400	1,193,232	6,730	-	70,525	10,089	247,115	1,750,655
TOTAL FUND BALANCES	<u>82,564</u>	<u>140,400</u>	<u>1,208,115</u>	<u>6,730</u>	<u>-</u>	<u>70,525</u>	<u>10,089</u>	<u>247,115</u>	<u>1,765,538</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 82,564</u>	<u>\$ 140,400</u>	<u>\$ 1,208,115</u>	<u>\$ 9,130</u>	<u>\$ 69,722</u>	<u>\$ 85,171</u>	<u>\$ 11,459</u>	<u>\$ 254,756</u>	<u>\$ 1,861,317</u>

CITY OF ANSONIA, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE– NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024

	Police Seizure	Municipal Parking Authority	School Cafeteria	Economic NTA	Economic Development Commission	School Readiness Program	Library Fund	Student Activity Fund	Total
REVENUES									
Federal and state grants	\$ 50,246	\$ -	\$ 2,083,873	\$ -	\$ 305,905	\$ -	\$ -	\$ -	\$ 2,440,024
Charges for services	-	24,820	10,105	-	-	174,826	7,357	312,785	529,893
Income (Loss) on investments	315	2,967	2,616	-	-	-	818	7,822	14,538
TOTAL REVENUES	50,561	27,787	2,096,594	-	305,905	174,826	8,175	320,607	2,663,848
EXPENDITURES									
Education	-	-	2,299,034	-	-	165,051	-	326,202	2,790,287
Public safety	30,071	-	-	-	-	-	-	-	30,071
Human services	-	-	-	-	-	-	13,961	-	13,961
Capital outlay	-	-	-	-	306,060	-	-	-	306,060
TOTAL EXPENDITURES	30,071	-	2,299,034	-	306,060	165,051	13,961	326,202	3,140,379
EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	20,490	27,787	(202,440)	-	(155)	9,775	(5,786)	(5,595)	(155,924)
OTHER FINANCING SOURCES(USES)									
Operating transfers in (out)	-	(12,000)	-	-	-	-	6,618	-	(5,382)
Fund balance at July 1, 2023	62,074	124,613	1,410,555	6,730	155	60,750	9,257	252,710	1,926,844
FUND BALANCE AT JUNE 30, 2024	<u>\$ 82,564</u>	<u>\$ 140,400</u>	<u>\$ 1,208,115</u>	<u>\$ 6,730</u>	<u>\$ -</u>	<u>\$ 70,525</u>	<u>\$ 10,089</u>	<u>\$ 247,115</u>	<u>\$ 1,765,538</u>

OTHER SCHEDULES

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF PROPERTY TAXES
YEAR ENDED JUNE 30, 2024**

Grand List October 1,	Uncollected Taxes July 1, 2023 and Current List	Corrections of Error			Balance to be Collected
		Additions	Deductions	Suspense	
2009	\$ 18,803	\$ -	\$ -	\$ 1,597	\$ 17,206
2010	80,415	-	-	62,027	18,388
2011	133,770	-	-	101,379	32,391
2012	146,521	-	177	119,943	26,401
2013	235,574	-	174	208,312	27,088
2014	231,229	-	254	205,911	25,064
2015	248,322	-	252	227,237	20,833
2016	271,856	741	400	225,591	46,606
2017	279,962	-	644	114,669	164,649
2018	327,509	104	978	121,185	205,450
2019	389,298	1,244	1,456	10,860	378,226
2020	548,103	3,743	3,551	10,860	537,435
2021	960,606	12,279	12,793	11,604	948,488
	<u>3,871,968</u>	<u>18,111</u>	<u>20,679</u>	<u>1,421,175</u>	<u>2,448,225</u>
2022	38,776,644	39,832	340,252	9,360	38,466,864
TOTAL	<u>\$ 42,648,612</u>	<u>\$ 57,943</u>	<u>\$ 360,931</u>	<u>\$ 1,430,535</u>	<u>\$ 40,915,089</u>

Collections

				Uncollected Taxes	
Taxes		Interest	Liens & Fees	Totals	June 30,2024
\$	4,228	\$ 9,957	\$ 48	\$ 14,233	\$ 12,978
	4,310	9,375	48	13,733	14,078
	4,540	9,714	72	14,326	27,851
	1,023	2,355	72	3,450	25,378
	1,876	3,075	385	5,336	25,212
	2,768	3,455	531	6,754	22,296
	3,916	2,895	552	7,363	16,917
	6,511	5,967	1,041	13,519	40,095
	23,498	22,080	1,098	46,676	141,151
	47,808	35,044	2,133	84,985	157,642
	51,022	27,348	2,135	80,505	327,204
	129,543	54,367	11,189	195,099	407,892
	<u>347,673</u>	<u>73,624</u>	<u>39,249</u>	<u>460,546</u>	<u>600,815</u>
	628,716	259,256	58,553	946,525	1,819,509
	<u>37,752,736</u>	<u>145,483</u>	<u>34,032</u>	<u>37,932,251</u>	<u>714,128</u>
\$	<u>38,381,452</u>	<u>\$ 404,739</u>	<u>\$ 92,585</u>	<u>\$ 38,878,776</u>	<u>\$ 2,533,637</u>

CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF NATIONALLY RECOGNIZED MUNICIPAL
SECURITIES INFORMATION REPOSITORY
YEAR ENDED JUNE 30, 2024

Gross Grand List-October 1, 2022	\$ 1,583,703,338
Net Grand List-October 1, 2022	1,427,280,364

	Grand List Assessment
Ten Largest Taxpayers:	
United Illuminating Co	\$ 35,847,710
Yankee Gas Services Co	16,089,180
AGS Ansonia LLC	14,627,130
Target Corp	13,506,200
RGMZ Ansonia Landing TRS LLC	9,930,800
445 Beaver Brook, LLC	9,813,790
Ansonia Riverview Apartments LLC	5,298,370
Regional Water Authority	3,928,950
Ansonia BK LLC	4,367,370
Intuitive Surgical Inc.	3,102,270

Debt Statement as of June 30, 2024:

Short Term Debt	-
Long Term Debt	23,610,000
Total Direct Debt	23,610,000
Less: School construction grants	-
Water assessments receivable	-
Total Net Direct Debt	<u>\$ 23,610,000</u>

Current Debt Ratios:

(Pro Forma)	
Population (2023)*	18,945
Net Grand List(Taxable)-October 1, 2022	\$ 1,427,280,364
Estimated Full Value (70%)	\$ 1,210,968,977
Equalized Net Taxable Grand List**	\$ 2,043,997,906
Money Income per Capita (2023)*	\$ 67,474

* Connecticut Economic Resource Center, Inc. (Cerc)

** State of Connecticut, Office of Policy and Management

	Total Direct Debt	Total Net Direct Debt
Per Capita	\$ 1,246	\$ 1,246
Ratio to Net Taxable Grand List	1.65%	1.65%
Ratio to Estimated Full Value	1.95%	1.95%
Ratio to Equalized Net Taxable Grand List	1.16%	1.16%
Per Capita to Money Income per Capita	1.85%	1.85%

CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF TAX LEVIES AND COLLECTIONS
YEAR ENDED JUNE 30, 2024

Fiscal Year Ended June 30	Grand List of October 1	Net Taxable Grand List	Tax Rate (In Mills)	Total Adjusted Tax Levy	% Collected End of Each Fiscal Year	% Uncollected End of Each Fiscal Year
2024	2022	\$ 1,427,280,364	26.24(a) and 32.46(b)	\$ 38,393,114	97.7%	2.3%
2023	2021	1,054,658,943	37.80(a) and 32.46(b)	39,129,307	97.5%	2.5%
2022	2020	1,000,256,239	37.80	37,809,686	97.6%	2.4%
2021	2019	996,898,399	37.80	37,529,023	97.8%	2.2%
2020	2018	986,002,862	37.80	37,107,641	97.3%	2.7%
2019	2017	985,173,123	37.32	36,599,564	96.0%	4.0%
2018	2016	898,306,413	37.32	32,376,814	95.6%	4.4%
2017	2015	895,033,088	37.32(a) and 37.00(b)	33,671,714	97.6%	2.4%
2016	2014	906,803,116	37.52	33,615,325	96.7%	3.3%
2015	2013	892,497,451	38.61	34,636,255	96.6%	3.4%
2014	2012	892,673,611	39.34	35,133,842	95.9%	4.1%
2013	2011	1,174,493,645	27.65	32,474,853	96.3%	3.7%
2012	2010	1,165,382,074	26.25	30,667,475	96.2%	3.8%
2011	2009	1,164,619,962	25.75	29,887,189	96.6%	3.4%

**FEDERAL SINGLE AUDIT
AND
STATE SINGLE AUDIT REPORTS
CITY OF ANSONIA, CONNECTICUT
YEAR ENDED JUNE 30, 2024**



**FEDERAL SINGLE AUDIT AND STATE SINGLE AUDIT REPORTS
CITY OF ANSONIA, CONNECTICUT
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Accavallo & Company LLC
Certified Public Accountants
1000 Bridgeport Avenue, Suite 410
Shelton, Connecticut 06484
P: 203-925-9600
F: 203-925-9610

Principals
John A. Accavallo CPA
Marilyn L Ferris MBA CPA

**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**

To the Honorable Mayor,
Members of the Board of Aldermen and
Members of the Board of Apportionment and Taxation
City of Ansonia, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ansonia, Connecticut as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Ansonia, Connecticut's basic financial statements, and have issued our report thereon dated June 11, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Ansonia, Connecticut's internal control over financial reporting (internal control) to 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 City of Ansonia, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Ansonia, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Ansonia, 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 statement. 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*.

City of Ansonia, Connecticut's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Ansonia, Connecticut's response to the findings identified in our audit and described in the accompanying *schedule of findings and questioned cost*. The City of Ansonia, 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 responses.

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 result of that testing, and not to provide an opinion on the effectiveness of the City of Ansonia, 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 City of Ansonia, Connecticut's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Accavallo & Company, LLC
Shelton, Connecticut
June 11, 2025

FEDERAL SINGLE AUDIT



Accavallo & Company LLC
Certified Public Accountants
1000 Bridgeport Avenue, Suite 410
Shelton, Connecticut 06484
P: 203-925-9600
F: 203-925-9610

Principals
John A. Accavallo CPA
Marilyn L Ferris MBA CPA

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

To the Honorable Mayor,
Members of the Board of Aldermen and
Members of the Board of Apportionment and Taxation
City of Ansonia, Connecticut

Report on Compliance for Each Major Federal Program
Opinion on Each Major Federal Program

We have audited City of Ansonia, 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 City of Ansonia, Connecticut's major federal programs for the year ended June 30, 2024. City of Ansonia, Connecticut's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Ansonia, Connecticut complied, in all material respects, with the types of 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, 2024.

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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, Connecticut's federal programs.

Auditor's 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 City of Ansonia, 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 generally accepted auditing standards, *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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 Auditor's 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, business-type activities, each major fund, and the aggregate remaining fund information of the City of Ansonia, Connecticut as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Ansonia, Connecticut's basic financial statements. We have issued our report thereon dated June 11, 2025, which contained an unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ansonia, Connecticut's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the 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 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 financial statements or to the 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 expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Accavallo & Company, LLC
Shelton, Connecticut
June 11, 2025

CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Pass Through to Subrecipients	Federal Expenditures
<u>Department of Agriculture:</u>				
Passed through the Connecticut Department of Education:				
School Nutrition Cluster:				
National School Lunch Program	10.555	12060-SDE64370-20560	\$ -	\$ 1,337,699
National School Lunch Program-USDA Commoditie	10.555	12060-SDE64370-20560	-	52,109
Cash in lieu of Commodities	10.555	12060-SDE64370-20544	-	1,318
School Breakfast Program	10.553	12060-SDE64370-20508	-	533,572
Summer Food Program	10.559	12060-SDE64370-20540	-	78,462
Summer Food Sponsor Admin	10.559	12060-SDE64370-20548	-	8,100
Supply Chain Assistance	10.560	12060-SDE64370-23126	-	-
Child Care Food Program	10.558	12060-SDE64370-20518	-	18,868
P-EBT Local Admin	10.649	12060-SDE64370-29802	-	3,918
Total Department of Agriculture			-	2,034,046
<u>Department of Education:</u>				
Passed through the Connecticut Department of Education:				
Title I Part A	84.010	12060-SDE64370-20679-2024-82070	-	1,006,904
Title I Part A	84.010	12060-SDE64370-20679-2023-82070	-	216,893
			-	1,223,797
Perkins Secondary Grant	84.048	12060-SDE64370-20742-2024-84010	-	59,371
Perkins Secondary Grant	84.048	12060-SDE64370-20742-2022-84010	-	36,958
			-	96,329
Improving Teacher Quality	84.367	12060-SDE64370-20858-2024-84131	-	76,092
Improving Teacher Quality	84.367	12060-SDE64370-20858-2023-84131	-	23
			-	76,115
Title III English Language	84.365	12060-SDE64370-20868-2024-82075	-	10,956
Title III English Language	84.365	12060-SDE64370-20868-2023-82075	-	5,110
			-	16,066
Title IV Part B 21st Century	84.287	12060-SDE64370-20863-2024-84131	-	87,946
Title IV Part B 21st Century	84.287	12060-SDE64370-20863-2022-84131	-	54,252
			-	142,198
Title IV Part A Student Support Grant	84.424	12060-SDE64370-22854-2024-82079	-	15,752
Title IV Part A Student Support Grant	84.424	12060-SDE64370-22854-2023-82079	-	48,154
Title IV Part A Student Support Grant	84.424	12060-SDE64370-22854-2019-82079	-	2,315
CT Stronger Connections Grant - 2024	84.424A	12060-SDE64370-23275-2024-82153	-	33,459
			-	99,680
Special Education Cluster (IDEA)				
IDEA Part B Section 611	84.027	12060-SDE64370-20977-2024-82032	-	564,303
IDEA Part B Section 611	84.027	12060-SDE64370-20977-2023-82032	-	185,028
IDEA Part B -CT SEDS	84.027	12060-SDE64370-20977-2020-82032	-	207
IDEA Part B Section 611	84.027	12060-SDE64370-20977-2023-82032	-	3,550
IDEA Part B Section 611	84.173	12060-SDE64370-20983-2024-82032	-	7,137
ARP IDEA 619 2021-23	84.173	12060-SDE64370-20983-2023-82032	-	836
			-	761,061
COVID 19-Education Stabilization fund				
ESSER II Funds	84.425D	12060-SDE64370-29571-2020-82079	-	589,107
American Rescue Plan Elementary and Secondary Scl	84.425U	12060-SDE64370-29636-2021-82079	-	2,689,948
ESSER II Funds SPED Recovery Act 2021-23	84.425D	12060-SDE64370-29571-2021-82032	-	9,927
ARP ESSER Homeless Children and Youth	84.425W	12060-SDE64370-29650-2021-82079	-	9,593
			-	3,298,575
Total Department of Education			-	5,713,821

See Notes to the Schedule of Expenditures of Federal Awards.

CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Pass Through to Subrecipients	Federal Expenditures
<u>Department of Homeland Security:</u>				
Passed through the State of Connecticut Department of Emergency Services and Public Protection:				
Emergency Performance Grant-2016 (FY 17-18)	97.042	12060-DPS32982-21881	-	5,602
Emergency Performance Grant-2016 (FY 17-18)	97.042	12060-DPS32982-21881	-	5,401
Emergency Performance Grant-2016 (FY 17-18)	97.042	12060-DPS32982-21881	-	138
			-	11,141
<u>U.S. Department of Health and Human Services:</u>				
Passed Through the State of Connecticut Office of Early Childhood Development:				
American Rescue Plan Act - Child Care Stabilization	93.575	12060-OEC64806-29647 -83027	-	56,614
American Rescue Plan Act - Child Care Stabilization	93.575	12060-OEC64806-29647 -83027	-	7,185
			-	63,799
<u>U.S. Department of Justice:</u>				
Passed through the State of Connecticut Office of Policy Management:				
Bulletproof Vest Partnership Program	16.607	N/A	-	3,920
<u>Department of Transportation:</u>				
Passed Through the State of Connecticut Department of Transportation:				
Highway Planning and Construction	20.205	12062-DOT57191-22108	-	78,753
Highway Planning and Construction	20.205	12062-DOT57191-22108	-	10,250
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091	-	9,740
National Priority Safety Program	20.616	12062-DOT57513-22600	-	9,249
			-	107,992
<u>United States Department of the Treasury:</u>				
Passed Through the State of Connecticut Office of Early Childhood Development:				
COVID 19-CSLFRF School Readiness	21.027	12060-OEC64845-28227-83014	-	61,304
COVID 19-CSLFRF School Readiness	21.027	12060-OEC64845-28227-83014	-	47,440
			-	108,744
Passed Through the State of Connecticut Department of Emergency Services and Public Protection:				
COVID 19-CSLFRF Auto Theft and Violence	21.027	12060-DPS32155-28122	-	22,212
Passed Through the State of Connecticut Department of Rehabilitation Services:				
COVID 19-CSLFRF Senior Centers	21.027	12060-SDR63901-28009	-	10,000
Passed Through the State of Connecticut Office of Policy and Management:				
Coronavirus State and Local Fiscal Recovery Fund	21.027	12060-OPM20600-29669	-	793,126
Passed Through the State of Connecticut Department of Education:				
COVID 19-CSLFRF Right to Read	21.027	12060-SDE64370-29732	-	116,000
COVID 19-CSLFRF FAFSA Completion	21.027	12060-SDE64370-28092	-	4,500
COVID 19-CSLFRF School Mental Health Specialist	21.027	12060-SDE64370-28095	-	87,437
COVID 19-CSLFRF Dual Credit Expansion	21.027	12060-SDE64370-29636	-	17,146
COVID 19-CSLFRF Priority School Districts and Fa	21.027	12060-SDE64370-29733	-	88,919
			-	1,248,084
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 9,182,803

See Notes to the Schedule of Expenditures of Federal Awards.

CITY OF ANSONIA, CONNECTICUT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

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 City of Ansonia, Connecticut, under programs of the federal government for the year ended June 30, 2024. 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 City of Ansonia, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the City of Ansonia, 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 for all awards. Under these principles certain types of expenditures are not allowable or are limited as to reimbursement.

2. NONCASH AWARDS

Donated commodities in the amount of \$52,109 are included in the Department of Agriculture's National School Lunch Program, CFDA #10.555. This amount represents the market value of commodities received.

3. INDIRECT COST RECOVERY

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

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? X Yes _____ None reported
- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant Deficiencies identified that are not considered to be material weakness(es)? _____ Yes X None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

Federal Grantor/Pass Through <u>Grantor/Program Title</u>	Federal Assistance <u>Listing Number</u>	<u>Expenditures</u>
COVID-19 Education Stabilization Fund Coronavirus State and Local Fiscal Recovery Fund	84.425D/84.425U/84.425W 21.027	3,298,575 <u>1,248,084</u> <u>\$ 4,546,659</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? _____ Yes X No

CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION II - FINANCIAL STATEMENT FINDINGS

Our report on internal control over financial reporting indicated the following significant deficiencies:

***2024-001 Availability of financial information**

Finding: During the audit process, information from various departments related to numerous audit schedules and related information was unavailable in a timely manner. The City's audit for the year ended June 30, 2024, did not start until October 2024. In addition, some schedules and required information were not available for audit until June 2025.

Criteria: Information related to financial statements should be presented at the close of the fiscal year or at a reasonable time thereafter.

Cause: The causes are as follows:

- Unplanned turnover in key personnel and management level personnel for several months,

Effect: The timely availability of information related to the financial statements has delayed the completion of the audited financial statements and other submissions that rely upon the audited financial statements.

Recommendation: The preparation of information relative to the financial statements in accordance with the City's reporting requirements should be provided in a timely manner. Schedules, reports and other financial information related to the City's financial condition should be maintained monthly throughout the year. A review of the audited financial statements should be done by accounting personnel so that all supporting schedules and records are prepared timely and available to be audited within a reasonable period after year-end.

Management's

Response: Management's response is as follows:

- The City Finance Department staff continues to work on establishing more efficient job functions and is becoming more proficient with the new software. On the Board of Education side, staffing levels continue to be negatively impacted by changes in personnel.
- Additional training on the new purchase order software continues to be completed by staff outside of Finance and additional hours of training are planned to bring additional departments onboard.
- Overtime hours for the Finance Department was requested and approved during the FY25 and FY26 budget processes.
- We continue the process of cross-training with the Board of Education staff to allow us to assist them in covering for unexpected absences.
- A Debrief of the FY24 Audit will be scheduled to review and look for additional areas of improvement.

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

2024-002 Board of Education Procedures

Finding: The Board of Education currently does not have regular operating procedures that allow for complete and accurate reporting. The operating fund is not reconciled to the City on a regular monthly basis and the remaining Board of Education funds (Educational Grants, School Lunch, School Readiness and Student Activities) needed significant corrections prior and after being given to the auditor in June 2025.

Criteria: All funds should be maintained using a double entry accounting with a complete and accurate full trial balance. Those respective trial balances should be reconciled monthly utilizing the reconciliation system that is integrated within the software. Once reconciled, the information should be given to the City's finance office.

Cause: The causes are as follows:

- Turnover in the Business Manager position during the audit process,
- Lack of policy and procedural manual, and
- Underutilization of current accounting system.

Effect: Audit process was significantly delayed. Cash flow planning and budgeting for subsequent periods is almost impossible if information is not reconciled timely.

Recommendation: An implementation system needs to be put in place to account for vacancies in key financial positions. We recommend overlapping hiring in key positions and cross-training of individuals to allow for the regular reconciliation process to take place even though the Business Manager position is vacant. We also recommend that a policy and procedure manual be completed and utilized.

Management's Response: Management's response is as follows:

- Focus on long term solution to filling Business Manager position. This may involve search firm or consulting firm to find viable candidate. Candidate may need to come from outside education field with experience in audit, financial and accounting processes and procedures and diverse ERP knowledge.
- Study, formulate and publish policy documentation and procedures across job function within accounting/finance departments in Central Office. Policy and procedures should focus not only on monthly reconciliation but also job function coverage amongst employees. Also, policy documentation should be created in concert with the City Finance Department.
- Support and fund professional development of existing ERP system, School ERP Pro, for staff. This should go beyond just annual closing procedures and should span across job function.

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

* Indicates that this is a repeat finding from prior year.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Our report on compliance and other matters indicated no findings or questioned costs.

**CITY OF ANSONIA, CONNECTICUT
SUMMARY SCHEDULE OF PRIOR YEAR'S FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

2023-001 Availability of financial information

Finding: During the audit process, information from various departments related to numerous audit schedules and related information was unavailable in a timely manner. The City's audit for the year ended June 30, 2023, did not start until October 2023. In addition, some schedules and required information were not available for audit until December 2023.

Disposition: This finding is repeated as 2024-001.

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STATE SINGLE AUDIT



Accavallo & Company LLC
Certified Public Accountants
1000 Bridgeport Avenue, Suite 410
Shelton, Connecticut 06484
P: 203-925-9600
F: 203-925-9610

Principals
John A. Accavallo CPA
Marilyn L. Ferris MBA CPA

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

To the Honorable Mayor,
Members of the Board of Aldermen and
Members of the Board of Apportionment and Taxation
City of Ansonia, Connecticut

Report on Compliance for Each Major State Program
Opinion on Each Major State Program

We have audited the City of Ansonia, Connecticut, 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 City of Ansonia, Connecticut, Connecticut's major state programs for the year ended June 30, 2024. The City of Ansonia, 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 City of Ansonia, Connecticut, 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, 2024.

Basis of 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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 City of Ansonia, 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 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, in a timely basis. A significant deficiency in internal control over compliance is a deficiency, or 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 in 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 City of Ansonia, Connecticut, Connecticut, and the related notes to the financial statements, which collectively comprise the City of Ansonia, Connecticut's basic financial statements as of and for the year ended June 30, 2024, and have issued our report thereon dated June 11, 2025, 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 awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Accavallo & Company, LLC
Shelton, Connecticut
June 11, 2025

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024**

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Identification Number	Pass Though to Subrecipients	Expenditures
<u>State Department of Education:</u>			
Alliance Grant	11000-SDE64370-17041	\$ -	\$ 4,329,576
Alliance Grant	11000-SDE64370-17041	-	30,313
Priority School District	11000-SDE64370-17043	-	818,051
Adult Education	11000-SDE64370-17030	-	120,823
School accountability summer school	11000-SDE64370-17109	-	50,970
Extended School Hours	11000-SDE64370-17108	-	42,519
Talent Development	11000-SDE64370-12552	-	4,083
Healthy foods grant	11000-SDE64370-16212	-	24,861
Child Nutrition	11000-SDE64370-16211	-	14,357
State School Breakfast	11000-SDE64370-17046	-	10,609
Open Choice Program	11000-SDE64370-17053	-	2,472
Hlth & Welfare-Priv Schl Pupil	11000-SDE64370-17034	-	13,535
Total State Department of Education		-	5,462,169
<u>Office of Early Childhood:</u>			
Early Care and Education	11000-OEC64845-16274	-	1,136,867
Smart Start -operations	11000-OEC64845-16279	-	74,688
Early Care and Education	11000-OEC64845-16274	-	52,995
School Readiness Quality enhancement	11000-OEC64845-16158	-	6,447
Early Childhood-Wage Support Grant	11000-OEC64806-12639	-	26,904
Total Office of Early Childhood		-	1,297,901
<u>Department of Administrative Services:</u>			
Community Based Prevent Program	11000-DCF91141-16092	-	5,716
Youth Service Bureau	11000-DCF91141-17052	-	16,021
Youth Service Bureau Enhancement	11000-DCF91141-17107	-	10,755
Total Department of Administrative Services		-	32,492
<u>Office of Policy and Management:</u>			
Local Capital Improvement Program	12050-OPM20600-40254	-	117,209
Tiered PILOT	11000-OPM20600-17111	-	231,055
Body and Dash Cameras	12052-OPM20350-43760	-	71,233
Exemption	11000-OPM20600-17011	-	1,447
Property Tax Relief for Veterans	11000-OPM20600-17024	-	6,808
Municipal Purposes and Projects	12052-OPM-20600-43587	-	85,419
Total Office of Policy and Management		-	513,171
<u>Department of Economic and Community Development:</u>			
DECD Brownfield Grant Supply Funding	12052-ECD46000-46260	-	173,289
Brownfield Remediation and Development Round 13	12052-ECD46000-46260	-	56,178
Brownfield Remediation and Development Round 15	12052-ECD46000-46260	-	199,378
Total Department of Economic and Community Development		-	428,845

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

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024**

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Identification Number	Pass Through to Subrecipients	Expenditures
<u>Department of Energy and Environmental Protection:</u>			
Connecticut Bikeways	12052-DEP44321-43314	-	810
PEGPETIA	12060-DEP44620-35363	-	90,981
Solid Waste Management Account	11000-DEP44920-12488	-	29,576
		-	121,367
<u>Department of Public Safety:</u>			
Volunteer Firefighter Training	11000-DPS32251-17110	-	1,350
Volunteer Firefighter Training	11000-DPS32251-17110	-	2,546
		-	3,896
<u>Secretary of State:</u>			
Early Voting	1100-SOS12500-12651	-	2,388
<u>Department of Transportation:</u>			
Local Transport Capital Program	13033-DOT57197-43584	-	21,611
Town Road Aid Grants-Municipal	12052-DOT57131-43455	-	157,609
Town Road Aid-STO	13033-DOT57131-43459	-	157,609
		-	336,829
TOTAL STATE FINANCIAL ASSISTANCE BEFORE EXEMPT PROGRAMS			8,199,058
EXEMPT PROGRAMS:			
<u>Department of Education:</u>			
Education Cost Sharing	11000-SDE-64370-17041	-	14,975,139
Special Education - Excess Cost Student Based	11000-SDE-64370-17047	-	2,014,291
		-	16,989,430
<u>Office of Policy and Management:</u>			
Municipal Transition	11000-OPM20600-17103	-	855,746
Municipal Revenue Sharing	12060-OPM20600-35458	-	555,160
Grants to Towns	12009-OPM20600-17005	-	113,045
			1,523,951
TOTAL EXEMPT PROGRAMS			18,513,381
TOTAL STATE FINANCIAL ASSISTANCE			\$ -
			\$ 26,712,439

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

**CITY OF ANSONIA, CONNECTICUT
NOTES TO THE SCHEDULE OF EXPENDITURES
OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the City of Ansonia, Connecticut under programs of the State of Connecticut for the fiscal year ended June 30, 2024. Various departments and agencies of the State Government have provided financial assistance to the City of Ansonia, Connecticut through grants and other authorizations provided by the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including housing, education, health and human services and general government activities.

Basis of Accounting

The accounting policies of the City conform to generally accepted accounting principles applicable to governments. The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

The expenditures reported on the Schedule of Expenditures of State Financial Assistance 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 expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditure's column of the Schedule of Expenditures of State Financial Assistance.

2. LOAN PROGRAM

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 loan program activity for the year ended June 30, 2024:

Department of Environmental Protection:

Clean Water Funds 21014-OTT14230-4001:

<u>Project Number</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance July 01, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2024</u>
311-DC	9/30/2007	2%	<u>\$ 5,082,808</u>	<u>\$ 602,009</u>	<u>\$ -</u>	<u>\$ 296,217</u>	<u>\$ 357,792</u>
554-DC	6/29/2012	2%	<u>\$ 35,822,895</u>	<u>\$ 15,915,363</u>	<u>\$ -</u>	<u>\$1,853,061</u>	<u>\$ 14,062,302</u>

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? _____ Yes X No
- Significant Deficiencies identified? _____ X Yes _____ None reported
- Noncompliance material to financial statements noted? _____ Yes X No

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiencies identified? _____ Yes X None reported

Type of auditors' report issued on compliance for major programs:

Unmodified

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?

_____ Yes X No

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

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Identification Number	Expenditures
<u>Department of Education:</u>		
Alliance Grant	11000-SDE64370-17041	\$ 4,329,576
Alliance Grant	11000-SDE64370-17041	30,313
Priority School District	11000-SDE64370-17043	818,051
<u>Office of Early Childhood:</u>		
Early Care and Education	11000-OEC64845-16274	1,136,867
<u>Office of Policy and Management:</u>		
Tiered PILOT	11000-OPM20600-17111	231,055
<u>Department of Economic and Community Development:</u>		
DECD Brownfield Grant Supply Funding	12052-ECD46000-46260	173,289
Brownfield Remediation and Development Round	12052-ECD46000-46260	56,178
Brownfield Remediation and Development Round	12052-ECD46000-46260	199,378
<u>Department of Transportation:</u>		
Town Road Aid Grants-Municipal	12052-DOT57131-43455	157,609
Town Road Aid-STO	13033-DOT57131-43459	157,609
		<u>\$ 7,289,925</u>

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

**CITY OF ANSONIA, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

II. FINANCIAL STATEMENTS FINDINGS

Our report on internal control over financial reporting indicated the following significant deficiencies as items 2024-001 and 2024-002 as listed on pages 13 and 14.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No findings or questioned costs are reported relating to State Financial Assistance Programs.



City of Ansonia

253 Main Street
Ansonia, Connecticut 06401

State Single File Audit Correction Action Plan For the Fiscal Year Ended June 30, 2024

June 16, 2025

Office of Policy and Management
450 Capital Avenue MS-54MFS
Hartford, Connecticut 06106-1379
Municipal Finances Services Unit
Attn: William Plummer

AUDIT FINDINGS

SECTION II - FINANCIAL STATEMENT FINDINGS

Our report on internal control over financial reporting indicated the following significant deficiencies:

***2024-001 Availability of financial information**

Finding:	During the audit process, information from various departments related to numerous audit schedules and related information was unavailable in a timely manner. The City's audit for the year ended June 30, 2024, did not start until October 2024. In addition, some schedules and required information were not available for audit until June 2025.
Criteria:	Information related to financial statements should be presented at the close of the fiscal year or at a reasonable time thereafter.
Cause:	<p>The cause was as follows:</p> <ul style="list-style-type: none">• Unplanned turnover in key personnel and management level personnel for several months.
Effect:	The timely availability of information related to the financial statements has delayed the completion of the audited financial statements and other submissions that rely upon the audited financial statements.
Recommendation:	The preparation of information relative to the financial statements in accordance with the City's reporting requirements should be provided in a timely manner. Schedules, reports and other financial information related to the City's financial condition should be maintained monthly throughout the year. A review of the audited financial statements should be done by accounting personnel so that all supporting schedules and records are prepared timely and available to be audited within a reasonable period after year-end.

Management's

Response:

Management's response is as follows:

- The City Finance Department staff continues to work on establishing more efficient job functions and is becoming more proficient with the new software. On the Board of Education side, staffing levels continue to be negatively impacted by changes in personnel.
- Additional training on the new purchase order software continues to be completed by staff outside of Finance and additional hours of training are planned to bring additional departments onboard.
- Overtime time hours for the Finance Department was requested and approved during the FY25 and FY26 budget processes.
- We continue the process of cross training with the Board of Education staff to allow us to assist them in covering for unexpected absences.
- A Debrief of the FY24 Audit will be scheduled to review and look for additional areas of improvement

Name of Contact Person: Kimberly DeStefano, Acting Comptroller

Projected Completion Date: Some items have been completed and others will be as soon as possible.

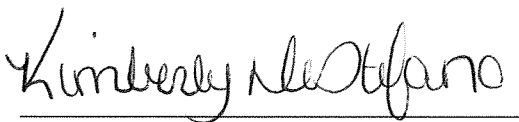
SIGNED:



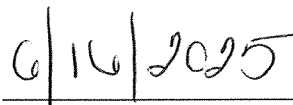
Mayor David S. Cassetti



Date



Kimberly DeStefano
Acting Comptroller



Date

***2024-002 Board of Education Procedures**

Finding: The Board of Education currently does not have regular operating procedures that allow for complete and accurate reporting. The operating fund is not reconciled to the City on a regular monthly basis and the remaining Board of Education funds (Educational Grants, School Lunch, School Readiness and Student Activities) needed significant corrections prior and after being given to the auditor in June 2025.

Criteria: All funds should be maintained using a double entry accounting with a complete and accurate full trial balance. Those respective trial balances should be reconciled monthly utilizing the reconciliation system that is integrated within the software. Once reconciled, the information should be given to the City's finance office.

Cause: The causes are as follows:

- ☐ Turnover in the Business Manager position during the audit process,
- ☐ Lack of policy and procedural manual, and
- ☐ Underutilization of current accounting system.

Effect: Audit process was significantly delayed. Cash flow planning and budgeting for subsequent periods is almost impossible if information is not reconciled timely.

Recommendation:

An implementation system needs to be put in place to account for vacancies in key financial positions. We recommend overlapping hiring in key positions and cross-training of individuals to allow for the regular reconciliation process to take place even though the Business Manager position is vacant. We also recommend that a policy and procedure manual be completed and utilized.

Management's

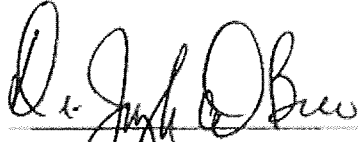
Response: Management's response is as follows:

- Focus on long term solution to filling Business Manager position. This may involve search firm or consulting firm to find viable candidate. Candidate may need to come from outside education field with experience in audit, financial and accounting processes and procedures and diverse ERP knowledge.
- Study, formulate and publish policy documentation and procedures across job function within accounting/finance departments in Central Office. Policy and procedures should focus not only on monthly reconciliation but also job function coverage amongst employees. Also, policy documentation should be created in concert with City Finance Department.
- Support and fund professional development of existing ERP system, School ERP Pro, for staff. This should go beyond just annual closing procedures and should span across job function.

Name of Contact Person: Erich Marriott, Business Manager

Projected Completion Date: Some items have been completed and others will be as soon as possible.

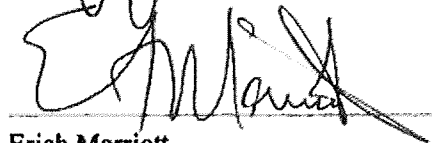
SIGNED:



Dr. Joseph DiBacco, Superintendent of Schools

6/17/25

Date



Erich Marriott
Business Manager

6/17/25

Date